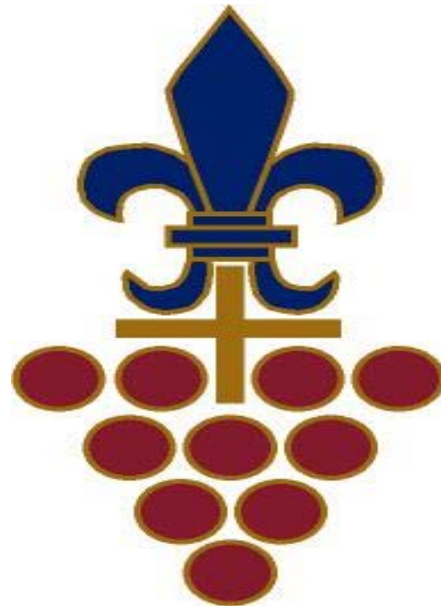


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**APPENDIX 1**

**STELLENBOSCH MUNICIPALITY**



**MEDIUM TERM REVENUE AND  
EXPENDITURE FRAMEWORK FOR THE  
FINANCIAL PERIOD  
2022/2023 TO 2024/2025**

**Vision:**

*We describe the vision of where we want to be as a Municipality and the Greater Stellenbosch area as the*

***“An Integrated Valley of Opportunity and Innovation”***

**Mission:**

Our mission is to deliver services in an enabling environment through sustainable, cost-effective and accountable services for our community.

**Our Values**

In all our work and engagements with the community and other stakeholders, we subscribe to the following values:

**Integrity:** As servants of the public, we undertake to perform the functions and operations of the Municipality in an honest and ethical manner.

**Accountability:** As responsible public servants, we pledge to perform our duties in a manner that is open to oversight and public scrutiny. This commitment is shaped by our understanding to give an account of our actions to individuals, groups and organisations.

**Transformation:** We, as custodians of hope, will work tirelessly at transforming our Municipality, communities and broader society by unlocking the endless possibilities that our valley holds and treasures. This commitment is shaped by our understanding of the historical, spatial, social and economic inequalities in our valley.

**Innovation:** We will continuously review our systems, procedures and processes to make them less bureaucratic and more responsive to customer needs. We will acknowledge and reward initiatives that show creativity and ingenuity.

**Excellence:** As a municipality, we will strive to deliver excellent services for all areas within the greater Stellenbosch.

**Responsiveness:** The municipality to be a responsive municipal entity with zero tolerance for corruption and illegal actions.

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## PART A

### A: RESOLUTIONS

It is recommended to Council,

- a) that the Draft High Level Budget Summary, as set out in APPENDIX 1 – PART 1 – SECTION C; be approved for public release and comment;
- b) that the Draft Annual Budget Tables as prescribed by the Budgeting and Reporting Regulations, as set out in APPENDIX 1 – PART 1 – SECTION D, be approved for public release and comment;
- c) that the proposed Grants-In-Aid allocations as set out in APPENDIX 1 – PART 2 – SECTION J, be approved for public release and comment;
- d) that the three-year Capital Budget for 2022/2023, 2023/2024 and 2024/2025, as set out in APPENDIX 1 – PART 2 – SECTION N, be approved for public release and comment;
- e) that the proposed draft rates on properties in WCO24, tariffs, tariff structures and service charges for water, electricity, refuse, sewerage and other municipal services, as set out in APPENDIX 3, be approved for public release and comment;
- f) that the proposed amendments to existing budget related policies and other policies as set out in APPENDICES 4 - 32, be approved for public release and comment.
- g) that Council specifically note and consider the need to take up an external loan, needed for investment in income generating infrastructure to the amount of R441 millions of which R140 million will be required in year one, R160 million in year two and R141 million in year three (refer to Section G: High Level Budget Overview and Table A1 Budget Summary) and confirm approval of same;
- h) that Council specifically take note of the fact that the proposed electricity charges and tariff structure is subject to NERSA approval that could change materially; and
- i) that Council takes note of MFMA circulars 112 and 115 that was published to guide the MTREF for 2022/2023 to 2024/2025 as set out in APPENDICES 33 – 34.

**B: EXECUTIVE SUMMARY**

Municipalities are facing many challenges, the two main challenges being the COVID -19 pandemic and its impact and on the other hand the weak economy, that has become weaker as a result of the aforementioned pandemic. The pandemic and the restrictions implemented to slow the spread thereof, caused widespread social and economic distress and continues to take a toll on global growth.

The world economy is expected to grow 4.4 per cent this year, lower than the 4.9 per cent that was anticipated with the tabling of the *Medium-Term Budget Policy Statement (MTBPS)*.

Significant risks to the economic outlook include new COVID-19 variants, such as the Omicron variant that caused many countries, including South Africa, to impose restrictions to manage the spread. Continues interruptions in power supply, rising inflation and fiscal risks are also some of the risks highlighted in the Budget 2022 Review. The aforementioned risks resulted in the revision of the economic growth estimate for 2021 from 5.1 per cent, at the time of the MTBPS, to 4.8 per cent. This revision reflects a combination of the impact of changes on the global environment, along with the local challenges. The economy began to bounce back from the pandemic lockdowns in 2021, but the recovery weakened in the second half of the year. The projected GDP growth for 2022 is 2.1 per cent reducing to an average of 1.8 per cent in 2023 and 2024.

A more rapid implementation of economic reforms, complemented by fiscal consolidation, will ease investor concerns and support faster recovery and higher levels of economic growth over the long term. The reduction of regulatory constraints, providing effective services, and coordinating and sequencing economic interventions will bolster public and private investment, which will increase resilience and support economic transformation.

The medium-term outlook for economic growth is moderately stronger than at the time of the 2021 Medium Term Budget Policy Statement. The economy is expected to reach pre-pandemic levels of GDP this year. Reforms to boost investment, GDP growth and employment are under way. Faster implementation of these reforms will bolster confidence and economic recovery.

Stats SA figures reflects the impact of the pandemic and slow recovery of the economy on a national level as follow:

- South Africa's gross domestic product (GDP) increased by 1,2% in the fourth quarter of 2021.

- The personal services industry increased by 2,7%, contributing 0,4 of a percentage point to GDP growth. Increased economic activities were reported for community and other producers.
- The manufacturing industry increased by 2,8% in the fourth quarter, contributing 0,3 of a percentage point to GDP growth. Eight of the ten manufacturing divisions reported positive growth rates in the fourth quarter. The petroleum, chemical products, rubber and plastic products division made the largest contribution to the increase in the fourth quarter. The food and beverages division and textiles, clothing, leather and footwear division also made significant contributions to growth.
- The trade, catering and accommodation industry increased by 2,9%, contributing 0,3 of a percentage point to GDP growth. Increased economic activities were reported for retail trade, motor trade, and catering and accommodation services.
- The agriculture, forestry and fishing industry increased by 12,2% and contributed 0,3 of a percentage point to GDP growth. The increase was mainly due to increased production of animal products
- The transport, storage and communication industry increased by 2,2%, contributing 0,2 of a percentage point. Increased economic activity was reported for land transport and transport support services.
- Manufacturing production increased by 2,9% in January 2022 compared with January 2021. The largest positive contributions were made by the food and beverages division (11,5% and contributing 2,5 percentage points);
- Mining production increased by 0,1% year-on-year in January 2022.
- After recording eighteen months of positive year-on-year growth, South African mineral sales at current prices pulled back in January 2022, decreasing by 8,2%.
- Electricity generation (production) decreased by 1,1% year-on-year in January 2022
- Electricity distribution (consumption) decreased by 0,2% year-on-year in January 2022.

The aforementioned are just some of the national points which reflects directly on our own economy and how it has been affected.

The 2021 *Medium Term Budget Policy Statement* (MTBPS) detailed notable progress on structural reforms through Operation Vulindlela. Progress was made on several key reforms

outlined in its October 2020 economic recovery plan, which are critical to economic recovery, namely, electricity, transport, tourism, water, telecommunications and infrastructure. It is clearly reflected in the MTBPS that the fiscal strategy for fiscal consolidation and economic recovery remains broadly unchanged, with a focus on achieving a primary budget surplus, where revenue exceeds non-interest spending from 2024/2025. The same goal was reiterated in the 2022 *Budget Review* however it was envisioned that the aforementioned could be achieved as early as 2023/2024.

Broad structural change is required to achieve a faster recovery, characterized by growing investment in job creation. Government's economic reforms aims to remove barriers to growth, lower cost of doing business, and bolster confidence and investment. The economic recovery plan focuses on high impact reforms, namely, speeding up the expansion of electricity generation, creating jobs, rolling out infrastructure aligned with the National Development Plan, amongst others.

Longstanding structural constraints entrench South Africa's high levels of poverty and unemployment. Government continues to advance a multifaceted strategy to achieve higher and sustained economic growth rates. These reforms are intended to build private-sector confidence and investment. Government's recovery plans places emphasis on raising the economy's long-term growth rate; structural reforms that will lower the barriers to faster, inclusive growth by improving access to reliable electricity, water and sanitation services; enabling digital services that are cost-effective; promoting green economy and supporting industries with high employment potential such as agriculture and tourism. As a result of these circumstances, the 2022 Budget strikes a difficult balance between providing immediate support for the economy and shoring up the country's public finances.

Medium-term fiscal policy focuses on extending temporary support in response to the COVID-19 pandemic, narrowing the budget deficit, stabilizing debt and exercising continued restraint in non-interest expenditure growth, while improving the composition of expenditure. Global uncertainties and an uneven domestic recovery will weigh on the economic outlook over the medium term. While the outlook for 2022 has been revised upward, persistent structural constraints continue to inhibit the pace of the recovery from COVID-19 and longer-term growth. Accelerated implementation of reforms is necessary to create jobs and encourage investment over the medium term. Over the medium term, government will devote considerable attention to strengthening the fight against corruption flowing from the reports of the State Capture Commission, cutting red tape for small businesses and strengthening the green transition. In line with government's international and domestic commitments to climate change adaptation

and mitigation, the National Treasury plans to pilot a climate budget tagging methodology, which can inform future spending priorities and budget reforms.

The 2022 *Budget Review* extends government's support to poor and vulnerable South Africans, while staying on course to restore the health of the public finances. This approach is supported by economic reforms to bolster investment, growth and employment. The 2022 *Budget Review* supports economic recovery through immediate fiscal support and medium-term fiscal reforms. The government's budget continues to consolidate the public finances while providing immediate support for the pandemic response, job creation and social protection, as outlined in the 2021 *Medium Term Budget Policy Statement (MTBPS)*. The aforementioned budget extends government's support to poor and vulnerable South Africans, while staying on course to restore the health of the public finances. This approach is supported by economic reforms to bolster investment, growth and employment. Over the next MTREF period municipalities will have to adjust to significant changes in expenditure plans while improving accountability. Transfers that focus on infrastructure, service delivery and COVID-19 spending are protected in the 2022 Budget. The aforementioned budget also includes funding for initiatives to improve municipal revenue collection and support financially distressed municipalities.

Municipalities must exercise caution when preparing their 2022/2023 MTREF budgets. It is advised that municipalities follow a conservative approach when projecting revenue and to eliminate waste and unnecessary expenditure. It is imperative that municipalities should ensure the following, namely, that budgets they adopt are realistic and funded, that debts owned are collected and that their creditors are paid within 30 days of receipt of invoice. Legislation governing local planning and budgeting places emphasis on community participation in decision-making. The partnerships between municipalities and its stakeholders relies on the households and businesses recognizing the value of, and paying for, municipal services. Therefore, the sustainability of the municipality will heavily depend on how they collect and spent their own revenues.

The 2022 Budget is framed by the two policy objectives set out in the 2021 Medium Term Budget Policy Statement (MTBPS), namely, promoting economic recovery and returning the public finances to a sustainable position. The budget addresses urgent economic needs while targeting long-term structural shortcomings and boosting infrastructure spending. It provides continued support to the economy and public health in the short term without adding to long-term spending pressures. Capital spending is the fastest-growing component of non-interest spending. A series of economic and fiscal measures are outlined in the 2022 budget, that will



be implemented to move the economy onto a new trajectory and reduce the long-term risks to South Africa's public finances. The central economic policy goal of the government is to accelerate inclusive growth and create jobs. The main objective is to ensure sustainable finances by containing the budget deficit and stabilizing public debt. The Constitution requires the national budget and related budget processes to promote values such as transparency, accountability, as well as effective management of the economy to these requirements in a difficult environment in which economic growth remains weak, public debt and debt service costs have accelerated, and governance and operational concerns are manifest across the public sector. The 2022 Budget confronts these challenges by addressing the central risks of the economy and its public finances, supporting growth-enhancing reforms and maintaining real growth in expenditure on social and economic priorities.

The President of South Africa, in his State of the Nation Address (SONA), on 10<sup>th</sup> February 2022 conceded that unemployment, poverty and inequality remains a national challenge and that job creation remains at the center of the national agenda of 2022. He also emphasized that the Economic Reconstruction and Recovery Plan (ERRP) remains the government's common programme to rebuild the economy. During the SONA the following priorities listed in the previous year's SONA were reiterated:

- Overcoming the COVID-19 pandemic;
- A massive rollout of infrastructure;
- A substantial increase in local production;
- An employment stimulus to create jobs and support livelihoods; and
- The rapid expansion of our energy generation capacity.

Implementation of a capacity building initiative, aligned to Back to Basics strategy, where the main focus will be on improving service delivery, accountability and financial management. It is always important that local government be effective and efficient, and this will be measured by its ability to perform the basic mandate of service delivery. The "Back to Basics" programme was launched to promote good governance and effective administration through cutting wastage, spending public funds prudently, hiring competent staff, and ensuring transparency and accountability in local government.

The following focus areas were highlighted, amongst others, during the State Of Nation Address:

- Water Sector: prioritise institutional reforms to ensure future water security, investment in water resources and maintenance of existing assets;

- Undertaking far-reaching measures to unleash the potential of small businesses, micro businesses and informal businesses;
- Focus on accelerating vaccine rollout;
- Fight against corruption;
- Infrastructure being central to economic reconstruction and recovery: introduction of an innovative social infrastructure delivery mechanism;
- Agriculture and related initiatives;
- Electricity crises and the focus on renewable energy production;
- Job creation and expansion of public and social employment through the Presidential Employment Stimulus programme;
- Safety and Security;
- State-owned Enterprises (SOE's): embarking on several measures to make the SOE's more efficient , competitive , accountable and sustainable;
- Digital Migration; and
- Socio-economic support.

Government's central economic policy priority remains to promote faster, job-creating growth. Various programmes and initiatives will be established and the existing one's improved upon to ensure effective implementation of the strategic priorities.

As a means to combat unemployment, the municipality will employ the following measures:

- Full participation in the Expanded Public Works Programme;
- Providing support to small businesses, which will create employment in the medium to long term;
- Establishment of Informal Traders;
- Promoting Internships and in-service training opportunities;
- Filling of critical vacancies within the municipality; and
- Developing partnerships with academic institutions for training opportunities.

The Western Cape Premier in his State of the Province address, on 15<sup>th</sup> February 2022, reiterated the following sentiments highlighted during the State of the Nation Address, including but not limited to, the challenges that are faced, the recovery plans and initiatives that were implemented to address these challenges with regards to the COVID-19 pandemic and the way forward, ending of the National State of Disaster, economic growth recovery initiatives , unemployment and job creation, improving education, building of safer communities, recovering our comprehensive health services, sustainable infrastructure development, implementation of related initiatives, provision of housing (dignified living),

decreasing homelessness, finding alternative energy sources to assist and reduce the strain on the electrical grid and provision of services to the poor households.

The Premier stated that whilst the COVID-19 pandemic has caused significant damage, and the resources at our disposal might not be sufficient to address certain challenges, it is not the same threat as last year and it has definitely not gone away. It is still present and we as a country must learn to live with the virus. This pandemic has led to job crisis, humanitarian crisis and a dignity crisis and as a result of this government commits to continue fighting for the economy and for job creation. The biggest priority for the Western Cape, going forward will be to create an environment where the private sector creates a lot of jobs, to fight against the pandemic of joblessness.

The Premiers' speech focused, amongst others, on the following areas:

- Having a budget forward approach to the pandemic;
- Normalizing COVID-19 responses and looking to the future;
- End of the National State of Disaster;
- • A new department of infrastructure to be created in the Western Cape;
- Job creation initiatives;
- Safety and Well-being;
- Improvement on health-, education-, economic-, social housing- and social services Infrastructure;
- Boosting the spending on Infrastructure;
- Sustainable Growth;
- Infrastructure projects supported by National Government;
- Safety and Security
- Increased focus on police oversight; and
- Long -term fiscal sustainability

During his Statement of the Province Address the Premier highlighted the importance of finding ways to live with the pandemic and the impact thereof on the economy, minimize unemployment by creating an environment that encourages job creation, through investment and growth and creating an environment which raises the quality of education and prepares generations for a digital future. The Premier mentioned the successes achieved through the implementation of various initiatives with focus on job creation, improvement of education and creation of an environment which encourages expanding social services through partnership with private partners, building of partnerships to foster safer communities, investments in new initiatives and maintenance of existing transport infrastructure and implementation of various

youth development programmes which in return will boost employment opportunities. All of the above focus areas are important, however, the basis of all of this is economic growth and job creation. In essence little else is possible if there is no growth or job opportunities.

The same sentiments were reiterated by the Minister of Finance and Economic Opportunities in his speech on the 14<sup>th</sup> March 2022. The Minister tabled “A Budget to Push Forward” and placed emphasis on the aforementioned focus areas of the Premier as well other areas such as the provision of support to vulnerable municipalities, improving the efficiency of expenditure by improving value for money in procurement, mitigating existing risk such as drought, fire and flooding, but also new risks, such as cyber-attacks and ensure the long-term fiscal sustainability of the Western Cape.

Provincial treasury reiterated most of the challenges and focus areas highlighted in the Premier’s State of the Province address, the SONA and the 2022 Budget Review.

Local government 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 their own revenue collections, working more efficiently and implementing cost-containment measures. In order to maintain a funded budget, municipalities need to not only focus on tariff increases, but also focus on how to eliminate expenditure that is unnecessary. Cost Containment Regulations were issued on 07 June 2019. The implementation of cost containment measures is important as it will assist municipalities to reprioritize expenditure and to free up resources targeted towards service delivery. It will also be used to eliminate wastage of public resources on non-service delivery items. The main object of the regulations is to ensure that the resources of municipalities are used in an effective, efficient and economical manner.

Municipalities face a very difficult fiscal environment, where the weak economic growth has put immense pressure on the consumer’s ability to pay for services rendered by the municipalities, while the transfers from national government are increasing at a much slower pace than in the past. As a result of the COVID-19 pandemic, the economic landscape, weak tariff setting and increases in key cost drivers to provide basic municipal services, municipalities are under pressure to generate additional revenue. Additional revenue needs to be generated because the consumer’s ability to pay for services received, continues to decline, which in turn leads to limited revenue collection. The effects of slow growth and economic challenges experienced these past years coupled with the COVID pandemic since 2020,

continues to place pressure on the finances of the average consumer (levels of disposable income and savings). This typically results in greater difficulty for the municipality with regards to the revenue collection, which have a direct impact on the municipality's ability to provide effective and efficient services, but also to budget accurately for service delivery over the short to medium term. It is as a result of above challenges, alongside continued unemployment and slow growth that a more conservative approach is advised for revenue projections.

Some municipalities have managed these challenges well, whilst others have fallen into financial distress and face liquidity problems. Province advises the new leadership to decisively address unfunded budgets through reducing non-priority spending and improving revenue management and address service delivery failures by ensuring adequate maintenance, upgrade and renewal of existing assets to enable reliable service delivery. The main focus of the municipalities should be placed on collecting the revenues owned to them and eliminating wasteful and non-core spending, as per the cost containment regulation. Furthermore, the municipality must have continuous communication with the community and other stakeholders to improve the reputation of the municipality. This in return will attract more investment in the local economy, which may result in reducing unemployment and create more job opportunities. It should be noted that consumers are more willing to pay for services if they are reliable and if the environment is well maintained.

National Treasury encourages municipalities to maintain tariff increases and adopt a tariff setting methodology at levels that reflects an appropriate balance between the affordability to poorer households and other customers, while ensuring the financial sustainability of the municipality. Municipalities must ensure that their budgets are funded from realistically anticipated revenues. This means that the municipality must refrain from assuming collection rates that are unrealistic and unattainable. Cost reflective tariff setting is a requirement of Section 74 (2) of the Municipal Systems Act, 2000 (Act No.32 of 2000, wherein it states that tariffs "must reflect the cost reasonably associated with rendering the service". The municipalities must therefore generate sufficient revenue to fully recover their costs, deliver services to customers sustainably and invest in the infrastructure that promises local economic development. The onus is placed on the municipality to comply with Section 18 of the MFMA and ensure that they fund their 2022/2023 budget from realistically anticipated revenues to be collected. Municipalities are cautioned against assuming collection rates that are unrealistic and unattainable.

The municipality must first assess the budget, before the tariff setting process, to determine whether it is effective and efficient and must ensure that it is credible for financial sustainability.

In sum, the cost considered when setting a cost reflective tariff must include day-to-day operations and maintenance costs, capital financing cost and provision for bad debt, which are collectively referred to as direct costs, and governance and administration costs referred to as indirect costs.

Tariff increases by Eskom and Water Boards is above inflation and should be considered as such while determining cost reflective tariffs. In the instance of bulk tariff increases for electricity, municipalities are encouraged to apply for electricity tariff increases that reflect the total cost of providing the service, to ensure that they are working towards achieving fully cost-reflective tariffs that will assist them to achieve financial sustainability. Municipalities should consider the following facts during the tariff setting process, namely, the costs of bulk purchases and the fluctuation in the seasonal cost thereof; the consumption patterns to enable better demand planning and management; and in the event that municipalities have been under recovering costs, embark on a process to correct their tariff structures over a reasonable time period so that cost reflective tariffs are achieved, which in turn will result in financial sustainability.

The damaging impact of the COVID-19 pandemic, the economic landscape, weak tariff setting and increases in key cost drivers for the provision of basic municipal services has put municipalities under immense pressure to generate revenue. Less revenue are collected because the ability of the consumer to pay for services is declining as the result of various economic challenges and issues.

It is as a result of the aforementioned that municipalities are therefore required to consider the following during the compilation of the 2022/2023 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 Regulation 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;
- Strictly control use of costly water tankers and fix water infrastructure to enable the sustainable provision of water;
- Prioritize the filling of critical vacant posts, especially linked to the delivery of basic services; and

- Curbing consumption of water and electricity by the indigents to ensure that they do not exceed their allocation.

The aforementioned were taken into account during the compilation of the municipality's budget.

The application of sound financial management principles for the compilation of the Stellenbosch's financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities. As a result of excellent financial discipline, the Stellenbosch Municipality has taken the theme of "Driving efficiencies- doing more with less", to heart. The municipality's business and service delivery priorities were reviewed as part of this year's planning, through the Integrated Development Plan (IDP), and the annual budget process.

Funds were shifted from low to high priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken on non-core and 'nice to have' items with regards to expenditure. The municipality has embarked on developing a revenue enhancement strategy to optimize revenue, including the collection of debt owed by consumers. Furthermore, the municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

The following budget principles and guidelines directly informed the compilation of the 2022/2023 MTREF:

- Integrated Development Plan was used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be as affordable as possible and should ideally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality. However, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- National, provincial and local priorities;
- Headline inflation forecasts; and
- Funding choices and modelling.

The Integrated Development Plan (IDP) were used as a guiding strategic document to inform the budget compilation. The challenge however is still to deliver services more efficiently and effectively with the tight financial envelope.

The main challenges experienced during the compilation of the 2022/2023 MTREF can be summarized as follows:

- The on-going difficulties in the national and local economy;
- COVID pandemic and the impact thereof on financial sustainability and the economy;
- Aging infrastructure;
- The need to reprioritise projects and expenditure within the existing resource envelope;
- The increased cost of bulk water and electricity, which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
- Attracting economic investment;
- Water Conservation;
- Electricity/ Load shedding;
- Borrowing for multi-year capital projects and refinancing of existing loans;
- Reductions in allocations of some of the National and Provincial grants due to a worsening fiscal outlook;
- Limited resources to deal with all key priorities;
- Transitional period of newly elected council;
- Compilation of new five year Integrated Development Plan;
- Slowdown in new developments; and the
- Decline in reserves available to fund capital programmes.

Stellenbosch municipality's revenue strategy was based on the following fundamentals, namely, tariff policies of the municipality, economic outlook and development for Stellenbosch and surrounding areas, National Treasury's guidelines and macroeconomic policy, National, Provincial and Regional fiscal growth rates and electricity tariffs as approved by National Electricity Regulator of South Africa (NERSA).

The financial resources to fund the Operational Budget will and must consist of realistically anticipated revenue generated from property taxes, service charges and other income. The municipality were mindful of the estimated headline inflation for 2022/2023 of between 3% to 6% forming the basis of the extensive income modelling exercise, but also taking into account the principles of economical services that are cost reflective, trading services generating



surpluses, the effect of escalating salary costs and bulk purchases. Inflation is forecast to fluctuate around 4.5% over the medium term in line with moderating inflation expectations.

The national budget focuses on fiscal consolidation. This means that we as municipalities must ensure that we do not borrow beyond our ability to repay and we do not spend money we do not have, until we ignite growth and generate revenue, we have to be tough on ourselves.

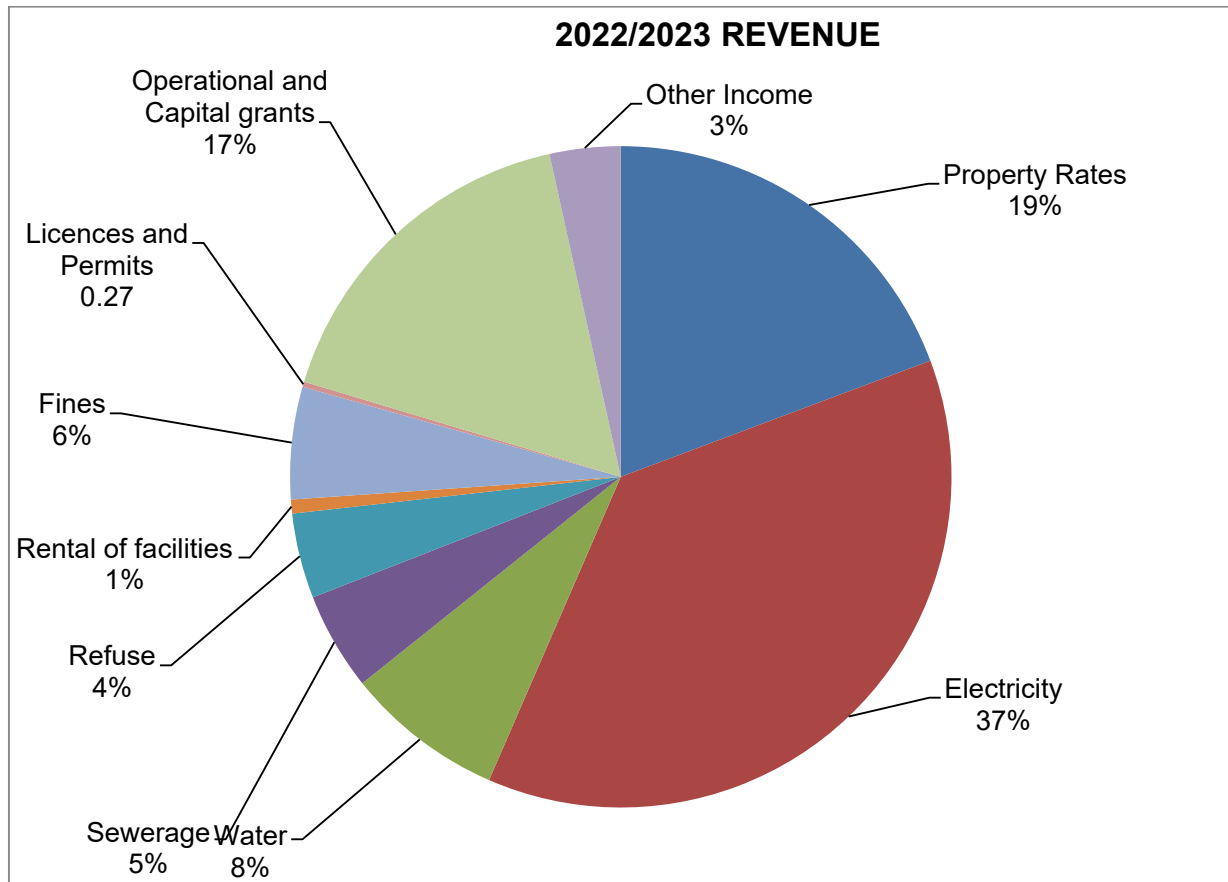
The total budget quantum for the 2022/2023 year is R2 516 434 982 of which R2 111 161 778 (84%), is allocated to the operating budget and R405 273 204 (16%) to capital investment.

## OPERATING BUDGET – REVENUE

Overall revenue budget increase was limited to 7.43% resulting in annual operating revenue increasing from R2 110 706 768 in 2021/2022 to R2 280 168 565 in 2022/2023. Taking cognisance of the economic conditions, the resultant low employment levels and levels of disposable income, it was important to keep services affordable by critically looking at the costs associated with providing the service.

Accordingly, management investigated potential pitfalls and amongst others found that spiralling expenditure on employee costs did not keep trend with realistically anticipated revenue streams, compounded by the decline in electricity surpluses as a result of higher input costs to provide the service.

| REVENUE CATEGORIES           | 2021/2022            | 2022/2023            | % INCR       |
|------------------------------|----------------------|----------------------|--------------|
| Property Rates               | 415,667,656          | 439,857,715          | 5.82%        |
| Electricity                  | 787,275,170          | 848,868,900          | 7.82%        |
| Water                        | 166,399,723          | 176,782,707          | 6.24%        |
| Sewerage                     | 102,956,558          | 109,133,951          | 6.00%        |
| Refuse                       | 87,936,447           | 94,971,363           | 8.00%        |
| Rental of facilities         | 10,811,501           | 15,537,894           | 43.72%       |
| Fines                        | 120,164,832          | 124,955,174          | 3.99%        |
| Licences and Permits         | 5,778,049            | 5,934,010            | 2.70%        |
| Operational + Capital grants | 331,692,396          | 385,108,894          | 16.10%       |
| Other Income                 | 82,024,436           | 79,017,957           | -3.67%       |
| <b>Operating Revenue</b>     | <b>2,110,706,768</b> | <b>2,280,168,565</b> | <b>7.43%</b> |



- |                           |                |       |
|---------------------------|----------------|-------|
| Average tariff increases: | Property Rates | 6.20% |
|                           | Electricity    | 7.90% |
|                           | Water          | 6.20% |
|                           | Sanitation     | 6.50% |
|                           | Refuse removal | 8.00% |
  
- The Municipality succeeded in accessing the EPWP Incentive Grant for Municipalities in a bid to give some relief to the poorest of the poor by means of contract employment opportunities over the short term. The allocation for the 2022/23 financial year is R 4 928 000.

### **Rates**

In the 2022/2023 financial year, the Property Rates Tariff paid by owners will increase with 6.20%, whilst total rates also increased with 6.20%. The increase in total rates is due to interim valuations that were performed. Rates rebates to senior citizens and disabled persons are also available as per the requirements of the amended Rates Policy to qualifying ratepayers with a monthly income of R15 000 or less.

### **Electricity**

According to NERSA, the inclining block rate tariff structure is commonly used to charge for water usage. The feature of this tariff structure is that the more you use, the higher the average price. The objective of the inclining block tariff is to provide protection for lower usage customers against high price increases resulting in a reduction in tariffs to these customers. This means that higher consumption customers will see increasingly punitive charges based on their electricity usage. The municipality is implementing the directive from NERSA as part of the Municipality's Licensing Agreement and as a result had to deal with the negative impact of a declining Electricity surplus, year-on year, putting more pressure on the level and quality of services provided.

Council's attention is further drawn to the fact that the proposed electricity tariff is at 7.90% whereas the increase in electricity bulk purchases for the 2022/2023 financial year is 8.61% as approved by NERSA (National Electricity Regulator of South Africa) for implementation by all municipalities. Although the proposed tariffs increase with 7.90%, the municipality is experiencing a decrease in electricity demand as consumers are utilising alternative energy sources.

Municipalities are urged to examine the cost structure of providing electricity services and to apply to NERSA for electricity tariff increases that reflect the total cost of providing the service, so that they work towards achieving fully cost-reflective tariffs that will help them achieve financial sustainability.

### **Water**

Taking cognizance of the challenges that the country is currently experiencing due to the severe drought, the plight of the poor and the affordability of basic services, the average tariff increase for the rest of the consumptive water scales is 6.20%. The tariff is designed to cater for current and future capital investment in basic water infrastructure and the need to generate surpluses. **It is however important to note that the proposed revenue as per table A4 (Appendix 1 – Part 1 – Section D) is based on the anticipated actual performance of the income to be derived in 2022/2023 and not based on the approved budget for the same year.**

**Sewerage (Sanitation)**

The proposed increase in this tariff is 6.50%. Sanitation services is classified as an economical service. This means that the service charges for sanitation must cover the cost of providing the service, i.e. it must at least break even. This tariff increase is necessitated by operational requirements, maintenance of existing aging infrastructure, new infrastructure financing/provision and to ensure that the service is delivered in a sustainable manner. **It is however important to note that the proposed revenue as per table A4 (Appendix 1 – Part 1 – Section D) is based on the anticipated actual performance of the income to be derived in 2022/2023 and not based on the approved budget for the same year.**

**Refuse (Solid Waste)**

Refuse removal services, like sanitation are also classified as an economical service. This means that the service charges for refuse must cover the cost of providing the service, i.e. it must at least break even. The municipality will implement an above inflation tariff increase as this service does not break even and to provide for the additional expenditure for the transport of the waste from the Stellenbosch Landfill Site. The solid waste tariffs were modelled to give effect to the principle of the service charge being cost reflective as the service cannot be cross-subsidized. It is proposed that the tariff increases by 8.00% as a result of the before mentioned. The very nature of this tariff does not lend it to financing the expansion of the landfill site and therefore the proposed extension by way of constructing the new cell, was funded from council's own reserves.

**It is however important to note that the proposed revenue as per table A4 (Appendix 1 – Part 1 – Section D) is based on the anticipated actual performance of the income to be derived in 2022/2023 and not based on the approved budget for the same year.**

**Debt Management**

The municipality is currently executing all credit control and debt collection procedures as required in the approved Credit Control and Debt Collection policy. These internal procedures followed include the disconnection of services, where there are services that can be disconnected, the issuing of final notices, the conclusion of reasonable agreements where the settlement of the accounts is not possible and also the follow up on defaulting debtors not honoring arrangements. The municipality continuously enforces the above procedures to ensure that debt which is collectable is collected and all debt that is regarded as not recoverable, be written off.

The municipality developed a revenue enhancement strategy. The document focuses on the formulation and implementation of strategies to improve financial management and controls within

the municipality. The objective of any successful revenue enhancement strategy is to build and improve on current payment levels and then to recover arrear debt.

The municipality has also promulgated the Credit Control and Debt Collection By-Law on the 4<sup>th</sup> of March 2011 to strengthen the internal credit control and debt collection procedures through handing over of all debt over 90 days to the appointed attorneys.

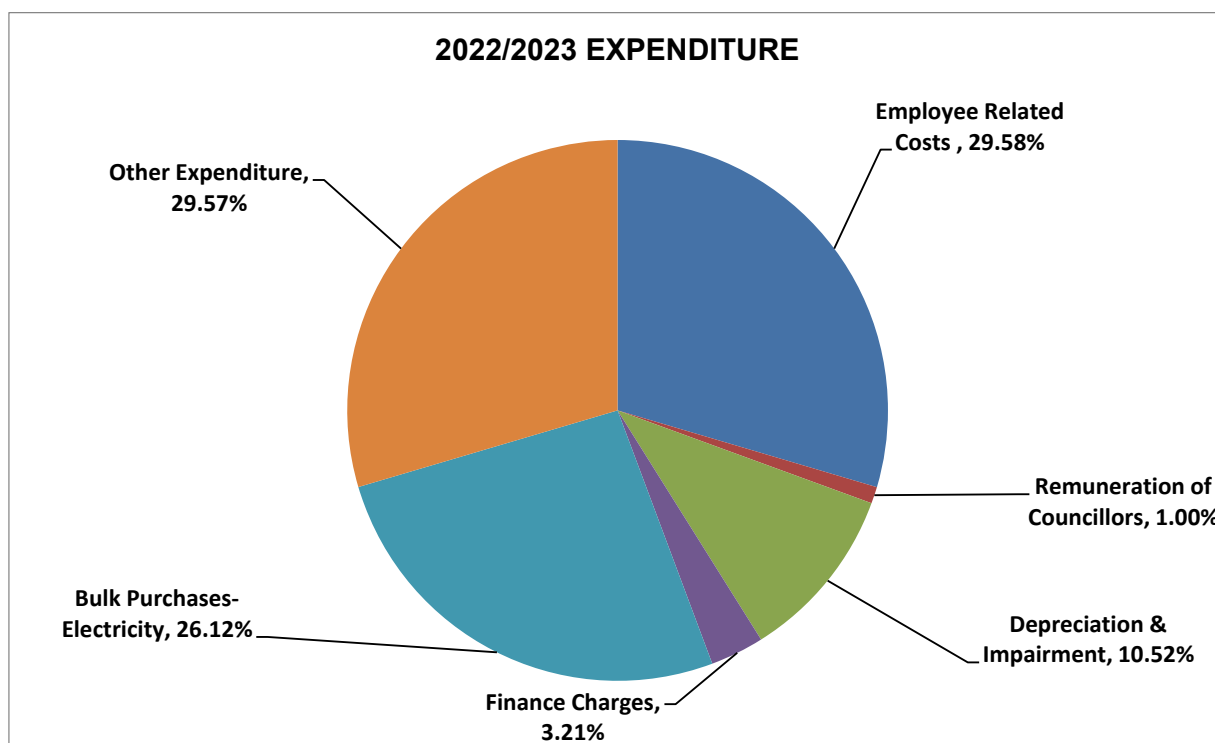
A zero-tolerance approach will be followed where consumers are able to pay for services, as this indirectly denies paying consumers the level and standard of service that they are entitled to.

**OPERATING BUDGET - EXPENDITURE**

The budget sees an increase in annual operating expenditure from R1 977 195 012 in 2021/2022 to R2 111 161 778 in 2022/2023. This 6.78% increase is primarily due to increases in several expenditure categories, examples which are included in the table below:

| <b>EXPENDITURE CATEGORIES</b> | <b>2021/2022</b>     | <b>2022/2023</b>     | <b>% INCR.</b> |
|-------------------------------|----------------------|----------------------|----------------|
| Employee Related Costs        | 577,761,894          | 624,463,763          | 8.08%          |
| Remuneration of Councillors   | 20,059,305           | 21,062,270           | 5.00%          |
| Depreciation & Impairment     | 211,541,195          | 222,118,310          | 5.00%          |
| Finance Charges               | 44,976,262           | 67,799,365           | 50.74%         |
| Bulk Purchases Electricity    | 507,699,460          | 551,412,384          | 8.61%          |
| Other Expenditure             | 615,156,896          | 624,305,686          | 0.0149         |
| <b>Total Expenditure</b>      | <b>1,977,195,012</b> | <b>2,111,161,778</b> | <b>6.78%</b>   |

**Council to note the upward pressure of external borrowing interest (Finance Charges) on future tariffs. In this regard, strong political will and strategic leadership is required to ensure that the municipality maintains the position of being responsive to its communities by ensuring that service charges are kept affordable and realistic by amongst other, critically investigating funding choices and expenditure decisions.**



***Explanation of significant expenditure variances:***

**Finance Charges**

The interest payable for the 2022/2023 financial year has been calculated on the maximum amount of possible borrowings drawn down up to the end of the 2022/2023 financial year.

**Bulk Purchases**

The municipal tariff guideline increase issued by NERSA setting the bulk purchase increase at 8.61%.

**Other expenditure**

Budgetary constraints and economic challenges meant that the municipality had to apply a combination of cost-saving interventions. These interventions include amongst other, measures to limited telephone usage and filling of critical vacancies that will result in a decrease in consulting fees.



**CAPITAL BUDGET**

The capital budget increased from R 398 107 636 in 2021/2022 to R405 273 204 in 2022/2023.

| <b>DIRECTORATE</b>                | <b>2021/2022</b>   | <b>2022/2023</b>   | <b>% INCR.</b> |
|-----------------------------------|--------------------|--------------------|----------------|
| Municipal Manager                 | 44,000             | 40,000             | -9.09%         |
| Planning and Economic Development | 17,209,720         | 15,185,000         | -11.76%        |
| Community and Protection Services | 38,617,860         | 26,850,958         | -30.47%        |
| Infrastructure Services           | 312,262,137        | 325,047,246        | 4.09%          |
| Corporate Services                | 29,573,919         | 37,900,000         | 28.15%         |
| Financial Services                | 400,000            | 250,000            | -37.50%        |
| <b>Total Expenditure</b>          | <b>398,107,636</b> | <b>405,273,204</b> | <b>1.80%</b>   |

| <b>FUNDING SOURCE</b>              | <b>2021/2022</b>   | <b>2022/2023</b>   | <b>% INCR</b> |
|------------------------------------|--------------------|--------------------|---------------|
| Capital Replacement Reserve        | 133,347,350        | 132,790,031        | -0.42%        |
| External Loan                      | 152,861,625        | 140,000,000        | -8.41%        |
| National Government                | 71,093,950         | 90,809,650         | 27.73%        |
| Provincial Government              | 40,497,350         | 29,000,000         | -28.39%       |
| Development Charges                | -                  | 12,673,523         |               |
| Public Contributions and Donations | 307,361            | -                  | -100.00%      |
|                                    | <b>398,107,636</b> | <b>405,273,204</b> | <b>1.80%</b>  |

**CAPITAL PROJECTS ABOVE R50 MILLION INCLUDED IN THE THREE YEAR MTREF**

| <b>Project Description</b>                 | <b>2022/2023</b>  | <b>2023/2024</b>   | <b>2024/2025</b>  | <b>MTREF Total</b> |
|--|-------------------|--------------------|-------------------|--------------------|
| Bien don 66/11kV substation new            | 2 600 000         | 25 000 000         | 25 000 000        | 52 600 000         |
| Expansion of the landfill site (New cells) | 44 000 000        | 41 000 000         | -                 | 85 000 000         |
| New Reservoir & Pipeline: Vlottenburg      | 20 569 470        | 39 000 000         | 45 000 000        | 104 569 470        |
| Upgrade of WWTW Wemmershoek                | 17 500 000        | 17 500 000         | 17 500 000        | 52 500 000         |
|  | <b>84 669 470</b> | <b>122 500 000</b> | <b>87 500 000</b> | <b>294 669 470</b> |

Major capital expenditure is planned in the following areas during the 2022/2023 financial year:

- Expansion of the landfill site (New cells)
- New Reservoir & Pipeline: Vlotenburg
- Upgrade of WWTW Wemmershoek
- Bien don 66/11kV substation new
- Water Treatment Works: Idasvalley
- Bulk Sewer Upgrade: Dwarsriver Area (Kylemore, Boschendal, Pniel)
- Kayamandi(Costa grounds)new substation 11 kV switching station
- STB Switchgear (11kV) SF6
- Landfill Gas To Energy
- Enkanini Informal Phase 3
- Transfer Station: Stellenbosch Planning and Design
- Bulk Water Supply Pipeline & Reservoir - Jamestown
- Sewerpipe Replacement: Dorp Straat
- Bridge Construction
- Lanquedoc Access road and Bridge
- Reseal Roads - Stellenbosch & Surrounding
- Langrug Franschhoek Mooiwater Dam Rehab & Basic Services
- Kayamandi: Zone O (±711 services)
- Sewerpipe Replacement
- Upgrade of WWTW: Klapmuts
- Extension of Cemetery Infrastructure
- Kayamandi Town Centre
- Waterpipe Replacement
- Laterra Substation
- Upgrade of WWTW: Pniel & Decommissioning Of Franschhoek
- Jamestown: Housing
- Main Road Intersection Improvements: Franschhoek
- Upgrade and Expansion of IT Infrastructure Platforms
- Electrification INEP
- Water Conservation & Demand Management
- Franschhoek Sewer Network Upgrade
- General Systems Improvements - Stellenbosch
- New Development Bulk Sewer Supply WC024
- Adam Tas - Technopark Link Road
- Electricity Network: Pniel

- Upgrade of Sport Facilities
- Bulk Water Supply Pipe Line & Pumpstations: Franschoek
- Structural Improvement: General
- Replace Switchgear - Franschoek
- Network Cable Replace 11 Kv
- Adhoc Reconstruction of Roads (WC024)
- Khayamandi Pedestrian Bridge (R304, River and Railway Line)
- Substation 66kV equipment
- Replace Control Panels 66 kV & Circuit breakers
- Ad-Hoc Provision of Streetlighting
- Dwarsriver Bulk Supply Augmentation and Network Upgrades

**C: HIGH LEVEL BUDGET SUMMARY**

|                                   | <b>Operating<br/>Income<br/>R</b> | <b>Operating<br/>Expenditure<br/>R</b> | <b>Capital<br/>Expenditure<br/>R</b> | <b>Total Budget<br/>R</b> |
|-----------------------------------|-----------------------------------|--|--------------------------------------|---------------------------|
| Municipal Manager                 | -                                 | 27,432,083                             | 40,000                               | 27,472,083                |
| Planning & Economic Development   | 22,399,078                        | 88,280,718                             | 13,935,000                           | 103,465,718               |
| Infrastructure Services           | 1,534,184,248                     | 1,261,822,520                          | 325,047,246                          | 1,586,869,766             |
| Community and Protection Services | 173,837,908                       | 418,059,325                            | 26,850,958                           | 444,910,283               |
| Corporate Services                | 11,656,741                        | 210,803,775                            | 37,900,000                           | 248,703,775               |
| Financial Services                | 538,091,590                       | 104,763,357                            | 250,000                              | 105,013,357               |
| <b>Total</b>                      | <b>2,280,169,565</b>              | <b>2,111,161,778</b>                   | <b>405,273,204</b>                   | <b>2,516,434,982</b>      |

**D: ANNUAL BUDGET TABLES**

In accordance with the Budget and Reporting Regulations the following compulsory schedules are attached reflecting the composition and detail of the above mentioned amounts.

|  |           |
|--|-----------|
| Budget Summary   | Table A1  |
| Budgeted Financial Performance<br>(Revenue and Expenditure by functional classification) | Table A2  |
| Budgeted Financial Performance<br>(Revenue and Expenditure by municipal vote)            | Table A3  |
| Budgeted Financial Performance<br>(Revenue and Expenditure)                              | Table A4  |
| Budgeted Capital Expenditure by vote, functional classification<br>and funding           | Table A5  |
| Budgeted Financial Position  | Table A6  |
| Budgeted Cash flows  | Table A7  |
| Cash backed reserves/accumulated surplus reconciliation                                  | Table A8  |
| Asset Management   | Table A9  |
| Basic Service Delivery Measurement   | Table A10 |

The information displayed in the “Adjusted Budget” column for the 2021/2022 financial year includes all changes approved by Council in the Adjustments Budgets during the current financial year.

## WC024 Stellenbosch - Table A1 Budget Summary

| Description  | 2018/19          | 2019/20           | 2020/21             | Current Year 2021/22 |                  |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|------------------|-------------------|---------------------|----------------------|------------------|--------------------|---|------------------------|------------------------|
|  | Audited Outcome  | Audited Outcome   | Audited Outcome     | Original Budget      | Adjusted Budget  | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>R thousands</b>   |                  |                   |                     |                      |                  |                    |   |                        |                        |
| <b>Financial Performance</b>   |                  |                   |                     |                      |                  |                    |   |                        |                        |
| Property rates   | 336 325          | 3 214 592         | 1 571 201           | 423 633              | 415 668          | 415 668            | 439 858   | 467 044                | 495 067                |
| Service charges  | 817 760          | 7 436 932         | 4 393 219           | 1 156 097            | 1 144 568        | 1 144 568          | 1 229 757   | 1 316 222              | 1 411 583              |
| Investment revenue   | 44 272           | 351 201           | 133 127             | 13 200               | 19 613           | 19 613             | 20 397  | 21 213                 | 22 062                 |
| Transfers recognised - operational   | 145 451          | 1 212 195         | 730 431             | 204 313              | 203 746          | 203 746            | 223 246   | 246 199                | 262 860                |
| Other own revenue  | 175 464          | 1 328 890         | 836 317             | 222 808              | 199 166          | 199 166            | 205 048   | 212 587                | 219 886                |
| <b>Total Revenue (excluding capital transfers and contributions)</b>   | <b>1 519 272</b> | <b>13 543 810</b> | <b>7 664 295</b>    | <b>2 020 051</b>     | <b>1 982 761</b> | <b>1 982 761</b>   | <b>2 118 305</b>                                    | <b>2 263 266</b>       | <b>2 411 458</b>       |
| Employee costs   | 461 655          | 2 231 903         | 2 296 790           | 607 458              | 577 762          | 577 762            | 624 464   | 631 387                | 668 777                |
| Remuneration of councillors  | 17 538           | 19 121            | 82 055              | 21 978               | 20 059           | 20 059             | 21 062  | 22 115                 | 23 221                 |
| Depreciation & asset impairment  | 193 119          | 1 820 770         | 809 099             | 211 541              | 211 541          | 211 541            | 222 118   | 233 224                | 244 885                |
| Finance charges  | 17 036           | 1 423 884         | 156 603             | 43 842               | 45 476           | 45 476             | 67 799  | 80 819                 | 84 829                 |
| Materials and bulk purchases   | 412 264          | 1 928 756         | 2 059 875           | 577 332              | 581 307          | 581 307            | 634 759   | 686 154                | 741 799                |
| Transfers and grants   | 9 129            | 10 855            | 41 216              | 13 600               | 13 524           | 13 524             | 14 355  | 14 956                 | 15 585                 |
| Other expenditure  | 390 471          | 3 613 530         | 1 969 745           | 541 739              | 527 526          | 527 526            | 526 604   | 539 409                | 563 166                |
| <b>Total Expenditure</b>   | <b>1 501 213</b> | <b>11 048 820</b> | <b>7 415 383</b>    | <b>2 017 490</b>     | <b>1 977 195</b> | <b>1 977 195</b>   | <b>2 111 162</b>                                    | <b>2 208 064</b>       | <b>2 342 261</b>       |
| <b>Surplus/(Deficit)</b>   | <b>18 059</b>    | <b>2 494 990</b>  | <b>248 913</b>      | <b>2 560</b>         | <b>5 566</b>     | <b>5 566</b>       | <b>7 143</b>  | <b>55 202</b>          | <b>69 196</b>          |
| Transfers and subsidies - capital (monetary allocations)   | 87 782           | 254 143           | 410 134             | 105 554              | 111 591          | 111 591            | 128 610   | 80 871                 | 56 426                 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all) | 13 251           | 10 427            | 13 798              | -                    | 16 355           | 16 355             | 33 254  | 39 782                 | 50 310                 |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b>   | <b>119 092</b>   | <b>2 759 560</b>  | <b>672 845</b>      | <b>108 114</b>       | <b>133 512</b>   | <b>133 512</b>     | <b>169 007</b>                                      | <b>175 855</b>         | <b>175 932</b>         |
| Share of surplus/ (deficit) of associate   | -                | -                 | -                   | -                    | -                | -                  | -   | -                      | -                      |
| <b>Surplus/(Deficit) for the year</b>  | <b>119 092</b>   | <b>2 759 560</b>  | <b>672 845</b>      | <b>108 114</b>       | <b>133 512</b>   | <b>133 512</b>     | <b>169 007</b>                                      | <b>175 855</b>         | <b>175 932</b>         |
| <b>Capital expenditure &amp; funds sources</b>   |                  |                   |                     |                      |                  |                    |   |                        |                        |
| <b>Capital expenditure</b>   | <b>75 399</b>    | <b>15 823</b>     | <b>137 336</b>      | <b>406 054</b>       | <b>398 108</b>   | <b>398 108</b>     | <b>405 273</b>                                      | <b>429 269</b>         | <b>442 003</b>         |
| Transfers recognised - capital   | 11 843           | 151 885           | (55 276)            | 105 554              | 111 899          | 111 899            | 132 483   | 95 632                 | 95 845                 |
| Public contributions & donations   | -                | -                 | -                   | -                    | -                | -                  | -   | -                      | -                      |
| Borrowing  | 16 097           | (66 744)          | 84 347              | 144 000              | 152 862          | 152 862            | 140 000   | 160 000                | 141 000                |
| Internally generated funds   | 37 252           | 30 492            | 106 071             | 156 500              | 133 347          | 133 347            | 132 790   | 173 637                | 205 158                |
| <b>Total sources of capital funds</b>  | <b>65 192</b>    | <b>115 633</b>    | <b>135 142</b>      | <b>406 054</b>       | <b>398 108</b>   | <b>398 108</b>     | <b>405 273</b>                                      | <b>429 269</b>         | <b>442 003</b>         |
| <b>Financial position</b>  |                  |                   |                     |                      |                  |                    |   |                        |                        |
| Total current assets   | 591 917          | 1 327 653         | (612 769)           | 1 194 718            | 1 405 966        | 1 405 966          | 804 313   | 808 382                | 810 035                |
| Total non current assets   | 289 273          | 2 478 380         | (20 122 588)        | 5 865 071            | 6 069 317        | 6 069 317          | 6 252 472   | 6 265 362              | 6 266 435              |
| Total current liabilities  | 150 657          | 837 333           | (1 512 572)         | 878 732              | 952 005          | 952 005            | 461 009   | 459 751                | 488 977                |
| Total non current liabilities  | 147 547          | 569 526           | (1 869 533)         | 804 086              | 777 185          | 777 185            | 877 341   | 888 710                | 862 133                |
| Community wealth/Equity  | 58 029           | 5 335 390         | 5 423 453           | 5 200 152            | 5 549 427        | 5 549 427          | 5 716 039   | 5 723 770              | 5 723 778              |
| <b>Cash flows</b>  |                  |                   |                     |                      |                  |                    |   |                        |                        |
| Net cash from (used) operating   | (457 088)        | (105 885)         | (5 455 386)         | 305 862              | 279 765          | 279 765            | 324 239   | 311 641                | 319 069                |
| Net cash from (used) investing   | (75 363)         | (22 185)          | (213 449)           | 3 432                | 19 522           | 19 522             | (355 490)   | (371 511)              | (372 270)              |
| Net cash from (used) financing   | 1 757            | 19 757            | (330 169)           | 19 757               | 166 498          | 166 498            | 115 844   | 135 844                | 116 844                |
| <b>Cash/cash equivalents at the year end</b>   | <b>(530 694)</b> | <b>546 180</b>    | <b>(11 298 698)</b> | <b>744 294</b>       | <b>799 869</b>   | <b>799 869</b>     | <b>301 804</b>                                      | <b>377 778</b>         | <b>441 420</b>         |
| <b>Cash backing/surplus reconciliation</b>   |                  |                   |                     |                      |                  |                    |   |                        |                        |
| Cash and investments available   | 500 405          | 415 242           | (923 908)           | 416 293              | 217 211          | 217 211            | 258 184   | 247 893                | 233 898                |
| Application of cash and investments  | 146 864          | 565 770           | 1 599 507           | (311 259)            | (725 347)        | (725 347)          | (228 265)   | (254 018)              | (249 001)              |
| <b>Balance - surplus (shortfall)</b>   | <b>353 541</b>   | <b>(150 528)</b>  | <b>(2 523 415)</b>  | <b>727 552</b>       | <b>942 558</b>   | <b>942 558</b>     | <b>486 448</b>                                      | <b>501 911</b>         | <b>482 899</b>         |
| <b>Asset management</b>  |                  |                   |                     |                      |                  |                    |   |                        |                        |
| Asset register summary (WDV)   | 290 607          | 2 472 062         | (21 722 386)        | 5 868 503            | 6 072 791        | 6 072 791          | 6 255 946   | 6 268 836              | 6 269 909              |
| Depreciation   | 193 119          | 1 820 770         | 809 099             | 211 541              | 211 541          | 211 541            | 222 118   | 233 224                | 244 885                |
| Renewal of Existing Assets   | 45 449           | 10 136            | (72 086)            | 9 950                | 32 593           | 32 593             | 31 358  | 23 634                 | 70 628                 |
| Repairs and Maintenance  | 7 400            | 120 914           | 338 919             | 87 614               | 81 063           | 81 063             | 26 714  | 27 905                 | 30 216                 |
| <b>Free services</b>   |                  |                   |                     |                      |                  |                    |   |                        |                        |
| Cost of Free Basic Services provided   | 34 759           | 44 034            | 50 843              | 43 344               | 48 789           | 48 789             | 99 788  | 123 531                | 164 383                |
| Revenue cost of free services provided   | 46 679           | 49 938            | 53 282              | -                    | 49 665           | 49 665             | 40 059  | 41 668                 | 44 168                 |

| <u>Households below minimum service level</u> |   |   |   |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|---|---|---|---|
| Water:  | 2 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Sanitation/sewerage:                          | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Energy:                                       | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 1 |
| Refuse:                                       | 5 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 3 |

WC024 Stellenbosch - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

| Functional Classification Description      | Ref      | 2018/19          | 2019/20           | 2020/21          | Current Year 2021/22 |                  |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|----------|------------------|-------------------|------------------|----------------------|------------------|--------------------|---|------------------------|------------------------|
|  |          | Audited Outcome  | Audited Outcome   | Audited Outcome  | Original Budget      | Adjusted Budget  | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>R thousand</b>                          | <b>1</b> |                  |                   |                  |                      |                  |                    |   |                        |                        |
| <b>Revenue - Functional</b>                |          |                  |                   |                  |                      |                  |                    |   |                        |                        |
| <i>Governance and administration</i>       |          | (3 627)          | 7 139 089         | (534 999)        | 513 180              | 514 436          | 514 436            | 549 748   | 584 594                | 621 505                |
| Executive and council                      |          | (23 932)         | (63 079)          | (887 068)        | 1 061                | 1 061            | 1 061              | 771   | 810                    | 850                    |
| Finance and administration                 |          | 12 446           | 7 067 345         | 1 427 621        | 512 119              | 512 824          | 512 824            | 548 977   | 583 784                | 620 655                |
| Internal audit                             |          | 7 860            | 134 823           | (1 075 553)      | -                    | 550              | 550                | -   | -                      | -                      |
| <i>Community and public safety</i>         |          | (6 673)          | 557 925           | (1 104 360)      | 203 081              | 194 635          | 194 635            | 183 691   | 185 750                | 192 126                |
| Community and social services              |          | 21 092           | (453 130)         | (524 786)        | 15 436               | 21 809           | 21 809             | 18 285  | 15 424                 | 16 131                 |
| Sport and recreation                       |          | (40 090)         | (83 319)          | (462 160)        | 1 658                | 5 259            | 5 259              | 1 818   | 1 106                  | 1 175                  |
| Public safety                              |          | 51 520           | 976 998           | (340 333)        | 171 533              | 149 190          | 149 190            | 151 452   | 154 989                | 160 186                |
| Housing                                    |          | (39 195)         | 117 377           | 222 919          | 14 455               | 18 377           | 18 377             | 12 136  | 14 231                 | 14 635                 |
| Health                                     |          | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| <i>Economic and environmental services</i> |          | 5 174            | (620 863)         | 696 303          | 121 921              | 115 329          | 115 329            | 160 074   | 153 507                | 136 371                |
| Planning and development                   |          | (25 346)         | 75 230            | (309 314)        | 115 023              | 62 229           | 62 229             | 157 246   | 151 252                | 133 401                |
| Road transport                             |          | 39 459           | (691 026)         | 219 114          | 5 911                | 52 113           | 52 113             | 1 503   | 1 553                  | 2 232                  |
| Environmental protection                   |          | (8 940)          | (5 067)           | 786 503          | 987                  | 987              | 987                | 1 325   | 702                    | 738                    |
| <i>Trading services</i>                    |          | 1 625 295        | 6 731 982         | 9 029 540        | 1 287 310            | 1 286 194        | 1 286 194          | 1 386 537   | 1 459 944              | 1 568 061              |
| Energy sources                             |          | 1 063 718        | 6 325 400         | 8 505 197        | 842 934              | 847 839          | 847 839            | 922 306   | 963 860                | 1 037 343              |
| Water management                           |          | 237 461          | (695 003)         | 341 995          | 172 558              | 173 377          | 173 377            | 181 107   | 191 464                | 202 862                |
| Waste water management                     |          | 215 767          | 141 051           | 738 280          | 150 230              | 142 863          | 142 863            | 149 836   | 160 167                | 171 272                |
| Waste management                           |          | 108 350          | 960 534           | (555 932)        | 121 589              | 122 115          | 122 115            | 133 289   | 144 453                | 156 584                |
| <i>Other</i>                               | 4        | 136              | 245               | 1 744            | 112                  | 112              | 112                | 118   | 124                    | 130                    |
| <b>Total Revenue - Functional</b>          | <b>2</b> | <b>1 620 305</b> | <b>13 808 379</b> | <b>8 088 227</b> | <b>2 125 605</b>     | <b>2 110 707</b> | <b>2 110 707</b>   | <b>2 280 169</b>                                    | <b>2 383 919</b>       | <b>2 518 194</b>       |
| <b>Expenditure - Functional</b>            |          |                  |                   |                  |                      |                  |                    |   |                        |                        |
| <i>Governance and administration</i>       |          | 749 745          | (368 939)         | 3 812 923        | 344 570              | 316 267          | 316 267            | 339 457   | 357 140                | 374 745                |
| Executive and council                      |          | 84 476           | 118 703           | 1 108 324        | 55 384               | 31 544           | 31 544             | 38 131  | 39 965                 | 41 883                 |
| Finance and administration                 |          | 662 901          | (417 617)         | 1 573 639        | 275 761              | 272 918          | 272 918            | 287 587   | 303 000                | 318 227                |
| Internal audit                             |          | 2 368            | (70 026)          | 1 130 960        | 13 425               | 11 805           | 11 805             | 13 738  | 14 174                 | 14 636                 |
| <i>Community and public safety</i>         |          | 476 765          | 2 788 449         | 3 651 478        | 367 326              | 393 587          | 393 587            | 414 748   | 428 783                | 448 558                |
| Community and social services              |          | 28 237           | 542 043           | 744 209          | 43 177               | 47 043           | 47 043             | 53 761  | 54 267                 | 57 897                 |
| Sport and recreation                       |          | 88 521           | 138 436           | 688 103          | 53 696               | 67 885           | 67 885             | 65 531  | 68 291                 | 72 039                 |
| Public safety                              |          | 298 878          | 2 051 749         | 2 085 945        | 236 448              | 247 767          | 247 767            | 261 886   | 273 254                | 284 821                |
| Housing                                    |          | 61 129           | 56 221            | 133 222          | 34 003               | 30 892           | 30 892             | 33 571  | 32 972                 | 33 800                 |
| Health                                     |          | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| <i>Economic and environmental services</i> |          | 182 746          | 1 778 987         | 258 004          | 236 611              | 201 383          | 201 383            | 212 066   | 234 559                | 249 246                |
| Planning and development                   |          | 98 993           | 91 250            | 709 582          | 105 250              | 79 172           | 79 172             | 80 010  | 96 466                 | 104 160                |
| Road transport                             |          | 57 874           | 1 273 932         | 235 164          | 99 836               | 99 916           | 99 916             | 107 911   | 113 334                | 119 037                |
| Environmental protection                   |          | 25 879           | 413 805           | (686 741)        | 31 526               | 22 295           | 22 295             | 24 146  | 24 758                 | 26 049                 |
| <i>Trading services</i>                    |          | 92 024           | 6 817 489         | (306 834)        | 1 068 933            | 1 065 958        | 1 065 958          | 1 144 891   | 1 187 582              | 1 269 712              |
| Energy sources                             |          | (56 959)         | 240 626           | (3 347 727)      | 610 888              | 627 513          | 627 513            | 678 614   | 729 141                | 787 371                |
| Water management                           |          | 51 623           | 4 158 362         | 976 207          | 127 577              | 123 368          | 123 368            | 131 172   | 138 100                | 144 984                |
| Waste water management                     |          | 46 303           | 1 142 189         | 604 082          | 182 682              | 175 215          | 175 215            | 197 262   | 214 440                | 225 954                |
| Waste management                           |          | 51 057           | 1 276 312         | 1 460 604        | 147 785              | 139 861          | 139 861            | 137 843   | 105 900                | 111 404                |
| <i>Other</i>                               | 4        | (68)             | 4                 | (189)            | 50                   | -                | -                  | -   | -                      | -                      |
| <b>Total Expenditure - Functional</b>      | <b>3</b> | <b>1 501 213</b> | <b>11 015 989</b> | <b>7 415 383</b> | <b>2 017 490</b>     | <b>1 977 195</b> | <b>1 977 195</b>   | <b>2 111 162</b>                                    | <b>2 208 064</b>       | <b>2 342 261</b>       |
| <b>Surplus/(Deficit) for the year</b>      |          | <b>119 092</b>   | <b>2 792 390</b>  | <b>672 844</b>   | <b>108 114</b>       | <b>133 512</b>   | <b>133 512</b>     | <b>169 007</b>                                      | <b>175 855</b>         | <b>175 932</b>         |

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes;
2. Total Revenue by functional classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure),
3. Total Expenditure by Functional Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure),
4. All amounts must be classified under a functional classification. The GFS function 'Other' is only for Abbatoirs, Air Transport, Forestry, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification.



WC024 Stellenbosch - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

| Functional Classification Description                                   | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Revenue - Functional</b>   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Municipal governance and administration</i>                          |     | (3 627)         | 7 139 089       | (534 999)       | 513 180              | 514 436         | 514 436            | 549 748   | 584 594                | 621 505                |
| Executive and council   |     | (23 932)        | (63 079)        | (887 068)       | 1 061                | 1 061           | 1 061              | 771   | 810                    | 850                    |
| <i>Mayor and Council</i>  |     | (16 610)        | (29 715)        | (876 551)       | 1 061                | 1 061           | 1 061              | 771   | 810                    | 850                    |
| <i>Municipal Manager, Town Secretary and Chief Executive</i>            |     | (7 322)         | (33 363)        | (10 517)        | -                    | -               | -                  | -   | -                      | -                      |
| Finance and administration  |     | 12 446          | 7 067 345       | 1 427 621       | 512 119              | 512 824         | 512 824            | 548 977   | 583 784                | 620 655                |
| <i>Administrative and Corporate Support</i>                             |     | (8 860)         | (9 039)         | (3 342)         | -                    | -               | -                  | 26  | 27                     | 29                     |
| <i>Asset Management</i>   |     | -               | 140 927         | 3 348           | -                    | -               | -                  | -   | -                      | -                      |
| <i>Finance</i>  |     | 74 369          | 7 552 569       | 1 577 214       | 503 347              | 504 546         | 504 546            | 537 544   | 571 779                | 608 050                |
| <i>Fleet Management</i>   |     | 230             | 193             | 2 836           | 132                  | 132             | 132                | 138   | 145                    | 152                    |
| <i>Human Resources</i>  |     | (23 682)        | (28 790)        | (11 743)        | 250                  | 1 252           | 1 252              | 608   | 639                    | 670                    |
| <i>Information Technology</i>   |     | (7 969)         | (55 992)        | (63 771)        | -                    | -               | -                  | -   | -                      | -                      |
| <i>Legal Services</i>   |     | (8 948)         | (7 130)         | 24 944          | 1                    | 1               | 1                  | 1   | 1                      | 2                      |
| <i>Marketing, Customer Relations, Publicity and Media Co-ordination</i> |     | (1 542)         | (1 585)         | 96 061          | -                    | -               | -                  | -   | -                      | -                      |
| <i>Property Services</i>  |     | (1 490)         | (419 042)       | (193 216)       | 8 182                | 6 686           | 6 686              | 10 250  | 10 763                 | 11 301                 |
| <i>Risk Management</i>  |     | (85)            | (34)            | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Security Services</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Supply Chain Management</i>  |     | (9 577)         | (104 733)       | (4 708)         | 207                  | 207             | 207                | 410   | 430                    | 452                    |
| <i>Valuation Service</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Internal audit  |     | 7 860           | 134 823         | (1 075 553)     | -                    | 550             | 550                | -   | -                      | -                      |
| <i>Governance Function</i>  |     | 7 860           | 134 823         | (1 075 553)     | -                    | 550             | 550                | -   | -                      | -                      |
| <i>Community and public safety</i>                                      |     | (6 673)         | 557 925         | (1 104 360)     | 203 081              | 194 635         | 194 635            | 183 691   | 185 750                | 192 126                |
| Community and social services   |     | 21 092          | (453 130)       | (524 786)       | 15 436               | 21 809          | 21 809             | 18 285  | 15 424                 | 16 131                 |
| <i>Aged Care</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Agricultural</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Animal Care and Diseases</i>   |     | -               | (0)             | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Cemeteries, Funeral Parlours and Crematoriums</i>                    |     | (1 454)         | 6 756           | (7 051)         | 3 542                | 1 342           | 1 342              | 3 597   | 3 508                  | 3 684                  |
| <i>Child Care Facilities</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Community Halls and Facilities</i>                                   |     | 1 667           | (476 902)       | 8 788           | 58                   | 3 078           | 3 078              | 99  | 104                    | 109                    |
| <i>Consumer Protection</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Cultural Matters</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Disaster Management</i>  |     | (3 741)         | (849)           | (426 839)       | 320                  | 320             | 320                | 256   | -                      | -                      |
| <i>Education</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Indigenous and Customary Law</i>                                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Industrial Promotion</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Language Policy</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Libraries and Archives</i>   |     | 13 343          | 16 638          | (84 031)        | 11 434               | 16 989          | 16 989             | 14 252  | 11 774                 | 12 300                 |
| <i>Literacy Programmes</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Media Services</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Museums and Art Galleries</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Population Development</i>   |     | 11 278          | 1 227           | (15 653)        | 81                   | 81              | 81                 | 81  | 38                     | 38                     |
| <i>Provincial Cultural Matters</i>                                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Theatres</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Zoo's</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sport and recreation  |     | (40 090)        | (83 319)        | (462 160)       | 1 658                | 5 259           | 5 259              | 1 818   | 1 106                  | 1 175                  |

| Functional Classification Description  | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand   | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Beaches and Jetties</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Casinos, Racing, Gambling, Wagering</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Community Parks (including Nurseries)</i>   |     | (17 654)        | (66 408)        | (429 903)       | 991                  | 991             | 991                | 1 232   | 824                    | 865                    |
| <i>Recreational Facilities</i>   |     | (3 868)         | (7 674)         | 22 099          | -                    | -               | -                  | 220   | -                      | -                      |
| <i>Sports Grounds and Stadiums</i>   |     | (18 568)        | (9 238)         | (54 356)        | 667                  | 4 268           | 4 268              | 366   | 282                    | 310                    |
| Public safety  |     | 51 520          | 976 998         | (340 333)       | 171 533              | 149 190         | 149 190            | 151 452   | 154 989                | 160 186                |
| <i>Civil Defence</i>   |     | (38 489)        | (31 603)        | (81 703)        | 2 226                | 6 143           | 6 143              | 2 886   | 2 053                  | 2 176                  |
| <i>Cleansing</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Control of Public Nuisances</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Fencing and Fences</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Fire Fighting and Protection</i>  |     | (29 006)        | (35 415)        | (666 938)       | 844                  | 844             | 844                | 860   | 343                    | 360                    |
| <i>Licensing and Control of Animals</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Police Forces, Traffic and Street Parking Control</i>                                   |     | 119 015         | 1 044 016       | 408 308         | 168 463              | 142 203         | 142 203            | 147 706   | 152 593                | 157 650                |
| <i>Pounds</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Housing  |     | (39 195)        | 117 377         | 222 919         | 14 455               | 18 377          | 18 377             | 12 136  | 14 231                 | 14 635                 |
| <i>Housing</i>   |     | (29 949)        | 123 066         | 239 146         | 14 455               | 18 377          | 18 377             | 12 136  | 14 231                 | 14 635                 |
| <i>Informal Settlements</i>  |     | (9 246)         | (5 689)         | (16 228)        | -                    | -               | -                  | -   | -                      | -                      |
| Health   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Ambulance</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Health Services</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Laboratory Services</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Food Control</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Health Surveillance and Prevention of Communicable Diseases including immunizations</i> |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Vector Control</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Chemical Safety</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Economic and environmental services</i>   |     | 5 174           | (620 863)       | 696 303         | 121 921              | 115 329         | 115 329            | 160 074   | 153 507                | 136 371                |
| Planning and development   |     | (25 346)        | 75 230          | (309 314)       | 115 023              | 62 229          | 62 229             | 157 246   | 151 252                | 133 401                |
| <i>Billboards</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Corporate Wide Strategic Planning (IDPs, LEDs)</i>                                      |     | (6 166)         | (6 856)         | (248 652)       | 3 658                | 6 258           | 6 258              | 966   | -                      | -                      |
| <i>Central City Improvement District</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Development Facilitation</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Economic Development/Planning</i>   |     | (13 134)        | (11 729)        | 76 503          | -                    | -               | -                  | -   | -                      | -                      |
| <i>Regional Planning and Development</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Town Planning, Building Regulations and Enforcement, and City Engineer</i>              |     | (6 448)         | (12 483)        | 1 700           | 9 074                | 9 074           | 9 074              | 9 179   | 9 546                  | 9 927                  |
| <i>Project Management Unit</i>   |     | 402             | 106 297         | (138 865)       | 102 292              | 46 897          | 46 897             | 147 101   | 141 706                | 123 474                |
| <i>Provincial Planning</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Support to Local Municipalities</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Road transport   |     | 39 459          | (691 026)       | 219 114         | 5 911                | 52 113          | 52 113             | 1 503   | 1 553                  | 2 232                  |
| <i>Public Transport</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Road and Traffic Regulation</i>   |     | 46 958          | 22 037          | 178 971         | 913                  | 913             | 913                | 959   | 1 007                  | 1 057                  |
| <i>Roads</i>   |     | (7 498)         | (713 063)       | 26 023          | 4 998                | 51 200          | 51 200             | 545   | 547                    | 1 176                  |
| <i>Taxi Ranks</i>  |     | -               | -               | 14 121          | -                    | -               | -                  | -   | -                      | -                      |
| Environmental protection   |     | (8 940)         | (5 067)         | 786 503         | 987                  | 987             | 987                | 1 325   | 702                    | 738                    |
| <i>Biodiversity and Landscape</i>  |     | (8 331)         | (9 965)         | 701 077         | 595                  | 595             | 595                | 1 024   | 656                    | 688                    |
| <i>Coastal Protection</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Indigenous Forests</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |

| Functional Classification Description | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---------------------------------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|                                       |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <i>Nature Conservation</i>            | 1   | (609)           | (617)           | 85 425          | 393                  | 393             | 393                | 301   | 47                     | 49                     |
| <i>Pollution Control</i>              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Soil Conservation</i>              |     | -               | 5 515           | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Trading services</i>               |     | 1 625 295       | 6 731 982       | 9 029 540       | 1 287 310            | 1 286 194       | 1 286 194          | 1 386 537   | 1 459 944              | 1 568 061              |
| Energy sources                        |     | 1 063 718       | 6 325 400       | 8 505 197       | 842 934              | 847 839         | 847 839            | 922 306   | 963 860                | 1 037 343              |
| Electricity                           |     | 1 063 718       | 6 322 976       | 8 505 197       | 842 934              | 847 839         | 847 839            | 922 306   | 963 860                | 1 037 343              |
| Street Lighting and Signal Systems    |     | -               | 2 423           | -               | -                    | -               | -                  | -   | -                      | -                      |
| Nonelectric Energy                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Water management                      |     | 237 461         | (695 003)       | 341 995         | 172 558              | 173 377         | 173 377            | 181 107   | 191 464                | 202 862                |
| Water Treatment                       |     | (4 148)         | (8 240)         | (426 241)       | -                    | -               | -                  | -   | -                      | -                      |
| Water Distribution                    |     | 245 518         | (682 264)       | 779 604         | 172 558              | 173 377         | 173 377            | 95 789  | 101 450                | 107 447                |
| Water Storage                         |     | (3 909)         | (4 498)         | (11 369)        | -                    | -               | -                  | 85 317  | 90 013                 | 95 414                 |
| Waste water management                |     | 215 767         | 141 051         | 738 280         | 150 230              | 142 863         | 142 863            | 149 836   | 160 167                | 171 272                |
| Public Toilets                        |     | 10 787          | 53 893          | 29 203          | 7 015                | 7 015           | 7 015              | 8 020   | 8 782                  | 9 623                  |
| Sewerage                              |     | (14 622)        | 523 155         | 162 368         | 68 078               | 62 445          | 62 445             | 52 538  | 55 690                 | 59 032                 |
| Storm Water Management                |     | (8 592)         | (27 496)        | 63 210          | -                    | 657             | 657                | -   | -                      | -                      |
| Waste Water Treatment                 |     | 228 193         | (408 500)       | 483 500         | 75 136               | 72 745          | 72 745             | 89 279  | 95 694                 | 102 617                |
| Waste management                      |     | 108 350         | 960 534         | (555 932)       | 121 589              | 122 115         | 122 115            | 133 289   | 144 453                | 156 584                |
| Recycling                             |     | -               | 644             | -               | -                    | -               | -                  | -   | -                      | -                      |
| Solid Waste Disposal (Landfill Sites) |     | (11 204)        | (24 206)        | (1 113 275)     | 4 296                | 4 296           | 4 296              | 4 640   | 5 011                  | 5 412                  |
| Solid Waste Removal                   |     | 129 955         | 1 001 376       | 509 839         | 117 293              | 117 819         | 117 819            | 128 649   | 139 442                | 151 173                |
| Street Cleaning                       |     | (10 401)        | (17 279)        | 47 503          | -                    | -               | -                  | -   | -                      | -                      |
| Other                                 |     | 136             | 245             | 1 744           | 112                  | 112             | 112                | 118   | 124                    | 130                    |
| Abattoirs                             | -   | -               | -               | -               | -                    | -               | -                  | -   | -                      |                        |
| Air Transport                         | -   | -               | -               | -               | -                    | -               | -                  | -   | -                      |                        |
| Forestry                              | -   | -               | -               | -               | -                    | -               | -                  | -   | -                      |                        |
| Licensing and Regulation              | -   | -               | -               | -               | -                    | -               | -                  | -   | -                      |                        |
| Markets                               | 136 | 201             | 1 644           | 112             | 112                  | 112             | 118                | 124   | 130                    |                        |
| Tourism                               | -   | 44              | 100             | -               | -                    | -               | -                  | -   | -                      |                        |
| <b>Total Revenue - Functional</b>     | 2   | 1 620 305       | 13 808 379      | 8 088 227       | 2 125 605            | 2 110 707       | 2 110 707          | 2 280 169   | 2 383 919              | 2 518 194              |

| Functional Classification Description                                   | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Expenditure - Functional</b>   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Municipal governance and administration</i>                          |     | 749 745         | (368 939)       | 3 812 923       | 344 570              | 316 267         | 316 267            | 339 457   | 357 140                | 374 745                |
| Executive and council   |     | 84 476          | 118 703         | 1 108 324       | 55 384               | 31 544          | 31 544             | 38 131  | 39 965                 | 41 883                 |
| <i>Mayor and Council</i>  |     | 47 018          | 65 700          | 1 025 865       | 40 038               | 25 946          | 25 946             | 31 874  | 33 366                 | 34 923                 |
| <i>Municipal Manager, Town Secretary and Chief Executive</i>            |     | 37 458          | 53 003          | 82 459          | 15 346               | 5 599           | 5 599              | 6 257   | 6 599                  | 6 959                  |
| Finance and administration  |     | 662 901         | (417 617)       | 1 573 639       | 275 761              | 272 918         | 272 918            | 287 587   | 303 000                | 318 227                |
| <i>Administrative and Corporate Support</i>                             |     | 19 620          | 184 863         | 49 971          | 11 821               | 15 514          | 15 514             | 16 815  | 17 768                 | 18 776                 |
| <i>Asset Management</i>   |     | -               | (140 927)       | (3 348)         | -                    | -               | -                  | -   | -                      | -                      |
| <i>Finance</i>  |     | 461 487         | (2 949 828)     | 813 345         | 110 877              | 87 041          | 87 041             | 90 626  | 95 133                 | 99 820                 |
| <i>Fleet Management</i>   |     | 1 274           | 3 479           | 5 953           | 1 503                | 2 193           | 2 193              | 2 298   | 2 405                  | 2 517                  |
| <i>Human Resources</i>  |     | 53 728          | 975 493         | 174 125         | 41 915               | 50 953          | 50 953             | 54 961  | 57 715                 | 60 512                 |
| <i>Information Technology</i>   |     | 38 549          | 95 461          | 195 718         | 49 380               | 51 102          | 51 102             | 53 855  | 56 446                 | 59 616                 |
| <i>Legal Services</i>   |     | 22 291          | 17 988          | 30 791          | 13 511               | 8 660           | 8 660              | 8 835   | 9 037                  | 9 246                  |
| <i>Marketing, Customer Relations, Publicity and Media Co-ordination</i> |     | 4 263           | 25 609          | (80 314)        | 2 290                | 3 397           | 3 397              | 3 572   | 3 758                  | 3 955                  |
| <i>Property Services</i>  |     | 37 828          | 1 258 449       | 369 465         | 41 792               | 41 827          | 41 827             | 44 786  | 48 216                 | 50 539                 |
| <i>Risk Management</i>  |     | 272             | 152             | -               | -                    | 1 057           | 1 057              | -   | -                      | -                      |
| <i>Security Services</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Supply Chain Management</i>  |     | 23 590          | 111 643         | 17 933          | 2 671                | 11 174          | 11 174             | 11 839  | 12 523                 | 13 247                 |
| <i>Valuation Service</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Internal audit  |     | 2 368           | (70 026)        | 1 130 960       | 13 425               | 11 805          | 11 805             | 13 738  | 14 174                 | 14 636                 |
| <i>Governance Function</i>  |     | 2 368           | (70 026)        | 1 130 960       | 13 425               | 11 805          | 11 805             | 13 738  | 14 174                 | 14 636                 |
| <i>Community and public safety</i>                                      |     | 476 765         | 2 788 449       | 3 651 478       | 367 326              | 393 587         | 393 587            | 414 748   | 428 783                | 448 558                |
| Community and social services   |     | 28 237          | 542 043         | 744 209         | 43 177               | 47 043          | 47 043             | 53 761  | 54 267                 | 57 897                 |
| <i>Aged Care</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Agricultural</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Animal Care and Diseases</i>   |     | -               | 0               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Cemeteries, Funeral Parlours and Crematoriums</i>                    |     | 6 073           | 7 856           | 42 372          | 5 908                | 6 353           | 6 353              | 6 047   | 6 070                  | 6 429                  |
| <i>Child Care Facilities</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Community Halls and Facilities</i>                                   |     | 3 988           | 492 721         | 15 855          | 6 381                | 5 643           | 5 643              | 6 402   | 6 755                  | 7 127                  |
| <i>Consumer Protection</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Cultural Matters</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Disaster Management</i>  |     | 9 216           | 5 067           | 442 621         | 4 201                | 5 013           | 5 013              | 5 234   | 5 216                  | 5 466                  |
| <i>Education</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Indigenous and Customary Law</i>                                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Industrial Promotion</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Language Policy</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Libraries and Archives</i>   |     | 11 909          | 30 827          | 202 387         | 17 029               | 16 801          | 16 801             | 19 492  | 17 287                 | 18 649                 |
| <i>Literacy Programmes</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Media Services</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Museums and Art Galleries</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Population Development</i>   |     | (2 949)         | 5 571           | 40 975          | 9 657                | 13 233          | 13 233             | 16 586  | 18 939                 | 20 227                 |
| <i>Provincial Cultural Matters</i>                                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Theatres</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Zoo's</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sport and recreation  |     | 88 521          | 138 436         | 688 103         | 53 696               | 67 885          | 67 885             | 65 531  | 68 291                 | 72 039                 |
| <i>Beaches and Jetties</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |

| Functional Classification Description   | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand  | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Casinos, Racing, Gambling, Wagering   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Community Parks (including Nurseries)   |     | 44 320          | 93 041          | 581 589         | 40 032               | 49 726          | 49 726             | 47 188  | 49 078                 | 51 780                 |
| Recreational Facilities   |     | 4 727           | 15 323          | (17 130)        | 1 728                | 1 672           | 1 672              | 1 661   | 1 756                  | 1 860                  |
| Sports Grounds and Stadiums   |     | 39 474          | 30 071          | 123 643         | 11 936               | 16 487          | 16 487             | 16 683  | 17 456                 | 18 399                 |
| Public safety   |     | 298 878         | 2 051 749       | 2 085 945       | 236 448              | 247 767         | 247 767            | 261 886   | 273 254                | 284 821                |
| Civil Defence   |     | 94 378          | 455 815         | 375 541         | 67 956               | 75 280          | 75 280             | 86 341  | 90 603                 | 95 084                 |
| Cleansing   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Control of Public Nuisances   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Fencing and Fences  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Fire Fighting and Protection  |     | 65 011          | 79 964          | 837 949         | 47 104               | 45 721          | 45 721             | 47 758  | 49 941                 | 51 901                 |
| Licensing and Control of Animals  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Police Forces, Traffic and Street Parking Control                                   |     | 139 488         | 1 515 969       | 872 454         | 121 388              | 126 766         | 126 766            | 127 787   | 132 710                | 137 836                |
| Pounds  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Housing   |     | 61 129          | 56 221          | 133 222         | 34 003               | 30 892          | 30 892             | 33 571  | 32 972                 | 33 800                 |
| Housing   |     | 43 421          | 40 905          | 73 798          | 21 741               | 23 080          | 23 080             | 22 689  | 21 944                 | 23 094                 |
| Informal Settlements  |     | 17 709          | 15 316          | 59 424          | 12 262               | 7 812           | 7 812              | 10 882  | 11 028                 | 10 706                 |
| Health  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Ambulance   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Health Services   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Laboratory Services   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Food Control  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Health Surveillance and Prevention of Communicable Diseases including immunizations |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vector Control  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Chemical Safety   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Economic and environmental services   |     | 182 746         | 1 778 987       | 258 004         | 236 611              | 201 383         | 201 383            | 212 066   | 234 559                | 249 246                |
| Planning and development  |     | 98 993          | 91 250          | 709 582         | 105 250              | 79 172          | 79 172             | 80 010  | 96 466                 | 104 160                |
| Billboards  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Corporate Wide Strategic Planning (IDPs, LEDs)                                      |     | 17 667          | 35 744          | 330 547         | 16 968               | 10 219          | 10 219             | 11 923  | 10 380                 | 10 898                 |
| Central City Improvement District   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Development Facilitation  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Economic Development/Planning   |     | 41 846          | 35 676          | (31 953)        | 9 212                | 8 748           | 8 748              | 7 281   | 7 576                  | 7 883                  |
| Regional Planning and Development   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Town Planning, Building Regulations and Enforcement, and City Engineer              |     | 39 690          | 66 668          | 212 144         | 50 821               | 37 444          | 37 444             | 40 952  | 43 067                 | 46 437                 |
| Project Management Unit   |     | (211)           | (46 838)        | 198 844         | 28 249               | 22 760          | 22 760             | 19 853  | 35 443                 | 38 941                 |
| Provincial Planning   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Support to Local Municipalities   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Road transport  |     | 57 874          | 1 273 932       | 235 164         | 99 836               | 99 916          | 99 916             | 107 911   | 113 334                | 119 037                |
| Public Transport  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Road and Traffic Regulation   |     | (29 247)        | 206 409         | (143 544)       | 9 368                | 5 853           | 5 853              | 12 279  | 12 882                 | 13 516                 |
| Roads   |     | 87 122          | 1 067 523       | 388 484         | 90 467               | 94 063          | 94 063             | 95 632  | 100 452                | 105 521                |
| Taxi Ranks  |     | -               | -               | (9 777)         | -                    | -               | -                  | -   | -                      | -                      |
| Environmental protection  |     | 25 879          | 413 805         | (686 741)       | 31 526               | 22 295          | 22 295             | 24 146  | 24 758                 | 26 049                 |
| Biodiversity and Landscape  |     | 23 887          | 414 701         | (617 788)       | 22 913               | 16 046          | 16 046             | 17 964  | 18 496                 | 19 432                 |
| Coastal Protection  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Indigenous Forests  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Nature Conservation   |     | 1 992           | 1 862           | (68 953)        | 8 612                | 6 249           | 6 249              | 6 182   | 6 262                  | 6 617                  |

| Functional Classification Description        | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |           |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|-----------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |           |
| <i>Pollution Control</i>                     | 1   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |           |
| <i>Soil Conservation</i>                     |     | -               | (2 758)         | -               | -                    | -               | -                  | -   | -                      | -                      |           |
| <i>Trading services</i>                      |     | 92 024          | 6 817 489       | (306 834)       | 1 068 933            | 1 065 958       | 1 065 958          | 1 144 891   | 1 187 582              | 1 269 712              |           |
| Energy sources                               |     | (56 959)        | 240 626         | (3 347 727)     | 610 888              | 627 513         | 627 513            | 678 614   | 729 141                | 787 371                |           |
| <i>Electricity</i>                           |     | (56 959)        | 243 049         | (3 347 727)     | 610 888              | 627 513         | 627 513            | 678 614   | 729 141                | 787 371                |           |
| <i>Street Lighting and Signal Systems</i>    |     | -               | (2 423)         | -               | -                    | -               | -                  | -   | -                      | -                      |           |
| <i>Nonelectric Energy</i>                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |           |
| Water management                             |     | 51 623          | 4 158 362       | 976 207         | 127 577              | 123 368         | 123 368            | 131 172   | 138 100                | 144 984                |           |
| <i>Water Treatment</i>                       |     | 15 024          | 28 087          | 488 605         | 16 897               | 14 397          | 14 397             | 17 065  | 17 964                 | 18 911                 |           |
| <i>Water Distribution</i>                    |     | 21 483          | 4 076 375       | 436 542         | 104 193              | 101 205         | 101 205            | 105 713   | 111 307                | 116 785                |           |
| <i>Water Storage</i>                         |     | 15 116          | 53 900          | 51 060          | 6 487                | 7 767           | 7 767              | 8 394   | 8 829                  | 9 288                  |           |
| Waste water management                       |     | 46 303          | 1 142 189       | 604 082         | 182 682              | 175 215         | 175 215            | 197 262   | 214 440                | 225 954                |           |
| <i>Public Toilets</i>                        |     | (1 550)         | 177             | 35 764          | 8 376                | 9 830           | 9 830              | 9 957   | 10 512                 | 11 094                 |           |
| <i>Sewerage</i>                              |     | 54 975          | 55 177          | 407 036         | 96 043               | 91 046          | 91 046             | 108 855   | 121 260                | 127 736                |           |
| <i>Storm Water Management</i>                |     | 25 711          | 47 594          | 17 895          | 17 144               | 18 237          | 18 237             | 19 253  | 20 284                 | 21 371                 |           |
| <i>Waste Water Treatment</i>                 |     | (32 833)        | 1 039 241       | 143 387         | 61 119               | 56 101          | 56 101             | 59 197  | 62 384                 | 65 752                 |           |
| Waste management                             |     | 51 057          | 1 276 312       | 1 460 604       | 147 785              | 139 861         | 139 861            | 137 843   | 105 900                | 111 404                |           |
| <i>Recycling</i>                             |     | -               | 46 614          | -               | -                    | -               | -                  | -   | -                      | -                      |           |
| <i>Solid Waste Disposal (Landfill Sites)</i> |     | 47 562          | 954 372         | 1 294 728       | 77 848               | 81 366          | 81 366             | 78 267  | 61 643                 | 64 870                 |           |
| <i>Solid Waste Removal</i>                   |     | (21 779)        | 194 067         | 139 428         | 36 460               | 33 751          | 33 751             | 32 229  | 33 979                 | 35 812                 |           |
| <i>Street Cleaning</i>                       |     | 25 274          | 81 259          | 26 449          | 33 477               | 24 745          | 24 745             | 27 347  | 10 278                 | 10 721                 |           |
| <i>Other</i>                                 |     | (68)            | 4               | (189)           | 50                   | -               | -                  | -   | -                      | -                      |           |
| Abattoirs                                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |           |
| Air Transport                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |           |
| Forestry                                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |           |
| Licensing and Regulation                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |           |
| Markets                                      |     | (68)            | (100)           | (662)           | -                    | -               | -                  | -   | -                      | -                      |           |
| Tourism                                      |     | -               | 104             | 473             | 50                   | -               | -                  | -   | -                      | -                      |           |
| <b>Total Expenditure - Functional</b>        |     | 3               | 1 501 213       | 11 015 989      | 7 415 383            | 2 017 490       | 1 977 195          | 1 977 195   | 2 111 162              | 2 208 064              | 2 342 261 |
| <b>Surplus/(Deficit) for the year</b>        |     |                 | 119 092         | 2 792 390       | 672 844              | 108 114         | 133 512            | 133 512   | 169 007                | 175 855                | 175 932   |

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist national and international accounts and comparison
2. Total Revenue by Functional Classification must reconcile to total operating revenue shown in Financial Performance (revenue and expenditure),
3. Total Expenditure by Functional Classification must reconcile to total operating expenditure shown in Financial Performance (revenue and expenditure),
4. All amounts must be classified under a Functional classification. The GFS function 'Other' is only for Abattoirs, Air Transport, Forestry, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

WC024 Stellenbosch - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

| Vote Description                              | Ref | 2018/19          | 2019/20           | 2020/21          | Current Year 2021/22 |                  |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|------------------|-------------------|------------------|----------------------|------------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome  | Audited Outcome   | Audited Outcome  | Original Budget      | Adjusted Budget  | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Revenue by Vote</b>                        | 1   |                  |                   |                  |                      |                  |                    |   |                        |                        |
| Vote 1 - OFFICE OF THE MUNICIPAL MANAGER      |     | (9 680)          | (13 495)          | 277              | -                    | 550              | 550                | -   | -                      | -                      |
| Vote 2 - PLANNING AND DEVELOPMENT SERVICES    |     | 13 152           | 152 393           | 196 371          | 23 545               | 27 468           | 27 468             | 21 315  | 23 777                 | 24 562                 |
| Vote 3 - INFRASTRUCTURE SERVICES              |     | 951 012          | 8 492 419         | 5 155 338        | 1 394 599            | 1 384 292        | 1 384 292          | 1 534 183   | 1 602 197              | 1 692 710              |
| Vote 4 - COMMUNITY AND PROTECTION SERVICES    |     | 161 903          | 1 108 552         | 752 160          | 197 435              | 187 667          | 187 667            | 174 922   | 173 352                | 179 416                |
| Vote 5 - CORPORATE SERVICES                   |     | (23 843)         | (4 769)           | 18 856           | 6 339                | 5 846            | 5 846              | 11 657  | 12 240                 | 12 852                 |
| Vote 6 - FINANCIAL SERVICES                   |     | 527 759          | 4 073 280         | 1 965 226        | 503 686              | 504 885          | 504 885            | 538 092   | 572 354                | 608 654                |
| Vote 7 - [NAME OF VOTE 7]                     |     | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| Vote 8 - [NAME OF VOTE 8]                     |     | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| Vote 9 - [NAME OF VOTE 9]                     |     | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| Vote 10 - [NAME OF VOTE 10]                   |     | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| Vote 11 - [NAME OF VOTE 11]                   |     | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| Vote 12 - [NAME OF VOTE 12]                   |     | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| Vote 13 - [NAME OF VOTE 13]                   |     | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| Vote 14 - [NAME OF VOTE 14]                   |     | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| Vote 15 - [NAME OF VOTE 15]                   |     | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| <b>Total Revenue by Vote</b>                  | 2   | <b>1 620 305</b> | <b>13 808 379</b> | <b>8 088 228</b> | <b>2 125 605</b>     | <b>2 110 707</b> | <b>2 110 707</b>   | <b>2 280 169</b>                                    | <b>2 383 919</b>       | <b>2 518 194</b>       |
| <b>Expenditure by Vote to be appropriated</b> | 1   |                  |                   |                  |                      |                  |                    |   |                        |                        |
| Vote 1 - OFFICE OF THE MUNICIPAL MANAGER      |     | 29 296           | 104 665           | 174 979          | 39 989               | 25 973           | 25 973             | 27 432  | 28 603                 | 29 840                 |
| Vote 2 - PLANNING AND DEVELOPMENT SERVICES    |     | 63 075           | 87 734            | 344 021          | 85 536               | 68 916           | 68 916             | 75 134  | 76 682                 | 80 913                 |
| Vote 3 - INFRASTRUCTURE SERVICES              |     | 861 364          | 6 868 320         | 4 234 015        | 1 188 821            | 1 184 157        | 1 184 157          | 1 261 823   | 1 324 999              | 1 415 775              |
| Vote 4 - COMMUNITY AND PROTECTION SERVICES    |     | 351 147          | 1 358 347         | 1 516 748        | 389 820              | 403 812          | 403 812            | 431 206   | 445 513                | 466 900                |
| Vote 5 - CORPORATE SERVICES                   |     | 147 919          | 2 017 530         | 703 086          | 198 283              | 193 940          | 193 940            | 210 804   | 222 207                | 233 251                |
| Vote 6 - FINANCIAL SERVICES                   |     | 48 411           | 579 305           | 442 534          | 115 042              | 100 398          | 100 398            | 104 763   | 110 060                | 115 584                |
| Vote 7 - [NAME OF VOTE 7]                     |     | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| Vote 8 - [NAME OF VOTE 8]                     |     | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| Vote 9 - [NAME OF VOTE 9]                     |     | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| Vote 10 - [NAME OF VOTE 10]                   |     | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| Vote 11 - [NAME OF VOTE 11]                   |     | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| Vote 12 - [NAME OF VOTE 12]                   |     | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| Vote 13 - [NAME OF VOTE 13]                   |     | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| Vote 14 - [NAME OF VOTE 14]                   |     | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| Vote 15 - [NAME OF VOTE 15]                   |     | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| <b>Total Expenditure by Vote</b>              | 2   | <b>1 501 213</b> | <b>11 015 900</b> | <b>7 415 383</b> | <b>2 017 490</b>     | <b>1 977 195</b> | <b>1 977 195</b>   | <b>2 111 162</b>                                    | <b>2 208 064</b>       | <b>2 342 261</b>       |
| <b>Surplus/(Deficit) for the year</b>         | 2   | <b>119 092</b>   | <b>2 792 479</b>  | <b>672 845</b>   | <b>108 114</b>       | <b>133 512</b>   | <b>133 512</b>     | <b>169 007</b>                                      | <b>175 855</b>         | <b>175 932</b>         |

References

1. Insert 'Vote'; e.g. department, if different to functional classification structure
2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
3. Assign share in 'associate' to relevant Vote

WC024 Stellenbosch - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

| Vote Description                                  | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Revenue by Vote</b>                            |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Vote 1 - OFFICE OF THE MUNICIPAL MANAGER</b>   | 1   | (9 680)         | (13 495)        | 277             | -                    | 550             | 550                | -   | -                      | -                      |
| 1.1 - 1100 MUNICIPAL MANAGER 1                    |     | (9 680)         | (13 495)        | -               | -                    | -               | -                  | -   | -                      | -                      |
| 1.2 - 1105 INTERNAL AUDIT 2                       |     | -               | -               | -               | -                    | 550             | 550                | -   | -                      | -                      |
| 1.3 - 1106 AUDIT COMMITTEE 2                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 1.4 - 1111 LIAISON EXECUTIVE 2                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 1.5 - 7770 COMMUNICATION SERVICES                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 1.6 - 8110 IDP AND STRATEGIC PROGRAMS 88-89       |     | -               | -               | 277             | -                    | -               | -                  | -   | -                      | -                      |
| 1.7 - 8116 PUBLIC PARTICIPATION                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Vote 2 - PLANNING AND DEVELOPMENT SERVICES</b> |     | 13 152          | 152 393         | 196 371         | 23 545               | 27 468          | 27 468             | 21 315  | 23 777                 | 24 562                 |
| 2.1 - 2200 PLANNING AND DEVELOPMENT: GENERAL 3    |     | 8 156           | 14 391          | 32 465          | 9 045                | 9 045           | 9 045              | 9 179   | 9 546                  | 9 927                  |
| 2.2 - 2205 BUILDING CONTROL 4                     |     | 148             | 747             | 116             | 29                   | 29              | 29                 | -   | -                      | -                      |
| 2.3 - 2210 TOWN PLANNING 4 - 5                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 2.4 - 2230 TOWN DEVELOPMENT 5                     |     | -               | 45              | -               | -                    | -               | -                  | -   | -                      | -                      |
| 2.5 - 8120 LOCAL ECONOMIC DEVELOPMENT 6 - 7       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 2.6 - 3780 HUMAN SETTLEMENTS: GENERAL 8           |     | 7 311           | 128 218         | 46 218          | 7 955                | 9 499           | 9 499              | 9 136   | 8 231                  | 8 635                  |
| 2.7 - 3781 HOUSING ADMINISTRATION 9-10            |     | (2 462)         | 8 855           | 115 661         | 6 517                | 8 895           | 8 895              | 3 000   | 6 000                  | 6 000                  |
| 2.8 - 3783 NEW HOUSING 10                         |     | -               | 137             | 1 910           | -                    | -               | -                  | -   | -                      | -                      |
| <b>Vote 3 - INFRASTRUCTURE SERVICES</b>           |     | 951 012         | 8 492 419       | 5 155 338       | 1 394 599            | 1 384 292       | 1 384 292          | 1 534 183   | 1 602 197              | 1 692 710              |
| 3.1 - 6600 ENGINEERING SERVICES GENERAL           |     | -               | 2               | 267             | 196                  | 196             | 196                | 384   | -                      | -                      |
| 3.2 - 4400 ELECTRICAL ENGINEERING SERVICES 56-58  |     | 562 881         | 6 058 527       | 3 020 798       | 842 738              | 847 644         | 847 644            | 921 922   | 963 860                | 1 037 343              |
| 3.3 - 6530 REFUSE REMOVAL 60-61                   |     | 84 765          | 1 015 601       | 555 714         | 128 604              | 129 130         | 129 130            | 141 308   | 153 236                | 166 207                |
| 3.4 - 6620 ROADS                                  |     | 157 094         | 485 639         | 692 557         | 158 915              | 214 091         | 214 091            | 175 141   | 186 254                | 199 207                |
| 3.5 - 6606 SEWERAGE NETWORK                       |     | 48 698          | 499 863         | 369 927         | 58 674               | 53 069          | 53 069             | 52 538  | 55 690                 | 59 032                 |
| 3.6 - 6650 WATER NETWORK                          |     | 97 390          | 376 070         | 454 797         | 103 181              | 93 265          | 93 265             | 95 789  | 101 450                | 107 447                |
| 3.7 - 4410 ELECTRICAL ENG. CLIENT SERVICES        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 3.8 - 4420 ELECTRICAL ENG. SYSTEM OPERATIONS      |     | -               | 17              | -               | -                    | -               | -                  | -   | -                      | -                      |
| 3.9 - 2245 DEVELOP SERVICES & PROJECT MANAGEMENT  |     | 185             | 56 700          | 61 278          | 102 292              | 46 897          | 46 897             | 147 101   | 141 706                | 123 474                |
| 3.10 - 6540 CLEANING OF STREETS                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Vote 4 - COMMUNITY AND PROTECTION SERVICES</b> |     | 161 903         | 1 108 552       | 752 160         | 197 435              | 187 667         | 187 667            | 174 922   | 173 352                | 179 416                |
| 4.1 - 5111 COMMUNITY AND PROTECTION: GENERAL 20   |     | 967             | 966             | 2 099           | 58                   | 3 078           | 3 078              | 105   | 111                    | 116                    |
| 4.2 - 5120 FIRE SERVICES 20-22                    |     | 353             | 3 675           | 1 474           | 844                  | 844             | 844                | 860   | 343                    | 360                    |
| 4.3 - 5140 TRAFFIC SERVICES: LICENCING 22-23      |     | 133 469         | 957 347         | 575 237         | 156 501              | 130 241         | 130 241            | 135 146   | 139 405                | 143 802                |
| 4.4 - 5705 DISASTER MANAGEMENT 25-26              |     | -               | -               | 177             | 320                  | 320             | 320                | 256   | -                      | -                      |
| 4.5 - 5710 LAW ENFORCEMENT 26-27                  |     | 3               | 1 553           | 8 802           | 2 226                | 6 143           | 6 143              | 2 886   | 2 053                  | 2 176                  |
| 4.6 - 3300 FORESTRY                               |     | 703             | 113 030         | 54 229          | 14 853               | 14 853          | 14 853             | 16 070  | 15 714                 | 16 500                 |
| 4.7 - 3340 SPORTS GROUNDS: VAN DER STEL 35-36     |     | 200             | -               | 24 463          | 667                  | 4 268           | 4 268              | 586   | 282                    | 310                    |
| 4.8 - 3545 CEMETRY: STELLENBOSCH 43-44            |     | 859             | 9 324           | 11 772          | 3 542                | 1 342           | 1 342              | 3 597   | 3 508                  | 3 684                  |
| 4.9 - 3750 LIBRARY: PLEIN STREET 46-47            |     | 12 330          | 15 828          | 50 408          | 11 434               | 16 989          | 16 989             | 14 252  | 11 774                 | 12 300                 |
| 4.10 - 3113 COMMUNITY DEVELOPMENT 5 - 6           |     | 13 019          | 6 829           | 23 500          | 6 989                | 9 589           | 9 589              | 1 164   | 162                    | 168                    |



WC024 Stellenbosch - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

| Vote Description                                    | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Vote 5 - CORPORATE SERVICES</b>                  |     | (23 843)        | (4 769)         | 18 856          | 6 339                | 5 846           | 5 846              | 11 657  | 12 240                 | 12 852                 |
| 5.1 - 7111 CORPORATE SERVICES: GENERAL 80-81        |     | -               | 15              | 987             | 25                   | 25              | 25                 | 26  | 27                     | 29                     |
| 5.2 - 7180 HUMAN RESOURCES SERVICES 81-82           |     | 952             | 1 320           | 1 762           | 250                  | 1 252           | 1 252              | 608   | 639                    | 670                    |
| 5.3 - 5715 OCCUPATIONAL SAFETY 82                   |     | 56              | 425             | -               | -                    | -               | -                  | -   | -                      | -                      |
| 5.4 - 7700 DOCUMENTATION AND ARCHIVES 82-83         |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 5.5 - 7720 LEGAL SERVICES 84                        |     | 2               | 43              | 6               | 1                    | 1               | 1                  | 1   | 1                      | 2                      |
| 5.6 - 7800 COUNCIL: GENERAL EXPENSES 85-86          |     | (7 714)         | (7 685)         | 2 678           | 1 061                | 1 061           | 1 061              | 771   | 810                    | 850                    |
| 5.7 - 9910 INFORMATION TECHNOLOGY 90-91             |     | (20 218)        | (21 848)        | -               | -                    | -               | -                  | -   | -                      | -                      |
| 5.8 - 2235 PROPERTY MANAGEMENT 11-12                |     | 3 079           | 22 962          | 13 422          | 5 002                | 3 506           | 3 506              | 10 250  | 10 763                 | 11 301                 |
| 5.9 - 6220 MUNICIPAL BUILDINGS AND STRUCTURES 12-13 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Vote 6 - FINANCIAL SERVICES</b>                  |     | 527 759         | 4 073 280       | 1 965 226       | 503 686              | 504 885         | 504 885            | 538 092   | 572 354                | 608 654                |
| 6.1 - 9900 FINANCIAL SERVICES: GENERAL 92-93        |     | 532 349         | 4 076 645       | 1 969 192       | 503 347              | 504 546         | 504 546            | 537 544   | 571 779                | 608 050                |
| 6.2 - 9920 FINANCIAL SERVICES: STORES 94            |     | (2 835)         | (2 869)         | (2 235)         | 207                  | 207             | 207                | 410   | 430                    | 452                    |
| 6.3 - 9921 FINANCIAL SERVICES: SCM 94               |     | (1 886)         | (2 034)         | (2 182)         | -                    | -               | -                  | -   | -                      | -                      |
| 6.4 - 5130 LOGISTICS AND FLEET MANAGEMENT 22        |     | 131             | 1 538           | 451             | 132                  | 132             | 132                | 138   | 145                    | 152                    |
|   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
|   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Revenue by Vote</b>                        | 2   | 1 620 305       | 13 808 379      | 8 088 228       | 2 125 605            | 2 110 707       | 2 110 707          | 2 280 169   | 2 383 919              | 2 518 194              |

WC024 Stellenbosch - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

| Vote Description                                  | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Expenditure by Vote</b>                        |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Vote 1 - OFFICE OF THE MUNICIPAL MANAGER</b>   | 1   | 29 296          | 104 665         | 174 979         | 39 989               | 25 973          | 25 973             | 27 432  | 28 603                 | 29 840                 |
| 1.1 - 1100 MUNICIPAL MANAGER 1                    |     | 8 626           | 8 620           | 66 140          | 13 642               | 4 747           | 4 747              | 5 730   | 6 051                  | 6 391                  |
| 1.2 - 1105 INTERNAL AUDIT 2                       |     | 10 118          | 64 710          | 53 405          | 13 425               | 11 805          | 11 805             | 12 257  | 12 612                 | 12 987                 |
| 1.3 - 1106 AUDIT COMMITTEE 2                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 1.4 - 1111 LIAISON EXECUTIVE 2                    |     | 1 203           | 912             | 755             | -                    | -               | -                  | -   | -                      | -                      |
| 1.5 - 7770 COMMUNICATION SERVICES                 |     | 2 526           | 24 024          | 15 747          | 2 290                | 3 397           | 3 397              | 3 572   | 3 758                  | 3 955                  |
| 1.6 - 8110 IDP AND STRATEGIC PROGRAMS 88-89       |     | 6 466           | 5 887           | 35 732          | 9 853                | 5 944           | 5 944              | 5 731   | 6 034                  | 6 354                  |
| 1.7 - 8116 PUBLIC PARTICIPATION                   |     | 357             | 510             | 3 200           | 779                  | 79              | 79                 | 142   | 147                    | 153                    |
|   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
|   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
|   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Vote 2 - PLANNING AND DEVELOPMENT SERVICES</b> |     | 63 075          | 87 734          | 344 021         | 85 536               | 68 916          | 68 916             | 75 134  | 76 682                 | 80 913                 |
| 2.1 - 2200 PLANNING AND DEVELOPMENT: GENERAL 3    |     | 13 531          | 36 995          | 117 539         | 30 032               | 10 924          | 10 924             | 12 824  | 13 304                 | 14 944                 |
| 2.2 - 2205 BUILDING CONTROL 4                     |     | 8 893           | 9 687           | 10 306          | 289                  | 8 174           | 8 174              | 8 831   | 9 361                  | 9 923                  |
| 2.3 - 2210 TOWN PLANNING 4 - 5                    |     | 9 188           | 9 486           | 13 294          | 1 425                | 12 152          | 12 152             | 12 303  | 13 019                 | 13 777                 |
| 2.4 - 2230 TOWN DEVELOPMENT 5                     |     | 912             | 1 093           | 58 211          | 19 535               | 6 773           | 6 773              | 7 606   | 8 025                  | 8 469                  |
| 2.5 - 8120 LOCAL ECONOMIC DEVELOPMENT 6 - 7       |     | 4 519           | 4 061           | 4 852           | -                    | 421             | 421                | -   | -                      | -                      |
| 2.6 - 3780 HUMAN SETTLEMENTS: GENERAL 8           |     | 10 274          | 12 592          | 86 551          | 21 332               | 21 197          | 21 197             | 21 801  | 21 015                 | 22 159                 |
| 2.7 - 3781 HOUSING ADMINISTRATION 9-10            |     | 7 295           | 4 328           | 10 069          | 661                  | 1 462           | 1 462              | 888   | 929                    | 936                    |
| 2.8 - 3783 NEW HOUSING 10                         |     | 8 462           | 9 490           | 43 197          | 12 262               | 7 812           | 7 812              | 10 882  | 11 028                 | 10 706                 |
|   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
|   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Vote 3 - INFRASTRUCTURE SERVICES</b>           |     | 861 364         | 6 868 320       | 4 234 015       | 1 188 821            | 1 184 157       | 1 184 157          | 1 261 823   | 1 324 999              | 1 415 775              |
| 3.1 - 6600 ENGINEERING SERVICES GENERAL           |     | 8 715           | 357             | 16 161          | 4 871                | 9 528           | 9 528              | 9 250   | 9 357                  | 9 875                  |
| 3.2 - 4400 ELECTRICAL ENGINEERING SERVICES 56-58  |     | 425 470         | 500 651         | 2 050 901       | 589 560              | 604 200         | 604 200            | 651 879   | 700 509                | 757 412                |
| 3.3 - 6530 REFUSE REMOVAL 60-61                   |     | 71 856          | 1 167 954       | 340 270         | 122 831              | 125 471         | 125 471            | 121 008   | 106 721                | 112 398                |
| 3.4 - 6620 ROADS                                  |     | 170 376         | 2 051 324       | 914 947         | 186 439              | 187 168         | 187 168            | 193 959   | 204 011                | 214 603                |
| 3.5 - 6606 SEWERAGE NETWORK                       |     | 36 055          | 64 480          | 211 870         | 92 525               | 88 483          | 88 483             | 105 407   | 117 612                | 123 876                |
| 3.6 - 6650 WATER NETWORK                          |     | 112 081         | 2 998 995       | 510 051         | 113 439              | 106 840         | 106 840            | 114 395   | 120 488                | 126 494                |
| 3.7 - 4410 ELECTRICAL ENG. CLIENT SERVICES        |     | 4 380           | 3 068           | 29 881          | 7 151                | 5 935           | 5 935              | 8 405   | 9 818                  | 10 224                 |
| 3.8 - 4420 ELECTRICAL ENG. SYSTEM OPERATIONS      |     | 17 552          | 9 435           | 42 853          | 10 279               | 9 027           | 9 027              | 10 320  | 10 762                 | 11 231                 |
| 3.9 - 2245 DEVELOP SERVICES & PROJECT MANAGEMENT  |     | 7               | 8 077           | 43 131          | 28 249               | 22 760          | 22 760             | 19 853  | 35 443                 | 38 941                 |
| 3.10 - 6540 CLEANING OF STREETS                   |     | 14 873          | 63 979          | 73 952          | 33 477               | 24 745          | 24 745             | 27 347  | 10 278                 | 10 721                 |
| <b>Vote 4 - COMMUNITY AND PROTECTION SERVICES</b> |     | 351 147         | 1 358 347       | 1 516 748       | 389 820              | 403 812         | 403 812            | 431 206   | 445 513                | 466 900                |
| 4.1 - 5111 COMMUNITY AND PROTECTION: GENERAL 20   |     | 12 542          | 28 113          | 45 330          | 13 105               | 16 875          | 16 875             | 18 491  | 19 511                 | 20 601                 |
| 4.2 - 5120 FIRE SERVICES 20-22                    |     | 35 652          | 41 007          | 169 538         | 47 104               | 45 721          | 45 721             | 47 758  | 49 941                 | 51 901                 |
| 4.3 - 5140 TRAFFIC SERVICES: LICENCING 22-23      |     | 139 792         | 335 350         | 548 339         | 130 010              | 131 872         | 131 872            | 139 499   | 145 000                | 150 733                |
| 4.4 - 5705 DISASTER MANAGEMENT 25-26              |     | 5 475           | 4 218           | 15 604          | 4 201                | 5 013           | 5 013              | 5 234   | 5 216                  | 5 466                  |
| 4.5 - 5710 LAW ENFORCEMENT 26-27                  |     | 55 886          | 422 659         | 285 036         | 67 956               | 75 280          | 75 280             | 86 341  | 90 603                 | 95 084                 |
| 4.6 - 3300 FORESTRY                               |     | 42 109          | 432 318         | 231 617         | 67 482               | 63 381          | 63 381             | 61 870  | 63 851                 | 67 280                 |
| 4.7 - 3340 SPORTS GROUNDS: VAN DER STEL 35-36     |     | 20 706          | 20 682          | 47 325          | 11 936               | 16 487          | 16 487             | 16 683  | 17 456                 | 18 399                 |
| 4.8 - 3545 CEMETRY: STELLENBOSCH 43-44            |     | 3 759           | 5 333           | 24 871          | 5 908                | 6 353           | 6 353              | 6 047   | 6 070                  | 6 429                  |
| 4.9 - 3750 LIBRARY: PLEIN STREET 46-47            |     | 12 922          | 31 637          | 67 948          | 17 029               | 16 801          | 16 801             | 19 492  | 17 287                 | 18 649                 |
| 4.10 - 3113 COMMUNITY DEVELOPMENT 5 - 6           |     | 22 302          | 37 030          | 81 140          | 25 087               | 26 029          | 26 029             | 29 791  | 30 579                 | 32 358                 |

WC024 Stellenbosch - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

| Vote Description                                    | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Vote 5 - CORPORATE SERVICES</b>                  |     | 147 919         | 2 017 530       | 703 086         | 198 283              | 193 940         | 193 940            | 210 804   | 222 207                | 233 251                |
| 5.1 - 7111 CORPORATE SERVICES: GENERAL 80-81        |     | 9 357           | 173 193         | 41 843          | 10 813               | 7 699           | 7 699              | 8 237   | 8 712                  | 9 214                  |
| 5.2 - 7180 HUMAN RESOURCES SERVICES 81-82           |     | 28 151          | 917 791         | 146 418         | 37 496               | 49 510          | 49 510             | 50 336  | 52 812                 | 55 314                 |
| 5.3 - 5715 OCCUPATIONAL SAFETY 82                   |     | 887             | 27 651          | 17 509          | 4 430                | 1 453           | 1 453              | 4 946   | 5 237                  | 5 546                  |
| 5.4 - 7700 DOCUMENTATION AND ARCHIVES 82-83         |     | 5 539           | 6 443           | 8 461           | 1 023                | 7 843           | 7 843              | 8 256   | 8 722                  | 9 214                  |
| 5.5 - 7720 LEGAL SERVICES 84                        |     | 13 339          | 10 816          | 55 729          | 13 511               | 8 660           | 8 660              | 8 835   | 9 037                  | 9 246                  |
| 5.6 - 7800 COUNCIL: GENERAL EXPENSES 85-86          |     | 34 122          | 35 731          | 148 170         | 40 398               | 26 305          | 26 305             | 32 035  | 33 532                 | 35 095                 |
| 5.7 - 9910 INFORMATION TECHNOLOGY 90-91             |     | 26 979          | 32 475          | 131 515         | 48 920               | 50 642          | 50 642             | 53 372  | 55 939                 | 59 083                 |
| 5.8 - 2235 PROPERTY MANAGEMENT 11-12                |     | 14 722          | 795 434         | 113 334         | 30 279               | 25 919          | 25 919             | 18 520  | 19 628                 | 21 058                 |
| 5.9 - 6220 MUNICIPAL BUILDINGS AND STRUCTURES 12-13 |     | 14 823          | 17 996          | 40 106          | 11 413               | 15 908          | 15 908             | 26 266  | 28 587                 | 29 480                 |
|   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Vote 6 - FINANCIAL SERVICES</b>                  |     | 48 411          | 579 305         | 442 534         | 115 042              | 100 398         | 100 398            | 104 763   | 110 060                | 115 584                |
| 6.1 - 9900 FINANCIAL SERVICES: GENERAL 92-93        |     | 50 529          | 575 214         | 425 788         | 110 867              | 87 031          | 87 031             | 90 626  | 95 133                 | 99 820                 |
| 6.2 - 9920 FINANCIAL SERVICES: STORES 94            |     | (3 587)         | 1 958           | 403             | 99                   | 1 463           | 1 463              | 1 649   | 1 745                  | 1 847                  |
| 6.3 - 9921 FINANCIAL SERVICES: SCM 94               |     | 95              | -               | 8 006           | 2 572                | 9 710           | 9 710              | 10 190  | 10 778                 | 11 400                 |
| 6.4 - 5130 LOGISTICS AND FLEET MANAGEMENT 22        |     | 1 373           | 2 133           | 8 337           | 1 503                | 2 193           | 2 193              | 2 298   | 2 405                  | 2 517                  |
|   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
|   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Expenditure by Vote</b>                    | 2   | 1 501 213       | 11 015 900      | 7 415 383       | 2 017 490            | 1 977 195       | 1 977 195          | 2 111 162   | 2 208 064              | 2 342 261              |
| <b>Surplus/(Deficit) for the year</b>               | 2   | 119 092         | 2 792 479       | 672 845         | 108 114              | 133 512         | 133 512            | 169 007   | 175 855                | 175 932                |

References

1. Insert 'Vote'; e.g. Department, if different to Functional structure
2. Must reconcile to Financial Performance ('Revenue and Expenditure by Functional Classification' and 'Revenue and Expenditure')
3. Assign share in 'associate' to relevant Vote

WC024 Stellenbosch - Table A4 Budgeted Financial Performance (revenue and expenditure)

| Description  | Ref  | 2018/19          | 2019/20           | 2020/21          | Current Year 2021/22 |                  |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|------|------------------|-------------------|------------------|----------------------|------------------|--------------------|---|------------------------|------------------------|
|  |      | Audited Outcome  | Audited Outcome   | Audited Outcome  | Original Budget      | Adjusted Budget  | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>R thousand</b>  | 1    |                  |                   |                  |                      |                  |                    |   |                        |                        |
| <b>Revenue By Source</b>   |      |                  |                   |                  |                      |                  |                    |   |                        |                        |
| Property rates   | 2    | 336 325          | 3 214 592         | 1 571 201        | 423 633              | 415 668          | 415 668            | 439 858   | 467 044                | 495 067                |
| Service charges - electricity revenue  | 2    | 531 494          | 5 676 832         | 2 830 052        | 787 275              | 787 275          | 787 275            | 848 869   | 911 005                | 980 001                |
| Service charges - water revenue  | 2    | 147 276          | 335 638           | 650 618          | 166 400              | 166 400          | 166 400            | 176 783   | 186 967                | 198 185                |
| Service charges - sanitation revenue   | 2    | 83 862           | 692 257           | 509 360          | 114 485              | 102 957          | 102 957            | 109 134   | 115 682                | 122 623                |
| Service charges - refuse revenue   | 2    | 55 128           | 732 205           | 403 190          | 87 936               | 87 936           | 87 936             | 94 971  | 102 569                | 110 775                |
| Rental of facilities and equipment   |      | 11 412           | 129 994           | 59 881           | 11 175               | 10 812           | 10 812             | 15 538  | 16 315                 | 17 130                 |
| Interest earned - external investments   |      | 44 272           | 351 201           | 133 127          | 13 200               | 19 613           | 19 613             | 20 397  | 21 213                 | 22 062                 |
| Interest earned - outstanding debtors  |      | 10 365           | 25 691            | 50 482           | 14 034               | 12 495           | 12 495             | 13 027  | 13 581                 | 14 158                 |
| Dividends received   |      | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| Fines, penalties and forfeits  |      | 118 194          | 886 020           | 531 586          | 147 425              | 120 165          | 120 165            | 124 955   | 128 704                | 132 565                |
| Licences and permits   |      | 6 746            | 37 959            | 23 319           | 5 778                | 5 778            | 5 778              | 5 934   | 6 231                  | 6 542                  |
| Agency services  |      | 2 833            | 25 476            | 12 041           | 3 077                | 4 077            | 4 077              | 4 281   | 4 495                  | 4 720                  |
| Transfers and subsidies  |      | 145 451          | 1 212 195         | 730 431          | 204 313              | 203 746          | 203 746            | 223 246   | 246 199                | 262 860                |
| Other revenue  | 2    | 25 691           | 223 750           | 149 032          | 41 319               | 44 839           | 44 839             | 41 313  | 43 262                 | 44 770                 |
| Gains  |      | 223              | -                 | 9 977            | -                    | 1 000            | 1 000              | -   | -                      | -                      |
| <b>Total Revenue (excluding capital transfers and contributions)</b>   |      | <b>1 519 272</b> | <b>13 543 810</b> | <b>7 664 295</b> | <b>2 020 051</b>     | <b>1 982 761</b> | <b>1 982 761</b>   | <b>2 118 305</b>                                    | <b>2 263 266</b>       | <b>2 411 458</b>       |
| <b>Expenditure By Type</b>   |      |                  |                   |                  |                      |                  |                    |   |                        |                        |
| Employee related costs   | 2    | 461 655          | 2 231 903         | 2 296 790        | 607 458              | 577 762          | 577 762            | 624 464   | 631 387                | 668 777                |
| Remuneration of councillors  |      | 17 538           | 19 121            | 82 055           | 21 978               | 20 059           | 20 059             | 21 062  | 22 115                 | 23 221                 |
| Debt impairment  | 3    | 105 207          | 137 024           | 330 803          | 103 900              | 105 292          | 105 292            | 88 147  | 90 877                 | 93 693                 |
| Depreciation & asset impairment  | 2    | 193 119          | 1 820 770         | 809 099          | 211 541              | 211 541          | 211 541            | 222 118   | 233 224                | 244 885                |
| Finance charges  |      | 17 036           | 1 423 884         | 156 603          | 43 842               | 45 476           | 45 476             | 67 799  | 80 819                 | 84 829                 |
| Bulk purchases   | 2    | 350 008          | 414 765           | 1 788 496        | 507 699              | 507 699          | 507 699            | 551 412   | 598 889                | 650 453                |
| Other materials  | 8    | 62 256           | 1 513 991         | 271 379          | 69 632               | 73 607           | 73 607             | 83 347  | 87 265                 | 91 345                 |
| Contracted services  |      | 151 818          | 1 850 401         | 904 864          | 277 481              | 262 810          | 262 810            | 278 933   | 286 761                | 302 186                |
| Transfers and subsidies  |      | 9 129            | 10 855            | 41 216           | 13 600               | 13 524           | 13 524             | 14 355  | 14 956                 | 15 585                 |
| Other expenditure  | 4, 5 | 130 867          | 1 626 814         | 733 467          | 160 358              | 159 423          | 159 423            | 159 524   | 161 771                | 167 286                |
| Losses   |      | 2 579            | (710)             | 610              | -                    | -                | -                  | -   | -                      | -                      |
| <b>Total Expenditure</b>   |      | <b>1 501 213</b> | <b>11 048 820</b> | <b>7 415 383</b> | <b>2 017 490</b>     | <b>1 977 195</b> | <b>1 977 195</b>   | <b>2 111 162</b>                                    | <b>2 208 064</b>       | <b>2 342 261</b>       |
| <b>Surplus/(Deficit)</b>   |      | <b>18 059</b>    | <b>2 494 990</b>  | <b>248 913</b>   | <b>2 560</b>         | <b>5 566</b>     | <b>5 566</b>       | <b>7 143</b>  | <b>55 202</b>          | <b>69 196</b>          |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)  |      | 87 782           | 254 143           | 410 134          | 105 554              | 111 591          | 111 591            | 128 610   | 80 871                 | 56 426                 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) | 6    | 13 251           | 10 427            | 13 658           | -                    | 16 355           | 16 355             | 33 254  | 39 782                 | 50 310                 |
| Transfers and subsidies - capital (in-kind - all)  |      | -                | -                 | 141              | -                    | -                | -                  | -   | -                      | -                      |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b>   |      | <b>119 092</b>   | <b>2 759 560</b>  | <b>672 845</b>   | <b>108 114</b>       | <b>133 512</b>   | <b>133 512</b>     | <b>169 007</b>                                      | <b>175 855</b>         | <b>175 932</b>         |
| Taxation   |      | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| <b>Surplus/(Deficit) after taxation</b>  |      | <b>119 092</b>   | <b>2 759 560</b>  | <b>672 845</b>   | <b>108 114</b>       | <b>133 512</b>   | <b>133 512</b>     | <b>169 007</b>                                      | <b>175 855</b>         | <b>175 932</b>         |
| Attributable to minorities   |      | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| <b>Surplus/(Deficit) attributable to municipality</b>  |      | <b>119 092</b>   | <b>2 759 560</b>  | <b>672 845</b>   | <b>108 114</b>       | <b>133 512</b>   | <b>133 512</b>     | <b>169 007</b>                                      | <b>175 855</b>         | <b>175 932</b>         |
| Share of surplus/ (deficit) of associate   | 7    | -                | -                 | -                | -                    | -                | -                  | -   | -                      | -                      |
| <b>Surplus/(Deficit) for the year</b>  |      | <b>119 092</b>   | <b>2 759 560</b>  | <b>672 845</b>   | <b>108 114</b>       | <b>133 512</b>   | <b>133 512</b>     | <b>169 007</b>                                      | <b>175 855</b>         | <b>175 932</b>         |

**References**

1. Classifications are revenue sources and expenditure type
2. Detail to be provided in Table SA1
3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs
5. Repairs & maintenance detailed in Table A9 and Table SA34c
6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)
7. Equity method (Includes Joint Ventures)
8. All materials not part of 'bulk' e.g. road making materials, pipe, cable etc.

WC024 Stellenbosch - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

| Vote Description                                  | Ref | 2018/19         | 2019/20          | 2020/21          | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|------------------|------------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome  | Audited Outcome  | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Capital expenditure - Vote</b>                 |     |                 |                  |                  |                      |                 |                    |   |                        |                        |
| <b>Multi-year expenditure, to be appropriated</b> | 2   |                 |                  |                  |                      |                 |                    |   |                        |                        |
| Vote 1 - OFFICE OF THE MUNICIPAL MANAGER          |     | -               | 5                | 12               | 44                   | 44              | 44                 | 40  | 40                     | 40                     |
| Vote 2 - PLANNING AND DEVELOPMENT SERVICES        |     | -               | -                | 515              | 185                  | 585             | 585                | 15 185  | 20 156                 | 21 780                 |
| Vote 3 - INFRASTRUCTURE SERVICES                  |     | -               | 71 905           | 95 992           | 73 879               | 98 135          | 98 135             | 324 747   | 366 727                | 370 628                |
| Vote 4 - COMMUNITY AND PROTECTION SERVICES        |     | -               | 17 916           | 14 797           | 11 350               | 19 894          | 19 894             | 25 221  | 23 126                 | 24 055                 |
| Vote 5 - CORPORATE SERVICES                       |     | -               | (289)            | 6 118            | 13 900               | 13 443          | 13 443             | 32 700  | 14 750                 | 14 550                 |
| Vote 6 - FINANCIAL SERVICES                       |     | -               | (198)            | (61)             | -                    | -               | -                  | 250   | 250                    | 250                    |
| <b>Capital multi-year expenditure sub-total</b>   |     | -               | <b>89 339</b>    | <b>117 373</b>   | <b>99 358</b>        | <b>132 102</b>  | <b>132 102</b>     | <b>398 143</b>                                      | <b>425 049</b>         | <b>431 303</b>         |
| <b>Single-year expenditure to be appropriated</b> | 2   |                 |                  |                  |                      |                 |                    |   |                        |                        |
| Vote 1 - OFFICE OF THE MUNICIPAL MANAGER          |     | -               | -                | -                | -                    | -               | -                  | -   | -                      | -                      |
| Vote 2 - PLANNING AND DEVELOPMENT SERVICES        |     | -               | 6 493            | 31 885           | 8 649                | 9 773           | 9 773              | -   | -                      | -                      |
| Vote 3 - INFRASTRUCTURE SERVICES                  |     | -               | 3 104 663        | 682 928          | 268 636              | 214 127         | 214 127            | 300   | 300                    | 800                    |
| Vote 4 - COMMUNITY AND PROTECTION SERVICES        |     | -               | 21 406           | 3 108            | 15 354               | 25 575          | 25 575             | 1 630   | 2 720                  | 8 300                  |
| Vote 5 - CORPORATE SERVICES                       |     | -               | 55 333           | 520 831          | 13 857               | 16 131          | 16 131             | 5 200   | 1 200                  | 1 600                  |
| Vote 6 - FINANCIAL SERVICES                       |     | -               | (344 256)        | (6 220)          | 200                  | 400             | 400                | -   | -                      | -                      |
| <b>Capital single-year expenditure sub-total</b>  |     | -               | <b>2 843 639</b> | <b>1 232 531</b> | <b>306 696</b>       | <b>266 006</b>  | <b>266 006</b>     | <b>7 130</b>  | <b>4 220</b>           | <b>10 700</b>          |
| <b>Total Capital Expenditure - Vote</b>           | 3,7 | -               | <b>2 932 978</b> | <b>1 349 903</b> | <b>406 054</b>       | <b>398 108</b>  | <b>398 108</b>     | <b>405 273</b>                                      | <b>429 269</b>         | <b>442 003</b>         |

WC024 Stellenbosch - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

| Vote Description   | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>R thousand</b>  | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Capital Expenditure - Functional</b>  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Governance and administration</i>   |     | 16 393          | 94 338          | 49 911          | 28 001               | 30 018          | 30 018             | 38 190  | 16 240                 | 16 440                 |
| Executive and council  |     | 45              | (3 362)         | 10              | 44                   | 44              | 44                 | 40  | 40                     | 40                     |
| Finance and administration   |     | 16 348          | 110 463         | 49 901          | 27 957               | 29 974          | 29 974             | 38 150  | 16 200                 | 16 400                 |
| Internal audit   |     | -               | (12 763)        | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Community and public safety</i>   |     | (2 121)         | 10 443          | 10 533          | 25 844               | 42 068          | 42 068             | 34 292  | 39 372                 | 43 040                 |
| Community and social services  |     | 214             | 262             | 283             | 2 155                | 4 530           | 4 530              | 8 730   | 9 755                  | 560                    |
| Sport and recreation   |     | 1 804           | 5 072           | 2 217           | 4 900                | 10 306          | 10 306             | 6 827   | 5 861                  | 12 750                 |
| Public safety  |     | 4 133           | 4 253           | 1 565           | 10 395               | 17 428          | 17 428             | 3 550   | 5 600                  | 7 950                  |
| Housing  |     | (8 273)         | 856             | 6 468           | 8 394                | 9 805           | 9 805              | 15 185  | 18 156                 | 21 780                 |
| Health   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Economic and environmental services</i>   |     | 14 107          | 26 350          | 19 317          | 105 037              | 114 593         | 114 593            | 93 005  | 103 560                | 70 452                 |
| Planning and development   |     | 3 307           | 15 249          | 8 280           | 45 863               | 46 633          | 46 633             | 21 350  | 23 180                 | -                      |
| Road transport   |     | 10 800          | 11 101          | 12 122          | 52 800               | 62 178          | 62 178             | 64 135  | 77 630                 | 62 102                 |
| Environmental protection   |     | -               | -               | (1 085)         | 6 374                | 5 782           | 5 782              | 7 520   | 2 750                  | 8 350                  |
| <i>Trading services</i>  |     | 47 021          | (115 308)       | 57 573          | 247 172              | 211 428         | 211 428            | 239 786   | 270 097                | 312 072                |
| Energy sources   |     | 7 513           | 27 389          | 6 145           | 74 748               | 78 919          | 78 919             | 77 471  | 56 802                 | 135 572                |
| Water management   |     | 19 469          | (163 204)       | 13 767          | 79 850               | 53 377          | 53 377             | 46 669  | 96 050                 | 106 150                |
| Waste water management   |     | 17 753          | 20 277          | 36 749          | 84 700               | 71 208          | 71 208             | 57 300  | 55 300                 | 55 700                 |
| Waste management   |     | 2 285           | 230             | 912             | 7 874                | 7 923           | 7 923              | 58 345  | 61 945                 | 14 650                 |
| <i>Other</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Capital Expenditure - Functional</b>  | 3,7 | <b>75 399</b>   | <b>15 823</b>   | <b>137 336</b>  | <b>406 054</b>       | <b>398 108</b>  | <b>398 108</b>     | <b>405 273</b>                                      | <b>429 269</b>         | <b>442 003</b>         |
| <b>Funded by:</b>  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| National Government  |     | 18 819          | 36 097          | (35 987)        | 70 386               | 71 094          | 71 094             | 90 810  | 48 008                 | 47 899                 |
| Provincial Government  |     | (7 150)         | 115 636         | (859)           | 35 168               | 40 497          | 40 497             | 29 000  | 34 863                 | 7 900                  |
| District Municipality  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) |     | 174             | 151             | (18 430)        | -                    | 307             | 307                | 12 674  | 12 761                 | 40 046                 |
| Transfers recognised - capital   | 4   | 11 843          | 151 885         | (55 276)        | 105 554              | 111 899         | 111 899            | 132 483   | 95 632                 | 95 845                 |
| Public contributions & donations   | 5   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Borrowing  | 6   | 16 097          | (66 744)        | 84 347          | 144 000              | 152 862         | 152 862            | 140 000   | 160 000                | 141 000                |
| Internally generated funds   |     | 37 252          | 30 492          | 106 071         | 156 500              | 133 347         | 133 347            | 132 790   | 173 637                | 205 158                |
| <b>Total Capital Funding</b>   | 7   | <b>65 192</b>   | <b>115 633</b>  | <b>135 142</b>  | <b>406 054</b>       | <b>398 108</b>  | <b>398 108</b>     | <b>405 273</b>                                      | <b>429 269</b>         | <b>442 003</b>         |



| Vote Description                                    | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| 1.6 - 8110 IDP AND STRATEGIC PROGRAMS 88-89         |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 1.7 - 8116 PUBLIC PARTICIPATION                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Vote 2 - PLANNING AND DEVELOPMENT SERVICES</b>   |     | -               | 6 493           | 31 885          | 8 649                | 9 773           | 9 773              | -   | -                      | -                      |
| 2.1 - 2200 PLANNING AND DEVELOPMENT: GENERAL 3      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 2.2 - 2205 BUILDING CONTROL 4                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 2.3 - 2210 TOWN PLANNING 4 - E                      |     | -               | -               | (1)             | 125                  | 125             | 125                | -   | -                      | -                      |
| 2.4 - 2230 TOWN DEVELOPMENT 5                       |     | -               | 16              | 4               | 130                  | 243             | 243                | -   | -                      | -                      |
| 2.5 - 8120 LOCAL ECONOMIC DEVELOPMENT 6 - 7         |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 2.6 - 3780 HUMAN SETTLEMENTS: GENERAL 8             |     | -               | -               | 12              | 135                  | 135             | 135                | -   | -                      | -                      |
| 2.7 - 3781 HOUSING ADMINISTRATION 9-10              |     | -               | 6 478           | 31 870          | 8 259                | 9 270           | 9 270              | -   | -                      | -                      |
| 2.8 - 3783 NEW HOUSING 10                           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Vote 3 - INFRASTRUCTURE SERVICES</b>             |     | -               | 3 104 663       | 682 928         | 268 636              | 214 127         | 214 127            | 300   | 300                    | 800                    |
| 3.1 - 6600 ENGINEERING SERVICES GENERAL             |     | -               | 196             | 2               | 75                   | 75              | 75                 | -   | -                      | -                      |
| 3.2 - 4400 ELECTRICAL ENGINEERING SERVICES 56-58    |     | -               | 403 442         | 143 245         | 41 401               | 47 996          | 47 996             | -   | -                      | -                      |
| 3.3 - 6530 REFUSE REMOVAL 60-61                     |     | -               | 1 888           | 7 888           | 4 374                | 4 174           | 4 174              | -   | -                      | -                      |
| 3.4 - 6620 ROADS                                    |     | -               | 34 355          | 22 408          | 38 250               | 35 472          | 35 472             | -   | -                      | 500                    |
| 3.5 - 6606 SEWERAGE NETWORK                         |     | -               | 43 006          | 329 101         | 84 700               | 71 108          | 71 108             | 300   | 300                    | 300                    |
| 3.6 - 6650 WATER NETWORK                            |     | -               | 2 566 729       | 164 485         | 79 850               | 40 731          | 40 731             | -   | -                      | -                      |
| 3.7 - 4410 ELECTRICAL ENG. CLIENT SERVICES          |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 3.8 - 4420 ELECTRICAL ENG. SYSTEM OPERATIONS        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 3.9 - 2245 DEVELOP SERVICES & PROJECT MANAGEMENT    |     | -               | 55 045          | 15 798          | 19 986               | 14 570          | 14 570             | -   | -                      | -                      |
| 3.10 - 6540 CLEANING OF STREETS                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Vote 4 - COMMUNITY AND PROTECTION SERVICES</b>   |     | -               | 21 406          | 3 108           | 15 354               | 25 575          | 25 575             | 1 630   | 2 720                  | 8 300                  |
| 4.1 - 5111 COMMUNITY AND PROTECTION: GENERAL 20     |     | -               | 21              | -               | -                    | -               | -                  | -   | -                      | -                      |
| 4.2 - 5120 FIRE SERVICES 20-22                      |     | -               | 465             | 3 045           | 4 945                | 8 738           | 8 738              | -   | -                      | -                      |
| 4.3 - 5140 TRAFFIC SERVICES: LICENCING 22-21        |     | -               | 677             | (239)           | 200                  | 200             | 200                | -   | 1 750                  | 2 700                  |
| 4.4 - 5705 DISASTER MANAGEMENT 25-26                |     | -               | -               | (1 948)         | -                    | -               | -                  | -   | -                      | -                      |
| 4.5 - 5710 LAW ENFORCEMENT 26-27                    |     | -               | 4 998           | 883             | 5 150                | 6 720           | 6 720              | -   | -                      | -                      |
| 4.6 - 3300 FORESTRY                                 |     | -               | 2 995           | (3 480)         | 2 674                | 1 844           | 1 844              | 100   | -                      | 150                    |
| 4.7 - 3340 SPORTS GROUNDS: VAN DER STEL 35-36       |     | -               | 13 594          | 4 321           | 750                  | 3 893           | 3 893              | 1 350   | 950                    | 4 950                  |
| 4.8 - 3545 CEMETRY: STELLENBOSCH 43-44              |     | -               | (1 306)         | 148             | 1 000                | 1 103           | 1 103              | -   | -                      | 500                    |
| 4.9 - 3750 LIBRARY: PLEIN STREET 46-47              |     | -               | 156             | (13)            | 370                  | 2 706           | 2 706              | 180   | 20                     | -                      |
| 4.10 - 3113 COMMUNITY DEVELOPMENT 5 - 6             |     | -               | (194)           | 471             | 265                  | 372             | 372                | -   | -                      | -                      |
| <b>Vote 5 - CORPORATE SERVICES</b>                  |     | -               | 55 333          | 520 831         | 13 857               | 16 131          | 16 131             | 5 200   | 1 200                  | 1 600                  |
| 5.1 - 7111 CORPORATE SERVICES: GENERAL 80-81        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 5.2 - 7180 HUMAN RESOURCES SERVICES 81-82           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 5.3 - 5715 OCCUPATIONAL SAFETY 82                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 5.4 - 7700 DOCUMENTATION AND ARCHIVES 82-83         |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 5.5 - 7720 LEGAL SERVICES 84                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 5.6 - 7800 COUNCIL: GENERAL EXPENSES 85-86          |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 5.7 - 9910 INFORMATION TECHNOLOGY 90-91             |     | -               | 1 293           | (394)           | 5 300                | 8 754           | 8 754              | -   | -                      | -                      |
| 5.8 - 2235 PROPERTY MANAGEMENT 11-12                |     | -               | 45 884          | -               | -                    | -               | -                  | -   | -                      | -                      |
| 5.9 - 6220 MUNICIPAL BUILDINGS AND STRUCTURES 12-1: |     | -               | 8 157           | 521 224         | 8 557                | 7 377           | 7 377              | 5 200   | 1 200                  | 1 600                  |
| <b>Vote 6 - FINANCIAL SERVICES</b>                  |     | -               | (344 256)       | (6 220)         | 200                  | 400             | 400                | -   | -                      | -                      |
| 6.1 - 9900 FINANCIAL SERVICES: GENERAL 92-93        |     | -               | (344 185)       | (6 220)         | 200                  | 400             | 400                | -   | -                      | -                      |
| 6.2 - 9920 FINANCIAL SERVICES: STORES 94            |     | -               | (71)            | -               | -                    | -               | -                  | -   | -                      | -                      |
| 6.3 - 9921 FINANCIAL SERVICES: SCM 94               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 6.4 - 5130 LOGISTICS AND FLEET MANAGEMENT 22        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Capital single-year expenditure sub-total</b>    |     | -               | 2 843 639       | 1 232 531       | 306 696              | 266 006         | 266 006            | 7 130   | 4 220                  | 10 700                 |
| <b>Total Capital Expenditure</b>                    |     | -               | 2 932 978       | 1 349 903       | 406 054              | 398 108         | 398 108            | 405 273   | 429 269                | 442 003                |

| Multi-year appropriation for Budget Year 2022/23 in the 2021/22 Annual Budget |                        |                                  |                               | Multi-year appropriation for 2023/24 in the 2021/22 Annual Budget |                        |                                  |                               | New multi-year appropriations (funds for new and existing projects) |                        |                        |
|---|------------------------|----------------------------------|-------------------------------|---|------------------------|----------------------------------|-------------------------------|---|------------------------|------------------------|
| Appropriation for 2022/23   | Adjustments in 2021/22 | Downward adjustments for 2022/23 | Appropriation carried forward | Appropriation for 2022/23   | Adjustments in 2021/22 | Downward adjustments for 2022/23 | Appropriation carried forward | Budget Year 2022/23   | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| -   | -                      | -                                | -                             | -   | -                      | -                                | -                             | -   | -                      | -                      |



WC024 Stellenbosch - Table A6 Budgeted Financial Position

| Description                              | Ref | 2018/19         | 2019/20          | 2020/21             | Current Year 2021/22 |                  |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|------------------|---------------------|----------------------|------------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome  | Audited Outcome     | Original Budget      | Adjusted Budget  | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>ASSETS</b>                            |     |                 |                  |                     |                      |                  |                    |   |                        |                        |
| <b>Current assets</b>                    |     |                 |                  |                     |                      |                  |                    |   |                        |                        |
| Cash                                     |     | (72 374)        | (1 488 341)      | 111 897             | 20 248               | 17 131           | 17 131             | 39 494  | 28 460                 | 13 690                 |
| Call investment deposits                 | 1   | 572 779         | 1 903 584        | (1 035 805)         | 396 045              | 200 080          | 200 080            | 218 689   | 219 434                | 220 208                |
| Consumer debtors                         | 1   | (19 678)        | 215 179          | (429 683)           | 501 206              | 428 255          | 428 255            | 317 474   | 333 804                | 351 509                |
| Other debtors                            |     | 81 049          | 633 157          | 687 507             | 213 145              | 707 125          | 707 125            | 227 153   | 227 684                | 228 232                |
| Current portion of long-term receivables |     | -               | -                | -                   | -                    | -                | -                  | (2 500)   | (2 500)                | (2 500)                |
| Inventory                                | 2   | 30 140          | 64 074           | 53 315              | 64 074               | 53 375           | 53 375             | 4 002   | 1 500                  | (1 103)                |
| <b>Total current assets</b>              |     | <b>591 917</b>  | <b>1 327 653</b> | <b>(612 769)</b>    | <b>1 194 718</b>     | <b>1 405 966</b> | <b>1 405 966</b>   | <b>804 313</b>                                      | <b>808 382</b>         | <b>810 035</b>         |
| <b>Non current assets</b>                |     |                 |                  |                     |                      |                  |                    |   |                        |                        |
| Long-term receivables                    |     | -               | 6 362            | 7 881               | (3 432)              | (3 474)          | (3 474)            | (3 474)   | (3 474)                | (3 474)                |
| Investments                              |     | -               | -                | -                   | -                    | -                | -                  | -   | -                      | -                      |
| Investment property                      |     | (8 340)         | 412 558          | 412 396             | 412 254              | 412 136          | 412 136            | 415 362   | 411 849                | 411 834                |
| Investment in Associate                  |     | -               | -                | -                   | -                    | -                | -                  | -   | -                      | -                      |
| Property, plant and equipment            | 3   | 290 372         | 2 042 714        | (20 557 182)        | 5 437 921            | 5 642 468        | 5 642 468          | 5 819 796   | 5 837 486              | 5 838 664              |
| Agricultural                             |     | -               | -                | -                   | -                    | -                | -                  | -   | -                      | -                      |
| Biological                               |     | -               | 6 321            | 6 321               | 6 321                | 6 321            | 6 321              | 6 571   | 6 571                  | 6 571                  |
| Intangible                               |     | 7 241           | 9 694            | 7 222               | 8 056                | 8 000            | 8 000              | 6 480   | 6 194                  | 6 104                  |
| Other non-current assets                 |     | -               | 730              | 774                 | 3 951                | 3 865            | 3 865              | 7 735   | 6 735                  | 6 735                  |
| <b>Total non current assets</b>          |     | <b>289 273</b>  | <b>2 478 380</b> | <b>(20 122 588)</b> | <b>5 865 071</b>     | <b>6 069 317</b> | <b>6 069 317</b>   | <b>6 252 472</b>                                    | <b>6 265 362</b>       | <b>6 266 435</b>       |
| <b>TOTAL ASSETS</b>                      |     | <b>881 190</b>  | <b>3 806 032</b> | <b>(20 735 357)</b> | <b>7 059 788</b>     | <b>7 475 282</b> | <b>7 475 282</b>   | <b>7 056 784</b>                                    | <b>7 073 744</b>       | <b>7 076 470</b>       |
| <b>LIABILITIES</b>                       |     |                 |                  |                     |                      |                  |                    |   |                        |                        |
| <b>Current liabilities</b>               |     |                 |                  |                     |                      |                  |                    |   |                        |                        |
| Bank overdraft                           | 1   | -               | -                | -                   | -                    | -                | -                  | -   | -                      | -                      |
| Borrowing                                | 4   | 11 368          | 26 753           | 62 727              | 36 154               | 47 117           | 47 117             | 50 847  | 59 962                 | 68 056                 |
| Consumer deposits                        |     | (96)            | 19 757           | 21 008              | 19 757               | 22 961           | 22 961             | 22 961  | 22 961                 | 22 961                 |
| Trade and other payables                 | 4   | 138 509         | 734 143          | (1 653 353)         | 767 715              | 781 388          | 781 388            | 258 869   | 246 861                | 266 261                |
| Provisions                               |     | 876             | 56 680           | 57 046              | 55 106               | 100 539          | 100 539            | 128 332   | 129 967                | 131 699                |
| <b>Total current liabilities</b>         |     | <b>150 657</b>  | <b>837 333</b>   | <b>(1 512 572)</b>  | <b>878 732</b>       | <b>952 005</b>   | <b>952 005</b>     | <b>461 009</b>                                      | <b>459 751</b>         | <b>488 977</b>         |
| <b>Non current liabilities</b>           |     |                 |                  |                     |                      |                  |                    |   |                        |                        |
| Borrowing                                |     | 134 130         | 266 178          | (1 226 232)         | 499 164              | 434 893          | 434 893            | 524 045   | 534 931                | 507 837                |
| Provisions                               |     | 13 417          | 303 348          | (643 302)           | 304 922              | 342 292          | 342 292            | 353 295   | 353 779                | 354 296                |
| <b>Total non current liabilities</b>     |     | <b>147 547</b>  | <b>569 526</b>   | <b>(1 869 533)</b>  | <b>804 086</b>       | <b>777 185</b>   | <b>777 185</b>     | <b>877 341</b>                                      | <b>888 710</b>         | <b>862 133</b>         |
| <b>TOTAL LIABILITIES</b>                 |     | <b>298 204</b>  | <b>1 406 858</b> | <b>(3 382 106)</b>  | <b>1 682 818</b>     | <b>1 729 190</b> | <b>1 729 190</b>   | <b>1 338 350</b>                                    | <b>1 348 461</b>       | <b>1 351 110</b>       |
| <b>NET ASSETS</b>                        | 5   | <b>582 986</b>  | <b>2 399 174</b> | <b>(17 353 251)</b> | <b>5 376 970</b>     | <b>5 746 092</b> | <b>5 746 092</b>   | <b>5 718 434</b>                                    | <b>5 725 283</b>       | <b>5 725 360</b>       |
| <b>COMMUNITY WEALTH/EQUITY</b>           |     |                 |                  |                     |                      |                  |                    |   |                        |                        |
| Accumulated Surplus/(Deficit)            |     | (63 812)        | 5 485 077        | 5 270 358           | 5 200 152            | 5 755 713        | 5 755 713          | 5 922 324   | 5 930 055              | 5 930 064              |
| Reserves                                 | 4   | 121 841         | (149 686)        | 153 094             | -                    | (206 285)        | (206 285)          | (206 285)   | (206 285)              | (206 285)              |
| <b>TOTAL COMMUNITY WEALTH/EQUITY</b>     | 5   | <b>58 029</b>   | <b>5 335 390</b> | <b>5 423 453</b>    | <b>5 200 152</b>     | <b>5 549 427</b> | <b>5 549 427</b>   | <b>5 716 039</b>                                    | <b>5 723 770</b>       | <b>5 723 778</b>       |

References

1. Detail to be provided in Table SA3
2. Include completed low cost housing to be transferred to beneficiaries within 12 months
3. Include 'Construction-work-in-progress' (disclosed separately in annual financial statements)
4. Detail to be provided in Table SA3. Includes reserves to be funded by statute.
5. Total Assets must balance with Total Liabilities
6. Net Assets must balance with Total Community Wealth/Equity

WC024 Stellenbosch - Table A7 Budgeted Cash Flows

| Description                                      | Ref | 2018/19          | 2019/20          | 2020/21            | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|------------------|------------------|--------------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome  | Audited Outcome  | Audited Outcome    | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                  |                  |                    |                      |                 |                    |   |                        |                        |
| <b>Receipts</b>                                  |     |                  |                  |                    |                      |                 |                    |   |                        |                        |
| Property rates                                   |     | (2)              | 158 205          | (2 847 543)        | 406 687              | 408 174         | 408 174            | 422 983   | 448 362                | 475 264                |
| Service charges                                  |     | (15)             | (158 210)        | (3 704 775)        | 1 141 264            | 1 094 895       | 1 094 895          | 1 173 376   | 1 248 186              | 1 327 795              |
| Other revenue                                    |     | (26)             | (1 036)          | (2 072 520)        | 84 334               | 78 588          | 78 588             | 93 750  | 97 722                 | 101 336                |
| Transfers and Subsidies - Operational            | 1   | -                | -                | (605 679)          | 250 764              | 239 722         | 239 722            | 220 974   | 207 245                | 226 300                |
| Transfers and Subsidies - Capital                | 1   | -                | -                | (685 574)          | 58 541               | 59 141          | 59 141             | 103 547   | 100 117                | 77 721                 |
| Interest   |     | -                | -                | (115 918)          | 13 200               | 1 719           | 1 719              | 32 903  | 32 078                 | 33 389                 |
| Dividends  |     | -                | -                | -                  | -                    | -               | -                  | -   | -                      | -                      |
| <b>Payments</b>                                  |     |                  |                  |                    |                      |                 |                    |   |                        |                        |
| Suppliers and employees                          |     | (457 046)        | (104 844)        | 4 558 022          | (1 648 929)          | (1 602 474)     | (1 602 474)        | (1 656 498)   | (1 742 737)            | (1 839 911)            |
| Finance charges                                  |     | -                | -                | -                  | -                    | -               | -                  | (66 796)  | (79 332)               | (82 825)               |
| Transfers and Grants                             | 1   | -                | -                | 18 600             | -                    | -               | -                  | -   | -                      | -                      |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | <b>(457 088)</b> | <b>(105 885)</b> | <b>(5 455 386)</b> | <b>305 862</b>       | <b>279 765</b>  | <b>279 765</b>     | <b>324 239</b>                                      | <b>311 641</b>         | <b>319 069</b>         |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>      |     |                  |                  |                    |                      |                 |                    |   |                        |                        |
| <b>Receipts</b>                                  |     |                  |                  |                    |                      |                 |                    |   |                        |                        |
| Proceeds on disposal of PPE                      |     | -                | -                | (95 735)           | -                    | 16 047          | 16 047             | 46 309  | 54 284                 | 66 259                 |
| Decrease (increase) in non-current receivables   |     | 36               | (6 362)          | 19 622             | 3 432                | 3 474           | 3 474              | 3 474   | 3 474                  | 3 474                  |
| Decrease (increase) in non-current investments   |     | -                | -                | -                  | -                    | -               | -                  | -   | -                      | -                      |
| <b>Payments</b>                                  |     |                  |                  |                    |                      |                 |                    |   |                        |                        |
| Capital assets                                   |     | (75 399)         | (15 823)         | (137 336)          | -                    | -               | -                  | (405 273)   | (429 269)              | (442 003)              |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | <b>(75 363)</b>  | <b>(22 185)</b>  | <b>(213 449)</b>   | <b>3 432</b>         | <b>19 522</b>   | <b>19 522</b>      | <b>(355 490)</b>                                    | <b>(371 511)</b>       | <b>(372 270)</b>       |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>      |     |                  |                  |                    |                      |                 |                    |   |                        |                        |
| <b>Receipts</b>                                  |     |                  |                  |                    |                      |                 |                    |   |                        |                        |
| Short term loans                                 |     | -                | -                | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Borrowing long term/refinancing                  |     | -                | -                | (308 339)          | -                    | 143 537         | 143 537            | 140 000   | 160 000                | 141 000                |
| Increase (decrease) in consumer deposits         |     | 1 757            | 19 757           | (21 830)           | 19 757               | 22 961          | 22 961             | 22 961  | 22 961                 | 22 961                 |
| <b>Payments</b>                                  |     |                  |                  |                    |                      |                 |                    |   |                        |                        |
| Repayment of borrowing                           |     | -                | -                | -                  | -                    | -               | -                  | (47 117)  | (47 117)               | (47 117)               |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | <b>1 757</b>     | <b>19 757</b>    | <b>(330 169)</b>   | <b>19 757</b>        | <b>166 498</b>  | <b>166 498</b>     | <b>115 844</b>                                      | <b>135 844</b>         | <b>116 844</b>         |
| <b>NET INCREASE/ (DECREASE) IN CASH HELD</b>     |     | <b>(530 694)</b> | <b>(108 312)</b> | <b>(5 999 003)</b> | <b>329 051</b>       | <b>465 785</b>  | <b>465 785</b>     | <b>84 593</b>                                       | <b>75 974</b>          | <b>63 642</b>          |
| Cash/cash equivalents at the year begin:         | 2   | -                | 654 493          | (5 299 695)        | 415 242              | 334 083         | 334 083            | 217 211   | 301 804                | 377 778                |
| Cash/cash equivalents at the year end:           | 2   | (530 694)        | 546 180          | (11 298 698)       | 744 294              | 799 869         | 799 869            | 301 804   | 377 778                | 441 420                |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less
3. The MTREF is populated directly from SA30.

WC024 Stellenbosch - Table A8 Cash backed reserves/accumulated surplus reconciliation

| Description                                       | Ref | 2018/19         | 2019/20          | 2020/21            | Current Year 2021/22 |                  |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|------------------|--------------------|----------------------|------------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome  | Audited Outcome    | Original Budget      | Adjusted Budget  | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Cash and investments available</b>             |     |                 |                  |                    |                      |                  |                    |   |                        |                        |
| Cash/cash equivalents at the year end             | 1   | (530 694)       | 546 180          | (11 298 698)       | 744 294              | 799 869          | 799 869            | 301 804   | 377 778                | 441 420                |
| Other current investments > 90 days               |     | 1 031 099       | (130 938)        | 10 374 790         | (328 001)            | (582 658)        | (582 658)          | (43 621)  | (129 885)              | (207 523)              |
| Non current assets - Investments                  | 1   | -               | -                | -                  | -                    | -                | -                  | -   | -                      | -                      |
| <b>Cash and investments available:</b>            |     | <b>500 405</b>  | <b>415 242</b>   | <b>(923 908)</b>   | <b>416 293</b>       | <b>217 211</b>   | <b>217 211</b>     | <b>258 184</b>                                      | <b>247 893</b>         | <b>233 898</b>         |
| <b>Application of cash and investments</b>        |     |                 |                  |                    |                      |                  |                    |   |                        |                        |
| Unspent conditional transfers                     |     | (47 806)        | 8 863            | (345 859)          | 8 301                | 16 966           | 16 966             | 704   | 8 980                  | 14 117                 |
| Unspent borrowing                                 |     | -               | -                | -                  | -                    | -                | -                  | -   | -                      | -                      |
| Statutory requirements                            | 2   | -               | -                | -                  | -                    | -                | -                  | -   | -                      | -                      |
| Other working capital requirements                | 3   | 158 934         | 546 489          | 1 754 736          | (325 196)            | (750 317)        | (750 317)          | (229 715)   | (263 773)              | (263 924)              |
| Other provisions                                  |     | 35 736          | 10 418           | 190 630            | 5 637                | 8 004            | 8 004              | 745   | 775                    | 806                    |
| Long term investments committed                   | 4   | -               | -                | -                  | -                    | -                | -                  | -   | -                      | -                      |
| Reserves to be backed by cash/investments         | 5   | -               | -                | -                  | -                    | -                | -                  | -   | -                      | -                      |
| <b>Total Application of cash and investments:</b> |     | <b>146 864</b>  | <b>565 770</b>   | <b>1 599 507</b>   | <b>(311 259)</b>     | <b>(725 347)</b> | <b>(725 347)</b>   | <b>(228 265)</b>                                    | <b>(254 018)</b>       | <b>(249 001)</b>       |
| <b>Surplus(shortfall)</b>                         |     | <b>353 541</b>  | <b>(150 528)</b> | <b>(2 523 415)</b> | <b>727 552</b>       | <b>942 558</b>   | <b>942 558</b>     | <b>486 448</b>                                      | <b>501 911</b>         | <b>482 899</b>         |

References

1. Must reconcile with Budgeted Cash Flows
2. For example: VAT, taxation
3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable,
4. For example: sinking fund requirements for borrowing
5. Council approval required for each reserve created and basis of cash backing of reserves

| <u>Other working capital requirements</u> |  |                  |                  |                    |                |                |                |                |                |                |
|---|--|------------------|------------------|--------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Debtors                                   |  | (2)              | (74)             | (337 467)          | 643 771        | 1 018 133      | 1 018 133      | 487 879        | 501 654        | 516 068        |
| Creditors due                             |  | 158 932          | 546 415          | 1 417 269          | 318 575        | 267 816        | 267 816        | 258 164        | 237 881        | 252 144        |
| <b>Total</b>                              |  | <b>(158 934)</b> | <b>(546 489)</b> | <b>(1 754 736)</b> | <b>325 196</b> | <b>750 317</b> | <b>750 317</b> | <b>229 715</b> | <b>263 773</b> | <b>263 924</b> |

| <u>Debtors collection assumptions</u> |  |        |         |         |         |           |           |         |         |         |
|---------------------------------------|--|--------|---------|---------|---------|-----------|-----------|---------|---------|---------|
| Balance outstanding - debtors         |  | 61 372 | 854 698 | 265 705 | 710 918 | 1 131 906 | 1 131 906 | 541 153 | 558 014 | 576 266 |
| Estimate of debtors collection rate   |  | 0,0%   | 0,0%    | -127,0% | 90,6%   | 89,9%     | 89,9%     | 90,2%   | 89,9%   | 89,6%   |

| <u>Long term investments committed</u>               |  |   |   |   |   |   |   |   |   |   |
|--|--|---|---|---|---|---|---|---|---|---|
| <i>Balance (Insert description; eg sinking fund)</i> |  |   |   |   |   |   |   |   |   |   |
| Bankers Acceptance Certificate                       |  | - | - | - | - | - | - | - | - | - |
| Deposit Taking Institutions                          |  | - | - | - | - | - | - | - | - | - |
| Bank Repurchase Agreements                           |  | - | - | - | - | - | - | - | - | - |
| Derivative Financial Assets                          |  | - | - | - | - | - | - | - | - | - |
| Guaranteed Endowment Policies (Sinking)              |  | - | - | - | - | - | - | - | - | - |
| Listed/Unlisted Bonds and Stocks                     |  | - | - | - | - | - | - | - | - | - |
| Municipal Bonds                                      |  | - | - | - | - | - | - | - | - | - |
| National Government Securities                       |  | - | - | - | - | - | - | - | - | - |
| Negotiable Certificate of Deposits: Banks            |  | - | - | - | - | - | - | - | - | - |
| Unamortised Debt Expense                             |  | - | - | - | - | - | - | - | - | - |
| Unamortised Preference Share Expense                 |  | - | - | - | - | - | - | - | - | - |
| Interest Rate Swaps                                  |  | - | - | - | - | - | - | - | - | - |
|  |  | - | - | - | - | - | - | - | - | - |

| <u>Reserves to be backed by cash/investments</u>    |  |         |           |           |   |           |           |           |           |           |
|---|--|---------|-----------|-----------|---|-----------|-----------|-----------|-----------|-----------|
| Housing Development Fund                            |  | -       | (9 396)   | (9 396)   | - | 4 900     | 4 900     | 4 900     | 4 900     | 4 900     |
| Capital replacement                                 |  | 121 841 | 170 840   | 363 790   | - | -         | -         | -         | -         | -         |
| Self-insurance                                      |  | -       | 9 885     | 9 885     | - | -         | -         | -         | -         | -         |
| <b>Other reserves</b>                               |  |         |           |           |   |           |           |           |           |           |
| Compensation for Occupational Injuries and Diseases |  | -       | -         | -         | - | -         | -         | -         | -         | -         |
| Employee Benefit Reserve                            |  | -       | -         | -         | - | -         | -         | -         | -         | -         |
| Non-current Provisions Reserve                      |  | -       | -         | -         | - | -         | -         | -         | -         | -         |
| Valuation Reserve                                   |  | -       | -         | -         | - | -         | -         | -         | -         | -         |
| Investment in associate account                     |  | -       | -         | -         | - | -         | -         | -         | -         | -         |
| Capitalisation Reserve                              |  | -       | (321 016) | (211 185) | - | (211 185) | (211 185) | (211 185) | (211 185) | (211 185) |
| Equity  |  | -       | -         | -         | - | -         | -         | -         | -         | -         |
| Non-Controlling Interest                            |  | -       | -         | -         | - | -         | -         | -         | -         | -         |
| Share Premium                                       |  | -       | -         | -         | - | -         | -         | -         | -         | -         |
| Revaluation   |  | -       | -         | -         | - | -         | -         | -         | -         | -         |
|   |  | 121 841 | (149 686) | 153 094   | - | (206 285) | (206 285) | (206 285) | (206 285) | (206 285) |

WC024 Stellenbosch - Table A9 Asset Management

| Description   | Ref | 2018/19         | 2019/20         | 2020/21          | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|------------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome  | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>R thousand</b>                                   |     |                 |                 |                  |                      |                 |                    |   |                        |                        |
| <b>CAPITAL EXPENDITURE</b>                          |     |                 |                 |                  |                      |                 |                    |   |                        |                        |
| <b>Total New Assets</b>                             | 1   | 281 741         | (2 921 210)     | (358 050)        | 258 499              | 228 822         | 228 822            | 252 068   | 242 664                | 243 145                |
| <i>Roads Infrastructure</i>                         |     | 78 484          | 32 788          | (79 375)         | 28 966               | 36 282          | 36 282             | 33 400  | 34 100                 | 25 600                 |
| <i>Storm water Infrastructure</i>                   |     | 835             | -               | -                | -                    | -               | -                  | 500   | 4 000                  | 3 777                  |
| <i>Electrical Infrastructure</i>                    |     | 31 774          | 16 098          | (69 395)         | 53 772               | 51 761          | 51 761             | 52 500  | 39 743                 | 71 094                 |
| <i>Water Supply Infrastructure</i>                  |     | 35 223          | 10 095          | (81 509)         | 72 000               | 42 020          | 42 020             | 49 294  | 73 086                 | 71 300                 |
| <i>Sanitation Infrastructure</i>                    |     | 90 551          | 59 018          | (67 752)         | 17 888               | 20 169          | 20 169             | 20 000  | 5 500                  | 20 000                 |
| <i>Solid Waste Infrastructure</i>                   |     | 1 090           | 21 518          | (7 036)          | 6 700                | 6 949           | 6 949              | 57 300  | 59 700                 | 12 100                 |
| <i>Rail Infrastructure</i>                          |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| <i>Coastal Infrastructure</i>                       |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| <i>Information and Communication Infrastructure</i> |     | 379             | 630             | (19)             | 100                  | 150             | 150                | 100   | -                      | -                      |
| <b>Infrastructure</b>                               |     | <b>238 336</b>  | <b>140 146</b>  | <b>(305 085)</b> | <b>179 426</b>       | <b>157 332</b>  | <b>157 332</b>     | <b>213 094</b>                                      | <b>216 129</b>         | <b>203 870</b>         |
| Community Facilities                                |     | 18 589          | 4 679           | 919              | 3 800                | 8 068           | 8 068              | -   | 500                    | -                      |
| Sport and Recreation Facilities                     |     | 74              | 2 878           | (9 638)          | 2 150                | 2 024           | 2 024              | -   | 300                    | -                      |
| <b>Community Assets</b>                             |     | <b>18 663</b>   | <b>7 557</b>    | <b>(8 719)</b>   | <b>5 950</b>         | <b>10 091</b>   | <b>10 091</b>      | -   | <b>800</b>             | -                      |
| <b>Heritage Assets</b>                              |     | <b>1 274</b>    | <b>100</b>      | <b>870</b>       | <b>870</b>           | <b>-</b>        | <b>-</b>           | -   | -                      | -                      |
| Revenue Generating                                  |     | -               | 972             | 1 281            | 500                  | 1 879           | 1 879              | -   | -                      | -                      |
| Non-revenue Generating                              |     | 466             | 1 331           | 1 406            | 200                  | 200             | 200                | -   | -                      | -                      |
| <b>Investment properties</b>                        |     | <b>466</b>      | <b>2 303</b>    | <b>2 688</b>     | <b>700</b>           | <b>2 079</b>    | <b>2 079</b>       | -   | -                      | -                      |
| Operational Buildings                               |     | 182             | 9 742           | (51 473)         | 48 100               | 34 100          | 34 100             | 15 200  | 300                    | 1 300                  |
| Housing   |     | 389             | 200             | 22 538           | 9 700                | 4 137           | 4 137              | -   | -                      | -                      |
| <b>Other Assets</b>                                 |     | <b>570</b>      | <b>9 942</b>    | <b>(28 935)</b>  | <b>57 800</b>        | <b>38 237</b>   | <b>38 237</b>      | <b>15 200</b>                                       | <b>300</b>             | <b>1 300</b>           |
| <b>Biological or Cultivated Assets</b>              |     | <b>67</b>       | <b>-</b>        | <b>-</b>         | <b>-</b>             | <b>-</b>        | <b>-</b>           | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| Servitudes  |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Licences and Rights                                 |     | 840             | -               | -                | -                    | -               | -                  | 200   | -                      | -                      |
| <b>Intangible Assets</b>                            |     | <b>840</b>      | <b>-</b>        | <b>-</b>         | <b>-</b>             | <b>-</b>        | <b>-</b>           | <b>200</b>  | <b>-</b>               | <b>-</b>               |
| Computer Equipment                                  |     | -               | (3 118 123)     | 54               | 50                   | 120             | 120                | 6 100   | 4 300                  | 4 300                  |
| Furniture and Office Equipment                      |     | 3 163           | 2 159           | (5 970)          | 2 428                | 3 375           | 3 375              | 470   | 290                    | 290                    |
| Machinery and Equipment                             |     | 3 583           | 15 186          | (6 447)          | 6 450                | 11 225          | 11 225             | 13 204  | 13 795                 | 19 385                 |
| Transport Assets                                    |     | 14 779          | 19 520          | (5 636)          | 4 825                | 6 363           | 6 363              | 3 800   | 7 050                  | 14 000                 |
| Land  |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Zoo's, Marine and Non-biological Animals            |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Renewal of Existing Assets</b>             | 2   | 45 449          | 10 136          | (72 086)         | 9 950                | 32 593          | 32 593             | 31 358  | 23 634                 | 70 628                 |
| <i>Roads Infrastructure</i>                         |     | 24 611          | 12 579          | (14 359)         | 5 100                | 17 950          | 17 950             | 6 011   | 3 000                  | 3 500                  |
| <i>Storm water Infrastructure</i>                   |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| <i>Electrical Infrastructure</i>                    |     | 17 898          | (4 747)         | (7 981)          | 250                  | 371             | 371                | 12 946  | 12 234                 | 57 078                 |
| <i>Water Supply Infrastructure</i>                  |     | 1 146           | 473             | (10 862)         | 4 000                | 7 555           | 7 555              | 4 000   | 4 000                  | 4 000                  |
| <i>Sanitation Infrastructure</i>                    |     | 1 104           | 1 831           | (39 000)         | -                    | 4 500           | 4 500              | 4 000   | 4 000                  | 4 000                  |
| <i>Solid Waste Infrastructure</i>                   |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| <i>Rail Infrastructure</i>                          |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| <i>Coastal Infrastructure</i>                       |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| <i>Information and Communication Infrastructure</i> |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| <b>Infrastructure</b>                               |     | <b>44 759</b>   | <b>10 136</b>   | <b>(72 202)</b>  | <b>9 350</b>         | <b>30 376</b>   | <b>30 376</b>      | <b>26 958</b>                                       | <b>23 234</b>          | <b>68 578</b>          |
| Community Facilities                                |     | -               | -               | -                | -                    | -               | -                  | 200   | 400                    | 2 050                  |
| Sport and Recreation Facilities                     |     | 407             | -               | 216              | -                    | 917             | 917                | 4 200   | -                      | -                      |
| <b>Community Assets</b>                             |     | <b>407</b>      | <b>-</b>        | <b>216</b>       | <b>-</b>             | <b>917</b>      | <b>917</b>         | <b>4 400</b>  | <b>400</b>             | <b>2 050</b>           |
| <b>Heritage Assets</b>                              |     | <b>-</b>        | <b>-</b>        | <b>-</b>         | <b>-</b>             | <b>-</b>        | <b>-</b>           | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| Revenue Generating                                  |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Non-revenue Generating                              |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| <b>Investment properties</b>                        |     | <b>-</b>        | <b>-</b>        | <b>-</b>         | <b>-</b>             | <b>-</b>        | <b>-</b>           | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| Operational Buildings                               |     | 253             | -               | (100)            | 300                  | 1 000           | 1 000              | -   | -                      | -                      |
| Housing   |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| <b>Other Assets</b>                                 |     | <b>253</b>      | <b>-</b>        | <b>(100)</b>     | <b>300</b>           | <b>1 000</b>    | <b>1 000</b>       | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| <b>Biological or Cultivated Assets</b>              |     | <b>-</b>        | <b>-</b>        | <b>-</b>         | <b>-</b>             | <b>-</b>        | <b>-</b>           | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| Servitudes  |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Licences and Rights                                 |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| <b>Intangible Assets</b>                            |     | <b>-</b>        | <b>-</b>        | <b>-</b>         | <b>-</b>             | <b>-</b>        | <b>-</b>           | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| Computer Equipment                                  |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Furniture and Office Equipment                      |     | 30              | -               | -                | 300                  | 300             | 300                | -   | -                      | -                      |
| Machinery and Equipment                             |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Transport Assets                                    |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Land  |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Zoo's, Marine and Non-biological Animals            |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Upgrading of Existing Assets</b>           | 6   | 154 845         | 122 391         | (302 769)        | 137 605              | 136 693         | 136 693            | 121 847   | 162 971                | 128 230                |
| <i>Roads Infrastructure</i>                         |     | 12 606          | 29 797          | (29 903)         | 36 000               | 20 045          | 20 045             | 23 900  | 37 600                 | 23 430                 |
| <i>Storm water Infrastructure</i>                   |     | 3 252           | 835             | (10 693)         | -                    | 270             | 270                | -   | -                      | -                      |
| <i>Electrical Infrastructure</i>                    |     | 13 748          | 23 523          | (6 754)          | 19 092               | 25 808          | 25 808             | 11 950  | 4 750                  | 5 750                  |
| <i>Water Supply Infrastructure</i>                  |     | 40 781          | 20 309          | (80 507)         | 5 750                | 9 926           | 9 926              | 24 000  | 52 080                 | 54 000                 |
| <i>Sanitation Infrastructure</i>                    |     | 50 206          | 31 173          | (65 685)         | 33 569               | 32 597          | 32 597             | 29 300  | 41 300                 | 22 800                 |
| <i>Solid Waste Infrastructure</i>                   |     | 321             | 370             | (5 228)          | 929                  | 929             | 929                | -   | -                      | -                      |
| <i>Rail Infrastructure</i>                          |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| <i>Coastal Infrastructure</i>                       |     | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |

| Description   | Ref | 2018/19         | 2019/20            | 2020/21             | Current Year 2021/22 |                  |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|--------------------|---------------------|----------------------|------------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome    | Audited Outcome     | Original Budget      | Adjusted Budget  | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <i>Information and Communication Infrastructure</i> |     | 847             | 999                | (4 512)             | 1 559                | 903              | 903                | 700   | 700                    | 700                    |
| <b>Infrastructure</b>                               |     | <b>121 760</b>  | <b>107 005</b>     | <b>(203 280)</b>    | <b>96 899</b>        | <b>90 478</b>    | <b>90 478</b>      | <b>89 850</b>                                       | <b>136 430</b>         | <b>106 680</b>         |
| Community Facilities                                |     | 8 091           | (1 728)            | (16 423)            | 7 854                | 10 814           | 10 814             | 18 486  | 13 580                 | 1 800                  |
| Sport and Recreation Facilities                     |     | 4 039           | 1 160              | (22 430)            | 3 350                | 2 660            | 2 660              | 3 561   | 4 211                  | 5 750                  |
| <b>Community Assets</b>                             |     | <b>12 130</b>   | <b>(568)</b>       | <b>(38 853)</b>     | <b>11 204</b>        | <b>13 473</b>    | <b>13 473</b>      | <b>22 047</b>                                       | <b>17 791</b>          | <b>7 550</b>           |
| <b>Heritage Assets</b>                              |     | <b>-</b>        | <b>423</b>         | <b>(2 737)</b>      | <b>1 807</b>         | <b>1 807</b>     | <b>1 807</b>       | <b>3 000</b>  | <b>2 000</b>           | <b>2 000</b>           |
| Revenue Generating                                  |     | 2 132           | 2 962              | (7 224)             | -                    | 643              | 643                | -   | -                      | -                      |
| Non-revenue Generating                              |     | 2 006           | 808                | (33 215)            | 8 000                | 4 500            | 4 500              | 3 500   | -                      | -                      |
| <b>Investment properties</b>                        |     | <b>4 138</b>    | <b>3 771</b>       | <b>(40 439)</b>     | <b>8 000</b>         | <b>5 143</b>     | <b>5 143</b>       | <b>3 500</b>  | <b>-</b>               | <b>-</b>               |
| Operational Buildings                               |     | 2 372           | 472                | (2 682)             | 15 495               | 20 591           | 20 591             | 2 700   | 5 500                  | 10 750                 |
| Housing   |     | 2 420           | 2 087              | (7 126)             | -                    | -                | -                  | 500   | 1 000                  | 1 000                  |
| <b>Other Assets</b>                                 |     | <b>4 792</b>    | <b>2 559</b>       | <b>(9 807)</b>      | <b>15 495</b>        | <b>20 591</b>    | <b>20 591</b>      | <b>3 200</b>  | <b>6 500</b>           | <b>11 750</b>          |
| <b>Biological or Cultivated Assets</b>              |     | <b>-</b>        | <b>-</b>           | <b>-</b>            | <b>-</b>             | <b>-</b>         | <b>-</b>           | <b>250</b>  | <b>250</b>             | <b>250</b>             |
| Servitudes  |     | -               | -                  | -                   | -                    | -                | -                  | -   | -                      | -                      |
| Licences and Rights                                 |     | -               | 163                | -                   | -                    | -                | -                  | -   | -                      | -                      |
| <b>Intangible Assets</b>                            |     | <b>-</b>        | <b>163</b>         | <b>-</b>            | <b>-</b>             | <b>-</b>         | <b>-</b>           | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| Computer Equipment                                  |     | 12 025          | 8 891              | (7 222)             | 4 100                | 5 100            | 5 100              | -   | -                      | -                      |
| Furniture and Office Equipment                      |     | -               | 146                | (431)               | 100                  | 100              | 100                | -   | -                      | -                      |
| Machinery and Equipment                             |     | -               | -                  | -                   | -                    | -                | -                  | -   | -                      | -                      |
| Transport Assets                                    |     | -               | -                  | -                   | -                    | -                | -                  | -   | -                      | -                      |
| Land  |     | -               | -                  | -                   | -                    | -                | -                  | -   | -                      | -                      |
| Zoo's, Marine and Non-biological Animals            |     | -               | -                  | -                   | -                    | -                | -                  | -   | -                      | -                      |
| <b>Total Capital Expenditure</b>                    | 4   | <b>482 034</b>  | <b>(2 788 683)</b> | <b>(732 906)</b>    | <b>406 054</b>       | <b>398 108</b>   | <b>398 108</b>     | <b>405 273</b>                                      | <b>429 269</b>         | <b>442 003</b>         |
| <i>Roads Infrastructure</i>                         |     | 115 701         | 75 163             | (123 636)           | 70 066               | 74 277           | 74 277             | 63 311  | 74 700                 | 52 530                 |
| <i>Storm water Infrastructure</i>                   |     | 4 086           | 835                | (10 693)            | -                    | 270              | 270                | 500   | 4 000                  | 3 777                  |
| <i>Electrical Infrastructure</i>                    |     | 63 419          | 34 874             | (84 130)            | 73 114               | 77 941           | 77 941             | 77 396  | 56 727                 | 133 922                |
| <i>Water Supply Infrastructure</i>                  |     | 77 150          | 30 877             | (172 878)           | 81 750               | 59 500           | 59 500             | 77 294  | 129 166                | 129 300                |
| <i>Sanitation Infrastructure</i>                    |     | 141 861         | 92 022             | (172 437)           | 51 457               | 57 267           | 57 267             | 53 300  | 50 800                 | 46 800                 |
| <i>Solid Waste Infrastructure</i>                   |     | 1 411           | 21 888             | (12 263)            | 7 629                | 7 878            | 7 878              | 57 300  | 59 700                 | 12 100                 |
| <i>Rail Infrastructure</i>                          |     | -               | -                  | -                   | -                    | -                | -                  | -   | -                      | -                      |
| <i>Coastal Infrastructure</i>                       |     | -               | -                  | -                   | -                    | -                | -                  | -   | -                      | -                      |
| <i>Information and Communication Infrastructure</i> |     | 1 226           | 1 628              | (4 531)             | 1 659                | 1 053            | 1 053              | 800   | 700                    | 700                    |
| <b>Infrastructure</b>                               |     | <b>404 854</b>  | <b>257 287</b>     | <b>(580 567)</b>    | <b>285 675</b>       | <b>278 186</b>   | <b>278 186</b>     | <b>329 902</b>                                      | <b>375 793</b>         | <b>379 128</b>         |
| Community Facilities                                |     | 26 681          | 2 951              | (15 504)            | 11 654               | 18 882           | 18 882             | 18 686  | 14 480                 | 3 850                  |
| Sport and Recreation Facilities                     |     | 4 520           | 4 038              | (31 852)            | 5 500                | 5 600            | 5 600              | 7 761   | 4 511                  | 5 750                  |
| <b>Community Assets</b>                             |     | <b>31 201</b>   | <b>6 989</b>       | <b>(47 356)</b>     | <b>17 154</b>        | <b>24 481</b>    | <b>24 481</b>      | <b>26 447</b>                                       | <b>18 991</b>          | <b>9 600</b>           |
| <b>Heritage Assets</b>                              |     | <b>1 274</b>    | <b>523</b>         | <b>(2 737)</b>      | <b>2 677</b>         | <b>1 807</b>     | <b>1 807</b>       | <b>3 000</b>  | <b>2 000</b>           | <b>2 000</b>           |
| Revenue Generating                                  |     | 2 132           | 3 934              | (5 943)             | 500                  | 2 522            | 2 522              | -   | -                      | -                      |
| Non-revenue Generating                              |     | 2 472           | 2 139              | (31 809)            | 8 200                | 4 700            | 4 700              | 3 500   | -                      | -                      |
| <b>Investment properties</b>                        |     | <b>4 604</b>    | <b>6 073</b>       | <b>(37 752)</b>     | <b>8 700</b>         | <b>7 222</b>     | <b>7 222</b>       | <b>3 500</b>  | <b>-</b>               | <b>-</b>               |
| Operational Buildings                               |     | 2 806           | 10 214             | (54 254)            | 63 895               | 55 691           | 55 691             | 17 900  | 5 800                  | 12 050                 |
| Housing   |     | 2 809           | 2 287              | 15 412              | 9 700                | 4 137            | 4 137              | 500   | 1 000                  | 1 000                  |
| <b>Other Assets</b>                                 |     | <b>5 615</b>    | <b>12 501</b>      | <b>(38 843)</b>     | <b>73 595</b>        | <b>59 828</b>    | <b>59 828</b>      | <b>18 400</b>                                       | <b>6 800</b>           | <b>13 050</b>          |
| <b>Biological or Cultivated Assets</b>              |     | <b>67</b>       | <b>-</b>           | <b>-</b>            | <b>-</b>             | <b>-</b>         | <b>-</b>           | <b>250</b>  | <b>250</b>             | <b>250</b>             |
| Servitudes  |     | -               | -                  | -                   | -                    | -                | -                  | -   | -                      | -                      |
| Licences and Rights                                 |     | 840             | 163                | -                   | -                    | -                | -                  | 200   | -                      | -                      |
| <b>Intangible Assets</b>                            |     | <b>840</b>      | <b>163</b>         | <b>-</b>            | <b>-</b>             | <b>-</b>         | <b>-</b>           | <b>200</b>  | <b>-</b>               | <b>-</b>               |
| Computer Equipment                                  |     | 12 025          | (3 109 232)        | (7 168)             | 4 150                | 5 220            | 5 220              | 6 100   | 4 300                  | 4 300                  |
| Furniture and Office Equipment                      |     | 3 193           | 2 306              | (6 401)             | 2 828                | 3 775            | 3 775              | 470   | 290                    | 290                    |
| Machinery and Equipment                             |     | 3 583           | 15 186             | (6 447)             | 6 450                | 11 225           | 11 225             | 13 204  | 13 795                 | 19 385                 |
| Transport Assets                                    |     | 14 779          | 19 520             | (5 636)             | 4 825                | 6 363            | 6 363              | 3 800   | 7 050                  | 14 000                 |
| Land  |     | -               | -                  | -                   | -                    | -                | -                  | -   | -                      | -                      |
| Zoo's, Marine and Non-biological Animals            |     | -               | -                  | -                   | -                    | -                | -                  | -   | -                      | -                      |
| <b>TOTAL CAPITAL EXPENDITURE - Asset class</b>      |     | <b>482 034</b>  | <b>(2 788 683)</b> | <b>(732 906)</b>    | <b>406 054</b>       | <b>398 108</b>   | <b>398 108</b>     | <b>405 273</b>                                      | <b>429 269</b>         | <b>442 003</b>         |
| <b>ASSET REGISTER SUMMARY - PPE (WDV)</b>           | 5   | <b>290 607</b>  | <b>2 472 062</b>   | <b>(21 722 386)</b> | <b>5 868 503</b>     | <b>6 072 791</b> | <b>6 072 791</b>   | <b>6 255 946</b>                                    | <b>6 268 836</b>       | <b>6 269 909</b>       |
| <i>Roads Infrastructure</i>                         |     | 30 213          | 769 763            | (3 727 122)         | 815 378              | 840 287          | 840 287            | 857 284   | 866 357                | 841 756                |
| <i>Storm water Infrastructure</i>                   |     | 623             | 16 560             | (319 715)           | 16 559               | 15 583           | 15 583             | 15 035  | 18 482                 | 18 204                 |
| <i>Electrical Infrastructure</i>                    |     | 51 470          | 932 083            | (4 206 699)         | 971 489              | 976 181          | 976 181            | 1 018 185   | 995 746                | 1 071 082              |
| <i>Water Supply Infrastructure</i>                  |     | 22 144          | 1 389 409          | (5 393 330)         | 1 418 008            | 1 444 596        | 1 444 596          | 1 484 331   | 1 534 324              | 1 532 486              |
| <i>Sanitation Infrastructure</i>                    |     | 90 912          | 917 603            | (2 955 477)         | 975 208              | 1 024 733        | 1 024 733          | 1 031 333   | 1 026 498              | 1 020 047              |
| <i>Solid Waste Infrastructure</i>                   |     | 9 323           | 57 998             | (192 622)           | 53 655               | 62 299           | 62 299             | 109 976   | 111 905                | 63 811                 |
| <i>Rail Infrastructure</i>                          |     | -               | -                  | -                   | (50)                 | -                | -                  | -   | -                      | -                      |
| <i>Coastal Infrastructure</i>                       |     | -               | -                  | -                   | -                    | -                | -                  | -   | -                      | -                      |
| <i>Information and Communication Infrastructure</i> |     | 634             | 1 644              | (47 350)            | 3 355                | 2 286            | 2 286              | 2 615   | 2 492                  | 2 467                  |
| <b>Infrastructure</b>                               |     | <b>205 319</b>  | <b>4 085 061</b>   | <b>(16 842 316)</b> | <b>4 253 602</b>     | <b>4 365 964</b> | <b>4 365 964</b>   | <b>4 518 759</b>                                    | <b>4 555 805</b>       | <b>4 549 852</b>       |
| <b>Community Assets</b>                             |     | <b>9 089</b>    | <b>82 831</b>      | <b>(277 331)</b>    | <b>93 640</b>        | <b>105 931</b>   | <b>105 931</b>     | <b>128 724</b>                                      | <b>120 724</b>         | <b>109 632</b>         |
| <b>Heritage Assets</b>                              |     | <b>-</b>        | <b>774</b>         | <b>(5 343)</b>      | <b>3 951</b>         | <b>3 865</b>     | <b>3 865</b>       | <b>7 735</b>  | <b>6 735</b>           | <b>6 735</b>           |
| <b>Investment properties</b>                        |     | <b>(8 618)</b>  | <b>412 558</b>     | <b>(1 051 847)</b>  | <b>412 254</b>       | <b>412 136</b>   | <b>412 136</b>     | <b>415 362</b>                                      | <b>411 849</b>         | <b>411 834</b>         |
| <b>Other Assets</b>                                 |     | <b>77 267</b>   | <b>424 493</b>     | <b>(1 299 517)</b>  | <b>441 174</b>       | <b>493 614</b>   | <b>493 614</b>     | <b>501 170</b>                                      | <b>488 947</b>         | <b>493 949</b>         |
| <b>Biological or Cultivated Assets</b>              |     | <b>-</b>        | <b>6 321</b>       | <b>(12 643)</b>     | <b>6 321</b>         | <b>6 321</b>     | <b>6 321</b>       | <b>6 571</b>  | <b>6 571</b>           | <b>6 571</b>           |
| <b>Intangible Assets</b>                            |     | <b>8 947</b>    | <b>9 694</b>       | <b>(95 371)</b>     | <b>8 056</b>         | <b>8 000</b>     | <b>8 000</b>       | <b>6 480</b>  | <b>6 194</b>           | <b>6 104</b>           |
| Computer Equipment                                  |     | (503)           | (3 160 155)        | (378 023)           | 22 120               | 27 872           | 27 872             | 25 840  | 23 634                 | 23 207                 |
| Furniture and Office Equipment                      |     | 829             | 14 176             | (195 961)           | 15 891               | 22 839           | 22 839             | 19 555  | 19 187                 | 18 990                 |

| Description   | Ref      | 2018/19         | 2019/20          | 2020/21             | Current Year 2021/22 |                  |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|----------|-----------------|------------------|---------------------|----------------------|------------------|--------------------|---|------------------------|------------------------|
|   |          | Audited Outcome | Audited Outcome  | Audited Outcome     | Original Budget      | Adjusted Budget  | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand  |          |                 |                  |                     |                      |                  |                    |   |                        |                        |
| Machinery and Equipment   |          | (106)           | 42 717           | (228 825)           | 62 579               | 68 527           | 68 527             | 75 282  | 75 626                 | 81 551                 |
| Transport Assets  |          | (1 617)         | 96 799           | (443 014)           | 92 122               | 100 061          | 100 061            | 92 807  | 95 904                 | 103 824                |
| Land  |          | -               | 456 793          | (892 195)           | 456 793              | 457 660          | 457 660            | 457 660   | 457 660                | 457 660                |
| Zoo's, Marine and Non-biological Animals                            |          | -               | -                | -                   | -                    | -                | -                  | -   | -                      | -                      |
| <b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>                     | <b>5</b> | <b>290 607</b>  | <b>2 472 062</b> | <b>(21 722 386)</b> | <b>5 868 503</b>     | <b>6 072 791</b> | <b>6 072 791</b>   | <b>6 255 946</b>                                    | <b>6 268 836</b>       | <b>6 269 909</b>       |
| <b>EXPENDITURE OTHER ITEMS</b>                                      |          |                 |                  |                     |                      |                  |                    |   |                        |                        |
| <u>Depreciation</u>   | 7        | 193 119         | 1 820 770        | 809 099             | 211 541              | 211 541          | 211 541            | 222 118   | 233 224                | 244 885                |
| <u>Repairs and Maintenance by Asset Class</u>                       | 3        | 7 400           | 120 914          | 338 919             | 87 614               | 81 063           | 81 063             | 26 714  | 27 905                 | 30 216                 |
| <i>Roads Infrastructure</i>   |          | 6 420           | 8 008            | 45 489              | 20 920               | 20 600           | 20 600             | 52  | 54                     | 56                     |
| <i>Storm water Infrastructure</i>                                   |          | 495             | 30 929           | 8 147               | 1 300                | 1 220            | 1 220              | -   | -                      | -                      |
| <i>Electrical Infrastructure</i>                                    |          | (27 623)        | 998              | (3 573)             | 100                  | 98               | 98                 | 48  | 50                     | 53                     |
| <i>Water Supply Infrastructure</i>                                  |          | 6 069           | 100              | 37 286              | 7 015                | 6 365            | 6 365              | -   | -                      | -                      |
| <i>Sanitation Infrastructure</i>                                    |          | 1 302           | 48 813           | 42 749              | 8 314                | 7 514            | 7 514              | 39  | 40                     | 42                     |
| <i>Solid Waste Infrastructure</i>                                   |          | 290             | -                | 6 225               | 3 040                | 3 040            | 3 040              | -   | -                      | -                      |
| <i>Rail Infrastructure</i>  |          | -               | -                | -                   | -                    | -                | -                  | -   | -                      | -                      |
| <i>Coastal Infrastructure</i>                                       |          | -               | -                | -                   | -                    | -                | -                  | -   | -                      | -                      |
| <i>Information and Communication Infrastructure</i>                 |          | -               | 131              | 43 562              | 11 553               | 10 200           | 10 200             | 380   | 395                    | 411                    |
| <b>Infrastructure</b>   |          | <b>(13 047)</b> | <b>88 979</b>    | <b>179 885</b>      | <b>52 242</b>        | <b>49 037</b>    | <b>49 037</b>      | <b>519</b>  | <b>540</b>             | <b>562</b>             |
| Community Facilities  |          | -               | 2 686            | 47 353              | 14 062               | 14 441           | 14 441             | 1 681   | 1 715                  | 1 873                  |
| Sport and Recreation Facilities                                     |          | -               | -                | 5 550               | 1 440                | 1 243            | 1 243              | 81  | 85                     | 89                     |
| <b>Community Assets</b>   |          | <b>-</b>        | <b>2 686</b>     | <b>52 903</b>       | <b>15 503</b>        | <b>15 685</b>    | <b>15 685</b>      | <b>1 762</b>  | <b>1 800</b>           | <b>1 962</b>           |
| <b>Heritage Assets</b>  |          | <b>-</b>        | <b>-</b>         | <b>-</b>            | <b>-</b>             | <b>-</b>         | <b>-</b>           | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| Revenue Generating  |          | -               | -                | -                   | -                    | -                | -                  | -   | -                      | -                      |
| Non-revenue Generating  |          | -               | -                | -                   | -                    | -                | -                  | -   | -                      | -                      |
| <b>Investment properties</b>  |          | <b>-</b>        | <b>-</b>         | <b>-</b>            | <b>-</b>             | <b>-</b>         | <b>-</b>           | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| Operational Buildings   |          | 3               | 186              | 40 409              | 11 746               | 7 643            | 7 643              | 16 000  | 16 800                 | 17 700                 |
| Housing   |          | -               | -                | 2 236               | 175                  | 278              | 278                | 353   | 367                    | 1 258                  |
| <b>Other Assets</b>   |          | <b>3</b>        | <b>186</b>       | <b>42 645</b>       | <b>11 920</b>        | <b>7 921</b>     | <b>7 921</b>       | <b>16 353</b>                                       | <b>17 167</b>          | <b>18 958</b>          |
| <b>Biological or Cultivated Assets</b>                              |          | <b>14</b>       | <b>-</b>         | <b>-</b>            | <b>-</b>             | <b>-</b>         | <b>-</b>           | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| Servitudes  |          | -               | -                | -                   | -                    | -                | -                  | -   | -                      | -                      |
| Licences and Rights   |          | 317             | -                | -                   | -                    | -                | -                  | -   | -                      | -                      |
| <b>Intangible Assets</b>  |          | <b>317</b>      | <b>-</b>         | <b>-</b>            | <b>-</b>             | <b>-</b>         | <b>-</b>           | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| Computer Equipment  |          | -               | -                | -                   | -                    | -                | -                  | -   | -                      | -                      |
| Furniture and Office Equipment                                      |          | 10 503          | 11 027           | 20 226              | 3 257                | 3 407            | 3 407              | 2 712   | 2 848                  | 2 955                  |
| Machinery and Equipment   |          | -               | -                | 28 608              | 552                  | -                | -                  | 552   | 574                    | 597                    |
| Transport Assets  |          | 9 610           | 18 036           | 14 652              | 4 141                | 5 014            | 5 014              | 4 816   | 4 976                  | 5 182                  |
| Libraries   |          | -               | -                | -                   | -                    | -                | -                  | -   | -                      | -                      |
| Zoo's, Marine and Non-biological Animals                            |          | -               | -                | -                   | -                    | -                | -                  | -   | -                      | -                      |
| <b>TOTAL EXPENDITURE OTHER ITEMS</b>                                |          | <b>200 519</b>  | <b>1 941 684</b> | <b>1 148 017</b>    | <b>299 156</b>       | <b>292 604</b>   | <b>292 604</b>     | <b>248 832</b>                                      | <b>261 129</b>         | <b>275 101</b>         |
| <i>Renewal and upgrading of Existing Assets as % of total capex</i> |          | 41,6%           | -4,8%            | 51,1%               | 36,3%                | 42,5%            | 42,5%              | 37,8%   | 43,5%                  | 45,0%                  |
| <i>Renewal and upgrading of Existing Assets as % of deprecn</i>     |          | 103,7%          | 7,3%             | -46,3%              | 69,8%                | 80,0%            | 80,0%              | 69,0%   | 80,0%                  | 81,2%                  |
| <i>R&amp;M as a % of PPE</i>  |          | 2,5%            | 5,9%             | -1,6%               | 1,6%                 | 1,4%             | 1,4%               | 0,5%  | 0,5%                   | 0,5%                   |
| <i>Renewal and upgrading and R&amp;M as a % of PPE</i>              |          | 71,0%           | 10,0%            | 0,0%                | 4,0%                 | 4,0%             | 4,0%               | 3,0%  | 3,0%                   | 4,0%                   |

References

1. Detail of new assets provided in Table SA34a
2. Detail of renewal of existing assets provided in Table SA34b
3. Detail of Repairs and Maintenance by Asset Class provided in Table SA34c
4. Must reconcile to total capital expenditure on Budgeted Capital Expenditure
5. Must reconcile to 'Budgeted Financial Position' (written down value)
6. Detail of upgrading of existing assets provided in Table SA34e
7. Detail of depreciation provided in Table SA34d

WC024 Stellenbosch - Table A10 Basic service delivery measurements

| Description                                      | Ref | -2018         | -2019         | -2020         | -2021-O              | -2021-A         | -2021-F            | -2022   | -2023                  | -2024                  |
|--|-----|---------------|---------------|---------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | 2018/19       | 2019/20       | 2020/21       | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|  |     | Outcome       | Outcome       | Outcome       | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Household service targets</b>                 | 1   |               |               |               |                      |                 |                    |   |                        |                        |
| <b>Water:</b>                                    |     |               |               |               |                      |                 |                    |   |                        |                        |
| Piped water inside dwelling                      |     | 39 599        | 40 626        | 40 626        | 40 676               | 40 676          | 40 676             | 40 726  | 40 776                 | 40 826                 |
| Piped water inside yard (but not in dwelling)    |     | 4 249         | 4 461         | 4 461         | 4 561                | 4 561           | 4 561              | 4 664   | 4 769                  | 4 876                  |
| Using public tap (at least min.service level)    | 2   | 4 528         | 4 778         | 4 778         | 4 878                | 4 878           | 4 878              | 4 980   | 5 084                  | 5 191                  |
| Other water supply (at least min.service level)  | 4   | 1 774         | 684           | 684           | 834                  | 834             | 834                | 1 017   | 1 240                  | 1 512                  |
| <i>Minimum Service Level and Above sub-total</i> |     | 50 150        | 50 550        | 50 550        | 50 950               | 50 950          | 50 950             | 51 387  | 51 869                 | 52 404                 |
| Using public tap (< min.service level)           | 3   | 1 270         | 1 170         | 1 170         | 1 070                | 1 070           | 1 070              | 979   | 896                    | 820                    |
| Other water supply (< min.service level)         | 4   | -             | -             | -             | -                    | -               | -                  | -   | -                      | -                      |
| No water supply                                  |     | 257           | 207           | 207           | 157                  | 157             | 157                | 119   | 90                     | 68                     |
| <i>Below Minimum Service Level sub-total</i>     |     | 1 527         | 1 377         | 1 377         | 1 227                | 1 227           | 1 227              | 1 098   | 986                    | 888                    |
| <b>Total number of households</b>                | 5   | <b>51 677</b> | <b>51 927</b> | <b>51 927</b> | <b>52 177</b>        | <b>52 177</b>   | <b>52 177</b>      | <b>52 485</b>                                       | <b>52 855</b>          | <b>53 292</b>          |
| <b>Sanitation/sewerage:</b>                      |     |               |               |               |                      |                 |                    |   |                        |                        |
| Flush toilet (connected to sewerage)             |     | 46 206        | 46 256        | 46 256        | 46 306               | 46 306          | 46 306             | 46 356  | 46 406                 | 46 456                 |
| Flush toilet (with septic tank)                  |     | 2 065         | 2 165         | 2 165         | 2 265                | 2 265           | 2 265              | 2 370   | 2 480                  | 2 595                  |
| Chemical toilet                                  |     | 388           | 407           | 407           | 420                  | 420             | 420                | 433   | 446                    | 460                    |
| Pit toilet (ventilated)                          |     | 150           | 50            | 50            | -                    | -               | -                  | -   | -                      | -                      |
| Other toilet provisions (> min.service level)    |     | 1 468         | 1 898         | 1 898         | 2 236                | 2 236           | 2 236              | 2 633   | 3 101                  | 3 652                  |
| <i>Minimum Service Level and Above sub-total</i> |     | 50 277        | 50 777        | 50 777        | 51 227               | 51 227          | 51 227             | 51 792  | 52 433                 | 53 163                 |
| Bucket toilet                                    |     | 900           | 800           | 800           | 700                  | 700             | 700                | 613   | 537                    | 470                    |
| Other toilet provisions (< min.service level)    |     | 150           | 50            | 50            | -                    | -               | -                  | -   | -                      | -                      |
| No toilet provisions                             |     | 350           | 300           | 300           | 250                  | 250             | 250                | 208   | 173                    | 144                    |
| <i>Below Minimum Service Level sub-total</i>     |     | 1 400         | 1 150         | 1 150         | 950                  | 950             | 950                | 821   | 710                    | 614                    |
| <b>Total number of households</b>                | 5   | <b>51 677</b> | <b>51 927</b> | <b>51 927</b> | <b>52 177</b>        | <b>52 177</b>   | <b>52 177</b>      | <b>52 613</b>                                       | <b>53 143</b>          | <b>53 777</b>          |
| <b>Energy:</b>                                   |     |               |               |               |                      |                 |                    |   |                        |                        |
| Electricity (at least min.service level)         |     | 14 571        | 14 821        | 14 821        | 15 071               | 15 071          | 15 071             | 15 325  | 15 583                 | 15 846                 |
| Electricity - prepaid (min.service level)        |     | 34 753        | 35 003        | 35 003        | 35 253               | 35 253          | 35 253             | 35 505  | 35 759                 | 36 014                 |
| <i>Minimum Service Level and Above sub-total</i> |     | 49 324        | 49 824        | 49 824        | 50 324               | 50 324          | 50 324             | 50 830  | 51 342                 | 51 860                 |
| Electricity (< min.service level)                |     | 150           | 150           | 150           | 150                  | 150             | 150                | 150   | 150                    | 150                    |
| Electricity - prepaid (< min. service level)     |     | -             | -             | -             | -                    | -               | -                  | -   | -                      | -                      |
| Other energy sources                             |     | 2 203         | 1 953         | 1 953         | 1 703                | 1 703           | 1 703              | 1 485   | 1 295                  | 1 129                  |
| <i>Below Minimum Service Level sub-total</i>     |     | 2 353         | 2 103         | 2 103         | 1 853                | 1 853           | 1 853              | 1 635   | 1 445                  | 1 279                  |
| <b>Total number of households</b>                | 5   | <b>51 677</b> | <b>51 927</b> | <b>51 927</b> | <b>52 177</b>        | <b>52 177</b>   | <b>52 177</b>      | <b>52 465</b>                                       | <b>52 787</b>          | <b>53 140</b>          |
| <b>Refuse:</b>                                   |     |               |               |               |                      |                 |                    |   |                        |                        |
| Removed at least once a week                     |     | 47 149        | 47 649        | 47 649        | 48 149               | 48 149          | 48 149             | 48 654  | 49 164                 | 49 680                 |
| <i>Minimum Service Level and Above sub-total</i> |     | 47 149        | 47 649        | 47 649        | 48 149               | 48 149          | 48 149             | 48 654  | 49 164                 | 49 680                 |
| Removed less frequently than once a week         |     | -             | -             | -             | -                    | -               | -                  | -   | -                      | -                      |
| Using communal refuse dump                       |     | 1 078         | 1 028         | 1 028         | 978                  | 978             | 978                | 930   | 885                    | 841                    |
| Using own refuse dump                            |     | 2 200         | 2 100         | 2 100         | 2 000                | 2 000           | 2 000              | 1 905   | 1 815                  | 1 728                  |

| Description   | Ref | 2018/19    | 2019/20    | 2020/21    | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|------------|------------|------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Outcome    | Outcome    | Outcome    | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| Other rubbish disposal  |     | 800        | 750        | 750        | 700                  | 700             | 700                | 653   | 609                    | 568                    |
| No rubbish disposal   |     | 450        | 400        | 400        | 350                  | 350             | 350                | 306   | 268                    | 234                    |
| <i>Below Minimum Service Level sub-total</i>  |     | 4 528      | 4 278      | 4 278      | 4 028                | 4 028           | 4 028              | 3 794   | 3 576                  | 3 372                  |
| <b>Total number of households</b>   | 5   | 51 677     | 51 927     | 51 927     | 52 177               | 52 177          | 52 177             | 52 448  | 52 740                 | 53 052                 |
| <b>Households receiving Free Basic Service</b>  | 7   |            |            |            |                      |                 |                    |   |                        |                        |
| Water (6 kilolitres per household per month)  |     | 15 664 003 | 21 106 158 | 25 538 738 | 17 804 127           | 5 185 970       | 5 185 970          | 5 497 128   | 5 826 956              | 6 176 573              |
| Sanitation (free minimum level service)   |     | 8 556 762  | 9 607 052  | 10 545 132 | 10 884 750           | 10 684 619      | 10 684 619         | 11 325 696  | 12 005 238             | 12 725 552             |
| Electricity/other energy (50kwh per household per month)  |     | 10 538 163 | 13 321 030 | 14 758 992 | 14 654 779           | 14 654 779      | 14 654 779         | 15 579 496  | 16 562 562             | 17 607 660             |
| Refuse (removed at least once a week)   |     | -          | -          | -          | -                    | 18 264 013      | 18 264 013         | 67 385 436  | 89 136 662             | 127 873 443            |
| <b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>                                    | 8   |            |            |            |                      |                 |                    |   |                        |                        |
| Water (6 kilolitres per indigent household per month)   |     | 15 664     | 21 106     | 25 539     | 17 804               | 5 186           | 5 186              | 5 497   | 5 827                  | 6 177                  |
| Sanitation (free sanitation service to indigent households)   |     | 8 557      | 9 607      | 10 545     | 10 885               | 10 685          | 10 685             | 11 326  | 12 005                 | 12 726                 |
| Electricity/other energy (50kwh per indigent household per month)   |     | 10 538     | 13 321     | 14 759     | 14 655               | 14 655          | 14 655             | 15 579  | 16 563                 | 17 608                 |
| Refuse (removed once a week for indigent households)  |     | -          | -          | -          | -                    | 18 264          | 18 264             | 67 385  | 89 137                 | 127 873                |
| <b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>                           |     | -          | -          | -          | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total cost of FBS provided</b>   |     | 34 759     | 44 034     | 50 843     | 43 344               | 48 789          | 48 789             | 99 788  | 123 531                | 164 383                |
| <b>Highest level of free service provided per household</b>   |     |            |            |            |                      |                 |                    |   |                        |                        |
| Property rates (R value threshold)  |     | 200 000    | 200 000    | 200 000    | 200 000              | 200 000         | 200 000            | 250 000   | 250 000                | 250 000                |
| Water (kilolitres per household per month)  |     | 10         | 10         | 6          | 6                    | 6               | 6                  | 6   | 6                      | 6                      |
| Sanitation (kilolitres per household per month)   |     | -          | -          | -          | -                    | -               | -                  | -   | -                      | -                      |
| Sanitation (Rand per household per month)   |     | 101        | 101        | 112        | 112                  | 112             | 112                | 112   | 112                    | 112                    |
| Electricity (kwh per household per month)   |     | 100        | 100        | 100        | 100                  | 100             | 100                | 100   | 100                    | 100                    |
| Refuse (average litres per week)  |     | 250        | 250        | 250        | 250                  | 250             | 250                | 250   | 250                    | 250                    |
| <b>Revenue cost of subsidised services provided (R'000)</b>   | 9   |            |            |            |                      |                 |                    |   |                        |                        |
| Property rates (tariff adjustment) ( impermissible values per section 17 of MPRA)                           |     | -          | -          | -          | -                    | -               | -                  | -   | -                      | -                      |
| Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA) |     | 46 679     | 49 938     | 53 282     | -                    | 49 665          | 49 665             | 40 059  | 41 668                 | 44 168                 |
| Water (in excess of 6 kilolitres per indigent household per month)  |     | -          | -          | -          | -                    | -               | -                  | -   | -                      | -                      |
| Sanitation (in excess of free sanitation service to indigent households)                                    |     | -          | -          | -          | -                    | -               | -                  | -   | -                      | -                      |
| Electricity/other energy (in excess of 50 kwh per indigent household per month)                             |     | -          | -          | -          | -                    | -               | -                  | -   | -                      | -                      |
| Refuse (in excess of one removal a week for indigent households)  |     | -          | -          | -          | -                    | -               | -                  | -   | -                      | -                      |
| Municipal Housing - rental rebates  |     | -          | -          | -          | -                    | -               | -                  | -   | -                      | -                      |
| Housing - top structure subsidies   | 6   | -          | -          | -          | -                    | -               | -                  | -   | -                      | -                      |
| Other   |     | -          | -          | -          | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total revenue cost of subsidised services provided</b>   |     | 46 679     | 49 938     | 53 282     | -                    | 49 665          | 49 665             | 40 059  | 41 668                 | 44 168                 |

**References**

1. Include services provided by another entity; e.g. Eskom
2. Stand distance <= 200m from dwelling
3. Stand distance > 200m from dwelling



## PART 2

### A: OVERVIEW OF STELLENBOSCH MUNICIPALITY

#### Background

Stellenbosch Municipality is located in the heart of the Cape Winelands. It is situated about 50 km from Cape Town and is flanked by the N1 and N2 main routes. The municipal area covers approximately 900 km<sup>2</sup>.



## STATE OF THE GREATER STELLENBOSCH AREA

### Introduction

Stellenbosch Municipality is located at the edge of the City of Cape Town, but still manages to retain its distinct small-town character. This undoubtedly gives Stellenbosch a strong competitive advantage – sharply contrasting with similarly sized towns located 400 km or more from the nearest metropolis. Aside from being a mere 50 km from Cape Town’s central business district (CBD) and being flanked by the N1 and N2 main routes, Stellenbosch is also just 30 km away from the sea (at Somerset West/Strand) and only a few kilometres away from one of the most attractive mountain ranges of the Boland. In addition, Stellenbosch is a mere 28 km from Cape Town International Airport, one of South Africa’s top (air) links to the global economy, and not much further away from Cape Town harbour, the shipping portal to both the Atlantic and the Indian Oceans.

This convergence of environmental resources, scenic quality and business opportunities has two other mutually reinforcing spin-offs: The largest number of JSE-listed companies based in any small South African town have their headquarters in Stellenbosch and the town is home to a disproportionately high number of corporate CEOs and executives, which in turn means that it is able to sustain a comparatively high level of economic activity and consumer services for a town of its size. This results in other benefits throughout the value-add chain and for employment. The municipal area covers approximately 900 km<sup>2</sup>. The municipality’s area of jurisdiction includes the towns of Stellenbosch and Franschhoek, as well as a number of rural hamlets such as Wemmershoek, La Motte, De Novo, Kylemore, Pniël, Johannesdal, Languedoc, Groot Drakenstein, Muldersvlei, Klapmuts, Elsenburg, Raithby, Jamestown, Koelenhof and Vloenburg (most with a population of less than 5 000). Apart from formal settlement areas, the municipal area also includes a number of informal settlements.

Stellenbosch town is the second oldest town in South Africa, dating back to 1679 when an island in the Eerste River was named Stellenbosch by the then Governor of the Cape, Simon van der Stel. The first farming activities in the area were started in 1679. Today, the area has become primarily known for its extraordinary wines and fruits. The towns of Stellenbosch and Franschhoek are renowned for various architectural styles such as Dutch, Georgian and Victorian, which reflect its heritage and traditions, but also divisions of the past.

The area houses excellent educational institutions, including the University of Stellenbosch and a number of prestigious schools. It has a strong business sector, varying from major South African businesses and corporations to smaller enterprises and home industries. The tourism industry alone is responsible for the creation of about 18 000 jobs in the area. Wine farms and cellars abound and the area is the home of the very first Wine Route in South Africa. A variety of sport facilities are available. Coetzenburg, with its athletics and rugby stadiums, has delivered star performances over

many generations. The Municipal area has a number of theatres, which include the Stellenbosch University's HB Thom Theatre, Oude Libertas Amphitheatre (renowned for its summer season of music, theatre and dance), Spier Amphitheatre, as well as Klein Libertas Theatre, Dorp Street at Theatre and Aan de Braak Theatre.

### Ward Demarcation

The Stellenbosch Municipality is currently structured into the following **23** wards:

Table 1: Municipal ward population

| Ward | Areas   |
|------|---|
| 1    | Mooiwater, Franschhoek Town and Surrounding Farms   |
| 2    | Langrug, La Motte, Dennegeur, Groendal  |
| 3    | Lanquedoc, Wemmershoek to La Motte Wine Farm and Leopard Leap Wine Farm   |
| 4    | Kylemore, Johannesdal, Pniël and Surrounding Farms  |
| 5    | Ida's Valley (Hillside Village, La Gratitude Park (Kreefgat), The Ridge, La Roche, Lindida, Bloekomlaan(Moses / Martin) Lindley)  |
| 6    | The Hydro, Rustenberg and Surrounding Farms, Kelsey Farm  |
| 7    | Mostersdrift, Karindal, Rozendal, Uniepark, Simanswyk and Unirversiteitsoord  |
| 8    | Stellenbosch University campus and university residence area; Coetzenburg, (partially:) Koloniesland  |
| 9    | Stellenbosch CBD, Part of US campus (residential areas within both these areas), Southern border is the Eerste River, Northern border is Merriman Street, Eastern border is Die Laan and Western border is Bird Street  |
| 10   | Tenantville, Lakay Street, Titus Street, Langsuid Street up to Lakay Street, Tennant Street, Lapan Street, Bell Street, Bird Street, La Colline (Dr Malan Street, Dan Pienaar Street, Paul Roos Street, Tobruk Park, Irene Park, La Colline Road, Conde Street, Taylor Street, Mount Albert Street), Kromrivier Road, Jan Celliers Street, Hammanshand, Ds Botha Street, Voorplein Street, Bird Street, Langenhoven Street, Du Toit Station, Ryneveld Street, Karee Street, Olienhout Street, Banghoek Rd, Acedemia, Bosman Street, Smuts Rd, Joubert Street, De Beer Rd, De Villiers Rd from Ryneveld Street to Cluver Rd on the lefthand side |
| 11   | Boundaries of the ward are: Kridge Rd, Herte Street, Skone Uitsig Rd onto Alexander Street onto Du Toit Street toward Merriman Avenue towards Adam Tas Rd onto George Blake Street, Mark Street, Distillery Rd, Santhagen Rd, Swawel Avenue, Kanarie Rd, Tarentaal Rd, Bokmakierie Rd, Fisant Rd, Devon Valley Rd, Kiewiet Rd, Dagbreek Rd, Pelikaan Street, Patrys Rd, Hammerkop Rd, Loerie Rd, Muldersvlei Landgoed, and all areas in Onder Papegaaiberg and businesses   |

| Ward | Areas   |
|------|---|
| 12   | Kayamandi: Zone A, Chris Hani Drive, 10th and 13th Street, School Crescent, Snake Valley, Enkanini, Watergang, Watergang TRA 2 and Watergang Informal Settlements   |
| 13   | Kayamandi: Zone J, Red Bricks, Zone K and L, Hostels, Dairy and University Hostels, Old Bricks Houses Red Roofs, Zwelitsha, Costaland   |
| 14   | Kayamandi: Zone P, I, F, D and O, Costaland, Marikana, Watergang, Smarties (Mgabadel Street), Monde Crescent  |
| 15   | Kayamandi: Zone M, N, O, 4th and 5th Avenue, 10th, 12th and 14th Street, Long Street, Retreat Street, Forest Drive  |
| 16   | The borders are Tenant Rd, Long streets, Crombi Rd to end of Gabriels Rd. Asalea Rd, 2nd Road, Noble Rd, Bailey Rd, Eike Street, Curry Street, Hoop Rd, Pansy Rd, West Rd, Laai Rd, Anthony Rd, Carriem Rd, Archilles Rd, Bergstedt Rd, Davidse Rd, Cupido Rd, Pearce Rd, Robyn Rd, Gonzalves Rd, Hercules Rd, Chippendale Rd, Afrika Rd, Arnolds Rd, September Rd, Jakaranda Street, Short Rd, Quarry Rd, Middle Rd, Primrose Street, Pine (Bo en Onder), North End, Vredelust, Gemsbok, Daffodil Single, Steps, Sylvia Street, Eiland Street, Last Street (White City), Frikkadel Dorp, September Street  |
| 17   | A part of Cloetesville (Lakay Rd towards Langstraat -Suid Rd, Kloof Street, Fir Street, Fontein Rd, Williams R towards Gabriels Rd towards February Rd, Valentyn Rd, Pool Rd, Raziet Rd, Ortell Rd, Rhode Rd, King Rd, Hine Rd, Hendrikse Rd, Rhode Rd), as well as Welgevonden, Green Oaks, Stellita Park, Weltevrede, Welgevonden Estate ( Red Oak Rd, Belladonna Street, Wildeklawer Welgevonden Boulevard, Olive Rd, Sonnedou Rd, Mountain Silver Rd, Silver Oak Rd, Froetang Rd, Katbos Rd, Everlasting, Fynbos Street, Sourfig Street, Scarlet Crescent, Pin Oak Street, Evergreen, Autumn Close, Nenta, Cherrywood, Candelabra, Froetang, Candelabra, Kouter, Protea Street, Minaret, Gooseberry, Honeybush), Klein Welgevonden (La Belle Vie, Chablis) and the Municipal Flats in Rhode, Kloof and Long Streets, Bertha Wines and Weltevreden Estate, 15 Weltevreden Estate,) The borders of the ward are the R44 Klapmuts road and Long streets. |
| 18   | Klapmuts Town Centre, Bennitsville, Weltevrede Park, Klapmuts New Houses, Mandela City and La Rochelle Informal Settlement, Klapmuts Farms (The Purple Windmill, Arrra Vineyards, Hidden Gems Wines, Gravel Junction Wine and Spirtis Company, Wine Estate Le Bonheur, Anura Vinyard, Dalewood Farms, Blueberry Bar, Klapmuts Transfer Station, Trophy SA, DKL Transport Pty, Welgelee Estate)  |
| 19   | De Novo, Kromme Rhee, Vaaldraai, Muldersvlei, Koelenhof and surrounding Farms, Koelenhof Station, Slayley, Hunting, Koelenhof Farms, Poultry / Mariendahl, De Hoop, Nooitgedacht Village, Bottelary and Surrounding Farms, De Waalshof, Weltevrede 1, Weltevrede 2, Smartie Town.   |
| 20   | Vlottenberg, Raithby, Mooiberge, Lynedoch   |

| Ward | Areas   |
|------|---|
| 21   | Brandwacht Aan Rivier, Paradyskloof, Stellenbosch Golf Course, Blaauwklippen / Stellenzicht Farms, De Zalze, Jamestown, Mountainview, Stellenbosch Airfield   |
| 22   | Die Boord, Dalsig, Brandwacht, Krigeville, Libertas Farm  |
| 23   | Dorp treet, Krige, Hamman Streets, Schroder Rd, Die Braak, Bird Street from Dorp Street, Denniseg area, Muller Rd, Banghoek Rd, Reyneveld Street, Plankenburg Industrial area and Kayamandi Corridor. |

Below is a map of the Cape Winelands District in relation to the provincial district boundaries:

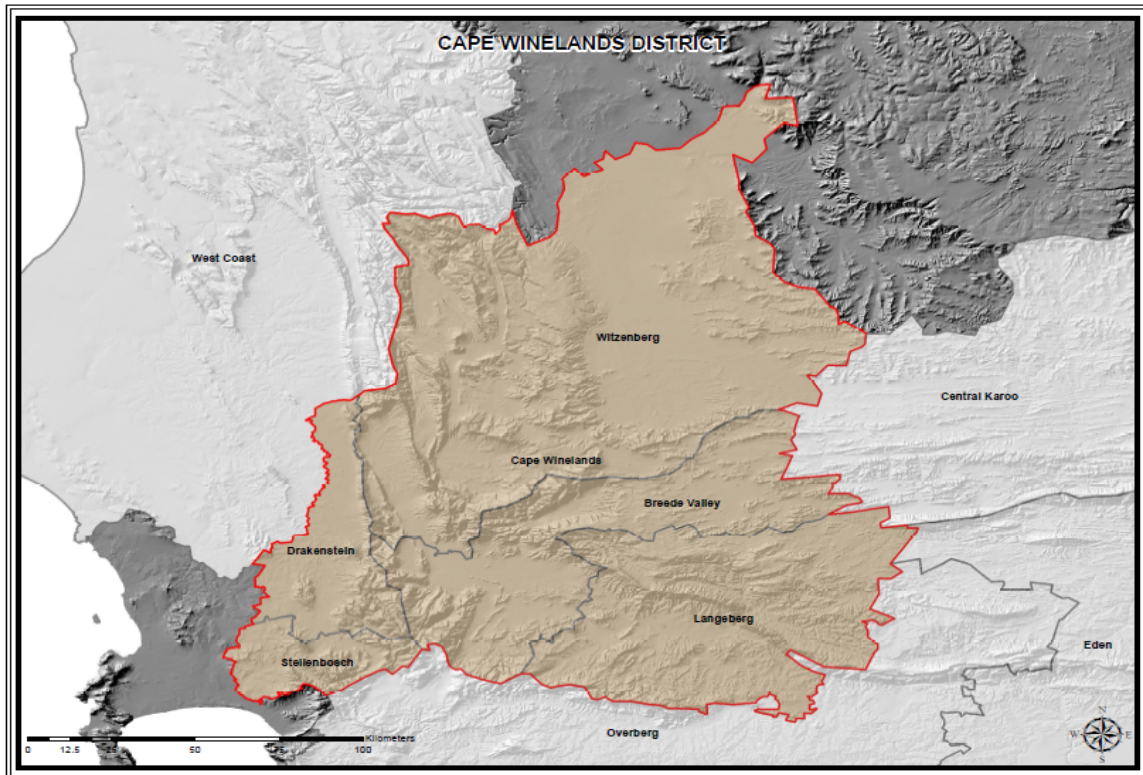
Map 1: Locality of Cape Winelands in relation to Provincial Boundaries



The Western Cape Province, which makes up 10.6% of the country's land surface and encompasses an area of 129 462 km<sup>2</sup>. The province spatial area includes 1 metropolitan area (City of Cape Town), 5 district municipal areas (Central Karoo, Eden renamed Garden Route, Overberg, Cape Winelands and West Coast) and 24 local municipalities.

Below is a map of the municipalities in relation to the Cape Winelands District:

Map 2: Locality map of Stellenbosch Municipality in relation to Cape Winelands District

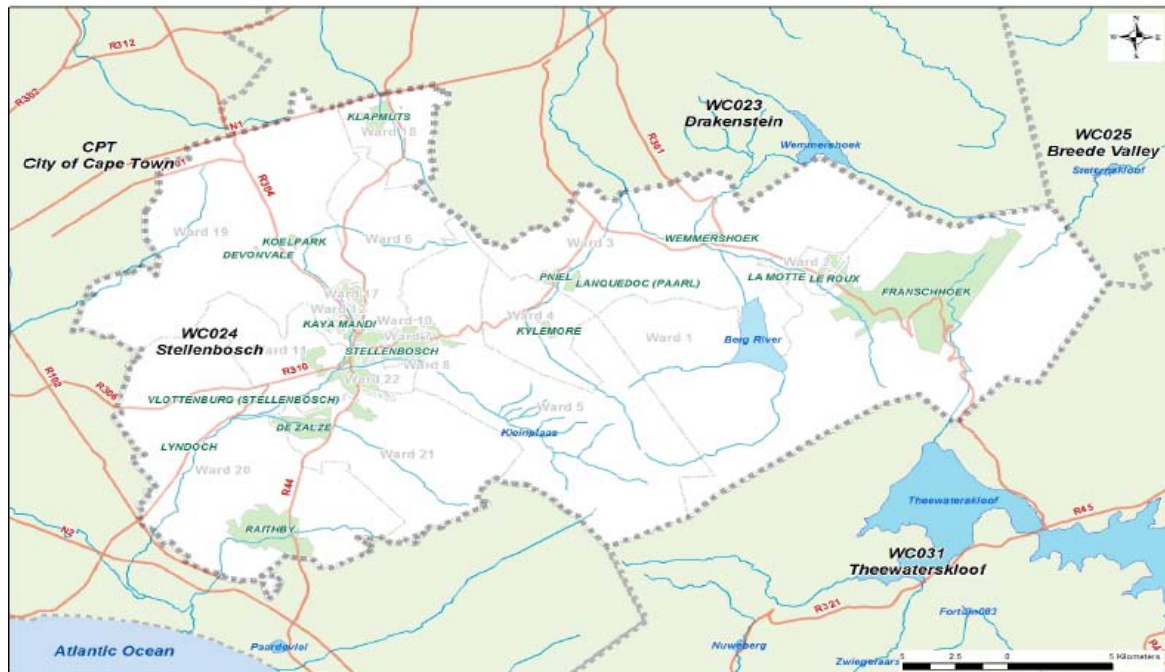


### Boundaries

The Cape Winelands District Municipality is located within close proximity of the City of Cape Town, which offers excellent access to trade opportunities, routes and infrastructure such as expanding broadband networks, an international airport (with direct flights to international cities), the second largest container port in the country and a comprehensive road and rail network. This gives the Cape Winelands district ideally located as an investment destination. The Cape Winelands District municipal area incorporates Drakenstein, Stellenbosch, Breede Valley, Langeberg and Witzenberg.

Below is a map of the Stellenbosch Municipality's area of jurisdiction:

**Map 3: Locality map of municipal boundaries**




Stellenbosch Local Municipality is located in the heart of the Cape Winelands and adjacent to City of Cape Town and Drakenstein Municipality. As a local authority Stellenbosch Municipality governs the towns of Stellenbosch, Pniël, Klapmuts, Kylemore, Jamestown, Raithby, Ida's Valley, Cloetesville, Kayamandi and Vlotenburg, and the surrounding rural areas. The area covers 831 square kilometres and adjoins the City of Cape Town (CoCT) to the west and south and the Breede Valley, Drakenstein and Theewaterskloof Municipalities to the east and north. Functionally, Stellenbosch Municipality (SM) forms part of the Greater Cape Town metropolitan area.

The main settlements in SM are the historic towns of Stellenbosch and Franschhoek, and Klapmuts. There are also a number of smaller villages, including Jamestown (contiguous with Stellenbosch town), Pniël, Johannesdal, Lanquedoc, Lynedoch, and Raithby. New nodes are emerging around agricultural service centres, for example, Koelenhof and Vlotenburg. Stellenbosch is a sought-after space, offering opportunity and quality of living, yet in close proximity to city life. This has placed the municipal area under constant development pressure.

## Stellenbosch Municipality at a Glance

Table 2: Stellenbosch Municipality - Summarised Statistics

| Demographics  |                                |   | Population Estimates 2021: Estimated households 2020                                 |   |   |
|---|--------------------------------|---|--|---|---|
|    | <b>Population</b><br>196 036   |   |     | <b>Households</b><br>196 036  |   |
| Education   |                                |   | Poverty  |   |   |
|    | Matric Pass                    | 85.1%   |    | Gini Coefficient  | 0.61  |
|   | Retention Rate                 | 73.1%   |  | Human Development Index   | 0.74  |
|   | Learner – Teacher Ratio        | 26.8 %  |  |   |   |
| Health 2020/21  |                                |   |  |   |   |
|    | Primary Health Care Facilities |   | Immunisation Rate  | Maternal Mortality Ratio (per 100 000 live births)                                    | Teenage Pregnancies Delivery rate to women u/18 |
|   | 8 (excl. mobile / satellite)   |   | 52.7%  | 57.3  | 11.4%   |
| Safety and Security 2020/21   |                                |   | Actual number of reported cases in   |   |   |
|   | Residential Burglaries         | DUI   | Drug – related crimes  | Murder  | Sexual Offences                                 |
|   | 904                            | 164   | 1 252  | 70  | 194   |
| Access to Basic Service Delivery  |                                |   |  |   |   |
|  | Water<br>94.4%                 |  | Refuse Removal<br>86.7%  |  | Electricity<br>92.2%                            |
|  | Sanitation<br>91.1%            |   |  | Housing<br>72.7%  |   |
| Road Safety 2020/21   |                                | Labour 2020   |  | Socio Economic Risk   |   |
| Fatal Crashes   | 31                             | Unemployment Rate (narrow definition)   | 11.3%  | Risk 1  |   |
| Road User Fatalities  | 39                             |   |  | Risk 2  |   |
|   |                                |   |  | Risk 3  |   |
| Largest 3 Sectors   |                                |   | Contribution to GDP, 2020  |   |   |
| Finance, insurance, real estate and business services<br>21.7%                      |                                | Wholesale and retail trade, catering and accommodation<br>21.1%                     |  | Manufacturing<br>16.6%  |   |

Source: Western Cape, Social – Economic Profile 2021



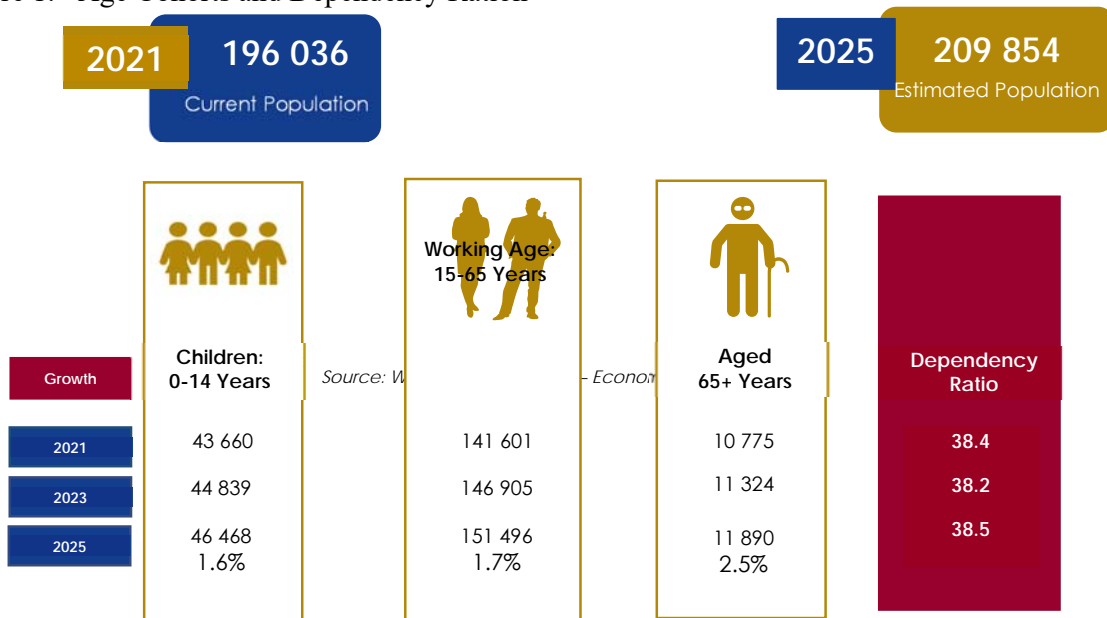
**Socio – Economic Context**

**Population and Age Cohorts**

Stellenbosch’s population totals **196 036** persons in **2021**, the second most populated municipal area in the Cape Winelands District (CWD). This total is expected to grow to **209 854** by **2025**, equating to an average annual growth rate of 1.7 per cent for the period.

It is evident that Stellenbosch has an ageing population. Between 2021 and 2025, the highest population growth is estimated for the aged cohort, with expected growth for the period reaching an average annual rate of 3.6 per cent. This is more than double the growth in the working age cohort (1.6 per cent). The size of the aged cohort is however relatively small in comparison to the working age category. As such, the dependency ratio remains mostly unchanged between 2021 and 2025.

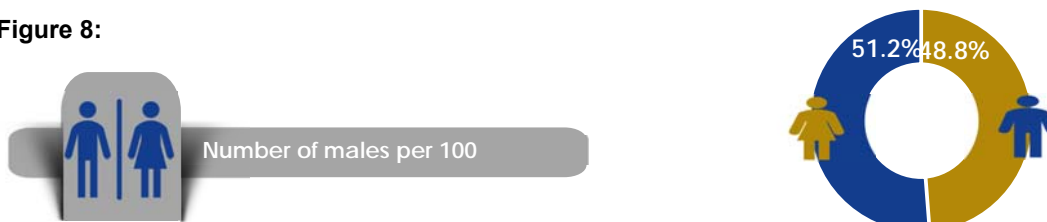
Figure 1: Age Cohorts and Dependency Ratio



**Sex Ratio**

The overall sex ratio (SR) depicts the number of males per 100 females in the population. The data indicates that there are notably more females than males in the Stellenbosch municipal area with a ratio of 95.8 males per 100 females in 2021. The increasing SR for Stellenbosch could be attributed to a wide range of factors such as a decrease in female mortality rates as well as the potential inflow of working females to the municipal area.

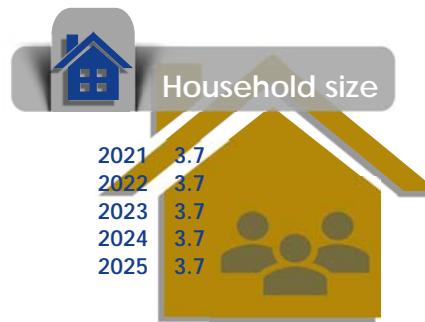
Figure 8:



### Household Size

Household size refers to the number of people per household. The actual size of households in the municipal area is trending downwards between 2021 and 2025. Contributing factors to a stagnation in household size growth could include, but are not limited to, lower fertility rates, occurrences of divorces, ageing population etc.

Figure 2: Household size



Source: Western Cape, Social – Economic Profile 2021

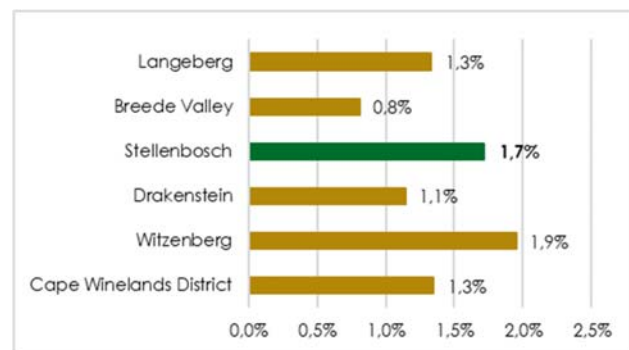
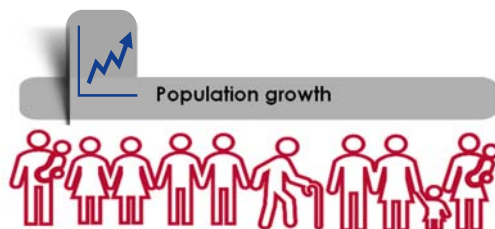
### Population Density

Amidst rapid urbanisation across the Western Cape, population density figures will aid public sector decision makers to mitigate environmental, health and service delivery risks. In 2021, the population density of the Cape Winelands District was 44 persons per square kilometer.

In order of highest to lowest, the various local municipal areas compare as follows:

- ⚡ Witzenburg 14 people/km<sup>2</sup>
- ⚡ Drakenstein 192 people/km<sup>2</sup>
- ⚡ Stellenbosch 236 people/km<sup>2</sup>
- ⚡ Breede Valley 51 people/km<sup>2</sup>
- ⚡ Langeberg 27 people/km

Figure 3: Population growth



|              |     |     |     |     |     |
|--------------|-----|-----|-----|-----|-----|
| Stellenbosch | 1.7 | 1.9 | 1.7 | 1.7 | 1.7 |
|--------------|-----|-----|-----|-----|-----|

|                |     |     |     |     |     |
|----------------|-----|-----|-----|-----|-----|
| Cape Winelands | 1.4 | 1.4 | 1.4 | 1.3 | 1.3 |
| Western Cape   | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 |

Source: Western Cape, Social – Economic Profile 2022

Source: Western Cape, Social – Economic Profile 2021

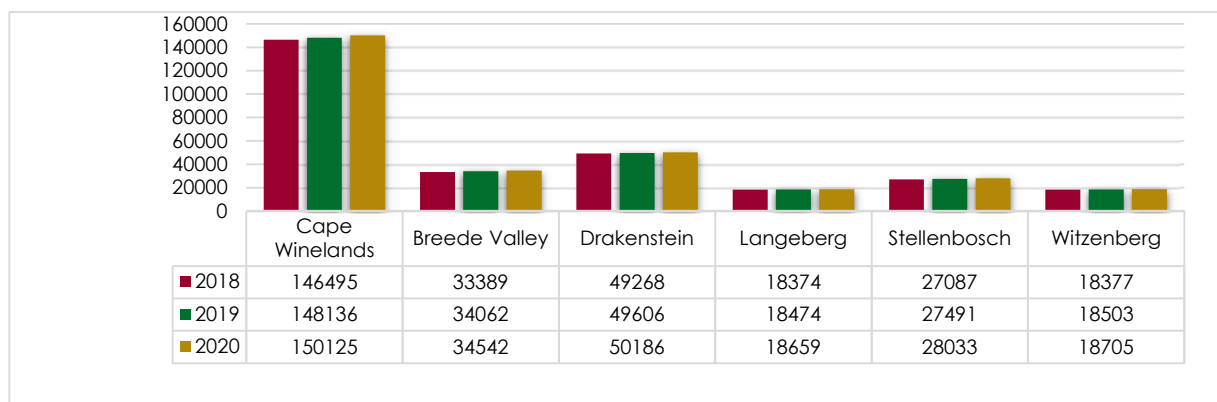
Source: Western Cape, Social – Economic Profile 2021

## Education

### Learner enrolment, the learner-teacher ratio and learner retention rate:

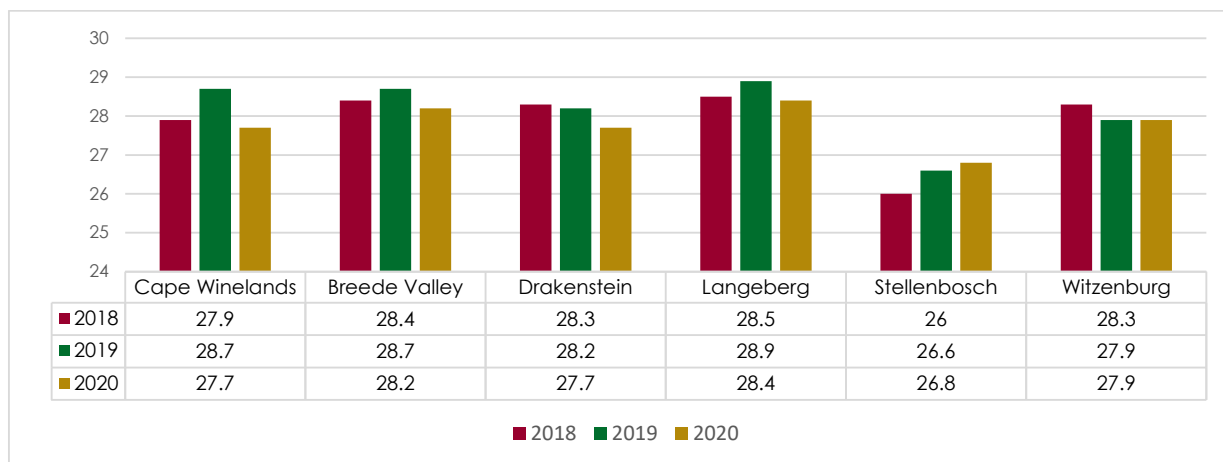
Learner enrolment in the Stellenbosch municipal area increased by 1.7 per cent from 27 087 in 2018 to 28 033 in 2020. The growth rate in learners is slightly above the Western Cape average of 2.1 per cent across the same period.

Graph 1: Learner enrolment



Source: Western Cape, Social – Economic Profile 2021

Graph 2: Learner – Teacher Ratio 2018 – 2020



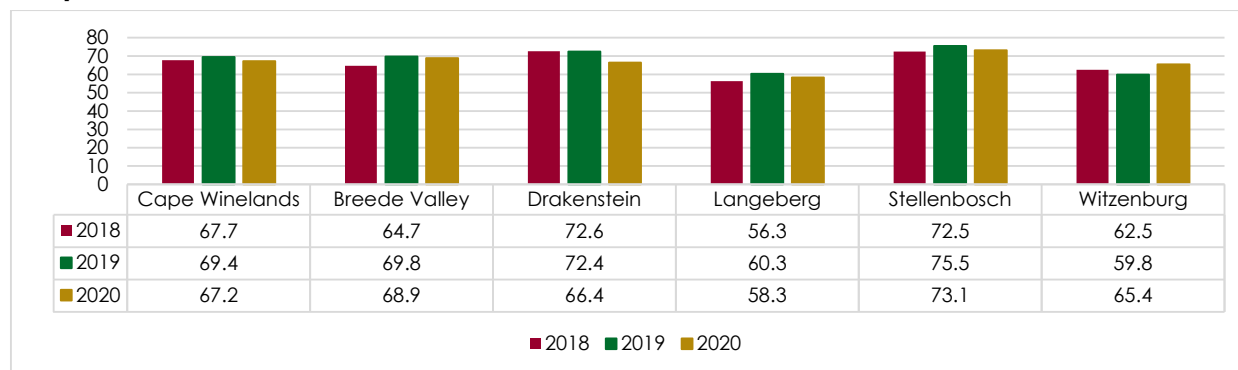
Source: Western Cape, Social – Economic Profile 2021

The learner-teacher ratio in the Stellenbosch municipal area has gradually been on the rise from 26.0 in 2018 to 26.6 in 2019 and 26.8 in 2020. This is still below the Provincial average of 30.3. It is commonly assumed that children receive less personalised attention in larger class environments

and that high learner-teacher ratios are detrimental to improved educational outcomes. Although the Stellenbosch municipal area has the highest learner retention rate (73.1 per cent) in the Cape Winelands District, school drop-outs remain a grave concern. The learner retention rate is influenced by a wide array of factors, including economic influences such as unemployment, poverty/ very low household income, as well as social concerns such as teenage pregnancies.

Retention rates should be kept in mind when considering education outcomes/ results, as low retention rates are likely to skew outcomes, as drop-outs are automatically excluded from any outcomes/results. Being able to retain learners is essential for overall positive education outcomes.

### Graph 3: Learner retention



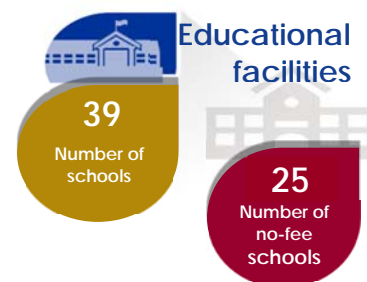
Source: Western Cape, Social – Economic Profile 2021

### Number of schools and no – fee schools

Figure 4: Number of schools and no – fee schools

In 2020, the Stellenbosch municipal area had a total of 39 public ordinary schools. The number of schools has remained constant since 2018.

The number of no-fee schools has also remained steady at 39 between 2018 and 2020. This translates into a total of 64.1 per cent of schools being registered with the Western Cape Department of Education as no-fee schools.



Source: Western Cape, Social – Economic Profile 2021

### Schools with libraries/media centres

The number of schools with libraries / media centres decreased from 29 in 2018 and 2019 to 22 in 2020. The availability of library facilities within schools contributes towards narrowing the academic attainment gap by allowing students access to information which is in turn directly linked to improved education

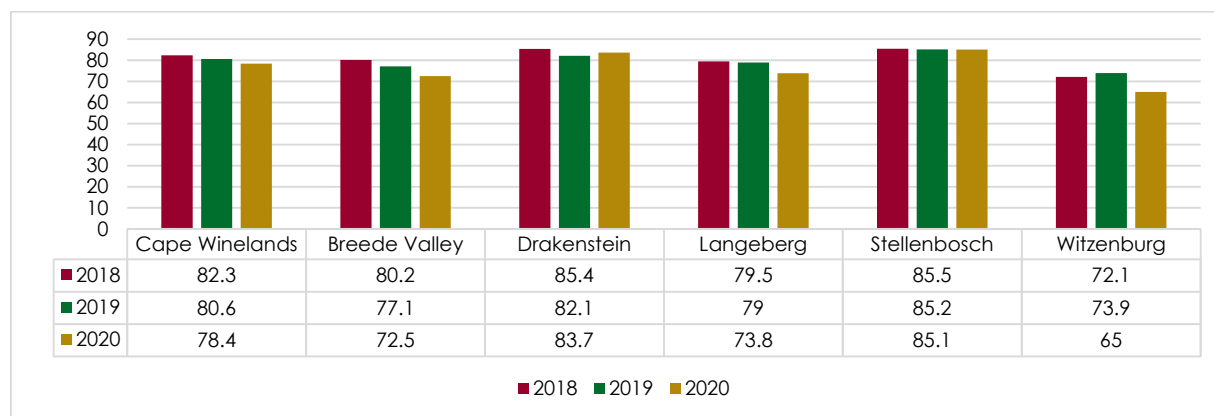


### Education outcomes (matric pass rate)

Education remains one of the key avenues through which the state is involved in the economy. In preparing individuals for future engagements in the labour market, policy decisions and choices in the sphere of education play a critical role in determining the extent to which future economic and

poverty reduction plans may be realised. Education outcomes across the entire South Africa and Western Cape on general deteriorated as a result of COVID-19. The matric pass rate for Stellenbosch however increased ever so slightly from 85.0 per cent in 2019 to 85.1 per cent in 2020.

Graph 4: Education outcomes (matric pass rate)



Source: Western Cape, Social – Economic Profile 2021

## Health

### Health Facilities

In 2020, the Stellenbosch municipal area had 8 primary healthcare facilities, which comprised of 7 fixed clinics and 1 community day centre; there were also 6 mobile/satellite clinics. In addition to these primary healthcare facilities, there is also a district hospital, 9 ART treatment sites and 13 TB clinics.

Table 3: Health facilities

| Area                    | Community Health Centres <sup>1</sup> | Community Day Centres <sup>2</sup> | Regional hospitals | District Hospitals | PHC Clinics (Satellite and Mobile) | PHC Clinics (Fixed) |
|-------------------------|---------------------------------------|------------------------------------|--------------------|--------------------|------------------------------------|---------------------|
| Stellenbosch            | 0                                     | 1                                  | 0                  | 1                  | 6                                  | 7                   |
| Cape Winelands District | 0                                     | 5                                  | 2                  | 4                  | 33                                 | 39                  |

Source: Western Cape, Social – Economic Profile 2021

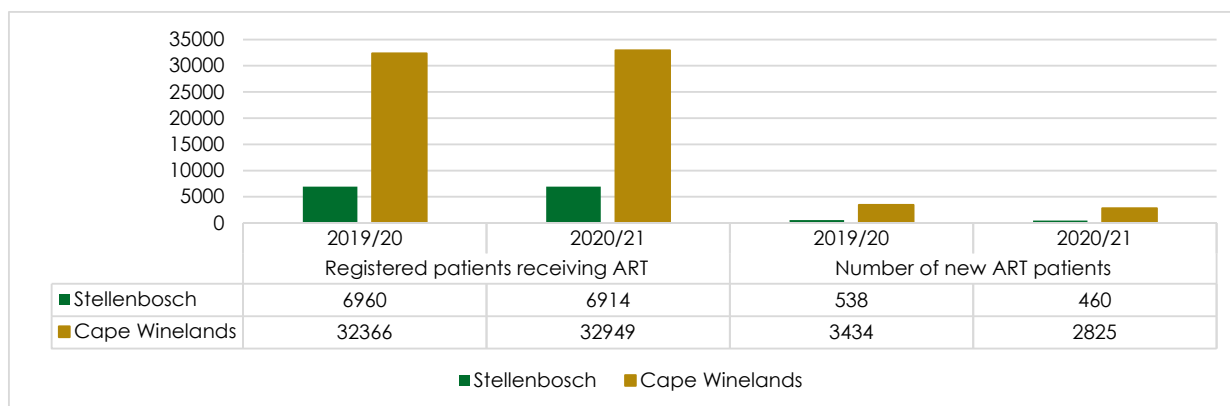
### HIV / AIDS and Tuberculosis

The number of clients (patients) that remain committed to their antiretroviral treatment (ART) plan in the Stellenbosch municipal area decreased by 46 patients between 2019/20 and 2020/21. In total, 6 914 registered patients received antiretroviral treatment in the Stellenbosch municipal area in 2020/21. In turn, the number of new patients receiving ART also declined from 538 in 2019/20 to 460 in 2020/21. There has been an average annual decline of 7.8 per cent between 2016/17 (1 173) and 2020/21 (849) in the number of registered patients receiving TB treatment in the Stellenbosch municipal area.

<sup>1</sup> **Community Health Centre:** A facility that normally provides primary health care services, 24 hour maternity, accident and emergency services and beds where health care users can be observed for a maximum of 48 hours and which normally has a procedure room but not an operating theatre.

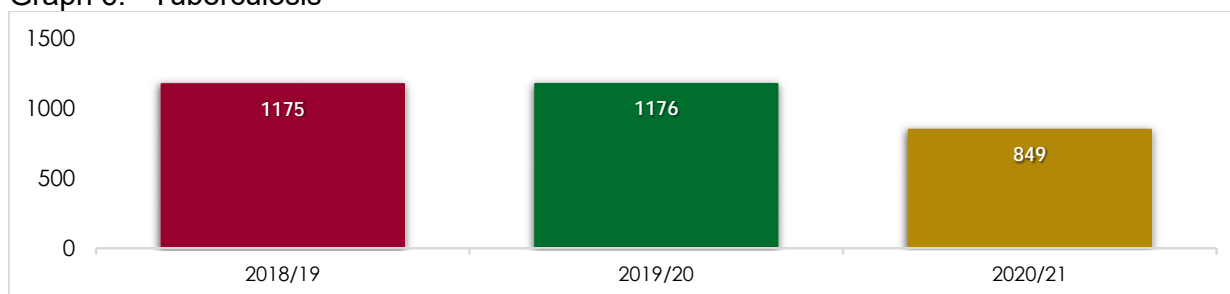
<sup>2</sup> **Community Day Centre:** A health facility that provides a comprehensive health care services during day hours, including mother and child health, chronic diseases care, women's health, HIV and TB care, men's health, acute services, physio therapy, mental health services and oral health care.

Graph 5: HIV / AIDS



Source: Western Cape, Social – Economic Profile 2021

Graph 6: Tuberculosis

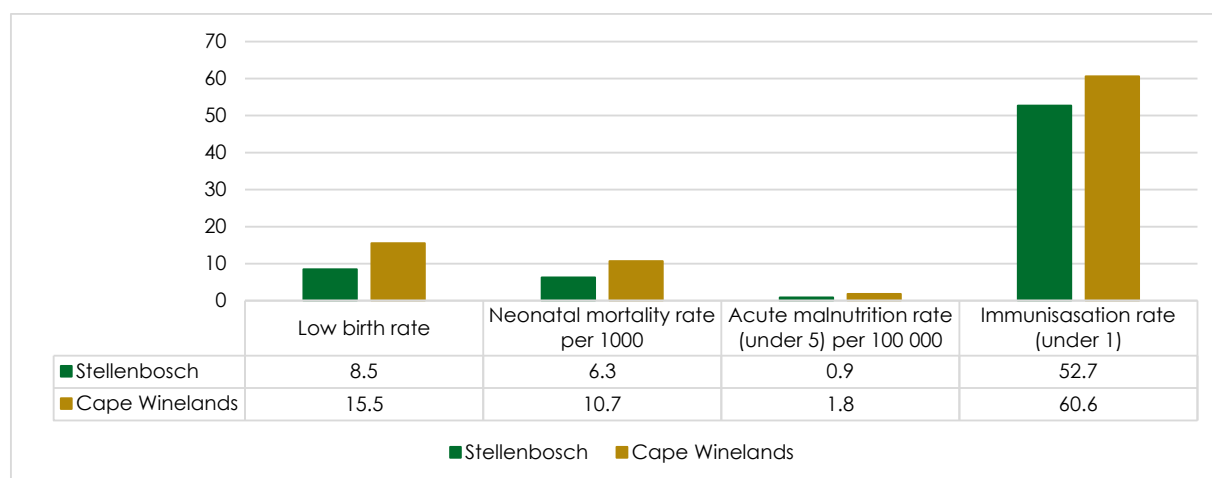


Source: Western Cape, Social – Economic Profile 2021

### Child Health

The immunisation coverage rate for children under the age of one in the municipal area declined slightly from 55.1 per cent in 2019/20 to 52.7 per cent in 2020/21. The overall CWD rate also declined from 63.1 to 60.6 per cent across the same period. The number of malnourished children under five years of age (severe acute malnutrition) per 100 000 people in the municipal area declined notably from 2.6 in 2019/20 to 0.9 in 2020/21. The Western Cape average from 1.6 to 0.9. The CWD rate also declined from 3.3 to 1.8 per cent. The neonatal mortality rate (deaths per 1 000 live births before 28 days of life) for the municipal area increased from 5.2 in 2019/20 to 6.3 in 2020/21. The rate was still notably below the CWD average of 10.7. A total of 8.5 per cent of all babies born in facility in the municipal area in 2020/21 weighed less than 2 5000 grams. This is slightly worse than the 8.2 per cent recorded in 2019/20. This total was the lowest amongst all other local municipalities in the district.

Graph 7: Child health

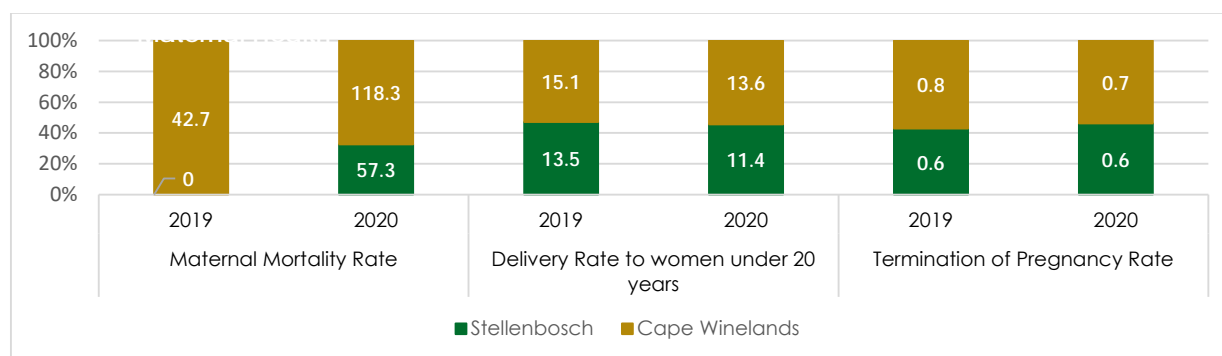


Source: Western Cape, Social – Economic Profile 2021

## Maternal Health

In 2020/21, the Stellenbosch municipal area recorded the lowest number of maternal deaths (57.3) and teenage pregnancies (11.4 per cent) in the CWD. Although the number of teenage pregnancies decreased between 2019/20 and 2020/21, there was a significant deterioration in the maternal mortality rate (increase) in the municipal area. The termination of pregnancy rate (0.6 per cent) remained unchanged across this period.

Graph 8: Maternal health



Source: Western Cape, Social – Economic Profile 2021

## Emergency Medical Services

Table 4: Emergency Medical Services

| Emergency Medical Services Health indicator    | Stellenbosch | Cape Winelands |
|--|--------------|----------------|
| EMS operational                                | 6            | 38             |
| No of operational ambulances per 10 000 people | 3            | 2              |

Source: Western Cape, Social – Economic Profile 2021

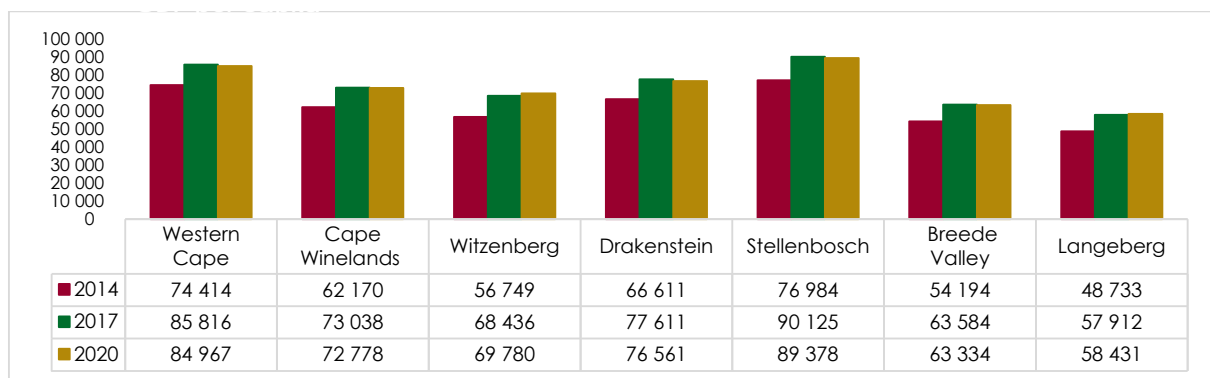
## Poverty

### GDPR Per Capita

An increase in real regional gross domestic product (GDPR) per capita, i.e. GDPR per person is experienced only if the real economic growth rate exceeds the population growth rate. Even though real GDPR per capita reflects changes in the overall well-being of the population, not everyone within an economy will earn the same amount of money as estimated by the real GDPR per capita indicator.

GDPR per capita for the Stellenbosch municipal area was at R89 378 in 2020 (current prices) higher than the CWD (R72 778) and Western Cape (R84 967) averages. Constraint growth, coupled with growing population numbers, has resulted in a downward trend in GDPR per capita across most local municipal areas.

Graph 9: GDP Per Capita

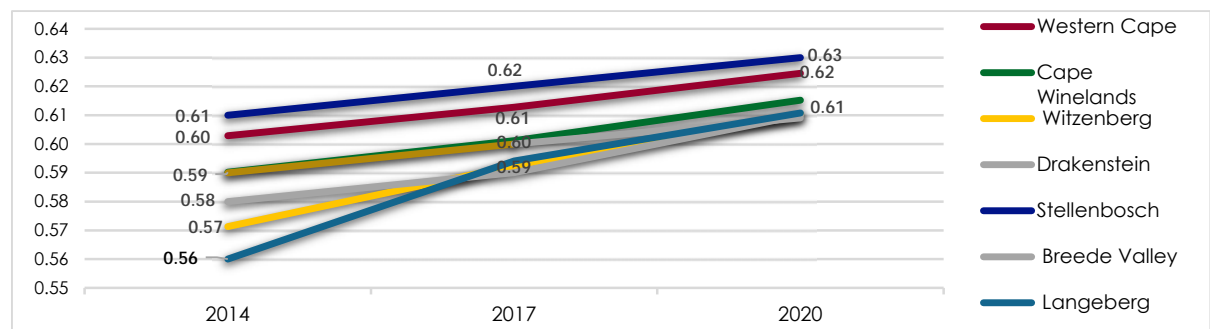


Source: Western Cape, Social – Economic Profile 2021

### Income Inequality

The National Development Plan (NDP) has set a target of reducing income inequality in South Africa from a Gini coefficient of 0.7 in 2010 to 0.6 by 2030. However, between 2014 and 2020, income inequality in the Stellenbosch municipal area has worsened, with the Gini-coefficient increasing from 0.614 in 2014 to 0.631 in 2020. Worsening income inequality was also observed across the CWD (0.590 in 2014 and 0.615 in 2020) as well as the Western Cape Province (0.603 in 2014 and 0.625 in 2020).

Graph 10: Income Inequality



Source: Western Cape, Social – Economic Profile 2021

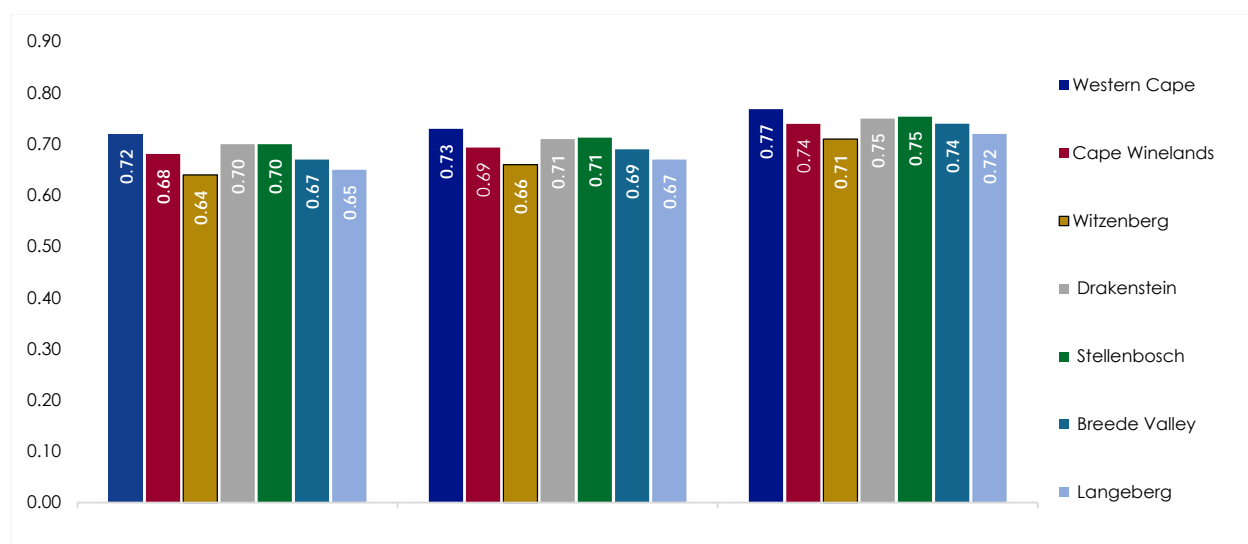


## Human Development

The Human Development Index (HDI) is a composite indicator reflecting on education levels, health, and income. It is a measure of peoples' ability to live a long and healthy life, to communicate, participate in the community and to have sufficient means to be able to afford a decent living. The HDI is represented by a number between 0 and 1, where 1 indicates a high level of human development and 0 represents no human development. The United Nations uses the HDI to assess the relative level of socio-economic development within countries.

An overall improvement in human development is observed across the entire Western Cape with HDI levels increasing in all districts between 2014, 2017 and 2020. It is interesting to note that despite general economic hardship impacting on households, the HDI score for the Stellenbosch municipal area increase significantly more in recent times i.e., HDI in Stellenbosch was 0.704 in 2014 and increased to 0.709 in 2017; the increase was however more pronounced in 2020 at 0.751. The HDI score for the municipal area was in 2020 higher than the CWD average of 0.740

Graph 11: Human development



Source: Western Cape, Social – Economic Profile 2021

## Basic Service Delivery

The Constitution stipulates that every citizen has the right to access to adequate housing and that the state must take reasonable legislative and other measures within its available resources to achieve the progressive realisation of this right. Access to housing also includes access to services such as potable water, basic sanitation, safe energy sources and refuse removal services, to ensure that households enjoy a decent standard of living.

This section considers to what extent this has been achieved by reflecting on the latest available information from Quantec Research for 2020. The latest official statistics was collected by Statistics South Africa for the 2016 Community Survey; the 2022 Census will provide the updated official statistics. The information on free basic services is obtained from Statistics South Africa's Non-Financial Census of Municipalities survey findings.

## Housing and household services

With a total of 50 328 households in the Stellenbosch municipal area, 72.7 per cent had access to formal housing, the lowest access level when compared with other municipalities in the CWD area; the CWD average was 80.8 per cent. The municipal area also had the highest percentage of people living in informal settlements at 25.2 per cent. In comparison, 17.4 per cent of people across the CWD resided in informal settlements. Access levels to basic services in the municipal area were as follows in 2019:

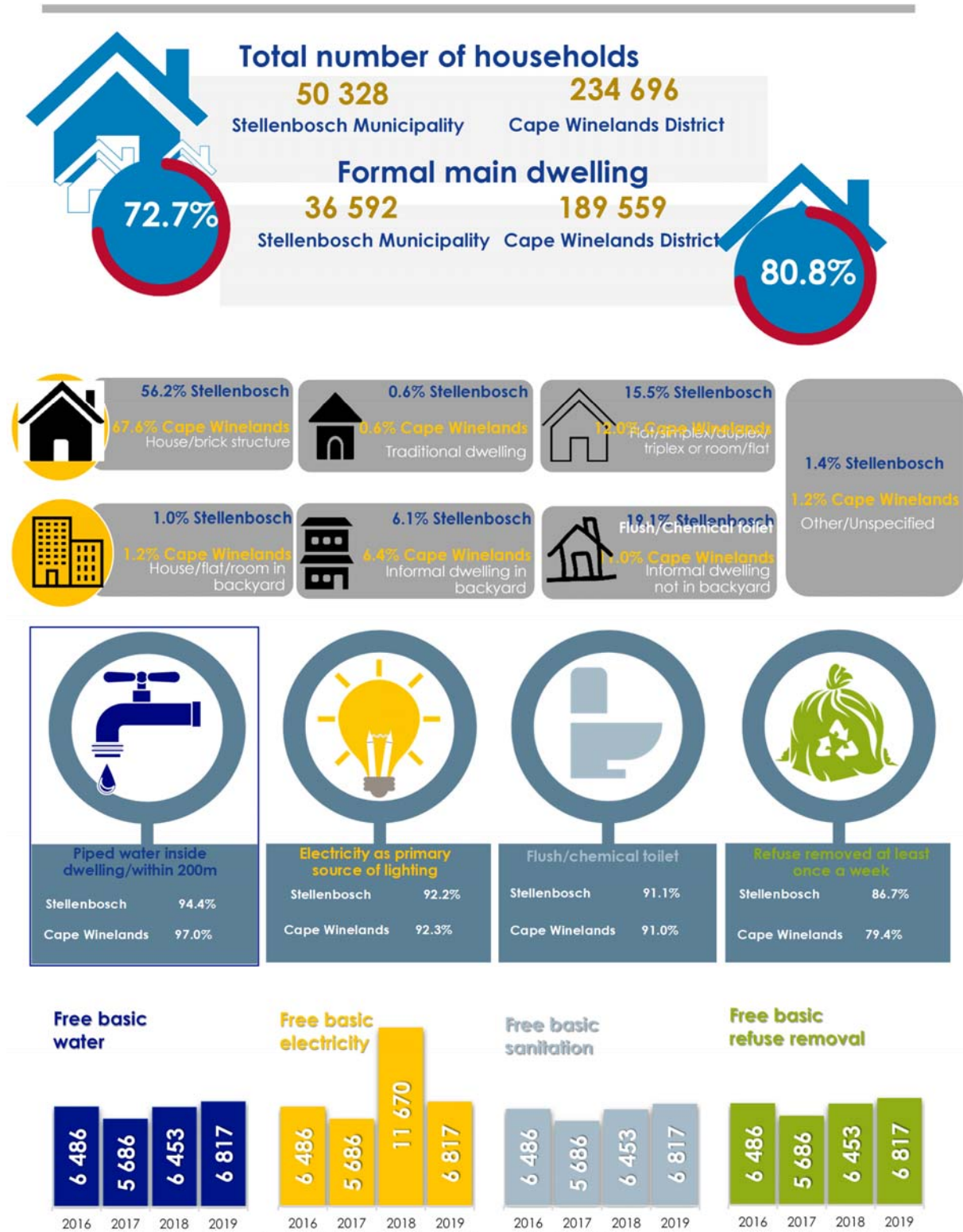
- 🔌 Piped water inside / within 200 m of the dwelling: 94.4 per cent;
- 🚽 Flush or chemical toilet: 91.1 per cent;
- ⚡ Electricity (for lighting): 92.2 per cent; and
- ♻️ Refuse at least weekly by local authority: 86.7 per cent.

While access to electricity and sanitation services were on par with the CWD average, access to piped water was notably below the district average. Access to refuse removal services were however above the district average.

## Free Basic Services

According to the Department of Local Government, the number of registered indigent households in the Stellenbosch municipal area decreased from 6 813 in 2019 to 7 011 in 2020 (2.9 per cent increase). Municipalities provide a package of free basic services to households who are financially vulnerable and struggle to pay for services. The number of households receiving free basic services in the Stellenbosch municipal area has shown an overall increasing trend between 2017 and 2019. The stressed economic conditions continue to exert pressure on household income levels, which in turn is likely to see the number of indigent households and the demand for free basic services increase.

Figure 1: Basic Services

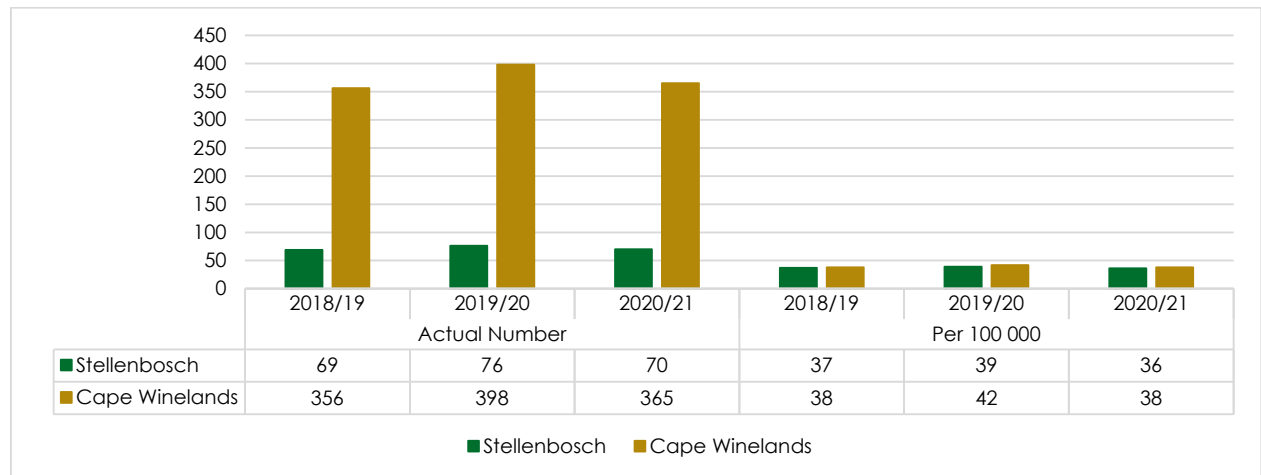


## Safety and Security

### Murder

The number of actual murders in the Stellenbosch municipal area decreased from 76 in 2019/20 to 70 in 2020/21. This amounted to a decrease in the murder rate from 39 occurrences per 100 000 people to 36 (-9.2 per cent) which was still slightly below the District average of 38. In comparison, the Provincial average was 53 in 2020/21.

Graph 12: Murder Statistics

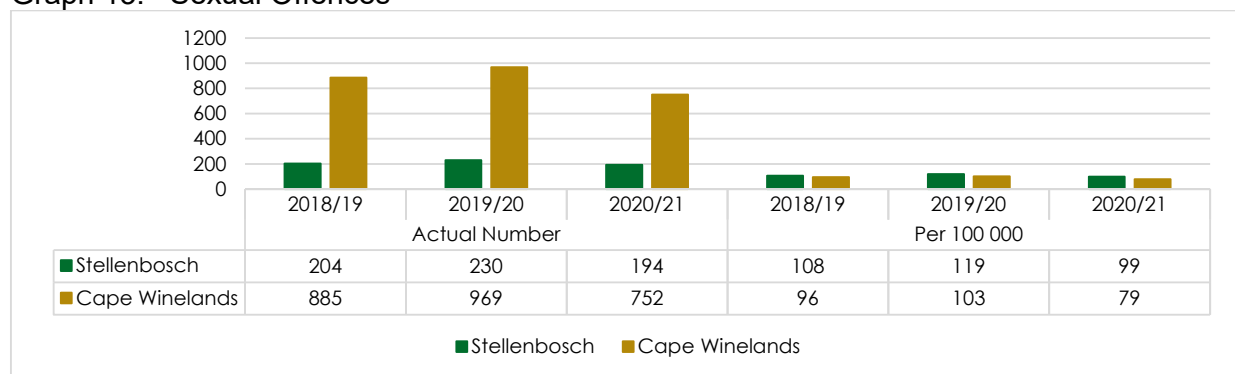


Source: Western Cape, Social – Economic Profile 2021

### Sexual Offences

Sexual offences in the municipal area decreased by 17.1 per cent from 119 occurrences per 100 000 people in 2019/20 to 99 in 2020/21, but was still the highest amongst the various municipal areas of the District. Across the same period, the CWD sexual offences rate decreased from 103 occurrences per 100 000 people to 79 (23.4 per cent decline).

Graph 13: Sexual Offences

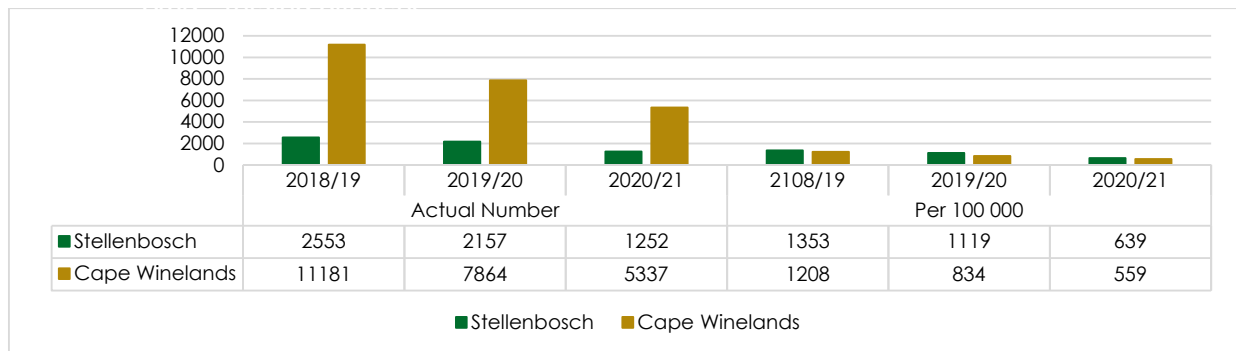


Source: Western Cape, Social – Economic Profile 2021

### Drug – related Offences

Occurrences of drug related crimes declined significantly across the entire Western Cape - the drug-related crime rate in the Province decrease by 29.8 per cent from 890 occurrences per 100 000 people in 2019/20 to 625 in 2020/21. Mirroring this trend, the rate in the CWD decreased substantially from 834 to 559 (33.1per cent) while it decreased from 1 119 in 2019/20 to 639 in 2020/21. The municipal area had the second highest drug-related crime rate in the CWD.

Graph 14: Drug – related Offences



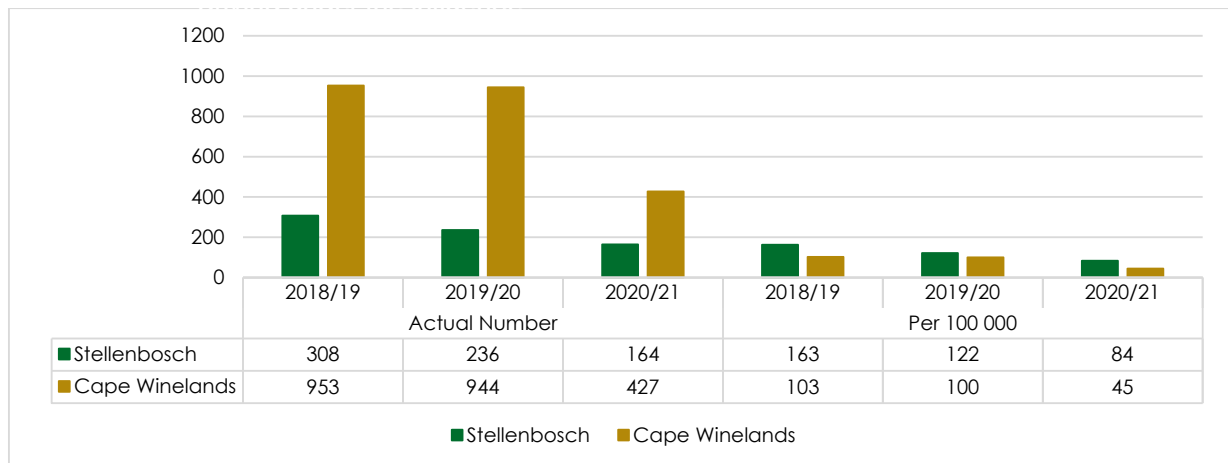
Source: Western Cape, Social – Economic Profile 2021

### Driving under the influence (DUI)

Restrictions on the sale of alcohol and limited personal movement outside of a person’s dwelling were always going to impact on the number of reported cases of driving under the influence (DUI) and residential burglaries. The total number of DUI cases reported in the Stellenbosch municipal area decreased from 236 in 2019/20 to 164 in 2020/21.

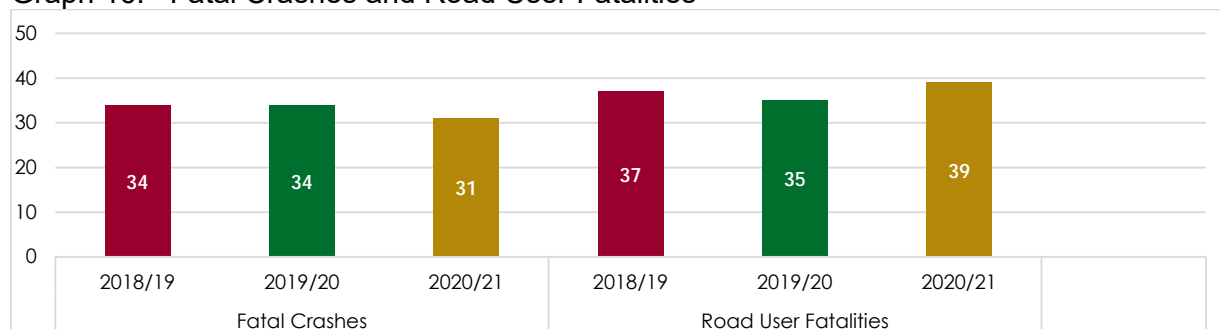
Expressed per 100 000 people, the DUI rate was 84 occurrences in 2020/21 (31.7 per cent decrease). The DUI rate in the CWD in turn declined by 55.4 per cent from 100 to 45 occurrences across the same period. The number of road user fatalities in the Stellenbosch area decreased from 34 in 2019/20 to 31 in 2020/21. The number of fatal crashes decreased from 35 to 39 for the same reference period.

Graph 15: Driving under the influence



Source: Western Cape, Social – Economic Profile 2021

Graph 16: Fatal Crashes and Road User Fatalities

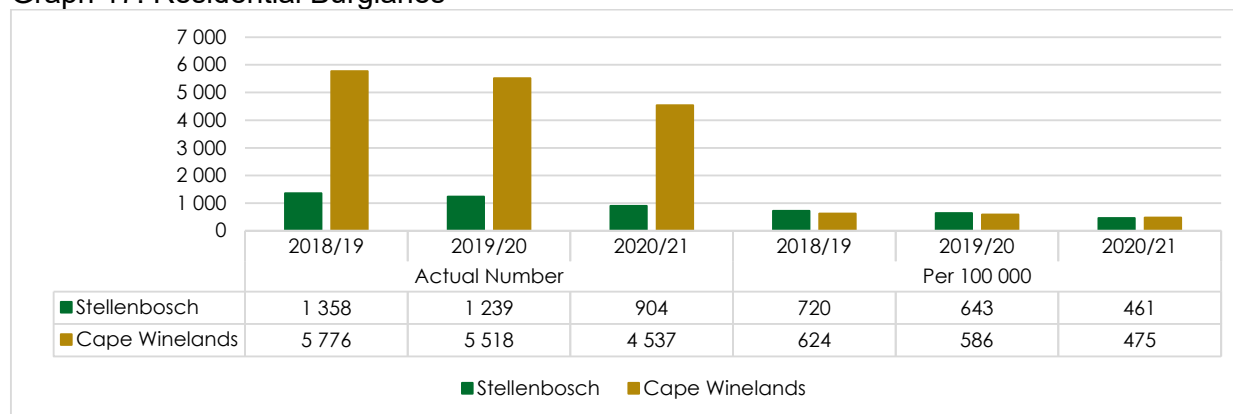


Source: Western Cape, Social – Economic Profile 2021

## Residential Burglaries

Residential burglaries in the municipal area decreased sharply from 1 239 reported cases in 2019/20 to 904 in 2020/21. The burglary rate per 100 000 people subsequently decreased by 31.3 per cent from 643 occurrences in 2019/20 to 461 in 2020/21. Across the same period, the burglary rate in the CWD decreased by 18.9 per cent from 586 to 475 occurrences.

Graph 17: Residential Burglaries



Source: Western Cape, Social – Economic Profile 2021

## Economy and Labour Market Performance

### Sectoral Overview

In 2019, the economy of the Stellenbosch municipal area was valued at R16.759 billion (current prices) and employed 78 449 people. Historical trends between 2015 and 2019 indicate that the municipal area realised an average annual growth rate of 0.9 per cent which can mostly be attributed to the tertiary sector which registered a positive annual growth rate of 1.9 per cent. The economy is expected to contract by 6.7 per cent in 2020 with 4 659 jobs being shed.

In terms of sectoral contribution, the finance, insurance, real estate and business services (R3.634 billion), wholesale and retail trade, catering and accommodation (R3.530 billion) and the manufacturing (R2.779 billion) sectors were the main drivers that contributed to the positive growth. The former two sectors on average grew by 2.4 and 2.1 per cent respectively between 2015 and 2019, while the manufacturing sector declined by 0.9 per cent. The fastest growing sector across this period was however the transport, storage and communication sector (3.1 per cent). Except for agriculture, all sectors in the municipal area are expected to have contracted in 2020. The

agriculture, forestry and fishing sector, which provides inputs for the manufacturing sector and purchases goods and services from a large portion of the tertiary sector industries, declined by 4.2 per cent between 2015 and 2019. The largest decline is anticipated to be observed in the construction sector which is expected to decline by 19.8 per cent.

The wholesale and retail trade, catering and accommodation (20 675); finance, insurance, real estate and business (13 509) and agriculture (10 610) sectors were in 2019 the largest sources of job creation. Although these sectors experienced positive average job creation between 2015 and 2019, all three are set to shed a significant number of jobs in 2020. The highest number of job losses are expected to be experienced in the wholesale and retail trade, catering and accommodation (-1 298) sector. General government is the only sector to experience job creation in 2020.

Table 5: Economic Sector Overview

| SECTOR   | GDP                  |                   |                       | Employment          |                                   |                  |
|--|----------------------|-------------------|-----------------------|---------------------|-----------------------------------|------------------|
|  | R Million value 2019 | Trend 2015 – 2019 | Real GDP growth 2020e | Number of jobs 2019 | Average annual change 2015 - 2019 | Net change 2020e |
| <b>PS</b>  |                      |                   |                       |                     |                                   |                  |
| <b>Primary Sector</b>                                  | 821.8                | -4.1              | 10.1                  | 10 639              | 172                               | -490             |
| Agriculture, forestry and fishing                      | 789.5                | -4.2              | 10.9                  | 10 610              | 172                               | -489             |
| <b>SS</b>  |                      |                   |                       |                     |                                   |                  |
| <b>Secondary sector</b>                                | 3 908.1              | -0.6              | -12.9                 | 11 825              | 26                                | -1 081           |
| Mining and quarrying                                   | 32.2                 | 0.2               | -18.4                 | 29                  | - 0                               | -1               |
| Manufacturing  | 2 779.0              | -0.9              | -11.5                 | 7 873               | - 8                               | -601             |
| Electricity gas and water                              | 247.2                | -0.4              | -6.4                  | 155                 | 3                                 | -3               |
| <b>TS</b>  |                      |                   |                       |                     |                                   |                  |
| <b>Tertiary sector</b>                                 | 12 029.2             | 1.9               | -6.3                  | 55 985              | 1 149                             | -3 088           |
| Wholesale and retail trade, catering and accommodation | 3 529.8              | 2.1               | -9.6                  | 20 675              | 625                               | -1 298           |
| Transport, storage and communication                   | 1 856.3              | 3.1               | -13.9                 | 3 551               | 113                               | -127             |
| Finance, insurance, real estate and business services  | 3 634.3              | 2.4               | -4.2                  | 13 509              | 365                               | -644             |
| General government                                     | 1 853.9              | -0.2              | -0.1                  | 7 645               | -21                               | 60               |
| Community, social and personal services                | 1 154.9              | 0.7               | -2.8                  | 10 605              | 66                                | -1 079           |
| <b>Stellenbosch</b>                                    | <b>16 759.1</b>      | <b>0.9</b>        | <b>-6.7</b>           | <b>78 449</b>       | <b>1 346</b>                      | <b>-4 659</b>    |

Source: Western Cape, Social – Economic Profile 2021

## Formal and Informal Employment

It is estimated that total employment in the municipal area will in 2020 amount to 73 790 workers, of which 54 341 (73.6 per cent) are in the formal sector while 19 476 (26.4 per cent) are informally employed. Most of the formally employed consisted of semi-skilled (43.5 per cent) and low-skilled (32.1 per cent) workers. Average annual growth in the skilled (0.4 per cent) and semi-skilled (0.5 per cent) categories were relatively equal while low-skilled employment contracted at an average annual rate of 1.4 per cent. The growth in the skilled cohort reflects the market demand for more skilled labour and the ability to sustain and slightly expand the demand for skilled employment even during times of economic hardship. The growth in the skilled and semi-skilled cohorts evidently reflect the need to capacitate and empower low-skilled workers in order to be absorbed in the labour market. Overall, formal and informal employment contracted by 0.4 and 2.1 per cent respectively between 2016 and 2020.

Table 6: Skills Levels Formal Employment

| Skill Levels<br>Formal employment | Skill Level<br>Contribution 2020<br>(%) | Average growth (%)<br>2016 - 2020 | Number of jobs |               |
|-----------------------------------|---|-----------------------------------|----------------|---------------|
|                                   |   |                                   | 2019           | 2020          |
| Skilled                           | 24.4                                    | 0.4                               | 13 818         | 13 254        |
| Semi-skilled                      | 43.5                                    | 0.5                               | 24 883         | 23 607        |
| Low-skilled                       | 32.1                                    | -1.4                              | 18 639         | 17 453        |
| <b>TOTAL</b>                      | <b>100.0</b>                            | <b>-0.2</b>                       | <b>57 340</b>  | <b>54 314</b> |

Source: Western Cape, Social – Economic Profile 2021

Table 7: Informal Employment

| Informal<br>Employment     | 2010   | 2011   | 2012   | 2013   | 2014   | 2015   | 2016   | 2017   | 2018   | 2019   | 2020   |
|----------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Number of<br>informal jobs | 19 913 | 19 790 | 19 904 | 21 110 | 21 546 | 22 950 | 21 214 | 22 239 | 21 851 | 21 109 | 19 476 |
| % of Total<br>Employment   | 30.6   | 29.9   | 29.3   | 29.9   | 30.0   | 30.2   | 28.0   | 28.7   | 27.9   | 26.9   | 26.4   |

Source: Western Cape, Social – Economic Profile 2021

## Unemployment

Despite above mentioned decline in total employment, the unemployment rate for the municipal area slightly improved from 11.6 per cent in 2019 to 11.3 in 2020. The unemployment rate was however still the second highest in the CWD (10.8 per cent). This is particularly concerning given that the estimate is based on the narrow definition of unemployment i.e. the percentage of people that are able to work, but unable to find employment. In turn, the broad definition generally refers to people that are able to work, but not actively seeking employment (excludes those who have given up looking for work).



Table 8: Unemployment

| Unemployment rates  | 2010       | 2011        | 2012        | 2013       | 2014        | 2015       | 2016        | 2017        | 2018        | 2019        | 2020        |
|---------------------|------------|-------------|-------------|------------|-------------|------------|-------------|-------------|-------------|-------------|-------------|
| Drakenstein         | 13.1       | 13.4        | 13.1        | 12.7       | 13.1        | 12.1       | 13.1        | 13.7        | 13.6        | 14.5        | 14.1        |
| Langeberg           | 6.4        | 6.6         | 6.5         | 6.2        | 6.5         | 5.6        | 6.4         | 6.7         | 6.7         | 7.3         | 7.3         |
| <b>Stellenbosch</b> | <b>9.8</b> | <b>10.1</b> | <b>10.0</b> | <b>9.7</b> | <b>10.1</b> | <b>9.3</b> | <b>10.3</b> | <b>10.7</b> | <b>10.7</b> | <b>11.6</b> | <b>11.3</b> |
| Witzenberg          | 7.3        | 7.4         | 7.1         | 6.7        | 6.9         | 5.9        | 6.4         | 6.7         | 6.6         | 7.1         | 6.9         |
| Breede Valley       | 10.3       | 10.6        | 10.3        | 9.8        | 10.2        | 9.1        | 10.0        | 10.4        | 10.3        | 11.1        | 10.7        |
| Cape Winelands      | 10.1       | 10.3        | 10.1        | 9.7        | 10.0        | 9.1        | 10.0        | 10.4        | 10.3        | 11.1        | 10.8        |
| Western Cape        | 15.9       | 16.1        | 16.1        | 16.0       | 16.4        | 16.5       | 17.7        | 18.4        | 18.3        | 19.6        | 18.9        |

*Source: Western Cape, Social – Economic Profile 2021*

## **B: LEGISLATIVE ENVIRONMENT**

### **Legal Requirements**

The medium term revenue and expenditure framework for 2022/2023, 2023/2024 and 2024/2025 was compiled in accordance with the requirements the relevant legislation, of which the following are the most important:

- i) the Constitution, Act 108 of 1996
- ii) the Local Government Transition Act, Act 209 of 1993
- iii) the Municipal Structures Act, Act 117 of 1998
- iv) the Municipal Systems Act, Act 32 of 2000
- iv) the Municipal Finance Management Act, Act 56 of 2003

In addition to the above, the Municipal Budget and Reporting Framework as approved on 17 April 2009 gave a clear directive on the prescribed reporting framework and structure to be used.

### **Guidelines issued by National Treasury**

National Treasury issued the following circulars regarding the budget for 2015/2016:

MFMA Circular No. 74 Municipal Budget Circular for the 2015/16 MTREF- 12 December 2014

MFMA Circular No. 75 Municipal Budget Circular for the 2015/16 MTREF- 04 March 2015

### **Other circulars used during the compilation of the budget:**

**MFMA: Circulars:** All Municipal Budget Circulars from 2 March 2009 until 9 December 2016

- MFMA Circular No. 86 Municipal Budget Circular for 2017/2018 MTREF – 8 March 2017
- MFMA Circular No. 89 Municipal Budget Circular for 2018/2019 MTREF – 8 December 2017
- MFMA Circular No. 91 Municipal Budget Circular for 2018/2019 MTREF – 7 March 2018
- Local Government: Municipal Finance Management Act, 2003-Municipal Cost Containment Regulation (Draft)- 16 February 2018/ Cost Containment regulations issued June 2019
- MFMA Circular No. 93 Municipal Budget Circular for 2019/2020 MTREF – 7 December 2018
- MFMA Circular No. 94 Municipal Budget Circular for 2019/2020 MTREF – 7 March 2019
- Local Government: Municipal Finance Management Act, 2003-Municipal Cost Containment Regulations issued June 2019
- MFMA Circular No. 98 Municipal Budget Circular for 2020/2021 MTREF – 6 December 2019
- MFMA Circular No. 99 Municipal Budget Circular for 2020/2021 MTREF – 9 March 2020
- MFMA Circular No.107 Municipal Budget Circular for 2021/2022 MTREF – 4 December 2020
- MFMA Circular No.108 Municipal Budget Circular for 2021/2022 MTREF – 8 March 2021
- MFMA Circular No.112 Municipal Budget Circular for 2022/2023 MTREF- 6 December 2021
- MFMA Circular No.115 Municipal Budget Circular for 2022/2023 MTREF- 4 March 2022

**The following are discussion points that are highlighted in the above:**

- National outcomes/priorities
- Economy and Headline inflation forecasts
- Division of Revenue outlook
- Local Government Conditional Grants & additional allocations and Changes to structure of conditional grant allocations
- Unfunded budgets in Local Government
- Municipal Standard Chart of Accounts (mSCOA)
- IDP Consultation process post 2021 Local Government Elections
- Development of Integrated Development Plan (IDP)
- Revising rates, tariffs and other charges
- Eskom Bulk Tariff Increases
- Funding choices and budgeting issues
- Transfers to Municipalities
- Conditional transfers to municipalities
- Unconditional transfers to municipalities
- Borrowing for capital infrastructure
- Revenue Budget
- Cost Containment Measures
- Municipal Budget and Reporting Regulations
- Preparation of Municipal Budgets for 2022/2023 MTREF
- Budget process and submissions for the 2022/23 MTREF and
- Submission of Budget Documentation

The guidelines provided in the above mentioned circulars, annexures and other economic factors were taken into consideration and informed budget preparation and compilation.

## C: OVERVIEW OF ANNUAL BUDGET PROCESS

In terms of Section 24 of the MFMA, Council must, at least 30 days before the start of the financial year, consider the annual budget for approval. Section 53 requires the Mayor of a municipality to provide general political guidance over the budget process and the priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations, gazetted on 17 April 2009, states that the Mayor of a municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging with the responsibilities set out in section 53 of the Act.

A time schedule outlining important dates and deadlines as prescribed for the IDP/Budget process was approved on **24 August 2021**. The budget process for the 2022/2023 MTREF period proceeded/will proceed according to the following timeline

| <b>Activity</b>   | <b>Time frame</b>             |
|---|-------------------------------|
| Formulation of budget assumptions                         | September 2021                |
| Detailed programmes and projects to further define budget | November 2021 –<br>March 2022 |
| IDP and Budget considered by Council                      | 30 March 2022                 |
| IDP and Budget - public participation                     | April 2022                    |
| Final approval of IDP and the Budget                      | 25 May 2022                   |

## D: OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH THE INTEGRATED DEVELOPMENT PLAN (IDP)

The intent of the Strategic goals for the Fourth Generation IDP will remain the same as the goals of the Third Generation IDP, although a slight change for 3 of the goals namely: “Preferred Investment Destination” has been amended to “Valley of Possibility” to have a clearer indication that it needs to include possibilities for all and not just investors; “Greenest Municipality” has been amended to “A Green and Sustainable Valley” to incorporate all facets of sustainability; “ Safest Valley” has been amended to “A Safe Valley”, whilst “Dignified Living” and “Good Governance and Compliance”, remain unchanged.

### Horizontal Alignment Matrix

**Table 9: Horizontal Alignment Matrix**

| <b>Strategic Focus Areas</b>        | <b>National Strategic Outcomes</b>   | <b>National Planning Commission</b>  | <b>Western Cape Provincial Government Strategic Plan</b>                    | <b>CWDM Strategic Objectives</b>   |
|-------------------------------------|--|--|---|--|
| <b>Valley of Possibility</b>        | Ensuring decent employment through inclusive economic growth (4)<br>Ensuring decent employment through inclusive economic growth (4) | Creating jobs (1)  | Create opportunities for growth and jobs (1)                                | Promoting sustainable infrastructure services and transport system which fosters social and economic opportunities.  |
| <b>Green and Sustainable Valley</b> | Ensuring that the environmental assets and natural resources are well protected and continually enhanced (10)                        | Transitioning to a low carbon economy (3)<br>Transforming urban and rural spaces (4) | Enable resilient, sustainable, quality and inclusive living environment (4) | To create an environment and forge partnerships that ensures the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment. |

| Strategic Focus Areas   | National Strategic Outcomes   | National Planning Commission  | Western Cape Provincial Government Strategic Plan  | CWDM Strategic Objectives   |
|-------------------------|---|---|--|---|
|                         | <p>Ensuring vibrant, equitable and sustainable rural communities with food security for all (7)</p> <p>Promoting sustainable human settlements and improved quality of household life (8)</p> | <p>Transitioning to a low carbon economy (3)</p> <p>Transforming urban and rural spaces (4)</p> | <p>Increase wellness, safety and tackle social ills (3)</p> <p>Enable resilient, sustainable, quality and inclusive living environment (4)</p> | <p>Environmental and social infrastructure investment.</p>  |
| <b>Safe Valley</b>      | <p>Ensuring all people in South Africa are and feel safe (3)</p>  |   | <p>Increase wellness, safety and tackle social ills (3).</p>   | <p>To create an environment and forging partnerships that ensures the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District.</p>  |
| <b>Dignified Living</b> | <p>Providing improved quality of basic education (1)</p> <p>Enabling a long, healthy life for all South Africans (2)</p>  | <p>Providing quality health care (6)</p>  | <p>Improve education outcomes and opportunities for growth and jobs (2)</p> <p>Increase wellness, safety and tackle social ills (3)</p>        | <p>To create an environment and forging partnerships that ensures the health, safety, social and economic development of all communities, including the empowerment of the poor in the Cape Winelands District.</p> |

| Strategic Focus Areas                 | National Strategic Outcomes   | National Planning Commission  | Western Cape Provincial Government Strategic Plan  | CWDM Strategic Objectives  |
|---------------------------------------|---|---|--|--|
|                                       | Setting up an efficient, competitive and responsive economic infrastructure network (6)   | Expanding infrastructure (2)  | Create opportunities for growth and jobs (1)<br>Embed good governance and integrated service delivery through partnerships and spatial alignment (5) | Promoting sustainable infrastructure services and transport system which fosters social and economic opportunities.        |
| <b>Good Governance and Compliance</b> | Achieving an accountable, effective and efficient local government system (9)<br>Creating a better South Africa and a better and safer Africa and world (11)<br>Building an efficient, effective and development oriented public service and an empowered fair and inclusive citizenship (12) | Improving education and training (5)<br>Building a capable state (7)<br>Fighting corruption (8) | Embed good governance and integrated service delivery through partnerships and spatial alignment (5)   | Promoting sustainable infrastructure services and transport system which fosters social and economic opportunities.        |
|                                       | Achieving a responsive, accountable, effective and efficient local government system (9)  | Building a capable state (7)  | Embed good governance and integrated service delivery through partnerships and spatial alignment (5)   | To provide an effective and efficient financial and strategic support service to the Cape Winelands District Municipality. |

**Measurable performance objectives and indicators**

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities.

**Performance management at Stellenbosch municipality is evaluated to embody the following;**

**Consistency:** Objectives, performance indicators and targets are consistent between planning and reporting documents.

**Measurability:** Performance indicators are well defined and verifiable, and targets are specific, measurable and time bound.

**Relevance:** Performance indicators relate logically and directly to an aspect of the municipality's mandate and the realisation of its strategic goals and objectives.

**Reliability:** Recording, measuring, collating, preparing and presenting information on actual performance / target achievements is valid, accurate and complete.

Stellenbosch municipality targets, monitors, assess and reviews organisational performance which in turn is directly linked to individual employees' performance. The performance of the municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations.

The Five-Year Top-Level Service Delivery and Budget Implementation is part of the Integrated Development Plan and the financial performance objectives are captured in supporting table SA7.



**E: OVERVIEW OF MUNICIPAL BY-LAWS BUDGET RELATED POLICIES****The following policies are new:****Development Charges Policy**

The Municipality derives its authority to impose a development charge in terms of Section 75A. General power to levy and recover fees, charges and tariffs of the Local Government: Municipal Systems Act, 2000, Act 32 of 2000. The Municipality approved its new Land Use Planning Bylaw in terms of the Spatial Planning and Land Use Planning Act, 2013 (Act 16 of 2013) in October 2015 and it was officially promulgated and became effective in December 2015. Since then, the Municipality faces significant changes in the planning environment, amongst others the need for and manner of generating development charges. Refer to Appendix 5.

**The following existing policies were reviewed and amended****Rates Policy**

The revised Rates Policy as required by the Municipal Property Rates Act (Act no 6 of 2004) is attached as Appendix 6.

**Rates By-Law**

In terms of Section 3 of the Property Rates Act, a municipal council must adopt a policy consistent with the property rates act on levying of rates on rateable properties in the municipality. Refer to Appendix 7.

**Indigent Policy**

Due to the level of unemployment and subsequent poverty in the municipal area, there are households which are unable to pay for basic municipal services. The provision of free basic services ensures that registered indigent consumers have access to basic services. This policy provides the framework for the administration of free basic services to indigent consumers. Refer to Appendix 8.

**Tariff Policy**

This policy serves as the implementing tool which guides the levying of tariffs for municipal services in accordance with the provisions of the Municipal Systems Act and any other applicable legislation. Tariffs represent the charges levied by Council on consumers for the utilization of services provided by the Municipality and rates on properties. Tariffs will be calculated in various ways, dependent upon the nature of the service being provided. Refer to Appendix 9.

**Tariff By-Law**

In terms of section 75(1) of the Systems Act, a municipal council must adopt by-laws to give effect to the implementation and enforcement of its tariff policy. In terms of section 75(2) of the Systems Act, by-laws adopted in terms of section 75(1) of the Systems Act may differentiate between different categories of users, debtors, service providers, services, service standards and geographical areas as long as such differentiation does not amount to unfair discrimination. Refer to Appendix 10.

**Credit Control and Debt Collection Policy**

This policy provides a framework to enable Council to proactively manage and collect all money due for services rendered and outstanding property taxes, subject to the provisions of the Municipal Systems Act of 2000 and any other applicable legislation and internal policies of Council. Refer to Appendix 11.

**Credit Control and Debt Collection By-Law**

This by-law give effect to the implementation and enforcement of Municipality's Credit Control and Debt Collection Policy and/or to regulate its implementation and enforcement in the Stellenbosch Municipal Area (WC024) in terms of section 156(2) of the Constitution of the Republic of South Africa (Act 108 of 1996) and sections 96 and 98 of the Municipal Systems Act (Act 32 of 2000); to provide for the collection of all monies due and payable to the Municipality; and to provide for matters incidental thereto. All debt owing to the Municipality must be collected in accordance with this By-law and the Credit Control and Debt Collection Policy. Refer to Appendix 12.

**Special Ratings Area Policy**

The aim of the policy is to provide the framework to strike an appropriate balance between facilitating self-funded community initiatives that aim to improve and/or upgrade neighbourhoods. Refer to Appendix 13.

**Irrecoverable Debt Policy**

This policy enables Council and the CFO to write off irrecoverable debt of indigent consumers, debt which cannot be recovered due to consumers not being registered as indigent or not traceable or due to prescription of debt. Refer to Appendix 14.

**Travel and Subsistence Policy**

This policy sets out the basis for the payment of subsistence, travel allowance, hourly rate when applicable for the purpose of official travelling. Refer to Appendix 15.

**Cash Management and Investment Policy**

To regulate and provide directives in respect of the investment of funds and to maximize returns from authorized investments, consistent with the primary objective of minimizing risk. Refer to Appendix 16.

**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 Preferential Procurement Policy Framework Act, no 5 of 2000 and its accompanying regulations influences and dictates process around the evaluation and awarding of points. In this regard, the Minister of Finance acting in terms of section 5 of the Procurement Policy Framework Act, revised the Regulations accompanying this Act on the 20<sup>th</sup> January 2017 for implementation by all affected public entities by the 1 April 2017. The Supply Chain Management Policy was therefore amended and adopted at Council during February 2017. Refer to Appendix 17.

**Wayleave Policy**

In terms of S151 of the Constitution of the Republic of South Africa, 108 of 1996, a municipality has the right to govern on its own initiative, the local government affairs of its community, subject to national and provincial legislation. S156 of the Constitution grants the municipalities the right to administer the local government matters listed in Schedule 5B, which include municipal roads. A municipality may make by-laws for the effective administration of municipal roads. This Policy will be converted into municipal by-laws to give it legal effect. Refer to Appendix 18.

**Budget Implementation and Monitoring Policy**

The policy aims to give effect to the requirements and stipulations of the Municipal Finance Management Act and Municipal Budget and Reporting Framework in terms of the planning, preparation and approval of the annual and adjustments budgets. The framework for virements is also explained and regulated in this policy as well as monitoring roles and responsibilities. Refer to Appendix 19.

**Accounting Policy**

This policy provides the accounting framework applicable to the finances of the municipality and is informed by the Municipal Finance Management Act (Act no 56 of 2003). Refer to Appendix 20.

**Asset Management Policy**

The Municipal Finance Management Act Number 56 of 2003 will be the legislative framework for the Asset Management Policy whilst Generally Recognised Accounting Practice (GRAP) will be the accounting framework.

The Municipal Council of Stellenbosch is in terms of the MFMA and GRAP obliged to adopt an Asset Management Policy to regulate the effective management of all council's assets.

- **And whereas** the municipal manager as accounting officer of municipal funds, assets and liabilities is responsible for the effective implementation of the asset management policy which regulates the acquisition, safeguarding, maintenance of all assets and disposal of assets where the assets are no longer used to provide a minimum level of basic service as regulated in terms of section 14 of the MFMA.
- **And whereas** these assets must be protected over their useful life and may be used in the production or supply of goods and services or for administrative purposes in meeting the municipality's operational requirements.
- **Now therefore** the municipal council of the Stellenbosch Municipality adopts this asset management policy. Refer to Appendix 21.

**Ward Allocation Policy**

The objective of the Ward Allocations Policy is to create opportunities for Councillors to identify ward projects in line with the identified IDP needs, with the support of their Ward Committees, which would improve the quality of living in all wards. These projects would need to fit into the basket of services of the relevant User Department and must comply with the following, namely, Local Government's mandate; council policies; support the pillars and objectives of the IDP and directly benefit the community. The Policy shall be governed by the underlying principle of ensuring that ward allocation projects meet the requirements of the Integrated Development Plan, including specific reference to, valley of opportunity, green and sustainable valley, safe valley, valley with dignified living and valley of good governance and compliance. Refer to Appendix 22.

**The following existing budget related policies were reviewed but no amendments were necessary:**

#### **Grant-in-aid Policy**

This policy provides the framework for grants-in-aid to non-governmental organisations (NGO's), community-based organisations (CBO's) or non-profit organisations (NPO's) and bodies that are used by government as an agency to serve the poor, marginalised or otherwise vulnerable as envisaged by Sections 12 and 67 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003). Refer Appendix 23.

#### **Special Ratings Area By-Law**

A "special rating area" refers to a special rating area approved by the Council in accordance with the provisions of section 22 of the Property Rates Act. This By-law aims to provide for the establishment of special ratings areas, to provide for additional rates and to provide for matter incidental thereto. Refer to Appendix 24.

#### **Petty Cash Policy**

All purchases below R 2 000 are regulated by this policy. Clear processes and procedures are stipulated to ensure that all transactions are processed effective and efficiently in a bid to ensure prudent financial control. Refer to Appendix 25.

#### **Cost Containment Policy**

The purpose of the policy is to regulate spending and to implement cost containment measures at Stellenbosch Local Municipality. The objectives of this policy are to ensure that the resources of the municipality are used effectively, efficiently and economically and to implement cost containment measures. The cost containment policy will apply to council and all municipal employees. Refer to Appendix 26.

#### **Virementation Policy**

The policy sets out the Virement principles and processes which the Stellenbosch Municipality will follow during a financial year. These virements will represent a flexible mechanism to effect budgetary amendments within a municipal financial year. The policy shall give effect to the requirements and stipulations of the Municipal Finance Management Act and Municipal Budget and Reporting Framework in terms of the Approved budget and it will be applicable to all municipal staff and councillors involved in budget implementation. Refer to Appendix 27.

**Borrowing, Funds and Reserves**

This policy strives to establish a borrowing framework policy for the Municipality and set out the objectives, policies, statutory requirements and guidelines for the borrowing of funds. The policy provides a framework to ensure that the annual budget of Stellenbosch Municipality is fully funded and that all funds and reserves are maintained at the required level to avoid future year non cash backed liabilities. The policy aims to give effect to the requirements and stipulations of the Municipal Finance Management Act and Municipal Budget and Reporting Framework. Refer to Appendix 28.

**Financing of External Bodies performing municipal functions Policy**

The purpose of this Policy is to provide a framework for financial assistance by Stellenbosch Municipality (“the Municipality”) to external organisations/bodies conducting local government functions to the extent as set out in section 155(6)(a) and (7) of the Constitution as listed in Part B of Schedule 4 and 5. Refer to Appendix 29.

**Liquidity Policy**

The documented Liquidity Policy sets out the minimum risk management measures that Stellenbosch Municipality has to implement and adhere to in order to ensure that its current and future liquidity position is managed in a prudent manner. This policy will be implemented to provide guidance on the minimum liquidity level that Stellenbosch Municipality has to maintain in order to comply with required legislative and / or National Treasury directives and within the overall financial management objectives as approved/reviewed by the Council from time to time. Refer to Appendix 30.

**Inventory Management Policy**

In terms of the MFMA, the Accounting Officer for a municipality must:

- (a) be responsible for the effective, efficient, economical and transparent use of the resources of the municipality as per section 62 (1)(a);
- (b) take all reasonable steps to prevent unauthorised, irregular and fruitless and wasteful expenditure and other losses as per section 62(1)(d); and
- (c) be responsible for the management, including the safeguarding and the maintenance of the assets, and for the management of the liabilities, of the municipality as per section 63 (1)(a) and (b).

The policy aims to achieve the following objectives which are to provide guidelines that employees of the Municipality must follow in the management and control of inventory, including safeguarding

and disposal of inventory, procure inventory in line with the established procurement principles contained in the Municipality's Supply Chain Management Policy and eliminate any potential misuse of inventory and possible theft. Refer to Appendix 31.

### **Preferential Procurement Policy**

Section 217(1) of the Constitution, 1996 (Act 108 of 1996) provides that when contracting for goods and services, organs of state must do so in accordance with a system that is fair, equitable, transparent, competitive and cost effective. Section 217(2) and (3) of the Constitution allows organs of state to grant preferences when procuring for goods and services within a Framework prescribed by National legislation. The preferential procurement policy is founded on the following principles, namely, value for money, open and effective competition, ethics and fair dealing, accountability and reporting and equity. This policy will be applicable to all active industry sectors within the Stellenbosch Municipal area and must be read with the supply chain management policy of the municipality. Refer to Appendix 32.

## F: OVERVIEW OF KEY BUDGET ASSUMPTIONS

Municipalities' long-term financial viability depends largely on the extent to which improved and sustainable revenue capacity on the one hand and sound financial management of its resources on the other hand can be achieved. These imperatives necessitate proper multi-year financial planning. Future impacts of revenue streams, expenditure requirements and the financial implications for the community at large (i.e. the potential influence on rates, tariffs and service charges) must be identified and assessed to determine the sustainability of planned interventions, programs, projects and sundry service delivery actions.

Taking these principals into consideration, the following assumptions (**ceteris paribus**) were made and relates to the parameters within which the budget was compiled for the next three years

|                                      | 2022/2023 | 2024/2025 | 2024/2025 |
|--------------------------------------|-----------|-----------|-----------|
| <b>Percentage Increase:</b>          |           |           |           |
| Water                                | 6.20%     | 6.00%     | 6.00%     |
| Electricity                          | 7.90%     | 6.00%     | 6.00%     |
| Sanitation                           | 6.50%     | 6.00%     | 6.00%     |
| Refuse                               | 8.00%     | 8.00%     | 8.00%     |
| Property Rates                       | 6.20%     | 6.00%     | 6.00%     |
| <b>Collection Rates</b>              |           |           |           |
| Water                                | 96%       | 96%       | 96%       |
| Electricity (Post Paid Meters)       | 96%       | 96%       | 96%       |
| Sanitation                           | 96%       | 96%       | 96%       |
| Refuse                               | 96%       | 96%       | 96%       |
| Rates                                | 96%       | 96%       | 96%       |
| <b>Employee Related Costs</b>        |           |           |           |
| Salaries and Wages and related costs | 4.90%     | 4.50%     | 4.50%     |
| Notch Increment                      | 2.40%     | 2.40%     | 2.40%     |
| <b>Other Assumptions</b>             |           |           |           |
| Bulk Purchases - Electricity         | 8.61%     | 7.00%     | 7.00      |



Budgetary constraints and economic challenges meant that the municipality had to apply a combination of cost-saving interventions and higher than headline CPI revenue increases to ensure a sustainable budget over the medium term.

The budget theme of *“Driving Efficiencies; i.e. reprioritization of existing resources / current allocations”*, resulted from the realization that no, or limited, scope for additional externally- or internally-funded revenue growth existed and the challenge that more needed to be done with the existing resource envelope. This was reiterated in **National Treasury Budget Circular 108** where it states that “...municipalities must adopt a conservative approach when projecting their expected revenues and cash receipts. **Municipalities should also pay particular attention to managing all revenue and cash streams effectively and carefully evaluate all spending decisions.**”

In previous financial year the municipality implemented means to manage the telephone usage which resulted in a reduction in the telephone cost

During the new financial year, the municipality plans to implement measures that will decrease spending on Legal Cost by focusing more on in-house capacity building rather than making use of contracted/ outsourced consulting and legal services.

The municipality will embark on the recruitment drive to fill critical vacancies. This will in return result in a decrease in Professional and Consultant Fees.

These are some of the initiatives the municipality plans to implement under the budget theme *“Driving Efficiencies; i.e. reprioritization of existing resources / current allocations”*.

**G: HIGH LEVEL BUDGET OVERVIEW****Capital Budget for 2022/2023, 2023/2024 and 2024/2025**

Although the capital budget is infrastructure orientated and addresses the very urgent need for the upgrading of infrastructure as addressed by the different infrastructure master plans, it does however speak to the IDP (Integrated Development Plan) and the needs of the community. It's also aligned to the strategic priority in the State of the Nation Address of Infrastructure investment and the “back to basics” approach. The responsiveness of the budget can be measured against what was identified as priorities by the community and the actual amount allocated, bearing in mind that resources are limited, to address or at least alleviate the most critical needs identified.

In this regard it is important to note that the need for infrastructure upgrades, inclusive of electricity infrastructure were key to ensure the delivery of sustainable services.

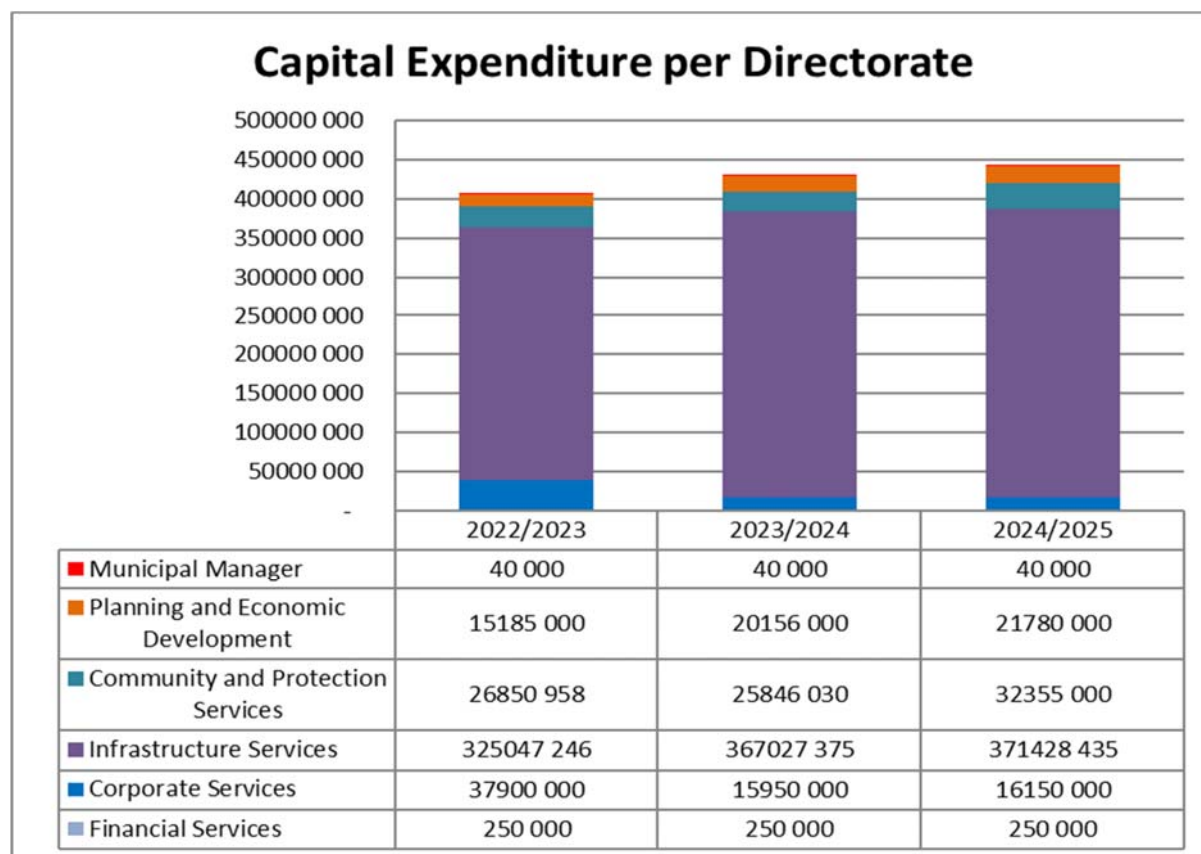
The capital budgets as proposed, amounts to:

| <u>2022/2023</u> | <u>2023/2024</u> | <u>2024/2025</u> |
|------------------|------------------|------------------|
| R                | R                | R                |
| 405,273,204      | 429,269,405      | 442,003,435      |

**Compilation of the Capital Budget**

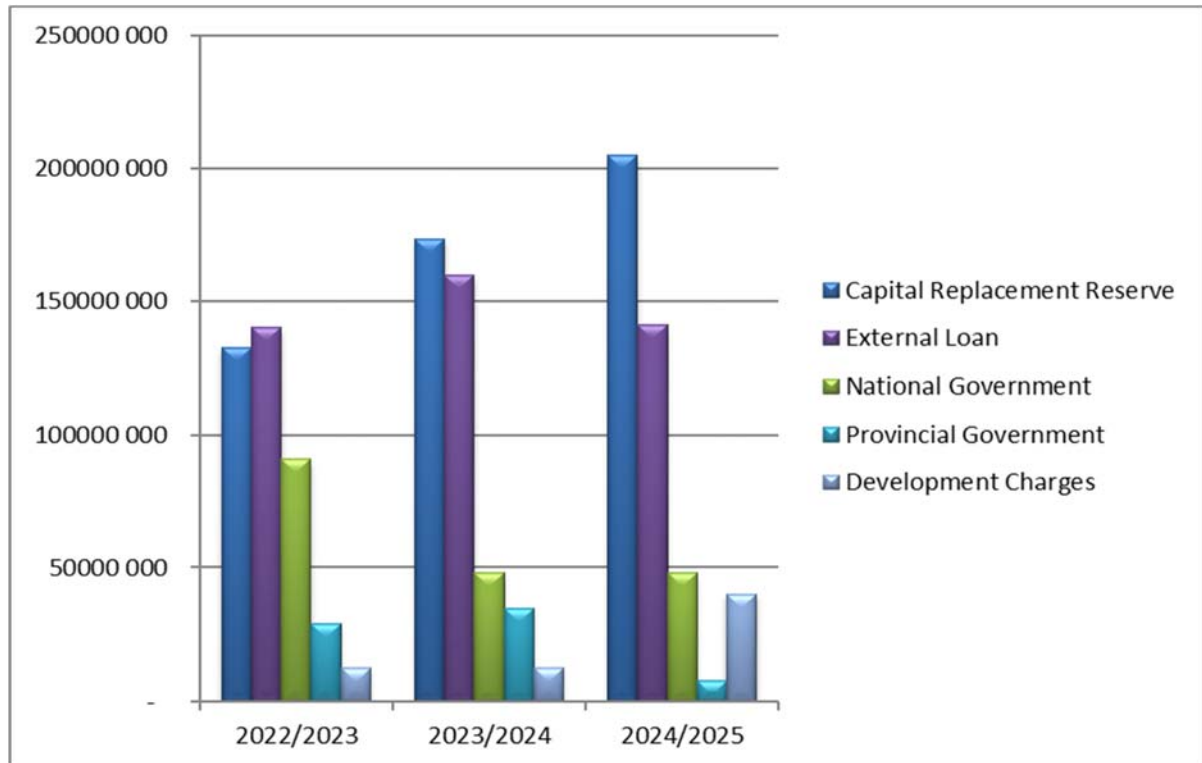
The capital budgets depicted per Directorate are as follows:

|                                   | <u>2022/2023</u>   |                | <u>2023/2024</u>   |               | <u>2024/2025</u>   |               |
|-----------------------------------|--------------------|----------------|--------------------|---------------|--------------------|---------------|
|                                   | R                  | %              | R                  | %             | R                  | %             |
| Municipal Manager                 | 40,000             | 0.01%          | 40,000             | 0.01%         | 40,000             | 0.01%         |
| Planning and Economic Development | 15,185,000         | 3.75%          | 20,156,000         | 4.70%         | 21,780,000         | 4.93%         |
| Community and Protection Services | 26,850,958         | 6.63%          | 25,846,030         | 6.02%         | 32,355,000         | 7.32%         |
| Corporate Services                | 37,900,000         | 9.35%          | 15,950,000         | 3.72%         | 16,150,000         | 3.65%         |
| Infrastructure Services           | 325,047,246        | 80.20%         | 367,027,375        | 85.50%        | 371,428,435        | 84.03%        |
| Financial Services                | 250,000            | 0.06%          | 250,000            | 0.06%         | 250,000            | 0.06%         |
|                                   | <b>405,273,204</b> | <b>100.00%</b> | <b>429,269,405</b> | <b>100.0%</b> | <b>442,003,435</b> | <b>100.0%</b> |

**Investment in infrastructure for the next three years' equals:****Financing of the Capital Budget**

The proposed financing sources of the capital budget for the next three years are as follows:

|                              | 2022/20223         |                | 2023/2024          |                | 2024/2025          |                |
|------------------------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|
|                              | R                  |                | R                  |                | R                  |                |
| <u>Own Funding</u>           |                    |                |                    |                |                    |                |
| Capital Replacement Reserve  | 132,790,031        | 32.77%         | 173,637,075        | 40.45%         | 205,158,365        | 46.42%         |
| Development Charges          | 12,673,523         | 3.13%          | 12,761,030         | 2.97%          | 40,046,120         | 9.06%          |
| <u>External Funding</u>      |                    |                |                    |                |                    |                |
| Grants National Government   | 90,809,650         | 22.41%         | 48 008 300         | 11.18%         | 47 898 950         | 10.84%         |
| Grants Provincial Government | 29,000,000         | 7.16%          | 34,863,000         | 8.12%          | 7 900 000          | 1.79%          |
| External Loans               | 140,000,000        | 34.54%         | 160,000,000        | 37.27%         | 141,000,000        | 31.90%         |
|                              | <b>405,273,204</b> | <b>100.00%</b> | <b>429,269,405</b> | <b>100.00%</b> | <b>442,003,435</b> | <b>100.00%</b> |



As alluded to in the before-mentioned text and in the Council item; substantial investment in infrastructure is crucial in order to maintain sustainable levels of service delivery. For the detailed capital projects please refer to **Appendix 1 – Part 2 – Section N**.

## Operating Budget for 2022/2023, 2023/2024 and 2024/2025

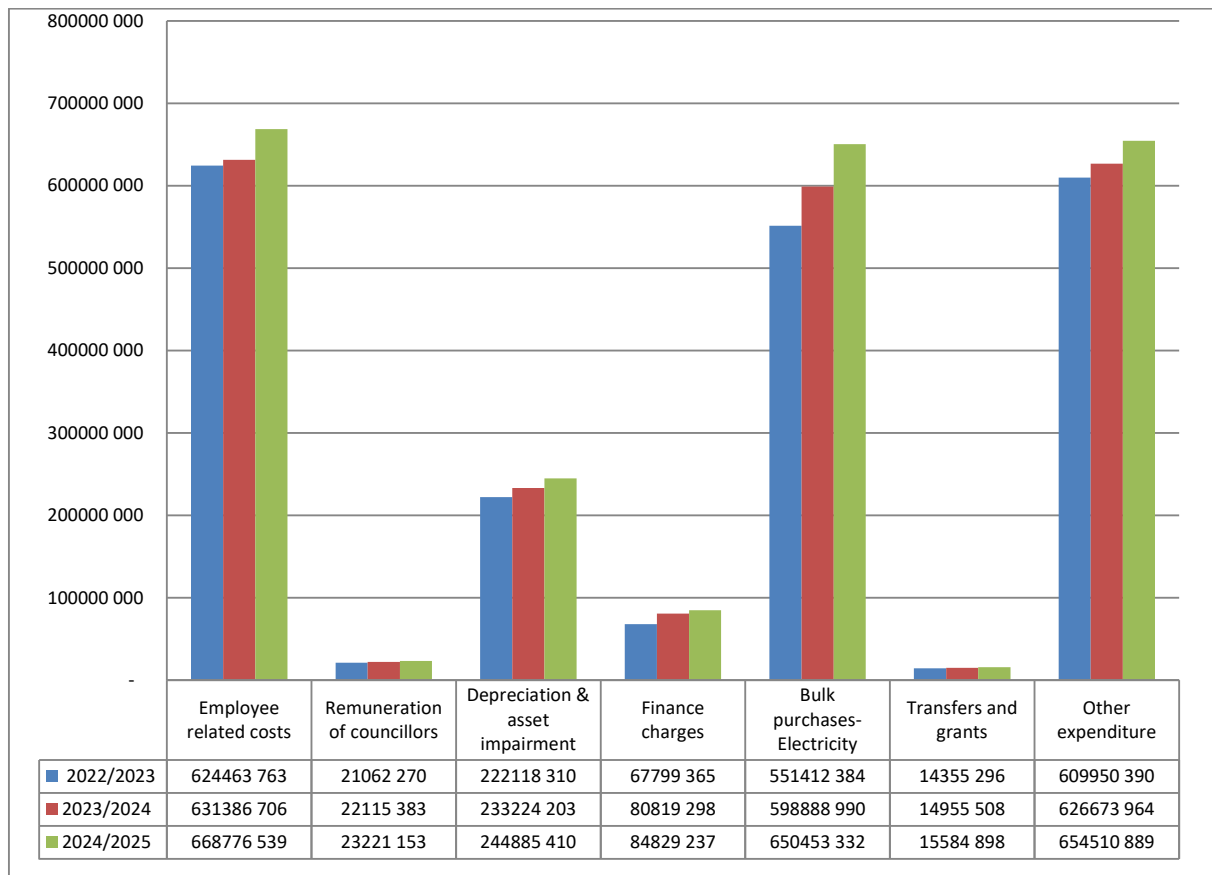
### Expenditure

The operating expenditure budget per Vote (Directorate) is as follows:

|                                   | <u>2022/2023</u>     | <u>2023/2024</u>     | <u>2024/2025</u>     |
|-----------------------------------|----------------------|----------------------|----------------------|
|                                   | R                    | R                    | R                    |
| Municipal Manager                 | 27,432,083           | 28,603,028           | 29,839,865           |
| Planning and Development          | 88,280,718           | 76,681,739           | 80,913,266           |
| Community and Protection Services | 418,059,325          | 445,512,944          | 466,899,557          |
| Infrastructure Services           | 1,261,822,520        | 1,324,999,180        | 1,415,774,631        |
| Corporate Services                | 210,803,775          | 222,206,769          | 233,250,532          |
| Financial Services                | 104,763,357          | 110,060,392          | 115,583,607          |
| <b>Total Expenditure</b>          | <b>2,111,161,778</b> | <b>2,208,064,052</b> | <b>2,342,261,458</b> |

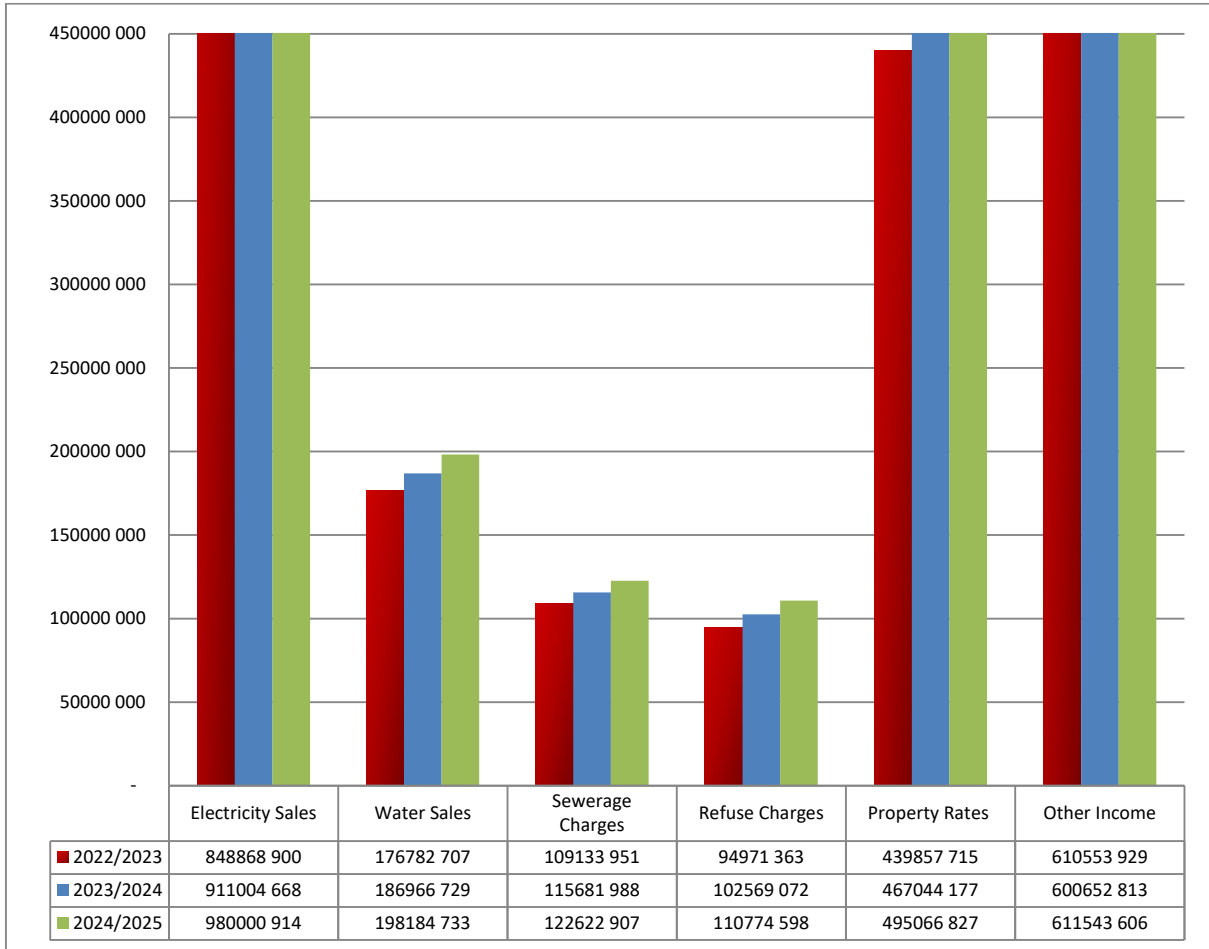
The operating expenditure budget per category is as follows:

|                                 | <u>2022/2023</u>     | <u>2023/2024</u>     | <u>2024/2025</u>     |
|---------------------------------|----------------------|----------------------|----------------------|
|                                 | R                    | R                    | R                    |
| Employee related costs          | 624,463,763          | 631,386,706          | 668,776,539          |
| Remuneration of councillors     | 21,062,270           | 22,115,383           | 23,221,153           |
| Depreciation & asset impairment | 222,118,310          | 233,224,203          | 244,885,410          |
| Finance charges                 | 67,799,365           | 80,819,298           | 84,829,237           |
| Bulk purchases-Electricity      | 551,412,384          | 598,888,990          | 650,453,332          |
| Transfers and grants            | 14,355,296           | 14,955,508           | 15,584,898           |
| Other expenditure               | 609,950,390          | 626,67,964           | 654,510,889          |
| <b>Total Expenditure</b>        | <b>2,111,161,778</b> | <b>2,208,064,052</b> | <b>2,342,261,458</b> |



The operational budget will be funded as follows:

|                     | <u>2022/2023</u>     | <u>2023/2024</u>     | <u>2024/2025</u>     |
|---------------------|----------------------|----------------------|----------------------|
|                     | R                    | R                    | R                    |
| Electricity Sales   | 848,868,900          | 911,004,668          | 980,000,914          |
| Water Sales         | 176,782,707          | 186,966,729          | 198,184,733          |
| Sewerage Charges    | 109,133,951          | 115,681,988          | 122,622,907          |
| Refuse Charges      | 94,971,363           | 102,569,072          | 110,774,598          |
| Property Rates      | 439,857,715          | 467,044,177          | 495,066,827          |
| Other Income        | 610,553,929          | 600,652,813          | 611,543,606          |
| <b>Total Income</b> | <b>2,280,168,565</b> | <b>2,383,919,447</b> | <b>2,518,193,585</b> |



## H: OVERVIEW OF THE BUDGET FUNDING

### Financing of the Capital Budget

The proposed financing sources of the capital budget for the next three years are as follows:

|                              | <u>2022/2023</u>   | <u>2023/2024</u>   | <u>2024/2025</u>   |
|------------------------------|--------------------|--------------------|--------------------|
|                              | R                  | R                  | R                  |
| Capital Replacement Reserve  | 132,790,031        | 173,637,075        | 205,158,365        |
| Grants National Government   | 90,809,650         | 48,008,300         | 47,898,950         |
| Grants Provincial Government | 29,000,000         | 34,863,000         | 7,900,000          |
| External Loans               | 140,000,000        | 160,000,000        | 141,000,000        |
| Development Charges          | 12,673,523         | 12,761,030         | 40,046,120         |
|                              | <b>405,273,204</b> | <b>429,269,405</b> | <b>442,003,435</b> |

#### Grant funding from National Government includes the following:

- Integrated National Electrification Programme (Municipal) Grant
- Integrated Urban Development Grant

#### Grant funding from Provincial Government includes the following:

- Human Settlement Development Grant
- Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)
- Integrated Transport Planning (2024/2025)
- Western Cape Municipal Energy Resilience Grant (WC MER Grant)
- Development of Sport and Recreational Facilities
- Western Cape Municipal Energy Resilience Grant (WC MER Grant)

### Financing of the Operational Budget

The operational budget is financed from the tariff increases as displayed above. In addition to these, the following grant allocations are expected, and expenditure was adjusted accordingly:

- Equitable Share Allocation
- Community Library Services Grant
- Local Government Financial Management Grant
- Municipal Accreditation and Capacity Building Grant
- Financial assistance to municipalities for maintenance and Construction of Transport Infrastructure:
- Community Development Workers Operational Support Grant
- Expanded Public Works Program Incentive Grant
- Human Settlement Development Grant



**I: EXPENDITURE ON ALLOCATION AND GRANT PROGRAMMES**

| Description   | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                     |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|---------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year 2024/25 |
| <b>EXPENDITURE:</b>   |     |                 |                 |                 |                      |                 |                    |   |                        |                     |
| <b>Operating expenditure of Transfers and Grants</b>                          |     |                 |                 |                 |                      |                 |                    |   |                        |                     |
| <b>National Government:</b>   |     | 97 265          | 142 954         | 156 315         | 169 239              | 168 531         | 168 531            | 189 399   | 200 376                | 219 288             |
| Local Government Equitable Share  |     | 89 588          | 136 177         | 149 804         | 157 136              | 157 136         | 157 136            | 179 634   | 196 720                | 215 547             |
| Expanded Public Works Programme Integrated Grant for Municipalities           |     | 5 722           | 5 227           | 4 961           | 5 998                | 5 998           | 5 998              | 4 928   | -                      | -                   |
| Local Government Financial Management Grant                                   |     | 1 550           | -               | -               | 1 550                | 1 550           | 1 550              | 1 550   | 1 550                  | 1 550               |
| Municipal Disaster Grant (Schedule 5B)  |     | -               | 1 550           | 1 550           | 4 555                | 3 847           | 3 847              | 3 287   | 2 106                  | 2 191               |
| Integrated Urban Development Grant  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                   |
| Natural Resource Management Project   |     | 405             | -               | -               | -                    | -               | -                  | -   | -                      | -                   |
| <b>Provincial Government:</b>   |     | 13 509          | 16 559          | 20 620          | 59 177               | 72 737          | 76 301             | 21 791  | 35 547                 | 38 933              |
| Community Development Workers Operational Support Grant                       |     | 56              | 19              | 93              | 38                   | 38              | 38                 | 38  | 38                     | 38                  |
| Financial Management Capacity Building Grant                                  |     | 139             | 380             | 760             | 250                  | 415             | 415                | -   | -                      | -                   |
| Human Settlements Development Grant   |     | -               | -               | 7 570           | 17 940               | 10 000          | 10 000             | 6 890   | 23 140                 | 26 000              |
| Community Library Services Grant  |     | 12 210          | 12 454          | 9 595           | 11 144               | 11 144          | 11 144             | 14 112  | 11 629                 | 12 151              |
| Municipal Library Support Grant   |     | -               | -               | -               | -                    | 3 252           | 3 252              | -   | -                      | -                   |
| Local Government Support Grant  |     | -               | 900             | -               | -                    | 550             | 550                | -   | -                      | -                   |
| WC Financial Management Support Grant   |     | 255             | 255             | -               | -                    | -               | -                  | -   | -                      | -                   |
| LG Graduate Internship Grant  |     | 12              | 66              | 74              | -                    | -               | -                  | -   | -                      | -                   |
| Maintenance and Construction of Transport Infrastructure                      |     | 371             | 384             | 450             | 4 950                | 4 950           | 4 950              | 495   | 495                    | 495                 |
| Regional Socio-Economic Project/violence through urban upgrading (RSEP/VI)    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                   |
| Municipal Accreditation and Capacity Building Grant                           |     | 56              | 168             | 238             | 252                  | 690             | 690                | 256   | 245                    | 249                 |
| Spatial Development framework   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                   |
| Title Deeds Restoration Grant   |     | 410             | 1 933           | 1 840           | -                    | 1 372           | 1 372              | -   | -                      | -                   |
| Local Government Public Employment Support Grant                              |     | -               | -               | -               | -                    | 1 800           | 1 800              | -   | -                      | -                   |
| Other transfers/grants [insert description]                                   |     | -               | -               | -               | 24 603               | 38 527          | 42 091             | -   | -                      | -                   |
| <b>District Municipality:</b>   |     | -               | 472             | -               | 500                  | 647             | 647                | 1 020   | 541                    | 562                 |
| Cape Winelands District Grant   |     | -               | 472             | -               | -                    | 147             | 147                | -   | -                      | -                   |
| Cape Winelands District Grant 2   |     | -               | -               | -               | 500                  | 500             | 500                | 1 020   | 541                    | 562                 |
| Safety Initiative Implementation-whole of society approach (WOSA)             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                   |
| <b>Other grant providers:</b>   |     | 223             | 367             | -               | -                    | 339             | 358                | -   | -                      | -                   |
| LG SETA Discretionary grant   |     | -               | 63              | -               | -                    | 237             | 237                | -   | -                      | -                   |
| Khaya Lam Free Market Research Foundation                                     |     | 223             | -               | -               | -                    | 102             | 102                | -   | -                      | -                   |
| Talpei COVID 19 donation  |     | -               | 132             | -               | -                    | -               | -                  | -   | -                      | -                   |
| DBSA  |     | -               | 172             | -               | -                    | -               | 18                 | -   | -                      | -                   |
| Households - Cash - Other (National Housing Programme)                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                   |
| <b>Total operating expenditure of Transfers and Grants:</b>                   |     | 110 997         | 160 352         | 176 935         | 228 916              | 242 255         | 245 837            | 212 210   | 236 464                | 258 783             |
| <b>Capital expenditure of Transfers and Grants</b>                            |     |                 |                 |                 |                      |                 |                    |   |                        |                     |
| <b>National Government:</b>   |     | 43 668          | 62 526          | 58 065          | 70 386               | 71 094          | 71 094             | 90 810  | 48 008                 | 47 899              |
| Integrated National Electrification Programme (Municipal Grant) [Schedule 5B] |     | 5 000           | 15 640          | 12 000          | 18 000               | 18 000          | 18 000             | 28 350  | 6 000                  | 6 269               |
| Integrated Urban Development Grant  |     | -               | 46 886          | 46 065          | 52 386               | 53 094          | 53 094             | 62 460  | 42 008                 | 41 630              |
| Energy Efficiency and Demand Side Management Grant                            |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                   |
| Municipal Infrastructure Grant [Schedule 5B]                                  |     | 35 107          | -               | -               | -                    | -               | -                  | -   | -                      | -                   |
| Regional Bulk Infrastructure  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                   |
| Shared Economic Infrastructure facility                                       |     | 3 561           | -               | -               | -                    | -               | -                  | -   | -                      | -                   |
| <b>Provincial Government:</b>   |     | 43 514          | 56 594          | -               | 33 468               | 36 976          | 36 976             | 29 000  | 34 863                 | 7 900               |
| Human Settlements Development Grant   |     | 43 514          | 56 594          | -               | 33 468               | 36 976          | 36 976             | 8 150   | 7 683                  | 1 900               |
| Library Services: Conditional Grant   |     | -               | -               | -               | 100                  | -               | 2 402              | -   | -                      | -                   |
| Integrated Transport Planning   |     | 600             | 600             | -               | -                    | 600             | 600                | -   | -                      | -                   |
| Maintenance and Construction of Transport Infrastructure                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                   |
| Fire services capacity building grant   |     | -               | 3 003           | -               | -                    | -               | -                  | -   | -                      | -                   |
| RSEP/ VPUU  |     | -               | 1 500           | -               | 1 000                | 3 338           | 3 338              | -   | -                      | -                   |
| Development of Sport and Recreational Facilities                              |     | -               | -               | -               | 600                  | 600             | 600                | -   | -                      | -                   |
| Informal Settlements Upgrading Partnership Grant Provinces                    |     | -               | -               | -               | -                    | 11 919          | 11 919             | 20 850  | 27 180                 | 6 000               |
| Western Cape Municipal Energy Resilience Grant (WC MER Grant)                 |     | -               | -               | -               | -                    | 710             | 710                | -   | -                      | -                   |
| Public Transport Non-Motorised Infrastructure                                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                   |
| <b>District Municipality:</b>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                   |
| Safety Initiative Implementation-whole of society approach (WOSA)             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                   |
| <b>Other grant providers:</b>   |     | 200             | 151             | -               | -                    | 307             | 307                | 12 674  | 12 761                 | 40 046              |
| Private Enterprises   |     | -               | -               | -               | -                    | -               | -                  | 12 674  | 12 761                 | 40 046              |
| LOTTO   |     | 200             | 151             | -               | -                    | 307             | 307                | -   | -                      | -                   |
| <b>Total capital expenditure of Transfers and Grants</b>                      |     | 87 382          | 119 271         | 58 065          | 103 854              | 108 377         | 108 377            | 132 483   | 95 632                 | 95 845              |
| <b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>                              |     | 198 379         | 279 623         | 235 000         | 332 770              | 350 632         | 354 214            | 344 694   | 332 096                | 354 629             |

**J: ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY**

| Description   | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Cash Transfers to other municipalities</b>                   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Operational   | 1   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Cash Transfers To Municipalities:</b>                  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Cash Transfers to Entities/Other External Mechanisms</b>     |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Operational   | 2   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Cash Transfers To Entities/Ems'</b>                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Cash Transfers to other Organs of State</b>                  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Operational   | 3   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Cash Transfers To Other Organs Of State:</b>           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Cash Transfers to Organisations</b>                          |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Operational   |     | 8 990           | 10 475          | 40 721          | 13 350               | 12 856          | 12 856             | 12 981  | 13 539                 | 14 121                 |
| Capital   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Cash Transfers To Organisations</b>                    |     | 8 990           | 10 475          | 40 721          | 13 350               | 12 856          | 12 856             | 12 981  | 13 539                 | 14 121                 |
| <b>Cash Transfers to Groups of Individuals</b>                  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Operational   |     | 139             | 380             | 495             | 250                  | 667             | 667                | 1 374   | 1 416                  | 1 464                  |
| Capital   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Cash Transfers To Groups Of Individuals:</b>           |     | 139             | 380             | 495             | 250                  | 667             | 667                | 1 374   | 1 416                  | 1 464                  |
| <b>TOTAL CASH TRANSFERS AND GRANTS</b>                          | 6   | 9 129           | 10 855          | 41 216          | 13 600               | 13 524          | 13 524             | 14 355  | 14 956                 | 15 585                 |
| <b>Non-Cash Transfers to other municipalities</b>               |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Operational   | 1   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Non-Cash Transfers To Municipalities:</b>              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Non-Cash Transfers to Entities/Other External Mechanisms</b> |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Operational   | 2   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Non-Cash Transfers To Entities/Ems'</b>                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Non-Cash Transfers to other Organs of State</b>              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Operational   | 3   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Non-Cash Transfers To Other Organs Of State:</b>       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Non-Cash Grants to Organisations</b>                         |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Operational   | 4   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Non-Cash Grants To Organisations</b>                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Non-Cash Transfers to Groups of Individuals</b>              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Operational   | 5   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Non-Cash Grants To Groups Of Individuals:</b>          |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>TOTAL NON-CASH TRANSFERS AND GRANTS</b>                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>TOTAL TRANSFERS AND GRANTS</b>                               | 6   | 9 129           | 10 855          | 41 216          | 13 600               | 13 524          | 13 524             | 14 355  | 14 956                 | 15 585                 |

## **REPORT RECEIVED FROM COMMUNITY DEVELOPMENT: 2022/2023 GRANT-IN-AID ALLOCATIONS AND DONATIONS**

### **1. SUBJECT**

#### **GRANT IN AID APPLICATIONS AND DONATIONS 2022/2023**

### **2. PURPOSE**

To obtain Council's approval for Grant-in-Aid (GiA) applications and recommended donations for the financial year 2022-2023.

### **3. DELEGATED AUTHORITY (FOR DECISION BY MUNICIPAL COUNCIL)**

In terms of Municipal Finance Management Act (MFMA), Act (56 of 2003) Section 17. (3) (e) relating to content of annual budgets and supporting documents.

### **4. EXECUTIVE SUMMARY**

The application is in terms of the annual GiA donations made to non-governmental organisations (NGOs), community-based organisations (CBOs), non-profit organisations (NPOs) or non-profit companies (NPC) and bodies that are used by government as an agency to serve the poor, marginalised or otherwise vulnerable as envisaged by the Grant in Aid Policy approved at the Council Meeting in May 2021.

### **5. RECOMMENDATIONS**

- a) That council consider and approve the recommended donations to organizations as per detailed list.

### **6. DISCUSSION / CONTENTS**

#### **6.1. Background**

In terms of Council's Grant-in-Aid Policy, proposals were called for by means of advertisement in the press on 7 October 2021 (Eikestad Nuus) and on the municipal website and Facebook page.

The advertisement included an invitation to attend one of three compulsory workshops on either 26, 27 or 28 October 2021 to assist and give guidance on the policy and application procedure. Two hundred and eight (208) persons attended the workshops.

A workshop to assist with capacity building of small, emerging organisations was conducted on 25 October 2021 focussing on financial management. This workshop was also advertised

in the local newspaper and is not compulsory. The workshop was attended by eight (8) persons.

By the closing date (29 November 2021), 155 applications were received.

## 6.2 Discussion

The Department Community Development scrutinized and evaluated one hundred and fifty-five (155) applications representing the following categories:

| CATEGORY               | SUBCATEGORY                 | APPLICATIONS RECEIVED | APPLICATIONS RECOMMENDED/ CONDITIONALLY RECOMMENDED |
|------------------------|-----------------------------|-----------------------|---|
| Social Development     | General                     | 9                     | 1   |
|                        | Partial Care                | 73                    | 30  |
|                        | Disability                  | 3                     | 2   |
|                        | Elderly                     | 8                     | 2   |
|                        | Youth                       | 12                    | 7   |
|                        | Substance Abuse             | 2                     | 0   |
|                        | Gender                      | 3                     | 0   |
|                        | Food Security               | 1                     | 1   |
|                        | People Living on the Street | 1                     | 1   |
|                        | Safety                      | 1                     | 0   |
|                        | Skills Development          | 10                    | 5   |
| Health                 | Physical and Psychological  | 4                     | 2   |
| Environment            |                             | 5                     | 1   |
| Sport, Art and Culture | Sport Clubs                 | 14                    | 7   |
|                        | Art and Culture             | 9                     | 2   |
| <b>Total</b>           |                             | <b>155</b>            | <b>61</b>   |

Table 1: Applications and grant recommendations per category

The detailed list of applications received and evaluated can be found with the item.

The following wards will benefit from the recommended donations:

| SUBCATEGORY                       | APPLICATIONS RECOMMENDED | WARDS SERVED THROUGH THE ORGANIZATIONS | RECOMMENDED AMOUNT (2021-2022) |
|-----------------------------------|--------------------------|--|--------------------------------|
| General Soc Dev                   | 1                        | 1, 2, 3                                | 40 000.00                      |
| Partial Care                      | 30                       | 1-3, 6, 10-16, 18                      | 1 174 980.00                   |
| Disability                        | 2                        | 1, 2, 11-17                            | 60 000.00                      |
| Elderly                           | 2                        | ALL                                    | 80 000.00                      |
| Youth                             | 7                        | ALL                                    | 280 000.00                     |
| Substance Abuse                   | 0                        |  | 0.00                           |
| Gender                            | 0                        |  | 0.00                           |
| Food Security                     | 1                        | ALL                                    | 40 000.00                      |
| People living on the street       | 1                        | ALL                                    | 1 547 470.15                   |
| Safety                            | 0                        |  | 0.00                           |
| Skills Development                | 5                        | ALL                                    | 189 700.00                     |
| Physical and Psychological Health | 2                        | ALL                                    | 80 000.00                      |
| Environment                       | 1                        | 5, 6, 9-21                             | 40 000.00                      |
| Sport Clubs                       | 7                        | 1-6, 12-21                             | 280 000.00                     |
| Art and Culture                   | 2                        | ALL                                    | 80 000.00                      |
| <b>Total</b>                      | <b>61</b>                |  | <b>3 892 250.15</b>            |

Table 2: Ward based recommendations and financial allocations

The reason for not recommending organizations can be found in the notes column of detailed list of applications.

The Municipality would like to support as many as possible organizations delivering valuable services within our communities but cannot disregard requirements of the MFMA (56 of 2003) Section 67 stipulating the responsibility of council to ensure donations are made to organizations who has the capacity to govern itself according to accepted financial practises and who can deliver the services for which the donation is required and benefiting the intended target audience.

Considering the expected changes in the ECD sector (function migration from the Department of Social Development to the Department of Education), the changes through the Second Amendment Bill to the Children's Act placing more responsibility on Local Government with regards to childcare facilities and the changes to the Municipal Grant in Aid Policy (to promote compliance with the Children's Act) emphasis should be on supporting local ECD's through the Grant in Aid process.

A second opportunity to comply with the GiA policy will be available to non-qualifying applicants during the appeal during in April 2022.

### Declarations of Interest:

The following declarations of interest are registered and documented as part of the Grant in Aid applications.

### Process followed with applications where below declarations has relevance:

1. No councillors were involved with the assessment process. In these cases, the officials of the Community Development Section collectively completed the assessments.
2. No officials other than those in the Community Development Section were involved in the assessment process. In these cases, the officials of the Community Development Section collectively completed the assessments.
3. In instances where officials from the Community Development Section were linked to applications, the Manager Community Development completed the assessment of the applicant without inputs from said officials. It must be noted that the only link with Community Development officials is through family members of the officials and not through the official serving on the board of the applicant. In the case of one official, she is linked through her mother serving on the board and the other official is linked through her child attending the creche.

| Applicant                     | Person            | Organisation Capacity           | Municipal Capacity      |
|-------------------------------|-------------------|---------------------------------|-------------------------|
| Family in Focus Klapmuts      | John Anthony      | Chairperson                     | Councillor              |
| Raithby Sr Club               | Ansaaf Crombie    | Not specified                   | Councillor              |
| Abba Programme of Badisa      | Wilfred Pietersen | Vice Chairperson                | Councillor              |
| Christian Dependency Ministry | Wilfred Pietersen | Chairperson                     | Councillor              |
| Geluksoord Nutsmaatskappy     | Johannie Serdyn   | Volunteer                       | Councillor              |
| Geluksoord Nutsmaatskappy     | Nicky Ceaser      | Director                        | Official                |
| Chennel Daycare               | Janine Adams      | Treasurer                       | Official                |
| Chennel Daycare               | Arthur Palmer     | Deputy Chairperson              | Official                |
| Jessie Keet Creche            | Wilfred Pietersen | Member                          | Councillor              |
| Kylemore Creche               | Wilfred Pietersen | Member                          | Councillor              |
| Nora Tyres Creche             | Wilfred Pietersen | Member                          | Councillor              |
| Sizamile Creche               | Wilfred Pietersen | Member                          | Councillor              |
| Stelcare                      | Wilfred Pietersen | Member of Board                 | Councillor              |
| Stelemploy                    | Virginia Jumat    | Director                        | Mother of Portia Jansen |
| Kylemore Secondary School     | Gerrit Africa     | Vice Chairperson Governing Body | Official                |

|   |                     |                  |            |
|---|---------------------|------------------|------------|
| Youth Empowerment Action                            | Wilhelmina Petersen | Not specified    | Councillor |
| Stellenbosch Hospice                                | Wilfred Pietersen   | Director         | Councillor |
| Blue Stars United RFC                               | John Anthony        | Chairperson      | Councillor |
| Cape Winelands Farmworkers Sport and Recreation Ass | Tanya Carstens      | Vice Chairperson | Official   |
| Cape Winelands Farmworkers Sport and Recreation Ass | Adele Wagenaar      | Member           | Official   |
| Pniel Villagers RFC                                 | Ian Adams           | Treasurer        | Official   |
| Pniel Villagers RFC                                 | Ralphon Adams       | Secretary        | Councillor |

The following interest were not declared but picked up by the department. These applications were dealt with the same way as where declarations were received.

| Applicant                | Person           | Organisation Capacity     | Municipal Capacity                        |
|--------------------------|------------------|---------------------------|---|
| Klapmuts Jr Academy      | Funeka Mayembana | Parent of child in school | Official<br>(Not declared)                |
| Klapmuts Sport Forum     | John Anthony     | Chairperson               | Councillor<br>(Not declared)              |
| Abba Programme of Badisa | Virginia Jumat   | Chairperson               | Mother of Portia Jansen<br>(Not declared) |

### 6.3 Financial Implications

This report has the following financial implications:

|                          |
|--------------------------|
| <b>2022-2023 (Cat A)</b> |
| 2 344 680.00             |

|                          |                          |                          |
|--------------------------|--------------------------|--------------------------|
| <b>2022-2023 (Cat B)</b> | <b>2023-2024 (Cat B)</b> | <b>2024-2025 (Cat B)</b> |
| 1 547 570,15             | 1 634 430,49             | 0.00                     |

|                           |                     |
|---------------------------|---------------------|
| <b>DRAFT BUDGET TOTAL</b> | <b>3 892 250.15</b> |
| <b>2022-2023</b>          |                     |

### 6.4 Legal Implications

The recommendations in this report comply with Council's policies and all applicable legislation.

### 6.5 Staff Implications

This report has no staff implications to the Municipality.

### 6.6 Previous / Relevant Council Resolutions:

None

**6.7 Risk Implications**

This report has no risk implications for the Municipality.

**6.8 Comments from Senior Management:****6.8.1 Municipal Manager:**

Received 25/01/2022: Ensure that the following is included in the item:

1. Detail of declarations of interest listing councillors and officials.
2. The assessment process followed where councillors and officials were linked to applications.

Ensure that all municipal officials and councillors who serve on the boards of local organisations complete a request to perform outside / private work.

**6.8.2 Chief Financial Officer:**

Financial Services agree with the recommendations. The funding for the Grant in Aid donations will be provided for in the Medium-Term Revenue and Expenditure Framework (MTREF/Budget).

**ANNEXURES****Grant in Aid 2022-2023 Register of applications and donation recommendations****FOR FURTHER DETAILS, CONTACT:**

|                        |                                      |
|------------------------|--------------------------------------|
| <b>NAME</b>            | Michelle Aalbers                     |
| <b>POSITION</b>        | Manager: Community Development       |
| <b>DIRECTORATE</b>     | Community and Protection Services    |
| <b>CONTACT NUMBERS</b> | 8408                                 |
| <b>E-MAIL ADDRESS</b>  | Michelle.aalbers@stellenbosch.gov.za |
| <b>REPORT DATE</b>     | 26-01-2022                           |

**DIRECTOR: COMMUNITY AND PROTECTION SERVICES**

The contents of this report have not been discussed with the Portfolio Committee Chairperson.



**2022/23 GRANT-IN-AID APPLICATIONS**

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2022– 2025

| 2022/23 GRANT-IN-AID APPLICATIONS |  |                | Category A                              | Category B                              |   | Recommendation  | Notes   |
|-----------------------------------|--|----------------|---|---|---|-----------------|---|
| No                                | Applicant Name                         | Funds proposed | Funds proposed<br>YEAR 1<br>(2022-2023) | Funds proposed<br>YEAR 2<br>(2023-2024) | Funds proposed<br>YEAR 3<br>(2024-2025) |                 |   |
| <b>SOCIAL DEVELOPMENT</b>         |  |                |   |   |   |                 |   |
| <b>GENERAL</b>                    |  |                |   |   |   |                 |   |
| 1                                 | ACVV Stellenbosch                      | 0.00           | 0.00                                    | 0.00                                    | 0.00                                    | NOT RECOMMENDED | POLICY REQUIREMENT: GENERAL SUPPORT APPLICATION REQUIRES APPLICANT OVERAL ORGANISATIONAL BUDGET FOR FINANCIAL YEAR. NOT INCLUDED IN APPLICATION.  |
| 2                                 | Bottelary Heuwels Renosterveld Bewarea | 0.00           | 0.00                                    | 0.00                                    | 0.00                                    | NOT RECOMMENDED | LISTED BOARD MEMBERS DIFFER FROM WHAT IS REQUIRED BY ORGANISATIONAL CONSITUTION. FINAL FEEDBACK REQUIRED BY APRIL 2022  |
| 3                                 | Chosen Foundation NPC                  | 0.00           | 0.00                                    | 0.00                                    | 0.00                                    | NOT RECOMMENDED | MINUTES OF INAUGURAL MEETING WHERE CONSTITUTION WAS VOTED ON NOT SIGNED. FIN STATEMENTS NOT SIGNED FOR PERIOD ENDING JUNE 2020. EXPLENATION ON 2021 FINANCES? BUSINESS PLAN LACK DETAIL. GEO RELATED TO DIRECTOR. MEMORANDUM OF INCORPORATION MAKES PROVISION FOR SUCH APPOINTMENT. |

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2022– 2025

|   |   |           |      |      |      |                 |   |
|---|---|-----------|------|------|------|-----------------|---|
| 4 | Family in Focus Klapmuts                                  | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | APPLICATION NOT SIGNED. FINANCIAL STATEMENTS OUT DATED ENDING APRIL 2020 AND NOT SIGNED. TWO PERSONS RELATED ON BOARD. CONSTITUTION IS SILENT ON THIS AND DECISION MAKING IN SUCH INSTANCE. |
| 5 | FRANCO  | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
| 6 | Inkuthazo Yesizwe Organisation                            | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | DIRECTORS LISTED NOT IN LINE WITH CONSTITUTION. FIN YEAR = ENDING FEBRUARY AND ESTABLISHED 2017. STATEMENTS COVER PERIOD OF 9 MONTHS AND DOES NOT REFLECT THE FIN YEAR PERIOD.              |
| 7 | Isibane Community Service                                 | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | CONSTITUTION REQUIRES 6 BOARD MEMBERS. APPLICANT LIST 5. BUSINESS PLAN EXTRAVIGANT FOR 10 BENFICIARIES.   |
| 8 | SJ Community Hearts NPC                                   | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | NO CONSTITUTION OR FINANCIAL STATEMENTS. NO BUSINESS PLAN LINKED TO BUDGET.   |
| 9 | K2020/187250/08 t/a Thuma Mina Teaching Project Programme | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | REQUIRES CLARRIFICATION ON RELATION BETWEEN BOARD MEMBERS AND HOW DECISIONS ARE MADE AS IT IS NOT CLEAR FROM THE MEMORANDUM OF INCORPORATION.   |

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2022– 2025

|                     |                                 |           |      |      |      |                 |   |
|---------------------|---------------------------------|-----------|------|------|------|-----------------|---|
|                     |                                 |           |      |      |      |                 | AMENDMENT DOCUMENT NOT SIGNED   |
|                     |                                 | 40 000.00 | 0.00 | 0.00 | 0.00 |                 |   |
| <b>PARTIAL CARE</b> |                                 |           |      |      |      |                 |   |
| 10                  | Acorn Christian Daycare Centre  | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | FINANCIALS NOT SIGNED OFF   |
| 11                  | Aitsa                           | 40 000.00 | 0.00 | 0.00 | 0.00 | CONDITIONAL     | COMMIT TO PROVIDE FEEDBACK BY APRIL 2022  |
| 12                  | Akkerdoppies                    | 35 560.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
| 13                  | Anganathi Educare               | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
| 14                  | ATKV Abbasorg Cloetesville      | 39 420.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
| 15                  | Azasakhe Daycare                | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | FEEDBACK REPORT NOT SIGNED. FINANCIALS INCOMPLETE. NO PROPOSAL OR BUDGET SUBMITTED. |
| 16                  | Bubble Bee Educare              | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | FIN STATEMENTS INCOMPLETE   |
| 17                  | Busy Kids Daycare               | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | REGISTRATION DOC NOT SUBMITTED. PROPOSAL NOT SUBMITTED.                             |
| 18                  | Caring and Learning Development | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
| 19                  | Chennel Daycare                 | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | INCOMPLETE FIN STATEMENTS. CONSTITUTION DOES NOT COMPLY WITH BASIC REQUIREMENTS.    |
| 20                  | De Hoop Daycare                 | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
| 21                  | Dig It Juniors                  | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | NO REGISTRATION DOC. FIN STATEMENT INCOMPLETE AND NOT                               |

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2022– 2025

|    |   |           |      |      |      |                 | SIGNED BY SECOND PERSON  |
|----|---|-----------|------|------|------|-----------------|--|
| 22 | Efata Creche                                  | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | FIN STATEMENTS INCOMPLETE. NO BUDGET INCLUDED.                               |
| 23 | Franschhoek ECD Forum                         | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |  |
| 24 | Franschhoek Transformation Charter: Babethane | 40 000.00 | 0.00 | 0.00 | 0.00 | CONDITIONAL     | COMMIT TO PROVIDE FEEDBACK BY APRIL 2022                                     |
| 25 | Froggies Aftercare                            | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | NO FIN STATEMENTS. CONSTITUTION DOES NOT COMPLY WITH BASIC REQUIREMENTS      |
| 26 | Glenelly Childrens and Recreation Centre      | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | NO PROPOSAL OR BUDGET SUBMITTED  |
| 27 | Happiness Kideo                               | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | BANK FORM AND FIN STATEMENTS INCOMPLETE                                      |
| 28 | Ikwezi Educare Centre                         | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |  |
| 29 | Inam Educare                                  | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | FIN STATEMENT DOES NOT COVER 12 MONTHS AND HAVE BEEN IN EXISTANCE FOR YEARS. |
| 30 | Indiphakamele Creche                          | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | NO BANK FORM AND FIN STATEMENT IS INCOMPLETE.                                |
| 31 | Isibane Sempumelelo                           | 40 000.00 | 0.00 | 0.00 | 0.00 | CONDITIONAL     | COMMIT TO PROVIDE FEEDBACK BY APRIL 2022                                     |
| 32 | Jessie Keet                                   | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | APPLICANT DO NOT APPEAR ON ATT REGISTER OF COMPULSORY CLARIFICATION MEETING. |

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2022– 2025

|    |                                |           |      |      |      |                 | BANK DETAILS AND CONSTITUTION OF DIFFERENT ORGANISATION.  |
|----|--------------------------------|-----------|------|------|------|-----------------|---|
| 33 | Kayamandi ECD Forum            | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | NO COMMITMENT TO PROVIDE FINAL FEEDBACK, FIN STATEMENT NOT SUBMITTED  |
| 34 | Kin Culture                    | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | FEEDBACK ON PREVIOUS FUNDING NOT PROVIDED   |
| 35 | Klapmuts Jr Academy            | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | FIN STATEMENT EN MARCH 2022, BUT WAS SUBMITTED IN NOV 2021. DID NOT DECLARE PARENT OF CHILD IN SCHOOL IN DEPT RESPONSIBLE FOR GIA.    |
| 36 | Kuyasa Horizon Empowerment NPC | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
| 37 | Kylemore Creche                | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | APPLICANT DO NOT APPEAR ON ATT REGISTER OF COMPULSORY CLARIFICATION MEETING. BANK DETAILS AND CONSTITUTION OF DIFFERENT ORGANISATION. |
| 38 | Legacy Community Development   | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
| 39 | Lethokuhle Educare             | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | FIN STATEMENTS NOT SUBMITTED  |
| 40 | Lithalethu Educare Centre      | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
| 41 | Little Angels                  | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | FIN STATEMENT INCOMPLETE  |
| 42 | Little Butterflies             | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2022– 2025

|    |                           |           |      |      |      |                 |   |
|----|---------------------------|-----------|------|------|------|-----------------|---|
| 43 | Little Explorers          | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
| 44 | Liyema Creche             | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | BANK FORM INCOMPLETE. COMMIT TO PROVIDE FEEDBACK BY APRIL 2022  |
| 45 | Loyiso Educare            | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | FIN STATEMENT INCOMPLETE  |
| 46 | Lubabalo Creche Centre    | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | FIN STATEMENT INCOMPLETE  |
| 47 | Luthando Educare          | 20 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
| 48 | Masifunde Creche          | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | BANK FORM INCOMPLETE. NO FEEDBACK REPORT  |
| 49 | Masonwabe Winnie Educare  | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | FIN STATEMENTS INCOMPLETE   |
| 50 | Minkies Educare Centre    | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | REGISTRATION DOC NOT SUBMITTED. INDICATE THAT FEEDBACK WAS PROVIDED. BUT CANNOT FIND IT IN APPLICATION DOCS.                          |
| 51 | Mzamo Partial Care Centre | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
| 52 | Nolitha's ECD             | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | DID NOT COMMIT TO PROVIDE FEEDBACK  |
| 53 | Nora Tyres Educare        | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | APPLICANT DO NOT APPEAR ON ATT REGISTER OF COMPULSORY CLARIFICATION MEETING. BANK DETAILS AND CONSTITUTION OF DIFFERENT ORGANISATION. |
| 54 | Noxolo Educare            | 40 000.00 | 0.00 | 0.00 | 0.00 | CONDITIONAL     | COMMIT TO PROVIDE FEEDBACK BY APRIL 2022  |
| 55 | Okuhle Connies Educare    | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
| 56 | Op die Plaas Preschool    | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | BANK FORM NOT SUBMITTED   |
| 57 | Petite Pre-Primary        | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | REGISTRATION CERTIFICATE EXPIRED  |

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2022– 2025

|    |                                 |           |      |      |      |                 |  |
|----|---------------------------------|-----------|------|------|------|-----------------|--|
| 58 | Phakamani Educare               | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |  |
| 59 | Pillars of the Nation           | 40 000.00 | 0.00 | 0.00 | 0.00 | CONDITIONAL     | COMMIT TO PROVIDE FEEDBACK BY APRIL 2022   |
| 60 | Phumelela Educare               | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | NO PROOF OF REGISTRATION. FIN STATEMENTS NOT SIGNED  |
| 61 | Prochorus Community Development | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | PREVIOUS FUNDING FOR 2020-2021. FEEDBACK REPORT AND POPS AFTER SAID PERIOD. QUOTATIONS AND INVOICES DOES NOT EQUAL PROOF OF PAYMENT. |
| 62 | Samnkies Creche                 | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |  |
| 63 | Sibongumusa ECD Centre          | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |  |
| 64 | Simni Educare Centre            | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | APPLICATION FORM NOT SIGNED. COMMITTED TO PROVIDE FINAL FEEDBACK BY APRIL 2022.  |
| 65 | Sivuyise Creche                 | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | APPLICATION NOT SIGNED BY TWO PERSONS. FIN STATEMENTS INCOMPLETE   |
| 66 | Siyanoqoba Creche               | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | FIN STATEMENT INCOMPLETE   |
| 67 | Siyavuya Creche                 | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | APPLICATION NOT SIGNED OR DATED.   |
| 68 | Siyazama Creche                 | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | DID NOT COMMIT TO PROVIDE FEEDBACK   |
| 69 | Sizamile Creche                 | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | APPLICANT DO NOT APPEAR ON ATT REGISTER OF COMPULSORY CLARIFICATION MEETING. BANK DETAILS AND CONSTITUTION OF                        |



## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2022– 2025

|    |                             |           |      |      |      |                 | DIFFERENT ORGANISATION.  |
|----|-----------------------------|-----------|------|------|------|-----------------|--|
| 70 | Somelele Educare            | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | NO PROOF OF REGISTRATION. FIN STATEMENT INCOMPLETE AND APPLICATION NOT SIGNED.                                   |
| 71 | StellCare                   | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |  |
| 72 | Tembaletu Creche            | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | NO FEEDBACK REPORT AND NOT COMMIT TO PROVIDE. APPLICATION NOT SIGNED.  |
| 73 | Thanduxolo Daycare          | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | APPLICATION NOT SIGNED   |
| 74 | Ukusiza Creche              | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |  |
| 75 | Umtha Wemfundo Educare      | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | DID NOT PROVIDE FEEDBACK ON PREVIOUS FUNDING AND DID NOT COMMIT TO SUBMIT.                                       |
| 76 | Umthombo Wemfundo Educare   | 40 000.00 | 0.00 | 0.00 | 0.00 | CONDITIONAL     | COMMIT TO PROVIDE FEEDBACK BY APRIL 2022   |
| 77 | Unakho Day Care for Disable | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |  |
| 78 | Vinyard Houses              | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |  |
| 79 | Vision Africa               | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |  |
| 80 | Vision Africa               | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | NON ATTENDANCE OF COMPULSORY CLARRIFICATION MEETING. SECOND APPLICATION OF SAME ORGANISATION. NO FIN STATEMENTS. |
| 81 | Yolies Creche               | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | APPLICATION NOT DATED OR SIGNED. COMMITED TO PROVIDE FINAL FEEDBACK BY APRIL 2022                                |

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2022– 2025

|                   |  |              |      |      |      |                 |  |
|-------------------|--|--------------|------|------|------|-----------------|--|
| 82                | Zenzele Educare                          | 40 000.00    | 0.00 | 0.00 | 0.00 | RECOMMENDED     |  |
|                   |  | 1 174 980.00 | 0.00 | 0.00 | 0.00 |                 |  |
| <b>DISABILITY</b> |  |              |      |      |      |                 |  |
| 83                | Bridging Abilities                       | 20 000.00    | 0.00 | 0.00 | 0.00 | CONDITIONAL     | FINAL FEEDBACK REPORT BY APRIL 2022  |
| 84                | Huis Horison                             | 40 000.00    | 0.00 | 0.00 | 0.00 | RECOMMENDED     |  |
| 85                | Winelands Parasupport NPC                | 0.00         | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | NON-ATTENDANCE OF COMPULSORY CLARRIFICATION MEETING  |
|                   |  | 60 000.00    | 0.00 | 0.00 | 0.00 |                 |  |
| <b>ELDERLY</b>    |  |              |      |      |      |                 |  |
| 86                | ACVV Franschoek                          | 0.00         | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | POLICY REQUIREMENT: GENERAL SUPPORT APPLICATION REQUIRES APPLICANT OVERAL ORGANISATIONAL BUDGET FOR FINANCIAL YEAR. ORGANISATION COMMITED TO PROVIDE FINAL FEEDBACK BY APRIL 2022.                         |
| 87                | Bathande Elderly and Disability Day Care | 0.00         | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | NO FINANCIAL STATEMENTS. PROPOSAL INCLUDE SALARY OF R 36 000 PER MONTH? DOCUMENT SUBMITTED DOES NOT COMPLY WITH BASIC REQUIREMENTS OF A CONSTITUTION. NON ATTENDANCE OF COMPULSORY CLARRIFICATION MEETING. |

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2022– 2025

|              |                                    |           |      |      |      |                 |  |
|--------------|------------------------------------|-----------|------|------|------|-----------------|--|
| 88           | Geluksoord Nutsmaatskappy          | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |  |
| 89           | Idas Valley Golden Boys and Girls  | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | FINANCIAL STATEMENTS PROVIDED NOT APPROVED. NO CONSTITUTION OR BANK FORM.        |
| 90           | Raithby Senior Club                | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | NO FINANCIAL STATEMENTS OR REGISTRATION DOCUMENTS. BANK FORM NOT SIGNED.         |
| 91           | Utopia ACVV Dienstak               | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |  |
| 92           | Waterblommetjies Klub              | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | BANK FORM NOT SIGNED. FEEDBACK ON PREVIOUS FUNDING TO BE PROVIDED.               |
| 93           | Young Ideas Cloetesville Community | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | CONSTITUTION INDICATE MIN OF 8 BOARD MEMBERS. APPLICANT LISTED 6.                |
|              |                                    | 80 000.00 | 0.00 | 0.00 | 0.00 |                 |  |
| <b>YOUTH</b> |                                    |           |      |      |      |                 |  |
| 94           | Anna Foundation                    | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | COMMIT TO PROVIDE FINAL FEEDBACK BY APRIL 2022. APPLICATION NOT SIGNED.          |
| 95           | Help 2 Read                        | 40 000.00 | 0.00 | 0.00 | 0.00 | CONDITIONAL     | COMMIT TO PROVIDE FINAL FEEDBACK BY APRIL 2022                                   |
| 96           | Kylemore Secondary                 | 40 000.00 | 0.00 | 0.00 | 0.00 | CONDITIONAL     | COMMIT TO PROVIDE FINAL FEEDBACK BY APRIL 2022                                   |
| 97           | Lord's Acre, The                   | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | NON COMPLIANCE TO REQUIREMENT FOR ATTENDANCE OF COMPULSORY CLARIFICATION MEETING |

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2022– 2025

|                        |   |            |      |      |      |                 |   |
|------------------------|---|------------|------|------|------|-----------------|---|
| 98                     | Songo.Info Trust                                  | 0.00       | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | REGISTRATION CERTIFICATE NOT SUBMITTED  |
| 99                     | Sport for Life                                    | 40 000.00  | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
| 100                    | Sustainability Institute                          | 0.00       | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | APPLICATION REQUIRES SECOND SIGNATURE   |
| 101                    | Training 4 Changes NPC                            | 40 000.00  | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
| 102                    | United Christian Student's Association of SA, The | 40 000.00  | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
| 103                    | Usiko Stellenbosch                                | 0.00       | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | CAT B APPLICATION: COULD NOT DEMONSTRATE LINK TO WARD PRIORITIES. GOAL 2-7: NO TARGETS THUS NOT MEASURABLE. PLANNED TIMEFRAMES DOES NOT REFLECT FUNDING PERIOD. OUTDATED FIN STATEMENTS ENDING MARCH 2020. BANK FORM NOT SIGNED. REQUEST CONSIDERATION OF CAT A DONATION IF B NOT SUCCESSFUL. DID NOT SUBMIT A BUSINESS PLAN OR BUDGET FOR CAT A. |
| 104                    | Youth Empowerment Action                          | 40 000.00  | 0.00 | 0.00 | 0.00 | CONDITIONAL     | COMMIT TO PROVIDE FINAL FEEDBACK BY APRIL 2022  |
| 105                    | Youth Outreach                                    | 40 000.00  | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
|                        |   | 280 000.00 | 0.00 | 0.00 | 0.00 |                 |   |
| <b>SUBSTANCE ABUSE</b> |   |            |      |      |      |                 |   |

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2022– 2025

|               |   |      |      |      |      |                    |  |
|---------------|---|------|------|------|------|--------------------|--|
| 106           | ABBA a project of<br>BADISA<br>Stellenbosch   | 0.00 | 0.00 | 0.00 | 0.00 | NOT<br>RECOMMENDED | FAMILY MEMBER OF<br>MUNICIPAL OFFICIAL ON<br>BOARD OF<br>ORGANISATION AND NOT<br>DECLARED.<br>CONSTITUTION REQUIRES<br>7 BOARD MEMBERS. ONLY<br>LISTED 4, OUTDATED FIN<br>STATEMENTS ENDING<br>MARCH 2020. FINAL<br>FEEDBACK REQUIRED. |
| 107           | Christian<br>Dependency<br>Ministry           | 0.00 | 0.00 | 0.00 | 0.00 | NOT<br>RECOMMENDED | INDICATE THAT<br>FEEDBACK IS PROVIDED,<br>BUT IT IS NOT IN THE<br>APPLICATION. NO PROOF<br>OF REGISTRATION.  |
|               |   | 0.00 | 0.00 | 0.00 | 0.00 |                    |  |
| <b>GENDER</b> |   |      |      |      |      |                    |  |
| 108           | ITH Perishoo<br>Foundation                    | 0.00 | 0.00 | 0.00 | 0.00 | NOT<br>RECOMMENDED | APPLICATION NOT<br>SIGNED. NO BUSINESS<br>PLAN OR BUDGET.<br>POSSIBLE<br>RELATIONSHIPS<br>BETWEEN BOARD<br>MEMBERS.  |
| 109           | La Brie De Dieu<br>Safe House<br>Stellenbosch | 0.00 | 0.00 | 0.00 | 0.00 | NOT<br>RECOMMENDED | APPLICATION NOT<br>SIGNED. NO FIN<br>STATEMENTS AND NAME<br>ON BANK ACCOUNT<br>DIFFERENT TO THAT OF<br>REGISTRATION<br>CERTIFICATE.  |
| 110           | K202193861                                    | 0.00 | 0.00 | 0.00 | 0.00 | NOT<br>RECOMMENDED | NON ATTENDANCE OF<br>COMPULSORY<br>CLARRIFICATION<br>MEETING. CONSTITUTION<br>IS GENERIC TEMPLATE<br>WITH MISSING<br>INFORMATION AND USES<br>NAME DIFFERENT TO   |

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2022– 2025

|                                    |                                 |           |              |              |      |                 |  |
|------------------------------------|---------------------------------|-----------|--------------|--------------|------|-----------------|--|
|                                    |                                 |           |              |              |      |                 | THAT OF REGISTRATION DOCUMENT. BANK ACCOUNT NAME DIFFERS FROM REGISTRATION NAME. FIN REPORT FOR SEPT 21 TO DEC 21. APPLICATION CLOSING IN NOV, THUS CANNOT REFLECT DEC DATA.     |
|                                    |                                 | 0.00      | 0.00         | 0.00         | 0.00 |                 |  |
| <b>FOOD SECURITY</b>               |                                 |           |              |              |      |                 |  |
| 111                                | Feeding In Action               | 40 000.00 | 0.00         | 0.00         | 0.00 | CONDITIONAL     | FINAL FEEDBACK BY APRIL 2022   |
|                                    |                                 | 40 000.00 | 0.00         | 0.00         | 0.00 |                 |  |
| <b>PEOPLE LIVING ON THE STREET</b> |                                 |           |              |              |      |                 |  |
| 112                                | Stellenbosch Night Shelter      | 0.00      | 1 547 570.15 | 1 634 430.49 | 0.00 | RECOMMENDED     | CURRENT MONTHLY PAYMENTS ARE MADE ON SUBMISSION OF EXPENDITURE REPORTS AGAINST APPROVED BUSINESS PLAN.   |
|                                    |                                 | 0.00      | 1 547 570.15 | 1 634 430.49 | 0.00 |                 |  |
| <b>SAFETY</b>                      |                                 |           |              |              |      |                 |  |
| 113                                | Neighbourhood Safety Initiative | 0.00      | 0.00         | 0.00         | 0.00 | NOT RECOMMENDED | NO CONSTITUTION, REGISTRATION DOCS OR FINANCIAL STATEMENTS. CAT B APPLICATIONS REQUIRE AUDITED FIN STATEMENTS AND A 3 YEAR BUSINESS PLAN. ONLY BUDGET FOR ONE YEAR WAS PROVIDED. |
|                                    |                                 | 0.00      | 0.00         | 0.00         | 0.00 |                 |  |
| <b>SKILLS DEVELOPMENT</b>          |                                 |           |              |              |      |                 |  |
| 114                                | Bergzicht Training              | 40 000.00 | 0.00         | 0.00         | 0.00 | RECOMMENDED     |  |
| 115                                | Cotlands                        | 0.00      | 0.00         | 0.00         | 0.00 | NOT RECOMMENDED | NO FIN STATEMENTS. NO APPLICATION FORM   |

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2022– 2025

|                                    |   |                       |                       |                       |               |                 |  |
|------------------------------------|---|-----------------------|-----------------------|-----------------------|---------------|-----------------|--|
| 116                                | Early Education Centre, The                         | 40 000.00             | 0.00                  | 0.00                  | 0.00          | CONDITIONAL     | COMMIT TO PROVIDE FEEDBACK BY APRIL 2022   |
| 117                                | Elizayo   | 0.00                  | 0.00                  | 0.00                  | 0.00          | NOT RECOMMENDED | NO CONSTITUTION OR REGISTRATION DOC. BANK FORM NOT STAMPED. COMMIT TO PROVIDE FEEDBACK BY APRIL 2022 |
| 118                                | Franschhoek Hospitality Academy and Learning Centre | 0.00                  | 0.00                  | 0.00                  | 0.00          | NOT RECOMMENDED | PROOF OF NPO REGISTRATION NOT SUBMITTED  |
| 119                                | Indaba Institute Sustainability                     | 29 700.00             | 0.00                  | 0.00                  | 0.00          | RECOMMENDED     |  |
| 120                                | Liso Lokhanyo Holdings                              | 0.00                  | 0.00                  | 0.00                  | 0.00          | NOT RECOMMENDED | NO CONSTITUTION, REGISTRATION OR FINANCIAL DOCUMENTS. BUSINESS PLAN INCOMPLETE.                      |
| 121                                | Sp(i)eel Foundation                                 | 0.00                  | 0.00                  | 0.00                  | 0.00          | NOT RECOMMENDED | APPLICATION NOT SIGNED   |
| 122                                | Stellemploy   | 40 000.00             | 0.00                  | 0.00                  | 0.00          | RECOMMENDED     |  |
| 123                                | Stellumthombo NPC                                   | 40 000.00             | 0.00                  | 0.00                  | 0.00          | CONDITIONAL     | COMMIT TO PROVIDE FEEDBACK BY APRIL 2022   |
|                                    |   | 189 700.00            | 0.00                  | 0.00                  | 0.00          |                 |  |
| <b>SUBTOTAL SOCIAL DEVELOPMENT</b> |   | <b>R 1 864 680.00</b> | <b>R 1 547 570.15</b> | <b>R 1 634 430.49</b> | <b>R 0.00</b> |                 |  |

| HEALTH |                   |           |      |      |      |             |  |
|--------|-------------------|-----------|------|------|------|-------------|--|
| 124    | Community Keepers | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED |  |

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2022– 2025

|                        |                           |                    |               |               |               |                 |  |
|------------------------|---------------------------|--------------------|---------------|---------------|---------------|-----------------|--|
| 125                    | Health Promotion SA Trust | 0.00               | 0.00          | 0.00          | 0.00          | NOT RECOMMENDED | NOT LATEST FIN STATEMENTS. ENDING FEBR 2019  |
| 126                    | Ikhaya Diabetic Group     | 0.00               | 0.00          | 0.00          | 0.00          | NOT RECOMMENDED | CONSTITUTION NOT SIGNED. NO FIN STATEMENTS. NO BUSINESS PLAN. LISTED ONLY 2 BOARD MEMBERS. |
| 127                    | Stellenbosch Hospice NPC  | 40 000.00          | 0.00          | 0.00          | 0.00          | CONDITIONAL     | COMMIT TO PROVIDE FINAL FEEDBACK BY APRIL 2022   |
| <b>SUBTOTAL HEALTH</b> |                           | <b>R 80 000.00</b> | <b>R 0.00</b> | <b>R 0.00</b> | <b>R 0.00</b> |                 |  |

| ENVIRONMENT |                                  |           |      |      |      |                 |  |
|-------------|----------------------------------|-----------|------|------|------|-----------------|--|
| 128         | Idas Valley Community Trails     | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | FIN STATEMENTS CONTAINS DISCREPANCIES AND DOES NOT COVER 12 MONTHS.  |
| 129         | Kyle Recycling and Waste Pty Ltd | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | NO CONSTITUTION AND COMPANY REGISTERED AS A PTY (LTD) WITH SOLE MANDATE.   |
| 130         | Methodist Church of SA           | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | NO CONSTITUTION OR REGISTRATION DOC. FIN STATEMENTS DOES NOT COVER 12 MONTHS. ONLY ONE SIGNATURE ON APPLICATION. |
| 131         | NG Gemeente Franschoek           | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | BANK FORM NOT COREECTLY COMPLETED. PROVIDED PBO NUMBER, BUT NO CERTIFICATE SUBMITTED.                            |
| 132         | Stellenbosch Agriculture Society | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |  |



## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2022– 2025

|                             |  |                  |             |             |             |
|-----------------------------|--|------------------|-------------|-------------|-------------|
| <b>SUBTOTAL ENVIRONMENT</b> |  | <b>40 000.00</b> | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> |
|-----------------------------|--|------------------|-------------|-------------|-------------|

| <b>SPORT ARTS AND CULTURE</b> |   |           |      |      |      |                 |   |
|-------------------------------|---|-----------|------|------|------|-----------------|---|
| <b>SPORT CLUBS</b>            |   |           |      |      |      |                 |   |
| 133                           | Blue Stars United Football Club                   | 40 000.00 | 0.00 | 0.00 | 0.00 | CONDITIONAL     | COMMIT TO PROVIDE FINAL FEEDBACK BY APRIL 2021  |
| 134                           | Cape Winelands Farmworkers Sport & Recreation Ass | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
| 135                           | Celtic United FC                                  | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | BANK FORM NOT SIGNED. COMMIT TO PROVIDE FINAL FEEDBACK BY APRIL 2022. CONSITUTION AND FINANCIALS NOT SUBMITTED  |
| 136                           | Forward Foundation                                | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | FINANCAIL STATEMENTS NAMED: MANAGEMENT REPORT FOR MONTH OF OCT 2021. NOT SIGNED. BUSINESS PLAN REQUEST 40 00 FROM A 788 000 BUDGET TO ACHIEVE SAID TARGETS WITH NO INDICATION OF WHERE THE REMAINDER OF THE FUNDS WILL BE GENERATED FROM. |
| 137                           | Franschhoek RFC                                   | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | COMMIT TO PROVIDE FEEDBACK BY APRIL 2022. NO FINANCIAL STATEMENTS SUBMITTED.  |
| 138                           | Glen Eagles Soccer Club                           | 0.00      | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | NO FIN STATEMENTS SUBMITTED   |
| 139                           | Groot Drakenstein Games Club                      | 40 000.00 | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2022– 2025

|                         |                               |            |      |      |      |                 |   |
|-------------------------|-------------------------------|------------|------|------|------|-----------------|---|
| 140                     | Jametown AFC                  | 40 000.00  | 0.00 | 0.00 | 0.00 | CONDITIONAL     | COMMIT TO PROVIDE FINAL FEEDBACK BY APRIL 2022  |
| 141                     | Klapmuts Sport Forum          | 0.00       | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | NO PROOF OF AFFILIATION AND DID NOT DECLARE CLLR J ANTHONY.   |
| 142                     | Klapmuts United Football Club | 0.00       | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | APPLICATION FORM AND CONSTITUTION NOT SIGNED. NO FIN STATEMENTS, PROOF OF AFFILIATION OR BANK FORM SUBMITTED. |
| 143                     | Nietvoorbij United FC         | 40 000.00  | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
| 144                     | Pniel Villagers RFC           | 40 000.00  | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
| 145                     | Stellenbosch United           | 40 000.00  | 0.00 | 0.00 | 0.00 | RECOMMENDED     |   |
| 146                     | Wemmershoek Cricket Club      | 0.00       | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | BANK FORM NOT COMPLETED, FINANCIAL FEEDBACK TO BE PROVIDED BY APRIL 2022. NO PROOF OF AFFILIATION.            |
|                         |                               | 280 000.00 | 0.00 | 0.00 | 0.00 |                 |   |
| <b>ARTS AND CULTURE</b> |                               |            |      |      |      |                 |   |
| 147                     | Banna Ba Kgotso               | 0.00       | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | NO REGISTRATION OR FINANCIALS. CONSTITUTION INDICATE 8 OFFICE BEARERS AND APPLICATION LIST 6.                 |
| 148                     | Bianca Arts Development       | 0.00       | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | FIN STATEMENTS NOT CLEAR. BANK FORM NOT SIGNED.   |
| 149                     | Cape Winelands FM             | 0.00       | 0.00 | 0.00 | 0.00 | NOT RECOMMENDED | NO FIN STATEMENTS SUBMITTED AND NO FEEDBACK ON PREVIOUS EXPENDITURE.  |

## MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL PERIOD 2022– 2025

|                                       |                                   |           |                     |               |               |                 |   |
|---------------------------------------|-----------------------------------|-----------|---------------------|---------------|---------------|-----------------|---|
| 150                                   | Celebration Gospel Choir          | 0.00      | 0.00                | 0.00          | 0.00          | NOT RECOMMENDED | NO FEEDBACK REPORT. FIN STATEMENTS FOR 11 MONTHS. CONSTITUTION REQUIRES 8 BOARD MEMBERS, LISTED ONLY 8.   |
| 151                                   | eBosch                            | 40 000.00 | 0.00                | 0.00          | 0.00          | RECOMMENDED     |   |
| 152                                   | Lokxion Foundation                | 0.00      | 0.00                | 0.00          | 0.00          | NOT RECOMMENDED | NO FIN STATEMENTS AND NO APPLICATION FORM.  |
| 153                                   | Pniel Heritage and Cultural Trust | 40 000.00 | 0.00                | 0.00          | 0.00          | RECOMMENDED     |   |
| 154                                   | Sibonokuhle Art Group             | 0.00      | 0.00                | 0.00          | 0.00          | NOT RECOMMENDED | NO FIN STATEMENTS. FINAL FEEDBACK TO BE PROVIDED BY APRIL 2022. PROPOSAL COPY OF SMART MISSION PROPOSAL.  |
| 155                                   | Smart Mission Entertainment       | 0.00      | 0.00                | 0.00          | 0.00          | NOT RECOMMENDED | NO CONSTITUTION AND NO REGISTRATION DOCUMENTS SUBMITTED. FIN STATEMENTS DOES NOT REFLECT THE REPORTING PERIOD. PROPOSAL COPY OF SIBONOKUHLE ART GROUP PROPOSAL. |
|                                       |                                   | 80 000.00 | 0.00                | 0.00          | 0.00          |                 |   |
| <b>SUTOTAL SPORT ARTS AND CULTURE</b> |                                   |           | <b>R 360 000.00</b> | <b>R 0.00</b> | <b>R 0.00</b> | <b>R 0.00</b>   |   |

|                |                |                |        |
|----------------|----------------|----------------|--------|
| R 2 344 680.00 | R 1 547 570.15 | R 1 634 430.49 | R 0.00 |
|----------------|----------------|----------------|--------|

|               |
|---------------|
| R3 892 250.15 |
|---------------|

**K: COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS**

| Summary of Employee and Councillor remuneration          | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand   |     | A               | B               | C               | D                    | E               | F                  | G   | H                      | I                      |
| <b>Councillors (Political Office Bearers plus Other)</b> | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Basic Salaries and Wages                                 |     | 11 322          | 12 108          | 53 278          | 14 258               | 18 106          | 18 106             | 19 011  | 19 962                 | 20 960                 |
| Pension and UIF Contributions                            |     | 132             | 559             | 2 543           | 882                  | -               | -                  | -   | -                      | -                      |
| Medical Aid Contributions                                |     | 50              | 215             | 277             | 96                   | -               | -                  | -   | -                      | -                      |
| Motor Vehicle Allowance                                  |     | 4 139           | 4 331           | 19 197          | 5 145                | -               | -                  | -   | -                      | -                      |
| Cellphone Allowance                                      |     | 1 740           | 1 754           | 6 014           | 1 392                | 1 954           | 1 954              | 2 051   | 2 154                  | 2 262                  |
| Housing Allowances                                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other benefits and allowances                            |     | 154             | 155             | 746             | 205                  | -               | -                  | -   | -                      | -                      |
| <b>Sub Total - Councillors</b>                           |     | 17 538          | 19 121          | 82 055          | 21 978               | 20 059          | 20 059             | 21 062  | 22 115                 | 23 221                 |
| % increase   | 4   |                 | 9,0%            | 329,1%          | (73,2%)              | (8,7%)          | -                  | 5,0%  | 5,0%                   | 5,0%                   |
| <b>Senior Managers of the Municipality</b>               | 2   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Basic Salaries and Wages                                 |     | 3 029           | 9 393           | 27 588          | 7 281                | 7 808           | 7 808              | 8 316   | 8 815                  | 9 344                  |
| Pension and UIF Contributions                            |     | 580             | 447             | 4 121           | 881                  | 675             | 675                | 719   | 762                    | 808                    |
| Medical Aid Contributions                                |     | 72              | 24              | 706             | 319                  | 117             | 117                | 125   | 133                    | 140                    |
| Overtime   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Performance Bonus  |     | 591             | 710             | 2 090           | 627                  | -               | -                  | -   | -                      | -                      |
| Motor Vehicle Allowance                                  | 3   | 493             | 337             | 3 564           | 679                  | 540             | 540                | 575   | 610                    | 646                    |
| Cellphone Allowance                                      | 3   | 104             | 94              | 396             | 137                  | 137             | 137                | 146   | 154                    | 164                    |
| Housing Allowances                                       | 3   | -               | -               | -               | 18                   | 18              | 18                 | 19  | 20                     | 22                     |
| Other benefits and allowances                            | 3   | 18              | 0               | 182             | 87                   | 87              | 87                 | 92  | 98                     | 104                    |
| Payments in lieu of leave                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Long service awards                                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Post-retirement benefit obligations                      | 6   | (4 041)         | 21 200          | (5 696)         | -                    | -               | -                  | -   | -                      | -                      |
| <b>Sub Total - Senior Managers of Municipality</b>       |     | 846             | 32 205          | 32 951          | 10 029               | 9 383           | 9 383              | 9 993   | 10 592                 | 11 228                 |
| % increase   | 4   |                 | 3 705,1%        | 2,3%            | (69,6%)              | (6,4%)          | -                  | 6,5%  | 6,0%                   | 6,0%                   |
| <b>Other Municipal Staff</b>                             |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Basic Salaries and Wages                                 |     | 298 384         | 1 492 593       | 1 328 795       | 351 506              | 346 776         | 346 776            | 375 081   | 367 036                | 388 570                |
| Pension and UIF Contributions                            |     | 47 154          | 72 383          | 236 638         | 67 671               | 57 107          | 57 107             | 60 762  | 64 413                 | 68 272                 |
| Medical Aid Contributions                                |     | 21 580          | 32 030          | 108 238         | 31 331               | 25 379          | 25 379             | 27 013  | 28 634                 | 30 352                 |
| Overtime   |     | 44 111          | 77 150          | 220 452         | 54 754               | 64 262          | 64 262             | 68 439  | 72 546                 | 76 898                 |
| Performance Bonus  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Motor Vehicle Allowance                                  | 3   | 9 026           | 13 615          | 52 460          | 11 793               | 10 179          | 10 179             | 10 841  | 11 491                 | 12 181                 |
| Cellphone Allowance                                      | 3   | 1 237           | 1 825           | 4 916           | 1 143                | 2 333           | 2 333              | 2 465   | 2 613                  | 2 770                  |
| Housing Allowances                                       | 3   | 2 853           | 3 774           | 12 267          | 3 576                | 2 722           | 2 722              | 2 899   | 3 073                  | 3 258                  |
| Other benefits and allowances                            | 3   | 31 149          | 44 589          | 161 727         | 43 365               | 34 536          | 34 536             | 36 763  | 38 969                 | 41 307                 |
| Payments in lieu of leave                                |     | 858             | 996             | 6 737           | 2 538                | -               | -                  | -   | -                      | -                      |
| Long service awards                                      |     | (6)             | 73              | 164             | 82                   | -               | -                  | -   | -                      | -                      |
| Post-retirement benefit obligations                      | 6   | 4 462           | 427 839         | 131 444         | 29 669               | 25 085          | 25 085             | 30 208  | 32 020                 | 33 941                 |
| <b>Sub Total - Other Municipal Staff</b>                 |     | 460 809         | 2 166 868       | 2 263 838       | 597 429              | 568 379         | 568 379            | 614 471   | 620 795                | 657 549                |
| % increase   | 4   |                 | 370,2%          | 4,5%            | (73,6%)              | (4,9%)          | -                  | 8,1%  | 1,0%                   | 5,9%                   |
| <b>Total Parent Municipality</b>                         |     | 479 193         | 2 218 193       | 2 378 844       | 629 436              | 597 821         | 597 821            | 645 526   | 653 502                | 691 998                |
|  |     |                 | 362,9%          | 7,2%            | (73,5%)              | (5,0%)          | -                  | 8,0%  | 1,2%                   | 5,9%                   |
| <b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>           |     | 479 193         | 2 218 193       | 2 378 844       | 629 436              | 597 821         | 597 821            | 645 526   | 653 502                | 691 998                |
| % increase   | 4   |                 | 362,9%          | 7,2%            | (73,5%)              | (5,0%)          | -                  | 8,0%  | 1,2%                   | 5,9%                   |
| <b>TOTAL MANAGERS AND STAFF</b>                          | 5,7 | 461 655         | 2 199 072       | 2 296 790       | 607 458              | 577 762         | 577 762            | 624 464   | 631 387                | 668 777                |

## K: COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS (continue)

| Disclosure of Salaries, Allowances & Benefits 1.                     | Ref  | No. | Salary     | Contributions | Allowances | Performance Bonuses | In-kind benefits | Total Package |
|--|------|-----|------------|---------------|------------|---------------------|------------------|---------------|
| Rand per annum   |      |     |            | 1.            |            |                     |                  | 2.            |
| <b>Councillors</b>   | 3    |     |            |               |            |                     |                  |               |
| Speaker  | 4    | 1   | 780 866    | –             | 46 620     | –                   | –                | 827 486       |
| Chief Whip   |      | –   | –          | –             | –          | –                   | –                | –             |
| Executive Mayor  |      | 1   | 976 084    | –             | 46 620     | –                   | –                | 1 022 704     |
| Deputy Executive Mayor   |      | 1   | 780 866    | –             | 46 620     | –                   | –                | 827 486       |
| Executive Committee  |      | –   | 6 588 564  | –             | 419 580    | –                   | –                | 7 008 144     |
| Total for all other councillors                                      |      | –   | 9 884 610  | –             | 1 491 840  | –                   | –                | 11 376 450    |
| <b>Total Councillors</b>   | 8    | 3   | 19 010 990 | –             | 2 051 280  |                     |                  | 21 062 270    |
| <b>Senior Managers of the Municipality</b>                           | 5    |     |            |               |            |                     |                  |               |
| Municipal Manager (MM)   |      | 1   | 1 535 208  | 354 016       | 152 082    | –                   | –                | 2 041 306     |
| Chief Finance Officer  |      | 1   | 1 052 571  | 231 424       | 299 052    | –                   | –                | 1 583 047     |
|  |      | 1   | 1 489 019  | 16 965        | 88 182     | –                   | –                | 1 594 166     |
|  |      | 1   | 1 557 350  | 16 965        | 24 282     | –                   | –                | 1 598 597     |
|  |      | 1   | 1 426 504  | 16 965        | 152 082    | –                   | –                | 1 595 551     |
|  |      | 1   | 1 238 606  | 300 394       | 24 282     | –                   | –                | 1 563 282     |
| <i>List of each official with packages &gt;= senior manager</i>      |      |     |            |               |            |                     |                  |               |
|  |      | –   | –          | –             | –          | –                   | –                | –             |
|  |      | –   | –          | –             | –          | –                   | –                | –             |
|  |      | –   | –          | –             | –          | –                   | –                | –             |
|  |      | –   | –          | –             | –          | –                   | –                | –             |
|  |      | 1   | 16 614     | –             | –          | –                   | –                | 16 614        |
|  |      | –   | –          | –             | –          | –                   | –                | –             |
|  |      | –   | –          | –             | –          | –                   | –                | –             |
|  |      | –   | –          | –             | –          | –                   | –                | –             |
|  |      | –   | –          | –             | –          | –                   | –                | –             |
|  |      | –   | –          | –             | –          | –                   | –                | –             |
|  |      | –   | –          | –             | –          | –                   | –                | –             |
|  |      | –   | –          | –             | –          | –                   | –                | –             |
|  |      | –   | –          | –             | –          | –                   | –                | –             |
| <b>Total Senior Managers of the Municipality</b>                     | 8,10 | 7   | 8 315 872  | 936 729       | 739 962    | –                   | –                | 9 992 563     |
| <b>TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION</b> | 10   | 10  | 27 326 862 | 936 729       | 2 791 242  | –                   | –                | 31 054 833    |





**N: DETAIL CAPITAL BUDGET 2022-2025**



**CAPITAL BUDGET 2022 - 2025**

**MUNICIPAL MANAGER**

| Department                      | Name                             | Strategic Focus Area           | 2022/2023     | 2023/2024     | 2024/2025     | MTREF Total    |
|---------------------------------|----------------------------------|--------------------------------|---------------|---------------|---------------|----------------|
| Office of the Municipal Manager | Furniture, Tools & Equipment: MM | Good Governance and Compliance | 40 000        | 40 000        | 40 000        | 120 000        |
|                                 |                                  |                                | <b>40 000</b> | <b>40 000</b> | <b>40 000</b> | <b>120 000</b> |

**CAPITAL BUDGET 2022 - 2025**  
**PLANNING AND DEVELOPMENT SERVICES**

| Department           | Name   | Strategic Focus Area           | 2022/2023         | 2023/2024         | 2024/2025         | MTREF Total       |
|----------------------|--|--------------------------------|-------------------|-------------------|-------------------|-------------------|
| Housing Development  | Housing Projects   | Dignified Living               | 1 200 000         | 1 300 000         | 1 500 000         | 4 000 000         |
| Housing Development  | Cloetesville (380) FLISP   | Dignified Living               | 1 100 000         | -                 | -                 | 1 100 000         |
| Housing Development  | Cloetesville Infill (738) FLISP  | Dignified Living               | 850 000           | -                 | -                 | 850 000           |
| Housing Development  | Erf 64, Kylemore   | Dignified Living               | 612 500           | 612 500           | 5 000 000         | 6 225 000         |
| Housing Development  | Erf 7001 and other possible sites for mix-used development in Cloetesville | Dignified Living               | 525 000           | 525 000           | -                 | 1 050 000         |
| Housing Development  | Erven 81/2 and 82/9, Stellenbosh   | Dignified Living               | 437 500           | 437 500           | -                 | 875 000           |
| Housing Development  | Furniture, Tools & Equipment: Housing Development                          | Good Governance and Compliance | 60 000            | 70 000            | 80 000            | 210 000           |
| Housing Development  | Jamestown: Housing   | Dignified Living               | 3 600 000         | 3 028 000         | 7 300 000         | 13 928 000        |
| Housing Development  | Kayamandi Town Centre  | Dignified Living               | 3 000 000         | 6 000 000         | 6 000 000         | 15 000 000        |
| Housing Development  | Kayamandi Watergang Northern Extension (2000)                              | Dignified Living               | 1 900 000         | 1 900 000         | 1 900 000         | 5 700 000         |
| Housing Development  | Klapmuts La Rochelle (100)   | Dignified Living               | 150 000           | 283 000           | -                 | 433 000           |
| Housing Development  | La Motte Old Forest Station (±430 services & ±430 units)                   | Dignified Living               | 1 250 000         | -                 | -                 | 1 250 000         |
| Housing Development  | Lapland Precinct   | Dignified Living               | 500 000           | 500 000           | -                 | 1 000 000         |
| Housing Development  | Stellenbosch Adam Tas Transit Oriented Development (3500)                  | Dignified Living               |                   | 3 500 000         |                   | 3 500 000         |
| Development Planning | Droë Dyke (Craig to fund planning)   | Dignified Living               | -                 | 2 000 000         | -                 | 2 000 000         |
|                      |  |                                | <b>15 185 000</b> | <b>20 156 000</b> | <b>21 780 000</b> | <b>57 121 000</b> |

**CAPITAL BUDGET 2022 - 2025  
INFRASTRUCTURE SERVICES**

| Department                               | Name   | Strategic Focus Area           | 2022/2023  | 2023/2024  | 2024/2025  | MTREF Total |
|--|--|--------------------------------|------------|------------|------------|-------------|
| Infrastructure Services                  | Furniture, Tools & Equipment: IS                   | Good Governance and Compliance | 75 000     | 75 000     | 50 000     | 200 000     |
| Waste Management: Solid Waste Management | Expansion of the landfill site (New cells)         | Green and Sustainable Valley   | 44 000 000 | 41 000 000 | -          | 85 000 000  |
| Waste Management: Solid Waste Management | Formalize skip areas                               | Green and Sustainable Valley   | 500 000    | -          | -          | 500 000     |
| Waste Management: Solid Waste Management | Furniture, Tools & Equipment: Solid Waste          | Dignified Living               | 45 000     | 45 000     | 50 000     | 140 000     |
| Waste Management: Solid Waste Management | Integrated Waste Management Plan                   | Green and Sustainable Valley   | 100 000    | -          | -          | 100 000     |
| Waste Management: Solid Waste Management | Landfill Gas To Energy                             | Green and Sustainable Valley   | 8 000 000  | 17 000 000 | -          | 25 000 000  |
| Waste Management: Solid Waste Management | Major Drop-Offs: Construction - Franschoek         | Green and Sustainable Valley   | 500 000    | 500 000    | 3 000 000  | 4 000 000   |
| Waste Management: Solid Waste Management | Major Drop-offs: Construction - Klapmuts           | Green and Sustainable Valley   | -          | -          | 7 000 000  | 7 000 000   |
| Waste Management: Solid Waste Management | Mini Waste drop-off facilities at Inf Settlements  | Green and Sustainable Valley   | 100 000    | 200 000    | 100 000    | 400 000     |
| Waste Management: Solid Waste Management | Skips (5,5kl)                                      | Green and Sustainable Valley   | 300 000    | 200 000    | -          | 500 000     |
| Waste Management: Solid Waste Management | Street Refuse Bins                                 | Green and Sustainable Valley   | 500 000    | -          | -          | 500 000     |
| Waste Management: Solid Waste Management | Transfer Station: Stellenbosch Planning and Design | Green and Sustainable Valley   | -          | -          | 1 000 000  | 1 000 000   |
| Waste Management: Solid Waste Management | Vehicles: Solid Waste                              | Dignified Living               | -          | 2 000 000  | 2 500 000  | 4 500 000   |
| Waste Management: Solid Waste Management | Waste Biofuels                                     | Green and Sustainable Valley   | 300 000    | -          | -          | 300 000     |
| Waste Management: Solid Waste Management | Waste Management Software                          | Green and Sustainable Valley   | 200 000    | -          | -          | 200 000     |
| Waste Management: Solid Waste Management | Waste Minimization Projects                        | Green and Sustainable Valley   | 500 000    | -          | -          | 500 000     |
| Waste Management: Solid Waste Management | Waste to Energy - Implementation                   | Green and Sustainable Valley   | 3 300 000  | 1 000 000  | 1 000 000  | 5 300 000   |
| Electrical Services                      | Ad-Hoc Provision of Streetlighting                 | Safe Valley                    | 2 150 000  | 3 143 375  | 2 749 000  | 8 042 375   |
| Electrical Services                      | Automatic Meter Reader                             | Green and Sustainable Valley   | 400 000    | 400 000    | 400 000    | 1 200 000   |
| Electrical Services                      | Bien don 66/11kV substation new - Dwarsrivier      | Valley of Possibility          | 2 600 000  | 25 000 000 | 25 000 000 | 52 600 000  |

## INFRASTRUCTURE SERVICES

| Department          | Name   | Strategic Focus Area           | 2022/2023  | 2023/2024 | 2024/2025  | MTREF Total |
|---------------------|--|--------------------------------|------------|-----------|------------|-------------|
| Electrical Services | Cable replacement 66kV   | Valley of Possibility          | -          | -         | 400 000    | 400 000     |
| Electrical Services | DSM Geysers Control  | Green and Sustainable Valley   | 450 000    | 450 000   | 450 000    | 1 350 000   |
| Electrical Services | Electricity Network: Pniel                                     | Valley of Possibility          | 3 500 000  | 3 500 000 | 3 500 000  | 10 500 000  |
| Electrical Services | Electrification INEP   | Valley of Possibility          | -          | 6 000 000 | 6 269 000  | 12 269 000  |
| Electrical Services | Energy Balancing - Metering and Mini-Substations               | Valley of Possibility          | 250 000    | 250 000   | 250 000    | 750 000     |
| Electrical Services | Energy Efficiency and Demand Side Management                   | Green and Sustainable Valley   | 1 000 000  | 1 000 000 | 1 000 000  | 3 000 000   |
| Electrical Services | Enkanini Informal Phase 3                                      | Valley of Possibility          | 24 050 000 | -         | -          | 24 050 000  |
| Electrical Services | Feeder cable (Watergang to Enkanini) 11kV 95cu                 | Valley of Possibility          | 4 300 000  | -         | -          | 4 300 000   |
| Electrical Services | General System Improvements - Franschoek                       | Valley of Possibility          | 2 000 000  | 2 000 000 | 2 000 000  | 6 000 000   |
| Electrical Services | General Systems Improvements - Stellenbosch                    | Valley of Possibility          | 3 700 000  | 3 800 000 | 4 000 000  | 11 500 000  |
| Electrical Services | Infrastructure Improvement - Franschoek                        | Valley of Possibility          | 1 500 000  | 1 500 000 | 1 500 000  | 4 500 000   |
| Electrical Services | Jan Marais Upgrade: Remove Existing Tx and replace with 20MVA  | Valley of Possibility          | 6 600 000  | -         | -          | 6 600 000   |
| Electrical Services | Kayamandi(Costa grounds)new substation 11 kV switching station | Valley of Possibility          | -          | 300 000   | 30 000 000 | 30 300 000  |
| Electrical Services | Laterra Substation   | Valley of Possibility          | 14 200 000 | 100 000   | 225 680    | 14 525 680  |
| Electrical Services | Masterplan update  | Valley of Possibility          | 600 000    | -         | -          | 600 000     |
| Electrical Services | Meter Panels   | Green and Sustainable Valley   | 250 000    | 250 000   | 250 000    | 750 000     |
| Electrical Services | Network Cable Replace 11 Kv                                    | Valley of Possibility          | 3 000 000  | 3 000 000 | 3 000 000  | 9 000 000   |
| Electrical Services | Replace Control Panels 66 kV & Circuit breakers                | Green and Sustainable Valley   | -          | -         | 8 600 000  | 8 600 000   |
| Electrical Services | Replace Ineffective Meters                                     | Green and Sustainable Valley   | 150 000    | 250 000   | -          | 400 000     |
| Electrical Services | Replace Switchgear - Franschoek                                | Green and Sustainable Valley   | -          | -         | 9 500 000  | 9 500 000   |
| Electrical Services | Small Capital: Fte Electrical Services                         | Good Governance and Compliance | 100 000    | 100 000   | 100 000    | 300 000     |

## INFRASTRUCTURE SERVICES

| Department                           | Name  | Strategic Focus Area           | 2022/2023  | 2023/2024  | 2024/2025  | MTREF Total |
|--------------------------------------|---|--------------------------------|------------|------------|------------|-------------|
| Electrical Services                  | STB Switchgear (11kV) SF6   | Valley of Possibility          | -          | -          | 27 606 738 | 27 606 738  |
| Electrical Services                  | Substation 66kV equipment   | Good Governance and Compliance | 4 381 104  | 2 184 000  | 2 295 974  | 8 861 078   |
| Electrical Services                  | System Control Centre & Upgrade Telemetry                             | Good Governance and Compliance | 1 715 230  | 3 000 000  | 2 075 428  | 6 790 658   |
| Electrical Services                  | Third transformer and associated works 20MVA Cloeteville              | Valley of Possibility          | -          | -          | 550 000    | 550 000     |
| Electrical Services                  | Upgrade transformers at Main substation 7.5MVA to 20MVA               | Valley of Possibility          | -          | -          | 500 000    | 500 000     |
| Electrical Services                  | Upgrading of Offices Beltana  | Valley of Possibility          | 500 000    | 500 000    | 500 000    | 1 500 000   |
| Electrical Services                  | Vehicles: Electrical Services   | Dignified Living               | -          | -          | 2 800 000  | 2 800 000   |
| Project Management Unit (PMU)        | Kayamandi: Zone O (±711 services)                                     | Dignified Living               | 13 350 000 | 6 000 000  | -          | 19 350 000  |
| Project Management Unit (PMU)        | Langrug Franschoek Mooiwater Dam Rehab & Basic Services               | Dignified Living               | 4 500 000  | 15 180 000 | -          | 19 680 000  |
| Water and Wastewater Services: Water | Bulk Water Supply Klapmuts  | Valley of Possibility          | 5 000 000  | -          | -          | 5 000 000   |
| Water and Wastewater Services: Water | Bulk Water Supply Pipe: Cloeteville/ Idas Valley                      | Valley of Possibility          | -          | -          | 1 000 000  | 1 000 000   |
| Water and Wastewater Services: Water | Bulk Water Supply Pipe and Reservoir: Kayamandi                       | Valley of Possibility          | -          | 1 500 000  | 40 000 000 | 41 500 000  |
| Water and Wastewater Services: Water | Bulk Water Supply Pipe Line & Pumpstations: Franschoek                | Valley of Possibility          | -          | 10 000 000 | -          | 10 000 000  |
| Water and Wastewater Services: Water | Bulk Water Supply Pipe: Idas Valley/Papegaaiberg and Network Upgrades | Valley of Possibility          | -          | 1 000 000  | 1 000 000  | 2 000 000   |
| Water and Wastewater Services: Water | Bulk Water Supply Pipeline & Reservoir - Jamestown                    | Valley of Possibility          | 6 000 000  | 15 500 000 | -          | 21 500 000  |
| Water and Wastewater Services: Water | Bulk Water Upgrades Franschoek  | Valley of Possibility          | -          | -          | 1 000 000  | 1 000 000   |
| Water and Wastewater Services: Water | Chlorination Installation: Upgrade                                    | Valley of Possibility          | 1 000 000  | 2 000 000  | 2 000 000  | 5 000 000   |
| Water and Wastewater Services: Water | Dwarsriver Bulk Supply Augmentation and Network Upgrades              | Valley of Possibility          | 550 000    | 7 000 000  | -          | 7 550 000   |
| Water and Wastewater Services: Water | Furniture, Tools & Equipment: Water                                   | Dignified Living               | 150 000    | 150 000    | 150 000    | 450 000     |
| Water and Wastewater Services: Water | New Developments Bulk Water Supply WC024                              | Valley of Possibility          | -          | 3 000 000  | 3 500 000  | 6 500 000   |
| Water and Wastewater Services: Water | New Reservoir & Pipeline: Vlottenburg                                 | Valley of Possibility          | 20 569 470 | 39 000 000 | 45 000 000 | 104 569 470 |

## INFRASTRUCTURE SERVICES

| Department                                | Name   | Strategic Focus Area  | 2022/2023  | 2023/2024  | 2024/2025  | MTREF Total |
|---|--|-----------------------|------------|------------|------------|-------------|
| Water and Wastewater Services: Water      | Reservoirs and Dam Safety                                    | Valley of Possibility | 1 500 000  | 2 000 000  | -          | 3 500 000   |
| Water and Wastewater Services: Water      | Update Water Masterplan                                      | Valley of Possibility | 1 000 000  | 1 000 000  | 1 000 000  | 3 000 000   |
| Water and Wastewater Services: Water      | Upgrade and Replace Water Meters                             | Valley of Possibility | 2 500 000  | 2 500 000  | -          | 5 000 000   |
| Water and Wastewater Services: Water      | Vehicles: Water  | Dignified Living      | -          | -          | 1 000 000  | 1 000 000   |
| Water and Wastewater Services: Water      | Water Conservation & Demand Management                       | Valley of Possibility | 2 000 000  | 2 000 000  | 2 000 000  | 6 000 000   |
| Water and Wastewater Services: Water      | Water Telemetry Upgrade                                      | Valley of Possibility | 1 500 000  | 1 500 000  | 1 500 000  | 4 500 000   |
| Water and Wastewater Services: Water      | Water Treatment Works: Franschhoek                           | Valley of Possibility | 500 000    | 2 500 000  | -          | 3 000 000   |
| Water and Wastewater Services: Water      | Water Treatment Works: Idasvalley                            | Valley of Possibility | -          | 1 000 000  | 3 000 000  | 4 000 000   |
| Water and Wastewater Services: Water      | Waterpipe Replacement  | Valley of Possibility | 4 000 000  | 4 000 000  | 4 000 000  | 12 000 000  |
| Water and Wastewater Services: Water      | WSDP (tri-annually)  | Valley of Possibility | 400 000    | 400 000    | -          | 800 000     |
| Water and Wastewater Services: Sanitation | New Development Bulk Sewer Supply WC024                      | Valley of Possibility | 1 000 000  | 2 000 000  | 2 000 000  | 5 000 000   |
| Water and Wastewater Services: Sanitation | Sewerpipe Replacement: Dorp Straat                           | Dignified Living      | -          | 2 000 000  | 18 000 000 | 20 000 000  |
| Water and Wastewater Services: Sanitation | Sewer Pumpstation & Telemetry Upgrade                        | Dignified Living      | 500 000    | 500 000    | -          | 1 000 000   |
| Water and Wastewater Services: Sanitation | Sewerpipe Replacement  | Dignified Living      | 4 000 000  | 4 000 000  | 4 000 000  | 12 000 000  |
| Water and Wastewater Services: Sanitation | Specialized Vehicles: Sanitation                             | Dignified Living      | -          | -          | 4 500 000  | 4 500 000   |
| Water and Wastewater Services: Sanitation | Update Sewer Masterplan                                      | Dignified Living      | 500 000    | 500 000    | 500 000    | 1 500 000   |
| Water and Wastewater Services: Sanitation | Compilation of Water Service Development Plan (tri-annually) | Dignified Living      | 300 000    | 300 000    | 300 000    | 900 000     |
| Water and Wastewater Services: Sanitation | Upgrade of WWTW: Pniel & Decommissioning Of Franschhoek      | Dignified Living      | 14 000 000 | -          | -          | 14 000 000  |
| Water and Wastewater Services: Sanitation | Upgrade of WWTW: Klapmuts                                    | Dignified Living      | 7 500 000  | 8 500 000  | -          | 16 000 000  |
| Water and Wastewater Services: Sanitation | Upgrade of WWTW Wemmershoek                                  | Dignified Living      | 17 500 000 | 17 500 000 | 17 500 000 | 52 500 000  |
| Water and Wastewater Services: Sanitation | Extention Of WWTW: Stellenbosch                              | Dignified Living      | -          | 2 000 000  | 4 000 000  | 6 000 000   |

## INFRASTRUCTURE SERVICES

| Department                                | Name   | Strategic Focus Area  | 2022/2023  | 2023/2024 | 2024/2025  | MTREF Total |
|---|--|-----------------------|------------|-----------|------------|-------------|
| Water and Wastewater Services: Sanitation | Refurbish Plant & Equipment - Raithby WWTW                         | Dignified Living      | 2 000 000  | 4 000 000 | 1 000 000  | 7 000 000   |
| Water and Wastewater Services: Sanitation | Furniture, Tools & Equipment: Sanitation                           | Dignified Living      | 300 000    | 300 000   | 400 000    | 1 000 000   |
| Water and Wastewater Services: Sanitation | Upgrade Laboratory Equipment                                       | Dignified Living      | -          | -         | 500 000    | 500 000     |
| Water and Wastewater Services: Sanitation | Upgrade Auto-Samplers  | Dignified Living      | 200 000    | 200 000   | -          | 400 000     |
| Water and Wastewater Services: Sanitation | Cloetesville Bulk Sewer Upgrade                                    | Dignified Living      | -          | 1 000 000 | -          | 1 000 000   |
| Water and Wastewater Services: Sanitation | Dorp Street Bulk Sewer Upgrade                                     | Dignified Living      | -          | -         | 500 000    | 500 000     |
| Water and Wastewater Services: Sanitation | Effluent Recycling of Waste Water 10MI per day                     | Dignified Living      | 500 000    | -         | -          | 500 000     |
| Water and Wastewater Services: Sanitation | Franschhoek Sewer Network Upgrade (Langrug/Mooiwater)              | Dignified Living      | 6 000 000  | 6 000 000 | -          | 12 000 000  |
| Water and Wastewater Services: Sanitation | Industrial Effluent Monitoring                                     | Dignified Living      | 1 500 000  | 1 500 000 | -          | 3 000 000   |
| Water and Wastewater Services: Sanitation | Kayamandi Bulk Sewer   | Dignified Living      | -          | 5 000 000 | -          | 5 000 000   |
| Water and Wastewater Services: Sanitation | Vehicles: Sanitation   | Dignified Living      | 1 500 000  | -         | 2 500 000  | 4 000 000   |
| Roads and Stormwater                      | Adhoc Reconstruction Of Roads (WC024)                              | Valley of Possibility | 3 000 000  | 3 000 000 | 3 000 000  | 9 000 000   |
| Roads and Stormwater                      | Bridge Construction  | Valley of Possibility | 15 000 000 | 5 000 000 | -          | 20 000 000  |
| Roads and Stormwater                      | Devon Valley Rd  | Valley of Possibility | -          | 700 000   | -          | 700 000     |
| Roads and Stormwater                      | Furniture, Tools & Equipment: Rds&Stw                              | Dignified Living      | 400 000    | 400 000   | 400 000    | 1 200 000   |
| Roads and Stormwater                      | Gravel Roads Devon Valley - Safety Improvements Structural Repairs | Valley of Possibility | -          | -         | 500 000    | 500 000     |
| Roads and Stormwater                      | Klapmuts Transport Network   | Valley of Possibility | -          | 600 000   | -          | 600 000     |
| Roads and Stormwater                      | Lanquedoc Access road and Bridge                                   | Valley of Possibility | -          | 5 000 000 | 15 000 000 | 20 000 000  |
| Roads and Stormwater                      | Parking Area Upgrades - Franschhoek                                | Valley of Possibility | 711 442    | -         | -          | 711 442     |
| Roads and Stormwater                      | Parking Area Upgrades - Stellenbosch                               | Valley of Possibility | 800 000    | -         | -          | 800 000     |
| Roads and Stormwater                      | Reseal Roads - Klapmuts & Surrounding                              | Valley of Possibility | -          | 1 250 000 | -          | 1 250 000   |

## INFRASTRUCTURE SERVICES

| Department           | Name   | Strategic Focus Area  | 2022/2023 | 2023/2024  | 2024/2025 | MTREF Total |
|----------------------|--|-----------------------|-----------|------------|-----------|-------------|
| Roads and Stormwater | Reseal Roads - Kylemore & Surrounding                              | Valley of Possibility | 1 500 000 | -          | -         | 1 500 000   |
| Roads and Stormwater | Reseal Roads - Stellenbosch & Surrounding                          | Valley of Possibility | 4 000 000 | 5 000 000  | 5 000 000 | 14 000 000  |
| Roads and Stormwater | Reseal Roads - Franschhoek & Surrounding                           | Valley of Possibility | -         | 2 000 000  | -         | 2 000 000   |
| Roads and Stormwater | River Rehabilitation Implementation                                | Valley of Possibility | -         | 1 000 000  | -         | 1 000 000   |
| Roads and Stormwater | Rivers Rehabilitation Planning & Design                            | Valley of Possibility | 500 000   | -          | -         | 500 000     |
| Roads and Stormwater | Specialized Vehicles: Roads  | Dignified Living      | -         | 2 500 000  | 2 000 000 | 4 500 000   |
| Roads and Stormwater | Stormwater Drainage - Kayamandi and Enkanini                       | Valley of Possibility | -         | 2 000 000  | 2 276 665 | 4 276 665   |
| Roads and Stormwater | Stormwater Retention Facilities                                    | Valley of Possibility | -         | -          | 1 500 000 | 1 500 000   |
| Roads and Stormwater | Update Pavement Management System                                  | Valley of Possibility | -         | 1 000 000  | -         | 1 000 000   |
| Roads and Stormwater | Update Stormwater Masterplan                                       | Valley of Possibility | -         | 1 000 000  | -         | 1 000 000   |
| Roads and Stormwater | Wilderbosch Extension to Trumali                                   | Valley of Possibility | 1 500 000 | -          | -         | 1 500 000   |
| Traffic Engineering  | Bird Street Dualling - Adam Tas to Kayamandi                       | Valley of Possibility | 500 000   | 500 000    | 5 000 000 | 6 000 000   |
| Traffic Engineering  | Endler & Martinson Street Intersection Upgrade                     | Valley of Possibility | 1 000 000 | -          | -         | 1 000 000   |
| Traffic Engineering  | Furniture, Tools & Equipment: Traffic Engineering                  | Dignified Living      | 150 000   | 150 000    | 150 000   | 450 000     |
| Traffic Engineering  | Jamestown Transport Network  | Valley of Possibility | 3 000 000 | 3 000 000  | -         | 6 000 000   |
| Traffic Engineering  | Main Road Intersection Improvements: Franschhoek                   | Valley of Possibility | 3 000 000 | 10 000 000 | -         | 13 000 000  |
| Traffic Engineering  | Main Road Intersection Improvements: Franschhoek                   | Valley of Possibility | -         | -          | 2 129 950 | 2 129 950   |
| Traffic Engineering  | Main road intersection improvements: Helshoogte rd/La Colline      | Valley of Possibility | 3 000 000 | 3 000 000  | -         | 6 000 000   |
| Traffic Engineering  | Main Road Intersection Improvements: R44 / Merriman Street         | Valley of Possibility | 1 000 000 | -          | 4 000 000 | 5 000 000   |
| Traffic Engineering  | Main Road Intersection Improvements: Strand / Adam Tas / Alexander | Valley of Possibility | 1 000 000 | -          | 4 000 000 | 5 000 000   |
| Traffic Engineering  | Optic Fibre for Traffic Signal Remote Management System            | Valley of Possibility | 500 000   | 500 000    | -         | 1 000 000   |



## INFRASTRUCTURE SERVICES

| Department          | Name  | Strategic Focus Area           | 2022/2023 | 2023/2024  | 2024/2025 | MTREF Total |
|---------------------|---|--------------------------------|-----------|------------|-----------|-------------|
| Traffic Engineering | Pedestrian Crossing Implementation  | Safe Valley                    | 300 000   | 300 000    | -         | 600 000     |
| Traffic Engineering | Raised Intersection Implementation  | Safe Valley                    | 600 000   | -          | 600 000   | 1 200 000   |
| Traffic Engineering | Road Safety Improvements  | Safe Valley                    | -         | -          | 500 000   | 500 000     |
| Traffic Engineering | Signalisation implementation  | Safe Valley                    | 500 000   | 500 000    | -         | 1 000 000   |
| Traffic Engineering | Specialized Equipment: Roadmarking Machine + Trailer  | Safe Valley                    | -         | -          | 500 000   | 500 000     |
| Traffic Engineering | Traffic Calming Projects: Implementation  | Safe Valley                    | 300 000   | 300 000    | -         | 600 000     |
| Traffic Engineering | Traffic Management Improvement Programme  | Safe Valley                    | 1 000 000 | 1 000 000  | -         | 2 000 000   |
| Traffic Engineering | Traffic Signal Control: Installation and Upgrading of Traffic Signals and Associated Components     | Safe Valley                    | 1 500 000 | 500 000    | 500 000   | 2 500 000   |
| Traffic Engineering | Universal Access Implementation   | Valley of Possibility          | 200 000   | 200 000    | -         | 400 000     |
| Transport Planning  | Adam Tas - Technopark Link Road   | Safe Valley                    | 3 000 000 | 3 000 000  | 5 000 000 | 11 000 000  |
| Transport Planning  | Adam Tas - Corridor Transport   | Safe Valley                    | 500 000   | 1 000 000  | -         | 1 500 000   |
| Transport Planning  | Bicycle Lockup Facilities   | Safe Valley                    | 300 000   | 300 000    | -         | 600 000     |
| Transport Planning  | Comprehensive Integrated Transport Plan   | Green and Sustainable Valley   | 600 000   | 600 000    | 600 000   | 1 800 000   |
| Transport Planning  | Continued feasibility studies to establish a transport operating company                            | Safe Valley                    | -         | -          | 600 000   | 600 000     |
| Transport Planning  | Cycle Plan - Design & Implementation  | Safe Valley                    | 500 000   | 500 000    | -         | 1 000 000   |
| Transport Planning  | Development of business model for a Transport service for persons with disabilities in Stellenbosch | Safe Valley                    | 600 000   | -          | -         | 600 000     |
| Transport Planning  | Freight Strategy for Stellenbosch & Franschhoek   | Safe Valley                    | -         | 500 000    | -         | 500 000     |
| Transport Planning  | Khayamandi Pedestrian Bridge (R304, River and Railway Line)   | Safe Valley                    | 9 000 000 | 16 000 000 | -         | 25 000 000  |
| Transport Planning  | Non-Motorised Transport Implementation  | Good Governance and Compliance | 1 000 000 | 1 000 000  | -         | 2 000 000   |
| Transport Planning  | Park and Ride (Transport Interchange)   | Safe Valley                    | 250 000   | 250 000    | -         | 500 000     |
| Transport Planning  | Pedestrian Streets in Stellenbosch  | Safe Valley                    | -         | -          | 1 700 000 | 1 700 000   |

## INFRASTRUCTURE SERVICES

| Department                    | Name  | Strategic Focus Area           | 2022/2023          | 2023/2024          | 2024/2025          | MTREF Total          |
|-------------------------------|---|--------------------------------|--------------------|--------------------|--------------------|----------------------|
| Transport Planning            | Public Transport Infrastructure ( Public Transport Shelters & Embayments) | Valley of Possibility          | -                  | -                  | 400 000            | 400 000              |
| Transport Planning            | Public Transport Planning - WC024   | Valley of Possibility          | -                  | 600 000            | -                  | 600 000              |
| Transport Planning            | Public Transport Service (Inclusive of Disabled)                          | Valley of Possibility          | -                  | -                  | 500 000            | 500 000              |
| Transport Planning            | Re-design of Bergzicht Public Transport Facility                          | Valley of Possibility          | 2 500 000          | -                  | -                  | 2 500 000            |
| Transport Planning            | Stellenbosch - Bicycle network  | Valley of Possibility          | 500 000            | 1 000 000          | -                  | 1 500 000            |
| Transport Planning            | Stellenbosch Tour Bus Parking   | Valley of Possibility          | 200 000            | 600 000            | -                  | 800 000              |
| Transport Planning            | Technopark Kerb and Channel Upgrade                                       | Safe Valley                    | -                  | -                  | 1 500 000          | 1 500 000            |
| Transport Planning            | Update Roads Master Plan for WC024  | Good Governance and Compliance | -                  | -                  | 2 000 000          | 2 000 000            |
| Project Management Unit (PMU) | Upgrading of The Steps/Orlean Lounge                                      | Dignified Living               | 3 500 000          | -                  | -                  | 3 500 000            |
|                               |   |                                | <b>325 047 246</b> | <b>367 027 375</b> | <b>371 428 435</b> | <b>1 063 503 056</b> |

**CAPITAL BUDGET 2022 - 2025**  
**COMMUNITY AND PROTECTION SERVICES**

| Department                           | Name   | Strategic Focus Area           | 2022/2023 | 2023/2024 | 2024/2025 | MTREF Total |
|--------------------------------------|--|--------------------------------|-----------|-----------|-----------|-------------|
| Community Development                | Furniture, Tools & Equipment: Comm Development | Good Governance and Compliance | 50 000    | 55 000    | 60 000    | 165 000     |
| Community Services: Library Services | Furniture, Tools & Equipment: Pniel Library    | Good Governance and Compliance | -         | 20 000    | -         | 20 000      |
| Community Services: Library Services | Library Books                                  | Good Governance and Compliance | 180 000   | -         | -         | 180 000     |
| Community Services: Library Services | Upgrading: Cloetesville Library                | Dignified Living               | -         | 180 000   | -         | 180 000     |
| Halls                                | Community Hall                                 | Dignified Living               | -         | 200 000   | 1 500 000 | 1 700 000   |
| Halls                                | Furniture, Tools & Equipment: Halls            | Good Governance and Compliance | 150 000   | 150 000   | -         | 300 000     |
| Halls                                | Upgrading of Halls                             | Dignified Living               | -         | -         | 250 000   | 250 000     |
| Sports Grounds and Picnic Sites      | Borehole: Rural Sportsgrounds                  | Dignified Living               | -         | -         | 1 100 000 | 1 100 000   |
| Sports Grounds and Picnic Sites      | Cricket/Tennis Nets                            | Valley of Possibility          | 150 000   | -         | -         | 150 000     |
| Sports Grounds and Picnic Sites      | Fencing of Netball Courts                      | Safe Valley                    | -         | 350 000   | -         | 350 000     |
| Sports Grounds and Picnic Sites      | Fencing: Sport Grounds (WC024)                 | Safe Valley                    | -         | -         | 1 750 000 | 1 750 000   |
| Sports Grounds and Picnic Sites      | Furniture, Tools & Equipment: Sports           | Good Governance and Compliance | -         | -         | 400 000   | 400 000     |
| Sports Grounds and Picnic Sites      | Install Prepaid Meters at Sports Facilities    | Dignified Living               | -         | -         | 200 000   | 200 000     |
| Sports Grounds and Picnic Sites      | Installation of Boreholes                      | Dignified Living               | -         | -         | 1 500 000 | 1 500 000   |
| Sports Grounds and Picnic Sites      | Jonkershoek Picnic Site upgrades               | Valley of Possibility          | 250 000   | 500 000   | -         | 750 000     |
| Sports Grounds and Picnic Sites      | Kayamandi Sports Ground                        | Dignified Living               | -         | 300 000   | -         | 300 000     |
| Sports Grounds and Picnic Sites      | La Motte Open Air Gym                          | Dignified Living               | -         | 300 000   | -         | 300 000     |
| Sports Grounds and Picnic Sites      | Recreational Equipment Sport                   | Valley of Possibility          | 50 000    | -         | -         | 50 000      |
| Sports Grounds and Picnic Sites      | Re-Surface of Netball/Tennis Courts            | Valley of Possibility          | 550 000   | -         | -         | 550 000     |
| Sports Grounds and Picnic Sites      | Sight Screens/Pitch Covers Sports Grounds      | Valley of Possibility          | 100 000   | -         | -         | 100 000     |
| Sports Grounds and Picnic Sites      | Sport Special Equipment                        | Valley of Possibility          | 300 000   | -         | -         | 300 000     |
| Sports Grounds and Picnic Sites      | Upgrade of Irrigation System                   | Green and Sustainable Valley   | 200 000   | -         | -         | 200 000     |

## COMMUNITY AND PROTECTION SERVICES

| Department                               | Name   | Strategic Focus Area           | 2022/2023 | 2023/2024 | 2024/2025 | MTREF Total |
|--|--|--------------------------------|-----------|-----------|-----------|-------------|
| Sports Grounds and Picnic Sites          | Upgrade of netball courts                                      | Dignified Living               | -         | -         | 1 000 000 | 1 000 000   |
| Sports Grounds and Picnic Sites          | Upgrade of Sport Facilities                                    | Dignified Living               | 3 561 030 | 3 561 030 | 3 000 000 | 10 122 060  |
| Environmental Management: Implementation | Botmaskop: Security Fencing                                    | Safe Valley                    | 3 500 000 | -         | -         | 3 500 000   |
| Environmental Management: Urban Forestry | Design and implement electronic Urban Forestry management tool | Good Governance and Compliance | 250 000   | 250 000   | 250 000   | 750 000     |
| Environmental Management: Implementation | Furniture, Tools & Equipment: Environmental Management         | Green and Sustainable Valley   | 100 000   | -         | -         | 100 000     |
| Environmental Management: Urban Forestry | Furniture, Tools & Equipment: Urban Forestry                   | Valley of Possibility          | 500 000   | -         | 1 500 000 | 2 000 000   |
| Environmental Management: Implementation | Jonkershoek Picnic Site: Upgrade of Facilities.                | Green and Sustainable Valley   | -         | 700 000   | -         | 700 000     |
| Environmental Management: Implementation | Mont Rochelle Nature Reserve: Upgrade of Facilities            | Good Governance and Compliance | -         | 1 000 000 | -         | 1 000 000   |
| Environmental Management: Implementation | Papegaaiberg Nature Reserve                                    | Good Governance and Compliance | 870 000   | -         | -         | 870 000     |
| Environmental Management: Urban Forestry | Specialized equipment: Urban Forestry                          | Good Governance and Compliance | 750 000   | -         | 1 500 000 | 2 250 000   |
| Environmental Management: Implementation | Specialized Equipment: Workshop                                | Good Governance and Compliance | 750 000   | -         | 1 500 000 | 2 250 000   |
| Environmental Management: Implementation | Specialized Vehicles: Workshop                                 | Good Governance and Compliance | 800 000   | 800 000   | -         | 1 600 000   |
| Environmental Management: Implementation | Vehicle Fleet: Workshop  | Good Governance and Compliance | -         | -         | 100 000   | 100 000     |
| Environmental Management: Implementation | Workshop: Upgrading of facilities                              | Good Governance and Compliance | -         | -         | 3 500 000 | 3 500 000   |
| Cemeteries                               | Extension of Cemetery Infrastructure                           | Dignified Living               | 7 000 000 | 9 000 000 | -         | 16 000 000  |
| Cemeteries                               | New cemetery in Klapmuts area                                  | Dignified Living               | -         | 500 000   | -         | 500 000     |
| Cemeteries                               | Vehicle Fleet: Cemeteries                                      | Good Governance and Compliance | -         | -         | 500 000   | 500 000     |
| Parks and Cemeteries                     | Beautification of Parks and Cemeteries                         | Green and Sustainable Valley   | -         | 300 000   | 800 000   | 1 100 000   |
| Parks and Cemeteries                     | Fencing :Parks and Gardens                                     | Safe Valley                    | -         | 200 000   | 200 000   | 400 000     |
| Parks and Cemeteries                     | Furniture, Tools & Equipment: Parks & Cemeteries               | Good Governance and Compliance | -         | -         | 50 000    | 50 000      |
| Parks and Cemeteries                     | Irrigation Systems   | Green and Sustainable Valley   | 100 000   | -         | -         | 100 000     |
| Parks and Cemeteries                     | Nursery: Facilities upgrade                                    | Green and Sustainable Valley   | 50 000    | -         | -         | 50 000      |
| Parks and Cemeteries                     | Pathways: Parks and Gardens                                    | Green and Sustainable Valley   | 200 000   | -         | -         | 200 000     |

## COMMUNITY AND PROTECTION SERVICES

| Department                   | Name   | Strategic Focus Area           | 2022/2023         | 2023/2024         | 2024/2025         | MTREF Total       |
|------------------------------|--|--------------------------------|-------------------|-------------------|-------------------|-------------------|
| Parks and Cemeteries         | Upgrading of Parks   | Green and Sustainable Valley   | 1 165 928         | -                 | -                 | 1 165 928         |
| Parks and Cemeteries         | Vehicle Fleet: Parks & Cemeteries  | Good Governance and Compliance | -                 | -                 | 1 000 000         | 1 000 000         |
| Disaster Management          | Specialized Vehicles: Disaster Management  | Safe Valley                    | 1 500 000         | -                 | -                 | 1 500 000         |
| Fire and Rescue Services     | Furniture, Tools & Equipment: Fire   | Good Governance and Compliance | 200 000           | 200 000           | 50 000            | 450 000           |
| Fire and Rescue Services     | Specialized Vehicles: Fire   | Safe Valley                    | -                 | 2 500 000         | -                 | 2 500 000         |
| Fire and Rescue Services     | Fire Station - Jamestown   | Safe Valley                    | 200 000           | 300 000           | 1 000 000         | 1 500 000         |
| Law Enforcement and Security | Furniture, Tools & Equipment: Law Enforcement  | Good Governance and Compliance | 150 000           | 150 000           | 200 000           | 500 000           |
| Law Enforcement and Security | Install and Upgrade CCTV/ LPR Cameras In WC024                                       | Safe Valley                    | 1 000 000         | 1 000 000         | 2 000 000         | 4 000 000         |
| Law Enforcement and Security | Install Computerized Access Security Systems and CCTV Cameras At Municipal Buildings | Safe Valley                    | 1 200 000         | 1 200 000         | 1 000 000         | 3 400 000         |
| Law Enforcement and Security | Law Enforcement Tools and Equipment  | Safe Valley                    | 300 000           | -                 | 300 000           | 600 000           |
| Law Enforcement and Security | Neighborhood Watch Safety equipment  | Safe Valley                    | 500 000           | 250 000           | 250 000           | 1 000 000         |
| Law Enforcement and Security | Security Upgrades  | Safe Valley                    | -                 | -                 | 650 000           | 650 000           |
| Law Enforcement and Security | Vehicle Fleet: Law Enforcement   | Good Governance and Compliance | -                 | -                 | 2 500 000         | 2 500 000         |
| Traffic Services             | Furniture, Tools & Equipment: Traffic Services                                       | Good Governance and Compliance | 224 000           | 130 000           | 45 000            | 399 000           |
| Traffic Services             | Specialized Equipment: Traffic   | Good Governance and Compliance | -                 | -                 | 1 500 000         | 1 500 000         |
| Traffic Services             | Specialized Vehicles: Traffic  | Good Governance and Compliance | -                 | -                 | 1 200 000         | 1 200 000         |
| Traffic Services             | Vehicle Fleet: Traffic   | Good Governance and Compliance | -                 | 1 750 000         | -                 | 1 750 000         |
|                              |  |                                | <b>26 850 958</b> | <b>25 846 030</b> | <b>32 355 000</b> | <b>85 051 988</b> |

**CAPITAL BUDGET 2022 - 2025  
CORPORATE SERVICES**

| Department                                      | Name  | Strategic Focus Area           | 2022/2023         | 2023/2024         | 2024/2025         | MTREF Total       |
|---|---|--------------------------------|-------------------|-------------------|-------------------|-------------------|
| Information and Communications Technology (ICT) | Public WI-FI Network  | Valley of Possibility          | 700 000           | 700 000           | 700 000           | 2 100 000         |
| Information and Communications Technology (ICT) | Purchase and Replacement of Computer/software and Peripheral devices                        | Good Governance and Compliance | 600 000           | 800 000           | 800 000           | 2 200 000         |
| Information and Communications Technology (ICT) | Upgrade and Expansion of IT Infrastructure Platforms (Including council chambers and fibre) | Good Governance and Compliance | 5 500 000         | 3 500 000         | 3 500 000         | 12 500 000        |
| Properties and Municipal Building Maintenance   | Airconditioners   | Dignified Living               | 300 000           | 300 000           | 500 000           | 1 100 000         |
| Properties and Municipal Building Maintenance   | Early Childhood Development Centre  | Valley of Possibility          | 500 000           | -                 | -                 | 500 000           |
| Properties and Municipal Building Maintenance   | Upgrade facilities for the Disabled   | Dignified Living               | 200 000           | 200 000           | 300 000           | 700 000           |
| Properties and Municipal Building Maintenance   | Flats: Interior Upgrading - Kayamandi   | Dignified Living               | 500 000           | 1 000 000         | 1 000 000         | 2 500 000         |
| Properties and Municipal Building Maintenance   | Furniture, Tools & Equipment: Property Management   | Good Governance and Compliance | 500 000           | 250 000           | 250 000           | 1 000 000         |
| Properties and Municipal Building Maintenance   | Kayamandi: Upgrading of Makapula Hall   | Dignified Living               | 2 000 000         | 1 000 000         | -                 | 3 000 000         |
| Properties and Municipal Building Maintenance   | New Depot: La Motte   | Good Governance and Compliance | -                 | -                 | 300 000           | 300 000           |
| Properties and Municipal Building Maintenance   | Structural Improvement: General   | Valley of Possibility          | 2 000 000         | 2 000 000         | 3 000 000         | 7 000 000         |
| Properties and Municipal Building Maintenance   | Structural improvements at the Van der Stel Sport grounds                                   | Valley of Possibility          | 3 500 000         | -                 | -                 | 3 500 000         |
| Properties and Municipal Building Maintenance   | Structural Maintenance/Upgrade: Beltana   | Valley of Possibility          | -                 | 2 000 000         | 2 000 000         | 4 000 000         |
| Properties and Municipal Building Maintenance   | Structural Upgrade: Economic Hub  | Valley of Possibility          | 2 900 000         | 1 000 000         | -                 | 3 900 000         |
| Properties and Municipal Building Maintenance   | Structural Upgrade: Kayamandi Corridor  | Valley of Possibility          | 500 000           | -                 | -                 | 500 000           |
| Properties and Municipal Building Maintenance   | Structural Upgrade: Heritage Building   | Valley of Possibility          | 3 000 000         | 2 000 000         | 2 000 000         | 7 000 000         |
| Properties and Municipal Building Maintenance   | Upgrade Millenium Hall Pniel  | Dignified Living               | -                 | 200 000           | 800 000           | 1 000 000         |
| Properties and Municipal Building Maintenance   | Upgrading Fencing   | Safe Valley                    | 200 000           | 1 000 000         | 1 000 000         | 2 200 000         |
| Properties and Municipal Building Maintenance   | Upgrading of New Office Space: Ryneveld Street  | Valley of Possibility          | 15 000 000        | -                 | -                 | 15 000 000        |
|   |   |                                | <b>37 900 000</b> | <b>15 950 000</b> | <b>16 150 000</b> | <b>70 000 000</b> |

**CAPITAL BUDGET 2022 - 2025**  
**FINANCIAL SERVICES**

| Department                    | Name                         | Strategic Focus Area           | 2022/2023      | 2023/2024      | 2024/2025      | MTREF Total    |
|-------------------------------|------------------------------|--------------------------------|----------------|----------------|----------------|----------------|
| Financial Management Services | Furniture, Tools & Equipment | Good Governance and Compliance | 250 000        | 250 000        | 250 000        | 750 000        |
|                               |                              |                                | <b>250 000</b> | <b>250 000</b> | <b>250 000</b> | <b>750 000</b> |

**O: LEGISLATION COMPLIANCE**

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

- Budget and Treasury Office - A Budget Office and Treasury Office has been established in accordance with the MFMA.
- Budgeting - The annual budget is prepared in accordance with the requirements prescribed by National Treasury and the MFMA.
- Financial reporting - 100% compliance with regards to monthly, quarterly and annual reporting to the Executive Mayor, Mayoral Committee, Council, Provincial and National Treasury.
- Annual Report - The annual report is prepared in accordance with the MFMA and National Treasury requirements



**P: OTHER SUPPORTING DOCUMENTS**

1. Additional information/schedules in accordance with the budget and reporting regulations:

- SA1 - Supporting detail to Budgeted Financial Performance
- SA2 - Matrix Financial Performance Budget (revenue source/expenditure type and type)
- SA3 - Supporting detail to Budgeted Financial Position
- SA4 - Reconciliation of IDP strategic objectives and budget (revenue)
- SA5 - Reconciliation of IDP strategic objectives and budget (operational 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 (2021/2022)
- SA12b- Property rates by category (2022/2023)
- SA13a Service Tariffs by category
- SA13b Service Tariffs by category-explanatory
- SA14 - Household bills
- SA15 - Investment particulars by type
- SA16 - Investment particulars by maturity
- 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 & benefits (political office bearers/councillors/senior managers)
- SA24 - Summary of personnel numbers
- SA25 - Consolidated budgeted monthly revenue and expenditure
- SA26 - Budgeted monthly revenue and expenditure (municipal vote)

- SA27 - Budgeted monthly revenue and expenditure (functional classification)
- SA28 - Budgeted monthly capital expenditure (municipal vote)
- SA29 - Budgeted monthly capital expenditure (functional classification)
- SA30 - Budgeted monthly cash flow
- SA31 - Not applicable
- SA32 - List of external mechanism
- SA33 - Contracts having future budgetary implications
- SA34a- Capital expenditure on new 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 asset class
- SA34e- Capital expenditure on the upgrading of existing assets by asset class
- SA35 - Future financial implications of the capital budget
- SA36 - Detailed Capital Budget
- SA37 - Projects delayed from previous financial years
- SA38 - Consolidated detailed operational projects

WC024 Stellenbosch - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

| Description  | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>REVENUE ITEMS:</b>  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Property rates</b>  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Total Property Rates   | 6   | 383 004         | 3 264 530       | 1 624 483       | 423 633              | 465 332         | 465 332            | 479 917   | 508 712                | 539 235                |
| <i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i> |     | 46 679          | 49 938          | 53 282          | -                    | 49 665          | 49 665             | 40 059  | 41 668                 | 44 168                 |
| Net Property Rates   |     | 336 325         | 3 214 592       | 1 571 201       | 423 633              | 415 668         | 415 668            | 439 858   | 467 044                | 495 067                |
| <b>Service charges - electricity revenue</b>   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Total Service charges - electricity revenue  | 6   | 542 033         | 5 690 153       | 2 844 811       | 801 930              | 801 930         | 801 930            | 864 448   | 927 567                | 997 609                |
| <i>less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>less Cost of Free Basic Services (50 kwh per indigent household per month)</i>  |     | 10 538          | 13 321          | 14 759          | 14 655               | 14 655          | 14 655             | 15 579  | 16 563                 | 17 608                 |
| Net Service charges - electricity revenue  |     | 531 494         | 5 676 832       | 2 830 052       | 787 275              | 787 275         | 787 275            | 848 869   | 911 005                | 980 001                |
| <b>Service charges - water revenue</b>   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Total Service charges - water revenue  | 6   | 162 940         | 356 744         | 676 156         | 184 204              | 171 586         | 171 586            | 182 280   | 192 794                | 204 361                |
| <i>less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>                                  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>less Cost of Free Basic Services (6 kilolitres per indigent household per month)</i>                                    |     | 15 664          | 21 106          | 25 539          | 17 804               | 5 186           | 5 186              | 5 497   | 5 827                  | 6 177                  |
| Net Service charges - water revenue  |     | 147 276         | 335 638         | 650 618         | 166 400              | 166 400         | 166 400            | 176 783   | 186 967                | 198 185                |
| <b>Service charges - sanitation revenue</b>  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Total Service charges - sanitation revenue   |     | 92 419          | 701 865         | 519 905         | 125 370              | 113 641         | 113 641            | 120 460   | 127 687                | 135 348                |
| <i>less Revenue Foregone (in excess of free sanitation service to indigent households)</i>                                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>less Cost of Free Basic Services (free sanitation service to indigent households)</i>                                   |     | 8 557           | 9 607           | 10 545          | 10 885               | 10 685          | 10 685             | 11 326  | 12 005                 | 12 726                 |
| Net Service charges - sanitation revenue   |     | 83 862          | 692 257         | 509 360         | 114 485              | 102 957         | 102 957            | 109 134   | 115 682                | 122 623                |
| <b>Service charges - refuse revenue</b>  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Total refuse removal revenue   | 6   | 51 571          | 729 448         | 389 065         | 83 640               | 101 904         | 101 904            | 157 717   | 186 695                | 233 236                |
| Total landfill revenue   |     | 3 557           | 2 757           | 14 125          | 4 296                | 4 296           | 4 296              | 4 640   | 5 011                  | 5 412                  |
| <i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>                                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |

| Description  | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>R thousand</b>  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>less Cost of Free Basic Services (removed once a week to indigent households)</i> |     | -               | -               | -               | -                    | 18 264          | 18 264             | 67 385  | 89 137                 | 127 873                |
| Net Service charges - refuse revenue   |     | 55 128          | 732 205         | 403 190         | 87 936               | 87 936          | 87 936             | 94 971  | 102 569                | 110 775                |
| <b>Other Revenue by source</b>   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Fuel Levy</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Other Revenue</i>   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Discontinued Operations</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Rent on Land   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Operational Revenue  |     | 5 671           | 52 648          | 29 012          | 8 396                | 14 116          | 14 116             | 9 604   | 10 103                 | 10 333                 |
| Intercompany/Parent-subsiary Transactions  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Surcharges and Taxes   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sales of Goods and Rendering of Services   |     | 20 020          | 171 102         | 120 020         | 32 923               | 30 723          | 30 723             | 31 708  | 33 158                 | 34 437                 |
| Fuel Levy  | 3   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total 'Other' Revenue</b>   | 1   | 25 691          | 223 750         | 149 032         | 41 319               | 44 839          | 44 839             | 41 313  | 43 262                 | 44 770                 |
| <b>EXPENDITURE ITEMS:</b>  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Employee related costs</b>  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Basic Salaries and Wages   | 2   | 302 433         | 1 503 128       | 1 361 487       | 360 533              | 355 306         | 355 306            | 384 165   | 376 666                | 398 777                |
| Pension and UIF Contributions  |     | 47 734          | 72 831          | 240 760         | 68 553               | 57 782          | 57 782             | 61 481  | 65 175                 | 69 080                 |
| Medical Aid Contributions  |     | 21 652          | 32 054          | 108 944         | 31 650               | 25 497          | 25 497             | 27 138  | 28 766                 | 30 492                 |
| Overtime   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Performance Bonus  |     | 21 802          | 33 000          | 115 647         | 29 798               | 24 836          | 24 836             | 26 437  | 28 023                 | 29 705                 |
| Motor Vehicle Allowance  |     | 9 519           | 13 952          | 56 024          | 12 472               | 10 719          | 10 719             | 11 416  | 12 101                 | 12 827                 |
| Cellphone Allowance  |     | 1 342           | 1 919           | 5 313           | 1 280                | 2 469           | 2 469              | 2 611   | 2 767                  | 2 933                  |
| Housing Allowances   |     | 2 853           | 3 774           | 12 267          | 3 594                | 2 740           | 2 740              | 2 918   | 3 093                  | 3 279                  |
| Other benefits and allowances  |     | 53 047          | 88 308          | 263 699         | 67 289               | 73 328          | 73 328             | 78 089  | 82 774                 | 87 741                 |
| Payments in lieu of leave  |     | 858             | 996             | 6 737           | 2 538                | -               | -                  | -   | -                      | -                      |
| Long service awards  |     | 4 840           | 51 190          | 7 105           | 1 206                | 4 226           | 4 226              | 4 501   | 4 771                  | 5 057                  |
| Post-retirement benefit obligations  | 4   | (4 425)         | 430 751         | 118 807         | 28 545               | 20 859          | 20 859             | 25 707  | 27 249                 | 28 884                 |
| <i>sub-total</i>   | 5   | 461 655         | 2 231 903       | 2 296 790       | 607 458              | 577 762         | 577 762            | 624 464   | 631 387                | 668 777                |
| <b>Less: Employees costs capitalised to PPE</b>                                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Employee related costs</b>  | 1   | 461 655         | 2 231 903       | 2 296 790       | 607 458              | 577 762         | 577 762            | 624 464   | 631 387                | 668 777                |
| <b>Contributions recognised - capital</b>  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>List contributions by contract</i>  |     | 13 251          | 10 427          | 13 658          | -                    | 16 355          | 16 355             | 33 254  | 39 782                 | 50 310                 |
| <b>Total Contributions recognised - capital</b>                                      |     | 13 251          | 10 427          | 13 658          | -                    | 16 355          | 16 355             | 33 254  | 39 782                 | 50 310                 |
| <b>Depreciation &amp; asset impairment</b>   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Depreciation of Property, Plant & Equipment  |     | 189 565         | 1 817 714       | 799 212         | 209 550              | 209 550         | 209 550            | 220 028   | 231 029                | 242 580                |
| Lease amortisation   |     | 1 848           | 2 983           | 9 887           | 1 991                | 1 991           | 1 991              | 2 091   | 2 195                  | 2 305                  |

| Description                                       | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>R thousand</b>                                 |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Capital asset impairment                          | 10  | 1 706           | 73              | -               | -                    | -               | -                  | -   | -                      | -                      |
| Depreciation resulting from revaluation of PPE    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Depreciation &amp; asset impairment</b>  | 1   | 193 119         | 1 820 770       | 809 099         | 211 541              | 211 541         | 211 541            | 222 118   | 233 224                | 244 885                |
| <b>Bulk purchases</b>                             |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Electricity Bulk Purchases                        | 1   | 350 008         | 414 765         | 1 788 496       | 507 699              | 507 699         | 507 699            | 551 412   | 598 889                | 650 453                |
| Water Bulk Purchases                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total bulk purchases</b>                       |     | 350 008         | 414 765         | 1 788 496       | 507 699              | 507 699         | 507 699            | 551 412   | 598 889                | 650 453                |
| <b>Transfers and grants</b>                       |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Cash transfers and grants                         | 1   | 9 129           | 10 855          | 41 216          | 13 600               | 13 524          | 13 524             | 14 355  | 14 956                 | 15 585                 |
| Non-cash transfers and grants                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total transfers and grants</b>                 |     | 9 129           | 10 855          | 41 216          | 13 600               | 13 524          | 13 524             | 14 355  | 14 956                 | 15 585                 |
| <b>Contracted services</b>                        |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Outsourced Services</i>                        | 1   | 55 249          | 938 356         | 295 933         | 108 508              | 111 305         | 111 305            | 121 185   | 105 440                | 110 843                |
| <i>Consultants and Professional Services</i>      |     | 30 389          | 560 424         | 157 281         | 49 574               | 38 959          | 38 959             | 37 977  | 56 486                 | 60 733                 |
| <i>Contractors</i>                                |     | 66 180          | 351 621         | 451 650         | 119 399              | 112 546         | 112 546            | 119 770   | 124 835                | 130 610                |
| <b>sub-total</b>                                  |     | 151 818         | 1 850 401       | 904 864         | 277 481              | 262 810         | 262 810            | 278 933   | 286 761                | 302 186                |
| <b>Allocations to organs of state:</b>            |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Electricity                                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Water   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sanitation  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total contracted services</b>                  |     | 151 818         | 1 850 401       | 904 864         | 277 481              | 262 810         | 262 810            | 278 933   | 286 761                | 302 186                |
| <b>Other Expenditure By Type</b>                  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Collection costs                                  | 3   | 2 455           | 58 925          | 11 919          | 3 500                | 3 500           | 3 500              | 3 572   | 3 786                  | 3 937                  |
| Contributions to 'other' provisions               |     | 35 736          | 10 418          | 190 630         | 5 637                | 8 004           | 8 004              | 745   | 775                    | 806                    |
| Audit fees  |     | 6 296           | 13 521          | 30 092          | 8 088                | 6 588           | 6 588              | 6 850   | 6 880                  | 6 911                  |
| General expenses                                  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Operating Leases</i>                           |     | 2 667           | 594 208         | 66 457          | 17 967               | 18 512          | 18 512             | 14 128  | 14 853                 | 16 137                 |
| <i>Operational Cost</i>                           |     | 83 713          | 949 741         | 434 370         | 125 166              | 122 819         | 122 819            | 134 229   | 135 477                | 139 494                |
| <i>Statutory Payments other than Income Taxes</i> |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Discontinued Operations</i>                    | -   | -               | -               | -               | -                    | -               | -                  | -   | -                      |                        |
| <b>Total 'Other' Expenditure</b>                  | 1   | 130 867         | 1 626 814       | 733 467         | 160 358              | 159 423         | 159 423            | 159 524   | 161 771                | 167 286                |
| <b>by Expenditure Item</b>                        |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Employee related costs                            | 8   | (35 034)        | 564             | (9 645)         | -                    | -               | -                  | -   | -                      | -                      |
| Other materials                                   |     | 40              | 2 492           | 1 156           | 617                  | 742             | 742                | 452   | 470                    | 490                    |
| Contracted Services                               |     | 42 394          | 117 474         | 341 455         | 86 925               | 80 248          | 80 248             | 26 262  | 27 434                 | 29 726                 |

| Description                               | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand                                |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Other Expenditure                         |     | –               | 383             | 5 953           | 73                   | 73              | 73                 | –   | –                      | –                      |
| Total Repairs and Maintenance Expenditure | 9   | 7 400           | 120 914         | 338 919         | 87 614               | 81 063          | 81 063             | 26 714  | 27 905                 | 30 216                 |

|   |  |           |             |            |             |             |             |             |             |             |
|---|--|-----------|-------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Inventory Consumed                        |  |           |             |            |             |             |             |             |             |             |
| Inventory Consumed - Water                |  | 870       | 961         | 859        | 859         | 859         | 859         | (1 907)     | (1 907)     | (1 907)     |
| Inventory Consumed - Other                |  | (453 517) | (3 517 905) | 17 947 218 | (8 245 188) | (8 629 625) | (8 629 625) | (8 419 692) | (8 464 718) | (8 495 157) |
| Total Inventory Consumed & Other Material |  | (452 647) | (3 516 944) | 17 948 078 | (8 244 329) | (8 628 766) | (8 628 766) | (8 421 599) | (8 466 625) | (8 497 064) |

check 7 400 120 914 338 919 87 614 81 063 81 063 26 714 27 905 30 216

#### References

1. Must reconcile with 'Budgeted Financial Performance (Revenue and Expenditure)
2. Must reconcile to supporting documentation on staff salaries
3. Insert other categories where revenue or expenditure is of a material nature (list separate items until 'General expenses' is not > 10% of Total Expenditure)
4. Expenditure to meet any 'unfunded obligations'
- 5 This sub-total must agree with the total on SA22, but excluding councillor and board member items
6. Include a note for each revenue item that is affected by 'revenue foregone'
7. Special consideration may have to be given to including 'goodwill arising' or 'joint venture' budgets where circumstances require this (include separately under relevant notes)
8. Repairs and Maintenance is not a GRAP item. However to facilitate transparency, municipalities must provide a breakdown of the amounts included in the relevant GRAP items that will be spent on Repairs and Maintenance.
9. Must reconcile with Repairs and Maintenance by Asset Class (Total Repairs and Maintenance) on Table SA34c.
10. Only applicable to municipalities that have adopted the 'revaluation method' in GRAP 17. The aim is to prevent overstating 'depreciation and asset impairment'

## WC024 Stellenbosch - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

| Description   | Ref | Vote 1 -<br>OFFICE OF<br>THE<br>MUNICIPAL<br>MANAGER | Vote 2 -<br>PLANNING<br>AND<br>DEVELOPME<br>T SERVICES | Vote 3 -<br>INFRASTRUCT<br>URE<br>SERVICES | Vote 4 -<br>COMMUNITY<br>AND<br>PROTECTION<br>SERVICES | Vote 5 -<br>CORPORATE<br>SERVICES | Vote 6 -<br>FINANCIAL<br>SERVICES | Total     |
|---|-----|--|--|--|--|-----------------------------------|-----------------------------------|-----------|
| <b>R thousand</b>   | 1   |  |  |  |  |                                   |                                   |           |
| <b>Revenue By Source</b>  |     |  |  |  |  |                                   |                                   |           |
| Property rates  |     | -  | -  | -  | -  | -                                 | 439 858                           | 439 858   |
| Service charges - electricity revenue   |     | -  | -  | 848 869                                    | -  | -                                 | -                                 | 848 869   |
| Service charges - water revenue   |     | -  | -  | 176 783                                    | -  | -                                 | -                                 | 176 783   |
| Service charges - sanitation revenue  |     | -  | -  | 109 134                                    | -  | -                                 | -                                 | 109 134   |
| Service charges - refuse revenue  |     | -  | -  | 94 971                                     | -  | -                                 | -                                 | 94 971    |
| Rental of facilities and equipment  |     | -  | 7 606  | -  | 232  | 7 700                             | -                                 | 15 538    |
| Interest earned - external investments  |     | -  | -  | -  | -  | -                                 | 20 397                            | 20 397    |
| Interest earned - outstanding debtors   |     | -  | -  | 9 136                                      | -  | -                                 | 3 891                             | 13 027    |
| Dividends received  |     | -  | -  | -  | -  | -                                 | -                                 | -         |
| Fines, penalties and forfeits   |     | -  | -  | -  | 124 955  | -                                 | 0                                 | 124 955   |
| Licences and permits  |     | -  | 1  | -  | 5 745  | 50                                | 138                               | 5 934     |
| Agency services   |     | -  | -  | -  | 4 281  | -                                 | -                                 | 4 281     |
| Other revenue   |     | -  | 9 178  | 5 603                                      | 18 950   | 3 907                             | 3 676                             | 41 313    |
| Transfers and subsidies   |     | -  | 1 531  | 131 298                                    | 20 285   | -                                 | 70 132                            | 223 246   |
| Gains   |     | -  | -  | -  | -  | -                                 | -                                 | -         |
| <b>Total Revenue (excluding capital transfers and contributions)</b>  |     | -  | 18 315   | 1 375 794                                  | 174 448  | 11 657                            | 538 092                           | 2 118 305 |
| <b>Expenditure By Type</b>  |     |  |  |  |  |                                   |                                   |           |
| Employee related costs  |     | 15 740   | 53 503   | 196 130                                    | 214 765  | 75 413                            | 63 333                            | 618 884   |
| Remuneration of councillors   |     | -  | -  | -  | -  | 21 062                            | -                                 | 21 062    |
| Debt impairment   |     | -  | 2 600  | -  | 82 400   | -                                 | 3 147                             | 88 147    |
| Depreciation & asset impairment   |     | 334  | 3 022  | 188 249                                    | 16 817   | 12 999                            | 515                               | 221 936   |
| Finance charges   |     | -  | -  | 65 713                                     | -  | 2 086                             | -                                 | 67 799    |
| Bulk purchases  |     | -  | -  | 551 412                                    | -  | -                                 | -                                 | 551 412   |
| Other materials   |     | 120  | 1 281  | 64 579                                     | 12 880   | 2 769                             | 696                               | 82 326    |
| Contracted services   |     | 3 717  | 11 342   | 149 496                                    | 73 173   | 28 398                            | 10 337                            | 276 464   |
| Transfers and subsidies   |     | -  | 50   | -  | 13 796   | 510                               | -                                 | 14 355    |
| Other expenditure   |     | 7 520  | 3 336  | 36 648                                     | 17 375   | 67 567                            | 26 736                            | 159 181   |
| Losses  |     | -  | -  | -  | -  | -                                 | -                                 | -         |
| <b>Total Expenditure</b>  |     | 27 432   | 75 134   | 1 252 228                                  | 431 206  | 210 804                           | 104 763                           | 2 101 567 |
| <b>Surplus/(Deficit)</b>  |     | (27 432)   | (56 819)   | 123 566                                    | (256 758)  | (199 147)                         | 433 328                           | 16 738    |
| Transfers and subsidies - capital (monetary allocations)<br>(National / Provincial and District)  |     | -  | 3 000  | 125 390                                    | 220  | -                                 | -                                 | 128 610   |
| Transfers and subsidies - capital (monetary allocations)<br>(National / Provincial Departmental Agencies, Households,<br>Non-profit Institutions, Private Enterprises, Public<br>Corporations, Higher Educational Institutions) |     | -  | -  | 33 000                                     | 254  | -                                 | -                                 | 33 254    |

| Description   | Ref | Vote 1 -<br>OFFICE OF<br>THE<br>MUNICIPAL<br>MANAGER | Vote 2 -<br>PLANNING<br>AND<br>DEVELOPME<br>T SERVICES | Vote 3 -<br>INFRASTRUCT<br>URE<br>SERVICES | Vote 4 -<br>COMMUNITY<br>AND<br>PROTECTION<br>SERVICES | Vote 5 -<br>CORPORATE<br>SERVICES | Vote 6 -<br>FINANCIAL<br>SERVICES | Total   |
|---|-----|--|--|--|--|-----------------------------------|-----------------------------------|---------|
| R thousand  | 1   |  |  |  |  |                                   |                                   |         |
| Transfers and subsidies - capital (in-kind - all)         |     | -  | -  | -  | -  | -                                 | -                                 | -       |
| Surplus/(Deficit) after capital transfers & contributions |     | (27 432)   | (53 819)   | 281 956                                    | (256 284)  | (199 147)                         | 433 328                           | 178 602 |

References

1. Departmental columns to be based on municipal organisation structure



## WC024 Stellenbosch - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

| Description  | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>ASSETS</b>  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u>Call investment deposits</u>                            |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Call deposits  |     | 572 779         | 1 903 584       | (1 035 805)     | 396 045              | 200 080         | 200 080            | 218 689   | 219 434                | 220 208                |
| Other current investments                                  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Total Call investment deposits                             | 2   | 572 779         | 1 903 584       | (1 035 805)     | 396 045              | 200 080         | 200 080            | 218 689   | 219 434                | 220 208                |
| <u>Consumer debtors</u>                                    |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Consumer debtors   |     | 39 438          | 348 725         | (385 176)       | 525 106              | 452 155         | 452 155            | 541 292   | 557 880                | 575 855                |
| Less: Provision for debt impairment                        |     | (59 116)        | (133 546)       | (44 507)        | (23 900)             | (23 900)        | (23 900)           | (223 818)   | (224 076)              | (224 346)              |
| Total Consumer debtors                                     | 2   | (19 678)        | 215 179         | (429 683)       | 501 206              | 428 255         | 428 255            | 317 474   | 333 804                | 351 509                |
| <u>Debt impairment provision</u>                           |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Balance at the beginning of the year                       |     | -               | -               | -               | -                    | -               | -                  | (218 071)   | (218 071)              | (218 071)              |
| Contributions to the provision                             |     | (40 556)        | (8 810)         | (19 853)        | (23 900)             | (23 900)        | (23 900)           | (5 747)   | (6 005)                | (6 275)                |
| Bad debts written off                                      |     | (18 560)        | (124 737)       | (24 654)        | -                    | -               | -                  | -   | -                      | -                      |
| Balance at end of year                                     |     | (59 116)        | (133 546)       | (44 507)        | (23 900)             | (23 900)        | (23 900)           | (223 818)   | (224 076)              | (224 346)              |
| <u>Inventory</u>   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u>Water</u>   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Opening Balance  |     | -               | (870)           | (961)           | (859)                | (859)           | (859)              | 1 907   | 1 907                  | 1 907                  |
| System Input Volume  |     | (870)           | (92)            | 102             | -                    | 28 330          | 28 330             | -   | -                      | -                      |
| Water Treatment Works                                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Bulk Purchases   |     | (870)           | (92)            | 102             | -                    | 28 330          | 28 330             | -   | -                      | -                      |
| Natural Sources  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Authorised Consumption                                     | 6   | -               | -               | -               | -                    | (28 330)        | (28 330)           | -   | -                      | -                      |
| Billed Authorised Consumption                              |     | -               | -               | -               | -                    | (28 330)        | (28 330)           | -   | -                      | -                      |
| Billed Metered Consumption                                 |     | -               | -               | -               | -                    | (28 330)        | (28 330)           | -   | -                      | -                      |
| Free Basic Water   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Subsidised Water   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Revenue Water  |     | -               | -               | -               | -                    | (28 330)        | (28 330)           | -   | -                      | -                      |
| Billed Unmetered Consumption                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Free Basic Water   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Subsidised Water   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Revenue Water  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| UnBilled Authorised Consumption                            |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Unbilled Metered Consumption                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Unbilled Unmetered Consumption                             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Water Losses   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Apparent losses  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Unauthorised Consumption                                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Customer Meter Inaccuracies                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Real losses  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Leakage on Transmission and Distribution Mains             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Leakage and Overflows at Storage Tanks/Reservoirs          |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Leakage on Service Connections up to the point of Customer |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Data Transfer and Management Errors                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Unavoidable Annual Real Losses                             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Non-revenue Water  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Closing Balance Water                                      |     | (870)           | (961)           | (859)           | (859)                | (859)           | (859)              | 1 907   | 1 907                  | 1 907                  |
| <u>Agricultural</u>  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Opening Balance  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Acquisitions   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Issues   | 7   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Adjustments  | 8   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Write-offs   | 9   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |

| Description                                  | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand                                   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Closing balance - Agricultural               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Consumables                                  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Standard Rated                               |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Opening Balance                              |     | -               | 4 817           | 285             | 34 899               | 34 899          | 34 899             | (604)   | (6 869)                | (13 372)               |
| Acquisitions                                 |     | 12 310          | 11 749          | 47 952          | 6 434                | 7 233           | 7 233              | -   | -                      | -                      |
| Issues                                       | 7   | (7 493)         | (16 281)        | (13 338)        | (6 434)              | (7 469)         | (7 469)            | (6 265)   | (6 503)                | (6 751)                |
| Adjustments                                  | 8   | -               | -               | 0               | -                    | 1 000           | 1 000              | -   | -                      | -                      |
| Write-offs                                   | 9   | -               | -               | (0)             | -                    | -               | -                  | -   | -                      | -                      |
| Closing balance - Consumables Standard Rated |     | 4 817           | 285             | 34 899          | 34 899               | 35 663          | 35 663             | (6 869)   | (13 372)               | (20 123)               |
| Zero Rated                                   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Opening Balance                              |     | -               | (3)             | (3)             | 6                    | 6               | 6                  | 100   | (16 942)               | (35 089)               |
| Acquisitions                                 |     | 384             | -               | 9               | 14 631               | 16 915          | 16 915             | -   | -                      | -                      |
| Issues                                       | 7   | (386)           | -               | -               | (14 631)             | (16 802)        | (16 802)           | (17 042)  | (18 147)               | (19 287)               |
| Adjustments                                  | 8   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Write-offs                                   | 9   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Closing balance - Consumables Zero Rated     |     | (3)             | (3)             | 6               | 6                    | 118             | 118                | (16 942)  | (35 089)               | (54 376)               |
| Finished Goods                               |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Opening Balance                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Acquisitions                                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Issues                                       | 7   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Adjustments                                  | 8   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Write-offs                                   | 9   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Closing balance - Finished Goods             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Materials and Supplies                       |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Opening Balance                              |     | -               | 8 060           | 13 016          | (17 396)             | (17 396)        | (17 396)           | 26 634  | 209                    | (27 374)               |
| Acquisitions                                 |     | 47 402          | -               | (20 439)        | 20 238               | 20 189          | 20 189             | -   | -                      | -                      |
| Issues                                       | 7   | (33 674)        | 4 956           | (9 358)         | (20 238)             | (21 007)        | (21 007)           | (26 425)  | (27 583)               | (28 799)               |
| Adjustments                                  | 8   | (5 668)         | -               | (529)           | -                    | -               | -                  | -   | -                      | -                      |
| Write-offs                                   | 9   | -               | -               | (86)            | -                    | -               | -                  | -   | -                      | -                      |
| Closing balance - Materials and Supplies     |     | 8 060           | 13 016          | (17 396)        | (17 396)             | (18 213)        | (18 213)           | 209   | (27 374)               | (56 173)               |
| Work-in-progress                             |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Opening Balance                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Materials                                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Transfers                                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Closing balance - Work-in-progress           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Housing Stock                                |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Opening Balance                              |     | -               | -               | (700)           | (700)                | (700)           | (700)              | 11 550  | 11 550                 | 11 550                 |
| Acquisitions                                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Transfers                                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sales  |     | -               | (700)           | -               | -                    | -               | -                  | -   | -                      | -                      |
| Closing Balance - Housing Stock              |     | -               | (700)           | (700)           | (700)                | (700)           | (700)              | 11 550  | 11 550                 | 11 550                 |
| Land   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Opening Balance                              |     | -               | 23 092          | 22 976          | 22 976               | 22 976          | 22 976             | 14 147  | 14 147                 | 14 147                 |
| Acquisitions                                 |     | 24 842          | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sales  |     | (1 750)         | (116)           | -               | -                    | -               | -                  | -   | -                      | -                      |
| Adjustments                                  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |

| Description   | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Correction of Prior period errors                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Closing Balance - Land                              |     | 23 092          | 22 976          | 22 976          | 22 976               | 22 976          | 22 976             | 14 147  | 14 147                 | 14 147                 |
| Closing Balance - Inventory & Consumables           |     | 35 097          | 34 613          | 38 926          | 38 926               | 38 985          | 38 985             | 4 002   | (48 232)               | (103 068)              |
| <b>Property, plant and equipment (PPE)</b>          |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| PPE at cost/valuation (excl. finance leases)        |     | 445 811         | 3 123 861       | (14 792 772)    | 7 303 143            | 7 704 765       | 7 704 765          | 8 102 218   | 8 130 914              | 8 143 648              |
| Leases recognised as PPE                            | 3   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Less: Accumulated depreciation                      |     | (155 439)       | (1 081 148)     | (5 764 410)     | (1 865 222)          | (2 062 297)     | (2 062 297)        | (2 282 421)   | (2 293 428)            | (2 304 984)            |
| Total Property, plant and equipment (PPE)           | 2   | 290 372         | 2 042 714       | (20 557 182)    | 5 437 921            | 5 642 468       | 5 642 468          | 5 819 796   | 5 837 486              | 5 838 664              |
| <b>LIABILITIES</b>                                  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Current liabilities - Borrowing</b>              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Short term loans (other than bank overdraft)        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Current portion of long-term liabilities            |     | 11 368          | 26 753          | 62 727          | 36 154               | 47 117          | 47 117             | 50 847  | 59 962                 | 68 056                 |
| Total Current liabilities - Borrowing               |     | 11 368          | 26 753          | 62 727          | 36 154               | 47 117          | 47 117             | 50 847  | 59 962                 | 68 056                 |
| <b>Trade and other payables</b>                     |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Trade Payables                                      |     | 29 435          | 274 855         | 1 256 915       | 305 224              | 273 544         | 273 544            | 249 591   | 228 707                | 242 340                |
| Other Creditors                                     |     | 129 497         | 271 560         | 160 354         | 13 350               | (5 729)         | (5 729)            | 8 574   | 9 174                  | 9 803                  |
| Unspent conditional transfers                       |     | (47 806)        | 8 863           | (345 859)       | 8 301                | 16 966          | 16 966             | 704   | 8 980                  | 14 117                 |
| VAT   |     | 27 383          | 178 865         | (2 724 763)     | 440 840              | 496 606         | 496 606            | -   | -                      | -                      |
| Total Trade and other payables                      | 2   | 138 509         | 734 143         | (1 653 353)     | 767 715              | 781 388         | 781 388            | 258 869   | 246 861                | 266 261                |
| <b>Non current liabilities - Borrowing</b>          |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Borrowing   | 4   | 134 130         | 266 178         | (1 226 232)     | 499 164              | 431 153         | 431 153            | 520 306   | 531 191                | 504 097                |
| Finance leases (including PPP asset element)        |     | -               | -               | -               | -                    | 3 739           | 3 739              | 3 739   | 3 739                  | 3 739                  |
| Total Non current liabilities - Borrowing           |     | 134 130         | 266 178         | (1 226 232)     | 499 164              | 434 893         | 434 893            | 524 045   | 534 931                | 507 837                |
| <b>Provisions - non-current</b>                     |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Retirement benefits                                 |     | (11 804)        | 159 666         | (430 910)       | 160 229              | 159 642         | 159 642            | 159 642   | 159 642                | 159 642                |
| <i>List other major provision items</i>             |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Refuse landfill site rehabilitation                 |     | 23 179          | 120 663         | (165 536)       | 121 306              | 159 284         | 159 284            | 170 287   | 170 771                | 171 288                |
| Other   |     | 2 042           | 23 019          | (46 855)        | 23 387               | 23 366          | 23 366             | 23 366  | 23 366                 | 23 366                 |
| Total Provisions - non-current                      |     | 13 417          | 303 348         | (643 302)       | 304 922              | 342 292         | 342 292            | 353 295   | 353 779                | 354 296                |
| <b>CHANGES IN NET ASSETS</b>                        |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Accumulated Surplus/(Deficit)</b>                |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Accumulated Surplus/(Deficit) - opening balance     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| GRAP adjustments                                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Restated balance                                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Surplus/(Deficit)                                   |     | 119 092         | 2 759 560       | 672 845         | 108 114              | 133 518         | 133 518            | 166 611   | 174 342                | 174 351                |
| Transfers to/from Reserves                          |     | 260 586         | 237 260         | 211 185         | (336 143)            | (4 900)         | (4 900)            | -   | -                      | -                      |
| Depreciation offsets                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other adjustments                                   |     | (26 930)        | 788             | -               | -                    | -               | -                  | -   | -                      | -                      |
| Accumulated Surplus/(Deficit)                       | 1   | 352 747         | 2 997 608       | 884 030         | (228 028)            | 128 618         | 128 618            | 166 611   | 174 342                | 174 351                |
| <b>Reserves</b>                                     |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Housing Development Fund                            |     | -               | (9 396)         | (9 396)         | -                    | 4 900           | 4 900              | 4 900   | 4 900                  | 4 900                  |
| Capital replacement                                 |     | 121 841         | 170 840         | 363 790         | -                    | -               | -                  | -   | -                      | -                      |
| Self-insurance                                      |     | -               | 9 885           | 9 885           | -                    | -               | -                  | -   | -                      | -                      |
| <b>Other reserves</b>                               |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Compensation for Occupational Injuries and Diseases |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Employee Benefit Reserve                            |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Non-current Provisions Reserve                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Valuation Reserve                                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Investment in associate account                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capitalisation Reserve                              |     | -               | (321 016)       | (211 185)       | -                    | (211 185)       | (211 185)          | (211 185)   | (211 185)              | (211 185)              |
| Equity  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Non-Controlling Interest                            |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Share Premium                                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Revaluation   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Total Reserves                                      | 2   | 121 841         | (149 686)       | 153 094         | -                    | (206 285)       | (206 285)          | (206 285)   | (206 285)              | (206 285)              |
| <b>TOTAL COMMUNITY WEALTH/EQUITY</b>                | 2   | 474 588         | 2 847 922       | 1 037 125       | (228 028)            | (77 668)        | (77 668)           | (39 674)  | (31 943)               | (31 934)               |

Total capital expenditure includes expenditure on nationally significant priorities:

|                             |  |  |  |  |  |  |  |  |  |  |
|-----------------------------|--|--|--|--|--|--|--|--|--|--|
| Provision of basic services |  |  |  |  |  |  |  |  |  |  |
|-----------------------------|--|--|--|--|--|--|--|--|--|--|

| Description | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|-------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|             |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
|             |     |                 |                 |                 |                      |                 |                    |   |                        |                        |

References

1. Must reconcile with Table A4 Budgeted Financial Performance (revenue and expenditure)
2. Must reconcile with Table A6 Budgeted Financial Position
3. Leases treated as assets to be depreciated as the same as purchased/constructed assets. Includes PPP asset element accounted for as finance leases
4. Borrowing must reconcile to Table A17
5. Trade Payable should only include Trade Payables from Exchange Transactions ("True Creditors")
6. Inventory Consumed - Water - included under "Inventory Consumed" on Table A4 - Detail to be submitted on Table SA1
7. Inventory Consumed Other - included under "Inventory Consumed" on Table A4 - Detail to be submitted on Table SA1
8. Inventory Transfers/Adjustments (Include under gains/losses on Table A4)
9. Inventory Write-offs (Include under losses on Table A4)

## WC024 Stellenbosch - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

| Strategic Objective   | Goal | Goal Code | Ref | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|------|-----------|-----|---|------------------------|------------------------|
|   |      |           |     | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand  |      |           |     |   |                        |                        |
| SFA 1 - Valley of Possibility                                 |      |           |     |   |                        |                        |
| SFA 2 - Green and Sustainable Valley                          |      |           |     |   |                        |                        |
| SFA 3 - Safe Valley   |      |           |     |   |                        |                        |
| SFA 4 - Dignified Living                                      |      |           |     |   |                        |                        |
| SFA 5 - Good Governance and Compliance                        |      |           |     | 2 280 169   | 2 383 919              | 2 518 194              |
| Allocations to other priorities                               |      |           | 2   |   |                        |                        |
| Total Revenue (excluding capital transfers and contributions) |      |           | 1   | 2 280 169   | 2 383 919              | 2 518 194              |

References

1. Total revenue must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)
2. Balance of allocations not directly linked to an IDP strategic objective

## WC024 Stellenbosch - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

| Strategic Objective                    | Goal | Goal Code | Ref | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |           |
|--|------|-----------|-----|---|------------------------|------------------------|-----------|
|  |      |           |     | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |           |
| R thousand                             |      |           |     |   |                        |                        |           |
| SFA 1 - Valley of Possibility          |      |           |     | 136 536   | 123 777                | 130 162                |           |
| SFA 2 - Green and Sustainable Valley   |      |           |     | 9 202   | 9 592                  | 9 966                  |           |
| SFA 3 - Safe Valley                    |      |           |     | 6 676   | 6 983                  | 7 316                  |           |
| SFA 4 - Dignified Living               |      |           |     | 146 654   | 136 971                | 144 837                |           |
| SFA 5 - Good Governance and Compliance |      |           |     | 1 812 094   | 1 930 741              | 2 049 979              |           |
| Allocations to other priorities        |      |           |     |   |                        |                        |           |
| Total Expenditure                      |      |           |     | 1   | 2 111 162              | 2 208 064              | 2 342 261 |

References

1. Total expenditure must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)
2. Balance of allocations not directly linked to an IDP strategic objective

## WC024 Stellenbosch - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

| Strategic Objective                    | Goal | Goal Code | Ref | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|------|-----------|-----|---|------------------------|------------------------|
|  |      |           |     | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand                             |      |           |     |   |                        |                        |
| SFA 1 - Valley of Possibility          |      | A         |     | 187 731   | 199 000                | 264 808                |
| SFA 2 - Green and Sustainable Valley   |      | B         |     | 62 966  | 63 850                 | 33 700                 |
| SFA 3 - Safe Valley                    |      | C         |     | 28 900  | 34 093                 | 21 799                 |
| SFA 4 - Dignified Living               |      | D         |     | 107 081   | 116 552                | 95 600                 |
| SFA 5 - Good Governance and Compliance |      | E         |     | 18 595  | 15 774                 | 26 096                 |
| Allocations to other priorities        |      |           | 3   |   |                        |                        |
| <b>Total Capital Expenditure</b>       |      |           | 1   | <b>405 273</b>                                      | <b>429 269</b>         | <b>442 003</b>         |

References

1. Total capital expenditure must reconcile to Budgeted Capital Expenditure
2. Goal code must be used on Table SA36
3. Balance of allocations not directly linked to an IDP strategic objective

WC024 Stellenbosch - Supporting Table SA7 Measureable performance objectives

| Description                                       | Unit of measurement | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|---------------------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |                     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Vote 1 - Municipal Manager</b>                 |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Function 1 - Budget Performance                   |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub-function 1 - Capital Expenditure              |                     | 32 557          | 285 000         | 40 000          | 44 000               | 44 000          | 44 000             | 40 000  | 40 000                 | 40 000                 |
| <i>Insert measure/s descriptor.</i>               |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub-function 2 - Operational Expenditure          |                     | 18 393 857      | 33 607 414      | 44 811 506      | 39 988 673           | 39 988 673      | 25 972 966         | 27 432 083  | 28 603 028             | 29 839 865             |
| <i>Insert measure/s descriptor.</i>               |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub-function 3 - Operational Revenue              |                     | -               | 360 000         | 327 853         | -                    | -               | 550 000            | -   | -                      | -                      |
| <i>Insert measure/s descriptor.</i>               |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Vote 2 - Planning and Development Services</b> |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Function 1 - Budget Performance                   |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub-function 1 - Capital Expenditure              |                     | 5 570 904       | 13 517 538      | 13 888 078      | 11 513 800           | 17 272 325      | 17 209 720         | 15 185 000  | 20 156 000             | 21 780 000             |
| <i>Insert measure/s descriptor.</i>               |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub-function 2 - Operational Expenditure          |                     | 55 540 580      | 118 915 222     | 96 986 122      | 100 874 836          | 100 874 836     | 81 551 338         | 88 280 718  | 88 260 081             | 92 979 186             |
| <i>Insert measure/s descriptor.</i>               |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub-function 3 - Operational Revenue              |                     | 11 227 770      | 89 260 819      | 33 638 469      | 30 453 892           | 34 494 265      | 36 975 990         | 22 399 078  | 23 901 112             | 24 691 691             |
| <i>Insert measure/s descriptor.</i>               |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Vote 3 - Community &amp; Protection</b>        |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Function 1 - Budget Performance                   |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub-function 1 - Capital Expenditure              |                     | 337 743 802     | 45 902 450      | 43 713 748      | 24 024 370           | 33 976 933      | 38 617 860         | 26 850 958  | 25 846 030             | 32 355 000             |
| <i>Insert measure/s descriptor.</i>               |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub-function 2 - Operational Expenditure          |                     | 736 873 119     | 364 119 842     | 361 162 417     | 374 481 006          | 374 481 006     | 398 947 391        | 418 059 325   | 422 689 844            | 443 139 089            |
| <i>Insert measure/s descriptor.</i>               |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub-function 3 - Operational Revenue              |                     | 147 486 883     | 137 269 341     | 173 335 962     | 190 526 242          | 190 526 242     | 178 158 671        | 173 837 908   | 173 227 943            | 179 286 135            |
| <i>Insert measure/s descriptor.</i>               |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Vote 4 - Infrastructure services</b>           |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Function 1 - Budget Performance                   |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub-function 1 - Capital Expenditure              |                     |                 |                 |                 | 342 514 745          | 388 012 987     | 312 262 136        | 325 047 246   | 367 027 375            | 371 428 435            |
| <i>Insert measure/s descriptor.</i>               |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub-function 2 - Operational Expenditure          |                     |                 |                 |                 | 1 188 821 414        | 1 188 821 414   | 1 184 638 272      | 1 261 822 520                                       | 1 324 999 180          | 1 415 774 631          |
| <i>Insert measure/s descriptor.</i>               |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub-function 3 - Operational Revenue              |                     |                 |                 |                 | 1 394 599 407        | 1 394 599 407   | 1 384 291 831      | 1 534 184 248                                       | 1 602 196 679          | 1 692 710 336          |
| <i>Insert measure/s descriptor.</i>               |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Vote 5 - Corporate Services</b>                |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Function 1 - Budget Performance                   |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub-function 1 - Capital Expenditure              |                     | 5 950 664       | 32 391 287      | 73 695 157      | 27 757 000           | 31 973 919      | 29 573 919         | 37 900 000  | 15 950 000             | 16 150 000             |
| <i>Insert measure/s descriptor.</i>               |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub-function 2 - Operational Expenditure          |                     | 302 208 434     | 176 481 880     | 180 072 266     | 198 282 948          | 198 282 948     | 193 939 626        | 210 803 775   | 222 206 769            | 233 250 532            |
| <i>Insert measure/s descriptor.</i>               |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub-function 3 - Operational Revenue              |                     | -               | 360 000         | 5 591 627       | 6 339 253            | 6 339 253       | 5 845 547          | 11 656 741  | 12 239 578             | 12 851 558             |
| <i>Insert measure/s descriptor.</i>               |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Vote 6 - Financial services</b>                |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Function 1 - Budget Performance                   |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub-function 1 - Capital Expenditure              |                     | 446 150         | 900 000         | 850 000         | 200 000              | 400 000         | 400 000            | 250 000   | 250 000                | 250 000                |
| <i>Insert measure/s descriptor.</i>               |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub-function 2 - Operational Expenditure          |                     | 115 809 302     | 113 450 151     | 91 858 500      | 115 041 547          | 115 041 547     | 100 397 726        | 104 763 357   | 110 060 392            | 115 583 607            |
| <i>Insert measure/s descriptor.</i>               |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub-function 3 - Operational Revenue              |                     | 3 809 785       | 437 435 138     | 490 895 216     | 503 685 785          | 503 685 785     | 504 884 679        | 538 091 590   | 572 354 134            | 608 653 865            |
| <i>Insert measure/s descriptor.</i>               |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| And so on for the rest of the Votes               |                     |                 |                 |                 |                      |                 |                    |   |                        |                        |



## WC024 Stellenbosch - Supporting Table SA8 Performance indicators and benchmarks

| Description of financial indicator   | Basis of calculation   | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |  | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Borrowing Management</b>  |  |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Credit Rating  |  |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Capital Charges to Operating Expenditure                                       | Interest & Principal Paid /Operating Expenditure                           | 1,1%            | 12,9%           | 2,1%            | 2,2%                 | 2,3%            | 2,3%               | 5,4%  | 5,8%                   | 5,6%                   |
| Capital Charges to Own Revenue   | Finance charges & Repayment of borrowing /Own Revenue                      | 1,2%            | 11,5%           | 2,3%            | 2,4%                 | 2,6%            | 2,6%               | 6,1%  | 6,3%                   | 6,1%                   |
| Borrowed funding of 'own' capital expenditure                                  | Borrowing/Capital expenditure excl. transfers and grants and contributions | 0,0%            | 0,0%            | -21,9%          | 0,0%                 | 50,2%           | 50,2%              | 51,3%   | 48,0%                  | 40,7%                  |
| <b>Safety of Capital</b>   |  |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Gearing  | Long Term Borrowing/ Funds & Reserves                                      | 110,1%          | -177,8%         | -801,0%         | 0,0%                 | -210,8%         | -210,8%            | -254,0%   | -259,3%                | -246,2%                |
| <b>Liquidity</b>   |  |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Current Ratio  | Current assets/current liabilities   | 3,9             | 1,6             | 0,4             | 1,4                  | 1,5             | 1,5                | 1,7   | 1,8                    | 1,7                    |
| Current Ratio adjusted for aged debtors  | Current assets less debtors > 90 days/current liabilities                  | 3,9             | 1,6             | 0,4             | 1,4                  | 1,5             | 1,5                | 1,7   | 1,8                    | 1,7                    |
| Liquidity Ratio  | Monetary Assets/Current Liabilities  | 3,3             | 0,5             | 0,6             | 0,5                  | 0,2             | 0,2                | 0,6   | 0,5                    | 0,5                    |
| <b>Revenue Management</b>  |  |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Annual Debtors Collection Rate (Payment Level %)                               | Last 12 Mths Receipts/Last 12 Mths Billing                                 |                 | 0,0%            | 0,0%            | 0,0%                 | 0,0%            | 0,0%               | 0,0%  | 0,0%                   | 0,0%                   |
| Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue) |  | 0,0%            | 0,0%            | -109,9%         | 98,0%                | 96,3%           | 96,3%              | 95,6%   | 95,1%                  | 94,6%                  |
| Outstanding Debtors to Revenue   | Total Outstanding Debtors to Annual Revenue                                | 4,0%            | 6,3%            | 3,5%            | 35,2%                | 57,1%           | 57,1%              | 25,4%   | 24,5%                  | 23,8%                  |
| Longstanding Debtors Recovered   | Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old                  | 0,0%            | 0,0%            | 0,0%            | 0,0%                 | 0,0%            | 0,0%               | 0,0%  | 0,0%                   | 0,0%                   |
| <b>Creditors Management</b>  |  |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Creditors System Efficiency  | % of Creditors Paid Within Terms (within 'MFMA' s 65(e))                   | 98,0%           | 98,0%           | 98,0%           | 98,0%                | 98,0%           | 98,0%              | 98,0%   | 98,0%                  | 98,0%                  |
| Creditors to Cash and Investments  |  | -5,5%           | 50,3%           | -11,1%          | 41,0%                | 34,2%           | 34,2%              | 82,7%   | 60,5%                  | 54,9%                  |
| <b>Other Indicators</b>  |  |                 |                 |                 |                      |                 |                    |   |                        |                        |
|  | Total Volume Losses (kW)   | 379353123       | 21177668,7      | 383146654,2     | 386978120,8          | 386978120,8     | 386978120,8        | 390847902   | 390847902              | 390847902              |
|  | Total Cost of Losses (Rand '000)   | 28 627          | 1 525           | 26 820          | 27 088               | 27 088          | 27 088             | 27 359  | 27 359                 | 27 359                 |
|  | Electricity Distribution Losses (%)  |                 |                 |                 |                      |                 |                    |   |                        |                        |

| Description of financial indicator                   | Basis of calculation  | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |   | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| Electricity Distribution Losses (2)                  | % Volume (units purchased and generated less units sold)/units purchased and generated        | 0               | 0               | 0               | 0                    | 0               | 0                  | 0   | 0                      | 0                      |
| Water Distribution Losses (2)                        | Total Volume Losses (kℓ)  | 9 051           | 9 141           | 9 233           | 9 325                | 9 325           | 9 325              | 9 418   | 9 418                  | 9 418                  |
|  | Total Cost of Losses (Rand '000)  | 2535288         | 2011055         | 2031166         | 2051477              | 2051477         | 2051477            | 2071992   | 2071992                | 2071992                |
|  | % Volume (units purchased and generated less units sold)/units purchased and generated        | 0               | 0               | 0               | 0                    | 0               | 0                  | 0   | 0                      | 0                      |
| Employee costs                                       | Employee costs/(Total Revenue - capital revenue)  | 30,4%           | 16,5%           | 30,0%           | 30,1%                | 29,1%           | 29,1%              | 29,5%   | 27,9%                  | 27,7%                  |
| Remuneration   | Total remuneration/(Total Revenue - capital revenue)  | 31,5%           | 16,4%           | 31,0%           | 31,2%                | 30,2%           | 30,2%              | 30,5%   | 28,9%                  | 28,7%                  |
| Repairs & Maintenance                                | R&M/(Total Revenue excluding capital revenue)   | 0,5%            | 0,9%            | 4,4%            | 4,3%                 | 4,1%            | 4,1%               | 1,3%  | 1,2%                   | 1,3%                   |
| Finance charges & Depreciation                       | FC&D/(Total Revenue - capital revenue)  | 13,8%           | 24,0%           | 12,6%           | 12,6%                | 13,0%           | 13,0%              | 13,7%   | 13,9%                  | 13,7%                  |
| <b>IDP regulation financial viability indicators</b> |   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| i. Debt coverage                                     | (Total Operating Revenue - Operating Grants)/Debt service payments due within financial year) | -               | (106,4)         | 525,3           | 1 056,0              | 1 056,0         | 1 056,0            | 23,9  | 25,1                   | 26,7                   |
| ii. O/S Service Debtors to Revenue                   | Total outstanding service debtors/annual revenue received for services                        | 5,3%            | 7,9%            | 4,3%            | 44,9%                | 72,3%           | 72,3%              | 32,2%   | 31,1%                  | 30,0%                  |
| iii. Cost coverage                                   | (Available cash + Investments)/monthly fixed operational expenditure                          | (5,4)           | 0,9             | (22,6)          | 5,4                  | 5,9             | 5,9                | 2,1   | 2,5                    | 2,8                    |

References

1. Consumer debtors > 12 months old are excluded from current assets
2. Only include if services provided by the municipality

WC024 Stellenbosch - Supporting Table SA9 Social, economic and demographic statistics and assumptions

| Description of economic indicator                   | Ref.  | Basis of calculation                                     | 2001 Census | 2007 Survey | 2011 Census | 2018/19            | 2019/20            | 2020/21            | Current Year<br>2021/22 | 2022/23 Medium Term Revenue & Expenditure<br>Framework |                           |                           |
|---|-------|--|-------------|-------------|-------------|--------------------|--------------------|--------------------|-------------------------|--|---------------------------|---------------------------|
|   |       |  |             |             |             | Audited<br>Outcome | Audited<br>Outcome | Audited<br>Outcome | Original<br>Budget      | Budget Year<br>2022/23                                 | Budget Year +1<br>2023/24 | Budget Year<br>+2 2024/25 |
| <b>Demographics</b>                                 |       |  |             |             |             |                    |                    |                    |                         |  |                           |                           |
| Population  |       | Statistics South Africa                                  | 200 524     | 155 718     | 170 654     | 184                | 195                | 207                | 207                     | 207  | 207                       | 207                       |
| Females aged 5 - 14                                 |       | Statistics South Africa                                  | 17 865      | 11 020      | 12 077      | 13                 | 14                 | 15                 | 15                      | 15   | 15                        | 15                        |
| Males aged 5 - 14                                   |       | Statistics South Africa                                  | 16 352      | 11 092      | 12 157      | 13                 | 14                 | 15                 | 15                      | 15   | 15                        | 15                        |
| Females aged 15 - 34                                |       | Statistics South Africa                                  | 38 791      | 33 191      | 36 374      | 40                 | 42                 | 45                 | 45                      | 45   | 45                        | 45                        |
| Males aged 15 - 34                                  |       | Statistics South Africa                                  | 41 919      | 32 718      | 35 856      | 39                 | 42                 | 44                 | 44                      | 44   | 44                        | 44                        |
| Unemployment  |       | Statistics South Africa                                  | 15 513      | 10 178      | 11 154      | 12                 | 13                 | 14                 | 14                      | 14   | 14                        | 14                        |
| <b>Monthly household income (no. of households)</b> |       |  |             |             |             |                    |                    |                    |                         |  |                           |                           |
| No income   | 1, 12 | Statistics South Africa, regional economic growth        | 3 557       | 8 961       | 9 820       | 11                 | 11                 | 12                 | 12                      | 13   | 13                        | 13                        |
| R1 - R1 600   |       | Statistics South Africa, regional economic growth        | 245         | 914         | 2 065       | 2                  | 2                  | 2                  | 3                       | 3  | 3                         | 3                         |
| R1 601 - R3 200                                     |       | Statistics South Africa, regional economic growth        | 1 126       | 1 517       | 1 614       | 2                  | 2                  | 2                  | 2                       | 2  | 2                         | 2                         |
| R3 201 - R6 400                                     |       | Statistics South Africa, regional economic growth        | 3 728       | 4 415       | 4 699       | 5                  | 5                  | 6                  | 6                       | 6  | 6                         | 6                         |
| R6 401 - R12 800                                    |       | Statistics South Africa, regional economic growth        | 4 484       | 7 160       | 7 620       | 8                  | 9                  | 9                  | 10                      | 10   | 10                        | 10                        |
| R12 801 - R25 600                                   |       | Statistics South Africa, regional economic growth        | 6 463       | 6 742       | 7 176       | 8                  | 8                  | 9                  | 9                       | 9  | 9                         | 10                        |
| R25 601 - R51 200                                   |       | Statistics South Africa, regional economic growth        | 4 144       | 4 994       | 5 316       | 6                  | 6                  | 7                  | 7                       | 7  | 7                         | 7                         |
| R52 201 - R102 400                                  |       | Statistics South Africa, regional economic growth        | 2 578       | 3 671       | 3 907       | 4                  | 5                  | 5                  | 5                       | 5  | 5                         | 5                         |
| R102 401 - R204 800                                 |       | Statistics South Africa, regional economic growth        | 1 680       | 2 874       | 3 058       | 3                  | 4                  | 4                  | 4                       | 4  | 4                         | 4                         |
| R204 801 - R409 600                                 |       | Statistics South Africa, regional economic growth        | 69          | 1 432       | 1 523       | 2                  | 2                  | 2                  | 2                       | 2  | 2                         | 2                         |
| R409 601 - R819 200                                 |       | Statistics South Africa, regional economic growth        | 242         | 430         | 458         | 1                  | 1                  | 1                  | 1                       | 1  | 1                         | 1                         |
| > R819 200  |       | Statistics South Africa, regional economic growth        | 245         | 305         | 325         | 0                  | 0                  | 0                  | 0                       | 0  | 0                         | 0                         |
| <b>Poverty profiles (no. of households)</b>         |       |  |             |             |             |                    |                    |                    |                         |  |                           |                           |
| < R2 060 per household per month                    | 13    |  | 8 656       | 15 807      | 16 824      | 18 404             | 19 508             | 20 678             | 21 256                  | 21 850   | 22 461                    | 23 089                    |
|   | 2     |  | -           | -           | <R1600      | <R1600             | <R1600             | <R1600             | <R1600                  | <R1600   | <R1600                    | <R1600                    |
| <b>Household/demographics (000)</b>                 |       |  |             |             |             |                    |                    |                    |                         |  |                           |                           |
| Number of people in municipal area                  |       | Statistics South Africa, regional population growth rate | 200 524     | 155 718     | 170 654     | 187                | 198                | 210                | 210                     | 210  | 210                       | 210                       |
| Number of poor people in municipal area             |       | Statistics South Africa, regional population growth rate | -           | -           | -           | -                  | -                  | -                  | -                       | -  | -                         | -                         |
| Number of households in municipal area              |       | Statistics South Africa, regional population growth rate | 36 413      | 43 417      | 47 582      | 52                 | 55                 | 58                 | 58                      | 58   | 58                        | 58                        |
| Number of poor households in municipal area         |       | Statistics South Africa, regional population growth rate | 8 656       | 15 807      | 17 323      | 19                 | 20                 | 21                 | 21                      | 21   | 21                        | 21                        |
| Definition of poor household (R per month)          |       |  | 0           | -           | <R1600      | <R1600             | <R1600             | <R1600             | <R1600                  | <R1600   | <R1600                    | <R1600                    |
| <b>Housing statistics</b>                           |       |  |             |             |             |                    |                    |                    |                         |  |                           |                           |
| Formal  | 3     |  | 32 918      | 32 620      | 35 749      | 39 068             | 41 413             | 43 897             | 46 531                  | 49 323   | 52 283                    | 55 421                    |
| Informal  |       |  | 3           | 11          | 12          | 12 931             | 13 707             | 14 529             | 15 401                  | 16 325   | 17 304                    | 18 342                    |
| Total number of households                          |       |  | 36 413      | 43 417      | 47 581      | 51 999             | 55 119             | 58 426             | 61 932                  | 65 648   | 69 587                    | 73 763                    |
| Dwellings provided by municipality                  | 4     |  | -           | -           | -           | -                  | -                  | -                  | -                       | -  | -                         | -                         |
| Dwellings provided by province/s                    |       |  | -           | -           | -           | -                  | -                  | -                  | -                       | -  | -                         | -                         |
| Dwellings provided by private sector                | 5     |  | -           | -           | -           | -                  | -                  | -                  | -                       | -  | -                         | -                         |
| Total new housing dwellings                         |       |  | -           | -           | -           | -                  | -                  | -                  | -                       | -  | -                         | -                         |

|                                    |   |  |  |  |        |        |        |        |        |        |        |  |
|------------------------------------|---|--|--|--|--------|--------|--------|--------|--------|--------|--------|--|
| <b>Economic</b>                    | 6 |  |  |  |        |        |        |        |        |        |        |  |
| Inflation/inflation outlook (CPIX) |   |  |  |  | 5,3%   | 5,2%   | 4,5%   | 4,6%   | 4,0%   | 4,4%   | 4,5%   |  |
| Interest rate - borrowing          |   |  |  |  | 10,5%  | 10,5%  | 10,5%  | 10,5%  | 0,0%   | 0,0%   | 0,0%   |  |
| Interest rate - investment         |   |  |  |  | 8,5%   | 8,5%   | 8,5%   | 8,5%   | 0,0%   | 0,0%   | 0,0%   |  |
| Remuneration increases             |   |  |  |  | 7,0%   | 7,0%   | 6,3%   | 7,0%   | 7,3%   | 6,9%   | 6,9%   |  |
| Consumption growth (electricity)   |   |  |  |  | 1,0%   | 1,0%   | 1,0%   | 1,0%   | 0,0%   | 0,0%   | 0,0%   |  |
| Consumption growth (water)         |   |  |  |  | -1,0%  | -1,0%  | 1,0%   | 1,0%   | 0,0%   | 0,0%   | 0,0%   |  |
| <b>Collection rates</b>            | 7 |  |  |  |        |        |        |        |        |        |        |  |
| Property tax/service charges       |   |  |  |  | 96,0%  | 96,0%  | 96,0%  | 96,0%  | 96,0%  | 96,0%  | 96,0%  |  |
| Rental of facilities & equipment   |   |  |  |  | 97,0%  | 97,0%  | 97,0%  | 97,0%  | 97,0%  | 97,0%  | 97,0%  |  |
| Interest - external investments    |   |  |  |  | 100,0% | 100,0% | 100,0% | 100,0% | 100,0% | 100,0% | 100,0% |  |
| Interest - debtors                 |   |  |  |  | 96,0%  | 96,0%  | 96,0%  | 96,0%  | 96,0%  | 96,0%  | 96,0%  |  |
| Revenue from agency services       |   |  |  |  | 100,0% | 100,0% | 100,0% | 100,0% | 100,0% | 100,0% | 100,0% |  |

## Detail on the provision of municipal services for A10

| Total municipal services | Ref. |  | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--------------------------|------|--|---------|---------|---------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|                          |      |  | Outcome | Outcome | Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
|                          |      | <b>Household service targets (000)</b>           |         |         |         |                      |                 |                    |   |                        |                        |
|                          |      | <b>Water:</b>                                    |         |         |         |                      |                 |                    |   |                        |                        |
|                          |      | Piped water inside dwelling                      | 39 599  | 40 626  | 40 626  | 40 676               | 40 676          | 40 676             | 40 726  | 40 776                 | 40 826                 |
|                          |      | Piped water inside yard (but not in dwelling)    | 4 249   | 4 461   | 4 461   | 4 561                | 4 561           | 4 561              | 4 664   | 4 769                  | 4 876                  |
| 8                        |      | Using public tap (at least min.service level)    | 4 528   | 4 778   | 4 778   | 4 878                | 4 878           | 4 878              | 4 980   | 5 084                  | 5 191                  |
| 10                       |      | Other water supply (at least min.service level)  | 1 774   | 684     | 684     | 834                  | 834             | 834                | 1 017   | 1 240                  | 1 512                  |
|                          |      | <i>Minimum Service Level and Above sub-total</i> | 50 150  | 50 550  | 50 550  | 50 950               | 50 950          | 50 950             | 51 387  | 51 869                 | 52 404                 |
| 9                        |      | Using public tap (< min.service level)           | 1 270   | 1 170   | 1 170   | 1 070                | 1 070           | 1 070              | 979   | 896                    | 820                    |
| 10                       |      | Other water supply (< min.service level)         | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                          |      | No water supply                                  | 257     | 207     | 207     | 157                  | 157             | 157                | 119   | 90                     | 68                     |
|                          |      | <i>Below Minimum Service Level sub-total</i>     | 1 527   | 1 377   | 1 377   | 1 227                | 1 227           | 1 227              | 1 098   | 986                    | 888                    |
|                          |      | <b>Total number of households</b>                | 51 677  | 51 927  | 51 927  | 52 177               | 52 177          | 52 177             | 52 485  | 52 855                 | 53 292                 |
|                          |      | <b>Sanitation/sewerage:</b>                      |         |         |         |                      |                 |                    |   |                        |                        |
|                          |      | Flush toilet (connected to sewerage)             | 46 206  | 46 256  | 46 256  | 46 306               | 46 306          | 46 306             | 46 356  | 46 406                 | 46 456                 |
|                          |      | Flush toilet (with septic tank)                  | 2 065   | 2 165   | 2 165   | 2 265                | 2 265           | 2 265              | 2 370   | 2 480                  | 2 595                  |
|                          |      | Chemical toilet                                  | 388     | 407     | 407     | 420                  | 420             | 420                | 433   | 446                    | 460                    |
|                          |      | Pit toilet (ventilated)                          | 150     | 50      | 50      | -                    | -               | -                  | -   | -                      | -                      |
|                          |      | Other toilet provisions (> min.service level)    | 1 468   | 1 898   | 1 898   | 2 236                | 2 236           | 2 236              | 2 633   | 3 101                  | 3 652                  |
|                          |      | <i>Minimum Service Level and Above sub-total</i> | 50 277  | 50 777  | 50 777  | 51 227               | 51 227          | 51 227             | 51 792  | 52 433                 | 53 163                 |
|                          |      | Bucket toilet                                    | 900     | 800     | 800     | 700                  | 700             | 700                | 613   | 537                    | 470                    |
|                          |      | Other toilet provisions (< min.service level)    | 150     | 50      | 50      | -                    | -               | -                  | -   | -                      | -                      |
|                          |      | No toilet provisions                             | 350     | 300     | 300     | 250                  | 250             | 250                | 208   | 173                    | 144                    |
|                          |      | <i>Below Minimum Service Level sub-total</i>     | 1 400   | 1 150   | 1 150   | 950                  | 950             | 950                | 821   | 710                    | 614                    |
|                          |      | <b>Total number of households</b>                | 51 677  | 51 927  | 51 927  | 52 177               | 52 177          | 52 177             | 52 613  | 53 143                 | 53 777                 |
|                          |      | <b>Energy:</b>                                   |         |         |         |                      |                 |                    |   |                        |                        |
|                          |      | Electricity (at least min.service level)         | 14 571  | 14 821  | 14 821  | 15 071               | 15 071          | 15 071             | 15 325  | 15 583                 | 15 846                 |
|                          |      | Electricity - prepaid (min.service level)        | 34 753  | 35 003  | 35 003  | 35 253               | 35 253          | 35 253             | 35 505  | 35 759                 | 36 014                 |
|                          |      | <i>Minimum Service Level and Above sub-total</i> | 49 324  | 49 824  | 49 824  | 50 324               | 50 324          | 50 324             | 50 830  | 51 342                 | 51 860                 |
|                          |      | Electricity (< min.service level)                | 150     | 150     | 150     | 150                  | 150             | 150                | 150   | 150                    | 150                    |
|                          |      | Electricity - prepaid (< min. service level)     | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                          |      | Other energy sources                             | 2 203   | 1 953   | 1 953   | 1 703                | 1 703           | 1 703              | 1 485   | 1 295                  | 1 129                  |
|                          |      | <i>Below Minimum Service Level sub-total</i>     | 2 353   | 2 103   | 2 103   | 1 853                | 1 853           | 1 853              | 1 635   | 1 445                  | 1 279                  |
|                          |      | <b>Total number of households</b>                | 51 677  | 51 927  | 51 927  | 52 177               | 52 177          | 52 177             | 52 465  | 52 787                 | 53 140                 |
|                          |      | <b>Refuse:</b>                                   |         |         |         |                      |                 |                    |   |                        |                        |
|                          |      | Removed at least once a week                     | 47 149  | 47 649  | 47 649  | 48 149               | 48 149          | 48 149             | 48 654  | 49 164                 | 49 680                 |
|                          |      | <i>Minimum Service Level and Above sub-total</i> | 47 149  | 47 649  | 47 649  | 48 149               | 48 149          | 48 149             | 48 654  | 49 164                 | 49 680                 |
|                          |      | Removed less frequently than once a week         | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                          |      | Using communal refuse dump                       | 1 078   | 1 028   | 1 028   | 978                  | 978             | 978                | 930   | 885                    | 841                    |
|                          |      | Using own refuse dump                            | 2 200   | 2 100   | 2 100   | 2 000                | 2 000           | 2 000              | 1 905   | 1 815                  | 1 728                  |
|                          |      | Other rubbish disposal                           | 800     | 750     | 750     | 700                  | 700             | 700                | 653   | 609                    | 568                    |
|                          |      | No rubbish disposal                              | 450     | 400     | 400     | 350                  | 350             | 350                | 306   | 268                    | 234                    |
|                          |      | <i>Below Minimum Service Level sub-total</i>     | 4 528   | 4 278   | 4 278   | 4 028                | 4 028           | 4 028              | 3 794   | 3 576                  | 3 372                  |
|                          |      | <b>Total number of households</b>                | 51 677  | 51 927  | 51 927  | 52 177               | 52 177          | 52 177             | 52 448  | 52 740                 | 53 052                 |

| Municipal in-house services | Ref. |  | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|-----------------------------|------|--|---------|---------|---------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|                             |      |  | Outcome | Outcome | Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
|                             |      | <b>Household service targets (000)</b>           |         |         |         |                      |                 |                    |   |                        |                        |
|                             |      | <u>Water:</u>                                    |         |         |         |                      |                 |                    |   |                        |                        |
|                             |      | Piped water inside dwelling                      | 39 599  | 40 626  | 40 626  | 40 676               | 40 676          | 40 676             | 40 726  | 40 776                 | 40 826                 |
|                             |      | Piped water inside yard (but not in dwelling)    | 4 249   | 4 461   | 4 461   | 4 561                | 4 561           | 4 561              | 4 664   | 4 769                  | 4 876                  |
| 8                           |      | Using public tap (at least min.service level)    | 4 528   | 4 778   | 4 778   | 4 878                | 4 878           | 4 878              | 4 980   | 5 084                  | 5 191                  |
| 10                          |      | Other water supply (at least min.service level)  | 1 774   | 684     | 684     | 834                  | 834             | 834                | 1 017   | 1 240                  | 1 512                  |
|                             |      | <i>Minimum Service Level and Above sub-total</i> | 50 150  | 50 550  | 50 550  | 50 950               | 50 950          | 50 950             | 51 387  | 51 869                 | 52 404                 |
| 9                           |      | Using public tap (< min.service level)           | 1 270   | 1 170   | 1 170   | 1 070                | 1 070           | 1 070              | 979   | 896                    | 820                    |
| 10                          |      | Other water supply (< min.service level)         | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                             |      | No water supply                                  | 257     | 207     | 207     | 157                  | 157             | 157                | 119   | 90                     | 68                     |
|                             |      | <i>Below Minimum Service Level sub-total</i>     | 1 527   | 1 377   | 1 377   | 1 227                | 1 227           | 1 227              | 1 098   | 986                    | 888                    |
|                             |      | <b>Total number of households</b>                | 51 677  | 51 927  | 51 927  | 52 177               | 52 177          | 52 177             | 52 485  | 52 855                 | 53 292                 |
|                             |      | <u>Sanitation/sewerage:</u>                      |         |         |         |                      |                 |                    |   |                        |                        |
|                             |      | Flush toilet (connected to sewerage)             | 46 206  | 46 256  | 46 256  | 46 306               | 46 306          | 46 306             | 46 356  | 46 406                 | 46 456                 |
|                             |      | Flush toilet (with septic tank)                  | 2 065   | 2 165   | 2 165   | 2 265                | 2 265           | 2 265              | 2 370   | 2 480                  | 2 595                  |
|                             |      | Chemical toilet                                  | 388     | 407     | 407     | 420                  | 420             | 420                | 433   | 446                    | 460                    |
|                             |      | Pit toilet (ventilated)                          | 150     | 50      | 50      | -                    | -               | -                  | -   | -                      | -                      |
|                             |      | Other toilet provisions (> min.service level)    | 1 468   | 1 898   | 1 898   | 2 236                | 2 236           | 2 236              | 2 633   | 3 101                  | 3 652                  |
|                             |      | <i>Minimum Service Level and Above sub-total</i> | 50 277  | 50 777  | 50 777  | 51 227               | 51 227          | 51 227             | 51 792  | 52 433                 | 53 163                 |
|                             |      | Bucket toilet                                    | 900     | 800     | 800     | 700                  | 700             | 700                | 613   | 537                    | 470                    |
|                             |      | Other toilet provisions (< min.service level)    | 150     | 50      | 50      | -                    | -               | -                  | -   | -                      | -                      |
|                             |      | No toilet provisions                             | 350     | 300     | 300     | 250                  | 250             | 250                | 208   | 173                    | 144                    |
|                             |      | <i>Below Minimum Service Level sub-total</i>     | 1 400   | 1 150   | 1 150   | 950                  | 950             | 950                | 821   | 710                    | 614                    |
|                             |      | <b>Total number of households</b>                | 51 677  | 51 927  | 51 927  | 52 177               | 52 177          | 52 177             | 52 613  | 53 143                 | 53 777                 |
|                             |      | <u>Energy:</u>                                   |         |         |         |                      |                 |                    |   |                        |                        |
|                             |      | Electricity (at least min.service level)         | 14 571  | 14 821  | 14 821  | 15 071               | 15 071          | 15 071             | 15 325  | 15 583                 | 15 846                 |
|                             |      | Electricity - prepaid (min.service level)        | 34 753  | 35 003  | 35 003  | 35 253               | 35 253          | 35 253             | 35 505  | 35 759                 | 36 014                 |
|                             |      | <i>Minimum Service Level and Above sub-total</i> | 49 324  | 49 824  | 49 824  | 50 324               | 50 324          | 50 324             | 50 830  | 51 342                 | 51 860                 |
|                             |      | Electricity (< min.service level)                | 150     | 150     | 150     | 150                  | 150             | 150                | 150   | 150                    | 150                    |
|                             |      | Electricity - prepaid (< min. service level)     | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                             |      | Other energy sources                             | 2 203   | 1 953   | 1 953   | 1 703                | 1 703           | 1 703              | 1 485   | 1 295                  | 1 129                  |
|                             |      | <i>Below Minimum Service Level sub-total</i>     | 2 353   | 2 103   | 2 103   | 1 853                | 1 853           | 1 853              | 1 635   | 1 445                  | 1 279                  |
|                             |      | <b>Total number of households</b>                | 51 677  | 51 927  | 51 927  | 52 177               | 52 177          | 52 177             | 52 465  | 52 787                 | 53 140                 |
|                             |      | <u>Refuse:</u>                                   |         |         |         |                      |                 |                    |   |                        |                        |
|                             |      | Removed at least once a week                     | 47 149  | 47 649  | 47 649  | 48 149               | 48 149          | 48 149             | 48 654  | 49 164                 | 49 680                 |
|                             |      | <i>Minimum Service Level and Above sub-total</i> | 47 149  | 47 649  | 47 649  | 48 149               | 48 149          | 48 149             | 48 654  | 49 164                 | 49 680                 |
|                             |      | Removed less frequently than once a week         | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                             |      | Using communal refuse dump                       | 1 078   | 1 028   | 1 028   | 978                  | 978             | 978                | 930   | 885                    | 841                    |
|                             |      | Using own refuse dump                            | 2 200   | 2 100   | 2 100   | 2 000                | 2 000           | 2 000              | 1 905   | 1 815                  | 1 728                  |
|                             |      | Other rubbish disposal                           | 800     | 750     | 750     | 700                  | 700             | 700                | 653   | 609                    | 568                    |
|                             |      | No rubbish disposal                              | 450     | 400     | 400     | 350                  | 350             | 350                | 306   | 268                    | 234                    |
|                             |      | <i>Below Minimum Service Level sub-total</i>     | 4 528   | 4 278   | 4 278   | 4 028                | 4 028           | 4 028              | 3 794   | 3 576                  | 3 372                  |
|                             |      | <b>Total number of households</b>                | 51 677  | 51 927  | 51 927  | 52 177               | 52 177          | 52 177             | 52 448  | 52 740                 | 53 052                 |

| Municipal entity services       | Ref. |  | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---------------------------------|------|--|---------|---------|---------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|                                 |      |  | Outcome | Outcome | Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Name of municipal entity</b> |      | <b>Household service targets (000)</b>           |         |         |         |                      |                 |                    |   |                        |                        |
|                                 |      | <u>Water:</u>                                    |         |         |         |                      |                 |                    |   |                        |                        |
|                                 |      | Piped water inside dwelling                      | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | Piped water inside yard (but not in dwelling)    | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 | 8    | Using public tap (at least min.service level)    | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 | 10   | Other water supply (at least min.service level)  | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | <i>Minimum Service Level and Above sub-total</i> | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 | 9    | Using public tap (< min.service level)           | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 | 10   | Other water supply (< min.service level)         | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | No water supply                                  | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | <i>Below Minimum Service Level sub-total</i>     | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | Total number of households                       | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
| <b>Name of municipal entity</b> |      | <u>Sanitation/sewerage:</u>                      |         |         |         |                      |                 |                    |   |                        |                        |
|                                 |      | Flush toilet (connected to sewerage)             | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | Flush toilet (with septic tank)                  | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | Chemical toilet                                  | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | Pit toilet (ventilated)                          | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | Other toilet provisions (> min.service level)    | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | <i>Minimum Service Level and Above sub-total</i> | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | Bucket toilet                                    | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | Other toilet provisions (< min.service level)    | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | No toilet provisions                             | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | <i>Below Minimum Service Level sub-total</i>     | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | Total number of households                       | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
| <b>Name of municipal entity</b> |      | <u>Energy:</u>                                   |         |         |         |                      |                 |                    |   |                        |                        |
|                                 |      | Electricity (at least min.service level)         | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | Electricity - prepaid (min.service level)        | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | <i>Minimum Service Level and Above sub-total</i> | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | Electricity (< min.service level)                | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | Electricity - prepaid (< min. service level)     | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | Other energy sources                             | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | <i>Below Minimum Service Level sub-total</i>     | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | Total number of households                       | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
| <b>Name of municipal entity</b> |      | <u>Refuse:</u>                                   |         |         |         |                      |                 |                    |   |                        |                        |
|                                 |      | Removed at least once a week                     | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | <i>Minimum Service Level and Above sub-total</i> | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | Removed less frequently than once a week         | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | Using communal refuse dump                       | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | Using own refuse dump                            | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | Other rubbish disposal                           | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | No rubbish disposal                              | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | <i>Below Minimum Service Level sub-total</i>     | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|                                 |      | Total number of households                       | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |

| Services provided by 'external mechanisms' | Ref. |  | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|------|--|---------|---------|---------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |      |  | Outcome | Outcome | Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
|  |      | <b>Household service targets (000)</b>           |         |         |         |                      |                 |                    |   |                        |                        |
| <b>Names of service providers</b>          |      | <u>Water:</u>                                    |         |         |         |                      |                 |                    |   |                        |                        |
|  |      | Piped water inside dwelling                      | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | Piped water inside yard (but not in dwelling)    | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  | 8    | Using public tap (at least min.service level)    | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  | 10   | Other water supply (at least min.service level)  | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | <i>Minimum Service Level and Above sub-total</i> | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  | 9    | Using public tap (< min.service level)           | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  | 10   | Other water supply (< min.service level)         | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | No water supply                                  | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | <i>Below Minimum Service Level sub-total</i>     | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | <b>Total number of households</b>                | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
| <b>Names of service providers</b>          |      | <u>Sanitation/sewerage:</u>                      |         |         |         |                      |                 |                    |   |                        |                        |
|  |      | Flush toilet (connected to sewerage)             | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | Flush toilet (with septic tank)                  | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | Chemical toilet                                  | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | Pit toilet (ventilated)                          | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | Other toilet provisions (> min.service level)    | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | <i>Minimum Service Level and Above sub-total</i> | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | Bucket toilet                                    | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | Other toilet provisions (< min.service level)    | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | No toilet provisions                             | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | <i>Below Minimum Service Level sub-total</i>     | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | <b>Total number of households</b>                | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
| <b>Names of service providers</b>          |      | <u>Energy:</u>                                   |         |         |         |                      |                 |                    |   |                        |                        |
|  |      | Electricity (at least min.service level)         | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | Electricity - prepaid (min.service level)        | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | <i>Minimum Service Level and Above sub-total</i> | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | Electricity (< min.service level)                | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | Electricity - prepaid (< min. service level)     | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | Other energy sources                             | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | <i>Below Minimum Service Level sub-total</i>     | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | <b>Total number of households</b>                | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
| <b>Names of service providers</b>          |      | <u>Refuse:</u>                                   |         |         |         |                      |                 |                    |   |                        |                        |
|  |      | Removed at least once a week                     | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | <i>Minimum Service Level and Above sub-total</i> | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | Removed less frequently than once a week         | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | Using communal refuse dump                       | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | Using own refuse dump                            | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | Other rubbish disposal                           | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | No rubbish disposal                              | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | <i>Below Minimum Service Level sub-total</i>     | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |
|  |      | <b>Total number of households</b>                | -       | -       | -       | -                    | -               | -                  | -   | -                      | -                      |



| Detail of Free Basic Services (FBS) provided |      | 2018/19   | 2019/20    | 2020/21    | Current Year 2021/22 |            |            | 2022/23 Medium Term Revenue & Expenditure Framework |                 |                    |                     |
|--|------|---|------------|------------|----------------------|------------|------------|---|-----------------|--------------------|---------------------|
|  |      |   |            |            | Outcome              | Outcome    | Outcome    | Original Budget                                     | Adjusted Budget | Full Year Forecast | Budget Year 2022/23 |
| Electricity                                  | Ref. | <u>Location of households for each type of FBS</u>                        |            |            |                      |            |            |   |                 |                    |                     |
| List type of FBS service                     |      | Formal settlements - (50 kwh per indigent household per month Rands)      | 10 538 163 | 13 321 030 | 14 758 992           | 14 654 779 | 14 654 779 | 14 654 779  | 15 579 496      | 16 562 562         | 17 607 660          |
|  |      | Number of HH receiving this type of FBS                                   | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Informal settlements (Rands)  | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Number of HH receiving this type of FBS                                   | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Informal settlements targeted for upgrading (Rands)                       | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Number of HH receiving this type of FBS                                   | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Living in informal backyard rental agreement (Rands)                      | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Number of HH receiving this type of FBS                                   | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Other (Rands)   | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Number of HH receiving this type of FBS                                   | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Total cost of FBS - Electricity for informal settlements                  | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
| Water  | Ref. | <u>Location of households for each type of FBS</u>                        |            |            |                      |            |            |   |                 |                    |                     |
| List type of FBS service                     |      | Formal settlements - (6 kilolitre per indigent household per month Rands) | 15 664 003 | 21 106 158 | 25 538 738           | 17 804 127 | 5 185 970  | 5 185 970   | 5 497 128       | 5 826 956          | 6 176 573           |
|  |      | Number of HH receiving this type of FBS                                   | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Informal settlements (Rands)  | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Number of HH receiving this type of FBS                                   | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Informal settlements targeted for upgrading (Rands)                       | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Number of HH receiving this type of FBS                                   | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Living in informal backyard rental agreement (Rands)                      | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Number of HH receiving this type of FBS                                   | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Other (Rands)   | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Number of HH receiving this type of FBS                                   | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Total cost of FBS - Water for informal settlements                        | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
| Sanitation                                   | Ref. | <u>Location of households for each type of FBS</u>                        |            |            |                      |            |            |   |                 |                    |                     |
| List type of FBS service                     |      | Formal settlements - (free sanitation service to indigent households)     | 8 556 762  | 9 607 052  | 10 545 132           | 10 884 750 | 10 684 619 | 10 684 619  | 11 325 696      | 12 005 238         | 12 725 552          |
|  |      | Number of HH receiving this type of FBS                                   | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Informal settlements (Rands)  | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Number of HH receiving this type of FBS                                   | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Informal settlements targeted for upgrading (Rands)                       | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Number of HH receiving this type of FBS                                   | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Living in informal backyard rental agreement (Rands)                      | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Number of HH receiving this type of FBS                                   | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Other (Rands)   | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Number of HH receiving this type of FBS                                   | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |
|  |      | Total cost of FBS - Sanitation for informal settlements                   | -          | -          | -                    | -          | -          | -   | -               | -                  | -                   |

| Refuse Removal           | Ref. | <u>Location of households for each type of FBS</u>                 |   |   |   |   |            |            |            |            |             |
|--------------------------|------|--|---|---|---|---|------------|------------|------------|------------|-------------|
| List type of FBS service |      | Formal settlements - (removed once a week to indigent households)  | - | - | - | - | 18 264 013 | 18 264 013 | 67 385 436 | 89 136 662 | 127 873 443 |
|                          |      | <i>Number of HH receiving this type of FBS</i>                     | - | - | - | - | -          | -          | -          | -          | -           |
|                          |      | Informal settlements (Rands)                                       | - | - | - | - | -          | -          | -          | -          | -           |
|                          |      | <i>Number of HH receiving this type of FBS</i>                     | - | - | - | - | -          | -          | -          | -          | -           |
|                          |      | Informal settlements targeted for upgrading (Rands)                | - | - | - | - | -          | -          | -          | -          | -           |
|                          |      | <i>Number of HH receiving this type of FBS</i>                     | - | - | - | - | -          | -          | -          | -          | -           |
|                          |      | Living in informal backyard rental agreement (Rands)               | - | - | - | - | -          | -          | -          | -          | -           |
|                          |      | <i>Number of HH receiving this type of FBS</i>                     | - | - | - | - | -          | -          | -          | -          | -           |
|                          |      | Other (Rands)  | - | - | - | - | -          | -          | -          | -          | -           |
|                          |      | <i>Number of HH receiving this type of FBS</i>                     | - | - | - | - | -          | -          | -          | -          | -           |
|                          |      | <b>Total cost of FBS - Refuse Removal for informal settlements</b> | - | - | - | - | -          | -          | -          | -          | -           |

## WC024 Stellenbosch Supporting Table SA10 Funding measurement

| Description   | MFMA section | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|--------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |              |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Funding measures</b>                                       |              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Cash/cash equivalents at the year end - R'000                 | 18(1)b       | 1   | (530 694)       | 546 180         | (11 298 698)    | 744 294              | 799 869         | 799 869            | 301 804   | 377 778                | 441 420                |
| Cash + investments at the yr end less applications - R'000    | 18(1)b       | 2   | 353 541         | (150 528)       | (2 523 415)     | 727 552              | 942 558         | 942 558            | 486 448   | 501 911                | 482 899                |
| Cash year end/monthly employee/supplier payments              | 18(1)b       | 3   | (5,4)           | 0,9             | (22,6)          | 5,4                  | 5,9             | 5,9                | 2,1   | 2,5                    | 2,8                    |
| Surplus/(Deficit) excluding depreciation offsets: R'000       | 18(1)        | 4   | 119 092         | 2 759 560       | 672 845         | 108 114              | 133 512         | 133 512            | 169 007   | 175 855                | 175 932                |
| Service charge rev % change - macro CPIX target exclusive     | 18(1)a,(2)   | 5   | N.A.            | 816,9%          | (50,0%)         | (79,5%)              | (7,2%)          | (6,0%)             | 1,0%  | 0,8%                   | 0,9%                   |
| Cash receipts % of Ratepayer & Other revenue                  | 18(1)a,(2)   | 6   | (0,0%)          | (0,0%)          | (127,0%)        | 90,6%                | 89,9%           | 89,9%              | 90,2%   | 89,9%                  | 89,6%                  |
| Debt impairment expense as a % of total billable revenue      | 18(1)a,(2)   | 7   | 9,1%            | 1,3%            | 5,5%            | 6,6%                 | 6,7%            | 6,7%               | 5,3%  | 5,1%                   | 4,9%                   |
| Capital payments % of capital expenditure                     | 18(1)c;19    | 8   | 0,0%            | 0,5%            | 10,2%           | 0,0%                 | 0,0%            | 0,0%               | 100,0%  | 100,0%                 | 100,0%                 |
| Borrowing receipts % of capital expenditure (excl. transfers) | 18(1)c       | 9   | 0,0%            | 0,0%            | (21,9%)         | 0,0%                 | 50,2%           | 50,2%              | 51,3%   | 48,0%                  | 40,7%                  |
| Grants % of Govt. legislated/gazetted allocations             | 18(1)a       | 10  |                 |                 |                 |                      |                 |                    | 100,9%  | 100,7%                 | 100,7%                 |
| Current consumer debtors % change - incr(decr)                | 18(1)a       | 11  | N.A.            | 1282,3%         | (69,6%)         | 177,1%               | 58,9%           | 0,0%               | (52,3%)   | 3,1%                   | 3,3%                   |
| Long term receivables % change - incr(decr)                   | 18(1)a       | 12  | N.A.            | 0,0%            | 23,9%           | (143,6%)             | 1,2%            | 0,0%               | 0,0%  | 0,0%                   | 0,0%                   |
| R&M % of Property Plant & Equipment                           | 20(1)(vi)    | 13  | 2,5%            | 5,9%            | (1,6%)          | 1,6%                 | 1,4%            | 1,4%               | 0,5%  | 0,5%                   | 0,5%                   |
| Asset renewal % of capital budget                             | 20(1)(vi)    | 14  | 0,0%            | 0,3%            | (5,3%)          | 2,5%                 | 8,2%            | 8,2%               | 7,7%  | 5,5%                   | 16,0%                  |

References

1. Positive cash balances indicative of minimum compliance - subject to 2
2. Deduct cash and investment applications (defined) from cash balances
3. Indicative of sufficient liquidity to meet average monthly operating payments
4. Indicative of funded operational requirements
5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
6. Realistic average cash collection forecasts as % of annual billed revenue
7. Realistic average increase in debt impairment (doubtful debt) provision
8. Indicative of planned capital expenditure level & cash payment timing
9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing
10. Substantiation of National/Province allocations included in budget
11. Indicative of realistic current arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
12. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection
14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection

| Description   | MFMA section | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|--------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |              |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <u>Supporting indicators</u>                                    |              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| % incr total service charges (incl prop rates)                  | 18(1)a       |     |                 | 822,9%          | (44,0%)         | (73,5%)              | (1,2%)          | 0,0%               | 7,0%  | 6,8%                   | 6,9%                   |
| % incr Property Tax   | 18(1)a       |     |                 | 855,8%          | (51,1%)         | (73,0%)              | (1,9%)          | 0,0%               | 5,8%  | 6,2%                   | 6,0%                   |
| % incr Service charges - electricity revenue                    | 18(1)a       |     |                 | 968,1%          | (50,1%)         | (72,2%)              | 0,0%            | 0,0%               | 7,8%  | 7,3%                   | 7,6%                   |
| % incr Service charges - water revenue                          | 18(1)a       |     |                 | 127,9%          | 93,8%           | (74,4%)              | 0,0%            | 0,0%               | 6,2%  | 5,8%                   | 6,0%                   |
| % incr Service charges - sanitation revenue                     | 18(1)a       |     |                 | 725,5%          | (26,4%)         | (77,5%)              | (10,1%)         | 0,0%               | 6,0%  | 6,0%                   | 6,0%                   |
| % incr Service charges - refuse revenue                         | 18(1)a       |     |                 | 1228,2%         | (44,9%)         | (78,2%)              | 0,0%            | 0,0%               | 8,0%  | 8,0%                   | 8,0%                   |
| % incr in Service charges - other                               | 18(1)a       |     |                 | 0,0%            | 0,0%            | 0,0%                 | 0,0%            | 0,0%               | 0,0%  | 0,0%                   | 0,0%                   |
| Total billable revenue  | 18(1)a       |     | 1 154 085       | 10 651 524      | 5 964 420       | 1 579 729            | 1 560 236       | 1 560 236          | 1 669 615   | 1 783 267              | 1 906 650              |
| Service charges   |              |     | 1 154 085       | 10 651 524      | 5 964 420       | 1 579 729            | 1 560 236       | 1 560 236          | 1 669 615   | 1 783 267              | 1 906 650              |
| Property rates  |              |     | 336 325         | 3 214 592       | 1 571 201       | 423 633              | 415 668         | 415 668            | 439 858   | 467 044                | 495 067                |
| Service charges - electricity revenue                           |              |     | 531 494         | 5 676 832       | 2 830 052       | 787 275              | 787 275         | 787 275            | 848 869   | 911 005                | 980 001                |
| Service charges - water revenue                                 |              |     | 147 276         | 335 638         | 650 618         | 166 400              | 166 400         | 166 400            | 176 783   | 186 967                | 198 185                |
| Service charges - sanitation revenue                            |              |     | 83 862          | 692 257         | 509 360         | 114 485              | 102 957         | 102 957            | 109 134   | 115 682                | 122 623                |
| Service charges - refuse removal                                |              |     | 55 128          | 732 205         | 403 190         | 87 936               | 87 936          | 87 936             | 94 971  | 102 569                | 110 775                |
| Service charges - other   |              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Rental of facilities and equipment                              |              |     | 11 412          | 129 994         | 59 881          | 11 175               | 10 812          | 10 812             | 15 538  | 16 315                 | 17 130                 |
| Capital expenditure excluding capital grant funding             |              |     | (11 843)        | 2 781 093       | 1 405 179       | 300 500              | 286 209         | 286 209            | 272 790   | 333 637                | 346 158                |
| Cash receipts from ratepayers                                   | 18(1)a       |     | (43)            | (1 041)         | (8 624 837)     | 1 632 285            | 1 581 657       | 1 581 657          | 1 690 110   | 1 794 271              | 1 904 395              |
| Ratepayer & Other revenue                                       | 18(1)a       |     | 1 329 326       | 11 980 414      | 6 790 761       | 1 802 538            | 1 758 402       | 1 758 402          | 1 874 662   | 1 995 854              | 2 126 536              |
| Change in consumer debtors (current and non-current)            |              |     | 390 572         | 793 326         | (588 993)       | 445 213              | 866 201         | 866 201            | (172 265)   | 16 860                 | 18 252                 |
| Operating and Capital Grant Revenue                             | 18(1)a       |     | 233 233         | 1 466 337       | 1 140 565       | 309 867              | 315 338         | 315 338            | 351 855   | 327 071                | 319 285                |
| Capital expenditure - total                                     | 20(1)(vi)    |     | -               | 2 932 978       | 1 349 903       | 406 054              | 398 108         | 398 108            | 405 273   | 429 269                | 442 003                |
| Capital expenditure - renewal                                   | 20(1)(vi)    |     | 45 449          | 10 136          | (72 086)        | 9 950                | 32 593          | 32 593             | 31 358  | 23 634                 | 70 628                 |
| <u>Supporting benchmarks</u>                                    |              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Growth guideline maximum  |              |     | 6,0%            | 6,0%            | 6,0%            | 6,0%                 | 6,0%            | 6,0%               | 6,0%  | 6,0%                   | 6,0%                   |
| CPI guideline   |              |     | 4,3%            | 3,9%            | 4,6%            | 5,0%                 | 5,0%            | 5,0%               | 5,4%  | 5,6%                   | 5,4%                   |
| DoRA operating grants total MFY                                 |              |     |                 |                 |                 |                      |                 |                    | 187 061   | 198 270                | 217 097                |
| DoRA capital grants total MFY                                   |              |     |                 |                 |                 |                      |                 |                    | 90 810  | 46 008                 | 47 899                 |
| Provincial operating grants                                     |              |     |                 |                 |                 |                      |                 |                    | 31 858  | 45 262                 | 42 987                 |
| Provincial capital grants                                       |              |     |                 |                 |                 |                      |                 |                    | 37 800  | 34 863                 | 8 527                  |
| District Municipality grants                                    |              |     |                 |                 |                 |                      |                 |                    | 1 020   | 541                    | 562                    |
| Total gazetted/advised national, provincial and district grants |              |     |                 |                 |                 |                      |                 |                    | 348 548   | 324 944                | 317 072                |
| Average annual collection rate (arrears inclusive)              |              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |

| Description   | MFMA section | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|--------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |              |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>DoRA operating</b>   |              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Operational Revenue:General Revenue:Equitable Share                               |              |     |                 |                 |                 |                      |                 |                    | 179 634   | 196 720                | 215 547                |
| Operational:Revenue:General Revenue:Fuel Levy                                     |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| 2014 African Nations Championship Host City Operating Grant [Schedule 5B]         |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Agriculture Research and Technology   |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Agriculture, Conservation and Environmental                                       |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Arts and Culture Sustainable Resource Management                                  |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Community Library   |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Department of Environmental Affairs   |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Department of Tourism   |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Department of Water Affairs and Sanitation Masibambane                            |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Emergency Medical Service   |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Energy Efficiency and Demand-side [Schedule 5B]                                   |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B] |              |     |                 |                 |                 |                      |                 |                    | 5 877   | -                      | -                      |
| HIV and Aids  |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Housing Accreditation   |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Housing Top structure   |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Infrastructure Skills Development Grant [Schedule 5B]                             |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Integrated City Development Grant   |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Khayelitsha Urban Renewal   |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Local Government Financial Management Grant [Schedule 5B]                         |              |     |                 |                 |                 |                      |                 |                    | 1 550   | 1 550                  | 1 550                  |
| Mitchell's Plain Urban Renewal  |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Municipal Demarcation and Transition Grant [Schedule 5B]                          |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Municipal Disaster Grant [Schedule 5B]  |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Municipal Human Settlement Capacity Grant [Schedule 5B]                           |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Municipal Systems Improvement Grant   |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Natural Resource Management Project   |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Neighbourhood Development Partnership Grant                                       |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Operation Clean Audit   |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Municipal Disaster Recovery Grant   |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Public Service Improvement Facility   |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Public Transport Network Operations Grant [Schedule 5B]                           |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Restructuring - Seed Funding  |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Revenue Enhancement Grant Debtors Book  |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Rural Road Asset Management Systems Grant   |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |

| Description   | MFMA section | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|--------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |              |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| Sport and Recreation  |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Terrestrial Invasive Alien Plants                                 |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Water Services Operating Subsidy Grant [Schedule 5B]              |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Health Hygiene in Informal Settlements                            |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Municipal Infrastructure Grant [Schedule 5B]                      |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Water Services Infrastructure Grant                               |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Public Transport Network Grant [Schedule 5B]                      |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Smart Connect Grant   |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Urban Settlement Development Grant                                |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| WiFi Grant [Department of Telecommunications and Postal Services] |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Street Lighting   |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Traditional Leaders - Imbizion                                    |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Department of Water and Sanitation Smart Living Handbook          |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Integrated National Electrification Programme Grant               |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Municipal Restructuring Grant                                     |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Regional Bulk Infrastructure Grant                                |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Municipal Emergency Housing Grant                                 |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Metro Informal Settlements Partnership Grant                      |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
| Integrated Urban Development Grant                                |              |     |                 |                 |                 |                      |                 |                    | -   | -                      | -                      |
|   |              |     |                 |                 |                 |                      |                 |                    | 3 287   | 2 106                  | 2 191                  |
|   |              |     |                 |                 |                 |                      |                 |                    | 187 061   | 198 270                | 217 097                |

| Description   | MFMA section | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |        |
|---|--------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|--------|
|   |              |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |        |
| <b>DoRA Capital</b>   |              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |        |
| Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]     |              |     |                 |                 |                 |                      |                 |                    |   | 28 350                 | 6 000                  | 6 269  |
| Municipal Infrastructure Grant [Schedule 5B]                                      |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Municipal Water Infrastructure Grant [Schedule 5B]                                |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Neighbourhood Development Partnership Grant [Schedule 5B]                         |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Public Transport Infrastructure Grant [Schedule 5B]                               |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Rural Household Infrastructure Grant [Schedule 5B]                                |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Rural Road Asset Management Systems Grant [Schedule 5B]                           |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Urban Settlement Development Grant [Schedule 4B]                                  |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Municipal Human Settlement  |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Community Library   |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Integrated City Development Grant [Schedule 4B]                                   |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Municipal Disaster Recovery Grant   |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Energy Efficiency and Demand Side Management Grant                                |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Khayelitsha Urban Renewal   |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Local Government Financial Management Grant [Schedule 5B]                         |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Municipal Systems Improvement Grant [Schedule 5B]                                 |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Public Transport Network Grant [Schedule 5B]                                      |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Public Transport Network Operations Grant [Schedule 5B]                           |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Regional Bulk Infrastructure Grant (Schedule 5B)                                  |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Water Services Infrastructure Grant [Schedule 5B]                                 |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| WIFI Connectivity   |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B] |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Aquaponic Project   |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Restitution Settlement  |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Infrastructure Skills Development Grant [Schedule 5B]                             |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Restructuring Seed Funding  |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Municipal Disaster Relief Grant   |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Municipal Emergency Housing Grant   |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
| Metro Informal Settlements Partnership Grant                                      |              |     |                 |                 |                 |                      |                 |                    |   | 62 460                 | 40 008                 | 41 630 |
| Integrated Urban Development Grant  |              |     |                 |                 |                 |                      |                 |                    |   | -                      | -                      | -      |
|   |              |     |                 |                 |                 |                      |                 |                    |   | 90 810                 | 46 008                 | 47 899 |

| Description  | MFMA section | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|--------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |              |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Trend</b>   |              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Change in consumer debtors (current and non-current)       |              |     | 390 572         | 793 326         | (588 993)       | 445 213              | 866 201         | 866 201            | (172 265)   | 16 860                 | 18 252                 |
| <b>Total Operating Revenue</b>                             |              |     | 1 519 272       | 13 543 810      | 7 664 295       | 2 020 051            | 1 982 761       | 1 982 761          | 2 118 305   | 2 263 266              | 2 411 458              |
| <b>Total Operating Expenditure</b>                         |              |     | 1 501 213       | 11 048 820      | 7 415 383       | 2 017 490            | 1 977 195       | 1 977 195          | 2 111 162   | 2 208 064              | 2 342 261              |
| <b>Operating Performance Surplus/(Deficit)</b>             |              |     | 18 059          | 2 494 990       | 248 913         | 2 560                | 5 566           | 5 566              | 7 143   | 55 202                 | 69 196                 |
| <b>Cash and Cash Equivalents (30 June 2012)</b>            |              |     |                 |                 |                 |                      |                 |                    | 301 804   |                        |                        |
| <b>Revenue</b>   |              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| % Increase in Total Operating Revenue                      |              |     |                 | 791,5%          | (43,4%)         | (73,6%)              | (1,8%)          | 0,0%               | 6,8%  | 6,8%                   | 6,5%                   |
| % Increase in Property Rates Revenue                       |              |     |                 | 855,8%          | (51,1%)         | (73,0%)              | (1,9%)          | 0,0%               | 5,8%  | 6,2%                   | 6,0%                   |
| % Increase in Electricity Revenue                          |              |     |                 | 968,1%          | (50,1%)         | (72,2%)              | 0,0%            | 0,0%               | 7,8%  | 7,3%                   | 7,6%                   |
| % Increase in Property Rates & Services Charges            |              |     |                 | 822,9%          | (44,0%)         | (73,5%)              | (1,2%)          | 0,0%               | 7,0%  | 6,8%                   | 6,9%                   |
| <b>Expenditure</b>   |              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| % Increase in Total Operating Expenditure                  |              |     |                 | 636,0%          | (32,9%)         | (72,8%)              | (2,0%)          | 0,0%               | 6,8%  | 4,6%                   | 6,1%                   |
| % Increase in Employee Costs                               |              |     |                 | 383,5%          | 2,9%            | (73,6%)              | (4,9%)          | 0,0%               | 8,1%  | 1,1%                   | 5,9%                   |
| % Increase in Electricity Bulk Purchases                   |              |     |                 | 18,5%           | 331,2%          | (71,6%)              | 0,0%            | 0,0%               | 8,6%  | 8,6%                   | 8,6%                   |
| Average Cost Per Budgeted Employee Position (Remuneration) |              |     |                 |                 | 1926836,845     | 489490,9726          |                 |                    | 503194,0073   |                        |                        |
| Average Cost Per Councillor (Remuneration)                 |              |     |                 |                 | 1908250,263     | 511113,6744          |                 |                    | 489820,2326   |                        |                        |
| R&M % of PPE   |              |     | 2,5%            | 5,9%            | (1,6%)          | 1,6%                 | 1,4%            | 1,4%               | 0,5%  | 0,5%                   | 0,5%                   |
| Asset Renewal and R&M as a % of PPE                        |              |     | 71,0%           | 10,0%           | 0,0%            | 4,0%                 | 4,0%            | 4,0%               | 3,0%  | 3,0%                   | 4,0%                   |
| Debt Impairment % of Total Billable Revenue                |              |     | 9,1%            | 1,3%            | 5,5%            | 6,6%                 | 6,7%            | 6,7%               | 5,3%  | 5,1%                   | 4,9%                   |
| <b>Capital Revenue</b>                                     |              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Internally Funded & Other (R'000)                          |              |     | 37 252          | 30 492          | 106 071         | 156 500              | 133 347         | 133 347            | 132 790   | 173 637                | 205 158                |
| Borrowing (R'000)  |              |     | 16 097          | (66 744)        | 84 347          | 144 000              | 152 862         | 152 862            | 140 000   | 160 000                | 141 000                |
| Grant Funding and Other (R'000)                            |              |     | 11 843          | 151 885         | (55 276)        | 105 554              | 111 899         | 111 899            | 132 483   | 95 632                 | 95 845                 |
| Internally Generated funds % of Non Grant Funding          |              |     | 69,8%           | (84,1%)         | 55,7%           | 52,1%                | 46,6%           | 46,6%              | 48,7%   | 52,0%                  | 59,3%                  |
| Borrowing % of Non Grant Funding                           |              |     | 30,2%           | 184,1%          | 44,3%           | 47,9%                | 53,4%           | 53,4%              | 51,3%   | 48,0%                  | 40,7%                  |
| Grant Funding % of Total Funding                           |              |     | 18,2%           | 131,4%          | (40,9%)         | 26,0%                | 28,1%           | 28,1%              | 32,7%   | 22,3%                  | 21,7%                  |
| <b>Capital Expenditure</b>                                 |              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Total Capital Programme (R'000)                            |              |     | 75 399          | 15 823          | 137 336         | 406 054              | 398 108         | 398 108            | 405 273   | 429 269                | 442 003                |
| Asset Renewal  |              |     | 45 449          | 10 136          | (72 086)        | 9 950                | 32 593          | 32 593             | 31 358  | 23 634                 | 70 628                 |
| Asset Renewal % of Total Capital Expenditure               |              |     | 69,7%           | 8,8%            | (53,3%)         | 2,5%                 | 8,2%            | 8,2%               | 7,7%  | 5,5%                   | 16,0%                  |
| <b>Cash</b>  |              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Cash Receipts % of Rate Payer & Other                      |              |     | (0,0%)          | (0,0%)          | (127,0%)        | 90,6%                | 89,9%           | 89,9%              | 90,2%   | 89,9%                  | 89,6%                  |
| Cash Coverage Ratio  |              |     | (0)             | 0               | (0)             | 0                    | 0               | 0                  | 0   | 0                      | 0                      |
| <b>Borrowing</b>   |              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |



| Description  | MFMA section | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|--------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |              |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| Credit Rating (2009/10)  |              |     |                 |                 |                 |                      |                 |                    | 0   |                        |                        |
| Capital Charges to Operating   |              |     | 1,1%            | 12,9%           | 2,1%            | 2,2%                 | 2,3%            | 2,3%               | 5,4%  | 5,8%                   | 5,6%                   |
| Borrowing Receipts % of Capital Expenditure                            |              |     | 0,0%            | 0,0%            | (21,9%)         | 0,0%                 | 50,2%           | 50,2%              | 51,3%   | 48,0%                  | 40,7%                  |
| <u>Reserves</u>  |              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Surplus/(Deficit)  |              |     | 353 541         | (150 528)       | (2 523 415)     | 727 552              | 942 558         | 942 558            | 486 448   | 501 911                | 482 899                |
| <u>Free Services</u>   |              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Free Basic Services as a % of Equitable Share                          |              |     | 0,0%            | 0,0%            | 0,0%            | 27,6%                | 31,0%           | 31,0%              | 55,6%   | 62,8%                  | 76,3%                  |
| Free Services as a % of Operating Revenue (excl operational transfers) |              |     | 3,4%            | 0,4%            | 0,8%            | 0,0%                 | 2,8%            | 2,8%               | 2,1%  | 2,1%                   | 2,1%                   |
| <u>High Level Outcome of Funding Compliance</u>                        |              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Total Operating Revenue  |              |     | 1 519 272       | 13 543 810      | 7 664 295       | 2 020 051            | 1 982 761       | 1 982 761          | 2 118 305   | 2 263 266              | 2 411 458              |
| Total Operating Expenditure  |              |     | 1 501 213       | 11 048 820      | 7 415 383       | 2 017 490            | 1 977 195       | 1 977 195          | 2 111 162   | 2 208 064              | 2 342 261              |
| Surplus/(Deficit) Budgeted Operating Statement                         |              |     | 18 059          | 2 494 990       | 248 913         | 2 560                | 5 566           | 5 566              | 7 143   | 55 202                 | 69 196                 |
| Surplus/(Deficit) Considering Reserves and Cash Backing                |              |     | 353 541         | (150 528)       | (2 523 415)     | 727 552              | 942 558         | 942 558            | 486 448   | 501 911                | 482 899                |
| MTREF Funded (1) / Unfunded (0)  |              | 15  | 1               | 0               | 0               | 1                    | 1               | 1                  | 1   | 1                      | 1                      |
| <b>MTREF Funded ✓ / Unfunded ✗</b>                                     |              | 15  | ✓               | ✗               | ✗               | ✓                    | ✓               | ✓                  | ✓   | ✓                      | ✓                      |

References

15. Subject to figures provided in Schedule.

## WC024 Stellenbosch - Supporting Table SA11 Property rates summary

| Description   | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Valuation:</b>   | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Date of valuation:  |     |                 |                 |                 |                      |                 |                    | 2021/2022   |                        |                        |
| Financial year valuation used                                       |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Municipal by-laws s6 in place? (Y/N)                                | 2   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Municipal/assistant valuer appointed? (Y/N)                         |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Municipal partnership s38 used? (Y/N)                               |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| No. of assistant valuers (FTE)                                      | 3   | -               | -               | -               | -                    |                 |                    | 1   |                        |                        |
| No. of data collectors (FTE)  | 3   | -               | -               | -               | -                    |                 |                    | 4   |                        |                        |
| No. of internal valuers (FTE)                                       | 3   | -               | -               | -               | -                    |                 |                    | -   |                        |                        |
| No. of external valuers (FTE)                                       | 3   | -               | -               | -               | -                    |                 |                    | -   |                        |                        |
| No. of additional valuers (FTE)                                     | 4   | -               | -               | -               | -                    |                 |                    | 4Candidates   |                        |                        |
| Valuation appeal board established? (Y/N)                           |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Implementation time of new valuation roll (mths)                    |     | -               | -               | -               | -                    |                 |                    | 01/07/2025  |                        |                        |
| No. of properties   | 5   | -               | -               | -               | 35 022               |                 |                    | 35 362  |                        |                        |
| No. of sectional title values                                       | 5   | -               | -               | -               | 8 066                |                 |                    | 8 241   |                        |                        |
| No. of unreasonably difficult properties s7(2)                      |     | -               | -               | -               | -                    |                 |                    | -   |                        |                        |
| No. of supplementary valuations                                     |     | -               | -               | -               | -                    |                 |                    | -   |                        |                        |
| No. of valuation roll amendments                                    |     | -               | -               | -               | -                    |                 |                    | -   |                        |                        |
| No. of objections by rate payers                                    |     | -               | -               | -               | -                    |                 |                    | -   |                        |                        |
| No. of appeals by rate payers                                       |     | -               | -               | -               | -                    |                 |                    | -   |                        |                        |
| No. of successful objections  | 8   | -               | -               | -               | -                    |                 |                    | -   |                        |                        |
| No. of successful objections > 10%                                  | 8   | -               | -               | -               | -                    |                 |                    | -   |                        |                        |
| Supplementary valuation   |     | -               | -               | -               | -                    |                 |                    | -   |                        |                        |
| Public service infrastructure value (Rm)                            | 5   | -               | -               | -               | 48                   |                 |                    | 48  |                        |                        |
| Municipality owned property value (Rm)                              |     | -               | -               | -               | 1 422                |                 |                    | 1 402   |                        |                        |
| <b>Valuation reductions:</b>  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Valuation reductions-public infrastructure (Rm)                     |     | -               | -               | -               | 48                   | -               | 48                 | 48  | 48                     | 48                     |
| Valuation reductions-nature reserves/park (Rm)                      |     | -               | -               | -               | 44                   | -               | 44                 | 44  | 44                     | 44                     |
| Valuation reductions-mineral rights (Rm)                            |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Valuation reductions-R15,000 threshold (Rm)                         |     | -               | -               | -               | 406                  | -               | 410                | 410   | 430                    | 450                    |
| Valuation reductions-public worship (Rm)                            |     | -               | -               | -               | 453                  | -               | 453                | 453   | 475                    | 499                    |
| Valuation reductions-other (Rm)                                     |     | -               | -               | -               | 5 267                | -               | 5 331              | 5 331   | 5 598                  | 5 878                  |
| <b>Total valuation reductions:</b>                                  |     | -               | -               | -               | 6 217                | -               | 6 286              | 6 286   | 6 595                  | 6 919                  |
| Total value used for rating (Rm)                                    | 5   | -               | -               | -               | 91 992               | -               | 93 014             | 93 014  | 98 595                 | 104 510                |
| Total land value (Rm)   | 5   | -               | -               | -               | 83                   | -               | 430                | 430   | 450                    | 480                    |
| Total value of improvements (Rm)                                    | 5   | -               | -               | -               | 91 909               | -               | 92 584             | 92 584  | 98 139                 | 104 027                |
| Total market value (Rm)   | 5   | -               | -               | -               | 91 992               | -               | 93 014             | 93 014  | 98 595                 | 104 510                |
| <b>Rating:</b>  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Residential rate used to determine rate for other categories? (Y/N) | 5   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Differential rates used? (Y/N)                                      |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Limit on annual rate increase (s20)? (Y/N)                          |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Special rating area used? (Y/N)                                     |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Phasing-in properties s21 (number)                                  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Rates policy accompanying budget? (Y/N)                             |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Fixed amount minimum value (R'000)                                  |     | -               | -               | -               | -                    |                 |                    | -   |                        |                        |
| Non-residential prescribed ratio s19? (%)                           |     | 0,0%            | 0,0%            | 0,0%            | 0,0%                 |                 |                    | 0,0%  |                        |                        |

| Description  | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Rate revenue:</b>                                 |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Rate revenue budget (R'000)                          | 6   | 377 638         | 3 178 944       | 1 597 905       | 447 121              | 452 073         | 452 073            | 480 097   | 508 903                | 539 438                |
| Rate revenue expected to collect (R'000)             | 6   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Expected cash collection rate (%)                    |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Special rating areas (R'000)                         | 7   | 5 365           | 85 586          | 26 577          | 8 719                | 8 797           | 8 797              | 9 297   | 9 855                  | 10 446                 |
| Rebates, exemptions - indigent (R'000)               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Rebates, exemptions - pensioners (R'000)             |     | 3 039           | 3 008           | 2 921           | 4 490                | 4 522           | 4 522              | 4 803   | 5 091                  | 5 396                  |
| Rebates, exemptions - bona fide farm. (R'000)        |     | -               | -               | 11 406          | 7                    | 5               | 5                  | 6   | 6                      | 6                      |
| Rebates, exemptions - other (R'000)                  |     | 43 640          | 46 930          | 15 501          | 32 636               | 31 246          | 31 246             | 33 184  | 35 175                 | 37 286                 |
| Phase-in reductions/discounts (R'000)                |     | -               | -               | 23 453          | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total rebates,exemptns,reductns,discs (R'000)</b> |     | <b>46 679</b>   | <b>49 938</b>   | <b>53 282</b>   | <b>37 133</b>        | <b>35 774</b>   | <b>35 774</b>      | <b>37 992</b>                                       | <b>40 272</b>          | <b>42 688</b>          |

References

1. All numbers to be expressed as whole numbers except FTEs and Rates in the Rand
2. To give effect to rates policy
3. Full Time Equivalent (FTE) should be expressed to one decimal place and takes into account full time and part time staff
4. Required to implement new system (FTE)
5. Provide relevant information for historical comparisons. Must reconcile to the total of Table SA12
6. Current and budget year must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)
7. Included in rate revenue budget
8. In favour of the rate-payer

WC024 Stellenbosch - Supporting Table SA12a Property rates by category (current year)

| Description                                     | Ref | Resi.    | Indust. | Bus. & Comm. | Farm props. | State-owned | Muni props. | Public service infra. | Private owned towns | Formal & Informal Settle. | Comm. Land | State trust land | Section 8(2)(n) (note 1) | Protect. Areas | National Monum/nts | Public benefit organs. | Mining Props. | Small Holdings | Special Rating Areas | Agricultural | Multiple Purposes | Other Categories | Sum        |
|---|-----|----------|---------|--------------|-------------|-------------|-------------|-----------------------|---------------------|---------------------------|------------|------------------|--------------------------|----------------|--------------------|------------------------|---------------|----------------|----------------------|--------------|-------------------|------------------|------------|
| <b>Current Year 2021/22</b>                     |     |          |         |              |             |             |             |                       |                     |                           |            |                  |                          |                |                    |                        |               |                |                      |              |                   |                  |            |
| <b>Valuation:</b>                               |     |          |         |              |             |             |             |                       |                     |                           |            |                  |                          |                |                    |                        |               |                |                      |              |                   |                  |            |
| No. of properties                               |     | 29 380   | -       | 3 239        | 1 928       | 75          | -           | 739                   | -                   | -                         | -          | -                | -                        | -              | -                  | 1                      | -             | -              | -                    | -            | -                 | -                | 35         |
| No. of sectional title property values          |     | 7 210    | -       | 1 031        | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 8          |
| No. of unreasonably difficult properties s7(2)  |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |
| No. of supplementary valuations                 |     | 823      | -       | 206          | 43          | -           | -           | 5                     | -                   | -                         | -          | -                | -                        | -              | -                  | 1                      | -             | -              | -                    | -            | -                 | -                | 1          |
| Supplementary valuation (Rm)                    |     | 3 380    | -       | 1 687        | 418         | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | 12                     | -             | -              | -                    | -            | -                 | -                | 5          |
| No. of valuation roll amendments                |     | 69       | -       | 41           | 5           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 0          |
| No. of objections by rate-payers                |     | 69       | -       | 41           | 5           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 0          |
| No. of appeals by rate-payers                   |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |
| No. of appeals by rate-payers finalised         |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |
| No. of successful objections                    | 5   | 35       | -       | 33           | 2           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 0          |
| No. of successful objections > 10%              | 5   | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |
| Estimated no. of properties not valued          |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |
| Years since last valuation (select)             |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |
| Frequency of valuation (select)                 |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |
| Method of valuation used (select)               |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |
| Base of valuation (select)                      |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |
| Phasing-in properties s21 (number)              |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |
| Combination of rating types used? (Y/N)         |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |
| Flat rate used? (Y/N)                           |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |
| Is balance rated by uniform rate/variable rate? |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |
| <b>Valuation reductions:</b>                    |     |          |         |              |             |             |             |                       |                     |                           |            |                  |                          |                |                    |                        |               |                |                      |              |                   |                  |            |
| Valuation reductions-public infrastructure (Rm) |     | -        | -       | -            | -           | -           | -           | 48                    | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 48 000     |
| Valuation reductions-nature reserves/park (Rm)  |     | -        | -       | -            | 44          | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 44 100     |
| Valuation reductions-mineral rights (Rm)        |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |
| Valuation reductions-R15,000 threshold (Rm)     |     | 410      | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 409 800    |
| Valuation reductions-public worship (Rm)        |     | 89       | -       | 364          | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 452 800    |
| Valuation reductions-other (Rm)                 | 2   | 5 331    | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 5 331 200  |
| <b>Total valuation reductions:</b>              |     |          |         |              |             |             |             |                       |                     |                           |            |                  |                          |                |                    |                        |               |                |                      |              |                   |                  |            |
| Total value used for rating (Rm)                | 6   | 58 701   | -       | 17 176       | 16 072      | 995         | -           | 48                    | -                   | -                         | -          | -                | -                        | -              | -                  | 22                     | -             | -              | -                    | -            | -                 | -                | 93 013 800 |
| Total land value (Rm)                           | 6   | 294      | -       | 60           | 75          | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 429 700    |
| Total value of improvements (Rm)                | 6   | 58 407   | -       | 17 116       | 15 997      | 995         | -           | 48                    | -                   | -                         | -          | -                | -                        | -              | -                  | 22                     | -             | -              | -                    | -            | -                 | -                | 92 584 000 |
| Total market value (Rm)                         | 6   | 58 701   | -       | 17 176       | 16 072      | 995         | -           | 48                    | -                   | -                         | -          | -                | -                        | -              | -                  | 22                     | -             | -              | -                    | -            | -                 | -                | 93 013 800 |
| <b>Rating:</b>                                  |     |          |         |              |             |             |             |                       |                     |                           |            |                  |                          |                |                    |                        |               |                |                      |              |                   |                  |            |
| Average rate                                    | 3   | 0,004516 | -       | 0,009295     | 0,001117    | 0,009410    | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | 0,001120               | -             | -              | -                    | -            | -                 | -                | -          |
| Rate revenue budget (R '000)                    |     | 265 096  | -       | 159 640      | 17 951      | 9 361       | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | 25                     | -             | -              | -                    | -            | -                 | -                | 452 073    |
| Rate revenue expected to collect (R'000)        |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |
| Expected cash collection rate (%)               | 4   | 0,0%     | 0,0%    | 0,0%         | 0,0%        | 0,0%        | 0,0%        | 0,0%                  | 0,0%                | 0,0%                      | 0,0%       | 0,0%             | 0,0%                     | 0,0%           | 0,0%               | 0,0%                   | 0,0%          | 0,0%           | 0,0%                 | 0,0%         | 0,0%              | 0,0%             | -          |
| Special rating areas (R'000)                    |     | 5 381    | -       | 2 961        | 359         | 97          | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 8 797      |
| Rebates, exemptions - indigent (R'000)          |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |
| Rebates, exemptions - pensioners (R'000)        |     | 4 522    | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 4 522      |
| Rebates, exemptions - bona fide farm. (R'000)   |     | -        | -       | -            | 5           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 5          |
| Rebates, exemptions - other (R'000)             |     | 22 758   | -       | 8 489        | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 31 246     |
| Phase-in reductions/discouts (R'000)            |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |
| Total rebates,exemptns,eductns,discs (R'000)    |     | 27 280   | -       | 8 489        | 5           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 35 774     |

References

1. Land & Assistance Act, Restitution of Land Rights, Communal Property Associations
2. Include value of additional reductions is 'free' value greater than MPRA minimum.
3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed to 6 decimal places maximum
4. Include arrears collections
5. In favour of the rate-payer
6. Provide relevant information for historical comparisons.

WC024 Stellenbosch - Supporting Table SA12b Property rates by category (budget year)

| Description                                     | Ref | Resi.    | Indust. | Bus. & Comm. | Farm props. | State-owned | Muni props. | Public service infra. | Private owned towns | Formal & Informal Settle. | Comm. Land | State trust land | Section 8(2)(n) (note 1) | Protect. Areas | National Monum/nts | Public benefit organs. | Mining Props. | Small Holdings | Special Rating Areas | Agricultural | Multiple Purposes | Other Categories | Sum        |   |
|---|-----|----------|---------|--------------|-------------|-------------|-------------|-----------------------|---------------------|---------------------------|------------|------------------|--------------------------|----------------|--------------------|------------------------|---------------|----------------|----------------------|--------------|-------------------|------------------|------------|---|
| <b>Budget Year 2022/23</b>                      |     |          |         |              |             |             |             |                       |                     |                           |            |                  |                          |                |                    |                        |               |                |                      |              |                   |                  |            |   |
| <b>Valuation:</b>                               |     |          |         |              |             |             |             |                       |                     |                           |            |                  |                          |                |                    |                        |               |                |                      |              |                   |                  |            |   |
| No. of properties                               |     | 29 380   | -       | 3 239        | 1 928       | 75          | -           | 739                   | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 35         |   |
| No. of sectional title property values          |     | 7 210    | -       | 1 031        | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 8          |   |
| No. of unreasonably difficult properties s7(2)  |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| No. of supplementary valuations                 |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| Supplementary valuation (Rm)                    |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| No. of valuation roll amendments                |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| No. of objections by rate-payers                |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| No. of appeals by rate-payers                   |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| No. of appeals by rate-payers finalised         |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| No. of successful objections                    | 5   | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| No. of successful objections > 10%              | 5   | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| Estimated no. of properties not valued          |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| Years since last valuation (select)             |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| Frequency of valuation (select)                 |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| Method of valuation used (select)               |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| Base of valuation (select)                      |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| Phasing-in properties s21 (number)              |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| Combination of rating types used? (Y/N)         |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| Flat rate used? (Y/N)                           |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| Is balance rated by uniform rate/variable rate? |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| <b>Valuation reductions:</b>                    |     |          |         |              |             |             |             |                       |                     |                           |            |                  |                          |                |                    |                        |               |                |                      |              |                   |                  |            |   |
| Valuation reductions-public infrastructure (Rm) |     | -        | -       | -            | -           | -           | -           | 48                    | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 48 000     |   |
| Valuation reductions-nature reserves/park (Rm)  |     | -        | -       | -            | 44          | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 44 100     |   |
| Valuation reductions-mineral rights (Rm)        |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| Valuation reductions-R15,000 threshold (Rm)     |     | 410      | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 409 800    |   |
| Valuation reductions-public worship (Rm)        |     | 89       | -       | 364          | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 452 800    |   |
| Valuation reductions-other (Rm)                 | 2   | 5 331    | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 5 331 200  |   |
| <b>Total valuation reductions:</b>              |     |          |         |              |             |             |             |                       |                     |                           |            |                  |                          |                |                    |                        |               |                |                      |              |                   |                  |            |   |
| Total value used for rating (Rm)                | 6   | 58 701   | -       | 17 176       | 16 072      | 995         | -           | 48                    | -                   | -                         | -          | -                | -                        | -              | -                  | 22                     | -             | -              | -                    | -            | -                 | -                | 93 013 800 |   |
| Total land value (Rm)                           | 6   | 294      | -       | 60           | 75          | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 429 700    |   |
| Total value of improvements (Rm)                | 6   | 58 407   | -       | 17 116       | 15 997      | 995         | -           | 48                    | -                   | -                         | -          | -                | -                        | -              | -                  | 22                     | -             | -              | -                    | -            | -                 | -                | 92 584 000 |   |
| Total market value (Rm)                         | 6   | 58 701   | -       | 17 176       | 16 072      | 995         | -           | 48                    | -                   | -                         | -          | -                | -                        | -              | -                  | 22                     | -             | -              | -                    | -            | -                 | -                | 93 013 800 |   |
| <b>Rating:</b>                                  |     |          |         |              |             |             |             |                       |                     |                           |            |                  |                          |                |                    |                        |               |                |                      |              |                   |                  |            |   |
| Average rate                                    | 3   | 0,004796 | -       | 0,009870     | 0,001186    | 0,009993    | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | 0,001190               | -             | -              | -                    | -            | -                 | -                | -          | - |
| Rate revenue budget (R'000)                     |     | 281 543  | -       | 169 531      | 19 057      | 9 941       | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | 26                     | -             | -              | -                    | -            | -                 | -                | 480 097    |   |
| Rate revenue expected to collect (R'000)        |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| Expected cash collection rate (%)               | 4   | 0,0%     | 0,0%    | 0,0%         | 0,0%        | 0,0%        | 0,0%        | 0,0%                  | 0,0%                | 0,0%                      | 0,0%       | 0,0%             | 0,0%                     | 0,0%           | 0,0%               | 0,0%                   | 0,0%          | 0,0%           | 0,0%                 | 0,0%         | 0,0%              | 0,0%             | -          |   |
| Special rating areas (R'000)                    |     | 5 719    | -       | 3 094        | 382         | 103         | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 9 297      |   |
| Rebates, exemptions - indigent (R'000)          |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| Rebates, exemptions - pensioners (R'000)        |     | 4 803    | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 4 803      |   |
| Rebates, exemptions - bona fide farm. (R'000)   |     | -        | -       | -            | 6           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 6          |   |
| Rebates, exemptions - other (R'000)             |     | 24 169   | -       | 9 015        | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 33 184     |   |
| Phase-in reductions/discounts (R'000)           |     | -        | -       | -            | -           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | -          |   |
| Total rebates,exempts,eductns,discs (R'000)     |     | 28 972   | -       | 9 015        | 6           | -           | -           | -                     | -                   | -                         | -          | -                | -                        | -              | -                  | -                      | -             | -              | -                    | -            | -                 | -                | 37 992     |   |

References

1. Land & Assistance Act, Restitution of Land Rights, Communal Property Associations
2. Include value of additional reductions is 'free' value greater than MPRA minimum.
3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed to 6 decimal places maximum
4. Include arrears collections
5. In favour of the rate-payer
6. Provide relevant information for historical comparisons.

## WC024 Stellenbosch - Supporting Table SA13a Service Tariffs by category

| Description                                       | Ref | Provide description of tariff structure where appropriate | 2018/19    | 2019/20    | 2020/21    | Current Year 2021/22 | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|---|------------|------------|------------|----------------------|---|------------------------|------------------------|
|   |     |   |            |            |            |                      | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Property rates (rate in the Rand)</b>          | 1   |   |            |            |            |                      |   |                        |                        |
| Residential properties                            |     | Rate in rand  | 0,0048     | 0,0051     | 0,0054     | 0,0045               | 0,4759  | 0,5044                 | 0,5347                 |
| Residential properties - vacant land              |     | Rate in rand  | 0,0095     | 0,0102     | 0,0108     | 0,0090               | 0,9518  | 1,0089                 | 1,0694                 |
| Formal/informal settlements                       |     |   |            |            |            |                      | -   | -                      | n/a                    |
| Small holdings                                    |     |   |            |            |            |                      | -   | -                      | n/a                    |
| Farm properties - used                            |     | Rate in rand  | 0,0012     | 0,0013     | 0,0014     | 0,0011               | 0,1189  | 0,1261                 | 0,1336                 |
| Farm properties - not used                        |     | Rate in rand  | 0,0012     | 0,0013     | 0,0014     | 0,0011               | 0,1189  | 0,1261                 | 0,1336                 |
| Industrial properties                             |     | Rate in rand  | 0,0105     | 0,0112     | 0,0119     | 0,0099               | 1,0469  | 1,1097                 | 1,1763                 |
| Business and commercial properties                |     | Rate in rand  | 0,0105     | 0,0112     | 0,0119     | 0,0094               | 0,9993  | 1,0593                 | 1,1229                 |
| Communal land - residential                       |     |   | n/a        | n/a        |            |                      | -   | -                      | n/a                    |
| Communal land - small holdings                    |     |   | n/a        | n/a        |            |                      | -   | -                      | n/a                    |
| Communal land - farm property                     |     |   | n/a        | n/a        |            |                      | -   | -                      | n/a                    |
| Communal land - business and commercial           |     |   | n/a        | n/a        |            |                      | -   | -                      | n/a                    |
| Communal land - other                             |     |   | n/a        | n/a        |            |                      | -   | -                      | n/a                    |
| State-owned properties                            |     | Res or Bus  |            | Res or Bus |            |                      | -   | -                      | n/a                    |
| Municipal properties                              |     | Res or Bus  |            | Res or Bus |            |                      | -   | -                      | n/a                    |
| Public service infrastructure                     |     | Rate in rand  | 0,0012     | 0,0013     | 0,0014     | 0,0011               | 0,1189  | 0,1261                 | 0,1336                 |
| Privately owned towns serviced by the owner       |     |   | n/a        | n/a        |            |                      | -   | -                      | n/a                    |
| State trust land                                  |     |   | n/a        | n/a        |            |                      | -   | -                      | n/a                    |
| Restitution and redistribution properties         |     |   | n/a        | n/a        |            |                      | -   | -                      | n/a                    |
| Protected areas                                   |     | Rate in rand  | 0,0012     | 0,0013     | 0,0014     | 0,0036               | 0,3807  | 0,4036                 | 0,4278                 |
| National monuments properties                     |     |   | n/a        | n/a        |            |                      | -   | -                      | -                      |
| <b>Exemptions, reductions and rebates (Rands)</b> |     |   |            |            |            |                      |   |                        |                        |
| <i>Residential properties</i>                     |     |   |            |            |            |                      |   |                        |                        |
| R15 000 threshold rebate                          |     |   | 15 000     | 15 000     | 15 000     | 15 000               | 15 000  | 15 000                 | 15 000                 |
| General residential rebate                        |     | Rate in rand  | 185 000    | 185 000    | 185 000    | 185 000              | 235 000   | 235 000                | 235 000                |
| Indigent rebate or exemption                      |     | Rate in rand  | 185 000    | 185 000    | 185 000    | 185 000              | 235 000   | 235 000                | 235 000                |
| Pensioners/social grants rebate or exemption      |     |   | depends on | depends on | depends on | depends on           | depends on  | depends on             | depends on             |
| Temporary relief rebate or exemption              |     |   | n/a        | n/a        | n/a        | n/a                  | n/a   | n/a                    | n/a                    |
| Bona fide farmers rebate or exemption             |     |   | n/a        | n/a        | n/a        | n/a                  | n/a   | n/a                    | n/a                    |
| <i>Other rebates or exemptions</i>                | 2   |   | -          | -          | -          | -                    | -   | -                      | -                      |
| <b>Water tariffs</b>                              |     |   |            |            |            |                      |   |                        |                        |
| <i>Domestic</i>                                   |     |   |            |            |            |                      |   |                        |                        |
| Basic charge/fixed fee (Rands/month)              |     | Rands   | 57         | 61         | 66         | 74                   | 78  | 83                     | 87                     |
| Service point - vacant land (Rands/month)         |     |   | -          | -          | n/a        | n/a                  | -   | -                      | n/a                    |
| Water usage - flat rate tariff (c/kl)             |     |   | -          | -          | n/a        | n/a                  | -   | -                      | n/a                    |
| Water usage - life line tariff                    |     | (describe structure)                                      | -          | -          | n/a        | n/a                  | -   | -                      | n/a                    |
| Water usage - Block 1 (c/kl)                      |     | 0 kilolitres to 6 kiloliters                              | 5          | 5          | 6          | 7                    | 7   | 8                      | 8                      |
| Water usage - Block 2 (c/kl)                      |     | 7 kiloliters to 12 kiloliters                             | 7          | 8          | 9          | 10                   | 11  | 12                     | 12                     |
| Water usage - Block 3 (c/kl)                      |     | 13 kiloliters to 20 kiloliters                            | 12         | 13         | 15         | 17                   | 18  | 20                     | 21                     |
| Water usage - Block 4 (c/kl)                      |     | 21 kiloliters to 25 kiloliters                            | 19         | 20         | 25         | 31                   | 33  | 35                     | 37                     |
| Water usage - Block 5 (c/kl)                      |     | 26 kiloliters to 40 kiloliters                            |            |            |            | 43                   | 46  | 48                     | 51                     |
| Water usage - Block 6 (c/kl)                      |     | 41 kiloliters to 70 kiloliters                            |            |            |            | 69                   | 73  | 77                     | 82                     |
| Water usage - Block 7 (c/kl)                      |     | 70 kilolitres and above                                   |            |            |            | 107                  | 114   | 121                    | 129                    |
| <i>Other</i>                                      | 2   |   | -          | -          | -          | -                    | -   | -                      | -                      |

| Description                               | Ref                     | Provide description of tariff structure where appropriate | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-------------------------|---|---------|---------|---------|----------------------|---|------------------------|------------------------|
|   |                         |   |         |         |         |                      | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Waste water tariffs</b>                |                         |   |         |         |         |                      |   |                        |                        |
| <i>Domestic</i>                           |                         |   |         |         |         |                      |   |                        |                        |
| Basic charge/fixd fee (Rands/month)       |                         |   | -       | -       | n/a     | n/a                  | -   | -                      | n/a                    |
| Service point - vacant land (Rands/month) |                         |   | -       | -       | n/a     | n/a                  | -   | -                      | n/a                    |
| Waste water - flat rate tariff (c/kl)     |                         |   | -       | -       | n/a     | n/a                  | -   | -                      | n/a                    |
| Volumetric charge - Block 1 (c/kl)        | 0 - 250                 |   | 1 213   | 1 310   | 1 428   | 1 612                | 1 717   | 1 828                  | 1 947                  |
| Volumetric charge - Block 2 (c/kl)        | 251 - 500               |   | 1 556   | 1 681   | 1 832   | 2 068                | 2 203   | 2 346                  | 2 498                  |
| Volumetric charge - Block 3 (c/kl)        | 501 - 600               |   | 1 753   | 1 893   | 2 064   | 2 330                | 2 481   | 2 643                  | 2 814                  |
| Volumetric charge - Block 4 (c/kl)        | 601 - 700               |   | 1 946   | 2 102   | 2 291   | 2 586                | 2 754   | 2 933                  | 3 124                  |
| <i>Other</i>                              | 2                       |   | -       | -       | n/a     | n/a                  | -   | -                      | n/a                    |
| <b>Electricity tariffs</b>                |                         |   |         |         |         |                      |   |                        |                        |
| <i>Domestic</i>                           |                         |   |         |         |         |                      |   |                        |                        |
| Basic charge/fixd fee (Rands/month)       |                         |   | -       | -       | n/a     | n/a                  | -   | -                      | n/a                    |
| Service point - vacant land (Rands/month) |                         |   | -       | -       | n/a     | n/a                  | -   | -                      | n/a                    |
| FBE                                       | (how is this targeted?) |   | -       | -       | n/a     | n/a                  | -   | -                      | n/a                    |
| Life-line tariff - meter                  | 0 - 50 kwh (c/kWh)      |   | 84      | 87      | -       | 126                  | 136   | 147                    | 158                    |
| Life-line tariff - prepaid                | 51 - 350 kwh (c/kWh)    |   | 131     | 108     | -       | 157                  | 170   | 183                    | 198                    |
| Flat rate tariff - meter (c/kwh)          | 351 - 600 kwh (c/kWh)   |   | 169     | 165     | -       | 173                  | 186   | 201                    | 217                    |
| Flat rate tariff - prepaid (c/kwh)        | 601 - 99999 kwh (c/kWh) |   | 189     | 187     | -       | 213                  | 230   | 248                    | 267                    |
| Meter - IBT Block 1 (c/kwh)               | 0 - 50 kwh (c/kWh)      |   | 84      | 87      | -       | 126                  | 136   | 147                    | 158                    |
| Meter - IBT Block 2 (c/kwh)               | 51 - 350 kwh (c/kWh)    |   | 104     | 111     | -       | 162                  | 175   | 189                    | 204                    |
| Meter - IBT Block 3 (c/kwh)               | 351 - 600 kwh (c/kWh)   |   | 169     | 157     | -       | 228                  | 246   | 265                    | 286                    |
| Meter - IBT Block 4 (c/kwh)               | 601 - 99999 kwh (c/kWh) |   | 191     | 185     | -       | 268                  | 289   | 312                    | 337                    |
| Meter - IBT Block 5 (c/kwh)               |                         |   |         |         | -       | n/a                  | n/a   | n/a                    | n/a                    |
| Prepaid - IBT Block 1 (c/kwh)             | 0 - 50 kwh (c/kWh)      |   | 84      | 87      | -       | 126                  | 136   | 147                    | 158                    |
| Prepaid - IBT Block 2 (c/kwh)             | 51 - 350 kwh (c/kWh)    |   | 107     | 135     | -       | 161                  | 174   | 188                    | 203                    |
| Prepaid - IBT Block 3 (c/kwh)             | 351 - 600 kwh (c/kWh)   |   | 161     | 165     | -       | 228                  | 246   | 265                    | 286                    |
| Prepaid - IBT Block 4 (c/kwh)             | 601 - 99999 kwh (c/kWh) |   | 189     | 185     | -       | 268                  | 289   | 312                    | 337                    |
| Prepaid - IBT Block 5 (c/kwh)             | (fill in thresholds)    |   | -       | -       | n/a     | n/a                  | n/a   | n/a                    | n/a                    |
| <i>Other</i>                              | 2                       |   | -       | -       | -       | n/a                  | -   | -                      | n/a                    |
| <b>Waste management tariffs</b>           |                         |   |         |         |         |                      |   |                        |                        |
| <i>Domestic</i>                           |                         |   |         |         |         |                      |   |                        |                        |
| Street cleaning charge                    |                         |   | -       | -       | n/a     | n/a                  | -   | -                      | n/a                    |
| Basic charge/fixd fee                     |                         |   | -       | -       | n/a     | n/a                  | -   | -                      | n/a                    |
| 80l bin - once a week                     |                         |   | -       | -       | n/a     | n/a                  | -   | -                      | n/a                    |
| 250l bin - once a week                    | Rands                   |   | 127     | 135     | 176     | 230                  | 248   | 268                    | 289                    |

**References**

1. If properties are not rated or zero rated this must be indicated as such
2. Please provide detailed descriptions on Sheet SA13b

## WC024 Stellenbosch - Supporting Table SA13b Service Tariffs by category - explanatory

| Description   | Ref | Provide description of tariff structure where appropriate | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|---|---------|---------|---------|----------------------|---|------------------------|------------------------|
|   |     |   |         |         |         |                      | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Exemptions, reductions and rebates (Rands)</b>       |     |   |         |         |         |                      |   |                        |                        |
| Property rates (R value threshold)                      |     |   | 200 000 | 200 000 | 200 000 | 200 000              | 250 000   | 250 000                | 250 000                |
| Water (kilolitres per household per month) - registered |     |   | 10      | 10      | 6       | 6                    | 6   | 6                      | 6                      |
| Sanitation (kilolitres per household per month)         |     |   | -       | -       | -       | -                    | -   | -                      | -                      |
| Sanitation (Rand per household per month)               |     |   | 101     | 101     | 112     | 122                  | 143   | 143                    | 143                    |
| Electricity (kwh per household per month)               |     |   | 100     | 100     | 100     | 100                  | 100   | 100                    | 100                    |
| Refuse (average litres per week)                        |     |   | 250     | 250     | 250     | 250                  | 240   | 240                    | 240                    |
|   |     |   | -       | -       | -       | -                    | -   | -                      | -                      |
| <b>Water tariffs</b>                                    |     |   |         |         |         |                      |   |                        |                        |
| Water usage - life line tariff                          |     |   | -       | -       | n/a     | n/a                  |   |                        |                        |
| Water usage - Block 1 (c/k)                             |     | 0 kilolitres to 6 kiloliters                              | 5       | 5       | 6       | 7                    | 7   | 8                      | 8                      |
| Water usage - Block 2 (c/k)                             |     | 7 kiloliters to 12 kiloliters                             | 7       | 8       | 9       | 10                   | 11  | 12                     | 12                     |
| Water usage - Block 3 (c/k)                             |     | 13 kiloliters to 20 kiloliters                            | 12      | 13      | 15      | 17                   | 18  | 20                     | 21                     |
| Water usage - Block 4 (c/k)                             |     | 21 kiloliters to 25 kiloliters                            | 19      | 20      | 25      | 31                   | 33  | 35                     | 37                     |
| Water usage - Block 5 (c/k)                             |     | 26 kiloliters to 40 kiloliters                            | 26      | 27      | 53      | 43                   | 46  | 48                     | 51                     |
| Water usage - Block 6 (c/k)                             |     | 41 kiloliters to 70 kiloliters                            | -       | -       | -       | 69                   | 73  | 77                     | 82                     |
| Water usage - Block 7 (c/k)                             |     | 70 kilolitres and above                                   | -       | -       | n/a     | 107                  | 114   | 121                    | 129                    |
|   |     |   | -       | -       | -       | -                    | -   | -                      | -                      |



| Description   | Ref | Provide description of tariff structure where appropriate | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|---|---------|---------|---------|----------------------|---|------------------------|------------------------|
|   |     |   |         |         |         |                      | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Waste water tariffs</b>                            |     |   |         |         |         |                      |   |                        |                        |
| <i>Size per erf in m<sup>2</sup> - Block 1 (c/kl)</i> |     | 0 - 250   | 1 213   | 1 310   | 1 428   | 1 612                | 1 717   | 1 828                  | 1 947                  |
| <i>Size per erf in m<sup>2</sup> - Block 2 (c/kl)</i> |     | 251 - 500   | 1 556   | 1 681   | 1 832   | 2 068                | 2 203   | 2 346                  | 2 498                  |
| <i>Size per erf in m<sup>2</sup> - Block 3 (c/kl)</i> |     | 501 - 600   | 1 753   | 1 893   | 2 064   | 2 330                | 2 481   | 2 643                  | 2 814                  |
| <i>Size per erf in m<sup>2</sup> - Block 4 (c/kl)</i> |     | 601 - 700   | 1 946   | 2 102   | 2 291   | 2 586                | 2 754   | 2 933                  | 3 124                  |
| <i>Size per erf in m<sup>2</sup> - Block 5 (c/kl)</i> |     | 701 - 800   | 2 141   | 2 312   | 2 520   | 2 845                | 3 030   | 3 227                  | 3 437                  |
| <i>Size per erf in m<sup>2</sup> - Block 6 (c/kl)</i> |     | 801 - 900   | 2 336   | 2 523   | 2 750   | 3 104                | 3 306   | 3 521                  | 3 749                  |
| <i>Size per erf in m<sup>2</sup> - Block 7 (c/kl)</i> |     | 901 - 1000  | 2 529   | 2 731   | 2 977   | 3 361                | 3 579   | 3 812                  | 4 060                  |
| <i>Size per erf in m<sup>2</sup> - Block 8 (c/kl)</i> |     | Above - 1000  | 2 529   | 2 731   | 2 977   | 3 361                | 3 579   | 3 812                  | 4 060                  |
|   |     |   | -       | -       | -       | -                    | -   | -                      | -                      |
| <b>Electricity tariffs</b>                            |     |   |         |         |         |                      |   |                        |                        |
| <i>Regular - IBT Block 1 (c/kwh)</i>                  |     | 0 - 50 kwh (c/kWh)  | 87      | 92      | -       | 126                  | 136   | 147                    | 158                    |
| <i>Regular - IBT Block 2 (c/kwh)</i>                  |     | 51 - 350 kwh (c/kWh)                                      | 111     | 117     | -       | 161                  | 174   | 188                    | 203                    |
| <i>Regular - IBT Block 3 (c/kwh)</i>                  |     | 351 - 600 kwh (c/kWh)                                     | 157     | 166     | -       | 228                  | 246   | 265                    | 286                    |
| <i>Regular - IBT Block 4 (c/kwh)</i>                  |     | 601 - 99999 kwh (c/kWh)                                   | 185     | 195     | -       | 268                  | 289   | 312                    | 337                    |
| <i>Life Line Prepaid - IBT Block 1 (c/kwh)</i>        |     | 0 - 50 kwh (c/kWh)  | 87      | 92      | -       | 126                  | 136   | 147                    | 158                    |
| <i>Life Line Prepaid - IBT Block 2 (c/kwh)</i>        |     | 51 - 350 kwh (c/kWh)                                      | 108     | 115     | -       | 157                  | 170   | 183                    | 198                    |
| <i>Life Line Prepaid - IBT Block 3 (c/kwh)</i>        |     | 351 - 600 kwh (c/kWh)                                     | 165     | 172     | -       | 235                  | 253   | 273                    | 295                    |
| <i>Life Line Prepaid - IBT Block 4 (c/kwh)</i>        |     | 601 - 99999 kwh (c/kWh)                                   | 187     | 198     | -       | 270                  | 291   | 314                    | 339                    |
| <i>Regular Prepaid - IBT Block 1 (c/kwh)</i>          |     | 0 - 50 kwh (c/kWh)  | 87      | 92      | -       | 126                  | 136   | 147                    | 158                    |
| <i>Regular Prepaid - IBT Block 2 (c/kwh)</i>          |     | 51 - 350 kwh (c/kWh)                                      | 111     | 143     | -       | 162                  | 175   | 189                    | 204                    |
| <i>Regular Prepaid - IBT Block 3 (c/kwh)</i>          |     | 351 - 600 kwh (c/kWh)                                     | 157     | 175     | -       | 228                  | 246   | 265                    | 286                    |
| <i>Regular Prepaid - IBT Block 4 (c/kwh)</i>          |     | 601 - 99999 kwh (c/kWh)                                   | 185     | 196     | -       | 268                  | 289   | 312                    | 337                    |
|   |     |   | -       | -       | -       | -                    | -   | -                      | -                      |

## WC024 Stellenbosch - Supporting Table SA14 Household bills

| Description   | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                     |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|---------------------|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23 % incr.                         | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| Rand/cent   |     |                 |                 |                 |                      |                 |                    |   |                     |                        |                        |
| <b>Monthly Account for Household - 'Middle Income Range'</b>                              | 1   |                 |                 |                 |                      |                 |                    |   |                     |                        |                        |
| Rates and services charges:   |     |                 |                 |                 |                      |                 |                    |   |                     |                        |                        |
| Property rates  |     | 198,75          | 211,67          | 225,42          | 168,03               | 168,03          | 168,03             | 6,2%  | 178,46              | 189,52                 | 201,28                 |
| Electricity: Basic levy   |     | 123,22          | 145,74          | 185,77          | 212,87               | 212,87          | 212,87             | 7,9%  | 229,69              | 247,84                 | 267,41                 |
| Electricity: Consumption  |     | 1 647,23        | 1 838,80        | 1 939,36        | 2 222,27             | 2 222,27        | 2 222,27           | 7,9%  | 2 397,81            | 2 587,24               | 2 791,63               |
| Water: Basic levy   |     | 64,98           | 65,58           | 69,84           | 73,69                | 73,69           | 73,69              | 6,2%  | 78,25               | 83,10                  | 88,25                  |
| Water: Consumption  |     | 284,86          | 303,38          | 545,01          | 574,84               | 574,84          | 574,84             | 6,2%  | 610,52              | 648,37                 | 688,57                 |
| Sanitation  |     | 185,21          | 196,33          | 162,59          | 215,51               | 215,51          | 215,51             | 6,5%  | 229,52              | 244,44                 | 260,33                 |
| Refuse removal  |     | 151,13          | 176,06          | 205,11          | 229,71               | 229,71          | 229,71             | 8,0%  | 248,08              | 267,93                 | 289,36                 |
| Other   |     | -               | -               | -               | -                    | -               | -                  | -   | -                   | -                      | -                      |
| sub-total   |     | 2 655,38        | 2 937,55        | 3 333,10        | 3 696,92             | 3 696,92        | 3 696,92           | 7,4%  | 3 972,33            | 4 268,44               | 4 586,83               |
| VAT on Services   |     | -               | -               | -               | -                    | -               | 529,33             | -   | 569,08              | -                      | -                      |
| Total large household bill:   |     | 2 655,38        | 2 937,55        | 3 333,10        | 3 696,92             | 3 696,92        | 4 226,25           | 22,8%   | 4 541,41            | 4 268,44               | 4 586,83               |
| % increase/-decrease  |     |                 | 10,6%           | 13,5%           | 10,9%                | -               | 14,3%              |   | 7,5%                | (6,0%)                 | 7,5%                   |
| <b>Monthly Account for Household - 'Affordable Range'</b>                                 | 2   |                 |                 |                 |                      |                 |                    |   |                     |                        |                        |
| Rates and services charges:   |     |                 |                 |                 |                      |                 |                    |   |                     |                        |                        |
| Property rates  |     | 198,75          | 211,67          | 135,25          | 93,35                | 93,35           | 93,35              | 6,2%  | 99,14               | 105,29                 | 111,81                 |
| Electricity: Basic levy   |     | -               | -               | 185,77          | -                    | -               | -                  | -   | -                   | -                      | -                      |
| Electricity: Consumption  |     | 775,14          | 865,29          | 804,55          | 924,44               | 924,44          | 924,44             | 7,9%  | 997,47              | 1 076,27               | 1 161,30               |
| Water: Basic levy   |     | 64,98           | 65,58           | 69,84           | 73,69                | 73,69           | 73,69              | 6,2%  | 78,25               | 83,10                  | 88,25                  |
| Water: Consumption  |     | 216,16          | 230,21          | 353,36          | 372,69               | 372,69          | 372,69             | 6,2%  | 395,82              | 420,36                 | 446,42                 |
| Sanitation  |     | 166,84          | 176,86          | 162,59          | 172,34               | 172,34          | 172,34             | 6,5%  | 183,54              | 195,47                 | 208,18                 |
| Refuse removal  |     | 151,13          | 176,06          | 205,11          | 229,71               | 229,71          | 229,71             | 8,0%  | 248,08              | 267,93                 | 289,36                 |
| Other   |     | -               | -               | -               | -                    | -               | -                  | -   | -                   | -                      | -                      |
| sub-total   |     | 1 573,00        | 1 725,67        | 1 916,47        | 1 866,22             | 1 866,22        | 1 866,22           | 7,3%  | 2 002,30            | 2 148,42               | 2 305,32               |
| VAT on Services   |     | -               | -               | -               | -                    | -               | 265,93             | -   | 285,47              | -                      | -                      |
| Total small household bill:   |     | 1 573,00        | 1 725,67        | 1 916,47        | 1 866,22             | 1 866,22        | 2 132,15           | 22,6%   | 2 287,77            | 2 148,42               | 2 305,32               |
| % increase/-decrease  |     |                 | 9,7%            | 11,1%           | (2,6%)               | -               | 14,2%              |   | 7,3%                | (100,0%)               | -                      |
| <b>Monthly Account for Household - 'Indigent Household receiving free basic services'</b> | 3   |                 |                 |                 |                      |                 |                    |   |                     |                        |                        |
| Rates and services charges:   |     |                 |                 |                 |                      |                 |                    |   |                     |                        |                        |
| Property rates  |     | 39,75           | 42,33           | 45,08           | 18,67                | 18,67           | 18,67              | 6,2%  | 19,82               | 21,05                  | 22,35                  |
| Electricity: Basic levy   |     | -               | -               | -               | -                    | -               | -                  | -   | -                   | -                      | -                      |
| Electricity: Consumption  |     | 323,97          | 355,16          | 445,96          | 432,29               | 432,29          | 432,29             | 7,9%  | 466,44              | 503,29                 | 543,05                 |
| Water: Basic levy   |     | -               | -               | -               | -                    | -               | -                  | -   | -                   | -                      | -                      |
| Water: Consumption  |     | 147,46          | 157,04          | 179,10          | 188,90               | 188,90          | 188,90             | 6,2%  | 200,58              | 213,02                 | 226,22                 |
| Sanitation  |     | 30,25           | 32,07           | 35,87           | -                    | -               | -                  | -   | -                   | -                      | -                      |
| Refuse removal  |     | 31,61           | 36,83           | -               | -                    | -               | -                  | -   | -                   | -                      | -                      |
| Other   |     | -               | -               | -               | -                    | -               | -                  | -   | -                   | -                      | -                      |
| sub-total   |     | 573,04          | 623,43          | 706,01          | 639,86               | 639,86          | 639,86             | 7,3%  | 686,84              | 737,35                 | 791,63                 |
| VAT on Services   |     | -               | -               | -               | -                    | -               | 93,18              | -   | 100,05              | -                      | -                      |
| Total small household bill:   |     | 573,04          | 623,43          | 706,01          | 639,86               | 639,86          | 733,04             | 23,0%   | 786,89              | 737,35                 | 791,63                 |
| % increase/-decrease  |     |                 | 8,8%            | 13,2%           | (9,4%)               | -               | 14,6%              |   | 7,3%                | (6,3%)                 | 7,4%                   |

## References

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

WC024 Stellenbosch - Supporting Table SA15 Investment particulars by type

| Investment type                            | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand                                 |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Parent municipality</b>                 |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Securities - National Government           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Listed Corporate Bonds                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Deposits - Bank                            |     | 572 779         | -               | (1 035 805)     | 396 045              | 182 187         | 182 187            | 200 080   | 200 080                | 200 080                |
| Deposits - Public Investment Commissioners |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Deposits - Corporation for Public Deposits |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Bankers Acceptance Certificates            |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Negotiable Certificates of Deposit - Banks |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Guaranteed Endowment Policies (sinking)    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Repurchase Agreements - Banks              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Municipal Bonds                            |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Municipality sub-total                     | 1   | 572 779         | -               | (1 035 805)     | 396 045              | 182 187         | 182 187            | 200 080   | 200 080                | 200 080                |
| <b>Entities</b>                            |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Securities - National Government           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Listed Corporate Bonds                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Deposits - Bank                            |     | 572 779         | -               | (1 035 805)     | 396 045              | 182 187         | 182 187            | 200 080   | 200 080                | 200 080                |
| Deposits - Public Investment Commissioners |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Deposits - Corporation for Public Deposits |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Bankers Acceptance Certificates            |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Negotiable Certificates of Deposit - Banks |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Guaranteed Endowment Policies (sinking)    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Repurchase Agreements - Banks              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Entities sub-total                         |     | 572 779         | -               | (1 035 805)     | 396 045              | 182 187         | 182 187            | 200 080   | 200 080                | 200 080                |
| Consolidated total:                        |     | 1 145 558       | -               | (2 071 609)     | 792 090              | 364 374         | 364 374            | 400 160   | 400 160                | 400 160                |

References

1. Total investments must reconcile to Budgeted Financial Position ('current' call investment deposits plus 'non-current' investments),

WC024 Stellenbosch - Supporting Table SA16 Investment particulars by maturity

| Investments by Maturity               | Ref | Period of Investment | Type of Investment | Capital Guarantee (Yes/ No) | Variable or Fixed interest rate | Interest Rate * | Commission Paid (Rands) | Commission Recipient | Expiry date of investment | Opening balance | Interest to be realised | Partial / Premature Withdrawal (4) | Investment Top Up | Closing Balance |
|---------------------------------------|-----|----------------------|--------------------|-----------------------------|---------------------------------|-----------------|-------------------------|----------------------|---------------------------|-----------------|-------------------------|------------------------------------|-------------------|-----------------|
| Name of institution & investment ID   | 1   | Yrs/Months           |                    |                             |                                 |                 |                         |                      |                           |                 |                         |                                    |                   |                 |
| <b>Parent municipality</b>            |     |                      |                    |                             |                                 |                 |                         |                      |                           |                 |                         |                                    |                   |                 |
| ABSA                                  |     | Call account         | Variable           | Yes                         | Variable                        | 0,042           |                         |                      | 30 June 2022              |                 | 1 703 728,57            |                                    | 60 000 000,00     | 61 703 728,57   |
| ABSA                                  |     | 5 Months             | Fixed Deposit      | Yes                         | Fixed Rate                      | 0,0558          |                         |                      | 22 August 2022            |                 | 558 000,00              |                                    | 40 000 000,00     | 40 558 000,00   |
| Nedbank                               |     | 6 Months             | Fixed Deposit      | Yes                         | Fixed Rate                      | 0,0464          |                         |                      | 10 August 2021            | 71 263 605,47   | 355 945,21              | -71 619 550,68                     |                   | 0,00            |
| Nedbank                               |     | 7 Months             | Fixed Deposit      | Yes                         | Fixed Rate                      | 0,0482          |                         |                      | 26 November 2021          | 90 736 865,75   | 1 758 969,86            | -92 495 835,61                     |                   |                 |
| Nedbank                               |     | 12 Months            | Fixed Deposit      | Yes                         | Fixed Rate                      | 0,058           |                         |                      | 12 October 2022           |                 | 3 330 630,14            |                                    | 80 000 000,00     | 83 330 630,14   |
| Nedbank                               |     | 6 Months             | Fixed Deposit      | Yes                         | Fixed Rate                      | 0,061           |                         |                      | 22 September 2022         |                 | 1 358 577,21            |                                    | 80 000 000,00     | 81 358 577,21   |
| SBSA                                  |     | Call account         | Variable           | Yes                         | Variable                        | 0,035           |                         |                      | 21 October 2022           |                 | 473 959,24              | -51 257 619,24                     | 50 783 660,00     |                 |
| SBSA                                  |     | 3 Months             | Fixed Deposit      | Yes                         | Fixed Rate                      | 0,0425          |                         |                      | 29 July 2021              | 60 433 150,68   | 202 675,95              | -60 635 826,63                     |                   | 0,00            |
| SBSA                                  |     | 6 Months             | Fixed Deposit      | Yes                         | Fixed Rate                      | 0,04875         |                         |                      | 06 December 2021          |                 | 1 613 424,66            | -81 613 424,66                     | 80 000 000,00     | 0,00            |
| SBSA                                  |     | 5 Months             | Fixed Deposit      | Yes                         | Fixed Rate                      | 0,0485          |                         |                      | 11 March 2022             |                 | 989 931,51              | -50 989 931,51                     | 50 000 000,00     | 0,00            |
| SBSA                                  |     | 5 Months             | Fixed Deposit      | Yes                         | Fixed Rate                      | 0,05175         |                         |                      | 13 June 2022              |                 | 2 584 380,82            | -126 584 380,82                    | 124 000 000,00    | 0,00            |
| <b>Municipality sub-total</b>         |     |                      |                    |                             |                                 |                 |                         |                      |                           | 222 433 621,90  |                         | -535 196 569,15                    | 564 783 660,00    | 266 950 935,91  |
| <b>Entities</b>                       |     |                      |                    |                             |                                 |                 |                         |                      |                           |                 |                         |                                    |                   |                 |
| -                                     |     |                      |                    |                             |                                 |                 |                         |                      |                           |                 |                         |                                    |                   |                 |
| -                                     |     |                      |                    |                             |                                 |                 |                         |                      |                           |                 |                         |                                    |                   |                 |
| -                                     |     |                      |                    |                             |                                 |                 |                         |                      |                           |                 |                         |                                    |                   |                 |
| <b>Entities sub-total</b>             |     |                      |                    |                             |                                 |                 |                         |                      |                           |                 |                         |                                    |                   |                 |
| <b>TOTAL INVESTMENTS AND INTEREST</b> | 1   |                      |                    |                             |                                 |                 |                         |                      |                           | 222 433 621,90  |                         | -535 196 569,15                    | 564 783 660,00    | 266 950 935,91  |

References

1. Total investments must reconcile to all items in Table SA15 for the Current Year (30 June)
2. List investments in expiry date order
3. If 'variable' is selected in column F, input interest rate range
4. Withdrawals to be entered as negative

## WC024 Stellenbosch - Supporting Table SA17 Borrowing

| Borrowing - Categorised by type                | Ref | 2018/19         | 2019/20         | 2020/21            | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|--------------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome    | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>R thousand</b>                              |     |                 |                 |                    |                      |                 |                    |   |                        |                        |
| <b>Parent municipality</b>                     |     |                 |                 |                    |                      |                 |                    |   |                        |                        |
| Annuity and Bullet Loans                       |     | 134 130         | -               | (1 226 232)        | 499 164              | 434 893         | 434 893            | 574 893   | 594 893                | 575 893                |
| Long-Term Loans (non-annuity)                  |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Local registered stock                         |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Instalment Credit                              |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Financial Leases                               |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| PPP liabilities                                |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Finance Granted By Cap Equipment Supplier      |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Marketable Bonds                               |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Non-Marketable Bonds                           |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Bankers Acceptances                            |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Financial derivatives                          |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Other Securities                               |     | 4 696           | -               | 826                | -                    | -               | -                  | -   | -                      | -                      |
| <b>Municipality sub-total</b>                  | 1   | <b>138 826</b>  | <b>-</b>        | <b>(1 225 405)</b> | <b>499 164</b>       | <b>434 893</b>  | <b>434 893</b>     | <b>574 893</b>                                      | <b>594 893</b>         | <b>575 893</b>         |
| <b>Entities</b>                                |     |                 |                 |                    |                      |                 |                    |   |                        |                        |
| Annuity and Bullet Loans                       |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Long-Term Loans (non-annuity)                  |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Local registered stock                         |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Instalment Credit                              |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Financial Leases                               |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| PPP liabilities                                |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Finance Granted By Cap Equipment Supplier      |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Marketable Bonds                               |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Non-Marketable Bonds                           |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Bankers Acceptances                            |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Financial derivatives                          |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Other Securities                               |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| <b>Entities sub-total</b>                      | 1   | <b>-</b>        | <b>-</b>        | <b>-</b>           | <b>-</b>             | <b>-</b>        | <b>-</b>           | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| <b>Total Borrowing</b>                         | 1   | <b>138 826</b>  | <b>-</b>        | <b>(1 225 405)</b> | <b>499 164</b>       | <b>434 893</b>  | <b>434 893</b>     | <b>574 893</b>                                      | <b>594 893</b>         | <b>575 893</b>         |
| <b>Unspent Borrowing - Categorised by type</b> |     |                 |                 |                    |                      |                 |                    |   |                        |                        |
| <b>Parent municipality</b>                     |     |                 |                 |                    |                      |                 |                    |   |                        |                        |
| Long-Term Loans (annuity/reducing balance)     |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Long-Term Loans (non-annuity)                  |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Local registered stock                         |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Instalment Credit                              |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Financial Leases                               |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| PPP liabilities                                |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Finance Granted By Cap Equipment Supplier      |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Marketable Bonds                               |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Non-Marketable Bonds                           |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Bankers Acceptances                            |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Financial derivatives                          |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Other Securities                               |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| <b>Municipality sub-total</b>                  | 1   | <b>-</b>        | <b>-</b>        | <b>-</b>           | <b>-</b>             | <b>-</b>        | <b>-</b>           | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| <b>Entities</b>                                |     |                 |                 |                    |                      |                 |                    |   |                        |                        |
| Long-Term Loans (annuity/reducing balance)     |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Long-Term Loans (non-annuity)                  |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Local registered stock                         |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Instalment Credit                              |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Financial Leases                               |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| PPP liabilities                                |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Finance Granted By Cap Equipment Supplier      |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Marketable Bonds                               |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Non-Marketable Bonds                           |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Bankers Acceptances                            |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |
| Financial derivatives                          |     | -               | -               | -                  | -                    | -               | -                  | -   | -                      | -                      |

| Borrowing - Categorised by type | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---------------------------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|                                 |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand                      |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Other Securities                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Entities sub-total              | 1   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Total Unspent Borrowing         | 1   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |

## WC024 Stellenbosch - Supporting Table SA18 Transfers and grant receipts

| Description   | Ref  | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |      | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand  |      |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>RECEIPTS:</b>  | 1, 2 |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Operating Transfers and Grants</b>   |      |                 |                 |                 |                      |                 |                    |   |                        |                        |
| National Government:  |      | -               | -               | -               | 169 239              | 168 531         | 168 531            | 190 348   | 200 376                | 219 288                |
| Operational Revenue:General Revenue:Equitable Share                               |      | -               | -               | -               | 157 136              | 157 136         | 157 136            | 179 634   | 196 720                | 215 547                |
| Operational:Revenue:General Revenue:Fuel Levy                                     |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| 2014 African Nations Championship Host City Operating Grant [Schedule 5B]         |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Agriculture Research and Technology   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Agriculture, Conservation and Environmental                                       |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Arts and Culture Sustainable Resource Management                                  |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Community Library   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Department of Environmental Affairs   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Department of Tourism   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Department of Water Affairs and Sanitation Masibambane                            |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Emergency Medical Service   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Energy Efficiency and Demand-side [Schedule 5B]                                   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B] |      | -               | -               | -               | 5 998                | 5 998           | 5 998              | 5 877   | -                      | -                      |
| HIV and Aids  |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Housing Accreditation   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Housing Top structure   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Infrastructure Skills Development Grant [Schedule 5B]                             |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Integrated City Development Grant   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Khayelitsha Urban Renewal   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Local Government Financial Management Grant [Schedule 5B]                         |      | -               | -               | -               | 1 550                | 1 550           | 1 550              | 1 550   | 1 550                  | 1 550                  |
| Mitchell's Plain Urban Renewal  |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Municipal Demarcation and Transition Grant [Schedule 5B]                          |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Municipal Disaster Grant [Schedule 5B]  |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Municipal Human Settlement Capacity Grant [Schedule 5B]                           |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Municipal Systems Improvement Grant   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Natural Resource Management Project   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Neighbourhood Development Partnership Grant                                       |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Operation Clean Audit   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Municipal Disaster Recovery Grant   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Public Service Improvement Facility   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Public Transport Network Operations Grant [Schedule 5B]                           |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Restructuring - Seed Funding  |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Revenue Enhancement Grant Debtors Book  |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Rural Road Asset Management Systems Grant   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sport and Recreation  |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Terrestrial Invasive Alien Plants   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Water Services Operating Subsidy Grant [Schedule 5B]                              |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Health Hygiene in Informal Settlements  |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |

| Description  | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Municipal Infrastructure Grant [Schedule 5B]                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Water Services Infrastructure Grant                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Public Transport Network Grant [Schedule 5B]                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Smart Connect Grant  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Urban Settlement Development Grant                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| WiFi Grant [Department of Telecommunications and Postal Services |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Street Lighting  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Traditional Leaders - Imbizon                                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Department of Water and Sanitation Smart Living Handbook         |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Integrated National Electrification Programme Grant              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Municipal Restructuring Grant                                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Regional Bulk Infrastructure Grant                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Municipal Emergency Housing Grant                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Metro Informal Settlements Partnership Grant                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Integrated Urban Development Grant                               |     | -               | -               | -               | 4 555                | 3 847           | 3 847              | 3 287   | 2 106                  | 2 191                  |
| <b>Provincial Government:</b>                                    |     | -               | -               | -               | 34 574               | 34 210          | 34 210             | 31 858  | 45 262                 | 42 987                 |
| Capacity Building  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capacity Building and Other                                      |     | -               | -               | -               | 34 574               | 34 210          | 34 210             | 31 858  | 45 262                 | 42 987                 |
| Disaster and Emergency Services                                  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Health   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Housing  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Infrastructure   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Libraries, Archives and Museums                                  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Public Transport   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Road Infrastructure - Maintenance                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sports and Recreation  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Waste Water Infrastructure - Maintenance                         |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Water Supply Infrastructure - Maintenance                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>District Municipality:</b>                                    |     | -               | -               | -               | 500                  | 647             | 647                | 1 020   | 541                    | 562                    |
| <i>All Grants</i>  |     | -               | -               | -               | 500                  | 647             | 647                | 1 020   | 541                    | 562                    |
| <b>Other Grant Providers:</b>                                    |     | -               | -               | -               | -                    | 358             | 358                | 20  | 21                     | 22                     |
| <i>Departmental Agencies and Accounts</i>                        |     | -               | -               | -               | -                    | 237             | 237                | -   | -                      | -                      |
| <i>Foreign Government and International Organisations</i>        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Households</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Non-profit Institutions</i>                                   |     | -               | -               | -               | -                    | 102             | 102                | -   | -                      | -                      |
| <i>Private Enterprises</i>                                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Public Corporations</i>                                       |     | -               | -               | -               | -                    | 18              | 18                 | 20  | 21                     | 22                     |
| <i>Higher Educational Institutions</i>                           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Parent Municipality / Entity</i>                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Operating Transfers and Grants</b>                      | 5   | -               | -               | -               | 204 313              | 203 746         | 203 746            | 223 246   | 246 199                | 262 860                |



| Description   | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Capital Transfers and Grants</b>   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| National Government:  |     | -               | -               | -               | 70 386               | 71 094          | 71 094             | 90 810  | 46 008                 | 47 899                 |
| Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]     |     | -               | -               | -               | 18 000               | 18 000          | 18 000             | 28 350  | 6 000                  | 6 269                  |
| Municipal Infrastructure Grant [Schedule 5B]                                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Municipal Water Infrastructure Grant [Schedule 5B]                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Neighbourhood Development Partnership Grant [Schedule 5B]                         |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Public Transport Infrastructure Grant [Schedule 5B]                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Rural Household Infrastructure Grant [Schedule 5B]                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Rural Road Asset Management Systems Grant [Schedule 5B]                           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Urban Settlement Development Grant [Schedule 4B]                                  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Municipal Human Settlement  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Community Library   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Integrated City Development Grant [Schedule 4B]                                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Municipal Disaster Recovery Grant [Schedule 4B]                                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Energy Efficiency and Demand Side Management Grant                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Khayelitsha Urban Renewal   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Local Government Financial Management Grant [Schedule 5B]                         |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Municipal Systems Improvement Grant [Schedule 5B]                                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Public Transport Network Grant [Schedule 5B]                                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Public Transport Network Operations Grant [Schedule 5B]                           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Regional Bulk Infrastructure Grant (Schedule 5B)                                  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Water Services Infrastructure Grant [Schedule 5B]                                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| WIFI Connectivity   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B] |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Aquaonic Project  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Restition Settlement  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Infrastructure Skills Development Grant [Schedule 5B]                             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Restructuring Seed Funding  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Municipal Disaster Relief Grant   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Municipal Emergency Housing Grant   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Metro Informal Settlements Partnership Grant                                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Integrated Urban Development Grant  |     | -               | -               | -               | 52 386               | 53 094          | 53 094             | 62 460  | 40 008                 | 41 630                 |
| Provincial Government:  |     | -               | -               | -               | 35 168               | 40 497          | 40 497             | 37 800  | 34 863                 | 8 527                  |
| Capacity Building   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capacity Building and Other   |     | -               | -               | -               | 100                  | 2 402           | 2 402              | -   | -                      | -                      |
| Disaster and Emergency Services   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Health  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |

| Description   | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Housing   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Infrastructure  |     | -               | -               | -               | 35 068               | 38 095          | 38 095             | 37 800  | 34 863                 | 8 527                  |
| Libraries, Archives and Museums                           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Public Transport  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Road Infrastructure                                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sports and Recreation                                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Waste Water Infrastructure                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Water Supply Infrastructure                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| District Municipality:                                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>All Grants</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other Grant Providers:                                    |     | -               | -               | -               | -                    | 307             | 307                | 33 254  | 39 782                 | 50 310                 |
| <i>Departmental Agencies and Accounts</i>                 |     | -               | -               | -               | -                    | 307             | 307                | 254   | 282                    | 310                    |
| <i>Foreign Government and International Organisations</i> |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Households</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Non-Profit Institutions</i>                            |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Private Enterprises</i>                                |     | -               | -               | -               | -                    | -               | -                  | 33 000  | 39 500                 | 50 000                 |
| <i>Public Corporations</i>                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Higher Educational Institutions</i>                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Parent Municipality / Entity</i>                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Transfer from Operational Revenue</i>                  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Total Capital Transfers and Grants                        | 5   | -               | -               | -               | 105 554              | 111 899         | 111 899            | 161 863   | 120 653                | 106 736                |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS                      |     | -               | -               | -               | 309 867              | 315 645         | 315 645            | 385 109   | 366 853                | 369 596                |

## WC024 Stellenbosch - Supporting Table SA19 Expenditure on transfers and grant programme

| Description   | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>EXPENDITURE:</b>   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Operating expenditure of Transfers and Grants</b>                              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| National Government:  |     | -               | -               | -               | 13 145               | 22 296          | 22 296             | 14 848  | 7 656                  | 7 741                  |
| Operational Revenue:General Revenue:Equitable Share                               |     | -               | -               | -               | 1 041                | 10 901          | 10 901             | 5 083   | 4 000                  | 4 000                  |
| Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B] |     | -               | -               | -               | 5 998                | 5 998           | 5 998              | 4 928   | -                      | -                      |
| Local Government Financial Management Grant [Schedule 5B]                         |     | -               | -               | -               | 1 550                | 1 550           | 1 550              | 1 550   | 1 550                  | 1 550                  |
| Integrated Urban Development Grant  |     | -               | -               | -               | 4 555                | 3 847           | 3 847              | 3 287   | 2 106                  | 2 191                  |
| Provincial Government:  |     | -               | -               | -               | 35 353               | 34 210          | 34 210             | 24 603  | 38 527                 | 42 091                 |
| Capacity Building   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capacity Building and Other   |     | -               | -               | -               | 35 353               | 34 210          | 34 210             | 24 603  | 38 527                 | 42 091                 |
| Disaster and Emergency Services   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Health  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Housing   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Infrastructure  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Libraries, Archives and Museums   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Public Transport  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Road Infrastructure - Maintenance   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sports and Recreation   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Waste Water Infrastructure - Maintenance  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Water Supply Infrastructure - Maintenance   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| District Municipality:  |     | -               | -               | -               | 500                  | 647             | 647                | 1 020   | 541                    | 562                    |
| All Grants  |     | -               | -               | -               | 500                  | 647             | 647                | 1 020   | 541                    | 562                    |
| Other Grant Providers:  |     | -               | -               | -               | -                    | 358             | 358                | 20  | 21                     | 22                     |
| Departmental Agencies and Accounts  |     | -               | -               | -               | -                    | 237             | 237                | -   | -                      | -                      |
| Foreign Government and International Organisation:                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Households  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Non-profit Institutions   |     | -               | -               | -               | -                    | 102             | 102                | -   | -                      | -                      |
| Private Enterprises   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Public Corporations   |     | -               | -               | -               | -                    | 18              | 18                 | 20  | 21                     | 22                     |
| Higher Educational Institutions   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Parent Municipality / Entity  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total operating expenditure of Transfers and Grants:</b>                       |     | -               | -               | -               | <b>48 998</b>        | <b>57 511</b>   | <b>57 511</b>      | <b>40 491</b>                                       | <b>46 744</b>          | <b>50 416</b>          |
| <b>Capital expenditure of Transfers and Grants</b>                                |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| National Government:  |     | -               | -               | -               | 70 386               | 71 094          | 71 094             | 90 810  | 48 008                 | 47 899                 |
| Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]     |     | -               | -               | -               | 18 000               | 18 000          | 18 000             | 28 350  | 6 000                  | 6 269                  |
| Integrated Urban Development Grant  |     | -               | -               | -               | 52 386               | 53 094          | 53 094             | 62 460  | 42 008                 | 41 630                 |
| Provincial Government:  |     | -               | -               | -               | 35 168               | 40 497          | 40 497             | 29 000  | 34 863                 | 7 900                  |
| Capacity Building   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capacity Building and Other   |     | -               | -               | -               | 100                  | 2 402           | 2 402              | -   | -                      | -                      |
| Disaster and Emergency Services   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Health  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Housing   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Infrastructure  |     | -               | -               | -               | 35 068               | 38 095          | 38 095             | 29 000  | 34 863                 | 7 900                  |
| Libraries, Archives and Museums   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Public Transport  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Road Infrastructure   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sports and Recreation   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Waste Water Infrastructure  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Water Supply Infrastructure   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| District Municipality:  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| All Grants  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other Grant Providers:  |     | -               | -               | -               | -                    | 307             | 307                | 12 674  | 12 761                 | 40 046                 |
| Departmental Agencies and Accounts  |     | -               | -               | -               | -                    | 307             | 307                | -   | -                      | -                      |
| Foreign Government and International Organisation:                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Households  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Non-Profit Institutions   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Private Enterprises   |     | -               | -               | -               | -                    | -               | -                  | 12 674  | 12 761                 | 40 046                 |
| Public Corporations   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Higher Educational Institutions   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Parent Municipality / Entity  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Transfer from Operational Revenue   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total capital expenditure of Transfers and Grants</b>                          |     | -               | -               | -               | <b>105 554</b>       | <b>111 899</b>  | <b>111 899</b>     | <b>132 483</b>                                      | <b>95 632</b>          | <b>95 845</b>          |
| <b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>                                  |     | -               | -               | -               | <b>154 552</b>       | <b>169 410</b>  | <b>169 410</b>     | <b>172 974</b>                                      | <b>142 377</b>         | <b>146 261</b>         |

## References

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

## WC024 Stellenbosch - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

| Description   | Ref | 2018/19          | 2019/20          | 2020/21          | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|------------------|------------------|------------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome  | Audited Outcome  | Audited Outcome  | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Operating transfers and grants:</b>                  | 1,3 |                  |                  |                  |                      |                 |                    |   |                        |                        |
| <b>National Government:</b>                             |     |                  |                  |                  |                      |                 |                    |   |                        |                        |
| Balance unspent at beginning of the year                |     | -                | (2 089)          | 43 969           | -                    | -               | -                  | (1 550)   | (1 550)                | (1 550)                |
| Current year receipts                                   |     | (133 808)        | (143 163)        | 293 002          | (7 548)              | (7 548)         | (7 548)            | (6 478)   | (1 550)                | (1 550)                |
| Conditions met - transferred to revenue                 |     | (133 808)        | (147 250)        | 336 971          | (7 548)              | (7 548)         | (7 548)            | (8 028)   | (3 100)                | (3 100)                |
| Conditions still to be met - transferred to liabilities |     | -                | 1 998            | -                | -                    | -               | -                  | -   | -                      | -                      |
| <b>Provincial Government:</b>                           |     |                  |                  |                  |                      |                 |                    |   |                        |                        |
| Balance unspent at beginning of the year                |     | -                | (5 144)          | 5 224            | (2 379)              | (4 145)         | (4 145)            | (7 830)   | (7 830)                | (7 830)                |
| Current year receipts                                   |     | (13 604)         | (19 521)         | 52 357           | (250)                | (250)           | (250)              | (14 901)  | (12 407)               | (12 943)               |
| Conditions met - transferred to revenue                 |     | (13 769)         | (46 953)         | 111 557          | 32 295               | 23 389          | 23 389             | (22 731)  | (20 237)               | (20 773)               |
| Conditions still to be met - transferred to liabilities |     | 165              | 22 287           | (53 976)         | (34 924)             | (27 784)        | (27 784)           | -   | -                      | -                      |
| <b>District Municipality:</b>                           |     |                  |                  |                  |                      |                 |                    |   |                        |                        |
| Balance unspent at beginning of the year                |     | -                | -                | (2 031)          | (2 031)              | (147)           | (147)              | 500   | 500                    | 500                    |
| Current year receipts                                   |     | -                | (2 503)          | 780              | -                    | -               | -                  | -   | -                      | -                      |
| Conditions met - transferred to revenue                 |     | -                | (2 503)          | (1 251)          | (2 031)              | (147)           | (147)              | 500   | 500                    | 500                    |
| Conditions still to be met - transferred to liabilities |     | -                | -                | -                | -                    | -               | -                  | -   | -                      | -                      |
| <b>Other grant providers:</b>                           |     |                  |                  |                  |                      |                 |                    |   |                        |                        |
| Balance unspent at beginning of the year                |     | 574              | (571)            | 227              | (3 782)              | (5 349)         | (5 349)            | (4 321)   | (4 321)                | (4 321)                |
| Current year receipts                                   |     | (415)            | (321)            | (3 566)          | -                    | (237)           | (237)              | -   | -                      | -                      |
| Conditions met - transferred to revenue                 |     | 28 724           | 1 745            | (3 339)          | (3 782)              | (5 586)         | (5 586)            | (4 321)   | (4 321)                | (4 321)                |
| Conditions still to be met - transferred to liabilities |     | (28 566)         | (2 638)          | -                | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total operating transfers and grants revenue</b>     |     | <b>(118 852)</b> | <b>(194 960)</b> | <b>443 939</b>   | <b>18 934</b>        | <b>10 108</b>   | <b>10 108</b>      | <b>(34 580)</b>                                     | <b>(27 158)</b>        | <b>(27 694)</b>        |
| <b>Total operating transfers and grants - CTBM</b>      | 2   | <b>(28 401)</b>  | <b>21 647</b>    | <b>(53 976)</b>  | <b>(34 924)</b>      | <b>(27 784)</b> | <b>(27 784)</b>    | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| <b>Capital transfers and grants:</b>                    | 1,3 |                  |                  |                  |                      |                 |                    |   |                        |                        |
| <b>National Government:</b>                             |     |                  |                  |                  |                      |                 |                    |   |                        |                        |
| Balance unspent at beginning of the year                |     | 468              | (0)              | -                | -                    | -               | -                  | -   | -                      | -                      |
| Current year receipts                                   |     | (40 107)         | (62 526)         | 132 164          | (74 941)             | (74 941)        | (74 941)           | (94 097)  | (48 114)               | (50 090)               |
| Conditions met - transferred to revenue                 |     | (39 639)         | (62 526)         | 132 164          | (74 941)             | (74 941)        | (74 941)           | (94 097)  | (48 114)               | (50 090)               |
| Conditions still to be met - transferred to liabilities |     | -                | -                | -                | -                    | -               | -                  | -   | -                      | -                      |
| <b>Provincial Government:</b>                           |     |                  |                  |                  |                      |                 |                    |   |                        |                        |
| Balance unspent at beginning of the year                |     | -                | (3 003)          | 18 927           | (233)                | (4 617)         | (4 617)            | 9 301   | 9 301                  | 9 301                  |
| Current year receipts                                   |     | (77 816)         | (58 259)         | 130 600          | -                    | -               | -                  | (37 800)  | (58 003)               | (33 900)               |
| Conditions met - transferred to revenue                 |     | (77 816)         | (122 291)        | 285 793          | 34 235               | 26 311          | 26 311             | (28 499)  | (48 702)               | (24 599)               |
| Conditions still to be met - transferred to liabilities |     | -                | 61 029           | (136 266)        | (34 468)             | (30 929)        | (30 929)           | -   | -                      | -                      |
| <b>District Municipality:</b>                           |     |                  |                  |                  |                      |                 |                    |   |                        |                        |
| Balance unspent at beginning of the year                |     | -                | -                | -                | -                    | -               | -                  | -   | -                      | -                      |
| Current year receipts                                   |     | -                | -                | -                | -                    | -               | -                  | -   | -                      | -                      |
| Conditions met - transferred to revenue                 |     | -                | -                | -                | -                    | -               | -                  | -   | -                      | -                      |
| Conditions still to be met - transferred to liabilities |     | -                | -                | -                | -                    | -               | -                  | -   | -                      | -                      |
| <b>Other grant providers:</b>                           |     |                  |                  |                  |                      |                 |                    |   |                        |                        |
| Balance unspent at beginning of the year                |     | -                | (90 931)         | 296 897          | (438)                | (438)           | (438)              | (438)   | (438)                  | (438)                  |
| Current year receipts                                   |     | 77 509           | 90 494           | -                | -                    | -               | -                  | -   | -                      | -                      |
| Conditions met - transferred to revenue                 |     | 77 509           | (438)            | 296 897          | (438)                | (438)           | (438)              | (438)   | (438)                  | (438)                  |
| Conditions still to be met - transferred to liabilities |     | -                | -                | -                | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total capital transfers and grants revenue</b>       |     | <b>(39 946)</b>  | <b>(185 255)</b> | <b>714 853</b>   | <b>(41 144)</b>      | <b>(49 067)</b> | <b>(49 067)</b>    | <b>(123 034)</b>                                    | <b>(97 254)</b>        | <b>(75 127)</b>        |
| <b>Total capital transfers and grants - CTBM</b>        | 2   | <b>-</b>         | <b>61 029</b>    | <b>(136 266)</b> | <b>(34 468)</b>      | <b>(30 929)</b> | <b>(30 929)</b>    | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| <b>TOTAL TRANSFERS AND GRANTS REVENUE</b>               |     | <b>(158 797)</b> | <b>(380 215)</b> | <b>1 158 792</b> | <b>(22 210)</b>      | <b>(38 959)</b> | <b>(38 959)</b>    | <b>(157 613)</b>                                    | <b>(124 411)</b>       | <b>(102 820)</b>       |
| <b>TOTAL TRANSFERS AND GRANTS - CTBM</b>                |     | <b>(28 401)</b>  | <b>82 676</b>    | <b>(190 242)</b> | <b>(69 392)</b>      | <b>(58 713)</b> | <b>(58 713)</b>    | <b>-</b>  | <b>-</b>               | <b>-</b>               |

References

1. Total capital transfers and grants revenue must reconcile to Budgeted Financial Performance and Financial Position; total recurrent grants revenue must reconcile to Budgeted Financial Performance.
2. CTBM = conditions to be met
3. National Treasury database will require this reconciliation for each transfer/grant

## WC024 Stellenbosch - Supporting Table SA21 Transfers and grants made by the municipality

| Description   | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>R thousand</b>   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Cash Transfers to other municipalities</b>               |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Operational   | 1   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Cash Transfers To Municipalities:</b>              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Cash Transfers to Entities/Other External Mechanisms</b> |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Operational   | 2   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Cash Transfers To Entities/Ems'</b>                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Cash Transfers to other Organs of State</b>              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Operational   | 3   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Cash Transfers To Other Organs Of State:</b>       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Cash Transfers to Organisations</b>                      |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Operational   |     | 8 990           | 10 475          | 40 721          | 13 350               | 12 856          | 12 856             | 12 981  | 13 539                 | 14 121                 |
| Capital   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Cash Transfers To Organisations</b>                |     | 8 990           | 10 475          | 40 721          | 13 350               | 12 856          | 12 856             | 12 981  | 13 539                 | 14 121                 |
| <b>Cash Transfers to Groups of Individuals</b>              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Operational   |     | 139             | 380             | 495             | 250                  | 667             | 667                | 1 374   | 1 416                  | 1 464                  |
| Capital   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Cash Transfers To Groups Of Individuals:</b>       |     | 139             | 380             | 495             | 250                  | 667             | 667                | 1 374   | 1 416                  | 1 464                  |
| <b>TOTAL CASH TRANSFERS AND GRANTS</b>                      | 6   | 9 129           | 10 855          | 41 216          | 13 600               | 13 524          | 13 524             | 14 355  | 14 956                 | 15 585                 |

| Description   | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Non-Cash Transfers to other municipalities</b>               |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Operational</i>  | 1   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Non-Cash Transfers To Municipalities:</b>              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Non-Cash Transfers to Entities/Other External Mechanisms</b> |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Operational</i>  | 2   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Non-Cash Transfers To Entities/Ems'</b>                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Non-Cash Transfers to other Organs of State</b>              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Operational</i>  | 3   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Non-Cash Transfers To Other Organs Of State:</b>       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Non-Cash Grants to Organisations</b>                         |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Operational</i>  | 4   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Non-Cash Grants To Organisations</b>                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Non-Cash Transfers to Groups of Individuals</b>              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Operational</i>  | 5   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Non-Cash Grants To Groups Of Individuals:</b>          |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>TOTAL NON-CASH TRANSFERS AND GRANTS</b>                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>TOTAL TRANSFERS AND GRANTS</b>                               | 6   | 9 129           | 10 855          | 41 216          | 13 600               | 13 524          | 13 524             | 14 355  | 14 956                 | 15 585                 |

References

1. Insert description listed by municipal name and demarcation code of recipient
2. Insert description of each entity or external mechanism (an external mechanism may be provided with resources to ensure a minimum level of service)
3. Insert description of each Organ of State (e.g. transfer to electricity provider to compensate for FBS provided)
4. Insert description of each other organisation (e.g. charity)
5. Insert description of each other organisation (e.g. the aged, child-headed households)
6. All descriptions should separate transfers for 'capital purposes' and 'operating purposes'

## WC024 Stellenbosch - Supporting Table SA22 Summary councillor and staff benefits

| Summary of Employee and Councillor remuneration          | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand   |     | A               | B               | C               | D                    | E               | F                  | G   | H                      | I                      |
| <b>Councillors (Political Office Bearers plus Other)</b> | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Basic Salaries and Wages                                 |     | 11 322          | 12 108          | 53 278          | 14 258               | 18 106          | 18 106             | 19 011  | 19 962                 | 20 960                 |
| Pension and UIF Contributions                            |     | 132             | 559             | 2 543           | 882                  | -               | -                  | -   | -                      | -                      |
| Medical Aid Contributions                                |     | 50              | 215             | 277             | 96                   | -               | -                  | -   | -                      | -                      |
| Motor Vehicle Allowance                                  |     | 4 139           | 4 331           | 19 197          | 5 145                | -               | -                  | -   | -                      | -                      |
| Cellphone Allowance                                      |     | 1 740           | 1 754           | 6 014           | 1 392                | 1 954           | 1 954              | 2 051   | 2 154                  | 2 262                  |
| Housing Allowances                                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other benefits and allowances                            |     | 154             | 155             | 746             | 205                  | -               | -                  | -   | -                      | -                      |
| <b>Sub Total - Councillors</b>                           |     | 17 538          | 19 121          | 82 055          | 21 978               | 20 059          | 20 059             | 21 062  | 22 115                 | 23 221                 |
| % increase   | 4   |                 | 9,0%            | 329,1%          | (73,2%)              | (8,7%)          | -                  | 5,0%  | 5,0%                   | 5,0%                   |
| <b>Senior Managers of the Municipality</b>               | 2   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Basic Salaries and Wages                                 |     | 3 029           | 9 393           | 27 588          | 7 281                | 7 808           | 7 808              | 8 316   | 8 815                  | 9 344                  |
| Pension and UIF Contributions                            |     | 580             | 447             | 4 121           | 881                  | 675             | 675                | 719   | 762                    | 808                    |
| Medical Aid Contributions                                |     | 72              | 24              | 706             | 319                  | 117             | 117                | 125   | 133                    | 140                    |
| Overtime   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Performance Bonus  |     | 591             | 710             | 2 090           | 627                  | -               | -                  | -   | -                      | -                      |
| Motor Vehicle Allowance                                  | 3   | 493             | 337             | 3 564           | 679                  | 540             | 540                | 575   | 610                    | 646                    |
| Cellphone Allowance                                      | 3   | 104             | 94              | 396             | 137                  | 137             | 137                | 146   | 154                    | 164                    |
| Housing Allowances                                       | 3   | -               | -               | -               | 18                   | 18              | 18                 | 19  | 20                     | 22                     |
| Other benefits and allowances                            | 3   | 18              | 0               | 182             | 87                   | 87              | 87                 | 92  | 98                     | 104                    |
| Payments in lieu of leave                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Long service awards                                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Post-retirement benefit obligations                      | 6   | (4 041)         | 21 200          | (5 696)         | -                    | -               | -                  | -   | -                      | -                      |
| <b>Sub Total - Senior Managers of Municipality</b>       |     | 846             | 32 205          | 32 951          | 10 029               | 9 383           | 9 383              | 9 993   | 10 592                 | 11 228                 |
| % increase   | 4   |                 | 3 705,1%        | 2,3%            | (69,6%)              | (6,4%)          | -                  | 6,5%  | 6,0%                   | 6,0%                   |
| <b>Other Municipal Staff</b>                             |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Basic Salaries and Wages                                 |     | 298 384         | 1 492 593       | 1 328 795       | 351 506              | 346 776         | 346 776            | 375 081   | 367 036                | 388 570                |
| Pension and UIF Contributions                            |     | 47 154          | 72 383          | 236 638         | 67 671               | 57 107          | 57 107             | 60 762  | 64 413                 | 68 272                 |
| Medical Aid Contributions                                |     | 21 580          | 32 030          | 108 238         | 31 331               | 25 379          | 25 379             | 27 013  | 28 634                 | 30 352                 |
| Overtime   |     | 44 111          | 77 150          | 220 452         | 54 754               | 64 262          | 64 262             | 68 439  | 72 546                 | 76 898                 |
| Performance Bonus  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Motor Vehicle Allowance                                  | 3   | 9 026           | 13 615          | 52 460          | 11 793               | 10 179          | 10 179             | 10 841  | 11 491                 | 12 181                 |
| Cellphone Allowance                                      | 3   | 1 237           | 1 825           | 4 916           | 1 143                | 2 333           | 2 333              | 2 465   | 2 613                  | 2 770                  |
| Housing Allowances                                       | 3   | 2 853           | 3 774           | 12 267          | 3 576                | 2 722           | 2 722              | 2 899   | 3 073                  | 3 258                  |
| Other benefits and allowances                            | 3   | 31 149          | 44 589          | 161 727         | 43 365               | 34 536          | 34 536             | 36 763  | 38 969                 | 41 307                 |
| Payments in lieu of leave                                |     | 858             | 996             | 6 737           | 2 538                | -               | -                  | -   | -                      | -                      |
| Long service awards                                      |     | (6)             | 73              | 164             | 82                   | -               | -                  | -   | -                      | -                      |
| Post-retirement benefit obligations                      | 6   | 4 462           | 427 839         | 131 444         | 29 669               | 25 085          | 25 085             | 30 208  | 32 020                 | 33 941                 |
| <b>Sub Total - Other Municipal Staff</b>                 |     | 460 809         | 2 166 868       | 2 263 838       | 597 429              | 568 379         | 568 379            | 614 471   | 620 795                | 657 549                |
| % increase   | 4   |                 | 370,2%          | 4,5%            | (73,6%)              | (4,9%)          | -                  | 8,1%  | 1,0%                   | 5,9%                   |
| <b>Total Parent Municipality</b>                         |     | 479 193         | 2 218 193       | 2 378 844       | 629 436              | 597 821         | 597 821            | 645 526   | 653 502                | 691 998                |
|  |     |                 | 362,9%          | 7,2%            | (73,5%)              | (5,0%)          | -                  | 8,0%  | 1,2%                   | 5,9%                   |
| <b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>           |     | 479 193         | 2 218 193       | 2 378 844       | 629 436              | 597 821         | 597 821            | 645 526   | 653 502                | 691 998                |
| % increase   | 4   |                 | 362,9%          | 7,2%            | (73,5%)              | (5,0%)          | -                  | 8,0%  | 1,2%                   | 5,9%                   |
| <b>TOTAL MANAGERS AND STAFF</b>                          | 5,7 | 461 655         | 2 199 072       | 2 296 790       | 607 458              | 577 762         | 577 762            | 624 464   | 631 387                | 668 777                |

**References**

1. Include 'Loans and advances' where applicable if any reportable amounts until phased compliance with s164 of MFMA achieved
2. s57 of the Systems Act
3. In kind benefits (e.g. provision of living quarters) must be shown as the cost (full market value) to the municipality, as part of the relevant allowance
4. B/A, C/B, D/C, E/C, F/C, G/D, H/D, I/D
5. Must agree to the sub-total appearing on Table A1 (Employee costs)
6. Includes pension payments and employer contributions to medical aid
7. Correct as at 30 June

**Column Definitions:**

- A, B and C. Audited actual as per the audited financial statements. If audited amounts are unavailable, unaudited amounts must be provided with a note stating these are unaudited
- D. The original budget approved by council for the budget year.
- E. The budget for the budget year as adjusted by council resolution in terms of section 28 of the MFMA.
- F. An estimate of final actual amounts (pre audit) for the current year at the point in time of preparing the budget for the budget year. This may differ from E.

| Summary of Employee and Councillor remuneration | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand                                      |     |                 |                 |                 |                      |                 |                    |   |                        |                        |

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

H and I. The indicative projection



## WC024 Stellenbosch - Supporting Table SA23 Salaries, allowances &amp; benefits (political office bearers/councillors/senior managers)

| Disclosure of Salaries, Allowances & Benefits 1.                     | Ref  | No. | Salary     | Contributions | Allowances | Performance Bonuses | In-kind benefits | Total Package |
|--|------|-----|------------|---------------|------------|---------------------|------------------|---------------|
| Rand per annum   |      |     |            | 1.            |            |                     |                  | 2.            |
| <b>Councillors</b>   | 3    |     |            |               |            |                     |                  |               |
| Speaker  | 4    | 1   | 780 866    | -             | 46 620     | -                   | -                | 827 486       |
| Chief Whip   |      | -   | -          | -             | -          | -                   | -                | -             |
| Executive Mayor  |      | 1   | 976 084    | -             | 46 620     | -                   | -                | 1 022 704     |
| Deputy Executive Mayor   |      | 1   | 780 866    | -             | 46 620     | -                   | -                | 827 486       |
| Executive Committee  |      | -   | 6 588 564  | -             | 419 580    | -                   | -                | 7 008 144     |
| Total for all other councillors                                      |      | -   | 9 884 610  | -             | 1 491 840  | -                   | -                | 11 376 450    |
| <b>Total Councillors</b>   | 8    | 3   | 19 010 990 | -             | 2 051 280  |                     |                  | 21 062 270    |
| <b>Senior Managers of the Municipality</b>                           | 5    |     |            |               |            |                     |                  |               |
| Municipal Manager (MM)   |      | 1   | 1 535 208  | 354 016       | 152 082    | -                   | -                | 2 041 306     |
| Chief Finance Officer  |      | 1   | 1 052 571  | 231 424       | 299 052    | -                   | -                | 1 583 047     |
|  |      | 1   | 1 489 019  | 16 965        | 88 182     | -                   | -                | 1 594 166     |
|  |      | 1   | 1 557 350  | 16 965        | 24 282     | -                   | -                | 1 598 597     |
|  |      | 1   | 1 426 504  | 16 965        | 152 082    | -                   | -                | 1 595 551     |
|  |      | 1   | 1 238 606  | 300 394       | 24 282     | -                   | -                | 1 563 282     |
| <i>List of each official with packages &gt;= senior manager</i>      |      |     |            |               |            |                     |                  |               |
|  |      | -   | -          | -             | -          | -                   | -                | -             |
|  |      | -   | -          | -             | -          | -                   | -                | -             |
|  |      | -   | -          | -             | -          | -                   | -                | -             |
|  |      | -   | -          | -             | -          | -                   | -                | -             |
|  |      | 1   | 16 614     | -             | -          | -                   | -                | 16 614        |
|  |      | -   | -          | -             | -          | -                   | -                | -             |
|  |      | -   | -          | -             | -          | -                   | -                | -             |
|  |      | -   | -          | -             | -          | -                   | -                | -             |
|  |      | -   | -          | -             | -          | -                   | -                | -             |
|  |      | -   | -          | -             | -          | -                   | -                | -             |
| <b>Total Senior Managers of the Municipality</b>                     | 8,10 | 7   | 8 315 872  | 936 729       | 739 962    | -                   | -                | 9 992 563     |
| <b>TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION</b> | 10   | 10  | 27 326 862 | 936 729       | 2 791 242  | -                   | -                | 31 054 833    |

References

1. Pension and medical aid
2. Total package must equal the total cost to the municipality
3. List each political office bearer by designation. Provide a total for all other councillors
4. Political office bearer is defined in MFMA s 1: speaker, executive mayor, deputy executive mayor, member of executive committee, mayor, deputy mayor, member of mayoral committee, the councillor designated to exercise powers and duties of mayor (MSA s 57)
5. Also list each senior manager reporting to MM by designation and each official with package >= senior manager by designation
6. List each entity where municipality has an interest and state percentage ownership and control
7. List each senior manager reporting to the CEO of an Entity by designation
8. Must reconcile to relevant section of Table SA24
9. Must reconcile to totals shown for the budget year of Table SA22
10. Correct as at 30 June

WC024 Stellenbosch - Supporting Table SA24 Summary of personnel numbers

| Summary of Personnel Numbers                                  | Ref   | 2020/21   |                     |                    | Current Year 2021/22 |                     |                    | Budget Year 2022/23 |                     |                    |
|---|-------|-----------|---------------------|--------------------|----------------------|---------------------|--------------------|---------------------|---------------------|--------------------|
|   |       | Positions | Permanent employees | Contract employees | Positions            | Permanent employees | Contract employees | Positions           | Permanent employees | Contract employees |
| <b>Municipal Council and Boards of Municipal Entities</b>     |       |           |                     |                    |                      |                     |                    |                     |                     |                    |
| Councillors (Political Office Bearers plus Other Councillors) |       | 43        | 43                  | -                  | 43                   | 43                  | -                  | 43                  | 43                  | -                  |
| Board Members of municipal entities                           | 4     | -         | -                   | -                  | -                    | -                   | -                  | -                   | -                   | -                  |
| <b>Municipal employees</b>                                    | 5     |           |                     |                    |                      |                     |                    |                     |                     |                    |
| Municipal Manager and Senior Managers                         | 3     | 6         | 6                   | -                  | 5                    | 5                   | -                  | 5                   | 5                   | -                  |
| Other Managers  | 7     | 75        | 60                  | 4                  | 11                   | 11                  | -                  | 11                  | 11                  | -                  |
| Professionals   |       | 96        | 71                  | 4                  | 110                  | 74                  | 6                  | 110                 | 74                  | 6                  |
| Finance   |       | 32        | 24                  | 1                  | 27                   | 17                  | 3                  | 27                  | 17                  | 3                  |
| Spatial/town planning   |       | 16        | 12                  | -                  | 10                   | 15                  | -                  | 10                  | 15                  | -                  |
| Information Technology  |       | -         | -                   | -                  | 7                    | 7                   | -                  | 7                   | 7                   | -                  |
| Roads   |       | -         | -                   | -                  | 5                    | 2                   | 1                  | 5                   | 2                   | 1                  |
| Electricity   |       | 1         | 1                   | -                  | 2                    | 1                   | -                  | 2                   | 1                   | -                  |
| Water   |       | 2         | 2                   | -                  | 3                    | 3                   | -                  | 3                   | 3                   | -                  |
| Sanitation  |       | -         | -                   | -                  | 1                    | -                   | -                  | 1                   | -                   | -                  |
| Refuse  |       | -         | -                   | -                  | 4                    | 1                   | -                  | 4                   | 1                   | -                  |
| Other   |       | 45        | 32                  | 3                  | 51                   | 28                  | 2                  | 51                  | 28                  | 2                  |
| Technicians   |       | 228       | 123                 | 13                 | 177                  | 163                 | -                  | 177                 | 163                 | -                  |
| Finance   |       | 19        | 16                  | 5                  | -                    | -                   | -                  | -                   | -                   | -                  |
| Spatial/town planning   |       | 43        | 24                  | -                  | 11                   | 11                  | -                  | 11                  | 11                  | -                  |
| Information Technology  |       | 10        | 5                   | -                  | -                    | -                   | -                  | -                   | -                   | -                  |
| Roads   |       | 10        | 2                   | -                  | 23                   | 23                  | -                  | 23                  | 23                  | -                  |
| Electricity   |       | 11        | 3                   | -                  | 29                   | 29                  | -                  | 29                  | 29                  | -                  |
| Water   |       | 84        | 41                  | -                  | 59                   | 59                  | -                  | 59                  | 59                  | -                  |
| Sanitation  |       | -         | -                   | -                  | -                    | -                   | -                  | -                   | -                   | -                  |
| Refuse  |       | 3         | -                   | -                  | 11                   | 11                  | -                  | 11                  | 11                  | -                  |
| Other   |       | 48        | 32                  | 8                  | 44                   | 30                  | -                  | 44                  | 30                  | -                  |
| Clerks (Clerical and administrative)                          |       | 317       | 176                 | 29                 | 241                  | 241                 | 85                 | 241                 | 241                 | 85                 |
| Service and sales workers                                     |       | 232       | 161                 | -                  | 160                  | 160                 | 96                 | 160                 | 160                 | 96                 |
| Skilled agricultural and fishery workers                      |       | -         | -                   | -                  | -                    | -                   | -                  | -                   | -                   | -                  |
| Craft and related trades                                      |       | 97        | 57                  | -                  | -                    | -                   | -                  | -                   | -                   | -                  |
| Plant and Machine Operators                                   |       | 121       | 44                  | -                  | 58                   | 58                  | -                  | 58                  | 58                  | -                  |
| Elementary Occupations  |       | 781       | 444                 | -                  | 479                  | 423                 | 12                 | 479                 | 423                 | 12                 |
| <b>TOTAL PERSONNEL NUMBERS</b>                                | 9     | 1 996     | 1 185               | 50                 | 1 284                | 1 178               | 199                | 1 284               | 1 178               | 199                |
| % increase  |       |           |                     |                    | (35,7%)              | (0,6%)              | 298,0%             | -                   | -                   | -                  |
| Total municipal employees headcount                           | 6, 10 | -         | -                   | -                  | -                    | -                   | -                  | -                   | -                   | -                  |
| Finance personnel headcount                                   | 8, 10 | -         | -                   | -                  | -                    | -                   | -                  | -                   | -                   | -                  |
| Human Resources personnel headcount                           | 8, 10 | -         | -                   | -                  | -                    | -                   | -                  | -                   | -                   | -                  |

References

1. Positions must be funded and aligned to the municipality's current organisational structure
2. Full Time Equivalent (FTE). E.g. One full time person = 1FTE. A person working half time (say 4 hours out of 8) = 0.5FTE.
3. s57 of the Systems Act
4. Include only in Consolidated Statements
5. Include municipal entity employees in Consolidated Statements
6. Include headcount (number fo persons, Not FTE) of managers and staff only (exclude councillors)
7. Managers who provide the direction of a critical technical function.
8. Total number of employees working on these functions
9. Correct as at 30 June
10. Must account for all budgeted positions, as per the municipal organogram

WC024 Stellenbosch - Supporting Table SA25 Budgeted monthly revenue and expenditure

| Description  | Ref | Budget Year 2022/23 |                |                 |                |                |                |                |                |                 |                 |                 |                | Medium Term Revenue and Expenditure Framework |                        |                        |
|--|-----|---------------------|----------------|-----------------|----------------|----------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|----------------|---|------------------------|------------------------|
|  |     | July                | August         | Sept.           | October        | November       | December       | January        | February       | March           | April           | May             | June           | Budget Year 2022/23                           | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Revenue By Source</b>   |     |                     |                |                 |                |                |                |                |                |                 |                 |                 |                |   |                        |                        |
| Property rates   |     | 2                   | 2              | 2               | 2              | 2              | 2              | 2              | 2              | 2               | 2               | 2               | 439 834        | 439 858                                       | 467 044                | 495 067                |
| Service charges - electricity revenue  |     | 70 739              | 70 739         | 70 739          | 70 739         | 70 739         | 70 739         | 70 739         | 70 739         | 70 739          | 70 739          | 70 739          | 70 739         | 848 869                                       | 911 005                | 980 001                |
| Service charges - water revenue  |     | 14 732              | 14 732         | 14 732          | 14 732         | 14 732         | 14 732         | 14 732         | 14 732         | 14 732          | 14 732          | 14 732          | 14 732         | 176 783                                       | 186 967                | 198 185                |
| Service charges - sanitation revenue   |     | 9 094               | 9 094          | 9 094           | 9 094          | 9 094          | 9 094          | 9 094          | 9 094          | 9 094           | 9 094           | 9 094           | 9 095          | 109 134                                       | 115 682                | 122 623                |
| Service charges - refuse revenue   |     | 7 914               | 7 914          | 7 914           | 7 914          | 7 914          | 7 914          | 7 914          | 7 914          | 7 914           | 7 914           | 7 914           | 7 914          | 94 971  | 102 569                | 110 775                |
| Rental of facilities and equipment   |     | 1 295               | 1 295          | 1 295           | 1 295          | 1 295          | 1 295          | 1 295          | 1 295          | 1 295           | 1 295           | 1 295           | 1 295          | 15 538  | 16 315                 | 17 130                 |
| Interest earned - external investments   |     | 1 700               | 1 700          | 1 700           | 1 700          | 1 700          | 1 700          | 1 700          | 1 700          | 1 700           | 1 700           | 1 700           | 1 700          | 20 397  | 21 213                 | 22 062                 |
| Interest earned - outstanding debtors  |     | 1 086               | 1 086          | 1 086           | 1 086          | 1 086          | 1 086          | 1 086          | 1 086          | 1 086           | 1 086           | 1 086           | 1 086          | 13 027  | 13 581                 | 14 158                 |
| Dividends received   |     | -                   | -              | -               | -              | -              | -              | -              | -              | -               | -               | -               | -              | -   | -                      | -                      |
| Fines, penalties and forfeits  |     | 10 413              | 10 413         | 10 413          | 10 413         | 10 413         | 10 413         | 10 413         | 10 413         | 10 413          | 10 413          | 10 413          | 10 413         | 124 955                                       | 128 704                | 132 565                |
| Licences and permits   |     | 495                 | 495            | 495             | 495            | 495            | 495            | 495            | 495            | 495             | 495             | 494             | 494            | 5 934   | 6 231                  | 6 542                  |
| Agency services  |     | 357                 | 357            | 357             | 357            | 357            | 357            | 357            | 357            | 357             | 357             | 357             | 357            | 4 281   | 4 495                  | 4 720                  |
| Transfers and subsidies  |     | 18 604              | 18 604         | 18 604          | 18 604         | 18 604         | 18 604         | 18 604         | 18 604         | 18 604          | 18 604          | 18 604          | 18 604         | 223 246                                       | 246 199                | 262 860                |
| Other revenue  |     | 3 443               | 3 443          | 3 443           | 3 443          | 3 443          | 3 443          | 3 443          | 3 443          | 3 443           | 3 443           | 3 443           | 3 443          | 41 313  | 43 262                 | 44 770                 |
| Gains  |     | -                   | -              | -               | -              | -              | -              | -              | -              | -               | -               | -               | -              | -   | -                      | -                      |
| <b>Total Revenue (excluding capital transfers and contributions)</b>   |     | <b>139 873</b>      | <b>139 873</b> | <b>139 873</b>  | <b>139 873</b> | <b>139 873</b> | <b>139 873</b> | <b>139 873</b> | <b>139 873</b> | <b>139 873</b>  | <b>139 873</b>  | <b>139 873</b>  | <b>579 705</b> | <b>2 118 305</b>                              | <b>2 263 266</b>       | <b>2 411 458</b>       |
| <b>Expenditure By Type</b>   |     |                     |                |                 |                |                |                |                |                |                 |                 |                 |                |   |                        |                        |
| Employee related costs   |     | 50 237              | 50 001         | 51 486          | 50 939         | 53 271         | 50 899         | 48 540         | 45 230         | 52 199          | 52 045          | 51 338          | 68 279         | 624 464                                       | 631 387                | 668 777                |
| Remuneration of councillors  |     | 1 755               | 1 755          | 1 755           | 1 755          | 1 755          | 1 755          | 1 755          | 1 755          | 1 755           | 1 755           | 1 755           | 1 755          | 21 062  | 22 115                 | 23 221                 |
| Debt impairment  |     | 7 083               | 7 083          | 7 132           | 7 083          | 7 083          | 7 083          | 7 083          | 7 119          | 7 583           | 7 683           | 7 683           | 8 446          | 88 147  | 90 877                 | 93 693                 |
| Depreciation & asset impairment  |     | 18 357              | 18 425         | 18 390          | 18 425         | 18 383         | 18 365         | 18 426         | 18 388         | 18 430          | 18 363          | 18 456          | 19 710         | 222 118                                       | 233 224                | 244 885                |
| Finance charges  |     | -                   | -              | -               | -              | -              | 6 373          | 11 428         | -              | 11 478          | 11 478          | 11 478          | 15 564         | 67 799  | 80 819                 | 84 829                 |
| Bulk purchases   |     | -                   | 63 969         | 65 286          | 41 106         | 36 496         | 35 768         | 34 157         | 37 340         | 59 323          | 59 323          | 59 323          | 59 323         | 551 412                                       | 598 889                | 650 453                |
| Other materials  |     | 995                 | 1 549          | 3 822           | 9 042          | 4 390          | 7 416          | 6 132          | 6 231          | 10 871          | 10 516          | 10 808          | 11 574         | 83 347  | 87 265                 | 91 345                 |
| Contracted services  |     | 650                 | 7 591          | 18 818          | 19 604         | 14 653         | 17 880         | 14 681         | 19 343         | 43 105          | 41 367          | 40 966          | 40 273         | 278 933                                       | 286 761                | 302 186                |
| Transfers and subsidies  |     | 115                 | 3 686          | 6 177           | 202            | 1 722          | 343            | 210            | 206            | 488             | 360             | 360             | 488            | 14 355  | 14 956                 | 15 585                 |
| Other expenditure  |     | 3 910               | 4 858          | 18 889          | 8 151          | 10 226         | 17 450         | 10 123         | 10 024         | 23 971          | 13 810          | 14 187          | 23 925         | 159 524                                       | 161 771                | 167 286                |
| Losses   |     | -                   | -              | -               | -              | -              | -              | -              | -              | -               | -               | -               | -              | -   | -                      | -                      |
| <b>Total Expenditure</b>   |     | <b>83 102</b>       | <b>158 918</b> | <b>191 756</b>  | <b>156 308</b> | <b>147 980</b> | <b>163 333</b> | <b>152 534</b> | <b>145 636</b> | <b>229 204</b>  | <b>216 701</b>  | <b>216 354</b>  | <b>249 337</b> | <b>2 111 162</b>                              | <b>2 208 064</b>       | <b>2 342 261</b>       |
| <b>Surplus/(Deficit)</b>   |     |                     |                |                 |                |                |                |                |                |                 |                 |                 |                |   |                        |                        |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)  |     | 56 771              | (19 045)       | (51 884)        | (16 435)       | (8 107)        | (23 460)       | (12 661)       | (5 763)        | (89 331)        | (76 828)        | (76 481)        | 330 368        | 7 143   | 55 202                 | 69 196                 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) |     | 10 558              | 10 558         | 10 558          | 10 558         | 10 558         | 12 248         | 10 558         | 10 558         | 10 778          | 10 558          | 10 558          | 10 558         | 128 610                                       | 80 871                 | 56 426                 |
| Transfers and subsidies - capital (in-kind - all)  |     | 2 771               | 2 771          | 2 771           | 2 771          | 2 771          | 2 771          | 2 771          | 2 771          | 2 771           | 2 771           | 2 771           | 2 771          | 33 254  | 39 782                 | 50 310                 |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b>   |     | <b>70 100</b>       | <b>(5 716)</b> | <b>(38 554)</b> | <b>(3 106)</b> | <b>5 223</b>   | <b>(8 441)</b> | <b>668</b>     | <b>7 566</b>   | <b>(75 782)</b> | <b>(63 498)</b> | <b>(63 152)</b> | <b>343 697</b> | <b>169 007</b>                                | <b>175 855</b>         | <b>175 932</b>         |
| Taxation   |     | -                   | -              | -               | -              | -              | -              | -              | -              | -               | -               | -               | -              | -   | -                      | -                      |

| Description                              | Ref | Budget Year 2022/23 |         |          |         |          |          |         |          |          |          |          |         | Medium Term Revenue and Expenditure Framework |                        |                        |
|--|-----|---------------------|---------|----------|---------|----------|----------|---------|----------|----------|----------|----------|---------|---|------------------------|------------------------|
|  |     | July                | August  | Sept.    | October | November | December | January | February | March    | April    | May      | June    | Budget Year 2022/23                           | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand                               |     |                     |         |          |         |          |          |         |          |          |          |          |         |   |                        |                        |
| Attributable to minorities               |     | -                   | -       | -        | -       | -        | -        | -       | -        | -        | -        | -        | -       | -   | -                      | -                      |
| Share of surplus/ (deficit) of associate |     | -                   | -       | -        | -       | -        | -        | -       | -        | -        | -        | -        | -       | -   | -                      | -                      |
| Surplus/(Deficit)                        | 1   | 70 100              | (5 716) | (38 554) | (3 106) | 5 223    | (8 441)  | 668     | 7 566    | (75 782) | (63 498) | (63 152) | 343 697 | 169 007                                       | 175 855                | 175 932                |

References

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

WC024 Stellenbosch - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

| Description                                   | Ref      | Budget Year 2022/23 |                |                |                |                |                |                |                |                 |                 |                 |                 | Medium Term Revenue and Expenditure Framework |                        |                        |
|---|----------|---------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|---|------------------------|------------------------|
|   |          | July                | August         | Sept.          | October        | November       | December       | January        | February       | March           | April           | May             | June            | Budget Year 2022/23                           | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Revenue by Vote</b>                        |          |                     |                |                |                |                |                |                |                |                 |                 |                 |                 |   |                        |                        |
| Vote 1 - OFFICE OF THE MUNICIPAL MANAGER      |          | -                   | -              | -              | -              | -              | -              | -              | -              | -               | -               | -               | -               | -   | -                      | -                      |
| Vote 2 - PLANNING AND DEVELOPMENT SERVICES    |          | 1 776               | 1 776          | 1 776          | 1 776          | 1 776          | 1 776          | 1 776          | 1 776          | 1 776           | 1 776           | 1 776           | 1 776           | 21 315  | 23 777                 | 24 562                 |
| Vote 3 - INFRASTRUCTURE SERVICES              |          | 127 708             | 127 708        | 127 708        | 127 708        | 127 708        | 129 398        | 127 708        | 127 708        | 127 708         | 127 708         | 127 708         | 127 708         | 1 534 183                                     | 1 602 197              | 1 692 710              |
| Vote 4 - COMMUNITY AND PROTECTION SERVICES    |          | 14 558              | 14 558         | 14 558         | 14 558         | 14 558         | 14 558         | 14 558         | 14 558         | 14 778          | 14 558          | 14 558          | 14 558          | 174 922                                       | 173 352                | 179 416                |
| Vote 5 - CORPORATE SERVICES                   |          | 971                 | 971            | 971            | 971            | 971            | 971            | 971            | 971            | 971             | 971             | 971             | 971             | 11 657  | 12 240                 | 12 852                 |
| Vote 6 - FINANCIAL SERVICES                   |          | 44 841              | 44 841         | 44 841         | 44 841         | 44 841         | 44 841         | 44 841         | 44 841         | 44 841          | 44 841          | 44 841          | 44 841          | 538 092                                       | 572 354                | 608 654                |
| <b>Total Revenue by Vote</b>                  |          | <b>189 855</b>      | <b>189 855</b> | <b>189 855</b> | <b>189 855</b> | <b>189 855</b> | <b>191 545</b> | <b>189 855</b> | <b>189 855</b> | <b>190 075</b>  | <b>189 855</b>  | <b>189 855</b>  | <b>189 855</b>  | <b>2 280 169</b>                              | <b>2 383 919</b>       | <b>2 518 194</b>       |
| <b>Expenditure by Vote to be appropriated</b> |          |                     |                |                |                |                |                |                |                |                 |                 |                 |                 |   |                        |                        |
| Vote 1 - OFFICE OF THE MUNICIPAL MANAGER      |          | 1 338               | 1 243          | 1 934          | 2 113          | 2 484          | 2 579          | 993            | 1 663          | 1 596           | 1 346           | 1 542           | 8 600           | 27 432  | 28 603                 | 29 840                 |
| Vote 2 - PLANNING AND DEVELOPMENT SERVICES    |          | 4 782               | 5 138          | 5 708          | 5 803          | 5 781          | 5 215          | 5 064          | 4 974          | 8 532           | 7 727           | 6 571           | 9 838           | 75 134  | 76 682                 | 80 913                 |
| Vote 3 - INFRASTRUCTURE SERVICES              |          | 33 319              | 101 171        | 114 197        | 90 205         | 82 827         | 88 466         | 92 325         | 82 804         | 139 474         | 139 424         | 140 110         | 157 499         | 1 261 823                                     | 1 324 999              | 1 415 775              |
| Vote 4 - COMMUNITY AND PROTECTION SERVICES    |          | 26 364              | 33 245         | 38 321         | 36 450         | 34 670         | 35 715         | 34 015         | 38 407         | 38 189          | 38 126          | 38 646          | 39 058          | 431 206                                       | 445 513                | 466 900                |
| Vote 5 - CORPORATE SERVICES                   |          | 11 590              | 11 046         | 22 400         | 13 105         | 13 176         | 22 498         | 12 735         | 13 832         | 27 967          | 17 448          | 17 433          | 27 575          | 210 804                                       | 222 207                | 233 251                |
| Vote 6 - FINANCIAL SERVICES                   |          | 5 243               | 6 594          | 8 671          | 8 052          | 8 574          | 8 300          | 6 702          | 3 350          | 12 197          | 11 380          | 10 803          | 14 897          | 104 763                                       | 110 060                | 115 584                |
| <b>Total Expenditure by Vote</b>              |          | <b>82 637</b>       | <b>158 436</b> | <b>191 230</b> | <b>155 729</b> | <b>147 512</b> | <b>162 774</b> | <b>151 834</b> | <b>145 029</b> | <b>227 955</b>  | <b>215 452</b>  | <b>215 105</b>  | <b>257 469</b>  | <b>2 111 162</b>                              | <b>2 208 064</b>       | <b>2 342 261</b>       |
| <b>Surplus/(Deficit) before assoc.</b>        |          | <b>107 218</b>      | <b>31 418</b>  | <b>(1 375)</b> | <b>34 126</b>  | <b>42 343</b>  | <b>28 771</b>  | <b>38 021</b>  | <b>44 825</b>  | <b>(37 880)</b> | <b>(25 597)</b> | <b>(25 250)</b> | <b>(67 614)</b> | <b>169 007</b>                                | <b>175 855</b>         | <b>175 932</b>         |
| Taxation                                      |          | -                   | -              | -              | -              | -              | -              | -              | -              | -               | -               | -               | -               | -   | -                      | -                      |
| Attributable to minorities                    |          | -                   | -              | -              | -              | -              | -              | -              | -              | -               | -               | -               | -               | -   | -                      | -                      |
| Share of surplus/ (deficit) of associate      |          | -                   | -              | -              | -              | -              | -              | -              | -              | -               | -               | -               | -               | -   | -                      | -                      |
| <b>Surplus/(Deficit)</b>                      | <b>1</b> | <b>107 218</b>      | <b>31 418</b>  | <b>(1 375)</b> | <b>34 126</b>  | <b>42 343</b>  | <b>28 771</b>  | <b>38 021</b>  | <b>44 825</b>  | <b>(37 880)</b> | <b>(25 597)</b> | <b>(25 250)</b> | <b>(67 614)</b> | <b>169 007</b>                                | <b>175 855</b>         | <b>175 932</b>         |

References

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



| Description                              | Ref | Budget Year 2022/23 |         |          |         |          |          |         |          |          |          |          |         | Medium Term Revenue and Expenditure Framework |                        |                        |
|--|-----|---------------------|---------|----------|---------|----------|----------|---------|----------|----------|----------|----------|---------|---|------------------------|------------------------|
|  |     | July                | August  | Sept.    | October | November | December | January | February | March    | April    | May      | June    | Budget Year 2022/23                           | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand                               |     |                     |         |          |         |          |          |         |          |          |          |          |         |   |                        |                        |
| Share of surplus/ (deficit) of associate |     | -                   | -       | -        | -       | -        | -        | -       | -        | -        | -        | -        | -       | -   | -                      | -                      |
| Surplus/(Deficit)                        | 1   | 70 100              | (5 716) | (38 554) | (3 106) | 5 223    | (8 441)  | 668     | 7 566    | (75 782) | (63 498) | (63 152) | 343 697 | 169 007                                       | 175 855                | 175 932                |

References

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

WC024 Stellenbosch - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

| Description                                       | Ref | Budget Year 2022/23 |        |        |         |        |        |         |        |        |        |        | Medium Term Revenue and Expenditure Framework |                     |                        |                        |
|---|-----|---------------------|--------|--------|---------|--------|--------|---------|--------|--------|--------|--------|---|---------------------|------------------------|------------------------|
|   |     | July                | August | Sept.  | October | Nov.   | Dec.   | January | Feb.   | March  | April  | May    | June  | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Multi-year expenditure to be appropriated</b>  | 1   |                     |        |        |         |        |        |         |        |        |        |        |   |                     |                        |                        |
| Vote 1 - OFFICE OF THE MUNICIPAL MANAGER          |     | -                   | -      | -      | -       | -      | -      | -       | 24     | 5      | 5      | 5      | -   | 40                  | 40                     | 40                     |
| Vote 2 - PLANNING AND DEVELOPMENT SERVICES        |     | -                   | -      | -      | 5       | -      | -      | -       | -      | 5 060  | 5 060  | 5 060  | -   | 15 185              | 20 156                 | 21 780                 |
| Vote 3 - INFRASTRUCTURE SERVICES                  |     | 12 414              | 12 414 | 19 471 | 19 029  | 33 751 | 14 909 | 17 036  | 19 830 | 54 493 | 54 493 | 54 493 | 12 414  | 324 747             | 366 727                | 370 628                |
| Vote 4 - COMMUNITY AND PROTECTION SERVICES        |     | 537                 | 537    | 662    | 689     | 888    | 1 015  | 598     | 1 608  | 5 466  | 5 466  | 5 466  | 2 288   | 25 221              | 23 126                 | 24 055                 |
| Vote 5 - CORPORATE SERVICES                       |     | 1 250               | 1 250  | 1 953  | 1 681   | 2 031  | 2 674  | 1 798   | 2 122  | 5 397  | 5 397  | 5 397  | 1 750   | 32 700              | 14 750                 | 14 550                 |
| Vote 6 - FINANCIAL SERVICES                       |     | -                   | 14     | 30     | 139     | 8      | 3      | -       | -      | 19     | 19     | 19     | -   | 250                 | 250                    | 250                    |
| <b>Capital multi-year expenditure sub-total</b>   | 2   | 14 202              | 14 215 | 22 116 | 21 543  | 36 679 | 18 601 | 19 432  | 23 585 | 70 440 | 70 440 | 70 440 | 16 452  | 398 143             | 425 049                | 431 303                |
| <b>Single-year expenditure to be appropriated</b> |     |                     |        |        |         |        |        |         |        |        |        |        |   |                     |                        |                        |
| Vote 1 - OFFICE OF THE MUNICIPAL MANAGER          |     | -                   | -      | -      | -       | -      | -      | -       | -      | -      | -      | -      | -   | -                   | -                      | -                      |
| Vote 2 - PLANNING AND DEVELOPMENT SERVICES        |     | -                   | -      | -      | -       | -      | -      | -       | -      | -      | -      | -      | -   | -                   | -                      | -                      |
| Vote 3 - INFRASTRUCTURE SERVICES                  |     | -                   | -      | -      | -       | -      | -      | -       | -      | 100    | 100    | 100    | -   | 300                 | 300                    | 800                    |
| Vote 4 - COMMUNITY AND PROTECTION SERVICES        |     | -                   | -      | -      | -       | 140    | 100    | -       | 160    | 410    | 410    | 410    | -   | 1 630               | 2 720                  | 8 300                  |
| Vote 5 - CORPORATE SERVICES                       |     | -                   | -      | 300    | -       | -      | 300    | -       | -      | 1 633  | 1 333  | 1 333  | 300   | 5 200               | 1 200                  | 1 600                  |
| Vote 6 - FINANCIAL SERVICES                       |     | -                   | -      | -      | -       | -      | -      | -       | -      | -      | -      | -      | -   | -                   | -                      | -                      |
| <b>Capital single-year expenditure sub-total</b>  | 2   | -                   | -      | 300    | -       | 140    | 400    | -       | 160    | 2 143  | 1 843  | 1 843  | 300   | 7 130               | 4 220                  | 10 700                 |
| <b>Total Capital Expenditure</b>                  | 2   | 14 202              | 14 215 | 22 416 | 21 543  | 36 819 | 19 001 | 19 432  | 23 745 | 72 583 | 72 283 | 72 283 | 16 752  | 405 273             | 429 269                | 442 003                |

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates
2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure



WC024 Stellenbosch - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

| Description                                   | Ref | Budget Year 2022/23 |        |        |         |        |        |         |        |         |         |         |           | Medium Term Revenue and Expenditure Framework |                        |                        |
|---|-----|---------------------|--------|--------|---------|--------|--------|---------|--------|---------|---------|---------|-----------|---|------------------------|------------------------|
|   |     | July                | August | Sept.  | October | Nov.   | Dec.   | January | Feb.   | March   | April   | May     | June      | Budget Year 2022/23                           | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Capital Expenditure - Functional</b>       | 1   |                     |        |        |         |        |        |         |        |         |         |         |           |   |                        |                        |
| <i>Governance and administration</i>          |     | 35 023              | 35 037 | 36 056 | 35 593  | 35 812 | 36 750 | 35 570  | 35 919 | 40 827  | 40 527  | 40 527  | (369 450) | 38 190  | 16 240                 | 16 440                 |
| Executive and council                         |     | -                   | -      | -      | -       | -      | -      | -       | 24     | 5       | 5       | 5       | -         | 40  | 40                     | 40                     |
| Finance and administration                    |     | 35 023              | 35 037 | 36 056 | 35 593  | 35 812 | 36 750 | 35 570  | 35 895 | 40 822  | 40 522  | 40 522  | (369 450) | 38 150  | 16 200                 | 16 400                 |
| Internal audit                                |     | -                   | -      | -      | -       | -      | -      | -       | -      | -       | -       | -       | -         | -   | -                      | -                      |
| <i>Community and public safety</i>            |     | 121                 | 121    | 245    | 277     | 612    | 599    | 164     | 1 352  | 9 644   | 9 644   | 9 644   | 1 871     | 34 292  | 39 372                 | 43 040                 |
| Community and social services                 |     | -                   | -      | 5      | 30      | 14     | 2      | -       | -      | 2 310   | 2 310   | 2 310   | 1 750     | 8 730   | 9 755                  | 560                    |
| Sport and recreation                          |     | 104                 | 104    | 104    | 167     | 358    | 352    | 147     | 269    | 1 706   | 1 706   | 1 706   | 104       | 6 827   | 5 861                  | 12 750                 |
| Public safety                                 |     | 17                  | 17     | 136    | 76      | 240    | 245    | 17      | 1 082  | 568     | 568     | 568     | 17        | 3 550   | 5 600                  | 7 950                  |
| Housing                                       |     | -                   | -      | -      | 5       | -      | -      | -       | -      | 5 060   | 5 060   | 5 060   | -         | 15 185  | 18 156                 | 21 780                 |
| Health  |     | -                   | -      | -      | -       | -      | -      | -       | -      | -       | -       | -       | -         | -   | -                      | -                      |
| <i>Economic and environmental services</i>    |     | 1 896               | 1 896  | 2 074  | 2 067   | 12 624 | 2 541  | 2 299   | 2 754  | 20 986  | 20 986  | 20 986  | 1 896     | 93 005  | 103 560                | 70 452                 |
| Planning and development                      |     | 292                 | 292    | 374    | 453     | 9 963  | 403    | 678     | 1 246  | 2 452   | 2 452   | 2 452   | 292       | 21 350  | 23 180                 | -                      |
| Road transport                                |     | 1 187               | 1 187  | 1 284  | 1 197   | 2 244  | 1 621  | 1 205   | 1 091  | 17 310  | 17 310  | 17 310  | 1 188     | 64 135  | 77 630                 | 62 102                 |
| Environmental protection                      |     | 417                 | 417    | 417    | 417     | 417    | 517    | 417     | 417    | 1 223   | 1 223   | 1 223   | 417       | 7 520   | 2 750                  | 8 350                  |
| <i>Trading services</i>                       |     | 10 935              | 10 935 | 17 813 | 17 379  | 21 544 | 12 884 | 15 171  | 17 492 | 34 899  | 34 899  | 34 899  | 10 935    | 239 786                                       | 270 097                | 312 072                |
| Energy sources                                |     | 1 708               | 1 708  | 1 708  | 5 184   | 5 278  | 2 361  | 3 858   | 2 893  | 17 021  | 17 021  | 17 021  | 1 708     | 77 471  | 56 802                 | 135 572                |
| Water management                              |     | 2 427               | 2 427  | 7 513  | 4 871   | 3 531  | 3 245  | 4 513   | 2 427  | 4 430   | 4 430   | 4 430   | 2 427     | 46 669  | 96 050                 | 106 150                |
| Waste water management                        |     | 2 833               | 2 833  | 4 626  | 3 259   | 8 769  | 3 312  | 2 833   | 8 206  | 5 932   | 5 932   | 5 932   | 2 833     | 57 300  | 55 300                 | 55 700                 |
| Waste management                              |     | 3 967               | 3 967  | 3 967  | 4 064   | 3 967  | 3 967  | 3 967   | 3 967  | 7 516   | 7 516   | 7 516   | 3 967     | 58 345  | 61 945                 | 14 650                 |
| <i>Other</i>                                  |     | -                   | -      | -      | -       | -      | -      | -       | -      | -       | -       | -       | -         | -   | -                      | -                      |
| <b>Total Capital Expenditure - Functional</b> | 2   | 47 974              | 47 988 | 56 189 | 55 315  | 70 591 | 52 774 | 53 205  | 57 518 | 106 356 | 106 056 | 106 056 | (354 749) | 405 273                                       | 429 269                | 442 003                |
| <b>Funded by:</b>                             |     |                     |        |        |         |        |        |         |        |         |         |         |           |   |                        |                        |
| National Government                           |     | 10 689              | 10 689 | 10 786 | 10 689  | 10 689 | 10 689 | 10 689  | 10 593 | 27 889  | 27 889  | 27 889  | (78 371)  | 90 810  | 48 008                 | 47 899                 |
| Provincial Government                         |     | 2 417               | 2 417  | 2 499  | 2 578   | 12 088 | 2 528  | 2 803   | 3 371  | 8 294   | 8 294   | 8 294   | (26 583)  | 29 000  | 34 863                 | 7 900                  |
| District Municipality                         |     | -                   | -      | -      | -       | -      | -      | -       | -      | -       | -       | -       | -         | -   | -                      | -                      |
| Other transfers and grants                    |     | 1 114               | 1 114  | 1 114  | 1 174   | 1 213  | 1 278  | 1 114   | 1 114  | 4 999   | 4 999   | 4 999   | (11 559)  | 12 674  | 12 761                 | 40 046                 |
| Transfers recognised - capital                |     | 14 220              | 14 220 | 14 399 | 14 441  | 23 990 | 14 496 | 14 606  | 15 078 | 41 182  | 41 182  | 41 182  | (116 513) | 132 483                                       | 95 632                 | 95 845                 |
| Public contributions & donations              |     | -                   | -      | -      | -       | -      | -      | -       | -      | -       | -       | -       | -         | -   | -                      | -                      |
| Borrowing                                     |     | 19 223              | 19 223 | 26 096 | 25 354  | 29 528 | 21 291 | 19 223  | 25 680 | 25 053  | 25 053  | 25 053  | (120 777) | 140 000                                       | 160 000                | 141 000                |
| Internally generated funds                    |     | 14 532              | 14 546 | 15 694 | 15 520  | 17 073 | 16 986 | 19 376  | 16 759 | 40 121  | 39 821  | 39 821  | (117 458) | 132 790                                       | 173 637                | 205 158                |
| <b>Total Capital Funding</b>                  |     | 47 974              | 47 988 | 56 189 | 55 315  | 70 591 | 52 774 | 53 205  | 57 518 | 106 356 | 106 056 | 106 056 | (354 749) | 405 273                                       | 429 269                | 442 003                |

**References**

- Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates
- Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

WC024 Stellenbosch - Supporting Table SA30 Budgeted monthly cash flow

| MONTHLY CASH FLOWS   | Budget Year 2022/23 |                |                |                |                |                |                |                |                |                |                |                | Medium Term Revenue and Expenditure Framework |                     |                        |                        |
|--|---------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---|---------------------|------------------------|------------------------|
|  | R thousand          | July           | August         | Sept.          | October        | November       | December       | January        | February       | March          | April          | May            | June  | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Cash Receipts By Source</b>   |                     |                |                |                |                |                |                |                |                |                |                |                | 1   |                     |                        |                        |
| Property rates   | 35 249              | 35 249         | 35 249         | 35 249         | 35 249         | 35 249         | 35 249         | 35 249         | 35 249         | 35 249         | 35 249         | 35 249         | 35 249  | 422 983             | 448 362                | 475 264                |
| Service charges - electricity revenue  | 66 954              | 66 954         | 66 954         | 66 954         | 66 954         | 66 954         | 66 954         | 66 954         | 66 954         | 66 954         | 66 954         | 66 954         | 66 954  | 803 449             | 854 146                | 908 043                |
| Service charges - water revenue  | 14 111              | 14 111         | 14 111         | 14 111         | 14 111         | 14 111         | 14 111         | 14 111         | 14 111         | 14 111         | 14 111         | 14 111         | 14 111  | 169 328             | 179 488                | 190 257                |
| Service charges - sanitation revenue   | 8 731               | 8 731          | 8 731          | 8 731          | 8 731          | 8 731          | 8 731          | 8 731          | 8 731          | 8 731          | 8 731          | 8 731          | 8 731   | 104 769             | 111 055                | 117 718                |
| Service charges - refuse revenue   | 7 986               | 7 986          | 7 986          | 7 986          | 7 986          | 7 986          | 7 986          | 7 986          | 7 986          | 7 986          | 7 986          | 7 986          | 7 986   | 95 831              | 103 497                | 111 777                |
| Service charges - other  | -                   | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -   | -                   | -                      | -                      |
| Rental of facilities and equipment   | 1 256               | 1 256          | 1 256          | 1 256          | 1 256          | 1 256          | 1 256          | 1 256          | 1 256          | 1 256          | 1 256          | 1 256          | 1 256   | 15 072              | 15 825                 | 16 617                 |
| Interest earned - external investments   | 1 700               | 1 700          | 1 700          | 1 700          | 1 700          | 1 700          | 1 700          | 1 700          | 1 700          | 1 700          | 1 700          | 1 700          | 1 700   | 20 397              | 21 213                 | 22 062                 |
| Interest earned - outstanding debtors  | 1 042               | 1 042          | 1 042          | 1 042          | 1 042          | 1 042          | 1 042          | 1 042          | 1 042          | 1 042          | 1 042          | 1 042          | 1 042   | 12 506              | 10 865                 | 11 327                 |
| Dividends received   | -                   | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -   | -                   | -                      | -                      |
| Fines, penalties and forfeits  | 2 291               | 2 291          | 2 291          | 2 291          | 2 291          | 2 291          | 2 291          | 2 291          | 2 291          | 2 291          | 2 291          | 2 291          | 2 291   | 27 490              | 28 315                 | 29 164                 |
| Licences and permits   | 495                 | 495            | 495            | 495            | 495            | 495            | 495            | 495            | 495            | 495            | 495            | 495            | 495   | 5 934               | 6 231                  | 6 542                  |
| Agency services  | 357                 | 357            | 357            | 357            | 357            | 357            | 357            | 357            | 357            | 357            | 357            | 357            | 357   | 4 281               | 4 495                  | 4 720                  |
| Transfers and Subsidies - Operational  | 18 415              | 18 415         | 18 415         | 18 415         | 18 415         | 18 415         | 18 415         | 18 415         | 18 415         | 18 415         | 18 415         | 18 415         | 18 415  | 220 974             | 207 245                | 226 300                |
| Other revenue  | 3 414               | 3 414          | 3 414          | 3 414          | 3 414          | 3 414          | 3 414          | 3 414          | 3 414          | 3 414          | 3 414          | 3 414          | 3 414   | 40 972              | 42 856                 | 44 293                 |
| <b>Cash Receipts by Source</b>   | <b>161 999</b>      | <b>161 999</b> | <b>161 999</b> | <b>161 999</b> | <b>161 999</b> | <b>161 999</b> | <b>161 999</b> | <b>161 999</b> | <b>161 999</b> | <b>161 999</b> | <b>161 999</b> | <b>161 999</b> | <b>161 999</b>                                | <b>1 943 987</b>    | <b>2 033 593</b>       | <b>2 164 083</b>       |
| <b>Other Cash Flows by Source</b>  |                     |                |                |                |                |                |                |                |                |                |                |                |   |                     |                        |                        |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)  | 8 629               | 8 629          | 8 629          | 8 629          | 8 629          | 8 629          | 8 629          | 8 629          | 8 629          | 8 629          | 8 629          | 8 629          | 8 629   | 103 547             | 100 117                | 77 721                 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) | 3 859               | 3 859          | 3 859          | 3 859          | 3 859          | 3 859          | 3 859          | 3 859          | 3 859          | 3 859          | 3 859          | 3 859          | 3 859   | 46 309              | 54 284                 | 66 259                 |
| Proceeds on Disposal of Fixed and Intangible Assets  | -                   | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -   | -                   | -                      | -                      |
| Short term loans   | -                   | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -   | -                   | -                      | -                      |
| Borrowing long term/refinancing  | 11 667              | 11 667         | 11 667         | 11 667         | 11 667         | 11 667         | 11 667         | 11 667         | 11 667         | 11 667         | 11 667         | 11 667         | 11 667  | 140 000             | 160 000                | 141 000                |
| Increase (decrease) in consumer deposits   | 22 961              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -   | 22 961              | 22 961                 | 22 961                 |
| Decrease (increase) in non-current receivables   | 3 474               | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -   | 3 474               | 3 474                  | 3 474                  |
| Decrease (increase) in non-current investments   | -                   | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              | -   | -                   | -                      | -                      |
| <b>Total Cash Receipts by Source</b>   | <b>212 589</b>      | <b>186 154</b> | <b>186 154</b> | <b>186 154</b> | <b>186 154</b> | <b>186 154</b> | <b>186 154</b> | <b>186 154</b> | <b>186 154</b> | <b>186 154</b> | <b>186 154</b> | <b>186 154</b> | <b>186 154</b>                                | <b>2 260 278</b>    | <b>2 374 429</b>       | <b>2 475 499</b>       |

| MONTHLY CASH FLOWS                             | Budget Year 2022/23 |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  | Medium Term Revenue and Expenditure Framework |                     |                        |                        |
|--|---------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|---|---------------------|------------------------|------------------------|
|  | R thousand          | July             | August           | Sept.            | October          | November         | December         | January          | February         | March            | April            | May              | June  | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Cash Payments by Type</b>                   |                     |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |   |                     |                        |                        |
| Employee related costs                         | (48 280)            | (48 280)         | (48 280)         | (48 280)         | (48 280)         | (48 280)         | (48 280)         | (48 280)         | (48 280)         | (48 280)         | (48 280)         | (48 280)         | (48 280)                                      | (579 364)           | (611 080)              | (647 442)              |
| Remuneration of councillors                    | -                   | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -   | -                   | -                      | -                      |
| Finance charges                                | (5 566)             | (5 566)          | (5 566)          | (5 566)          | (5 566)          | (5 566)          | (5 566)          | (5 566)          | (5 566)          | (5 566)          | (5 566)          | (5 566)          | (5 566)                                       | (66 796)            | (79 332)               | (82 825)               |
| Bulk purchases - Electricity                   | (45 219)            | (45 219)         | (45 219)         | (45 219)         | (45 219)         | (45 219)         | (45 219)         | (45 219)         | (45 219)         | (45 219)         | (45 219)         | (45 219)         | (45 219)                                      | (542 629)           | (579 962)              | (619 863)              |
| Bulk purchases - Water & Sewer                 | -                   | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -   | -                   | -                      | -                      |
| Other materials                                | (6 946)             | (6 946)          | (6 946)          | (6 946)          | (6 946)          | (6 946)          | (6 946)          | (6 946)          | (6 946)          | (6 946)          | (6 946)          | (6 946)          | (6 946)                                       | (83 347)            | (87 260)               | (91 340)               |
| Contracted services                            | (23 245)            | (23 245)         | (23 245)         | (23 245)         | (23 245)         | (23 245)         | (23 245)         | (23 245)         | (23 245)         | (23 245)         | (23 245)         | (23 245)         | (23 245)                                      | (278 938)           | (292 663)              | (307 736)              |
| Transfers and grants - other municipalities    | -                   | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -   | -                   | -                      | -                      |
| Transfers and grants - other                   | -                   | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -   | -                   | -                      | -                      |
| Other expenditure                              | (14 275)            | (14 275)         | (14 335)         | (14 290)         | (14 356)         | (14 341)         | (14 344)         | (14 310)         | (14 467)         | (14 365)         | (14 417)         | (14 445)         | (14 445)                                      | (172 220)           | (171 772)              | (173 529)              |
| <b>Cash Payments by Type</b>                   | <b>(143 532)</b>    | <b>(143 531)</b> | <b>(143 592)</b> | <b>(143 546)</b> | <b>(143 612)</b> | <b>(143 597)</b> | <b>(143 600)</b> | <b>(143 566)</b> | <b>(143 723)</b> | <b>(143 621)</b> | <b>(143 673)</b> | <b>(143 702)</b> | <b>(143 702)</b>                              | <b>(1 723 294)</b>  | <b>(1 822 069)</b>     | <b>(1 922 736)</b>     |
| <b>Other Cash Flows/Payments by Type</b>       |                     |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |   |                     |                        |                        |
| Capital assets                                 | (33 773)            | (33 773)         | (33 773)         | (33 773)         | (33 773)         | (33 773)         | (33 773)         | (33 773)         | (33 773)         | (33 773)         | (33 773)         | (33 773)         | (33 773)                                      | (405 273)           | (429 269)              | (442 003)              |
| Repayment of borrowing                         | (3 926)             | (3 926)          | (3 926)          | (3 926)          | (3 926)          | (3 926)          | (3 926)          | (3 926)          | (3 926)          | (3 926)          | (3 926)          | (3 926)          | (3 926)                                       | (47 117)            | (47 117)               | (47 117)               |
| Other Cash Flows/Payments                      | -                   | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -   | -                   | -                      | -                      |
| <b>Total Cash Payments by Type</b>             | <b>(181 231)</b>    | <b>(181 230)</b> | <b>(181 291)</b> | <b>(181 245)</b> | <b>(181 311)</b> | <b>(181 296)</b> | <b>(181 299)</b> | <b>(181 265)</b> | <b>(181 423)</b> | <b>(181 320)</b> | <b>(181 372)</b> | <b>(181 401)</b> | <b>(181 401)</b>                              | <b>(2 175 685)</b>  | <b>(2 298 455)</b>     | <b>(2 411 856)</b>     |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>    | <b>393 819</b>      | <b>367 384</b>   | <b>367 444</b>   | <b>367 399</b>   | <b>367 465</b>   | <b>367 450</b>   | <b>367 453</b>   | <b>367 419</b>   | <b>367 576</b>   | <b>367 474</b>   | <b>367 526</b>   | <b>367 554</b>   | <b>367 554</b>                                | <b>84 593</b>       | <b>75 974</b>          | <b>63 642</b>          |
| Cash/cash equivalents at the month/year begin: | 217 211             | 611 030          | 978 414          | 1 345 859        | 1 713 257        | 2 080 722        | 2 448 172        | 2 815 625        | 3 183 044        | 3 550 620        | 3 918 094        | 4 285 619        | 4 285 619                                     | 217 211             | 301 804                | 377 778                |
| Cash/cash equivalents at the month/year end:   | 611 030             | 978 414          | 1 345 859        | 1 713 257        | 2 080 722        | 2 448 172        | 2 815 625        | 3 183 044        | 3 550 620        | 3 918 094        | 4 285 619        | 4 653 174        | 4 653 174                                     | 301 804             | 377 778                | 441 420                |

References

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

## WC024 Stellenbosch - NOT REQUIRED - municipality does not have entities

| Description  | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>R million</b>   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Financial Performance</b>   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Property rates   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Service charges  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Investment revenue   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Transfers recognised - operational   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other own revenue  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all) |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Revenue (excluding capital transfers and contributions)</b>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Employee costs   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Remuneration of Board Members  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Depreciation & asset impairment  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Finance charges  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Materials and bulk purchases   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Transfers and grants   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other expenditure  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Expenditure</b>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Surplus/(Deficit)</b>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Capital expenditure &amp; funds sources</b>   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Capital expenditure</b>   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Transfers recognised - capital   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Public contributions & donations   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Borrowing  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Internally generated funds   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total sources</b>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Financial position</b>  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Total current assets   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Total non current assets   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Total current liabilities  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Total non current liabilities  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Equity   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Cash flows</b>  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Net cash from (used) operating   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Net cash from (used) investing   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Net cash from (used) financing   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Cash/cash equivalents at the year end</b>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |

## WC024 Stellenbosch - Supporting Table SA32 List of external mechanisms

| External mechanism   | Yrs/<br>Mths | Period of<br>agreement 1. | Service provided   | Expiry date of service<br>delivery agreement or<br>contract | Monetary value<br>of agreement<br>2. |
|----------------------|--------------|---------------------------|--|---|--------------------------------------|
| Name of organisation |              | Number                    |  |   | R thousand                           |
| DBSA                 | Yrs          | Ongoing                   | Financial of approved Capital Projects by means of and e | 30 June 2025  | 13 425                               |
| DBSA                 | Yrs          | Ongoing                   | Financial of approved Capital Projects by means of and e | 30 June 2026  | 40 314                               |
| DBSA                 | Yrs          | Ongoing                   | Financial of approved Capital Projects by means of and e | 18 February 2030  | 73 446                               |
| NEDBANK              | Yrs          | Ongoing                   | Financial of approved Capital Projects by means of and e | 29 June 2029  | 138 992                              |
| PENDING TENDER       | Yrs          | Ongoing                   | Financial of approved Capital Projects by means of and e | 30 June 2031  | 102 780                              |
| FNB                  | Yrs          | Ongoing                   | Provisioning of banking services.                        | 30 June 2025  | Rates approved                       |

References

1. Total agreement period from commencement until end
2. Annual value

## WC024 Stellenbosch - Supporting Table SA33 Contracts having future budgetary implications

| Description                                       | Ref | Preceding Years | Current Year 2021/22 | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        | Forecast 2025/26 | Forecast 2026/27 | Forecast 2027/28 | Forecast 2028/29 | Forecast 2029/30 | Forecast 2030/31 | Forecast 2031/32 | Total Contract Value |
|---|-----|-----------------|----------------------|---|------------------------|------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|----------------------|
|   |     | Total           | Original Budget      | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 | Estimate         | Estimate         | Estimate         | Estimate         | Estimate         | Estimate         | Estimate         | Estimate             |
| R thousand  | 1,3 |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  |                      |
| <b>Parent Municipality:</b>                       |     |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  |                      |
| <b>Revenue Obligation By Contract</b>             | 2   |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  |                      |
| Contract 1  |     |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  | -                    |
| Contract 2  |     |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  | -                    |
| Contract 3  |     |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  | -                    |
| Contract 4  |     |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  | -                    |
| <b>Total Operating Revenue Implication</b>        |     | -               | -                    | -   | -                      | -                      | -                | -                | -                | -                | -                | -                | -                | -                    |
| <b>Expenditure Obligation By Contract</b>         | 2   |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  |                      |
| HCB Valuers                                       |     |                 | 425                  | 271   | 279                    | 279                    | 279              |                  |                  |                  |                  |                  |                  | 1 532                |
| FNB   |     |                 | 761                  | 795   | 831                    | 868                    | 912              |                  |                  |                  |                  |                  |                  | 4 167                |
| <b>Total Operating Expenditure Implication</b>    |     | -               | 1 186                | 1 066   | 1 109                  | 1 147                  | 1 190            | -                | -                | -                | -                | -                | -                | 5 698                |
| <b>Capital Expenditure Obligation By Contract</b> | 2   |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  |                      |
| Contract 1  |     |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  | -                    |
| Contract 2  |     |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  | -                    |
| <b>Total Capital Expenditure Implication</b>      |     | -               | -                    | -   | -                      | -                      | -                | -                | -                | -                | -                | -                | -                | -                    |
| <b>Total Parent Expenditure Implication</b>       |     | -               | 1 186                | 1 066   | 1 109                  | 1 147                  | 1 190            | -                | -                | -                | -                | -                | -                | 5 698                |
| <b>Entities:</b>                                  |     |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  |                      |
| <b>Revenue Obligation By Contract</b>             | 2   |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  |                      |
| Contract 1  |     |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  | -                    |
| Contract 2  |     |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  | -                    |
| <b>Total Operating Revenue Implication</b>        |     | -               | -                    | -   | -                      | -                      | -                | -                | -                | -                | -                | -                | -                | -                    |
| <b>Expenditure Obligation By Contract</b>         | 2   |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  |                      |
| Contract 1  |     |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  | -                    |
| Contract 2  |     |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  | -                    |
| <b>Total Operating Expenditure Implication</b>    |     | -               | -                    | -   | -                      | -                      | -                | -                | -                | -                | -                | -                | -                | -                    |
| <b>Capital Expenditure Obligation By Contract</b> | 2   |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  |                      |
| Contract 1  |     |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  | -                    |
| Contract 2  |     |                 |                      |   |                        |                        |                  |                  |                  |                  |                  |                  |                  | -                    |
| <b>Total Capital Expenditure Implication</b>      |     | -               | -                    | -   | -                      | -                      | -                | -                | -                | -                | -                | -                | -                | -                    |
| <b>Total Entity Expenditure Implication</b>       |     | -               | -                    | -   | -                      | -                      | -                | -                | -                | -                | -                | -                | -                | -                    |

## References

1. Total implication for all preceding years to be summed and total stated in 'Preceding Years' column.
2. List all contracts with future financial obligations beyond the three years covered by the MTREF (MFMA s33)
3. For municipalities with approved total revenue not exceeding R250 m - all contracts with an annual cost greater than R500 000. For municipalities with approved total revenue greater than R250 m - all contracts with an annual cost greater than R1million. For municipalities with approved total revenue greater than R500 m - all contracts with an annual cost greater than R5 million

WC024 Stellenbosch - Supporting Table SA34a Capital expenditure on new assets by asset class

| Description   | Ref      | 2018/19         | 2019/20         | 2020/21          | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|----------|-----------------|-----------------|------------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |          | Audited Outcome | Audited Outcome | Audited Outcome  | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>R thousand</b>   | <b>1</b> |                 |                 |                  |                      |                 |                    |   |                        |                        |
| <b>Capital expenditure on new assets by Asset Class/Sub-class</b> |          |                 |                 |                  |                      |                 |                    |   |                        |                        |
| <b>Infrastructure</b>   |          | <b>238 336</b>  | <b>140 146</b>  | <b>(305 085)</b> | <b>179 426</b>       | <b>157 332</b>  | <b>157 332</b>     | <b>213 094</b>                                      | <b>216 129</b>         | <b>203 870</b>         |
| Roads Infrastructure  |          | 78 484          | 32 788          | (79 375)         | 28 966               | 36 282          | 36 282             | 33 400  | 34 100                 | 25 600                 |
| Roads   |          | 62 757          | 15 824          | (50 398)         | 24 466               | 21 340          | 21 340             | 2 500   | 2 000                  | -                      |
| Road Structures   |          | 8 923           | 15 711          | (26 013)         | 2 700                | 14 142          | 14 142             | 29 200  | 31 000                 | 25 000                 |
| Road Furniture  |          | 6 804           | 1 253           | (2 964)          | 1 800                | 800             | 800                | 1 700   | 1 100                  | 600                    |
| Capital Spares  |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Storm water Infrastructure  |          | 835             | -               | -                | -                    | -               | -                  | 500   | 4 000                  | 3 777                  |
| Drainage Collection   |          | 835             | -               | -                | -                    | -               | -                  | -   | 2 000                  | 2 277                  |
| Storm water Conveyance  |          | -               | -               | -                | -                    | -               | -                  | 500   | 2 000                  | -                      |
| Attenuation   |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | 1 500                  |
| Electrical Infrastructure   |          | 31 774          | 16 098          | (69 395)         | 53 772               | 51 761          | 51 761             | 52 500  | 39 743                 | 71 094                 |
| Power Plants  |          | -               | 8 107           | -                | 15 000               | 15 710          | 15 710             | -   | -                      | -                      |
| HV Substations  |          | 2 000           | 880             | -                | -                    | -               | -                  | 2 600   | 25 300                 | 55 500                 |
| HV Switching Station  |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| HV Transmission Conductors  |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | 400                    |
| MV Substations  |          | -               | -               | (3 746)          | 9 572                | 2 300           | 2 300              | 14 200  | 100                    | 226                    |
| MV Switching Stations   |          | 992             | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| MV Networks   |          | 11 058          | 4 428           | (38 376)         | 18 000               | 22 483          | 22 483             | 28 350  | 6 000                  | 6 819                  |
| LV Networks   |          | 17 078          | 1 886           | (11 843)         | 5 500                | 5 521           | 5 521              | 7 100   | 8 093                  | 7 699                  |
| Capital Spares  |          | 646             | 797             | (15 430)         | 5 700                | 5 748           | 5 748              | 250   | 250                    | 450                    |
| Water Supply Infrastructure                                       |          | 35 223          | 10 095          | (81 509)         | 72 000               | 42 020          | 42 020             | 49 294  | 73 086                 | 71 300                 |
| Dams and Weirs  |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Boreholes   |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | 2 600                  |
| Reservoirs  |          | 19 583          | 4 354           | (31 366)         | 42 000               | 26 963          | 26 963             | 28 069  | 56 500                 | 45 000                 |
| Pump Stations   |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Water Treatment Works   |          | 87              | -               | (1 200)          | -                    | -               | -                  | 1 000   | 2 000                  | 2 000                  |
| Bulk Mains  |          | 4 095           | 1 749           | 5 447            | 15 000               | 11 894          | 11 894             | 16 125  | 12 403                 | 19 800                 |
| Distribution  |          | 11 459          | 3 991           | (54 390)         | 15 000               | 3 163           | 3 163              | 4 100   | 2 183                  | 1 900                  |
| Distribution Points   |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| PRV Stations  |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Capital Spares  |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Sanitation Infrastructure   |          | 90 551          | 59 018          | (67 752)         | 17 888               | 20 169          | 20 169             | 20 000  | 5 500                  | 20 000                 |
| Pump Station  |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Reticulation  |          | 21 937          | 259             | (653)            | 11 288               | 16 150          | 16 150             | 1 500   | 1 500                  | -                      |
| Waste Water Treatment Works                                       |          | -               | 499             | (538)            | 200                  | 337             | 337                | 17 500  | -                      | -                      |
| Outfall Sewers  |          | 68 614          | 58 260          | (66 562)         | 6 400                | 3 682           | 3 682              | 1 000   | 4 000                  | 20 000                 |
| Toilet Facilities   |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Capital Spares  |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Solid Waste Infrastructure  |          | 1 090           | 21 518          | (7 036)          | 6 700                | 6 949           | 6 949              | 57 300  | 59 700                 | 12 100                 |
| Landfill Sites  |          | 344             | 20 881          | 2 894            | 2 000                | 2 049           | 2 049              | 44 000  | 41 000                 | -                      |
| Waste Transfer Stations   |          | 384             | 182             | (5 705)          | 1 000                | 1 000           | 1 000              | 500   | -                      | 1 000                  |
| Waste Processing Facilities                                       |          | -               | -               | -                | -                    | -               | -                  | 100   | -                      | -                      |
| Waste Drop-off Points   |          | -               | 169             | (1 500)          | 500                  | 700             | 700                | 600   | 700                    | 10 100                 |
| Waste Separation Facilities                                       |          | 362             | 87              | (1 285)          | 500                  | 500             | 500                | 500   | -                      | -                      |
| Electricity Generation Facilities                                 |          | -               | 199             | (1 441)          | 2 700                | 2 700           | 2 700              | 11 600  | 18 000                 | 1 000                  |
| Capital Spares  |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Rail Infrastructure   |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Rail Lines  |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Rail Structures   |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Rail Furniture  |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Drainage Collection   |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Storm water Conveyance  |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Attenuation   |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| MV Substations  |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| LV Networks   |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Capital Spares  |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Coastal Infrastructure  |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Sand Pumps  |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Piers   |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |
| Revetments  |          | -               | -               | -                | -                    | -               | -                  | -   | -                      | -                      |

| Description                                  | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <i>Promenades</i>                            |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Information and Communication Infrastructure |     | 379             | 630             | (19)            | 100                  | 150             | 150                | 100   | -                      | -                      |
| <i>Data Centres</i>                          |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Core Layers</i>                           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Distribution Layers</i>                   |     | 379             | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>                        |     | -               | 630             | (19)            | 100                  | 150             | 150                | 100   | -                      | -                      |
| <b>Community Assets</b>                      |     | <b>18 663</b>   | <b>7 557</b>    | <b>(8 719)</b>  | <b>5 950</b>         | <b>10 091</b>   | <b>10 091</b>      | -   | <b>800</b>             | -                      |
| Community Facilities                         |     | 18 589          | 4 679           | 919             | 3 800                | 8 068           | 8 068              | -   | 500                    | -                      |
| <i>Halls</i>                                 |     | 684             | 73              | 253             | -                    | -               | -                  | -   | -                      | -                      |
| <i>Centres</i>                               |     | 57              | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Crèches</i>                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Clinics/Care Centres</i>                  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Fire/Ambulance Stations</i>               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Testing Stations</i>                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Museums</i>                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Galleries</i>                             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Theatres</i>                              |     | 341             | 393             | 727             | -                    | 53              | 53                 | -   | -                      | -                      |
| <i>Libraries</i>                             |     | 472             | (42)            | (270)           | 100                  | 115             | 115                | -   | -                      | -                      |
| <i>Cemeteries/Crematoria</i>                 |     | 17              | -               | -               | -                    | -               | -                  | -   | 500                    | -                      |
| <i>Police</i>                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Parks</i>                                 |     | -               | -               | (347)           | -                    | -               | -                  | -   | -                      | -                      |
| <i>Public Open Space</i>                     |     | 3 525           | (377)           | (1 449)         | 1 200                | 1 300           | 1 300              | -   | -                      | -                      |
| <i>Nature Reserves</i>                       |     | 937             | 260             | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Public Ablution Facilities</i>            |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Markets</i>                               |     | 2 190           | 130             | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Stalls</i>                                |     | 5 367           | 3 402           | 2 005           | 2 500                | 6 600           | 6 600              | -   | -                      | -                      |
| <i>Abattoirs</i>                             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Airports</i>                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Taxi Ranks/Bus Terminals</i>              |     | 2 532           | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>                        |     | 2 469           | 840             | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sport and Recreation Facilities              |     | 74              | 2 878           | (9 638)         | 2 150                | 2 024           | 2 024              | -   | 300                    | -                      |
| <i>Indoor Facilities</i>                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Outdoor Facilities</i>                    |     | 74              | 2 878           | (9 638)         | 2 150                | 2 024           | 2 024              | -   | 300                    | -                      |
| <i>Capital Spares</i>                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Heritage assets</b>                       |     | <b>1 274</b>    | <b>100</b>      | <b>-</b>        | <b>870</b>           | <b>-</b>        | <b>-</b>           | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| Monuments                                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Historic Buildings                           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Works of Art                                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Conservation Areas                           |     | 1 274           | 100             | -               | 870                  | -               | -                  | -   | -                      | -                      |
| Other Heritage                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Investment properties</b>                 |     | <b>466</b>      | <b>2 303</b>    | <b>2 688</b>    | <b>700</b>           | <b>2 079</b>    | <b>2 079</b>       | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| Revenue Generating                           |     | -               | 972             | 1 281           | 500                  | 1 879           | 1 879              | -   | -                      | -                      |
| <i>Improved Property</i>                     |     | -               | 972             | 1 281           | 500                  | 1 879           | 1 879              | -   | -                      | -                      |
| <i>Unimproved Property</i>                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Non-revenue Generating                       |     | 466             | 1 331           | 1 406           | 200                  | 200             | 200                | -   | -                      | -                      |
| <i>Improved Property</i>                     |     | 466             | 1 331           | 1 406           | 200                  | 200             | 200                | -   | -                      | -                      |
| <i>Unimproved Property</i>                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Other assets</b>                          |     | <b>570</b>      | <b>9 942</b>    | <b>(28 935)</b> | <b>57 800</b>        | <b>38 237</b>   | <b>38 237</b>      | <b>15 200</b>                                       | <b>300</b>             | <b>1 300</b>           |
| Operational Buildings                        |     | 182             | 9 742           | (51 473)        | 48 100               | 34 100          | 34 100             | 15 200  | 300                    | 1 300                  |
| <i>Municipal Offices</i>                     |     | 49              | -               | -               | -                    | -               | -                  | 15 000  | -                      | -                      |
| <i>Pay/Enquiry Points</i>                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Building Plan Offices</i>                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Workshops</i>                             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Yards</i>                                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Stores</i>                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Laboratories</i>                          |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Training Centres</i>                      |     | -               | 9 742           | (51 473)        | 48 100               | 34 100          | 34 100             | -   | -                      | -                      |
| <i>Manufacturing Plant</i>                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Depots</i>                                |     | -               | -               | -               | -                    | -               | -                  | 200   | 300                    | 1 300                  |



| Description                                     | Ref      | 2018/19         | 2019/20            | 2020/21          | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|----------|-----------------|--------------------|------------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |          | Audited Outcome | Audited Outcome    | Audited Outcome  | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>R thousand</b>                               | <b>1</b> |                 |                    |                  |                      |                 |                    |   |                        |                        |
| <i>Capital Spares</i>                           |          | 133             | -                  | -                | -                    | -               | -                  | -   | -                      | -                      |
| Housing   |          | 389             | 200                | 22 538           | 9 700                | 4 137           | 4 137              | -   | -                      | -                      |
| <i>Staff Housing</i>                            |          | -               | -                  | -                | -                    | -               | -                  | -   | -                      | -                      |
| <i>Social Housing</i>                           |          | 389             | 200                | 22 538           | 9 700                | 4 137           | 4 137              | -   | -                      | -                      |
| <i>Capital Spares</i>                           |          | -               | -                  | -                | -                    | -               | -                  | -   | -                      | -                      |
| <b>Biological or Cultivated Assets</b>          |          | 67              | -                  | -                | -                    | -               | -                  | -   | -                      | -                      |
| Biological or Cultivated Assets                 |          | 67              | -                  | -                | -                    | -               | -                  | -   | -                      | -                      |
| <b>Intangible Assets</b>                        |          | 840             | -                  | -                | -                    | -               | -                  | 200   | -                      | -                      |
| Servitudes                                      |          | -               | -                  | -                | -                    | -               | -                  | -   | -                      | -                      |
| Licences and Rights                             |          | 840             | -                  | -                | -                    | -               | -                  | 200   | -                      | -                      |
| <i>Water Rights</i>                             |          | -               | -                  | -                | -                    | -               | -                  | -   | -                      | -                      |
| <i>Effluent Licenses</i>                        |          | -               | -                  | -                | -                    | -               | -                  | -   | -                      | -                      |
| <i>Solid Waste Licenses</i>                     |          | -               | -                  | -                | -                    | -               | -                  | 200   | -                      | -                      |
| <i>Computer Software and Applications</i>       |          | 295             | -                  | -                | -                    | -               | -                  | -   | -                      | -                      |
| <i>Load Settlement Software Applications</i>    |          | -               | -                  | -                | -                    | -               | -                  | -   | -                      | -                      |
| <i>Unspecifia</i>                               |          | 545             | -                  | -                | -                    | -               | -                  | -   | -                      | -                      |
| <b>Computer Equipment</b>                       |          | -               | (3 118 123)        | 54               | 50                   | 120             | 120                | 6 100   | 4 300                  | 4 300                  |
| Computer Equipment                              |          | -               | (3 118 123)        | 54               | 50                   | 120             | 120                | 6 100   | 4 300                  | 4 300                  |
| <b>Furniture and Office Equipment</b>           |          | 3 163           | 2 159              | (5 970)          | 2 428                | 3 375           | 3 375              | 470   | 290                    | 290                    |
| Furniture and Office Equipment                  |          | 3 163           | 2 159              | (5 970)          | 2 428                | 3 375           | 3 375              | 470   | 290                    | 290                    |
| <b>Machinery and Equipment</b>                  |          | 3 583           | 15 186             | (6 447)          | 6 450                | 11 225          | 11 225             | 13 204  | 13 795                 | 19 385                 |
| Machinery and Equipment                         |          | 3 583           | 15 186             | (6 447)          | 6 450                | 11 225          | 11 225             | 13 204  | 13 795                 | 19 385                 |
| <b>Transport Assets</b>                         |          | 14 779          | 19 520             | (5 636)          | 4 825                | 6 363           | 6 363              | 3 800   | 7 050                  | 14 000                 |
| Transport Assets                                |          | 14 779          | 19 520             | (5 636)          | 4 825                | 6 363           | 6 363              | 3 800   | 7 050                  | 14 000                 |
| <b>Land</b>                                     |          | -               | -                  | -                | -                    | -               | -                  | -   | -                      | -                      |
| Land  |          | -               | -                  | -                | -                    | -               | -                  | -   | -                      | -                      |
| <b>Zoo's, Marine and Non-biological Animals</b> |          | -               | -                  | -                | -                    | -               | -                  | -   | -                      | -                      |
| Zoo's, Marine and Non-biological Animals        |          | -               | -                  | -                | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Capital Expenditure on new assets</b>  | <b>1</b> | <b>281 741</b>  | <b>(2 921 210)</b> | <b>(358 050)</b> | <b>258 499</b>       | <b>228 822</b>  | <b>228 822</b>     | <b>252 068</b>                                      | <b>242 664</b>         | <b>243 145</b>         |

References

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

WC024 Stellenbosch - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

| Description   | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b> |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Infrastructure</b>   |     | 44 759          | 10 136          | (72 202)        | 9 350                | 30 376          | 30 376             | 26 958  | 23 234                 | 68 578                 |
| Roads Infrastructure  |     | 24 611          | 12 579          | (14 359)        | 5 100                | 17 950          | 17 950             | 6 011   | 3 000                  | 3 500                  |
| Roads   |     | 24 611          | 12 579          | (2 461)         | 5 100                | 17 950          | 17 950             | 6 011   | 3 000                  | 3 500                  |
| Road Structures   |     | -               | -               | (11 898)        | -                    | -               | -                  | -   | -                      | -                      |
| Road Furniture  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital Spares  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Storm water Infrastructure  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Drainage Collection   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Storm water Conveyance  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Attenuation   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Electrical Infrastructure   |     | 17 898          | (4 747)         | (7 981)         | 250                  | 371             | 371                | 12 946  | 12 234                 | 57 078                 |
| Power Plants  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| HV Substations  |     | 399             | (6 567)         | 1 019           | 250                  | 371             | 371                | 4 531   | 2 434                  | 2 296                  |
| HV Switching Station  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| HV Transmission Conductors  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| MV Substations  |     | -               | -               | -               | -                    | -               | -                  | 1 715   | 3 000                  | 2 075                  |
| MV Switching Stations   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| MV Networks   |     | 19 100          | 821             | (9 000)         | -                    | -               | -                  | 6 700   | 6 800                  | 52 707                 |
| LV Networks   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital Spares  |     | (1 602)         | 999             | -               | -                    | -               | -                  | -   | -                      | -                      |
| Water Supply Infrastructure   |     | 1 146           | 473             | (10 862)        | 4 000                | 7 555           | 7 555              | 4 000   | 4 000                  | 4 000                  |
| Dams and Weirs  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Boreholes   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Reservoirs  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Pump Stations   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Water Treatment Works   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Bulk Mains  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Distribution  |     | 1 146           | 473             | (10 862)        | 4 000                | 7 555           | 7 555              | 4 000   | 4 000                  | 4 000                  |
| Distribution Points   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| PRV Stations  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital Spares  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sanitation Infrastructure   |     | 1 104           | 1 831           | (39 000)        | -                    | 4 500           | 4 500              | 4 000   | 4 000                  | 4 000                  |
| Pump Station  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Reticulation  |     | -               | 1 826           | (36 000)        | -                    | -               | -                  | -   | -                      | -                      |
| Waste Water Treatment Works   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Outfall Sewers  |     | 652             | 5               | (3 000)         | -                    | 4 500           | 4 500              | 4 000   | 4 000                  | 4 000                  |
| Toilet Facilities   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital Spares  |     | 452             | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Solid Waste Infrastructure  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Landfill Sites  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Waste Transfer Stations   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Waste Processing Facilities   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Waste Drop-off Points   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Waste Separation Facilities   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Electricity Generation Facilities   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital Spares  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Rail Infrastructure   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Rail Lines  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Rail Structures   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Rail Furniture  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Drainage Collection   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Storm water Conveyance  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Attenuation   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| MV Substations  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| LV Networks   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital Spares  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Coastal Infrastructure  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sand Pumps  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Piers   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Revetments  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |

| Description                                  | Ref      | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|----------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |          | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>R thousand</b>                            | <b>1</b> |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Promenades</i>                            |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>                        |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Information and Communication Infrastructure |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Data Centres</i>                          |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Core Layers</i>                           |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Distribution Layers</i>                   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>                        |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Community Assets</b>                      |          | <b>407</b>      | <b>-</b>        | <b>216</b>      | <b>-</b>             | <b>917</b>      | <b>917</b>         | <b>4 400</b>  | <b>400</b>             | <b>2 050</b>           |
| Community Facilities                         |          | -               | -               | -               | -                    | -               | -                  | 200   | 400                    | 2 050                  |
| <i>Halls</i>                                 |          | -               | -               | -               | -                    | -               | -                  | -   | 200                    | 1 750                  |
| <i>Centres</i>                               |          | -               | -               | -               | -                    | -               | -                  | 200   | 200                    | 300                    |
| <i>Crèches</i>                               |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Clinics/Care Centres</i>                  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Fire/Ambulance Stations</i>               |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Testing Stations</i>                      |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Museums</i>                               |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Galleries</i>                             |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Theatres</i>                              |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Libraries</i>                             |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Cemeteries/Crematoria</i>                 |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Police</i>                                |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Parks</i>                                 |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Public Open Space</i>                     |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Nature Reserves</i>                       |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Public Ablution Facilities</i>            |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Markets</i>                               |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Stalls</i>                                |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Abattoirs</i>                             |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Airports</i>                              |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Taxi Ranks/Bus Terminals</i>              |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>                        |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sport and Recreation Facilities              |          | 407             | -               | 216             | -                    | 917             | 917                | 4 200   | -                      | -                      |
| <i>Indoor Facilities</i>                     |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Outdoor Facilities</i>                    |          | 407             | -               | 216             | -                    | 917             | 917                | 4 200   | -                      | -                      |
| <i>Capital Spares</i>                        |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Heritage assets</b>                       |          | <b>-</b>        | <b>-</b>        | <b>-</b>        | <b>-</b>             | <b>-</b>        | <b>-</b>           | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| Monuments                                    |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Historic Buildings                           |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Works of Art                                 |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Conservation Areas                           |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other Heritage                               |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Investment properties</b>                 |          | <b>-</b>        | <b>-</b>        | <b>-</b>        | <b>-</b>             | <b>-</b>        | <b>-</b>           | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| Revenue Generating                           |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Improved Property</i>                     |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Unimproved Property</i>                   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Non-revenue Generating                       |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Improved Property</i>                     |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Unimproved Property</i>                   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Other assets</b>                          |          | <b>253</b>      | <b>-</b>        | <b>(100)</b>    | <b>300</b>           | <b>1 000</b>    | <b>1 000</b>       | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| Operational Buildings                        |          | 253             | -               | (100)           | 300                  | 1 000           | 1 000              | -   | -                      | -                      |
| <i>Municipal Offices</i>                     |          | 253             | -               | (100)           | 300                  | 1 000           | 1 000              | -   | -                      | -                      |
| <i>Pay/Enquiry Points</i>                    |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Building Plan Offices</i>                 |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Workshops</i>                             |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Yards</i>                                 |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Stores</i>                                |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Laboratories</i>                          |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Training Centres</i>                      |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Manufacturing Plant</i>                   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Depots</i>                                |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |

| Description  | Ref      | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|----------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |          | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>R thousand</b>  | <b>1</b> |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Capital Spares</i>  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Housing  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Staff Housing</i>   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Social Housing</i>  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Biological or Cultivated Assets</b>                         |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Biological or Cultivated Assets                                |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Intangible Assets</b>                                       |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Servitudes   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Licences and Rights  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Water Rights</i>  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Effluent Licenses</i>                                       |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Solid Waste Licenses</i>                                    |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Computer Software and Applications</i>                      |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Load Settlement Software Applications</i>                   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Unspecifeca</i>   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Computer Equipment</b>                                      |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Computer Equipment   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Furniture and Office Equipment</b>                          |          | 30              | -               | -               | 300                  | 300             | 300                | -   | -                      | -                      |
| Furniture and Office Equipment                                 |          | 30              | -               | -               | 300                  | 300             | 300                | -   | -                      | -                      |
| <b>Machinery and Equipment</b>                                 |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Machinery and Equipment  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Transport Assets</b>  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Transport Assets   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Land</b>  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Land   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Zoo's, Marine and Non-biological Animals</b>                |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Zoo's, Marine and Non-biological Animals                       |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Capital Expenditure on renewal of existing assets</b> | <b>1</b> | <b>45 449</b>   | <b>10 136</b>   | <b>(72 086)</b> | <b>9 950</b>         | <b>32 593</b>   | <b>32 593</b>      | <b>31 358</b>                                       | <b>23 634</b>          | <b>70 628</b>          |
| <i>Renewal of Existing Assets as % of total capex</i>          |          | 29,4%           | -0,4%           | 9,8%            | 2,5%                 | 8,2%            | 8,2%               | 7,7%  | 5,5%                   | 16,0%                  |
| <i>Renewal of Existing Assets as % of deprecn"</i>             |          | 23,5%           | 0,6%            | -8,9%           | 4,7%                 | 15,4%           | 15,4%              | 14,1%   | 10,1%                  | 28,8%                  |

**References**

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

WC024 Stellenbosch - Supporting Table SA34c Repairs and maintenance expenditure by asset class

| Description   | Ref      | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|----------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |          | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>R thousand</b>   | <b>1</b> |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Repairs and maintenance expenditure by Asset Class/Sub-class</b> |          |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Infrastructure</b>   |          | (13 047)        | 88 979          | 179 885         | 52 242               | 49 037          | 49 037             | 519   | 540                    | 562                    |
| Roads Infrastructure  |          | 6 420           | 8 008           | 45 489          | 20 920               | 20 600          | 20 600             | 52  | 54                     | 56                     |
| Roads   |          | 509             | 8 008           | 43 645          | 20 890               | 20 570          | 20 570             | -   | -                      | -                      |
| Road Structures   |          | 4 658           | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Road Furniture  |          | 1 253           | -               | 1 844           | 30                   | 30              | 30                 | 52  | 54                     | 56                     |
| Capital Spares  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Storm water Infrastructure  |          | 495             | 30 929          | 8 147           | 1 300                | 1 220           | 1 220              | -   | -                      | -                      |
| Drainage Collection   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Storm water Conveyance  |          | 495             | 563             | -               | -                    | -               | -                  | -   | -                      | -                      |
| Attenuation   |          | -               | 30 366          | 8 147           | 1 300                | 1 220           | 1 220              | -   | -                      | -                      |
| Electrical Infrastructure   |          | (27 623)        | 998             | (3 573)         | 100                  | 98              | 98                 | 48  | 50                     | 53                     |
| Power Plants  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| HV Substations  |          | -               | -               | 401             | 100                  | 98              | 98                 | 48  | 50                     | 53                     |
| HV Switching Station  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| HV Transmission Conductors  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| MV Substations  |          | (27 830)        | 998             | (3 974)         | -                    | -               | -                  | -   | -                      | -                      |
| MV Switching Stations   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| MV Networks   |          | 207             | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| LV Networks   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital Spares  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Water Supply Infrastructure   |          | 6 069           | 100             | 37 286          | 7 015                | 6 365           | 6 365              | -   | -                      | -                      |
| Dams and Weirs  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Boreholes   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Reservoirs  |          | 4 182           | 18              | -               | -                    | -               | -                  | -   | -                      | -                      |
| Pump Stations   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Water Treatment Works   |          | 194             | -               | 18 547          | 2 472                | 1 822           | 1 822              | -   | -                      | -                      |
| Bulk Mains  |          | -               | -               | 18 739          | 4 543                | 4 543           | 4 543              | -   | -                      | -                      |
| Distribution  |          | 1 693           | 81              | -               | -                    | -               | -                  | -   | -                      | -                      |
| Distribution Points   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| PRV Stations  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital Spares  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sanitation Infrastructure   |          | 1 302           | 48 813          | 42 749          | 8 314                | 7 514           | 7 514              | 39  | 40                     | 42                     |
| Pump Station  |          | 3               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Reticulation  |          | 297             | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Waste Water Treatment Works   |          | 1 003           | -               | 25 740          | 3 840                | 3 440           | 3 440              | 39  | 40                     | 42                     |
| Outfall Sewers  |          | -               | 48 813          | 17 009          | 4 474                | 4 074           | 4 074              | -   | -                      | -                      |
| Toilet Facilities   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital Spares  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Solid Waste Infrastructure  |          | 290             | -               | 6 225           | 3 040                | 3 040           | 3 040              | -   | -                      | -                      |
| Landfill Sites  |          | 290             | -               | 1 207           | 40                   | 40              | 40                 | -   | -                      | -                      |
| Waste Transfer Stations   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Waste Processing Facilities   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Waste Drop-off Points   |          | -               | -               | 5 018           | 3 000                | 3 000           | 3 000              | -   | -                      | -                      |
| Waste Separation Facilities   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Electricity Generation Facilities                                   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital Spares  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Rail Infrastructure   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Rail Lines  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Rail Structures   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Rail Furniture  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Drainage Collection   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Storm water Conveyance  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Attenuation   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| MV Substations  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| LV Networks   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Capital Spares  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Coastal Infrastructure  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sand Pumps  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Piers   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Revetments  |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |

| Description                                  | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <i>Promenades</i>                            |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Information and Communication Infrastructure |     | -               | 131             | 43 562          | 11 553               | 10 200          | 10 200             | 380   | 395                    | 411                    |
| <i>Data Centres</i>                          |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Core Layers</i>                           |     | -               | 131             | 42 434          | 11 053               | 9 700           | 9 700              | -   | -                      | -                      |
| <i>Distribution Layers</i>                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>                        |     | -               | -               | 1 129           | 500                  | 500             | 500                | 380   | 395                    | 411                    |
| <b>Community Assets</b>                      |     | -               | 2 686           | 52 903          | 15 503               | 15 685          | 15 685             | 1 762   | 1 800                  | 1 962                  |
| Community Facilities                         |     | -               | 2 686           | 47 353          | 14 062               | 14 441          | 14 441             | 1 681   | 1 715                  | 1 873                  |
| <i>Halls</i>                                 |     | -               | -               | 98              | 100                  | 135             | 135                | -   | -                      | -                      |
| <i>Centres</i>                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Crèches</i>                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Clinics/Care Centres</i>                  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Fire/Ambulance Stations</i>               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Testing Stations</i>                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Museums</i>                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Galleries</i>                             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Theatres</i>                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Libraries</i>                             |     | -               | 9               | 30              | 14                   | 714             | 714                | 8   | 9                      | 10                     |
| <i>Cemeteries/Crematoria</i>                 |     | -               | -               | 4 952           | 1 039                | 633             | 633                | -   | -                      | -                      |
| <i>Police</i>                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Parks</i>                                 |     | -               | -               | 10 740          | 4 677                | 4 677           | 4 677              | 1 611   | 1 641                  | 1 795                  |
| <i>Public Open Space</i>                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Nature Reserves</i>                       |     | -               | -               | 2 379           | 821                  | 871             | 871                | 62  | 65                     | 67                     |
| <i>Public Ablution Facilities</i>            |     | -               | -               | 29 154          | 7 411                | 7 411           | 7 411              | -   | -                      | -                      |
| <i>Markets</i>                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Stalls</i>                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Abattoirs</i>                             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Airports</i>                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Taxi Ranks/Bus Terminals</i>              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>                        |     | -               | 2 677           | (1)             | -                    | -               | -                  | -   | -                      | -                      |
| Sport and Recreation Facilities              |     | -               | -               | 5 550           | 1 440                | 1 243           | 1 243              | 81  | 85                     | 89                     |
| <i>Indoor Facilities</i>                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Outdoor Facilities</i>                    |     | -               | -               | 5 550           | 1 440                | 1 243           | 1 243              | 81  | 85                     | 89                     |
| <i>Capital Spares</i>                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Heritage assets</b>                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Monuments                                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Historic Buildings                           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Works of Art                                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Conservation Areas                           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other Heritage                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Investment properties</b>                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Revenue Generating                           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Improved Property</i>                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Unimproved Property</i>                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Non-revenue Generating                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Improved Property</i>                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Unimproved Property</i>                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Other assets</b>                          |     | 3               | 186             | 42 645          | 11 920               | 7 921           | 7 921              | 16 353  | 17 167                 | 18 958                 |
| Operational Buildings                        |     | 3               | 186             | 40 409          | 11 746               | 7 643           | 7 643              | 16 000  | 16 800                 | 17 700                 |
| <i>Municipal Offices</i>                     |     | 3               | 186             | 40 409          | 11 746               | 7 643           | 7 643              | 16 000  | 16 800                 | 17 700                 |
| <i>Pay/Enquiry Points</i>                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Building Plan Offices</i>                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Workshops</i>                             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Yards</i>                                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Stores</i>                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Laboratories</i>                          |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Training Centres</i>                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Manufacturing Plant</i>                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Depots</i>                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |

| Description                                      | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <i>Capital Spares</i>                            |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Housing  |     | -               | -               | 2 236           | 175                  | 278             | 278                | 353   | 367                    | 1 258                  |
| <i>Staff Housing</i>                             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Social Housing</i>                            |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>                            |     | -               | -               | 2 236           | 175                  | 278             | 278                | 353   | 367                    | 1 258                  |
| <b>Biological or Cultivated Assets</b>           |     | 14              | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Biological or Cultivated Assets                  |     | 14              | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Intangible Assets</b>                         |     | 317             | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Servitudes                                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Licences and Rights                              |     | 317             | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Water Rights</i>                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Effluent Licenses</i>                         |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Solid Waste Licenses</i>                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Computer Software and Applications</i>        |     | 317             | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Load Settlement Software Applications</i>     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Unspecifeca</i>                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Computer Equipment</b>                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Computer Equipment                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Furniture and Office Equipment</b>            |     | 10 503          | 11 027          | 20 226          | 3 257                | 3 407           | 3 407              | 2 712   | 2 848                  | 2 955                  |
| Furniture and Office Equipment                   |     | 10 503          | 11 027          | 20 226          | 3 257                | 3 407           | 3 407              | 2 712   | 2 848                  | 2 955                  |
| <b>Machinery and Equipment</b>                   |     | -               | -               | 28 608          | 552                  | -               | -                  | 552   | 574                    | 597                    |
| Machinery and Equipment                          |     | -               | -               | 28 608          | 552                  | -               | -                  | 552   | 574                    | 597                    |
| <b>Transport Assets</b>                          |     | 9 610           | 18 036          | 14 652          | 4 141                | 5 014           | 5 014              | 4 816   | 4 976                  | 5 182                  |
| Transport Assets                                 |     | 9 610           | 18 036          | 14 652          | 4 141                | 5 014           | 5 014              | 4 816   | 4 976                  | 5 182                  |
| <b>Land</b>                                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Land   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Zoo's, Marine and Non-biological Animals</b>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Zoo's, Marine and Non-biological Animals         |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Repairs and Maintenance Expenditure</b> | 1   | 7 400           | 120 914         | 338 919         | 87 614               | 81 063          | 81 063             | 26 714  | 27 905                 | 30 216                 |
| <b>R&amp;M as a % of PPE</b>                     |     | 2,5%            | 5,9%            | -1,6%           | 1,6%                 | 1,4%            | 1,4%               | 0,5%  | 0,5%                   | 0,5%                   |
| <b>R&amp;M as % Operating Expenditure</b>        |     | 0,5%            | 1,1%            | 4,6%            | 4,3%                 | 4,1%            | 4,1%               | 2,7%  | 1,3%                   | 1,4%                   |

**References**

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

WC024 Stellenbosch - Supporting Table SA34d Depreciation by asset class

| Description                                  | Ref      | 2018/19         | 2019/20          | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|----------|-----------------|------------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |          | Audited Outcome | Audited Outcome  | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>R thousand</b>                            | <b>1</b> |                 |                  |                 |                      |                 |                    |   |                        |                        |
| <b>Depreciation by Asset Class/Sub-class</b> |          |                 |                  |                 |                      |                 |                    |   |                        |                        |
| <b>Infrastructure</b>                        |          | <b>148 581</b>  | <b>1 761 199</b> | <b>640 683</b>  | <b>168 484</b>       | <b>168 484</b>  | <b>168 484</b>     | <b>176 908</b>                                      | <b>185 753</b>         | <b>195 041</b>         |
| Roads Infrastructure                         |          | 50 607          | 251 744          | 238 207         | 44 108               | 44 108          | 44 108             | 46 314  | 48 629                 | 51 061                 |
| <i>Roads</i>                                 |          | 37 425          | 244 270          | 227 451         | 36 450               | 36 450          | 36 450             | 38 273  | 40 187                 | 42 196                 |
| <i>Road Structures</i>                       |          | 4 213           | 4 477            | 4 543           | 4 570                | 4 570           | 4 570              | 4 798   | 5 038                  | 5 290                  |
| <i>Road Furniture</i>                        |          | 8 969           | 2 998            | 6 213           | 3 088                | 3 088           | 3 088              | 3 242   | 3 404                  | 3 575                  |
| <i>Capital Spares</i>                        |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| Storm water Infrastructure                   |          | 1 193           | 850              | 5 750           | 998                  | 998             | 998                | 1 048   | 1 101                  | 1 156                  |
| <i>Drainage Collection</i>                   |          | 1 193           | 850              | 5 359           | 998                  | 998             | 998                | 1 048   | 1 101                  | 1 156                  |
| <i>Storm water Conveyance</i>                |          | -               | -                | 391             | -                    | -               | -                  | -   | -                      | -                      |
| <i>Attenuation</i>                           |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| Electrical Infrastructure                    |          | 27 618          | 1 400 103        | 133 261         | 33 707               | 33 707          | 33 707             | 35 393  | 37 162                 | 39 020                 |
| <i>Power Plants</i>                          |          | 13 847          | 10 882           | 16 222          | 12 091               | 12 091          | 12 091             | 12 695  | 13 330                 | 13 997                 |
| <i>HV Substations</i>                        |          | 2 995           | 1 371 193        | 100 693         | 3 085                | 3 085           | 3 085              | 3 239   | 3 401                  | 3 571                  |
| <i>HV Switching Station</i>                  |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>HV Transmission Conductors</i>            |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>MV Substations</i>                        |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>MV Switching Stations</i>                 |          | 6 659           | 6 576            | 6 561           | 6 773                | 6 773           | 6 773              | 7 112   | 7 467                  | 7 841                  |
| <i>MV Networks</i>                           |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>LV Networks</i>                           |          | 3 675           | 10 947           | 9 279           | 11 238               | 11 238          | 11 238             | 11 800  | 12 390                 | 13 009                 |
| <i>Capital Spares</i>                        |          | 442             | 506              | 506             | 521                  | 521             | 521                | 547   | 574                    | 603                    |
| Water Supply Infrastructure                  |          | 37 881          | 64 805           | 172 856         | 35 771               | 35 771          | 35 771             | 37 560  | 39 438                 | 41 410                 |
| <i>Dams and Weirs</i>                        |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Boreholes</i>                             |          | 82              | 87               | 72              | 90                   | 90              | 90                 | 94  | 99                     | 104                    |
| <i>Reservoirs</i>                            |          | 5 465           | 11 216           | 81 950          | 3 699                | 3 699           | 3 699              | 3 884   | 4 078                  | 4 282                  |
| <i>Pump Stations</i>                         |          | 109             | 116              | 135             | 113                  | 113             | 113                | 118   | 124                    | 130                    |
| <i>Water Treatment Works</i>                 |          | 1 022           | 19 490           | 58 915          | 12                   | 12              | 12                 | 13  | 14                     | 14                     |
| <i>Bulk Mains</i>                            |          | 3 962           | 3 783            | 3 786           | 3 153                | 3 153           | 3 153              | 3 311   | 3 476                  | 3 650                  |
| <i>Distribution</i>                          |          | 27 055          | 30 112           | 27 998          | 28 704               | 28 704          | 28 704             | 30 139  | 31 646                 | 33 229                 |
| <i>Distribution Points</i>                   |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>PRV Stations</i>                          |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>                        |          | 186             | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sanitation Infrastructure                    |          | 28 472          | 31 856           | 75 608          | 44 476               | 44 476          | 44 476             | 46 700  | 49 035                 | 51 486                 |
| <i>Pump Station</i>                          |          | 783             | 779              | 779             | 803                  | 803             | 803                | 843   | 885                    | 929                    |
| <i>Reticulation</i>                          |          | 23 484          | 21 325           | 22 597          | 21 965               | 21 965          | 21 965             | 23 063  | 24 216                 | 25 427                 |
| <i>Waste Water Treatment Works</i>           |          | 1 644           | 7 209            | 16 992          | 1 709                | 1 709           | 1 709              | 1 795   | 1 885                  | 1 979                  |
| <i>Outfall Sewers</i>                        |          | 2 530           | 2 542            | 35 239          | 19 999               | 19 999          | 19 999             | 20 999  | 22 049                 | 23 151                 |
| <i>Toilet Facilities</i>                     |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>                        |          | 31              | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| Solid Waste Infrastructure                   |          | 2 547           | 11 411           | 14 573          | 8 974                | 8 974           | 8 974              | 9 422   | 9 894                  | 10 388                 |
| <i>Landfill Sites</i>                        |          | 513             | -                | 0               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Waste Transfer Stations</i>               |          | 572             | 7 391            | 5 096           | 7 464                | 7 464           | 7 464              | 7 837   | 8 229                  | 8 641                  |
| <i>Waste Processing Facilities</i>           |          | -               | 1 319            | 4 135           | -                    | -               | -                  | -   | -                      | -                      |
| <i>Waste Drop-off Points</i>                 |          | 1 462           | 1 466            | 1 467           | 1 510                | 1 510           | 1 510              | 1 585   | 1 664                  | 1 748                  |
| <i>Waste Separation Facilities</i>           |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Electricity Generation Facilities</i>     |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>                        |          | -               | 1 235            | 3 874           | -                    | -               | -                  | -   | -                      | -                      |
| Rail Infrastructure                          |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Rail Lines</i>                            |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Rail Structures</i>                       |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Rail Furniture</i>                        |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Drainage Collection</i>                   |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Storm water Conveyance</i>                |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Attenuation</i>                           |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>MV Substations</i>                        |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>LV Networks</i>                           |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>                        |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| Coastal Infrastructure                       |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Sand Pumps</i>                            |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Piers</i>                                 |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Revetments</i>                            |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |



| Description                                  | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <i>Promenades</i>                            |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Information and Communication Infrastructure |     | 264             | 431             | 428             | 449                  | 449             | 449                | 471   | 495                    | 519                    |
| <i>Data Centres</i>                          |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Core Layers</i>                           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Distribution Layers</i>                   |     | 264             | 431             | 428             | 449                  | 449             | 449                | 471   | 495                    | 519                    |
| <i>Capital Spares</i>                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Community Assets</b>                      |     | <b>3 182</b>    | <b>9 467</b>    | <b>34 812</b>   | <b>2 988</b>         | <b>2 988</b>    | <b>2 988</b>       | <b>3 138</b>  | <b>3 294</b>           | <b>3 459</b>           |
| Community Facilities                         |     | 1 867           | 5 616           | 24 412          | 2 177                | 2 177           | 2 177              | 2 286   | 2 400                  | 2 520                  |
| <i>Halls</i>                                 |     | 13              | 224             | 674             | 14                   | 14              | 14                 | 15  | 16                     | 17                     |
| <i>Centres</i>                               |     | 46              | 469             | 46              | 48                   | 48              | 48                 | 50  | 52                     | 55                     |
| <i>Crèches</i>                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Clinics/Care Centres</i>                  |     | 11              | 11              | 11              | 11                   | 11              | 11                 | 12  | 12                     | 13                     |
| <i>Fire/Ambulance Stations</i>               |     | 10              | 80              | 475             | 83                   | 83              | 83                 | 87  | 91                     | 96                     |
| <i>Testing Stations</i>                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Museums</i>                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Galleries</i>                             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Theatres</i>                              |     | 14              | 14              | 14              | 15                   | 15              | 15                 | 16  | 16                     | 17                     |
| <i>Libraries</i>                             |     | 117             | 338             | 125             | 114                  | 114             | 114                | 119   | 125                    | 132                    |
| <i>Cemeteries/Crematoria</i>                 |     | 35              | 36              | 1 728           | 37                   | 37              | 37                 | 38  | 40                     | 42                     |
| <i>Police</i>                                |     | -               | 1 686           | 5 287           | -                    | -               | -                  | -   | -                      | -                      |
| <i>Parks</i>                                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Public Open Space</i>                     |     | 438             | 847             | 5 752           | 605                  | 605             | 605                | 635   | 667                    | 700                    |
| <i>Nature Reserves</i>                       |     | 364             | 417             | 952             | 376                  | 376             | 376                | 395   | 414                    | 435                    |
| <i>Public Ablution Facilities</i>            |     | 716             | 698             | 3 094           | 735                  | 735             | 735                | 771   | 810                    | 851                    |
| <i>Markets</i>                               |     | 103             | 137             | 152             | 141                  | 141             | 141                | 148   | 155                    | 163                    |
| <i>Stalls</i>                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Abattoirs</i>                             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Airports</i>                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Taxi Ranks/Bus Terminals</i>              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>                        |     | -               | 658             | 6 102           | -                    | -               | -                  | -   | -                      | -                      |
| Sport and Recreation Facilities              |     | 1 315           | 3 850           | 10 400          | 811                  | 811             | 811                | 852   | 894                    | 939                    |
| <i>Indoor Facilities</i>                     |     | -               | 0               | 0               | 0                    | 0               | 0                  | 0   | 0                      | 0                      |
| <i>Outdoor Facilities</i>                    |     | 1 315           | 3 850           | 10 400          | 811                  | 811             | 811                | 852   | 894                    | 939                    |
| <i>Capital Spares</i>                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Heritage assets</b>                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Monuments                                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Historic Buildings                           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Works of Art                                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Conservation Areas                           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other Heritage                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Investment properties</b>                 |     | <b>489</b>      | <b>704</b>      | <b>1 535</b>    | <b>260</b>           | <b>260</b>      | <b>260</b>         | <b>273</b>  | <b>287</b>             | <b>301</b>             |
| Revenue Generating                           |     | 489             | 704             | 1 535           | 260                  | 260             | 260                | 273   | 287                    | 301                    |
| <i>Improved Property</i>                     |     | 489             | 704             | 1 535           | 260                  | 260             | 260                | 273   | 287                    | 301                    |
| <i>Unimproved Property</i>                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Non-revenue Generating                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Improved Property</i>                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Unimproved Property</i>                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Other assets</b>                          |     | <b>8 902</b>    | <b>7 185</b>    | <b>29 821</b>   | <b>9 705</b>         | <b>9 705</b>    | <b>9 705</b>       | <b>10 191</b>                                       | <b>10 700</b>          | <b>11 235</b>          |
| Operational Buildings                        |     | 5 010           | 2 334           | 15 944          | 6 021                | 6 021           | 6 021              | 6 322   | 6 638                  | 6 970                  |
| <i>Municipal Offices</i>                     |     | 5 010           | 2 219           | 15 813          | 6 021                | 6 021           | 6 021              | 6 322   | 6 638                  | 6 970                  |
| <i>Pay/Enquiry Points</i>                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Building Plan Offices</i>                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Workshops</i>                             |     | -               | 42              | 131             | -                    | -               | -                  | -   | -                      | -                      |
| <i>Yards</i>                                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Stores</i>                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Laboratories</i>                          |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Training Centres</i>                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Manufacturing Plant</i>                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Depots</i>                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |

| Description                                     | Ref      | 2018/19         | 2019/20          | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|----------|-----------------|------------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |          | Audited Outcome | Audited Outcome  | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>R thousand</b>                               | <b>1</b> |                 |                  |                 |                      |                 |                    |   |                        |                        |
| <i>Capital Spares</i>                           |          | -               | 73               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Housing   |          | 3 892           | 4 851            | 13 876          | 3 685                | 3 685           | 3 685              | 3 869   | 4 062                  | 4 265                  |
| <i>Staff Housing</i>                            |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Social Housing</i>                           |          | 3 892           | 3 906            | 3 863           | 3 685                | 3 685           | 3 685              | 3 869   | 4 062                  | 4 265                  |
| <i>Capital Spares</i>                           |          | -               | 945              | 10 013          | -                    | -               | -                  | -   | -                      | -                      |
| <b>Biological or Cultivated Assets</b>          |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| Biological or Cultivated Assets                 |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Intangible Assets</b>                        |          | 1 848           | 2 983            | 9 887           | 1 991                | 1 991           | 1 991              | 2 091   | 2 195                  | 2 305                  |
| Servitudes                                      |          | 1 695           | 1 273            | 2 418           | 1 638                | 1 638           | 1 638              | 1 720   | 1 806                  | 1 897                  |
| Licences and Rights                             |          | 153             | 1 710            | 7 469           | 353                  | 353             | 353                | 370   | 389                    | 408                    |
| <i>Water Rights</i>                             |          | -               | 20               | 61              | -                    | -               | -                  | -   | -                      | -                      |
| <i>Effluent Licenses</i>                        |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Solid Waste Licenses</i>                     |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Computer Software and Applications</i>       |          | 153             | 653              | 7 408           | 353                  | 353             | 353                | 370   | 389                    | 408                    |
| <i>Load Settlement Software Applications</i>    |          | -               | 1 037            | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Unspecifia</i>                               |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Computer Equipment</b>                       |          | 7 318           | 8 005            | 18 093          | 7 386                | 7 386           | 7 386              | 7 755   | 8 143                  | 8 550                  |
| Computer Equipment                              |          | 7 318           | 8 005            | 18 093          | 7 386                | 7 386           | 7 386              | 7 755   | 8 143                  | 8 550                  |
| <b>Furniture and Office Equipment</b>           |          | 4 377           | 6 147            | 13 138          | 3 582                | 3 582           | 3 582              | 3 761   | 3 949                  | 4 146                  |
| Furniture and Office Equipment                  |          | 4 377           | 6 147            | 13 138          | 3 582                | 3 582           | 3 582              | 3 761   | 3 949                  | 4 146                  |
| <b>Machinery and Equipment</b>                  |          | 7 709           | 8 840            | 21 685          | 6 618                | 6 618           | 6 618              | 6 949   | 7 296                  | 7 661                  |
| Machinery and Equipment                         |          | 7 709           | 8 840            | 21 685          | 6 618                | 6 618           | 6 618              | 6 949   | 7 296                  | 7 661                  |
| <b>Transport Assets</b>                         |          | 10 713          | 16 241           | 39 445          | 10 527               | 10 527          | 10 527             | 11 054  | 11 607                 | 12 187                 |
| Transport Assets                                |          | 10 713          | 16 241           | 39 445          | 10 527               | 10 527          | 10 527             | 11 054  | 11 607                 | 12 187                 |
| <b>Land</b>                                     |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| Land  |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Zoo's, Marine and Non-biological Animals</b> |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| Zoo's, Marine and Non-biological Animals        |          | -               | -                | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Depreciation</b>                       | <b>1</b> | <b>193 119</b>  | <b>1 820 770</b> | <b>809 099</b>  | <b>211 541</b>       | <b>211 541</b>  | <b>211 541</b>     | <b>222 118</b>                                      | <b>233 224</b>         | <b>244 885</b>         |

References

1. Depreciation based on write down values. Not including Depreciation resulting from revaluation.

WC024 Stellenbosch - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

| Description   | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</b> |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Infrastructure</b>   |     | 121 760         | 107 005         | (203 280)       | 96 899               | 90 478          | 90 478             | 89 850  | 136 430                | 106 680                |
| Roads Infrastructure  |     | 12 606          | 29 797          | (29 903)        | 36 000               | 20 045          | 20 045             | 23 900  | 37 600                 | 23 430                 |
| <i>Roads</i>  |     | 7 996           | 29 297          | (19 121)        | 4 000                | 4 330           | 4 330              | 23 900  | 37 600                 | 23 430                 |
| <i>Road Structures</i>  |     | -               | -               | (6 781)         | 30 000               | 15 215          | 15 215             | -   | -                      | -                      |
| <i>Road Furniture</i>   |     | 4 610           | 500             | (4 000)         | 2 000                | 500             | 500                | -   | -                      | -                      |
| <i>Capital Spares</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Storm water Infrastructure  |     | 3 252           | 835             | (10 693)        | -                    | 270             | 270                | -   | -                      | -                      |
| <i>Drainage Collection</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Storm water Conveyance</i>   |     | 3 252           | 835             | (10 693)        | -                    | 270             | 270                | -   | -                      | -                      |
| <i>Attenuation</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Electrical Infrastructure   |     | 13 748          | 23 523          | (6 754)         | 19 092               | 25 808          | 25 808             | 11 950  | 4 750                  | 5 750                  |
| <i>Power Plants</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>HV Substations</i>   |     | -               | -               | -               | -                    | -               | -                  | 6 600   | -                      | -                      |
| <i>HV Switching Station</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>HV Transmission Conductors</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>MV Substations</i>   |     | -               | -               | -               | 8 000                | 12 838          | 12 838             | -   | -                      | -                      |
| <i>MV Switching Stations</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>MV Networks</i>  |     | 13 438          | 20 891          | (3 635)         | 10 592               | 12 853          | 12 853             | 5 100   | 4 500                  | 5 500                  |
| <i>LV Networks</i>  |     | 309             | 2 473           | (3 119)         | -                    | -               | -                  | 250   | 250                    | 250                    |
| <i>Capital Spares</i>   |     | -               | 160             | -               | 500                  | 117             | 117                | -   | -                      | -                      |
| Water Supply Infrastructure   |     | 40 781          | 20 309          | (80 507)        | 5 750                | 9 926           | 9 926              | 24 000  | 52 080                 | 54 000                 |
| <i>Dams and Weirs</i>   |     | 390             | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Boreholes</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Reservoirs</i>   |     | -               | -               | -               | -                    | -               | -                  | 4 500   | 16 680                 | 40 000                 |
| <i>Pump Stations</i>  |     | -               | -               | -               | -                    | -               | -                  | 1 500   | 1 500                  | 1 500                  |
| <i>Water Treatment Works</i>  |     | 15 759          | 3 041           | (11 504)        | 750                  | 2 990           | 2 990              | 500   | 3 500                  | 3 000                  |
| <i>Bulk Mains</i>   |     | 10 377          | 9 776           | (55 296)        | -                    | 1 296           | 1 296              | -   | -                      | -                      |
| <i>Distribution</i>   |     | 12 791          | 4 978           | (8 904)         | 3 000                | 3 640           | 3 640              | 17 500  | 30 400                 | 9 500                  |
| <i>Distribution Points</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>PRV Stations</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>   |     | 1 465           | 2 514           | (4 803)         | 2 000                | 2 000           | 2 000              | -   | -                      | -                      |
| Sanitation Infrastructure   |     | 50 206          | 31 173          | (65 685)        | 33 569               | 32 597          | 32 597             | 29 300  | 41 300                 | 22 800                 |
| <i>Pump Station</i>   |     | 268             | 144             | (3 000)         | 100                  | 100             | 100                | 500   | 500                    | -                      |
| <i>Reticulation</i>   |     | -               | -               | -               | -                    | -               | -                  | 300   | 300                    | 300                    |
| <i>Waste Water Treatment Works</i>  |     | 49 867          | 30 960          | (45 844)        | 30 000               | 28 489          | 28 489             | 22 000  | 28 000                 | 21 500                 |
| <i>Outfall Sewers</i>   |     | -               | -               | (14 159)        | -                    | -               | -                  | 6 500   | 12 500                 | 1 000                  |
| <i>Toilet Facilities</i>  |     | 71              | 69              | (2 682)         | 3 469                | 4 008           | 4 008              | -   | -                      | -                      |
| <i>Capital Spares</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Solid Waste Infrastructure  |     | 321             | 370             | (5 228)         | 929                  | 929             | 929                | -   | -                      | -                      |
| <i>Landfill Sites</i>   |     | 321             | 370             | (5 228)         | 929                  | 929             | 929                | -   | -                      | -                      |
| <i>Waste Transfer Stations</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Waste Processing Facilities</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Waste Drop-off Points</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Waste Separation Facilities</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Electricity Generation Facilities</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Rail Infrastructure   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Rail Lines</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Rail Structures</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Rail Furniture</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Drainage Collection</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Storm water Conveyance</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Attenuation</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>MV Substations</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>LV Networks</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Coastal Infrastructure  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Sand Pumps</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Piers</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Revetments</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |

| Description                                  | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <i>Promenades</i>                            |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Information and Communication Infrastructure |     | 847             | 999             | (4 512)         | 1 559                | 903             | 903                | 700   | 700                    | 700                    |
| <i>Data Centres</i>                          |     | 847             | 999             | (4 512)         | 1 559                | 903             | 903                | -   | -                      | -                      |
| <i>Core Layers</i>                           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Distribution Layers</i>                   |     | -               | -               | -               | -                    | -               | -                  | 700   | 700                    | 700                    |
| <i>Capital Spares</i>                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Community Assets</b>                      |     | 12 130          | (568)           | (38 853)        | 11 204               | 13 473          | 13 473             | 22 047  | 17 791                 | 7 550                  |
| Community Facilities                         |     | 8 091           | (1 728)         | (16 423)        | 7 854                | 10 814          | 10 814             | 18 486  | 13 580                 | 1 800                  |
| <i>Halls</i>                                 |     | 2 904           | (738)           | (11 061)        | 3 600                | 2 136           | 2 136              | 2 500   | 1 200                  | 800                    |
| <i>Centres</i>                               |     | -               | -               | -               | 1 000                | 1 000           | 1 000              | -   | -                      | -                      |
| <i>Crèches</i>                               |     | -               | -               | -               | -                    | -               | -                  | 500   | -                      | -                      |
| <i>Clinics/Care Centres</i>                  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Fire/Ambulance Stations</i>               |     | -               | (1 465)         | (83)            | 50                   | 2 200           | 2 200              | -   | -                      | -                      |
| <i>Testing Stations</i>                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Museums</i>                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Galleries</i>                             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Theatres</i>                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Libraries</i>                             |     | 424             | -               | (1 500)         | 200                  | 2 502           | 2 502              | 2 900   | 1 180                  | -                      |
| <i>Cemeteries/Crematoria</i>                 |     | 326             | (169)           | (3 881)         | 1 000                | 1 103           | 1 103              | 7 000   | 9 000                  | -                      |
| <i>Police</i>                                |     | 3 282           | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Parks</i>                                 |     | 85              | -               | -               | -                    | -               | -                  | 1 216   | 900                    | 200                    |
| <i>Public Open Space</i>                     |     | 100             | -               | -               | -                    | -               | -                  | -   | 300                    | 800                    |
| <i>Nature Reserves</i>                       |     | 823             | 158             | 32              | 2 004                | 1 873           | 1 873              | 4 370   | 1 000                  | -                      |
| <i>Public Ablution Facilities</i>            |     | 148             | 334             | 70              | -                    | -               | -                  | -   | -                      | -                      |
| <i>Markets</i>                               |     | -               | 153             | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Stalls</i>                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Abattoirs</i>                             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Airports</i>                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Taxi Ranks/Bus Terminals</i>              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Capital Spares</i>                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sport and Recreation Facilities              |     | 4 039           | 1 160           | (22 430)        | 3 350                | 2 660           | 2 660              | 3 561   | 4 211                  | 5 750                  |
| <i>Indoor Facilities</i>                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Outdoor Facilities</i>                    |     | 4 039           | 1 160           | (22 430)        | 3 350                | 2 660           | 2 660              | 3 561   | 4 211                  | 5 750                  |
| <i>Capital Spares</i>                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Heritage assets</b>                       |     | -               | 423             | (2 737)         | 1 807                | 1 807           | 1 807              | 3 000   | 2 000                  | 2 000                  |
| Monuments                                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Historic Buildings                           |     | -               | 423             | (2 737)         | 1 807                | 1 807           | 1 807              | 3 000   | 2 000                  | 2 000                  |
| Works of Art                                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Conservation Areas                           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other Heritage                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Investment properties</b>                 |     | 4 138           | 3 771           | (40 439)        | 8 000                | 5 143           | 5 143              | 3 500   | -                      | -                      |
| Revenue Generating                           |     | 2 132           | 2 962           | (7 224)         | -                    | 643             | 643                | -   | -                      | -                      |
| <i>Improved Property</i>                     |     | 2 132           | 2 962           | (7 224)         | -                    | 643             | 643                | -   | -                      | -                      |
| <i>Unimproved Property</i>                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Non-revenue Generating                       |     | 2 006           | 808             | (33 215)        | 8 000                | 4 500           | 4 500              | 3 500   | -                      | -                      |
| <i>Improved Property</i>                     |     | 2 006           | 808             | (33 215)        | 8 000                | 4 500           | 4 500              | 3 500   | -                      | -                      |
| <i>Unimproved Property</i>                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Other assets</b>                          |     | 4 792           | 2 559           | (9 807)         | 15 495               | 20 591          | 20 591             | 3 200   | 6 500                  | 11 750                 |
| Operational Buildings                        |     | 2 372           | 472             | (2 682)         | 15 495               | 20 591          | 20 591             | 2 700   | 5 500                  | 10 750                 |
| <i>Municipal Offices</i>                     |     | -               | -               | (3 627)         | 11 050               | 12 668          | 12 668             | 2 700   | 3 500                  | 4 500                  |
| <i>Pay/Enquiry Points</i>                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Building Plan Offices</i>                 |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Workshops</i>                             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | 3 600                  |
| <i>Yards</i>                                 |     | 159             | -               | -               | -                    | -               | -                  | -   | -                      | 650                    |
| <i>Stores</i>                                |     | 284             | -               | -               | -                    | -               | -                  | -   | 2 000                  | 2 000                  |
| <i>Laboratories</i>                          |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Training Centres</i>                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Manufacturing Plant</i>                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Depots</i>                                |     | 1 929           | 472             | 945             | 4 445                | 7 924           | 7 924              | -   | -                      | -                      |

| Description  | Ref | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <i>Capital Spares</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Housing  |     | 2 420           | 2 087           | (7 126)         | -                    | -               | -                  | 500   | 1 000                  | 1 000                  |
| <i>Staff Housing</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Social Housing</i>  |     | 2 420           | 2 087           | (7 126)         | -                    | -               | -                  | 500   | 1 000                  | 1 000                  |
| <i>Capital Spares</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Biological or Cultivated Assets</b>                           |     | -               | -               | -               | -                    | -               | -                  | 250   | 250                    | 250                    |
| Biological or Cultivated Assets                                  |     | -               | -               | -               | -                    | -               | -                  | 250   | 250                    | 250                    |
| <b>Intangible Assets</b>   |     | -               | 163             | -               | -                    | -               | -                  | -   | -                      | -                      |
| Servitudes   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Licences and Rights  |     | -               | 163             | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Water Rights</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Effluent Licenses</i>   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Solid Waste Licenses</i>                                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Computer Software and Applications</i>                        |     | -               | 163             | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Load Settlement Software Applications</i>                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Unspecifia</i>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Computer Equipment</b>  |     | 12 025          | 8 891           | (7 222)         | 4 100                | 5 100           | 5 100              | -   | -                      | -                      |
| Computer Equipment   |     | 12 025          | 8 891           | (7 222)         | 4 100                | 5 100           | 5 100              | -   | -                      | -                      |
| <b>Furniture and Office Equipment</b>                            |     | -               | 146             | (431)           | 100                  | 100             | 100                | -   | -                      | -                      |
| Furniture and Office Equipment                                   |     | -               | 146             | (431)           | 100                  | 100             | 100                | -   | -                      | -                      |
| <b>Machinery and Equipment</b>                                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Machinery and Equipment  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Transport Assets</b>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Transport Assets   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Land</b>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Land   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Zoo's, Marine and Non-biological Animals</b>                  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Zoo's, Marine and Non-biological Animals                         |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Capital Expenditure on upgrading of existing assets</b> | 1   | 154 845         | 122 391         | (302 769)       | 137 605              | 136 693         | 136 693            | 121 847   | 162 971                | 128 230                |
| <i>Upgrading of Existing Assets as % of total capex</i>          |     | 0,0%            | -4,4%           | 41,3%           | 33,9%                | 34,3%           | 34,3%              | 30,1%   | 38,0%                  | 29,0%                  |
| <i>Upgrading of Existing Assets as % of deprecn"</i>             |     | 80,2%           | 6,7%            | -37,4%          | 65,0%                | 64,6%           | 64,6%              | 54,9%   | 69,9%                  | 52,4%                  |

**References**

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

## WC024 Stellenbosch - Supporting Table SA35 Future financial implications of the capital budget

| Vote Description   | Ref | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        | Forecasts        |                  |                  |               |
|--|-----|---|------------------------|------------------------|------------------|------------------|------------------|---------------|
|  |     | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 | Forecast 2025/26 | Forecast 2026/27 | Forecast 2027/28 | Present value |
| <b>R thousand</b>  |     |   |                        |                        |                  |                  |                  |               |
| <b>Capital expenditure</b>   | 1   |   |                        |                        |                  |                  |                  |               |
| Vote 1 - OFFICE OF THE MUNICIPAL MANAGER   |     | 40  | 40                     | 40                     |                  |                  |                  |               |
| Vote 2 - PLANNING AND DEVELOPMENT SERVICES   |     | 15 185  | 20 156                 | 21 780                 |                  |                  |                  |               |
| Vote 3 - INFRASTRUCTURE SERVICES   |     | 325 047   | 367 027                | 371 428                |                  |                  |                  |               |
| Vote 4 - COMMUNITY AND PROTECTION SERVICES   |     | 26 851  | 25 846                 | 32 355                 |                  |                  |                  |               |
| Vote 5 - CORPORATE SERVICES  |     | 37 900  | 15 950                 | 16 150                 |                  |                  |                  |               |
| Vote 6 - FINANCIAL SERVICES  |     | 250   | 250                    | 250                    |                  |                  |                  |               |
| <i>List entity summary if applicable</i>   |     |   |                        |                        |                  |                  |                  |               |
| <b>Total Capital Expenditure</b>   |     | 405 273   | 429 269                | 442 003                | -                | -                | -                | -             |
| <b>Future operational costs by vote</b>  | 2   |   |                        |                        |                  |                  |                  |               |
| Vote 1 - OFFICE OF THE MUNICIPAL MANAGER   |     | 27 392  | 28 563                 | 29 800                 |                  |                  |                  |               |
| Vote 2 - PLANNING AND DEVELOPMENT SERVICES   |     | 59 949  | 56 526                 | 59 133                 |                  |                  |                  |               |
| Vote 3 - INFRASTRUCTURE SERVICES   |     | 936 775   | 957 972                | 1 044 346              |                  |                  |                  |               |
| Vote 4 - COMMUNITY AND PROTECTION SERVICES   |     | 404 355   | 419 667                | 434 545                |                  |                  |                  |               |
| Vote 5 - CORPORATE SERVICES  |     | 172 904   | 206 257                | 217 101                |                  |                  |                  |               |
| Vote 6 - FINANCIAL SERVICES  |     | 104 513   | 109 810                | 115 334                |                  |                  |                  |               |
| <i>List entity summary if applicable</i>   |     |   |                        |                        |                  |                  |                  |               |
| <b>Total future operational costs</b>  |     | 1 705 889   | 1 778 795              | 1 900 258              | -                | -                | -                | -             |
| <b>Future revenue by source</b>  | 3   |   |                        |                        |                  |                  |                  |               |
| Property rates   |     | 439 858   | 467 044                | 495 067                |                  |                  |                  |               |
| Service charges - electricity revenue  |     | 848 869   | 911 005                | 980 001                |                  |                  |                  |               |
| Service charges - water revenue  |     | 176 783   | 186 967                | 198 185                |                  |                  |                  |               |
| Service charges - sanitation revenue   |     | 109 134   | 115 682                | 122 623                |                  |                  |                  |               |
| Service charges - refuse revenue   |     | 94 971  | 102 569                | 110 775                |                  |                  |                  |               |
| Service charges - other  |     | -   | -                      | -                      |                  |                  |                  |               |
| Rental of facilities and equipment   |     | 15 538  | 16 315                 | 17 130                 |                  |                  |                  |               |
| Interest earned - external investments   |     | 20 397  | 21 213                 | 22 062                 |                  |                  |                  |               |
| Interest earned - outstanding debtors  |     | 13 027  | 13 581                 | 14 158                 |                  |                  |                  |               |
| Dividends received   |     | -   | -                      | -                      |                  |                  |                  |               |
| Fines, penalties and forfeits  |     | 124 955   | 128 704                | 132 565                |                  |                  |                  |               |
| Licences and permits   |     | 5 934   | 6 231                  | 6 542                  |                  |                  |                  |               |
| Agency services  |     | 4 281   | 4 495                  | 4 720                  |                  |                  |                  |               |
| Transfers and subsidies  |     | 223 246   | 246 199                | 262 860                |                  |                  |                  |               |
| Other revenue  |     | 41 313  | 43 262                 | 44 770                 |                  |                  |                  |               |
| Gains  |     | -   | -                      | -                      |                  |                  |                  |               |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)  |     | 128 610   | 80 871                 | 56 426                 |                  |                  |                  |               |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) |     | 33 254  | 39 782                 | 50 310                 |                  |                  |                  |               |
| Transfers and subsidies - capital (in-kind - all)  |     | -   | -                      | -                      |                  |                  |                  |               |
| <i>List entity summary if applicable</i>   |     |   |                        |                        |                  |                  |                  |               |
| <b>Total future revenue</b>  |     | 2 280 169   | 2 383 919              | 2 518 194              | -                | -                | -                | -             |
| <b>Net Financial Implications</b>  |     | (169 007)   | (175 855)              | (175 932)              | -                | -                | -                | -             |

References

1. Summarise the total capital cost until capital project is operational (MFMA s19(2)(a))
2. Summary of future operational costs from when projects operational (present value until the end of each asset's useful life) (MFMA s19(2)(b))
3. Summarise the future revenue from when projects are operational, including municipal tax and tariff implications, (present value until the end of asset's useful life)

## WC024 Stellenbosch - Supporting Table SA36 Detailed capital budget

| R thousand   | Function   | Project Description | Project Number                 | Own Strategic Objectives | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|--|---------------------|--------------------------------|--------------------------|---|------------------------|------------------------|
|  |  |                     |                                |                          | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Parent municipality:</b>                          |  |                     |                                |                          |   |                        |                        |
| <i>List all capital projects grouped by Function</i> |  |                     |                                |                          |   |                        |                        |
| Office of the Municipal Manager                      | Furniture, Tools & Equipment: MM   | PC_0001             | Good Governance and Compliance | 40                       | 40  | 40                     |                        |
| Housing Development                                  | Housing Projects   | PC_0002             | Dignified Living               | 1 200                    | 1 300   | 1 500                  |                        |
| Housing Development                                  | Cloetesville (380) FLISP   | PC_0003             | Dignified Living               | 1 100                    | -   | -                      |                        |
| Housing Development                                  | Cloetesville Infill (738) FLISP  | PC_0004             | Dignified Living               | 850                      | -   | -                      |                        |
| Housing Development                                  | Erf 64, Kylemore   | PC_0005             | Dignified Living               | 613                      | 613   | 5 000                  |                        |
| Housing Development                                  | Erf 7001 and other possible sites for mix-used development in Cloetesville | PC_0006             | Dignified Living               | 525                      | 525   | -                      |                        |
| Housing Development                                  | Erven 81/2 and 82/9, Stellenbosh   | PC_0008             | Dignified Living               | 438                      | 438   | -                      |                        |
| Housing Development                                  | Furniture, Tools & Equipment: Housing Development                          | PC_0010             | Good Governance and Compliance | 60                       | 70  | 80                     |                        |
| Housing Development                                  | Jamestown: Housing   | PC_0011             | Dignified Living               | 3 600                    | 3 028   | 7 300                  |                        |
| Housing Development                                  | Kayamandi Town Centre  | PC_0013             | Dignified Living               | 3 000                    | 6 000   | 6 000                  |                        |
| Housing Development                                  | Kayamandi Watergang Northern Extension (2000)                              | PC_0014             | Dignified Living               | 1 900                    | 1 900   | 1 900                  |                        |
| Housing Development                                  | Klapmuts La Rochelle (100)   | PC_0015             | Dignified Living               | 150                      | 283   | -                      |                        |
| Housing Development                                  | La Motte Old Forest Station (±430 services & ±430 units)                   | PC_0016             | Dignified Living               | 1 250                    | -   | -                      |                        |
| Housing Development                                  | Lapland Precinct   | PC_0017             | Dignified Living               | 500                      | 500   | -                      |                        |
| Housing Development                                  | Stellenbosch Adam Tas Transit Oriented Development (3500)                  | PC_0020             | Dignified Living               | -                        | 3 500   | -                      |                        |
| Development Planning                                 | Droë Dyke  | PC_0024             | Dignified Living               | -                        | 2 000   | -                      |                        |
| Infrastructure Services                              | Furniture, Tools & Equipment: IS   | PC_0025             | Good Governance and Compliance | 75                       | 75  | 50                     |                        |
| Waste Management: Solid Waste Management             | Expansion of the landfill site (New cells)                                 | PC_0026             | Green and Sustainable Valley   | 44 000                   | 41 000  | -                      |                        |
| Waste Management: Solid Waste Management             | Formalize skip areas   | PC_0027             | Green and Sustainable Valley   | 500                      | -   | -                      |                        |
| Waste Management: Solid Waste Management             | Furniture, Tools & Equipment: Solid Waste                                  | PC_0029             | Dignified Living               | 45                       | 45  | 50                     |                        |
| Waste Management: Solid Waste Management             | Integrated Waste Management Plan   | PC_0030             | Green and Sustainable Valley   | 100                      | -   | -                      |                        |
| Waste Management: Solid Waste Management             | Landfill Gas To Energy   | PC_0031             | Green and Sustainable Valley   | 8 000                    | 17 000  | -                      |                        |
| Waste Management: Solid Waste Management             | Major Drop-Offs: Construction - Franschoek                                 | PC_0032             | Green and Sustainable Valley   | 500                      | 500   | 3 000                  |                        |
| Waste Management: Solid Waste Management             | Major Drop-offs: Construction - Klapmuts                                   | PC_0033             | Green and Sustainable Valley   | -                        | -   | 7 000                  |                        |
| Waste Management: Solid Waste Management             | Mini Waste drop-off facilities at Inf Settlements                          | PC_0034             | Green and Sustainable Valley   | 100                      | 200   | 100                    |                        |
| Waste Management: Solid Waste Management             | Skips (5,5Kl)  | PC_0035             | Green and Sustainable Valley   | 300                      | 200   | -                      |                        |
| Waste Management: Solid Waste Management             | Street Refuse Bins   | PC_0036             | Green and Sustainable Valley   | 500                      | -   | -                      |                        |
| Waste Management: Solid Waste Management             | Transfer Station: Stellenbosch Planning and Design                         | PC_0037             | Green and Sustainable Valley   | -                        | -   | 1 000                  |                        |
| Waste Management: Solid Waste Management             | Vehicles: Solid Waste  | PC_0038             | Dignified Living               | -                        | 2 000   | 2 500                  |                        |
| Waste Management: Solid Waste Management             | Waste Biofuels   | PC_0039             | Green and Sustainable Valley   | 300                      | -   | -                      |                        |
| Waste Management: Solid Waste Management             | Waste Management Software  | PC_0040             | Green and Sustainable Valley   | 200                      | -   | -                      |                        |
| Waste Management: Solid Waste Management             | Waste Minimization Projects  | PC_0041             | Green and Sustainable Valley   | 500                      | -   | -                      |                        |
| Waste Management: Solid Waste Management             | Waste to Energy - Implementation   | PC_0042             | Green and Sustainable Valley   | 3 300                    | 1 000   | 1 000                  |                        |
| Electrical Services                                  | Ad-Hoc Provision of Streetlighting   | PC_0044             | Safe Valley                    | 2 150                    | 3 143   | 2 749                  |                        |
| Electrical Services                                  | Automatic Meter Reader   | PC_0046             | Green and Sustainable Valley   | 400                      | 400   | 400                    |                        |
| Electrical Services                                  | Bien don 66/11kV substation new  | PC_0047             | Valley of Possibility          | 2 600                    | 25 000  | 25 000                 |                        |
| Electrical Services                                  | Cable replacement 66kV   | PC_0048             | Valley of Possibility          | -                        | -   | 400                    |                        |
| Electrical Services                                  | DSM Geyser Control   | PC_0049             | Green and Sustainable Valley   | 450                      | 450   | 450                    |                        |

| Function                             | Project Description   | Project Number | Own Strategic Objectives       | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
|--------------------------------------|---|----------------|--------------------------------|---------------------|------------------------|------------------------|
| Electrical Services                  | Electricity Network: Pniel  | PC_0050        | Valley of Possibility          | 3 500               | 3 500                  | 3 500                  |
| Electrical Services                  | Electrification INEP  | PC_0051        | Valley of Possibility          | -                   | 6 000                  | 6 269                  |
| Electrical Services                  | Energy Balancing - Metering and Mini-Substations                      | PC_0052        | Valley of Possibility          | 250                 | 250                    | 250                    |
| Electrical Services                  | Energy Efficiency and Demand Side Management                          | PC_0053        | Green and Sustainable Valley   | 1 000               | 1 000                  | 1 000                  |
| Electrical Services                  | Enkanini Informal Phase 3   | PC_0054        | Valley of Possibility          | 24 050              | -                      | -                      |
| Electrical Services                  | Feeder cable (Watergang to Enkanini) 11kV 95cu                        | PC_0055        | Valley of Possibility          | 4 300               | -                      | -                      |
| Electrical Services                  | General System Improvements - Franschoek                              | PC_0056        | Valley of Possibility          | 2 000               | 2 000                  | 2 000                  |
| Electrical Services                  | General Systems Improvements - Stellenbosch                           | PC_0057        | Valley of Possibility          | 3 700               | 3 800                  | 4 000                  |
| Electrical Services                  | Infrastructure Improvement - Franschoek                               | PC_0058        | Valley of Possibility          | 1 500               | 1 500                  | 1 500                  |
| Electrical Services                  | Jan Marais Upgrade: Remove Existing Tx and replace with 20MVA         | PC_0059        | Valley of Possibility          | 6 600               | -                      | -                      |
| Electrical Services                  | Kayamandi(Costa grounds)new substation 11 kV switching station        | PC_0060        | Valley of Possibility          | -                   | 300                    | 30 000                 |
| Electrical Services                  | Laterra Substation  | PC_0061        | Valley of Possibility          | 14 200              | 100                    | 226                    |
| Electrical Services                  | Masterplan update   | PC_0062        | Valley of Possibility          | 600                 | -                      | -                      |
| Electrical Services                  | Meter Panels  | PC_0063        | Green and Sustainable Valley   | 250                 | 250                    | 250                    |
| Electrical Services                  | Network Cable Replace 11 Kv   | PC_0064        | Valley of Possibility          | 3 000               | 3 000                  | 3 000                  |
| Electrical Services                  | Replace Control Panels 66 kV & Circuit breakers                       | PC_0065        | Green and Sustainable Valley   | -                   | -                      | 8 600                  |
| Electrical Services                  | Replace Ineffective Meters  | PC_0066        | Green and Sustainable Valley   | 150                 | 250                    | -                      |
| Electrical Services                  | Replace Switchgear - Franschoek                                       | PC_0067        | Green and Sustainable Valley   | -                   | -                      | 9 500                  |
| Electrical Services                  | Small Capital: Fte Electrical Services                                | PC_0068        | Good Governance and Compliance | 100                 | 100                    | 100                    |
| Electrical Services                  | STB Switchgear (11kV) SF6   | PC_0069        | Valley of Possibility          | -                   | -                      | 27 607                 |
| Electrical Services                  | Substation 66kV equipment   | PC_0070        | Good Governance and Compliance | 4 381               | 2 184                  | 2 296                  |
| Electrical Services                  | System Control Centre & Upgrade Telemetry                             | PC_0071        | Good Governance and Compliance | 1 715               | 3 000                  | 2 075                  |
| Electrical Services                  | Third transformer and associated works 20MVA Cloetesville             | PC_0072        | Valley of Possibility          | -                   | -                      | 550                    |
| Electrical Services                  | Upgrade transformers at Main substation 7.5MVA to 20MVA               | PC_0073        | Valley of Possibility          | -                   | -                      | 500                    |
| Electrical Services                  | Upgrading of Offices Bellana  | PC_0074        | Valley of Possibility          | 500                 | 500                    | 500                    |
| Electrical Services                  | Vehicles: Electrical Services   | PC_0075        | Dignified Living               | -                   | -                      | 2 800                  |
| Project Management Unit (PMU)        | Kayamandi: Zone O (±711 services)                                     | PC_0076        | Dignified Living               | 13 350              | 6 000                  | -                      |
| Project Management Unit (PMU)        | Langrug Franschoek Mooiwater Dam Rehab & Basic Services               | PC_0077        | Dignified Living               | 4 500               | 15 180                 | -                      |
| Project Management Unit (PMU)        | Upgrading of The Steps/Orlean Lounge                                  | PC_0284        | Dignified Living               | 3 500               | -                      | -                      |
| Water and Wastewater Services: Water | Bulk Water Supply Klapmuts  | PC_0078        | Valley of Possibility          | 5 000               | -                      | -                      |
| Water and Wastewater Services: Water | Bulk Water Supply Pipe: Cloetesville/ Idas Valley                     | PC_0079        | Valley of Possibility          | -                   | -                      | 1 000                  |
| Water and Wastewater Services: Water | Bulk Water Supply Pipe and Reservoir: Kayamandi                       | PC_0080        | Valley of Possibility          | -                   | 1 500                  | 40 000                 |
| Water and Wastewater Services: Water | Bulk Water Supply Pipe Line & Pumpstations: Franschoek                | PC_0081        | Valley of Possibility          | -                   | 10 000                 | -                      |
| Water and Wastewater Services: Water | Bulk Water Supply Pipe: Idas Valley/Papegaaiberg and Network Upgrades | PC_0082        | Valley of Possibility          | -                   | 1 000                  | 1 000                  |
| Water and Wastewater Services: Water | Bulk Water Supply Pipeline & Reservoir - Jamestown                    | PC_0083        | Valley of Possibility          | 6 000               | 15 500                 | -                      |
| Water and Wastewater Services: Water | Bulk Water Upgrades Franschoek  | PC_0084        | Valley of Possibility          | -                   | -                      | 1 000                  |
| Water and Wastewater Services: Water | Chlorination Installation: Upgrade                                    | PC_0085        | Valley of Possibility          | 1 000               | 2 000                  | 2 000                  |
| Water and Wastewater Services: Water | Dwarsriver Bulk Supply Augmentation and Network Upgrades              | PC_0086        | Valley of Possibility          | 550                 | 7 000                  | -                      |
| Water and Wastewater Services: Water | Furniture, Tools & Equipment: Water                                   | PC_0087        | Dignified Living               | 150                 | 150                    | 150                    |
| Water and Wastewater Services: Water | New Developments Bulk Water Supply WC024                              | PC_0088        | Valley of Possibility          | -                   | 3 000                  | 3 500                  |
| Water and Wastewater Services: Water | New Reservoir & Pipeline: Vlottenburg                                 | PC_0089        | Valley of Possibility          | 20 569              | 39 000                 | 45 000                 |
| Water and Wastewater Services: Water | Reservoirs and Dam Safety   | PC_0091        | Valley of Possibility          | 1 500               | 2 000                  | -                      |
| Water and Wastewater Services: Water | Update Water Masterplan   | PC_0093        | Valley of Possibility          | 1 000               | 1 000                  | 1 000                  |



| Function                                  | Project Description  | Project Number | Own Strategic Objectives | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
|---|--|----------------|--------------------------|---------------------|------------------------|------------------------|
| Water and Wastewater Services: Water      | Upgrade and Replace Water Meters                                   | PC_0094        | Valley of Possibility    | 2 500               | 2 500                  | -                      |
| Water and Wastewater Services: Water      | Vehicles: Water  | PC_0095        | Dignified Living         | -                   | -                      | 1 000                  |
| Water and Wastewater Services: Water      | Water Conservation & Demand Management                             | PC_0096        | Valley of Possibility    | 2 000               | 2 000                  | 2 000                  |
| Water and Wastewater Services: Water      | Water Telemetry Upgrade  | PC_0097        | Valley of Possibility    | 1 500               | 1 500                  | 1 500                  |
| Water and Wastewater Services: Water      | Water Treatment Works: Franschhoek                                 | PC_0098        | Valley of Possibility    | 500                 | 2 500                  | -                      |
| Water and Wastewater Services: Water      | Water Treatment Works: Idasvalley                                  | PC_0099        | Valley of Possibility    | -                   | 1 000                  | 3 000                  |
| Water and Wastewater Services: Water      | Waterpipe Replacement  | PC_0100        | Valley of Possibility    | 4 000               | 4 000                  | 4 000                  |
| Water and Wastewater Services: Water      | WSDP (tri-annually)  | PC_0101        | Valley of Possibility    | 400                 | 400                    | -                      |
| Water and Wastewater Services: Sanitation | New Development Bulk Sewer Supply WC024                            | PC_0102        | Valley of Possibility    | 1 000               | 2 000                  | 2 000                  |
| Water and Wastewater Services: Sanitation | Sewerpipe Replacement: Dorp Straat                                 | PC_0103        | Dignified Living         | -                   | 2 000                  | 18 000                 |
| Water and Wastewater Services: Sanitation | Sewer Pumpstation & Telemetry Upgrade                              | PC_0104        | Dignified Living         | 500                 | 500                    | -                      |
| Water and Wastewater Services: Sanitation | Sewerpipe Replacement  | PC_0105        | Dignified Living         | 4 000               | 4 000                  | 4 000                  |
| Water and Wastewater Services: Sanitation | Specialized Vehicles: Sanitation                                   | PC_0106        | Dignified Living         | -                   | -                      | 4 500                  |
| Water and Wastewater Services: Sanitation | Update Sewer Masterplan  | PC_0107        | Dignified Living         | 500                 | 500                    | 500                    |
| Water and Wastewater Services: Sanitation | Compilation of Water Service Development Plan (tri-annually)       | PC_0108        | Dignified Living         | 300                 | 300                    | 300                    |
| Water and Wastewater Services: Sanitation | Upgrade of WWTW: Pniel & Decommissioning Of Franschhoek            | PC_0109        | Dignified Living         | 14 000              | -                      | -                      |
| Water and Wastewater Services: Sanitation | Upgrade of WWTW: Klapmuts  | PC_0110        | Dignified Living         | 7 500               | 8 500                  | -                      |
| Water and Wastewater Services: Sanitation | Upgrade of WWTW Wemmershoek  | PC_0111        | Dignified Living         | 17 500              | 17 500                 | 17 500                 |
| Water and Wastewater Services: Sanitation | Extention Of WWTW: Stellenbosch                                    | PC_0112        | Dignified Living         | -                   | 2 000                  | 4 000                  |
| Water and Wastewater Services: Sanitation | Refurbish Plant & Equipment - Raitlby WWTW                         | PC_0113        | Dignified Living         | 2 000               | 4 000                  | 1 000                  |
| Water and Wastewater Services: Sanitation | Furniture, Tools & Equipment: Sanitation                           | PC_0114        | Dignified Living         | 300                 | 300                    | 400                    |
| Water and Wastewater Services: Sanitation | Upgrade Laboratory Equipment                                       | PC_0115        | Dignified Living         | -                   | -                      | 500                    |
| Water and Wastewater Services: Sanitation | Upgrade Auto-Samplers  | PC_0116        | Dignified Living         | 200                 | 200                    | -                      |
| Water and Wastewater Services: Sanitation | Cloetesville Bulk Sewer Upgrade                                    | PC_0118        | Dignified Living         | -                   | 1 000                  | -                      |
| Water and Wastewater Services: Sanitation | Dorp Street Bulk Sewer Upgrade                                     | PC_0119        | Dignified Living         | -                   | -                      | 500                    |
| Water and Wastewater Services: Sanitation | Effluent Recycling of Waste Water 10MI per day                     | PC_0120        | Dignified Living         | 500                 | -                      | -                      |
| Water and Wastewater Services: Sanitation | Franschhoek Sewer Network Upgrade (Langrug/Mooiwater)              | PC_0121        | Dignified Living         | 6 000               | 6 000                  | -                      |
| Water and Wastewater Services: Sanitation | Industrial Effluent Monitoring                                     | PC_0122        | Dignified Living         | 1 500               | 1 500                  | -                      |
| Water and Wastewater Services: Sanitation | Kayamandi Bulk Sewer   | PC_0123        | Dignified Living         | -                   | 5 000                  | -                      |
| Water and Wastewater Services: Sanitation | Vehicles: Sanitation   | PC_0126        | Dignified Living         | 1 500               | -                      | 2 500                  |
| Roads and Stormwater                      | Adhoc Reconstruction Of Roads (WC024)                              | PC_0127        | Valley of Possibility    | 3 000               | 3 000                  | 3 000                  |
| Roads and Stormwater                      | Bridge Construction  | PC_0128        | Valley of Possibility    | 15 000              | 5 000                  | -                      |
| Roads and Stormwater                      | Devon Valley Rd  | PC_0129        | Valley of Possibility    | -                   | 700                    | -                      |
| Roads and Stormwater                      | Furniture, Tools & Equipment: Rds&Stw                              | PC_0130        | Dignified Living         | 400                 | 400                    | 400                    |
| Roads and Stormwater                      | Gravel Roads Devon Valley - Safety Improvements Structural Repairs | PC_0131        | Valley of Possibility    | -                   | -                      | 500                    |
| Roads and Stormwater                      | Klapmuts Transport Network   | PC_0132        | Valley of Possibility    | -                   | 600                    | -                      |
| Roads and Stormwater                      | Lanquedoc Access road and Bridge                                   | PC_0133        | Valley of Possibility    | -                   | 5 000                  | 15 000                 |
| Roads and Stormwater                      | Parking Area Upgrades - Franschhoek                                | PC_0134        | Valley of Possibility    | 711                 | -                      | -                      |
| Roads and Stormwater                      | Parking Area Upgrades - Stellenbosch                               | PC_0135        | Valley of Possibility    | 800                 | -                      | -                      |
| Roads and Stormwater                      | Reseal Roads - Klapmuts & Surrounding                              | PC_0136        | Valley of Possibility    | -                   | 1 250                  | -                      |
| Roads and Stormwater                      | Reseal Roads - Kylemore & Surrounding                              | PC_0137        | Valley of Possibility    | 1 500               | -                      | -                      |
| Roads and Stormwater                      | Reseal Roads - Stellenbosch & Surrounding                          | PC_0138        | Valley of Possibility    | 4 000               | 5 000                  | 5 000                  |
| Roads and Stormwater                      | Reseal Roads - Franschhoek & Surrounding                           | PC_0139        | Valley of Possibility    | -                   | 2 000                  | -                      |

| Function             | Project Description   | Project Number | Own Strategic Objectives       | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
|----------------------|---|----------------|--------------------------------|---------------------|------------------------|------------------------|
| Roads and Stormwater | River Rehabilitation Implementation   | PC_0140        | Valley of Possibility          | -                   | 1 000                  | -                      |
| Roads and Stormwater | Rivers Rehabilitation Planning & Design   | PC_0141        | Valley of Possibility          | 500                 | -                      | -                      |
| Roads and Stormwater | Specialized Vehicles: Roads   | PC_0142        | Dignified Living               | -                   | 2 500                  | 2 000                  |
| Roads and Stormwater | Stormwater Drainage - Kayamandi and Enkanini  | PC_0143        | Valley of Possibility          | -                   | 2 000                  | 2 277                  |
| Roads and Stormwater | Stormwater Retention Facilities   | PC_0144        | Valley of Possibility          | -                   | -                      | 1 500                  |
| Roads and Stormwater | Update Pavement Management System   | PC_0145        | Valley of Possibility          | -                   | 1 000                  | -                      |
| Roads and Stormwater | Update Stormwater Masterplan  | PC_0146        | Valley of Possibility          | -                   | 1 000                  | -                      |
| Roads and Stormwater | Wilderbosch Extesion to Trumali   | PC_0147        | Valley of Possibility          | 1 500               | -                      | -                      |
| Traffic Engineering  | Bird Street Dualling - Adam Tas to Kayamandi  | PC_0148        | Valley of Possibility          | 500                 | 500                    | 5 000                  |
| Traffic Engineering  | Endler & Martinson Street Intersection Upgrade  | PC_0149        | Valley of Possibility          | 1 000               | -                      | -                      |
| Traffic Engineering  | Furniture, Tools & Equipment: Traffic Engineering   | PC_0150        | Dignified Living               | 150                 | 150                    | 150                    |
| Traffic Engineering  | Jamestown Transport Network   | PC_0151        | Valley of Possibility          | 3 000               | 3 000                  | -                      |
| Traffic Engineering  | Main Road Intersection Improvements: Franschoek   | PC_0152        | Valley of Possibility          | 3 000               | 10 000                 | -                      |
| Traffic Engineering  | Main Road Intersection Improvements: Franschoek   | PC_0153        | Valley of Possibility          | -                   | -                      | 2 130                  |
| Traffic Engineering  | Main road intersection improvements: Helshoogte rd/La Colline                                       | PC_0154        | Valley of Possibility          | 3 000               | 3 000                  | -                      |
| Traffic Engineering  | Main Road Intersection Improvements: R44 / Merriman Street  | PC_0155        | Valley of Possibility          | 1 000               | -                      | 4 000                  |
| Traffic Engineering  | Main Road Intersection Improvements: Strand / Adam Tas / Alexander                                  | PC_0156        | Valley of Possibility          | 1 000               | -                      | 4 000                  |
| Traffic Engineering  | Optic Fibre for Traffic Signal Remote Management System   | PC_0157        | Valley of Possibility          | 500                 | 500                    | -                      |
| Traffic Engineering  | Pedestrian Crossing Implementation  | PC_0158        | Safe Valley                    | 300                 | 300                    | -                      |
| Traffic Engineering  | Raised Intersection Implementation  | PC_0159        | Safe Valley                    | 600                 | -                      | 600                    |
| Traffic Engineering  | Road Safety Improvements  | PC_0160        | Safe Valley                    | -                   | -                      | 500                    |
| Traffic Engineering  | Signalisation implementation  | PC_0161        | Safe Valley                    | 500                 | 500                    | -                      |
| Traffic Engineering  | Specialized Equipment: Roadmarking Machine + Trailer  | PC_0162        | Safe Valley                    | -                   | -                      | 500                    |
| Traffic Engineering  | Traffic Calming Projects: Implementation  | PC_0163        | Safe Valley                    | 300                 | 300                    | -                      |
| Traffic Engineering  | Traffic Management Improvement Programme  | PC_0164        | Safe Valley                    | 1 000               | 1 000                  | -                      |
| Traffic Engineering  | Traffic Signal Control: Installation and Upgrading of Traffic Signals and Associated Components     | PC_0165        | Safe Valley                    | 1 500               | 500                    | 500                    |
| Traffic Engineering  | Universal Access Implementation   | PC_0167        | Valley of Possibility          | 200                 | 200                    | -                      |
| Transport Planning   | Adam Tas - Technopark Link Road   | PC_0168        | Safe Valley                    | 3 000               | 3 000                  | 5 000                  |
| Transport Planning   | Adam Tas - Corridor Transport   | PC_0169        | Safe Valley                    | 500                 | 1 000                  | -                      |
| Transport Planning   | Bicycle Lockup Facilities   | PC_0170        | Safe Valley                    | 300                 | 300                    | -                      |
| Transport Planning   | Comprehensive Integrated Transport Plan   | PC_0171        | Green and Sustainable Valley   | 600                 | 600                    | 600                    |
| Transport Planning   | Continued feasibility studies to establish a transport operating company                            | PC_0172        | Safe Valley                    | -                   | -                      | 600                    |
| Transport Planning   | Cycle Plan - Design & Implementation  | PC_0173        | Safe Valley                    | 500                 | 500                    | -                      |
| Transport Planning   | Development of business model for a Transport service for persons with disabilities in Stellenbosch | PC_0174        | Safe Valley                    | 600                 | -                      | -                      |
| Transport Planning   | Freight Strategy for Stellenbosch & Franschoek  | PC_0175        | Safe Valley                    | -                   | 500                    | -                      |
| Transport Planning   | Khayamandi Pedestrian Bridge (R304, River and Railway Line)   | PC_0176        | Safe Valley                    | 9 000               | 16 000                 | -                      |
| Transport Planning   | Non-Motorised Transport Implementation  | PC_0177        | Good Governance and Compliance | 1 000               | 1 000                  | -                      |
| Transport Planning   | Park and Ride (Transport Interchange)   | PC_0178        | Safe Valley                    | 250                 | 250                    | -                      |
| Transport Planning   | Pedestrian Streets in Stellenbosch  | PC_0179        | Safe Valley                    | -                   | -                      | 1 700                  |
| Transport Planning   | Public Transport Infrastructure ( Public Transport Shelters & Embayments)                           | PC_0180        | Valley of Possibility          | -                   | -                      | 400                    |
| Transport Planning   | Public Transport Planning - WC024   | PC_0181        | Valley of Possibility          | -                   | 600                    | -                      |
| Transport Planning   | Public Transport Service (Inclusive of Disabled)  | PC_0182        | Valley of Possibility          | -                   | -                      | 500                    |
| Transport Planning   | Re-design of Bergzicht Public Transport Facility  | PC_0183        | Valley of Possibility          | 2 500               | -                      | -                      |

| Function                                 | Project Description  | Project Number | Own Strategic Objectives       | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
|--|--|----------------|--------------------------------|---------------------|------------------------|------------------------|
| Transport Planning                       | Stellenbosch - Bicycle network                                 | PC_0184        | Valley of Possibility          | 500                 | 1 000                  | -                      |
| Transport Planning                       | Stellenbosch Tour Bus Parking                                  | PC_0185        | Valley of Possibility          | 200                 | 600                    | -                      |
| Transport Planning                       | Technopark Kerb and Channel Upgrade                            | PC_0187        | Safe Valley                    | -                   | -                      | 1 500                  |
| Transport Planning                       | Update Roads Master Plan for WC024                             | PC_0188        | Good Governance and Compliance | -                   | -                      | 2 000                  |
| Community Development                    | Furniture, Tools & Equipment: Comm Development                 | PC_0208        | Good Governance and Compliance | 50                  | 55                     | 60                     |
| Community Services: Library Services     | Furniture, Tools & Equipment: Pniel Library                    | PC_0210        | Good Governance and Compliance | -                   | 20                     | -                      |
| Community Services: Library Services     | Library Books  | PC_0211        | Good Governance and Compliance | 180                 | -                      | -                      |
| Community Services: Library Services     | Upgrading: Cloetesville Library                                | PC_0212        | Dignified Living               | -                   | 180                    | -                      |
| Halls                                    | Community Hall   | PC_0213        | Dignified Living               | -                   | 200                    | 1 500                  |
| Halls                                    | Furniture, Tools & Equipment: Halls                            | PC_0214        | Good Governance and Compliance | 150                 | 150                    | -                      |
| Halls                                    | Upgrading of Halls   | PC_0215        | Dignified Living               | -                   | -                      | 250                    |
| Sports Grounds and Picnic Sites          | Borehole: Rural Sportsgrounds                                  | PC_0216        | Dignified Living               | -                   | -                      | 1 100                  |
| Sports Grounds and Picnic Sites          | Cricket/Tennis Nets  | PC_0218        | Valley of Possibility          | 150                 | -                      | -                      |
| Sports Grounds and Picnic Sites          | Fencing of Netball Courts                                      | PC_0220        | Safe Valley                    | -                   | 350                    | -                      |
| Sports Grounds and Picnic Sites          | Fencing: Sport Grounds (WC024)                                 | PC_0221        | Safe Valley                    | -                   | -                      | 1 750                  |
| Sports Grounds and Picnic Sites          | Furniture, Tools & Equipment: Sports                           | PC_0222        | Good Governance and Compliance | -                   | -                      | 400                    |
| Sports Grounds and Picnic Sites          | Install Prepaid Meters at Sports Facilities                    | PC_0223        | Dignified Living               | -                   | -                      | 200                    |
| Sports Grounds and Picnic Sites          | Installation of Boreholes                                      | PC_0224        | Dignified Living               | -                   | -                      | 1 500                  |
| Sports Grounds and Picnic Sites          | Jonkershoek Picnic Site upgrades                               | PC_0225        | Valley of Possibility          | 250                 | 500                    | -                      |
| Sports Grounds and Picnic Sites          | Kayamandi Sports Ground  | PC_0226        | Dignified Living               | -                   | 300                    | -                      |
| Sports Grounds and Picnic Sites          | La Motte Open Air Gym  | PC_0227        | Dignified Living               | -                   | 300                    | -                      |
| Sports Grounds and Picnic Sites          | Recreational Equipment Sport                                   | PC_0229        | Valley of Possibility          | 50                  | -                      | -                      |
| Sports Grounds and Picnic Sites          | Re-Surface of Netball/Tennis Courts                            | PC_0230        | Valley of Possibility          | 550                 | -                      | -                      |
| Sports Grounds and Picnic Sites          | Sight Screens/Pitch Covers Sports Grounds                      | PC_0231        | Valley of Possibility          | 100                 | -                      | -                      |
| Sports Grounds and Picnic Sites          | Sport Special Equipment  | PC_0232        | Valley of Possibility          | 300                 | -                      | -                      |
| Sports Grounds and Picnic Sites          | Upgrade of Irrigation System                                   | PC_0233        | Green and Sustainable Valley   | 200                 | -                      | -                      |
| Sports Grounds and Picnic Sites          | Upgrade of netball courts                                      | PC_0234        | Dignified Living               | -                   | -                      | 1 000                  |
| Sports Grounds and Picnic Sites          | Upgrade of Sport Facilities                                    | PC_0235        | Dignified Living               | 3 561               | 3 561                  | 3 000                  |
| Environmental Management: Implementation | Botmaskop: Security Fencing                                    | PC_0237        | Safe Valley                    | 3 500               | -                      | -                      |
| Environmental Management: Implementation | Furniture, Tools & Equipment: Environmental Management         | PC_0240        | Green and Sustainable Valley   | 100                 | -                      | -                      |
| Environmental Management: Implementation | Jonkershoek Picnic Site: Upgrade of Facilities.                | PC_0243        | Green and Sustainable Valley   | -                   | 700                    | -                      |
| Environmental Management: Implementation | Mont Rochelle Nature Reserve: Upgrade of Facilities            | PC_0244        | Good Governance and Compliance | -                   | 1 000                  | -                      |
| Environmental Management: Implementation | Papegaaiberg Nature Reserve                                    | PC_0245        | Good Governance and Compliance | 870                 | -                      | -                      |
| Environmental Management: Implementation | Specialized Equipment: Workshop                                | PC_0247        | Good Governance and Compliance | 750                 | -                      | 1 500                  |
| Environmental Management: Implementation | Specialized Vehicles: Workshop                                 | PC_0248        | Good Governance and Compliance | 800                 | 800                    | -                      |
| Environmental Management: Implementation | Vehicle Fleet: Workshop  | PC_0250        | Good Governance and Compliance | -                   | -                      | 100                    |
| Environmental Management: Implementation | Workshop: Upgrading of facilities                              | PC_0251        | Good Governance and Compliance | -                   | -                      | 3 500                  |
| Environmental Management: Urban Forestry | Design and implement electronic Urban Forestry management tool | PC_0238        | Good Governance and Compliance | 250                 | 250                    | 250                    |
| Environmental Management: Urban Forestry | Furniture, Tools & Equipment: Urban Forestry                   | PC_0241        | Valley of Possibility          | 500                 | -                      | 1 500                  |
| Environmental Management: Urban Forestry | Specialized equipment: Urban Forestry                          | PC_0246        | Good Governance and Compliance | 750                 | -                      | 1 500                  |
| Cemeteries                               | Extension of Cemetery Infrastructure                           | PC_0252        | Dignified Living               | 7 000               | 9 000                  | -                      |
| Cemeteries                               | New cemetery in Klapmuts area                                  | PC_0253        | Dignified Living               | -                   | 500                    | -                      |
| Cemeteries                               | Vehicle Fleet: Cemeteries                                      | PC_0254        | Good Governance and Compliance | -                   | -                      | 500                    |

| Function  | Project Description   | Project Number | Own Strategic Objectives       | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
|---|---|----------------|--------------------------------|---------------------|------------------------|------------------------|
| Parks and Cemeteries                            | Beautification of Parks and Cemeteries  | PC_0256        | Green and Sustainable Valley   | -                   | 300                    | 800                    |
| Parks and Cemeteries                            | Fencing :Parks and Gardens  | PC_0257        | Safe Valley                    | -                   | 200                    | 200                    |
| Parks and Cemeteries                            | Furniture, Tools & Equipment: Parks & Cemeteries  | PC_0258        | Good Governance and Compliance | -                   | -                      | 50                     |
| Parks and Cemeteries                            | Irrigation Systems  | PC_0259        | Green and Sustainable Valley   | 100                 | -                      | -                      |
| Parks and Cemeteries                            | Nursery: Facilities upgrade   | PC_0260        | Green and Sustainable Valley   | 50                  | -                      | -                      |
| Parks and Cemeteries                            | Pathways: Parks and Gardens   | PC_0261        | Green and Sustainable Valley   | 200                 | -                      | -                      |
| Parks and Cemeteries                            | Upgrading of Parks  | PC_0265        | Green and Sustainable Valley   | 1 166               | -                      | -                      |
| Parks and Cemeteries                            | Vehicle Fleet: Parks & Cemeteries   | PC_0266        | Good Governance and Compliance | -                   | -                      | 1 000                  |
| Disaster Management                             | Specialized Vehicles: Disaster Management   | PC_0267        | Safe Valley                    | 1 500               | -                      | -                      |
| Fire and Rescue Services                        | Furniture, Tools & Equipment: Fire  | PC_0268        | Good Governance and Compliance | 200                 | 200                    | 50                     |
| Fire and Rescue Services                        | Specialized Vehicles: Fire  | PC_0269        | Safe Valley                    | -                   | 2 500                  | -                      |
| Fire and Rescue Services                        | Fire Station - Jamestown  | PC_0283        | Safe Valley                    | 200                 | 300                    | 1 000                  |
| Law Enforcement and Security                    | Furniture, Tools & Equipment: Law Enforcement   | PC_0270        | Good Governance and Compliance | 150                 | 150                    | 200                    |
| Law Enforcement and Security                    | Install and Upgrade CCTV/ LPR Cameras In WC024  | PC_0271        | Safe Valley                    | 1 000               | 1 000                  | 2 000                  |
| Law Enforcement and Security                    | Install Computerized Access Security Systems and CCTV Cameras At Municipal Buildings        | PC_0272        | Safe Valley                    | 1 200               | 1 200                  | 1 000                  |
| Law Enforcement and Security                    | Law Enforcement Tools and Equipment   | PC_0273        | Safe Valley                    | 300                 | -                      | 300                    |
| Law Enforcement and Security                    | Neighborhood Watch Safety equipment   | PC_0274        | Safe Valley                    | 500                 | 250                    | 250                    |
| Law Enforcement and Security                    | Security Upgrades   | PC_0275        | Safe Valley                    | -                   | -                      | 650                    |
| Law Enforcement and Security                    | Vehicle Fleet: Law Enforcement  | PC_0276        | Good Governance and Compliance | -                   | -                      | 2 500                  |
| Traffic Services                                | Furniture, Tools & Equipment: Traffic Services  | PC_0277        | Good Governance and Compliance | 224                 | 130                    | 45                     |
| Traffic Services                                | Specialized Equipment: Traffic  | PC_0278        | Good Governance and Compliance | -                   | -                      | 1 500                  |
| Traffic Services                                | Specialized Vehicles: Traffic   | PC_0280        | Good Governance and Compliance | -                   | -                      | 1 200                  |
| Traffic Services                                | Vehicle Fleet: Traffic  | PC_0281        | Good Governance and Compliance | -                   | 1 750                  | -                      |
| Information and Communications Technology (ICT) | Public WI-FI Network  | PC_0189        | Valley of Possibility          | 700                 | 700                    | 700                    |
| Information and Communications Technology (ICT) | Purchase and Replacement of Computer/software and Peripheral devices                        | PC_0190        | Good Governance and Compliance | 600                 | 800                    | 800                    |
| Information and Communications Technology (ICT) | Upgrade and Expansion of IT Infrastructure Platforms (Including council chambers and fibre) | PC_0191        | Good Governance and Compliance | 5 500               | 3 500                  | 3 500                  |
| Properties and Municipal Building Maintenance   | Airconditioners   | PC_0192        | Dignified Living               | 300                 | 300                    | 500                    |
| Properties and Municipal Building Maintenance   | Early Childhood Development Centre  | PC_0193        | Valley of Possibility          | 500                 | -                      | -                      |
| Properties and Municipal Building Maintenance   | Upgrade Facilities for the Disabled   | PC_0194        | Dignified Living               | 200                 | 200                    | 300                    |
| Properties and Municipal Building Maintenance   | Flats: Interior Upgrading - Kayamandi   | PC_0195        | Dignified Living               | 500                 | 1 000                  | 1 000                  |
| Properties and Municipal Building Maintenance   | Furniture, Tools & Equipment: Property Management   | PC_0196        | Good Governance and Compliance | 500                 | 250                    | 250                    |
| Properties and Municipal Building Maintenance   | Kayamandi: Upgrading of Makapula Hall   | PC_0197        | Dignified Living               | 2 000               | 1 000                  | -                      |
| Properties and Municipal Building Maintenance   | New Depot: La Motte   | PC_0198        | Good Governance and Compliance | -                   | -                      | 300                    |
| Properties and Municipal Building Maintenance   | Structural Improvement: General   | PC_0199        | Valley of Possibility          | 2 000               | 2 000                  | 3 000                  |
| Properties and Municipal Building Maintenance   | Structural improvements at the Van der Stel Sport grounds                                   | PC_0200        | Valley of Possibility          | 3 500               | -                      | -                      |
| Properties and Municipal Building Maintenance   | Structural Maintenance/Upgrade: Beltana   | PC_0201        | Valley of Possibility          | -                   | 2 000                  | 2 000                  |
| Properties and Municipal Building Maintenance   | Structural Upgrade: Economic Hub  | PC_0202        | Valley of Possibility          | 2 900               | 1 000                  | -                      |
| Properties and Municipal Building Maintenance   | Structural Upgrade: Kayamandi Corridor  | PC_0203        | Valley of Possibility          | 500                 | -                      | -                      |
| Properties and Municipal Building Maintenance   | Structural Upgrade: Heritage Building   | PC_0204        | Valley of Possibility          | 3 000               | 2 000                  | 2 000                  |
| Properties and Municipal Building Maintenance   | Upgrade Millenium Hall Priel  | PC_0205        | Dignified Living               | -                   | 200                    | 800                    |
| Properties and Municipal Building Maintenance   | Upgrading Fencing   | PC_0206        | Safe Valley                    | 200                 | 1 000                  | 1 000                  |
| Properties and Municipal Building Maintenance   | Upgrading of New Office Space: Ryneveld Street  | PC_0207        | Valley of Possibility          | 15 000              | -                      | -                      |
| Financial Management Services                   | Furniture, Tools & Equipment  | PC_0282        | Good Governance and Compliance | 250                 | 250                    | 250                    |

| Function   | Project Description | Project Number | Own Strategic Objectives | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
|--|---------------------|----------------|--------------------------|---------------------|------------------------|------------------------|
| Parent Capital expenditure   |                     |                |                          | 405 273             | 429 269                | 442 003                |
| <b>Entities:</b><br><i>List all capital projects grouped by Entity</i> |                     |                |                          |                     |                        |                        |
| <b>Entity A</b><br>Water project A                                     |                     |                |                          |                     |                        |                        |
| <b>Entity B</b><br>Electricity project B                               |                     |                |                          |                     |                        |                        |
| Entity Capital expenditure   |                     |                |                          | -                   | -                      | -                      |
| <b>Total Capital expenditure</b>                                       |                     |                |                          | 405 273             | 429 269                | 442 003                |

References

*Must reconcile with Budgeted Capital Expenditure*

Projects that fall above the threshold values applicable to the municipality as identified in regulation 13 of the Municipal Budget and Reporting Regulations must be listed individually. Other projects by Function

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

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

Distinguish projects approved in terms of MFMA section 19(1)(b) and MRRR Regulation 13

Project Number consists of MSCOA Project Longcode and seq No (sample PC001002006002\_00002)

- - 0

## WC024 Stellenbosch - Supporting Table SA37 Projects delayed from previous financial year/s

| R thousand   | Function   | Project name | Project number                 | Own Strategic Objectives | Current Year 2021/22 |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|--|--------------|--------------------------------|--------------------------|----------------------|--------------------|---|------------------------|------------------------|
|  |  |              |                                |                          | Original Budget      | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Parent municipality:</b>                          |  |              |                                |                          |                      |                    |   |                        |                        |
| <i>List all capital projects grouped by Function</i> |  |              |                                |                          |                      |                    |   |                        |                        |
| Electrical Services                                  | Bien don 66/11kV substation new ( new developm   | PC_0047      | Valley of Possibility          | 1 200                    | 300                  | 2 600              | 25 000  | 25 000                 |                        |
| Electrical Services                                  | Laterra Substation                               | PC_0061      | Valley of Possibility          | 8 372                    | 2 000                | 14 200             | 100   | 226                    |                        |
| Electrical Services                                  | Small Capital: Fte Electrical Services           | PC_0068      | Good Governance and Compliance | 500                      | 117                  | 100                | 100   | 100                    |                        |
| Electrical Services                                  | System Control Centre & Upgrade Telemetry        | PC_0071      | Good Governance and Compliance | 1 559                    | 903                  | 1 715              | 3 000   | 2 075                  |                        |
| Water Treatment                                      | New Reservoir & Pipeline: Vlottenburg            | PC_0089      | Valley of Possibility          | 40 000                   | 7 679                | 20 569             | 39 000  | 45 000                 |                        |
| Water Treatment                                      | Bulk Water Supply Pipeline & Reservoir - Jamest  | PC_0083      | Valley of Possibility          | 10 000                   | 1 000                | 6 000              | 15 500  | -                      |                        |
| Water & Wastewater Network Operations                | Upgrade of WWTW Wemmershoek                      | PC_0111      | Dignified Living               | 30 000                   | 27 500               | 17 500             | 17 500  | 17 500                 |                        |
| Water & Wastewater Network Operations                | Upgrade of WWTW: Pniel & Decommissioning Of      | PC_0109      | Dignified Living               | 48 000                   | 34 000               | 14 000             |   |                        |                        |
| Roads and Stormwater                                 | Bridge Construction                              | PC_0128      | Valley of Possibility          | 30 000                   | 15 000               | 15 000             | 5 000   | -                      |                        |
| Properties and Municipal Building Maintenance        | Kaymandi: Upgrading of Makapula Hall             | PC_0197      | Dignified Living               | 2 000                    | 100                  | 2 000              | 1 000   | -                      |                        |
| Properties and Municipal Building Maintenance        | Structural improvements at the Van der Stel Spor | PC_0200      | Valley of Possibility          | 2 600                    | 100                  | 3 500              | -   | -                      |                        |
| Properties and Municipal Building Maintenance        | Structural Upgrade: Jamestown Ward Office        | PC_0202      | Valley of Possibility          | 1 000                    | 100                  | 2 900              | 1 000   | -                      |                        |
| <b>Environmental Management: Implementatio</b>       | Papegaaiberg Nature Reserve                      | PC_0245      | Green and Sustainable Valley   | 870                      | -                    | 870                | -   | -                      |                        |
| <b>Entities:</b>                                     |  |              |                                |                          |                      |                    |   |                        |                        |
| <i>List all capital projects grouped by Entity</i>   |  |              |                                |                          |                      |                    |   |                        |                        |
| <b>Entity Name</b>                                   |  |              |                                |                          |                      |                    |   |                        |                        |
| <i>Project name</i>                                  |  |              |                                |                          |                      |                    |   |                        |                        |

References

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

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

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

Project Number consists of MSCOA Project Longcode and seq No (sample PC001002006002\_00002)

## WC024 Stellenbosch - Supporting Table SA38 Consolidated detailed operational projects

| Municipal Vote/Operational project                             | Program/Project description                                  | Project number | IDP Goal code<br>2             | 2022/23 Medium Term Revenue & Expenditure Framework |                           |                           |
|--|--|----------------|--------------------------------|---|---------------------------|---------------------------|
|  |  |                |                                | Budget Year<br>2022/23                              | Budget Year +1<br>2023/24 | Budget Year +2<br>2024/25 |
| <b>Parent municipality:</b>                                    |  |                |                                |   |                           |                           |
| <i>List all operational projects grouped by Municipal Vote</i> |  |                |                                |   |                           |                           |
| ADMIN BUILDINGS & HALLS: PNIEL                                 | Depreciation and asset impairment                            | PO_0154        | Good Governance and Compliance | 0   | 0                         | 0                         |
| CEMETERY: FRANSCHHOEK  | Employee related Cost  | PO_0149        | Good Governance and Compliance | 1 286   | 1 363                     | 1 445                     |
| CEMETERY: FRANSCHHOEK  | Depreciation and asset impairment                            | PO_0154        | Good Governance and Compliance | 0   | 0                         | 0                         |
| CEMETERY: FRANSCHHOEK  | Municipal Running Cost                                       | PO_MUN         | Good Governance and Compliance | -   | -                         | -                         |
| CEMETERY: STELLENBOSCH   | IG : MAINTENANCE & CLEANING OF ALIEN SPECIES                 | EPWP007        | Dignified Living               | 256   | -                         | -                         |
| CEMETERY: STELLENBOSCH   | RnM C: Furniture and Office Equipment                        | PO_0054        | Good Governance and Compliance | 225   | 250                       | 250                       |
| CEMETERY: STELLENBOSCH   | RnM P: Transport Assets                                      | PO_0059        | Good Governance and Compliance | 96  | 100                       | 104                       |
| CEMETERY: STELLENBOSCH   | City Cleanliness and Clean-up:Clean-up Actions               | PO_0085        | Valley of Possibility          | 1 000   | 1 000                     | 1 080                     |
| CEMETERY: STELLENBOSCH   | COVID 19 Expenditure   | PO_0103        | Safe Valley                    | 5   | 6                         | 7                         |
| CEMETERY: STELLENBOSCH   | Employee related Cost  | PO_0149        | Good Governance and Compliance | 2 412   | 2 557                     | 2 711                     |
| CEMETERY: STELLENBOSCH   | Depreciation and asset impairment                            | PO_0154        | Good Governance and Compliance | 315   | 330                       | 347                       |
| CEMETERY: STELLENBOSCH   | Municipal Running Cost                                       | PO_MUN         | Good Governance and Compliance | 451   | 463                       | 485                       |
| CLOETESVILLE SWIMMING POOL                                     | RnM P: Transport Assets                                      | PO_0059        | Good Governance and Compliance | 8   | 8                         | 8                         |
| CLOETESVILLE SWIMMING POOL                                     | City Cleanliness and Clean-up:Clean-up Actions               | PO_0085        | Valley of Possibility          | 46  | 49                        | 52                        |
| CLOETESVILLE SWIMMING POOL                                     | Employee related Cost  | PO_0149        | Good Governance and Compliance | 1 238   | 1 313                     | 1 391                     |
| CLOETESVILLE SWIMMING POOL                                     | Depreciation and asset impairment                            | PO_0154        | Good Governance and Compliance | 16  | 17                        | 18                        |
| CLOETESVILLE SWIMMING POOL                                     | Municipal Running Cost                                       | PO_MUN         | Good Governance and Compliance | 105   | 109                       | 114                       |
| COMMONAGE & PLANTATIONS  | IG: ALIEN CLEARING   | EPWP016        | Dignified Living               | 400   | -                         | -                         |
| COMMONAGE & PLANTATIONS  | FIELD RANGERS  | EPWP017        | Dignified Living               | 939   | 976                       | 1 015                     |
| COMMONAGE & PLANTATIONS  | RnM C: Furniture and Office Equipment                        | PO_0054        | Good Governance and Compliance | 95  | 99                        | 103                       |
| COMMONAGE & PLANTATIONS  | RnM P: Transport Assets                                      | PO_0059        | Good Governance and Compliance | 10  | 11                        | 11                        |
| COMMONAGE & PLANTATIONS  | City Cleanliness and Clean-up:Clean-up Actions               | PO_0085        | Valley of Possibility          | 200   | 208                       | 216                       |
| COMMONAGE & PLANTATIONS  | COVID 19 Expenditure   | PO_0103        | Safe Valley                    | 155   | 161                       | 168                       |
| COMMONAGE & PLANTATIONS  | Environmental: Catchment and Forestry                        | PO_0105        | Green and Sustainable Valley   | 3 640   | 3 786                     | 3 937                     |
| COMMONAGE & PLANTATIONS  | Rehabilitation and Beautification of Vleiland (Huis Horizon) | PO_0107        | Green and Sustainable Valley   | 1 248   | 1 298                     | 1 350                     |
| COMMONAGE & PLANTATIONS  | Employee related Cost  | PO_0149        | Good Governance and Compliance | 3 568   | 3 782                     | 4 009                     |
| COMMONAGE & PLANTATIONS  | Depreciation and asset impairment                            | PO_0154        | Good Governance and Compliance | 110   | 116                       | 122                       |
| COMMONAGE & PLANTATIONS  | Municipal Running Cost                                       | PO_MUN         | Good Governance and Compliance | 816   | 848                       | 882                       |
| COMMUNITY DEVELOPMENT  | IG : COMMUNITY DEV OFFICE ASSISTANT                          | EPWP006        | Dignified Living               | 43  | -                         | -                         |
| COMMUNITY DEVELOPMENT  | RnM P: Transport Assets                                      | PO_0059        | Good Governance and Compliance | 30  | 33                        | 35                        |
| COMMUNITY DEVELOPMENT  | Community Development Initiatives                            | PO_0087        | Valley of Possibility          | 7 191   | 7 513                     | 7 851                     |
| COMMUNITY DEVELOPMENT  | Workshop/Catering  | PO_0090        | Valley of Possibility          | 33  | 33                        | 33                        |
| COMMUNITY DEVELOPMENT  | COVID 19 Expenditure   | PO_0103        | Safe Valley                    | 5   | 5                         | 5                         |
| COMMUNITY DEVELOPMENT  | Municipal Properties   | PO_0124        | Valley of Possibility          | 90  | 90                        | 90                        |
| COMMUNITY DEVELOPMENT  | Occupational Health and Safety                               | PO_0125        | Good Governance and Compliance | 7   | 7                         | 8                         |
| COMMUNITY DEVELOPMENT  | Employee related Cost  | PO_0149        | Good Governance and Compliance | 5 077   | 5 387                     | 5 705                     |
| COMMUNITY DEVELOPMENT  | Depreciation and asset impairment                            | PO_0154        | Good Governance and Compliance | 6   | 6                         | 6                         |

| Municipal Vote/Operational project | Program/Project description                       | Project number | IDP Goal code<br>2             | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|------------------------------------|---|----------------|--------------------------------|---|------------------------|------------------------|
|                                    |   |                |                                | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand                         |   |                |                                |   |                        |                        |
| COMMUNITY DEVELOPMENT              | Youth:Elderly:Disability Projects                 | PO_0160        | Valley of Possibility          | 3 019   | 4 670                  | 5 137                  |
| COMMUNITY DEVELOPMENT              | Children:Gender:Homeless Projects                 | PO_0161        | Valley of Possibility          | 900   | 986                    | 1 127                  |
| COMMUNITY DEVELOPMENT              | Municipal Running Cost                            | PO_MUN         | Good Governance and Compliance | 243   | 271                    | 295                    |
| COMMUNITY HALL: KAYAMANDI          | Depreciation and asset impairment                 | PO_0154        | Good Governance and Compliance | 0   | 0                      | 0                      |
| COMMUNITY HALL: KAYAMANDI          | Municipal Running Cost                            | PO_MUN         | Good Governance and Compliance | 42  | 43                     | 45                     |
| COMMUNITY HALL: KYLEMORE           | Depreciation and asset impairment                 | PO_0154        | Good Governance and Compliance | 1   | 1                      | 1                      |
| COMMUNITY HALL: KYLEMORE           | Municipal Running Cost                            | PO_MUN         | Good Governance and Compliance | 18  | 19                     | 20                     |
| COMMUNITY HALL: LA MOTTE           | Municipal Running Cost                            | PO_MUN         | Good Governance and Compliance | 39  | 40                     | 42                     |
| COMMUNITY HALL: WEMMERSHOEK        | Depreciation and asset impairment                 | PO_0154        | Good Governance and Compliance | 1   | 1                      | 1                      |
| COMMUNITY SAFETY: GENERAL          | RnM C: Furniture and Office Equipment             | PO_0054        | Good Governance and Compliance | 3   | 4                      | 4                      |
| COMMUNITY SAFETY: GENERAL          | Workshops, Seminars and Subject Matter Training   | PO_0084        | Good Governance and Compliance | 92  | 92                     | 92                     |
| COMMUNITY SAFETY: GENERAL          | Functions and Events:Special Events and Functions | PO_0114        | Good Governance and Compliance | 101   | 103                    | 105                    |
| COMMUNITY SAFETY: GENERAL          | Specialised Project                               | PO_0132        | Safe Valley                    | 100   | 110                    | 120                    |
| COMMUNITY SAFETY: GENERAL          | Administrative Strategy and Planning              | PO_0138        | Good Governance and Compliance | 8   | 8                      | 9                      |
| COMMUNITY SAFETY: GENERAL          | Employee related Cost                             | PO_0149        | Good Governance and Compliance | 6 134   | 6 502                  | 6 892                  |
| COMMUNITY SAFETY: GENERAL          | Depreciation and asset impairment                 | PO_0154        | Good Governance and Compliance | 768   | 806                    | 846                    |
| COMMUNITY SAFETY: GENERAL          | Municipal Running Cost                            | PO_MUN         | Good Governance and Compliance | 532   | 538                    | 555                    |
| DISASTER MANAGEMENT                | IG : EPWP DISASTER ASSISTANTS                     | EPWP003        | Dignified Living               | 256   | -                      | -                      |
| DISASTER MANAGEMENT                | RnM C: Furniture and Office Equipment             | PO_0054        | Good Governance and Compliance | 8   | 8                      | 8                      |
| DISASTER MANAGEMENT                | RnM P: Transport Assets                           | PO_0059        | Good Governance and Compliance | 60  | 61                     | 62                     |
| DISASTER MANAGEMENT                | Disaster Relief                                   | PO_0104        | Safe Valley                    | 2 865   | 2 979                  | 3 099                  |
| DISASTER MANAGEMENT                | Employee related Cost                             | PO_0149        | Good Governance and Compliance | 2 024   | 2 145                  | 2 274                  |
| DISASTER MANAGEMENT                | Depreciation and asset impairment                 | PO_0154        | Good Governance and Compliance | 17  | 17                     | 18                     |
| DISASTER MANAGEMENT                | Municipal Running Cost                            | PO_MUN         | Good Governance and Compliance | 5   | 5                      | 5                      |
| EIKE TOWN HALL                     | Depreciation and asset impairment                 | PO_0154        | Good Governance and Compliance | 81  | 85                     | 89                     |
| EIKE TOWN HALL                     | Municipal Running Cost                            | PO_MUN         | Good Governance and Compliance | 26  | 27                     | 28                     |
| FIRE SERVICES                      | IG : EPWP FIRE ASSISTANTS                         | EPWP002        | Dignified Living               | 533   | -                      | -                      |
| FIRE SERVICES                      | RnM C: Furniture and Office Equipment             | PO_0054        | Good Governance and Compliance | 140   | 145                    | 150                    |
| FIRE SERVICES                      | RnM P: Transport Assets                           | PO_0059        | Good Governance and Compliance | 1 139   | 1 186                  | 1 234                  |
| FIRE SERVICES                      | COVID 19 Expenditure                              | PO_0103        | Safe Valley                    | 100   | 100                    | 100                    |
| FIRE SERVICES                      | Employee related Cost                             | PO_0149        | Good Governance and Compliance | 38 534  | 40 846                 | 43 297                 |
| FIRE SERVICES                      | Depreciation and asset impairment                 | PO_0154        | Good Governance and Compliance | 1 146   | 1 203                  | 1 263                  |
| FIRE SERVICES                      | Municipal Running Cost                            | PO_MUN         | Good Governance and Compliance | 6 165   | 6 461                  | 5 857                  |
| FORESTRY, PARKS & RECREATION       | RnM C: Furniture and Office Equipment             | PO_0054        | Good Governance and Compliance | 5   | 5                      | 5                      |
| FORESTRY, PARKS & RECREATION       | City Cleanliness and Clean-up:Clean-up Actions    | PO_0085        | Valley of Possibility          | 7   | 5                      | 5                      |
| FORESTRY, PARKS & RECREATION       | Functions and Events:Special Events and Functions | PO_0114        | Good Governance and Compliance | 30  | 33                     | 35                     |
| FORESTRY, PARKS & RECREATION       | Employee related Cost                             | PO_0149        | Good Governance and Compliance | 3 914   | 4 148                  | 4 397                  |
| FORESTRY, PARKS & RECREATION       | Depreciation and asset impairment                 | PO_0154        | Good Governance and Compliance | 1 199   | 1 259                  | 1 322                  |
| FORESTRY, PARKS & RECREATION       | Municipal Running Cost                            | PO_MUN         | Good Governance and Compliance | 490   | 509                    | 529                    |
| JAN MARAIS NATURE RESERVE          | IG: JAN MARIAS NATURE RESERVE                     | EPWP013        | Dignified Living               | 256   | -                      | -                      |



| Municipal Vote/Operational project | Program/Project description  | Project number | IDP Goal code<br>2             | 2022/23 Medium Term Revenue & Expenditure Framework |                           |                           |
|------------------------------------|--|----------------|--------------------------------|---|---------------------------|---------------------------|
|                                    |  |                |                                | Budget Year<br>2022/23                              | Budget Year +1<br>2023/24 | Budget Year +2<br>2024/25 |
| R thousand                         |  |                |                                |   |                           |                           |
| JAN MARAIS NATURE RESERVE          | RnM C: Community Assets: Community Facilities: Nature Reserves: Civil Structures | PO_0048        | Green and Sustainable Valley   | 62  | 65                        | 67                        |
| JAN MARAIS NATURE RESERVE          | COVID 19 Expenditure   | PO_0103        | Safe Valley                    | 52  | 54                        | 56                        |
| JAN MARAIS NATURE RESERVE          | Environmental: Catchment and Forestry  | PO_0105        | Green and Sustainable Valley   | 416   | 433                       | 450                       |
| JAN MARAIS NATURE RESERVE          | Environmental:Environmental Health   | PO_0108        | Green and Sustainable Valley   | 104   | 108                       | 112                       |
| JAN MARAIS NATURE RESERVE          | Employee related Cost  | PO_0149        | Good Governance and Compliance | 4 665   | 4 945                     | 5 242                     |
| JAN MARAIS NATURE RESERVE          | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 547   | 575                       | 604                       |
| JAN MARAIS NATURE RESERVE          | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 79  | 82                        | 85                        |
| JONKERSHOEK PICNIC SITE            | IG : EPWP JONKERSHOEK PICNIC SITE ASSISTANTS                                     | EPWP004        | Dignified Living               | 128   | -                         | -                         |
| JONKERSHOEK PICNIC SITE            | RnM C: Community Assets: Community Facilities: Parks: Civil Structures           | PO_0052        | Dignified Living               | 5   | 8                         | 9                         |
| JONKERSHOEK PICNIC SITE            | City Cleanliness and Clean-up:Clean-up Actions                                   | PO_0085        | Valley of Possibility          | 26  | 28                        | 30                        |
| JONKERSHOEK PICNIC SITE            | Employee related Cost  | PO_0149        | Good Governance and Compliance | 209   | 221                       | 235                       |
| JONKERSHOEK PICNIC SITE            | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 39  | 41                        | 43                        |
| JONKERSHOEK PICNIC SITE            | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 45  | 47                        | 49                        |
| LAW ENFORCEMENT                    | LAW ENFORCEMENT / SECURITY INFORMAL TRADING SITES                                | EPWP023        | Dignified Living               | 2 240   | 2 329                     | 2 423                     |
| LAW ENFORCEMENT                    | RnM C: Furniture and Office Equipment  | PO_0054        | Good Governance and Compliance | 300   | 312                       | 324                       |
| LAW ENFORCEMENT                    | RnM P: Furniture and Office Equipment  | PO_0055        | Good Governance and Compliance | 1 000   | 1 040                     | 1 082                     |
| LAW ENFORCEMENT                    | RnM P: Transport Assets  | PO_0059        | Good Governance and Compliance | 1 200   | 1 248                     | 1 298                     |
| LAW ENFORCEMENT                    | COVID 19 Expenditure   | PO_0103        | Safe Valley                    | 20  | 21                        | 22                        |
| LAW ENFORCEMENT                    | Integrated Public Transport Network  | PO_0121        | Valley of Possibility          | 50  | 52                        | 54                        |
| LAW ENFORCEMENT                    | Municipal Properties   | PO_0124        | Valley of Possibility          | 30 056  | 31 258                    | 32 509                    |
| LAW ENFORCEMENT                    | Reservist Law Enforcement Officers   | PO_0130        | Safe Valley                    | 500   | 520                       | 541                       |
| LAW ENFORCEMENT                    | Animal Care  | PO_0131        | Safe Valley                    | 47  | 49                        | 51                        |
| LAW ENFORCEMENT                    | Specialised Project  | PO_0132        | Safe Valley                    | 300   | 312                       | 324                       |
| LAW ENFORCEMENT                    | Employee related Cost  | PO_0149        | Good Governance and Compliance | 38 353  | 40 655                    | 43 094                    |
| LAW ENFORCEMENT                    | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 4 151   | 4 359                     | 4 576                     |
| LAW ENFORCEMENT                    | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 8 124   | 8 449                     | 8 787                     |
| LIBRARY: CLOETESVILLE              | RnM C: Furniture and Office Equipment  | PO_0054        | Good Governance and Compliance | 10  | 10                        | 10                        |
| LIBRARY: CLOETESVILLE              | RnM C: Transport Assets  | PO_0058        | Good Governance and Compliance | 1   | 1                         | 1                         |
| LIBRARY: CLOETESVILLE              | RnM P: Transport Assets  | PO_0059        | Good Governance and Compliance | 8   | 9                         | 9                         |
| LIBRARY: CLOETESVILLE              | RnM P: Community Assets: Community Facilities: Libraries: Buildings              | PO_0074        | Dignified Living               | 2   | 3                         | 3                         |
| LIBRARY: CLOETESVILLE              | Workshops, Seminars and Subject Matter Training                                  | PO_0084        | Good Governance and Compliance | 3   | 3                         | 3                         |
| LIBRARY: CLOETESVILLE              | City Cleanliness and Clean-up:Clean-up Actions                                   | PO_0085        | Valley of Possibility          | 5   | 5                         | 5                         |
| LIBRARY: CLOETESVILLE              | Community Development:Library Programmes   | PO_0094        | Valley of Possibility          | 7   | 7                         | 7                         |
| LIBRARY: CLOETESVILLE              | COVID 19 Expenditure   | PO_0103        | Safe Valley                    | 6   | 7                         | 7                         |
| LIBRARY: CLOETESVILLE              | Functions and Events:Special Events and Functions                                | PO_0114        | Good Governance and Compliance | 1   | 2                         | 2                         |
| LIBRARY: CLOETESVILLE              | Municipal Properties   | PO_0124        | Valley of Possibility          | 5   | 5                         | 5                         |
| LIBRARY: CLOETESVILLE              | Employee related Cost  | PO_0149        | Good Governance and Compliance | 832   | 882                       | 935                       |
| LIBRARY: CLOETESVILLE              | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 167   | 175                       | 184                       |
| LIBRARY: CLOETESVILLE              | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 107   | 111                       | 661                       |
| LIBRARY: FRANSCHHOEK               | RnM C: Furniture and Office Equipment  | PO_0054        | Good Governance and Compliance | 3   | 3                         | 3                         |

| Municipal Vote/Operational project | Program/Project description   | Project number | IDP Goal code<br>2             | 2022/23 Medium Term Revenue & Expenditure Framework |                           |                           |
|------------------------------------|---|----------------|--------------------------------|---|---------------------------|---------------------------|
|                                    |   |                |                                | Budget Year<br>2022/23                              | Budget Year +1<br>2023/24 | Budget Year +2<br>2024/25 |
| R thousand                         |   |                |                                |   |                           |                           |
| LIBRARY: FRANSCHHOEK               | RnM P: Furniture and Office Equipment                               | PO_0055        | Good Governance and Compliance | 2   | 3                         | 3                         |
| LIBRARY: FRANSCHHOEK               | RnM P: Transport Assets   | PO_0059        | Good Governance and Compliance | 22  | 22                        | 22                        |
| LIBRARY: FRANSCHHOEK               | RnM P: Community Assets: Community Facilities: Libraries: Buildings | PO_0074        | Dignified Living               | 3   | 3                         | 4                         |
| LIBRARY: FRANSCHHOEK               | Workshops, Seminars and Subject Matter Training                     | PO_0084        | Good Governance and Compliance | 8   | 9                         | 8                         |
| LIBRARY: FRANSCHHOEK               | Community Development:Library Programmes                            | PO_0094        | Valley of Possibility          | 2   | 3                         | 3                         |
| LIBRARY: FRANSCHHOEK               | COVID 19 Expenditure  | PO_0103        | Safe Valley                    | 16  | 17                        | 19                        |
| LIBRARY: FRANSCHHOEK               | Functions and Events:Special Events and Functions                   | PO_0114        | Good Governance and Compliance | 2   | 2                         | 2                         |
| LIBRARY: FRANSCHHOEK               | Municipal Properties  | PO_0124        | Valley of Possibility          | 1   | 1                         | 2                         |
| LIBRARY: FRANSCHHOEK               | Occupational Health and Safety                                      | PO_0125        | Good Governance and Compliance | 2   | 2                         | 3                         |
| LIBRARY: FRANSCHHOEK               | Employee related Cost   | PO_0149        | Good Governance and Compliance | 1 242   | 1 316                     | 1 395                     |
| LIBRARY: FRANSCHHOEK               | Depreciation and asset impairment                                   | PO_0154        | Good Governance and Compliance | 90  | 94                        | 99                        |
| LIBRARY: FRANSCHHOEK               | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 202   | 211                       | 219                       |
| LIBRARY: GROENDAL                  | RnM C: Furniture and Office Equipment                               | PO_0054        | Good Governance and Compliance | 10  | 10                        | 11                        |
| LIBRARY: GROENDAL                  | RnM C: Transport Assets   | PO_0058        | Good Governance and Compliance | 3   | 3                         | 3                         |
| LIBRARY: GROENDAL                  | RnM P: Transport Assets   | PO_0059        | Good Governance and Compliance | 17  | 17                        | 18                        |
| LIBRARY: GROENDAL                  | Workshops, Seminars and Subject Matter Training                     | PO_0084        | Good Governance and Compliance | 26  | 28                        | 28                        |
| LIBRARY: GROENDAL                  | Community Development:Library Programmes                            | PO_0094        | Valley of Possibility          | 123   | 127                       | 133                       |
| LIBRARY: GROENDAL                  | COVID 19 Expenditure  | PO_0103        | Safe Valley                    | 13  | 9                         | 10                        |
| LIBRARY: GROENDAL                  | Municipal Properties  | PO_0124        | Valley of Possibility          | 10  | 10                        | 11                        |
| LIBRARY: GROENDAL                  | Occupational Health and Safety                                      | PO_0125        | Good Governance and Compliance | 6   | 6                         | 6                         |
| LIBRARY: GROENDAL                  | Depreciation and asset impairment                                   | PO_0154        | Good Governance and Compliance | 2   | 2                         | 2                         |
| LIBRARY: GROENDAL                  | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 187   | 197                       | 205                       |
| LIBRARY: IDAS VALLEY               | RnM C: Furniture and Office Equipment                               | PO_0054        | Good Governance and Compliance | 2   | 2                         | 2                         |
| LIBRARY: IDAS VALLEY               | RnM P: Furniture and Office Equipment                               | PO_0055        | Good Governance and Compliance | 1   | 2                         | 2                         |
| LIBRARY: IDAS VALLEY               | RnM P: Transport Assets   | PO_0059        | Good Governance and Compliance | 14  | 15                        | 15                        |
| LIBRARY: IDAS VALLEY               | RnM P: Community Assets: Community Facilities: Libraries: Buildings | PO_0074        | Dignified Living               | 3   | 3                         | 4                         |
| LIBRARY: IDAS VALLEY               | Community Development:Library Programmes                            | PO_0094        | Valley of Possibility          | 15  | 15                        | 15                        |
| LIBRARY: IDAS VALLEY               | COVID 19 Expenditure  | PO_0103        | Safe Valley                    | 11  | 10                        | 10                        |
| LIBRARY: IDAS VALLEY               | Functions and Events:Special Events and Functions                   | PO_0114        | Good Governance and Compliance | 4   | 4                         | 4                         |
| LIBRARY: IDAS VALLEY               | Municipal Properties  | PO_0124        | Valley of Possibility          | 17  | 17                        | 18                        |
| LIBRARY: IDAS VALLEY               | Occupational Health and Safety                                      | PO_0125        | Good Governance and Compliance | 3   | 3                         | 3                         |
| LIBRARY: IDAS VALLEY               | Employee related Cost   | PO_0149        | Good Governance and Compliance | 1 439   | 1 526                     | 1 617                     |
| LIBRARY: IDAS VALLEY               | Depreciation and asset impairment                                   | PO_0154        | Good Governance and Compliance | 62  | 65                        | 68                        |
| LIBRARY: IDAS VALLEY               | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 125   | 132                       | 137                       |
| LIBRARY: KAYAMANDI                 | RnM C: Furniture and Office Equipment                               | PO_0054        | Good Governance and Compliance | 1   | 2                         | 2                         |
| LIBRARY: KAYAMANDI                 | RnM P: Transport Assets   | PO_0059        | Good Governance and Compliance | 6   | 6                         | 7                         |
| LIBRARY: KAYAMANDI                 | City Cleanliness and Clean-up:Clean-up Actions                      | PO_0085        | Valley of Possibility          | 5   | 5                         | 5                         |
| LIBRARY: KAYAMANDI                 | Community Development:Library Programmes                            | PO_0094        | Valley of Possibility          | 4   | 4                         | 5                         |
| LIBRARY: KAYAMANDI                 | COVID 19 Expenditure  | PO_0103        | Safe Valley                    | 30  | 29                        | 31                        |
| LIBRARY: KAYAMANDI                 | Municipal Properties  | PO_0124        | Valley of Possibility          | 3   | 3                         | 3                         |

| Municipal Vote/Operational project | Program/Project description  | Project number | IDP Goal code<br>2             | 2022/23 Medium Term Revenue & Expenditure Framework |                           |                           |
|------------------------------------|--|----------------|--------------------------------|---|---------------------------|---------------------------|
|                                    |  |                |                                | Budget Year<br>2022/23                              | Budget Year +1<br>2023/24 | Budget Year +2<br>2024/25 |
| R thousand                         |  |                |                                |   |                           |                           |
| LIBRARY: KAYAMANDI                 | Occupational Health and Safety   | PO_0125        | Good Governance and Compliance | 2   | 2                         | 2                         |
| LIBRARY: KAYAMANDI                 | Employee related Cost  | PO_0149        | Good Governance and Compliance | 743   | 787                       | 835                       |
| LIBRARY: KAYAMANDI                 | Depreciation and asset impairment                                      | PO_0154        | Good Governance and Compliance | 34  | 36                        | 37                        |
| LIBRARY: KAYAMANDI                 | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 151   | 157                       | 163                       |
| LIBRARY: PLEIN STREET              | RnM C: Furniture and Office Equipment                                  | PO_0054        | Good Governance and Compliance | 25  | 26                        | 27                        |
| LIBRARY: PLEIN STREET              | RnM P: Transport Assets  | PO_0059        | Good Governance and Compliance | 25  | 26                        | 27                        |
| LIBRARY: PLEIN STREET              | Workshops, Seminars and Subject Matter Training                        | PO_0084        | Good Governance and Compliance | 4   | 4                         | 4                         |
| LIBRARY: PLEIN STREET              | Community Development:Library Programmes                               | PO_0094        | Valley of Possibility          | 50  | 52                        | 54                        |
| LIBRARY: PLEIN STREET              | COVID 19 Expenditure   | PO_0103        | Safe Valley                    | 20  | 20                        | 21                        |
| LIBRARY: PLEIN STREET              | Occupational Health and Safety   | PO_0125        | Good Governance and Compliance | 3   | 3                         | 3                         |
| LIBRARY: PLEIN STREET              | Employee related Cost  | PO_0149        | Good Governance and Compliance | 11 817  | 9 197                     | 9 573                     |
| LIBRARY: PLEIN STREET              | Depreciation and asset impairment                                      | PO_0154        | Good Governance and Compliance | 265   | 279                       | 293                       |
| LIBRARY: PLEIN STREET              | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 332   | 345                       | 359                       |
| LIBRARY: PNIEL                     | RnM C: Furniture and Office Equipment                                  | PO_0054        | Good Governance and Compliance | 3   | 3                         | 3                         |
| LIBRARY: PNIEL                     | RnM P: Transport Assets  | PO_0059        | Good Governance and Compliance | 6   | 6                         | 7                         |
| LIBRARY: PNIEL                     | Community Development:Library Programmes                               | PO_0094        | Valley of Possibility          | 10  | 11                        | 11                        |
| LIBRARY: PNIEL                     | COVID 19 Expenditure   | PO_0103        | Safe Valley                    | 8   | 8                         | 8                         |
| LIBRARY: PNIEL                     | Functions and Events:Special Events and Functions                      | PO_0114        | Good Governance and Compliance | 1   | 1                         | 1                         |
| LIBRARY: PNIEL                     | Occupational Health and Safety   | PO_0125        | Good Governance and Compliance | 1   | 1                         | 1                         |
| LIBRARY: PNIEL                     | Employee related Cost  | PO_0149        | Good Governance and Compliance | 944   | 1 001                     | 1 061                     |
| LIBRARY: PNIEL                     | Depreciation and asset impairment                                      | PO_0154        | Good Governance and Compliance | 42  | 44                        | 46                        |
| LIBRARY: PNIEL                     | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 115   | 120                       | 125                       |
| NURSERY                            | ORNAMENTAL HORTICULTURE  | EPWP018        | Dignified Living               | 848   | 882                       | 917                       |
| NURSERY                            | RnM C: Community Assets: Community Facilities: Parks: Civil Structures | PO_0052        | Dignified Living               | 30  | 33                        | 36                        |
| NURSERY                            | RnM C: Furniture and Office Equipment                                  | PO_0054        | Good Governance and Compliance | 30  | 33                        | 35                        |
| NURSERY                            | RnM P: Transport Assets  | PO_0059        | Good Governance and Compliance | 50  | 55                        | 60                        |
| NURSERY                            | Employee related Cost  | PO_0149        | Good Governance and Compliance | 1 390   | 1 473                     | 1 561                     |
| NURSERY                            | Depreciation and asset impairment                                      | PO_0154        | Good Governance and Compliance | 35  | 36                        | 38                        |
| NURSERY                            | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 359   | 380                       | 403                       |
| PARKING AREAS & PARKING            | Depreciation and asset impairment                                      | PO_0154        | Good Governance and Compliance | 0   | 0                         | 0                         |
| PARKS & SIDEWALKS: FRANSCHHOEK     | IG : PARKS FHK MAINTENANCE & CLEANING                                  | EPWP005        | Dignified Living               | 320   | -                         | -                         |
| PARKS & SIDEWALKS: FRANSCHHOEK     | RnM C: Furniture and Office Equipment                                  | PO_0054        | Good Governance and Compliance | 4   | 5                         | 5                         |
| PARKS & SIDEWALKS: FRANSCHHOEK     | RnM C: Transport Assets  | PO_0058        | Good Governance and Compliance | 45  | 50                        | 55                        |
| PARKS & SIDEWALKS: FRANSCHHOEK     | RnM P: Transport Assets  | PO_0059        | Good Governance and Compliance | 136   | 142                       | 148                       |
| PARKS & SIDEWALKS: FRANSCHHOEK     | City Cleanliness and Clean-up:Clean-up Actions                         | PO_0085        | Valley of Possibility          | 1 020   | 1 030                     | 1 040                     |
| PARKS & SIDEWALKS: FRANSCHHOEK     | Employee related Cost  | PO_0149        | Good Governance and Compliance | 2 950   | 3 127                     | 3 315                     |
| PARKS & SIDEWALKS: FRANSCHHOEK     | Depreciation and asset impairment                                      | PO_0154        | Good Governance and Compliance | 51  | 53                        | 56                        |
| PARKS & SIDEWALKS: FRANSCHHOEK     | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 1 052   | 1 092                     | 1 135                     |
| PARKS & SIDEWALKS: STELLENBOSC     | STELLENBOSCH PARK WARDENS  | EPWP008        | Dignified Living               | 581   | 605                       | 629                       |
| PARKS & SIDEWALKS: STELLENBOSC     | RnM C: Furniture and Office Equipment                                  | PO_0054        | Good Governance and Compliance | 8   | 9                         | 10                        |

| Municipal Vote/Operational project | Program/Project description  | Project number | IDP Goal code<br>2             | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|------------------------------------|--|----------------|--------------------------------|---|------------------------|------------------------|
|                                    |  |                |                                | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand                         |  |                |                                |   |                        |                        |
| PARKS & SIDEWALKS: STELLENBOSC     | RnM P: Transport Assets  | PO_0059        | Good Governance and Compliance | 480   | 460                    | 480                    |
| PARKS & SIDEWALKS: STELLENBOSC     | RnM P: Community Assets: Community Facilities: Parks: External Facilities                      | PO_0060        | Dignified Living               | 1 575   | 1 600                  | 1 750                  |
| PARKS & SIDEWALKS: STELLENBOSC     | City Cleanliness and Clean-up:Clean-up Actions   | PO_0085        | Valley of Possibility          | 2 150   | 2 200                  | 2 370                  |
| PARKS & SIDEWALKS: STELLENBOSC     | Parks Programme  | PO_0127        | Valley of Possibility          | 310   | 332                    | 313                    |
| PARKS & SIDEWALKS: STELLENBOSC     | Employee related Cost  | PO_0149        | Good Governance and Compliance | 11 930  | 12 646                 | 13 405                 |
| PARKS & SIDEWALKS: STELLENBOSC     | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 2 247   | 2 359                  | 2 477                  |
| PARKS & SIDEWALKS: STELLENBOSC     | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 1 067   | 1 114                  | 1 146                  |
| RHENISH COMPLEX                    | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 1   | 1                      | 1                      |
| SPORTS GROUNDS: CLOETESVILLE       | RnM P: Transport Assets  | PO_0059        | Good Governance and Compliance | 20  | 21                     | 23                     |
| SPORTS GROUNDS: CLOETESVILLE       | RnM P: Community Assets: Sport and Recreation Facilities: Outdoor Facilities: Civil Structures | PO_0062        | Dignified Living               | 29  | 30                     | 31                     |
| SPORTS GROUNDS: CLOETESVILLE       | City Cleanliness and Clean-up:Clean-up Actions   | PO_0085        | Valley of Possibility          | 86  | 87                     | 88                     |
| SPORTS GROUNDS: CLOETESVILLE       | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 36  | 38                     | 40                     |
| SPORTS GROUNDS: CLOETESVILLE       | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 257   | 267                    | 278                    |
| SPORTS GROUNDS: GROENDAL           | City Cleanliness and Clean-up:Clean-up Actions   | PO_0085        | Valley of Possibility          | 18  | 19                     | 21                     |
| SPORTS GROUNDS: GROENDAL           | COVID 19 Expenditure   | PO_0103        | Safe Valley                    | 1   | 1                      | 1                      |
| SPORTS GROUNDS: GROENDAL           | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 49  | 52                     | 55                     |
| SPORTS GROUNDS: GROENDAL           | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 36  | 38                     | 39                     |
| SPORTS GROUNDS: IDAS VALLEY        | RnM C: Furniture and Office Equipment  | PO_0054        | Good Governance and Compliance | 103   | 109                    | 110                    |
| SPORTS GROUNDS: IDAS VALLEY        | COVID 19 Expenditure   | PO_0103        | Safe Valley                    | 44  | 46                     | 48                     |
| SPORTS GROUNDS: IDAS VALLEY        | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 33  | 34                     | 36                     |
| SPORTS GROUNDS: IDAS VALLEY        | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 274   | 285                    | 296                    |
| SPORTS GROUNDS: JAMESTOWN          | RnM P: Transport Assets  | PO_0059        | Good Governance and Compliance | 4   | 4                      | 4                      |
| SPORTS GROUNDS: JAMESTOWN          | City Cleanliness and Clean-up:Clean-up Actions   | PO_0085        | Valley of Possibility          | 22  | 24                     | 26                     |
| SPORTS GROUNDS: JAMESTOWN          | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 57  | 60                     | 63                     |
| SPORTS GROUNDS: JAMESTOWN          | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 40  | 41                     | 44                     |
| SPORTS GROUNDS: KAYAMANDI          | RnM P: Transport Assets  | PO_0059        | Good Governance and Compliance | 3   | 3                      | 3                      |
| SPORTS GROUNDS: KAYAMANDI          | RnM P: Community Assets: Sport and Recreation Facilities: Outdoor Facilities: Civil Structures | PO_0062        | Dignified Living               | 19  | 21                     | 22                     |
| SPORTS GROUNDS: KAYAMANDI          | City Cleanliness and Clean-up:Clean-up Actions   | PO_0085        | Valley of Possibility          | 51  | 52                     | 53                     |
| SPORTS GROUNDS: KAYAMANDI          | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 131   | 138                    | 145                    |
| SPORTS GROUNDS: KAYAMANDI          | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 13  | 13                     | 14                     |
| SPORTS GROUNDS: KLAPMUTS           | RnM P: Transport Assets  | PO_0059        | Good Governance and Compliance | 7   | 7                      | 8                      |
| SPORTS GROUNDS: KLAPMUTS           | City Cleanliness and Clean-up:Clean-up Actions   | PO_0085        | Valley of Possibility          | 30  | 31                     | 32                     |
| SPORTS GROUNDS: KLAPMUTS           | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 27  | 28                     | 30                     |
| SPORTS GROUNDS: KLAPMUTS           | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 75  | 78                     | 81                     |
| SPORTS GROUNDS: KYLEMORE           | RnM C: Furniture and Office Equipment  | PO_0054        | Good Governance and Compliance | 15  | 16                     | 16                     |
| SPORTS GROUNDS: KYLEMORE           | RnM P: Community Assets: Sport and Recreation Facilities: Outdoor Facilities: Civil Structures | PO_0062        | Dignified Living               | 19  | 20                     | 21                     |
| SPORTS GROUNDS: KYLEMORE           | City Cleanliness and Clean-up:Clean-up Actions   | PO_0085        | Valley of Possibility          | 39  | 41                     | 42                     |
| SPORTS GROUNDS: KYLEMORE           | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 114   | 119                    | 125                    |
| SPORTS GROUNDS: KYLEMORE           | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 62  | 64                     | 67                     |
| SPORTS GROUNDS: LANQUEDOC          | City Cleanliness and Clean-up:Clean-up Actions   | PO_0085        | Valley of Possibility          | 22  | 24                     | 26                     |

| Municipal Vote/Operational project | Program/Project description  | Project number | IDP Goal code<br>2             | 2022/23 Medium Term Revenue & Expenditure Framework |                           |                           |
|------------------------------------|--|----------------|--------------------------------|---|---------------------------|---------------------------|
|                                    |  |                |                                | Budget Year<br>2022/23                              | Budget Year +1<br>2023/24 | Budget Year +2<br>2024/25 |
| R thousand                         |  |                |                                |   |                           |                           |
| SPORTS GROUNDS: PNIEL              | RnM P: Transport Assets  | PO_0059        | Good Governance and Compliance | 32  | 33                        | 34                        |
| SPORTS GROUNDS: PNIEL              | RnM P: Community Assets: Sport and Recreation Facilities: Outdoor Facilities: Civil Structures | PO_0062        | Dignified Living               | 14  | 15                        | 15                        |
| SPORTS GROUNDS: PNIEL              | City Cleanliness and Clean-up:Clean-up Actions   | PO_0085        | Valley of Possibility          | 75  | 80                        | 85                        |
| SPORTS GROUNDS: PNIEL              | Employee related Cost  | PO_0149        | Good Governance and Compliance | 3 666   | 3 886                     | 4 119                     |
| SPORTS GROUNDS: PNIEL              | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 27  | 29                        | 30                        |
| SPORTS GROUNDS: PNIEL              | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 210   | 216                       | 222                       |
| SPORTS GROUNDS: RAITHBY            | City Cleanliness and Clean-up:Clean-up Actions   | PO_0085        | Valley of Possibility          | 24  | 25                        | 26                        |
| SPORTS GROUNDS: RAITHBY            | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 12  | 13                        | 14                        |
| SPORTS GROUNDS: RAITHBY            | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 276   | 288                       | 299                       |
| SPORTS GROUNDS: RAITHBY            | City Cleanliness and Clean-up:Clean-up Actions   | PO_0085        | Valley of Possibility          | 35  | 38                        | 41                        |
| SPORTS GROUNDS: RURAL              | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 6   | 7                         | 7                         |
| SPORTS GROUNDS: VAN DER STEL       | IG: EPWP SPORT FACILITY ASSISTANTS   | EPWP014        | Dignified Living               | 112   | -                         | -                         |
| SPORTS GROUNDS: VAN DER STEL       | RnM C: Furniture and Office Equipment  | PO_0054        | Good Governance and Compliance | 72  | 75                        | 78                        |
| SPORTS GROUNDS: VAN DER STEL       | RnM P: Transport Assets  | PO_0059        | Good Governance and Compliance | 51  | 51                        | 52                        |
| SPORTS GROUNDS: VAN DER STEL       | City Cleanliness and Clean-up:Clean-up Actions   | PO_0085        | Valley of Possibility          | 230   | 231                       | 241                       |
| SPORTS GROUNDS: VAN DER STEL       | Sport Development:Spaces for Sport   | PO_0137        | Dignified Living               | 91  | 91                        | 92                        |
| SPORTS GROUNDS: VAN DER STEL       | Employee related Cost  | PO_0149        | Good Governance and Compliance | 6 443   | 6 829                     | 7 239                     |
| SPORTS GROUNDS: VAN DER STEL       | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 2 931   | 3 078                     | 3 232                     |
| SPORTS GROUNDS: VAN DER STEL       | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 637   | 663                       | 689                       |
| STREET BEAUTIFICATION              | City Cleanliness and Clean-up:Clean-up Actions   | PO_0085        | Valley of Possibility          | 400   | 450                       | 480                       |
| STREET BEAUTIFICATION              | Environmental:Nursery  | PO_0109        | Green and Sustainable Valley   | 450   | 490                       | 500                       |
| STREET BEAUTIFICATION              | Employee related Cost  | PO_0149        | Good Governance and Compliance | 4 620   | 4 898                     | 5 192                     |
| STREET BEAUTIFICATION              | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 377   | 395                       | 415                       |
| STREET BEAUTIFICATION              | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 803   | 836                       | 880                       |
| STREET TREES                       | RnM P: Transport Assets  | PO_0059        | Good Governance and Compliance | 169   | 176                       | 183                       |
| STREET TREES                       | COVID 19 Expenditure   | PO_0103        | Safe Valley                    | 2   | 2                         | 2                         |
| STREET TREES                       | Environmental: Catchment and Forestry  | PO_0105        | Green and Sustainable Valley   | 1 560   | 1 622                     | 1 687                     |
| STREET TREES                       | Environmental:Environmental Health   | PO_0108        | Green and Sustainable Valley   | 162   | 168                       | 175                       |
| STREET TREES                       | Environmental:Nursery  | PO_0109        | Green and Sustainable Valley   | 1 560   | 1 622                     | 1 687                     |
| STREET TREES                       | Employee related Cost  | PO_0149        | Good Governance and Compliance | 1 832   | 1 942                     | 2 058                     |
| STREET TREES                       | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 6   | 6                         | 6                         |
| STREET TREES                       | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 547   | 569                       | 592                       |
| TOWN HALL: FRANSCHHOEK             | Employee related Cost  | PO_0149        | Good Governance and Compliance | 1 172   | 1 242                     | 1 317                     |
| TOWN HALL: FRANSCHHOEK             | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 4   | 4                         | 4                         |
| TOWN HALL: STELLENBOSCH            | EPWP ASSISTANT AT MUNICIPAL HALLS  | EPWP015        | Dignified Living               | 224   | 233                       | 242                       |
| TOWN HALL: STELLENBOSCH            | RnM C: Furniture and Office Equipment  | PO_0054        | Good Governance and Compliance | 12  | 14                        | 15                        |
| TOWN HALL: STELLENBOSCH            | City Cleanliness and Clean-up:Clean-up Actions   | PO_0085        | Valley of Possibility          | 22  | 24                        | 25                        |
| TOWN HALL: STELLENBOSCH            | COVID 19 Expenditure   | PO_0103        | Safe Valley                    | 5   | 5                         | 6                         |
| TOWN HALL: STELLENBOSCH            | Municipal Properties   | PO_0124        | Valley of Possibility          | 31  | 33                        | 34                        |
| TOWN HALL: STELLENBOSCH            | Employee related Cost  | PO_0149        | Good Governance and Compliance | 2 945   | 3 122                     | 3 309                     |

| Municipal Vote/Operational project | Program/Project description   | Project number | IDP Goal code<br>2             | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|------------------------------------|---|----------------|--------------------------------|---|------------------------|------------------------|
|                                    |   |                |                                | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand                         |   |                |                                |   |                        |                        |
| TOWN HALL: STELLENBOSCH            | Depreciation and asset impairment                                     | PO_0154        | Good Governance and Compliance | 165   | 173                    | 182                    |
| TOWN HALL: STELLENBOSCH            | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 511   | 531                    | 552                    |
| TRAFFIC SERVICES: LICENSING        | TRAFFIC SERVICES :PARKING MARSHALLS / SCHOLAR SAFETY /EPWP ASSISTANTS | EPWP019        | Dignified Living               | 5 981   | 6 220                  | 6 469                  |
| TRAFFIC SERVICES: LICENSING        | RnM C: Furniture and Office Equipment                                 | PO_0054        | Good Governance and Compliance | 42  | 44                     | 45                     |
| TRAFFIC SERVICES: LICENSING        | RnM P: Transport Assets   | PO_0059        | Good Governance and Compliance | 721   | 750                    | 780                    |
| TRAFFIC SERVICES: LICENSING        | RnM P: Machinery and Equipment  | PO_0080        | Good Governance and Compliance | 552   | 574                    | 597                    |
| TRAFFIC SERVICES: LICENSING        | City Cleanliness and Clean-up:Clean-up Actions                        | PO_0085        | Valley of Possibility          | 35  | 37                     | 38                     |
| TRAFFIC SERVICES: LICENSING        | Integrated Public Transport Network                                   | PO_0121        | Valley of Possibility          | 11 613  | 12 078                 | 12 561                 |
| TRAFFIC SERVICES: LICENSING        | Occupational Health and Safety  | PO_0125        | Good Governance and Compliance | 34  | 35                     | 36                     |
| TRAFFIC SERVICES: LICENSING        | Peace Officers  | PO_0133        | Safe Valley                    | 2 258   | 2 393                  | 2 537                  |
| TRAFFIC SERVICES: LICENSING        | Employee related Cost   | PO_0149        | Good Governance and Compliance | 5 311   | 5 630                  | 5 968                  |
| TRAFFIC SERVICES: LICENSING        | Depreciation and asset impairment                                     | PO_0154        | Good Governance and Compliance | 1 126   | 1 182                  | 1 241                  |
| TRAFFIC SERVICES: LICENSING        | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 3 242   | 3 430                  | 3 622                  |
| TRAFFIC SERVICES:TRAFFIC CONTR     | Employee related Cost   | PO_0149        | Good Governance and Compliance | 26 185  | 27 756                 | 29 421                 |
| TRAFFIC SERVICES:TRAFFIC CONTR     | Debt Impairment   | PO_0153        | Good Governance and Compliance | 82 400  | 84 872                 | 87 418                 |
| WORKSHOP                           | RnM C: Furniture and Office Equipment                                 | PO_0054        | Good Governance and Compliance | 116   | 121                    | 126                    |
| WORKSHOP                           | RnM P: Transport Assets   | PO_0059        | Good Governance and Compliance | 7   | 8                      | 8                      |
| WORKSHOP                           | Employee related Cost   | PO_0149        | Good Governance and Compliance | 507   | 538                    | 570                    |
| WORKSHOP                           | Depreciation and asset impairment                                     | PO_0154        | Good Governance and Compliance | 222   | 234                    | 245                    |
| WORKSHOP                           | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 447   | 465                    | 483                    |
| FIN SERVICES: STORES               | Employee related Cost   | PO_0149        | Good Governance and Compliance | 1 453   | 1 540                  | 1 633                  |
| FIN SERVICES: STORES               | Depreciation and asset impairment                                     | PO_0154        | Good Governance and Compliance | 104   | 109                    | 115                    |
| FIN SERVICES: STORES               | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 92  | 96                     | 100                    |
| FINANCIAL SERVICES: GENERAL        | RnM C: Furniture and Office Equipment                                 | PO_0054        | Good Governance and Compliance | 31  | 32                     | 33                     |
| FINANCIAL SERVICES: GENERAL        | RnM P: Transport Assets   | PO_0059        | Good Governance and Compliance | 116   | 121                    | 126                    |
| FINANCIAL SERVICES: GENERAL        | Workshops, Seminars and Subject Matter Training                       | PO_0084        | Good Governance and Compliance | 58  | 60                     | 62                     |
| FINANCIAL SERVICES: GENERAL        | COVID 19 Expenditure  | PO_0103        | Safe Valley                    | 1   | 1                      | 1                      |
| FINANCIAL SERVICES: GENERAL        | Budget and Treasury   | PO_0111        | Good Governance and Compliance | 950   | 950                    | 950                    |
| FINANCIAL SERVICES: GENERAL        | Intern Compensation   | PO_0112        | Valley of Possibility          | 600   | 600                    | 600                    |
| FINANCIAL SERVICES: GENERAL        | Functions and Events:Special Events and Functions                     | PO_0114        | Good Governance and Compliance | 33  | 34                     | 36                     |
| FINANCIAL SERVICES: GENERAL        | Retirement Achievements and Awards                                    | PO_0116        | Good Governance and Compliance | 10  | 11                     | 11                     |
| FINANCIAL SERVICES: GENERAL        | Municipal Properties  | PO_0124        | Valley of Possibility          | 14  | 15                     | 15                     |
| FINANCIAL SERVICES: GENERAL        | Research and Development  | PO_0134        | Good Governance and Compliance | 500   | -                      | -                      |
| FINANCIAL SERVICES: GENERAL        | Administrative Strategy and Planning                                  | PO_0138        | Good Governance and Compliance | 8 135   | 9 077                  | 9 580                  |
| FINANCIAL SERVICES: GENERAL        | Long Term Financial Plan  | PO_0145        | Good Governance and Compliance | 540   | 562                    | 585                    |
| FINANCIAL SERVICES: GENERAL        | Employee related Cost   | PO_0149        | Good Governance and Compliance | 51 317  | 54 396                 | 57 660                 |
| FINANCIAL SERVICES: GENERAL        | Debt Impairment   | PO_0153        | Good Governance and Compliance | 3 147   | 3 301                  | 3 463                  |
| FINANCIAL SERVICES: GENERAL        | Depreciation and asset impairment                                     | PO_0154        | Good Governance and Compliance | 411   | 431                    | 453                    |
| FINANCIAL SERVICES: GENERAL        | User Group  | PO_0158        | Good Governance and Compliance | 1   | 1                      | 1                      |
| FINANCIAL SERVICES: GENERAL        | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 16 720  | 17 176                 | 17 545                 |

| Municipal Vote/Operational project | Program/Project description   | Project number | IDP Goal code<br>2             | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|------------------------------------|---|----------------|--------------------------------|---|------------------------|------------------------|
|                                    |   |                |                                | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand                         |   |                |                                |   |                        |                        |
| LOGISTICS & FLEET MANAGEMENT       | RnM C: Furniture and Office Equipment   | PO_0054        | Good Governance and Compliance | 1   | 2                      | 2                      |
| LOGISTICS & FLEET MANAGEMENT       | RnM P: Transport Assets   | PO_0059        | Good Governance and Compliance | 11  | 12                     | 12                     |
| LOGISTICS & FLEET MANAGEMENT       | Employee related Cost   | PO_0149        | Good Governance and Compliance | 735   | 779                    | 826                    |
| LOGISTICS & FLEET MANAGEMENT       | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 1 551   | 1 613                  | 1 677                  |
| SPECIAL RATING AREA - JONKERSH     | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 5 094   | 5 298                  | 5 510                  |
| SPECIAL RATING AREA - TECHNOPA     | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 2 949   | 3 067                  | 3 189                  |
| SUPPLY CHAIN MANAGEMENT UNIT       | RnM C: Furniture and Office Equipment   | PO_0054        | Good Governance and Compliance | 0   | 0                      | 1                      |
| SUPPLY CHAIN MANAGEMENT UNIT       | RnM P: Transport Assets   | PO_0059        | Good Governance and Compliance | 5   | 6                      | 6                      |
| SUPPLY CHAIN MANAGEMENT UNIT       | COVID 19 Expenditure  | PO_0103        | Safe Valley                    | 1   | 1                      | 1                      |
| SUPPLY CHAIN MANAGEMENT UNIT       | Employee related Cost   | PO_0149        | Good Governance and Compliance | 9 228   | 9 781                  | 10 368                 |
| SUPPLY CHAIN MANAGEMENT UNIT       | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 955   | 989                    | 1 025                  |
| CIVIL ENGINEERING SERVICES GEN     | IG : WCO24 CLEANING OF STORMWATER   | EPWP001        | Dignified Living               | 384   | -                      | -                      |
| CIVIL ENGINEERING SERVICES GEN     | RnM P: Furniture and Office Equipment   | PO_0064        | Good Governance and Compliance | 5   | 5                      | 6                      |
| CIVIL ENGINEERING SERVICES GEN     | Workshops, Seminars and Subject Matter Training                               | PO_0084        | Good Governance and Compliance | 93  | 96                     | 100                    |
| CIVIL ENGINEERING SERVICES GEN     | COVID 19 Expenditure  | PO_0103        | Safe Valley                    | 3   | 3                      | 3                      |
| CIVIL ENGINEERING SERVICES GEN     | Research and Development  | PO_0134        | Good Governance and Compliance | 1 027   | 1 068                  | 1 111                  |
| CIVIL ENGINEERING SERVICES GEN     | Employee related Cost   | PO_0149        | Good Governance and Compliance | 6 307   | 6 686                  | 7 087                  |
| CIVIL ENGINEERING SERVICES GEN     | Depreciation and asset impairment   | PO_0154        | Good Governance and Compliance | 1 020   | 1 071                  | 1 124                  |
| CIVIL ENGINEERING SERVICES GEN     | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 411   | 427                    | 444                    |
| CLEANING OF STREETS                | AREA CLEANING WCO24 + WASTE RECYCLING PROJECT                                 | EPWP020        | Dignified Living               | 17 588  | -                      | -                      |
| CLEANING OF STREETS                | City Cleanliness and Clean-up:Clean-up Actions                                | PO_0085        | Valley of Possibility          | 4 900   | 5 200                  | 5 400                  |
| CLEANING OF STREETS                | COVID 19 Expenditure  | PO_0103        | Safe Valley                    | 19  | 19                     | 20                     |
| CLEANING OF STREETS                | Employee related Cost   | PO_0149        | Good Governance and Compliance | 1 159   | 1 229                  | 1 303                  |
| CLEANING OF STREETS                | Depreciation and asset impairment   | PO_0154        | Good Governance and Compliance | 89  | 94                     | 98                     |
| CLEANING OF STREETS                | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 3 592   | 3 736                  | 3 900                  |
| COMPOSTING                         | RnM P: Sanitation Infrastructure: Outfall Sewers: Civil Structures            | PO_0022        | Dignified Living               | 500   | 530                    | 562                    |
| COMPOSTING                         | RnM P: Sanitation Infrastructure: Waste Water Treatment: Mechanical Equipment | PO_0038        | Dignified Living               | 120   | 126                    | 132                    |
| COMPOSTING                         | RnM P: Transport Assets   | PO_0059        | Good Governance and Compliance | 100   | 100                    | 100                    |
| COMPOSTING                         | Depreciation and asset impairment   | PO_0154        | Good Governance and Compliance | 121   | 127                    | 133                    |
| COMPOSTING                         | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 35  | 37                     | 39                     |
| Develop Services & Project Man     | Workshops, Seminars and Subject Matter Training                               | PO_0084        | Good Governance and Compliance | 30  | 31                     | 32                     |
| Develop Services & Project Man     | Research and Development  | PO_0134        | Good Governance and Compliance | 2 201   | 2 298                  | 2 401                  |
| Develop Services & Project Man     | Risk Management   | PO_0142        | Good Governance and Compliance | 363   | 377                    | 392                    |
| Develop Services & Project Man     | Strategic Planning:Best Practices   | PO_0144        | Good Governance and Compliance | 250   | 260                    | 270                    |
| Develop Services & Project Man     | Website Development and Maintenance   | PO_0148        | Good Governance and Compliance | 300   | 312                    | 324                    |
| Develop Services & Project Man     | Employee related Cost   | PO_0149        | Good Governance and Compliance | 6 283   | 6 660                  | 7 060                  |
| Develop Services & Project Man     | Human Settlement Development Grant  | PO_0166        | Dignified Living               | 6 890   | 23 140                 | 26 000                 |
| Develop Services & Project Man     | Integrated Urban Development Grant  | PO_0167        | Dignified Living               | 3 287   | 2 106                  | 2 191                  |
| Develop Services & Project Man     | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 249   | 259                    | 269                    |
| DUMPING SITE                       | City Cleanliness and Clean-up:Clean-up Actions                                | PO_0085        | Valley of Possibility          | 23 000  | 24 500                 | 26 100                 |

| Municipal Vote/Operational project | Program/Project description  | Project number | IDP Goal code<br>2                       | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|------------------------------------|--|----------------|--|---|------------------------|------------------------|
|                                    |  |                |  | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand                         |  |                |  |   |                        |                        |
| DUMPING SITE                       | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance           | 7 981   | 8 380                  | 8 799                  |
| DUMPING SITE                       | Finance Charges  | PO_0155        | Good Governance and Compliance           | 11 120  | 11 626                 | 12 149                 |
| DUMPING SITE                       | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance           | 2 054   | 2 137                  | 2 222                  |
| ELECTRICAL ENG. SYSTEM OPERATI     | RnM P: Electrical Infrastructure: HV Substations: MV Substation Equipment                              | PO_0012        | Dignified Living                         | 1 000   | 1 040                  | 1 082                  |
| ELECTRICAL ENG. SYSTEM OPERATI     | RnM C: Electrical Infrastructure: HV Substations: MV Substation Equipment                              | PO_0013        | Dignified Living                         | 7 301   | 7 623                  | 7 966                  |
| ELECTRICAL ENG. SYSTEM OPERATI     | COVID 19 Expenditure   | PO_0103        | Safe Valley                              | 3   | 3                      | 3                      |
| ELECTRICAL ENG. SYSTEM OPERATI     | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance           | 2 015   | 2 096                  | 2 180                  |
| ELECTRICAL ENG.CLIENT SERVICES     | RnM P: Electrical Infrastructure: HV Substations: MV Substation Equipment                              | PO_0012        | Dignified Living                         | 45  | 47                     | 49                     |
| ELECTRICAL ENG.CLIENT SERVICES     | RnM C: Electrical Infrastructure: HV Substations: MV Substation Equipment                              | PO_0013        | Dignified Living                         | 30  | 31                     | 33                     |
| ELECTRICAL ENG.CLIENT SERVICES     | RnM P: Information and Communication Infrastructure: Core Layers: Electrical Equipment                 | PO_0014        | Dignified Living                         | 2 000   | 2 080                  | 2 163                  |
| ELECTRICAL ENG.CLIENT SERVICES     | RnM C: Information and Communication Infrastructure: Core Layers: Electrical Equipment                 | PO_0015        | Dignified Living                         | 600   | 624                    | 650                    |
| ELECTRICAL ENG.CLIENT SERVICES     | Meter and ACD Audits   | PO_0174        | Good Governance and Compliance           | 800   | 840                    | 882                    |
| ELECTRICAL ENG.CLIENT SERVICES     | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance           | 4 930   | 6 196                  | 6 448                  |
| ELECTRICAL ENGINEERING SERVICE     | RnM P: Electrical Infrastructure: HV Substations: MV Substation Equipment                              | PO_0012        | Dignified Living                         | 18  | 19                     | 20                     |
| ELECTRICAL ENGINEERING SERVICE     | Workshops, Seminars and Subject Matter Training  | PO_0084        | Good Governance and Compliance           | 17  | 17                     | 18                     |
| ELECTRICAL ENGINEERING SERVICE     | Service Connections  | PO_0135        | Basic Service Delivery: Dignified Living | 11 800  | 12 390                 | 13 010                 |
| ELECTRICAL ENGINEERING SERVICE     | Employee related Cost  | PO_0149        | Good Governance and Compliance           | 32 206  | 34 138                 | 36 187                 |
| ELECTRICAL ENGINEERING SERVICE     | Bulk purchases: Electricity  | PO_0152        | Good Governance and Compliance           | 481 926   | 524 622                | 571 076                |
| ELECTRICAL ENGINEERING SERVICE     | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance           | 39 516  | 41 491                 | 43 566                 |
| ELECTRICAL ENGINEERING SERVICE     | Finance Charges  | PO_0155        | Good Governance and Compliance           | 10 774  | 12 846                 | 13 411                 |
| ELECTRICAL ENGINEERING SERVICE     | Bulk purchases: Electricity Drakenstein  | PO_0173        | Good Governance and Compliance           | 69 487  | 74 267                 | 79 377                 |
| ELECTRICAL ENGINEERING SERVICE     | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance           | 6 135   | 718                    | 747                    |
| PUBLIC ABLUTION FACILITIES         | RnM P: Community Assets: Community Facilities: Public Ablution Facilities: Service Connections on Site | PO_0076        | Dignified Living                         | 7 517   | 7 943                  | 8 390                  |
| PUBLIC ABLUTION FACILITIES         | RnM C: Community Assets: Community Facilities: Public Ablution Facilities: Service Connections on Site | PO_0077        | Dignified Living                         | 10  | 11                     | 11                     |
| PUBLIC ABLUTION FACILITIES         | COVID 19 Expenditure   | PO_0103        | Safe Valley                              | 5   | 5                      | 6                      |
| PUBLIC ABLUTION FACILITIES         | Employee related Cost  | PO_0149        | Good Governance and Compliance           | 1 889   | 2 002                  | 2 123                  |
| PUBLIC ABLUTION FACILITIES         | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance           | 154   | 162                    | 170                    |
| PUBLIC ABLUTION FACILITIES         | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance           | 938   | 976                    | 1 017                  |
| REFUSE REMOVAL                     | RnM C: Solid Waste Disposal : Waste Drop-off Points : Earthworks                                       | PO_0004        | Dignified Living                         | 3 000   | 3 120                  | 3 245                  |
| REFUSE REMOVAL                     | RnM P: Transport Assets  | PO_0059        | Good Governance and Compliance           | 31  | 32                     | 34                     |
| REFUSE REMOVAL                     | Employee related Cost  | PO_0149        | Good Governance and Compliance           | 15 536  | 16 468                 | 17 457                 |
| REFUSE REMOVAL                     | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance           | 5 010   | 5 260                  | 5 523                  |
| REFUSE REMOVAL                     | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance           | 8 651   | 9 098                  | 9 554                  |
| RESERVOIRS & FILTRATION FRANSC     | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance           | 138   | 145                    | 152                    |
| RESERVOIRS & SUPPLY LINES          | RnM P: Water Supply Infrastructure: Water Treatment: Civil Structure                                   | PO_0042        | Dignified Living                         | 636   | 663                    | 691                    |
| RESERVOIRS & SUPPLY LINES          | RnM P: Transport Assets  | PO_0059        | Good Governance and Compliance           | 50  | 50                     | 50                     |
| RESERVOIRS & SUPPLY LINES          | COVID 19 Expenditure   | PO_0103        | Safe Valley                              | 1   | 1                      | 1                      |
| RESERVOIRS & SUPPLY LINES          | Employee related Cost  | PO_0149        | Good Governance and Compliance           | 3 037   | 3 219                  | 3 413                  |
| RESERVOIRS & SUPPLY LINES          | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance           | 2 987   | 3 136                  | 3 293                  |
| RESERVOIRS & SUPPLY LINES          | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance           | 1 683   | 1 760                  | 1 839                  |



| Municipal Vote/Operational project | Program/Project description   | Project number | IDP Goal code<br>2             | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|------------------------------------|---|----------------|--------------------------------|---|------------------------|------------------------|
|                                    |   |                |                                | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand                         |   |                |                                |   |                        |                        |
| ROADS                              | RnM P: Roads Infrastructure: Roads: Land                                      | PO_0018        | Dignified Living               | 11 560  | 12 038                 | 12 536                 |
| ROADS                              | RnM P: Roads Infrastructure: Road Furniture: Road Furniture                   | PO_0036        | Dignified Living               | 31  | 32                     | 34                     |
| ROADS                              | RnM C: Roads Infrastructure: Road Furniture: Road Furniture                   | PO_0037        | Dignified Living               | 52  | 54                     | 56                     |
| ROADS                              | RnM P: Transport Assets   | PO_0059        | Good Governance and Compliance | 400   | 400                    | 400                    |
| ROADS                              | COVID 19 Expenditure  | PO_0103        | Safe Valley                    | 19  | 20                     | 21                     |
| ROADS                              | Employee related Cost   | PO_0149        | Good Governance and Compliance | 18 809  | 19 938                 | 21 134                 |
| ROADS                              | Depreciation and asset impairment   | PO_0154        | Good Governance and Compliance | 43 626  | 45 807                 | 48 097                 |
| ROADS                              | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 1 371   | 1 430                  | 1 491                  |
| SEWERAGE NETWORK                   | RnM P: Sanitation Infrastructure: Outfall Sewers: Civil Structures            | PO_0022        | Dignified Living               | 2 740   | 2 850                  | 2 964                  |
| SEWERAGE NETWORK                   | RnM P: Sanitation Infrastructure: Waste Water Treatment: Civil Structure      | PO_0024        | Dignified Living               | 959   | 998                    | 1 037                  |
| SEWERAGE NETWORK                   | RnM P: Sanitation Infrastructure: Waste Water Treatment: Mechanical Equipment | PO_0038        | Dignified Living               | 31  | 32                     | 34                     |
| SEWERAGE NETWORK                   | COVID 19 Expenditure  | PO_0103        | Safe Valley                    | 4   | 4                      | 4                      |
| SEWERAGE NETWORK                   | Employee related Cost   | PO_0149        | Good Governance and Compliance | 16 015  | 16 975                 | 17 994                 |
| SEWERAGE NETWORK                   | Depreciation and asset impairment   | PO_0154        | Good Governance and Compliance | 46 544  | 48 871                 | 51 315                 |
| SEWERAGE NETWORK                   | Finance Charges   | PO_0155        | Good Governance and Compliance | 33 932  | 42 380                 | 44 685                 |
| SEWERAGE NETWORK                   | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 5 183   | 5 502                  | 5 844                  |
| SEWERAGE PUMP STATIONS             | RnM P: Sanitation Infrastructure: Outfall Sewers: Civil Structures            | PO_0022        | Dignified Living               | 1 550   | 1 628                  | 1 709                  |
| SEWERAGE PUMP STATIONS             | RnM P: Sanitation Infrastructure: Waste Water Treatment: Mechanical Equipment | PO_0038        | Dignified Living               | 300   | 315                    | 331                    |
| SEWERAGE PUMP STATIONS             | Drinking Water Quality  | PO_0097        | Dignified Living               | 240   | 252                    | 265                    |
| SEWERAGE PUMP STATIONS             | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 802   | 866                    | 934                    |
| SEWERAGE PURIFICATION FRANSCHH     | RnM P: Sanitation Infrastructure: Waste Water Treatment: Mechanical Equipment | PO_0038        | Dignified Living               | 250   | 263                    | 276                    |
| SEWERAGE PURIFICATION FRANSCHH     | Drinking Water Quality  | PO_0097        | Dignified Living               | 122   | 127                    | 132                    |
| SEWERAGE PURIFICATION FRANSCHH     | Employee related Cost   | PO_0149        | Good Governance and Compliance | 601   | 637                    | 675                    |
| SEWERAGE PURIFICATION FRANSCHH     | Depreciation and asset impairment   | PO_0154        | Good Governance and Compliance | 148   | 156                    | 164                    |
| SEWERAGE PURIFICATION KLAPMUTS     | RnM P: Sanitation Infrastructure: Waste Water Treatment: Mechanical Equipment | PO_0038        | Dignified Living               | 500   | 520                    | 541                    |
| SEWERAGE PURIFICATION KLAPMUTS     | Drinking Water Quality  | PO_0097        | Dignified Living               | 126   | 131                    | 136                    |
| SEWERAGE PURIFICATION KLAPMUTS     | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 1 178   | 1 225                  | 1 274                  |
| SEWERAGE PURIFICATION STELENB      | RnM P: Sanitation Infrastructure: Waste Water Treatment: Civil Structure      | PO_0024        | Dignified Living               | 1 123   | 1 179                  | 1 238                  |
| SEWERAGE PURIFICATION STELENB      | RnM P: Sanitation Infrastructure: Waste Water Treatment: Mechanical Equipment | PO_0038        | Dignified Living               | 848   | 886                    | 926                    |
| SEWERAGE PURIFICATION STELENB      | RnM C: Transport Assets   | PO_0058        | Good Governance and Compliance | 15  | 16                     | 17                     |
| SEWERAGE PURIFICATION STELENB      | RnM P: Transport Assets   | PO_0059        | Good Governance and Compliance | 110   | 110                    | 110                    |
| SEWERAGE PURIFICATION STELENB      | City Cleanliness and Clean-up:Clean-up Actions                                | PO_0085        | Valley of Possibility          | 5 382   | 5 597                  | 5 821                  |
| SEWERAGE PURIFICATION STELENB      | Drinking Water Quality  | PO_0097        | Dignified Living               | 613   | 638                    | 663                    |
| SEWERAGE PURIFICATION STELENB      | COVID 19 Expenditure  | PO_0103        | Safe Valley                    | 4   | 4                      | 4                      |
| SEWERAGE PURIFICATION STELENB      | Occupational Health and Safety  | PO_0125        | Good Governance and Compliance | 100   | 105                    | 110                    |
| SEWERAGE PURIFICATION STELENB      | Employee related Cost   | PO_0149        | Good Governance and Compliance | 28 140  | 29 828                 | 31 618                 |
| SEWERAGE PURIFICATION STELENB      | Depreciation and asset impairment   | PO_0154        | Good Governance and Compliance | 2 109   | 2 214                  | 2 325                  |
| SEWERAGE PURIFICATION STELENB      | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 11 812  | 12 457                 | 13 143                 |
| SEWERAGE TREATMENT PNIEL & OTH     | RnM P: Sanitation Infrastructure: Waste Water Treatment: Civil Structure      | PO_0024        | Dignified Living               | 154   | 161                    | 167                    |
| SEWERAGE TREATMENT PNIEL & OTH     | RnM C: Sanitation Infrastructure: Waste Water Treatment: Civil Structure      | PO_0025        | Dignified Living               | 39  | 40                     | 42                     |

| Municipal Vote/Operational project | Program/Project description   | Project number | IDP Goal code<br>2             | 2022/23 Medium Term Revenue & Expenditure Framework |                           |                           |
|------------------------------------|---|----------------|--------------------------------|---|---------------------------|---------------------------|
|                                    |   |                |                                | Budget Year<br>2022/23                              | Budget Year +1<br>2023/24 | Budget Year +2<br>2024/25 |
| R thousand                         |   |                |                                |   |                           |                           |
| SEWERAGE TREATMENT PNIEL & OTH     | RnM P: Sanitation Infrastructure: Waste Water Treatment: Mechanical Equipment | PO_0038        | Dignified Living               | 400   | 420                       | 441                       |
| SEWERAGE TREATMENT PNIEL & OTH     | Drinking Water Quality  | PO_0097        | Dignified Living               | 116   | 121                       | 126                       |
| SEWERAGE TREATMENT PNIEL & OTH     | COVID 19 Expenditure  | PO_0103        | Safe Valley                    | 0   | 0                         | 0                         |
| SEWERAGE TREATMENT PNIEL & OTH     | Occupational Health and Safety  | PO_0125        | Good Governance and Compliance | 30  | 32                        | 33                        |
| SEWERAGE TREATMENT PNIEL & OTH     | Depreciation and asset impairment   | PO_0154        | Good Governance and Compliance | 0   | 0                         | 1                         |
| SEWERAGE TREATMENT PNIEL & OTH     | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 2 507   | 2 612                     | 2 722                     |
| SEWERE PURIFICATION:RURALW/H       | RnM P: Sanitation Infrastructure: Outfall Sewers: Civil Structures            | PO_0022        | Dignified Living               | 108   | 114                       | 119                       |
| SEWERE PURIFICATION:RURALW/H       | RnM P: Sanitation Infrastructure: Waste Water Treatment: Mechanical Equipment | PO_0038        | Dignified Living               | 210   | 221                       | 232                       |
| SEWERE PURIFICATION:RURALW/H       | Drinking Water Quality  | PO_0097        | Dignified Living               | 127   | 132                       | 137                       |
| SEWERE PURIFICATION:RURALW/H       | Occupational Health and Safety  | PO_0125        | Good Governance and Compliance | 20  | 21                        | 22                        |
| SEWERE PURIFICATION:RURALW/H       | Employee related Cost   | PO_0149        | Good Governance and Compliance | 273   | 289                       | 307                       |
| SEWERE PURIFICATION:RURALW/H       | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 1 155   | 1 209                     | 1 265                     |
| SIDEWALKS & CYCLE PATHS            | RnM P: Roads Infrastructure: Roads: Pavements                                 | PO_0020        | Dignified Living               | 460   | 486                       | 512                       |
| SIDEWALKS & CYCLE PATHS            | RnM P: Transport Assets   | PO_0059        | Good Governance and Compliance | 50  | 50                        | 50                        |
| SIDEWALKS & CYCLE PATHS            | Transport Month   | PO_0113        | Good Governance and Compliance | 40  | 42                        | 44                        |
| SIDEWALKS & CYCLE PATHS            | Employee related Cost   | PO_0149        | Good Governance and Compliance | 2 765   | 2 931                     | 3 107                     |
| SIDEWALKS & CYCLE PATHS            | Depreciation and asset impairment   | PO_0154        | Good Governance and Compliance | 4 351   | 4 568                     | 4 797                     |
| SIDEWALKS & CYCLE PATHS            | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 354   | 372                       | 390                       |
| STORMWATER                         | RnM P: Storm water Infrastructure: Attenuation: Drainage                      | PO_0026        | Dignified Living               | 1 038   | 1 081                     | 1 127                     |
| STORMWATER                         | RnM P: Transport Assets   | PO_0059        | Good Governance and Compliance | 50  | 50                        | 50                        |
| STORMWATER                         | COVID 19 Expenditure  | PO_0103        | Safe Valley                    | 3   | 3                         | 3                         |
| STORMWATER                         | Employee related Cost   | PO_0149        | Good Governance and Compliance | 8 449   | 8 955                     | 9 493                     |
| STORMWATER                         | Depreciation and asset impairment   | PO_0154        | Good Governance and Compliance | 9 199   | 9 659                     | 10 142                    |
| STORMWATER                         | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 515   | 535                       | 557                       |
| TRAFFIC ENGINEERING                | RnM P: Roads Infrastructure: Roads: Earthworks                                | PO_0016        | Dignified Living               | 4 160   | 4 326                     | 4 499                     |
| TRAFFIC ENGINEERING                | RnM C: Roads Infrastructure: Roads: Pavements                                 | PO_0021        | Dignified Living               | 52  | 54                        | 56                        |
| TRAFFIC ENGINEERING                | RnM P: Roads Infrastructure: Road Furniture: Road Furniture                   | PO_0036        | Dignified Living               | 497   | 512                       | 528                       |
| TRAFFIC ENGINEERING                | COVID 19 Expenditure  | PO_0103        | Safe Valley                    | 5   | 5                         | 6                         |
| TRAFFIC ENGINEERING                | Employee related Cost   | PO_0149        | Good Governance and Compliance | 4 966   | 5 264                     | 5 580                     |
| TRAFFIC ENGINEERING                | RnM P: Maintenance and Construction of Transport Infrastructure               | PO_0172        | Dignified Living               | 495   | 495                       | 495                       |
| TRAFFIC ENGINEERING                | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 1 974   | 2 053                     | 2 135                     |
| TRANSFER STATION KLAPMUTS          | City Cleanliness and Clean-up:Clean-up Actions                                | PO_0085        | Valley of Possibility          | 34 112  | 15 000                    | 15 600                    |
| WATER FILTRATION IDAS VALLEY       | RnM P: Water Supply Infrastructure: Water Treatment: Mechanical Equipment     | PO_0032        | Dignified Living               | 75  | 78                        | 82                        |
| WATER FILTRATION IDAS VALLEY       | RnM P: Water Supply Infrastructure: Water Treatment: Pipe Work                | PO_0044        | Dignified Living               | 1 293   | 1 358                     | 1 426                     |
| WATER FILTRATION IDAS VALLEY       | Drinking Water Quality  | PO_0097        | Dignified Living               | 1 100   | 1 155                     | 1 213                     |
| WATER FILTRATION IDAS VALLEY       | COVID 19 Expenditure  | PO_0103        | Safe Valley                    | 1   | 1                         | 1                         |
| WATER FILTRATION IDAS VALLEY       | Employee related Cost   | PO_0149        | Good Governance and Compliance | 5 580   | 5 914                     | 6 269                     |
| WATER FILTRATION IDAS VALLEY       | Depreciation and asset impairment   | PO_0154        | Good Governance and Compliance | 183   | 192                       | 201                       |
| WATER FILTRATION IDAS VALLEY       | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 1 363   | 1 430                     | 1 500                     |
| WATER FILTRATION PARADYSKLOOF      | RnM P: Water Supply Infrastructure: Water Treatment: Metal Work               | PO_0034        | Dignified Living               | 250   | 263                       | 276                       |

| Municipal Vote/Operational project | Program/Project description                                     | Project number | IDP Goal code<br>2             | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|------------------------------------|---|----------------|--------------------------------|---|------------------------|------------------------|
|                                    |   |                |                                | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand                         |   |                |                                |   |                        |                        |
| WATER FILTRATION PARADYSKLOOF      | RnM P: Water Supply Infrastructure: Water Treatment: Pipe Work  | PO_0044        | Dignified Living               | 301   | 318                    | 337                    |
| WATER FILTRATION PARADYSKLOOF      | RnM P: Transport Assets   | PO_0059        | Good Governance and Compliance | 50  | 50                     | 50                     |
| WATER FILTRATION PARADYSKLOOF      | Drinking Water Quality  | PO_0097        | Dignified Living               | 300   | 315                    | 331                    |
| WATER FILTRATION PARADYSKLOOF      | Theewaterskloof Water   | PO_0101        | Dignified Living               | 2 111   | 2 195                  | 2 283                  |
| WATER FILTRATION PARADYSKLOOF      | COVID 19 Expenditure  | PO_0103        | Safe Valley                    | 2   | 2                      | 2                      |
| WATER FILTRATION PARADYSKLOOF      | Employee related Cost   | PO_0149        | Good Governance and Compliance | 1 485   | 1 574                  | 1 669                  |
| WATER FILTRATION PARADYSKLOOF      | Depreciation and asset impairment                               | PO_0154        | Good Governance and Compliance | 30  | 31                     | 33                     |
| WATER FILTRATION PARADYSKLOOF      | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 3 493   | 3 656                  | 3 825                  |
| WATER LABORATORY                   | City Cleanliness and Clean-up:Clean-up Actions                  | PO_0085        | Valley of Possibility          | 70  | 74                     | 77                     |
| WATER LABORATORY                   | Occupational Health and Safety                                  | PO_0125        | Good Governance and Compliance | 13  | 13                     | 14                     |
| WATER LABORATORY                   | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 1 116   | 1 161                  | 1 208                  |
| WATER NETWORK                      | WASTE WATER TREATMENT & NETWORK SITES                           | EPWP021        | Dignified Living               | 1 024   | -                      | -                      |
| WATER NETWORK                      | RnM P: Water Supply Infrastructure: Bulk Mains: Pipe Work       | PO_0030        | Dignified Living               | 4 324   | 4 513                  | 4 710                  |
| WATER NETWORK                      | RnM P: Water Supply Infrastructure: Water Treatment: Metal Work | PO_0034        | Dignified Living               | 31  | 32                     | 34                     |
| WATER NETWORK                      | RnM P: Transport Assets   | PO_0059        | Good Governance and Compliance | 400   | 400                    | 400                    |
| WATER NETWORK                      | Department of Water Affairs                                     | PO_0098        | Dignified Living               | 7 200   | 7 560                  | 7 938                  |
| WATER NETWORK                      | Wynland Irrigation Board  | PO_0099        | Dignified Living               | 312   | 324                    | 337                    |
| WATER NETWORK                      | COCT Water  | PO_0100        | Dignified Living               | 23 920  | 24 877                 | 25 872                 |
| WATER NETWORK                      | COVID 19 Expenditure  | PO_0103        | Safe Valley                    | 7   | 8                      | 8                      |
| WATER NETWORK                      | Research and Development  | PO_0134        | Good Governance and Compliance | 520   | 541                    | 562                    |
| WATER NETWORK                      | Employee related Cost   | PO_0149        | Good Governance and Compliance | 25 836  | 27 386                 | 29 029                 |
| WATER NETWORK                      | Depreciation and asset impairment                               | PO_0154        | Good Governance and Compliance | 25 202  | 26 463                 | 27 786                 |
| WATER NETWORK                      | Finance Charges   | PO_0155        | Good Governance and Compliance | 9 888   | 11 789                 | 12 308                 |
| WATER NETWORK                      | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 4 937   | 5 219                  | 5 519                  |
| WORKSHOP                           | Depreciation and asset impairment                               | PO_0154        | Good Governance and Compliance | 25  | 26                     | 27                     |
| COMMUNICATION SERVICES             | RnM C: Furniture and Office Equipment                           | PO_0054        | Good Governance and Compliance | 10  | 11                     | 11                     |
| COMMUNICATION SERVICES             | RnM P: Furniture and Office Equipment                           | PO_0064        | Good Governance and Compliance | 4   | 4                      | 4                      |
| COMMUNICATION SERVICES             | IDP/ Budget/ SDF Public Participation Meetings                  | PO_0086        | Good Governance and Compliance | 1   | 1                      | 1                      |
| COMMUNICATION SERVICES             | Communication and Development                                   | PO_0139        | Good Governance and Compliance | 468   | 487                    | 506                    |
| COMMUNICATION SERVICES             | Depreciation and asset impairment                               | PO_0154        | Good Governance and Compliance | 183   | 192                    | 202                    |
| COMMUNICATION SERVICES             | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 2 906   | 3 064                  | 3 231                  |
| IDP AND STRATEGIC PROGRAMS         | RnM P: Transport Assets   | PO_0059        | Good Governance and Compliance | 21  | 22                     | 22                     |
| IDP AND STRATEGIC PROGRAMS         | IDP Planning and Revision                                       | PO_0141        | Good Governance and Compliance | 1 385   | 1 440                  | 1 498                  |
| IDP AND STRATEGIC PROGRAMS         | Risk Management   | PO_0142        | Good Governance and Compliance | 250   | 260                    | 270                    |
| IDP AND STRATEGIC PROGRAMS         | Depreciation and asset impairment                               | PO_0154        | Good Governance and Compliance | 28  | 29                     | 31                     |
| IDP AND STRATEGIC PROGRAMS         | Public Participation Meeting                                    | PO_0156        | Good Governance and Compliance | 281   | 292                    | 304                    |
| IDP AND STRATEGIC PROGRAMS         | Municipal Running Cost  | PO_MUN         | Good Governance and Compliance | 3 766   | 3 991                  | 4 229                  |
| INTERNAL AUDIT                     | Procurement Reforms and Fighting Corruption                     | PO_0128        | Good Governance and Compliance | 250   | 260                    | 270                    |
| INTERNAL AUDIT                     | Risk Management   | PO_0142        | Good Governance and Compliance | 465   | 483                    | 503                    |
| INTERNAL AUDIT                     | Depreciation and asset impairment                               | PO_0154        | Good Governance and Compliance | 8   | 8                      | 9                      |

| Municipal Vote/Operational project | Program/Project description                         | Project number | IDP Goal code<br>2             | 2022/23 Medium Term Revenue & Expenditure Framework |                           |                           |
|------------------------------------|---|----------------|--------------------------------|---|---------------------------|---------------------------|
|                                    |   |                |                                | Budget Year<br>2022/23                              | Budget Year +1<br>2023/24 | Budget Year +2<br>2024/25 |
| R thousand                         |   |                |                                |   |                           |                           |
| INTERNAL AUDIT                     | Municipal Running Cost                              | PO_MUN         | Good Governance and Compliance | 11 535  | 11 861                    | 12 206                    |
| MUNICIPAL MANAGER                  | RnM P: Furniture and Office Equipment               | PO_0064        | Good Governance and Compliance | 5   | 5                         | 6                         |
| MUNICIPAL MANAGER                  | Workshops, Seminars and Subject Matter Training     | PO_0084        | Good Governance and Compliance | 50  | 52                        | 54                        |
| MUNICIPAL MANAGER                  | COVID 19 Expenditure                                | PO_0103        | Safe Valley                    | 1   | 1                         | 1                         |
| MUNICIPAL MANAGER                  | Human Resource Management                           | PO_0118        | Good Governance and Compliance | 208   | 216                       | 225                       |
| MUNICIPAL MANAGER                  | Employee related Cost                               | PO_0149        | Good Governance and Compliance | 72  | 76                        | 81                        |
| MUNICIPAL MANAGER                  | Depreciation and asset impairment                   | PO_0154        | Good Governance and Compliance | 116   | 121                       | 127                       |
| MUNICIPAL MANAGER                  | Municipal Running Cost                              | PO_MUN         | Good Governance and Compliance | 3 798   | 4 016                     | 4 248                     |
| PUBLIC PARTICIPATION               | Functions and Events:Special Events and Functions   | PO_0114        | Good Governance and Compliance | 10  | 11                        | 11                        |
| PUBLIC PARTICIPATION               | Integrated Public Transport Network                 | PO_0121        | Valley of Possibility          | 5   | 5                         | 6                         |
| PUBLIC PARTICIPATION               | Municipal Running Cost                              | PO_MUN         | Good Governance and Compliance | 126   | 131                       | 136                       |
| RISK MANAGEMENT                    | Procurement Reforms and Fighting Corruption         | PO_0128        | Good Governance and Compliance | 355   | 369                       | 384                       |
| RISK MANAGEMENT                    | Municipal Running Cost                              | PO_MUN         | Good Governance and Compliance | 1 126   | 1 193                     | 1 265                     |
| BUILDING CONTROL                   | Workshops, Seminars and Subject Matter Training     | PO_0084        | Good Governance and Compliance | 70  | 70                        | 70                        |
| BUILDING CONTROL                   | COVID 19 Expenditure                                | PO_0103        | Safe Valley                    | 0   | 0                         | 0                         |
| BUILDING CONTROL                   | Feasibility Studies                                 | PO_0140        | Good Governance and Compliance | 35  | 40                        | 45                        |
| BUILDING CONTROL                   | Employee related Cost                               | PO_0149        | Good Governance and Compliance | 8 491   | 9 001                     | 9 541                     |
| BUILDING CONTROL                   | Municipal Running Cost                              | PO_MUN         | Good Governance and Compliance | 234   | 250                       | 267                       |
| ECONOMIC SCHEME 3: 36 MAISONET     | Municipal Running Cost                              | PO_MUN         | Good Governance and Compliance | 6   | 6                         | 6                         |
| ECONOMIC SCHEME 9:72 FLATS         | Municipal Running Cost                              | PO_MUN         | Good Governance and Compliance | 6   | 6                         | 7                         |
| HOUSING ADMINISTRATION             | IG: CLEANING OF RENTAL STOCK                        | EPWP009        | Dignified Living               | 848   | -                         | -                         |
| HOUSING ADMINISTRATION             | RENTAL STOCK AND TRA SURVEY                         | EPWP010        | Dignified Living               | 256   | -                         | -                         |
| HOUSING ADMINISTRATION             | MAINTENANCE OF MUNICIPAL RENTAL STOCK (ARTISANS)    | EPWP011        | Dignified Living               | 320   | -                         | -                         |
| HOUSING ADMINISTRATION             | IG: ACCES CONTOL PUBLIC RENTAL STOCK                | EPWP012        | Dignified Living               | 427   | -                         | -                         |
| HOUSING ADMINISTRATION             | RnM P: Transport Assets                             | PO_0059        | Good Governance and Compliance | 104   | 108                       | 112                       |
| HOUSING ADMINISTRATION             | RnM P: Furniture and Office Equipment               | PO_0064        | Good Governance and Compliance | 52  | 54                        | 56                        |
| HOUSING ADMINISTRATION             | RnM P: Other Assets: Housing: Capital Spares        | PO_0066        | Dignified Living               | 13  | 13                        | 14                        |
| HOUSING ADMINISTRATION             | RnM C: Other Assets: Housing: Capital Spares        | PO_0067        | Dignified Living               | 250   | 260                       | 270                       |
| HOUSING ADMINISTRATION             | City Cleanliness and Clean-up:Clean-up Actions      | PO_0085        | Valley of Possibility          | 78  | 81                        | 84                        |
| HOUSING ADMINISTRATION             | Title Deed Restoration Programme                    | PO_0092        | Dignified Living               | 834   | 881                       | 932                       |
| HOUSING ADMINISTRATION             | COVID 19 Expenditure                                | PO_0103        | Safe Valley                    | 5   | 5                         | 6                         |
| HOUSING ADMINISTRATION             | Occupational Health and Safety                      | PO_0125        | Good Governance and Compliance | 37  | 39                        | 40                        |
| HOUSING ADMINISTRATION             | Administrative Strategy and Planning                | PO_0138        | Good Governance and Compliance | 156   | 162                       | 169                       |
| HOUSING ADMINISTRATION             | Employee related Cost                               | PO_0149        | Good Governance and Compliance | 13 616  | 14 433                    | 15 299                    |
| HOUSING ADMINISTRATION             | Municipal Accreditation and Capacity Building Grant | PO_0168        | Dignified Living               | 256   | 245                       | 249                       |
| HOUSING ADMINISTRATION             | Municipal Running Cost                              | PO_MUN         | Good Governance and Compliance | 4 527   | 4 709                     | 4 902                     |
| INFORMAL SETTLEMENTS               | RnM C: Furniture and Office Equipment               | PO_0054        | Good Governance and Compliance | 5   | 5                         | 5                         |
| INFORMAL SETTLEMENTS               | RnM P: Furniture and Office Equipment               | PO_0064        | Good Governance and Compliance | 13  | 13                        | 14                        |
| INFORMAL SETTLEMENTS               | COVID 19 Expenditure                                | PO_0103        | Safe Valley                    | 3   | 3                         | 3                         |
| INFORMAL SETTLEMENTS               | Occupational Health and Safety                      | PO_0125        | Good Governance and Compliance | 5   | 5                         | 6                         |

| Municipal Vote/Operational project | Program/Project description                               | Project number | IDP Goal code<br>2             | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|------------------------------------|---|----------------|--------------------------------|---|------------------------|------------------------|
|                                    |   |                |                                | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand                         |   |                |                                |   |                        |                        |
| INFORMAL SETTLEMENTS               | Research and Development                                  | PO_0134        | Good Governance and Compliance | 50  | 52                     | 54                     |
| INFORMAL SETTLEMENTS               | Feasibility Studies                                       | PO_0140        | Good Governance and Compliance | 130   | 135                    | 140                    |
| INFORMAL SETTLEMENTS               | Informal Settlements                                      | PO_0146        | Dignified Living               | 4 529   | 4 310                  | 3 603                  |
| INFORMAL SETTLEMENTS               | Employee related Cost                                     | PO_0149        | Good Governance and Compliance | 5 132   | 5 440                  | 5 767                  |
| INFORMAL SETTLEMENTS               | Municipal Running Cost                                    | PO_MUN         | Good Governance and Compliance | 1 015   | 1 064                  | 1 115                  |
| LOCAL ECONOMIC DEVELOPMENT         | LOCAL ECONOMIC DEV & TOURSIM                              | EPWP022        | Dignified Living               | 966   | -                      | -                      |
| LOCAL ECONOMIC DEVELOPMENT         | Budget Road Show Public Participation                     | PO_0082        | Good Governance and Compliance | 250   | 260                    | 270                    |
| LOCAL ECONOMIC DEVELOPMENT         | Capacity Building Unemployed                              | PO_0083        | Valley of Possibility          | 10  | 11                     | 11                     |
| LOCAL ECONOMIC DEVELOPMENT         | Education and Training                                    | PO_0091        | Valley of Possibility          | 52  | 54                     | 56                     |
| LOCAL ECONOMIC DEVELOPMENT         | COVID 19 Expenditure                                      | PO_0103        | Safe Valley                    | 5   | 5                      | 6                      |
| LOCAL ECONOMIC DEVELOPMENT         | Functions and Events:Special Events and Functions         | PO_0114        | Good Governance and Compliance | 10  | 11                     | 11                     |
| LOCAL ECONOMIC DEVELOPMENT         | Local Economic Development:Project Implementation         | PO_0122        | Good Governance and Compliance | 1 472   | 679                    | 706                    |
| LOCAL ECONOMIC DEVELOPMENT         | Local Economic Development:Public Participation           | PO_0123        | Good Governance and Compliance | 10  | 11                     | 11                     |
| LOCAL ECONOMIC DEVELOPMENT         | Employee related Cost                                     | PO_0149        | Good Governance and Compliance | 2 087   | 2 212                  | 2 345                  |
| LOCAL ECONOMIC DEVELOPMENT         | Funding of External Bodies Performing Municipal Functions | PO_0162        | Valley of Possibility          | 5 771   | 6 015                  | 6 269                  |
| LOCAL ECONOMIC DEVELOPMENT         | LED DIRECT SUPPORT TO SMMES                               | PO_0163        | Valley of Possibility          | 1 000   | 1 040                  | 1 081                  |
| LOCAL ECONOMIC DEVELOPMENT         | Heritage Inventory  | PO_0164        | Valley of Possibility          | 324   | 324                    | 324                    |
| LOCAL ECONOMIC DEVELOPMENT         | Municipal Running Cost                                    | PO_MUN         | Good Governance and Compliance | 1 188   | 956                    | 974                    |
| NEW DEVELOPMENT                    | Research and Development                                  | PO_0134        | Good Governance and Compliance | 457   | 475                    | 457                    |
| NEW DEVELOPMENT                    | Feasibility Studies                                       | PO_0140        | Good Governance and Compliance | 16  | 16                     | 17                     |
| NEW DEVELOPMENT                    | Employee related Cost                                     | PO_0149        | Good Governance and Compliance | 301   | 319                    | 339                    |
| NEW DEVELOPMENT                    | Municipal Running Cost                                    | PO_MUN         | Good Governance and Compliance | 114   | 119                    | 124                    |
| PLANNING & ENVIRONMENT: GEN        | RnM C: Furniture and Office Equipment                     | PO_0054        | Good Governance and Compliance | 5   | 5                      | 5                      |
| PLANNING & ENVIRONMENT: GEN        | RnM P: Other Assets: Housing: Capital Spares              | PO_0066        | Dignified Living               | 90  | 94                     | 973                    |
| PLANNING & ENVIRONMENT: GEN        | Workshops, Seminars and Subject Matter Training           | PO_0084        | Good Governance and Compliance | 85  | 88                     | 92                     |
| PLANNING & ENVIRONMENT: GEN        | City Cleanliness and Clean-up:Clean-up Actions            | PO_0085        | Valley of Possibility          | 10  | 10                     | 11                     |
| PLANNING & ENVIRONMENT: GEN        | COVID 19 Expenditure                                      | PO_0103        | Safe Valley                    | 4   | 4                      | 4                      |
| PLANNING & ENVIRONMENT: GEN        | Functions and Events:Special Events and Functions         | PO_0114        | Good Governance and Compliance | 10  | 11                     | 11                     |
| PLANNING & ENVIRONMENT: GEN        | Retirement Achievements and Awards                        | PO_0116        | Good Governance and Compliance | 1   | 1                      | 1                      |
| PLANNING & ENVIRONMENT: GEN        | Local Economic Development:Project Implementation         | PO_0122        | Good Governance and Compliance | 200   | 208                    | 216                    |
| PLANNING & ENVIRONMENT: GEN        | Research and Development                                  | PO_0134        | Good Governance and Compliance | 350   | 364                    | 379                    |
| PLANNING & ENVIRONMENT: GEN        | Risk Management   | PO_0142        | Good Governance and Compliance | 3 520   | 3 421                  | 3 577                  |
| PLANNING & ENVIRONMENT: GEN        | Employee related Cost                                     | PO_0149        | Good Governance and Compliance | 5 872   | 6 224                  | 6 597                  |
| PLANNING & ENVIRONMENT: GEN        | Municipal Running Cost                                    | PO_MUN         | Good Governance and Compliance | 2 679   | 2 875                  | 3 077                  |
| SUBECONOMICAL SCHEME 3: 124 HO     | Municipal Running Cost                                    | PO_MUN         | Good Governance and Compliance | 10  | 11                     | 11                     |
| TOWN DEVELOPMENT                   | Workshops, Seminars and Subject Matter Training           | PO_0084        | Good Governance and Compliance | 52  | 54                     | 56                     |
| TOWN DEVELOPMENT                   | Risk Management   | PO_0142        | Good Governance and Compliance | 420   | 420                    | 420                    |
| TOWN DEVELOPMENT                   | Employee related Cost                                     | PO_0149        | Good Governance and Compliance | 6 088   | 6 454                  | 6 841                  |
| TOWN DEVELOPMENT                   | Municipal Running Cost                                    | PO_MUN         | Good Governance and Compliance | 1 045   | 1 097                  | 1 152                  |
| TOWN PLANNING                      | Workshops, Seminars and Subject Matter Training           | PO_0084        | Good Governance and Compliance | 16  | 17                     | 17                     |

| Municipal Vote/Operational project | Program/Project description                       | Project number | IDP Goal code<br>2             | 2022/23 Medium Term Revenue & Expenditure Framework |                           |                           |
|------------------------------------|---|----------------|--------------------------------|---|---------------------------|---------------------------|
|                                    |   |                |                                | Budget Year<br>2022/23                              | Budget Year +1<br>2023/24 | Budget Year +2<br>2024/25 |
| R thousand                         |   |                |                                |   |                           |                           |
| TOWN PLANNING                      | Functions and Events:Special Events and Functions | PO_0114        | Good Governance and Compliance | 60  | 62                        | 65                        |
| TOWN PLANNING                      | Feasibility Studies                               | PO_0140        | Good Governance and Compliance | 307   | 319                       | 332                       |
| TOWN PLANNING                      | Employee related Cost                             | PO_0149        | Good Governance and Compliance | 11 166  | 11 836                    | 12 546                    |
| TOWN PLANNING                      | Municipal Planning Tribunal                       | PO_0157        | Good Governance and Compliance | 600   | 624                       | 649                       |
| TOWN PLANNING                      | Municipal Running Cost                            | PO_MUN         | Good Governance and Compliance | 154   | 161                       | 168                       |
| ADMIN BUILDINGS: FRANSSCHHOEK      | Employee related Cost                             | PO_0149        | Good Governance and Compliance | 177   | 187                       | 198                       |
| ADMIN BUILDINGS: FRANSSCHHOEK      | Depreciation and asset impairment                 | PO_0154        | Good Governance and Compliance | 13  | 14                        | 15                        |
| ADMIN BUILDINGS: STELLENBOSCH      | COVID 19 Expenditure                              | PO_0103        | Safe Valley                    | 4   | 4                         | 5                         |
| ADMIN BUILDINGS: STELLENBOSCH      | Depreciation and asset impairment                 | PO_0154        | Good Governance and Compliance | 723   | 759                       | 797                       |
| ADMIN BUILDINGS: STELLENBOSCH      | Municipal Running Cost                            | PO_MUN         | Good Governance and Compliance | 50  | 52                        | 55                        |
| CORPORATE SERVICES: GENERAL        | RnM C: Furniture and Office Equipment             | PO_0054        | Good Governance and Compliance | 3   | 3                         | 3                         |
| CORPORATE SERVICES: GENERAL        | COVID 19 Expenditure                              | PO_0103        | Safe Valley                    | 1   | 1                         | 1                         |
| CORPORATE SERVICES: GENERAL        | Functions and Events:Special Events and Functions | PO_0114        | Good Governance and Compliance | 2   | 2                         | 2                         |
| CORPORATE SERVICES: GENERAL        | Trade Union                                       | PO_0117        | Good Governance and Compliance | 3   | 3                         | 3                         |
| CORPORATE SERVICES: GENERAL        | Employee related Cost                             | PO_0149        | Good Governance and Compliance | 2 600   | 2 756                     | 2 921                     |
| CORPORATE SERVICES: GENERAL        | Depreciation and asset impairment                 | PO_0154        | Good Governance and Compliance | 101   | 106                       | 111                       |
| CORPORATE SERVICES: GENERAL        | Municipal Running Cost                            | PO_MUN         | Good Governance and Compliance | 231   | 235                       | 240                       |
| COUNCIL: DEPUTY MAYOR'S OFFICE     | Municipal Running Cost                            | PO_MUN         | Good Governance and Compliance | 9   | 14                        | 15                        |
| COUNCIL: GENERAL EXPENSES          | RnM C: Furniture and Office Equipment             | PO_0054        | Good Governance and Compliance | 59  | 62                        | 64                        |
| COUNCIL: GENERAL EXPENSES          | RnM C: Transport Assets                           | PO_0058        | Good Governance and Compliance | 5   | 5                         | 6                         |
| COUNCIL: GENERAL EXPENSES          | RnM P: Transport Assets                           | PO_0059        | Good Governance and Compliance | 16  | 16                        | 17                        |
| COUNCIL: GENERAL EXPENSES          | Workshops, Seminars and Subject Matter Training   | PO_0084        | Good Governance and Compliance | 216   | 225                       | 234                       |
| COUNCIL: GENERAL EXPENSES          | Implementation of Ward Priorities                 | PO_0088        | Good Governance and Compliance | 1 144   | 1 190                     | 1 237                     |
| COUNCIL: GENERAL EXPENSES          | COVID 19 Expenditure                              | PO_0103        | Safe Valley                    | 3   | 3                         | 3                         |
| COUNCIL: GENERAL EXPENSES          | Functions and Events:Special Events and Functions | PO_0114        | Good Governance and Compliance | 142   | 148                       | 154                       |
| COUNCIL: GENERAL EXPENSES          | Integrated Public Transport Network               | PO_0121        | Valley of Possibility          | 40  | 41                        | 43                        |
| COUNCIL: GENERAL EXPENSES          | Remuneration of councillors                       | PO_0150        | Good Governance and Compliance | 21 062  | 22 115                    | 23 221                    |
| COUNCIL: GENERAL EXPENSES          | Depreciation and asset impairment                 | PO_0154        | Good Governance and Compliance | 160   | 168                       | 177                       |
| COUNCIL: GENERAL EXPENSES          | Municipal Running Cost                            | PO_MUN         | Good Governance and Compliance | 7 082   | 7 366                     | 7 660                     |
| COUNCIL: MAYOR'S OFFICE            | RnM C: Furniture and Office Equipment             | PO_0054        | Good Governance and Compliance | 11  | 12                        | 12                        |
| COUNCIL: MAYOR'S OFFICE            | RnM P: Transport Assets                           | PO_0059        | Good Governance and Compliance | 18  | 18                        | 19                        |
| COUNCIL: MAYOR'S OFFICE            | Depreciation and asset impairment                 | PO_0154        | Good Governance and Compliance | 0   | 0                         | 0                         |
| COUNCIL: MAYOR'S OFFICE            | Municipal Hospitality Programme                   | PO_0165        | Dignified Living               | 510   | 530                       | 551                       |
| COUNCIL: MAYOR'S OFFICE            | Municipal Running Cost                            | PO_MUN         | Good Governance and Compliance | 481   | 500                       | 520                       |
| COUNCIL: SPEAKER'S OFFICE          | RnM C: Furniture and Office Equipment             | PO_0054        | Good Governance and Compliance | 2   | 2                         | 2                         |
| COUNCIL: SPEAKER'S OFFICE          | COVID 19 Expenditure                              | PO_0103        | Safe Valley                    | 1   | 1                         | 1                         |
| COUNCIL: SPEAKER'S OFFICE          | Ward Committees                                   | PO_0147        | Good Governance and Compliance | 572   | 595                       | 619                       |
| COUNCIL: SPEAKER'S OFFICE          | Municipal Running Cost                            | PO_MUN         | Good Governance and Compliance | 341   | 354                       | 369                       |
| DOCUMENTATION & ARCHIVES MANAG     | RnM P: Transport Assets                           | PO_0059        | Good Governance and Compliance | 31  | 32                        | 34                        |
| DOCUMENTATION & ARCHIVES MANAG     | Employee related Cost                             | PO_0149        | Good Governance and Compliance | 6 729   | 7 133                     | 7 561                     |

| Municipal Vote/Operational project | Program/Project description  | Project number | IDP Goal code<br>2             | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|------------------------------------|--|----------------|--------------------------------|---|------------------------|------------------------|
|                                    |  |                |                                | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand                         |  |                |                                |   |                        |                        |
| DOCUMENTATION & ARCHIVES MANAG     | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 87  | 92                     | 96                     |
| DOCUMENTATION & ARCHIVES MANAG     | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 1 409   | 1 465                  | 1 523                  |
| HUMAN RESOURCE SERVICES            | RnM C: Furniture and Office Equipment                                    | PO_0054        | Good Governance and Compliance | 6   | 6                      | 6                      |
| HUMAN RESOURCE SERVICES            | Workshops, Seminars and Subject Matter Training                          | PO_0084        | Good Governance and Compliance | 3 000   | 3 000                  | 3 000                  |
| HUMAN RESOURCE SERVICES            | Trade Union  | PO_0117        | Good Governance and Compliance | 420   | 420                    | 420                    |
| HUMAN RESOURCE SERVICES            | Work Integrated Learners/ Interns  | PO_0119        | Valley of Possibility          | 528   | 541                    | 555                    |
| HUMAN RESOURCE SERVICES            | Employee related Cost  | PO_0149        | Good Governance and Compliance | 36 405  | 38 589                 | 40 905                 |
| HUMAN RESOURCE SERVICES            | Operational Cost: Skills development levy                                | PO_0151        | Good Governance and Compliance | 4 000   | 4 000                  | 4 000                  |
| HUMAN RESOURCE SERVICES            | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 9   | 9                      | 10                     |
| HUMAN RESOURCE SERVICES            | Finance Charges  | PO_0155        | Good Governance and Compliance | 2 086   | 2 178                  | 2 276                  |
| HUMAN RESOURCE SERVICES            | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 3 882   | 4 068                  | 4 142                  |
| INFORMATION TECHNOLOGY             | RnM C: Information and Communication Infrastructure: Capital Spares      | PO_0008        | Dignified Living               | 380   | 395                    | 411                    |
| INFORMATION TECHNOLOGY             | RnM C: Furniture and Office Equipment                                    | PO_0054        | Good Governance and Compliance | 140   | 146                    | 151                    |
| INFORMATION TECHNOLOGY             | Workshops, Seminars and Subject Matter Training                          | PO_0084        | Good Governance and Compliance | 25  | 26                     | 27                     |
| INFORMATION TECHNOLOGY             | Website Development and Maintenance                                      | PO_0148        | Good Governance and Compliance | 450   | 468                    | 487                    |
| INFORMATION TECHNOLOGY             | Employee related Cost  | PO_0149        | Good Governance and Compliance | 9 220   | 9 774                  | 10 360                 |
| INFORMATION TECHNOLOGY             | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 6 750   | 7 087                  | 7 442                  |
| INFORMATION TECHNOLOGY             | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 36 407  | 38 043                 | 40 205                 |
| LEGAL SERVICES                     | Administrative Strategy and Planning                                     | PO_0138        | Good Governance and Compliance | 7 100   | 7 200                  | 7 300                  |
| LEGAL SERVICES                     | Employee related Cost  | PO_0149        | Good Governance and Compliance | 1 669   | 1 769                  | 1 876                  |
| LEGAL SERVICES                     | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 65  | 68                     | 71                     |
| MUNICIPAL BUILDINGS & STRUCTUR     | RnM C: Furniture and Office Equipment                                    | PO_0054        | Good Governance and Compliance | 20  | 22                     | 24                     |
| MUNICIPAL BUILDINGS & STRUCTUR     | RnM C: Other Assets: Operational Buildings: Municipal Offices: Buildings | PO_0056        | Good Governance and Compliance | 16 000  | 16 800                 | 17 700                 |
| MUNICIPAL BUILDINGS & STRUCTUR     | RnM P: Transport Assets  | PO_0059        | Good Governance and Compliance | 75  | 80                     | 85                     |
| MUNICIPAL BUILDINGS & STRUCTUR     | COVID 19 Expenditure   | PO_0103        | Safe Valley                    | 10  | 10                     | 10                     |
| MUNICIPAL BUILDINGS & STRUCTUR     | Municipal Properties   | PO_0124        | Valley of Possibility          | 55  | 60                     | 65                     |
| MUNICIPAL BUILDINGS & STRUCTUR     | Occupational Health and Safety   | PO_0125        | Good Governance and Compliance | 170   | 175                    | 180                    |
| MUNICIPAL BUILDINGS & STRUCTUR     | Employee related Cost  | PO_0149        | Good Governance and Compliance | 4 610   | 4 887                  | 5 180                  |
| MUNICIPAL BUILDINGS & STRUCTUR     | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 2 675   | 2 809                  | 2 949                  |
| MUNICIPAL BUILDINGS & STRUCTUR     | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 1 684   | 2 728                  | 2 218                  |
| MUNICIPAL COURT                    | RnM C: Furniture and Office Equipment                                    | PO_0054        | Good Governance and Compliance | 44  | 46                     | 48                     |
| MUNICIPAL COURT                    | COVID 19 Expenditure   | PO_0103        | Safe Valley                    | 1   | 1                      | 1                      |
| MUNICIPAL COURT                    | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 116   | 119                    | 123                    |
| OCCUPATIONAL HEALTH AND SAFETY     | RnM P: Transport Assets  | PO_0059        | Good Governance and Compliance | 42  | 44                     | 46                     |
| OCCUPATIONAL HEALTH AND SAFETY     | Employee related Cost  | PO_0149        | Good Governance and Compliance | 4 719   | 5 003                  | 5 303                  |
| OCCUPATIONAL HEALTH AND SAFETY     | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 184   | 191                    | 197                    |
| PRINTING OFFICE                    | RnM C: Furniture and Office Equipment                                    | PO_0054        | Good Governance and Compliance | 31  | 32                     | 34                     |
| PRINTING OFFICE                    | Depreciation and asset impairment  | PO_0154        | Good Governance and Compliance | 1   | 1                      | 1                      |
| PRINTING OFFICE                    | Municipal Running Cost   | PO_MUN         | Good Governance and Compliance | 196   | 203                    | 210                    |
| PROPERTY MANAGEMENT                | RnM C: Furniture and Office Equipment                                    | PO_0054        | Good Governance and Compliance | 10  | 15                     | 20                     |

| Municipal Vote/Operational project<br><br>R thousand                       | Program/Project description           | Project number | IDP Goal code<br>2             | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|---------------------------------------|----------------|--------------------------------|---|------------------------|------------------------|
|  |                                       |                |                                | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| PROPERTY MANAGEMENT  | Municipal Properties                  | PO_0124        | Valley of Possibility          | 1 494   | 1 616                  | 2 042                  |
| PROPERTY MANAGEMENT  | Research and Development              | PO_0134        | Good Governance and Compliance | 50  | 55                     | 60                     |
| PROPERTY MANAGEMENT  | Administrative Strategy and Planning  | PO_0138        | Good Governance and Compliance | 612   | 643                    | 675                    |
| PROPERTY MANAGEMENT  | Employee related Cost                 | PO_0149        | Good Governance and Compliance | 4 296   | 4 553                  | 4 826                  |
| PROPERTY MANAGEMENT  | Depreciation and asset impairment     | PO_0154        | Good Governance and Compliance | 2 480   | 2 604                  | 2 734                  |
| PROPERTY MANAGEMENT  | Municipal Running Cost                | PO_MUN         | Good Governance and Compliance | 9 578   | 10 143                 | 10 701                 |
| SECRETARIATE & ADMINISTRATION  | RnM C: Furniture and Office Equipment | PO_0054        | Good Governance and Compliance | 18  | 19                     | 20                     |
| SECRETARIATE & ADMINISTRATION  | Employee related Cost                 | PO_0149        | Good Governance and Compliance | 4 988   | 5 287                  | 5 604                  |
| SECRETARIATE & ADMINISTRATION  | Municipal Running Cost                | PO_MUN         | Good Governance and Compliance | 63  | 64                     | 64                     |
| <b>Parent operational expenditure</b>                                      |                                       |                |                                | <b>2 111 162</b>                                    | <b>2 208 064</b>       | <b>2 342 261</b>       |
| <b>Entities:</b><br><i>List all operational projects grouped by Entity</i> |                                       |                |                                |   |                        |                        |
| <b>Entity A</b><br>Water project A   |                                       |                |                                |   |                        |                        |
| <b>Entity B</b><br>Electricity project B                                   |                                       |                |                                |   |                        |                        |
| <b>Entity Operational expenditure</b>                                      |                                       |                |                                | -   | -                      | -                      |
| <b>Total Operational expenditure</b>                                       |                                       |                |                                | -   | -                      | -                      |

References

1. Must reconcile with Budgeted Operating Expenditure
2. As per Table SA5



**Q: QUALITY CERTIFICATE**

I, Geraldine Mettler, Municipal Manager of the Stellenbosch Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Name: Geraldine Mettler

Municipal Manager of Stellenbosch Municipality

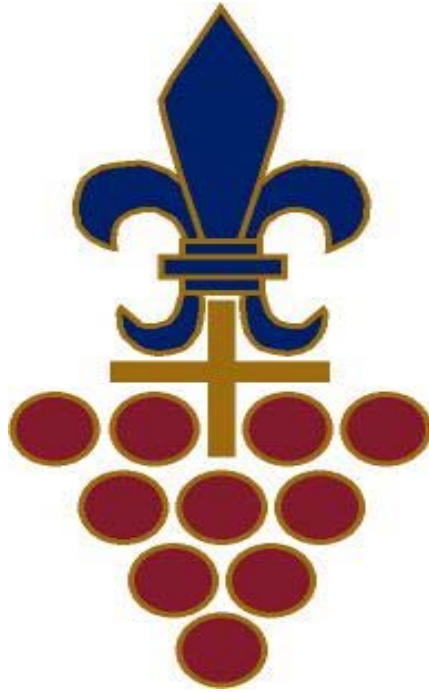
Signature \_\_\_\_\_



Date \_\_\_\_\_

23 March 2022.

# **STELLENBOSCH MUNICIPALITY**



## **MONTHLY HOUSEHOLD AND BUSINESS ACCOUNTS SCENARIOS**

**2022/2023**

## MONTHLY HOUSEHOLD AND BUSINESS ACCOUNTS SCENARIOS BY MEANS OF RANDOM SAMPLE

Updated 22/03/2022

|                                 |  | *Account numbers use as basis* |  |        |                             | EXCL VAT   |           |
|---------------------------------|--|--------------------------------|--|--------|-----------------------------|------------|-----------|
| SMALL HOUSEHOLD (NON- INDIGENT) |  | 600202000                      |  | Erf 36 | Monthly Account             | '2021/2022 | 2022/2023 |
| Stand - sq.m                    |  | 416                            |  |        | Property Rates              | -          | -         |
| Buildings - sq.m                |  | 57                             |  |        | Electricity - Units         | 366,23     | 395,16    |
|                                 |  |                                |  |        | Electricity - Basic         | -          | -         |
| Elec. - Kwh/pm (Dom2)           |  | 237                            |  |        | Water                       | 96,36      | 102,36    |
| Electricity-Basic               |  | Dom 2** Pre-paid               |  |        | Water Basic                 | 73,69      | 78,25     |
| Water - Kl./pm - 10% RS         |  | 12                             |  |        | Sewerage                    | 172,34     | 183,55    |
| Water-Basic                     |  | Domestic                       |  |        | Refuse Removal              | 229,71     | 248,08    |
| Valuation                       |  | 180000/New - 216 000           |  |        |                             |            |           |
| Free Water                      |  | 0                              |  |        | A/c Excluding VAT           | 938,33     | 1 007,40  |
| Free Elec.                      |  | 0                              |  |        | % Increase                  |            | 7,36%     |
|                                 |  |                                |  |        | Effect on Municipal account |            | 69,07     |

|                                 |  | *Account numbers use as basis* |  |        |                             | EXCL VAT   |           |
|---------------------------------|--|--------------------------------|--|--------|-----------------------------|------------|-----------|
| SMALL HOUSEHOLD (NON- INDIGENT) |  | 600202000                      |  | Erf 36 | Monthly Account             | '2021/2022 | 2022/2023 |
| Stand - sq.m                    |  | 416                            |  |        | Property Rates              | -          | -         |
| Buildings - sq.m                |  | 57                             |  |        | Electricity - Units         | 364,78     | 393,59    |
|                                 |  |                                |  |        | Electricity - Basic         | 212,87     | 229,69    |
| Elec. - Kwh/pm (Dom 4)          |  | 237                            |  |        | Water                       | 194,52     | 206,58    |
| Electricity-Basic               |  | Dom 4** Credit meter           |  |        | Water Basic                 | 73,69      | 78,25     |
| Water - Kl./pm - 10% RS         |  | 18                             |  |        | Sewerage                    | 172,34     | 183,55    |
| Water-Basic                     |  | Domestic                       |  |        | Refuse Removal              | 229,71     | 248,08    |
| Valuation                       |  | 180000/New - 216 000           |  |        |                             |            |           |
| Free Water                      |  | 0                              |  |        | A/c Excluding VAT           | 1 247,91   | 1 339,74  |
| Free Elec.                      |  | 0                              |  |        | % Increase                  |            | 7,36%     |
|                                 |  |                                |  |        | Effect on Municipal account |            | 91,83     |

## MEDIUM HOUSEHOLD

373420016

Erf 7018

## Monthly Account

|                          |                             |
|--------------------------|-----------------------------|
| Stand - sq.m             | 626                         |
| Buildings - sq.m (Dom 2) | 189                         |
| Elec. - Kwh/pm           | <b>598</b>                  |
| Electricity-Basic        | <b>Dom 2 - No Basic Fee</b> |
| Water - Kl./pm - 10% RS  | <b>25</b>                   |
| Water-Basic              | Domestic                    |
| Valuation                | 864000/New-1 105 000        |
| <b>Free Water</b>        | 0                           |
| <b>Free Elec.</b>        | 0                           |

## EXCL VAT

'2021/2022

2022/2023

|                                    |                 |                 |
|------------------------------------|-----------------|-----------------|
| Property Rates                     | 319,27          | 339,08          |
| Electricity - Units                | <b>1 147,90</b> | <b>1 238,58</b> |
| Water                              | 372,69          | 395,82          |
| Water Basic                        | 73,69           | 78,25           |
| Sewerage                           | 215,52          | 229,53          |
| Refuse Removal                     | 229,71          | 248,08          |
| <b>A/c Excluding VAT</b>           | <b>2 358,78</b> | <b>2 529,34</b> |
| <b>% Increase</b>                  |                 | <b>7,23%</b>    |
| <b>Effect on Municipal account</b> |                 | <b>170,56</b>   |

## LARGE HOUSEHOLD

70270004

Erf 1480

## Monthly Account

|                        |                             |
|------------------------|-----------------------------|
| Stand - sq.m           | 1255                        |
| Buildings - sq.m       | 293                         |
| Elec. - Kwh/pm         | <b>791</b>                  |
| Electricity-Basic      | <b>Dom 4** Credit meter</b> |
| Water - Kl./pm - 0% RS | <b>70</b>                   |
| Water-Basic            | Domestic                    |
| Valuation              | 5635000/New-7 990 000       |
| <b>Free Water</b>      | 0                           |
| <b>Free Elec.</b>      | 0                           |

## EXCL VAT

'2021/2022

2022/2023

|                                    |                 |                 |
|------------------------------------|-----------------|-----------------|
| Property Rates                     | 2 977,99        | 3 162,75        |
| Electricity - Basic                | 212,87          | 229,69          |
| Electricity - Units                | 1 661,82        | 1 793,08        |
| Electricity Demand Levy            | -               | -               |
| Water                              | 2 917,44        | 3 098,22        |
| Water Basic                        | 73,69           | 78,25           |
| Sewerage                           | 307,05          | 327,01          |
| Refuse Removal                     | 229,71          | 248,08          |
| <b>A/c Excluding VAT</b>           | <b>8 380,57</b> | <b>8 937,08</b> |
| <b>% Increase</b>                  |                 | <b>6,64%</b>    |
| <b>Effect on Municipal account</b> |                 | <b>556,51</b>   |

|                        |                       |
|------------------------|-----------------------|
| <b>LARGE HOUSEHOLD</b> | 150540005             |
| Stand - sq.m           | 520                   |
| Buildings - sq.m       | 207                   |
| Elec. - Kwh/pm         | 791                   |
| Electricity-Basic      | Dom 4** Credit meter  |
| Water - Kl./pm - 0% RS | 70                    |
| Water-Basic            | Domestic              |
| Valuation              | 2717000/New-4 750 000 |
| Free Water             | 0                     |
| Free Elec.             | 0                     |

| Erf 2401 Monthly Account           | EXCL VAT        |                 |
|------------------------------------|-----------------|-----------------|
|                                    | '2021/2022      | 2022/2023       |
| Property Rates                     | 1 680,38        | 1 784,63        |
| Electricity - Basic                | 212,87          | 229,69          |
| Electricity - Units                | 1 661,81        | 1 793,08        |
| Electricity Demand Levy            | -               | -               |
| Water                              | 2 917,44        | 3 098,22        |
| Water Basic                        | 73,69           | 78,25           |
| Sewerage                           | 194,15          | 206,77          |
| Refuse Removal                     | 229,71          | 248,08          |
| <b>A/c Excluding VAT</b>           | <b>6 970,05</b> | <b>7 438,72</b> |
| <b>% Increase</b>                  |                 | <b>6,72%</b>    |
| <b>Effect on Municipal account</b> |                 | <b>468,67</b>   |

**SMALL BUSINESS**

|                               |                         |
|-------------------------------|-------------------------|
|                               | 441930003               |
| Stand - sq.m                  | 500                     |
| Buildings - sq.m              | 411                     |
| Elec. - Kwh/pm                | <b>783</b>              |
| Electricity-Basic             | <b>Regular PP Com 3</b> |
| <b>Water - Kl./pm - 0% RS</b> | <b>9</b>                |
| Water-Basic                   | Other                   |
| Valuation                     | 1877000/New-2605000     |
| <b>Free Water</b>             | 0                       |
| <b>Free Elec.</b>             | 0                       |

Erf 8721 **Monthly Account**

|                                    | EXCL VAT        |                 |
|------------------------------------|-----------------|-----------------|
|                                    | '2021/2022      | 2022/2023       |
| Property Rates                     | 2 042,75        | 2 169,31        |
| Electricity - Basic                | 365,28          | 394,14          |
| Electricity - Units                | 2 032,90        | 2 193,50        |
| Electricity Demand Levy            | -               | -               |
| Water                              | 209,52          | 222,57          |
| Water Basic                        | 84,40           | 89,64           |
| Sewerage -500+ADD17-3              | 779,52          | 830,19          |
| Refuse Removal                     | 815,04          | 880,24          |
| <b>A/c Excluding VAT</b>           | <b>6 329,41</b> | <b>6 779,59</b> |
| <b>% Increase</b>                  |                 | <b>7,11%</b>    |
| <b>Effect on Municipal account</b> |                 | <b>450,18</b>   |

**INDUSTRIAL**

|                      |                         |
|----------------------|-------------------------|
|                      | 341000004/107           |
| IND 2                |                         |
| Stand - sq.m         | 252 740                 |
| Buildings - sq.m     | 76 054                  |
| Elec. - Kwh/pm       | <b>664319</b>           |
| Electricity-Basic    | <b>IND 2 /2581/2581</b> |
| Water - Kl./pm 0% RS | <b>12453</b>            |
| Water-Basic          | Other                   |
| Valuation            | 180821000/New-224654000 |
| <b>Free Water</b>    | 0                       |
| <b>Free Elec.</b>    | 0                       |

Erf 6284 **Monthly Account**

|                                    | EXCL VAT            |                     |
|------------------------------------|---------------------|---------------------|
|                                    | '2021/2022          | 2022/2023           |
| Property Rates                     | 176 166,18          | 187 080,62          |
| Electricity - Basic                | 4 230,48            | 4 564,69            |
| Electricity - Units                | 779 844,07          | 841 426,45          |
| Electricity Demand Levy            | 913 002,94          | 985 116,08          |
| Water                              | 289 905,84          | 307 962,69          |
| Water Basic                        | 84,40               | 89,64               |
| Sewerage                           | 39 941,37           | 42 541,28           |
| Refuse Removal                     | 4 075,20            | 4 401,20            |
| <b>A/c Excluding VAT</b>           | <b>2 207 250,48</b> | <b>2 373 182,65</b> |
| <b>% Increase</b>                  |                     | <b>7,52%</b>        |
| <b>Effect on Municipal account</b> |                     | <b>165 932,17</b>   |

**A2=14241**  
**A17=89**  
**A20=6**

|   |                         |
|---|-------------------------|
| <b>Time of Use (Medium Voltage)TOU2</b> | <b>341000004/107</b>    |
| Stand - sq.m                            | 252 740                 |
| Buildings - sq.m                        | 76 054                  |
| Peak                                    | 187842                  |
| Standard                                | 502191                  |
| Off-Peak                                | 438833                  |
| Demand                                  | 3001                    |
| Access                                  | 3500                    |
| Electricity-Basic                       |                         |
| Water - Kl./pm 10% RS                   | 12453                   |
| Water-Basic                             | Other                   |
| Valuation                               | 180821000/New-224654000 |
| <b>Free Water</b>                       | 0                       |
| <b>Free Elec.</b>                       | 0                       |

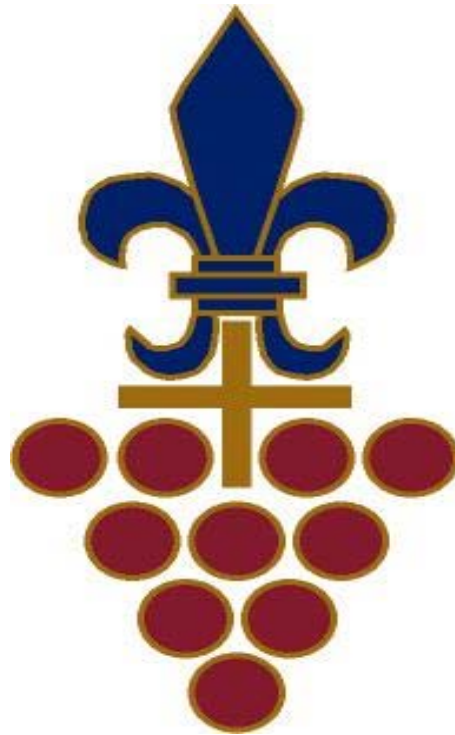
**A2=14241**  
**A17=89**  
**A20=6**

Erf 6284

**Monthly Account**

|                                    |  | <b>EXCL VAT</b>     |                     |
|------------------------------------|--|---------------------|---------------------|
|                                    |  | <b>'2021/2022</b>   | <b>2022/2023</b>    |
| <b>Property Rates</b>              |  | 176 166,18          | 187 080,62          |
|                                    |  |                     | -                   |
| <b>Electricity Units</b>           |  | 344 408,30          | 371 607,83          |
| <b>Electricity Units</b>           |  | <b>602 277,66</b>   | <b>649 835,15</b>   |
| <b>Electricity Units</b>           |  | 394 466,98          | 425 624,13          |
| <b>Electricity Demand Max</b>      |  | 176 308,75          | 190 233,39          |
| <b>Electricity Demand Access</b>   |  | 195 545,00          | 210 980,00          |
| <b>Electricity - Basic</b>         |  | 8 070,53            | 8 708,10            |
| Water                              |  | 289 905,84          | 307 962,69          |
| Water Basic                        |  | 84,40               | 89,64               |
| Sewerage-20+A2,A17,A20             |  | 39 941,38           | 42 541,28           |
| Refuse Removal                     |  | 4 075,20            | 4 401,20            |
| <b>A/c Excluding VAT</b>           |  | <b>2 231 250,22</b> | <b>2 399 064,03</b> |
| <b>% Increase</b>                  |  | <b>15,68%</b>       | <b>7,52%</b>        |
| <b>Effect on Municipal account</b> |  | <b>302 422,19</b>   | <b>167 813,81</b>   |

**STELLENBOSCH MUNICIPALITY**



**TARIFFS**

**2022/2023**



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# STELLENBOSCH MUNICIPALITY

## PROPERTY TAX RATES FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023

For the applicable provisions refer to the approved Rates Policy and Special Rating Areas Policy of the Municipality

### PROPERTY RATES:

Property rates are levied in terms of Section 14(1) of the Local Government : Municipal Property Rates Act 6 of 2004 (the MPRA)

| Category of Property  | Tariff       |
|---|--------------|
| Residential   | R 0.004759   |
| Industrial  | R 0.010469   |
| Business and Commercial   | R 0.009993   |
| Agricultural  | R 0.001189   |
| Mining  | R 0.010945   |
| Public Service Purposes   | R 0.009993   |
| Public Service Infrastructure   | R 0.001189   |
| Public Benefit Organisation   | R 0.001189   |
| Heritage  | R 0.003807   |
| Vacant Residential  | R 0.009518   |
| Vacant Other (not Residential nor Agricultural)                             | R 0.019035   |
| Multiple Use Purpose (Each Component is categorised and rated as per above) | Multi Tariff |

### SPECIAL RATING AREAS (SRA):

Additional rates, for each SRA as approved by Council, are levied in terms of Section 22(1) of the MPRA

| Special Rating Area | Tariff<br>(Excl VAT) | Tariff<br>(Incl VAT) |
|---------------------|----------------------|----------------------|
| Jonkershoek         | R 0.0008713          | R 0.001002           |
| Technopark          | R 0.0015060          | R 0.001732           |

Relief measures for Special Rating Areas may be granted according to the approved Special Rating Area Policy.

### RELIEF MEASURES:

Relief Measures are generally described in paragraph 8 of approved Rates Policy, and will be granted according to the approved Rates Policy. This includes the specific undermentioned relief measures:

#### 1. Gross Monthly Household Income (Qualifying Senior Citizens & Disabled Persons)

A rebate as per the table below may be granted as per paragraph 8.3 of the approved Rates Policy

| Gross Monthly Household Income (Income bands) |          |    |          | % Rebate |
|---|----------|----|----------|----------|
| Up to   |          |    | R 8 000  | 100%     |
| From  | R 8 001  | To | R 10 000 | 75%      |
| From  | R 10 001 | To | R 12 000 | 50%      |
| From  | R 12 001 | To | R 15 000 | 25%      |

#### 2. Municipal Valuation Threshold

On qualifying residential properties, up to a maximum valuation of R 250 000, which amount includes the R15 000 as per Section 17(1)(h) of the MPRA and the R 235 000 Reduction granted as per paragraph 8.2.1(ii) of the approved Rates Policy.

#### 3. Stellenbosch Special Rebates

A rebate of 20% may be granted as per paragraph 8.6 of the approved Rates Policy.

# STELLENBOSCH MUNICIPALITY

## ELECTRICITY TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023

Applicable to services rendered from 1 July 2022

Approved 2021/2022

Application 2022/2023

### 1. Domestic

#### Domestic: Life Line PP - 0 to 60amp single phase only (For qualifying indigent customers and receiving the first 100 units free per month) (DOM1)

|   |        |        |
|---|--------|--------|
| Fixed Charge per month                            | -      | -      |
| Domestic PP Lifeline DOM1 (c/kWh) (<= 50 kWh)     | 125.84 | 135.78 |
| Domestic PP Lifeline DOM1 (c/kWh) (51 – 300 kWh)  | 157.47 | 169.91 |
| Domestic PP Lifeline DOM1 (c/kWh) (300 – 600 kWh) | 234.70 | 253.24 |
| Domestic PP Lifeline DOM1 (c/kWh) (> 600 kWh)     | 270.00 | 291.33 |
| Domestic PP Lifeline DOM1 BSST                    | 100.00 | 100.00 |

#### Domestic: Regular PP meters- (0 to 60amp single and three phase AND Less than 600kWh per month average consumption during the previous financial year and for generation for own use) (DOM2)

|                                    |        |        |
|------------------------------------|--------|--------|
| Fixed Charge per month             | -      | -      |
| Energy Rate (c/kWh) (<= 50kWh)     | 126.05 | 136.01 |
| Energy Rate (c/kWh) (51 - 300kWh)  | 162.14 | 174.95 |
| Energy Rate (c/kWh) (301 - 600kWh) | 228.03 | 246.04 |
| Energy Rate (c/kWh) (> 600kWh)     | 268.14 | 289.32 |

#### Domestic: Regular PP meters- (0 to 60 Amp single and three phase using more than 600 kWh per month average consumption during the previous financial year and for generation for own use) (DOM3)

|                                    |        |        |
|------------------------------------|--------|--------|
| Fixed Charge per month             | 172.57 | 186.20 |
| Energy Rate (c/kWh) (<= 50kWh)     | 125.84 | 135.78 |
| Energy Rate (c/kWh) (51 - 300kWh)  | 161.42 | 174.17 |
| Energy Rate (c/kWh) (301 - 600kWh) | 227.72 | 245.71 |
| Energy Rate (c/kWh) (> 600kWh)     | 268.16 | 289.34 |

#### Domestic: Regular (Using Credit Meters 60 Ampere single and three phase maximum and for generation for own use) (DOM4)

|                                    |        |        |
|------------------------------------|--------|--------|
| Fixed Charge per month             | 212.87 | 229.69 |
| Energy Rate (c/kWh) (<= 50kWh)     | 125.84 | 135.78 |
| Energy Rate (c/kWh) (51 - 300kWh)  | 161.42 | 174.17 |
| Energy Rate (c/kWh) (301 - 600kWh) | 227.72 | 245.71 |
| Energy Rate (c/kWh) (> 600kWh)     | 268.16 | 289.34 |

#### Domestic: Renewable Energy ( DOM5 ) Generation for own use and export

|                                    |        |        |
|------------------------------------|--------|--------|
| Reading cost R/pm                  | 96.34  | 103.95 |
| Basic Charge                       | 212.87 | 229.69 |
| <b>Import</b>                      |        | -      |
| Energy Rate (c/kWh) (<= 50kWh)     | 125.84 | 135.78 |
| Energy Rate (c/kWh) (51 - 300kWh)  | 161.42 | 174.17 |
| Energy Rate (c/kWh) (301 - 600kWh) | 227.72 | 245.71 |
| Energy Rate (c/kWh) (> 600kWh)     | 268.16 | 289.34 |
| Reactive Energy Rate (c/kVArh)     | -      | -      |
| <b>Export</b>                      |        |        |
| <b>Low Season</b>                  |        |        |
| Peak c/kWh                         | 126.02 | 135.98 |
| Standard c/kWh                     | 86.72  | 93.57  |

|   | Approved 2021/2022 | Application 2022/2023 |
|---|--------------------|-----------------------|
| Off Peak c/kWh  | 55.02              | 59.37                 |
| <b>High Season</b>  |                    | -                     |
| Peak c/kWh  | 386.34             | 416.86                |
| Standard c/kWh  | 117.05             | 126.30                |
| Off Peak c/kWh  | 63.56              | 68.58                 |
| <b>2. Commercial</b>  |                    |                       |
| <b>Commercial: Life Line (&lt;20Ampere maximum, Single &amp; three phase Pre Paid Only for micro entrepreneurial businesses) (COM1)</b> |                    |                       |
| Fixed Charge per month  | -                  | -                     |
| Energy Rate (c/kWh)   | 272.51             | 294.04                |
| <b>Commercial: Low (40Ampere maximum, Pre Paid single &amp; three phase only and for generation for own use) (COM2)</b>                 |                    |                       |
| Fixed Charge per month  | 213.32             | 230.17                |
| Energy Rate (c/kWh)   | 218.82             | 236.11                |
| <b>Commercial: Regular PP only (80Ampere, single and three phase and for generation for own use) (COM3)</b>                             |                    |                       |
| Fixed Charge per month  | 365.28             | 394.14                |
| Energy Rate (c/kWh)   | 259.63             | 280.14                |
| <b>Commercial: Credit meters (80Ampere, single and three phase and for generation for own use) (COM4)</b>                               |                    |                       |
| Fixed Charge per month  | 396.26             | 427.56                |
| Energy Rate (c/kWh)   | 241.95             | 261.06                |
| <b>Commercial: Renewable Energy ( COM 5) Generation for own use and export</b>  |                    |                       |
| Reading cost R/pm   | 96.34              | 103.95                |
| Basic Charge  | 396.26             | 427.56                |
| <b>Import</b>   |                    |                       |
| Energy Rate (c/kWh)   | 241.95             | 261.06                |
| Reactive Energy Rate (c/kVArh)  | -                  | -                     |
| <b>Export</b>   |                    |                       |
| <b>Low Season</b>   |                    |                       |
| Peak c/kWh  | 126.02             | 135.98                |
| Standard c/kWh  | 86.72              | 93.57                 |
| Off Peak c/kWh  | 55.02              | 59.37                 |
| <b>High Season</b>  |                    |                       |
| Peak c/kWh  | 386.34             | 416.86                |
| Standard c/kWh  | 117.05             | 126.30                |
| Off Peak c/kWh  | 63.56              | 68.58                 |
| <b>3. Agricultural</b>  |                    |                       |
| <b>Agricultural: Regular (Prepaid and Credit meters maximum 80Amp 3 phase and for generation for own use) (AGR1)</b>                    |                    |                       |
| Fixed Charge per month  | 432.84             | 467.03                |
| Energy Rate (c/kWh)   | 241.95             | 261.06                |
| <b>AGRICULTURAL: Renewable Energy (AGRI 1.1) Generation for own use and export</b>  |                    |                       |
| <b>Tariff similar as AGRI 1</b>   |                    |                       |
| Reading cost R/pm   | 96.34              | 103.95                |
| Fixed Charge per month R/pm   | 432.84             | 467.03                |
| <b>Import</b>   |                    |                       |
| Energy Rate (c/kWh)   | 241.95             | 261.06                |
| Reactive Energy Rate (c/kVArh)  | -                  | -                     |
| <b>Export</b>   |                    |                       |
| <b>Low Season</b>   |                    |                       |

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| Peak c/kWh   | 126.02             | 135.98                |
| Standard c/kWh   | 86.72              | 93.57                 |
| Off Peak c/kWh   | 55.02              | 59.37                 |
| <b>High Season</b>   |                    |                       |
| Peak c/kWh   | 386.34             | 416.86                |
| Standard c/kWh   | 117.05             | 126.30                |
| Off Peak c/kWh   | 63.56              | 68.58                 |
| <b>4. Industrial</b>   |                    |                       |
| <b>Large Power: Low Voltage &gt; 80 Amp and for generation for own use (IND1)</b>                        |                    |                       |
| Fixed Charge per month   | 2 231.20           | 2 407.46              |
| Energy Rate (c/kWh)  | 118.99             | 128.39                |
| Notified Maximum Demand Charge (R/kVA)   | 54.45              | 58.75                 |
| Maximum Demand Charge (R/kVA)  | 302.38             | 326.27                |
| <b>Large Power (IND 1.1): Low Voltage&gt;80 Amp: Renewable Energy- Generation for own use and export</b> |                    |                       |
| Fixed Charge per month   | 2 231.20           | 2 407.46              |
| Reading cost R/pm  | 96.34              | 103.95                |
| <b>Import</b>  |                    |                       |
| Energy Rate (c/kWh)  | 118.99             | 128.39                |
| Notified Maximum Demand Charge (R/kVA)   | 54.45              | 58.75                 |
| Maximum Demand Charge (R/kVA)  | 302.38             | 326.27                |
| Reactive Energy Rate (c/kVArh)   | -                  | -                     |
| <b>Export</b>  |                    |                       |
| <b>Low Season</b>  |                    |                       |
| Peak c/kWh   | 126.02             | 135.98                |
| Standard c/kWh   | 86.72              | 93.57                 |
| Off Peak c/kWh   | 55.02              | 59.37                 |
| <b>High Season</b>   |                    |                       |
| Peak c/kWh   | 386.34             | 416.86                |
| Standard c/kWh   | 117.05             | 126.30                |
| Off Peak c/kWh   | 63.56              | 68.58                 |
| <b>Industrial: Medium Voltage and for generation for own use (IND2)</b>                                  |                    |                       |
| Fixed Charge per month   | 4 230.48           | 4 564.69              |
| Energy Rate (c/kWh)  | 117.39             | 126.66                |
| Notified Maximum Demand Charge (R/kVA)   | 53.59              | 57.82                 |
| Maximum Demand Charge (R/kVA)  | 300.15             | 323.86                |
| <b>Industrial Medium Voltage (IND 2.1): Renewable Energy - Generation for own use and export</b>         |                    |                       |
| <b>Tariff similar as IND2</b>  |                    |                       |
| Fixed Charge per month   | 4 230.48           | 4 564.69              |
| Reading cost R/pm  | 96.34              | 103.95                |
| <b>Import</b>  |                    |                       |
| Energy Rate (c/kWh)  | 117.39             | 126.66                |
| Notified Maximum Demand Charge (R/kVA)   | 53.59              | 57.82                 |
| Maximum Demand Charge (R/kVA)  | 300.15             | 323.86                |
| Reactive Energy Rate (c/kVArh)   | -                  | -                     |
| <b>Export</b>  |                    |                       |
| <b>Low Season</b>  |                    |                       |
| Peak c/kWh   | 126.02             | 135.98                |
| Standard c/kWh   | 86.72              | 93.57                 |
| Off Peak c/kWh   | 55.02              | 59.37                 |
| <b>High Season</b>   |                    |                       |
| Peak c/kWh   | 386.34             | 416.86                |
| Standard c/kWh   | 117.05             | 126.30                |
| Off Peak c/kWh   | 63.56              | 68.58                 |

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|--|--------------------|-----------------------|
| <b>PLEASE NOTE, FOR ALL TARIFFS WHERE THERE IS A MAXIMUM DEMAND CHARGE AS PART OF THE TARIFF:</b> In the event that the access demand or Notified Maximum Demand is exceeded more than once in a municipal financial year, the following additional charges will apply |                    |                       |
| 1. A 10% of the total Access Demand Charge/Notified Maximum Demand will be added to your municipal account on the 2nd occasion.  |                    |                       |
| 2. A 20% of the total Access Demand Charge/ Notified Maximum Demand will be added to your municipal account on the 3rd occasion.   |                    |                       |
| 3. A 30% of the total Access Demand Charge/ Notified Maximum Demand will be added to your municipal account on the 4th occasion.   |                    |                       |
| 4. On the 5 <sup>th</sup> occasion the municipality reserves the rights to disconnect your electricity supply and only when the electricity supply has been upgraded and bulk levy contribution paid will the supply be restored.                                      |                    |                       |
| * Occasion refers to the number of times/events the Access Demand/ Notified Maximum Demand has been exceeded   |                    |                       |
| <b>5. Municipal</b>  |                    |                       |
| <b>Municipal: Street and Traffic lights (MUN1)</b>   |                    |                       |
| Fixed Charge per month   | -                  | -                     |
| Energy Rate (c/kWh)  | 271.77             | 293.24                |
| <b>Municipal: Low Voltage &lt;80 Amp (MUN2)</b>  |                    |                       |
| Fixed Charge per month   | -                  | -                     |
| Energy Rate (c/kWh)  | 247.03             | 266.55                |
| <b>Municipal: Low Voltage &gt;80 Amp (MUN3)</b>  |                    |                       |
| Fixed Charge per month   | -                  | -                     |
| Energy Rate (c/kWh)  | 113.23             | 122.18                |
| Maximum Demand Charge (R/kVA)  | 335.20             | 361.68                |
| <b>6. Non Profit Organisations</b>   |                    |                       |
| <b>Non Profit Organisations : Single Phase 20 Amp Prepaid (NPO1)</b>   |                    |                       |
| Fixed Charge per month   | -                  | -                     |
| Energy Rate (c/kWh)  | 272.51             | 294.04                |
| <b>Non Profit Organisations : Low Voltage Max 60 Amp Prepaid SARS Approved (NPO2)</b>  |                    |                       |
| Fixed Charge per month   | -                  | -                     |
| Energy Rate (c/kWh)  | 261.44             | 282.09                |
| <b>7. Sport</b>  |                    |                       |
| <b>Sport: Low All Consumers (&lt;80A) and Prepaid (SPO1)</b>   |                    |                       |
| Fixed Charge per month   | -                  | -                     |
| Energy Rate (c/kWh)  | 231.62             | 249.92                |
| <b>Sport: High Consumers (&gt;80A) Maximum Demand (SPO2)</b>   |                    |                       |
| Fixed Charge per month   | -                  | -                     |
| Energy Rate (c/kWh)  | 106.00             | 114.37                |
| Notified Maximum Demand Charge (R/kVA)   |                    |                       |
| Maximum Demand Charge (R/kVA)  | 334.08             | 360.47                |
| <b>8. Time-of-Use</b>  |                    |                       |
| <b>Time of Use (Low Voltage&gt;80Amp and for generation for own use) TOU1</b>  |                    |                       |
| Fixed Charge per month   | 4 263.65           | 4 600.48              |
| <b>SUMMER:</b> Maximum Demand Charge (R/kVA)   | 57.80              | 62.37                 |
| Access Charge (R/kVA)  | 57.80              | 62.37                 |
| Peak Energy (c/kWh)  | 189.10             | 204.04                |
| Standard Energy (c/kWh)  | 124.61             | 134.45                |
| Off-peak Energy (c/kWh)  | 93.45              | 100.83                |
| Reactive Energy (c/kVArh)  | -                  | -                     |

|   | Approved 2021/2022 | Application 2022/2023 |
|---|--------------------|-----------------------|
| <b>WINTER:</b> Maximum Demand Charge (R/kVA)  | 57.80              | 62.37                 |
| Access Charge (R/kVA)   | 57.80              | 62.37                 |
| Peak Energy (c/kWh)   | 592.98             | 639.83                |
| Standard Energy (c/kWh)   | 177.97             | 192.03                |
| Off-peak Energy (c/kWh)   | 104.56             | 112.82                |
| Reactive Energy (c/kVArh)   | 24.73              | 26.68                 |
| <b>Time of Use Low Voltage (TOU 1.1): Renewable Energy - Generation for own use and export</b>    |                    |                       |
| Reading Cost R/pm   | 96.34              | 103.95                |
| Fixed Charge per month  | 4 263.65           | 4 600.48              |
| <b>Import</b>   |                    |                       |
| <b>SUMMER:</b> Maximum Demand Charge (R/kVA)  | 57.80              | 62.37                 |
| Access Demand Charge (R/kVA)  | 57.80              | 62.37                 |
| Peak Energy (c/kWh)   | 189.10             | 204.04                |
| Standard Energy (c/kWh)   | 124.61             | 134.45                |
| Off-peak Energy (c/kWh)   | 93.45              | 100.83                |
| Reactive Energy (c/kVArh)   | -                  | -                     |
| <b>WINTER:</b> Maximum Demand Charge (R/kVA)  | 57.80              | 62.37                 |
| Access Demand Charge (R/kVA)  | 57.80              | 62.37                 |
| Peak Energy (c/kWh)   | 592.98             | 639.83                |
| Standard Energy (c/kWh)   | 177.97             | 192.03                |
| Off-peak Energy (c/kWh)   | 104.56             | 112.82                |
| Reactive Energy (c/kVArh)   | 24.73              | 26.68                 |
| <b>Export</b>   |                    |                       |
| <b>Low Season</b>   |                    |                       |
| Peak c/kWh  | 126.02             | 135.98                |
| Standard c/kWh  | 86.72              | 93.57                 |
| Off Peak c/kWh  | 55.02              | 59.37                 |
| <b>High Season</b>  |                    |                       |
| Peak c/kWh  | 386.34             | 416.86                |
| Standard c/kWh  | 117.05             | 126.30                |
| Off Peak c/kWh  | 63.56              | 68.58                 |
| <b>Time of Use (Medium Voltage and for generation for own use) TOU2</b>                           |                    |                       |
| Fixed Charge per month  | 8 070.53           | 8 708.10              |
| <b>SUMMER:</b> Maximum Demand Charge (R/kVA)  | 58.75              | 63.39                 |
| Access Demand Charge (R/kVA)  | 55.87              | 60.28                 |
| Peak Energy (c/kWh)   | 183.35             | 197.83                |
| Standard Energy (c/kWh)   | 119.93             | 129.40                |
| Off-peak Energy (c/kWh)   | 89.89              | 96.99                 |
| Reactive Energy (c/kVArh)   | -                  | -                     |
| <b>WINTER:</b> Maximum Demand Charge (R/kVA)  | 58.75              | 63.39                 |
| Access Demand Charge (R/kVA)  | 55.87              | 60.28                 |
| Peak Energy (c/kWh)   | 605.66             | 653.51                |
| Standard Energy (c/kWh)   | 172.05             | 185.64                |
| Off-peak Energy (c/kWh)   | 101.13             | 109.12                |
| Reactive Energy (c/kVArh)   | 25.98              | 28.03                 |
| <b>Time of Use Medium Voltage (TOU 2.1): Renewable Energy - Generation for own use and export</b> |                    |                       |
| Fixed Charge per month  | 8 070.53           | 8 708.10              |
| Reading Cost R/pm   | 96.34              | 103.95                |
| <b>Import</b>   |                    |                       |
| <b>SUMMER:</b> Maximum Demand Charge (R/kVA)  | 58.75              | 63.39                 |
| Access Charge (R/kVA)   | 55.87              | 60.28                 |
| Peak Energy (c/kWh)   | 183.35             | 197.83                |
| Standard Energy (c/kWh)   | 119.93             | 129.40                |
| Off-peak Energy (c/kWh)   | 89.89              | 96.99                 |
| Reactive Energy (c/kVArh)   | -                  | -                     |
| <b>WINTER:</b> Maximum Demand Charge (R/kVA)  | 58.75              | 63.39                 |
| Access Demand Charge (R/kVA)  | 55.87              | 60.28                 |

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|---|--------------------|---|
| Peak Energy (c/kWh)   | 605.66             | <b>653.51</b>   |
| Standard Energy (c/kWh)   | 172.05             | <b>185.64</b>   |
| Off-peak Energy (c/kWh)   | 101.13             | <b>109.12</b>   |
| Reactive Energy (c/kVArh)   | 25.98              | <b>28.03</b>  |
| <b>Export</b>   |                    |   |
| <b>Low Season</b>   |                    |   |
| Peak c/kWh  | 126.02             | <b>135.98</b>   |
| Standard c/kWh  | 86.72              | <b>93.57</b>  |
| Off Peak c/kWh  | 55.02              | <b>59.37</b>  |
| <b>High Season</b>  |                    |   |
| Peak c/kWh  | 386.34             | <b>416.86</b>   |
| Standard c/kWh  | 117.05             | <b>126.30</b>   |
| Off Peak c/kWh  | 63.56              | <b>68.58</b>  |
| <p><b>PLEASE NOTE, FOR ALL TARIFFS WHERE THERE IS A MAXIMUM DEMAND CHARGE AS PART OF THE TARIFF:</b> In the event that the access demand or Notified Maximum Demand is exceeded more than once in a municipal financial year, the following additional charges will apply</p> <ol style="list-style-type: none"> <li>1. A 10% of the total Access Demand Charge/Notified Maximum Demand will be added to your municipal account on the 2nd occasion.</li> <li>2. A 20% of the total Access Demand Charge/ Notified Maximum Demand will be added to your municipal account on the 3rd occasion.</li> <li>3. A 30% of the total Access Demand Charge/ Notified Maximum Demand will be added to your municipal account on the 4th occasion.</li> <li>4. On the 5<sup>th</sup> occasion the municipality reserves the rights to disconnect your electricity supply and only when the electricity supply has been upgraded and bulk levy contribution paid will the supply be restored.</li> </ol> <p>* Occasion refers to the number of times/events the Access Demand/ Notified Maximum Demand has been exceeded</p> |                    |   |
| <b>9. External Wheeling</b>   |                    |   |
| Customer received power at low voltage (<400V) in c/kWh   | 25.95              | <b>28.00</b>  |
| Customer received power at medium voltage (>400V) in c/kWh  | 22.48              | <b>24.26</b>  |
| <b>10. Generation for Own Use</b>   |                    |   |
| Customers that want to connect an Own Generation for Own Use only system to the municipal electrical grid without being compensated for reverse power flow can remain on their current tariff and continue to use their current meter.  |                    |   |
| <b>11. Generation for Own Use and Export</b>  |                    |   |
| Customers that want to connect an Own Generation for Own Use and Export system to the municipal electrical grid and who want to be reimbursed will have to do the following:  |                    |   |
| <ol style="list-style-type: none"> <li>1 The Municipality shall provide and install the requisite meters at the customer's cost.</li> <li>2 The customer will stay on the existing purchase tariff.</li> <li>3 For reimbursement the basic charge will be increased to include the automated meter reading cost.</li> <li>4 The reimbursement will only be for the export energy.</li> <li>5 Customer not allowed to generate more than his total consumption per financial year.</li> </ol>  |                    |   |
| <b>12. Availability Fees (Per Annum)</b>  |                    |   |
| Availability  | <b>3 580.74</b>    | <b>3 863.62</b>   |
| <b>13. Time of use periods</b>  |                    |   |
| <b>1. Low Demand -Summer</b><br><b>September to May</b><br><b>Monday to Friday</b><br>00:00 - 06:00 Off Peak<br>06:00 - 07:00 Standard<br>07:00 - 10:00 Peak<br>10:00 - 18:00 Standard<br>18:00 - 20:00 Peak<br>20:00 - 22:00 Standard<br>22:00 - 24:00 Off Peak<br><br><b>Saturday</b><br>00:00 - 07:00 Off Peak   |                    | <b>2. High Demand- Winter</b><br><b>June to August</b><br><b>Monday to Friday</b><br><b>00:00 - 06:00 Off Peak</b><br><b>06:00 - 09:00 Peak</b><br><b>09:00 - 17:00 Standard</b><br><b>17:00 - 19:00 Peak</b><br><b>19:00 - 22:00 Standard</b><br><b>22:00 - 24:00 Off Peak</b><br><br><b>Saturday</b><br><b>00:00 - 07:00 Off Peak</b> |



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|-------------------------------------|--------------------|-------------------------------|
| 07:00 - 12:00 Standard              |                    | <b>07:00 - 12:00 Standard</b> |
| 12:00 - 18:00 Off Peak              |                    | <b>12:00 - 18:00 Off Peak</b> |
| 18:00 - 20:00 Standard              |                    | <b>18:00 - 20:00 Standard</b> |
| 20:00 - 24:00 Off Peak              |                    | <b>20:00 - 24:00 Off Peak</b> |
| <b>Sunday</b>                       |                    | <b>Sunday</b>                 |
| 00:00 - 24:00 Off Peak              |                    | <b>00:00 - 24:00 Off Peak</b> |
| <b>All tariffs exclusive of VAT</b> |                    |                               |

**STELLENBOSCH MUNICIPALITY**

**WATER TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023**  
**Applicable to services rendered from 1 July 2022**

| Monthly consumption  | 2021/2022                  |         |                               |         |                               |         |                               |         |                               |         | 2022/2023                  |         |                               |         |                               |         |                               |         |                               |         |
|--|----------------------------|---------|-------------------------------|---------|-------------------------------|---------|-------------------------------|---------|-------------------------------|---------|----------------------------|---------|-------------------------------|---------|-------------------------------|---------|-------------------------------|---------|-------------------------------|---------|
|  | Normal consumption periods |         | 10% Water restriction periods |         | 20% Water restriction periods |         | 30% Water restriction periods |         | 40% Water restriction periods |         | Normal consumption periods |         | 10% Water restriction periods |         | 20% Water restriction periods |         | 30% Water restriction periods |         | 40% Water restriction periods |         |
|  | Amount Excl. VAT           | UNIT    | Amount Excl. VAT              | UNIT    | Amount Excl. VAT              | UNIT    | Amount Excl. VAT              | UNIT    | Amount Excl. VAT              | UNIT    | Amount Excl. VAT           | UNIT    | Amount Excl. VAT              | UNIT    | Amount Excl. VAT              | UNIT    | Amount Excl. VAT              | UNIT    | Amount Excl. VAT              | UNIT    |
| <b>DOMESTIC</b><br>Includes single residential erven as well as single residential erven managed by body corporates. |                            |         |                               |         |                               |         |                               |         |                               |         |                            |         |                               |         |                               |         |                               |         |                               |         |
| 0 kilolitres to 6 kiloliters   | R 6.39                     | per kl. | R 6.39                        | per kl. | R 6.39                        | per kl. | R 6.39                        | per kl. | R 6.81                        | per kl. | R 6.79                     | per kl. | R 6.79                        | per kl. | R 6.79                        | per kl. | R 6.79                        | per kl. | R 7.23                        | per kl. |
| > 6 kilolitres to 12 kiloliters  | R 9.67                     | per kl. | R 10.46                       | per kl. | R 10.62                       | per kl. | R 11.56                       | per kl. | R 12.51                       | per kl. | R 10.27                    | per kl. | R 11.11                       | per kl. | R 11.27                       | per kl. | R 12.28                       | per kl. | R 13.28                       | per kl. |
| > 12 kilolitres to 18 kiloliters   |                            |         |                               |         |                               |         |                               |         |                               |         |                            |         |                               |         |                               |         |                               |         |                               |         |
| > 12 kilolitres to 20 kiloliters   | R 16.36                    | per kl. | R 19.73                       | per kl. | R 22.03                       | per kl. | R 26.75                       | per kl. | R 37.14                       | per kl. | R 17.37                    | per kl. | R 20.95                       | per kl. | R 23.40                       | per kl. | R 28.41                       | per kl. | R 39.44                       | per kl. |
| > 18 kilolitres to 25 kiloliters   |                            |         |                               |         |                               |         |                               |         |                               |         |                            |         |                               |         |                               |         |                               |         |                               |         |
| > 20 kilolitres to 25 kiloliters   | R 29.09                    | per kl. | R 33.72                       | per kl. | R 36.46                       | per kl. | R 48.24                       | per kl. | R 67.37                       | per kl. | R 30.90                    | per kl. | R 35.81                       | per kl. | R 38.72                       | per kl. | R 51.23                       | per kl. | R 71.55                       | per kl. |
| > 25 kilolitres to 40 kiloliters   | R 40.43                    | per kl. | R 44.91                       | per kl. | R 46.77                       | per kl. | R 67.73                       | per kl. | R 95.00                       | per kl. | R 42.94                    | per kl. | R 47.70                       | per kl. | R 49.67                       | per kl. | R 71.93                       | per kl. | R 100.89                      | per kl. |
| > 40 kilolitres to 70 kiloliters   | R 64.61                    | per kl. | R 79.63                       | per kl. | R 90.45                       | per kl. | R 139.97                      | per kl. | R 215.36                      | per kl. | R 68.61                    | per kl. | R 84.56                       | per kl. | R 96.06                       | per kl. | R 148.65                      | per kl. | R 228.71                      | per kl. |
| 70 kilolitres and above  | R 101.12                   | per kl. | R 158.34                      | per kl. | R 208.98                      | per kl. | R 316.85                      | per kl. | R 424.71                      | per kl. | R 107.39                   | per kl. | R 168.16                      | per kl. | R 221.94                      | per kl. | R 336.49                      | per kl. | R 451.04                      | per kl. |
| <b>DOMESTIC CLUSTER</b><br>Refers to a cluster (block of flats) served by a single water connections                 |                            |         |                               |         |                               |         |                               |         |                               |         |                            |         |                               |         |                               |         |                               |         |                               |         |
| 0 kilolitres to 6 kiloliters   | R 6.39                     | per kl. | R 6.39                        | per kl. | R 6.39                        | per kl. | R 6.39                        | per kl. | R 6.39                        | per kl. | R 6.79                     | per kl. | R 6.39                        | per kl. | R 6.79                        | per kl. | R 6.79                        | per kl. | R 6.79                        | per kl. |
| > 6 kilolitres to 12 kiloliters  | R 9.67                     | per kl. | R 10.46                       | per kl. | R 10.62                       | per kl. | R 11.56                       | per kl. | R 12.51                       | per kl. | R 10.27                    | per kl. | R 11.11                       | per kl. | R 11.27                       | per kl. | R 12.28                       | per kl. | R 13.28                       | per kl. |
| > 12 kilolitres to 18 kiloliters   | R 16.36                    | per kl. | R 19.73                       | per kl. | R 22.03                       | per kl. | R 26.75                       | per kl. | R 37.14                       | per kl. | R 17.37                    | per kl. | R 20.95                       | per kl. | R 23.40                       | per kl. | R 28.41                       | per kl. | R 39.44                       | per kl. |
| > 18 kilolitres to 25 kiloliters   | R 29.09                    | per kl. | R 33.72                       | per kl. | R 36.46                       | per kl. | R 48.24                       | per kl. | R 67.37                       | per kl. | R 30.90                    | per kl. | R 35.81                       | per kl. | R 38.72                       | per kl. | R 51.23                       | per kl. | R 71.55                       | per kl. |
| Above 25 kiloliters  | R 40.43                    | per kl. | R 44.91                       | per kl. | R 46.77                       | per kl. | R 67.73                       | per kl. | R 95.00                       | per kl. | R 42.94                    | per kl. | R 47.70                       | per kl. | R 49.67                       | per kl. | R 71.93                       | per kl. | R 100.89                      | per kl. |
| <b>BUSINESS, COMMERCIAL AND INDUSTRIAL (Include University)</b>  | R 23.28                    | per kl. | R 31.03                       | per kl. | R 37.26                       | per kl. | R 51.23                       | per kl. | R 65.21                       | per kl. | R 24.73                    | per kl. | R 32.95                       | per kl. | R 39.57                       | per kl. | R 54.41                       | per kl. | R 69.25                       | per kl. |
| <b>MUNICIPAL TARIFF FOR MUNICIPAL BUILDINGS AND ALL LEAKAGES</b>   |                            |         |                               |         |                               |         |                               |         |                               |         |                            |         |                               |         |                               |         |                               |         |                               |         |
| 0 kilolitres to 20 kiloliters  | R 10.22                    | per kl. | R 12.11                       | per kl. | R 13.33                       | per kl. | R 16.45                       | per kl. | R 19.56                       | per kl. | R 10.85                    | per kl. | R 12.86                       | per kl. | R 14.16                       | per kl. | R 17.47                       | per kl. | R 20.77                       | per kl. |
| > 21 kilolitres to 50 kiloliters   | R 10.73                    | per kl. | R 12.55                       | per kl. | R 13.67                       | per kl. | R 16.62                       | per kl. | R 19.56                       | per kl. | R 11.40                    | per kl. | R 13.33                       | per kl. | R 14.52                       | per kl. | R 17.65                       | per kl. | R 20.77                       | per kl. |
| Above 50 kiloliters  | R 11.66                    | per kl. | R 13.36                       | per kl. | R 14.30                       | per kl. | R 16.93                       | per kl. | R 19.56                       | per kl. | R 12.39                    | per kl. | R 14.19                       | per kl. | R 15.18                       | per kl. | R 17.98                       | per kl. | R 20.77                       | per kl. |
| <b>MISCELLANEOUS AND ALL OTHER USERS (Schools, Sportbodies, Churches and Charity Organisations)</b>                  | R 21.84                    | per kl. | R 22.98                       | per kl. | R 24.13                       | per kl. | R 26.41                       | per kl. | R 28.69                       | per kl. | R 23.20                    | per kl. | R 24.41                       | per kl. | R 25.62                       | per kl. | R 28.05                       | per kl. | R 30.47                       | per kl. |
| <b>BASIC CHARGE</b>  |                            |         |                               |         |                               |         |                               |         |                               |         |                            |         |                               |         |                               |         |                               |         |                               |         |
| Domestic (per erven)   | R 73.69                    |         | n/a                           |         | n/a                           |         | n/a                           |         | n/a                           | R 78.25 |                            | n/a     |                               | n/a     |                               | n/a     |                               | n/a     |                               | n/a     |
| Domestic cluster (per flat)  | R 8.96                     |         | n/a                           |         | n/a                           |         | n/a                           |         | n/a                           | R 9.51  |                            | n/a     |                               | n/a     |                               | n/a     |                               | n/a     |                               | n/a     |
| All other (per erven)  | R 84.40                    |         | n/a                           |         | n/a                           |         | n/a                           |         | n/a                           | R 89.64 |                            | n/a     |                               | n/a     |                               | n/a     |                               | n/a     |                               | n/a     |
| <b>MASO</b>  |                            |         |                               |         |                               |         |                               |         |                               |         |                            |         |                               |         |                               |         |                               |         |                               |         |
| 0 kilolitres to 24 kilolitres per household  | R 1.45                     | per kl. | R 4.51                        | per kl. | R 7.48                        | per kl. | R 13.52                       | per kl. | R 19.56                       | per kl. | R 1.54                     | per kl. | R 4.79                        | per kl. | R 7.95                        | per kl. | R 14.36                       | per kl. | R 20.77                       | per kl. |
| 25 kilolitres to 40 kilolitres per household   | R 19.91                    | per kl. | R 25.94                       | per kl. | R 30.66                       | per kl. | R 41.42                       | per kl. | R 52.17                       | per kl. | R 21.15                    | per kl. | R 27.54                       | per kl. | R 32.57                       | per kl. | R 43.98                       | per kl. | R 55.40                       | per kl. |
| Above 40 kilolitres per household  | R 21.64                    | per kl. | R 34.39                       | per kl. | R 45.73                       | per kl. | R 69.81                       | per kl. | R 93.90                       | per kl. | R 22.98                    | per kl. | R 36.52                       | per kl. | R 48.56                       | per kl. | R 74.14                       | per kl. | R 99.72                       | per kl. |

| STELLENBOSCH MUNICIPALITY   |                  |           |                  |        |                  |        |                  |        |                  |         |                  |           |                  |        |                  |        |                  |        |          |        |
|---|------------------|-----------|------------------|--------|------------------|--------|------------------|--------|------------------|---------|------------------|-----------|------------------|--------|------------------|--------|------------------|--------|----------|--------|
| WATER TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023<br>Applicable to services rendered from 1 July 2022  |                  |           |                  |        |                  |        |                  |        |                  |         |                  |           |                  |        |                  |        |                  |        |          |        |
| <b>TREATED EFFLUENT WATER</b>   |                  |           |                  |        |                  |        |                  |        |                  |         |                  |           |                  |        |                  |        |                  |        |          |        |
| <b>Infrastructure provided by Council:</b>  |                  |           |                  |        |                  |        |                  |        |                  |         |                  |           |                  |        |                  |        |                  |        |          |        |
| Irrigation  | R 0.11           | per kl.   | n/a              | n/a    | n/a              | n/a    | n/a              | n/a    | R 0.12           | per kl. | n/a              | n/a       | n/a              | n/a    | n/a              | n/a    | n/a              |        |          |        |
| Commercial / Industrial users / Domestic  | R 4.76           | per kl.   | n/a              | n/a    | n/a              | n/a    | n/a              | n/a    | R 5.06           | per kl. | n/a              | n/a       | n/a              | n/a    | n/a              | n/a    | n/a              |        |          |        |
| Schools   | R 5.36           | per kl.   | n/a              | n/a    | n/a              | n/a    | n/a              | n/a    | R 5.69           | per kl. | n/a              | n/a       | n/a              | n/a    | n/a              | n/a    | n/a              |        |          |        |
| Departmental  | R 4.76           | per kl.   | n/a              | n/a    | n/a              | n/a    | n/a              | n/a    | R 5.06           | per kl. | n/a              | n/a       | n/a              | n/a    | n/a              | n/a    | n/a              |        |          |        |
| Golf Clubs  | R 4.76           | per kl.   | n/a              | n/a    | n/a              | n/a    | n/a              | n/a    | R 5.06           | per kl. | n/a              | n/a       | n/a              | n/a    | n/a              | n/a    | n/a              |        |          |        |
|   | R 4.76           | per kl.   | n/a              | n/a    | n/a              | n/a    | n/a              | n/a    | R 5.06           | per kl. | n/a              | n/a       | n/a              | n/a    | n/a              | n/a    | n/a              |        |          |        |
| <b>Infrastructure provided by User:</b>   |                  |           |                  |        |                  |        |                  |        |                  |         |                  |           |                  |        |                  |        |                  |        |          |        |
| Irrigation  | R 0.06           | per kl.   | n/a              | n/a    | n/a              | n/a    | n/a              | n/a    | R 0.06           | per kl. | n/a              | n/a       | n/a              | n/a    | n/a              | n/a    | n/a              |        |          |        |
| Commercial / Industrial users / Domestic  | R 1.31           | per kl.   | n/a              | n/a    | n/a              | n/a    | n/a              | n/a    | R 1.39           | per kl. | n/a              | n/a       | n/a              | n/a    | n/a              | n/a    | n/a              |        |          |        |
| Schools   | R 1.79           | per kl.   | n/a              | n/a    | n/a              | n/a    | n/a              | n/a    | R 1.90           | per kl. | n/a              | n/a       | n/a              | n/a    | n/a              | n/a    | n/a              |        |          |        |
| Departmental  | R 1.31           | per kl.   | n/a              | n/a    | n/a              | n/a    | n/a              | n/a    | R 1.39           | per kl. | n/a              | n/a       | n/a              | n/a    | n/a              | n/a    | n/a              |        |          |        |
| Golf Clubs  | R 1.31           | per kl.   | n/a              | n/a    | n/a              | n/a    | n/a              | n/a    | R 1.39           | per kl. | n/a              | n/a       | n/a              | n/a    | n/a              | n/a    | n/a              |        |          |        |
|   | R 1.31           | per kl.   | n/a              | n/a    | n/a              | n/a    | n/a              | n/a    | R 1.39           | per kl. | n/a              | n/a       | n/a              | n/a    | n/a              | n/a    | n/a              |        |          |        |
| <b>Current Agreements:</b>  |                  |           |                  |        |                  |        |                  |        |                  |         |                  |           |                  |        |                  |        |                  |        |          |        |
| Special Users   | As per agreement |           | As per agreement |        | As per agreement |        | As per agreement |        | As per agreement |         | As per agreement |           | As per agreement |        | As per agreement |        | As per agreement |        |          |        |
| <b>BULK USERS</b>   |                  |           |                  |        |                  |        |                  |        |                  |         |                  |           |                  |        |                  |        |                  |        |          |        |
| Water consumption for irrigation of sportsgrounds of schools, irrigation of Council property by sports clubs, as well as irrigation of parks and other grounds by Council's Departments. of Parks and Recreation: |                  |           |                  |        |                  |        |                  |        |                  |         |                  |           |                  |        |                  |        |                  |        |          |        |
| To 2000 kilolitres  | R 12.38          | per kl    | R 21.58          | per kl | R 29.99          | per kl | R 47.60          | per kl | R 64.90          | per kl  | R 13.14          | per kl    | R 22.92          | per kl | R 31.85          | per kl | R 50.55          | per kl | R 68.92  | per kl |
| Above 2000 kilolitres   | R 16.12          | per kl    | R 35.70          | per kl | R 54.22          | per kl | R 92.32          | per kl | R 129.80         | per kl  | R 17.12          | per kl    | R 37.91          | per kl | R 57.58          | per kl | R 98.04          | per kl | R 137.85 | per kl |
| <b>WATER AVAILABILITY FEE</b>   | ####             | per annum |                  |        |                  |        |                  |        |                  |         | R 1 687.50       | per annum |                  |        |                  |        |                  |        |          |        |

# STELLENBOSCH MUNICIPALITY

**WASTE MANAGEMENT TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023**  
**Applicable to services rendered from**

|  | SERVICES RENDERED   | UNIT                       | COMMENTS   | Tariff<br>2021/2022<br>(VAT Excl.) | Tariff<br>2022/2023<br>(VAT Excl.) |
|--|---|----------------------------|--|------------------------------------|------------------------------------|
| <b>Residential Waste Collection (Households, Flats, Hostels, Retirement homes, Churches, Schools, Welfare Organisations, etc.)</b> |   |                            |  |                                    |                                    |
| Definition: 1 refuse unit = 240ℓ = 3 standard refuse bags  |   |                            |  |                                    |                                    |
| Indigent subsidy: A monthly subsidy (to be determined by Council) to be credited to a registered indigent consumer's account       |   |                            |  |                                    |                                    |
| <b>Black bags (only where wheelie bins have not been introduced and/or stolen or lost)</b>   |   |                            |  |                                    |                                    |
|  | Single residential properties for indigent households.  | per month                  | Account payable by property owner. Max 3 closed bags. No other extras. Service will cancel when 240ℓ bin is issued.  | R 229.71                           | <b>R 248.08</b>                    |
|  | Basic residential collection based on 3 standard refuse bags once per week - 1st refuse unit - One dwelling on erf  | per month                  | Account payable by property owner. Max 3 closed bags. No other extras. Service will cancel when 240ℓ bin is issued.  | R 229.71                           | <b>R 248.08</b>                    |
|  | Basic residential collection based on 3 standard refuse bags per dwelling (1 refuse unit) for additional dwellings on same erf                                      | per refuse unit per month  | Account payable by property owner. Max 3 additional closed bags. No other extras. Per fixed arrangement - not variable. Service will cancel when 240ℓ bin is issued. At cluster housing, flats, etc. 1 refuse unit to be charged for every living unit (per month) | R 229.71                           | <b>R 248.08</b>                    |
|  | Additional collection based on an additional 3 standard refuse bags once per week - 2nd refuse unit or more   | per month                  | Account payable by property owner. Max 3 additional closed bags. No other extras. Per fixed arrangement - not variable. Service will cancel when 240ℓ bin is issued.   | R 229.71                           | <b>R 248.08</b>                    |
| <b>Mobile bins (240ℓ Wheelie bin)</b>  |   |                            |  |                                    |                                    |
| <b>Black Bin (Black lid Black bin)</b>   |   |                            |  |                                    |                                    |
|  | Basic residential collection based on 1 X 240ℓ per week - 1 <sup>st</sup> bin - one dwelling per erf  | per month                  | Account payable by property owner. No extras beside bin. At cluster housing, flats, etc. ( units to be charged per quantity of bins used. Only WC024 bins will be collected  | R 229.71                           | <b>R 248.08</b>                    |
|  | Basic residential collection based on 1 X 240ℓ per week for additional dwellings on same erf  | per refuse unit per month  | Account payable by property owner. No extras beside bin. At cluster housing, flats, etc. Units to be charged per quantity of bins used. Only WC024 bins will be collected.   | R 229.71                           | <b>R 248.08</b>                    |
|  | Basic residential collection based on 1 X 240ℓ bin per week for additional dwellings  | per refuse unit per month  | Account payable by property owner. No extras beside bin. At cluster housing, flats, etc. Units to be charged per quantity of bins used. Only WC024 bins will be collected.   | R 229.71                           | <b>R 248.08</b>                    |
| <b>Blue Bin (Blue lid Black bin)</b>   |   |                            |  |                                    |                                    |
|  | Three times per week removal with a blue lid 240ℓ refuse bin (sectional title, residential zoned i.e. Hostels, Flats, Old age/retirement villages - NOT HOUSEHOLDS) | Per add 240ℓ bin per month | Account payable by property owner. No extras beside bin. (Sectional title, residential zoned i.e. Hostels, Flats, Old age/retirement villages).( Businesses to be charged per quantity of bins)  | R 815.04                           | <b>R 880.24</b>                    |

|   | SERVICES RENDERED  | UNIT   | COMMENTS  | Tariff<br>2021/2022<br>(VAT Excl.) | Tariff<br>2022/2023<br>(VAT Excl.) |
|---|--|--|---|------------------------------------|------------------------------------|
| <b>Non Residential Waste Collections (Business and Commercial)</b>  |  |  |   |                                    |                                    |
| Definition: 1 refuse unit = 240ℓ = 3 standard refuse bags           |  |  |   |                                    |                                    |
| <b>Black bags (Only were Wheelie bins have not been introduced)</b> |  |  |   |                                    |                                    |
|   | Collection based on three (3) standard refuse bags once (x1) per week  | per month                                    | Account payable by business owner. Max 3 closed bags. No other extras. `Black BAG Service will cancel when 240ℓ bin is issued.              | R 271.68                           | <b>R 293.41</b>                    |
|   | Collection based on 3 standard refuse bags 3 x per week - three refuse units per month   | per month                                    | Account payable by business owner. Max 3 closed bags. No other extras. Service will cancel when 240ℓ bin is issued.                         | R 815.04                           | <b>R 880.24</b>                    |
|   | Additional collection based on additional refuse bags, once (x1) per week - measured in the number of additional refuse units ( (3) standard refuse bags) per week | per month                                    | Account payable by business owner. No other extras. Per fixed arrangement - not variable. Service will cancel when 240ℓ bin is issued.      | R 271.68                           | <b>R 293.41</b>                    |
|   | Additional collection based on an additional refuse bags, 3 x per week - measured in the number of additional refuse units (3 standard refuse bags) per week       | per month                                    | Account payable by business owner. No other extras. Per fixed arrangement - not variable. Service will cancel when 240ℓ bin is issued.      | R 815.04                           | <b>R 880.24</b>                    |
| <b>Mobile bins (240ℓ Wheelie bin)</b>                               |  |  |   |                                    |                                    |
| <b>Blue Bin (Blue lid Black bin)</b>                                |  |  |   |                                    |                                    |
|   | Collection based on 1 X 240ℓ once (x1) per week measured as one blue bin.  | per month                                    | Account payable by business owner. No other extras. Per fixed arrangement - not variable.   | R 271.68                           | <b>R 293.41</b>                    |
|   | Additional 240ℓ removal/s once per week - measured as the number of additional blue bins   | per month                                    | Account payable by business owner. No other extras. Per fixed arrangement - not variable.   | R 271.68                           | <b>R 293.41</b>                    |
|   | Collection based on 1 X 240ℓ three times per week measured as one blue bin.  | per month                                    | Account payable by business owner. No other extras. Per fixed arrangement - not variable.   | R 815.04                           | <b>R 880.24</b>                    |
|   | Additional 240ℓ removals three times per week - measured as the number of additional blue bins   | per month                                    | Account payable by business owner. No other extras. Per fixed arrangement - not variable.   | R 815.04                           | <b>R 880.24</b>                    |
| <b>Mobile bins (240ℓ Wheelie bin)</b>                               |  |  |   |                                    |                                    |
| <b>Red Bin (Red lid Black Bin)</b>                                  |  |  |   |                                    |                                    |
|   | Collection based on 1 X 240ℓ five times per week measured as one red bin.  | per month                                    | Account payable by business owner. No other extras. Per fixed arrangement - not variable.   | R 1 358.37                         | <b>R 1 467.03</b>                  |
|   | Additional 240ℓ removals five times per week - measured as the number of additional blue bins  | per month                                    | Account payable by business owner. No other extras. Per fixed arrangement - not variable.   | R 1 358.37                         | <b>R 1 467.03</b>                  |
| <b>Charges and Levies</b>   |  |  |   |                                    |                                    |
|   | Solid Waste availability charge  | per annum                                    | Vacant erven and to all households, <u>farm dwellings</u> , businesses, flats, developments not making use of municipal collection services | R 1 441.08                         | <b>R 1 556.36</b>                  |
| <b>Collection of garden waste</b>                                   |  |  |   |                                    |                                    |
|   | Collection of clean garden waste placed in green refuse bags.  | per collection of a maximum of 6 refuse bags | Limited to household properties only  | R 86.95                            | <b>R 93.90</b>                     |
| <b>Cleaning of private erven</b>                                    |  |  |   |                                    |                                    |
|   | Hiring of plant, equipment and staff to clean private erf/ erven   | per hour                                     | Residents will be required to pay per hour for the clean-up operation of all general waste including green waste builder's rubble           | R 1 200.00                         | <b>R 1 296.00</b>                  |
|   | Disposal waste from cleaning operation   | per ton                                      | All waste will be transported and disposed of at a licenced waste disposal facility and will be charged per ton.                            | R 1 053.00                         | <b>R 1 137.24</b>                  |

## STELLENBOSCH MUNICIPALITY

### SEWERAGE TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023 Applicable to services rendered from 1 July 2022

#### A. PROPERTIES UTILISED FOR DWELLING PURPOSES ONLY : (Residential Tariff)

| Size of erf in m <sup>2</sup>                         | Sewerage levy<br>(Per annum) |                       |
|---|------------------------------|-----------------------|
|   | 2021/22<br>(Excl VAT)        | 2022/23<br>(Excl VAT) |
| 0 - 250   | #####                        | R 1 716.69            |
| 251 - 500   | #####                        | R 2 202.56            |
| 501 - 600   | #####                        | R 2 481.23            |
| 601 - 700   | #####                        | R 2 754.30            |
| 701 - 800   | #####                        | R 3 030.13            |
| 801 - 900   | #####                        | R 3 305.71            |
| 901 - 1 000   | #####                        | R 3 579.16            |
| Above - 1 000   | #####                        | R 3 579.16            |
| for each additional 500m <sup>2</sup> or part thereof | R 323.88                     | R 344.94              |

Should there be more than one dwelling unit on a property, the area is divided equally by the number of dwellings and a levy is calculated for each such portion as if it constitutes a separate erf. The above formula is applied i.r.o. each portion.

#### B. ALL VACANT ERVEN : (Availability Tariff)

| Size of erf in m <sup>2</sup> | Sewerage availability levy (Per annum) |                       |
|-------------------------------|--|-----------------------|
|                               | 2021/22<br>(Excl VAT)                  | 2022/23<br>(Excl VAT) |
| To - 1 000                    | R 2 015.84                             | R 2 146.87            |
| Above - 1 000                 | R 2 608.13                             | R 2 777.66            |

#### C. ALL OTHER DEVELOPED ERVEN : (Non-residential Tariff - Only applicable in absence of industrial effluent agreement.)

| Size of erf in m <sup>2</sup> | Sewerage levy<br>(Per annum) |                       |
|-------------------------------|------------------------------|-----------------------|
|                               | 2021/22<br>(Excl VAT)        | 2022/23<br>(Excl VAT) |
| 0 - 500                       | R 2 107.01                   | R 2 243.97            |
| 501 - 1 000                   | R 2 437.60                   | R 2 596.05            |
| 1 001 - 1 500                 | R 2 726.08                   | R 2 903.27            |
| 1 501 - 2 000                 | R 3 343.47                   | R 3 560.80            |
| 2 001 - 3 000                 | R 4 335.91                   | R 4 617.74            |
| 3 001 - 4 000                 | R 5 202.54                   | R 5 540.71            |
| 4 001 - 5 000                 | R 5 822.82                   | R 6 201.31            |
| 5 001 - 7 500                 | R 7 124.84                   | R 7 587.95            |
| 7 501 - 10 000                | R 8 300.90                   | R 8 840.46            |
| 10 001 - 15 000               | R 10 217.84                  | R 10 881.99           |
| 15 001 - 20 000               | R 11 767.16                  | R 12 532.03           |
| Above - 20 000                | R 13 496.95                  | R 14 374.25           |

## STELLENBOSCH MUNICIPALITY

### SEWERAGE TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023 Applicable to services rendered from 1 July 2022

In addition to the above charges, the following fees, based on the area and usage of the buildings are payable

#### LEVIES BASED ON USAGE AND FLOOR AREAS OF BUILDINGS (Only applicable in absence of industrial effluent agreement.) (Per annum)

| DESCRIPTION   | AREA  | SEWERAGE TARIFFS |  |  |  | REMARKS  |
|---|---|------------------|--|--|--|--|
|   |   |                  | 2021/2022                                | 2022/2023  |  |  |
| <b>Use of buildings</b>   | <b>Intervals ( m<sup>2</sup> )</b>                            | <b>Code</b>      | <b>Amount Excl VAT</b>                   | <b>Amount Excl VAT</b>   | <b>UNIT</b>  |  |
| a) Offices, Consulting rooms, Power-station, Ambulance station, Fire-station  | To - 2 500<br>2 501 - 5 000<br>Above 5 000                    | ADD02            | R 16.85<br>R 16.69<br>R 16.54            | <b>R 17.94</b><br><b>R 17.78</b><br><b>R 17.62</b>                   | per m <sup>2</sup><br>per m <sup>2</sup><br>per m <sup>2</sup>                       |  |
| b) Halls for the purposes of letting, Cinemas, Theatres, Venues for Meetings  | To - 2 500<br>2 501 - 5 000<br>5 001 - 10 000<br>Above 10 000 | ADD03            | R 16.85<br>R 16.69<br>R 16.54<br>R 16.39 | <b>R 17.94</b><br><b>R 17.78</b><br><b>R 17.62</b><br><b>R 17.45</b> | per m <sup>2</sup><br>per m <sup>2</sup><br>per m <sup>2</sup><br>per m <sup>2</sup> |  |
| c) Shops not included under (d)   |   | ADD04            | R 16.69                                  | <b>R 17.78</b>   | per m <sup>2</sup>   |  |
| d) Fish shops, Greengrocer shops, Butcheries  |   | ADD06            | R 42.40                                  | <b>R 45.16</b>   | per m <sup>2</sup>   | Only applicable in absence of industrial effluent agreement.   |
| e) Cafe's, Restaurants  |   | ADD05            | R 16.69                                  | <b>R 17.78</b>   | per m <sup>2</sup>   | Only applicable in absence of industrial effluent agreement.   |
| f) Educational & Research buildings,  |   | ADD07            | R 16.69                                  | <b>R 17.78</b>   | per m <sup>2</sup>   |  |
| g) Private hostels, Boarding homes, Hostels   |   | ADD08            | R 27.41                                  | <b>R 29.19</b>   | per m <sup>2</sup>   |  |
| h) Licenced hotels, Guest-houses  |   | ADD10            | R 21.14                                  | <b>R 22.51</b>   | per m <sup>2</sup>   |  |
| i) Hospitals, Prisons, Clinics, Old age and other homes, Hospices, Shelters   |   | ADD09            | R 27.41                                  | <b>R 29.19</b>   | per m <sup>2</sup>   |  |
| j) Religious institutions, Sports clubs,  |   | ADD12            | R 752.76                                 | <b>R 801.69</b>  | per unit   | Per water closet or  |
| Youth organisations, Libraries, Museums, Halls not for letting, Physical fitness centres, Health centres, Messes, Under cover parking |   | ADD11            | R 413.52                                 | <b>R 440.40</b>  | per unit   | per urinal, or 0.5m of urinal wall or part thereof, whichever is the greatest.   |
| k) Garages, Dry cleaners, Laundries, Workshops,   |   | ADD18            | R 1 210.52                               | <b>R 1 289.21</b>  | per unit   | Only applicable in absence of industrial effluent agreement.   |
| l) Factories, Warehouses,   |   | ADD17            | R 2 415.75                               | <b>R 2 572.77</b>  | per unit   | Per water closet, or per urinal, or 0.5m of urinal wall or part thereof, whichever is the greatest. Only applicable in absence of industrial effluent agreement. |
| m) Dwelling units that are part of buildings described under (a) to (l)   |   | ADD20            | R 2 350.26                               | <b>R 2 503.03</b>  | per unit   |  |
| n) Rooms used for dwelling purposes, forming part of buildings under (a) to (l)   |   | ADD13            | R 413.52                                 | <b>R 440.40</b>  | per m <sup>2</sup>   |  |

# STELLENBOSCH MUNICIPALITY

## SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023

Applicable to services rendered from 1 July 2022

### DIREKTORAAT: FINANSIËLE DIENSTE

### DIRECTORATE: FINANCIAL SERVICES

| GENERAL   | Tariff<br>2021/22<br>(Incl. VAT) | Excl. VAT<br>2022/23 | VAT 15%  | Tariff<br>2022/23<br>(Incl. VAT) |
|---|----------------------------------|----------------------|----------|----------------------------------|
| Electronic Rates clearance fee(valuation certificate included) - New  | R 220.00                         | R 191.30             | R 28.70  | R 220.00                         |
| Manuel Rates clearance fee(valuation certificate included) - New  | R 550.00                         | R 478.26             | R 71.74  | R 550.00                         |
| Not rated clearance (Sectional title units)   | R 230.00                         | R 208.70             | R 31.30  | R 240.00                         |
| Administrasiekoste Onteerde betaling/Admin Fee for dishonoured payment  | R 220.00                         | R 191.30             | R 28.70  | R 220.00                         |
| Spesiale meterlesings per verbruikersrekening ( per geleentheid) / occasion   | R 150.00                         | R 134.78             | R 20.22  | R 155.00                         |
| Afsluitingsfooi vir wanbetalings/ Disconnection fee for non-payments: Conventional meters                                     | R 450.00                         | R 391.30             | R 58.70  | R 450.00                         |
| Afsluitingsfooi vir wanbetalings/ Disconnection fee for non-payments: Pre-paid meters   | R 200.00                         | R 173.91             | R 26.09  | R 200.00                         |
| Afsluitingsfooi vir wanbetalings/ Disconnection fee for non-payments: Bulk meters   | R 3 000.00                       | R 2 608.70           | R 391.30 | R 3 000.00                       |
| Ongeïdentifiseerde/foutiewe deposito's op bankstaat / Unidentified/incorrect deposits on bank statement                       | R 150.00                         | R 130.43             | R 19.57  | R 150.00                         |
| Administratiewe fooi vir Aanmanings SMS'e en Kennisgewings / Administration fee for "Reminder" SMS's and Notices              | R 25.00                          | R 21.74              | R 3.26   | R 25.00                          |
| Re-issue Rates clearance certificate : Refer to normal fees   | R -                              | R -                  | R -      | R -                              |
| <b>VERSKAFFING VAN INLIGTING/PROVISION OF INFORMATION</b>   |                                  |                      |          |                                  |
| Uitreik van waardasiesertifikaat / Issue of valuation certificate   | R 115.00                         | R 100.00             | R 15.00  | R 115.00                         |
| Uittreksels uit rekeninge - per maandstaat  | R 55.00                          | R 47.83              | R 7.17   | R 55.00                          |
| Extracts from accounts - per monthly statement  |                                  |                      |          |                                  |
| Extracts from records : rate per hour or part thereof   | R 165.00                         | R 147.83             | R 22.17  | R 170.00                         |
| Fotostate / Copies : per A4 - bladsy / page   | R 3.00                           | R 2.61               | R 0.39   | R 3.00                           |
| Fotostate / Copies : per A3 - bladsy / page   | R 15.00                          | R 13.04              | R 1.96   | R 15.00                          |
| Waardasie Inligting / Valuation Information   | R -                              | R -                  | R -      | R -                              |
| Waardasie Inligting / Valuation Information - Sea-Info  | R 11.00                          | R 9.57               | R 1.43   | R 11.00                          |
| <b>DEPOSITO'S VIR DIENSTE/DEPOSIT FOR SERVICES</b>  |                                  |                      |          |                                  |
| Water/Water   | R 800.00                         | R -                  | N/A      | R 800.00                         |
| Elektrisiteit (huishoudelik) / Electricity (domestic)   | R 1 600.00                       | R -                  | N/A      | R 1 600.00                       |
| Elektrisiteit (ander): Grootmaat verbruikers bereken met minimum van/   |                                  |                      |          |                                  |
| Electricity (other): Bulk users calculate with a minimum of   | R 10 000.00                      | R -                  | N/A      | R 10 000.00                      |
| Indigent Household/Low cost Housing Deernis Huishouding/Lae Koste Behuising   | R 150.00                         | R -                  | N/A      | R 100.00                         |
| Electricity (other) excluding Bulkusers Elektrisiteit (ander) uitgesluit Grootmaatverbruikers                                 | R 5 500.00                       | R -                  | N/A      | R 5 500.00                       |
| Aanpassing van deposito's as gevolg van wanbetaling : Ingevolge Kredietbeheer Beleid  |                                  |                      |          |                                  |
| ** When on cut-off list ; a deposit may be increased by an amount up to three times or more of a monthly average consumption. |                                  |                      |          |                                  |
| Adjustment of deposits due to non-payment : In terms of Credit Control and Debt Collection Policy                             |                                  |                      |          |                                  |
| <b>TENDER DEPOSITO'S / TENDER DEPOSIT (COMPUTER PRINTS BLACK &amp; WHITE)</b>   |                                  |                      |          |                                  |
| Fotostate / Copies : per A4 - bladsy / page   | R 3.00                           | R 3.04               | R 0.46   | R 3.50                           |
| Fotostate / Copies : per A3 - bladsy / page   | R 15.00                          | R 13.04              | R 1.96   | R 15.00                          |
| Fotostate / Copies : per A2 - bladsy / page   | R 60.00                          | R 52.17              | R 7.83   | R 60.00                          |
| Fotostate / Copies : per A1 - bladsy / page   | R 80.00                          | R 69.57              | R 10.43  | R 80.00                          |
| Fotostate / Copies : per A0 - bladsy / page   | R 95.00                          | R 82.61              | R 12.39  | R 95.00                          |



## STELLENBOSCH MUNICIPALITY

**SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023**  
Applicable to services rendered from 1 July 2022

**DIREKTORAAT: GEMEENSKAPSDIENSTE**  
**DIRECTORATE: COMMUNITY SERVICES**

|  | Tariff<br>2021/22<br>(Incl. VAT) | Excl. VAT<br>2022/23 | VAT 15% | Tariff<br>2022/23<br>(Incl. VAT) |
|--|----------------------------------|----------------------|---------|----------------------------------|
| Director: Community and Protection Services has the delegation to authorise tariff discounts on any park or public open spaces for events, to the maximum of 30% off the firm tariff after receiving a recommendation from the Manager: Community Services.  |                                  |                      |         |                                  |
| <b>TOEGANGSGELDE / ENTRANCE FEES:</b>  |                                  |                      |         |                                  |
| <b>JONKERSHOEK PIEKNIKTERREIN / PICNIC SITE</b>  |                                  |                      |         |                                  |
| Personne / Persons   | 31.00                            | 27.83                | 4.17    | <b>32.00</b>                     |
| Voertuie / Vehicles  | 25.00                            | 23.04                | 3.46    | <b>26.50</b>                     |
| Kinders onder 5 jaar oud/ Children below 5 years of age  | Free                             | Free                 | Free    | Free                             |
| Kinders 6 tot 17 jaar oud / Children 6-17 years  | 22.60                            | 20.43                | 3.07    | <b>23.50</b>                     |
| Official year end function for Council employees (by prior arrangement only)   | Free                             | Free                 | Free    | Free                             |
| Pensioners (It is a person who, in the case of a male, is 65 years of age and older and, in the case of a female, is 60 years of age or older.)  | 22.60                            | 20.43                | 3.07    | <b>23.50</b>                     |
| <b>CLOETESVILLE SWEMBAD / SWIMMING POOL</b>  |                                  |                      |         |                                  |
| Kinders onder die ouderdom van 5 jaar vergesel deur volwassenes.   | <b>Gratis/</b>                   |                      |         | <b>Gratis/</b>                   |
| Children under the age of 5 years accompanied by adults.   | <b>Free</b>                      |                      |         | <b>Free</b>                      |
| Kinders 6 tot 17 jaar / Children 6-17 years  | 6.50                             | 5.65                 | 0.85    | <b>6.50</b>                      |
| Volwassenes / Adults   | 12.50                            | 10.87                | 1.63    | <b>12.50</b>                     |
| Pensioners (It is a person who, in the case of a male, is 65 years of age and older and, in the case of a female, is 60 years of age or older.)  | 8.50                             | 7.39                 | 1.11    | <b>8.50</b>                      |
| <b>Group bookings must be pre-arranged at (021) 808 8295</b>   |                                  |                      |         |                                  |
| 30 - 40 persons  | 429.00                           | 394.78               | 59.22   | <b>454.00</b>                    |
| 41 - 60 persons  | 570.00                           | 525.22               | 78.78   | <b>604.00</b>                    |
| 61 - 80 persons  | 850.00                           | 783.48               | 117.52  | <b>901.00</b>                    |
| 81 - maximum 100   | 1 140.00                         | 1 050.43             | 157.57  | <b>1 208.00</b>                  |
| <b>Group bookings only within official hours.</b>  |                                  |                      |         |                                  |
| Braai facility coupon  | 46.50                            | 42.61                | 6.39    | <b>49.00</b>                     |
| <b>BEGRAAFPLAASDIENSTE / CEMETERY SERVICES: WC024</b>  |                                  |                      |         |                                  |
| Waar 'n familie as behoeftige geregistreer is by die Munisipaliteit, kan die familie (slegs naaste familie) kwalifiseer vir 50% afslag, na goedkeuring van die relevante Direkteur, op die tarief vir 'n grafperseel. Die familie of delegasie moet skriftelik aansoek doen en rig aan die betrokke Direkteur.   |                                  |                      |         |                                  |
| Hierdie vergunning is slegs van toepassing Maandae tot Saterdag- Vakansiedae uitgesluit. Plaaswerkers: brief ter bevestiging van plaaseienaar.   |                                  |                      |         |                                  |
| When a family has been registered as an indigent beneficiary at the Municipality, the members of the family (not including extended members) qualifies for 50% discount, after approval by the relevant Director, on the tariff of a gravesite. The family or a delegate must apply in writing to the relevant Director. This concession is only applicable Mondays to Saturdays, excluding Public Holidays. Farm workers: must provide written confirmation from the farm owner.  |                                  |                      |         |                                  |
| 1. Grafperseel : kinders onder 12 jaar oud / Grave site children under the age of 12 years   | 775.28                           | 714.61               | 107.19  | <b>821.80</b>                    |
| 2. Grafperseel : persone 12 jaar en ouer / Grave site persons 12 years and older   | 955.06                           | 880.32               | 132.05  | <b>1 012.36</b>                  |
| 3. Teraardebestelling : kinders onder 12 / Burial : children under 12 years  | 404.50                           | 372.84               | 55.93   | <b>428.77</b>                    |
| 4. Teraardebestelling : persone bo 12 jaar en ouer / Burial : Persons 12 years and older   | 831.46                           | 766.39               | 114.96  | <b>881.35</b>                    |
| 5. Ekstra grafwydte per 100mm of gedeelte daarvan: tot maks 2.4m<br>(standaardwydte = 550mm onder 12 jaar / 750mm bo 12 jaar)<br>Additional excavation of grave width per 100mm or part thereof: to a max. of 2.4m<br>Standard width = 550mm onder 12 years / 750mm over 12 years)   | 144.94                           | 133.60               | 20.04   | <b>153.64</b>                    |
| 6. Opgrawings / Disinterments (Exhumation)   | 1 073.04                         | 989.06               | 148.36  | <b>1 137.42</b>                  |
| 7. Begrawe van veraste oorblyfsels in bestaande grafte / Burial of ashes in existing grave   | 132.58                           | 122.21               | 18.33   | <b>140.54</b>                    |
| 8. Herbevestiging van grafpersele / Reconfirmation of grave site (Papegaaiberg)  | 214.61                           | 197.81               | 29.67   | <b>227.48</b>                    |
| 9. Wysiging of oordrag van eienskapskap van grafperseel / Change in ownership of gravesite   | 69.66                            | 64.21                | 9.63    | <b>73.84</b>                     |
| 10. Addisionele heffing vir dienste aangevra vir Sondae / Additional levy for services on Sundays:   |                                  |                      |         |                                  |
| 10a. Groepe vrygestel deur Munisipale Verordening/Groups exempted by Municipal By-Law  | 0.00                             | 0.00                 | 0.00    | <b>0.00</b>                      |
| 10b. Groepe nie vrygestel deur Munisipale Verordening / Groups not exempted by Municipal By-Law  | 4 797.77                         | 4 422.29             | 663.34  | <b>5 085.64</b>                  |
| 11. Addisionele heffing vir dienste aangevra vir Saterdag / Additional levy for services on Saturdays:<br>(weekly tariff to apply if no municipal services are rendered)   | 1 539.33                         | 1 418.86             | 212.83  | <b>1 631.69</b>                  |
| 12. Nisse/ Niches (N/A)  |                                  |                      |         |                                  |
| 13. Nuwe Grafsteenpermit (Messelwerk) / New Permit for gravestone (Masonry)  | 280.90                           | 258.92               | 38.84   | <b>297.75</b>                    |
| Admin cost for record enquiries  | 0.00                             | 0.00                 | 0.00    | <b>0.00</b>                      |
| <b>BEGRAAFPLAASDIENSTE / CEMETERY SERVICES: OUTSIDE WC024</b>  |                                  |                      |         |                                  |
| Tariewe vir persone wat buite die munisipale grense gewoon het met sterfte datum = 4 maal die tariewe hierbo, behalwe die verkoop van nisse, waarop 'n 50% belading geld. Indien sulke persone reeds 'n graf besit, geld hierdie belading steeds op die maak van grafte. / Tariffs for persons residing outside of the municipal area at the time of death = 4 times the tariffs above, with the exception of the sale of niches, to which a 50% surcharge applies. Should such a person already possess a grave site, the excess still applies to the digging of the grave and other related charges. |                                  |                      |         |                                  |
| Normale tariewe geld ten opsigte van begravinge op Sondae en Openbare Vakansiedae vir geloofsgroepe soos vervat in die Verordening/<br>Normal tariffs will apply for burials on Sundays and public holidays for certain religious groups as determined by the By-Law.  |                                  |                      |         |                                  |

## STELLENBOSCH MUNICIPALITY

### SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023 Applicable to services rendered from 1 July 2022

#### DIREKTORAAT: GEMEENSKAPSDIENSTE DIRECTORATE: COMMUNITY SERVICES

#### TARIFFS FOR ANY PARK OR PUBLIC OPEN SPACE FOR EVENTS:

*Birthday parties, creches & school events, religious events, festivals, markets, cycling events*  
Event = one (1) day or if otherwise stated. All applications in writing.

Lessees are not entitled to exclusive rights of the venue at a time

#### TARIFFS FOR THE BRAAK

##### Tariff for non-profitable organisations per day.

|  |          |          |          |          |
|--|----------|----------|----------|----------|
| Tariff for religious events per day (maximum of 7 days) (Include set up and breakdown per day) | 852.00   | 785.32   | 117.80   | 903.12   |
| Tariff for profitable organisations within WC024 per day                                       | 804.00   | 741.08   | 111.16   | 852.24   |
| Tariff for profitable organisations outside WC024 per day                                      | 3 980.00 | 3 668.52 | 550.28   | 4 218.80 |
| Tariff for profitable organisations outside WC024 per day                                      | 8 516.00 | 7 849.53 | 1 177.43 | 9 026.96 |

#### TARIFFS FOR ALL OTHER PUBLIC OPEN SPACES/ GARDENS/ NATURE RESERVES/ PLANTATIONS/ DEVELOPED PARKS

|  |          |          |          |           |
|--|----------|----------|----------|-----------|
| Tariff for non-profitable organisations -religious events per day and maximum 7 days (Include set up and breakdown per day) (PARKS AND PUBLIC OPEN SPACES ONLY)      | 370.00   | 341.04   | 51.16    | 392.20    |
| Tariff for BIRTHDAY PARTIES and PICNIC INSIDE WC024 (PARKS AND PUBLIC OPEN SPACES ONLY)  | 370.00   | 341.04   | 51.16    | 392.20    |
| Tariff for BIRTHDAY PARTIES and PICNICS OUTSIDE WC024 (PARKS AND OPEN SPACES ONLY)   | 740.00   | 682.09   | 102.31   | 784.40    |
| Tariff for BIRTHDAY PARTIES and PICNICS INSIDE WC024 (JMNR ONLY)   | 370.00   | 341.04   | 51.16    | 392.20    |
| Tariff for BIRTHDAY PARTIES and PICNICS OUTSIDE WC024 (JMNR ONLY)  | 740.00   | 682.09   | 102.31   | 784.40    |
| Hire of Jumping castle per day NEW (JMNR ONLY)   | 0.00     | 260.87   | 39.13    | 300.00    |
| Tariff for PHOTOSHOOTS INSIDE WC024 (Excl. Wedding photos)   | 950.00   | 875.65   | 131.35   | 1 007.00  |
| Tariff for PHOTOSHOOTS OUTSIDE WC024 (Excl. Wedding photos)  | 1 900.00 | 1 751.30 | 262.70   | 2 014.00  |
| Tariff for profitable organisations INSIDE WC024 per day (Set up cost 50% of tariff and break-up cost 50% of tariff per day) NEW                                     | 3 980.00 | 3 668.52 | 550.28   | 4 218.80  |
| Tariff for profitable organisations OUTSIDE WC024 per day (Set up cost 50% of tariff and break-up cost 50% of tariff per day) NEW                                    | 8 505.00 | 7 839.39 | 1 175.91 | 9 015.30  |
| Tariff for non- profitable organisations INSIDE WC024 per day max 50 (Set up cost 50% of tariff and break-up cost 50% of tariff per day) NEW                         | 0.00     | 752.14   | 112.82   | 864.96    |
| Tariff for non- profitable organisations INSIDE WC024 per day max 100 (Set up cost 50% of tariff and break-up cost 50% of tariff per day) NEW                        | 0.00     | 1 504.28 | 225.64   | 1 729.92  |
| Tariff for non- profitable organisations INSIDE WC024 per day max 200 (Set up cost 50% of tariff and break-up cost 50% of tariff per day) NEW                        | 0.00     | 2 256.42 | 338.46   | 2 594.88  |
| Tariff for non-profitable organisations OUTSIDE WC024 per day max 50 (Set up cost 50% of tariff and break-up cost 50% of tariff per day) NEW                         | 0.00     | 1 504.28 | 225.64   | 1 729.92  |
| Tariff for non-profitable organisations OUTSIDE WC024 per day max 100 (Set up cost 50% of tariff and break-up cost 50% of tariff per day) NEW                        | 0.00     | 3 008.56 | 451.28   | 3 459.84  |
| Tariff for non-profitable organisations OUTSIDE WC024 per day max 200 (Set up cost 50% of tariff and break-up cost 50% of tariff per day) NEW                        | 0.00     | 4 512.83 | 676.93   | 5 189.76  |
| WEDDING CEREMONY ONLY with a maximum of 100 pax INSIDE WC024   | 1 632.00 | 1 504.28 | 225.64   | 1 729.92  |
| WEDDING CEREMONY ONLY with a maximum of 100 pax OUTSIDE WC024  | 3 264.00 | 3 008.56 | 451.28   | 3 459.84  |
| WEDDING PHOTOS ONLY with a maximum of 100 pax INSIDE WC024   | 950.00   | 875.65   | 131.35   | 1 007.00  |
| WEDDING PHOTOS ONLY with a maximum of 100 pax OUTSIDE WC024  | 1 900.00 | 1 751.30 | 262.70   | 2 014.00  |
| Tariff for profitable organisations WITHIN WC024 per day (seminars, workshops, strategic sessions, year-end funtions, parties) PARADYSKLOOF CLUBHOUSE                | 1 214.00 | 1 118.99 | 167.85   | 1 286.84  |
| Tariff for profitable organisations OUTSIDE WC024 per day (seminars, workshops, strategic sessions, year-end funtions, parties) PARADYSKLOOF CLUBHOUSE               | 2 428.00 | 2 237.98 | 335.70   | 2 573.68  |
| Tariff for non profitable organisations WITHIN WC024 per day (seminars, workshops, strategic sessions, year-end funtions, parties, weddings) PARADYSKLOOF CLUBHOUSE  | 0.00     | 559.50   | 83.92    | 643.42    |
| Tariff for non profitable organisations OUTSIDE WC024 per day (seminars, workshops, strategic sessions, year-end funtions, parties, weddings) PARADYSKLOOF CLUBHOUSE | 0.00     | 1 118.99 | 167.85   | 1 286.84  |
| WEDDINGS with a maximum of 100 pax WITHIN WC024 per day (PARADYSKLOOF CLUBHOUSE)   | 4 896.00 | 4 512.83 | 676.93   | 5 189.76  |
| WEDDINGS a maximum of 100 pax OUTSIDE WC024 per day (PARADYSKLOOF CLUBHOUSE)   | 9 792.00 | 9 025.67 | 1 353.85 | 10 379.52 |
| INITIATIONS in plantations (tariff as per Council decision) PER CALENDER MONTH   | 2 268.00 | 2 090.50 | 313.58   | 2 404.08  |
| To access routes in nature areas and plantations for any related activiteits   | 0.00     | 86.96    | 13.04    | 100.00    |
| Rastafarian  | 2 268.00 | 2 090.50 | 313.58   | 2 404.08  |
| Eco Centre Rental - per day (max 25 people)  | 803.00   | 740.16   | 111.02   | 851.18    |
| Eco Centre Rental - per day- (max 25 people) per hour R150.00  | 159.00   | 146.56   | 21.98    | 168.54    |
| <b>STILL/ FILM SHOOTS</b>  |          |          |          |           |
| <b>Event= Per day. Includes all parks, public open spaces, sportsgrounds, nature reserves/ plantations and gardens.</b>  |          |          |          |           |
| Non-commercial shoots  | 947.00   | 872.89   | 130.93   | 1 003.82  |
| Commercial   | 8 512.00 | 7 845.84 | 1 176.88 | 9 022.72  |
| <b>Other</b>   |          |          |          |           |
| Base camp parking only ( when using an area for parking of vehicles but no filming.  | 3 600.00 | 3 318.26 | 497.74   | 3 816.00  |
| Helipad Parking per day  | 3 600.00 | 3 318.26 | 497.74   | 3 816.00  |
| Access through Forestry or Conservation Areas for when filming at a nearby farms: plus permit fee (passing through our Nature Reserve)                               | 1 080.00 | 995.48   | 149.32   | 1 144.80  |
| <b>FORESTRY PRODUCTS</b>   |          |          |          |           |
| <b>All wattles/ tonne (per bakkie load)</b>  |          |          |          |           |
| Eucalyptus Species/ tonne INSIDE WC024 (per bakkie load)   | 435.00   | 400.96   | 60.14    | 461.10    |
| Eucalyptus Species/ tonne OUTSIDE WC024 (per bakkie load)  | 477.00   | 439.67   | 65.95    | 505.62    |
| Fire Wood per tonne Self cut/ tonne INSIDE WC024 (per bakkie load)   | 358.00   | 329.98   | 49.50    | 379.48    |
| Fire Wood per tonne Self cut/ tonne OUTSIDE WC024 (per bakkie load)  | 417.00   | 384.37   | 57.65    | 442.02    |
| Latte for screens/ tonne self-cut INSIDE WC024 (per a bakkie load)   | 477.00   | 439.67   | 65.95    | 505.62    |
| Latte for screens/ tonne self-cut OUTSIDE WC024 (per a bakkie load)  | 536.00   | 494.05   | 74.11    | 568.16    |
| <b>Softwood Sawlogs</b>  |          |          |          |           |
| Poplars poles 80mm- 100mm diamtre at thin end/ tonne INSIDE WC024(per bakkie load)   | 298.00   | 274.68   | 41.20    | 315.88    |
| Poplars poles 80mm- 100mm diamtre at thin end/ tonne OUTSIDE WC024(per bakkie load)  | 358.00   | 329.98   | 49.50    | 379.48    |

## STELLENBOSCH MUNICIPALITY

**SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023**  
Applicable to services rendered from 1 July 2022

**DIREKTORAAT: GEMEENSAPSDIENSTE**  
**DIRECTORATE: COMMUNITY SERVICES**

### INDUSTRIAL ROUNDWOOD

|  |        |        |        |               |
|--|--------|--------|--------|---------------|
| includes all commercial wood in situ small volumes up to R200 000.00 (pine sawlogs, woodchips, and wood residues.) |        |        |        |               |
| Class A= 13,5cm-17cm diametre at thin end/ m3 INSIDE WC024   | 394.00 | 363.17 | 54.47  | <b>417.64</b> |
| Class A= 13,5cm-17cm diametre at thin end/ m3 OUTSIDE WC024  | 417.00 | 384.37 | 57.65  | <b>442.02</b> |
| Class B= 19cm-25cm diametre at thin end/ m3 INSIDE WC024   | 536.00 | 494.05 | 74.11  | <b>568.16</b> |
| Class B= 19cm-25cm diametre at thin end/ m3 OUTSIDE WC024  | 596.00 | 549.36 | 82.40  | <b>631.76</b> |
| Class C= 27cm-33cm diametre at thin end/m3 INSIDE WC024  | 751.00 | 692.23 | 103.83 | <b>796.06</b> |
| Class C= 27cm-33cm diametre at thin end/m3 OUTSIDE WC024   | 834.00 | 768.73 | 115.31 | <b>884.04</b> |
| Class D= 35cm> diametre at thin end/m3 INSIDE WC024  | 810.00 | 746.61 | 111.99 | <b>858.60</b> |
| Class D= 35cm> diametre at thin end/m3 OUTSIDE WC024   | 894.00 | 824.03 | 123.61 | <b>947.64</b> |

# STELLENBOSCH MUNICIPALITY

## SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023

Applicable to services rendered from 1 July 2022

DIREKTORAAT: GEMEENSKAPSDIENSTE

DIRECTORATE: COMMUNITY SERVICES

|  | Tariff<br>2021/22<br>(Incl. VAT) | Excl. VAT<br>2022/23 | VAT 15% | Tariff<br>2022/23<br>(Incl. VAT) |
|--|----------------------------------|----------------------|---------|----------------------------------|
| <b>LIBRARY SERVICES</b>  |                                  |                      |         |                                  |
| <b>Printing Services</b>   |                                  |                      |         |                                  |
| Printing fee for a A4 black and white page   | 1.30                             | 1.19                 | 0.18    | <b>1.37</b>                      |
| <b>Overdue library materials fine</b>  |                                  |                      |         |                                  |
| Fines are charged per week or part thereof   | 1.00                             | 0.91                 | 0.14    | <b>1.05</b>                      |
| <b>Faxes</b>   |                                  |                      |         |                                  |
| Fee for receiving a fax - per page   | 2.50                             | 2.28                 | 0.34    | <b>2.63</b>                      |
| <b>Scan and email</b>  |                                  |                      |         |                                  |
| Scan and email per page  | 3.00                             | 2.74                 | 0.41    | <b>3.15</b>                      |
| <b>LIBRARY HALL RENTALS</b>  |                                  |                      |         |                                  |
| <b>CONDITIONS FOR USAGE OF A LIBRARY HALL</b>  |                                  |                      |         |                                  |
| Not available for the following: weddings, birthdays, christening and parties  |                                  |                      |         |                                  |
| Library are halls available during library hours only  |                                  |                      |         |                                  |
| No equipment and catering supplies are available at the halls  |                                  |                      |         |                                  |
| The Director: Community and Protection Services may consider motivated applications for Non-Governmental Organisation discounts      |                                  |                      |         |                                  |
| <b>Plein Street, Idas Valley, Kayamandi, Groendal &amp; Cloeteville Library Halls</b>  |                                  |                      |         |                                  |
| Rental charged - per session   | 506.00                           | 462.00               | 69.30   | <b>531.30</b>                    |
| Rental charged for a Non Profit Organisation - no charge may apply subject to proof of NPO/NPC registration and approval of Director | 506.00                           | 150.00               | 22.50   | <b>172.50</b>                    |
| Rental of kitchen facility per session   | 86.00                            | 78.52                | 11.78   | <b>90.30</b>                     |

## STELLENBOSCH MUNICIPALITY

**SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023**  
Applicable to services rendered from 1 July 2022

**DIREKTORAAT: GEMEENSKAPSDIENSTE      DIRECTORATE: COMMUNITY SERVICES**

|  | Full Tariff 2021/2022 |            |            | Full Tariff 2022/2023          |                   |                   | Discounted Tariff 2022/23                           |   |   | Additional levy: consumers outside WC024            |   |
|--|-----------------------|------------|------------|--------------------------------|-------------------|-------------------|---|---|---|---|---|
|  | Deposit               | Week       | Weekend    | Deposit                        | Week              | Weekend           | Deposit   | Week  | Weekend   | Week  | Weekend   |
| <b>Town Halls</b>  |                       |            |            |                                |                   |                   |   |   |   |   |   |
| <b>Stellenbosch</b>  |                       |            |            | Foyer not available on its own |                   |                   |   |   |   |   |   |
| Hall and Foyer   | R 3 112.37            | R 5 205.64 | R 6 395.53 | <b>R 3 299.00</b>              | <b>R 5 519.00</b> | <b>R 6 779.00</b> | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |
| Bar  |                       |            |            | <b>R 720.00</b>                | <b>R 550.00</b>   | <b>R 736.00</b>   | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |
| Kitchen (including all electrical appliances)                        | R 2 040.46            | R 1 558.43 | R 2 084.28 | <b>R 1 440.00</b>              | <b>R 1 100.00</b> | <b>R 1 472.00</b> | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |
| Kitchen (including all electrical & gas appliances-new installation) | R 2 040.45            | R 1 708.40 | R 2 234.28 | <b>R 1 590.00</b>              | <b>R 1 250.00</b> | <b>R 1 622.00</b> | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |
| <b>Franschhoek</b>   |                       |            |            | Foyer not available on its own |                   |                   |   |   |   |   |   |
| Hall   | R 3 266.31            | R 3 479.79 | R 4 466.31 | <b>R 3 462.00</b>              | <b>R 3 688.00</b> | <b>R 4 734.00</b> | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |
| Kitchen (including all electrical appliances)                        | R 1 022.48            | R 1 135.96 | R 1 810.12 | <b>R 1 083.00</b>              | <b>R 1 204.00</b> | <b>R 1 918.00</b> | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |
| <b>Community Hall, Kylemore</b>                                      |                       |            |            |                                |                   |                   |   |   |   |   |   |
| Hall   | R 468.54              | R 468.54   | R 669.67   | <b>R 496.00</b>                | <b>R 496.00</b>   | <b>R 709.00</b>   | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |
| <b>Eikestad Hall, Cloetesville</b>                                   |                       |            |            |                                |                   |                   |   |   |   |   |   |
| Hall   | R 468.54              | R 468.54   | R 669.67   | <b>R 496.00</b>                | <b>R 496.00</b>   | <b>R 709.00</b>   | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |
| <b>Admin Hall, Kayamandi</b>   |                       |            |            |                                |                   |                   |   |   |   |   |   |
| Hall (As per Council Decision)                                       | R 133.71              | R 133.71   | R 133.71   | <b>R 139.00</b>                | <b>R 139.00</b>   | <b>R 139.00</b>   | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |
| <b>Community Hall, Kayamandi</b>                                     |                       |            |            |                                |                   |                   |   |   |   |   |   |
| Hall (As per Council Decision)                                       | R 133.71              | R 133.71   | R 133.71   | <b>R 139.00</b>                | <b>R 139.00</b>   | <b>R 139.00</b>   | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |
| <b>Pniel Banquet Hall</b>  |                       |            |            |                                |                   |                   |   |   |   |   |   |
| Hall   | R 468.54              | R 468.54   | R 669.67   | <b>R 496.00</b>                | <b>R 496.00</b>   | <b>R 709.00</b>   | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |
| <b>Community Hall, La Motte</b>                                      |                       |            |            |                                |                   |                   |   |   |   |   |   |
| Hall   | R 267.98              | R 267.98   | R 401.35   | <b>R 284.00</b>                | <b>R 284.00</b>   | <b>R 425.00</b>   | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |

## STELLENBOSCH MUNICIPALITY

**SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023**  
Applicable to services rendered from 1 July 2022

**DIREKTORAAT: GEMEENSKAPSDIENSTE      DIRECTORATE: COMMUNITY SERVICES**

|                             | Full Tariff 2021/2022 |          |          | Full Tariff 2022/2023 |                 |                 | Discounted Tariff 2022/23                           |   |   | Additional levy: consumers outside WC024            |   |
|-----------------------------|-----------------------|----------|----------|-----------------------|-----------------|-----------------|---|---|---|---|---|
|                             | Deposit               | Week     | Weekend  | Deposit               | Week            | Weekend         | Deposit   | Week  | Weekend   | Week  | Weekend   |
| Community Hall, Wemmershoek |                       |          |          |                       |                 |                 |   |   |   |   |   |
| Hall                        | R 268.54              | R 268.54 | R 401.13 | <b>R 284.00</b>       | <b>R 284.00</b> | <b>R 425.00</b> | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |

## STELLENBOSCH MUNICIPALITY

**SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023**  
Applicable to services rendered from 1 July 2022

**DIREKTORAAT: GEMEENSKAPSDIENSTE      DIRECTORATE: COMMUNITY SERVICES**

|                                      | Full Tariff 2021/2022 |          |                | Full Tariff 2022/2023 |                 |                       | Discounted Tariff 2022/23                           |   |   | Additional levy: consumers outside WC024            |   |
|--------------------------------------|-----------------------|----------|----------------|-----------------------|-----------------|-----------------------|---|---|---|---|---|
|                                      | Deposit               | Week     | Weekend        | Deposit               | Week            | Weekend               | Deposit   | Week  | Weekend   | Week  | Weekend   |
| <b>Community Hall, Groendal</b>      |                       |          |                |                       |                 |                       |   |   |   |   |   |
| Hall                                 | R 468.54              | R 468.54 | R 510.11       | <b>R 496.00</b>       | <b>R 496.00</b> | <b>R 540.00</b>       | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |
| <b>Klapmuts Multi-purpose centre</b> |                       |          |                |                       |                 |                       |   |   |   |   |   |
| Hall                                 | R 468.54              | R 468.54 | R 510.11       | <b>R 496.00</b>       | <b>R 496.00</b> | <b>R 540.00</b>       | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |
| Hall kitchen rental                  | R 131.46              | R 131.46 | R 131.46       | <b>R 139.00</b>       | <b>R 139.00</b> | <b>R 139.00</b>       | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |
| Outside braai area with kitchen      | R 225.84              | R 225.84 | R 225.84       | <b>R 239.00</b>       | <b>R 239.00</b> | <b>R 239.00</b>       | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |
| Outside braai kitchen rental         | R 131.46              | R 131.46 | R 131.46       | <b>R 139.00</b>       | <b>R 139.00</b> | <b>R 139.00</b>       | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |
| Boardroom                            | R 225.84              | R 225.84 | R 225.84       | <b>R 239.00</b>       | <b>R 239.00</b> | <b>R 239.00</b>       | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |
| <b>Pniel Millinium Hall</b>          |                       |          |                |                       |                 |                       |   |   |   |   |   |
| Hall                                 | R 468.54              | R 468.54 | R 669.67       | <b>R 496.00</b>       | <b>R 496.00</b> | <b>R 709.00</b>       | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |
| <b>Other facilities</b>              |                       |          |                |                       |                 |                       |   |   |   |   |   |
| Old Age Facility Kayamandi           | Free of charge        |          | Free of charge | <b>Free of charge</b> |                 | <b>Free of charge</b> | Free of charge                                      | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |
| Banquet Hall, Cloetesville           | R169/per day          |          | R169/per day   | <b>R179/per day</b>   |                 | <b>R179/per day</b>   |   | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application | Discount percentage to be determined by application |

**The following groups have been identified for the discounted tariffs:**

- (i) Schools located within the WC024 for an official school function: discounted tariff of 30% on the rental of a hall for the function to a maximum of one (1) function per financial year. Deposit fees must be paid in full.
- (ii) Churches located within WC024 for an official church function: discounted tariff of 30% on the rental of a hall for the function to a maximum of one (1) function per financial year. Deposit fees must be paid in full. Proof of location/residence will be required.
- (iii) Churches using a hall on a regular basis:
  - a Sermons are limited to 2 (two) hours per Sunday to accommodate other denominations/religious groups at the venue.
  - b The two Town Halls (Stellenbosch and Franschoek), are excluded.
  - c The grant is subject to availability of the hall.
  - d A formal agreement will be entered into between the parties.  
A once-off deposit fee per financial year applies as per the approved tariffs. If forfeited due to damage, etc, this will have to be repaid before access for the next event/ service will be granted.
  - e In addition, a rental fee equivalent to the tariff for 1 day (weekday tariff) applies as a monthly fee. The fee specific to the specific hall will apply.  
To accommodate churches during the week, the halls may be used for a maximum of two (2) additional bookings during the week over and above the Sunday sermon. This will be at no additional charge (included in e) above).
  - f Furniture will be free of charge, but must be arranged and put back after the sermon by the hirer.
  - g Due to the constraints on municipal overtime, no municipal officials will be available on weekdays or weekends to perform any supervisory functions or assistance.
- (iv) Non-Governmental Organisations: 30% discount on rental of a hall or facility excluding the relevant deposit fees (which must be paid in full). Furniture, kitchen and utensils are free of charge.
- (v) Government Departments in other spheres of Government: 30% discount on rental of a hall or facility excluding the relevant deposit fees (which must be paid in full). Furniture, kitchen and utensils are free of charge.
- (vi) The six recognised vulnerable groups namely Aged, Disabled, Children, Youth, Women and People living on the Streets: 30% discount on rental of a hall or facility excluding the relevant deposit fees (which must be paid in full). Furniture, kitchen and utensils are free of charge. This discount is not available to individuals but is focused on interest groups representing the vulnerable groups.
- (vii) Individual families registered as indigent at the Municipality will be entitled to a 30% discount on rental of a hall or facility excluding the relevant deposit fees (which must be paid in full): Furniture, kitchen and utensils are free of charge. This rebate is for a maximum of one (1) booking per financial year per indigent family and the two Town Halls (Stellenbosch and Franschoek are excluded).
- (viii) Organisations promoting the Greater Stellenbosch: 30% discount on rental of a hall or facility excluding the relevant deposit fees (which must be paid in full). Furniture, kitchen and utensils are free of charge. The following are examples of rebates that will be approved:
  - Van Der Stel Festival
  - Wine Festival (Previously Food and Wine Festival)
  - Flower Show (Stellenbosch and Pniel)
  - Stellenbosch Festival
  - Bastille Festival
  - CANSA sub-organizations within the WC024.
- (ix) Free access to municipal halls for youth activities. Provided that prior arrangement is made with the relevant staff.



- (x) Free access to municipal halls for Ward Councillors for functions such as: Meetings, Workshops or any other Ward-related activities. This access will only be granted to a maximum of 2 (two) events per month. This is not transferable for any other festivals, parties, dances, fund raisers, etc.
  
- (xi) The rebates mentioned in paragraphs i), ii), iv), v), vi) and vii) will only be considered for weekdays. All applications must be in writing and submitted to the Director: Community and Protection Services.
  
- (xii) The Director: Community and Protection Services may consider motivated applications for discount in line with the abovementioned and approve rebates.

## STELLENBOSCH MUNICIPALITY

**SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023**  
Applicable to service rendered from 1 July 2022

**DIREKTORAAT: GEMEENSKAPSDIENSTE**  
**DIRECTORATE: COMMUNITY SERVICES**

| Sports Fields   | 2021/22   |      |         | Rental of Facilities 2022/23  |      |         | Additional levy: Consumers outside WC024; Sports Unions and Private Companies.  |      |         |
|---|---|------|---------|---|------|---------|---|------|---------|
|   | Deposit   | Week | Weekend | Deposit   | Week | Weekend | Deposit   | Week | Weekend |
| Van der Stel  | Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan. |      |         | Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan. |      |         | Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan. |      |         |
| Kylemore, Pniel, Idas Valley, Raithby, Klapmuts, Jamestown and Cloetesville | Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan. |      |         | Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan. |      |         | Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan. |      |         |
| Wemmershoek<br>Groendal<br>Kayamandi  | Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan. |      |         | Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan. |      |         | Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan. |      |         |
| La Motte<br>Jonkershoek<br>Papplaas<br>Lanquedoc                            | Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan. |      |         | Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan. |      |         | Tariffs and tariff structures to be established and determined with the executing of the newly adopted Hybrid Sport Facility Management Plan. |      |         |

# STELLENBOSCH MUNICIPALITY

**SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 - 30 JUNE 2023**  
Applicable to service rendered from 1 July 2022

**DIREKTORAAT: GEMEENSKAPSDIENSTE**  
**DIRECTORATE: COMMUNITY SERVICES**

| <b>VERKEERSDIENSTE/TRAFFIC SERVICES</b>  | <b>Tariff<br/>2021/22<br/>(Incl. VAT)</b> | <b>Excl. VAT<br/>2022/23</b> | <b>VAT 15%</b> | <b>Tariff<br/>2022/23<br/>(Incl. VAT)</b> |
|--|---|------------------------------|----------------|---|
| <b>Verkeersbystanddienste / Traffic Assistance at special occasions/events</b>   |   |                              |                |   |
| Uitreiking van Permit / Issue of Permit  | 267.95                                    | 246.98                       | 37.05          | <b>284.03</b>                             |
| Uurtarif : Maandag - Saterdag / Hourly tariff : Monday - Saturday  | 389.85                                    | 359.34                       | 53.90          | <b>413.24</b>                             |
| Uurtarif: Sondae en openbare vakansiedae/Hourly tariff: Sunday and public holidays   | 629.05                                    | 579.82                       | 86.97          | <b>666.79</b>                             |
| <b>Spesiale verkeersbystanddienste by bragrafnisse/ Special Traffic Assistance at funeral procession</b>   |   |                              |                |   |
| per funeral - per hour - per officer   | 388.70                                    | 358.28                       | 53.74          | <b>412.02</b>                             |
| <b>Verfilming of video- advertensies / Filming or video- commercials (public roads)</b>  |   |                              |                |   |
| Uitreiking van Permit / Issue of Permit  | 261.05                                    | 240.62                       | 36.09          | <b>276.71</b>                             |
| Uitreiking van Permit / Issue of Permit - Stillshoot   | 1 661.75                                  | 1 531.70                     | 229.76         | <b>1 761.46</b>                           |
| Minimum: Residential / Industrial up to 3 hours  | 3 572.76                                  | 3 293.16                     | 493.97         | <b>3 787.13</b>                           |
| Maximum: Residential / industrial more than 3 hours  | 13 373.35                                 | 12 326.74                    | 1 849.01       | <b>14 175.75</b>                          |
| Minimum:Rural up to 3 hours  | 4 154.95                                  | 3 806.30                     | 570.95         | <b>4 377.25</b>                           |
| Maximum:Rural more than 3 hours  | 17 805.82                                 | 16 412.31                    | 2 461.85       | <b>18 874.16</b>                          |
| Minimum High Risk Areas (eg, Franschoek Pass + CBD areas) up to 3 hours  | 18 580.55                                 | 17 126.42                    | 2 568.96       | <b>19 695.38</b>                          |
| Maximum High Risk Areas (eg, Franschoek Pass + CBD areas) more than 3 hours  | 24 477.75                                 | 22 562.00                    | 3 384.30       | <b>25 946.30</b>                          |
| Die Direkteur: Gemeenskaps en Beskermingsdienste mag gemotiveerde aansoeke vir afslag tot 50% oorweeg vir die verfilming van video-advertensies (publieke paaie).<br>The Director: Community and Protection Services may consider motivated applications for a discount up to 50% for filming or video-commercials (public roads). |   |                              |                |   |
| <b>Verwydering van verlate voertuie : Insleepgelde</b><br><b>Removal of abandoned vehicles : Tow-in charges</b>  |   |                              |                |   |
| Binne Stellenbosch / In Stellenbosch   | 2 127.50                                  | 1 961.00                     | 294.15         | <b>2 255.15</b>                           |
| Buite Stellenbosch / Outside Stellenbosch  | 2 415.00                                  | 2 226.00                     | 333.90         | <b>2 559.90</b>                           |
| Skutgeld per dag / Impoundment fee per day   | 166.75                                    | 155.00                       | 23.25          | <b>178.25</b>                             |
| Die Direkteur: Gemenskaps en Beskermingsdienste mag gemotiveerde aansoeke vir die afslag van 50% oorweeg vir skutkoste.<br>The Director Community and Protection Services may consider motivated applications for a discount up to 50% for impoundment costs.  |   |                              |                |   |
| <b>Wiel vasklem / Wheel clamping</b>   |   |                              |                |   |
| Vrylatingsfooi / Release fee   | 250.00                                    | 230.41                       | 34.56          | <b>264.97</b>                             |
| <b>Algemeen / General</b>  |   |                              |                |   |
| Voertuigongeluk inligting / Vehicle accident information (i.t.o. PN5867/10-5-2002)   | 165.00                                    | 143.48                       | 21.52          | <b>165.00</b>                             |
| Gestremde parkeer disket/ Disabled Parking Disc  | 80.50                                     | 74.00                        | 11.10          | <b>85.10</b>                              |

**The Senior Manager in consultation with the Director Community & Protection Services may agree not to charge tariffs and fees in cases where charges have been levied erroneously. Criteria for exemptions/concession: Parties must make written applications to the Director Community & Protection Services, outlining the reasons why charges were levied incorrectly and why exemptions/concessions should be considered.**

# STELLENBOSCH MUNICIPALITY

**SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 - 30 JUNE 2023**  
Applicable to service rendered from 1 July 2022

**DIREKTORAAT: GEMEENSKAPSDIENSTE**  
**DIRECTORATE: COMMUNITY SERVICES**

| VERKEERSDIENSTE/TRAFFIC SERVICES  | Tariff<br>2021/22<br>(Incl. VAT) | Excl. VAT<br>2022/23 | VAT 15% | Tariff<br>2022/23<br>(Incl. VAT) |
|---|----------------------------------|----------------------|---------|----------------------------------|
| <b>Area Zone 1(CBD): Eikestad , Checkers, Pick and Pay / Stelmark</b>                                   |                                  |                      |         |                                  |
| <b>Operating hours: 07:00 - 19:00 (Mon - Fri) and 07:00 - 14:00 (Sat); Sunday/Public Holiday - Free</b> |                                  |                      |         |                                  |
| 0-30min   | 0.00                             | 0.00                 | 0.00    | <b>0.00</b>                      |
| 31- 59 min  | 8.00                             | 6.96                 | 1.04    | <b>8.00</b>                      |
| 1-2 hours   | 16.00                            | 13.91                | 2.09    | <b>16.00</b>                     |
| 2-3 hours   | 20.00                            | 17.39                | 2.61    | <b>20.00</b>                     |
| 3-4 hours   | 28.00                            | 24.35                | 3.65    | <b>28.00</b>                     |
| 4-5 hours   | 36.00                            | 31.30                | 4.70    | <b>36.00</b>                     |
| 5-6 hours   | 44.00                            | 38.26                | 5.74    | <b>44.00</b>                     |
| 6-7 hours   | 52.00                            | 45.22                | 6.78    | <b>52.00</b>                     |
| 7-8 hours   | 64.00                            | 55.65                | 8.35    | <b>64.00</b>                     |
| 8-9 hours   | 68.00                            | 59.13                | 8.87    | <b>68.00</b>                     |
| 9-12 hours  | 88.00                            | 76.52                | 11.48   | <b>88.00</b>                     |
| 12-24 hours   | 120.00                           | 104.35               | 15.65   | <b>120.00</b>                    |
| Lost Ticket   | 120.00                           | 104.35               | 15.65   | <b>120.00</b>                    |
| <b>Parking Areas Zone 2:</b>  |                                  |                      |         |                                  |
| <b>Borchers Road Parking area( New Parking)</b>   |                                  |                      |         |                                  |
| <b>Operating hours: 07:00-19:00 (Mon - Fri) and 07:00 - 14:00 (Sat.) ; Sunday/Public Holiday - Free</b> |                                  |                      |         |                                  |
| 0-30min   | 0.00                             | 0.00                 | 0.00    | <b>0.00</b>                      |
| 31- 59 min  | 4.00                             | 3.48                 | 0.52    | <b>4.00</b>                      |
| 1-2 hours   | 7.00                             | 6.09                 | 0.91    | <b>7.00</b>                      |
| 2-3 hours   | 10.00                            | 8.70                 | 1.30    | <b>10.00</b>                     |
| 3-4 hours   | 12.00                            | 10.43                | 1.57    | <b>12.00</b>                     |
| 4-5 hours   | 15.00                            | 13.04                | 1.96    | <b>15.00</b>                     |
| 5-6 hours   | 20.00                            | 17.39                | 2.61    | <b>20.00</b>                     |
| 6-7 hours   | 22.00                            | 19.13                | 2.87    | <b>22.00</b>                     |
| 7-8 hours   | 25.00                            | 21.74                | 3.26    | <b>25.00</b>                     |
| 8-9 hours   | 30.00                            | 26.09                | 3.91    | <b>30.00</b>                     |
| 9-12 hours  | 32.00                            | 27.83                | 4.17    | <b>32.00</b>                     |
| Lost Ticket   | 35.00                            | 30.43                | 4.57    | <b>35.00</b>                     |
| Maandelikse permit / Month permit   | 400.00                           | 347.83               | 52.17   | <b>400.00</b>                    |
| <b>Parking Areas Zone 3 :</b>   |                                  |                      |         |                                  |
| <b>Stelkor</b>  |                                  |                      |         |                                  |
| <b>Operating hours: 07:00-19:00 (Mon - Fri) and 07:00 - 14:00 (Sat.) ; Sunday/Public Holiday - Free</b> |                                  |                      |         |                                  |
| 0-30min   | 0.00                             | 0.00                 | 0.00    | <b>0.00</b>                      |
| 31- 59 min  | 4.00                             | 4.00                 | 0.00    | <b>4.00</b>                      |
| 1-2 hours   | 8.00                             | 6.96                 | 1.04    | <b>8.00</b>                      |
| 2-3 hours   | 10.00                            | 8.70                 | 1.30    | <b>10.00</b>                     |
| 3-4 hours   | 14.00                            | 12.17                | 1.83    | <b>14.00</b>                     |
| 4-5 hours   | 18.00                            | 15.65                | 2.35    | <b>18.00</b>                     |
| 5-6 hours   | 22.00                            | 19.13                | 2.87    | <b>22.00</b>                     |
| 6-7 hours   | 26.00                            | 22.61                | 3.39    | <b>26.00</b>                     |
| 7-8 hours   | 32.00                            | 27.83                | 4.17    | <b>32.00</b>                     |
| 8-9 hours   | 34.00                            | 29.57                | 4.43    | <b>34.00</b>                     |
| 9-12 hours  | 44.00                            | 38.26                | 5.74    | <b>44.00</b>                     |
| Lost Ticket   | 60.00                            | 52.17                | 7.83    | <b>60.00</b>                     |
| Maandelikse permit / Month permit   | 400.00                           | 347.83               | 52.17   | <b>400.00</b>                    |

# STELLENBOSCH MUNICIPALITY

**SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 - 30 JUNE 2023**  
**Applicable to service rendered from 1 July 2022**

**DIREKTORAAT: GEMEENSAPDIENSTE**  
**DIRECTORATE: COMMUNITY SERVICES**

| <b>VERKEERSDIENSTE/TRAFFIC SERVICES</b>   | <b>Tariff<br/>2021/22<br/>(Incl. VAT)</b> | <b>Excl. VAT<br/>2022/23</b> | <b>VAT 15%</b> | <b>Tariff<br/>2022/23<br/>(Incl. VAT)</b> |
|---|---|------------------------------|----------------|---|
| <b>On Street Parking per hour ( Starting at the first half an hour at R4 and increase every half hour with R4 increments</b><br><b>Operating hours: 07:00 - 19:00 (Mon.- Fri.) and 07:00 - 14:00 (Sat.)</b><br><b>Sunday/Public Holidays - Free</b> |   |                              |                |   |
| Kerk Street/Church Street   | 8.00                                      | 6.96                         | 1.04           | <b>8.00</b>                               |
| Plein Street  | 8.00                                      | 6.96                         | 1.04           | <b>8.00</b>                               |
| Blom Street   | 8.00                                      | 6.96                         | 1.04           | <b>8.00</b>                               |
| Bird Street (Dorp/Dennesig)   | 8.00                                      | 6.96                         | 1.04           | <b>8.00</b>                               |
| Ryneveldt Street  | 8.00                                      | 6.96                         | 1.04           | <b>8.00</b>                               |
| Andringa Street (Dorp/Banhoek)  | 8.00                                      | 6.96                         | 1.04           | <b>8.00</b>                               |
| Alexander Dienspad/Service road   | 8.00                                      | 6.96                         | 1.04           | <b>8.00</b>                               |
| Alexander Street  | 8.00                                      | 6.96                         | 1.04           | <b>8.00</b>                               |
| Meul Street (Dorp/Plein)  | 8.00                                      | 6.96                         | 1.04           | <b>8.00</b>                               |
| Dorp Street   | 8.00                                      | 6.96                         | 1.04           | <b>8.00</b>                               |
| Crozier Street  | 8.00                                      | 6.96                         | 1.04           | <b>8.00</b>                               |
| Piet Retief street  | 8.00                                      | 6.96                         | 1.04           | <b>8.00</b>                               |
| Mark Street   | 8.00                                      | 6.96                         | 1.04           | <b>8.00</b>                               |
| Drostdy Street  | 8.00                                      | 6.96                         | 1.04           | <b>8.00</b>                               |
| Banghoek Road (Andringa/Bird) PNP entry   | 8.00                                      | 6.96                         | 1.04           | <b>8.00</b>                               |
| Victoria Street (Between Andringa & Ryneveldt)  | 8.00                                      | 6.96                         | 1.04           | <b>8.00</b>                               |
| Stelkor on-Street- entry to stelkor parking area  | 8.00                                      | 6.96                         | 1.04           | <b>8.00</b>                               |
| Du-toit Street & entry to Bergzicht parking area  | 8.00                                      | 6.96                         | 1.04           | <b>8.00</b>                               |
| Helderberg Street   | 8.00                                      | 6.96                         | 1.04           | <b>8.00</b>                               |
| <b>Bloemhof Parking Area</b><br><b>Operating hours: 07:00 - 19:00 (Mon.- Fri.) and 07:00 - 14:00 (Sat.),</b><br><b>After 19:00 (Mon- Fri)-Free, After 14:00 (Saturdays)-Free</b><br><b>&amp; Sunday/Public Holidays - Free</b>                      |   |                              |                |   |
| Daaglikse permit / Day permit   | 45.00                                     | 39.13                        | 5.87           | <b>45.00</b>                              |
| Maandelikse permit / Month permit   | 530.00                                    | 460.87                       | 69.13          | <b>530.00</b>                             |
| Huur van parkeervakke per dag / Hiring of Parking Bays per day  | 230.00                                    | 200.00                       | 30.00          | <b>230.00</b>                             |
| Parking Disc - Medical Practitioners per year   | 220.00                                    | 191.30                       | 28.70          | <b>220.00</b>                             |
| Resident Parking Permit per year  | 500.00                                    | 434.78                       | 65.22          | <b>500.00</b>                             |
| Temporary Parking Permit per application  | 170.00                                    | 147.83                       | 22.17          | <b>170.00</b>                             |
| Work Zone Permit per application  | 230.00                                    | 200.00                       | 30.00          | <b>230.00</b>                             |
| Taxi rank permit (WCO24 area ) per jaar/year  | 400.00                                    | 347.83                       | 52.17          | <b>400.00</b>                             |

| <b>STELLENBOSCH MUNICIPALITY</b>   |   |                              |                |   |
|--|---|------------------------------|----------------|---|
| <b>SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 - 30 JUNE 2023</b><br>Applicable to service rendered from 1 July 2022                     |   |                              |                |   |
| <b>DIREKTORAAT: GEMEENSKAPSDIENSTE</b><br><b>DIRECTORATE: COMMUNITY SERVICES</b>   |   |                              |                |   |
| <b>BRANDWEER DIENSTE / FIRE SERVICES</b>   | <b>Tariff<br/>2021/22<br/>(Incl. VAT)</b> | <b>Excl. VAT<br/>2022/23</b> | <b>VAT 15%</b> | <b>Tariff<br/>2022/23<br/>(Incl. VAT)</b> |
| <b>Brandweerwaens / Fire Engine</b><br>Per uur of gedeelte daarvan / Per hour or part thereof  | 1040.00                                   | 956.52                       | 143.48         | <b>1100.00</b>                            |
| <b>Hidroliese Platform / Hydraulic Platforms</b><br>Per uur of gedeelte daarvan / Per hour or part thereof                             | 2570.00                                   | 2 347.83                     | 352.17         | <b>2700.00</b>                            |
| <b>Reddingsvoertuig / Emergency Vehicle (excluding Accidents/Rescue)</b><br>Per uur of gedeelte daarvan / Per hour or part thereof     | 850.00                                    | 782.61                       | 117.39         | <b>900.00</b>                             |
| <b>Diensvoertuie / Service Vehicle</b><br>Per uur of gedeelte daarvan / Per hour or part thereof                                       | 640.00                                    | 582.61                       | 87.39          | <b>670.00</b>                             |
| <b>Draagbare Pompe &amp; Kragopwekker / Portable pumps &amp; Generators</b><br>Per uur of gedeelte daarvan / Per hour or part thereof  | 510.00                                    | 469.57                       | 70.43          | <b>540.00</b>                             |
| <b>Sleepwaens / Trailers</b><br>Per uur of gedeelte daarvan / Per hour or part thereof   | 743.00                                    | 669.57                       | 100.43         | <b>770.00</b>                             |
| <b>Bergingseile / Storage Covers</b><br>Per uur of gedeelte daarvan / Per hour or part thereof   | 287.00                                    | 260.87                       | 39.13          | <b>300.00</b>                             |
| <b>Bos , veld , rommel (Boseenhede) / Bush , field , rubble (Bush units)</b><br>Per uur of gedeelte daarvan / Per hour or part thereof | 701.00                                    | 652.17                       | 97.83          | <b>750.00</b>                             |
| <b>Personeel / Personnel</b><br>Per uur of gedeelte daarvan / Per hour or part thereof   | 435.00                                    | 391.30                       | 58.70          | <b>450.00</b>                             |
| <b>Instandhouding en Brandslangherstel / Maintenance &amp; Fire-Hose Repair</b>  |   |                              |                |   |
| Skrop , toets & droog / Scrub , test & dry   | 234.00                                    | 217.39                       | 32.61          | <b>250.00</b>                             |
| Herstel / Repair   | 117.00                                    | 108.70                       | 16.30          | <b>125.00</b>                             |
| Koppelingbinding : Brandslang / Linkage : Fire-Hose  | 117.00                                    | 108.70                       | 16.30          | <b>125.00</b>                             |
| Koppelingbinding : Suigslang / Linkage : Suction hose  | 229.00                                    | 208.70                       | 31.30          | <b>240.00</b>                             |
| Koppelingbinding : Hoë druk / Linkage : High Pressure  | 229.00                                    | 199.13                       | 31.30          | <b>240.00</b>                             |
| <b>Brandvoorkomingsinspeksies / Fire prevention inspection</b>   |   |                              |                |   |
| Tenkinstallasies -Per tenk / Tank installation   | 478.00                                    | 434.78                       | 65.22          | <b>500.00</b>                             |
| VP Gas -Per installasie / Per installation   | 478.00                                    | 434.78                       | 65.22          | <b>500.00</b>                             |
| Sprinklaar ens : per jaar / Sprinkler ect per annum  | 478.00                                    | 434.78                       | 65.22          | <b>500.00</b>                             |
| Fire prevention inspections relating to events applications  | 478.00                                    | 478.26                       | 71.74          | <b>550.00</b>                             |
| <b>Patrolliedienste &amp; Ander / Patrol Services &amp; Other</b>  |   |                              |                |   |
| Nie Operasionele dienste/ Non Operational Services   |   |                              |                |   |
| Per Brandbestryder / Per Firefighter   | 435.00                                    | 395.65                       | 59.35          | <b>455.00</b>                             |
| Per Offisier / Per Officer   | 435.00                                    | 395.65                       | 59.35          | <b>455.00</b>                             |
| Kinder partytjies / Kiddies parties  | 1698.00                                   | 1 565.22                     | 234.78         | <b>1800.00</b>                            |
| Fire and life safety education programs (Educational visits to and from schools)   |   |                              |                |   |
| <b>Planne of Ontwikkeling Konsultasiefooie (per uur ) /Plans or Development<br/>Consultation fee (per hour)</b>                        | 584.00                                    | 521.74                       | 78.26          | <b>600.00</b>                             |

The Senior Manager in consultation with the Director Community & Protection Services may agree not to charge tariffs and fees in cases where charges have been levied erroneously. Criteria for exemptions/concession: Parties must make written applications to the Director Community & Protection Services, outlining the reasons why charges were levied incorrectly and why exemptions/concessions should be considered.

| <b>STELLENBOSCH MUNICIPALITY</b>                                |   |                   |                                |                      |                    |
|---|---|-------------------|--------------------------------|----------------------|--------------------|
| <b>SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 - 30 JUNE 2023</b> |   |                   |                                |                      |                    |
| <b>Applicable to service rendered from 1 July 2022</b>          |   |                   |                                |                      |                    |
| <b>DIREKTORAAT: GEMEENSKAPSDIENSTE</b>                          |   |                   |                                |                      |                    |
| <b>DIRECTORATE: COMMUNITY SERVICES</b>                          |   |                   |                                |                      |                    |
| <b>BRANDWEERDIENSTE/ FIRE SERVICES</b>                          |   |                   |                                |                      |                    |
| BY LAW  | OFFENCE   | FINE<br>2021/2022 | FINE Excl.<br>VAT<br>2022/2023 | No VAT<br>applicable | FINE<br>2022/20223 |
| <b>Failure to comply with provisions</b>                        |   |                   |                                |                      |                    |
| 6(1) read with 62(1)  | Failure to comply with written notice   | R1 600.00         | -                              | -                    | R 1 600.00         |
| <b>Reporting a fire hazard and other threatening danger</b>     |   |                   |                                |                      |                    |
| 10 read with 62(1)  | Failure to report a fire hazard or other threatening danger   | R1 600.00         | -                              | -                    | R 1 600.00         |
| <b>Access for emergency vehicles</b>                            |   |                   |                                |                      |                    |
| 12(1)(a) read with 62(1)  | Failure to provide emergency vehicle access where premises are not readily accessible from public roads   | R1 100.00         | -                              | -                    | R 1 100.00         |
| <b>Division and occupancy separating elements</b>               |   |                   |                                |                      |                    |
| 13 read with 62(1)  | Altering a division or occupancy separating element in such a way that it renders less effective or allow to flame, heat or combustion products from penetrating into adjacent compartment or structure     | R1 600.00         | -                              | -                    | R 1 600.00         |
| <b>Fire doors and assemblies</b>                                |   |                   |                                |                      |                    |
| 14(1) read with 62(1)   | Failure to maintain a fire door in a manner that it will retain integrity, insulation and stability in the event of a fire  | R1 600.00         | -                              | -                    | R 1 600.00         |
| 14(2) read with 62(1)   | Keeping a fire door open other than with an automatic releasing hold-open device  | R1 600.00         | -                              | -                    | R 1 600.00         |
| 14(3) read with 62(1)   | Rendering a fire door an assembly less effective  | R1 600.00         | -                              | -                    | R 1 600.00         |
| <b>Escape Routes</b>  |   |                   |                                |                      |                    |
| 15(1) read with 62(1)   | Obstruction of or rendering component of escape route less effective  | R1 600.00         | -                              | -                    | R 1 600.00         |
| 15(2) read with 62(1)   | Non approved locking device fitted to access door   | R1 600.00         | -                              | -                    | R 1 600.00         |
| 15(3) read with 62(1)   | Failure to required signage on an escape route  | R1 600.00         | -                              | -                    | R 1 600.00         |
| <b>Tents</b>  |   |                   |                                |                      |                    |
| 16(1)(a)  | Failure to submit an application for the erection and usage of a tent in terms of the National Building Regulations to the Municipality for approval  | R1 600.00         | -                              | -                    | R 1 600.00         |
| 16(1)(b) read with 62(1)  | Failure to submit an application for temporary population certificate prior to erection and usage of a tent   | R1 100.00         | -                              | -                    | R 1 100.00         |
| 16(1)   | Erecting a tent without first obtaining a temporary Population certificate  | R1 100.00         | -                              | -                    | R 1 100.00         |
| 16(2)(a) read with 62(1)  | Failure to maintain/provide sufficient safety distances between a tent, and any building or boundary  | R1 600.00         | -                              | -                    | R 1 600.00         |
| 16(2)(b) read with 62(1)  | Failure to erect a tent 4,5m from any combustible material or dangerous goods   | R1 600.00         | -                              | -                    | R 1 600.00         |
| 16(2)(d) read with 62(1)  | Failure to comply with the National Building Regulations where the population exceeds 25 people, occupied during night time, seating arrangements, aisle widths or fire extinguishers                       | R1 100.00         | -                              | -                    | R 1 100.00         |
| 16(2)(d) read with 62(1)  | Exceeding allowable population density  | R1 100.00         | -                              | -                    | R 1 100.00         |
| 16(2)(e) read with 62(1)  | Cooking inside a tent occupied by the public  | R1 600.00         | -                              | -                    | R 1 600.00         |
| 16(2)(f) read with 62(1)  | Allowing an open fire in a tent/failure to obtain permission for flame emitting devices   | R1 600.00         | -                              | -                    | R 1 600.00         |
| 16(2)(g) read with 62(1)  | Making an open fire within 5 metres of a tent, stake or guideline   | R1 600.00         | -                              | -                    | R 1 600.00         |
| 16(2)(c) read with 62(1)  | Smoking in a tent/failure to display "No Smoking" sign  | R1 600.00         | -                              | -                    | R 1 600.00         |
| 16(2)(i) read with 62(1)  | Lighting and wiring not complying with SABS 0142  | R1 600.00         | -                              | -                    | R 1 600.00         |
| 16(3) read with 62(1)   | Failure to comply with additional requirements as per controlling authority   | R1 600.00         | -                              | -                    | R 1 600.00         |
| <b>Fire Extinguishers</b>                                       |   |                   |                                |                      |                    |
| 17(1) read with 62(1)4  | Failure to provide and/or install required fire extinguishers   | R1 100.00         | -                              | -                    | R 1 100.00         |
| 17(2) read with 62(1)   | Failure to maintain fire extinguishers in accordance with requirements  | R1 100.00         | -                              | -                    | R 1 100.00         |
| 17(3) read with 62(1)   | Filling, recharging, reconditioning, modifying, repairing, inspecting or testing a fire extinguisher without the necessary permit   | R1 100.00         | -                              | -                    | R 1 100.00         |
| 17(4) read with 62(1)   | Owner or person in charge of premises permitting filling, recharging, reconditioning, modifying, repairing, inspecting or testing a fire extinguisher by a person not in possession of the necessary permit | R1 100.00         | -                              | -                    | R 1 100.00         |
| 17(7) read with 62(1)   | Removal of fire extinguisher from premises for filling etc. without replacing it without temporarily replacing it with a similar device in good working order   | R1 100.00         | -                              | -                    | R 1 100.00         |
| 17(8) read with 62(1)   | Installation, dismantling, recharging, disconnection, servicing, modifying, repair or testing of a fire extinguisher in area where such action would create danger/hazard                                   | R1 100.00         | -                              | -                    | R 1 100.00         |
| <b>Testing and maintenance of fire protection systems</b>       |   |                   |                                |                      |                    |
| 18(1) read with 62(1)   | Failure to test and maintain fire protection system on a regular basis  | R1 100.00         | -                              | -                    | R 1 100.00         |
| 18(1) read with 62(1)   | Failure to keep detailed record of test and maintenance of fire protection system   | R1 100.00         | -                              | -                    | R 1 100.00         |
| 18(2) read with 62(1)   | Failure to notify occupants of premises and/or monitoring parties of the fire protection system test  | R1 100.00         | -                              | -                    | R 1 100.00         |
| 18(3) read with 62(1)   | Failure to maintain fire protection system  | R1 100.00         | -                              | -                    | R 1 100.00         |
| 18(4) read with 62(1)   | Installing, dismantling, recharging, disconnecting, servicing, repairing or testing a fire protection system in areas where such an action would create a danger or hazard                                  | R1 100.00         | -                              | -                    | R 1 100.00         |
| 18(5) read with 62(1)   | Failure to notify controlling authority where fire protection system or component thereof is inoperable or taken out of service   | R1 100.00         | -                              | -                    | R 1 100.00         |
| 18(7) read with 62(1)   | Failure by owner/person in charge to take all the steps necessary to provide alternative equipment  | R1 100.00         | -                              | -                    | R 1 100.00         |
| 19 read with 62(1)  | Render less effective, inoperative, inaccessible, or tamper or interfere with a fire protection system except as necessary in emergency/maintenance/drills or prescribed testing                            | R1 600.00         | -                              | -                    | R 1 600.00         |
| <b>Fire alarms and fire hydrants</b>                            |   |                   |                                |                      |                    |
| 20(4) read with 62(1)   | Unauthorised person remove, defacing, altering, tampering or damaging a fire alarm, transmission instrument, board, decal, metal plate or painted market  | R1 600.00         | -                              | -                    | R 1 600.00         |
| 20(5) read with 62(1)   | Rendering less effective, inoperative, inaccessible, or tampering or interfere with a fire hydrant  | R1 600.00         | -                              | -                    | R 1 600.00         |
| <b>Prevention and control of overcrowding</b>                   |   |                   |                                |                      |                    |

| <b>STELLENBOSCH MUNICIPALITY</b>                                |   |                           |   |                              |                            |
|---|---|---------------------------|---|------------------------------|----------------------------|
| <b>SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 - 30 JUNE 2023</b> |   |                           |   |                              |                            |
| <b>Applicable to service rendered from 1 July 2022</b>          |   |                           |   |                              |                            |
| <b>DIREKTORAAT: GEMEENSKAPSDIENSTE</b>                          |   |                           |   |                              |                            |
| <b>DIRECTORATE: COMMUNITY SERVICES</b>                          |   |                           |   |                              |                            |
| <b>BRANDWEERDIENSTE/ FIRE SERVICES</b>                          |   |                           |   |                              |                            |
| <b>BY LAW</b>   | <b>OFFENCE</b>  | <b>FINE<br/>2021/2022</b> | <b>FINE Excl.<br/>VAT<br/>2022/2023</b> | <b>No VAT<br/>applicable</b> | <b>FINE<br/>2022/20223</b> |
| 21(1) read with 62(1)   | Failure to apply for population certificate prior to usage of premises for entertainment or public assembly (owner/person in charge)  | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| 21(1) read with 62(1)   | Utilization of premises for which a population certificate is required and a population certificate has not been issued by the Controlling Authority  | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| 21(3) read with 62(1)   | Failure to comply with instruction to apply for temporary/permanent population certificate (owner/person in charge)   | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| 21(7) read with 62(1)   | Failure to apply for occupation certificate when change of occupancy or alterations to the premises for which the population certificate exists   | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| 21(8) read with 62(1)   | Failure to display population certificate in clearly visible position in or on premises for which it was issued.  | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| 21(9) read with 62(1)   | Failure to limit maximum population to that specified on population certificate   | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| 21(10)  | Failure to vacate overcrowded premises when instructed to do so by the controlling authority  | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| <b>Formulation of an emergency evacuation plan</b>              |   |                           |   |                              |                            |
| 23(1) read with 62(1)   | Failure by owner/person in charge of school/hospital/residential institution/guest house/hotel or similar occupancy with population in excess of 25 persons to formulate emergency evacuation plan  | R1 100.00                 | -                                       | -                            | <b>R 1 100.00</b>          |
| 23(2) read with 62(1)   | Failure to comply with an order to formulate an emergency evacuation plan (premises other than listed in 23(1))   | R1 100.00                 | -                                       | -                            | <b>R 1 100.00</b>          |
| 23(3) read with 62(1)   | Failure to revise emergency evacuation plan when aspect no longer applicable or building changed  | R1 100.00                 | -                                       | -                            | <b>R 1 100.00</b>          |
| 23(4) read with 62(1)   | Failure to test emergency evacuation plan six monthly/upon revisions  | R1 100.00                 | -                                       | -                            | <b>R 1 100.00</b>          |
| 23(6) read with 62(1)   | Failure to keep register of testing and emergency evacuation plan available on the premises for inspection  | R1 100.00                 | -                                       | -                            | <b>R 1 100.00</b>          |
| <b>Displaying of escape route plans</b>                         |   |                           |   |                              |                            |
| 24(1) read with 62(1)   | Failure to display emergency evacuation plan in room designed for sleeping purposes in following hospitals, residential institutions, hotels or similar occupancy designed for use by patients, residents or transient persons (irrespective of population) | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| <b>Barricading of vacant buildings</b>                          |   |                           |   |                              |                            |
| 25 read with 62(1)  | Failure by owner/person in charge to of building or portion thereof which is vacant to remove all combustible waste or refuse therefrom and lock/barricade/secure to satisfaction of municipality   | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| <b>CHAPTER 6: HOUSEKEEPING</b>                                  |   |                           |   |                              |                            |
| <b>Combustible waste and refuse</b>                             |   |                           |   |                              |                            |
| 26(1) read with 62(1)   | Allowing accumulation of waste or refuse in any area or any manner so as to create a fire hazard or any other threatening danger  | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| 26(2) read with 62(1)   | Failure to store combustible waste and refuse in manner determined by controlling authority   | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| 27 read with 62(1)  | Allowing accumulation of dust in quantities sufficient to create a fire or threatening danger   | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| <b>Accumulations in chimneys, flues and ducts</b>               |   |                           |   |                              |                            |
| 29 read with 62(1)  | Allowing soot or other combustible substance to accumulate in a chimney, flue or duct in quantities/manner as to constitute a fire hazard or threatening danger   | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| <b>Sources of ignition</b>                                      |   |                           |   |                              |                            |
| 30(1) read with 62(1)   | Smoking/carrying of matches/use of flame emitting devices or spark producing equipment in area containing combustible or flammable substances   | R1 100.00                 | -                                       | -                            | <b>R 1 100.00</b>          |
| 30(2) read with 62(1)   | Failure to place hot ashes, cinders or smouldering coals in a non-combustible container   | R1 100.00                 | -                                       | -                            | <b>R 1 100.00</b>          |
| 30(3) read with 62(1)   | Failure to ensure adequate distance between combustible substances and or flammable substances  | R1 100.00                 | -                                       | -                            | <b>R 1 100.00</b>          |
| 30(4) read with 62(1)   | Use of portable heaters where prohibited by the controlling authority   | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| <b>Smoking</b>  |   |                           |   |                              |                            |
| 31(1) read with 62(1)   | Failure to display a No Smoking sign/s as directed by the controlling authority   | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| 31(2) read with 62(1))  | Removal of a No Smoking sign  | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| 31(3) read with 62(1)   | Light of smoke of a cigar, cigarette, pipe, tobacco or other substance or ignite or set fire to hold, possess, throw or deposit any lighted or smouldering substance in any place where expressly prohibited  | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| 31(3A) read with 62(1)  | Owner or person in charge allow or permit lighting or smoke a cigar, cigarette, pipe, tobacco or other substance or ignite or set fire to other material in any place where expressly prohibited.   | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 31(4) read with 62(1)   | Failure to provide for safe disposal of smoking materials where smoking is allowed.   | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 31(5) read with 62(1)   | Throwing/dropping/putting down burning match/cigarette/material/or material capable of spontaneous combustion or self-ignition in a road or other place.  | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| <b>Electrical fittings, equipment and appliances</b>            |   |                           |   |                              |                            |
| 32(1) read with 62(1)   | Cause or permit an electrical supply outlet to be overloaded.   | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 32(2) read with 62(1)   | Cause or permit electrical appliance or extension lead to be used in manner likely to create a fire hazard or other threatening danger  | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| <b>Flame-emitting device</b>                                    |   |                           |   |                              |                            |
| 33 read with 62(1)  | Cause or permit flame-emitting device (eg candle/lantern/torch/etc.) to be used in a manner likely to create a fire hazard or other threatening danger  | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| <b>CHAPTER 7:</b>   |   |                           |   |                              |                            |
| <b>Combustible Material</b>                                     |   |                           |   |                              |                            |



| <b>STELLENBOSCH MUNICIPALITY</b>   |   |                           |   |                              |                            |
|--|---|---------------------------|---|------------------------------|----------------------------|
| <b>SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 - 30 JUNE 2023</b>                |   |                           |   |                              |                            |
| <b>Applicable to service rendered from 1 July 2022</b>                         |   |                           |   |                              |                            |
| <b>DIREKTORAAT: GEMEENSKAPSDIENSTE</b>   |   |                           |   |                              |                            |
| <b>DIRECTORATE: COMMUNITY SERVICES</b>   |   |                           |   |                              |                            |
| <b>BRANDWEERDIENSTE/ FIRE SERVICES</b>   |   |                           |   |                              |                            |
| <b>BY LAW</b>  | <b>OFFENCE</b>  | <b>FINE<br/>2021/2022</b> | <b>FINE Excl.<br/>VAT<br/>2022/2023</b> | <b>No VAT<br/>applicable</b> | <b>FINE<br/>2022/20223</b> |
| 34(1) read with 62(1)  | Storage/transport/use/display or permission thereof inside or outside any premises of combustible material or flammable substances in quantities or positions or manner likely to cause a fire hazard or other threatening danger.  | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 34(2) read with 62(1)  | Permit vegetation to grow/accumulate or other combustible material to accumulate on a premise in a manner likely to cause fire hazard or other threatening danger (owner/person in charge).   | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| <b>Lighting of fires and burning of combustible material</b>                   |   |                           |   |                              |                            |
| 35(1) read with 62(1)  | Lighting of fires/disposal of combustible material by burning.  | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 35(3) read with 62(1)  | Failure to ensure that a cooking fire or flame-emitting device is placed in designated areas in places of entertainment/public assembly so as to prevent a fire hazard or other threatening danger by the owner/person in charge  | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 35(4) read with 62(1)  | Allowing burning to take place on state land, a farm, a small holding, or land within a proclaimed township that is not utilised for residential purposes, provided that the prior approval is obtained from the controlling authority by the owner/person in charge  | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 35(5) read with 62(1)  | Entering a municipal nature reserve area, whilst in possession of any flammable substances, fireworks, lighters or matches  | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| <b>Dealing in Fireworks</b>  |   |                           |   |                              |                            |
| 38(1)(a) read with 62(1)   | Dealing in fireworks without possessing the required fireworks license and written authority from the South African Police Services and the Chief Fire Officer.   | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| <b>Approval of Fireworks Displays</b>  |   |                           |   |                              |                            |
| 40(a) read with 62(1)  | Presenting any fireworks display without written authorisation from the Fire Chief  | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 40(c) read with 62(1)  | Presenting any fireworks display without supervision and control of person in charge at all times   | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 40(d) read with 62(1)  | Presenting any fireworks display without attendance of suitably qualified explosives expert from the South African Police Services during its entire duration   | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 40(e) read with 62(1)  | Presenting a fireworks out of a clearly demarcated area of a of at least 50 metres radius for the launching of fireworks, measures been taken to prevent any person not involved in the presentation of the display from entering such launching area and the presence of a pyro technician at all times and is responsible for the discharge of fireworks at such display. | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| <b>CHAPTER 9: FIRE SUBSTANCES</b>  |   |                           |   |                              |                            |
| <b>Storage and use of a flammable substance</b>                                |   |                           |   |                              |                            |
| 44(1) read with 62(1)  | Failure of the owner or person in charge to submit a building plan in accordance with the National Building Regulations to the municipality, prior to the construction of a new installation/alteration of an existing installation either temporary or permanent for the storage of a flammable substance  | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 44(1)A read with 62(1)   | Failure of the owner or person in charge of an installation for the storage of a flammable substance to produce a copy of the municipal approved plan available at the site where the installation is being constructed   | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 44(3) read with 62(1)  | Failure to pressure test storage tank/liquid petroleum gas installations/ associated pipework on request from the municipality prior to commissioning (owner/person in charge).   | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 44(5) read with 62(1)  | Failure to notify controlling authority of alteration that impacts on fire safety of storage tank installation.   | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| 44(6)(i)   | Storage/use of flammable gas in excess of 19kg flammable gas of a danger group without obtaining flammable substance certificate.   | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| <b>Flammable substance certificate</b>   |   |                           |   |                              |                            |
| 45(1) read with 62(1)  | Failure to submit application for flammable substance certificate   | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| 45(4) read with 62(1)  | Failure to renew flammable substance certificate (annual/quantity or class of substance changed)  | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| 45(7) read with 62(1)  | Supply of flammable substance in respect of premises which is not in possession of a valid flammable substance certificate  | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| 45(9) read with 62(1)  | Failure to have flammable substance certificate available on premises for inspection.   | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| <b>Permanent or temporary above ground storage tank for a flammable liquid</b> |   |                           |   |                              |                            |
| 46(2)(a) read with 62(1)   | Temporary above ground storage tank in excess of 9000 litres/ on premises for period exceeding 6 months/without submitting necessary written application.   | R1 600.00                 | -                                       | -                            | <b>R 1 600.00</b>          |
| 46(3) read with 62(1)  | Failure to submit rational design for above ground storage tank in excess of 9000 litres  | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 46(5) read with 62(1)  | Permanent/temporary tank with insufficient ullage to permit expansion by reason of temperature rise during storage.   | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 46(6) read with 62(1)  | Erection of permanent/temporary tank less than 3,5 metres from boundaries/buildings/other flammable substances/combustible materials.   | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 46(7) read with 62(1)  | Permanent/temporary tank not located on firm ground level/ground not adequate strength to support mass of tank and contents   | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 46(8) read with 62(1)  | No bund wall or permanent/temporary tank.   | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 46(9) read with 62(1)  | Inadequate precautions to prevent spillage during filling of tank.  | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 46(10) read with 62(1)   | Failure to provide sufficient fire extinguishers in weather proof boxes   | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 46(11) read with 62(1)   | Failure to provide necessary symbolic safety (above ground tanks)   | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 46(12) read with 62(1)   | Failure to clearly identify flammable liquid contents with Hazchem placards (above ground tanks).   | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |
| 46(13) read with 62(1)   | Electrical/internal combustion-driven pump not equipped/positioned to eliminate danger of flammable liquid igniting   | R1 600.00                 | -                                       | 0.00                         | <b>R 1 600.00</b>          |

## STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 - 30 JUNE 2023

Applicable to service rendered from 1 July 2022

DIREKTORAAT: GEMEENSKAPSDIENSTE

DIRECTORATE: COMMUNITY SERVICES

BRANDWEERDIENSTE/ FIRE SERVICES

| BY LAW                          | OFFENCE  | FINE<br>2021/2022 | FINE Excl.<br>VAT<br>2022/2023 | No VAT<br>applicable | FINE<br>2022/20223 |
|---------------------------------|--|-------------------|--------------------------------|----------------------|--------------------|
| 46(14) read with 62(1)          | Electrical installation associated with the above ground storage tank not complying with SABS 0108 and SABS 089: Part 2. | R1 600.00         | -                              | 0.00                 | R 1 600.00         |
| <b>Underground Storage Tank</b> |  |                   |                                |                      |                    |
| 47 read with 62(1)              | Installation does not comply with NBR, SABS 089: Part 3, SABS 0131: Part 3.  | R1 600.00         | -                              | 0.00                 | R 1 600.00         |

| <b>STELLENBOSCH MUNICIPALITY</b>   |   |                   |                                |                      |                    |
|--|---|-------------------|--------------------------------|----------------------|--------------------|
| <b>SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 - 30 JUNE 2023</b>                            |   |                   |                                |                      |                    |
| <b>Applicable to service rendered from 1 July 2022</b>                                     |   |                   |                                |                      |                    |
| <b>DIREKTORAAT: GEMEENSKAPSDIENSTE</b>   |   |                   |                                |                      |                    |
| <b>DIRECTORATE: COMMUNITY SERVICES</b>   |   |                   |                                |                      |                    |
| <b>BRANDWEERDIENSTE/ FIRE SERVICES</b>   |   |                   |                                |                      |                    |
| BY LAW   | OFFENCE   | FINE<br>2021/2022 | FINE Excl.<br>VAT<br>2022/2023 | No VAT<br>applicable | FINE<br>2022/20223 |
| <b>Bulk storage depot for flammable substances</b>   |   |                   |                                |                      |                    |
| 48 read with 62(1)   | The handling, storage and distribution of flammable substances at bulk depot fails to comply with NBR, SABS 089: Part 1.  | R1 600.00         | -                              | 0.00                 | <b>R 1 600.00</b>  |
| <b>Small installations for liquefied petroleum gas</b>                                     |   |                   |                                |                      |                    |
| 49 read with 62(1)   | Liquefied petroleum gas installations involving gas storage combined capacity not exceeding 3 000 litres per installation not installed in accordance with SABS 087: Part 1.  | R1 600.00         | -                              | 0.00                 | <b>R 1 600.00</b>  |
| <b>Liquid petroleum gas installation in mobile units and small non-permanent buildings</b> |   |                   |                                |                      |                    |
| 50 read with 62(1)   | Liquid petroleum gas installation in mobile unit/small non-permanent building not in accordance with SABS 087: Part 2.  | R1 600.00         | -                              | 0.00                 | <b>R 1 600.00</b>  |
| <b>The fuelling of forklift trucks and other LP gas operated vehicles</b>                  |   |                   |                                |                      |                    |
| 51 read with 62(1)   | The fuelling of forklift trucks and other LP gas operated vehicles not in accordance with SABS 087: Part 8  | R1 600.00         | -                              | 0.00                 | <b>R 1 600.00</b>  |
| <b>The storage and filling of refillable liquid petroleum gas containers</b>               |   |                   |                                |                      |                    |
| 52 read with 62(1)   | Storage and filling site for refillable liquid petroleum gas containers of capacity not exceeding 9kg not in accordance with SABS 10087 Part 8  | R1 600.00         | -                              | -                    | <b>R 1 600.00</b>  |
| <b>Bulk storage vessel for liquid petroleum gas</b>  |   |                   |                                |                      |                    |
| 53 read with 62(1)   | The layout, design and operation of installations for the storage of a bulk liquid petroleum vessel and allied facilities not in accordance with the National Building Regulations (T1), read in conjunction with SABS 087: Part 3. | R1 600.00         | -                              | -                    | <b>R 1 600.00</b>  |
| <b>Termination of the storage and use of flammable substances</b>                          |   |                   |                                |                      |                    |
| 54(1) read with 62(1)  | Failure to take prescribed steps when above ground or underground tank installation, liquid petroleum gas installation or associated pipework no longer required.   | R1 600.00         | -                              | -                    | <b>R 1 600.00</b>  |
| 54(2) read with 62(1)  | Failure to apply in writing to fill unstable installation with liquid cement slurry.  | R1 600.00         | -                              | -                    | <b>R 1 600.00</b>  |
| <b>Reporting accidents</b>   |   |                   |                                |                      |                    |
| 55 read with 62(1)   | Failure to notify controlling authority of accident involving flammable substance.  | R1 600.00         | -                              | -                    | <b>R 1 600.00</b>  |
| <b>Flammable stores</b>  |   |                   |                                |                      |                    |
| 56 read with 62(1)   | Flammable store not conforming to requirements (specify exactly).   | R1 600.00         | -                              | -                    | <b>R 1 600.00</b>  |
| <b>Container handling and storage</b>  |   |                   |                                |                      |                    |
| 57(1) read with 62(1)  | Failure to keep flammable substance closed when not in use. 1500 1,590 0 1,590  | R1 600.00         | -                              | 0.00                 | <b>R 1 600.00</b>  |
| 57(2) read with 62(1)  | Extracting flammable liquids from container exceeding 20 litre capacity which does not have adequately sealed pump/ tap.  | R1 600.00         | -                              | 0.00                 | <b>R 1 600.00</b>  |
| 57(3) read with 62(1)  | Failure to label flammable liquid containers properly.  | R1 600.00         | -                              | 0.00                 | <b>R 1 600.00</b>  |
| 57(5) read with 62(1)  | Inadequate manufacture/maintenance of flammable substance containers allowing leakage of flammable substances or vapours.   | R1 600.00         | -                              | 0.00                 | <b>R 1 600.00</b>  |
| 57(6) read with 62(1)  | Failure to place empty flammable liquid container in a flammable store. 1500 1,590 0 1,590  | R1 600.00         | -                              | 0.00                 | <b>R 1 600.00</b>  |
| 57(8) read with 62(1)  | Failure to securely close empty flammable liquid container  | R1 600.00         | -                              | 0.00                 | <b>R 1 600.00</b>  |
| <b>Spray rooms and booths</b>  |   |                   |                                |                      |                    |
| 58 read with 62(1)   | A spray room, booth or area designated for the application of a flammable liquid not constructed compliance with the General Safety Regulations promulgated in terms of the Occupational Health and Safety Act.                     | R1 600.00         | -                              | 0.00                 | <b>R 1 600.00</b>  |
| <b>Liquid petroleum gas containers</b>   |   |                   |                                |                      |                    |
| 59(1) read with 62(1)  | Manufacture/maintenance/testing of liquid petroleum gas container not in accordance with SABS 087: Part 1 and SABS 019.   | R1 600.00         | -                              | 0.00                 | <b>R 1 600.00</b>  |
| 59(2) read with 62(1)  | Liquid petroleum gas container used/stored in such a manner that damage or leakage of liquid or vapour is possible.   | R1 600.00         | -                              | 0.00                 | <b>R 1 600.00</b>  |
| 59(3) read with 62(1)  | Filling of liquid petroleum gas container not exceeding 9 kilograms not in accordance with SABS 087: Part 7. 1500   | R1 600.00         | -                              | 0.00                 | <b>R 1 600.00</b>  |
| <b>CHAPTER 10: TRANSPORTATION OF DANGEROUS GOODS</b>                                       |   |                   |                                |                      |                    |
| <b>Dangerous goods certificate</b>   |   |                   |                                |                      |                    |
| 60(1) read with 62(1)  | Operation of vehicle designated for the transportation of flammable material without a dangerous goods certificate. 1500 1,590 0 1,590  | R1 600.00         | -                              | 0.00                 | <b>R 1 600.00</b>  |
| 60(2) read with 62(1)  | Failure to submit it application for dangerous goods certificate in prescribed form to controlling authority.   | R1 100.00         | -                              | 0.00                 | <b>R 1 100.00</b>  |
| 60(5) read with 62(1)  | Failure to renew dangerous goods certificate annually/when major maintenance or repairs made on vehicle.  | R1 100.00         | -                              | 0.00                 | <b>R 1 100.00</b>  |
| 60(10) read with 62(1)   | Failure to keep dangerous goods certificate available in vehicle for inspection.  | R1 100.00         | -                              | 0.00                 | <b>R 1 100.00</b>  |

# STELLENBOSCH MUNICIPALITY

## SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023 Applicable to services rendered from 1 July 2022

### DIREKTORAAT: GEMEENSKAPSDIENSTE DIRECTORATE: COMMUNITY SERVICES

| LAW ENFORCEMENT/ WETSTOEPASSING  | Tariff 2021/22 (Incl. VAT) | Excl. VAT 2022/23 | VAT 15% | Tariff 2022/23 (Incl. VAT) |
|--|----------------------------|-------------------|---------|----------------------------|
| Skut van goedere gekonfiskeer / Impoundment of goods confiscated   | 900.00                     | 869.57            | 130.43  | 1000.00                    |
| <b><u>Provision of CCTV video footage information/ Voorsiening van CCTV video inligting</u></b>  |                            |                   |         |                            |
| Aansoekfooi/ Application Fee   | 215.00                     | 195.65            | 29.35   | 225.00                     |
| Beeldmateriaal opsporingsfooi / Video footage tracing fee  | 281.00                     | 256.52            | 38.48   | 295.00                     |
| Voorsiening van bewysmateriaal (CCTV video) per CD/ Provision of evidentiary evidence (CCTV video footage) per CD  | 450.00                     | 408.70            | 61.30   | 470.00                     |
| <b><u>Animal Impoundment costs:</u></b>  |                            |                   |         |                            |
| <b>Impoundment of animals</b>  |                            |                   |         |                            |
| Horses, cattle and pigs (per head)   | 281.50                     | 247.83            | 37.17   | 285.00                     |
| Goats and Sheep (per head)   | 170.00                     | 152.17            | 22.83   | 175.00                     |
| <b><u>Pound Fees (includes sustenance)</u></b>   |                            |                   |         |                            |
| Horses, cattle and pigs (per head per day)   | 170.00                     | 152.17            | 22.83   | 175.00                     |
| Goats and Sheep (per head per day)   | 170.00                     | 152.17            | 22.83   | 175.00                     |
| <b><u>Fees for animals to be separately herded</u></b>   |                            |                   |         |                            |
| For every stallion and bull (per head per day)   | 281.50                     | 247.83            | 37.17   | 285.00                     |
| For every Sheep ram, goat ram or other separate animal (per head per day)  | 170.00                     | 152.17            | 22.83   | 175.00                     |
| <b><u>Transport costs</u></b>  |                            |                   |         |                            |
| All animals delivered to the pound per km per single trip<br>(No sharing of costs for multiple owners)   | 23.50                      | 21.74             | 3.26    | 25.00                      |
| Transport of animals to another municipality's pound per km per single trip (New)  | 37.20                      | 34.78             | 5.22    | 40.00                      |
| <b>EVENTS</b>  |                            |                   |         |                            |
| Die Direkteur: Gemeenskaps en Beskermingsdienste mag gemotiveerde aansoeke vir afslag oorweeg vir verminderde tot kwytskelding vir gebeure aansoeke<br>The Director: Community and Protection Services may consider motivated applications for a discount or waiver for event applications |                            |                   |         |                            |
| <b><u>Events Application Fee: Non-refundable</u></b>   |                            |                   |         |                            |
| Youth Development  | 124.50                     | 108.70            | 16.30   | 125.00                     |
| Schools and educational institutions   | 124.50                     | 108.70            | 16.30   | 125.00                     |
| Welfare Organizations  | 124.50                     | 108.70            | 16.30   | 125.00                     |
| Churches   | 124.50                     | 108.70            | 16.30   | 125.00                     |
| Elderly  | 124.50                     | 108.70            | 16.30   | 125.00                     |
| Inter-Governmental departments   | 124.50                     | 108.70            | 16.30   | 125.00                     |
| <b><u>All other applications:</u></b>  | 950.00                     | 826.09            | 123.91  | 950.00                     |
| <b><u>Spesiale wetstoepassings bystandddienste / Special Law Enforcment Assistance</u></b>   |                            |                   |         |                            |
| Per event - per hour, per officer  | NEW                        | 358.26            | 53.74   | 412.00                     |

The Senior Manager in consultation with the Director Community & Protection Services may agree not to charge tariffs and fees in cases where charges have been levied erroneously. Criteria for exemptions/concession: Parties must make written applications to the Director Community & Protection Services, outlining the reasons why charges were levied incorrectly and why exemptions/concessions should be considered.

| <b>STELLENBOSCH MUNICIPALITY</b>   |              |                                       |                              |                |                                       |            |
|--|--------------|---------------------------------------|------------------------------|----------------|---------------------------------------|------------|
| <b>MISCELLANEOUS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023</b><br>Applicable to services rendered from 1 July 2022  |              |                                       |                              |                |                                       |            |
| <b>DIREKTORAAT: INFRASTRUKTUUR DIENSTE</b><br><b>DIRECTORATE: INFRASTRUCTURE SERVICES</b>  |              |                                       |                              |                |                                       |            |
| <b>MISCELLANEOUS</b>   | <b>Unit</b>  | <b>Tariff 2021/22<br/>(Incl. VAT)</b> | <b>Excl. VAT<br/>2022/23</b> | <b>VAT 15%</b> | <b>Tariff 2022/23<br/>(Incl. VAT)</b> | <b>VAT</b> |
| <b>Special meter reading</b>   |              |                                       |                              |                |                                       |            |
| Office hours (till 15:00)  | per occasion | R 253.57                              | R 233.06                     | R 34.96        | <b>R 268.02</b>                       | Included   |
| After Hours (After 15:00)  | per occasion | R 387.21                              | R 355.90                     | R 53.38        | <b>R 409.28</b>                       | Included   |
| Sunday and Public Holidays   | per occasion | R 785.83                              | R 722.28                     | R 108.34       | <b>R 830.62</b>                       | Included   |
| <b>Disconnection or Reconnection of Low Voltage supply:</b>  |              |                                       |                              |                |                                       |            |
| Office hours (till 15:00)  | per occasion | R 253.57                              | R 439.83                     | R 65.97        | R 505.80                              | Included   |
| After Hours (After 15:00)  | per occasion | R 387.21                              | R 645.26                     | R 96.79        | R 742.05                              | Included   |
| Sunday and Public Holidays   | per occasion | R 785.83                              | R 1 290.94                   | R 193.64       | R 1 484.58                            | Included   |
| <b>1st Call to fault on consumer's installation :</b>  |              |                                       |                              |                |                                       |            |
| Office hours (till 15:00)  | per occasion | R 399.77                              | R 367.44                     | R 55.12        | <b>R 422.56</b>                       | Included   |
| After Hours (after 15:00)  | per occasion | R 701.31                              | R 644.60                     | R 96.69        | <b>R 741.29</b>                       | Included   |
| Sunday's and Public Holidays   | per occasion | R 810.96                              | R 745.38                     | R 111.81       | <b>R 857.19</b>                       | Included   |
| <b>2nd Call to fault on consumer's installation :</b>  |              |                                       |                              |                |                                       |            |
| Office hours (till 15:00)  | per visit    | R 556.25                              | R 511.27                     | R 76.69        | <b>R 587.96</b>                       | Included   |
| After Hours (after 15:00)  | per visit    | R 744.72                              | R 684.49                     | R 102.67       | <b>R 787.17</b>                       | Included   |
| Sunday's and Public Holidays   | per visit    | R 1 125.07                            | R 1 034.08                   | R 155.11       | <b>R 1 189.20</b>                     | Included   |
| Service not ready for connection   | per visit    | R 749.28                              | R 688.68                     | R 103.30       | <b>R 791.99</b>                       | Included   |
| <b>Temporary supply at public venue:</b>   |              |                                       |                              |                |                                       |            |
| Existing kiosk with single phase plug point (where available)  | per day      | R 748.14                              | R 687.64                     | R 103.15       | <b>R 790.78</b>                       | Included   |
| Existing kiosk with three phase plug point (where available)   | per day      | R 1 051.96                            | R 966.89                     | R 145.03       | <b>R 1 111.92</b>                     | Included   |
| Supply temporary kiosk with single/three phase plug points where supply in close vicinity (Plus day tariff)  | per occasion | R 3 954.30                            | R 3 634.52                   | R 545.18       | <b>R 4 179.69</b>                     | Included   |
| <b>Temporary supply at public venue: (Non-profit organisations only)</b>   |              |                                       |                              |                |                                       |            |
| Existing kiosk with single phase plug point (where available)  | per day      | R 170.19                              | R 156.43                     | R 23.46        | <b>R 179.89</b>                       | Included   |
| Existing kiosk with three phase plug point (where available)   | per day      | R 279.84                              | R 257.21                     | R 38.58        | <b>R 295.79</b>                       | Included   |
| Supply temporary kiosk with single/three phase plug points where supply in close vicinity (Plus day tariff)  | per occasion | R 3 019.98                            | R 2 775.76                   | R 416.36       | <b>R 3 192.12</b>                     | Included   |
| <b>MV switching on Council's equipment :</b>   |              |                                       |                              |                |                                       |            |
| Office hours   | per occasion | R 3 364.92                            | R 3 092.80                   | R 463.92       | <b>R 3 556.72</b>                     | Included   |
| After Hours  | per occasion | R 4 724.13                            | R 4 342.10                   | R 651.31       | <b>R 4 993.41</b>                     | Included   |
| Sundays & Public Holidays  | per occasion | R 7 029.10                            | R 6 460.66                   | R 969.10       | <b>R 7 429.76</b>                     | Included   |
| Installation of banners  | per banner   | R 3 594.50                            | R 3 303.82                   | R 495.57       | <b>R 3 799.39</b>                     | Included   |
| <b>Load control equipment:</b>   |              |                                       |                              |                |                                       |            |
| Shifting of existing load control equipment( office hours 8:00 till 15:00)   | each         | R 713.84                              | R 648.66                     | R 97.30        | <b>R 745.96</b>                       | Included   |
| Shifting of existing load control equipment(after hours(after 15:00) including weekends)   | each         | R 954.19                              | R 867.07                     | R 130.06       | <b>R 997.13</b>                       | Included   |
| <b>NEW SUPPLIES WHERE MUNICIPAL CABLE IS AT ERF BOUNDARY (INCLUDES ENERGY DISPENSER AND EXCLUDE CABLE JOINT ON PROPERTY BOUNDARY)</b>                                    | <b>Unit</b>  | <b>Tariff 2021/22<br/>(Incl. VAT)</b> | <b>Excl. VAT<br/>2022/23</b> | <b>VAT 15%</b> | <b>Tariff 2022/23<br/>(Incl. VAT)</b> | <b>VAT</b> |
| 60 A single phase energy dispenser   | each         | R 2 984.62                            | R 2 743.26                   | R 411.49       | <b>R 3 154.74</b>                     | Included   |
| Three phase energy dispenser   | each         | R 4 987.26                            | R 4 583.94                   | R 687.59       | <b>R 5 271.54</b>                     | Included   |
| User interface Unit (wired)  | each         | R 539.35                              | R 495.73                     | R 74.36        | <b>R 570.09</b>                       | Included   |
| User interface Unit (wireless)   | each         | R 723.68                              | R 665.16                     | R 99.77        | <b>R 764.93</b>                       | Included   |
| Single Phase Connection Informal Settlement (Energy Dispenser + Ready Board + Cable - max distance 30meter)  | each         | R 4 936.06                            | R 4 536.88                   | R 680.53       | <b>R 5 217.41</b>                     | Included   |
| 60 A single phase service connection installed to Non-Serviced Property from overhead line to erf boundary with a 60 A single phase energy dispenser distribution board  | each         | R 7 231.13                            | R 6 646.35                   | R 996.95       | <b>R 7 643.31</b>                     | Included   |
| All other new installations or upgrades as per quotation supplied by the Electrical Engineering Services Directorate. Quotation deposit is to be paid as indicated below |              | <b>Quotation</b>                      |                              |                | <b>Quotation</b>                      |            |

| DIREKTORAAT: INFRASTRUKTUUR DIENSTE<br>DIRECTORATE: INFRASTRUCTURE SERVICES  |         |                               |                      |            |                               |          |
|--|---------|-------------------------------|----------------------|------------|-------------------------------|----------|
| MISCELLANEOUS  | Unit    | Tariff 2021/22<br>(Incl. VAT) | Excl. VAT<br>2022/23 | VAT 15%    | Tariff 2022/23<br>(Incl. VAT) | VAT      |
| Quotation Deposit payable per quotation request - (1) The deposit will be deducted from the quoted amount on acceptance and payment of the quotation provided by Electricity Department.(2) If the quotation is not accepted the deposit amount paid will be forfeited |         |                               |                      |            | R 500.00                      | Included |
| <b>INSTALLATION OF ENERGY DISPENSERS</b>   |         |                               |                      |            |                               |          |
| Replacement of existing single phase credit meter with single phase energy dispenser   | each    | No Cost                       |                      |            | No Cost                       | Included |
| Replacement of existing three phase credit meter with a three phase electricity dispenser  | each    | No Cost                       |                      |            | No Cost                       | Included |
| Testing of single phase meter (on site verification)   | each    | R 826.09                      | R 759.28             | R 113.89   | R 873.18                      | Included |
| Testing of three phase meters (on site verification)   | each    | R 1 480.36                    | R 1 360.65           | R 204.10   | R 1 564.74                    | Included |
| Testing of three phase bulk meters (New Audit)   | each    | R 3 099.54                    | R 2 848.89           | R 427.33   | R 3 276.22                    | Included |
| Tariff investigation - based on existing consumption data  | each    | R 1 917.30                    | R 1 762.25           | R 264.34   | R 2 026.59                    | Included |
| Tariff or load profile investigation - requiring equipment and personnel/site visit's  | each    | R 3 712.85                    | R 3 412.60           | R 511.89   | R 3 924.49                    | Included |
| Quality of supply investigation - requiring equipment and personnel/site visit's   | each    | R 4 385.33                    | R 4 030.69           | R 604.60   | R 4 635.30                    | Included |
| Bulk metering (Ct's, Test Block, Fuses Complete and Modem) and site certification  | each    | R 15 233.64                   | R 13 511.58          | R 2 026.74 | R 15 538.31                   | Included |
| Single phase AMI meter (including GPRS Modem)  | each    | R 5 278.50                    | R 4 681.80           | R 702.27   | R 5 384.07                    | Included |
| Three phase AMI meter Max 120A (Including GPRS Modem)  | each    | R 8 035.05                    | R 7 126.74           | R 1 069.01 | R 8 195.75                    | Included |
| Smart Metering Single phase when available max 80A   | each    | R 4 672.59                    | R 4 144.39           | R 621.66   | R 4 766.04                    | Included |
| Smart Metering Three phase when available max 80A  | each    | R 6 298.13                    | R 5 586.17           | R 837.93   | R 6 424.09                    | Included |
| <b>DEVELOPMENT BULK LEVY CONTRIBUTIONS</b>   |         |                               |                      |            |                               |          |
| <i>Please Note: Any additional costs to make the supply available to the users are for the developers account</i>  | Unit    | Tariff 2021/22<br>(Incl. VAT) | Excl. VAT<br>2022/23 | VAT 15%    | Tariff 2022/23<br>(Incl. VAT) | VAT      |
| <b>Developer Provides Minisub</b>  |         |                               |                      |            |                               |          |
| Cluster housing, Semi-detached townhouses & flats  | 3 kVA   | R 10 035.34                   | R9 223.79            | R 1 383.57 | R 10 607.36                   | Included |
| Urban Residential, Freestanding homes or townhouses (LSM 7-10)   | 4 kVA   | R 13 374.04                   | R12 292.49           | R 1 843.87 | R 14 136.36                   | Included |
| Luxury Class Homes >250m <sup>2</sup> (Airconditioning, underfloor heating, more than one electrical hot water cylinder etc)max 60Amp Single Phase   | 6 kVA   | R 20 061.70                   | R18 439.32           | R 2 765.90 | R 21 205.22                   | Included |
| Non Residential  | per kVA | R 2 791.87                    | R2 566.10            | R 384.91   | R 2 951.01                    | Included |
| Residential > 60Amp Single Phase to max 60 Amp Three Phase   | per kVA | R 2 791.87                    | R2 566.10            | R 384.91   | R 2 951.01                    | Included |
| <b>Existing Municipal Minisub or Transformer</b>   |         |                               |                      |            |                               |          |
| Cluster housing, Semi-detached townhouses & flats  | 3 kVA   | R 12 864.44                   | R11 824.10           | R 1 773.61 | R 13 597.71                   | Included |
| Urban Residential, Freestanding homes or townhouses (LSM 7-10)   | 4 kVA   | R 17 163.28                   | R15 775.30           | R 2 366.29 | R 18 141.59                   | Included |
| Luxury Class Homes >250m <sup>2</sup> (Airconditioning, underfloor heating, more than one electrical hot water cylinder etc)max 60Amp Single Phase   | 6 kVA   | R 25 270.63                   | R23 227.00           | R 3 484.05 | R 26 711.06                   | Included |
| Non Residential per kVA  | per kVA | R 3 725.07                    | R3 423.82            | R 513.57   | R 3 937.39                    | Included |
| Residential > 60Amp Single Phase to max 60 Amp Three Phase   | per kVA | R 3 725.07                    | R3 423.82            | R 513.57   | R 3 937.39                    | Included |



















| <b>STELLENBOSCH MUNICIPALITY</b>  |  |  |                 |  |
|---|--|--|-----------------|--|
| <b>SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023</b><br>Applicable to services rendered from 1 July 2022  |  |  |                 |  |
| <b>DIREKTORAAT: INFRASTRUKTUUR DIENSTE</b><br><b>DIRECTORATE: INFRASTRUCTURE SERVICES</b>   |  |  |                 |  |
| Water Services  | Tarief/ Tariff<br>2021/22<br>(Incl. VAT) | Tarief/ Tariff<br>Excl. VAT<br>2022/23 | BTW/ VAT<br>15% | Tarief/ Tariff<br>2022/23<br>(Incl. VAT) |
| <b>DIVERSE DIENSTE / SUNDRY SERVICES</b>  |  |  |                 |  |
| <b>Water connections complete</b><br>Contractor provided leading<br>22 mm Water connections (coupling and meter only)   | 4 494.99                                 | 4 674.79                               | 701.22          | <b>5 376.01</b>                          |
| <b>Complete connection :</b>  |  |  |                 |  |
| 15mm complete (stopcock + watermeter + box)   | 6 468.99                                 | 6 727.75                               | 1 009.16        | <b>7 736.91</b>                          |
| 20mm complete (stopcock + watermeter + box)   | 6 736.37                                 | 7 005.82                               | 1 050.87        | <b>8 056.70</b>                          |
| 25mm complete (stopcock + watermeter + box)   | 9 733.54                                 | 10 122.88                              | 1 518.43        | <b>11 641.31</b>                         |
| 40mm complete (stopcock + watermeter + box)   | 17 955.27                                | 18 673.48                              | 2 801.02        | <b>21 474.50</b>                         |
| <b>Complete connection : Including road crossing</b>  |  |  |                 |  |
| 15mm complete (stopcock + watermeter + box)   | 24 230.81                                | 25 200.04                              | 3 780.01        | <b>28 980.04</b>                         |
| 20mm complete (stopcock + watermeter + box)   | 24 520.84                                | 25 501.67                              | 3 825.25        | <b>29 326.92</b>                         |
| 25mm complete (stopcock + watermeter + box)   | 27 197.04                                | 28 284.92                              | 4 242.74        | <b>32 527.66</b>                         |
| 40mm complete (stopcock + watermeter + box)   | 34 589.07                                | 35 972.63                              | 5 395.90        | <b>41 368.53</b>                         |
| Inspection fee on all connections done by Private Contractors (excluding water deposit)   | 2 278.47                                 | 2 369.61                               | 355.44          | <b>2 725.05</b>                          |
| <b>Water Management Device</b><br>22 mm Water connection (stopcock + watermeter + box)  | 5 617.28                                 | 5 841.97                               | 876.30          | <b>6 718.27</b>                          |
| <b>Water miscellaneous tariffs</b>  |  |  |                 |  |
| Moving of watermeter sizes up to 25mm diam. Max distance 2m.  | 1 873.14                                 | 1 948.07                               | 292.21          | <b>2 240.28</b>                          |
| Moving of watermeter size 40mm diam. Max distance 2m.<br>(Does not include reinstatement of paved areas - reinstatement of paved areas actual cost)   | 4 706.04                                 | 4 894.29                               | 734.14          | <b>5 628.43</b>                          |
| <b>Test of all water meters (on request of consumer only)</b>   |  |  |                 |  |
| *In respect of water meter size 15, 20 and 25 mm  |  | 1231.85                                | 184.78          | <b>1416.63</b>                           |
| *In respect of water meter size 40 and 50 mm  |  | 1747.33                                | 262.10          | <b>2009.43</b>                           |
| *In respect of water meter size 80 mm   |  | 3044.33                                | 456.65          | <b>3500.98</b>                           |
| *In respect of water meter size 100 mm  |  | 3484.33                                | 522.65          | <b>4006.98</b>                           |
| *In respect of water meter size 150 mm  |  | 4134.33                                | 620.15          | <b>4754.48</b>                           |
| <b>Hydrants Standpipes</b>  |  |  |                 |  |
| 15mm-50mm hydrants standpipes rental/month or part of month   | 1 171.62                                 | 1 218.49                               | 182.77          | <b>1 401.26</b>                          |
| Refundable deposit per hydrant standpipe  | 13 416.82                                | 14 000.00                              |                 |  |
| <b>Reconnection after disconnection due to non-payment:</b>   |  |  |                 |  |
| Normal hours  | 468.18                                   | 486.91                                 | 73.04           | <b>559.95</b>                            |
| After hours   | 718.61                                   | 747.35                                 | 112.10          | <b>859.46</b>                            |
| <b>Replacement of damaged water meters:</b>   |  |  |                 |  |
| up to 20 mm.  | 4 372.61                                 | 4 547.52                               | 682.13          | <b>5 229.65</b>                          |
| > 20 mm.<br>Actual Cost   |  |  | 0.00            | <b>0.00</b>                              |
| Call out for repairs to water meter due to tampering (excluding materials)  |  | 1002.91                                | 150.44          | <b>1153.34</b>                           |
| Deliberate call out for private (internal - owners' plumbing ) water related faults (call out fee only)   | 964.33                                   | 1 002.91                               | 150.44          | <b>1 153.34</b>                          |
| <b>Sewer Connections( Installed by Developer as development requirement)</b>  |  |  |                 |  |
| Applicant connects to existing connection.  |  |  |                 |  |
| 100mm connection by Developer (first connection)  | 1 764.26                                 | 1 834.83                               | 275.22          | <b>2 110.06</b>                          |
| 150mm connection by Developer (first connection)  | 2 115.10                                 | 2 199.70                               | 329.96          | <b>2 529.66</b>                          |
| <b>All new sewer connections (due to subdivision/developments)</b>  |  |  |                 |  |
| <b>Clearing of block sewer:</b>   |  |  |                 |  |
| <i>Owner responsible to clear private blockage by making use of private contractor</i><br><i>Blockage teams only responsible for clearing municipal main sewer blockages</i><br>Private blockages only to be cleared if health hazard occurs and clear instruction is given by Management for owners' account |  |  |                 |  |
| Normal hours  | 745.74                                   | 775.57                                 | 116.34          | <b>891.91</b>                            |
| After hours   | 1 034.09                                 | 1 075.45                               | 161.32          | <b>1 236.77</b>                          |
| Deliberate call out to private blockage (call out fee only)   | 964.33                                   | 1 002.91                               | 150.44          | <b>1 153.34</b>                          |

# STELLENBOSCH MUNICIPALITY

**SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023**  
**Applicable to services rendered from 1 July 2022**

**DIREKTORAAT: INFRASTRUKTUUR DIENSTE**  
**DIRECTORATE: INFRASTRUCTURE SERVICES**

| SERVICES RENDERED  | UNIT                           | COMMENTS   | 2021/22           | 2022/23  |
|--|--------------------------------|--|-------------------|----------|
| <b>Waste Management Services</b>   |                                |  | <b>R VAT excl</b> |          |
| <b>Stellenbosch Landfill Site (Devon Valley Site) and Klapmuts Waste Transfer Station (General Waste only - NO Medical or Hazardous Waste)</b>     |                                |  |                   |          |
| <b>Residents and private companies working within WC024</b>  |                                |  |                   |          |
| Disposal of clean garden waste (grass cuttings, leaves etc.) NO OTHER WASTE<br>* contaminated garden waste will be classified as general waste     | Per metric ton or part thereof | <u>Vehicles with a carry capacity of up to 1.5 tons.</u><br>Must show the latest account that reflects WC024 residency or proof of where in WC024 work is being done   | Free              | Free     |
| Disposal of clean garden waste (grass cuttings, leaves etc.) NO OTHER WASTE<br>* contaminated garden waste will be classified as general waste     | Per metric ton or part thereof | <u>Vehicle with a carry capacity exceeding 1.5 tons.</u><br>Must show proof of where in WC024 work is being done   | 21.73             | R 23.47  |
| Disposal of clean builder's rubble<br>* contaminated builder's rubble will be classified as general waste  | Per metric ton or part thereof | <u>Vehicle with a carrying capacity of 1.5 tons and less.</u> No material other than clean builder's rubble may form part of the load (eg. plastic, iron, wood).   | Free              | Free     |
| Disposal of clean builder's rubble<br>* contaminated builder's rubble will be classified as general waste  | Per metric ton or part thereof | <u>Vehicle with a carrying capacity of more than 1.5 tons.</u> No material other than clean builder's rubble may form part of the load (eg. plastic, iron, wood).  | 21.73             | R 23.47  |
| Disposal of general waste based on actual mass<br>* contaminated garden waste or contaminated builder's rubble will be classified as general waste | Per metric ton or part thereof | Only waste from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)  | R 717.40          | R 717.40 |
| Disposal of general waste based on actual mass<br>* contaminated garden waste or contaminated builder's rubble will be classified as general waste | Per 500 kg or part thereof     | Only waste from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)  | R 358.70          | R 358.70 |
| Disposal of general waste based on actual mass<br>* contaminated garden waste or contaminated builder's rubble will be classified as general waste | Per 250 kg or part thereof     | Only waste from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)  | R 179.35          | R 179.35 |
| Disposal of soil   | Per metric ton or part thereof | <u>Vehicle with a carrying capacity of less than 1.5 tons.</u> Only soil from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)  | Free              | Free     |
| Disposal of soil   | Per metric ton or part thereof | <u>Vehicle with a carrying capacity of more than 1.5 tons.</u> Only soil from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)  | 21.73             | R 23.47  |
| Disposal Household Hazardous Waste   | Car, trailer, LDV              | Vehicles with a carrying capacity of 1.5 tons and less. These are limited to items generated on residential properties. Proof of the latest account that reflects payment for refuse removal needs to be shown. Limited to one load per month. | Free              | Free     |
| <b>Interdepartmental Municipal Charges</b>   |                                |  |                   |          |
| <b>at Stellenbosch Landfill Site (Devon Valley Site) and Klapmuts Waste Transfer Station.</b>  |                                |  |                   |          |
| Disposal of general waste based on actual mass<br>* contaminated garden waste or contaminated builder's rubble will be classified as general waste | Per metric ton or part thereof | All Departments within Stellenbosch Municipality must pay for the disposal of refuse.  | R 717.40          | R 717.40 |
| Disposal of general waste based on actual mass<br>* contaminated garden waste or contaminated builder's rubble will be classified as general waste | Per 500 kg or part thereof     | All Departments within Stellenbosch Municipality must pay for the disposal of refuse.  | R 344.61          | R 344.61 |
| Disposal of general waste based on actual mass<br>* contaminated garden waste or contaminated builder's rubble will be classified as general waste | Per 250 kg or part thereof     | All Departments within Stellenbosch Municipality must pay for the disposal of refuse.  | R 172.30          | R 172.30 |
| Disposal of clean garden waste (grass cuttings, leaves etc.) NO OTHER WASTE<br>* contaminated garden waste will be classified as general waste     | Per metric ton or part thereof | <u>Vehicle with a carry capacity of up to 1.5 tons and less.</u> Must show the latest account that reflects WC024 residency or proof of where in WC024 work is being done  | Free              | Free     |



## STELLENBOSCH MUNICIPALITY

**SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023**  
Applicable to services rendered from 1 July 2022

**DIREKTORAAT: INFRASTRUKTUUR DIENSTE**  
**DIRECTORATE: INFRASTRUCTURE SERVICES**

| SERVICES RENDERED  | UNIT                           | COMMENTS  | 2021/22           | 2022/23  |
|--|--------------------------------|---|-------------------|----------|
| <b>Waste Management Services</b>   |                                |   | <b>R VAT excl</b> |          |
| Disposal of clean garden waste (grass cuttings, leaves etc.) NO OTHER WASTE<br>* contaminated garden waste will be classified as general waste   | Per metric ton or part thereof | <b>Vehicle with a carry capacity more than 1.5 tons.</b> Must show proof of where in WC024 work is being done   | 21.73             | R 23.47  |
| Disposal of clean builder's rubble<br>* contaminated builder's rubble will be classified as general waste  | Per metric ton or part thereof | <b>Vehicle with a carrying capacity of 1.5 tons and less.</b> No material other than clean builder's rubble may form part of the load (eg. plastic, iron, wood).  | Free              | Free     |
| Disposal of clean builder's rubble<br>* contaminated builder's rubble will be classified as general waste  | Per metric ton or part thereof | <b>Vehicle with a carrying capacity of more than 1.5 tons.</b> No material other than clean builder's rubble may form part of the load (eg. plastic, iron, wood).   | 21.73             | R 23.47  |
| <b>Klapmuts Transfer Station</b>   |                                |   |                   |          |
| Disposal of general waste  | Per metric ton or part thereof | Only waste from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)   | R 717.40          | R 717.40 |
| Disposal of general waste  | Per 500 kg or part thereof     | Only waste from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)   | R 344.61          | R 344.61 |
| Disposal of general waste  | Per 250 kg or part thereof     | Only waste from within WC024 allowed. Proof of origin of waste to be declared by user at disposal facility (written proof if requested)   | R 172.30          | R 172.30 |
| Disposal of clean garden waste (grass cuttings, leaves etc.) NO OTHER WASTE<br>* contaminated garden waste will be classified as general waste   | Per metric ton or part thereof | <b>Vehicle with a carry capacity of up to 1.5 tons or less.</b> Must show the latest account that reflects WC024 residency or proof of where in WC024 work is being done  | Free              | Free     |
| Disposal of clean builder's rubble<br>* contaminated builder's rubble will be classified as general waste  | Per metric ton or part thereof | <b>Vehicles with a carrying capacity of 1.5 tons and less.</b> No material other than clean builder's rubble may form part of the load (eg. plastic, iron, wood).   | Free              | Free     |
| <b>Franschoek Drop-off</b>   |                                |   |                   |          |
| <b>Residential properties ONLY</b>   |                                |   |                   |          |
| Disposal of garage waste.<br>* Garage waste is any household waste other than clean garden waste, clean builders' rubble, domestic waste or kitchen waste from residential properties.                         | Car, trailer, LDV              | <b>Vehicles with a carrying capacity of 1.5 tons and less.</b> These are limited to excess waste/ items that cannot fit into your household wheelie bin. Proof of the latest account that reflects payment for refuse removal needs to be shown. Limited to one load per month. | Free              | Free     |
| Disposal of clean garden waste (grass cuttings, leaves etc.) NO OTHER WASTE<br>* contaminated garden waste will be classified as general waste   | Per metric ton or part thereof | <b>Vehicles with a carry capacity of up to 1.5 tons or less.</b> Must show the latest account that reflects WC024 residency or proof of where in WC024 work is being done. Limited to one load per day.   | Free              | Free     |
| Disposal of clean builder's rubble<br>* contaminated builder's rubble will be classified as general waste  | Per metric ton or part thereof | <b>Vehicles with a carrying capacity of 1.5 tons and less.</b> No material other than clean builder's rubble may form part of the load (eg. plastic, iron, wood). Limited to one load per day.  | Free              | Free     |
| <b>ALL VEHICLES WITH A CARRY CAPACITY OF 1.5 TONS OR MORE FOR BUILDER'S RUBBLE AND VEHICLES WITH A CARRY CAPACITY OF 2 TONS OR MORE FOR GARDEN WASTE MUST BE DISPOSED OF AT THE STELLENBOSCH LANDFILL SITE</b> |                                |   |                   |          |
| <b>Stellenbosch Waste Material Recovery facility</b>   |                                |   |                   |          |
| Disposal of garage waste.<br>* Garage waste is any household waste other than clean garden waste, clean builders' rubble, domestic waste or kitchen waste from residential properties.                         | Car, trailer, LDV              | <b>Vehicles with a carrying capacity of 1.5 tons and less.</b> These are limited to excess waste/ items that cannot fit into your household wheelie bin. Proof of the latest account that reflects payment for refuse removal needs to be shown. Limited to one load per month. | Free              | Free     |
| Clean recyclable waste material  | Per metric ton or part thereof | Must show the latest account that reflects WC024 residency or proof of where in WC024 work is being done  | Free              | Free     |

## STELLENBOSCH MUNICIPALITY

**SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023**  
Applicable to services rendered from 1 July 2022

**DIREKTORAAT: INFRASTRUKTUUR DIENSTE**  
**DIRECTORATE: INFRASTRUCTURE SERVICES**

| SERVICES RENDERED  | UNIT               | COMMENTS   | 2021/22   | 2022/23           |
|--|--------------------|--|---|-------------------|
| <b>Waste Management Services</b>   |                    |  | <b>R VAT excl</b>   |                   |
| <b>Replacement of bin or lid or wheel or axel</b>                                    |                    |  |   |                   |
| For bin age up to 5 years  |                    | For malicious damage where there is negligence on the part of the owner.   |   |                   |
| For the replacement of a complete bin  | Replacement        | Applicable to malicious damage Lost or stolen bin must be reported to the nearest Police Station and a case number be presented to Council before replacement commences. The replacement due to theft on refuse removal day will be excluded from this arrangement. Client still to obtain a case number from the SAPS and present it to Council before replacement will take effect. Maximum of twice per year. | Cost + 15% applicable to malicious damage, lost or theft. Must be reported to the SAPS and a case number and payment to be presented to Council before replacement. The replacement due to theft on refuse removal day will be excluded from this arrangement (Maximum two replacement allowed during the financial year, thereafter payment to be presented before replacement). Client still to obtain a case number from the SAPS and present it to Council before replacement will take effect. |                   |
| <b>Hiring and servicing of 240ℓ bins</b>   |                    |  |   |                   |
| Hiring of 240ℓ wheelie bin   | Per bin per day    | For the hiring of 240ℓ bins to a third party within WC024 (includes delivery, collection and servicing of the bin). Subject to prior approval and availability.  | R 61.06   | <b>R 65.94</b>    |
| Servicing of event bins  | Per lift           | A charge to empty a event bin.   | R 53.05   | <b>R 57.28</b>    |
| Hiring of 240ℓ wheelie bins: Basic charge for collection and/or delivery on Saturday | Once-off per event | Compulsory fee to be paid when hiring municipal wheelie bins for events taking place over a weekend in WC024   | 3 034.68  | <b>R 3 277.45</b> |
| Hiring of 240ℓ wheelie bins: Basic charge for collection and/or delivery on Sunday   | Once-off per event | Compulsory fee to be paid when hiring municipal wheelie bins for events taking place over a weekend in WC024   | 4 000.26  | <b>R 4 320.28</b> |

# STELLENBOSCH MUNICIPALITY

**SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023**  
**Applicable to services rendered from 1 July 2022**

**DIREKTORAAT: INFRASTRUKTUUR DIENSTE**  
**DIRECTORATE: INFRASTRUCTURE SERVICES**

|  | Tarief/ Tariff<br>2021/22<br>(Incl. VAT) | Tarief/ Tariff<br>Excl. VAT<br>2022/23 | BTW/ VAT<br>15% | Tarief/ Tariff<br>2022/23<br>(Incl. VAT) |
|--|--|--|-----------------|--|
| *Industrial Effluent Treatment Basic Tariff (T): R/kl effluent discharge excluding penalties and contract arrangements.  | R 15.07                                  | R 13.89                                | R 2.08          | <b>R 15.97</b>                           |
| *Industrial Effluent Conveyancy Basic Tariff (C): R/kl effluent discharge excluding penalties and contract arrangements. | R 6.85                                   | R 6.31                                 | R 0.95          | <b>R 7.26</b>                            |
| Clearance of septic tanks: per 5 000 litre of part thereof   | R 1 912.32                               | R 1 762.66                             | R 264.40        | <b>R 2 027.06</b>                        |
| Waste Water disposal at designated facility per kl   | R 120.53                                 | R 111.10                               | R 16.66         | <b>R 127.76</b>                          |
| Chemical toilet disposal at designated facility per toilet   | R 117.79                                 | R 108.57                               | R 16.29         | <b>R 124.86</b>                          |
| * Special agreements when industry do pre-treatment  | N/A                                      | N/A                                    | N/A             | <b>N/A</b>                               |

## **FORMULA FOR THE CALCULATION OF EFFLUENT DISCHARGE CHARGES (Schedule C of Bylaws)**

**Discharge Cost = Basic Tariff + COD Surcharge + Substance Limit Surcharge**

**Discharge Cost = (Vw) (SVC) + (Vie) (T) ((COD - 1000)/1000) + (Vie) (T) (SF)**

SVC = Sewerage Volumetric Charge (T + C) in terms of above tariffs (Conveyancy and Treatment)

**Surcharge Factor (SF) = ((X - L) / L)**

X = Concentration in discharge of one or more of parameters listed in Schedule A of Bylaws

L = Limit of applicable parameter as listed in Schedule A of Bylaws

\* Special agreements to be approved by council

# STELLENBOSCH MUNICIPALITY

**SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023**  
Applicable to services rendered from 1 July 2022

**DIREKTORAAT: INFRASTRUKTUUR DIENSTE**  
**DIRECTORATE: INFRASTRUCTURE SERVICES**

| SCIENTIFIC SERVICES/WETENSKAPLIKE DIENSTE                         | Tariff<br>2021/22<br>(Incl. VAT) | Excl. VAT<br>2022/23 | VAT 15% | Tariff<br>2022/23<br>(Incl. VAT) |
|---|----------------------------------|----------------------|---------|----------------------------------|
| <b>PARAMETERS</b>   |                                  |                      |         |                                  |
| <b>PHYSICAL ANALYSIS</b>  |                                  |                      |         |                                  |
| Temperature   | 54.35                            | 49.15                | 7.37    | <b>56.52</b>                     |
| Ph @ 25°C   | 54.35                            | 49.15                | 7.37    | <b>56.52</b>                     |
| Electrical conductivity @ 25°Cms <sup>-1</sup>                    | 54.35                            | 49.15                | 7.37    | <b>56.52</b>                     |
| Turbidity (NTU)   | 54.35                            | 49.15                | 7.37    | <b>56.52</b>                     |
| Total suspended solids (TSS) 105°C mg/1                           | 139.75                           | 126.39               | 18.96   | <b>145.34</b>                    |
| Total dissolved solids (TDS-gravimetric) mg/1                     | 139.75                           | 126.39               | 18.96   | <b>145.34</b>                    |
| Inorganic dissolved solids (VSS) @600°Cmg/1                       | 217.40                           | 196.60               | 29.49   | <b>226.09</b>                    |
| Settle able solids@ 30min in ml                                   | 139.75                           | 126.39               | 18.96   | <b>145.34</b>                    |
| Volatile organic matter percentage (%)                            | 217.40                           | 196.60               | 29.49   | <b>226.09</b>                    |
| <b>CHEMICAL ANALYSIS</b>  |                                  |                      |         |                                  |
| NITRATE (NO <sup>-3</sup> ) mg/1                                  | 178.58                           | 161.49               | 24.22   | <b>185.72</b>                    |
| NITRITE (NO <sup>-2</sup> ) mg/1                                  | 178.58                           | 161.49               | 24.22   | <b>185.72</b>                    |
| ORTHO PHOSPHATE (PO <sup>-3</sup> <sub>4</sub> ) mg/1             | 102.49                           | 92.68                | 13.90   | <b>106.59</b>                    |
| TOTAL PHOSPHATE (PO <sup>-3</sup> <sub>4</sub> ) mg/1             | 403.74                           | 365.12               | 54.77   | <b>419.89</b>                    |
| AMMONIA as N (NH <sub>3</sub> ) mg/1                              | 102.49                           | 92.68                | 13.90   | <b>106.59</b>                    |
| SULPHIDES (S) mg/1  | 263.98                           | 238.73               | 35.81   | <b>274.54</b>                    |
| SULPHATE (SO <sup>-2</sup> <sub>4</sub> ) (total) mg/1            | 108.70                           | 98.30                | 14.75   | <b>113.05</b>                    |
| FREE & TOTAL residual chlorine (CL <sup>-2</sup> )                | 77.64                            | 70.21                | 10.53   | <b>80.75</b>                     |
| CHLORIDE as C1 mg/1   | 108.70                           | 98.30                | 14.75   | <b>113.05</b>                    |
| PHENOLIS (C <sub>6</sub> H <sub>5</sub> OH)                       | 512.43                           | 463.42               | 69.51   | <b>532.93</b>                    |
| COD unfiltered mg/1   | 217.40                           | 196.60               | 29.49   | <b>226.09</b>                    |
| COD filtered mg/1   | 248.45                           | 224.69               | 33.70   | <b>258.39</b>                    |
| COD dilution (included in unfiltered) mg/1                        | 217.40                           | 196.60               | 29.49   | <b>226.09</b>                    |
| PHENOLIS C <sub>6</sub> H <sub>5</sub> OH (total) mg/1            | 512.43                           | 463.42               | 69.51   | <b>532.93</b>                    |
| CHROMATE TEST (CHROMIUM cr <sub>6</sub> <sup>+</sup> ) as Cr mg/1 | 619.58                           | 560.31               | 84.05   | <b>644.36</b>                    |
| CYANIDE as CN   | 512.43                           | 463.42               | 69.51   | <b>532.93</b>                    |
| SULPHIDES (SO <sup>-2</sup> <sub>3</sub> ) mg/1                   | 512.43                           | 463.42               | 69.51   | <b>532.93</b>                    |
| <b>MICROBIOLOGICAL &amp; BACTERIOLOGICAL ANALYSIS</b>             |                                  |                      |         |                                  |
| FAECAL COLIFOMS COUNT/100ml                                       | 382.00                           | 345.46               | 51.82   | <b>397.28</b>                    |
| E.COLI COUNT/100ml  | 382.00                           | 345.46               | 51.82   | <b>397.28</b>                    |

# STELLENBOSCH MUNICIPALITY

**SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023**  
**Applicable to services rendered from 1 July 2022**

**DIREKTORAAT: INFRASTRUKTUUR DIENSTE**  
**DIRECTORATE: INFRASTRUCTURE SERVICES**

|  | Tariff<br>2021/22<br>(Excl. VAT) | 2021/22 VAT<br>15% | Tariff 2021/22<br>(Incl. VAT) | Tariff<br>2022/23<br>(Excl. VAT) | 2022/23 VAT<br>15% | Tariff 2022/23<br>(Incl. VAT) |
|--|----------------------------------|--------------------|-------------------------------|----------------------------------|--------------------|-------------------------------|
| <b>ROADS TRANSPORT &amp; STORMWATER</b>                            |                                  |                    |                               |                                  |                    |                               |
| Lowering of kerbs  | 595.05                           | 89.26              | 684.31                        | 595.05                           | 89.26              | 684.31                        |
| Inspection fee for the construction of facility signs              | 278.93                           | 41.84              | 320.77                        | 278.93                           | 41.84              | 320.77                        |
| Construction of facility sign                                      | 991.76                           | 148.76             | 1140.52                       | 991.76                           | 148.76             | 1140.52                       |
| Construction of vehicle access over stormwater/irrigation channels | Actual Cost/Werklike koste + 10% |                    |                               | Actual Cost/Werklike koste + 10% |                    |                               |
| Temporary road closures undertaken by the Municipality (12 hours)  | 7 500.00                         | 978.26             | 8 478.26                      | 7 500.00                         | 978.26             | 8 478.26                      |
| <b>Development Charge (DC) - Parking</b>                           |                                  |                    |                               |                                  |                    |                               |
| Per parking bay  | 174 512.15                       | 22 762.45          | 197 274.60                    | 174 512.15                       | 22 762.45          | 197 274.60                    |

| STELLENBOSCH MUNICIPALITY   |   |                               |                      |            |                               |          |
|---|---|-------------------------------|----------------------|------------|-------------------------------|----------|
| WAYLEAVE TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023<br>Applicable to services rendered from 1 July 2022   |   |                               |                      |            |                               |          |
| DIREKTORAAT: INFRASTRUKTUUR DIENSTE<br>DIRECTORATE: INFRASTRUCTURE SERVICES   |   |                               |                      |            |                               |          |
| ASSET MANAGEMENT AND SYSTEMS SECTION<br>WAYLEAVE ADMINISTRATION TARIFFS   | Unit  | Tariff 2021/22<br>(Incl. VAT) | Excl. VAT<br>2022/23 | VAT 15%    | Tariff 2022/23<br>(Incl. VAT) | VAT      |
| <b>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</b>   | per application                                       | R 522.50                      | R 470.24             | R 70.54    | <b>R 540.78</b>               | Included |
| PLUS: Inspection Fee (once-off)<br>For the temporary use of the road reserve for less than one month other than for the installation of an underground service, including for: the placement or storage of an item such as a chemical toilet, container, ladder, scaffolding, mobile crane or materials, pumping of concrete, excavation of trial holes. The fee is payable in advance.<br>PLUS: The cost of all inspections during the course of the wayleave from services verification to the site rehabilitation after construction. The fee is payable in advance  | per application                                       | R 1 045.00                    | R 940.50             | R 141.08   | <b>R 1 081.58</b>             | Included |
| <b>1.2 Administration fee for a wayleave or permit to use the road reserve to install an underground service (total construction duration is less than ten working days)</b>  | per application                                       | R 1 045.00                    | R 940.50             | R 141.08   | <b>R 1 081.58</b>             | Included |
| PLUS: Inspection Fee (once-off)<br>For the use of the road reserve to install a pipe, tunnel, cable or duct for water, electricity, communication, or any other service – where the total construction duration is less than ten working days. The fee is payable in advance.<br>PLUS: The cost of all inspections during the course of the wayleave from services verification to the site rehabilitation after construction. The fee is payable in advance  | per application                                       | R 2 090.00                    | R 1 881.00           | R 282.15   | <b>R 2 163.15</b>             | Included |
| <b>1.3 Administration fee for a wayleave or permit to use the road reserve to install an underground service</b>  | per application                                       | R 3 135.00                    | R 2 821.50           | R 423.23   | <b>R 3 244.73</b>             | Included |
| PLUS: Inspection Fee (per month, based on the total construction duration)<br>For the use of the road reserve to install a pipe, tunnel, cable or duct for water, electricity, communication, or any other service. The fee is payable in advance.<br>PLUS: The cost of all inspections during the course of the wayleave from services verification to the site rehabilitation after construction. The fee is payable in advance   | per month of construction, per application            | R 2 090.00                    | R 1 881.00           | R 282.15   | <b>R 2 163.15</b>             | Included |
| <b>1.4 Tariff for authorised trenching across a municipal roadway (per metre of trenching)</b>  | Per m measured from 0.5m behind the kerb or road edge | R 5 225.00                    | R 4 702.50           | R 705.38   | <b>R 5 407.88</b>             | Included |
| For using an open trench to cross a roadway to install a pipe, cable or duct for water, electricity, communication or any other service. This tariff applies if the municipality grants written authorisation for a roadway trench before digging of the trench commences. The applicant may not begin roadway trenching before paying the roadway open trench fee and the Municipality issues written authorisation. The fee is payable when the written authorisation is issued.<br>The roadway open trench fee is for the increased maintenance and reconstruction costs and inherent degradation of the roadway caused by roadway trenching. It applies even if the trench is reinstated in compliance with the Municipality's requirements and standards |   |                               |                      |            |                               |          |
| <b>1.5 Tariff for unauthorised use of the road reserve for a period of more than one month other than to install an underground service (100% of admin &amp; inspection fee under tariff 1.1)</b>   | per month   | R 1 567.50                    | R 1 410.75           | R 211.61   | <b>R 1 622.36</b>             | Included |
| For the use of the road reserve beyond the one month allowed by the miscellaneous wayleave application. This is for holders of an approved miscellaneous wayleave that has expired and has not been renewed.  |   |                               |                      |            |                               |          |
| <b>1.6 Tariff for unauthorised commencement of use of the road reserve</b>  | per month   | R 5 225.00                    | R 4 702.50           | R 705.38   | <b>R 5 407.88</b>             | Included |
| For the commencement of use of the road reserve (i.e. encroachment) without an approved wayleave or before Stellenbosch Municipality issues a wayleave  |   |                               |                      |            |                               |          |
| <b>1.7 Tariff for unauthorised use of the road reserve to install an underground service</b>  |   |                               |                      |            |                               |          |
| Where construction period was 10 working days or less (200% of admin & inspection fee under tariff 1.2)   | per application                                       | R 6 270.00                    | R 5 643.00           | R 846.45   | <b>R 6 489.45</b>             | Included |
| Where construction period was more than 10 working days (200% of admin & inspection fee under tariff 1.3)   | per application                                       | R 10 450.00                   | R 9 405.00           | R 1 410.75 | <b>R 10 815.75</b>            | Included |
| For the commencement of an installation of an underground service without an approved wayleave or before Stellenbosch Municipality issues a wayleave.<br>Includes a 100% surcharge which applies regardless of whether Stellenbosch Municipality issues a wayleave.   |   |                               |                      |            |                               |          |

|  |   |             |            |            |                    |          |
|--|---|-------------|------------|------------|--------------------|----------|
| <p><b>1.8 Tariff for unauthorised trenching across a municipal roadway (per metre of trenching) (200% of tariff 1.6)</b></p> <p>For commencement of a roadway trench without written authorisation or before the Municipality issues written authorisation for the roadway trench. Includes a 100% surcharge.<br/>The surcharge applies regardless of whether the Municipality issues a written</p>  | Per m measured from 0.5m behind the kerb or road edge | R 10 450.00 | R 9 405.00 | R 1 410.75 | <b>R 10 815.75</b> | Included |
| <p><b>1.9 Tariff for unauthorised after-hours use of the road reserve for the installation of an underground service</b></p> <p>For the commencement of use of the road reserve to install an underground service outside of business hours. Work performed under an approved wayleave can only be performed in regular working hours (Mondays – Thursdays 08:00-17:00 and Fridays 08:00-15h00). Working after hours, on public holidays or the weekend is not permitted.</p>  | per occasion  | R 5 225.00  | R 4 702.50 | R 705.38   | <b>R 5 407.88</b>  | Included |
| <p><b>1.10 Tariff for excavations being left open for longer than ten working days</b></p> <p>On completion of the Work, all trenches and excavations in the public road reserves must be backfilled and reinstated as soon as possible in accordance with the technical specifications. Failure to do so represents an unacceptable safety hazard.</p>  | per occasion  | R 5 225.00  | R 4 702.50 | R 705.38   | <b>R 5 407.88</b>  | Included |
| <p><b>1.11 Tariff for unauthorised site abandonment for a period exceeding 14 days</b></p> <p>The wayleave holder may not leave the site for more than fourteen days without permanently reinstating the site.</p>   | per occasion  | R 5 225.00  | R 4 702.50 | R 705.38   | <b>R 5 407.88</b>  | Included |
| <p><b>1.12 Tariff for not cleaning or reinstating the road reserve within 14 days of completion</b></p> <p>The construction site's cleaning up, and the reinstatement to its previous condition is considered part of the Work. It must be completed within 14 days after the construction work has been completed.</p>  | per occasion  | R 5 225.00  | R 4 702.50 | R 705.38   | <b>R 5 407.88</b>  | Included |
| <b>WAYLEAVE ADMINISTRATION REFUNDABLE DEPOSITS</b>   |   |             |            |            |                    |          |
| <p><b>2.1 Services Deposit</b></p> <p>A services deposit is required where there is a risk of damage to municipal services. It is determined by the service co-ordinator and is based on the replacement value of the services in close proximity to the Works e.g.<br/>Cost of cable repairs: LV – R 40 000, MV – R 240,000, HV – R 1,250,000, 66 KV R – R 2,500,000, etc.<br/>This deposit is paid into the recoverable cost account of Stellenbosch Municipality. After completion, damages will be assessed, the site will be inspected, and all additional costs will be communicated to the applicant.<br/>Stellenbosch Municipality will refund the balance of the deposit once all works are complete, and upon final inspection where the Municipality's engineers are satisfied that the reinstatement meets the Municipality's standard and requirements.</p> | per application                                       |             |            |            |                    |          |
| <p><b>2.2 Bank Guarantee / Appropriate Business Insurance</b></p> <p>Another acceptable form of partial deposit is a bank guarantee as surety in favour of Stellenbosch Municipality or appropriate business insurance.<br/>NB: The first R25,000 of the Services Deposit must be paid into the recoverable cost account of Stellenbosch Municipality. A Bank Guarantee or appropriate business insurance can cover the balance of the required Services Deposit.</p>  | per application                                       |             |            |            |                    |          |
| <b>WAYLEAVE ADMINISTRATION TARIFF NOTES</b>  |   |             |            |            |                    |          |
| <p>3.1 Unless the context indicates otherwise, 'road reserve' includes a roadway, sidewalk, footway and verge.<br/>3.2 Suppose Stellenbosch Municipality incurs any costs resulting from Work in or use of the road reserve including remedying substandard or non-compliant reinstatement repairing damage, 3rd party claims, or cleaning of the site. In that case, the actual costs will be offset against the deposit (plus 10% administration fee, including VAT). The Municipality will refund the balance if any.<br/>3.3 All internal Departments or State Funded Projects (National or Provincial), where Stellenbosch Municipality will take over the infrastructure, will be exempted from paying the Administrative Fee, Refundable Deposits Non-Refundable Payments and/or Penalties.<br/>3.4 No micro trenching is allowed in the WC024.</p>               |   |             |            |            |                    |          |





**SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023**  
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**DIREKTORAAT: BEPLANNING EN ONTWIKKELING DIENSTE**  
**DIRECTORATE: PLANNING AND DEVELOPMENT SERVICES**

To be read in conjunction with the Business Rules.

| SERVICES RENDERED  | UNIT                                   | REMARKS   | Tariff 2021/22<br>(Incl. VAT)                   | Excl. VAT<br>2022/23                            | VAT 15%    | Tariff 2022/23<br>(Incl. VAT)                          |
|--|--|---|---|---|------------|--|
| <b>LAND USE MANAGEMENT FEES</b>  |  |   |   |   |            |  |
| <b>REZONING &amp; DETERMINATION OF A ZONING</b>  |  |   |   |   |            |  |
| Rezoning, inclusive of a determination of a zoning   | Per application per property           |   | R 10 000.00                                     | R 8 695.65                                      | R 1 304.35 | <b>R 10 000.00</b>                                     |
| <b>PERMANENT DEPARTURE</b>   |  |   |   |   |            |  |
| Departure applications including but not limited to building lines, coverage, height, bulk, parking.   | Per application per property           | Per Property. All indigent residents who are registered as such with the Municipality and with proof submitted together with application, as well as subsidised housing schemes property owners will be exempted from applicable fees.  | R 2 500.00                                      | R 2 173.91                                      | R 326.09   | <b>R 2 500.00</b>                                      |
| <b>TEMPORARY DEPARTURE &amp; PERMISSION IN TERMS OF THE ZONING SCHEME (ADDITIONAL USES &amp; TECHNICAL APPROVALS) &amp; PERMISSION IN TERMS OF CONDITION OF TITLE DEED &amp;</b>   |  |   |   |   |            |  |
| Submitted in urban and rural areas   | Per application per property           |   | R 2 500.00                                      | R 2 173.91                                      | R 326.09   | <b>R 2 500.00</b>                                      |
| House shops, Early Childhood Development Centres (ECD's), Home Day Care or Day Care Centres & Occasional Use of Land   | Per application per property (per use) |   | R 200.00  | R 173.91  | R 26.09    | <b>R 200.00</b>  |
| <b>SUBDIVISION &amp; CONSOLIDATION &amp; AMENDMENT OR CANCELLATION OF SUBDIVISION PLAN (GENERAL PLAN/DIAGRAM)</b>  |  |   |   |   |            |  |
| Subdivision, Consolidation, Amendment or Cancellation of an approved subdivision plan (or part thereof), including a general plan or diagram   | Per application                        |   | R 5 000.00                                      | R 4 347.83                                      | R 652.17   | <b>R 5 000.00</b>                                      |
| <b>EXEMPTION CERTIFICATES (SUBDIVISION/CONSOLIDATION) ADMINISTRATIVE FEE</b>   |  |   |   |   |            |  |
| Exemption certificates for Subdivision or Consolidation  | Per request                            |   | R 2 500.00                                      | R 869.57  | R 130.43   | <b>R 1 000.00</b>                                      |
| <b>REMOVAL, RELAXATION, SUSPENSION OR AMENDMENT OF RESTRICTIVE TITLE DEED CONDITIONS</b>   |  |   |   |   |            |  |
| Removal, relaxation, suspension or amendment   | Per application per property           |   | R 2 500.00                                      | R 2 173.91                                      | R 326.09   | <b>R 2 500.00</b>                                      |
| <b>AMENDMENT, DELETION OR IMPOSITION OF CONDITIONS IN RESPECT OF AN EXISTING APPROVAL</b>  |  |   |   |   |            |  |
| Amendment of conditions of approval (by the deletion, imposition or amendment of conditions)   | Per application                        | Per application   | R 5 000.00                                      | R 4 347.83                                      | R 652.17   | <b>R 5 000.00</b>                                      |
| <b>EXTENSION OF VALIDITY OF APPROVAL</b>   |  |   |   |   |            |  |
| Extension of validity period of an approval  | Per application                        | Per application   | 50% of current application fee inclusive of VAT | 50% of current application fee inclusive of VAT |            | <b>50% of current application fee inclusive of VAT</b> |
| <b>PERMISSION IN TERMS OF CONDITION OF APPROVAL/ ADMINISTRATIVE PERMISSIONS OR APPROVALS</b>   |  |   |   |   |            |  |
| All permissions required in terms of a condition of approval or administrative permission or approval inclusive of but not limited to: Site Development Plans; HOA Constitutions; Architectural / Design / Aesthetic Manuals or Guidelines, Landscaping Plans & Phasing Plans. | Per application                        | Per application. All permissions or approvals that is required and originates from a condition of an approval attached to an land use application granted by the municipality, will be exempted from this tariff. Any subsequent applications for the amendment to such permissions/ approvals on the initiative of the applicant will not be exempted. | R 2 500.00                                      | R 2 173.91                                      | R 326.09   | <b>R 2 500.00</b>                                      |
| <b>CLOSURE OF PUBLIC PLACE OR ROAD OR PART THEREOF</b>   |  |   |   |   |            |  |
| Closure of Public Place / Roads or Part thereof  | Per application                        | Per application   | R 5 000.00                                      | R 4 347.83                                      | R 652.17   | <b>R 5 000.00</b>                                      |
| <b>DISESTABLISHMENT OF HOME OWNERS ASSOCIATION</b>   |  |   |   |   |            |  |
| Disestablishment of HOA  | Per application                        | Per application   | R 2 500.00                                      | R 2 173.91                                      | R 326.09   | <b>R 2 500.00</b>                                      |
| <b>RECTIFY A FAILURE OF A HOME OWNERS ASSOCIATION TO MEET ITS OBLIGATIONS</b>  |  |   |   |   |            |  |
| Rectification  | Per application                        | Per application   | R 2 500.00                                      | R 2 173.91                                      | R 326.09   | <b>R 2 500.00</b>                                      |
| <b>PERMISSION FOR RECONSTRUCTION OF EXISTING BUILDING CONSTITUTING A NON-CONFORMING USE</b>  |  |   |   |   |            |  |
| Permission for reconstruction of existing building constituting a non-conforming use   | Per application                        | A permission required for the reconstruction of an existing building that constitutes a non-conforming use that is destroyed or damaged to the extent that it is necessary to demolish a substantial part of the building   | R 5 000.00                                      | R 4 347.83                                      | R 652.17   | <b>R 5 000.00</b>                                      |
| <b>NAMING AND NUMBERING OF STREETS AND PUBLIC PLACES/BUILDINGS</b>   |  |   |   |   |            |  |
| Naming and numbering of streets, Places and Buildings  | Per application                        | Per application   | R 2 500.00                                      | R 2 173.91                                      | R 326.09   | <b>R 2 500.00</b>                                      |
| Renaming of Streets, Places and Buildings  | Per application                        | Per application   | R 5 000.00                                      | R 4 347.83                                      | R 652.17   | <b>R 5 000.00</b>                                      |
| <b>ADVERTISING FEES</b>  |  |   |   |   |            |  |
| Advertisements in the press (All advertisements)<br>Local weekly newspaper (per placement)   | Basic per placement                    | This is a basic advertising fee. Should the actual costs be more, the applicant is liable for such extra costs upon receipt of a quote.   | R 14 500.00                                     | R 12 608.70                                     | R 1 891.30 | <b>R 14 500.00</b>                                     |
| Advertisements in the press (All other advertisements)<br>Daily newspaper (per placement)  | Per Quotation                          |   | Per Quotation                                   | Per Quotation                                   |            | <b>Per Quotation</b>                                   |
| Serving of notices   | For every 10 letters or part thereof   |   | R 800.00  | R 695.65  | R 104.35   | <b>R 800.00</b>  |
| <b>OTHER</b>   |  |   |   |   |            |  |
| Deviation from Council Policies & By-laws  | Per application per property           | Per application per property  | R 5 000.00                                      | R 4 347.83                                      | R 652.17   | <b>R 5 000.00</b>                                      |
| Appeals submitted by Applicant   | Administration cost per appeal         |   | R 2 500.00                                      | R 2 173.91                                      | R 326.09   | <b>R 2 500.00</b>                                      |
| Appeals submitted by parties other than the applicant  |  | Refundable if Appeal results in successful review of the decision on the grounds of the Appeal submitted.   | R 1 000.00                                      | R 869.57  | R 130.43   | <b>R 1 000.00</b>                                      |
| Intervener Status for all applicants   | Per application                        |   | R 5 000.00                                      | R 4 347.83                                      | R 652.17   | <b>R 5 000.00</b>                                      |
| Transfer Clearance   | Per transferable erf                   | Inclusive of POA and CRT  | R 500.00  | R 434.78  | R 65.22    | <b>R 500.00</b>  |
| Zoning Certificate   | Per erf                                | Provincial and national government will be exempted from application fees for state owned land.   | R 500.00  | R 434.78  | R 65.22    | <b>R 500.00</b>  |
| Business Licence   | Per application                        |   | R 30.00   | R 26.09   | R 3.91     | <b>R 30.00</b>   |

## STELLENBOSCH MUNICIPALITY

SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023  
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DIRECTORATE: PLANNING AND DEVELOPMENT SERVICES

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|--|--|--|---|---|---------|---|
| <b>CONTRAVENTION PENALTY</b>   |  |  |   |   |         |   |
| Contravention penalty is applied in accordance with a Council Policy, By-law and/or any such enabling planning legislation and associated provisions   | Per application<br>(refer to tariff rules 5.1- 5.4.12)   | <i>Formula for Contravention Penalty:<br/>((actual area/m<sup>2</sup> multiply by penalty rate A) + (indirect area /m<sup>2</sup> multiply by penalty rate B)) x (valuation/m<sup>2</sup>) = R/m<sup>2</sup><br/>The area of the construction activity (actual area per square meter x penalty rate A) and/or land area (indirect area per square meter x penalty rate B) that is unlawfully utilised in terms of the relevant zoning of the property) multiplied by (the municipal value per square meter (m<sup>2</sup>) of the land and/or building as stipulated in the current valuation roll of the municipality as on the date that is indicated on the contravention notice)</i> | ((actual area/m <sup>2</sup> multiply by penalty rate A) + (indirect area /m <sup>2</sup> multiply by penalty rate B)) x (valuation/m <sup>2</sup> ) = R/m <sup>2</sup> | (area/m <sup>2</sup> ) x (valuation/m <sup>2</sup> ) = R/m <sup>2</sup> |         | ((actual area/m <sup>2</sup> multiply by penalty rate A) + (indirect area /m <sup>2</sup> multiply by penalty rate B)) x (valuation/m <sup>2</sup> ) = R/m <sup>2</sup> |
| <b>PRINTING FEES : PHOTOCOPIES / COMPUTER PRINTS - Mono (back and white)</b>   |  |  |   |   |         |   |
| A4   | per copy   |  | R 5.00  | R 0.00  | R 0.00  | R 0.00  |
| A3   | per copy   |  | R 13.00   | R 0.00  | R 0.00  | R 0.00  |
| A2   | per copy   |  | R 60.00   | R 0.00  | R 0.00  | R 0.00  |
| A1   | per copy   |  | R 80.00   | R 0.00  | R 0.00  | R 0.00  |
| A0   | per copy   |  | R 95.00   | R 0.00  | R 0.00  | R 0.00  |
| <b>PRINTING FEES : PHOTOCOPIES / COMPUTER PRINTS - Colour line prints</b>  |  |  |   |   |         |   |
| A4   | per copy   |  | R 8.00  | R 0.00  | R 0.00  | R 0.00  |
| A3   | per copy   |  | R 14.00   | R 0.00  | R 0.00  | R 0.00  |
| A2   | per copy   |  | R 80.00   | R 0.00  | R 0.00  | R 0.00  |
| A1   | per copy   |  | R 100.00  | R 0.00  | R 0.00  | R 0.00  |
| A0   | per copy   |  | R 180.00  | R 0.00  | R 0.00  | R 0.00  |
| <b>PRINTING FEES : PHOTOCOPIES / COMPUTER PRINTS - Full colour prints (photo)</b>  |  |  |   |   |         |   |
| A4   | per copy   |  | R 9.00  | R 0.00  | R 0.00  | R 0.00  |
| A3   | per copy   |  | R 16.00   | R 0.00  | R 0.00  | R 0.00  |
| A2   | per copy   |  | R 180.00  | R 0.00  | R 0.00  | R 0.00  |
| A1   | per copy   |  | R 230.00  | R 0.00  | R 0.00  | R 0.00  |
| A0   | per copy   |  | R 400.00  | R 0.00  | R 0.00  | R 0.00  |
| Electronic information   | per document   |  | R 110.00  | R 0.00  | R 0.00  | R 0.00  |
| <b>HERITAGE RESOURCE MANAGEMENT FEES</b>   |  |  |   |   |         |   |
| <b>ADVISORY COMMITTEE SCRUTINY FEE</b>   |  |  |   |   |         |   |
|  | Minor alterations to existing buildings and/or demolitions < 500m <sup>2</sup>                     | Building plans for buildings older than 60 years or situated in the historical core Per Application  | R 1 000.00  | R 0.00  | R 0.00  | R 0.00  |
|  | Major alterations to existing buildings and or demolitions >500m <sup>2</sup> and new developments | Building plans for buildings older than 60 years or situated in the historical core Per Application  | R 1 500.00  | R 0.00  | R 0.00  | R 0.00  |
| <b>SPATIAL PLANNING FEES</b>   |  |  |   |   |         |   |
| <b>COMPLEXITY FEES</b>   |  |  |   |   |         |   |
| All Impact Assessments   |  | Per study/assessment   | R 4 300.00  | R 0.00  | R 0.00  | R 0.00  |
| <b>APPLICATION FOR SIGNAGE (ALL ADVERTISING SIGNS ARE SUBJECT TO ADVERTISING AND SIGNAGE BY-LAW AS WELL AS FORMAL BUILDING PLAN APPROVAL)</b>  |  |  |   |   |         |   |
| Signs < 1m <sup>2</sup> (minimum fee)  | per sign   |  | R 430.00  | R 0.00  | R 0.00  | R 0.00  |
| Signs > 1m <sup>2</sup> minimum fee plus additional fee/additional m <sup>2</sup>  | minimum fee plus an additional fee per additional m <sup>2</sup>                                   |  | R 1 100.00  | R 0.00  | R 0.00  | R 0.00  |
| Flag (<5 flags) (minimum fee)  | Up to 5 Flags  | All Advertising signs are subject to Outdoor Advertising Policy  | R 1 100.00  | R 0.00  | R 0.00  | R 0.00  |
| Flag (>5 Flags)  | More than 5 Flags  | Minimum flag fee (R1 100.00) plus an additional fee per flag   | R 150.00  | R 0.00  | R 0.00  | R 0.00  |
| <b>BUILDING DEVELOPMENT FEES</b>   |  |  |   |   |         |   |
| <b>ALL BUILDING PLAN FEES</b> ■ Plan valid for 12 months   |  |  |   |   |         |   |
| <b>ALTERNATIVE BUILDING PLAN FEE APPLICABLE TO ALL CATEGORIES OF STANDARD BUILDING PLAN FEES</b>   |  |  |   |   |         |   |
| Applied to all building plan applications where building works has commenced without prior building plan approval or written provisional authorisations to commence with building works prior to building plan approval. | Per Building Plan Application  | Per Building Plan Application: This tariff will be exempted if the current registered owner can demonstrate with documentary proof that he/ she acquired the property with the illegal building works and was consequently not personally responsible for such illegal building works.   | 4x the applicable standard building plan fee for application  |   |         | 4x the applicable standard building plan fee for application  |
| <b>MINOR BUILDING WORKS (NATIONAL BUILDING REGULATIONS)</b>  |  |  |   |   |         |   |
| Minor building works - Residential   |  | Exemptions as per relevant Tariff Rules  | R 550.00  | R 504.35  | R 75.65 | R 580.00  |
| Minor building works - Other than residential  |  | Exemptions as per relevant Tariff Rules  | R 720.00  | R 660.87  | R 99.13 | R 760.00  |
| <b>CATEGORIES</b>  |  |  |   |   |         |   |
| <b>SINGLE RESIDENTIAL BUILDINGS</b>  |  |  |   |   |         |   |
| 0 - 25m <sup>2</sup>   |  | Includes Double Dwellings, Second Dwellings and Outbuildings and Additions thereto.  | R 550.00  | R 504.35  | R 75.65 | R 580.00  |
| > 25m <sup>2</sup>   |  |  | R 32.00   | R 26,09/m <sup>2</sup>  | R 4.43  | R 34.00   |
| <b>OTHER RESIDENTIAL</b>   |  |  |   |   |         |   |
| 0 - 25m <sup>2</sup>   | Block of flats, Townhouses, Group housing, Single Title  |  | R 720.00  | R 660.87  | R 99.13 | R 760.00  |
| >25m <sup>2</sup>  | Minimum fee  | Calculate the total m <sup>2</sup> with the appropriate tariff   | R 39.00   | R 33.04/m <sup>2</sup>  | R 5.35  | R 41.00   |
| <b>NON RESIDENTIAL</b>   |  |  |   |   |         |   |
| <b>NON RESIDENTIAL: COMMERCIAL</b>   |  |  |   |   |         |   |
| 0 - 25m <sup>2</sup>   | Includes shops, offices, service stations, hotels  |  | R 720.00  | R 660.87  | R 99.13 | R 760.00  |
| >25m <sup>2</sup>  | Minimum fee  | Calculate the total m <sup>2</sup> with the appropriate tariff   | R 42.00   | R 33.04/m <sup>2</sup>  | R 5.74  | R 44.00   |
| <b>NON RESIDENTIAL: OTHER</b>  |  |  |   |   |         |   |
|  | Schools, Churches, Place of Education (i.e. Daycares, technikons etc.)                             |  |   |   |         |   |

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|---|------------------|--|-------------------------------|-------------------------|-------------------------|--------------------------------|
| 0 - 25m <sup>2</sup>  | Minimum fee      |  | R 720.00                      | R 660.87                | R 99.13                 | <b>R 760.00</b>                |
| >25m <sup>2</sup>   | R/m <sup>2</sup> | Calculate the total m <sup>2</sup> with the appropriate tariff   | R 32.00                       | R 25.22/m <sup>2</sup>  | R 4.43                  | <b>R 34.00</b>                 |
| <b>NON RESIDENTIAL: INDUSTRIAL</b>  |                  |  |                               |                         |                         |                                |
| Includes Factories, Warehouses, Offices in Industrial Areas   |                  |  |                               |                         |                         |                                |
| 0 - 25m <sup>2</sup>  | Minimum fee      |  | R 720.00                      | R 660.87                | R 99.13                 | <b>R 760.00</b>                |
| >25m <sup>2</sup>   | R/m <sup>2</sup> | Calculate the total m <sup>2</sup> with the appropriate tariff   | R 32.00                       | R 25.22/m <sup>2</sup>  | R 4.43                  | <b>R 34.00</b>                 |
| <b>NON RESIDENTIAL: RURAL BUILDINGS</b>   |                  |  |                               |                         |                         |                                |
| Limited to bona-fide agriculture structures. All residential or other uses to be rated at the applicable tariff category. |                  |  |                               |                         |                         |                                |
| 0 - 75m <sup>2</sup>  | Minimum fee      |  | R 720.00                      | R 660.87                | R 99.13                 | <b>R 760.00</b>                |
| > 75m <sup>2</sup>  | R/m <sup>2</sup> | Calculate the total m <sup>2</sup> with the appropriate tariff   | 16.00                         | R 11.30/m <sup>2</sup>  | R 2.22                  | <b>17.00</b>                   |
| <b>INTERNAL ALTERATIONS -- ALL CATEGORIES</b>   |                  |  |                               |                         |                         |                                |
|   |                  | To be calculated as estimated value of alteration (Qs/Architect Estimate) X 0.008  | Estimated value x 0.008       | Estimated value x 0.008 | Estimated value x 0.008 | <b>Estimated value x 0.008</b> |
| <b>SKETCH PLAN FEE</b>  |                  |  |                               |                         |                         |                                |
| Single Residential  | Per application  | Fee not deductible from final plan fee.  | R 720.00                      | R 660.87                | R 99.13                 | <b>R 760.00</b>                |
| All other categories  | Per application  | Fee not deductible from final plan fee.  | R 720.00                      | R 660.87                | R 99.13                 | <b>R 760.00</b>                |
| <b>INSTALLATIONS</b>  |                  |  |                               |                         |                         |                                |
| <b>MAJOR HAZARD INSTALLATIONS</b>   | Per application  | As prescribed by Building Development  | R 720.00                      | R 660.87                | R 99.13                 | <b>R 760.00</b>                |
| <b>LPG INSTALLATIONS (ALL INSTALLATIONS)</b>  | Per application  | As prescribed by Building Development  | R 720.00                      | R 660.87                | R 99.13                 | <b>R 760.00</b>                |
| <b>MASTS</b>  |                  |  |                               |                         |                         |                                |
| Greenfield  | Per application  |  | R 1 000.00                    | R 913.04                | R 136.96                | <b>R 1 050.00</b>              |
| Roof Top  | Per application  |  | R 1 000.00                    | R 913.04                | R 136.96                | <b>R 1 050.00</b>              |
| Sports fields   | Per application  |  | R 1 000.00                    | R 913.04                | R 136.96                | <b>R 1 050.00</b>              |
| <b>OTHER</b>  |                  |  |                               |                         |                         |                                |
| <b>PROVISIONAL AUTHORISATION</b>  | Per application  | Application for provisional authorisation to commence work before approval has been granted in terms of Section 7(1) of the Act. Applications to be in writing. Conditions apply. Not Refundable   | R 800.00                      | R 730.43                | R 109.57                | <b>R 840.00</b>                |
| <b>EXTENSION OF VALIDITY</b>  | Per application  | For consideration of extending plan validity. Extensions must be applied for prior to lapse date of the plan.  | R 720.00                      | R 660.87                | R 99.13                 | <b>R 760.00</b>                |
| <b>REQUEST : OCCUPANCY CERTIFICATE AFTER OCCUPANCY OF COMPLETED BUILDING</b>  |                  | Where an application is received for the issuing of an occupancy certificate for an existing building where such certificate was not issued on completion of building work and prior to occupancy. No tariff for occupancy certificate prior to occupancy of the completed building. | R 1 500.00                    | R 1 369.57              | R 205.43                | <b>R 1 575.00</b>              |
| <b>SECTIONAL TITLE PRIOR TO 1964 SCRUTINY FEE</b>   | Per unit         | For the consideration of plans for existing structures pre 1964 for Sectional Title purposes   | R 720.00                      | R 660.87                | R 99.13                 | <b>R 760.00</b>                |
| <b>SPECIAL EVENTS: TEMPORARY GRANDSTAND, EXHIBITIONS AND TENTS</b>  | Per application  | One application per event. Maximum period of validity: 7 days.   | R 720.00                      | R 660.87                | R 99.13                 | <b>R 760.00</b>                |
| <b>DEMOLITIONS (ALL APPLICATIONS)</b>   | Per application  |  | R 720.00                      | R 660.87                | R 99.13                 | <b>R 760.00</b>                |

**TARIFF RULES**  
**BUILDING DEVELOPMENT MANAGEMENT TARIFF STRUCTURE FOR 2022/2023**

**1. EFFECTIVE DATE**

- 1.1 Fees are effective from 1 July 2021.
- 1.1. These tariffs replace all previous tariffs charged by the Building Development Management branch of Council.

**2. METHOD OF PAYMENT**

- 2.1 Fees can be paid in cash or electronically.

**3. TIME OF PAYMENT**

- 3.1 Fees are due on submission of the building plan application.
- 3.2 Building plan applications will only be deemed to have been submitted and no processing of applications will commence until receipt of payment of the fee/s is verified by finance.

**4. PROOF OF PAYMENT**

- 4.1 A receipt must be issued to the applicant for all fees received. A copy of the receipt must be attached to the application.

**5. REFUNDS**

- 5.1 All fees payable is set fees and are not deposits.
- 5.2 Applications are valid for 12 months from date of payment and building plan fees on lapsed plans are not refundable.

**6. SUBJECT TO CHANGE**

- 6.1 All fees and business rules are subject to change.
- 6.2 The fees applicable at the time of submission of the application are payable.

**7. EXEMPTIONS**

- 7.1 The following applications are exempt from the payment of scrutiny fees:
- Applications from Central or Provincial Government for work funded by the Government and for use by Government Departments. Building plan applications must however still be submitted and approved prior to commencement of any building works.
  - Building Plans for all buildings and structures erected for and by the Local Authority. Building plan applications must however still be submitted and approved prior to commencement of any building works.
  - All applications required to address / give effect to successful resettlement claims in terms of the Restitution of Land Rights Act, as well as in cases where land has been allocated to a successful claimant, such claimant is allowed to submit only one application (building plan), for residential development only, which application(s) will be exempted from building plan fees as per normal fees.

- Applications from Orphanages and Homes for the Aged registered under the **National Welfare Act 79 of 1965 (As amended)**, as well as any welfare institutions in the discretion of the Director. Building plan applications must however still be submitted and approved prior to commencement of any building works.
- The Director: Planning & Economic Development may grant or refuse applications for the exemption of some or all the applicable Building Development application fees of a particular application which are necessitated due to changes to developments made at the request of the Spatial Development Planning department of the Stellenbosch Municipality in the interests of environmental or heritage conservation.
- In cases where a successful land claimant submits a building plan for a purely non-residential development (which does not include any residential development) on land so obtained, such non-residential application is subject to all the fees applicable to any other similar application which was not obtained by way of the Restitution of Land Rights Act.
- If a successful land claimant submits a building plan for a mixed use development (which includes non-residential development) on land so obtained, such non-residential building plan gets charged the normal fees as specific for such application as if the non-residential part of the application is a separate application from the residential part of the development.

## 8. OTHER FEES

- 8.1 Requests for information: if information is specifically requested in terms of the “Access of Information Act,” the relevant fees as prescribed in terms of that Act apply.
- 8.2 Printing fees:
- a) Printing fees are charged per page according to size in accordance with the applicable tariffs. Copies will only be made in the sizes that are available at a particular office.

## 9. APPLICATION OF THE TARIFFS

- 9.1 Minor Building Work: As defined in the Building Regulations:  
Each item charged for separately even if part of a full plan submission.
- Aviary
  - Solid fuel store not exceeding 10m<sup>2</sup> in area and 2 m in height
  - Tool shed not exceeding 10m<sup>2</sup> in area
  - Child’s playhouse not exceeding 5m<sup>2</sup> in area
  - Cycle shed not exceeding 5m<sup>2</sup> in area
  - Greenhouse not exceeding 15m<sup>2</sup> in area
  - Open sided car, caravan or boat shelter or a carport where such shelter or carport does not exceed 40m<sup>2</sup> in area
  - Any pergola
  - Private swimming pool
  - Change room, not exceeding 10m<sup>2</sup> in area, at a private swimming pool
  - Lapa’s and gazebos (with any type of roof covering) under 40m<sup>2</sup> in area
  - Any free-standing wall

- Reconstruction of fire and natural disaster damaged buildings at applicable rate as per single/other/non-residential categories
- Any other structure, not being a Minor Building Work as per definition, are charge per meter square of the applicable category

9.2 Applications for Alterations and Additions: Plans will be assessed as follows:

- Additions: assessed on the area (square metres) per category
- Alterations: assessed on the QS/Architect estimated value and calculated at 0.008% of the value

9.3 Applications for Provisional Authorisation to Commence with the erection of a Building:

Applications for provisional authorisation to proceed with the erection of a building prior to final building plan approval will be considered on condition that:

- The application has been formally submitted (the full scrutiny fees paid) and the plans have been circulated to the applicable service branches.
- The application for provisional authority is in writing and is fully motivated.
- The prescribed provisional authorisation fee is paid. This fee is not refundable.
- The application is for specific items of work clearly defined on the working drawings accompanying the building plan submission.
- The architectural area of the building under consideration (as defined in Section 1 of Act 103 of 1977) is greater than 500 square metres.
- Full Planning (Zoning) approval has been obtained or is otherwise in compliance with all applicable zoning provisions.
- The property must be not encumbered by private restrictive title deed conditions.
- Provisional authorisation may be subject to applicable conditions and may include to limit the extent to which the subject building works may be implemented under such provisional authorisation prior to final approval of the building plan application.
- Any work done prior to the approval the building plans is entirely at the applicant's risk and should the plans require amendments or should the application be refused for any reason the work already completed will have to altered or removed as the case may be at the applicant's expense.

These business rules must be read in conjunction with the "BUILDING DEVELOPMENT FEES TARIFF STRUCTURE FOR 2022/2023".

**TARIFF RULES**  
**LAND USE MANAGEMENT & SPATIAL PLANNING, HERITAGE AND ENVIRONMENT**  
**TARIFF STRUCTURE FOR 202~~2~~4/202~~2~~3**

## **1 GENERAL**

### **Period applicable**

- 1.1 Fees effective from 1 July 202~~4~~2.
- 1.2 The fees replace all previous fees charged by Council.

### **Method of payment**

- 1.3 Fees can be paid in cash or electronically.

### **Time of payment**

- 1.5 Applicants must pay the fee/s when an invoice for the submitted application/s is/are presented for payment, except in the case of Impact statements and assessments, which become payable when the need for such an Impact statement / assessment becomes known to Council. The applicant must then be notified in writing of further payments and processing of the application may then only commence once payment is made which must be clearly stipulated in the notification.
- 1.6 An application will only be deemed valid and the processing thereof will only commence once receipt of payment for the application is verified by Finance.
- 1.7 All application fees are payable in the case of multiple applications.

### **Proof of payment**

- 1.8 A receipt must be issued to the applicant for all fees received. A copy of the receipt must be filed on the relevant file.

### **Refunds**

- 1.9 All fees payable are set fees and not deposits.
- 1.10 In the case of the withdrawal of applications, refunds will be paid as follows:
  - a) Before advertising [or circulation](#) takes place (in the case where the municipality undertakes the advertising) – the full advertising component/fee and 50% of the total of all the other application fees is refunded.
  - b) After advertising has taken place – no refund.
- 1.11 If an exemption or reduction of fees is granted in terms of the provisions of subsection 10, refunds will be given as per the decision.

### **Subject to change**

- 1.12 All fees and business rules are subject to change.
- 1.13 The specific fee applicable at the time when the application is accepted by Council, is payable

## LAND USE MANAGEMENT

### 2 APPLICATION FEES

#### Description

- 2.1 Application fees are the minimum fee payable for submitted applications.
- 2.2 All fees are payable per item applied for (each consent, departure, rezoning, etc, charged separately) per property in line with the Stellenbosch Land Use Planning By-law (2015), where applicable. Unless application is simultaneously made for the consolidation or subdivision of more than one property, which is directly adjacent, cadastrally bounded to each other, owned by the same property owner and submitted as one application for consideration. Only one application fee will be applicable for all erven included in the application.

#### Rezoning & Determination of a zoning

- 2.3 Rezoning fee is payable per application.
- 2.3.1 Determination of a zoning is payable per application.

#### Permanent Departure fee

- 2.4 The departure fee must be charged per application per property (i.e. if a building departs from the street and lateral building lines, coverage as well as from height, then the applicable fee must be charged as a single fee per property). In the case of ~~residential erven 250m<sup>2</sup> or less for~~ registered indigent owners, as well as subsidised housing schemes, no departure fee at all would be payable.

#### Temporary Departure, Permission in terms of the Zoning Scheme (Additional Uses/ ~~Consent Uses/~~ Technical Approvals), Permission in terms of condition in the Title Deed, Occasional Use of Land, Consent in terms of the Zoning Scheme

- 2.5 Temporary departure, Permissions, Occasional use of land, Consent uses and Technical approvals, etc. are charged separately per application per property in addition to any departures (regulations) applied for.
- 2.5.1 A separate fee is applicable in respect of applications for temporary departure, consent use or special development in order to establish a house shop and/or early childhood development centres (ECD's) / home day care centres or day care centre and all Occasional use of Land applications.

#### Subdivision & Consolidation ~~&~~ Amendment or Cancellation of subdivision plan (inclusive of general plan/diagram)

- 2.6 Application fee is payable per application submitted.

#### Exemption Certificates (subdivision/consolidation)

- 2.7 This fee is payable for subdivisions/consolidations which are exempted in terms of the applicable legislation. This fee is payable per application submitted.

#### Removal, Relaxation, Suspension and Amendment of Restrictive Title Deed conditions

- 2.8 This fee is payable per application per property submitted.



**Amendment, ~~Deletion~~ or Imposition of conditions in respect of an existing approval**

- 2.9 This fee is payable per application submitted.

**Extension of validity period of approval**

- 2.10 Fees should be paid as depicted on the tariff schedule. For all applications for extension the fee will be 50% of the current application fee, for the financial year in which the application for extension is submitted, inclusive of VAT.

**Permission in terms of condition of approval or Administrative permission or approval inclusive of but not limited to: Site Development Plans; HOA Constitutions; Architectural / Design / Aesthetic Manuals or Guidelines, Landscaping Plans & Phasing Plans.**

- 2.11 This fee is payable per application submitted. All permissions or approvals that is required and originates from a condition of an approval attached to a land use application granted by the municipality, will be exempted from this tariff. Any subsequent applications for the amendment to such permissions/ approvals on the initiative of the applicant will not be exempted.

**Closure of Public Place / Roads or part thereof**

- 2.12 This fee is payable per application submitted.

**Disestablishment of Home-Owners Association**

- 2.13 This fee is payable per application.

**Rectify failure of a Home-Owners Association to meet its obligations**

- 2.14 This fee is payable per application.

**Permission for reconstruction of existing building constituting a non-conforming use**

- 2.15 Permission required for the reconstruction of an existing building that constitutes a non-conforming use that is destroyed or damaged to the extent that it is necessary to demolish a substantial part of the building. This fee is payable per application.

**Naming and numbering of Streets, Places and Buildings**

- 2.16 This fee is payable per application submitted.

**Renaming of Streets, Places and Buildings**

- 2.17 This fee is payable per application submitted.

**3 ADVERTISING FEES****Advertising framework**

- 3.1 Advertising: is required in terms of the relevant land use legislation.
- 3.2 Advertising will be done in accordance with the land use legislation and fees will be charged accordingly.

- 3.3 Advertising in the press and advertising which consists of the serving of notices to interested and affected parties are charged independently (with different fees being applicable). No 'serving of notice' fee is applicable when notifying the applicant of the outcome of an application or notifying any objectors of the right of appeal.

#### **Advertising in the press**

- 3.4 The fee for advertising in the press is applicable whenever press advertising is required in a local weekly newspaper or daily newspaper and/or Provincial Gazette. This fee is only payable when Council undertakes the advertising.
- 3.5 Advertising in the press is a basic advertising fee. Should the actual costs be more, the applicant is liable for such extra costs upon receipt of a quote.
- 3.6 Composite applications for the same property when advertised collectively in the press carry a single advertising fee.

#### **Serving of notices**

- 3.7 The fee for serving of notices is payable when Council conducts the serving of notices. This fee is not applicable when the applicant conducts the advertising.
- 3.8 The fee applicable for every 10 notices or part thereof to be served by Council is depicted in the schedule.
- 3.9 The 'serving of notices' fee is also applicable when notices are delivered by Council to interested and affected parties.

## **4 OTHER**

#### **Deviation from Council Policies and By-laws**

- 4.1 Deviation from Council Policies and By-laws are charged per application per property.

#### **Appeal**

- 4.2 Appeal fees are charged and are payable per appeal submitted in respect of any decision taken by Council.

#### **Intervener Status**

- 4.3 This fee is payable per application submitted.

#### **Transfer clearance**

- 4.4 Transfer clearance fees are payable per erf for which application is made for clearance in terms of the applicable land use legislation [and includes a Power of Attorney \(POA\) and a Certificate of Registered Title \(CRT\).](#)

#### **Zoning Certificate**

- 4.5 This fee is payable when a formal zoning certificate is issued. Payment of this fee is required in respect of each erf for which a zoning certificate is requested.

#### **Business Licence**

- 4.6 This fee is payable in respect of each application received for the issuing of a business licence.

## 5 CONTRAVENTION PENALTY

- 5.1 Contravention penalty is applied in accordance with a Council Policy, By-law and/or any such enabling planning legislation and associated provisions.
- 5.2 A contravention penalty as stipulated in terms of section 88 (1) (g) of the Stellenbosch Municipal Land Use Planning By-Law, dated 20 October 2015, is payable within 30 days after approval of the utilization of the land and/or construction activity.
- 5.3 The Contravention penalty is payable within 30 days from date of approval of the land use application that was submitted as a result of a contravention notice that was served.

- 5.4 If the property is to be transferred, the Municipality will only issue a certificate in terms of section 28 of the Stellenbosch Municipal Land Use Planning By-Law dated 20 October 2015, upon proof of payment of the contravention penalty.

- 5.5 No occupancy certificate for the building construction will be issued unless proof of the payment of the contravention penalty is submitted by the applicant.

- 5.6 Formula for Contravention Penalty: **((actual area/m<sup>2</sup> multiply by penalty rate A) + (indirect area /m<sup>2</sup> multiply by penalty rate B)) x (valuation/m<sup>2</sup>) = R/m<sup>2</sup>**

*The area of the construction activity (actual area per square meter x penalty rate A) and/or land area (indirect area per square meter x penalty rate B) that is unlawfully utilised in terms of the relevant zoning of the property) multiplied by (the municipal value per square meter (m<sup>2</sup>) of the land and/or building as stipulated in the current valuation roll of the municipality as on the date that is indicated on the contravention notice)*

### 5.7 **Definitions:-**

- 5.7.1 "Area" refers to the utilisation of the land and/or work on the land and/or construction activity on the land and/or any building on the land and/or structure on the land that is being utilised in a manner other than permitted in the zoning scheme without the prior approval of the municipality.
- 5.7.2 "Valuation" refers to the municipal valuation of any land and/or building as indicated in the current Municipal Valuation Roll.
- 5.7.3 "Date" refers to the date as indicated on the contravention notice.
- 5.7.4 "Property value" refers to the Value of property as reflected in the most recent municipal valuation roll.
- 5.7.5 "Valuation year" refers to the year of the last municipal valuation.
- 5.7.6 "Annual adjustment" refers to the Value adjustment (if any) on house price index or any other approved by the municipality.
- 5.7.7 "Size of property" refers to the area in square meters of the property as indicated on the title deed.
- 5.7.8 "Direct area of contravention" refers to the area in which the contravention occurs, e.g. rooms, floor area, coverage, and contravention measured in square meters.
- 5.7.9 "Indirect area of contravention" refers to the area complementary to the contravention, e.g. area used for parking, storage, outdoor activities or purposes.
- 5.7.10 "Penalty Rate A" refers to the rate at which penalty amount will be calculated on area of contravention as approved annually by Council.
- 5.7.11 "Penalty Rate B" refers to the rate at which penalty amount will be calculated on indirect area of contravention as approved annually by Council.

- 5.7.12 “Amount payable” refers to the total amount payable as a contravention penalty in terms of the relevant bylaw.

## **6 PRINTING FEES**

- 6.1 Printing fees are charged per page according to size and colour. The three types of copies/prints are mono (black & white), Colour line prints and Full Colour prints (photo). Copies will only be made in the sizes that are available at a particular office.
- 6.2 The fee charged for electronic information does not include the CD, which must be supplied by the applicant.
- 6.3 If information is specifically requested in terms of the Access of Information Act, the relevant fees as prescribed in terms of that Act applies.

## **SPATIAL PLANNING, HERITAGE AND ENVIRONMENT**

### **7 PLANNING ADVISORY COMMITTEE SCRUTINY FEE**

- 7.1 Planning Advisory Committee Scrutiny fees (Aesthetics Committee) are charged when a matter needs to be submitted to the Planning Advisory Committee (Heritage/Aesthetics Committee) for scrutiny, when buildings are older than 60 years or situated in the historical core. The fees are payable per application and are categorized as follows:
- 7.1.1 Minor alterations to existing buildings <500m<sup>2</sup>;
- 7.1.2 Major alterations to existing buildings >500m<sup>2</sup> and new developments.

### **8 COMPLEXITY FEES (ADDITIONAL FEES FOR HIGH IMPACT APPLICATIONS) AND AMENDMENT OF URBAN EDGES.**

#### **Description**

- 8.1 Additional fees are charged on top of the basic application fees when a Heritage Impact Assessment (HIA), Environmental Impact Assessment (EIA) and Traffic Impact Statement / Assessment (TIA/S) are required, since such applications are more complex and involve more work. The complexity fees are charged to cover additional expenses due to the processing of complex applications, resulting from the fact that such applications normally are more complicated to process and due to the fact that it requires input from specialised staff which would not normally be involved in the assessment of applications which doesn't require an impact statement/assessment. The EIA and HIA fees are charged up front like all other fees if the application requires assessment in terms of the NEMA and/or NHRA. If an EIA and/or HIA fee has been paid when the SPLUMA/LUPA/By-law application was submitted and it turns out in the end that it did not lead to a full EIA / HIA, the EIA/HIA fee is not refundable. Complexity fees are charged per assessment/study.

### **9 APPLICATION FOR SIGNAGE**

- 9.1 Application fees for signage (including flags) are paid in respect of each sign applied for. A minimum fee for signs smaller than 1m<sup>2</sup> is in place, but when signs are larger than 1m<sup>2</sup>, the minimum fee plus the enhancement fee will be payable for every additional m<sup>2</sup>.

**10 EXEMPTIONS**

- 10.1 All indigent residents which are registered as such with the Municipality and with proof submitted together with all applications for all permanent Departures will be exempted from the application fees applicable to permanent Departures.
- 10.2 All applications submitted by or on behalf of Council are exempt from all the application, advertising and other fees in the attached table. This exemption only applies to applications made by Council or where Council is the developer. All other government institutions must pay the normal fees.
- 10.3 [All applications for a zoning certificate from provincial or national government are exempted from the application fees applicable to zoning certificates for state owned land.](#)
- [10.4](#) Applications for the establishment of state, provincial and/or council subsidised housing schemes are exempt from all the application and other fees in the attached table. Advertising fees are payable in this regard. Application fees are, however, applicable in subsidised housing areas after the establishment of the areas has been completed; subject to the conditions in the establishment of any of the less formal townships.
- [10.45](#) All applications required to address / give effect to successful resettlement claims in terms of the Restitution of Land Rights Act, as well as in cases where land has been allocated to a successful claimant, such claimant is allowed to submit only one application, for residential development only (but including subdivision, removal of restrictions, etc, related to such residential development), which application(s) are exempt from all the application and other fees in the attached table. Advertising fees are payable in this regard. If a successful land claimant submits a mixed-use development application (which includes non-residential development) on land so obtained, such non-residential development gets charged the normal fees as specified for such application, including advertising and service of notice fees, as if the non-residential part of the application is a separate application from the residential part of the development. In cases where a successful land claimant submits a purely non-residential development application (which does not include any residential development) on land so obtained, such non-residential development application is subject to all the fees applicable to any other similar application which wasn't obtained by way of the Restitution of Land Rights Act/Rural Act 9.
- [10.56](#) The above fees, if not specifically exempted, also applies to applications in the BCDA areas where Council is the commenting authority.
- [10.67](#) The Director: Planning & Economic Development may grant or refuse applications for the exemption of some or all the applicable fees of particular applications which are necessitated due to changes to the developments made at the request of the Environmental Management Services in the interest of environmental or heritage conservation.

These business rules must be read in conjunction with the "LAND USE MANAGEMENT & SPATIAL PLANNING, HERITAGE AND ENVIRONMENT TARIFF STRUCTURE FOR 2020/2021".



# STELLENBOSCH

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## TARIFF STRUCTURE: PROPERTY MANAGEMENT: 2022/2023

|           | DESCRIPTION  | APPLICATION FEE | RENTAL/TARIFF  |
|-----------|--|-----------------|--|
| <b>1.</b> | <b>Lease Agreements (on encroachment basis)</b>  |                 |  |
| 1.1       | For commercial purposes, other than outdoor dining and parking purposes  | R2 500.00       | To be determined by an independent valuer: on an <i>ad hoc</i> basis |
| 1.2       | For commercial parking purposes*<br>(a) Stellenbosch CBD, Franschhoek CBD and Technopark<br>(b) Other Areas<br><br>*Up to 10 parking buys, thereafter 50% of the approved tariff | R1 200.00       | R310.00/parking bay/month<br><br>R210.00/parking bay/month           |
| 1.3       | For residential parking purposes*<br><br>*Up to 3 parking buys, thereafter 50% of the approved tariff  | R600.00         | R165.00/parking bay/month  |
| 1.4       | Tertiary Institutions, schools and pre-schools   | R1 200.00       | R100.00/parking bay/month  |
| 1.5       | For outdoor dining purposes*<br>(a) Stellenbosch CBD and Franschhoek CBD<br>(b) Other areas<br><br>*Up to 50m <sup>2</sup> , thereafter 50% of the approved tariff               | R1 200.00       | R110.00/m <sup>2</sup> /month<br><br>R45.00/m <sup>2</sup> /month    |
| 1.6       | For non – commercial purposes (such as garden purposes, gates, ect.)*<br><br>Up to 50m <sup>2</sup><br>51 m <sup>2</sup> to 100 m <sup>2</sup><br>More than 100 m <sup>2</sup>   | R600.00         | R65.00 per month<br><br>R90.00 per month<br><br>R160.00 per month    |

| DESCRIPTION   | APPLICATION FEE | RENTAL   |
|---|-----------------|--|
| 1.7 Projections and projecting structures   | R2 500.00       |  |
| (a) Onto street reserves/side walks   |                 | <b>Once of payment of:</b>   |
| Up to 50 m <sup>2</sup>   |                 | R450.00 per m <sup>2</sup>   |
| 51 m <sup>2</sup> to 100 m <sup>2</sup>   |                 | R400.00 per m <sup>2</sup>   |
| More than 100 m <sup>2</sup>  |                 | R350.00 per m <sup>2</sup>   |
| (b) Onto other council – owned property, where such projection has an impact on development value of council – owned property | R3 000.00       | To be determined by an independent valuer (should the estimated value be more than R100 000.00, then the weighed average of 2 independent valuations must be obtained) |
| 1.9 For temporary use of Council-owned property for construction work   |                 |  |
| (a) Stellenbosch CBD and Franschoek CBD & Technopark  | R3 000.00       |  |
| Up to 20 m <sup>2</sup>   |                 | R600.00 per month  |
| 20 m <sup>2</sup> - 100 m <sup>2</sup>  |                 | R1 200.00 per month  |
| 101 m <sup>2</sup> – 1000 m <sup>2</sup>  |                 | R6 000.00 per month  |
| More than 1000 m <sup>2</sup>   |                 | R12 000.00 per month   |
| (b) Other areas   | R 500.00        |  |
| Up to 20 m <sup>2</sup>   |                 | R300.00 per month  |
| 20 m <sup>2</sup> - 100 m <sup>2</sup>  |                 | R650.00 per month  |
| 101 m <sup>2</sup> – 1000 m <sup>2</sup>  |                 | R3 500.00 per month  |
| More than 1000 m <sup>2</sup>   |                 | R7 500.00 per month  |
| Deposit:  |                 | An amount to be determined by MPM in relation to the potential risk to infrastructure/improvement with a minimum amount of R2 000.00                                   |

**\*Please note:** Where a new owner of a property want to apply for a change in name, 20% of application fees will be payable

**2. Lease Agreements\***

|     |   |   |   |
|-----|---|---|---|
| 2.1 | Temporary use of Council-owned property to a maximum of 30 days | R600.00   |   |
|     | Daily tariff:   |   |   |
|     | a) Up to 100m <sup>2</sup>                                      |   | R225.00 per day   |
|     | b) Between 100m <sup>2</sup> and 1000m <sup>2</sup>             |   | R570.00 per day   |
|     | c) More than 1000m <sup>2</sup>                                 |   | R2 500.00 per day   |
|     | Deposit:  |   | To be determined by MPM, depending on the possible risk associated with the event.  |
| 2.2 | Short term lease agreements (up to 10 years)                    |   |   |
|     | (a) monthly rental not exceeding R2 000.00                      |   | To be determined by CFO   |
|     | (b) monthly rental not exceeding R5 000.00                      |   | To be determined by an independent valuer   |
|     | (c) monthly rental in excess of R5 000.00                       |   | To be determined by two independent valuers (weighed average)                       |
| 2.3 | Long term lease agreements (longer than 10 years)               |   |   |
|     | (a) monthly rental not exceeding R2 000.00                      |   | To be determined by CFO   |
|     | (b) monthly rental not exceeding R10 000.00                     |   | To be determined by an independent valuer   |
|     | (c) monthly rental in excess of R10 000.00                      |   | To be determined by two independent valuers (weighed average)                       |
| 2.4 | Long term lease agreements concluded before 2003 (pre-MFMA)     |   | To be determined by Council from time to time as per individual contract(s).        |
| 2.5 | Telecommunication structure                                     |   |   |
|     | - Application/Power of Attorney                                 | R2 000.00   |   |
|     | (a) Antennae only (on existing structure)                       |   | R7 000.00/pm  |
|     | (b) Site for mast and antennae                                  |   |   |
|     | -up to 100m <sup>2</sup>  |   | R7 500.00/month   |
|     | -more than 100m <sup>2</sup>                                    |   | R75.00/m <sup>2</sup> /month for each m <sup>2</sup> in excess of 100m <sup>2</sup> |
|     | (c) Mobile antenna  |   | R3500.00/pm   |
| 2.6 | Temporary use of vacant Council-owned buildings*                |   |   |
|     | *Not covered by approved tariff structure                       |   |   |
|     | To be considered by:  | MPM: To a maximum of 1 month<br>D:CS: To a maximum of 3 months<br>MM: To a maximum of 6 months<br>EM: To a maximum of 12 months |   |
|     |   |   | Per day: R12.00/m <sup>2</sup> /day   |



Tariff :

Per week: R10.00/m<sup>2</sup>/day  
Per month: R9.00/m<sup>2</sup>/day

NPO's and individuals, for non-commercial purposes

20% of approved tariff

**\* Please Note: -**

- All contracts with an annual contract value exceeding R1M: To be approved by Council, based on independent valuations being obtained.
- Non – profit organizations: 20% of fair market value

**3. Servitudes\***

|     |                |           |  |
|-----|----------------|-----------|--|
| 3.1 | In urban areas | R2 500.00 | Once-off payment of 80% of municipal valuation of land |
| 3.2 | In rural areas | R2 500.00 | Once-off payment of 60% of municipal land.             |

**\* Please note:**

Where estimated servitude value exceeds R100 000.00, the fair market value is to be determined by an independent valuer.  
Where estimated servitude value exceeds R1M, the fair market value is to be determined by two independent valuers (weighed average)

**4. Posters**

|     |   |  |                               |
|-----|---|--|-------------------------------|
| 4.1 | Political parties   |  | R5 000.00 (deposit)           |
|     | 85% of tariff refundable on removal of posters as per conditions. |  |                               |
| 4.2 | For Commercial purposes   |  |                               |
|     | (a) Up to 30 posters  |  | R50.00 per poster             |
|     | (b) Between 30 and 60 posters                                     |  | R60.00 per additional poster  |
|     | (c) Between 60 and 100 posters                                    |  | R80.00 per additional poster  |
|     | (d) More than 100 posters   |  | R100.00 per additional poster |
| 4.3 | Non-commercial purposes   |  |                               |
|     | (a) Up to 30 posters  |  | R20.00 per poster             |
|     | (b) Between 30 and 60 posters                                     |  | R30.00 per additional poster  |
|     | (c) Between 60 and 100 posters                                    |  | R40.00 per additional poster  |
|     | (d) More than 100 posters   |  | R50.00 per additional poster  |
| 4.4 | Wordfees: Individual artists                                      |  |                               |
|     | (a) Per poster (to a maximum of 20 posters)                       |  | R55.00                        |
| 4.5 | Local Theaters  |  |                               |
|     | (a) Up to 500 posters for a season                                |  | R4 000.00                     |
|     | (b) Up to 1000 posters for a season                               |  | R8 000.00                     |
|     | (c) More than to 1000 posters for a season                        |  | R12 000.00                    |

## 4.6 Newspapers

**Local**

- |                                      |  |
|--------------------------------------|--|
| a) Up to 1000 posters per annum:     | R3 000.00                                |
| b) Up to 2000 posters per annum:     | R5 000.00                                |
| c) More than 2000 posters per annum: | An additional amount of R7.50 per poster |

**Other**

- |                                      |  |
|--------------------------------------|--|
| a) Up to 1000 posters per annum:     | R5 000.00                                |
| b) Up to 2000 posters per annum:     | R8 000.00                                |
| c) More than 2000 posters per annum: | An additional amount of R8.00 per poster |

**\*Note:** The term posters include flags.

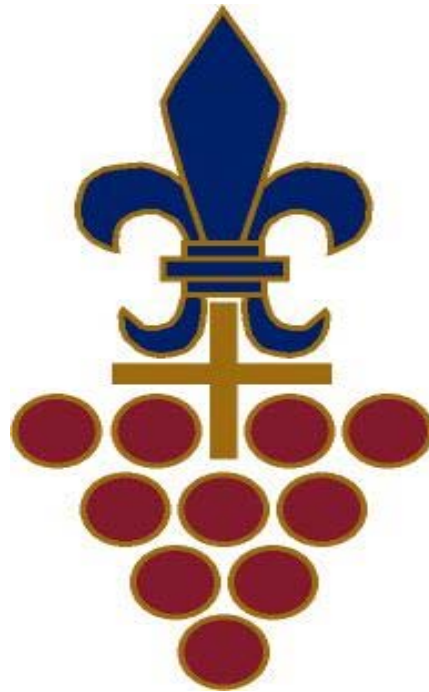
**Please note:-**

- a) Application fees listed in this tariff structure exclude professional fees such as legal fees, valuation fees, survey costs, publication of notices, etc. Where such costs are incurred, it is payable by the applicant, over and above the application fee as listed in this tariff structure.
- b) All fees include VAT

**Exemption**

The Municipal Manager may at his or her sole discretion, and after taking into consideration the merits of a specific application, exempt an applicant from paying the tariffs as set out above, or at a reduced rate.

**STELLENBOSCH MUNICIPALITY**



**SUMMARY OF POLICIES**

**2022/2023**



# STELLENBOSCH MUNICIPALITY

## SUMMARY OF POLICIES

| Policy/ By-law             | Summarized Nature of change  |
|----------------------------|--|
| Development Charges Policy | New Policy   |
| Rates Policy               | <p><b>2022/2023 Rates Policy Changes</b></p> <p><b>Introduction</b></p> <p>During the meetings of 26 + 27 January 2022 and 16 February to 01 March 2022 changes were applied to the Rates Policy and By-law as proposals for the 2022/2023 financial year.</p> <p>Various aspects of the 2021/2022 Rates Policy and By-law were modified to include changes that enhanced or fine-tuned the application of the current Policy and By-law.</p> <p>Specific changes that address the usage of Tariff Codes (Formulae Codes) for consistency of application of the valuation role and to ensure audit approval in terms of service monitoring were applied.</p> <p>The feedback as received from the Appeal Board pertaining to the agricultural category application has been addressed to ensure that such valuation complies with said requirements. Moreover, the use of residential purposes in typical rural areas have been modified to ensure consistency of application in terms of the proposed extent limitation of agricultural environments.</p> <p>Relative minor changes were applied to the Rates By-law inter alia to incorporate the requirements for the promulgation of the category tariffs.</p> <p>The list below demonstrates such changes and serves the purpose to highlight the changes.</p> <p><b>Minor Corrections and document layout improvements</b></p> <p>Various grammatical and language changes and layout improvements were applied to enhance the readability of the documents. The details of such may be traced via the "Track Changes" that has been activated in said documents.</p> <p><b>Substantial Changes</b></p> <ul style="list-style-type: none"> <li>• The "Bed &amp; Breakfast" and the "Guesthouse" definitions in paragraph 4 has been enhanced to ensure consistency of application and enhanced readability.</li> <li>• The "Residential purposes" definition has been enhanced without changing the impact of any relief measures.</li> <li>• The vacant definition has been modified such that immovable</li> </ul> |

| Policy/ By-law | Summarized Nature of change  |
|----------------|--|
|                | <p>improvements deemed to be incomplete as well as the occupancy status of the property will determine a vacant status.</p> <ul style="list-style-type: none"> <li>• The concept that Section 17(1)(h)(i) (the impermissible R15 000 valuation) would be applied to vacant properties for residential purposes was accepted to conform to Sections 8(3) and 19(1)(a) of the MPRA.</li> <li>• Paragraph 5.6 “Building Clauses” has been changed to fully constrain the use of such within the valuation system and to comply with Section 19(1)(d) of the MPRA.</li> <li>• Paragraph 7.1 “Vacant Properties” has been reworded to ensure application of the revised definition.</li> <li>• Paragraph 7.2 “Multiple use properties” has an added paragraph to ensure consistency of use of the sub- components of such properties.</li> <li>• Paragraph 7.4 “Public Service Infrastructure” has been modified to ensure conformance to Section 17(1)(a) and 17(1) (aA) of the MPRA.</li> <li>• Paragraph 7.5.1 “Agricultural Use” has been modified to conform with the Appeal Board’s decision regarding the changed categorisation, including items such as the dwelling used by the farmer and the legitimate farming processes of such property.</li> <li>• Paragraph 7.5.1 “Agricultural Use” a specific change that determines or deems properties to be agricultural only if the extent of the property exceeds 1 Hectar, has been applied.</li> <li>• Paragraph 7.6 “Municipal Properties” has been modified to highlight the intention of the Municipality to change the mechanism of calculation to Exemption by 1 July 2023 .</li> <li>• Paragraph 7.8 “Land Reform Beneficiary properties’ - minor changes for readability improvements.</li> <li>• Paragraph 7.9 “Adjoining properties” changed to set the procedures to follow when such properties are valued. Basically, the Formulae Codes to apply has been set.</li> <li>• Paragraph 8.2.1 has been modified to ensure clarity as to when certain relief measures (the reduction) would be applicable.</li> <li>• Paragraph 8.8 “non-Profit Organisation” was modified to clarify the “total revenue/income” of such organisations.</li> <li>•</li> </ul> |
| Rates By-law   | <p><b>2022/2023 Rates By-law Changes</b></p> <p><b>Minor Corrections and document layout improvements</b></p> <p>Various grammatical and language changes and layout improvements were applied to enhance the readability of the documents. The details of such may be traced via the “Track Changes” that has been activated in said documents.</p> <p>The Rates By-law has one significant change that obligates the Municipality to publish same in the <i>Provincial Gazette</i>.</p>  |

| Policy/ By-law  | Summarized Nature of change  |
|-----------------|--|
| Indigent Policy | <p data-bbox="472 222 889 254"><b>2022/2023 Indigent Policy Changes</b></p> <p data-bbox="472 289 618 317"><b>Introduction</b></p> <p data-bbox="472 321 1411 415">During the meetings of 26 + 27 January 2022 and 16 February to 01 March 2022 changes were applied to the Indigent Policy as proposals for the 2022/2023 financial year.</p> <p data-bbox="472 453 1411 611">Various aspects of the 2021/2022 Indigent Policy were modified to include changes that enhanced or fine-tuned the application of the current policy. An important emphasis of the change was the moving of the implicit definitions within the context of the policy into the definition's paragraph and the adding of selected definitions for clarity.</p> <p data-bbox="472 651 1411 709">The list below demonstrates such changes and serves the purpose to highlight the changes.</p> <p data-bbox="472 749 1127 777"><b>Minor Corrections and document layout improvements</b></p> <p data-bbox="472 781 1411 875">Various grammatical and language changes and layout improvements were applied to enhance the readability of the document. The details of such may be traced via the "Track Changes" that has been activated in said document.</p> <p data-bbox="472 942 724 970"><b>Substantial Changes</b></p> <ul data-bbox="532 1010 1411 1890" style="list-style-type: none"> <li data-bbox="532 1010 1411 1104">• The "Preamble" was enhanced by the reference to the mandate of Council regarding the Credit Control and Debt Collection policy and its provision for indigent debtors.</li> <li data-bbox="532 1115 1411 1209">• The definition of the term "Child-headed household" was enhanced for clarity but specifically to ensure alignment to the definition of a Child in the Constitution.</li> <li data-bbox="532 1220 1411 1314">• The definition of the term "Gross household income" was enhanced for clarity and to eliminate the administrative confusion as to the scope of such income.</li> <li data-bbox="532 1325 1411 1419">• The definition of the term "Household" was enhanced for clarity and to ensure the identification of constituent members of an indigent household.</li> <li data-bbox="532 1430 1411 1457">• Six new definitions were added to ensure the context of the policy.</li> <li data-bbox="532 1472 1411 1566">• A new paragraph 3(d) was added, and the others renumbered, to administratively scope the directive which allows for the classification of indigents.</li> <li data-bbox="532 1577 1411 1671">• A new paragraph 5.2(a) was added, and the others renumbered to set the criteria and individuals, such as <i>inter-alia</i> state officials, that are not eligible for indigent support.</li> <li data-bbox="532 1682 1411 1751">• The renumbered paragraph 5.2(b) was changed to ensure the right identification documentation must be presented.</li> <li data-bbox="532 1761 1411 1831">• The renumbered paragraph 5.2(e) was changed for compliance to the Child age definition.</li> <li data-bbox="532 1841 1411 1890">• Paragraph 5.5(a) - the implicit definition was moved to the definition paragraph.</li> </ul> |

| Policy/ By-law | Summarized Nature of change   |
|----------------|---|
|                | <ul style="list-style-type: none"> <li>• Paragraph 6(c) was enhanced by adding additional criteria that scopes the availability of funds for indigent support.</li> <li>• Paragraph 7(i) was changed to ensure that subsidies are only made available as from the date of approval of an indigent application. This will reduce the administrative overheads that was otherwise required.</li> <li>• Paragraph 9 was changed to ensure that the Municipality remains compliant with the POPI Act.</li> </ul>  |
| Tariff Policy  | <p><b>2022/2023 Tariff Policy Changes</b></p> <p><b>Introduction</b><br/>During the meetings of 26 + 27 January and 16 February to 01 March 2022 changes were applied to the Tariff</p> <p>Policy and By-law as proposals for the 2022/2023 financial year.</p> <p>Various aspects of the 2021/2022 Tariff Policy and By-law were modified to include changes that enhanced or fine-tuned the application of the current Policy and By-law.</p> <p>In broad relative minor changes were applied to the Tariff Policy.</p> <p>Changes were applied to the Tariff By-law inter alia to correct the paragraph headings such as paragraph 2 “Definitions “.</p> <p>The list below demonstrates such changes and serves the purpose to highlight the changes.</p> <p><b>Minor Corrections and document layout improvements</b><br/>Various grammatical and language changes and layout improvements were applied to enhance the readability of the documents. The details of such may be traced via the “Track Changes” that has been activated in said documents.</p> <p><b>Substantial Changes (Policy)</b></p> <ul style="list-style-type: none"> <li>• Paragraph 5.1(f) changed from explicit to implicit application of a single water tariff for selected organisations.</li> <li>• Paragraph 5.1(i) “[Water] Availability Fee” – changed from the explicit to implicit option and that the relevant director has the option to determine such.</li> <li>• Paragraph 5.2(i) “[Electricity] Availability Fee” – changed from the explicit to implicit option and that the relevant director has the option to determine such.</li> <li>• Paragraph 5.3(c) “[Solid Waste] Availability Fee” – changed from the explicit to implicit option and that the relevant director has the option to determine such.</li> <li>• Paragraph 5.4(d) “[Sewerage] Availability Fee” – changed from the explicit to implicit option and that the relevant director has the option to determine such.</li> <li>• Paragraph 6.2 was corrected such that the superfluous reference to</li> </ul> |

| Policy/ By-law                            | Summarized Nature of change  |
|---|--|
|   | "service changes" within the context of the Rates Policy was removed.  |
| Tariff By-law                             | <p><b>2022/2023 Tariff By-law Changes</b></p> <p><b>Substantial Changes (By-law)</b></p> <ul style="list-style-type: none"> <li>• The title headings for paragraphs 2 and 3 being "DEFINITIONS" and "OBJECTIVES" respectively were corrected.</li> <li>• Paragraphs 5 and 6 were changed to correct the reference to the Credit Control and Debt Collection By- law instead of the erroneous reference to "policy". Ditto as to Tariff By-law.</li> </ul>  |
| Credit Control and Debt Collection Policy | <p><b>2022/2023 Credit Control and Debt Collection Policy Changes</b></p> <p><b>Introduction</b></p> <p>During the meetings of 26 + 27 January, 16 to 18 February, 28 February and 1 March 2022 changes were applied to the Credit Control and Debt Collection Policy and By-law as proposals for the 2022/2023 financial year.</p> <p>Various aspects of the 2021/2022 Credit Control and Debt Collection Policy and By-law were modified to include changes that enhanced or fine-tuned the application of the current Policy and By-law.</p> <p>In broad relative minor changes were applied to the Credit Control and Debt Collection Policy.</p> <p>Changes were applied to the Credit Control and Debt Collection By-law inter alia to revisit the By-law since its publication in 2011 and to ensure/incorporate the impact of the latest Electricity Supply and the Water Services By-laws. The title of the By-law was changed to "Credit Control and Debt Collection ", instead of "Credit Control and Debt Recovery ".</p> <p>The list below demonstrates such changes and serves the purpose to highlight the changes.</p> <p><b>Minor Corrections and document layout improvements</b></p> <p>Various grammatical and language changes and layout improvements were applied to enhance the readability of the documents. The details of such may be traced via the "Track Changes" that has been activated in said documents.</p> <p><b>Substantial Changes (Policy)</b></p> <ul style="list-style-type: none"> <li>• Paragraph 1 "Principles" - changed to encapsulate and to ensure the revised mechanisms regarding the service contracts and related consumer deposits or bank guarantees. Corresponding changes were applied to paragraph 4 as well.</li> <li>• Various Paragraphs – removed references to the term "unemployed indigents".</li> </ul> |



| Policy/ By-law                            | Summarized Nature of change   |
|---|---|
|   | <ul style="list-style-type: none"> <li>• Paragraph 8.5 “Errors or Omissions” – basically changed to ensure discretion by the Municipality to manage or adjust monies owing upon error or omissions.</li> <li>• Paragraph 9 has been changed to allow flexibility to change the accounts payable date by the Municipal Manager.</li> <li>• Paragraph 12.2 – minor changes to the facilities for payments.</li> </ul>   |
| Credit Control and Debt Collection By-law | <p><b>2022/2023 Credit Control and Debt Collection By-law Changes</b></p> <p><b>Substantial Changes (By-law)</b></p> <ul style="list-style-type: none"> <li>• Various superfluous definitions were deleted, and others were enhanced to ensure compliance with various Acts e.g. the Systems Act and the Constitution.</li> <li>• Other definitions were changed to ensure agreement to the practical matters of the Municipality’s administrative processes.</li> <li>• Paragraphs 4 “Deposits and Guarantees” - changed to ensure compatibility to the changes regarding this subject in the corresponding Policy.</li> <li>• Paragraphs 5 “Accounts and Billing”, 8 “Payment and settlement of amounts due” and 9 “Procedures for and matters relating to the recovery of debt” - changes to ensure improved management and control.</li> <li>• Paragraphs 6 and 7 – extensive changes to remove superfluous references/provisions to electricity and water management already incorporated in the corresponding By-laws. Explicit references were replaced by a reference to redirect the reader to the provisions of said By-laws.</li> <li>• Paragraph 14 “Indigents” – changes to ensure the management of Indigent debt in the first instance as per the Indigent Policy before the handling of such debt under this By-law.</li> <li>• Paragraph 18 “Offences” – ensure compliance with relevant Acts.</li> <li>• Paragraph 22 “Conflict of By-laws” – changed in an attempt to ensure that this By-law is the main enforcement mechanism of “rules” within the Municipality.</li> </ul> |
| Irrecoverable Debt Policy                 | <p><b>2022/2023 Irrecoverable Debt Policy Changes</b></p> <p><b>Introduction</b></p> <p>During the meetings of 26 + 27 January 2022 and 16 February to 01 March 2022 changes were applied to the Irrecoverable Debt Policy as proposals for the 2022/2023 financial year.</p> <p>Various aspects of the 2021/2022 Irrecoverable Debt Policy were modified to include changes that enhanced or fine-tuned the application of the current policy. The main purpose of the change was to account for higher threshold amounts for writing-off debt.</p> <p>The list below demonstrates such changes and serves the purpose to highlight the changes.</p>   |

| Policy/ By-law                | Summarized Nature of change  |
|-------------------------------|--|
|                               | <p><b>Minor Corrections and document layout improvements</b></p> <p>Various grammatical and language changes and layout improvements were applied to enhance the readability of the document. The details of such may be traced via the “Track Changes” that has been activated in said document.</p> <p><b>Substantial Changes</b></p> <ul style="list-style-type: none"> <li>• Paragraph 1 was modified for readability.</li> <li>• Paragraph 3.1 (i) to (iv) was modified for new threshold levels.</li> <li>• Paragraph 3.2 (i) to (iii) was correspondingly changed for new threshold levels.</li> </ul>  |
| Special Rating Area Policy    | <p><b>2022/2023 Special Rating Area Policy Changes</b></p> <p><b>Introduction</b></p> <p>During the meetings of 26 + 27 January and 16 February to 01 March 2022 changes were applied to the Special Rating Area Policy and By-law as proposals for the 2022/2023 financial year.</p> <p>Various aspects of the 2021/2022 Special Rating Area Policy were modified to include changes that enhanced or fine-tuned the application of the current Policy.</p> <p>No changes were applied to the <i>Special Rating Area By-law</i>.</p> <p>The list below demonstrates such changes and serves the purpose to highlight the changes.</p> <p><b>Minor Corrections and document layout improvements</b></p> <p>Various grammatical and language changes and layout improvements were applied to enhance the readability of the document. The details of such may be traced via the “Track Changes” that has been activated in said document.</p> <p><b>Substantial Changes</b></p> <ul style="list-style-type: none"> <li>• The definition of the term “<b>majority</b>” was modified to ensure clarity as to the counting of votes during voting procedures particularly when a property has more than one owner.</li> <li>• Paragraph 11.1 - the term “members” in relation to the register or property data base was clarified as to contents.</li> </ul> |
| Travel and Subsistence Policy | <p><b>2022/2023 Travel and Subsistence Policy Changes</b></p> <p><b><i>The following amendments were made to the aforementioned policy:</i></b></p> <p><b>2.4 Car Rental, Travel Costs and rates (page 3)</b></p> <p>d) If a representative has to utilize his or her personal motor vehicle, he or she will be reimbursed at the tariffs listed below. The distance to which the reimbursement applies, must be the shortest distance via tarred road between</p>   |

| Policy/ By-law                        | Summarized Nature of change  |
|---------------------------------------|--|
|                                       | <p>the municipality's offices and the location where the official business is to be transacted.</p> <ul style="list-style-type: none"> <li>• Councillors: <b>Tariff amended from R4.50 to R4.18</b></li> </ul> <p>Will be reimbursed in terms of the Private Column of Department Transport monthly circulars pertaining to Tariffs for the Use of Motor Transport to a maximum of R4.18 per kilometer.</p> <ul style="list-style-type: none"> <li>• Officials with vehicle/car allowance: <b>Flat Rate were amended from R4.50 to R4.18</b></li> </ul> <p>Will be reimbursed at a flat rate of R4.18 per kilometer where motor vehicles are used and R2.00 per kilometer where motorcycles are used. Where it is possible to fly to a destination, but the official prefers to drive with his own vehicle, the lower value between kilometer claim and a flight ticket will be used as basis for reimbursement.</p> <p><b>3. SUBSISTENCE (pages 4 to 5-rates were amended in lines below)</b></p> <p>b) In line with SARS guidelines on Subsistence Allowances and Advances, A daily subsistence allowance will only be applicable where-</p> <ul style="list-style-type: none"> <li>(i) The representative is obliged to spend at least one night away from his or her usual place of residence on business; R493 per day, or</li> <li>(ii) The representative will be on official business for a period exceeding 12 consecutive hours per day, without having to spend a night away from his or her usual place of residence: R152 per day.</li> </ul> <p><b>4. ACCOMMODATION</b></p> <p><b>4.1 4.1 Accommodation Costs (page 7-allowance amount were amended in line below)</b></p> <p>f) If a representative stays with a relative or friend, no accommodation allowance may be claimed, but the representative may claim a subsistence allowance of R493 per day.</p> |
| Cash Management and Investment Policy | <p><b>2022/2023 Cash Management and Investment Policy Changes</b></p> <p><b>3.2.3 Delegation/ Rights (page 3 and 4)</b></p> <p>Point 3.2.3.1: Cheques and 3.2.3.2: Electronic Funds transfer (EFT) were amended: Manager: Financial Asset Management were added to the A-signatories.</p>  |

| Policy/ By-law                 | Summarized Nature of change  |
|--------------------------------|--|
| Supply Chain Management Policy | <p><b>2022/2023 Supply Chain Management Policy Changes</b></p> <p>Minor grammatical and language changes and layout improvements were applied to enhance the readability of the document. The details of such may be traced via the “Track Changes” that has been activated in said document.</p> <p><b><i>The following changes were made to the aforementioned policy:</i></b></p> <p><b>Definitions</b></p> <p>1.1.5. “Competitive bidding process” means a competitive bidding process referred to in paragraph 12(1)(e)b)(i) of this Policy;</p> <p>1.1.17. “<b>Long term contract</b>” means a contract with a duration period exceeding one year and does not have the same meaning as contracts of a long-term nature referred to in paragraph 22(1)(b)(i)) of this policy;</p> <p>1.1.18. “<b>Written or verbal quotations</b>” means quotations referred to in paragraph 12(1)(b) &amp; (c) of this Policy.</p> <p>1.1.19. “<b>Unconditional Award</b>” means an award made by the delegated authority and whereby any person or supplier who intended to appeal should approach the Court</p> <p><b>Chapter 2: Supply Chain Management System</b></p> <p><b>9. Format of Supply Chain Management System</b></p> <p>(1) This Policy provides systems for –</p> <ul style="list-style-type: none"> <li>(i) Demand Management;</li> <li>(ii) Acquisition Management;</li> <li>(iii) Logistics Management;</li> <li>(iv) Disposal Management;</li> <li>(v) Risk Management; and</li> <li>(vi) Performance Management.</li> </ul> <p><b>Part 2: Acquisition Management</b></p> <p><b>11. System of Acquisition Management</b></p> <p>(1) The Accounting Officer must implement the system of acquisition management set out in this Part to ensure –</p> <ul style="list-style-type: none"> <li>(a) That goods and services are procured by Stellenbosch Municipality in accordance with authorised processes only;</li> <li>(b) That expenditure on goods and services is incurred in terms of an approved budget in terms of section 15 of the Act;</li> <li>(c) That the threshold values for the different procurement processes are complied with;</li> </ul> |

| Policy/ By-law | Summarized Nature of change   |
|----------------|---|
|                | <p>(d) That bid documentation, evaluation and adjudication criteria, and general conditions of a contract, are in accordance with any applicable legislation; and</p> <p>(e) That any Treasury guidelines on acquisition management are properly considered.</p> <p><b>13. General Preconditions for Consideration of Written Quotations or Bids</b></p> <p>(b) Has indicated –</p> <p>(i) Whether he or she is in the service of the state, or has been in the service of the state in the previous twelve months;</p> <p>(ii) If the provider is not a natural person, whether any of its directors, managers, principal shareholders, or stakeholder is in the service of the state, or has been in the service of the state in the previous twelve months; or</p> <p>(iii) Whether a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to in sub-paragraph (ii) is in the service of the state or has been in the service of the state in the previous twelve months.</p> <p><b>14. Lists of Accredited Prospective Providers</b></p> <p>(2) The list must be compiled per commodity and per type of service.</p> <p>(3) Stellenbosch Municipality make use of Central Suppliers Database as the official database of the Municipality.</p> <p><b>20. Process for Competitive Bidding</b></p> <p>1 (c) Site meetings or briefing sessions as detailed in paragraph 23</p> <p><b>24. Negotiations with Preferred Bidders</b></p> <p>(1) The Accounting Officer may negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation –</p> <p>(a) Delegations and threshold values for negotiating by the Accounting Officer;</p> <p>(b) Does not allow any preferred bidder a second or unfair opportunity;</p> <p>(c) Is not to the detriment of any other bidder; and</p> <p>(d) Does not lead to a higher price than the bid as submitted.</p> <p><b>28. Bid Evaluation Committees</b></p> <p>(10) In an event as described in sub-paragraph 14, bidders shall be afforded a minimum of two (2) working days up to a maximum of five (5) working days (in consultation with the relevant User Department or the BEC Committee ) from time of notification to correct such innocent errors and / or omissions. If no response is received from such bidders at the deadline the bid may be deemed to be non-responsive.</p> |

**29. Bid Adjudication Committees**

- (2) A Bid Adjudication Committee must consist of at least four senior managers of the Stellenbosch Municipality, which must include –
- The Chief Financial Officer or, if the Chief Financial Officer is not available, another manager in the budget and treasury office reporting directly to the Chief Financial Officer and designated by the Chief Financial Officer;
- (a) At least one senior supply chain management practitioner who is an official of the Stellenbosch Municipality; and
- (b) A technical expert in the relevant field who is an official, if such an expert exists.
- (5) The members of the Bid Evaluation Committee, or their delegates, must be present at the Bid Adjudication Committee meetings [introduce the reports to the Committee and assist in] to clarify issues that were dealt with in the Bid Evaluation Committee meetings without voting rights.
- (6) A technical expert in the relevant field, who is an official, if such an expert exists, may attend the meeting as an advisor for clarification purposes. This official will not have voting rights at the Bid Adjudication Committee meeting. Neither a member of a bid evaluation committee, nor an advisor or person assisting the bid evaluation committee, may be a member of a bid adjudication committee.
- (7) If the bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee –
- (a) the bid adjudication committee must prior to awarding the bid –
- (i) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears for more than three months, and;
- (ii) notify the Accounting Officer.
- (b) The Accounting Officer may –
- (i) after due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in clause (a); and
- (ii) if the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.
- (8) The Accounting Officer may at any stage of a bidding process, refer any recommendation made by the evaluation committee or

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|                | <p>the adjudication committee back to that committee for reconsideration of the recommendation.</p> <p>(9) The Accounting Officer must comply with Section 114 of the Act within 10 days–</p> <p>(a) If a tender other than the one recommended in the normal course of implementing the supply chain management policy is approved, the Accounting Officer must, in writing, notify the Auditor-General, the Provincial Treasury and the National Treasury of the reasons for deviating from such recommendation.</p> <p>(b) Subsection (1) does not apply if a different tender was approved in order to rectify an irregularity.</p> <p>(10) The Accounting Officer may at any stage of a bidding process, refer any recommendation made by the evaluation committee or the adjudication committee back to that committee for reconsideration of the recommendation.</p> <p>(11) The Accounting Officer must comply with section 114 of the Act within 10 working days</p> <p><b>31. Procurement of IT Related Goods or Services</b></p> <p>(4) If SITA's comments on the submission and the Stellenbosch Municipality disagree with such comments, the comments, and the reasons for rejecting or not following such comments must be submitted to the council, the National Treasury, the relevant provincial treasury and the Auditor General.</p> <p><b>35. Appointment of Consultants</b></p> <p>(1) The Accounting Officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system, or process designed or devised, by a consultant during the consultancy service is vested in the Stellenbosch Municipality.</p> <p>(5) Where the estimated value of fees is less than R 200,000 and the duration of the appointment is less than one year, any National Treasury and, where applicable, Construction Industry Development Board guidelines in respect of consulting services are considered.</p> <p><b>37. Unsolicited Bids</b></p> <p>(4) The Accounting Officer must submit all written comments received pursuant to subparagraph (3), including any responses from the unsolicited bidder to the National Treasury and the relevant provincial treasury for comment.</p> <p>(5) The adjudication committee must consider the unsolicited bid and may award the bid or make a recommendation to the Accounting Officer, depending on its delegations.</p> |

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|                | <p>(6) A meeting of the adjudication committee to consider an unsolicited bid must be open to the public.</p> <p>(7) When considering the matter, the adjudication committee must consider –</p> <p style="padding-left: 40px;">(a) Any comments submitted by the public; and</p> <p style="padding-left: 40px;">(b) Any written comments and recommendations of the National Treasury or the relevant provincial treasury.</p> <p>(8) If any recommendations of the National Treasury or provincial treasury are rejected or not followed, the Accounting Officer must submit to the Auditor General, the relevant Provincial Treasury and the National Treasury the reasons for rejecting or not following those recommendations.</p> <p><b>38. Combating of Abuse of Supply Chain Management</b></p> <p>(1) The Accounting Officer must inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of subparagraphs (1)(b)(ii), (e) or (f) of this Policy.</p> <p>(2) SCM compliance regarding BBBEE, Local Content and Municipal Accounts during evaluation stages:</p> <p style="padding-left: 40px;"><b>(a) BBBEE</b></p> <p style="padding-left: 80px;">(i) Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.</p> <p style="padding-left: 80px;">The Municipality reserves the right to require from a bidder during evaluation and consideration stages or any other stage before the award are made, to substantiate any claim regarding preferences. (Reference to National Treasury bidding document MBD 6.1)</p> <p style="padding-left: 80px;">B-BBEE Certificates or Sworn Affidavits must be a valid original or certified copy of the original and must comply with the minimum validation criteria as set out by National Treasury. In cases where a bidder submitted a copy of an original B-BBEE Certificate at the closing date and time of the bid, the bidder may be requested to submit the original or certified copy of the original within a specified period. If the required certificate is submitted within the specified time, and the certificate complies with the requirements set by National Treasury, the bidder may be awarded the points that they qualify for.</p> <p style="padding-left: 40px;"><b>(b) Local Content:</b></p> <p style="padding-left: 80px;">Requesting of documentation during evaluation.</p> |



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|                | <p style="text-align: right;">(i) The Municipality reserves the right (on a case by case basis) to require from a bidder during evaluation and consideration stages or any other stage before the award are made, to substantiate any claim regarding local content. (Reference to National Treasury bidding document MBD 6.2)</p> <p style="text-align: right;">(c) Municipal Accounts:</p> <p style="text-align: right;">(i) The Municipality reserves the right to require from a bidder during evaluation and consideration stages or any other stage before the award are made, to verify that their municipal accounts are in order (MBD 10)</p> <p><b>42. Performance Management</b></p> <p>(1) The Accounting Officer must establish and implement an internal monitoring system to determine, based on a retrospective analysis, whether the authorised supply chain management processes were followed and whether the objectives of this Policy were achieved. The retrospective analysis will link to the regulatory reports and submissions on the implementation of the supply chain management policy to the delegated authorities as prescribed in terms of supply chain management regulations and the delegation system of council, as amended from time to time.</p> <p><b>PART 4: OTHER MATTERS</b></p> <p><b>43. PROHIBITION ON AWARDS TO PERSONS WHOSE TAX MATTERS ARE NOT IN ORDER</b></p> <p>(1) Where the recommended bidder is not tax compliant on the date of award, the bidder should be notified of the non-compliant status and be requested to submit written proof of tax compliance, or an arrangement issued from SARS within 7 working days from the date of award. The proof of tax compliance submitted by the bidder must be verified by the Municipality. The Municipality will reject a bid submitted by the bidder if such bidder fails to provide proof of tax compliance within the timeframe as set out above.;</p> <p>Minor grammatical and language changes and layout improvements were applied to enhance the readability of the document. The details of such may be traced via the "Track Changes" that has been activated in said document.</p> |

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| Wayleave Policy | <p><b>2022/2023 Wayleave Policy Changes</b></p> <p>Minor grammatical and language changes and layout improvements were applied to enhance the readability of the document. The details of such may be traced via the “Track Changes” that has been activated in said document.</p> <p><b><i>The following changes were made to the aforementioned policy:</i></b></p> <p><b>3.3 Basic Wayleave Procedure</b></p> <p>3.3.1.3 The Service Coordinator shall arrange a Services Verification Meeting on behalf of the Wayleave Applicant to meet up with the necessary Service Agencies. This will help facilitate the process mentioned in 3.3.1.2. The Service Coordinator shall only arrange a Services Verification Meeting once the Wayleave Applicant is in good standing with the Stellenbosch Municipality.</p> <p><b>3.11 Traffic Control</b></p> <p>3.11.3 The Service Coordinator can request that a traffic management plan be submitted Manager: Transport, Roads and Stormwater for approval. Any such Approved Traffic Management Plan shall be kept available on site.</p> <p><b>3.15 Excavations</b></p> <p>3.15.6 Where a roadway is crossed, a non-refundable Roadway Open Trench Fee will apply as well as outlined in the Municipal Tariffs.</p> <p>3.15.7 Where a road crossing is planned and executed the Wayleave Holder shall provide three 110mm dai sleeves and one 160mm dai sleeve.</p> <p>3.15.8 Road crossing to be clearly mark and painted in yellow on sidewalk.</p> <p>3.15.9 Backfilling of road crossings: excavated material CANNOT be used to backfill road crossing trenches. The Wayleave Approval will specify the acceptable backfilling material. All excavated material must be removed from site before backfilling to avoid reuse.</p> <p><b>3.16 Trenchless Methods</b></p> <p>3.16.2 The depth to the top of any tunnel that is drilled for the installation of new Services must be at least 800 mm measured from the lowest level of the road surfacing.</p> <p>3.16.3 Where a directional drilling is planned and executed the Wayleave Holder shall provide and additional sleeve for future municipal use.</p> <p>3.16.4 Direction drilling to be clearly mark and painted in yellow on sidewalk.</p> |

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| Budget Implementation and Monitoring Policy | <p><b>2022/2023 Budget Implementation and Monitoring Policy Changes</b></p> <p>Minor grammatical and language changes and layout improvements were applied to enhance the readability of the document. The details of such may be traced via the “Track Changes” that has been activated in said document.</p> <p><b><i>The following areas were changed in the aforementioned policy:</i></b></p> <p>a) <u>Fines</u></p> <p>Income from fines will be budgeted for based on the actual fines issued in the preceding year (calculated on the basis of actual fines issued till end of February of each year, extrapolated over 12 months) and the percentage growth rate as determined by Financial Services for a particular budget year.</p> <p><b>5.4 Components of the Budget</b></p> <p>a) The annual budget and adjustments budget shall, as required by Section 17(2) of the MFMA consist of:</p> <ol style="list-style-type: none"> <li>I. the Capital component, and</li> <li>II. the Operating component</li> <li>III. Cash flow budget</li> <li>IV. Balance sheet budget</li> </ol> <p>b) The operating component shall duly reflect the impact of the capital component on:</p> <ol style="list-style-type: none"> <li>I. Compensation of employees &amp; Remuneration of Councillors</li> <li>II. Bulk Purchases</li> <li>III. Debt impairment</li> <li>IV. Depreciation charges;</li> <li>V. ;</li> <li>VI. Finance charges;</li> <li>VII. Inventory consumed;</li> <li>VIII. Contracted services;</li> <li>IX. Transfer and subsidies; and</li> <li>X. Other operating expenses.</li> </ol> <p><b>6.7 Submission of approved adjustments budget and other documents</b></p> <p>(a) The Municipal Manager must comply with section 28(7) of the Act read together with section 24(3) of the Act within ten working days after the municipal council has approved and adjustments budget.</p> <p>b) When submitting an adjustments budget to National Treasury and other relevant Provincial Treasury in terms of section 28(7) of the Act read together with section 24(3) of the Act, the municipal manager must also submit to National Treasury and the relevant Provincial Treasury, I both printed and electronic form –</p> |

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|                   | <p>i. The supporting documentation within ten working days after the municipal council has approved the adjustments budget;</p> <p>ii. The amended service delivery and budget implementation plan, within ten working days after the council has approved the amended plan in terms of the section 54(1)(c) of the Act; and</p> <p>iii. Any other information as may be required by the National Treasury.</p> <p>(c) The municipal manager must send copies of an adjustments budget and supporting documentation, in electronic pdf format to the local government upload portal –</p> <p>i. Any other municipality affected by that adjustments budget within ten (10) working days of the adjustments budget being tabled in the municipal council; and</p> <p>ii. Any other organ of state on receipt of a request from that organ of state.</p>  |
| Accounting Policy | <p><b>2022/2023 Accounting Policy Changes</b></p> <p><b>1.34 Presentation currency</b></p> <p>These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.</p> <p><b>1.35 Construction contracts and receivables</b></p> <p>Construction contract is a contract, or a similar binding arrangement, specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.</p> <p>Contractor is an entity that performs construction work pursuant to a construction contract.</p> <p>A contractor is an entity that enters into a contract to build structures, construct facilities, produce goods, or render services to the specifications of another entity either itself or through the use of sub contractors. The term “contractor” thus includes a general or prime contractor, a subcontractor to a general contractor, or a construction manager.</p> <p><b>1.36 Segment Information</b></p> <p>A segment is an activity of an entity:</p> <ul style="list-style-type: none"> <li>•that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);</li> <li>•whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and</li> </ul> |

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|                | <ul style="list-style-type: none"> <li>•for which separate financial information is available.</li> </ul> <p>Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.</p> <p><b>Measurement</b></p> <p>The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.</p> <p>If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.</p> <p><b>2 New standards and interpretations</b></p> <p><b>2.1 Standards and interpretations not yet effective or relevant</b></p> <p>In the current year, the municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:</p> <p><b>IGRAP 20: Accounting for Adjustments to Revenue</b></p> <p>As per the background to this Interpretation of the Standards of GRAP, there are a number of legislative and regulatory processes that govern how entities levy, charge or calculate revenue, in the public sector. Adjustments to revenue already recognised in terms of legislation or similar means arise from the completion of an internal review process within the entity, and/or the outcome of an external appeal or objection process undertaken in terms of legislation or similar means. Adjustments to revenue include any refunds that become payable as a result of the completion of a review, appeal or objection process. The adjustments to revenue already recognised following the outcome of a review, appeal or objection process can either result in a change in an accounting estimate, or a correction of an error.</p> <p>As per the scope, this Interpretation of the Standards of GRAP clarifies the accounting for adjustments to exchange and non-exchange revenue charged in terms of legislation or similar means, and interest and penalties</p> |

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|                | <p>that arise from revenue already recognised as a result of the completion of a review, appeal or objection process. Changes to the measurement of receivables and payables, other than those changes arising from applying this Interpretation, are dealt with in accordance with the applicable Standards of GRAP. The principles in this Interpretation may be applied, by analogy, to the accounting for adjustments to exchange or non-exchange revenue that arises from contractual arrangements where the fact patterns are similar to those in the Interpretation.</p> <p>The interpretation sets out the issues and relating consensus with accounting for adjustments to revenue.</p> <p>The effective date of the interpretation is for years beginning on or after 01 April 2020.</p> <p>The municipality has adopted the interpretation for the first time in the 2020/2021 annual financial statements.</p> <p><b>GRAP 110 (as amended 2016): Living and Non-living Resources</b></p> <p>The objective of this Standard is to prescribe the:</p> <ul style="list-style-type: none"> <li>• recognition, measurement, presentation and disclosure requirements for living resources; and</li> <li>• disclosure requirements for non-living resources</li> </ul> <p>It furthermore covers Definitions, Recognition, Measurement, Depreciation, Impairment, Compensation for impairment, Transfers, Derecognition, Disclosure, Transitional provisions and Effective date.</p> <p>The subsequent amendments to the Standard of GRAP on Living and Non-living Resources resulted from editorial changes to the original text and inconsistencies in measurement requirements in GRAP 23 and other asset-related Standards of GRAP in relation to the treatment of transaction costs. Other changes resulted from changes made to IPSAS 17 on Property, Plant and Equipment (IPSAS 17) as a result of the IPSASB's Improvements to IPSASs 2014 issued in January 2015 and Improvements to IPSASs 2015 issued in March 2016.</p> <p>The most significant changes to the Standard are:</p> <ul style="list-style-type: none"> <li>• General improvements: To clarify the treatment of transaction costs and other costs incurred on assets acquired in non-exchange transactions to be in line with the principle in GRAP 23; and To clarify the measurement principle when assets may be acquired in exchange for a non-monetary asset or assets, or a combination of monetary and non-monetary assets</li> <li>• IPSASB amendments: To clarify the revaluation methodology of the carrying amount and accumulated depreciation when a living resource is revalued; To clarify acceptable methods of depreciating assets; and To define a bearer plant and include bearer plants within the scope of GRAP 17 or GRAP 110, while the produce growing on bearer plants will remain within the scope of GRAP 27</li> </ul> <p>The effective date of the standard is for years beginning on or after 01 April 2020.</p> <p>The municipality has adopted the standard for the first time in the 2020/2021 annual financial statements. The impact of the standard is not material.</p> |

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|                | <p><b>IGRAP 1 (revised): Applying the Probability Test on Initial Recognition of Revenue</b></p> <p>The amendments to this Interpretation of the Standard of GRAP clarifies that the entity should also consider other factors in assessing the probability of future economic benefits or service potential to the entity. Entities are also uncertain of the extent to which factors, other than the uncertainty about the collectability of revenue, should be considered when determining the probability of the inflow of future economic benefits or service potential on initial recognition of revenue. For example, in providing certain goods or services, or when charging non-exchange revenue, the amount of revenue charged may be reduced or otherwise modified under certain circumstances. These circumstances include, for example, where the entity grants early settlement discounts, rebates or similar reductions based on the satisfaction of certain criteria, or as a result of adjustments to revenue already recognised following the outcome of any review, appeal or objection process.</p> <p>The consensus is that on initial recognition of revenue, an entity considers the revenue it is entitled to, following its obligation to collect all revenue due to it in terms of legislation or similar means. In addition, an entity considers other factors that will impact the probable inflow of future economic benefits or service potential, based on past experience and current facts and circumstances that exist on initial recognition.</p> <p>A municipality applies judgement based on past experience and current facts and circumstances.</p> <p>The effective date of the amendment is for years beginning on or after 01 April 2020.</p> <p>The municipality has adopted the interpretation for the first time in the 2020/2021 annual financial statements.</p> <p><b>GRAP 18 (as amended 2016): Segment Reporting</b></p> <p>Segments are identified by the way in which information is reported to management, both for purposes of assessing performance and making decisions about how future resources will be allocated to the various activities undertaken by the municipality. The major classifications of activities identified in budget documentation will usually reflect the segments for which an entity reports information to management.</p> <p>Segment information is either presented based on service or geographical segments. Service segments relate to a distinguishable component of an entity that provides specific outputs or achieves particular operating objectives that are in line with the municipality's overall mission. Geographical segments relate to specific outputs generated, or particular objectives achieved, by an entity within a particular region.</p> <p>The subsequent amendments to the Standard of GRAP on Segment Reporting resulted from editorial and other changes to the original text have been made to ensure consistency with other Standards of GRAP. The most significant changes to the Standard are:</p> <ul style="list-style-type: none"> <li>• General improvements: An appendix with illustrative segment disclosures has been deleted from the Standard as the National Treasury has issued complete examples as part of its implementation guidance.</li> </ul> |

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|                | <p>The effective date of the standard is for years beginning on or after 01 April 2020</p> <p>The municipality has adopted the standard for the first time in the 2019/2019 annual financial statements</p> <p>The adoption of this standard has not had a material impact on the results of the municipality but has resulted in more disclosure than would have previously been provided in the annual financial statements.</p> <p><b>2.2 Standards and interpretations issued, but not yet effective</b></p> <p>The municipality has not early adopted any GRAP standard that is not effective.</p> <p><b>2.3 Standards and interpretations issued, but not yet effective</b></p> <p>The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2021 or later periods:</p> <p><b>GRAP 104 (amended): Financial Instruments</b></p> <p>Following the global financial crisis, a number of concerns were raised about the accounting for financial instruments. This included that (a) information on credit losses and defaults on financial assets was received too late to enable proper decision-making, (b) using fair value in certain instances was inappropriate, and (c) some of the existing accounting requirements were seen as too rules based. As a result, the International Accounting Standards Board® amended its existing Standards to deal with these issues. The IASB issued IFRS® Standard on Financial Instruments (IFRS 9) in 2009 to address many of the concerns raised. Revisions were also made to IAS® on Financial Instruments: Presentation and the IFRS Standard® on Financial Instruments: Disclosures. The IPSASB issued revised International Public Sector Accounting Standards in June 2018 so as to align them with the equivalent IFRS Standards.</p> <p>The revisions better align the Standards of GRAP with recent international developments. The amendments result in better information available to make decisions about financial assets and their recoverability, and more transparent information on financial liabilities. The most significant changes to the Standard affect:</p> <ul style="list-style-type: none"> <li>• Financial guarantee contracts issued</li> <li>• Loan commitments issued</li> <li>• Classification of financial assets</li> <li>• Amortised cost of financial assets</li> <li>• Impairment of financial assets</li> <li>• Disclosures</li> </ul> <p>The effective date of the is not yet set by the Minister of Finance.</p> <p>The municipality expects to adopt the standard for the first time when the Minister sets the effective date for the standard.</p> |



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| Asset Management Policy | <p><b>2022/2023 Asset Management Policy Changes</b></p> <p>Minor grammatical and language changes and layout improvements were applied to enhance the readability of the document. The details of such may be traced via the “Track Changes” that has been activated in said document.</p> <p><b><i>The following changes were made to the aforementioned policy:</i></b></p> <p><b>1. STATUTORY AND REGULATORY FRAMEWORK</b></p> <p>This policy must comply with all relevant legislative requirements including:</p> <ul style="list-style-type: none"> <li>• The Constitution of the Republic of South Africa, 1996</li> <li>• Municipal Structures Act, 1998</li> <li>• Municipal Systems Act, 2000</li> <li>• Division of Revenue Act (enacted annually)</li> <li>• Municipal Finance Management Act of 2003</li> </ul> <p>Also, this policy must comply with the standards specified by the Accounting Standards Board. The relevant currently recognized accounting standards include:</p> <ul style="list-style-type: none"> <li>• GRAP 17 Property, plant or equipment</li> <li>• GRAP 16 Investment property</li> <li>• GRAP 31 Intangibles</li> <li>• GRAP 103 Heritage Assets</li> <li>• GRAP 27 Agriculture</li> <li>• GRAP 21 &amp; 26 Impairment</li> <li>• GRAP 12 Inventories</li> </ul> <p><b>Rehabilitation/Enhancements/Renewals of Capital Assets</b></p> <p>Expenditure to rehabilitate, enhance or renew an existing capital asset (including separately depreciable parts) can be recognised as capital if:</p> <ul style="list-style-type: none"> <li>• That expenditure satisfies the recognition criteria.</li> <li>• That expenditure is enhancing the service provision of that capital asset beyond its original expectation (i.e., not maintenance) and either that expenditure: <ul style="list-style-type: none"> <li>• Increases the useful life of that capital asset (beyond its original life).</li> <li>• Increases that capital asset capacity (beyond its original capacity).</li> <li>• Increases the performance of the capital asset (beyond the original performance).</li> <li>• Increases the functionality of that capital asset.</li> <li>• Reduces the future ownership costs of that capital asset significantly; or</li> <li>• Increases the size of the asset or changes its shape.</li> </ul> </li> </ul> <p>The following points are important to note:</p> <ul style="list-style-type: none"> <li>• Approval through the budget process for these improvements may require a business case.</li> <li>• It must be probable that the expenditure will lead to the level of</li> </ul> |

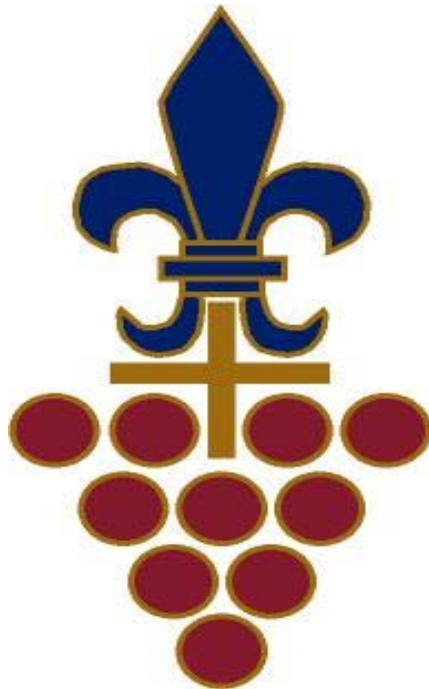
| Policy/ By-law | Summarized Nature of change  |
|----------------|--|
|                | <p>benefits expected.</p> <ul style="list-style-type: none"> <li>• The expenditure to restore the functionality of the capital asset to its original level is a maintenance/refurbishment expense and not a capital expense.</li> </ul> <p>Maintenance/ refurbishment will not be capitalised to the capital asset.</p> <p>The rehabilitated or renewed separately depreciable part will be derecognised and the replacement will be recognised. Where the separately identifiable asset is rehabilitated or renewed, the amount incurred will be added to the carrying value of the asset.</p> <p>Renewals have the same meaning and treatment as rehabilitation/enhancements and are different from refurbishment, which is seen as maintenance.</p> <p><b>Procedure to identify, budget and account for impairment losses:</b></p> <p>Financial Services Directorate - Financial Asset Management Section shall issue a memo to all directorates requesting them to identify assets that:</p> <p>Directorates will identify and inform Financial Services Directorate -- Financial Asset Management section of assets that:</p> <ul style="list-style-type: none"> <li>a) Are in a state of damage at year-end,</li> <li>b) Are technologically obsolete at year-end. This can be facilitated if directorates require Finance Directorate -- Financial Asset Management section to supply them with a Fixed Asset Register printout pertaining to major assets showing the remaining useful lives of assets. The directorates can then assess and indicate cases where the assessed remaining useful life is shorter than the remaining useful life on the printout.</li> </ul> <p><b><u>Procedures</u></b></p> <ul style="list-style-type: none"> <li>a) Any items declared obsolete or damaged will be handed in to the Finance department – Financial Asset Management department for safekeeping.</li> <li>b) No items will be received by the Financial Services Directorate, Financial Asset Management section without a completed AT form and attached condemnation forms, counter signed by Finance Directorate – Financial Asset Management section, describing the status of the item and the reason for writing-off the item.</li> <li>c) Directorates must ensure that assets are disposed of in terms of the SCM policy.</li> <li>d) It is the responsibility of each directorate to ensure that all such assets to be disposed of are delivered to and received at the Finance Directorate – Financial Asset Management section.</li> <li>e) Approval for the disposal of assets is considered by the Municipal Manager only after a recommendation has been obtained from the following persons:</li> </ul> |

| Policy/ By-law | Summarized Nature of change   |
|----------------|---|
|                | <p>i.Vehicles and Plant – Manager: Financial Asset Management and applicable Directorate;</p> <p>ii.Computers - Information Technology Manager.</p> <p>iii.Other Items – Directors/ Managers within the different directorates.</p> <p>f) After the approval of the Municipal Manager has been obtained, any vehicle written off must be deregistered immediately.</p> <p>g) All asset items lost, stolen or damaged must be reported to the Financial Services Directorate – Insurance section as well as Finance Directorate – Financial Asset Management section by completing the AT form.</p> <p>h) All asset items lost or stolen also need to be reported to the SAPS by the relevant department.</p> <p><b>Transfers, Reallocation or Reassignment of Property, Plant or Equipment</b></p> <p>a) An Asset Manager retains management accountability and control for a particular asset until another Asset Manager in writing does accept responsibility for that asset, and the Chief Financial Officer endorses the transfer.</p> <p>b) The Asset Manager must advise the Chief Financial Officer on the prescribed form whenever an asset is permanently or temporarily reallocated or reassigned from one location to another.</p> <p>c) The form must be completed and signed by both the sender and receiver</p> <p>d) The Manager: Financial Asset Management will appropriately amend the Asset Register with all approved transfers.</p> <p>e) Assets must solely and exclusively be used for the purpose of the</p> <p>f) Council's business.</p> <p><b>Verification of fixed assets</b></p> <p>a) Financial Services Directorate: Financial Asset Management Section shall at least once during every financial year undertake a comprehensive verification of all fixed assets controlled or used by the directorate concerned.</p> <p>b) Finance Directorate: Financial Asset Management Section shall promptly and fully report in writing to the Director: Financial Services in the format determined by the Director: Financial Services, all relevant results of such fixed asset verification, provided that each such asset verification shall be undertaken and completed as closely as possible to the end of each financial year, and that the resultant report shall be submitted to the Director: Financial Services not later than 30 June of the year in question.</p> |

| Policy/ By-law   | Summarized Nature of change   |  |  |  |             |              |                        |                    |  |  |                  |  |  |             |  |  |             |  |  |                       |  |
|--|---|--|--|--|-------------|--------------|------------------------|--------------------|--|--|------------------|--|--|-------------|--|--|-------------|--|--|-----------------------|--|
| Ward Allocation Policy   | <p><b>Land and Buildings</b></p> <p>Land and buildings shall be treated using the cost model.</p> <p>Land shall be accounted for at cost, and shall not be depreciated. Land on which infrastructure and community assets are located shall be identified as land and buildings and not disclosed together with the infrastructure and community assets. Land not registered in the name of the municipality but controlled by the municipality by virtue of owner-occupied buildings thereon, shall be recognised at cost.</p> <p>Buildings shall be accounted at cost, less any accumulated depreciation and any accumulated impairment losses.</p>   |  |  |  |             |              |                        |                    |  |  |                  |  |  |             |  |  |             |  |  |                       |  |
|  | <p><b>2022/2023 Ward Allocation Policy Changes</b></p> <p>Minor grammatical and language changes and layout improvements were applied to enhance the readability of the document. The details of such may be traced via the "Track Changes" that has been activated in said document.</p> <p><b>8. CRITERIA FOR THE SELECTION OF PROJECTS</b></p> <p><del>In response to the current COVID-19 pandemic and the realignment of the budget for 2021/22, with severe budget cuts and adjustments, the following measures will be in place regarding ward allocations until further notice, and replace the information regarding capital and operational ward projects in this policy:</del></p> <ol style="list-style-type: none"> <li><del>1. The CAPEX for ward allocations is withdrawn from ward allocations for 2021/22;</del></li> <li><del>2. The OPEX ward allocation is reduced to R50 000 per ward for 2021/22;</del></li> <li><del>3. That OPEX be utilised to fund COVID prevention projects; this is in line with the request from Western Cape Government – Department of Local Government that ward allocation projects be aligned to address COVID-19 pandemic;</del></li> <li><del>4. The following list of goods will be circulated for councillors to choose from in order to be utilised for the COVID prevention projects:</del></li> </ol> <table border="1" data-bbox="511 1493 1409 1879"> <thead> <tr> <th colspan="3" data-bbox="511 1493 1409 1545"><b>GOODS AVAILABLE FOR COVID PREVENTION PROJECTS (2021 – 22)</b></th> </tr> <tr> <th data-bbox="511 1545 852 1598"><b>ITEM</b></th> <th data-bbox="852 1545 1138 1598"><b>PRICE</b></th> <th data-bbox="1138 1545 1409 1598"><b>QUANTITY NEEDED</b></th> </tr> </thead> <tbody> <tr> <td data-bbox="511 1598 852 1656">Masks for children</td> <td data-bbox="852 1598 1138 1656"></td> <td data-bbox="1138 1598 1409 1656"></td> </tr> <tr> <td data-bbox="511 1656 852 1715">Masks for adults</td> <td data-bbox="852 1656 1138 1715"></td> <td data-bbox="1138 1656 1409 1715"></td> </tr> <tr> <td data-bbox="511 1715 852 1774">Face cloths</td> <td data-bbox="852 1715 1138 1774"></td> <td data-bbox="1138 1715 1409 1774"></td> </tr> <tr> <td data-bbox="511 1774 852 1833">Hand towels</td> <td data-bbox="852 1774 1138 1833"></td> <td data-bbox="1138 1774 1409 1833"></td> </tr> <tr> <td data-bbox="511 1833 852 1879">Polar-fleece blankets</td> <td data-bbox="852 1833 1138 1879"></td> <td data-bbox="1138 1833 1409 1879"></td> </tr> </tbody> </table> | <b>GOODS AVAILABLE FOR COVID PREVENTION PROJECTS (2021 – 22)</b> |  |  | <b>ITEM</b> | <b>PRICE</b> | <b>QUANTITY NEEDED</b> | Masks for children |  |  | Masks for adults |  |  | Face cloths |  |  | Hand towels |  |  | Polar-fleece blankets |  |
| <b>GOODS AVAILABLE FOR COVID PREVENTION PROJECTS (2021 – 22)</b> |   |  |  |  |             |              |                        |                    |  |  |                  |  |  |             |  |  |             |  |  |                       |  |
| <b>ITEM</b>  | <b>PRICE</b>  | <b>QUANTITY NEEDED</b>   |  |  |             |              |                        |                    |  |  |                  |  |  |             |  |  |             |  |  |                       |  |
| Masks for children   |   |  |  |  |             |              |                        |                    |  |  |                  |  |  |             |  |  |             |  |  |                       |  |
| Masks for adults   |   |  |  |  |             |              |                        |                    |  |  |                  |  |  |             |  |  |             |  |  |                       |  |
| Face cloths  |   |  |  |  |             |              |                        |                    |  |  |                  |  |  |             |  |  |             |  |  |                       |  |
| Hand towels  |   |  |  |  |             |              |                        |                    |  |  |                  |  |  |             |  |  |             |  |  |                       |  |
| Polar-fleece blankets  |   |  |  |  |             |              |                        |                    |  |  |                  |  |  |             |  |  |             |  |  |                       |  |

| Policy/ By-law   | Summarized Nature of change   |  |  |
|--|---|--|--|
|  | 250 ml refill sanitiser spray bottle  |  |  |
|  | 5L bulk sanitiser   |  |  |
|  | Hand soap (per box)   |  |  |
|  | <p><del>5. Prices for the goods will be communicated as soon as the 2021/22 financial year commences. Current prices of goods will be made available to assist with planning processes.</del></p> <p><del>6. A separate form similar to the table above will be issued that must be completed by ward councillors to register the COVID prevention project.</del></p> <p><del>7. The goods will not be issued with a municipal logo, as the logo is only used for officials and official municipal branding.</del></p> <p><del>8. Ward councillors must be discouraged from requesting nutritional support assistance. Currently, the Special Investigations Unit are investigating numerous municipalities around the country on matters related to food parcel / nutritional support irregularities, distribution and allocation.</del></p> |  |  |
| <p><b>9. BASIS FOR ALLOCATING WARD ALLOCATION BUDGET</b></p>   |   |  |  |
| <p>90.2. Council <b>MAY</b> allocate as part of the municipal annual budgetary process certain funding from the rates accounts towards the Ward Allocations which may be an Operating Budget allocation and/or a Capital Budget allocation. The funding provided for each ward in the municipality must be equal;</p>  |   |  |  |
| <p>90.2. Ward allocation funding might be approved annually as part of the budgeting process with a percentage distribution between capital and operational funding if there is allocation for both capital and operational. All capital projects must be captured on the municipality's capital project identification, planning and prioritization system.</p> |   |  |  |
| <p><b>10. POOLING OF FUNDS BETWEEN WARDS</b></p>   |   |  |  |
| <p>Subject to the clause <b>Error! Reference source not found.</b> ward allocations may be pooled in order to achieve higher impact and enable legacy projects.</p>  |   |  |  |

# **STELLENBOSCH MUNICIPALITY**



## **DEVELOPMENT CHARGES POLICY**

**2022/2023**

**NEW**



## STELLENBOSCH MUNICIPALITY

### ENGINEERING SERVICES DEVELOPMENT CHARGES POLICY

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## 1. DEFINITIONS

In this policy, unless the context indicates otherwise -

- 1.1 **'Amendment Bill'** means the Fiscal Powers and Functions Amendment Bill, 2020;
- 1.2 **'applicant'** means a person or entity contemplated in section 45(1) of the SPLUMA who submits a land development application;
- 1.3 **'bulk service'** means the capital infrastructure assets associated with that portion of an external engineering service which is intended to ensure provision of municipal infrastructure services for the benefit of multiple users or the community as a whole, whether existing or to be provided as a result of a development in terms of the MSDP – the relevant Municipal Master Plan shall be used as a guide to identify such bulk services;
- 1.4 **'capacity'** means the extent of availability of a municipal infrastructure service, based on the capital infrastructure asset or combination of capital infrastructure assets installed for provision of such municipal infrastructure services;
- 1.5 **'capital infrastructure asset'** means land, property, building or any other immovable asset, including plant and equipment that accede thereto, which is required for provision of a municipal infrastructure service, limited to immovable;
- 1.6 **'developer'** means a person or entity intending to implement or implementing undertaking land development;
- 1.7 **'development charge (DC)'** means a charge levied by a Municipal Planning Tribunal in terms of section 40(7)(b) of, and contemplated in section 49 of, the SPLUMA, which must-
  - (a) contribute towards the cost of capital infrastructure assets required to meet increased demand for existing and planned external engineering services; or
  - (b) with the approval of the Minister, contribute towards capital infrastructure assets required to meet increased demand for other municipal engineering services not prescribed in terms of the SPLUMA;
- 1.8 **'Engineer'** means an engineer employed by the Municipality or any person appointed by the Municipality from time to time to perform the duties of the Engineer envisaged in terms of this Policy, including the Director: Infrastructure Services;
- 1.9 **'engineering services'** means a municipal engineering service as defined in section 1 of the SPLUMA;
- 1.10 **'engineering services agreement'** means a written agreement concluded between the Municipality and a developer, recording their detailed and specific respective rights and obligations regarding the provision and installation of the external engineering services required for an approved land development, and regarding the associated development charge;
- 1.11 **'external engineering service'** means an engineering service situated outside the boundaries of a land area and which is necessary to serve the use and development of the land area concerned; provided that in circumstances where the characteristics



of a specific area or the design of the relevant engineering service so requires, such services can be located within the boundaries of a land area;

- 1.12 'impact zone'** means a geographical zone within which the capital infrastructure assets or system of capital infrastructure assets required to provide bulk services to an approved land development are located (the impact zones are Stellenbosch Town, Klappmuts, Dwars River, Franschoek, Koelenhof, Polkadraai and Raithby);
- 1.13 'internal engineering service'** means an engineering service within the boundaries of a land area which is necessary for the use and development of the land area concerned and which is to be owned and operated by the Municipality or service provider;
- 1.14 'land development'** means the erection of buildings or structures on land, or the change of use of land, including township establishment (provision of engineering services infrastructure), the subdivision or consolidation of land or any deviation from the land use or uses permitted in terms of the Zoning Scheme;
- 1.15 'land development application'** means an application for approval of land development as contemplated in section 41 of the SPLUMA;
- 1.16 'land use'** means the purpose for which land is or may be used lawfully in terms of a the municipal land use scheme or of any other authorisation, permit or consent issued by a competent authority, and includes any conditions related to such land use purposes;
- 1.17 'link engineering service'** means the capital infrastructure assets associated with that portion of an external engineering service which links an internal engineering service to the applicable bulk service, and which is not shared by multiple users or the community generally;
- 1.18 'LUPA'** means the Western Cape Land Use Planning Act, 2014, Act. 3 of 2014 (PN 99/2014 of 7 April 2014);
- 1.19 'MSDF'** means the current Stellenbosch Municipal Spatial Development Framework contained in the Municipality's approved Integrated Development Plan;
- 1.20 'Municipality'** means (a) the Stellenbosch Municipality (WCO24) established in terms of Provincial Notice 489 of 22 September 2000 in terms of the Local Government: Municipal Structures Act, 117 of 1998, and (b) includes all political structures or office bearers, the Municipal Planning Tribunal and municipal staff members to whom authority has been delegated to take decisions in terms of the Municipality's delegation system;
- 1.21 'municipal infrastructure service'** means any of the following municipal services, namely potable water, sewerage and wastewater treatment, electricity distribution, municipal roads, street lighting, storm water management, solid waste disposal and public transport, including non-motorised transport;
- 1.22 'Municipal Planning Tribunal'** means a Municipal Planning Tribunal as defined in the SPUMA, and includes a municipal official authorised to determine land use and land development applications, in terms of section 35 of the SPLUMA;
- 1.23 'Planning By-Law'** means the Stellenbosch Municipality: Land Use Planning By-Law published in the Western Cape Provincial Gazette Extraordinary of 20 October 2015;

- 1.24** 'SPLUMA' means the Spatial Planning and Land Use Planning Act, 16 of 2013;
- 1.25** 'Systems Act' means the Local Government: Municipal Systems Act, 2000, Act 32 of 2000 ("MSA"); and
- 1.26** 'Zoning Scheme' means the Stellenbosch Municipality: Zoning Scheme By-Law published in the Western Cape Provincial Gazette Extraordinary of 27 September 2019.

## 2. INTRODUCTION

- 2.1. The Constitution enjoins local government not just to seek to provide services to all its inhabitants, but to be fundamentally developmental in orientation and to play a key role in promoting justifiable social and economic development. To this end it *inter alia* has to perform regulatory functions in respect of land use planning and development and ensuring lawful, reasonable and fair administrative government practices.
- 2.2. Socio-economic development is generally regarded as the passport to reduced poverty, reduced inequality and improved social well-being. New economic development generally also has a positive impact on the municipality's finances. It increases revenue from property rates and service charges by expanding the base of ratepayers. But development associated with economic growth has an impact on the demand for essential engineering services, which are needed to support sustainable social and economic development. Without available infrastructure of adequate capacity, public and private sector investment in Stellenbosch will decline.
- 2.3. Stellenbosch is as an attractive destination for economic investment. Working towards the MDSF vision of Stellenbosch as the "Valley of Opportunity and Innovation", a number of principles are key, including that future opportunity be allowed to build on existing infrastructure investment. Engineering services infrastructure (water, sewerage, stormwater, roads, street lighting, solid waste and electricity) represents substantial assets for enabling individual and communal development opportunity of different kinds.
- 2.4. The creation and promotion of an enabling environment for business to grow and create jobs, is fundamental to a competitive and vibrant economy. The potential for large scale upliftment and development may be severely hampered by the lack of attention to necessary infrastructure. The Municipal Council aims to create an economically enabling environment in which investment can grow and jobs can be created while still being able to provide basic services to all its citizens. The equitable and efficient financing of the cost of infrastructure to accommodate new developments is key in this regard.
- 2.5. Additional engineering services infrastructure must be provided to create additional services capacity to cater for growing needs, and it comes at a high cost. The rationale for DCs needs to be understood in relation to how this particular funding mechanism fits within the municipal fiscal framework. Municipal service delivery is generally financed through a fiscal framework that is based on a clear assignment of fiscal powers and functions that empower municipalities to raise property rates and used charges on electricity distribution, water and sanitation services and solid waste collection.
- 2.5.1. These primary sources of revenue are supplemented by intergovernmental transfers that support the operating costs of basic service delivery to poor households, as well as related national development priorities. Municipalities may use any operational surpluses generated from this revenue to finance

capital investment programmes, again supplemented by intergovernmental transfers, as well as funds that have been borrowed to finance infrastructure investment programmes.

- 2.5.2. Municipal development charges complement these sources of capital finance, by providing a direct charge to beneficiaries of existing and planned infrastructure installed to enable an intensification of land use. Development charges are thus an additional source of capital finance, which enhance the efficiency and volume of municipal capital financing through -
- o ensuring that the beneficiaries of infrastructure pay a fair share of the costs of installing it, relative to other residents;
  - o releasing resources that a municipality would otherwise have dedicated to meeting these needs to be spent on other development priorities; and
  - o providing an additional revenue stream to support municipal borrowing programmes, where applicable.
- 2.6 For both municipalities and developers to budget and plan efficiently, requires a robust legal basis on which development charges are levied, linked to long term spatial and infrastructure planning systems. Local government may only act within the powers lawfully conferred upon it.
- 2.7 After the country's first democratic elections, the Legislator was tasked to translate the electoral dream of a "Better Life For All" into legislation. It put the public sector at the heart of the challenge to reduce poverty. Legislation such as the SPLUMA and LUPA followed, both which empowers, qualifies and constrains municipal powers to levy development charges.
- 2.8 The Municipal Fiscal Powers and Functions Amendment Bill 2020, published for public comment during 2020, provides for a uniform, consistent, transparent and equitable basis on which municipalities can calculate and levy development charges on developers. The Amendment Bill requires that development charges are paid by both the public and private sectors, in order to ensure that a substantial portion of municipal bulk infrastructure investment can be financed on a 'user pays' principle, with the needs of poor households directly and transparently supported through public subsidies, including intergovernmental transfers.
- 2.9 A Development Charge ('DC') is a once-off capital charge to recover the actual cost of external infrastructure required to accommodate the additional impact of a new development on engineering services. A DC calculation is triggered by a land use change/ development application that will, if approved, intensify the municipal infrastructure demand. The threshold is the level up to which a new land use is deemed to have the same infrastructure impact as the existing permissible use and is determined based on a technical assessment.
- 2.10 The DC policy is an important tool to provide economic infrastructure and to ensure sustainable infrastructure investment in all the required engineering services. It provides the key details of the Municipality's Development Charges for Engineering Services, covering water, roads, stormwater, sewerage, solid waste and electricity.
- 2.11 A motivation for DCs is that the incidence of the cost is more accurately and equitably assigned to those who directly benefit from the infrastructure, rather than being spread amongst all ratepayers. The key function of a system of DCs is to ensure that those who benefit from new infrastructure investment, or who cause

off-site impacts, pay their fair share of the associated costs. A primary role of a system of DCs is to ensure the timely, sustainable financing of required urban infrastructure.

### 3. LEGISLATIVE (REGULATORY) FRAMEWORK

#### 3.1 Source of empowerment

A municipality derives its power to levy development charges from legislation, not from policy. Policy determinations cannot override, amend or be in conflict with laws (including subordinate legislation). <sup>[1]</sup>

In *Fedsure* the Constitutional Court said that '*[i]t seems central to the conception of our constitutional order that the Legislature and Executive in every sphere are constrained by the principle that they may exercise no power and perform no function beyond that conferred upon them by law*'. It is trite that "a local government may only act within the powers lawfully conferred upon it". <sup>[2]</sup>

*"A municipality under the Constitution is not a mere creature of statute otherwise moribund save if imbued with power by provincial or national legislation. A municipality enjoys 'original' and constitutionally entrenched powers, functions, rights and duties that may be qualified or constrained by law and only to the extent the Constitution permits."* <sup>[3]</sup>

It is also a well-established principle of South African law that powers given to a public body for one purpose cannot be used for ulterior purposes which are not contemplated at the time when the powers were confirmed. <sup>[4]</sup> Good intentions and public benefits are insufficient. As *Baxter* mentions: "*It does not help that the improper purpose which the public authority sought to achieve was well intentioned, or even that it would benefit the public.*" <sup>[5]</sup>

The powers lawfully conferred upon the Municipality in relation to development charges have been qualified and constrained in terms of national, provincial as well as municipal legislation. A study into this rather dense legislative environment was undertaken to ensure that this policy document will be in line with the current and proposed empowering legislation.

#### 3.2 Relevant legislation

Attention is invited to the provisions of the following legislation.

- The National Constitution.
- Local Government: Municipal Systems Act, 32 of 2000 – ('MSA').
- Stellenbosch Municipality: Zoning Scheme By-Law 2019 – ('Zoning Scheme').

<sup>1</sup> *Akani Garden Route (Pty) Ltd v Pinnacle Point Casino (Pty) Ltd* 2001 (4) SA 501 (SCA) at par [6] and [7].

<sup>2</sup> *Fedsure Life Assurance Ltd and Others v Greater Johannesburg Transitional Council and Others* 1999 (1) SA 374 (CC) par 56.

<sup>3</sup> *City of Cape Town v Robertson* 2005 (2) SA 323 (CC) at par 60.

<sup>4</sup> See *Baxter, Lawrence*. 1984. *Administrative Law*. Juta & Co, Ltd: Cape Town on p. 508 and 511.

<sup>5</sup> See *Administrator, Cape v Associated Buildings Ltd* 1957 (2) SA 317 (A) at 329). Also see *South Peninsula Municipality and Another v Malherbe NO and Others* 1999 (2) SA 966 (C) at 981D.

- Municipal Fiscal Powers and Functions Act, 12 of 2007 – ('Fiscal Powers Act').
- The SPLUMA.
- The LUPA.

For ease of reference some of the relevant provisions therein contained, are quoted *verbatim* further below and in Appendix "A".

### 3.2.1 The National Constitution – ('Constitution')

The Constitution enjoins local government to seek to provide services to the citizens, to be fundamentally developmental in orientation, to *promote* justifiable social and economic development and, together with other organs of state, to contribute to the progressive realisation of the fundamental constitutional rights.

Municipalities derive their fiscal powers from section 229 of the National Constitution. Section 229(1)(a) empowers a municipality to impose rates on property and surcharges on fees for services provided by or on behalf of the Municipality.

It is necessary to distinguish between '*services charges*' and '*development charges*'.

- A service charge is ongoing contributions (usually levied monthly), required to recover the ongoing costs reasonably associated with rendering the service (e.g., refuse removal), including capital, operating, maintenance, administration and replacement costs, and interest charges.
- A Development Charge ('DC') is a once-off capital charge to recover the actual cost of external infrastructure required to accommodate the additional impact of a new development on engineering services. Development charges fall in the section 229(b) category and is not a service fee.

### 3.2.2 Local Government: Municipal Systems Act, 32 of 2000 – ('MSA')

See Appendix "A" for relevant sections of the MSA. Essentially it deals with the empowerment of local authorities to provide municipal services for the benefit of the local community and the funding thereof by charging service charges or fees for covering the costs thereof. This is achieved by applying tariffs that must reflect the costs reasonably associated with rendering the service, including capital, operating, maintenance, administration and replacement costs, and interest charges. DCs are not intended to fund municipal services being rendered.

### 3.2.3 Spatial Planning and Land Use Management Act, 16 of 2013 – ('SPLUMA')

- Section 40(7)(b) empowers a municipal Planning Tribunal, in the approval of any land development application, to impose any reasonable conditions, including conditions related to the provision of engineering services and the payment of any development charges.

- Section 49(4) provides that an applicant may, in agreement with the Municipality or service provider, install any external engineering service instead of payment of the applicable development charges, and the fair and reasonable cost of such external services may be set off against development charges payable.
- According to section 49(5), if external engineering services are installed by an applicant instead of payment of development charges, the provision of the Local Government: Municipal Finance Management Act, 56 of 2003 pertaining to procurement and the appointment of contractors on behalf of the Municipality, does not apply.

[NOTE: 'Applicant' to be read as a 'developer' as defined.]

### 3.2.4 Western Cape: Land Use Planning Act, 3 of 2014 – ('LUPA')

- Section 40(1) of LUPA empowers a municipality, when approving a land use application, to do so subject to conditions, which conditions the must be reasonable conditions and must arise from the approval of the proposed utilisation of land.
- In terms of section 40(2) such conditions may include, but are not limited to, conditions relating *inter alia* to the provision of engineering services and infrastructure; and the cession of land or the payment of money.
- Section 40(3) empowers a municipality to require in a condition relating to the provision of engineering services and infrastructure that a proportional contribution to municipal public expenditure be made according to the *normal need* therefor arising from the approval, as determined by the Municipality in accordance with norms and standards as may be prescribed. Section 40(12) provides that a municipality may, if appropriate, depart from contributions so determined.
- Section 40(4) provides that such municipal public expenditure includes, but is not limited to, municipal public expenditure for municipal service infrastructure and amenities relating to—
  - community facilities, including play equipment, street furniture, crèches, clinics, sports fields, indoor sports facilities or community halls;
  - conservation purposes, energy conservation, climate change; or engineering services.
- Section 40(5) requires that, when determining the contribution contemplated in subsections (3) and (4), a municipality must have regard to at least—
  - the municipal service infrastructure and amenities for the land concerned that are needed for the approved land use;
  - the public expenditure on that infrastructure and those amenities incurred in the past and that facilitates the approved land use;

- the public expenditure on that infrastructure and those amenities that may arise from the approved land use;
  - money in respect of contributions contemplated in subsection (3) paid in the past by the owner of the land concerned; and
  - money in respect of contributions contemplated in subsection (3) to be paid in the future by the developer of the land concerned.
- Section 40(6) requires that, except for land needed for public places or internal engineering services, any additional land required by the Municipality arising from an approved subdivision must be acquired subject to applicable laws that provide for the acquisition or expropriation of land.

### 3.2.5 Stellenbosch Municipality: Zoning Scheme By-Law 2019 – ('Zoning Scheme')

#### 20. **Development charges in terms of this Scheme**

- (1) *The calculation of development charges and whether a development charge is payable, shall be subject to the Municipality's adopted policy.*
- (2) *Where the provision in a particular zone identifies that a development charge is payable for **intensified** primary development **rights which came into operation as a result** of this Scheme, and where the owner intends to develop according to such intensified rights, such development charge shall be calculated when the building plan is submitted and shall be paid prior to the approval of said building plan.*
- (3) *Where an application is made in terms of Planning Law, or where application is made for technical approval in terms of this Scheme, the Municipality may impose a condition related to development charges payable where said approval leads to the intensification of land use beyond the primary rights which has been originally approved on the land unit.*
- (4) *Unless an alternative agreement is reached in writing between the owner and the Municipality, no building plan shall be approved on any land unit where an outstanding development charge is payable.*
- (5) *If the Municipality fails to calculate a development charge at the appropriate approval stages as set out in this section, it is deemed that there are no charges related to that development.*

[NOTE: 'Owner' to be read as a 'developer' as defined.]

**NOTES:**

1. 'Landowner' to be read as a 'developer', as defined.
2. Other relevant sections of the Zoning Scheme are quoted *verbatim* in Appendix "A" for ease of reference (i.e. 89, 102, 115, 128, 140, 151 162, 172 and 219 – development charges in the Multi-Unit Residential zone, Mixed-Use zone, Industrial zone, Education zone, Community zone Utility Service zone, Transport-facilities zone, and Agricultural and Rural zone)

**3.2.6 (a) Municipal Fiscal Powers and Functions Act, 12 of 2007 – ('Fiscal Powers Act')**

This Act was adopted to regulate the exercise by municipalities of their power to impose surcharges on fees for services provided under section 229 (1) (a) of the Constitution; to provide for the authorisation of taxes, levies and duties that municipalities may impose under section 229 (1) (b) of the Constitution; and to provide for matters connected therewith. The date of its commencement is 7 September 2007.

This Act applies to municipal surcharges and municipal taxes referred to in section 229 of the Constitution, *other than rates on property* regulated in terms of the Local Government: Municipal Property Rates Act, 2004, and municipal base tariffs regulated under the Municipal Finance Management Act, 2003, the Municipal Systems Act, 2000, or sector legislation.

**(b) Municipal Fiscal Powers and Functions Amendment Bill**

During 2020 National Treasury published the Amendment Bill for public comments (Government Gazette Notice No. 3 of 2020) and awaited comments until the 31<sup>st</sup> March 2020. Since then, it refined the Amendment Bill in line with the public comments received.

As part of the Cabinet protocols, the Amendment Bill had to be presented to the Directors-General Clusters and Cabinet Committees for their inputs and recommendations before submitting it to Cabinet for approval to table in Parliament for scrutiny. According to National Treasury as of November 2021 these processes were far advanced, and the Amendment Bill is likely to be submitted to Parliament during the first quarter of 2022.

National Treasury previously published various draft *Policy Frameworks* for Municipal Development Charges since the commencement of the 2007 Act. According to those frameworks the guiding principles in relation to development charges were equity and fairness, predictability, spatial and economic neutrality and administrative ease and uniformity. 'Fairness' to ensure that developers pay only for the infrastructure investments which they benefit from. 'Predictability' to enable developers to accurately estimate their liability and hold municipalities to account for the timely delivery of required infrastructure.

Those Policy Frameworks have since been converted into a memorandum of objects to the Amendment Bill. It was part of the document that was published for public comments in the 2020 Government Gazette. Therefore, in the formulation of this policy



document, the focus has been to bring it in line with the underlying thinking encountered in the Amendment Bill and in the 'Memorandum of Objects' concerned.

The purposes of the Amendment Bill *inter alia* include to amend the 2007 Act, so as to regulate the power of municipalities to levy development charges; to set out the permissible uses of income from development charges; to provide for the basis of calculation of development charges; to provide for municipal development charges policies, community participation and by-laws; to provide for the installation of external engineering services by developers instead of payment of development charges; to provide for the consequences of non-provision of infrastructure by a municipality; to regulate reductions to the obligation to pay development charges through subsidies; to provide for matters relating to the budgeting of and accounting for development charges; to establish an entitlement on the part of municipalities to withhold other approvals or clearances due to non-payment of development charges; and to amend the SPLUMA.

Essentially the Amendment Bill seeks to regulate the power of municipalities to levy development charges in respect of a land development application submitted to the Municipality in terms of section 33(1) of SPLUMA or a municipal planning by-law. Clause 4 of the Amendment Bill proposes the insertion of **Chapter 3A**, which deals with development charges and *inter alia*:

- provides for a power for municipalities to levy development charges and establishes the basis on which they are calculated (Clause 9A);
- allows a municipality which decides to levy development charges to subsidise a land development or category of land developments through reducing the development charges payable where it has set out a criteria for such subsidy in its policy on development charges (Clause 9E);
- permits a municipality to set off the cost of infrastructure installed by the developer against a development charge (Clause 9G);
- deals with the consequences of a municipality not providing infrastructure for which a developer has paid a development charge (Clause 9H)
- provides for mechanism to resolve dispute for a person whose rights are affected by a decision regarding development charges (Clause 9K).

The Amendment Bill proposes amendments to SPLUMA, including *inter alia* the deletion of the definition of "engineering service" and inserting the following definitions:

- '*bulk engineering services*' means capital infrastructure assets associated with that portion of an external engineering service which is intended to ensure delivery of municipal engineering services for the benefit of multiple users or the community as a whole, whether existing or to be provided as a result of development in terms of a municipal spatial development framework.

- *'link engineering services' means the capital infrastructure assets associated with that portion of an external engineering service, which links an internal engineering service to the applicable bulk engineering services.*
- *'municipal engineering service' means a system for the provision of water, sewerage, electricity, municipal roads, stormwater drainage, gas and solid waste collection and removal required for the purpose of land development management, referred to in Chapter 6.*

The Amendment Bill restricts the scope of engineering services to those already covered in the current definition of engineering services provided in the SPLUMA. These are the provision of water, sewerage, electricity, municipal roads, storm water drainage, gas and solid waste collection and removal required for the purpose of land development. However, some level of flexibility has been provided for municipalities to levy development charges on other engineering services not specified in the SPLUMA, by providing for a municipality to apply to the Minister of Finance for an extension of services to be included in the calculation of development charges.

The Amendment Bill also proposes the following amendments to the SPLUMA.

- The amendment of the empowering provision (section 40(7) of the SPLUMA), by the substitution for paragraph (b) of the following paragraph:

*(A Municipal Planning Tribunal may ...)*

*in the approval of any application, impose any reasonable conditions, including conditions related to the provision of engineering services and the payment of any development charges: Provided that the Municipal Planning Tribunal endorses the Municipality's calculation of development charges and, where applicable, the timing for payment thereof as a condition or conditions of approval.*

- The amendment of section 49 by the substitution for subsection (2) of the following subsection:

*A municipality is responsible for the provision of external engineering services: Provided that link engineering services are installed by an applicant and that the municipality may require that such services are installed to provide a greater capacity than the land development itself needs, subject to the municipality reimbursing the applicant accordingly, unless the applicant waives his or her claim to reimbursement or the value of installing the additional capacity is set off against the applicable development charges liability.*

- The amendment of section 49 by the addition of the following subsection:

*A municipality may agree to contribute towards the cost of link engineering services, where the applicant's provision of link engineering service that meet the minimum standards of the municipality shall result in capacity that exceeds the requirements of the land development itself: Provided that the maximum contribution of the municipality does not exceed the amount which represents the difference between the cost associated with meeting the minimum standard and the cost of the actual requirements of the land development in question. (Emphasis added).*

[NOTE: 'Applicant' refers to a 'developer' as defined.]

If the amendments to SPLUMA (as proposed in the Amendment Bill) go through unamended and the Amendment Bill (unamended) becomes law, the following is noteworthy.

- A **development charge** will mean a charge levied by a Municipal Planning Tribunal in terms of section 40(7)(b) of, and contemplated in section 49 of, SPLUMA, which must-
  - contribute towards the cost of capital infrastructure assets required to meet increased demand for existing and planned **external engineering services**; or
  - with the approval of the Minister, contribute towards capital infrastructure assets required to meet increased demand for other municipal engineering services not prescribed in terms of SPLUMA.
- Section 9A(1)(a) will empower a municipality to levy a development charge in respect of a **land development application** as contemplated in section 33(1) of SPLUMA or a municipal planning by-law.
- Section 9A(4) will require that the amount of a development charge must be-
  - **proportional** to the extent of the demand that the land development is projected to create for **existing or planned bulk** engineering services; and
  - calculated on the basis of a **reasonable assessment of the costs** of providing existing or planned **bulk** engineering services.
- According to the new SPLUMA definition, "**bulk engineering services**" will mean *capital infrastructure assets associated with that portion of an **external engineering service** which is intended to ensure delivery of municipal engineering services for the **benefit of multiple users** or the community as a whole, whether existing or to be provided as a result of development in terms of a municipal spatial development framework.*

- According to the SPLUMA “**external engineering service**” means an engineering service situated outside the boundaries of a land area and which is necessary to serve the use and development of the land area.

### 3.3 Interpretation

Our higher Courts in recent times have repeatedly stated that when it comes to the interpretation of statutes, the fundamental rule is that the words in a statute must be given their *ordinary grammatical meaning*, unless to do so would result in an absurdity.

There are *three interrelated riders*: the provisions should be interpreted purposively; the provision must be properly contextualised and statutes must be construed consistently with the Constitution so that where reasonably possible the provisions should be interpreted to preserve their constitutional validity. It is also well recognised that it is wrong to ignore the clear language of a statute under the guise of adopting a purposive interpretation, as doing so would be straying into the domain of the legislature.

When attributing meaning to the words used in legislation, regard must be had to the context provided by reading the particular provisions in the light of the Act or by-law as a whole and the circumstances attendant upon its coming into existence. The *'inevitable point of departure is the language of the provision itself'*, read in context and having regard to the purpose of the provision and the background to it landing on the statute books. It is therefore useful, when looking at the question of the legal requirements to be satisfied when imposing development charges in the context of present-day legislation, to have a historical perspective.

It is therefore important to take cognisance of the Legislative Background provided in Appendix “A” for a proper understanding of the Legislature’s intention with DCs’.

## 4. OBJECTIVES

- 4.1. The objectives of this policy are to provide a sustainable and equitable framework for the financing of capital infrastructure assets and to ensure that:
  - 4.1.1. The Municipality is able to provide capital infrastructure assets in a timely and sufficient manner to support land development;
  - 4.1.2. Development charges complement other sources of capital finance available to the Municipality and are not utilised as a general revenue source;
  - 4.1.3. Development charges are managed in a predictable, fair and transparent manner; and
  - 4.1.4. Unnecessary litigation in the administration of development charges is minimised.

## 5. KEY PRINCIPLES OF THE POLICY

- 5.1. Principles to be applied must be in accordance with the current legislation, as well as Chapter 3A of the Amendment Bill, and further expounded in this policy.

5.2. Development Charges will be levied based on the increased demand that utilisation of intensified land use rights, which came into operation as a result of the Zoning Scheme or approval of new land development applications, are reasonably expected to have on existing and planned external engineering services capacity, irrespective of the geographical location of the development. For example, the traffic generated by a development located along a provincial road, will ultimately end up on the municipal road network that link to the provincial roads. The same applies to the additional stormwater run-off that ends up in downstream municipal networks and river courses, increase in demand and the bulk supply of water, and sewer and solid waste disposal. Factors are allowed in the calculations to reflect actual usage of infrastructure for these cases.

5.3. Four key principles underlie the system of development charges. These are:

5.3.1. **Equity and Fairness:** Development charges should be reasonable, balanced and practical so as to be equitable to all stakeholders. The key function of a system of development charges is to ensure that those who benefit from new infrastructure investment, or who cause off-site impacts, pay their fair share of the associated costs.

This implies that:

5.3.1.1. The Municipality should recover from developers a contribution that is as close as possible to be full and actual costs of the capital infrastructure assets that are needed to mitigate the impacts of their land developments and to provide external engineering services to their developments;

5.3.1.2. Development charges are levied to recover the infrastructure costs incurred or to be incurred due to land development, and are thus not a form of taxation;

5.3.1.3. Costs which should be covered by development charges can be determined both in relation to the value of pre-installed capital infrastructure assets resulting from historical investments, and the provision of new capital infrastructure assets to meet new capacity requirements; and

5.3.1.4. Development charges are not an additional revenue source to be used to deal with historical backlogs in provision of services, such as backlogs that exist in some historically disadvantaged areas.

5.3.2. **Predictability:** Development charges should be a predictable, legally certain, and reliable source of revenue to the Municipality for providing external engineering services and should be clearly and transparently accounted for. In order to promote predictability in municipal finance systems the costs associated with municipal capital infrastructure assets provided expressly to benefit poor households should be established before subsidies are applied in a transparent manner to fund the liability.

5.3.3. **Spatial and Economic Neutrality:** The primary role of a system of development charges is to ensure the timely, sustainable financing of required capital infrastructure assets.

This implies that:

5.3.3.1. Development charges should be determined based on identifiable and measurable costs so as to avoid distortions in the economy and in patterns of spatial development;

- 5.3.3.2. Development charges should not be used as a spatial planning policy instrument;
- 5.3.3.3. Costs recovered should be dedicated only to the purpose for which they were raised; and
- 5.3.3.4. Development charges should be calculated where possible on a sectoral or geographic scale to more accurately approximate costs within a specific impact zone.

5.3.4. **Administrative ease and uniformity:** The determination, calculation and operation of development charges should be administratively simple and transparent.

## 6. OBLIGATION TO IMPOSE A DEVELOPMENT CHARGE

### 6.1. Development Charges Apply

When the Municipal Planning Tribunal approves a land development application which will or may result in intensified land use with an increased demand for external municipal engineering services infrastructure, it may, by imposing a condition of approval in terms of section 66 of the Planning By-Law, levy a development charge proportional to the calculated municipal public expenditure that has or may be incurred to satisfy the increased demand according to the normal need arising from such approval.

### 6.2. Development Charges do not apply

Development Charges do not apply to land development restricted to the exercise of current primary land use rights obtained or approved prior to the commencement of the Zoning Scheme. It also does not apply to the following types of land use applications, as the impact of those land uses have an insignificant impact on engineering services infrastructure and those uses have a social and/or economic benefit to the Municipality and/or the community:

- 6.2.1. Home / non-commercial early childhood development centres that serve the surrounding community.
  - 6.2.2. Community based churches and places of religious worship (it must be clear that such development will not lead to a significant additional service usage that will have an increased demand on municipal services)
  - 6.2.3. House shops up to the lesser of 30% of the floor area of the buildings on the site or 50m<sup>2</sup> per erf.
- 6.3. A development charge will be determined by the Municipality in terms of and on the basis of the applicable statutory provisions referred to in paragraph 3.2 above read with this policy.
- 6.4. A developer must pay to the Municipality the full amount of the applicable development charge due prior to the exercise of any rights to use, develop or improve the land arising from the approval of a land development application, unless in the case of a phased land development –
- 6.4.1. The Municipality authorises phased payments in the conditions of approval of land development applications, to take into account the timing of the proposed phases of the land development; and

- 6.4.2. The Municipality agrees that the developer must provide an acceptable written guarantee from a registered financial institution, in an amount due and subject to written terms and conditions imposed by the Municipality.
  - 6.4.3. The Municipality may approve payment of the outstanding development charge into an attorney's trust account, in cases where this will enable the completion of infrastructure projects in lieu of Development Charges that are not yet completed at the time that clearance is sought and if such withholding of clearance is deemed to be unfair towards the developer. An example of this is where the Municipality has requested the upgrade or installation of a service in-lieu of Development Charges, of which the upgrade was not an original condition of approval, or which is not specifically triggered by the development, but of which the immediate upgrade will be of benefit to the Municipality and/or the greater public. The conditions for the utilisation of the funds in this trust account shall be stipulated in a letter of undertaking issued by the trust attorney and as agreed to in writing by the Municipality.
- 6.5. When approving a land development application, the Municipality must stipulate at least the following matters relating to the development charge –
- 6.5.1. The total amount of the development charge;
  - 6.5.2. The dates/development milestones on which the payment or payments must be made and the amount of such payments;
  - 6.5.3. Whether the Municipality and the developer have agreed that the developer will install any bulk services, as contemplated in paragraph 9; and
  - 6.5.4. Where the developer is to install bulk services instead of the payment of some portion or all of a development charge –
    - 6.5.4.1. The nature and extent of the bulk services to be installed by the developer;
    - 6.5.4.2. The timing of commencement and completion of the bulk services to be installed by the developer;
    - 6.5.4.3. The amount of the developer's fair and reasonable costs of installation, or the process for determining that amount, including the process, after installation, for making any adjustments to an amount specified as determined by the Municipality; and
    - 6.5.4.4. The engineering and other standards to which the installed external engineering services must conform.
- 6.6. The Municipality and a developer may, and in the circumstances provided for in paragraph 9 must, conclude an engineering services agreement to give detailed effect on the arrangements contemplated in this paragraph 6, provided that an engineering services agreement may not permit any intensification of land use beyond that which was approved.

## **7. CALCULATION OF DEVELOPMENT CHARGES**

- 7.1. Subject to the provisions of this policy, a development charge shall be calculated with reference to the estimated increased load placed on the external engineering services networks that results from the development in a specific impact zone.

- 7.2. The capital cost of internal engineering services is for the account of the developer.
- 7.3. Subject to paragraph 6.3 above and for purposes of calculation of the bulk services component of a development charge, the Municipality must –
- 7.3.1. Determine a unit cost for each municipal infrastructure service, which unit cost must include all land cost, professional fees, materials, labour and reasonable costs of construction, but must exclude the value of any debts incurred by the Municipality for purposes of funding existing capital infrastructure assets, to the extent that such debt has not been repaid by the Municipality;
- 7.3.2. Apply a formula, which formula will –
- 7.3.2.1. Be aimed at determining the impact of the proposed land use on municipal infrastructure services, taking into account current and planned capacity, relative to the impact of the land use occurring at the date of approval of the land development application; and
- 7.3.2.2. Calculate the amount payable by multiplying the unit cost referred to in paragraph 7.3.2.1, by the estimated proportion of the municipal infrastructure services, including current and planned capacity, that will be utilised by the proposed land development.
- 7.4. The basis upon which development charges unit costs of the civil services and community services will be determined, as envisaged in paragraph 7.7, shall be consistent with Chapter 3A of the Amendment Bill.

The methodology for calculating unit costs can be summarised as follows, per service and for each impact zone thereof:

- Use an appropriate planning horizon in the future for that service (e.g. 20 years).
- Use town-planning scenarios and engineering master planning to determine what new services are required, such that at that point in the future, the joint capacity of existing and future services matches the number of consumption units that will be in place, being the existing amount plus the future development amount.
- Estimate the costs of the existing and future infrastructure, as though it was all being constructed at the present day, i.e. replacement cost for existing infrastructure or present-day cost for future infrastructure.
- Establish the number of consumption units that the total infrastructure will cater for i.e. existing consumption plus future consumption.
- From the above calculate the cost per unit consumption factor.
- The DC for the development in question is then calculated by multiplying the nett additional consumption needed for that development, by the cost per unit consumption factor.

In this manner the new development is paying its fair share of the infrastructure that it uses in that impact zone, and not financing an existing shortfall nor financing a surplus being created.



- 7.5. The basis upon which development charges will be determined i.t.o. electricity will be as per NRS 069: Code of practice for the recovery of capital costs for distribution network assets.
- 7.6. The Municipality must adjust the unit cost for each municipal infrastructure service on an annual basis during the budget preparation process referred to in Section 21 of the Local Government: Municipal Finance Management Act 56 of 2003, to take account of inflationary impacts and must publish the adjusted unit costs within two months of approving the municipal budget. The Municipality will use the Contract Price Adjustment Factor as prescribed in the SAICE General Conditions of Contract for Construction Works (as amended) to determine the annual effect of inflation.
- 7.7. Where possible, unit costs for each municipal infrastructure service should be re-calculated every five years to take into account the current and planned capacity for each municipal infrastructure service at the date of re-calculation, and any other relevant factors.
- 7.8. In the event of the Municipality discovering that a gross error has occurred in the determination of the development charges, or if there are justifiable reasons to review the charges, it may, by means of a council resolution, correct such error or review the charges.

## **8. ADJUSTMENT FOR ACTUAL COSTS OR USAGE**

- 8.1. Notwithstanding the provisions of paragraph 7.3, the Municipality may at its own instance or on request by a developer, increase or reduce the amount of the bulk services component of a development charge so as to reflect the actual cost of installation of the required bulk services, where:
  - 8.1.1. exceptional circumstances, as motivated by the developer and if accepted by the Council, justify such an increase or reduction; or
  - 8.1.2. a particular land development significantly exceeds the size or impact thresholds set out in the applicable Development Charges tariff tables.
  - 8.1.3. the actual usage of a particular land development varies significantly from the usage of the approved Development Charges tariff tables and of which the actual usage is motivated by a professional engineer and can be justified by means of recognised engineering guidelines and/or industry norms and standards.
  - 8.1.4. Where a development is situated outside the urban area, and it is not connected to or uses the bulk infrastructure allowed for in the Development Charge calculation, because it is providing its own bulk services (e.g. water supply and waste water package plant) or its reduced usage is not already allowed for in the calculation, then that portion of the Development Charge must be adjusted by means of calculations by a professional engineer in terms of this section, and the developer must pay for his own bulk infrastructure to the approval of the Engineer.
- 8.2. Where the Municipality adjusts the amount of the bulk services component of a development charge on the basis of actual costs in terms of this section:
  - 8.2.1. the developer is responsible for the costs of performing the calculation of such adjustment, which must be carried out by a registered professional civil

engineer appointed by the developer with appropriate experience and expertise having regard to the nature and extent of the proposed land use; and

- 8.2.2. the actual cost must include, where applicable and without limitation, land costs, professional fees, materials, labour, the reasonable costs of construction and any tax liabilities; provided that all such costs would otherwise have been borne by the Municipality, in the provision and installation of the bulk services concerned.

## **9. INSTALLATION OF EXTERNAL ENGINEERING SERVICES INSTEAD OF THE PAYMENT OF DEVELOPMENT CHARGES**

- 9.1. The Municipality may agree with a developer that the developer installs all or part of the external engineering bulk services required for an approved land development instead of the payment of the applicable development charge.
- 9.2. Where a developer installs external engineering services to the technical standards required by the Municipality, as reflected in the applicable conditions of approval of the land development application or as agreed with the Municipality in writing, the developer may set off the fair and reasonable cost of such installation, as determined by the Municipality, against the applicable development charges.
- 9.3. Any capital infrastructure assets forming part of an external engineering service installed by a developer instead of payment of any part of a development charge shall, upon installation, become the property of the Municipality, and-
  - 9.3.1. the developer shall bear the responsibility of ensuring that ownership or other relevant rights to the affected capital infrastructure assets is or are transferred to the Municipality;
  - 9.3.2. the Municipality must include the applicable capital infrastructure asset gain in its next adjustments budget, in accordance with regulations relating to asset gains, made in terms of the Local Government: Municipal Finance Management Act 56 of 2003.
- 9.4. The Municipality may require that a developer installs external engineering services to accommodate a greater capacity than that which would be required for the proposed land use alone in accordance with any master plan approved by the Municipality, in order to support planned future development in the vicinity of the approved land development. Where the total fair and reasonable cost of installation of such required external engineering services exceeds the development charge payable by the developer, the Municipality may reimburse the developer the amount in excess of the development charge, in accordance with a written agreement, provided that such infrastructure has been provided for in accordance with an approved master planning programme for such service and which has been approved as a capital project in terms of the budget of the Municipality. This reimbursement is to be within an agreed payment schedule not exceeding three years from the date of installation unless the developer waives his right to the applicable reimbursement.
- 9.5. If the developer elects to develop outside the Municipality's approved capital expenditure programme, he or she will have to fund the provision of services to enable such development. There is no obligation on the Municipality to provide services to land simply because an owner wants to develop his/her land and the Municipality is not obligated to re-imburse the developer for such expense. Section 152 of the

Constitution emphasises the fact that the Municipality must structure its administration and budgeting and planning processes to give priority to the basic needs of the community.

- 9.6. When a developer installs external engineering services instead of payment of a development charge, he or she must adopt the most cost-effective and efficient approach to meet the Municipality's technical standards. The principles of procuring the most cost-effective and efficient services must be followed. Therefore, the installation of engineering services must be provided at costs based on a competitive procurement process and evaluated by the developer's consultant with a recommendation for appointment. Such recommendation must be approved by the Municipality before the appointment of a contractor for this purpose.

## **10. NON-PROVISION BY THE MUNICIPALITY**

- 10.1. Where the Municipality has agreed to install the required external engineering services and fails to do so within a period of twelve months from the date for completion stipulated in such agreement, the Municipality must return the applicable portion of the development charge paid by the developer, to the developer, with interest charged at the applicable rate for debts owed to the State.
- 10.2. Notwithstanding the provisions of paragraph 10.1, the Municipality and the developer may agree to:
- 10.2.1. an extension of the time period for the installation of the required external engineering services by the Municipality: provided that such extended time period may not exceed twenty-four months and provided further that where the Municipality completes the installation within such extended time period, it has no obligation to return the development charge paid by the developer, to the developer; or
- 10.2.2. an engineering services agreement, or such a revised agreement, in terms of which the developer agrees to install the required external engineering services in whole or in part and, where agreeing to install in part, the time period within which the Municipality will install those external engineering services for which it remains responsible: provided that the extended time period for installation by the Municipality may not exceed twenty-four months and provided further that where the Municipality completes its portion of the installation within such extended time period, it has no obligation to return that portion of the development charge paid by the developer which pertains to the external engineering services installed by the Municipality, to the developer.

## **11. WITHHOLDING CLEARANCES AND APPROVALS.**

- 11.1. The Municipality shall be entitled to withhold any consent, clearance or approval in respect of a land development in the event where development charges owed by the developer remain unpaid or the developer fails to install external engineering services in accordance with an engineering services agreement entered into with the Municipality.

- 11.2. The Municipality shall not be obliged to allow any internal or link services to be connected to the bulk services of the Municipality until all development charges have been paid by a developer.

## 12. SUBSIDIES AND EXEMPTIONS

- 12.1. The Municipality may only subsidise a land development or category of land developments through reducing the development charge payable in respect thereof if it meets any of the following criteria.

- The land development must be for purposes of providing low-income and subsidised housing (i.e. those who qualify for the Financial Linked Individual Subsidy Programme). Proof of sale must be submitted, and the proposed residential development must be located on land with a "Less Formal Residential" zoning in terms of the Zoning Scheme.
- The beneficiaries of the land development must primarily be indigent persons, persons dependent on pensions or social grants for their livelihood, or persons temporarily without income.
- The land development must be for purposes of serving community, conservation, educational, institutional or public purposes as defined in Schedule 2 to the SPLUMA.
- The applicant for a subsidy must be a registered non-profit or charitable community organisations undertaking social development projects that is beneficial to the community and where the applicant is able to demonstrate how the proposed development will have a social and/or economic benefit to the Municipality. The use of any land or buildings, or any part thereof, shall not be for the private financial benefit of any individual, including as a shareholder in a company or otherwise.
- If the bulk engineering services for the land development concerned have been budgeted to be funded through a fiscal transfer from another sphere of government, a subsidy may be granted to the extent of that grant funding.

- 12.2 Examples of land uses that may potentially qualify for subsidies, are the following:

- Breaking New Ground (BNG) housing projects implemented by the Municipality. These projects are approved by council prior to implementation and such approval should include financial commitments regarding the provision of bulk services for these projects. It is thus not necessary for development charges if the provision of bulk services is to be funded by alternative funding sources.
- Public schools, hospitals, clinics and other public infrastructure projects developed and funded by government which provides a service to especially the poorer communities. These projects will have a social and economic benefit to these communities and the Municipality in its whole and in so doing will alleviate some institutional and financial pressure on the Municipality in terms of providing social infrastructure and social development programmes.

- 12.2. Applications for subsidies must be in writing and addressed to the Director: Infrastructure Services for evaluation, calculation of the applicable development charge as if it were payable, and submission of a recommendation to the Stellenbosch Municipal Council for consideration.

- 12.3. If a subsidy is granted, the Municipal Council must set out the reasons for its decision, must identify the alternative funding source for the required bulk engineering services to the value of the subsidy, and must budget for and/or obtain funding from an alternative source to the value of the subsidy.
- 12.4. Before the Municipality grants an individual exemption, it must:
- 12.4.1. ensure that the revenue to be forgone as a result of any exemption approved by the Municipal Council is reflected in the Municipality's budget (Finance);
  - 12.4.2. must provide for budgetary provision for the realisation of the revenue forgone to be made, from another realistically available source of revenue (Finance);
  - 12.4.3. ensure that the monetary value of the exemption, together with the amount of any other payment or payments received by the Municipality towards the capital costs of external engineering services for an approved land development, is at least equal to the development charge calculated in accordance with paragraph 12.4.1.

### 13. SPECIAL ARRANGEMENTS

- 13.1. Rural areas/farms: Development Charges will not be levied in respect of buildings as are reasonably connected with the permissible main farming activities on the farm (e.g. cellar and bottling facilities on a wine farm or a fruit packaging and storage facility on a fruit farm). Development Charges according to the applicable tariff will be levied for any other development on farms requiring approval of land use applications, e.g., a farm stall, function venue, tourist accommodation facilities, conference facilities or other commercial activities.
- 13.2. Gross Leasable Area ("GLA"): When at the time of the Development Charges calculation being done, the GLA figure is not known, it will be deemed to be 15% less than the permissible total bulk (i.e. based on 85% of the total permissible bulk).
- 13.3. Development Charges In lieu of Parking bays: If the development is located in an area where in the opinion of the Municipality the lack of sufficient on-site parking is currently causing problems, payment of Development Charges in lieu of providing parking bays will not be permitted. Some or all of the following criteria must be met before a Development Charges payment in lieu of parking will be favourably considered:
- If located in the historical CDB core where buildings were approved with limited parking provision;
  - When a development is situated within a 500m radius of a public transport hub or facility;
  - When a development is situated along a primary functional public transport route – provided that the necessary embayment required, is provided;
  - When a development is situated along a primary Non-Motorised Transport route (as defined by the Non-motorised Transport Masterplan) – provided that the necessary facilities are in a good state;
  - Where a public parking garage has been constructed that, in the Municipality's opinion, adequately caters for the demand created by the shortfall of on-site parking.

- 
- 13.4. Provincial roads outside of the urban boundaries are not allowed for. Provincial roads within the urban edge perform a municipal function and are allowed for. Partial subsidisation thereof is treated the same as all grants for all services from all sources, in that these are subtracted on an average basis from the total capital costs across the entire area. Therefore provincial roads within the urban edge are treated in the same way as such municipal roads, and the full cost thereof can be offset against Development Charges in the same way as for such a municipal road.
- 13.5. Non-motorised transport facilities: A functional and safe non-motorised transport and public transport network will reduce the dependence on private motor vehicles and therefore relieve road congestion and free up capacity on the roads and intersections. The developer may set off its fair and reasonable cost of providing such facilities, as determined by the Municipality, against the applicable development charges if the Municipality is satisfied, based on its non-motorised transport master plan, that those facilities are for the benefit of multiple users/developments and/or the community as a whole.
- 13.6. Handling of properties with historical land use rights: If a property (especially business and industrial zoned property) has an existing zoning right, it does not necessarily mean that DCs have been paid on the full development potential of the property when such zoning was approved. A DC credit can only be granted if a DC for a specific development or building has been paid in the past, or if there are existing permanent, legal buildings (has building plan approval) on the site which service demand has already been absorbed into the bulk service networks. Otherwise there is no justification for granting such a credit. The onus to prove that DCs have been paid is on the Developer/Applicant.
- 13.7. Temporary Departures: No Development Charges will be levied in respect of temporary departure approvals; provided that:
- 13.7.1. If, in the Municipality's opinion, any external engineering services upgrades are required to meet increased demand due to the impact of the temporary land use concerned, even if of a temporary nature, the developer must construct such upgrade at own cost; and
- 13.7.2. if an application for an extension of a temporary departure is granted, Development Charges will be levied.

## Appendix "A"

**Legislative background and relevant statutory provisions****Legislative background****1. The Townships Ordinance, 33 of 1934 – ('Townships Ordinance')**

Before 1 July 1986 (i.e., the commencement date of the Land Use Planning Ordinance, 15 of 1985), land use applications in the Province of the Cape of Good Hope were dealt with in terms of the Townships Ordinance, 33 of 1934.

It *inter alia* provided in section 35 *ter* that an enhancement levy was due to the local authority concerned by the owner of any land of which the *value* is or has increased in consequence of 'provisions' being or having been 'prescribed' (i.e., zoning rights granted). The intention clearly was that the levy would serve as the developer's contribution towards the cost of providing or upgrading municipal services infrastructure required to serve development undertaken, based on the approved enhanced rights.

**2. The Venter Commission**

Under the Townships Ordinance, however, the settling of the question of a basis on which engineering services should be provided by the township establisher and the local authority concerned, was one of the biggest single factors that retarded the township establishment process and the rapid and effective production of new residential sites.

On 26 June 1982 the State President therefore appointed a commission to inquire into and make recommendations *inter alia* regarding methods which may promote the provision of sufficient residential erven and reduce the cost thereof. The commission became known as the Venter Parliamentary Commission (the 'Venter Commission').

At that stage the regulation of costs of township establishment in the Cape Province was based on the recommendations of the 1970 Niemand Commission. These included the basic principle that the existing municipality rate payers should not be expected to carry the burden of services for the new township but that the arrangements between the township owner and the municipality should be such that the municipality did not make a profit out of the township owner or the purchaser of his erven either. In short, the basis for cost liability was supposed in all cases to be the principle of equal treatment, in accordance with which the inhabitants of the old town should not subsidise the new township and neither should the old derive benefit from the new township.

The Venter Commission published three reports, respectively dated 29 March 1983, 16 June 1983 and 30 November 1983. It assumed, for purposes of those reports, that the concept of '*internal services*' referred to the engineering services network that was internal to the township concerned, but that it did not include the higher order services situated within the area of the township concerned that were generally classified as '*external services*' and were able to serve adjacent areas as well. It recommended [1] that '*the township establisher should accept responsibility for the installation and*

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<sup>1</sup> Par 3.6 Venter Commission 2nd Report sub-paragraph 10.

*financing of all engineering services that are internal to the township, and the local authority should accept responsibility for the installation and financing of external engineering services.'*

### 3. The Land Use Planning Ordinance, 15 of 1985 – ('LUPO')

Many of the recommendations of the Venter Commission were adopted by the then Cape Province Provincial Government and served as points of departure for the drafting of the Land Use Planning Ordinance, 15 of 1985 ('LUPO').

Section 42(1) of (the now repealed) LUPO, empowered the competent authority to grant a land use application, subject to '*such conditions as he may think fit*'. Section 42(2) of LUPO is particularly noteworthy. It read as follows:

*'Such conditions may, having regard to-*

- (a) *the community needs and **public expenditure which** in his or its opinion **may arise** from the authorisation, exemption, application or appeal concerned **and** the public expenditure **incurred in the past** which in his or its opinion facilitates the said authorisation, exemption, application or appeal, and*
- (b) *the various **rates and levies** paid in the past or to be paid in the future by the owner of the land concerned, **include conditions** in relation to the cession of land or the **payment of money which is directly related to requirements** resulting from the said authorisation, exemption, application or appeal in respect of the provision of necessary services or amenities to the land concerned.'* [Emphasis added].

LUPO no longer catered for enhancement levies but introduced an arrangement in terms of which local authorities could require, as a condition of approval, a contribution towards specified public expenditure. The qualification was that such expenditure (incurred in the past or that may arise) should (a) in the opinion of the authority, facilitate the land use approval; and (b) had to be directly related to requirements resulting from such approval, *in respect of the provision of necessary services or amenities to the land concerned.*

The reason why local authorities were required to take into consideration '*the various rates and levies paid in the past or to be paid in the future by the owner of the land concerned*', relates to how *loans*, as mechanism to finance infrastructure investment programmes, fits within the municipal fiscal framework. When loans are taken up for this purpose, municipalities repay same *inter alia* by using income from those sources. In other words, even the owners of vacant land contribute towards the cost of existing infrastructure that was or new infrastructure that will be provided with borrowed funds. To disregard their previous and future contribution would therefore be in conflict with the requirement that municipality should not make a profit out of the developer.

### 4. Conclusion

Development charges are nor a new revenue source or tax for municipalities, but a once-off infrastructure access charge imposed by a municipality on a developer as a condition of approval of a land development that will result in intensification of land uses and an increase in the use of or need for municipal engineering infrastructure.

All the new order local government and planning legislation and language used therein, can easily induce an exaggerated sense of the extent of the substantive shift that it is brought about. Actually, the new order regime very much replicates that which



previously subsisted in terms of the old order legislation and provides for the substantive continuity of the regulatory structure.

The new order legislation merely refined statutory arrangements relating to development charges whilst the underlying principles in respect thereof, remained the same. People working with the legislation shall appreciate the pattern today is not something essentially different to what it was yesterday and because different language is used in the legal framework one shouldn't allow that to confuse oneself into thinking of it as some sort of a legal revolution. The underlying principles still represent an equitable division of development costs between the local authority and the developer.

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## **Relevant statutory provisions**

### **The National Constitution – ('Constitution')**

- Section 229(1)(b) empowers a municipality, if authorised by national legislation, to impose other taxes, levies and duties.
- According to section 229 (2) the power of a municipality to impose rates on property, surcharges on fees for services provided by or on behalf of the Municipality, or other taxes, levies or duties-
  - o may not be exercised in a way that materially and unreasonably prejudices national economic policies, economic activities across municipal boundaries, or the national mobility of goods, services, capital or labour; and
  - o may be regulated by national legislation.

### **Stellenbosch Municipality: Zoning Scheme By-Law 2019 – ('Zoning Scheme')**

#### **20. Development charges in terms of this Scheme**

- (1) *The calculation of development charges and whether a development charge is payable, shall be subject to the Municipality's adopted policy.*
- (2) *Where the provision in a particular zone identifies that a development charge is payable for intensified primary development rights which came into operation as a result of this Scheme, and where the owner intends to develop according to such intensified rights, such development charge shall be calculated when the building plan is submitted and shall be paid prior to the approval of said building plan.*
- (3) *Where an application is made in terms of Planning Law, or where application is made for technical approval in terms of this Scheme, the Municipality may impose a condition related to development charges payable where said approval leads to the*

intensification of land use beyond the primary rights which has been originally approved on the land unit.

- (4) Unless an alternative agreement is reached in writing between the owner and the Municipality, no building plan shall be approved on any land unit where an outstanding development charge is payable.
- (5) If the Municipality fails to calculate a development charge at the appropriate approval stages as set out in this section, it is deemed that there are no charges related to that development. (0)

**89. Development charges in the Multi-Unit Residential zone**

- (1) The Municipality may impose development charges for any additional use or consent use application in accordance with Planning Law.
- (2) A development charge is payable in terms of section 20 in instances where a building plan is submitted to utilise intensified primary development rights which came into operation because of this Scheme.
- (3) The Municipality shall, prior to approval of such a building plan, determine the extent of such additional rights and calculate the required levy, which shall be paid by the landowner prior to the approval of said building plan.
- (4) The Municipality shall consider additional development charges in at least the following instances where building plans for primary rights are submitted:
  - (a) any new development where a group housing or retirement village scheme exceeds the density per hectare as indicated below for the various former scheme areas:
    - (i) 20 units per hectare in former Stellenbosch scheme area and former Section 8 scheme area;
    - (ii) 30 units per hectare in former Franschhoek scheme area;
  - (b) any new development where the total floor area exceeds the following:
    - (i) in former Stellenbosch and Franschhoek scheme areas:
      - 40% for erven up to 1499m<sup>2</sup> (factor of 0.4)
      - 50% for erven up to 1749m<sup>2</sup> (factor of 0.5)
      - 60% for erven up to 1999m<sup>2</sup> (factor of 0.6)
    - (ii) in former Section 8 areas: (0)
      - 100% of the land unit (factor of 1.0)
  - (c) where consolidation is undertaken which results in a greater floor area threshold applying than set out above for the original land unit size;
  - (d) any new development where a direct or indirect limitation applied on the development potential of the land unit by a condition of approval or the provisions of the former zoning scheme.

**102. Development charges in the Local Business zone**

- (1) The Municipality may impose development charges for any additional use or consent use application in accordance with Planning Law.
- (2) A development charge is payable in terms of section 20 in instances where a building plan is submitted to utilise intensified primary development rights which came into operation as a result of this Scheme.
- (3) The Municipality shall, prior to approval of such a building plan, determine the extent of such additional rights and calculate the required levy, which shall be paid by the landowner prior to the approval of said building plan.
- (4) The Municipality shall consider additional development charges in at least the following instances where building plans for primary rights are submitted:
  - (a) any development which exceeds the previously approved development extent or land use on a land unit which was zoned "Restricted Business", "Specific Business" or "Minor Business" in the former Stellenbosch or Franschhoek schemes;
  - (b) any development where the floor area exceeds 150% of the area of the land unit (factor of 1,5);
  - (c) any development where consolidation is undertaken which results in the intensification of land use which is greater than that applicable on the individual erven; and
  - (d) any new development where a direct or indirect limitation applied on the development potential of the land unit by virtue of a condition of approval or the provisions of the former zoning scheme.

**115. Development charges in the Mixed-Use zone**

- (1) The Municipality may impose development charges for any additional use or consent use application in accordance with Planning Law.
- (2) A development charge is payable in terms of section 20 in instances where a building plan is submitted to utilise intensified primary development rights which came into operation because of this Scheme.
- (3) The Municipality shall, prior to approval of such a building plan, determine the extent of such additional rights and calculate the required levy, which shall be paid by the landowner prior to the approval of said building plan.
- (4) The Municipality shall consider additional development charges in at least the following instances where building plans for primary rights are submitted:
  - (a) any new development where the total floor area exceeds the following:
    - (i) in former Franschhoek scheme area:
      - 255% of the area of the land unit (coverage of 85% on 3 floors) for business related buildings;
      - 150% (coverage of 50% on 3 floors) for flats and any other residential buildings;
    - (ii) in former Section 8 scheme areas:

- 300% of the area of the land unit (floor factor of 3,0) for business related buildings;
- 100% of the area of the land unit (floor factor of 1,0) for flats and any other residential buildings);
- (iii) in former Stellenbosch scheme areas:
  - 425% of the area of the land unit (coverage of 85% on 5 floors) for business related buildings;
  - 185% of the area of the land unit (coverage of 85% on ground and 50% on 2 more floors) for flats and any other residential buildings (excluding hotel and guest house);
  - 285% (coverage of 85% on ground and 50% on 4 more floors) for hotels and guest house.
- (b) any new development where a direct or indirect limitation applied on the development potential of the land unit in terms of a condition of approval or the provisions of the former zoning scheme.

**128. Development charges in the Industrial zone**

- (1) The Municipality may impose development charges for any additional use or consent use application in accordance with Planning Law.
- (2) A development charge is payable in terms of section 20 in instances where a building plan is submitted to utilise intensified primary development rights which came into operation because of this Scheme.
- (3) The Municipality shall, prior to approval of such a building plan, determine the extent of such additional rights and calculate the required levy, which shall be paid by the landowner prior to the approval of said building plan.
- (4) The Municipality shall consider charging development charges in at least the following instances where building plans for primary rights are submitted:
  - (a) any new development where the total floor area exceeds the following:
    - (i) in former Franschhoek and Stellenbosch scheme areas:
      - 225% of the area of the land unit (coverage of 75% on 3 floors);
    - (ii) in former Section 8 scheme areas:
      - 150% of the area of the land unit (floor factor of 1,5);
  - (b) any new development where a direct or indirect limitation applied on the development potential of the property by a condition of approval or the provisions of the former zoning scheme.

**140. Development charges in the Education zone**

- (1) A development charge is payable in terms of section 20 in instances where a building plan is submitted to utilise intensified primary development rights which came into operation because of this Scheme.

- (2) *The Municipality shall, prior to approval of such a building plan, determine the extent of such additional rights and calculate the required levy, which shall be paid by the landowner prior to the approval of said building plan.*
- (3) *The Municipality may impose development charges for any additional use or consent use application in accordance with Planning Law.*

**151. Development charges in the Community zone**

- (1) *A development charge is payable in terms of section 20 in instances where a building plan is submitted to utilise intensified primary development rights which came into operation because of this Scheme.*
- (2) *The Municipality shall, prior to approval of such a building plan, determine the extent of such additional rights and calculate the required levy, which shall be paid by the landowner prior to the approval of said building plan.*
- (3) *The Municipality may impose development charges for any additional use or consent use application in accordance with Planning Law. (0*

**162. Development charges in the Utility Services zone**

- (1) *A development charge is payable in terms of section 20 in instances where a building plan is submitted to utilise intensified primary development rights which came into operation because of this Scheme.*
- (2) *The Municipality shall, prior to approval of such a building plan, determine the extent of such additional rights and calculate the required levy, which shall be paid by the landowner prior to the approval of said building plan.*
- (3) *The Municipality may impose development charges for any additional use or consent use application in accordance with Planning Law.*

**172. Development charges in the Transport Facilities zone**

- (1) *The Municipality shall, prior to approval of a building plan for a primary right, determine whether the building to be approved constitutes an increase in development rights which is greater than the rights which existed in the former scheme, and should this be found to be the case, require that a development charge in accordance with section 20 of this Scheme.*
- (2) *The Municipality shall at least consider imposing development charges in the following instances:*
  - (a) *any new development or expansion of business-related ancillary uses to passenger transport uses;*
  - (b) *any new petrol filling stations or expansion of existing filling stations;*

*any new development where a direct or indirect limitation applied on the development potential of the land unit by a condition of approval or the provisions of the former zoning scheme.*

**219. Development charges in the Agriculture and Rural zone**

- (1) A development charge is payable in terms of section 20 in instances where a building plan is submitted to utilise intensified primary development rights which came into operation as a result of this Scheme.
- (2) The Municipality shall, prior to approval of such a building plan, determine the extent of such additional rights and calculate the required levy, which shall be paid by the landowner prior to the approval of said building plan.
- (3) The Municipality may impose development charges for any additional use or consent use application in accordance with Planning Law.

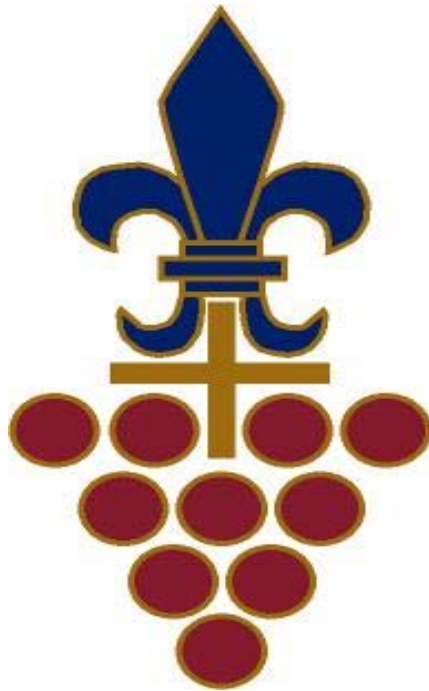
### **Local Government: Municipal Systems Act, 32 of 2000 – ('MSA')**

According to the MSA a 'municipal service' means a service that a municipality is empowered to provide and which it provides or may provide to or for the benefit of the local community. Irrespective of whether such a service is provided (or to be provided) by the municipality through an internal mechanism or by engaging an external mechanism.

- Section 4 (1) provides that the council of a municipality has the right to finance the affairs of the municipality by
  - charging fees for services; and
  - imposing surcharges on fees, rates on property and, to the extent authorised by national legislation, other taxes, levies and duties.
- Section 4(2) provides that the council of a municipality, within the municipality's financial and administrative capacity and having regard to practical considerations, has the duty inter alia to-
  - exercise the municipality's executive and legislative authority and use the resources of the municipality in the best interests of the local community;
  - strive to ensure that municipal services are provided to the local community in a financially and environmentally sustainable manner; and
  - promote and undertake development in the municipality.
- According to section 11(3) a municipality exercises its legislative or executive authority *inter alia* by imposing and recovering rates, taxes, levies, duties, service fees and surcharges on fees, including setting and implementing tariff, rates and tax and debt collection policies.
- Section 74 of the MSA requires that a municipal council must adopt and implement a tariff policy on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements, and which complies with the provisions of the MSA and any other applicable legislation. In terms of section 74(2) a tariff policy must *inter alia* reflect at least the following principles, namely that-
  - tariffs must reflect the costs reasonably associated with rendering the service, including capital, operating, maintenance, administration and replacement costs, and interest charges;
  - tariffs must be set at levels that facilitate the financial sustainability of the service, taking into account subsidisation from sources other than the service concerned;

- the extent of subsidisation of tariffs for poor households and other categories of users should be fully disclosed.
- Section 75A of the MSA deals with the general power of municipalities to levy and recover fees, charges and tariffs. It provides that a municipality may-
  - levy and recover fees, charges or tariffs in respect of any function or service of the municipality; and
  - recover collection charges and interest on any outstanding amount.

# **STELLENBOSCH MUNICIPALITY**



## **RATES POLICY**

**2022/2023**

**REVISED**





# STELLENBOSCH MUNICIPALITY

## RATES POLICY

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## 1. BACKGROUND

In 2007, Stellenbosch Municipality initiated a process to prepare a General Valuation (GV) Roll of all property situated within the geographical boundaries of Stellenbosch Municipality (WC024) in terms of the requirements of the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) including any subsequent amendments and consequential regulations (the MPRA) which became effective on 1 July 2009 at Stellenbosch Municipality.

This Policy is formulated in terms of Section 3 of the MPRA.

## 2. LEGISLATIVE CONTEXT

2.1 In terms of Section 229 of the Constitution, 1996 (Act 108 of 1996), a municipality may impose rates on property.

2.2 In terms of Section 4 (1) (c) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), a municipality has the right to finance the affairs of the municipality by imposing, *inter alia*, rates on property.

2.3 In terms of Section 2 (1) of the MPRA a metropolitan or Local municipality may levy a rate on property in its area in accordance with the provisions of the MPRA.

2.4 This Policy must be read together ~~with, and~~ with and is subject to the provisions of the MPRA.

2.5 In terms of Section 62 (1) (f) (ii) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (the MFMA), a municipality must have and implement a rates policy as may be prescribed by any applicable national legislation.

2.6 In terms of Section 8(1) of the MPRA, the Municipality will, as the primary instrument, levy rates on the use of property, but implemented as per paragraph 5.5 of this Policy.

2.7 All citations to applicable Acts as referenced in this Policy shall include all amendments and regulations to such as promulgated.

## 3. GUIDING PRINCIPLES

3.1 The rating of property will be implemented impartially, fairly, equitably and without bias, and these principles also apply to the setting of criteria for exemptions, reductions, and rebates contemplated in Section 15 of the MPRA.

3.2 The rating of property will be implemented in a way that:-

- is developmentally oriented;
- supports sustainable local government by providing a stable and buoyant revenue source within the legislative ~~control~~ ambit of the Municipality;
- supports local and socio-economic development;
- promotes simplicity, uniformity, and certainty in the property rates assessment process;

- gives due consideration to the need for simple and practical process of billing and collection of property rates;
- promotes sustainable land management, especially that which reduces the risk from natural disasters;
- achieves national and local environmental management objectives; and
- balances the affordability ~~to the public~~ by ratepayers versus the financial sustainability of the Municipality.

### 3.3 Other principles that will steer the processes of this Policy:

- All ratepayers within a specific category will be treated equally and reasonably.
- The Municipality will, when levying property rates for each financial year, take cognizance of the aggregate burden of rates on property owners in the various categories of property ownership.
- Rates Increases/Decreases will be guided by the budget requirements of the Municipality, and by Section 20 of the MPRA.
- In dealing with the poor/indigent ratepayers the Municipality may provide relief measures through exemptions, reductions or rebates.

### 3.4 Further determinants that will guide the processes of this Policy:

- The Zoning Scheme of the Municipality determines, via the provisions therein, the zoning and thus the legally binding use of a given property.
- However, the rating of said property is governed by the MPRA which determines a collection of rules that by implication sets the conditions by which the use of a property is categorised. It is therefore possible that even though an owner is using a property within the set rules of the Zoning Scheme, said property would not be rated on the same basis due to the definitions and provisions as applied according to the MPRA and this Policy.
- Moreover, such categorisation instituted according to the MPRA or this Policy does not condone any unlawful use of a property regardless of circumstances.

## 4. DEFINITIONS

In this Policy, a word or expression derived from a word or expression as defined, has a corresponding meaning unless the context indicates that another meaning is intended.

The following four definitions in the MPRA are ~~merely~~only shown for clarity:

**“Exclusion”**, in relation to a municipality's rating power, means a restriction of that power.

**“Exemption”**, in relation to the payment of a rate, means an exemption granted by a municipality.

**“Reduction”**, in relation to a rate payable on a property, means the lowering of the amount for which the property was valued and the rating of the property at that lower amount.

**“Rebate”**, in relation to a rate payable on a property, means a discount granted on the amount of the rate payable on the property.

In addition to the definitions contained in the MPRA, the following definitions apply for the purpose of the application of this Rates Policy.

Furthermore, specific terms or phrases used, but not defined in the MPRA are defined herein to ~~describe~~~~explain~~ said term or phrase for a specific perspective of the MPRA by the Municipality:-

**“the Municipality”** means Stellenbosch Municipality (WC024).

**“MPRA”** refers to the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) including any subsequent amendments and consequential regulations.

**“Accommodation Establishment”** means a property used for the supply of overnight sleeping facilities to transient guests at a fee.

**“agricultural activities”** means the intensive cultivation of soils for purposes of planting or growing, and gathering of trees or crops in a managed and structured manner; the intensive rearing of livestock or aquaculture. In addition, all the provisions as detailed in the definition of “*Agricultural Property*” in the MPRA persist in this Policy.

**“agricultural purposes”** refers to the active pursuit by a *bona fide* farmer to derive the principle source of income, which is commercially sustainable, from agricultural activities exclusively on Agricultural Properties.

**“bed & breakfast”** in relation to *Accommodation Establishment* means:

- ~~an enterprise initiative operated~~ on a property of which the residential character is maintained,
- ~~where the owner or operator permanently resides in the same dwelling,~~
- ~~where normally only breakfast is served,~~ and
- ~~sleeping accommodation to transient guests is limited to no more than 3 guest bedrooms and provided further, that the enterprise has not been registered as a Guesthouse.~~
- ~~This property will be deemed to be a Residential Category.~~

**“bona fide farmer”** is a person or legal entity that is a legitimate farmer whose primary income originates from agricultural activities ~~and the business of which must be registered with SARS.~~

**“business and commercial property”** means a property that is used for the purpose described as the activity of buying, selling or trade in goods, commodities or services and includes any office or other buildings on the same property, the use of which is incidental to such business. This definition excludes the business of mining and agriculture activities.

**“Chief Financial Officer (CFO)”** means a person designated in terms of Section 80(2) (a) of the Local government: Municipal Finance Management Act, 2003 (Act 56 of 2003).

**“Conservation Area”** means:

- a Protected Area as defined in Section 1 of the MPRA and listed in the “Protected Areas Register” as stipulated in Section 10 of the Protected Areas Act defined in the MPRA as the National Environmental Management: Protected Areas Act, 2003 (Act

57 of 2003); nevertheless, specifically those parts of properties as described in Section 17 (1) (e) of the MPRA; or

- a mountain catchment area as described in Section 9 of the *Protected Areas Act* and declared in terms of the Mountain Catchment Areas Act, 1970 (Act 63 of 1970).

**“Guesthouse”** in relation to *Accommodation Establishment* means:

- ~~an enterprise that has either been registered as a Guesthouse; or an initiative~~ enterprise that is operated on a property of which the residential character is maintained; and
- where the sleeping accommodation to transient guests exceeds 3 but limited to 16 guest bedrooms, ~~and/or~~
- if any services ~~is~~are offered beyond the limited ~~breakfast only~~ services of a *Bed and & Breakfast* establishment.
- This property will be deemed to be a Business Category.

**“household income”** means the gross sum of all monthly income from all sources. Income sources may include wages, salaries, profits, dividends, pensions, rentals, board & lodging, interest received, grants or investment income and other forms of financial contributions.

**“industrial property”** means a property that is used for the purpose described as the branch of trade or manufacturing, production assembling or processing of finished or partially finished products from raw materials or fabricated parts, typically via a high-volume production process and on such large scale that capital and labour are significantly necessitated; and includes any office or other buildings on the same property, the use of which is incidental to such business.

**“Open Space”** means a property, but specifically land that is used as a park, garden, for passive leisure or maintained in its natural state and which is zoned as open space. These properties may either be publicly owned being commonly open to public access; or privately owned and used without financial gain.

~~**“SARS”** means the South African Revenue Service.~~

**“ratepayer”** means a person or legal entity that is liable in terms of the MPRA for the payment of rates on property levied by the Municipality. The term “Ratepayer” is herein considered to be synonymous with the MPRA definition of the term “owner”.

**“residential purposes”** in relation to the use of the property means improved property primarily intended for human habitation and inhabited as such; ~~taking cognisance of~~ [subject to](#) paragraph 7.9 of this Policy and provided that:

- the following properties are specifically excluded from this definition: hostels, old age homes, ~~guesthouses,~~ and vacant land;
- ~~to qualify,~~ the predominant use of a property with not more than two dwelling units on said property, must be 80% or more (based upon a percentage of the total area of buildings and structures) for this purpose; or
- ~~to qualify,~~ properties registered in terms of the Sectional Title Act, 1986 (Act 95 of 1986) must solely be used for this purpose; or

- ~~to qualify~~, properties owned by a share-block company must solely be used for this purpose; or
- ~~to qualify~~, a block of flats must solely be used for this purpose; or
- ~~to qualify~~, a dwelling used for this purpose must be situated on property used for or related to educational purposes; or
- ~~to qualify~~, the predominant use of a retirement scheme or life right scheme must be 60% or more for this purpose.

“SARS” means the South African Revenue Service.

“**vacant land**” means a property:

- ~~a property~~ without any buildings or structures; ~~and or~~
- ~~where no~~ immovable improvements have been erected but deemed incomplete and unoccupied.

“**valuation roll**” means a valuation roll drawn up in terms of Section 30 of the MPRA or a supplementary valuation roll drawn up in terms of Section 78(6) of the MPRA.

## 5. IMPOSITION OF RATES

5.1 The Municipality shall as part of the annual budgeting cycle, set for each category a rate, (being a cent amount in the Rand) that will be imposed, in accordance with the MPRA, on the market value of a property, for all rateable properties as recorded in the Municipality’s valuation roll, drawn up in terms of the MPRA. The amount so determined together with any relief measures as described in this Policy shall be the Rates due and payable by the owner of said property.

The levying of rates forms part of the Municipality’s annual budget process as set out in Chapter 4 of the MFMA.

Details of the resolution pertaining to the rate for each of the various property categories are to be published in the *Provincial Gazette* as set out in Section 14 of the MPRA.

5.2 The rates charged as a cent amount in the Rand for the residential property as per paragraph 6.1 (a) of this Policy is the base rate and the rate charged to all other categories of properties are reflected as a ratio to the residential rate if so prescribed by Regulations promulgated in accordance with the MPRA.

5.3 The Municipality will be guided by the definition of “ratio” in the MPRA and directed by Regulations pertaining to rate ratios as promulgated in terms of Section 19 of the MPRA and as applicable to the prescribed non-residential properties.

5.4 For properties used for multiple purposes, the Municipality may apply the category of multiple use. For such properties, the Municipal Valuer will apportion a value to each distinct use and apply the appropriate category for billing at the applicable rate.

5.5 For the purposes of determining a property’s category, the Municipality will determine such as per Section 8-(1) of the MPRA. It should be noted that the Municipality considers

permitted use to be appropriate on vacant properties and that all other properties would be categorised according to the actual use of said property.

## 5.6 Building Clause references

Obligations pertaining to Building Clauses as per the development agreements or contracts will under the obligation or constraint of Section 19(1)(d) not be administered as part of the valuation nor the rating processes~~be dealt with according to the contract obligations.~~

~~Properties that have attached building clause obligations as per the development agreements or contracts will not be considered as being vacant.~~

## 5.7 Period for which rates are levied

The Valuation Roll will, according to Section 32(1) of the MPRA, remain valid for a General Valuation cycle of four years.

## 5.8 Valuation value constraints

(a) For the purposes of valuing a property, no valuation value shall be less than R1 000 unless the valuer determines that said property's valuation value must be zero.

(b) For administrative purposes all valuation values exceeding R1 000 ~~will~~ may be rounded to the nearest R1 000 interval. ~~For example, for values with an interval less than R1 500 will be rounded to a R1 000 interval whereas values with an interval not less than R1 500 will be rounded to a R2 000 interval.~~

## 6. CATEGORIES

### 6.1 Categories of Property

Property Categories, each of which correlates to a distinct use of a property, have been determined as described below.

The codes that have been associated with each property Category are listed in paragraph 18.1 of this Policy. In addition, paragraph 18.1 identifies the attributes and criteria that determines the basis for application.

The Municipality will apply the following property Categories:

| Item | Category (of property)        | Purpose/Use   |
|------|-------------------------------|---|
| (a)  | Residential                   | Refer Section 1 ("Definitions") in the MPRA and the defined term "Residential Purposes" as per paragraph 4 in this Policy.  |
| (b)  | Industrial                    | Refer the definitions as per paragraph 4 in this Policy.  |
| (c)  | Business and commercial       | Refer the definitions as per paragraph 4 in this Policy.  |
| (d)  | Agricultural                  | Refer Section 1 ("Definitions") in the MPRA and the defined term "Agricultural Purposes" as per paragraph 4 in this Policy. |
| (e)  | Mining                        | Refer Section 1 ("Definitions") in the MPRA.  |
| (f)  | Public Service Purposes       | Refer Section 1 ("Definitions") in the MPRA.  |
| (g)  | Public Service Infrastructure | Refer Sections 1 and Sub-sections 17(1)(a) and 17(1)(aA) in the MPRA.   |
| (h)  | Public Benefit Organisation   | <del>Used for a "Specified public benefit activity" as defined in</del> Refer to Section 4 <u>8(2)(h)</u> in the MPRA.      |
| (i)  | Multiple Use                  | Refer paragraph 7.2 in this Policy.   |
| (j)  | Heritage                      | Refer Section 15(2A)(b) in the MPRA.  |



|     |                    |  |
|-----|--------------------|--|
| (k) | Vacant Residential | Vacant and Permitted use set <del>for a</del> <u>as</u> Residential <del>property</del> .                    |
| (l) | Vacant Other       | Vacant and Permitted use <u>not</u> set <del>for a property category other than</del> <u>as</u> Residential. |

## 6.2 Categories for Relief Measures

The Municipality will consider relief measures on rates, being Exemptions, Rebates and/or Reductions on properties, according to various criteria as described in this Policy.

The codes (referred to as the Rebate Codes), associated with the specific relief measure, are listed in paragraph 18.2 of this Policy.

## 7. APPLICATION OF RATING

The Municipality will, in addition to the various criteria referenced above, apply the following criteria when rating a property:

### 7.1 Vacant Properties

The Category of Vacant properties will be determined according to the property's permitted use and these properties will not qualify for any relief measures.

Vacant ~~residential~~ property of which the permitted use has been set as residential will be rated as per the Vacant Residential Category.

Vacant property of which the permitted use has not been set as residential ~~other than residential property~~ will be rated as per the Vacant Other Category.

Any vacant property registered in the name of the Municipality will be categorised as a Vacant Other Category and exempted from paying property rates.

Normally, Agricultural properties will not be considered as being vacant, however this consideration lapses if the ambit (scope) of either of the terms "*agricultural activities*" or "*bona fide farmer*" as defined in this Policy is not relevant or cannot be applied to said property.

~~The Category of Vacant properties will be determined according to the property's permitted use and these properties will not qualify for any relief measures.~~

### 7.2 Multiple use Properties

Properties with multiple uses as per Section 9 of the MPRA may be categorised for each distinct use as determined by the Municipality and which category will be applied for billing at the appropriate and applicable rate.

The different uses will be grouped into two or more components. The first component, which will be determined by the largest apportioned area of the property will be the primary component; the other components (sub-components) will be identified by their generalised functional name.

The category of the primary component of such a property will be directed in the first instance by the dominant use of the property, but at the sole discretion of the Municipality.

A multiple use property may ~~only~~ qualify for the valuation exclusion as per paragraph 8.2.1 (i) of this Policy, provided that at least one of the components has been categorised as residential. [Sub-components will not be eligible for the reduction as per paragraph 8.2.1\(ii\).](#)

[Sub-components may not be categorised for any of the following categories: Public Service Purposes, Public Benefit Organisation nor any vacant category.](#)

### 7.3 Public Service Purposes Properties

Properties used for Public Service Purposes will be categorised as per paragraph 6.1 (f) of this Policy and will be rated at the applicable rate. The exclusions, exemptions, rebates and reductions relating to the usage of properties as detailed in this Policy and the MPRA, will apply if applicable.

### 7.4 Public Service Infrastructure properties ~~(PSI)~~

The Municipality will apply the rate ratio as set out in the MPRA to public service infrastructure. Furthermore, the Municipality will grant 100% exclusion on ~~all~~ such properties.

[The Municipality acknowledges that Sections 17\(1\)\(a\) and 17\(1\)\(aA\) of the MPRA provides for the distinct grouping of kinds of public service infrastructure as in the “public service infrastructure” definition in Section 1 of the MPRA.](#)

[These groups will be processed respectively as either a PSI formulae code or a PSIE formulae code as referenced by the table in paragraph 18.1. For such properties for which the Municipality is the owner the formulae code MUNP will be used.](#)

### 7.5 Rural Properties

The categorizing and/or qualification of all rural properties will be dealt with at the sole discretion of the Municipality.

#### 7.5.1 Agricultural Use

The Municipality will apply the rate ratio as set out in the MPRA to properties that are used for agricultural purposes by *bona fide* farmers. These properties will however not qualify for any relief measures.

[For a property to be categorised as agricultural, processes and structures fundamental to agricultural activities on that farming unit, will be considered. Structures such as a dwelling used by the farmer and farm employees will be considered integral to such processes.](#)

[The Municipality may consider applying multiple use categorisation as per paragraph 7.2 if any structures are not used exclusively for agricultural purposes, or the structures are used for delivering or selling services or products to/for customers.](#)

The Municipality deems property with extent less than ~~two~~one hectares not to be agricultural property.

### 7.5.2 *Alternate Criteria and Use*

- (a) Where a property in a rural area is being used for business, mining, or industrial purposes, such as truck depots, construction yards, restaurants, functioning venue, guesthouses, and/or factories, said property will be valued and rated according to the category for business, mining or industrial properties as applicable. The Municipality may however, consider valuating said property as a Multiple Use Property (refer to paragraph 7.2 of this Policy).
- (b) Properties in rural areas that are primarily used for residential purposes will be valued and rated as residential properties and may thus qualify in terms of the definition of residential property for the applicable relief measures (refer to paragraph 8 of this Policy).
- (c) Owners of a property in rural areas which is not categorised as agricultural, but which in the opinion of the owner should be agricultural, must apply (refer to paragraph 14.1 of this Policy) for a revaluation, submit documentation as required by the CFO and declare in an affidavit, that no contraventions of the criteria for agricultural activities are taking place on the property. The application will be dealt with according to the supplementary valuation process.

### 7.6 **Municipal Properties**

Municipal-owned properties which are leased in terms of a lease agreement or those properties which are allocated to beneficiaries but not yet transferred, will be rated as per the provisions of this Policy. The exclusions, exemptions, rebates, and reductions relating to the usage of properties as detailed in this Policy and the MPRA, will apply if applicable. The rates of said non-~~excluded~~-~~exempted~~ property will be passed on to the lessee or the allocated beneficiary.

All other Municipal-owned properties as described in Section 7 (2) (a) (i) of the MPRA, will be ~~excluded~~-~~exempted~~ from paying property rates [and Special Rating Area rates](#).

[For administrative purposes it should be noted that by 1 July 2023 all exemptions as applied to municipal owned properties will be changed to exclusions.](#)

### 7.7 **Special Rating Area (SRA)**

The Municipality may consider the application for a Special Rating Area (SRA) provided that the owners of the predefined demarcated area have approved the budget and the specifics relating to such SRA. The process must adhere to Section 22 of the MPRA and to the Municipality's Special Rating Area Policy and By-Law.

The budget for such SRA will be raised via a pre-determined tariff applied on the municipal valuation of each property. This pre-determined tariff is linked to the annual budget proposal and would therefore be unique to a specific SRA and for a given financial year.

### 7.8 **Land Reform Beneficiary properties**

The Municipality will ~~apply a category for~~[determine](#) a Land Reform Beneficiary ~~Property~~ that corresponds to the use of ~~said~~-~~such~~ property. The said ~~category~~-~~determination~~ will be applied for billing at the appropriate and applicable rate.

~~However, the~~The Municipality will ~~however~~ exclude such properties from rates for a period of 10 years subject to Section 17(1)(g) and phase-in the rates as per Section 21(1)(b) of the MPRA.

## 7.9 Adjoining properties

The Municipality acknowledges that there are residential properties, registered in the name of the same owner, which are used basically as if such properties were one property. ~~Consequently, these properties will be regarded as one residential property for the application of relief measures.~~

For the above, the deemed secondary component [the adjoining property] shall be classified as a RESA formula code and will therefore not be eligible for the reduction as per paragraph 8.2.1(ii).

The Municipality will apply the RESA formula code for units in a Sectional Title scheme such as a garage or a storage unit. Consequently, these properties or units will not be eligible for the reduction as per paragraph 8.2.1(ii).

~~Such grouping usually consists of adjoining properties but may include in the case of properties registered in terms of the Sectional Title Act, 1986 (Act 95 of 1986) any units such as a garage or domestic worker's quarters, in the same sectional title scheme registered in the name of the same owner.~~

The Municipality will not consider any notarial links between any property.

Administratively a link between the adjoining property and its associated parent property must be set so as to facilitate tracking of such pairing.

## 8. RELIEF MEASURES

### 8.1 Applying relief measures on Rates

Notwithstanding that the Municipality is obligated as per the MPRA to exclude specific properties or parts thereof from rating, the Municipality will consider applying relief measures on property rates, being Exemptions, Rebates and/or Reductions as described in this Policy.

- (a) The Municipality may grant exemptions, rebates and/or reductions to the categories of properties and/or categories of owners that meet the specified criteria as indicated in sub-paragraphs of paragraph ~~{7}~~ above or as indicated below.
- (b) The Municipality will exclude specific properties or parts thereof as indicated in sub-paragraphs of paragraph ~~{7}~~ above or as indicated below.
- (c) The Municipality will not grant relief in respect of payments for rates to any category of owners or properties other than that as provided for in this Policy, nor to owners of properties on an individual basis.
- (d) Any application (when required or as requested) for a relief on rates must be submitted as per paragraph 14.1 of this Policy.

## 8.2 Residential Property

8.2.1 The Municipality will not levy a rate on the initial portion of the valuation of a residential property being the sum of:

- (i) the first R15 000 exclusion on the basis set out in Section 17 (1) (h) of the MPRA; and
- (ii) on a further R235 000 reduction, provided it does not exceed the remaining valuation in respect of a residential property, or the primary component of a multiple use property, that is categorised for *residential purposes*, as per the definition in paragraph 4 of this Policy.
  - This reduction will only apply if the total valuation of said property does not exceed R 5 000 000.
  - All ~~non-primary~~ sub-components of a multiple use property as per paragraph 7.2 of this policy, ~~or~~ and the secondary component of adjoining properties or units of a sectional title scheme as per paragraph 7.9 of this policy, do not qualify.

The above where applicable, will be applied once only per property.

## 8.3 Senior Citizens and Disabled Persons

Designated owners being registered owners of properties or allocated beneficiaries as per paragraph 7.6 of this Policy who are senior citizens or who are disabled persons may qualify for a rebate according to their *household income*.

To qualify for the rebate referred to above, the designated owner must be a natural person, registered as a South African citizen. If not a South African citizen, the designated owner must be the registered owner of the property within the jurisdiction of the Municipality and must submit proof of his/her permanent residency in South Africa. The property in question must satisfy the residential property requirements as per this Policy and in addition to the above-mentioned, the designated owner must also:

- 8.3.1 Occupy the property as his/her normal residence; and
- (a) be at least 60 years of age, or in receipt of a disability grant; and
  - (b) be in receipt of a monthly *household income* not exceeding the highest income amount as referenced in the table of paragraph 8.3.4 of this Policy; and
  - (c) when being the designated owner of more than one property, a rebate will be granted only on the occupied property; and
  - (d) where the designated owner is unable to occupy the property due to no fault of his/her own, the spouse or minor children may satisfy the occupancy requirement; and
  - (e) where the occupant of a residential property is a senior citizen or a disabled person and is the usufructuary of the property, he/she may satisfy the occupancy requirement.
- 8.3.2 Apply as per paragraph 14.1 of this Policy with proof of income, which may include proof of a SARS ~~assessment~~assessment, or any other relevant document as requested.

- 8.3.3 If the property in question is alienated by the designated owner, then that owner would be liable for the *pro rata* rates, inclusive of the pension rebate. The new owner will be liable for the full *pro rata* portion of the rates excluding any pension rebates.
- 8.3.4 The percentage rebate granted to different monthly *household income* levels will be determined according to the schedule below. The income bands and rebates for the effective financial period of this Policy are as follows:

| Gross Monthly Household Income |        |    |        | % Rebate |
|--------------------------------|--------|----|--------|----------|
| Income bands                   |        |    |        |          |
|                                | Up to  |    | 8 000  | 100%     |
| From                           | 8 001  | to | 10 000 | 75%      |
| From                           | 10 001 | to | 12 000 | 50%      |
| From                           | 12 001 | to | 15 000 | 25%      |

#### 8.4 Conservation Area

The Municipality will exclude those portions of a property within the ambit of a conservative area as defined in this Policy.

The apportioned value of any portion of such property, utilized for any purpose other than that used for such conservation purposes, or developed and used for commercial, business, agricultural or residential purposes will be categorised accordingly and rated at the applicable rate as described in paragraph 7.2 of this Policy.

The Municipality will apply Section 17 (2) of the MPRA upon withdrawal of said property from the conservation agreements inferred in Section 17 (1) (e) of the MPRA.

#### 8.5 Religious Organisations

In terms of Sections 1 and 17 (1) (i) of the MPRA, the Municipality will not levy a rate on a property used primarily as a place of public worship by a religious community, including the official residence which is occupied by the office bearer of that community who officiates at services at that place of worship.

The Municipality will apply Section 17 (5) of the MPRA if as per Section 17 (5) (a) of the MPRA said property is no longer used or has been disposed by the religious community.

#### 8.6 Stellenbosch Special Rebate

The Municipality may, for the organisations not meeting all the [criteria for public benefit organisations](#) ~~criteria~~ as described in paragraph 8.7 below, nor the criteria for NPO organisations as described in paragraph 8.8 below, consider a rebate which shall be identified as “Stellenbosch Special Rebate” (SSR). The Municipal Council will annually during the budget processes approve this rebates’ discount percentage.

This rebate will only be applicable to said organisations that apply as per paragraph 14.1 of this Policy for such rebate.

## 8.7 Public Benefit Organizations (PBO)

The Municipality will apply the rate ratio as set out in the MPRA to public benefit organisations.

As per the MPRA the specific public benefit activity listed in Item 1 (Welfare and Humanitarian), Item 2 (Health Care), and Item 4 (Education and Development) of Part I of the Ninth Schedule of the Income Tax Act will be applicable and must be conducted/executed on said property.

All Public Benefit Organisations must annually submit, according to paragraph 14.1 of this Policy proof of their status as per the above criteria. [A SARS TAX Clearance Certificate may be required as well.](#)

## 8.8 Non-Profit Organizations (NPO)

An organisation must be registered as a Non-Profit Organisation (NPO) under the Non-profit Organisations Act, 1997 (Act 71 of 1997) to be considered as a candidate for the relief measures described below.

Organizations listed in paragraph 8.8.1 below that are operated as not-for-gain (declared or registered by law) or organisations that execute activities as per Item 6 (Cultural), item 7 (Conservation, Environment and Animal Welfare) and Item 9 (Sport) of Part 1 of the Ninth Schedule to the Income Tax Act may receive a rebate. All abovementioned organisations being privately controlled must be the owner of said properties.

These rebates are not applicable to any vacant land irrespective of its zoning or intended usage unless stated otherwise in this Policy.

All NPO must annually submit, according to paragraph 14.1 of this Policy proof of their status as per the above criteria. [A SARS TAX Clearance Certificate may be required as well.](#)

Abovementioned organisations which have a total revenue/income [\(before any expenses, operating costs or any deductions have been applied\)](#) not exceeding one million Rand per annum, will receive a 80% rebate. On the other hand, those organisations having a revenue/income exceeding one million Rand per annum will receive a rebate percentage of 20%.

### 8.8.1 Prescribed not-for-gain organisations

(a) *Health and welfare institutions*

Privately owned properties used exclusively as a hospital, clinic, mental hospital, orphanage, non-profit retirement village, old age home or benevolent institution, including workshops used by the members or patients, laundry or cafeteria facilities.

(b) *Charitable institutions*

Properties used solely for the performance of charitable work.

(c) *Agricultural societies*

Property owned by agricultural societies used for the purposes of the society.

(d) *Cemeteries and crematoria*

Privately owned properties used as cemeteries and crematoria.

(e) *War veterans*

Property registered in the name of a trustee or organisation in terms of the Social Assistance Act, 2004 (Act 13 of 2004), maintained for the welfare of war veterans and their families.

## **8.9 Properties affected by Disaster or adverse Economic Conditions**

The Municipality may consider additional relief measures as envisaged in Section 15(2)(d) of the MPRA and as approved by Council.

## **8.10 Exceptional General Valuation Rates Increases: Phasing in**

The Municipality may consider a relief measure for owners of property adversely affected by exceptional rates increase of a new General Valuation (GV) cycle. This incentive will only be implemented as from the implementation date of a GV and on proviso that:

- (a) for a property to qualify, the Rates for the first financial year of the GV cycle for the property, as result of the property valuation of a GV cycle, must be at least four (4) times more than that of the rates for said property during the financial year preceding the start of the GV cycle.
- (b) the rates for the financial year preceding the start of the GV cycle must be greater than R1 000 per annum;
- (c) the rebate granted would be phased-out over two financial years;
- (d) the rebate for the first financial year will be 50% and during the second year it will be 25% rebate on the rates applicable for that year;
- (e) this incentive will not be cumulative on any other rebate that may be granted to said owner;
- (f) the most beneficial rebate between this incentive and any other rebate which said owner may receive in each financial year will prevail;
- (g) improvements or errors of valuations to said property that could have influenced the GV valuation will be reviewed during the application approval;
- (h) applications will only be considered until the end of the initial 6 months of a GV cycle; and
- (i) owners of such property must apply as per paragraph 14.1 of this Policy.

## **9. LIABILITY FOR AND PAYMENT OF RATES**

### **9.1 Liability for and payment of rates**

Liability for and payment of rates is governed by criteria in this Policy, by the MPRA, the Municipality's Credit Control and Debt Collection Policy, By-Laws and any other applicable



legislation. Actions as per the applicable By-Laws and/or Policies shall be taken against defaulters.

There are one of two methods of payment that the owner of the property must agree upon, namely (i) paying the rates on a monthly basis or (ii) paying the rates in one amount every annum.

The paying of rates on a monthly basis will be the preferred method unless the owner has selected the annual method of payment via a written request before 31 May preceding a financial year.

- (i) When paying on a monthly basis the amount due shall be paid not later than the date as specified on the monthly accounts. The cycle of such payments will start on the first day of July (the start of a financial year) and extend to the 30th of June the following year.
- (ii) When paying a once-off amount (the full rates for that financial year), then that amount shall be paid in full not later than the date as specified on the account. Please note that additional annual payments may be triggered during a financial year by a supplementary valuation on said property.

Changes to the preferred method of payment must be exercised by the owner before 31 May of a financial year and once set the method of payment will not be changed during a current financial year.

## **9.2 Rates in arrears for longer than 90 days**

When an owner's rates account is in arrears for longer than 90 (ninety) days, then the Municipality may initiate the proceedings as described in Sections 28 or 29 of the MPRA.

A notice to this effect will be forwarded to the tenant, occupier or agent providing the required legal information regarding their payments to the owner, which are to be redirected to the Municipality so as to cover the arrear rates account.

A notice will be forwarded to the owner in question to indicate the legal proceedings and the actions that the Municipality has initiated.

## **10. QUANTIFICATION OF COSTS TO MUNICIPALITY AND BENEFITS TO COMMUNITY**

The cost to the Municipality and benefit to the local community in terms of exemptions, rebates, reductions and exclusions referred to in the MPRA and rates on properties that must be phased-in in terms of the MPRA will be reflected in the Municipality's budget.

## **11. OBJECTION AND APPEALS**

- (a) Any person may lodge an objection to a valuation subject to Section 50 of the MPRA but within the period stated in the notice referred to in Sections 49(1)(a) and 78(5)(b) of the MPRA.
- (b) An appeal to an appeal board against a decision of a municipal valuer in terms of section 51 of the MPRA may be lodged in the prescribed manner subject to Section

54 of the MPRA. The appeal must be lodged (as a guideline), within a period of 30 days nonetheless, as set out in Section 54(2) of the MPRA.

- (c) The administrative actions or processes as described in the MPRA for the handling of objections or appeals will be the basis that the Municipality will follow.
- (d) The lodging of an objection or appeal: -
  - (i) In terms of Section 50 of the MPRA does not defer liability for the payment of rates in terms of this Policy; or
  - (ii) In terms of Section 54 of the MPRA does not defer liability for the payment of rates in terms of this Policy.

## 12 CLEARANCE CERTIFICATES

All monies collected by the Municipality, specifically in respect of Special Rating Areas and any estimated amounts in terms of Section 118(1A) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) (the Systems Act), or Section 89 of the Insolvency Act, 1936 (Act 24 of 1936), are for the purpose of Section 118 of the Systems Act, deemed to be due and must be paid in order to facilitate the transfer of immovable property:

- (i) All amounts that are due must be paid in full prior to the issuing of any clearance certificate in terms of Section 118, of the Systems Act; and
- (ii) No interest shall be paid by the Municipality to the registered seller in respect of these payments which are deemed to be due.
- (iii) The Municipality will not be responsible for the apportionment of rates and/or services due or paid in respect of any rates clearances and registrations.
- (iv) The Municipality may issue only one clearance certificate for properties deemed to be in an adjoined state as per paragraph 7.9 of this Policy.

## 13 ADJUSTMENTS OF RATES PRIOR TO SUPPLEMENTARY VALUATION

13.1 If the owner of a property which has been subdivided or consolidated after the last general valuation wishes to sell the consolidated erf, or one or more of the erven which have been subdivided from the parent erf, as the case may be, applies to the Municipality for a clearance certificate in terms of Section 118 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), and if the Municipality has not yet included such valuation of the relevant property(ies) in a supplementary valuation:-

- (a) the Municipal Valuer shall conduct a valuation of the relevant property(ies) for purposes of a supplementary valuation; and
- (b) the valuation shall be submitted to the CFO for approval of the levying of rates on such property(ies) in accordance with such valuation, with effect from the date on which the relevant subdivision or consolidation (as the case may be) was registered in the Deeds Office.

- 13.2 Any valuations performed in terms of paragraph 13 shall be included in the next supplementary valuation process as per the provisions in ~~Sub-Sections~~ [sections 78 \(1\) to \(5\)](#) of the MPRA.

## 14. GENERAL

### 14.1 Applications for Relief Measures

- (a) All applications, required in terms of this Policy for a specific relief measure must be submitted to the Municipality by 30 November of each year, which date precedes the financial year in which the rate is to be levied. If the relief measure applied for is granted, the relief measure will apply for the full financial year. All successful applicants are bound by all the criteria as per paragraph 14.1 of this Policy.
- (b) Any applicant who, during a financial year, for the first time, meets all the criteria other than (a) above, may apply to receive the relief measure initiated from the month following the approval by the Municipality of said application for the remainder of that financial year, thereafter all the criteria as per paragraph (a) above will apply to applications for subsequent financial years.
- (c) Late applications received after 30 November of a given year may be considered by the Municipality, in which case, if the relief measure applied for is granted, a *pro rata* rebate for the remainder of the next (new) financial year may be applicable.
- (d) Persons who have submitted false information and/or false affidavits will have the relief measure withdrawn with effect from the commencement of the financial year in question.
- (e) All applications for relief measures will require the applicant's municipal accounts to have been paid up to date or the conclusion of a suitable arrangement with the Municipality as provided for in the Municipality's Credit Control and Debt Collection By-Law and Policy.
- (f) The Municipality reserves the right to request current and/or previous audited financial statements or to inspect all properties before or after implementing the applicable rate and to revoke or amend any decision made prior to such investigation or financial review.
- (g) The Municipality reserves the right to recover any rates and/or relief measures from owners of properties after the status of said properties have changed.
- (h) The Municipality reserves the right to request any additional information as may be deemed necessary.

### 14.2 Regular policy review processes

This Policy will be reviewed on an annual basis to ensure that it complies with the Municipality's strategic objectives and with legislation.

### 14.3 Language Interpretation

The legal interpretation of the English version of this Policy only shall prevail above all other language translations of this Policy.

**14.4 Severance**

If any provision of this Policy is struck down as invalid by a court of law, such provision shall be severed from this Policy, and shall not affect the validity of the remaining provisions.

**15 BY-LAWS**

The principles contained in this Policy will be reflected in the By-Law as promulgated and adjusted by Council from time to time.

**16 CONTACT OF RESPONSIBLE OFFICE**

The contact details for Property Rates enquiries:

E-mail Address: [enquiries.navrae@ Stellenbosch.gov.za](mailto:enquiries.navrae@ Stellenbosch.gov.za)

Telephone Numbers-: See Municipal Account for relevant telephone numbers

Postal Address: PO Box 17, Stellenbosch, 7601

Any Municipal Office in the jurisdiction of Stellenbosch Municipality

**17 SHORT TITLE**

This Policy is the Rates Policy of the Stellenbosch Municipality.

## 18. CATEGORY AND REBATE CODES

### 18.1 Category Codes

The Formulae Codes (Derived from the Categories listed in paragraph 6.1 of this Policy) as listed below will be used in the Valuation Roll and supporting letters or Notices to reflect by association the applicable Category (as indicated in the “Category (of property)” column).

Council shall on an annual basis during the budget approval cycle set the cent amount in the Rand values (being the Category Tariff) for each of the Categories in the table below.

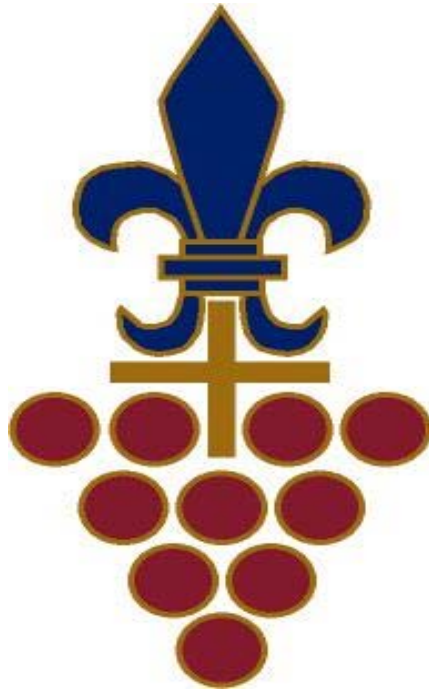
| Category (of property)               | Category Code       | Formulae Code  | Supporting references   |
|--------------------------------------|---------------------|--|---|
| <b>Residential</b>                   | RES                 | RES  | MPRA Sections 8(2)(a); 17(1)(h) and the Policy paragraph 8.2.1  |
|                                      | RES                 | RESA   | Adjoining residential; the Policy paragraph 7.9   |
|                                      | RES                 | RESM   | MPRA Section 17(1)(h) i.e. ONLY Policy paragraph 8.2.1 (i)  |
|                                      | RES                 | RESIF  | Municipal Owned: Informal settlements, 100% exclusion will apply  |
|                                      | RES                 | RELI1  | MPRA Section 17(1)(i) – the official residence; the Policy paragraph 8.5  |
|                                      | RES                 | MUNRR  | Municipal Owned: Rented or Leased property; the Policy paragraph 7.6  |
|                                      | RES                 | MUNR   | Municipal Owned: Section 8(2)(h) and the Policy paragraph 7.6   |
| RES                                  | LRBR                | Land Reform Beneficiary: MPRA Section 17(1)(g); the Policy paragraph 7.8 |   |
| <b>Industrial</b>                    | IND                 | IND  | MPRA Section 8(2)(b); Policy Definitions for “industrial”   |
| <b>Business</b>                      | BUS                 | BUS  | MPRA Section 8(2)(c); Policy Definitions for “business”   |
|                                      | BUS                 | RELIG  | MPRA Section 17(1)(i) – the place of worship; the Policy paragraph 8.5  |
|                                      | BUS                 | MUNBR  | Municipal Owned: Rented or Leased property; the Policy paragraph 7.6  |
|                                      | BUS                 | MUNB   | Municipal Owned: Section 8(2)(h) and the Policy paragraph 7.6   |
|                                      | BUS                 | POS  | Public Open Spaces  |
| BUS                                  | PROS                | Private Open Spaces  |   |
| <b>Agricultural</b>                  | AGR                 | AGR  | MPRA Section 8(2)(d); (Not considered to be a vacant property); the Policy paragraph 7.5                              |
|                                      | AGR                 | PROT   | Protected Areas: MPRA Section 17(1)(e); the Policy paragraph 8.4  |
|                                      | AGR                 | MUNAR  | Municipal Owned: Rented or Leased property; the Policy paragraph 7.6  |
|                                      | AGR                 | MUNA   | Municipal Owned: MPRA Section 8(2)(h) and the Policy paragraph 7.6  |
|                                      | AGR                 | LRBA   | Land Reform Beneficiary: Section 17(1)(g); the Policy paragraph 7.8   |
| <b>Mining</b>                        | MIN                 | MIN  | MPRA Section 8(2)(e).   |
| <b>Public Service Purposes</b>       | PSP                 | PSP  | MPRA Section 8(2)(f); the Policy paragraph 7.3  |
| <b>Public Service Infrastructure</b> | PSI                 | PSI  | MPRA Sections 8(2)(g); 17(1)(a) and the Policy paragraph 7.4  |
|                                      | PSI                 | PSIE   | MPRA Sections 8(2)(g); 17(1)(aA) and the Policy paragraph 7.4   |
|                                      | PSI                 | MUNP   | MPRA Sections 7(2)(a)(ii) and 8(2)(h); the Policy paragraphs <a href="#">7.4 and 7.6</a>                              |
| <b>Public Benefit Organisation</b>   | PBO                 | PBO  | MPRA Section 8(2)(h) and the Policy paragraph 8.7   |
| <b>Multiple purposes</b>             | <i>Multi tariff</i> | MULTI  | MPRA Sections 8(2)(i) and 9 and the Policy paragraph 7.2  |
| <b>Heritage</b>                      | HER                 | HER  | MPRA Section 15(2A)(b)  |
| <b>Vacant Residential</b>            | VACR                | VACR   | the Policy paragraph 7.1  |
| <b>Vacant Other</b>                  | VACO                | VACO   | NOT agricultural properties; the Policy paragraph 7.1   |
|                                      |                     | MUNV   | <del>Vacant Municipal properties</del> <a href="#">Any vacant property registered in the name of the Municipality</a> |

## 18.2 Rebate Codes

The Rebate Codes in the table below serves to indicate the rebate if any that could be applicable to a property.

| <b>Rebate Code</b> | <b>Purpose</b>                                | <b>Supporting references</b>                        |
|--------------------|---|---|
| NONE               | No rebate is applicable                       |   |
| INDP               | Indigent and 100% Pension rebate              | Rates Policy paragraphs 8.3 and the Indigent Policy |
| INDIG              | Indigent only rebate                          | Indigent Policy                                     |
| PENS               | 100% Pension rebate                           | Rates Policy paragraph 8.3                          |
| PENS1              | 75% Pension rebate                            | Rates Policy paragraph 8.3                          |
| PENS2              | 50% Pension rebate                            | Rates Policy paragraph 8.3                          |
| PENS3              | 25% Pension rebate                            | Rates Policy paragraph 8.3                          |
| NPO                | Non-Profit Organisation (80% rebate)          | Rates Policy paragraph 8.8                          |
| NPO1               | Non-Profit Organisation (20% rebate)          | Rates Policy paragraph 8.8                          |
| SSR                | Stellenbosch Special Rebate                   | Rates Policy paragraph 8.6                          |
| EGVI               | Exceptional General Valuation Rates Increases | Rates Policy paragraph 8.10                         |

# **STELLENBOSCH MUNICIPALITY**

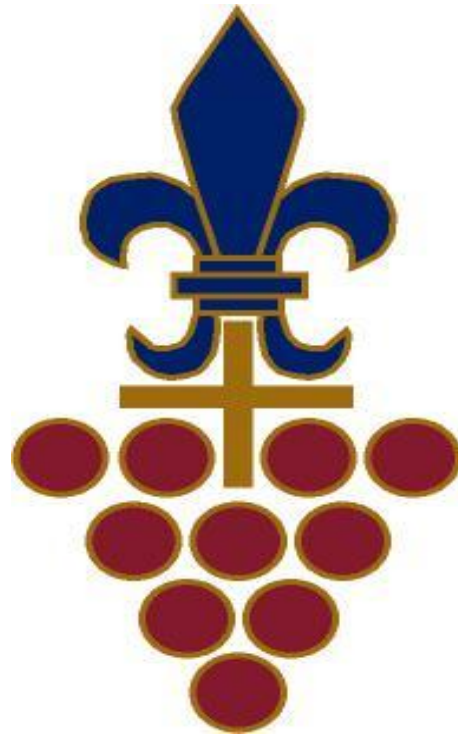


## **RATES BY-LAW**

**2022/2023**

**REVISED**

## STELLENBOSCH MUNICIPALITY



### RATES BY-LAW

Effective from 01 July ~~2021~~2022





STELLENBOSCH MUNICIPALITY  
RATES BY-LAW

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## 1. PREAMBLE

- (1) Section 229(1) of the Constitution authorizes a municipality to impose rates on property and surcharges on fees for services provided by or on behalf of the municipality.
- (2) Section 13 of the Systems Act read with Section 162 of the Constitution requires a municipality to promulgate municipal by-laws by publishing them in the gazette of the relevant province.
- (3) In terms of Section 3 of the Property Rates Act, a municipal council must adopt a policy consistent with the Property Rates Act on the levying of rates on rateable properties in the municipality.
- (4) In terms of Section 6(1) of the Property Rates Act, a municipality must adopt by-laws to give effect to the implementation of its rates policy.
- (5) In terms of Section 6(2) of the Property Rates Act, by-laws adopted in terms of Section 6(1) may differentiate between different categories of properties and different categories of owners of properties liable for the payment of rates.
- (6) To that effect the Council of Stellenbosch Municipality has enacted a Property Rates By-law, as follows:

## 2. DEFINITIONS

In this By-Law, any word or expression to which a meaning has been assigned in the Local Government: Municipal Property Rates Act, (Act 6 of 2004) shall bear the same meaning unless the context indicates otherwise.

"**Municipality**" means the Stellenbosch Municipality (WC024).

"**Rates Policy**" means the Municipality's Property Rates Policy adopted by the Council of the Municipality by a resolution for a specific financial year in terms of Section 3(1) of the Property Rates Act and in terms of this By-Law.

"**Constitution**" means the Constitution of the Republic of South Africa.

"**Council**" means the Council of the Municipality.

"**Credit Control and Debt Collection Policy**" means the Municipality's Credit Control and Debt Collection Policy as stipulated by sections 96(b) and 97 of the Systems Act.

"**Systems Act**" means the Local Government: Municipal Systems Act, (Act 32 of 2000).

"**Property Rates Act**" means the Local Government: Municipal Property Rates Act, (Act 6 of 2004) including the amendment Acts and Regulations pertaining to the same.

"**Rates**" means a municipal rate on property as envisaged in Section 229(1)(a) of the Constitution.

### 3. OBJECTS

The object of this By-Law is to give effect to the implementation of the Rates Policy as contemplated in Section 6 of the Property Rates Act.

### 4. ADOPTION AND IMPLEMENTATION OF RATES POLICY

- (1) The Council shall adopt and implement a Rates Policy as contemplated in terms of the provisions of Section 3(1) and consistent with the Property Rates Act on the levying of Rates on rateable properties within the jurisdiction of the Municipality.
- (2) The Rates Policy outlines the Municipality's rating practices; therefore, it is not necessary for this By-law to restate and repeat same.
- (3) The Rates Policy applicable to a financial year is hereby incorporated by reference in this By-law. All amendments to the Rates Policy as the Council may approve/adopt from time to time, shall be deemed to be likewise incorporated.
- (4) The Municipality shall not be entitled to levy Rates other than in terms of the Rates Policy for an applicable financial year and the annually promulgated resolution which reflects the cent amount in the Rand rate for each category of rateable property.
- (5) The Rates Policy is available at the Municipality's head office, satellite offices, libraries and website.

### 5. CONTENTS OF RATES POLICY

The Municipality's Rates Policy shall, inter alia:

- (1) Apply to all the Rates levied by the Municipality pursuant to the adoption of the Municipality's annual budget.
- (2) Comply with requirements for;
  - (a) the adoption and contents of a Rates Policy specified in Section 3 of the Property Rates Act.
  - (b) the differentiation of categories of properties and categories of owners of properties as provided for in Sections 6, 8 and 15 of the Property Rates Act.
  - (c) the process of community participation specified in Section 4 of the Property Rates Act.
  - (d) the annual review of a Rates Policy specified in terms of Section 5 of the Property Rates Act.
  - (e) the publication of the adopted By-law in the Provincial Gazette as provided by Section 13 of the Systems Act.

(f) [the annual promulgation of the Council's resolution levying rates and publish same in the \*Provincial Gazette\* as provided for in Section 14 of the Property Rates Act.](#)

- (3) Specify principles, criteria, and implementation measures for categories of rateable properties in terms of Section 8 and consistent with the Property Rates Act for the levying of Rates which the Council may wish to adopt.
- (4) Specify principles, criteria, and implementation measures for the judicious granting of relief measures by means of Exclusions, Exemptions, Reductions and/or Rebates consistent with ~~Section 15~~ [the applicable sections](#) of the Property Rates Act which the Council may wish to adopt.
- (5) Include such further administrative, control and enforcement mechanisms if any that are consistent with the Property Rates Act and the Systems Act, as the Council may wish to impose in addition to those contained in the Credit Control and Debt Collection By-Law and its associated Policy.

## 6. ENFORCEMENT OF RATES POLICY

The Municipality's Rates Policy is enforced through the Municipality's Credit Control and Debt Collection By-Law and its associated Policy and any further enforcement mechanisms stipulated in the Property Rates Act and the Municipality's Rates ~~Policy~~ [By-Law](#).

## 7. REPEAL

The provisions of any By-laws relating to Property Rates by the Municipality are hereby repealed insofar as they relate to matters provided for in this By-Law.

## 8. INTERPRETATION

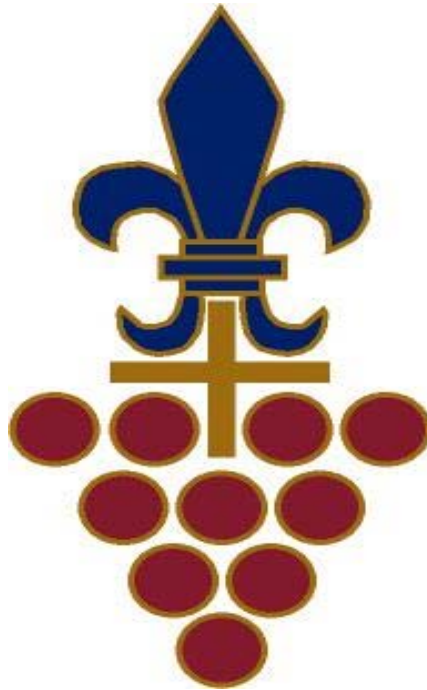
If there is a conflict of interpretation between the English version of this By-Law and a translated version, the English version prevails.

This By-Law must be read in conjunction with the Rates Policy.

## 9. SHORT TITLE and COMMENCEMENT

This By-Law is called the Stellenbosch Municipal Property Rates By-Law -and shall take effect on 01 July ~~2024~~ [2022](#).

# **STELLENBOSCH MUNICIPALITY**



## **INDIGENT POLICY**

**2022/2023**

**REVISED**



# STELLENBOSCH MUNICIPALITY

## INDIGENT POLICY

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## PREAMBLE

The Stellenbosch Municipal Council accepts and acknowledges its Constitutional duties and mandate relating to indigent support in terms of Sections 152 and 153 of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) towards the community/consumers within the jurisdiction of Stellenbosch Municipality (WC024).

Council further acknowledges that because of the level of unemployment and consequential poverty in the municipal area, that correlated households are incapable of paying for basic municipal services.

Indigent relief measures are thus a fundamental requirement that is achievable only within sustainable budgets set by Council as well as support and direction via National Government.

Concomitantly, indigent households equally have the responsibility of managing their levels of consumption and that they are responsible for the payment of municipal services that are consumed in excess of the reduced cost or Free Basic Service levels as described in this Policy.

The effective implementation of such a program depends principally on affordability and is supported by the socio-economic analysis of various areas as included in the Council's Integrated Development Planning. The Council's mandate regarding affordability of basic services to poor households is directed by mechanisms in Section 74(2)(c) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) and Section 15 of the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004).

[Council's mandate is further extended by Section 96 of the aforementioned Systems Act requiring a municipality to adopt, maintain and implement a credit control and debt collection policy which according to Section 97 must \*inter-alia\* make provision for indigent debtors consistent with national policy.](#)

In order to give effect to the foregoing, the Council of Stellenbosch Municipality has adopted a policy relating to indigence as set out hereinafter.

## 1. DEFINITIONS

In this Policy, a word or expression derived from a word or expression as defined, has a corresponding meaning unless the context indicates that another meaning is intended. ~~Implicit definitions as defined in various paragraphs of this Policy are set in addition to the explicit definitions as set below:~~

~~“**the Municipality**”~~ means Stellenbosch Municipality (WC024).

~~“**Basic Services**”~~ means that level of services delivered by the Municipality at a reduced cost or at no cost to the Indigent consumer and which the Council has considered reasonable and sustainable within budget constraints.

~~“**Child-headed household**”~~ means a household of only minors under the age of 18 years, being a child as defined in Section 28 of the Constitution, and in which a minor has assumed the role of caregiver in respect of the other minor(s) in the household. This is further described in paragraph 5.2(e) of this Policy ~~where the main caregiver of said household is not older than 18 years of age and is a child as defined in Section 28(3) of the Constitution.~~

~~“**Constitution**”~~ refers to the Constitution of the Republic of South Africa, 1996 ~~(Act 108 of 1996)~~

“**Gross household income**” means the total combined earnings of the head of the household and his or her spouse(s) who are not alienated from the household. Any other financial contribution towards the household income by any means, by other dependent(s) or occupant(s) must be taken into consideration. Government grants as received by or for dependent minors or disabled occupants (excluding spouses) will be ignored and not be added as a financial contribution towards the household income.

~~“**Household**”~~ means a family unit comprising a head of the family, being a natural person. The family unit may include spouse(s), blood related or adopted dependents. The household may be further extended by other occupants with or without children who reside on the same premises. All the above (including the extended members) will be deemed to be members of such a household. This is further described in paragraph 5.2 of this Policy.

~~“**Indigent**”~~ Indigence means the lack of necessities of life such as sufficient water, basic sanitation, refuse removal, environmental health, basic energy, health care, housing, ~~feed~~ food, and clothing.

“**Indigent consumer**” means the person identified as the head of the household and as described in paragraph 5.2 who makes a formal written application on the prescribed form required for the indigent subsidy.



"Indigent household" means a household that has applied for, has qualified, and continues to qualify for indigent support as per this Policy.

"Indigent subsidy" means that portion of the overall support or financial assistance to indigent households that has been allocated to a specific indigent household.

**"Indigent Income Threshold"** means the qualifying monthly income as described in paragraph 5.5 and as set in paragraph 5.5(b) of this Policy.

"Pre-payment electricity meter" means a type of electricity meter that requires consumers to pay for energy before using it and which will allow the flow of the pre-purchased amounts of energy in an electrical circuit.

"Pre-payment water meter" means a type of water meter that requires consumers to pay for water before using it and which will allow the flow of the pre-purchased amounts of water.

**"Valuation Threshold"** means that value of municipal valuation as set for residential properties in paragraph 8.2 of the Municipality's Rates Policy.

"Water management device" means a device designed to manage or restrict the water flow, water consumption or water needs of a residential property.

## 2. POLICY OBJECTIVES

The objectives of this Policy are to:

- (a) ~~Provide~~provide a framework within which the Municipality can exercise its executive and legislative authority regarding the identification of indigent households and the implementation of financial aid to such.
- (~~a~~b) ensure the provision of basic services to indigent households within the jurisdiction of the Municipality in a sustainable manner and within the financial and administrative capacity of the Municipality.
- (~~b~~c) ensure the establishment of procedures and guidelines for the effective subsidisation of basic services charges to such approved indigent households within budgetary and national grant guidelines.

## 3. POLICY PRINCIPLES

The following guiding principles for the formulation of this Policy, are to:

- (a) ensure that the portion for free basic services allocated as part of the equitable share received annually, be utilised for the benefit of indigent households.
- (b) promote an integrated approach to subsidised basic service delivery.

(c) optionally use external services and/or references to verify the information provided by the applicants.

(d) optionally use various classification criteria to direct the different processes.

~~(d)~~(e) maintain the relief measures to indigent households for as long as such indigent household remains registered on the municipality's indigent data base or register and the municipality continues to receive equitable share for this purpose.

~~(e)~~(f) review the relief measures by random sampling to ensure *bona fide* indigent support.

~~(f)~~(g) engage the community in the development and implementation of this Policy.

## 4. LEGISLATIVE CONTEXT

4.1 This policy is implemented within the framework of the following legislation:

All citations to applicable Acts as referenced in this Policy shall include all amendments and regulations to such as promulgated.

(a) The Constitution of the Republic of South Africa, 1996 ~~(Act 108 of 1996)~~, in particular Sections 152 and 153.

(b) Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), in particular Sections 74, 96 and 97.

(c) Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003).

(d) Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004), in particular Section 15 and/or.

(e) any other legislation that may be applicable

4.2 This Policy was developed using the following guideline(s):

(a) National Framework for Municipal Policies.

(b) National Indigent Policy Assessment tool, 2018 - COGTA

## 5. QUALIFICATIONS AND SCOPE

The introduction of reduced cost or free basic services will ensure that indigent consumers have access to basic services.

### 5.1 Subsidy:

Subsidies are granted from external funds, allocated by the National Government as an Equitable Share allocation, to subsidize Indigent households with specified levels of basic services. This is based on a:

- (a) Level of income enabling Indigent households to pay for a basic package of municipal services; and/or
- (b) Municipal property valuation value that sets the level at which indigent support may be granted.
- (c) Subsidy scheme that is promoted through the press and by means of personal referral, but principally via referrals by the credit control and debt recovery section of the Municipality.

## 5.2 Household:

(a) The head of the household, or his/her spouse(s) who are not alienated from the household, must indicate if said person is:

(i) a state official in any capacity; or

(ii) a director of a company, a member of a Closed Corporation or Trust, or

(iii) involved in any state tender processes.

(ab) The head of the household must be a South African citizen with valid South African identity documentation and have permanent residency.

(bc) The head of the household should be:

(i) the registered owner or part owner of the property; or

(ii) the registered lessee of a Council housing unit; or

(iii) the registered lessee of aan Government Organ of State - (as defined in Section 239 of the Constitution) owned housing unit; or

(iv) a person, being the head of the household, who is incapable of paying for basic municipal services and who resides in said property/unit.

The head of the child-headed household shall be deemed to meet these criteria.

(ed) To register as an indigent consumer the head of the household must personally complete and sign the registration form.

(ee) Child-headed households will only be approved based on the following criteria:

(i) both parents of the household are deceased, or one parent and/or guardian is deceased, and the other is totally alienated from the household;

(ii) a minor has assumed the role of caregiver in respect of the other minor(s) in the household. This caregiver is the head of the household and shall be deemed to meet the criteria as per paragraph 5.2(c);

(iii) such minors reside permanently on the property;

(iv) such minors, and exclusively only minors occupy the property as their normal residence;

- (v) such minors are scholars or unemployed and if income is derived, the household earns less than the qualifying income as envisaged by the defined Indigent Income Threshold;
  - (vi) the situation pertaining to the household has been verified by the Municipality; and
  - (vii) the situation pertaining to the household will be reviewed when the caregiver as per (ii) above reaches the age ~~older than~~ 18 years or older.
- (ef) Indigent households living in homes for senior citizens shall be eligible to qualify for assistance and support under this Policy, subject to the following rules and procedures:
- (i) For the purposes of passing/issuing the free basic electricity units to such indigent household, the onus will be on the unit owner or lessee to apply and submit proof that the electricity connection is in the name of the Indigent consumer and not in the name of the organization providing the accommodation.
  - (ii) In the event of the unit being occupied by a single individual without any dependents as per the definition of a household above, the level of income to qualify shall be equal to or less than 50% (fifty percent) of the defined Indigent Income Threshold per month.

### 5.3 Basis of Subsidy:

- (a) Only formal or informal housing units utilized for residential purposes will be taken into consideration for the purpose of this subsidy, being the provision of free basic services.
- (b) All informal structures where a ~~prepaid~~ pre-payment electricity meter has been installed by the Municipality will qualify for ~~this~~ the electricity subsidy. In the cases where off-grid electricity is supplied by an authorised service provider appointed in terms of paragraph 5.7.2(b) of this Policy such households will also qualify for a subsidy, which subsidy will be paid directly to the authorised service provider.
- (c) Applications deviating from the above will only be considered after a detailed investigation and evaluation by the Municipality.

### 5.4 Liability for payment of municipal accounts:

- (a) Subsidies will only be granted to households liable for the payment of municipal service fees.
- (b) Subsidies will only be granted by means of a credit on municipal accounts and free basic electricity vouchers or in the form of subsidy paid directly to the authorised service providers of off-grid electricity as envisaged in paragraph

5.7.2(b) of this Policy. No subsidy will be paid directly to any Indigent consumer or household in the form of cash or any such disbursement.

- (c) Households are liable for the payment of fees, as stated on the monthly account, for any service in any given month that exceeds that service's subsidy.
- (d) Monthly accounts, as well as the instalments arranged in respect of the repayment of debt, must be paid punctually and in full. If required, and after reasonable alternatives have been exhausted, the process to recover debt from indigent consumers will be dealt with in terms of the Credit Control and Debt Collection Policy and procedures of the Municipality.
- (e) ~~Prepaid~~Pre-payment electricity meters ~~will~~may be installed on all properties of formal households before receiving indigent subsidies to prevent escalation of debt.
- (f) Water management devices or Pre-payment water meters may be installed on properties of formal households before receiving indigent subsidies to prevent escalation of debt.

## 5.5 Qualifying income:

- (a) ~~Gross household income is defined as the earnings of the head of the family, plus any other financial contribution towards the household income by any other dependant or occupant. Government grants as received by dependent minors will be ignored and not be added as a financial contribution towards the household income~~The total Gross Household income for a household will be taken into account when considering the application for Indigent support.
- (b) The maximum qualifying income level defined as the Indigent Income Threshold for a household as described in paragraph 5.2 of this Policy will be equal to or less than R 6 500 per month. Proof must be produced in the form of pay slips, unemployment certificates, income certificates or other acceptable proof of income.
- (c) Should proof of income not be available, income may be declared by means of a sworn statement. Such applications may be verified by means of a full investigation and a socio-economic survey.

## 5.6 Targeting mechanisms:

The following principles for the granting of free basic services apply:

- (a) Properties in respect of which property tax is levied on a municipal valuation amount will qualify as follows:
  - (i) The municipal valuation of a property being less than or equal to the defined Valuation Threshold will be used as the guiding threshold.

- (b) Indigent subsidies will only be considered by the Municipality upon application on a prescribed form by households which consider themselves as being indigent.

## 5.7 Basic services :

The Municipality will provide the following basic services at reduced or at no cost to the Indigent consumer:

### 5.7.1 Formal Households

Free basic services for Formal households will consist of the following:

- (a) 100 kWh electricity per household per month subject to it being supplied via a prepayment metering system as the qualifying criteria for a registered indigent household to be placed on the Lifeline Electricity Tariff. Free electricity units will not be applicable should the Indigent Household choose not to install a pre-paid meter;
- (b) a basic charge for water and a maximum of 6 kl water per household per month;
- (c) a service subsidy not exceeding the cost of one refuse unit in respect of a single residential [property](#);
- (d) a service subsidy not exceeding the cost of one sewerage service unit supplied to residential properties with a maximum area of 250m<sup>2</sup>; and/or
- (e) 50% of the applicable tariff for clearances of septic tanks.

### 5.7.2 Informal Settlement Households

Free basic services for Informal Settlement Households will consist of the following:

- (a) 100 kWh electricity per household per month; or
- (b) a maintenance and operations subsidy (equivalent in Rand value to 100kWh electricity per household per month) for off-grid solar home systems, operated by a municipal approved service provider or Energy Service Company (ESCO).

(In the case of off-grid electricity subsidies as contemplated above, the Municipality may, subject to a detailed review by the Revenue Section appoint an authorised service provider to provide the maintenance and operations function for a group or groups of indigent recipients of off-grid electricity at a maximum rand equivalence of the value of 100 kWh electricity per household per month.)

- (c) Other services (specifically water, sewerage and refuse removal services) are not billed for.

### 5.7.3 Indigent households residing in homes for senior citizens

Free basic services for qualifying households residing in homes for senior citizens as per paragraph 5.2(ef) of this Policy will consist of 100 kWh electricity per household per month.

### 5.8 Free bulk services

Free Bulk Services shall be the provision of services (water standpipes, high mast lighting, ablution facilities and refuse removal) to informal settlements.

The cost of the provision of free bulk services ~~is~~ will be recovered from the Equitable Share Allocation from National Government and processed monthly.

### 5.9 Other concessions

- (a) Registered indigent consumers limited to the immediate occupants of the household occupying the property excluding any extended ~~family~~ members could qualify for a discount of up to 50% (fifty percent) on the approved fees and tariffs for non-trading services (refer paragraph (d) below) as ~~defined~~ set by Council from time to time subject to application to the relevant Director.
- (b) Proof of registration as an indigent consumer must be obtained from the Credit Control Section of Financial Services prior to the application for the discount being made.
- (c) For the purposes of clarity, other categories of consumers (other than registered indigent consumers) such as back yard dwellers, farm workers and lessees of other property earning equal to or below the Indigent Income Threshold per month, may also qualify for the concessions (i.e. a discount of up to 50% (fifty percent) on the approved fees and tariffs, limited to the services envisaged in paragraph (d) below.
- (d) Discounted non-trading Services; refers to:
  - (i) Community hall discounts.
  - (ii) Burial fees in sections of cemeteries without head stones (i.e. crosses or flat stone areas only) and cremations when available. This concession is only applicable for burials on Mondays to Saturdays, excluding Public Holidays. Farm workers must provide written confirmation regarding the burial site from the farm owner.

## 6. ALLOCATION OF SUBSIDIES

- (a) The subsidy in any given month and service will be an amount not exceeding the amount as reflected in the Council's approved Tariff Schedules for services for Indigent households as per paragraphs 5.7 and 5.9 of this Policy.

- (b) Only one subsidy per service per property/household may be allocated in any given month.
- (c) Subsidy levels may be adjusted from time to time, depending on the availability of funds or any adverse conditions.
- (d) Lessees of subsidized housing units already receiving a municipal subsidy for the alleviation of municipal service costs included in rentals will not qualify for an Indigent subsidy. Should the latter subsidy be more advantageous, such a lessee may request that the Indigent subsidy replace the ~~Rental~~rental subsidy.

## 7. APPLICATIONS FOR INDIGENT SUBSIDIES

- (a) Applications (i.e. applications submitted by individuals) will be required by any household which considers themselves to be an indigent household.
- (b) Only applications lodged by means of the prescribed application form will be considered by the Municipality.
- (c) Such households may be visited by employees of the Municipality or approved service providers, where after a written recommendation would be considered.
- (d) The maximum subsidy may be granted to households with no income, even if the corresponding accounts are not paid in full.
- (e) Indigent assistance will be applicable for as long as an indigent household remains registered as such on the indigent data base or register and the Municipality continues to receive equitable share for this purpose.
- (f) The Municipality ~~has the right to~~may disclose a list of Indigent households for public inspection, which may include the publication thereof.
- (g) In a case of misrepresentation or any other transgression of the conditions for the provision of subsidies, the subsidy will be withdrawn with immediate effect and not be reconsidered for a period of at least 12 months. The Municipality may ~~Legal actions may be instituted to recover~~ such ~~subsidies obtained under false pretences~~ up to a maximum period of three years.
- (h) Indigent relief will not apply in respect of property owners with more than one property, whether such property is situated inside or outside the area of jurisdiction of the Municipality.
- (i) Subsidies will not be granted on a *pro-rata* basis and applications ~~received~~ approved after the twentieth day of a month will be granted in the following month.
- (j) The onus is on the recipient of indigent subsidy to inform the Municipality immediately of any changes in personal circumstances that may warrant a review



of his/her indigent status. For example, the status of any change of employment or to the Gross Household income as per paragraph 5.5 above must be reported to the Municipality.

- (k) The municipality reserves the right to review and/or to conduct home visits on a random basis with the view of assessing whether a household would still qualify for receiving indigent assistance.

(l) Upon cancellation of indigent assistance normal credit control procedures will be applicable on arrear accounts of such cancelled applications.

## 8. PROPERTY TAX REBATES BASED ON MUNICIPAL VALUATION

This Policy only addresses indigent ~~subsidies~~subsidies, and any form of rates relief is addressed as provided for in the Rates Policy of the Municipality.

## 9. INDIGENT REGISTER

- (a) The Municipality shall draw up and maintain a register in respect of formal properties and households receiving indigent assistance.
- (b) The register ~~will~~may be open for inspection by the public during office hours.
- (c) The Municipality ~~will~~may at regular intervals review the register and apply randomly selected checks as to the status of an application.

## 10. CONTACT OF RESPONSIBLE OFFICE

The contact details for Indigent enquiries:

E-mail Address: [Indigent.office@stellenbosch.gov.za](mailto:Indigent.office@stellenbosch.gov.za)

Telephone Numbers-: 021 808 8501

021 808 8579

021 808 8597

021 808 8932

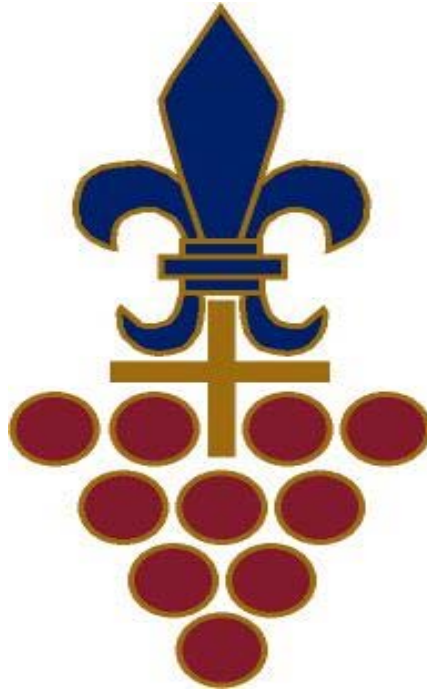
Postal Address: PO Box 17, Stellenbosch, 7601

Any Municipal Office in the jurisdiction of Stellenbosch Municipality

## 11. SHORT TITLE

This Policy is the Indigent Policy of ~~the~~ Stellenbosch Municipality.

# **STELLENBOSCH MUNICIPALITY**



## **TARIFF POLICY**

**2022/2023**

**REVISED**



# STELLENBOSCH MUNICIPALITY

## TARIFF POLICY

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## **PREAMBLE**

In accordance with Section 74 of the Local Government Municipal Systems Act, Act 32 of 2000, Stellenbosch Municipal Council must adopt and implement a tariff policy on the levying of tariffs for municipal services which complies with the provisions of the Municipal Systems Act and with any other applicable legislation.

Tariffs represent the charges levied by Council on consumers for the utilization of services provided by the Municipality and rates on properties. Tariffs will be calculated in various ways, dependent upon the nature of the service being provided.

In furtherance of reusable energy, Council may consider tariffs pertinent to the purchase of surplus energy from consumers.

## 1. OBJECTIVE

The objective of this Tariff Policy is to ensure the following:

- (a) Tariffs must conform to acceptable policy principles;
- (b) Municipal services must be sustainable;
- (c) Tariffs must comply with the applicable legislation; and
- (d) Tariffs should take indigent consumers into consideration.

## 2. LEGAL FRAMEWORK

The following legislation is applicable for the determination of tariffs for municipal services delivered or for the purchase of surplus energy:

The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996)

Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003)

Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)

Water Services Act, 1997 (Act 108 of 1997)

Electricity Regulation Act, 2006 (Act 4 of 2006)

Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004)

## 3. TARIFF PRINCIPLES

The following principles will apply in the Stellenbosch Municipal Area of jurisdiction (WC024):

- (a) Users of municipal services are treated equitably in the application of tariffs;
- (b) The amount individual users pay for services are generally in proportion to their use of that service;
- (c) Indigent households have access to basic services through:
  - (i) Special or lifeline tariffs for low levels of use or consumption of services or for basic levels of service; or
  - (ii) Any other direct or indirect method of subsidisation of tariffs for poor households.
- (d) Tariffs reflect the costs reasonably associated with rendering the service, including capital, operating, maintenance, administration, replacement costs and interest charges;

- (e) Tariffs are set at levels that facilitate the financial sustainability of the service, taking into account subsidisation from sources other than the service concerned. A service is financially sustainable when it is provided in a manner that would ensure its financing from internal and external sources is sufficient to cover the costs of the initial capital expenditure required, operating the service, maintaining, repairing, and replacing the physical assets used in its provision;
- (f) Provision is made in appropriate circumstances for a surcharge or a rebate on the tariff for a service;
- (g) Provision is made for the promotion of local economic development through special tariffs for categories of commercial and industrial users;
- (h) The economical, efficient, and effective use of resources, the recycling of waste and other appropriate environmental objectives are encouraged;
- (i) The extent of subsidisation of tariffs for poor households and other categories of users are fully disclosed; and
- (j) The safeguarding of the integrity of the electrical distribution network and the continued economic viability for the purchasing of surplus energy from consumers.

It is further stated that tariffs, rates, and the employment of resources, in general, take into account the Council's Integrated Development Plan (IDP) principles and goals.

#### **4. CLASSIFICATION OF SERVICES**

Traditionally, municipal services have been classified into five groups based on how they are financed. The five groups are as follows:

- (a) Trading services      Water and Electricity Services  
  
These services must generate a surplus which will be used to subsidize community services other than economical services.
- (b) Economical services      Refuse Removal and Sewerage Services  
  
These services' charges must cover the cost of providing the services, i.e. it must at least break even. In the event of the latter not being possible within a period, the shortfall will be financed from the Municipal Property Rates revenue.

- |     |                  |   |
|-----|------------------|---|
| (c) | Rates Services   | The revenue from Municipal Property Rates is utilized for Rates related services.   |
| (d) | Housing Services | <p>Housing Schemes</p> <p>These services are ring-fenced in the Housing Development Fund and the net operating balance is set off as a contribution to/from the Housing Development Fund.</p> |
| (e) | Sundry Services  | <p>Various Services</p> <p>All Services not defined in paragraphs (a) to (d) above.</p>   |

## **5. CALCULATION OF TARIFFS FOR MAJOR SERVICES**

### **5.1 Water Tariffs**

Although a fairly large proportion of the water needs is supplied from own sources, water is also purchased from external suppliers, such as the City of Cape Town. The increase in water tariffs is largely influenced by the changes in the Consumer Price Index (CPI), the purchase price of water and the need for financing bulk water infrastructure expansion.

Water is bought at a one-part tariff expressed in Rand per kilolitre. For this reason, it is found that water tariff structures for end-users follow the same trend. In order to manage consumption, an inclining block rate tariff structure is applied in the Stellenbosch Municipal area of jurisdiction.

The first block rate for domestic consumers represents the Lifeline volume in kilolitres (kl) per month (considered to be the lowest sustainable water volume per household), which is supplied at a rate targeted to be below cost. Losses incurred in this tariff category may be recovered by contributions from the higher tariff categories, conforming to the principle of cross-subsidisation.

Tariff structures for water supply are applied in the form of a sliding scale or a flat tariff in the area of jurisdiction of Stellenbosch Municipality. This is reflected in the Tariff Schedule approved by Council.

The specific sliding scale(s) linked to each consumer group, or the service charge types and the applicable tariffs, including any specific tariffs that would be applicable when Council adopts water restriction strategies, are reflected in the Water Tariff Schedule as approved by Council.

The following table illustrates the principals for tariff charges applied to various consumers or the specialised water service charge types for water consumption in the Stellenbosch Municipal Area:

**(a) Domestic:**

Includes residential erven, Sectional Title Units, as well as residential erven managed by legal entities, each being served by an individually metered water connection.

**(b) Domestic Cluster:**

Refers to a cluster (block of flats) served by a single water connection.

**(c) MASO:**

A MASO tariff for the affected parties will be applied.

**(d) Bulk Users:**

A sliding scale tariff will be applied on water consumption for irrigation of sports grounds of schools, irrigation of Council property by sports clubs, as well as irrigation of parks and other grounds or properties serviced by Council's Parks and Recreation Department.

**(e) Business, Commercial and Industrial:**

A single tariff for all business, commercial and industrial consumers will apply.

**(f) All other consumers and Miscellaneous cases:**

A single tariff for all other consumers and miscellaneous cases including schools, ~~sportbodies~~ [sport bodies](#), charity organizations and churches or any other user as determined by the relevant Director, ~~will~~ [may](#) apply.

**(g) Leakages:**

Different tariffs may apply to Municipal, Domestic, Business, Commercial or Industrial consumers.

**(h) Basic Charge:**

A Basic (a fixed monthly) charge will be applied to each domestic consumer, a domestic cluster consumer and all other non-domestic consumers, irrespective whether a gated/non-gated development is supplied via a bulk meter.

The Basic charge will be applied to Indigent Households as per the Indigent Policy of the Municipality.

**(i) Availability Fee:**

An availability fee ~~is~~ [may be](#) charged on properties not connected to the water network, should it be available. This fee aims to recoup capital and



maintenance costs of networks as well as certain fixed administrative costs in respect of such properties. [The applicability of such fee shall be determined by the relevant directorate.](#)

## 5.2 Electricity Tariffs

In addition to general cost factors, the following is taken into account when determining a tariff structure for electricity:

- (i) Electricity is primarily supplied by Eskom and distributed by the Municipality.
- (ii) Minimum standards for distribution are determined nationally and must be adhered to in order to conform to both safety and continuity of supply norms.
- (iii) Due to the fact that a large part of the operating expenditure consists of bulk electricity purchases, tariff structures and levels are very sensitive to any change in the cost of supply by Eskom.
- (iv) Electricity is supplied under a distribution license, granted by the National Electricity Regulator of South Africa (NERSA) for a specific area of jurisdiction. All tariff structures and tariffs must be approved by NERSA prior to application thereof by a distributor on an annual basis.

Electricity is distributed by Stellenbosch Municipality in the areas of Stellenbosch, Johannesdal, Pniel and Franschhoek.

Eskom distributes electricity in the areas of Jamestown, Raithby, Kylemore, Klapmuts and the rural areas. In these areas, the distribution is managed, operated, and controlled by the applicable service provider.

Export of surplus energy from an approved and certified consumer to the Municipality's distribution network shall be subject to special and specific agreements embracing in broad terms the operational and financial imperatives for a sustainable and economically viable alliance.

In order to manage consumption, inclining block rate tariff structures are applied in the Stellenbosch Municipal areas of distribution, or any part or area incorporated where due course was followed. In these areas, different tariff structures may be implemented for consumers using renewable energy for own use and/or where the export of surplus energy is approved under the proviso of specific conditions, limits on energy export and reimbursement of exported energy.

Additional fees may be levied on consumers for which maximum demand charges are in effect and who have exceeded specific limits.

The specific inclining block rate(s), any other charges linked to the tariff structure and the applicable tariffs are reflected in the Electricity Tariff Schedule as approved by Council.

The following table illustrates the principals for tariff charges applied to various consumers or the service charge types for electricity consumption or export in the Stellenbosch Municipal Area:

**(a) Domestic Lifeline (PP):**

Domestic Lifeline Tariffs will apply to prepaid Indigent consumers in order to promote the affordability of the service. A fixed monthly charge will not be applied to this category of consumers.

**(b) Domestic Regular:**

Domestic Regular tariffs will apply, in various service charge types, to other domestic consumers other than Indigent consumers on either conventional or prepaid metering systems. A fixed monthly charge may be applied to this category of consumers.

**(c) Commercial Lifeline Low energy rate:**

A Commercial Lifeline energy rate tariff will apply in respect of prepaid commercial low consumers. A fixed monthly charge will not be applied to this category of consumers.

**(d) Commercial Low energy rate:**

Commercial Low energy rate tariffs will apply, in various service charge types, in respect of conventional and prepaid commercial low consumers. A fixed monthly charge will be applied to this category of consumers.

**(e) Commercial Regular energy rate:**

Commercial Regular energy rate tariffs will apply, in various service charge types, in respect of conventional and prepaid commercial regular consumers. A fixed monthly charge is applied to this category of consumers.

**(f) Agricultural energy rate:**

Agricultural energy rate tariffs will apply, in various service charge types, in respect of agricultural use. A fixed monthly charge is applied to this category of consumers.

**(g) Industrial energy rate:**

Industrial energy rate tariffs as well as various types of energy demand tariffs will apply, in various service charge types, in respect of Industrial use. A fixed monthly charge is applied to this category of consumers.

**(h) Municipal energy rate:**

Municipal energy rate tariffs will apply, in various service charge types, for municipal consumption for street and traffic lights and for municipal buildings. A fixed monthly charge will not be applied to this category of consumers.

**(i) Non-profit Organisations (NPO) energy rate:**

Non-profit organisation's tariffs will apply, in various service charge types, to Non-profit Organisations in order to promote the affordability of the service for Non-profit Organisations. A monthly fixed charge will not be applied for this category of consumers.

**(j) Sport Organisations energy rate:**

Sport energy rate tariffs will apply, and a Maximum Demand Charge may apply on sports fields as per approved contracts being classified as either Low Consumers or High Consumers. A fixed monthly charge will not be applied to this category of consumers.

**(k) Time-of-Use energy rate:**

Different fixed monthly tariffs as well as various types of energy demand tariffs will apply during the low demand and the high demand tariff periods (also referred to as the summer and winter periods respectively) in respect of low and medium voltage consumers. For the purpose of these tariffs the low demand period shall be defined as being the summer period and the high demand period as the winter period.

**(l) Availability fee:**

An availability fee ~~is~~ may be charged to properties not connected to the electricity network, where it is available. This fee aims to recoup capital and maintenance costs of networks as well as certain fixed administrative costs. [The applicability of such fee shall be determined by the relevant directorate.](#)

**5.3 Refuse (Solid Waste) Removal Tariffs**

The specific services rendered, any other charges linked to the service and the applicable tariffs are reflected in the Solid Waste Tariff Schedule as approved by Council.

**(a) Residential properties:**

Residential refuse (solid waste) will be removed once a week. Households are allowed 3 bags or one "Otto"-type container per week.

Refuse removal tariffs are based on a flat rate per household.

A specific tariff for Indigent consumers in respect of single residential properties will apply as per the approved Solid Waste Tariff Schedule.

**(b) Business and industries:**

Business and industry refuse (solid waste) are removed by means of “Otto”-type or bulk containers. Each container (size in volume) is accepted as a refuse unit at a specific tariff and number of removals per week.

**(c) Availability Fee:**

An availability fee ~~may be~~ is charged to ~~all~~-vacant properties, businesses, flats, and developments not permanently using the municipal collection services. [The applicability of such fee shall be determined by the relevant directorate.](#)

**5.4 Sewerage Tariffs**

Tariff structures for sewerage are applied uniformly in the area of jurisdiction of Stellenbosch Municipality.

The tariff structures for specific services rendered, any other charges linked to the service and the applicable tariffs are reflected in the Sewerage Tariff Schedule as approved by Council.

**(a) Residential properties:**

A tariff structure utilizing plot sizes is applied to allocate the sewerage costs to a specific property.

**(b) Business and industries:**

A tariff structure utilizing plot sizes, as well as floor areas per usage is applied to allocate the sewerage costs to a specific property.

The removal of industrial effluent is charged at a cost as per the applicable tariffs.

**(c) Septic Tanks:**

The clearance of septic tanks is charged per 5 000 litre or part thereof.

**(d) Availability Fee:**

An availability fee based upon a tariff structure utilizing plot sizes ~~will~~~~may~~ apply to all vacant properties. [The applicability of such fee shall be determined by the relevant directorate.](#)

## 6. CALCULATION OF OTHER TARIFFS

### 6.1 Sundry Tariffs

#### (a) Tariff Structure:

- (i) The tariff structure as reflected in the Sundry Tariffs Tariff Schedule as annually approved by Council will be used to determine regulatory community and subsidized services.

#### (b) Method of calculation:

- (i) Existing tariffs will be revised annually, for application during the next financial year, by adjusting the tariff that applied during the current financial year by a percentage (suitable rounding will be applied) to recover increased costs or to compensate for any cost reductions where appropriate.
- (ii) New tariffs will be calculated based on the estimated actual cost where appropriate or to recover some costs depending on the type of community service.

#### (c) Building Clause references:

- (i) Obligations pertaining to Building Clauses as per the development agreements or contracts will be dealt with according to the contract obligations.

### 6.2 Rates Tariffs

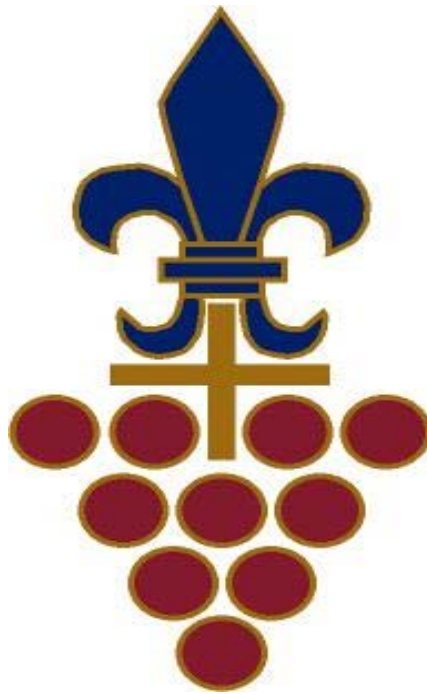
The Stellenbosch Municipality's Rates Policy describes the process for imposing property rates for the various categories of owners and properties.

The tariff structures for the applicable categories, ~~any other charges linked to the service~~ and the applicable provisions for relief measures are reflected in the Property Rates Tariff Schedule and Rates Policy as approved by Council.

## 7. SHORT TITLE

This policy is the Tariff Policy of the Stellenbosch Municipality.

# **STELLENBOSCH MUNICIPALITY**



## **TARIFF BY-LAW**

**2022/2023**

**REVISED**



# STELLENBOSCH MUNICIPALITY

## TARIFF BY-LAW

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## 1. PREAMBLE

- (1) Section 229(1) of the Constitution authorizes a municipality to impose:
  - (a) rates on property and surcharges on fees for services provided by or on behalf of the municipality; and
  - (b) if authorized by national legislation, other taxes, levies and duties.
- (2) In terms of section 75A of the Systems Act a municipality may:
  - (a) levy and recover fees, charges or tariffs in respect of any function or service of the municipality; and
  - (b) recover collection charges and interest on any outstanding amount.
- (3) In terms section 74(1) of the Systems Act, a municipal council must adopt and implement a tariff policy on the levying of fees for a municipal service provided by the municipality or by way of service delivery agreements and which complies with the provisions of the Systems Act, the Municipal Finance Management Act and any other applicable legislation.
- (4) In terms of section 75(1) of the Systems Act, a municipal council must adopt by-laws to give effect to the implementation and enforcement of its tariff policy.
- (5) In terms of section 75(2) of the Systems Act, by-laws adopted in terms of section 75(1) of the Systems Act may differentiate between different categories of users, debtors, service providers, services, service standards and geographical areas as long as such differentiation does not amount to unfair discrimination.
- (6) In furtherance of reusable energy, Council may determine tariffs pertinent to the purchase of surplus energy from consumers, subject to regulations issued and approved by the National Electricity Regulator of South Africa (NERSA).

## 2. ~~INTERPRETATION~~DEFINITIONS

"**Municipality**" means the Stellenbosch Municipality (WC024).

"**Tariff Policy**" means the Tariff Policy adopted by the Municipality in terms of this By-Law.

"**Constitution**" ~~means~~ refers to the Constitution of the Republic of South Africa, 1996.

"**Council**" means the Council of the Municipality.

"**Credit Control and Debt Collection Policy**" means the Municipality's Credit Control and Debt Collection Policy as stipulated by sections 96(b) and 97 of the Systems Act.



"**Systems Act**" means the Local Government: Municipal Systems Act, (Act 32 of 2000).

"**Finance Management Act**" means the Local Government: Municipal Finance Management Act, (Act 53 of 2003).

"**Tariff**" means fees, charges or any other tariffs levied by the Municipality in respect of any function or service provided, or surplus energy purchased, by the Municipality including rates levied by the Municipality in terms of the Local Government: Property Rates Act, (Act 6 of 2004).

"**Tariff List**" or "**Tariff Schedule**" means the list of the Tariffs applicable and in respect of any function or service provided, or surplus energy purchased, by the Municipality. This list, effective for a specific financial year, is approved by Council during the annual budget process.

### 3. **OBJECTS**OBJECTIVES

The ~~object~~objective of this By-Law is to give effect to the implementation of the Tariff Policy as contemplated in section 74(1) of the Systems Act, and of the Tariff Schedule for a given financial year as approved by Council during the Municipality's annual budget process.

### 4. **ADOPTION AND IMPLEMENTATION OF TARIFF POLICY**

- (1) The Municipality shall adopt and implement a Tariff Policy on the levying of fees for a municipal service provided by the Municipality or by way of service delivery agreements which complies with the provisions of the Systems Act, the Municipal Finance Management Act and any other applicable legislation.
- (2) The Municipality shall not be entitled to impose tariffs other than in terms of the valid Tariff Policy.

### 5. **CONTENTS OF TARIFF POLICY**

The Municipality's Tariff Policy shall, inter alia:

- (1) Apply to all the tariffs fees (as per the Tariff List) imposed by the Municipality pursuant to the adoption of the Municipality's annual budget.
- (2) Reflect the principles referred to in section 74(2) of the Systems Act and specify any further principles for the imposition of Tariffs which the Municipality may wish to adopt.
- (3) Specify the manner in which the principles referred to in paragraph ~~4(2)~~ above are to be implemented in terms of the Tariff Policy.

- (4) Specify the basis of differentiation, if any, for tariff purposes between the different categories of users, debtors, service providers, services, service standards and geographical areas as long as such differentiation does not amount to unfair discrimination.
- (5) Include such further enforcement mechanism, if any, as the Municipality may wish to impose in addition to those contained in the Credit Control and Debt Collection ~~Policy~~By-Law.
- (6) Provide tariffs for the export of surplus energy from approved and certified consumers, within the jurisdiction of the Municipality, into the Municipality's distribution network.

## **6. ENFORCEMENT OF TARIFF POLICY**

The Tariff Policy shall be enforced through the Credit Control and Debt Collection ~~Policy~~By-Law and any further enforcement mechanisms stipulated in the Municipality's Tariff ~~Policy~~By-Law.

## **7. REPEAL**

The provisions of any by-laws relating to Tariffs by the Municipality are hereby repealed insofar as they relate to matters provided for in this By-Law.

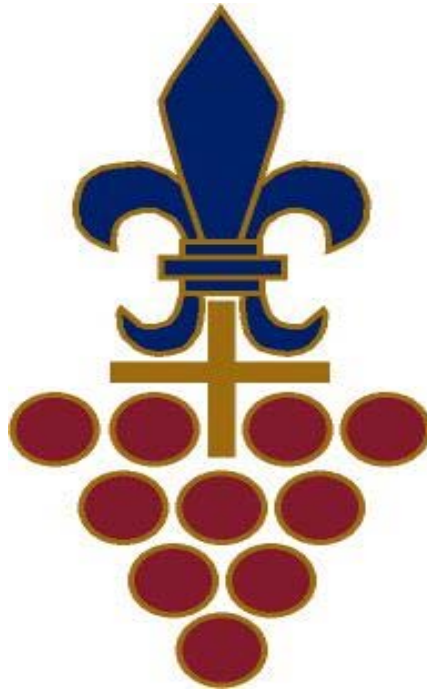
## **8. INTERPRETATION**

If there is a conflict of interpretation between the English version of this By-Law and a translated version, the English version prevails.

## **9. SHORT TITLE and EFFECTIVE DATE**

This By-law is the Tariff By-Law of Stellenbosch Municipality and shall take effect on 01 July ~~2017~~2022.

# **STELLENBOSCH MUNICIPALITY**



## **CREDIT CONTROL AND DEBT COLLECTION POLICY**

**2022/2023**

**REVISED**



# STELLENBOSCH MUNICIPALITY

## CREDIT CONTROL AND DEBT COLLECTION POLICY

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**PREAMBLE**

In terms of Section 96 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) a Municipality shall-

- (a) collect all money due and payable to it, subject to the provisions of said Act and any other applicable legislation and By-laws; and
- (b) for this purpose, implement and maintain a credit control and debt collection ~~system~~ policy which is ~~not in conflict~~ consistent with its Rates and Tariffs policies and which complies with the provisions of said Act.
- (c) In order to give effect to the afore going provisions of said Act, the Council of the Stellenbosch Municipality (WC024), herein after refer to as the Municipality, has adopted a policy relating to credit control and debt collection as set out hereinafter.

## 1. PRINCIPLES

This Policy supports the following principles:

- (a) Human dignity must be upheld at all times.
- (b) This Policy must be implemented with equity, fairness and consistency.
- (c) Endeavours shall be focused such that data related to owners/debtors/consumers and accounts are correct at all times.
- (d) The implementation of this Policy shall be based on sound business principles, which may include credit worthiness checks and assessments of the credit risks involved.
- (e) New services will only be provided if supported by the relevant service contract(s) being duly completed. ~~and payment~~ Payment of the applicable consumer deposit will be the primary means to cover said contract obligation.  
  
Any deviation from the payment of the consumer deposit will be directed by the sole discretion and due consideration/approval by an accountant or more senior official in the Municipality's Revenue Department. ~~alternatively~~  
  
Alternatively, to the payment of a deposit, a bank guarantee in a form acceptable to the Municipality's Chief Financial Officer will be considered.
- (f) Interest on overdue accounts will be charged at the South African Reserve Bank's prime interest rate plus one percent, and will be levied on applicable accounts outstanding after the relevant due dates thereof. For the purposes of calculation, a portion of a month will be deemed to constitute a full month.
- (g) Deposits/Bank guarantees will be utilised to proactively mitigate the potential of unnecessary credit risk exposure to Council.
- (h) An administration fee and/or collection fee will be charged on overdue accounts, according to Council's approved tariffs and the By-laws of Stellenbosch Municipality (WC024). ~~Such fees will not apply to the accounts of unemployed registered indigent consumers.~~
- (i) The rates components on overdue accounts may be processed in terms of Sections 28 and 29 of the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA) and as described in the Rates Policy of Stellenbosch Municipality.

## 2. MUNICIPAL ACCOUNTS and ADDITIONAL MECHANISMS

### 2.1 Notices and Demands

The Owner's/Debtor's/Consumer's attention is drawn to the note on the municipal account, which states that the supply of services will be discontinued/restricted without further notice if the accounts are not settled in full. This serves as a warning to a defaulting owner/debtor/consumer that services will be discontinued/restricted upon defaulting on payments.

Notices, e-mails, cell phone text messages (SMS) or any available informative actions will however be issued to account holders as a first attempt (first notice) after the due date as a means to recover debt and to remind consumers/debtors/owners of their obligation to pay for services.

The aim of such reminders is to urge co-operation to settle accounts without the necessity to employ more drastic steps and to offer the opportunity to make arrangements to pay off such debt where the financial position of a consumer is such that relief is possible as per criteria in the Municipality's Rates or Indigent Policies.

Failure to respond to the aforesaid first notice will result in the disconnection and/or restriction of services and a final demand being issued where applicable.

Failure to respond to a final demand and in the event of arrears not being settled within the period stipulated in the final demand, or an arrangement not being concluded, legal action may be instituted (with the Municipality's rights reserved, notwithstanding the fact that services were disconnected/restricted or not) to recover the full outstanding debt.

In this regard the Municipality may consolidate any separate accounts of a debtor, credit a payment by a debtor against any account of that debtor and implement any of the measures provided for in this policy or the Credit Control and Debt Collection By-law in relation to any arrears of any of the accounts of such a debtor.

In the case of housing rental contracts, the Municipality may consider procedures for eviction or right sizing.

### 2.2 Additional Mechanisms

#### 2.2.1 Electricity Services:

In the event of an owner/debtor/consumer ~~other than a registered unemployed Indigent consumer regulated by Stellenbosch Municipality's Indigent Policy~~, failing to pay for electrical services due and payable, and in the event of such consumer having been placed on the disconnection list 3 times within a twelve (12) month



period prior to such event, then Stellenbosch Municipality will have the right to install pre-paid electricity meters in a bid to limit credit risk. The Municipality may also consider upward adjustment of the relevant consumer deposit/bank guarantee.

#### 2.2.2 Water Services:

The Stellenbosch Municipality may in the event of an owner/debtor/consumer exhibiting a trend of non-payment of accounts during a twelve (12) month period prior to a non-payment event (i.e. 3 times or more non-payment events) consider the installation of water demand management devices with pre-paid functionality in a bid to limit credit risk. The Municipality may also consider upward adjustment of the relevant consumer deposit/bank guarantee.

#### 2.2.3 Rental Services:

Actions against defaulters are regulated to a degree by the contracts involved.

All contracts must at minimum and where appropriate, include the following criteria/requirements:

- (i) Due date for payments.
- (ii) Applicable procedures upon the defaulting of payments.
- (iii) Handover procedures.
- (iv) Eviction or right sizing actions.

### 3. ARRANGEMENTS

Should owners/debtors/consumers wish to make arrangements to pay off accounts in arrears, the following guidelines shall apply:

- (a) The main aim of arrangements should be to ensure that current accounts (which may include penalties/interest and/or any admin fees) are at least paid in full, before entering into acceptable arrangements to pay off arrears.
- (b) The Municipality may enter into an arrangement with a tenant or occupier of a property which is linked to an account in arrears, on proviso that:
  - (i) a written affidavit is received which certifies that the registered owner of said property, at which such tenant or occupier resides; is:
    - untraceable;
    - not contactable;
    - of unknown whereabouts; or
    - not co-operating with said tenant or occupier.

- (ii) such tenant or occupier has substantiated the ability to pay and the right to occupation stating the rental due and the time period of such occupation and providing the last known address of the registered owner;
  - (iii) such tenant or occupier undertakes to advise the registered owner, at the first reasonable opportunity, of the current situation and further agrees to obtain the consent of the registered owner to condone the process as described in this paragraph 3 (b); and
  - (iv) where applicable, such tenant or occupier provides comprehensive details of the non-co-operation of the registered owner.
- (c) Care must be taken to ensure that all reasonable financial and social assistance, as provided for in various Municipality's Policies, is rendered to assist owners/debtors/consumers before drastic action is taken to recover debt e.g. subsidies for Free Basic Services and relief measures on property ~~tax~~[rates](#).
- (d) All arrangements must be concluded in writing and the debtor must be provided with a copy thereof. Arrangements will be invalid unless signed by the debtor and one or more delegated representative(s) of the municipality.
- (e) Arrangements must be entered into that are both affordable to the consumer and protect the Municipality's interest by ensuring the most cost-effective debt recovery.
- (f) Arrangements must be final, and debtors will not be allowed to re-arrange debt repayments. The Municipality may for a meritorious case, upon presentation of proof of current difficulties, consider delaying the receipt of the arranged instalment. This delay may not exceed 3 months.
- (g) It is of vital importance to ensure that the settlement of current accounts (which may include penalties/interest and/or any admin fees), together with the debt repayment instalment, is seen as the minimum requirement for any agreement.
- (h) Arrangements must be compiled in a format that facilitates legal action, upon breach of contract. Written arrangements must as far as possible be in the form of agreements in terms of Section 57 of the Magistrate's Courts Act, 1944 (Act 32 of 1944) and as amended by the Jurisdiction of Regional Courts Amendment Act, 2008 (Act 32 of 2008) (hereinafter referred to the Section 57 Agreements).

All debt repayment arrangements will be logged on the financial system to ensure maximum accessibility and to enable the effective administration of such repayments.

- (i) Arrears of Councillors and other Municipal Officials must be settled in full or arrangements to pay off such amounts, by means of salary deductions, may be entered into. This includes the seizure of bonuses or any other additional allowances (this paragraph (i) must be read in conjunction with the relevant sections of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)).

The Stellenbosch Municipality is entitled to recover all arrears more than ninety days by means of salary deductions and proportionally from increases and/or the official's bonus/performance bonus. In this regard, all temporary contract workers are also regarded as municipal officials.

- (j) No interest will be levied on outstanding amounts for which arranged agreements have been entered into.
- (k) It is a preferable that a water demand management device, [pre-payment water meter](#) and/or a prepaid electricity meter be installed when any arrangement is entered into.
- (l) Arrangements may only be concluded upon submission of the following documentation:
- (i) Proof of identification;
  - (ii) Proof of Income;
  - (iii) Supporting documentation relating to expenses;
  - (iv) Three-month bank statements and/or payslips; and/or
  - (v) Any other relevant documentation as may be requested by the Credit Control Section.

#### 4. **ADJUSTMENT OF DEPOSITS/BANK GUARANTEES**

Deposits/Bank guarantees may be increased to cover the additional risk as regulated in terms of the Municipality's By-Laws.

Increases in deposits/bank guarantees shall be utilised to cover the additional risk resulting from default payments. [Deposits/Bank guarantees may be increased by an amount up to three times or more of a monthly average consumption as determined by the Municipality.](#)

[The necessity for any deviation of said payment will be directed by the sole discretion and due consideration/approval by an accountant or more senior official in the Municipality's Revenue Department.](#)

The latter deposits will be utilised only after closing of account by debtor or transfer of property. Should the account remain unpaid, such deposit will be utilised for the unpaid portion. Any credits will be refunded to the consumer.

The Stellenbosch Municipality will not pay any interest on any deposits.

## 5. FURTHER ACTIONS

- (a) Should arrangements not be ~~made, or not be accepted~~ concluded or ~~not be~~ adhered to, services ~~are~~ will be discontinued or restricted; ~~or pre-paid services are restricted,~~ provided The Municipality must ensure that a fair and equitable procedure, including reasonable notice of the intention to discontinue or limit ~~is~~ has been followed.

Where legislation does not allow for the complete termination of services, the Credit Control Section will determine the ~~appropriate~~ applicable minimum level of service provision, where after, all amounts owing become due and must be paid in full before services are restored to full capacity.

- (b) Should amounts owed not be settled by the final date, i.e. after the date for payment set out in a final demand, such accounts and the relevant Agreements, where applicable, will be handed over to the Municipality's Collection Attorneys for recovery and/or to consider instituting further legal action.
- (c) The Municipality shall at its own discretion in compliance to the measures provided for in the Municipality's By-Laws, be entitled to withhold or limit the supply of services until the total costs, penalties, other fees, ~~tariffs~~ services, and rates due ~~and owing~~ to the Municipality have been paid in full.

This ~~will~~ may include the restriction of supply of water or electricity to a debtor who is found guilty by the Municipality or any Court of Law:

- (i) of fraud or theft of water and electricity,
  - (ii) any another criminal activity relating to the supply or unauthorised consumption of water and electricity, or
  - (iii) if it is evident that fraud, theft or any other criminal activity has occurred relating to such supply or consumption.
- (d) Stellenbosch Municipality may consider an auxiliary levy of up to 50% on the purchase of pre-paid electricity/water to recover arrear debt.
- (e) Stellenbosch Municipality may consider black-listing consumers in cases where the consumer was handed over to institute legal proceedings.

- (f) The Municipality may attach the rental income in whole or in part from a tenant or occupier of a property which is left unpaid by the owner thereof, provided that Section 115 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) is adhered to.
- (g) Once the Municipality has exhausted all reasonable and practicable debt recovery measures ~~and~~, in an effort to recover outstanding debt, the Municipal Manager will have sole discretion to approve the litigation process for the disposal of the movable and/or immovable assets of defaulting owners/debtors/consumers by means of a Sale in Execution order.

## 6. NEW APPLICATIONS FOR SERVICES

- 6.1 No transfer of services from an owner to a tenant (~~Municipal~~ Organ of State property excluded) will be allowed. The status quo of contracts signed before 01 July 2011 will be maintained, provided that the tenant does not default on payments.
- 6.2 The owner or his/her proxy applying for a service to be rendered must be positively identified by means of a generally acceptable means of identification as used by financial institutions. A copy of the identification details (such as a copy of the person's ID and proof of residence (for business users)) must be kept for reference purposes.
- 6.3 The ~~payment~~ amount of a service deposit/bank guarantee will be based on tariffs as determined by the Council.
- 6.4 Adjustments to deposits/bank guarantees will be determined by the debtor's payment record of municipal accounts and consumption levels.
- 6.5 The provision of all services ~~not regulated by acts and by laws~~ will be subject to the signing and acceptance of the conditions of supply contained in a service contract.
- 6.6 Where the consumer is not the owner of a property, the owner must, on his/her request, regularly be served with a copy of a statement of the amount due.
- 6.7 The Municipality may ~~subscribe~~ utilize ~~to the~~ any services ~~of a credit bureau~~ in order to enhance the effectiveness of credit checks.

## 7. THE RENDERING OF ACCOUNTS

- 7.1 Accounts must be rendered regularly and timeously to all property owners and consumers utilising municipal services.

- 7.2 Accounts must be consumer friendly and must clearly reflect the following minimum information:
- (a) the name, address and contact numbers of Stellenbosch Municipality;
  - (b) the name and postal address of the account holder;
  - (c) details of the property in respect of which the account is issued;
  - (d) the contents of the account will be reflected in at least one of the three official languages of the Western Cape province;
  - (e) the balance brought forward from the previous account, as well as a summary of transactions for the present period;
  - (f) all services for which the account is rendered, as well as amounts billed for such services;
  - (g) the final amount payable;
  - (h) the final date for payment;
  - (i) soft reminders in respect of interest levies and discontinuation of services; and
  - (j) the situation of payment facilities, and modes of payment accepted and office hours for payment.

## **8. ACCOUNT QUERIES**

8.1 Consumers have the right to query accounts. In order to ensure the correctness of accounts and the satisfaction of consumers, all queries must be attended to swiftly and effectively.

8.2 Claims of not having received an account do not constitute a valid reason for non-payment of accounts.

Queries regarding such non-receipt must be followed up with the Revenue Section in order for same to be addressed.

A consumer liable for any services rendered by, or rates due to the Municipality must furnish the Municipality with an address where correspondence can be directed to.

Consumers should be encouraged to provide the Municipality with e-mail addresses where accounts could be sent to, rather than traditional postal addresses.

8.3 Duplicate accounts shall be available upon request at a prescribed fee.

## 8.4 Accounts in Dispute

8.4.1 Should an account in respect of water or electricity consumption be disputed, the concerned consumer must at minimum pay the average amount of the previous 12 (twelve) month's accounts. This shall be applicable only for the month in which the dispute was raised. Subsequent accounts issued in months thereafter (barring any new dispute raised) shall be considered unrelated to the dispute in question.

All other Municipal services or rates disputed will be dealt with at the discretion of the Municipality.

8.4.2 The dispute in question shall be considered to be resolved after all actions have been taken by the Municipality; including but not limited to the following:

- (i) determining the correctness of the account;
- (ii) relevant procedures were taken to adjust the account accordingly; and
- (iii) a written notice or a telephonic confirmation to such effect has been given to the concerned consumer.

8.4.3 In the event that a consumer declaring a dispute, does not adhere to paragraph 8.4.1 above, the disputed account will be subject to the normal Credit Control and Debt collection procedures.

## 8.5 Errors or Omissions

8.5.1 The Municipality strives to ensure the accuracy of consumer accounts. The onus of the consumer is however to verify that the services as stipulated on the account statement has been delivered and is correct. Upon detection of any errors or omissions the consumer should raise the dispute and notify the Municipality soonest and preferably in writing.

8.5.2 Accounts will only be rectified at the sole discretion of the Municipality after considering and verifying all aspects and conditions affecting the amount due and deemed to be in error ~~as from the date such errors or omissions was brought under the Municipality's attention.~~ The adjustment (if applicable) to the account will be

processed as per paragraph 8.4 above and applied after the date of inspection or confirmation by the specific Services Department.

- 8.5.3 Upon the sole discretion of ~~Council~~ the Municipality serious nonconformities or discrepancies of an account may be adjusted ~~as from the start of the current financial year~~ based upon the actual tariffs and legislation applicable.

## 9. DUE DATES OF ACCOUNTS

Accounts are payable by the 7<sup>th</sup> (seventh) day of each month or the first working day thereafter, should the 7<sup>th</sup> (seventh) day fall on a weekend or public holiday.

Upon extraordinary circumstances the date above may be temporary amended by the Municipal Manager to a reasonable date.

## 10. ALLOW SUFFICIENT TIME TO SETTLE ACCOUNTS

In order to allow sufficient time to settle accounts, the account should, where possible, be ready for delivery at least two weeks before the due date.

This necessitates proper scheduling of all processes leading to the issuing of accounts to meet the Municipality's commitment to its consumers.

## 11. CONSOLIDATION OF ACCOUNTS

In order to reduce cost and to enhance credit control and debt collection measures, separate accounts for services rendered in respect of a property or separate accounts of a debtor will be consolidated as far as possible. This will not be limited to consumer accounts only but may be extended to any other amount payable arising from any liability or obligation due to the Municipality.






## 12. PAYMENT OF ACCOUNTS – GENERAL

- 12.1 In order to promote the payment of accounts, payment facilities and hours for payment must be convenient to consumers, but the establishment of such facilities should still be subject to normal business principles and the economy of the provision of such services.

- 12.2 The following facilities are presently available – with the office hours (usually between 08h00 - 13h00 and 13h30 - 15h30) and modes of payment indicated. Facilities are extended on an on-going basis.

| <i>Facility</i> | <i>Hours</i> | <i>Payment methods accepted</i> |
|-----------------|--------------|---------------------------------|
|-----------------|--------------|---------------------------------|



|  |   |   |
|--|---|---|
| Cash offices at Stellenbosch, Kayamandi, Franschhoek and Pniel   | Office hours:<br>Monday to Friday                                     | Cash,  debit cards               |
| Cash offices at Klapmuts   | Office hours <u>(to be announced)</u> : <del>Wednesdays</del><br>only | Cash,  debit cards               |
| Debit orders   | Application during office hours                                       | Bank transfers  |
| Third Party Service Providers: Countrywide outlets of Pick 'n Pay, Shoprite/Checkers, Pep Stores, Ackermans and other stores | Trading hours:<br>7 days per week                                     | Cash,  credit cards, debit cards |
| Internet payments  | All hours   | Bank transfers  |
| Direct bank deposits   | Banking hours   | Bank transfers  |
| Personnel deductions   | Office hours  | Direct deductions from earnings   |
| 24-hour Utility shops at petrol stations   | All hours   | Cash,  credit cards, debit cards |
| Approved Pre-Paid Vending Agents   | Trading hours   | Cash,                          |

- 12.3 The use of correct account references for electronic payments and/or direct deposits is a requirement to ensure correct allocation of payment and to avoid any penalties and administration costs. It is the responsibility of the consumer making the payment to ensure that the correct reference number is made known to the Municipality.
- 12.4 All payments by means of Electronic Funds Transfer (EFT) or payments via the facilities as approved must be made in time so as to reflect in the Municipality's bank account before close of business on the due date.
- 12.5 Payment prioritisation of payments received will be allocated in the following order:
- (i) Penalties.
  - (ii) Municipal Rates.
  - (iii) Special Rating Area Levies.
  - (iv) Sewerage.
  - (v) Refuse.
  - (vi) Rentals.
  - (vii) Sundries.
  - (viii) Water.

(ix) Electricity.

### **13. DISHONoured PAYMENTS**

- 13.1 Receipts issued in respect of dishonoured payments must be written back upon receipt of such notices. Interest on arrears must be raised where applicable and administration costs be debited to debtors account. Debtors must be notified and debt recovery actions be instituted where necessary.
- 13.2 Should payments be dishonoured twice, the ~~debtors~~-financial system must be encoded not to accept debit order transactions of such a debtor and he/she must be informed thereof in writing.
- 13.3 If payments are dishonoured twice in a financial year, consumer deposits/bank guarantees may be adjusted to mitigate increased financial risk.

### **14. PENDING LEGAL ACTIONS AGAINST CONSUMERS**

Legal actions, such as notices of intended sales in execution, press releases regarding pending insolvency's, etc. may be followed up to evaluate the credit rating of such debtors in order to take steps to minimize the risk of financial loss for the Municipality.

### **15. INTEREST**

- 15.1 Interest will be raised monthly, on a reasonable time after due date, to allow finalization of EFT payments, journal processing, system updates, etc. The latter interest raising will be on all arrear balances of all services (excluding housing services), property rates or arrangements as per paragraph 3 of this Policy, remaining unpaid.
- 15.2 A portion of a month is deemed to be a full month for the purposes of calculation of interest payable.
- 15.3 Interest on outstanding arrear accounts will be calculated and charged at the South African Reserve Bank's prime interest rate plus one percent.

### **16. GENERAL AND OTHER SERVICES**

#### **16.1 Monthly Consumer accounts:**

- 16.1.1 Debtor's records must be coded correctly and timeously to ensure the rendering of accurate accounts to consumers.

- 16.1.2 The supply of water and electricity must conform to the conditions of supply set out in the By-Laws for Stellenbosch Municipality, as promulgated in the *Provincial Gazette*.
- 16.1.3 Due to the inclined block tariffs employed for these services, care must be taken to ensure meter readings are taken accurately and at intervals as close as possible to 30 days. Should this not be possible, consumption may be estimated as set out in the Municipality's By-Laws. As a general rule it is accepted that deviations in consumption periods exceeding 10% should be guarded against.

## **16.2 Sundry Services:**

- 16.2.1 Accounts for recovery of cost encountered by the Municipality in respect of sundry services rendered are issued if and when such services are rendered to consumers.
- 16.2.2 As these services are usually not based on formal service contracts, it is essential that it be billed as soon as possible, and the recovery of such debt must receive priority, as the risk of loss to the Municipality is more eminent than in the case of other services.
- 16.2.3 Care should be taken to obtain full and accurate information of such debtors and to obtain prepayment for such services where possible.
- 16.2.4 Actions applied to follow up unpaid accounts will be determined by the nature and extent of the debt and the cost effectiveness of such actions.

## **17. CONDITIONS RELATING TO RENTAL AND PURCHASING OF MUNICIPAL PROPERTY**

- 17.1 Municipal property may only be leased or sold after approval of such transactions and the signing of a rental or purchase agreement. Such approvals may be by way of specific Council resolutions or in the form of delegations.
- 17.2 The conditions for payment of instalments and deposits are regulated by the contents of the rental and purchase agreements and the Municipality explicitly reserves its rights to discontinue services for non-payment not only limited to the leased property but any other property of the lessee within the jurisdiction of Stellenbosch Municipality (WC024).
- 17.3 Other specific rental and purchase agreements are tailored to the specific nature and requirements of such transactions.
- 17.4 Full details of remedies for defaulting lessees and purchasers and procedures to address such defaults must be contained in the relevant contracts, but must not have the effect of limiting the Municipality in terms of this or any other Policy regulating arrears.

- 17.5 These remedies usually commence with written reminders, leading to the cancellation of the contracts and the institution of further legal action where necessary.
- 17.6 Rental and purchase agreements represent formalised individual contracts that form the basis of all actions by the parties involved. Both parties are bound to such conditions, failing which may lead to the cancellation of such contracts by the parties involved and claims for damages.
- 17.7 Lessees whom may qualify for rental subsidies must be referred to the housing office to apply for such subsidies in an effort to make rentals more affordable.

## **18. RENTALS IN RESPECT OF MUNICIPAL EMPLOYEES**

Apart from the general conditions applicable to general rental the following conditions will also be applied:

- (a) Rent will be based on the principle of market related rentals as required by Municipal Supply Chain Management (SCM) Regulation 40.
- (b) Rent, and optionally rates and service charges, where applicable, may only be paid by means of salary deductions. A specific clause to this effect must form part of the contract.
- (c) The relevant Director, or his/her delegated official, must co-sign rental agreements of employees to ensure that financial conditions are met.

## **19. INDIGENT CONSUMERS**

- 19.1 The Stellenbosch Municipality supports the principle of providing support to indigent consumers by way of providing Free Basic Services in accordance with the provisions of the Municipality's Indigent Policy. All effort must be made to limit the re-occurrence or accumulation of indigent debt of such consumers.

## **20 CONTACT OF RESPONSIBLE OFFICE**

The contact details for Credit Control enquiries:

E-mail Address: [cCreditcontrol.Noticesnotices@stellenbosch.gov.za](mailto:cCreditcontrol.Noticesnotices@stellenbosch.gov.za)

Telephone Numbers: [\\_](#)—See Municipal Account for relevant telephone numbers

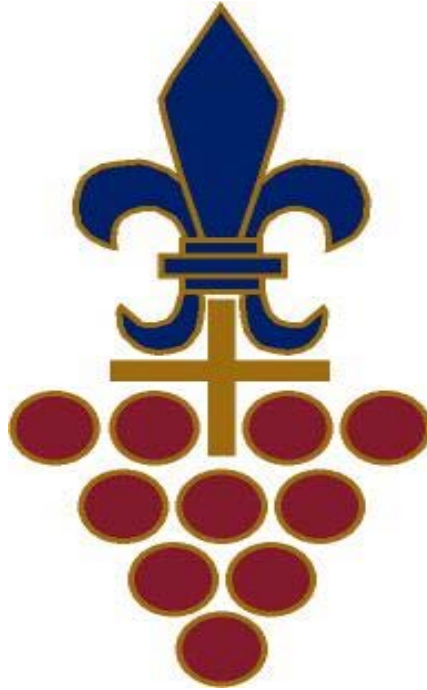
Postal Address: [\\_](#)-PO Box 17, Stellenbosch, 7601

Any Municipal Office in the jurisdiction of Stellenbosch Municipality

**21. SHORT TITLE**

This Policy is the Credit Control and Debt Collection Policy of the Stellenbosch Municipality.

# **STELLENBOSCH MUNICIPALITY**

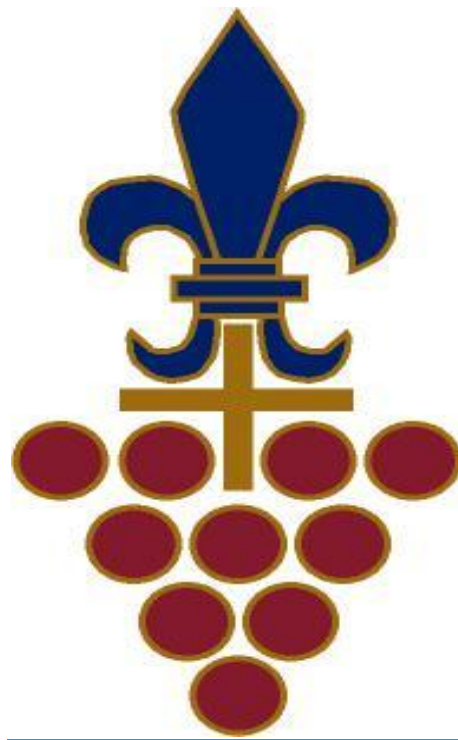


## **CREDIT CONTROL AND DEBT COLLECTION BY- LAW**

**2022/2023**

**REVISED**

# STELLENBOSCH MUNICIPALITY



## CREDIT CONTROL AND DEBT COLLECTION BY-LAW

Effective from 01 July ~~2011~~2022

**PREAMBLE**

To give effect to the Municipality's Credit Control and Debt Collection Policy and/or to regulate its implementation and enforcement in the Stellenbosch Municipal Area (WC024) in terms of section 156(2) of the Constitution of the Republic of South Africa (Act 108 of 1996) and sections 96 and 98 of the Municipal Systems Act (Act 32 of 2000); to provide for the collection of all monies due and payable to the Municipality; and to provide for matters incidental thereto.





# STELLENBOSCH MUNICIPALITY

## CREDIT CONTROL AND DEBT COLLECTION BY-LAW

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## 1. Definitions

- (1) In this By-law, any word or expression to which a meaning has been assigned in the Local Government: Municipal Systems Act, 32 of 2000, has that meaning, unless the context, indicates otherwise-

"**account**" means a municipal account rendered specifying an amount or amounts payable for assessment rates, metered services, municipal charges, levies, fees, fines, taxes or any other amount or amounts payable arising from any other liability or obligation due to the Municipality;

"**arrangement**" means a written agreement entered into between the Council and the debtor in terms of which specific repayment parameters are agreed to;

"**arrears**" means any amount due and payable to the Municipality and not paid by the due date;

~~"**business premises**" means premises utilised for purposes other than residential as defined in the Council's rates policy;~~

"**Council**" means the Municipal Council of Stellenbosch Municipality ~~or any duly authorised Committee, political office bearer or official of the said Council~~ as referred to in section 157 of the Constitution;

~~"**credit control**" means all the functions relating to the collection of revenue including but not limited to collection of money owed to the Municipality in respect of rates and municipal services;~~

"**Credit Control and Debt ~~Recovery~~ Collection Policy**" means the Credit Control and Debt ~~Recovery~~ Collection Policy adopted by the Council in terms of Section 96 of the Local Government: Municipal Systems Act, 32 of 2000;

"**customer**" means any occupier of any premises to which the ~~Council~~ Municipality has agreed to supply or is actually supplying services, or if no occupier can be identified or located, the owner of the premises and includes any debtor of the Municipality;

"**day/days**" means calendar days, inclusive of Saturdays, Sundays and public holidays;

"**debtor**" means any person owing money to the Municipality ~~arrears~~;

"**due date**" in relation to-

- (a) When paying an annual account, that account shall be paid and received by the Municipality in full not later than the date as specified on the account ~~annual rates, means the 30th (thirtieth) day of September of the financial year for which such rates are charged, or any other date determined by the Council by notice in the *Provincial Gazette*; and~~
- (b) when paying a monthly account, that account shall be paid and received by the Municipality in full not later than the date as specified on the

~~account rates and service charges which are by arrangement paid on a monthly basis and sundry debtor accounts, means the date for payment indicated on the account.~~

Should such day fall on a Saturday, Sunday, or public holiday the due date shall be the next working day.

"**Electricity By-law**" means the Stellenbosch Municipality: Electricity Supply By-law as promulgated in the *Provincial Gazette*, ~~applicable from time to time~~;

"**estimated consumption**" means the deemed consumption of a customer, that was not measured for the specific period, but estimated by taking into account factors that are considered relevant by the Municipality and which may include consumption data for a specific time in its possession and where applicable, having made due allowance where possible for seasonal or other variations which may affect ~~consumption~~ consumption;

"**immovable property**" includes-

- (a) an undivided share in immovable property, and
- (b) any right in immovable property.

~~"indigent debtor" means:~~

- ~~(a) the head of an indigent household:-~~
  - ~~(i) who applied for and has been registered as indigent in terms of the Council's Indigent Policy for the provision of free basic services from the municipality; and~~
  - ~~(ii) who makes an application in the prescribed form for an indigent subsidy on behalf of all members of his or her household;~~

"**Indigent Policy**" means the Indigent Policy adopted by the Council of the Municipality;

"**interest**" means a charge levied on all arrear monies ~~and calculated at a rate determined by the Council from time to time~~ as stipulated in the Council's Municipality's Credit Control and Debt Recovery Collection Policy;

"**month**" means a calendar month;

"**monthly average consumption**" means the monthly average consumption in respect of that property calculated on the basis of consumption over the preceding twelve months taking seasonal variances and exceptional circumstances into consideration;

"**Municipality**" means Stellenbosch Municipality (WC024);

"**Municipal Manager**" means the person appointed as such in terms of section 54A of the Local Government: Municipal Systems Act, 32 of 2000~~82 of the Local Government: Municipal Structures Act, 117 of 1998~~ and who is the accounting officer in terms of the ~~Local Government: Municipal Financial Management Act, 56 of 2003~~, or any other official delegated by him or her and who is also accountable and responsible for the implementation, enforcement and administration of the ~~Credit Control and Debt~~

~~Recovery and other policies referred to in this By-law;~~

**“municipal pay point”** means ~~any municipal office in the area of jurisdiction of the municipality designated by the Council for such purposes and those~~ payment facilities set out in the Credit Control and Debt ~~Recovery~~ Collection Policy, ~~or any such other places as the Municipal Manager may from time to time designate;~~

**“municipality services”** means a “municipal service” as defined in the Systems Act ~~services provided either by the municipality, or by an external agent on behalf of the Municipality in terms of a service delivery agreement, and shall include but not be limited to charges in respect of water and electricity consumption;~~

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

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

**"official"** means ~~an~~ "official" as defined in section 1 of the Local Government: Municipal Finance Management Act, 56 of 2003;

**"owner"** means:

- (a) a person in whom the legal title to a premises is vested;
- (b) in a case where the person in whom the legal title is vested is insolvent or dead, or is under any form of legal disability whatsoever, the person in whom the administration of and control of such premises is vested as curator, trustee, assignee, executor, administrator, judicial manager, liquidator or other legal representative, as the case may be;
- (c) in the case where the ~~Council~~ Municipality is unable to determine the identity of the person in whom the legal title is vested, the person who is entitled to the benefit of such premises or a building thereon;
- (d) in the case of premises for which a Municipal lease ~~of 20 (twenty) years or more~~ has been entered into, whether the lease is registered or not, the lessee thereof;
- (e) the occupier of immovable property occupied under a service servitude or right analogous thereto
- (f) in relation to -

- (i) a piece of land delineated on a sectional plan registered in terms of the Sectional Titles Act, ~~95 of 1986~~, and without restricting the above, the developer or the body corporate in respect of the common property; or
  - (ii) a section or unit as defined in the Sectional Titles Act, such Act, the person in whose name such section or unit is registered under a sectional title deed and includes the lawfully appointed agent of such a person;
  - ~~(ii)~~(iii) a right as contemplated in section 25 or 27 of the Sectional Titles Act, the holder of such right.
- (g) any legal person including, but not limited to -
- (i) a company registered in terms of the Companies Act, ~~61 of 1973~~71 of 2008 noting the transitional arrangements as per Schedule 5 of said Act, Trust *inter vivos*, Trust *mortis causa*, a close corporation registered in terms of the Close Corporations Act, 69 of 1984, a voluntary association;
  - (ii) any Department of State;
  - (iii) any Council or Board established in terms of any legislation applicable to the Republic of South Africa; and
  - (iv) any Embassy or other foreign entity; and
- (h) a lessee of municipal property who will be deemed to be the owner for the purposes of rendering a municipal account;
- ~~(h)~~(i) Upon any contradiction of this definition to the definition of "owner" as per section 1 of the Rates Act, the Rates Act definition of "owner" shall prevail.

**"paid by the due date"** means actual receipt of the funds paid in the bank account of the Municipality before ~~close of business~~or on the due date and **"payable by the due date"** shall have a corresponding meaning;

~~"payable by the due date" shall have a corresponding meaning;~~

**"person"** means s natural and juristic persons, including any state department and statutory bodies;

**"premises"** includes any piece of land, the external surface boundaries of which are delineated on:

- (a) a general plan or diagram registered in terms of the Land Survey Act, ~~9 of 1927~~8 of 1997 or in terms of the Deed Registry Act, 47 of 1937; or
- (b) a sectional plan registered in terms of the Sectional Titles Act, 95 of 1986, which is situated within the area of jurisdiction of the ~~Council~~Municipality;

and includes any other land and any building or structure above or below the surface of any land;

~~"prescribed" means prescribed in terms of this By-law, the Indigent Policy, the Rates~~

~~Policy, the Tariff Policy and where applicable by the Council or the Municipal Manager;~~

“**rates**” means ~~any tax, duty or levy~~the rate imposed on property by the Municipality; including but not limited to the municipal property rate envisaged in section 229(1) of the Constitution of the Republic of South Africa, 108 of 1996;

"Rates Act" refers to the Local Government: Municipal Property Rates Act, 2004.

"**Rates Policy**" means the Rates Policy adopted by the Council in terms of section 3 of the Local Government: Municipal Property Rates Act 6 of 2004 and as amended from time to time;

~~"registered owner" means that person, natural or juristic, in whose name the property is registered in terms of the Deeds Registry Act, 47 of 1937;~~

"**responsible person**" means any person other than the ~~registered~~ owner of an immovable property who is legally responsible for the payment of municipal service charges;

"**service charges**" means the fees levied by the Municipality in terms of its ~~tariff~~Tariff policy~~Policy~~ for any municipal services rendered ~~in respect of an immovable property~~ and includes any penalties, interest or surcharges levied or imposed ~~in terms of these By-laws~~;

"**service delivery agreement**" means an agreement between the Municipality and an institution or persons provided for in section 76(b) of the Local Government: Municipal Systems Act, 32 of 2000;

"**sundry debtor accounts**" means accounts raised for miscellaneous charges for services provided by the Municipality or charges that were raised against a person as a result of an action by a person and which was raised in terms of the ~~Council's~~ Municipality's policies, By-laws and decisions;

"Systems Act" refers to the Local Government: Municipal Systems Act, 2000.

"**tariff**" means any rate, tax, duty and levy or fee which may be imposed by the ~~municipality~~Municipality for services provided either by itself or in terms of a service delivery agreement;

"**Tariff Policy**" means a Tariff ~~policy~~Policy adopted by the Council in terms of section 74 of the Local Government: Municipal Systems Act 32 of 2000;

"**user**" means the owner or occupier of a property in respect of which municipal services are being rendered;

"**working day**" means a calendar day excluding Saturdays, Sundays and public holidays,

- (2) The headings and titles in this By-law are for reference purposes only and shall not affect the construction thereof.

- (3) In this By-law, a word or expression derived from a word or expression defined in subsection (1) has a corresponding meaning unless the context indicates that another meaning is intended.

## 2. Duty to collect debt

All debt owing to the Municipality must be collected in accordance with this By-law and the Credit Control and Debt [Collection](#) ~~Recovery~~ Policy.

## 3. Applications for provisions of municipal services and service agreements

- (1) All applications for the provision of Municipal services in respect of any immovable property shall be made by the ~~registered~~ owner of the said immovable property in writing and ~~in~~ [on](#) the prescribed form.
- (2) The ~~registered~~ owner of an immovable property in respect of which application for the provision of municipal services has been made, shall, ~~at least 7 (seven) days~~ prior to the date on which the services are required to be connected, enter into a written agreement with the Municipality ~~in~~ [on](#) the prescribed form.
- (3) The written agreement referred to in subsection (2) shall, amongst others, make provision for the following:
- (a) an undertaking by the owner/[tenant](#) that he or she will be liable for collection costs including administration fees, interests, disconnection and reconnection costs, and any other legal costs occasioned by his or her failure to settle accounts by the due date;
  - (b) an acknowledgement by the owner/[tenant](#) that accounts will become due and payable by the due date notwithstanding the fact that the owner did not receive the account; [and](#)
  - (c) that the onus will be on the owner/[tenant](#) to ensure that he or she is in possession of an account before the due date; ~~and~~
  - ~~(d) an undertaking by the Municipality that it shall do everything in its power to deliver accounts timeously.~~
- (4) The Municipality may, upon the written request of the ~~registered~~ owner of an immovable property, enter into a written agreement with both the ~~registered~~ owner and occupier of the immovable property in respect of which application for the provision of municipal services has been made. The agreement shall be ~~in~~ [on](#) the prescribed form.
- ~~(5) The registered owner of a property in respect of which application has been made for the provision of municipal services shall, at least 7 (seven) days prior to taking occupation of the aforesaid property, notify the Municipal Manager thereof in writing in the prescribed form.~~
- ~~(6)~~(5) The [Municipality](#) ~~Municipal Manager~~ shall cause a reading of the [applicable credit](#)-meters to be taken on the working day preceding the date of occupation of the property [so as to facilitate the correctness of the prior and new owner's accounts.](#)

~~(7)(6)~~ The ~~Municipality~~ ~~Municipal Manager~~ may, ~~from time to time~~, require all owners or occupiers of immovable properties in respect of which municipal services are being rendered, to enter into written agreements with the Municipality in accordance with the form referred to in subsection (2).

~~(8)~~ ~~Notwithstanding the provisions of subsection (7), the Municipality may after the coming into operation of this By-law compel any owner or occupier of immovable property in respect of which municipal services are being rendered, to enter into a written agreement in respect of the provision of municipal services with the Municipality.~~

#### 4. Deposits and guarantees

(1) An applicant for the provision of municipal services ~~in respect of immovable property shall~~ may be required to pay a ~~consumer prescribed~~ deposit prior to the provision of any municipal services. Payment of the applicable consumer deposit will be the primary means to cover said contract obligation. Any deviation from the payment of the consumer deposit will be directed by the sole discretion and due consideration/approval of an accountant or more senior official in the Municipality's Revenue Department.

(2) The ~~Municipality~~ ~~Municipal Manager~~ may, in ~~his or her~~ its sole discretion, and upon written notice to the owner of a property and after the conclusion of the agreement referred to in section 3(2) and subject to subsection (3), either increase or decrease the deposit payable. Deposits/Bank guarantees may be increased by an amount up to three times or more of a monthly average consumption as determined by the Municipality.

(3) The ~~Municipality~~ ~~Municipal Manager~~ shall before ~~taking~~ any decision to increase the deposit, give an owner or responsible person notice of any intention to increase the minimum deposit payable by the owner or responsible person, and shall, in the aforesaid notice, state full reasons for the envisaged increase and allow the owner or responsible person an opportunity to make written representations in this regard.

(4) On termination of the supply of services the amount of such deposit, less any payments due to the Municipality, ~~must~~ may be refunded ~~to an account holder~~.

(5) The ~~Municipality~~ ~~Municipal Manager~~ may, in ~~his~~ its sole discretion, ~~and in respect of premises utilised for business purposes,~~ accept a bank guarantee in lieu of a deposit ~~in any form acceptable to the Municipal Manager~~.

#### 5. Accounts and billing

(1) The Municipality shall provide every person who is liable for municipal charges, fees levies, property rates or taxes ~~service charges in respect of Municipal services~~, with an account in respect of ~~every property for which that person is liable and all such~~ municipal charges, fees levies, property rates or taxes ~~services rendered in respect of those properties~~.

(2) Accounts will be rendered on a monthly basis in cycles of approximately 30 (thirty) days.



- (3) All accounts rendered by the Municipality shall be payable before or on the due date as indicated on the account.
- (4) Any amount which remains due and payable after the due date shall attract interest as more fully set out in section 11.
- (5) Payments shall be deemed to be late unless received ~~by the close of business~~ on or before the due date ~~at a municipal pay point~~.
- (6) Electronic payments or payments made through agents must be received [and reflected](#) in the municipal bank account ~~by the close of business~~ on or before the due date.
- (7) All accounts shall be payable by the due date regardless of the fact that the person responsible for the payment of the account has not received it and the onus shall be on such person to make the necessary inquiries to obtain a copy of the account before the due date.

## 6. Restriction or disconnection of supply of services

- (1) The Municipality may restrict or disconnect the supply of any municipal service in any manner including but not limited to blocking the purchase of electricity on the prepayment system and/or restricting or disconnecting the supply of water if a user of any such service:
  - (a) fails to make full payment on the due date or fails to make an acceptable arrangement for the repayment of any amount due in respect of ~~service charges~~[an account rendered](#);
  - (b) fails to comply with an arrangement;
  - ~~(c) fails to comply with a condition of supply imposed by the Council;~~
  - ~~(d) tampers with any municipal supply meter or bypasses any metering equipment in order to obtain an un-metered service;~~
  - ~~(e) commits any act which would in terms of the Electricity and applicable Water By-laws, entitle the Municipality to discontinue municipal services;~~
  - ~~(f) causes a situation with regard to such service which in the opinion of the Municipality is dangerous or a contravention of relevant legislation;~~
  - ~~(g)~~[\(c\)](#) is placed under provisional sequestration, liquidation or judicial management, or commits an act of insolvency in terms of the Insolvency Act 24 of 1936 or any other applicable law [but fails conditions of same](#);
  - ~~(h)~~[\(d\)](#) becomes subject to an order granted in terms of section 74 of the Magistrates Court Act, 32 of 1944 [but fails adherence thereto](#);
- (2) The Municipality shall, before limiting or discontinuing any municipal services to any premises or user ensure that a fair and equitable procedure is followed, and the Municipality shall provide reasonable notice of its intention to limit or discontinue services and grant the affected person an opportunity to make written representations.

(3) The right to restrict, disconnect or terminate a service pertains to all municipal services and shall not be limited, in the case of arrears, by the fact that payment may have been made in respect of any specific municipal service or the fact that the person who entered into an agreement for the supply of services with the Municipality and the owner are different persons, as the case may be.

~~(3)(4) After disconnection for non-payment of an account the prescribed fees may be required for payment before reconnection is effected.~~

## 7. Measurement of metered municipal services — ~~metering, accuracy, reading, prepayment~~

(1) Refer to the Stellenbosch Municipality: Electricity Supply By-law for the purposes of determining the criteria or provisions of any matter related to electricity.

(2) Refer to the Stellenbosch Municipality: Water Services By-law for the purposes of determining the criteria or provisions of any matter related to water.

~~(1) The Municipality may introduce various metering equipment and may encourage a user to convert to a system which is preferred by the Municipality when the Council considers this to be beneficial to its functioning and operations.~~

~~(2) The Municipality shall, at the user's cost in the form of a direct charge or prescribed fee, provide, install, and maintain appropriately rated metering equipment at the point of metering for measuring metered services.~~

~~(3) The Municipality reserves the right to meter the supply to a block of shops, flats, tenement houses, and similar buildings for the building as a whole, or for an individual unit, or for a group of units.~~

~~(4) No alterations, repairs, additions, or connections of any description may be made on the supply side of the point of metering unless specifically approved in writing by the Municipal Manager or a duly authorised official of the Council.~~

~~(5) Except in the case of prepayment meters, the quantity of metered services consumed by a user during any metering period is ascertained by reading the appropriate meter or meters supplied and installed by the Municipality at the beginning and end of such metering period, except where the metering equipment is found to be defective.~~

~~(6) For the purpose of calculating the amount due and payable for the quantity of metered services consumed, the same amount of metered services shall be deemed to be consumed during every period of 24 (twenty four) hours between readings.~~

~~(7) The following apply to the accuracy of metering:~~

~~(a) A meter shall be conclusively presumed to be registering accurately if its error, when tested in the manner prescribed in subsection (11), is found to be within the limits of error as provided for in the applicable standard specifications;~~

~~(b) The Municipality has the right to test its metering equipment, and if it is established by test or otherwise that such metering equipment is defective, the~~

Municipality shall:

- ~~(i) in case of a credit meter, adjust the account rendered; or~~
- ~~(ii) in the case of prepayment meters:
  - ~~(aa) render an account where the meter has been under-registering; or~~
  - ~~(bb) issue a free token where the meter has been over-registering;~~in accordance with the provisions of subsection (12).~~
- ~~(c) the user is entitled to have the metering equipment tested by the Municipality on payment of the prescribed fee, and if the metering equipment is found not to comply with the system accuracy requirements as provided for in the applicable standard specifications, an adjustment in accordance with the provisions of section 7(7)(b) and subsection (12) shall be made and the aforesaid fee shall be refunded.~~
- ~~(8) Prior to the Municipality making any upward adjustment to an account in terms of section 7(7)(b), the Municipality must—
  - ~~(a) notify the user in writing of the monetary value of the adjustment to be made and the reasons therefore;~~
  - ~~(b) in such notification provide sufficient particulars to enable the user to submit representations thereon; and~~
  - ~~(c) call upon the user in such notice to present it with reasons in writing, if any, within 21 (twenty one) days or such longer period as the Municipality may permit, why the account should not be adjusted as notified, and should the user fail to provide any representations during such period the Municipality shall be entitled to adjust the account as notified in terms of subsection (8)(a).~~~~
- ~~(9) The Municipality must consider any representations provided by the user in terms of section 7(8) and must, if satisfied that a case has been made out therefore, adjust the account appropriately.~~
- ~~(10) If the Municipal Manager or a duly authorised official of the Council decides, after having considered the representations made by the user, that such representation does not establish a case warranting an amendment to the monetary value established in terms of subsection (12), the Municipality is entitled to adjust the account as notified in terms of section 7(8)(a).~~
- ~~(11) Meters are tested in the manner as provided for in the applicable standard specifications.~~
- ~~(12) When an adjustment is made to the consumption registered on a meter in terms of paragraphs 7(7)(b) or 7(7)(c), such adjustment is based either on the percentage error of the meter as determined by the test referred to in subsection (11), or upon a calculation by the Municipality from consumption data in its possession and where applicable, due allowance shall be made, where possible, for seasonal or other variations which may affect consumption.~~
- ~~(13) An adjustment made in terms of subsection (12), shall be based upon the actual tariffs~~

~~applicable at the time and may not exceed a period of 6 (six) months preceding the date on which the metering equipment was found to be inaccurate, however the application of this subsection does not constitute a bar to a user recovering overpayment for any longer period in the normal legal process.~~

~~(14) The following principles apply to the reading of credit meters:~~

- ~~(a) Unless otherwise prescribed, credit meters are normally read at intervals of approximately 1 (one) month and the fixed or minimum charges due in terms of the tariff are assessed accordingly and the Municipality is not obliged to effect any adjustments to such charges;~~
- ~~(b) If for any reason the credit meter cannot be read, the Municipality may render an estimated account, and estimated consumption shall be adjusted in a subsequent account in accordance with the consumption actually measured;~~
- ~~(c) When a user vacates a property and a final reading of the meter is not possible, an estimation of the consumption may be made, and the final account rendered accordingly;~~
- ~~(d) If a special reading of the meter is desired by a user, this may be obtained upon payment of the prescribed fee; and~~
- ~~(e) If any reading or calculating error is discovered in respect of any account rendered to a user –
  - ~~(i) the error shall be corrected in subsequent accounts;~~
  - ~~(ii) any such correction shall only apply in respect of accounts for a period of 6 (six) months preceding the date on which the error was discovered;~~
  - ~~(iii) the correction shall be based on the actual tariffs applicable during the period; and~~
  - ~~(iv) the application of this section does not constitute a bar to a user recovering overpayment for any longer period in the normal legal process.~~~~

~~(15) The following principles apply to prepayment metering:~~

- ~~(a) No refund of the amount tendered for the purchase of electricity or water credit shall be given at the point of sale after initiation of the process by which the prepayment meter token is produced;~~
- ~~(b) Copies of previously issued tokens for the transfer of credit to the prepayment meter may be issued at the request of the user;~~
- ~~(c) When a user vacates any premises where a prepayment meter is installed, no refund for the credit remaining in the meter shall be made to the owner by the Municipality;~~
- ~~(d) The Municipality shall not be liable for the reinstatement of credit in a prepayment meter lost due to tampering with, or the incorrect use or the abuse of, prepayment meters or tokens;~~
- ~~(e) Where a user is indebted to the Municipality for any rates, municipal services, other service charges, levies, fees, fines, interest, taxes or any other amount or amounts payable arising from any other liability or obligation, the Municipality~~

~~may deduct a percentage from the amount tendered to offset the amount owing to the Municipality;~~

~~(f) The Municipality may appoint vendors for the sale of credit for prepayment meters and does not guarantee the continued operation of any vendor.~~

~~(16) A user will only be entitled to a water leakage rebate if:-~~

~~(a) the user submits a certificate from a registered plumber who has repaired the water leak, within 7 (seven) days of the leak having been repaired. The certificate must clearly state the date on which such repairs were effected; confirm that the leak was not discernable from the surface and certify that the leak occurred on a pipe listed on the schedule of approved pipes and fittings prescribed by the Director: Civil Engineering Services.~~

~~(b) In the event of the leak as referred to in sub-paragraph (i) not being repaired after having been detected within 48 (forty eight) hours, no rebate will be applicable and the decision of the Municipal Manager in this regard will be final.~~

~~(17) The Municipal Manager may, at the written request of a user and on the dates requested by the user:~~

~~(a) disconnect the supply of metered services to the user's premises; and~~

~~(b) restore the supply, subject thereto that the user must pay the prescribed charge for the disconnection and restoration of his or her supply of metered services before the metered services is restored.~~

~~(18) After disconnection for non-payment of an account or a contravention of any provision of this By-law, the prescribed fees must be paid before reconnection is effected.~~

## 8. Payments and settlement of amounts due

(1) Payments on accounts rendered may be effected at ~~via any approved~~ municipal ~~pay point~~ payment facilities.

(2) The ~~Municipality~~ Municipal Manager may at ~~his-its~~ discretion ~~and from time to time~~, designate certain payment methods which will be acceptable to the Municipality.

(3) Any payments made to the Municipality ~~may~~ will be allocated by the Municipality entirely within its discretion; provided that any part payment on an account shall be allocated firstly to reduce any penalty charges which may have accrued on the account.

(4) The ~~Municipal Manager~~ Municipality will ~~shall be at liberty to~~ appropriate payments received in respect of any municipal services provided by the Municipality ~~in a manner he or she deems fit~~ in accordance with the Credit Control and Debt ~~Recovery~~ Collection Policy.

(5) Where the ~~exact~~ amount due and payable to the Municipality has not been paid in full, any lesser amount tendered to and accepted by any municipal official, shall not be deemed to be in final settlement of such an amount unless the ~~Municipality~~ Municipal Manager in writing consents to or confirms s that such amount is accepted in full and final

settlement of a debt.

- (6) The acceptance of a lesser payment in full and final settlement shall ~~not detract from the discretion of the Municipal Manager in terms of subsection (4)~~ be in terms of the Irrecoverable Debt Policy.

## 9. Procedures for and matters relating to the recovery of debt

- (1) Annual rates and service charges are levied during July of each year ~~on all properties~~ and the ~~due date for the payment of same is~~ annual account shall be paid in full not later than the date specified on the account ~~on the 30th (thirtieth) day of September of every year, unless amended by the Council by means of a notice to act so in the Provincial Gazette.~~
- (2) Rates and service charges which are ~~by arrangement~~ paid on a monthly basis shall be paid in full not later than the date specified on the account ~~payable by the due date as indicated on the account.~~
- (3) Accounts rendered by the Municipality in respect of electricity and water shall be paid in full not later than the date specified on the account ~~be payable by the due date as indicated on the account.~~
- (4) Interest on arrears ~~shall~~ may accrue on all amounts not paid by the due date and where applicable, not received and reflected in the Municipality's bank account ~~by close of business~~ on the due date.
- (5) In the event of an ~~owner of property~~ account not paid in full ~~failing to pay the outstanding rates and service charges~~ by the due date, the ~~Municipality~~ Municipal Manager or any person duly authorised thereto, shall take the necessary steps including any legal action to collect the ~~outstanding rates and service charges~~ arrears in accordance with the debt recovery procedures prescribed in terms of the Credit Control and Debt Collection Recovery Policy.
- (6) When the Municipality restricts or disconnects the supply of any municipal services in any manner including but not limited to blocking the purchase of electricity on the prepayment system and/or restricting or disconnecting the supply of water in respect of an account which has not been paid by the ~~by the~~ due date, this shall be done with due regard for any mandatory minimum levels of supply of municipal services.
- (7) Any additional charges or costs incurred by or on behalf of the Municipality with regard to the recovery of debt as outlined in this By-law and the Credit ~~Collection Control~~ and Debt Collection Recovery Policy including but not limited to legal and administration costs ~~including attorney and client costs, disbursements and tracing fees and collection costs~~ shall be debited to the account of the defaulting debtor. The latter charges may include a revisit of deposits paid.
- (8) Owners who ~~made~~ concluded arrangements to settle their annual rates accounts on a monthly basis shall ensure regular payments. ~~Failure to adhere to the arrangement and to pay the monthly instalments for 3 (three) consecutive months shall result in automatic~~

~~cancellation of the arrangement and the outstanding balance shall immediately become due and payable.~~

- (9) The ~~Municipality~~~~Municipal Manager~~ may; recover outstanding rates after the due date as provided for in sections 28 and 29 of the Local Government: Municipal Property Rates Act, 6 of 2004; ~~recover any rent due and payable to an owner of a premises or immovable property but not yet paid as payment or part payment in respect of outstanding rates after the due date.~~
- (10) The Municipal Manager may, in order to recover debt, institute the necessary proceedings in a competent court and attach a debtor's movable and immovable property.
- (11) In the event that a juristic person including but not limited to a company, close corporation, trust or body corporate in terms of the Sectional Titles Act, 95 of 1986 is liable for the payment of any arrear rates and service charges to the Municipality, the liability of such entity is extended to its directors, members and trustees, as the case may, jointly and severally in their personal capacity.
- (12) The ~~Municipality~~~~Municipal Manager~~ may notwithstanding the above and upon good cause ~~good~~ shown, allow any defaulting owner or occupier of a property, to enter into a written agreement for the payment of the outstanding balance by way of instalments, on such terms and conditions as determined by the Credit Control and Debt Collection Recovery Policy and when such an agreement has been entered into, all actions against the defaulting owner or occupier of a property in terms of the Credit Control and Debt Collection Recovery Policy and in respect of such outstanding balance shall be suspended provided that the terms of this written agreement is strictly complied with.

## 10. Rates clearance certificates

- (1) Applications for the issuing of certificates required for the transfer of immovable property in terms of section 118 of the Local Government: Municipal Systems Act, 32 of 2000 must be lodged with the ~~Municipal Manager~~Municipality in the prescribed manner.
- (2) The certificate mentioned in subsection (1) will only be issued if all amounts that became due in connection with that property for municipal service fees, surcharges on fees, property rates and other municipal taxes, levies, and duties during the 2 (two) years preceding the date of application for the certificate have been fully paid, irrespective of whether such amounts have been accumulated by the owner or not.
- (3) Nothing in this section precludes the subsequent collection by the Municipality of any amounts owed to it in respect of such immovable property at the time of transfer.

## 11. Interest

- (1) The Municipality may charge and recover interest in respect of any arrears, as prescribed in this By-law and the Credit Control and Debt Collection Recovery Policy.
- (2) No interest shall be charged on any outstanding amounts in respect of which an

arrangement ~~have~~has been made as envisaged in section 9(8) provided that the debtor complies with the terms of the arrangement.

- (3) For the purposes of this section the interest shall be calculated for each month for which such arrears remain unpaid, and a portion of a month shall be deemed to be a full month.

## 12. Consolidation of accounts

- (1) The ~~Municipal Manager~~Municipality may-
- (a) consolidate any separate accounts of a debtor;
  - (b) credit a payment by a debtor against any account of that debtor;
  - (c) implement any of the measures provided for in this By-law and the Credit Control and Debt ~~Collection Recovery~~ Policy, in relation to any arrears on any of the accounts of such debtor.
- (2) The provisions of subsection (1) do not apply where there is a dispute between the Municipality and the debtor referred to in that subsection concerning any specific amount claimed by the Municipality from such debtor.

## 13. Agreements with employers

- (1) The Municipal Manager may -
- (a) with the consent of a debtor enter into a written agreement with that person's employer to deduct from the salary or wages of that debtor:
    - (i) any outstanding amounts due by the debtor to the Municipality; or
    - (ii) such regular monthly amounts as may be agreed; and
  - (b) provide special incentives for –
    - (i) employers to enter into such agreements; and
    - (ii) debtors to consent to such agreements.

## 14. Indigents

An indigent ~~debtor~~consumer shall be dealt with as prescribed in the Indigent Policy and if required and after reasonable alternatives have been exhausted, processes in terms of the Credit Control and Debt Collection Policy will be implemented.

## 15. Right of access to premises

- (1) A duly authorised representative of the Municipality shall for any purpose related to the implementation or enforcement of this By-law, at all reasonable times or in an emergency at any time, have access to and enter any premises, request information and carry out any inspection and examination as he or she may deem necessary, and for purposes of reading, installing or repairing any meter or service connection for



reticulation, or to disconnect, stop or restrict the provision of any service.

- (2) If the Municipality considers it necessary that work needs to be performed to enable an official to perform a function referred to in subsection (1) properly and effectively, it may:
  - (a) by written notice require the owner or occupier of the premises at his own expense to do specific work within a specified period; or
  - (b) if in its opinion the situation is a matter of urgency, without prior notice do such work or cause it to be done at the expense of the owner.
- (3) If the work referred to in subsection (2) above is carried out for the sole purpose of establishing whether a contravention of this By-law has been committed and no such contravention has taken place, the Municipality shall bear the expenditure connected therewith together with the expense of restoring the premises to its former condition provided that in the event that it is established that a contravention of this By-law has taken place the owner or occupier shall, in addition to the loss or damage referred to in section 18(2), also be liable for the expenditure connected therewith.

## 16. Process for grievances and queries

- (1) An aggrieved person may lodge a grievance or query regarding service charges to the Municipality in writing and [which may be in-on the-a](#) prescribed form.
- (2) The aggrieved person shall clearly state the basis of his or her dissatisfaction and the desired outcome.
- (3) The lodging of a grievance or query shall not relieve the aggrieved person of the responsibility to settle the account, provided that the Municipal Manager may, on application in writing and in his [or her](#) sole discretion, direct that interim payments may be made pending the finalisation of the grievance or query.
- (4) The Municipality shall respond to such grievance or query in writing within 30 (thirty) days from the date of the lodgement of the grievance or query.

## 17. Appeal

- (1) A person aggrieved by any decision taken in terms of this By-law and in terms of a power or duty delegated or sub-delegated, may appeal against such decision in terms of section 62 of the Local Government: Municipal Systems Act, 32 of 2000 by giving written notice of the appeal and the reasons to the Municipal Manager within 21 (~~twenty~~ [onetwenty-one](#)) days of the date of the notification of the decision.
- (2) The Municipal Manager shall consider the appeal and confirm, [varyvary](#), or revoke the decision.
- (3) The Municipal Manager must commence with an appeal within 6 (six) weeks and decide the appeal within a reasonable period.

## 18. Offences

- (1) Any person who
  - (a) fails to give the access required by an official in terms of this By-law;
  - (b) obstructs or hinders an official in the exercise of his or her powers or performance of functions or duties under this By-law;
  - (c) uses or interferes with ~~Council~~Municipal equipment or consumption of services supplied;
  - (d) tampers or breaks any seal on a meter or on any equipment belonging to the Municipality, or for any reason as determined by the Municipal Manager causes a meter not to properly register the service used;
  - (e) fails or refuses to give an official such information as he or she may reasonably require for the purpose of exercising his or her powers or functions under these By-laws or provides the Municipality or such an official with false or misleading information knowing it to be false or misleading;
  - (f) fails to comply with the terms of a notice served upon him or her in terms of this By-law;
  - (g) contravenes or fails to comply with any provision of this By-law -

shall be guilty of an offence and be liable upon conviction to a fine ~~not exceeding R2000~~ or ~~to imprisonment for a period not exceeding 6 (six) months~~ or both such a fine and imprisonment and, in addition, may be charged for usage, as estimated by the ~~Municipal Manager based on average usage during the previous 6 (six) months or as may be determined by resolution of the Council from time to time~~Municipality.

- (2) Every person committing a contravention or breach of the provisions of this By-law shall also be liable to compensate the Municipality for any expenditure incurred and any loss or damage suffered or sustained by the Municipality in consequence of such breach.

## 19. Notices and documents

- (1) A notice or document issued by the Municipality in terms of this By-law, shall be deemed to be duly issued if signed by an official duly authorised by the Council.
- (2) If a notice is to be served on a person in terms of this By-law, such service shall be effected by:
  - (a) delivering the notice to such person personally or to the duly authorised agent of such person or:
  - (b) by delivering the notice at such person's residence or place of employment to a person apparently not less than 16 (sixteen) years of age and apparently residing or employed there;
  - (c) if such person has nominated an address for legal purposes, by delivering the notice to such an address; or
  - (d) by registered or certified post addressed to such person's last known address;

- (e) in the case of a body corporate, by delivering it to the registered office or the ~~business~~-premises of such a body corporate; or
- (f) if service cannot be effected in terms of the aforesaid subsections, by affixing it to the principal door of entry to the premises, or displaying it on a conspicuous place on the premises to which it relates.

## 20. Authentication of documents

- (1) Every order, notice or other document requiring authentication by the Council shall be sufficiently authenticated, if signed by the Municipal Manager or by a duly authorised official of the ~~Council~~[Municipality](#);
- (2) Delivery of a copy of the document shall be deemed to be delivery of the original.

## 21. Certificate of indebtedness

- (1) A certificate under the hand of the Municipal Manager certifying the amount due and payable to the Municipality shall be binding upon the debtor; shall be *prima facie* proof of the ~~the~~ amount of the debtor's indebtedness and shall be valid as a liquid document against the debtor in any competent court for the purpose of obtaining provisional sentence or judgment against the debtor in respect thereof.
- (2) Should the debtor at any time in defence of any action based on this By-law allege that there is no reason or cause for the debtor's obligations to the Municipality or that errors have been made in the calculation of the amount claimed, then the onus of proving such a defence will rest on the debtor.

## 22. Conflict of By-laws

- (1) The provisions of the Electricity [Supply](#) By-law and [Water Services](#) By-laws in force immediately before the commencement of this By-law continue in force [regarding the application of service tariff matters and](#) insofar as they are not inconsistent with the provisions of this By-law.
- (2) [Subject to subsection \(1\), in](#) the event of any conflict between this By-law, ~~policy~~ and any other By-law of the ~~Council~~[Municipality](#), this By-law will prevail.

## 23. Partial invalidity

In the event of any one or more of the of the provisions of this By-law being declared invalid by a final and unappealable order, decree or judgment of any court after being found to be inconsistent with any provision of the Constitution of the Republic of South Africa, 108 of 1996, such inconsistency or invalidity shall not affect the remaining provisions of this By-law and this By-law shall be construed as if such provisions had not been inserted.

## 24. Repeal of By-laws

The provisions of any By-laws [relating to credit control debt collection by the Municipality](#) are

[hereby](#) repealed insofar as they relate to matters provided for in this By-law.

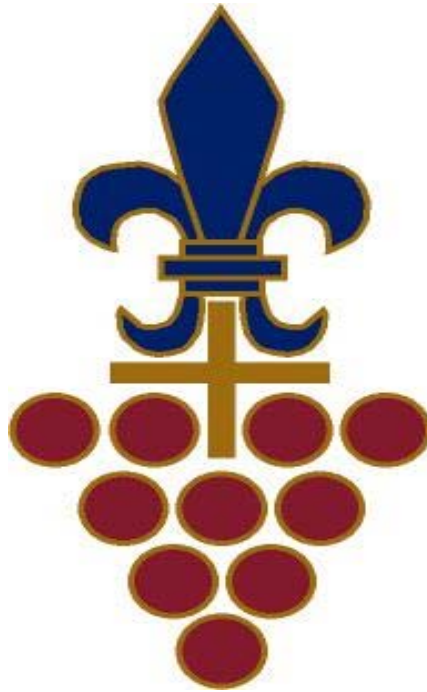
**25. Application**

This By-law shall be binding on all persons who own and/or occupy immovable property or any premises within the area of jurisdiction of the Municipality, [or to whom a Municipal account is rendered](#).

**26. Short title**

This By-law is called the Stellenbosch Municipality: Credit Control and Debt Collection By-law.

# **STELLENBOSCH MUNICIPALITY**



## **SPECIAL RATING AREA POLICY**

**2022/2023**

**REVISED**



# STELLENBOSCH MUNICIPALITY

## SPECIAL RATING AREA POLICY

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## 1. DEFINITIONS

In this Policy, words or expressions shall bear the meaning assigned to them and, unless context otherwise indicates: –

“**additional rate**” means an additional rate contemplated in sections 19(1)(d) and 22(1)(b) of the Property Rates Act and in section 12(2) of the By-Law;

“**applicant**” means any owner who makes an application for the determination of a special rating area in accordance with provisions of Chapter 1 of the By-Law, or if a management body is established in terms of section 10 of the By-Law, any reference to “**the Applicant**” means the management body;

“**By-Law**” means the Stellenbosch Municipality’s Special Rating Area (SRA) By-Law;

“**CFO**” means the Chief Financial Officer of Stellenbosch Municipality, or his or her nominee;

“**Council**” means Council of Stellenbosch Municipality;

“**implementation plan**” means an Implementation Plan as contemplated in section 6 of the By-Law;

“**majority**” means the majority of ~~property~~ properties represented by the members of the local community in the proposed special rating area who will be liable for paying the additional rate ~~owners as contemplated in section 22 of the Property Rates Act;~~

“**management body**” means the management body of a special rating area to be ~~establishment~~ established in accordance with the provision of section 10 of the By-Law;

“**motivation report**” means a motivation report as contemplated in section 6 of the By-Law;

“**the Municipality**” means Stellenbosch Municipality (WC024),

“**owner**” has the meaning assigned to it in section 1 of the Property Rates Act;

“**Policy**” means the policy for the determination of special rating areas and will be referred to as this Policy;

“**Property Rates Act**” means the Local Government: Municipal Property Rates Act, 2004 (Act No.6 of 2004);

“**rateable property**” has the meaning assigned to it in section 1 of the Property Rates Act;

“**special rating area**” means a special rating area approved by the Council in accordance with the provisions of section 22 of the Property Rates Act and section 8 of the By-Law.

## 2. INTRODUCTION

- 2.1. This policy for the establishing of special rating areas must be read together with the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) and the Municipality’s Special Rating Area (SRA) By-law, as in force from time to time.

- 2.2. This policy is strictly applicable to Special Rating Areas that have been established in terms of sub-sections 22(1) to 22(4) of the Property Rates Act. Therefore, this policy does not deal or apply to internal municipal service districts as envisaged in section 85 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) and in sub-section 22(5) of the Property Rates Act.
- 2.3. All words and phrases defined in the Property Rates Act and the By-Law have the same meaning in this Policy.
- 2.4. In the event of any conflict between the provisions of the By-Law and the provisions of this Policy, the By-Law prevails.
- 2.5. This Policy needs to be read together with the Municipality's Rates Policy.

### 3. **AIM OF THE POLICY**

This Policy aims to –

- 3.1. Set out Council's position on special rating areas and the factors that will influence Council's decision whether or not to institute a particular Special Rating Area.
- 3.2. Provide guidance to members of the local community and to decision-makers within the Municipality in relation to the establishment of special rating areas; and
- 3.3. Strike an appropriate balance between facilitating self-funded community initiatives that aim to improve and/or upgrade neighbourhoods by –
  - (a) making use of Council resources and structures; or
  - (b) making use of a Non-Profit (previously known as a Section 21) company structure (refer paragraph 8.12.5 of this Policy); and to
  - (c) ensure commitment to good, fair and transparent governance by the managing body, by implementing a transparent process when appointing service providers to improve and/or upgrade the special rating area in the public areas and ensuring that these improved and/or upgraded services are not provided on private properties.

### 4. **POLICY STATEMENT**

- 4.1. The special rating area model is aimed at preventing the degeneration of towns and the consequential urban decay, and facilitating their upliftment, economic growth and sustainable development.
- 4.2. The purposes of a special rating area are to –
  - (a) enhance and supplement the municipal services provided by Stellenbosch Municipality;
  - (b) facilitate investment in the special rating area;
  - (c) facilitate a cooperative approach between Stellenbosch Municipality and the private sector in the provision of municipal services;



- (d) halt the degeneration and facilitate the upliftment of distressed business and mixed-use areas; and
  - (e) promote economic growth and sustainable development and in this way, assist the Council in the fulfilment of its objects and developmental duties as set out in its Integrated Development Plan (“IDP”).
- 4.3. Stellenbosch Municipality regards special rating areas as a potential tool for allowing it to fulfil its constitutional and statutory obligations to promote;
- (a) social and economic development; and
  - (b) a safe and healthy environment in a way which balances the guiding principles underlying its Rates Policy.
- 4.4. Special rating areas allow property owners within an explicitly defined geographical area to improve and upgrade their area by means of a property rate in addition to the standard property rate.
- 4.5. Special Rating Areas do not give property owners or the management structures of the Special Ratings Area the right to infringe on any of the constitutional rights as enshrined in the Bill of Rights, Chapter Two of the Constitution of South Africa, 1996 of any juristic or natural person in any way. Specifically, the right to freedom of movement and residence of any juristic or natural person referred to in Section 21 of the Constitution must be guaranteed by the Special Rating Area as a pre-requisite for approval by the municipality.

## 5. **FACTORS CONSIDERED WHEN DETERMINING A SPECIAL RATING AREA**

The Council will consider instituting a special rating area where the requirements of Section 22 of the Property Rates Act are complied with, including that –

- 5.1. the purpose of the special rating area is to allow an additional rate to be levied on property in the defined area to raise funds for improving or upgrading the area;
- 5.2. the special rating area will not be used to reinforce existing inequities in the development of the Stellenbosch Municipality’s (WCO24) area of jurisdiction;
- 5.3. the determination of the special rating area is consistent with Stellenbosch Municipality’s IDP;
- 5.4. residential special rating area refers to an area in which more than 40% (forty percent) of the rates based municipal valuation consists of Residential Property as defined in the Rates policy.
- 5.5. any residential special rating area must comply fully with the provision of the By-Law, save that, with reference to the majority support the applicant must provide written proof to the Council that owners of rateable property within the boundary of the special rating area who own not fewer than 60% (sixty percent) in number of such properties, approve the formation of the special rating area. [Subject to paragraph 6.3, municipal-owned properties will be excluded from such voting procedures.](#)
- 5.6. the majority of members of the local community who will be liable for paying any additional rate in the special rating area, other than residential special rating areas, have consented to its

establishment; Subject to paragraph 6.3, municipal-owned properties will be excluded from such voting procedures.

- 5.7. the procedural requirements of Section 22 of the Property Rates Act as well as the By-Law and this Policy are complied with, which include the community consultation requirement as determined by the Municipality's Chief Financial Officer (CFO);
- 5.8. the proposed improvement or upgrade has been clearly and fully defined;
- 5.9. the proposed improvement or upgrade can be clearly and logically linked to a geographical area, the boundaries of which must be clearly determined;
- 5.10. there is evidence that it will be financially viable to use a special rating area to raise funds for the proposed improvement or upgrade;
- 5.11. Stellenbosch Municipality is satisfied with the institutional arrangements proposed in respect of the special rating area; and
- 5.12. Ultimately, the decision whether or not to determine a special rating area rests with the Council in its sole discretion.

## 6. **APPLICABILITY OF STELLENBOSCH MUNICIPALITY'S RATES POLICY AND OTHER POLICIES**

- 6.1. When Stellenbosch Municipality grants any ~~rebate~~ measure of relief to Senior Citizens, Disabled Persons and Non-Profit Organisations in terms of the Rates Policy, or registered indigents in terms of the Indigent Policy, the relevant property owner will be granted a full (100%) ~~rebate~~ discount in relation to the additional special ~~ratings~~ rating area rate.
- 6.2. The granting of the above discount as per paragraph 6.1 will however not in any way modify the voting rights in relation to said property as described in paragraphs 5.5 and 5.6.
- 6.3. Subject to paragraph 6.4, municipal-owned properties will be exempted from the additional special rating area rates and will not participate during any voting procedures as described in paragraphs 5.5 and 5.6.
- 6.4. The occupants of municipal-owned properties which are leased in terms of a lease agreement or the occupants of those properties which are allocated to beneficiaries but not yet transferred will be liable for the additional special rating area rates and will retain the voting rights as described in paragraphs 5.5 and 5.6.

## 7. **PROCESS**

This Policy sets out –

- (a) the institutional arrangements for special rating areas (paragraph 8 of this Policy)
- (b) the establishment requirements which must be followed (paragraph 9 of this Policy);

- (c) the information which needs to be submitted to Stellenbosch Municipality in order to motivate a request for determination of a special rating area (paragraph 10 of this Policy);
- (d) the annual requirements which must be followed (paragraph 11 of this Policy);
- (e) the amendments and/or extension of term for a special rating area (paragraph 12 of this Policy);
- (f) the dissolution requirements which must be followed (paragraph 13 of this Policy)
- (g) financial arrangements (refer paragraph 14 of this Policy).

## 8. INSTITUTIONAL ARRANGEMENTS

Section 22 of the Property Rates Act is not prescriptive as to the structural arrangements which need to be put in place to administer a special rating area. The structural arrangement that will be considered by the municipality is the following:

### 8.1. Administration by a Non-Profit Company

- 8.1.1. Stellenbosch Municipality will require the ratepayers within the special rating area to establish and participate in an appropriate structure to carry out planning, contracting, financial control and administrative functions within the special rating area.
- 8.1.2. This does not entail ratepayers setting the additional rate, which under law can only be done by Stellenbosch Municipality (paragraph 14 of this Policy).
- 8.1.3. This places funds collected by government in the hands of the private sector, thus the requirements set out in this Policy must be met.
- 8.1.4. The functions of the Non-Profit Company would include:
  - (a) Determining the funding required each year (refer paragraph 14.2 of this Policy);
  - (b) Appointing contractors or service providers to effect the improvement/s or upgrade/s;
  - (c) Receiving the additional rate collected by Stellenbosch Municipality and expending the funds in accordance with the approved Business Plan.
- 8.1.5. Structural requirements of the Non-Profit company:
  - (a) Before Stellenbosch Municipality will consider allowing ratepayers in a special rating area to carry out administrative and other functions in relation to the area, the Steering Committee must establish a Non-Profit company (company not for gain) as per the Companies Act, Act 71 of 2008 (as amended or replaced) ("the Companies Act") for that purpose. The provisions of the Companies Act must be complied with, particularly those relating to non-profit companies (which effectively replaced Section 21 companies as per the old Companies Act, Act 61 of 1973), subject to the transitional provisions contained therein;
  - (b) The founding documentation ("the Memorandum of Incorporation") in relation to the structure established by ratepayers (this is equivalent to the Memorandum and Articles

of Association, as per the old Companies Act, Act 61 of 1973), must be as per the prescribed format determined by the CFO;

- (c) The Non-Profit company must be managed under the Companies Act, and also comply with any other legislation as a result of the financial connections to Council; and
- (d) The Non-Profit company must give a written notice by the most effective manner to all the property owners within the special rating area of the intention to hold an Annual General Meeting (AGM) on the date stated in the notice;
- (e) A Special General Meeting (“SGM”) must be called within 6 months of the establishment of the Non-Profit Company. The purpose of the SGM is to:
  - (i) Accept new members;
  - (ii) Appoint directors;
  - (iii) Amend the Memorandum of Incorporation if required; and
  - (iv) Approve the following year’s Budget and Implementation Plan (refer paragraph 14.2 of this Policy).

## **9. APPLICATION FOR THE ESTABLISHMENT OF A SPECIAL RATING AREA**

- 9.1. The process for establishing special rating areas as set out in Chapter 1 of the By-Law must be followed.
- 9.2. The special rating area application must be submitted by end of September of the financial year preceding the establishment of the special rating area.
- 9.3. Further to section 7.2 of the By-Law the applicant must hold another public meeting within 30 days after submitting the application to confirm that it was lodged and to discuss details with the community.

## **10. MOTIVATING A SPECIAL RATING AREA**

The Motivation Documentation must comprise of the following:

### **10.1. Business Plan –**

The Business Plan must clearly define and indicate all the required improvements or upgrades and must contain -

#### **10.1.1. Introduction;**

- (a) an executive summary of the improvement or upgrade proposed for the special rating area as set out in the Implementation Plan;
- (b) An explanation of how the proposed improvement or upgrade is linked to the geographical area of the proposed special rating area;
- (c) An explanation of why the proposed special rating area will not reinforce existing inequities in the development of Stellenbosch Municipality;

- (d) An explanation of how the special rating area, if instituted, will be consistent with Stellenbosch Municipality's IDP as per the Service Departments' Business Plans;
- (e) An explanation of the institutional arrangements proposed in relation to the special rating area.

10.1.2. Vision;

10.1.3. Mission;

10.1.4. Goal;

10.1.5. A diagram clearly indicating the boundaries of the proposed special rating area;

10.1.6. Management;

- (a) Administrative policies of the Non-Profit company;
- (b) Proposed management structure:
  - Composition of the management body including allocation of portfolios and;
  - Operational Arrangements

10.1.7. Services;

Service providers must be appointed as per paragraph 3.3(c) and 10.1.1(d) of this Policy.

10.1.8. Financial Impact;

- (a) Provide details regarding the calculation of the cent-in-the-rand and as acted on the municipal valuation value of each property;
- (b) Provide details of criteria to qualify for exemption of additional rate;

10.1.9. A list of all rateable properties within the proposed special rating area, contact details of owners and the value of each property as set out in the Council's municipal valuation role. Differentiation between categories of properties, as provided for in Section 8 of the Property Rates Act and used in the valuation role, must be considered;

10.1.10. Proof of the consent of the majority of the members of the local community as per paragraph 5.5 of this Policy, in the proposed special rating area who will be liable for paying the additional rate;

10.1.11. Proof of the notice of the public meeting or meetings contemplated in the By-Law;

10.1.12. Minutes of the public meeting or meetings; and

10.1.13. Compilation date.

10.2. Implementation Plan

The Implementation Plan is a schedule of goals to implement improvements or upgrades as per the motivation report and must at least address the following:

- 10.2.1 Milestones;
- 10.2.2 Tasks per milestone;
- 10.2.3 Start and finish date per task;
- 10.2.4 Assign responsibility per goal, milestone & task; and
- 10.2.5 Performance indicators per milestone.

### 10.3. Budget Plan

The Budget Plan for the proposed improvements or upgrades must at least address the following:

- 10.3.1 a budget line item should be set for each milestone or task and grouped in such a way that there is a clear indication how the Implementation Plan is financially structured;
- 10.3.2 an annual budget per line item commencing on 01 July of the first year and end on 30 June of the last year of the term; and
- 10.3.3 a budget split for the provision of improvements or upgrades between the different categories of properties.

## 11. ANNUAL REQUIREMENTS

- 11.1. Confirm property data base (Register of ~~members~~ [properties and owners](#) in the special rating area);
- 11.2. Submit an audited financial Statement and Trail Balance as approved/accepted at a SGM called for that purpose and
- 11.3. Submit an annual budget and an Implementation Plan as approved at the Annual General Meeting (AGM) by 31 January (refer paragraph 14.2 of this Policy).

## 12. AMENDMENT AND/OR EXTENSION OF TERM

In the event that a special rating area seeks to extend the term over which it will operate or amend the goals as per its Implementation Plan, then the procedures set out in Chapter 3 of the By-Law must be followed and submitted by the end of October.

## 13. DISSOLUTION

The special rating area may be cancelled by resolution of the Council, subject to the provision of section 16 of the By-Law.

## 14. FINANCIAL CONTROL

- 14.1. As stated in the By-Law, the amount of any additional rate levied in a special rating area is determined by the Council. The additional rate as imposed by the Council, is debt owing to

Stellenbosch Municipality and is payable and collected in the same manner as other property rates imposed by the Council.

14.2. The management structure must recommend the annual budget amount of the additional rate to the Stellenbosch Municipality by 31 January, with appropriate motivation including an Implementation Plan and a Budget Plan for the next financial year, and the Council will consider the recommendation during its budgeting process.

14.3. Before Stellenbosch Municipality will pay over any additional rate collected to the management structure, the management structure and Stellenbosch Municipality must have concluded a written finance agreement regulating, amongst other things;

- (a) the mechanisms and manner of payment;
- (b) how the additional rate is to be held by the management structure;
- (c) any parameters relating to expenditure; and
- (d) any obligations on the management structure to take out and maintain appropriate insurance.

14.4. The financial year of the Municipality shall be deterministic and shall be applied to the Budget plan and all financial transactions.

## 15. **COMMENCEMENT AND IMPLEMENTATION**

15.1. Implementation of this Policy will commence on 01 July 2020.

15.2. Where Stellenbosch Municipality is legally empowered to do so, requirements set out in this Policy may be imposed as conditions attached to the determination of a special rating area.

15.3. This Policy and its implementation will be reviewed annually.

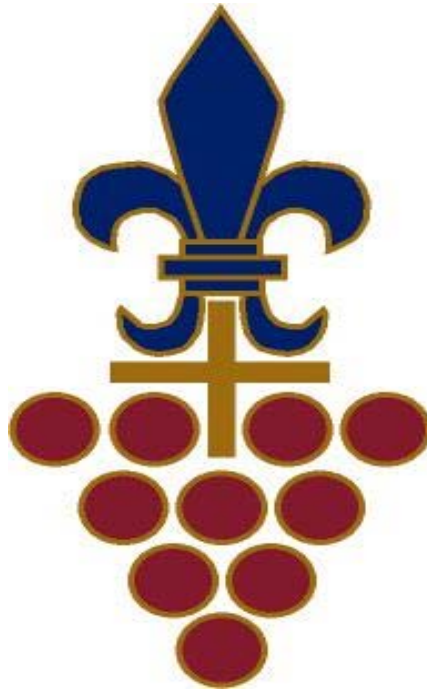
## 16. **COST**

Stellenbosch Municipality shall not be liable for any costs incurred by ratepayers within the relevant proposed special rating area in respect of the implementation of the steps set out in this Policy and in the By-Law.

## 17. **SHORT TITLE**

This policy is the Special Rating Area Policy of the Stellenbosch Municipality.

# **STELLENBOSCH MUNICIPALITY**



## **IRRECOVERABLE DEBT POLICY**

**2022/2023**

**REVISED**





# STELLENBOSCH MUNICIPALITY

## IRRECOVERABLE DEBT POLICY

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**PREAMBLE**

The Stellenbosch Municipal Council accepts and acknowledges its Constitutional duties and mandate towards the community/consumers of Stellenbosch Municipality (WC024).

Council further acknowledges that in order to deliver services in a sustainable manner, that same be managed in terms of Council's Credit Control and Debt Collection Policy having due regard of its limited financial resources and the need to manage cash flows.

Council therefore is aware of its duty to prepare financial statements that gives a true reflection of the financial position for a given period.

In order to give effect to the foregoing, the Council of Stellenbosch Municipality has adopted a policy relating to the management of irrecoverable debt as set out hereinafter.

## 1. Requirements before writing-off debt

All applicable actions ~~as contained in the approved Credit Control and Debt Collection Policy of Stellenbosch Municipality~~ must have been executed/implemented before any debt, owed to ~~the Stellenbosch~~ Municipality ~~for any reason whatsoever~~ will be considered for writing-off.

~~However, in special cases where all applicable actions~~~~the requirements in terms of the Municipality's Credit Control and Debt Collection Policy~~ were impossible/impractical to implement, the administration must motivate such write-off for consideration.

The abovementioned applicable actions are those as contained in the approved Credit Control and Debt Collection Policy of Stellenbosch Municipality.

## 2. Bad Debt Recovered

Bad debt recovered after having been written-off will be treated in terms of the Municipality's Accounting Policy.

The approval ~~of Council~~ for the write-off of any debt does not mean that actions to recover the debt will be terminated. Conditionally, further actions may be instituted, depending on the costs involved. Should the debt be recovered, it will accordingly be recorded in the financial records of ~~Council~~Stellenbosch Municipality.

## 3. Thresholds for writing-off of debt

3.1 The writing-off of debt per individual case may be considered as follows:

- (i) Above ~~twenty~~thirty-five thousand rand (~~R20-R35~~ 000) will be effected after Council approval.
- (ii) Amounting to thirty-five ~~twenty~~ thousand rand (~~R20-R35~~ 000) and below may be effected after motivation to and approval by the Chief Financial Officer (CFO) or his/her delegate.
- (iii) Amounting to ~~ten~~twenty thousand rand (~~R10-R20~~ 000) and below may be effected after motivation to and approval by the Senior Manager: Revenue and Expenditure.
- (iv) Amounting to ~~five~~ten thousand rand (~~R5-R10~~ 000) and below may be effected after motivation to and approval by the Manager Revenue.

3.2 The writing-off of any interest (or part thereof) component of debt, providing that the debt excluding the interest component, is paid in full, may be considered as follows:

- (i) Above one hundred and twenty thousand rand (~~R100-R120~~ 000) will be effected after Council approval.
- (ii) Amounting to one hundred and twenty thousand rand (~~R100-R120~~ 000) and below may be effected after motivation to and approval by the Chief Financial Officer (CFO).

- (iii) Amounting to ~~five~~-ten thousand rand (~~R5~~-R10 000) and below may be effected after motivation to and approval by the Senior Manager Revenue and Expenditure or Manager Revenue.

#### **4. Provision for irrecoverable debt**

Provision for bad/irrecoverable debt will be dealt with in terms of the Municipality's Accounting Policy.

#### **5. Rescission of Judgments**

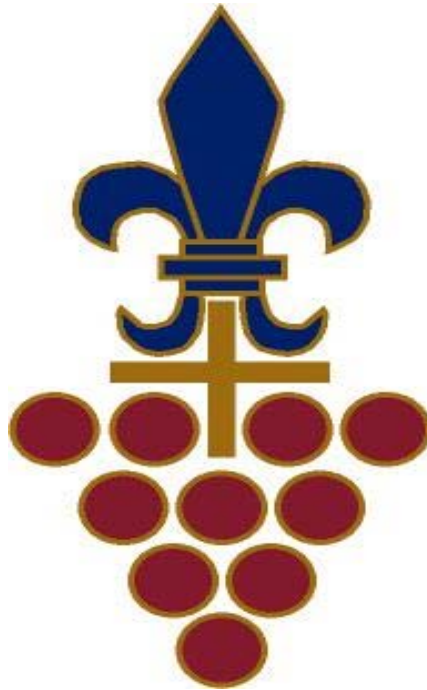
Stellenbosch Municipality will consider applications for the consent to rescission of judgments, obtained by the Stellenbosch Municipality for the recovering of debt, provided that the following conditions are applicable:

- 5.1 All outstanding debt accrued on all accounts of the said property have been settled in full, and
- 5.2 A period of at least five years has lapsed since the date of the applicable judgment, in the case where the Stellenbosch Municipality has written off any debt.

#### **6. Short Title**

This Policy is the Irrecoverable Debt Policy of the Stellenbosch Municipality.

# **STELLENBOSCH MUNICIPALITY**



## **TRAVEL AND SUBSISTENCY POLICY**

**2022/2023**

**REVISED**



# STELLENBOSCH MUNICIPALITY

## TRAVEL AND SUBSISTENCE POLICY

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**1. OBJECTIVE**

It is essential that representatives of this municipality from time to time travel in order to establish and maintain links and relationships with other municipalities, government bodies, and other parties, institutions and organizations operating in the sphere of local government. It should also be read together with paragraph 2 of MFMA Circular 82 of 30 March 2016 as well as the Cost Containment Regulations as far as it is applicable to travel and subsistence issues.

This policy sets out the basis for the payment of a subsistence travel allowance, hourly rate when applicable and for the purpose of such official traveling.

**In the event of any conflict between a provision of this policy and the Cost Containment Policy, the latter policy shall apply.**

**2. TRAVEL**

**2.1 *Responsibilities of Representatives who travel on Business of the Municipality***

- a) Every representative who travels on the business of the municipality must comply with this policy in letter and in spirit.
- b) Representatives who travel on the business of the municipality must take note that their actions, conduct and statements must be in the best interest of the municipality, and they must comply with any specific mandates they have been given.

**2.2 Air Travel**

- a) **The Accounting Officer in respect of all officials or political office bearers and the Executive Mayor in respect of the Accounting Officer only approve the purchase of economy class tickets for air travel.**
- b) All flights by representatives of the municipality shall be in economy class, unless another class of travel is specifically authorized by-
  - (i) the executive committee, with regard to Holders of Public Office and the Municipal Manager, or
  - (ii) The Municipal Manager, with regard to officials and applicants for interviews

### 2.3 International Travel

- a) International travel for any official or political office bearer can only be approved by the municipal council in a meeting open to the public with a supporting vote of the majority of the members of the municipal council present.
  
- b) The report to council for approval of international travel must include:
  - (i) A motivation why the international travel is seen as critical and fully setting out the anticipated benefit that the municipality will derive from attending the event, meeting or function;
  - (ii) If international travel to the destination or event was previously undertaken, state what benefits if any derived from the previous attendance;
  - (iii) The full cost of the international travel including travel allowances and visas if applicable to be paid; and
  - (iv) The proposed officials and political office bearers, not exceeding three, to travel and why they have been identified.
  
- c) The following events will not be considered critical to justify international travel whether the full cost of the travel is paid by another institution or not:
  - (i) Attendance of international sporting events;
  - (ii) Attendance of international social events;
  - (iii) Attendance of international party-political events;
  - (iv) The opening of another country's parliament or any other country's government's celebration events.
  
- d) The accounting officer or delegated official must ensure that requirements for international travel by officials or political office bearers are not inserted into bid documents, whether it is for inspection of products at source of construction/assembly or for any other reason.



## 2.4 Car Rental, Travel Costs and rates

- a) Only “A” or “B” category vehicles may be rented, unless it is more cost-effective to hire any other category (for example, when the number of representatives involved could justify the hire of a micro-bus).
- b) Car rental must be approved as part of the travel package before the trip is embarked on. A representative who rents a vehicle whilst traveling on the business of the municipality without having received prior authorization will only be reimbursed for the cost of the vehicle rental if proof of expenditure can be produced and the representative can demonstrate that vehicle rental was reasonably but unexpectedly necessitated by the circumstances.
- c) Parking and toll fee – actual cost will be reimbursed via Petty Cash after the submission of proof of expenditure.
- d) If a representative has to utilize his or her personal motor vehicle, he or she will be reimbursed at the tariffs listed below. The distance to which the reimbursement applies, must be the shortest distance via tarred road between the municipality’s offices and the location where the official business is to be transacted.
  - o Councillors:
 

Will be reimbursed in terms of the Private Column of Department Transport monthly circulars pertaining to Tariffs for the Use of Motor Transport to a maximum of ~~R4.50~~R4.18 per kilometer.
  - o Officials with vehicle/car allowance:
 

Will be reimbursed at a flat rate of ~~R4.50~~R4.18 per kilometer where motor vehicles are used and R2.00 per kilometer where motor cycles are used. Where it is possible to fly to a destination, but the official prefers to drive with his own vehicle, the lower value between kilometer claim and a flight ticket will be used as basis for reimbursement.
  - o Officials who are in receipt of an Essential User Transportation Allowance:
 

Will be reimbursed according to the official Cost Tables contained in the “Essential User Scheme: Transport Allowance” circulars of the South African Local Government Bargaining Council – Western Cape Division applicable.

- o Officials without a car allowance and Members of a Committee: established in terms of applicable legislation, as per the Rate per kilometer fixed by the Minister of Finance under section 8(1) (b) (ii) and (iii) of the Income Tax Act, 1962. . If the total number of kilometers for which such reimbursement is received exceeds 8 000 in any tax year, reimbursement for the excess kilometers over 8 000 must be taxed for PAYE purposes. If the cost of any one trip exceeds that of an air ticket, the lesser amount will be paid.

The number of employees travelling to conferences or meetings on official duty for the same matter is limited to three (3) employees, unless otherwise approved in advance by the relevant Director, or Accounting Officer in the case of Directors travelling.

- e) Similar to the above, the number of employees travelling by air to other centers to attend an official engagement on the same matter is also limited to three (3) employees, unless otherwise approved in advance by the relevant Director or Accounting Officer in the case of Directors travelling.
- f) For the purpose of this policy, domestic travel shall mean travel within South Africa, and international travel shall mean travel to any country other than South Africa.
- g) The Accounting Officer will when appropriate determine an hourly rate for the different committees serving Council.
- h) Notwithstanding the above provisions, all employees must make use of shuttle services if the cost of such services is below the cost of hiring a vehicle.

### **3. SUBSISTENCE**

#### **3.1 Subsistence Allowance**

- a) A representative may claim a daily subsistence allowance as provided in this policy with the understanding that all authorized personal expenses are covered by the subsistence allowance. No further expenses, with the exception of certain business expenses (see below), may be claimed.
- b) In line with SARS guidelines on Subsistence Allowances and Advances, A daily subsistence allowance will only be applicable where-
  - (i) The representative is obliged to spend at least one night away from his or her usual place of residence on business; [R416-R493](#) per day, or

- (ii) The representative will be on official business for a period exceeding 12 consecutive hours per day, without having to spend a night away from his or her usual place of residence; ~~R128~~R152 per day.
  
- c) A representative of the municipality must claim his or her subsistence allowance, as provided in this policy before embarking on any official trip, with the exception where such claim reaches the creditors section at least three days before the trip; in which case such claim must be submitted after the event. Such a claim must be accompanied by details of the conference or workshop or emailed/faxed invitation.
  
- d) No subsistence allowance will be paid, and no representative will be entitled to a subsistence allowance, if the trip or travel is not related to the official business of the municipality. All travel on business of the municipality must be approved as such before a representative is entitled to a subsistence allowance.
  
- e) For the purpose of a subsistence allowance, a representative shall mean-
  - (i) mayor or executive mayor, as the case may be
  - (ii) deputy-mayor
  - (iii) speaker
  - (iv) members of the executive committee or mayoral committee, as the case may be
  - (v) other councillors specifically authorized to represent the municipality on a particular occasion
  - (vi) municipal manager
  - (vii) directors
  - (viii) any other official/representative specifically authorized to represent the municipality on a particular occasion
  - (ix) any official or councilor who is a member of a recognized professional institution and is granted permission to attend meetings and conferences of such institution.
  
- f) The subsistence allowance of international travel will be the lesser of:
  - (i) an amount equivalent to the rates as determined by SARS, at the beginning of 1 July every year.

**Or**

  - (ii) US\$190 per day where the exchange rate of ZAR is more than 5:1 in relation to the currency of the destination country; and

- (iii) US\$100 per day where the exchange rate of ZAR is less than, or equal to 5:1 in relation to the currency of the destination country;

#### **4. ACCOMMODATION**

##### **4.1 Accommodation Costs**

- a) Overnight accommodation may only be booked where the return trip exceeds 500 kilometres.
- b) Notwithstanding the provision in paragraph 4.1(a) overnight accommodation where the return trip is 500 kilometres or less, may be booked where in the view of the Accounting Officer or delegated official the limitation may be impractical and any of the following instances are present:
  - (i) The road or any other conditions could jeopardise the safety, health and security of officials or political office bearers;
  - (ii) The trips are to be undertaken over a number of consecutive days provided that a return trip is in excess of 200 kilometres;
  - (iii) The starting time of the meeting or event would require the official or councillor to leave his/her place of residence before 05h00 in order to be punctual.
  - (iv) Should the circumstances as stated in paragraph 4.1 (b)(i) – (iii) not be applicable, but an official still prefers to sleep over and not travel every day, the relevant director may approve travelling and accommodation expenses to be paid in the following manner:
    - The cost of one return trip at the applicable rates stated in this policy to be claimed and reimbursed to the official, plus
    - The Daily Allowance referred to in paragraph 3.1 (b) (ii) of this policy for every night the official spends away from the work place to be claimed and paid to the official and
    - Accommodation paid directly to the relevant establishment equal to the monetary value of R4.50 per kilometer, the potential travel claim for every night that officials sleep over instead of travelling. In cases where more than one official was to travel together, the travel claim will be equally divided between the accommodation costs of the respective officials. Any excess accommodation costs must be borne by the official concerned.
- c) Any request for overnight accommodation and/or travel must be motivated on a prescribed form and approved by the municipal manager or delegated official prior to the arrangement for overnight stay or travel.

- d) The actual cost of accommodation will be borne by the municipality, subject to a maximum of 3- to 4-star rating for the accommodation itself in respect of domestic travel. Where such accommodation is available, the rate for a single room will be payable.
- e) If no such accommodation is available, higher rating accommodation can be used subject to the prior approval of the Municipal Manager.
- f) If a representative stays with a relative or friend, no accommodation allowance may be claimed, but the representative may claim a subsistence allowance of ~~R416.00~~R493 per day.
- g) The recoverable cost of accommodation for international travel may not exceed US\$350 per day.
- h) The municipality will at all times firstly consider accommodation where the National Treasury has negotiated discounts for rates as per MFMA circular 97. In the absence of such accommodation or failure to secure space, only then will the municipality consider accommodation outside the "NT negotiated accommodation".
- i) Notwithstanding the provisions of 4 (1) (c), the procurement of all accommodation services will be subjected to the municipality's SCM policy and preferential procurement policy. The written approval in terms of paragraph 4.1(c) must be filed with the relevant supply chain documents for the accommodation booking.

## **5 CONFERENCES, MEETINGS AND STUDY TOURS**

**5.1** Applications for conferences, meetings and conferences, both within or outside South African borders, must be done on the prescribed form. Applications for conferences, study tours and similar events must be accompanied by a motivation that takes the under mentioned aspects into account:

- a) The official's or political office bearer's roles and responsibilities and the anticipated benefits of the conference or event;
- b) Whether the conference or event addresses relevant concerns of the institution;
- c) The appropriate number of officials or political office bearers, not exceeding three, attending the conference or event;
- d) The availability of funds to meet expenses related to the conference or event.

**5.2** The accounting officer may consider appropriate benchmark costs with other professional bodies or regulatory bodies prior to granting approval for an official to attend a conference or event within and without the borders of South Africa.

- a) Such benchmark costs may not exceed an amount as determined from time to time by the National Treasury through a notice.
- b) The costs exclude costs related to travel, accommodation and related expenses, but include conference or event registration expenses and any other expenses in relation to the conference or event.
- c) When considering costs for conferences or events these may not include items such as laptops, tablets or other similar tokens that are built into the price of such conferences or events.
- d) The accounting officer must grant the approval for officials and in the case of political office bearers and the accounting officer, the mayor for attendance of conferences and events.

**5.3** The accounting officer must ensure that meetings and planning sessions that entail the use of municipal funds are, as far as may be practically possible, held in-house.

- a) Municipal or provincial office facilities must be unitized for conference, meeting, strategic planning sessions, *inter alia* where an appropriate venue exists within the municipal jurisdiction.

**5.4** The municipality must, where applicable, take advantage of early registration discounts by granting the required approvals to attend the conference, event or study tour, in advance.

**6. TRAVEL AND SUBSISTANCE ALLOWANCES FOR APPLICANTS INVITED FOR INTERVIEWS**

- (a) If an invited for an interview has to utilize his or her personal motor vehicle he or she will be reimbursed at the same rates as stipulated in paragraph 2.4 (d) of this policy. The actual cost of air travel will be reimbursed subject to the prior approval of the Municipal Manager or the Director Corporate Services.
- (b) Candidates residing outside the boundaries of Stellenbosch municipality will be reimbursed for reasonable costs of travelling as provided for in this policy. Where the distance to travel and interview circumstances is such that a candidate requires accommodation, suitable accommodation may be pre-authorized by the relevant director and the candidate may be reimbursed.
- (c) If a candidate is made an offer of appointment and declines the offer, no reimbursement of costs will be made.
- (d) Where necessary the User Department in consultation with Human Resources will make suitable travelling and accommodation arrangements and provide budget for the costs.

## **7. AUTHORISATION**

### **7.1 For purposes of implementing this policy**

- a) Only the Municipal Manager may authorize any travel to be undertaken by Directors, but provided the expenses to be incurred are on the approved budget of the relevant department. Claims by other officials to be authorized by directors concerned.
- b) Only the Director Strategic and Corporate Services or the Municipal Manager may authorize payments to be made for persons invited for interviews, but provided that the expenses to be incurred are on the approved budget.
- c) Only the Executive Mayor together with the relevant director may authorize any travel to be undertaken by Holders of Public Office, or the municipal manager, but provided the expenses to be incurred are on the approved budget of the municipality.
- d) Only Directors may authorize any travel to be undertaken by employees in the respective Directorate, but provided the expenses to be incurred are on the approved budget of the municipality.
- e) As far as is practically possible, authorization for the above must be obtained prior to the occasion by any representative who travels on the business of the municipality.

An invitation to attend a workshop, meeting or related event is not an automatic authorization to attend such workshop or event. The required authorization must still be obtained from the municipal manager or executive mayor, executive committee or director as the case may be.

## **8. COUNCIL DELEGATES**

Council delegates or representatives to any conference, workshop or meeting must ensure that they arrive on time and attend until the conclusion of such event. If any representative fails to do so, the executive mayor or executive committee, the municipal manager or director as the case may be, may recover all allowances and disbursements paid to enable such delegate or representative to attend such event, provided that such delegate or representative is afforded the opportunity to submit reasons for not being able to be present from the commencement to conclusion of such event.

**9. COMMITTEES ESTABLISHED AS A RESULT OF PRESCRIBED LEGISLATION**

Any committee established as a result of prescriptions in relevant legislation, will for the purposes of application of this policy, qualify for an allowance equal to that paid to Holders of Public Office.

**10. AUTHORITY**

Any deviation from this policy for whatsoever reason must be authorized by the Municipal Manager and in the case of the Municipal Manager, the Executive Mayor will authorize.

In any instance where a delegate did not attend business as approved in accordance with this policy, any expenditure incurred by the council should be refunded by the representative. All deviations in this regard must be approved by council.

**11. TRAVEL AND SUBSISTANCE ALLOWANCE CLAIM FORM**

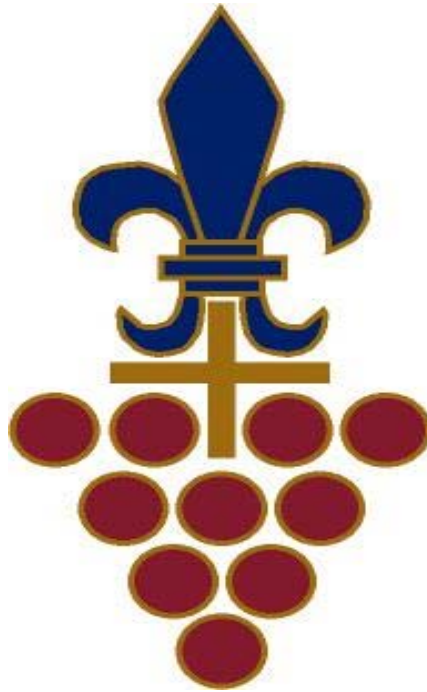
The official Travel and Subsistence Allowance claim form, as prescribed by Chief Financial Officer must be used with regard to Travel and Subsistence Allowance applications. The approved form should reach the creditors office 3 days before the intended day of departure in order for allowances to be paid to the representative timeously.

**12. SHORT TITLE**

This Policy will be known as the Travel and Subsistence Policy.



# **STELLENBOSCH MUNICIPALITY**



## **CASH MANAGEMENT AND INVESTMENT POLICY**

**2022/2023**

**REVISED**



# STELLENBOSCH MUNICIPALITY

## CASH MANAGEMENT AND INVESTMENTS POLICY

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**PREAMBLE**

*Whereas* Section 13 of the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003) (the Act) determines that a municipality must introduce an appropriate and effective cash management and investment arrangement;

*and whereas* a bank, in accordance with the provisions of Section 13 of the Act, has to disclose details regarding a municipalities' investments;

*and whereas* councillors and officials, as trustees of public funds have an obligation to ensure that cash resources are managed as effectively, efficiently, and economically as possible;

*now therefore* the Stellenbosch Municipality adopted the Cash and Investment Management Policy set out in this document.

**1. LEGAL FRAMEWORK**

- a) Legislation – Local Government: Municipal Finance Management Act 56 of 2003 (As amended).
- b) Treasury regulations in terms of Section 13(1) of the Act (As amended).

In this Policy, the terms “*the Act*” or “*MFMA*” refers to the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003).

**2. OBJECTIVES**

- a) To maximize returns from authorized investments, consistent with the secondary objective of minimizing risk.
- b) To ensure compliance with all legislation governing the investment of funds.
- c) To maintain adequate liquidity to meet cash flow needs.
- d) To undertake the investment of funds not immediately required for operational purposes in a prudent financial manner.
- e) To ensure diversification of permitted investment.

**3. CASH MANAGEMENT**

**3.1 Guiding Principles**

It is recognised that from time to time, Council has cash flow surpluses and borrowing requirements due to daily receipts and payments.

Council maintains a daily cash position summary and a yearly cash flow projection is prepared during the annual planning process and is updated monthly. This determines Council’s borrowing requirements and surpluses for investment. Cash invested “outside” the bank account is covered by paragraph 5 of this Policy.

**3.2 Bank Accounts**

Council operates one primary bank account for its day to day operational activity requirements and two secondary accounts specifically for service charges and revenue derived from fines.

All monies due to Council and due by Council emanating from Council activities must pass through this primary account, therefore secondary accounts are swept daily, and all balances are transferred to the primary bank account.

### 3.2.1 Revenue Management

Revenue Management Section 64 of the Act clearly states that all moneys received must be promptly deposited in the Municipality's primary and other bank accounts, therefore:

- all revenue received by the Municipality, including revenue received by any collecting agent on its behalf, is recorded at least on a weekly basis.
- all monies collected by the Municipality on behalf of another organ of state must be transferred to that organ of state at least on a weekly basis.

### 3.2.2 Cheque Management

Cheques are printed in batch format. To prevent the removing of cheques, cheques are delivered in sealed boxes where strict control is exercised over the numerical sequence of cheques on the expenditure system by means of a cheque register.

### 3.2.3 Delegation/Rights

The incumbents of the following posts are authorized to sign cheques on behalf of Council:

#### 3.2.3.1 Cheques

|                |  |
|----------------|--|
| A-Signatories: | Chief Financial Officer<br>SNR Manager: Financial Management Services<br>SNR Manager: Revenue and Expenditure<br>Manager: Expenditure Management<br>Manager: Revenue<br>SNR Manager: Supply Chain Management<br>Manager: Budget and Costing<br>Manager: Financial Statements, Compliance and Reporting<br><u>Manager: Financial Asset Management</u> |
| B-Signatories: | Chief Accountant: Consumer Accounts and Valuations<br>Senior Accountant: Cash Management and Credit Control<br>Chief Accountant: MFMA Reporting and Compliance<br>Chief Accountant: Financial Statements and Reconciliations<br>Chief Accountant: Asset Management<br>Senior Accountant: Creditors and Payroll                                       |

Each cheque needs to be signed by at least two A-Signatories, or one A-Signatory and one B-Signatory.

### 3.2.3.2 Electronic Funds Transfer (EFT)

|                |   |
|----------------|---|
| A-Signatories: | <p>Chief Financial Officer</p> <p>SNR Manager: Financial Management Services</p> <p>SNR Manager: Revenue and Expenditure</p> <p>Manager: Expenditure</p> <p>Manager: Revenue</p> <p>SNR Manager: Supply Chain Management</p> <p>Manager: Budget and Costing</p> <p>Manager: Financial Statements, Compliance and Reporting</p> <p><a href="#">Manager: Financial Asset Management</a></p>                 |
| B-Signatories: | <p>Chief Accountant: Consumer Accounts and Valuations</p> <p>Senior Accountant: Cash Management and Credit Control</p> <p>Chief Accountant: MFMA Reporting and Compliance</p> <p>Chief Accountant: Financial Statements and Reconciliations</p> <p>Chief Accountant: Asset Management</p> <p>Chief Accountant: SDBIP Monitoring and Budget Control x2</p> <p>Senior Accountant: Creditors and Payroll</p> |

Each electronic payment needs to be authorized by at least two A-Signatories, or one A-Signatory and one B-Signatory.

## 3.3 Bank Overdraft

3.3.1 Council made the decision to not request an overdraft facility with its primary banker. as the general policy is to avoid going into overdraft.

In the instance that short-term debt is incurred based on expected income it must be repaid within the same financial year. (Section 45 of the MFMA)

3.3.2 Any overdrawn bank account at any date must be reported without avail to Council supported by reasons therefore.

3.3.3 Any short-term facility that requires review must first be approved by the Accounting Officer.

## 4. CASH MANAGEMENT PROCEDURES

### 4.1 Internal Controls

The supervisor and/or Accountant do a monthly audit on the cashier floats, manual receipt books and the compilation of daily cash-up and banking documents.

### 4.2 Issuing of Receipts

The cashier will only issue an official enumerated receipt when a client pays his/her municipal account in full or partially.

#### 4.3 Cancellation of Receipts

An official enumerated receipt will only be cancelled whilst the client is still at the cash office and only for the following reasons;

- a) cashier made an error.
- b) client made an error.

The cashier will re-issue a correct receipt and the cancelled receipt will be signed by the incumbent and the supervisor. In cases where the client wants his money back a prescribed official document must be completed and signed by the Client, Cashier and the Supervisor stating the reason(s) for cancelation.

#### 4.4 Cash Balancing

After the end of each shift, the cashier will count the monies received, and do a daily end of day cashier procedure. The supervisor will then re-count the money to ensure that the cashier's daily takings balances with the supervisor's end-of-day totals. The cashier will do a final end-of-day procedure when he/she balances, and the supervisor will do a receipting end of day shut-down procedure.

##### 4.4.1 Cashier surplus and shortage

If the cashier is short, he/she will then pay the monies in immediately. If there is a surplus the cashier will receipt the surplus on the same day. Management discretion can be used should there be substantial evidence and motivation that it was out of the control of a cashier to avoid a shortage the Manager can exonerate the cashier from paying the shortfall and in such an instance the shortage should be allocated to an expense line item.

##### 4.4.2 Cashier resources

The Cashier will be supplied with the necessary tools and equipment to perform a proper cashier function. (E.g. Ultra violet lights, etc.)

#### 4.5 Deposit Books

Each cashier has an enumerated deposit book, as each pay point has a number. The Senior Clerk: Cashier orders books from the bank when needed.

#### 4.6 Other payment methods

##### 4.6.1 Direct Deposits and ACB

Direct deposits can be made into Municipal bank account via the Internet or by deposit slip via their bank, using the applicable Municipal account number as reference. This information is extracted and uploaded on a daily basis from the bank and is then credited against the client's accounts. Accounts are also paid by means of a debit order (ACB) payment.

#### 4.6.2 3rd Party

Payments can be made at any EasyPay and Pay@ pay points. This information is extracted and uploaded on a daily basis from EasyPay and Pay@ and credited against the client's accounts.

#### 4.6.3 Cheque Deposit (Only bank guaranteed cheques will be accepted)

The cashier will issue an official enumerated receipt when a client pays his/her Municipal account with a bank guaranteed cheque. Bank guaranteed cheques that are dropped into the cheque deposit box at the Municipal office are taken out of the box on a daily basis, receipted by the cashier and the receipt is posted to client on request.

#### 4.6.4 Mailed Bank Guaranteed Cheques

Bank guaranteed cheques attached to the Municipal account are collected from the post office on a daily basis and is recorded in a register at the Records department. It is then collected by the Supervisor: Cashiers who will write all the bank guaranteed cheques up in a register. The supervisor will hand it to the cashier to be receipted and the receipt details will be entered in the register.

#### 4.6.5 Returned Cheques and Debit Orders

If cheques and debit orders are returned and marked as "Refer to Drawer", the full balance will immediately become payable.

4.6.5.1 The cost that is payable by the consumer must be equal to the prescribed fee that has been approved by Council in all cases where a cheque bears the status of "Refer to Drawer".

4.6.5.2 Bank charges in this regard will be payable by the consumer. In the event of a customer having tendered a "refer to drawer cheque" for the second time, no further cheques will be accepted from him/her, excluding bank guarantee cheques.

4.6.5.3 A cashier must not accept a cheque that was issued by a Consumer in the event the cheque bears the status as a post-dated cheque, altered and/or an unsigned cheque. In the event this occurs and notwithstanding the aforementioned provisions, all bank charges that would arise and be incurred by Stellenbosch Municipality will then be



recovered from the said cashier. The cashier will be required to pay back the bank costs as approved by Council within 24 hours for recovery of the said amount.

#### 4.6.6 Private Money

No Municipal employee is allowed to:

- Use Council's cash funds at any stage to be replaced at a later stage.
- Use his/her own money as cashier float.
- Change a Municipal official's cheque for cash.
- Safeguard private money amongst Council's cash (e.g. Cashier drawers, petty cash boxes, safes etc.)

## 5. INVESTMENTS

### 5.1 Guiding Principles

Generally, Council will invest surplus funds with deposit taking institutions registered in terms of the Bank's Act, 1990 (Act 94 of 1990) for terms not exceeding one year in anticipation of cash flow expectations. From time to time, with prior Executive Mayoral Committee approval, investments can exceed 1 [one] year and be made at other institutions/instruments as approved in the National Treasury regulations from time to time.

### 5.2 Permitted Investments

The Account Officer must ensure that only the following investment types are utilized in terms of Section 6 of the Municipal Investment Regulations (No. R. 308) dated 1 April 2005:

- a) Securities issued by national government.
- b) Listed corporate bonds with an investment grade rating from a recognized credit rating agency.
- c) Deposits with banks registered in terms of the Banks Act (Act 45 of 1984).
- d) Deposits with the Public Investment Commissioners.
- e) Deposits with the Corporation for Public Deposits.
- f) Banker's acceptance certificate or negotiable certificates of deposits of registered banks.
- g) Guaranteed endowment policies with the intention of establishing a sinking fund.
- h) Repurchase agreements with registered banks.
- i) Municipal bonds issued by a municipality.
- j) Any other investment type as identified by the Minister of Finance in consultation with the Financial Services Board.

### 5.3 Diversification

Council will only make investments, as prescribed by Section 6 of the Municipal Investment Regulations, with approved institutions which have a rating as defined per Appendix A. Excluding investments made per Executive Mayoral Committee resolution not more than 50% of available funds will be placed with a single institution. The discretion of management should be used when investing funds into the institution quoting the highest rate versus diversification of investment portfolio. Should the difference between the investment quotes be minimal, a decision can be made to invest in the lower quote for the diversification of investment portfolios.

### 5.4 Investment Managers

#### 5.4.1 In the event of the appointment of an external Investment Managers

Where the above means a natural person or legal entity that is a portfolio manager registered in terms of the Financial Markets Control Act, 1989 (Act 55 of 1989), and Stock Exchanges Control Act, 1985 (Act 1 of 1985), contracted by a municipality or municipal entity to-

- a) advise it on investments;
- b) manage investments on its behalf; or
- c) advise it on investments and manage investments on its behalf.

The External Investment Manager will be appointed in terms of Supply Chain Management Policy and a service level agreement will govern the functions and responsibility of the service provider. All investments made by the External Investment Manager on behalf of the Council of Stellenbosch Municipality must be made within the ambit of this Policy and with National Treasury's investment regulations.

### 5.5 Internal Controls Over Investments

#### 5.5.1 Delegations

5.5.1.1 In terms of Section 60(2) of the Local Government: Municipal Systems Act, (Act 32 of 2000) (the MSA), the Council may only delegate to the Municipal Manager (MM) the power to make decisions on investments on behalf of the Municipality.

5.5.1.2 In terms of section 79 of the Act, the Accounting Officer has delegated to the Chief Financial Officer (CFO), in writing, his duty under section 65(2) (h) to manage the Council's available working capital effectively and economically in terms of the prescribed cash management and investment framework.

5.5.2 Obtaining quotations and concluding deals

Request are emailed to all approved institutions the day before, or the morning thereof a cut-off is requested to ensure timeous processing of transactions. Quotes are captured on the decision report rates are compared and chosen in terms of the policy. Writing mandates, signed by the CFO and MM, shall be issued to all investees with whom the Council of Stellenbosch Municipality invests funds setting out the following:

5.5.2.1 Authorised dealers: name and particulars of the Council's officials who are authorised to transact investments deals with the investees;

5.5.2.2 Authorised signatories: name and particulars of the Council's officials who are authorised to sign written confirmations or any other correspondence in respect of investments transactions.

5.5.2.3 A dealing sheet, signed by an authorised dealer, shall be prepared in all instances for each individual investment, detailing the quotations received and the recommended investee. The CFO shall advice the MM to approve the transaction.

A written confirmation of the terms of each investment transaction shall be prepared, and signed off by the CFO and MM.

5.5.3 A monthly investment register should be kept of all investments made. The following information must be recorded:-

- name of institution;
- capital invested;
- date invested;
- interest rate;
- maturation date;
- interest received;
- Investment balance;
- total withdrawal amount;
- total interest earned.

5.5.3.1 The investment register and accounting records must be reconciled on a monthly basis.

**6. OWNERSHIP**

All investments must be made in the name of the Council of Stellenbosch Municipality.

Written proof of investments made must be obtained from the institution where the investment is made and must be kept on file.

**7. DUE CARE**

In dealing with financial institutions, the following ethical principles must be observed:

- 7.1 The Chief Financial Officer and all staff in his/her directorate shall not accede to any influence by or interference from Councillors, investment agents, institutions, or any other outsiders;
- 7.2 Under no circumstances may inducements to invest be accepted;
- 7.3 Interest rates quoted by one institution must not be disclosed to another institution; and
- 7.4 The business ethics of any controlling body of which the relevant financial institution is a member must be observed by such institution or body at all times.

**8. PERFORMANCE MEASUREMENT**

Measuring the effectiveness of Council's treasury activities is achieved through a mixture of subjective measures. The predominant subjective measure is the overall quality of treasury management information. The Chief Financial Officer has primary responsibility for determining this overall quality.

Objective measures include: -

- (a) Adherence to policy.
- (b) Timely receipt of interest income.

**9. REPORTING****9.1 Reports**

The following reports are produced:

| <b>REPORT NAME</b>  | <b>FREQUENCY</b> | <b>PREPARED BY</b>   | <b>RECIPIENT</b>                            |
|---------------------|------------------|--|---|
| Bank Balance report | Daily            | Senior Clerk: Electronic Payments                          | Chief Finance Officer                       |
| Investments         | Monthly          | Chief Accountant: Financial Statements and Reconciliations | Manager: Financial Statements and Reporting |

**10. ANNUAL REVIEW OF POLICY**

This Policy will be reviewed annually or earlier if so required by legislation.

Any changes to this Policy must be adopted by Council and be consistent with the applicable Acts and any National Treasury Regulations.

**11. EFFECTIVE DATE**

The effective date of this Policy is 1 July 2020 and will be reviewed on an annual basis to ensure that it is in line with the Municipality's strategic objectives and with legislation.

**12. SHORT TITLE**

This Policy is the Cash Management and Investments Policy of the Stellenbosch Municipality.

**APPENDIX A****LONG-TERM RATINGS - FITCH**

AAA - Obligations which have the highest rating assigned by Fitch IBCA on its national rating scale for that country. This rating is automatically assigned to all obligations issued or guaranteed by the sovereign state. Capacity for timely repayment of principal and interest is extremely strong, relative to other obligors in the same country.

AA - Obligations for which capacity for timely repayment of principal and interest is very strong relative to other obligors in the same country. The risk attached to these obligations differs only slightly from the country's highest rated debt.

A - Obligations for which capacity for timely repayment of principal and interest is strong relative to other obligors in the same country. However, adverse changes in business economic or financial conditions are more likely to affect the capacity for timely repayment than for obligations in higher rated categories.

**SHORT-TERM RATINGS - FITCH**

F1 – Obligations assigned this rating have the highest capacity for timely repayment under Fitch Ratings Ltd national rating scale for that country, relative to other obligations in the same country. This rating is automatically assigned to all obligations issued or guaranteed by the sovereign state. Where issues possess a particularly strong credit feature, a “+” is added to the assigned rating.

F2 – Obligations supported by a strong capacity for timely repayment relative to other obligors in the same country. However, the relative degree of risk is slightly higher than for issues classified as 'A1' and capacity for timely repayment may be susceptible to adverse changes in business, economic or financial conditions.

F3 – Obligations supported by an adequate capacity for timely repayment relative to other obligors in the same country. Such capacity is more susceptible to adverse changes in business, economic, or financial conditions than for obligations in higher categories.

**LONG-TERM RATINGS – MOODY'S**

AAA – Obligations rated “AAA” have the highest rating assigned by Moody's -Ratings. The capacity of the issuer to pay interest and repay capital is extremely strong, relative to other South African obligors.

AA – Indicates very strong capacity of the issuer to pay interest and repay capital relative to other South African obligors.

A – Indicates strong capacity of the issuer to pay interest and repay capital, relative to other South African obligors, although it is slightly more susceptible to adverse changes in economic conditions and circumstances than debt in categories rated higher.

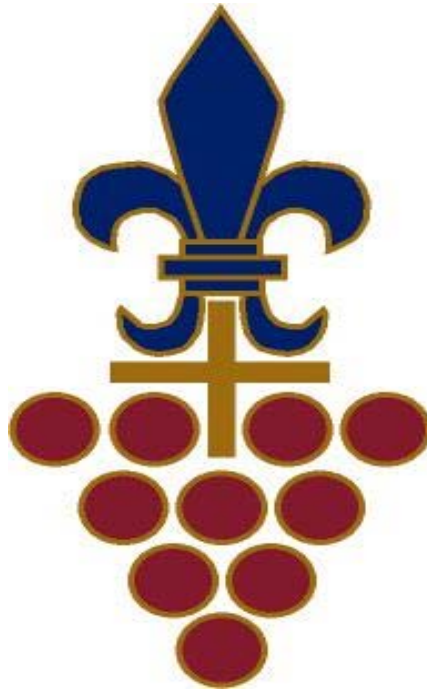
#### **SHORT-TERM RATINGS – MOODY’S**

A-1 – Indicates that the degree of safety regarding timely payment is either overwhelming or very strong, relative to other South African obligors. Issues determined to possess overwhelming safety characteristics are denoted with a plus (+) sign designation.

A-2 – Indicates that capacity for timely payment on issues with this designation is strong, relative to other South African obligors.

A-3 – Indicates satisfactory capacity for timely payment, relative to other South African obligors. They are, however, somewhat more vulnerable to the adverse effects of changes in circumstances than obligations carrying the higher designations.

# **STELLENBOSCH MUNICIPALITY**



## **SUPPLY CHAIN MANAGEMENT POLICY**

**2022/2023**

**REVISED**





# STELLENBOSCH MUNICIPALITY

## SUPPLY CHAIN MANAGEMENT POLICY

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## Definitions

- 1.1. In this Policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act, and
- 1.1.1. **“Act”** means the Municipal Finance Management Act, No. 56 of 2003;
- 1.1.2. **“Bid”** means a written offer in a prescribed or stipulated form in response to an invitation by the municipality for the provision of goods, services or construction works through price quotations, advertised competitive bidding process or proposals;
- 1.1.3. **“Bidder”** means any person submitting a competitive bid or a quotation;
- 1.1.4. **“Closing time”** means the time and day specified in the bid documents for the receipt of bids;
- 1.1.5. **“Competitive bidding process”** means a competitive bidding process referred to in paragraph 12(1)(~~e~~)~~b~~)~~i~~ of this Policy;
- 1.1.6. **“Competitive bid”** means a bid in terms of a competitive bidding process;
- 1.1.7. **“Contract”** means the agreement which is concluded when the municipality accepts, in writing, a competitive bid or quotation submitted by a supplier;
- 1.1.8. **“Contract manager”** means an official of the Municipality who is responsible for the planning for the planning and execution of a transaction involving the procurement of goods, services or works;
- 1.1.9. **“Contractor”** means any person or entity whose competitive bid or quotation has been accepted by the municipality;
- 1.1.10. **“Delegated authority”** means any person or committee delegated with authority by the municipality in terms of the provisions of the Municipal Finance Management Act;
- 1.1.11. **“Department”** means a section within a specific directorate in terms of the municipal organigram;
- 1.1.12. **“Electronic format”** means a bid submitted by a bidder via email or made available through a cloud storage services;
- 1.1.13. **“Emergency dispensation”** means emergency as referred to in paragraph 36(1)(a)(i) of this policy under which one or more of the following is in existence that warrants an emergency dispensation;
- (a) The possibility of human injury or death;
  - (b) The prevalence of human suffering or deprivation of rights;
  - (c) The possibility of damage to property, or suffering and death of livestock and animals;
  - (d) The interruption of essential services, including transportation and communication facilities or support services critical to the effective functioning of the municipality as a whole;

- (e) The possibility of serious damage occurring to the natural environment;
  - (f) The possibility that failure to take necessary action may result in the municipality not being able to render an essential community service;
  - (g) The possibility that the security of the state could be compromised; or
  - (h) The prevailing situation, or imminent danger, should be of such a scale and nature that it could not readily be alleviated by interim measures, in order to allow time for the formal procurement process. Emergency dispensation shall not be granted in respect of circumstances other than those contemplated above.
- 1.1.14. **“Final award”**, in relation to bids or quotations submitted for a contract, means the final decision on which a bid or quote is accepted;
- 1.1.15. **“Formal written price quotation”** means quotations referred to in paragraph 12 (1) (d) of this Policy;
- 1.1.16. **“Green procurement”** means the procurement of environmentally friendly products and services;
- 1.1.17. **“in the service of the state”** means to be –
- (a) A member of –
    - (i) Any municipal council;
    - (ii) Any provincial legislature; or
    - (iii) The National Assembly or the National Council of Provinces;
  - (b) A member of the board of directors of any municipal entity;
  - (c) An official of any municipality or municipal entity;
  - (d) An employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the public Finance Management Act, 1999 (Act No.1 of 1999);
  - (e) A member of the accounting authority of any national or provincial public entity; or
  - (f) An employee of Parliament or a provincial legislature;
- 1.1.18. **“Long term contract”** means a contract with a duration period exceeding one year and does not have the same meaning as contracts of a long term nature referred to in paragraph 22(1)(b)(i)(iv) of this policy;
- 1.1.19. **“Long term nature contract”** means a contract as defined by section 33(1) of the Municipal Finance Management Act imposing financial obligations on the Municipality beyond the first three years covered in the approved annual budget;
- 1.1.20. **“List of accredited prospective providers”** means the list of accredited prospective providers in terms of Central Supplier Database (CSD) of National

Treasury;

- 1.1.21. **“Other applicable legislation”** means any other legislation applicable to municipal supply chain management, including but not limited to the following –
- (a) The Preferential Procurement Policy Framework Act;
  - (b) The Broad-Based Black Economic Empowerment Act; ~~and~~
  - (c) The Construction Industry Development Board Act;
  - (d) The Local Government: Municipal Systems Act;
  - (e) The Competition Act; and
  - (f) The Promotion of Administrative Justice Act.
- 1.1.22. **“Policy”** means the Supply Chain Management Policy of Stellenbosch municipality as amended from time to time;
- 1.1.23. **“Parent municipality”** has the meaning assigned to it in section 1 of the Municipal Systems Act;
- 1.1.24. **“Petty Cash”**, means the procurement of goods and services through the supply chain management requisition and order system by means of one verbal and written quotation below a determined amount in relation with the Petty Cash Policy;
- 1.1.25. **“Single source”**: refers to when the competition exist in the market, but from a selected few suppliers due to technical capabilities and abilities comply with the requirements of the municipality;
- 1.1.26. **“Sole Supplier:”** It refers in instances where there is no competition and only one service provider exist in the market, with sole distribution rights and/or patent rights or manufacturer;
- 1.1.27. **“Strip and quote:”** When the repairs and maintenance on our machines, vehicles are done by one supplier and/or strip-and-quote, for example a municipal vehicle that needs repairs enters the workshop, however to do the repairs, the vehicle has to be send to a supplier that determines what repairs should be done;
- 1.1.28. **“Supplier database”** means the list of accredited prospective providers which the municipality or municipal entity must keep in terms of the Regulation 14 of the Supply Chain Management Regulations;
- 1.1.29. **“Treasury guidelines”** means any guidelines on supply chain management issued by the Minister in terms of section 168 of the Act;
- 1.1.30. **“Trust”** means the agreement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person;
- 1.1.31. **“Trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person;
- 1.1.32. **“The Act”** means the Local Government: Municipal Finance Management Act,

2003 (Act No. 56 of 2003);

1.1.33. **“The Regulations”** means the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations published by Government Notice 868 of 2005;

1.1.34. **“The PPPF Regulations”** means Preferential Procurement Policy Regulations, 2017 Published under Government Notice R32 in Government Gazette 40553 of 20 January 2017; and

1.1.35. **“Written or verbal quotations”** means quotations referred to in paragraph 12(1)(b) & (c) of this Policy.

~~1.1.35.~~ 1.1.36. **“Unconditional Award” means an award made by the delegated authority and whereby any person or supplier who intended to appeal should approach the Court**



**CHAPTER 1****IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY****2. SUPPLY CHAIN MANAGEMENT POLICY**

- (1) All officials and other role players in the supply chain management system of the Stellenbosch Municipality must implement this Policy in a way that –
  - (a) Gives effect to –
    - (i) Section 217 of the Constitution; and
    - (ii) Part 1 of Chapter 11 and other applicable provisions of the Act;
  - (b) Is fair, equitable, transparent, competitive and cost effective;
  - (c) Complies with –
    - (i) The Regulations; and
    - (ii) Any minimum norms and standards that may be prescribed in terms of section 168 of the Act;
  - (d) Is consistent with other applicable legislation;
  - (e) Does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and
  - (f) Is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.
- (2) The municipal entity must, in addition to complying with subparagraph (1), apply this Policy, to the extent determined by the parent municipality, in a way that is consistent with the supply chain management policy of the parent municipality.
- (3) This Policy applies when the Stellenbosch Municipality –
  - (a) Procures goods or services;
  - (b) Disposes goods no longer needed;
  - (c) Selects contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies; or
  - (d) Selects external mechanisms referred to in section 80(1)(b) of the Municipal Systems Act for the provision of municipal services in circumstances contemplated in section 83 of that Act.

- (4) This Policy, except where provided otherwise, does not apply in respect of the procurement of goods and services contemplated in section 110(2) of the Act, including –
  - (a) Water from the Department of Water Affairs or a public entity, another municipality or a municipal entity; and
  - (b) Electricity from Eskom or another public entity, another municipality or a municipal entity.

### **3. AMENDMENT OF THE SUPPLY CHAIN MANAGEMENT POLICY**

- (1) The Accounting Officer must –
  - (a) At least annually review the implementation of this Policy; and
  - (b) When the Accounting Officer considers it necessary, submit proposals for the amendment of this Policy to the Stellenbosch Council.
- (2) If the Accounting Officer submits proposed amendments to the Stellenbosch Council that differs from the model policy issued by the National Treasury, the Accounting Officer must –
  - (a) Ensure that such proposed amendments comply with the Regulations; and
  - (b) Report any deviation from the model policy to the National Treasury and the relevant provincial treasury.
- (3) When amending this supply chain management policy, the need for uniformity in supply chain practices, procedures and forms between organs of state in all spheres, particularly to promote accessibility of supply chain management systems for small businesses must be taken into account.

### **4. DELEGATION OF SUPPLY CHAIN MANAGEMENT POWERS AND DUTIES**

- (1) The Stellenbosch Council hereby delegates all powers and duties to the Accounting Officer, which are necessary to enable the Accounting Officer –
  - (a) To discharge the supply chain management responsibilities conferred on Accounting Officers in terms of –
    - (i) Chapter 8 or 10 of the Act; and
    - (ii) This Policy;
  - (b) To maximize administrative and operational efficiency in the implementation

of this Policy;

- (c) To enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of this Policy; and
  - (d) To comply with his or her responsibilities in terms of section 115 and other applicable provisions of the Act.
- (2) Sections 79 and 106 of the Act apply to the sub-delegation of powers and duties delegated to an Accounting Officer in terms of subparagraph (1).
  - (3) The Accounting Officer may not sub-delegate any supply chain management powers or duties to a person who is not an official of Stellenbosch Municipality or to a committee, which is not exclusively composed of officials of the Stellenbosch Municipality.
  - (4) This paragraph may not be read as permitting an official, to whom the power to make final awards has been delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.

## **5. SUB-DELEGATIONS**

- (1) The Accounting Officer may in terms of section 79 or 106 of the Act sub-delegate any supply chain management powers and duties, including those delegated to the Accounting Officer in terms of this Policy, but any such sub-delegation must be consistent with subparagraph (2) of this paragraph and paragraph 4 of this Policy.
- (2) The power to make a final award –
  - (a) Above R 10 million (VAT included) may not be sub-delegated by the Accounting Officer;
  - (b) Above R 200,000 (VAT included), but not exceeding R 10 million (VAT included), may be sub-delegated but only to –
    - (i) The Bid Adjudication Committee of which the Chief Financial Officer or a senior manager is a member; or
    - (ii) Accounting Officer of the municipality, after due consideration of all facts was done; and
  - (c) Below R 200,000 (VAT included) to be disposed by delegated official according approved delegatory power and functions issued by Accounting Officer.

- (3) The Bid Adjudication Committee to which the power to make final awards has been sub-delegated in accordance with subparagraph (2) must within five days of the end of each month submit to the official referred to in subparagraph (4) a written report containing particulars of each final award made by such official or committee during that month, including –
  - (a) The amount of the award;
  - (b) The name of the person to whom the award was made; and
  - (c) The reason why the award was made to that person.
- (4) A written report referred to in subparagraph (3) must be submitted –
  - (a) To the Accounting Officer, in the case of an award by –
    - (i) The Bid Adjudication Committee of which the Chief Financial Officer or a senior manager is a member; or
    - (b) To the Chief Financial Officer or the senior manager responsible for the relevant bid, in the case of an award by –
      - (i) The Bid Adjudication Committee of which the Chief Financial Officer or a senior manager is not a member.
- (5) Subparagraphs (3) and (4) of this policy do not apply to procurements out of petty cash.
- (6) This paragraph may not be interpreted as permitting an official to whom the power to make final awards has been sub-delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.
- (7) No supply chain management decision-making powers may be delegated to an advisor or consultant.

## **6. OVERSIGHT ROLE OF COUNCIL**

- (1) The Stellenbosch Council reserves its right to maintain oversight over the implementation of this Policy.
- (2) For the purposes of such oversight the Accounting Officer must –
  - (i) Within 30 days of the end of each financial year, submit a report on the implementation of this Policy and the supply chain management policy of any municipal entity under the sole or shared control of the municipality, to the council of the municipality; and
  - (ii) Whenever there are serious and material problems in the implementation of

this Policy, immediately submit a report to Council.

- (3) The Accounting Officer must, within 10 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the Executive Mayor.
- (4) The reports must be made public in accordance with section 21A of the Municipal Systems Act.

**7. SUPPLY CHAIN MANAGEMENT UNIT**

- (1) A supply chain management unit is hereby established to implement this Policy.
- (2) The supply chain management unit operates under the direct supervision of the Chief Financial Officer or an official to whom this duty has been delegated in terms of section 82 of the Act.

**8. TRAINING OF SUPPLY CHAIN MANAGEMENT OFFICIALS**

- (1) The training of officials involved in implementing this Policy should be in accordance with any Treasury guidelines on supply chain management training.

CHAPTER 2

SUPPLY CHAIN MANAGEMENT SYSTEM

9. FORMAT OF SUPPLY CHAIN MANAGEMENT SYSTEM

(1) This Policy provides systems for –

- | (i) Demand ~~management~~Management;
- | (ii) Acquisition ~~management~~Management;
- | (iii) Logistics ~~management~~Management;
- | (iv) Disposal ~~management~~Management;
- | (v) Risk ~~management~~Management; and
- | (vi) Performance ~~management~~Management.

**PART 1: DEMAND MANAGEMENT****10. SYSTEM OF DEMAND MANAGEMENT-)**

- (1) The Accounting Officer must establish and implement an appropriate demand management system in order to ensure that the resources required by Stellenbosch Municipality support its operational commitments and its strategic goals outlined in the Integrated Development Plan.
- (2) The demand management system must –
  - (a) Include timely planning and management processes to ensure that all goods and services required by Stellenbosch Municipality are quantified, budgeted for and timely and effectively delivered at the right locations and at the critical delivery dates, and are of the appropriate quality and quantity at a fair cost;
  - (b) Take into account any benefits of economies of scale that may be derived in the case of acquisitions of a repetitive nature;
  - (c) Provide for the compilation of the required specifications to ensure that its needs are met; and
  - (d) To undertake appropriate industry analysis and research to ensure that innovations and technological benefits are maximized.
- (3) Green procurement must be incorporated as far as reasonably possible for all specifications of goods, services and construction works.
- (4) In the development of bid specifications, innovative mechanisms should be explored to render the service or product more resource and energy efficient.

**PART 2: ACQUISITION MANAGEMENT****11. SYSTEM OF ACQUISITION MANAGEMENT**

- (1) The Accounting Officer must implement the system of acquisition management set out in this Part ~~in order to~~ ensure –
- (a) That goods and services are procured by Stellenbosch Municipality in accordance with authorised processes only;
  - (b) That expenditure on goods and services is incurred in terms of an approved budget in terms of section 15 of the Act;
  - (c) That the threshold values for the different procurement processes are complied with;
  - (d) That bid documentation, evaluation and adjudication criteria, and general conditions of a contract, are in accordance with any applicable legislation; and
  - (e) That any Treasury guidelines on acquisition management are properly ~~taken into account~~ considered.
- (2) Unless otherwise indicated in the bid documents, the Municipality shall not be liable for any expenses incurred by prospective bidders in the preparation and / or submission of a bid or quotation.

**12. RANGE OF PROCUREMENT PROCESSES**

- (1) Goods and / or services may only be procured by way of –
- (a) Cash purchases administered by the Expenditure Division up to a transaction value as defined in Council's Petty Cash Policy;
  - (b) Petty cash purchases through one verbal request and or verbal /written quotation for the procurement of goods through the supply chain management requisition and order system of a transaction value between R 0 and R 2,000 (VAT included);
  - (c) Written or verbal quotations for procurement of goods and/or services of a transaction value between R 2,000 and R 10,000 (VAT included);
  - (d) Formal written quotations for procurement of goods and/or services of a transaction value between R 10,000 and R 200,000;
  - (e) Procurements above a transaction value of R 200,000 (VAT included); and
  - (f) The procurement of long-term contracts.
- (2) The Accounting Officer may, in writing-
- (a) Lower, but not increase, the different threshold values specified in subparagraph (1); or
  - (b) Direct that –



- (i) Written quotations are obtained for any specific procurement of a transaction value lower than R 2,000;
  - (ii) Written price quotations be obtained for any specific procurement of a transaction value lower than R 10,000; or
  - (iii) A competitive bidding process be followed for any specific procurement of a transaction value higher than R 200,000.
- (3) Goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of the policy. When determining transaction values, a requirement for goods or services consisting of different parts or items must as far as possible be treated and dealt with as a single transaction.

### 13. GENERAL PRECONDITIONS FOR CONSIDERATION OF WRITTEN QUOTATIONS OR BIDS

- (1) A written quotation or bid may not be considered unless the provider who submitted the quotation or bid –
- (a) Has furnished that provider's –
    - (i) Full name;
    - (ii) Identification number or company or other registration number; and
    - (iii) Tax reference number and VAT registration number, if any;
  - (b) Has authorised the Stellenbosch Municipality to obtain a tax clearance by means of the Tax Compliance Status Pin from, from the South African Revenue Services and Central Supplier Database Number (CSD) that the provider's tax matters are in order; and
  - (c) Has indicated –
    - (i) Whether he or she is in the service of the state, or has been in the service of the state in the previous twelve months;
    - (ii) If the provider is not a natural person, whether any of its directors, managers, principal ~~shareholders~~shareholders, or stakeholder is in the service of the state, or has been in the service of the state in the previous twelve months; or
    - (iii) Whether a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to in sub-paragraph (ii) is in the service of the ~~state, or state or~~ has been in the service of the state in the previous twelve months.

### 14. LISTS OF ACCREDITED PROSPECTIVE PROVIDERS

- (1) The Accounting Officer must –
- (a) Keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements through written or verbal quotations and formal written price quotations;
  - (b) At least once a year through newspapers commonly circulating locally, the

website and any other appropriate ways, invite prospective providers of goods or services to apply for evaluation and listing as accredited prospective providers;

- (c) Specify the listing criteria for accredited prospective providers as stated within the database registration forms; and
  - (d) Disallow the listing of any prospective provider whose name appears on the National Treasury's database as a person prohibited from doing business with the public sector.
- (2) The list must be updated at least quarterly to include any additional prospective providers and any new commodities or types of services. Prospective providers must be allowed to submit applications for listing at any time.

(3) The list must be compiled per commodity and per type of service.

~~(3)~~(4) Stellenbosch Municipality make use of Central Suppliers Database as the official database of the Municipality.

## 15. PETTY CASH PURCHASES

- (1) The Accounting Officer must establish the conditions for the procurement of goods by means of cash purchases and petty cash purchases referred to in paragraph 12(1)(a) and (b) of this Policy, which must include conditions –
- (a) determining the terms on which a manager may delegate responsibility for cash purchases and petty cash purchases to an official reporting to the manager;
  - (b) limiting the maximum number of cash purchases and petty cash purchases or the maximum amounts per month for each manager;
  - (c) excluding any types of expenditure from cash purchases and petty cash purchases, where this is considered necessary;
  - (d) requiring a monthly reconciliation report from each manager to the Chief Financial Officer, including –
    - (i) the total amount of cash purchases and petty cash purchases for that month; and
    - (ii) receipts and appropriate documents for each purchase; and
  - (e) any other conditions determined by the Chief Financial Officer.
- (2) Cash purchases will be dealt with in terms of the Petty Cash Policy of Council.
- (3) Petty cash purchases will be dealt with in terms of the Supply Chain Management Policy of Council.

## 16. WRITTEN OR VERBAL QUOTATIONS

- (1) The conditions for the procurement of goods or services through written or verbal

quotations are as follows –

Quotations must be obtained from at least three different providers preferably from, but not limited to, providers whose names appear on the list of accredited prospective providers of the Stellenbosch Municipality, provided that if quotations are obtained from providers who are not listed, such providers must meet the listing criteria set out in paragraph 13 of this Policy;

- (b) Where no suitable providers are available from the list of accredited prospective providers, quotations may be obtained from other possible providers;
- (c) To the extent feasible, providers must be requested to submit such quotations in writing;
- (d) If it is not possible to obtain at least three quotations, the reasons must be recorded and reported quarterly to the Accounting Officer or another official designated by the Accounting Officer;
- (e) The Accounting Officer must record the names of the potential providers requested to provide such quotations with their quoted prices; and
- (f) If a quotation was submitted verbally, the order may be placed only against written confirmation by the selected provider.

## **17. FORMAL WRITTEN PRICE QUOTATIONS**

- (1) The conditions for the procurement of goods or services through formal written price quotations are as follows: -
  - (a) Quotations must be obtained in writing from at least three different providers whose names appear on the list of accredited prospective providers of the Stellenbosch Municipality. Quotations may be obtained from providers who are not listed, provided that such providers meet the listing criteria set out in paragraph 13 of this Policy;
  - (b) Where no suitable providers are available from the list of accredited prospective providers, quotations may be obtained from other possible providers not registered on the municipal supplier database;
  - (c) If it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the Chief Financial Officer or an official designated by the Chief Financial Officer;
  - (d) The Accounting Officer must record the names of the potential providers and their written quotations; and
  - (e) For the obtaining of quotations for services, Stellenbosch Municipality will utilize their notice boards.
- (2) A designated official referred to in subparagraph (1)(c) must within three days of the end of each month report to the Chief Financial Officer on any approvals given during that month by that official in terms of that subparagraph.

**18. PROCEDURES FOR PROCURING GOODS OR SERVICES THROUGH WRITTEN OR VERBAL QUOTATIONS AND FORMAL WRITTEN PRICE QUOTATIONS**

- (1) The procedure for the procurement of goods or services through written or verbal quotations or formal written price quotations is as follows –
- (a) When using the list of accredited prospective providers the Accounting Officer must promote on-going competition amongst providers by inviting providers to submit quotations on a rotation basis;
  - (b) Where no suitable providers are available from the list of accredited prospective providers, quotations may be obtained from other possible providers not registered on the municipal supplier database;
    - i. All requirements in excess of R 30,000 (VAT included) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 17, be advertised for at least seven days on the website and an official notice board of the Stellenbosch Municipality;
    - ii. The municipality will follow a preferred bidding process in the event that the market did not respond in terms of the sourcing of quotations on the website for seven (7) days and if no responsive bids was received.
  - (c) Offers received must be evaluated on a comparative basis taking into account unconditional discounts;
  - (d) The Accounting Officer or Chief Financial Officer must on a monthly basis be notified in writing of all written or verbal quotations and formal written price quotations accepted by an official acting in terms of a sub-delegation;
  - (e) Offers below R 30,000 (VAT included) must be awarded based on compliance to specification and conditions of contract, ability and capability to deliver the goods and services and lowest price;
  - (f) Acceptable offers, which are subject to the preference points system (PPPFA and associated regulations), must be awarded to the bidder who scored the highest points; and
  - (g) Stellenbosch Municipality will maintain a proper record keeping system.

**19. COMPETITIVE BIDS**

- (1) Goods or services above a transaction value of R 200,000 (VAT included) and long term contracts may only be procured through a competitive bidding process, subject to paragraph 11(2) of this Policy.
- (2) No requirement for goods or services above an estimated transaction value of R 200,000 (VAT included), may deliberately be split into parts or items of lesser value merely for the sake of procuring the goods or services otherwise than through a competitive bidding process.

**20. PROCESS FOR COMPETITIVE BIDDING**

- (1) The procedures for the following stages of a competitive bidding process are as follows:-
- (a) Compilation of bidding documentation as detailed in paragraph 21;
  - (b) Public invitation of bids as detailed in paragraph 22;
  - (c) Site meetings or briefing sessions as detailed in paragraph 23;
  - (d) Handling of bids submitted in response to public invitation as detailed in paragraph 23;
  - (e) Evaluation of bids as detailed in paragraph 28;
  - (f) Award of contracts as detailed in paragraph 29;
  - (g) Administration of contracts;
  - (h) After approval of a bid, the Accounting Officer and the bidder must enter into a written agreement;
  - (i) Proper record keeping; and
  - (j) Original / legal copies of written contracts agreements must be kept in a secure place for reference purposes.

## 21. BID DOCUMENTATION FOR COMPETITIVE BIDS

- (1) The criteria to which bid documentation for a competitive bidding process must comply, must –
- (a) Take into account –
    - (i) The general conditions of contract and any special conditions of contract, if specified;
    - (ii) Any Treasury guidelines on bid documentation; and
    - (iii) The requirements of the Construction Industry Development Board, in the case of a bid relating to construction, upgrading or refurbishment of buildings or infrastructure;
  - (b) Include the preference points system to be used, goals as contemplated in the Preferential Procurement Regulations and evaluation and adjudication criteria, including any criteria required by other applicable legislation;
  - (c) Compel bidders to declare any conflict of interest they may have in the transaction for which the bid is submitted;
  - (d) If the value of the transaction is expected to exceed R 10 million (VAT included), require bidders to furnish –
    - (i) If the bidder is required by law to prepare annual financial statements (AFS) for auditing, their audited AFS –

- (aa) For the past three years; or
- (bb) Since their establishment if established during the past three years;
- (ii) A certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days;
- (iii) Particulars of any contracts awarded to the bidder by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract;
- (iv) A statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and if so, what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic; and
- (e) Stipulate that disputes must be settled by means of mutual consultation, mediation, adjudication (with or without legal representation), or, when unsuccessful, in a South African court of law;
- (f) The period for which bids are to remain valid and binding must be indicated in the bid documents; and
- (g) A provision for the termination of the contract in the case of non- or under-performance and objections and complaints must be included in the bid documentation.

## 22. PUBLIC INVITATION FOR COMPETITIVE BIDS

- (1) The procedure for the invitation of competitive bids is as follows –
  - (a) Any invitation to prospective providers to submit bids must be by means of a public advertisement in a newspaper commonly circulating locally, the website of the Stellenbosch Municipality or any other appropriate ways (which may include an advertisement in the Government Tender Bulletin); and
  - (b) The information contained in a public advertisement, must at least include
    - (i) The closure date for the submission of bids, which may not be less than 30 days in the case of transactions over R10 million (VAT included), or which are of a ~~long-term~~ long-term nature, or 14 days in any other case, from the date on which the advertisement is placed in a newspaper, subject to subparagraph (2) of this policy; and
    - (ii) A statement that bids may only be submitted on the bid documentation provided by the Stellenbosch Municipality
    - (iii) Contact details for further enquiries.
- (2) The Accounting Officer may determine a closure date for the submission of bids which

is less than the ~~30 or 14 days~~30- or 14-days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process.

- (3) Bids submitted must be sealed and must clearly indicate the bid number on the outside of the envelope for which the bid is being submitted.
- (4) Where bids are requested by the Municipality in electronic format, such bids must be supplemented by sealed hard copies.
- (5) The municipality may require bidders to submit section(s) of their bid in electronic format, but only after the bid closing date. If the electronic copy differs from the original hard copy, the original hard copy will be binding.

### 23. PROCEDURE FOR HANDLING, OPENING AND RECORDING OF COMPETITIVE BIDS AND FORMAL WRITTEN PRICE QUOTATIONS IN EXCESS OF R 30,000

- (1) The procedures for the handling, ~~opening~~opening, and recording of bids are as follows
  - (a) Bids –
    - (i) Must be opened only in public;
    - (ii) must be opened at the same time and as soon as possible after the period for the submission of bids has expired; and
    - (iii) Received after the closing time should not be considered and returned unopened immediately; and
  - (b) Any bidder or member of the public has the right to request that the names of the bidders who submitted bids in time must be read out and, if practical, also each bidder's total bidding price;
  - (c) No information, except the provisions in subparagraph (b), relating to the bid should be disclosed to bidders or other persons until the successful bidder is notified of the award;
  - (d) The Accounting Officer must –
    - (i) Record in a register all bids received in time;
    - (ii) Make the register available for public inspection; and
    - (iii) Publish the entries in the register and the bid results on the website.
  - (e) The bidder shall choose a *domicilium citandi et executandi* in the Republic and unless notice of the change thereof has duly been given in writing, it shall be the address stated in the bid.
  - (f) Opening of bid procedures –
    - (i) At the specified closing time on the closing date the applicable bid box shall be closed;
    - (ii) The bid box shall be opened in public as soon as practical after the closing time by at least two officials from the Supply Chain

Management Unit and the Security Officer on duty;

- (iii) It is the responsibility of the bidder to ensure that their bid is placed in the correct bid box. The municipality will not on its own initiative redirect any bid if it is placed in an incorrect bid box before the closing time of submissions.
  - (iv) Immediately after the opening of the bid box all bids shall be opened in public;
  - (v) At the official opening of the bids, the bids shall in all cases be read out in terms of the name of the bidder and, if practical, the amount of the bid;
  - (vi) As soon as a bid or technical proposal has been opened the bid / proposal shall be stamped with the official stamps, and endorsed with the opening officials' signatures;
  - (viii) The name of the bidder, and where possible, the bid sum shall be recorded in a bid opening record kept for that purpose; and The responsible officials who opened the bidding documentation received shall forthwith place their signatures on the bid opening record (register) and shall ensure that the bid opening record, indicating at least the bid price of each bidder, the BBBEE status level contribution of each bidder and where applicable the local content percentages of the goods offered are made available for public inspection and are published on the municipality's website.
- (g) Site Inspections / clarification meeting –
- (i) Site inspections / clarifications meeting, where applicable, will be compulsory.
  - (ii) If site inspections / clarification meeting ~~are~~ to be held, full details must be included in the bid notice. Service providers that are late for the commencement of the site inspection/clarification meeting will be disqualified.
  - (iii) Minutes of all site inspection/clarification meetings must be kept for record purposes
  - (iv) Any proposed Addendums to the advertised bid document must be tabled at the Bid Specification Committee Meeting for consideration and approval.
- (h) Bid validity periods
- (i) The validity period is calculated from the bid closure date and bids shall remain in force and binding for a period of six (6) months as indicated in the invitation to bid and the bid documents, subject to any other applicable legislation and instructions from the National Treasury for specific types of procurement.
  - (ii) The period of validity may be extended by the SCM Department, provided that the original bid validity period has not expired and that all bidders are given an opportunity to extend such period.



- (iii) Any such extension shall be agreed to by a bidder in writing.

Bidders who fail to respond to such a request before the validity of their bid expires, or who decline such a request shall not be considered further in the bid evaluation process.

- (iv) All bidders who indicated the acceptance of the extension of the bid validity period, bids will be considered for evaluation purposes.
- (v) If the validity of all bids expired without it being awarded within the bid validity period, including any extensions thereof allowable in terms of applicable legislation, the bid must be cancelled and published in the same media in which the original bid invitation appeared.
- (vi) All bidders must be notified in writing of the cancellation of a bid.

(i) Samples

- (i) The call for samples should be limited to where samples are called for in the bid documents, samples (marked with the bid and item number as well as the bidder's name and address) shall be delivered separately (to the bid) to the addressee mentioned in the bid documents by no later than the closing time of the bid.
- (ii) Bids may not be included in parcels containing samples.
- (iii) If samples are not submitted as required in the bid documents, then the part of the bid for which no sample is provided shall be declared invalid.
- (iv) Samples shall be supplied by a bidder at his / her own expense and risk. Stellenbosch Municipality shall not be obliged to pay for such samples or compensate for the loss thereof, unless otherwise specified in the bid documents, and shall reserve the right to return such samples or to dispose of them at its own discretion.
- (v) If a bid is accepted for the supply of goods according to a sample submitted by the bidder, that sample will become the contract sample. All goods/materials supplied shall comply in all respects to that contract sample.

(j) Bid Sum

- (i) A bid will not necessarily be invalidated if the amount in words and the amount in figures do not correspond, in which case the amount in words shall be read out at the bid opening.

**24. NEGOTIATIONS WITH PREFERRED BIDDERS**

- (1) The Accounting Officer may negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation –

(a) Delegations and threshold values for negotiating by the Accounting Officer:

~~(a)~~(b) Does not allow any preferred bidder a second or unfair opportunity;

~~(b)~~(c) Is not to the detriment of any other bidder; and

~~(e)~~ (d) Does not lead to a higher price than the bid as submitted.

- (2) Minutes of such negotiations must be kept for record purposes.

## 25. TWO-STAGE BIDDING PROCESS

- (1) A two-stage bidding process is allowed for –
- (a) Large complex projects;
  - (b) Projects where it may be undesirable to prepare complete detailed technical specifications; or
  - (c) Long term projects with a duration period exceeding three years.
- (2) In the first stage technical proposals on conceptual design or performance specifications should be invited, subject to technical as well as commercial clarifications and adjustments.
- (3) In the second stage final technical proposals and priced bids should be invited.

## 26. COMMITTEE SYSTEM FOR COMPETITIVE BIDS

- (1) A committee system for competitive bids is hereby established, consisting of the following committees for each procurement or cluster of procurements as the Accounting Officer may determine as issued within the directive and stating the terms of reference of each bid committee –
- (a) A Bid Specifications Committee;
  - (b) A Bid Evaluation Committee; and
  - (c) A Bid Adjudication Committee.
- (2) The Accounting Officer appoints the members of each committee, taking into account section 117 of the Act; and
- (3) The committee system must be consistent with –
- (a) Paragraph 27, 28 and 29 of this Policy;
  - (b) Any other applicable legislation; and
  - (c) The Accounting Officer may apply the committee system to formal written price quotations.

## 27. BID SPECIFICATIONS COMMITTEES

- (1) A Bid Specifications Committee must compile the specifications for each procurement of goods or services by the Stellenbosch Municipality.
- (2) Specifications –
  - (a) Must be drafted in an unbiased manner to allow all potential suppliers to offer their goods or services;
  - (b) Must take account of any accepted standards such as those issued by Standards South Africa, the International Standards Organisation, or an authority accredited or recognised by the South African National Accreditation System with which the equipment or material or workmanship should comply;
  - (c) Must, where possible, be described in terms of performance required rather than in terms of descriptive characteristics for design;
  - (d) May not create trade barriers in contract requirements in the forms of specifications, plans, drawings, designs, testing and test methods, packaging, marking or labelling of conformity certification;
  - (e) May not make reference to any particular ~~trade-mark~~trademark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the word “equivalent”;
  - (f) Must indicate the preference points system set out in the Preferential Procurement Regulations 2017;
  - (g) Must be approved by the Accounting Officer prior to publication of the invitation for bids in terms of paragraph 22 of this Policy; and
  - (h) The Accounting Officer may sub-delegate the requirements in sub-paragraph 2(g) above to the Chairperson of the Bid Specifications Committee.
- (3) A Bid Specifications Committee must be composed of one or more officials of the Stellenbosch Municipality preferably the manager responsible for the function involved, and may, when appropriate, include external and / or internal specialist advisors.
- (4) No person, advisor or corporate entity involved with the Bid Specifications Committee, or director of such a corporate entity, may bid for any resulting contracts.

## **28. BID EVALUATION COMMITTEES**

- (1) A Bid Evaluation Committee must –
  - (a) Evaluate bids in accordance with –
    - (i) The specifications for a specific procurement; and
    - (ii) The points system set out in terms of paragraph 27(2)(f);
  - (b) Evaluate each bidder’s ability to execute the contract;
  - (c) Check in respect of the recommended bidder whether municipal rates and

- taxes and municipal service charges are not in arrears; and
- (d) Submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter.
- (2) A Bid Evaluation Committee must as far as possible be composed of
- (a) Officials from departments requiring the goods or services; and
- (b) At least one supply chain management practitioner of the Stellenbosch Municipality.
- (3) The relevant user department's official shall carry out a preliminary evaluation of all valid bids received and shall submit a bid evaluation report to the Bid Evaluation Committee for consideration.
- (4) Any evaluation of a bid shall consider the bids received and shall note for inclusion in the evaluation report, a bidder –
- (a) Whose bid does not comply with the provisions of paragraph 38 of this Policy;
- (b) Whose bid does not comply with the provisions of paragraph 13 of this Policy;
- (c) Whose bid is not in compliance with the specification;
- (d) Whose bid is not in compliance with the terms and conditions of the bid documentation;
- (e) Who is not registered and verified on the municipality's supplier database within seven days of the closing time for bids. In this regard bid documentation shall state that the responsibility for registration and verification rests solely with the bidder;
- (f) Who, in the case of construction works acquisitions, does not comply with the requirements of the Construction Industry Development Board Act regarding registration of contractors. Verification of compliance with this requirement shall be by means of Stellenbosch Municipality's Supplier Database;
- (g) Whose tax status are non-compliant and cannot be verified with the South African Revenue Services (SARS) certifying that the taxes of the bidder are in order or that suitable arrangements have been made with SARS; and
- (h) Who fails to comply with any applicable Bargaining Council agreement.
- (5) Bids shall be evaluated according to the following as applicable –
- (i) Bid price (corrected if applicable and brought to a comparative level where necessary);
- (ii) The unit rates and prices;
- (iii) The bidder's ability to fulfil its obligations in terms of the bid documents;
- (iv) Any qualifications to the bid;

- (v) The bid ranking obtained in respect of Preferential Procurement as required by Stellenbosch Municipality's Preferential Procurement Policy;
  - (vi) The financial standing of the bidder, including its ability to furnish the required institutional guarantee, where applicable; and
  - (vii) Any other criteria specified in the bid documents.
- (6) The Bid Evaluation Committee shall check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears.
  - (7) The evaluation of bids on an equitable basis may be considered during the evaluation process.
  - (8) Additional information or clarification of bids may be called for if required.
  - (9) Alternative bids may be considered, provided that a bid free of qualifications and strictly in accordance with the bid documents is also submitted. Stellenbosch Municipality shall not be bound to consider alternative bids. The alternative offer is to be submitted with the main offer together with a schedule that compares the specifications of the bid documents with the alternative offer.
  - (10) If a bidder requests in writing, after the closing of bids, that his/her bid be withdrawn, then such a request may be considered and reported in the bid evaluation report.
  - (11) If, after bids have been brought to a comparative level, two or more scores equal total adjudication points, regulation 11(5) of the Preferential Procurement Regulations of 2017 will apply.
  - (12) If two or more bids are equal in all respects after applying regulation 11(5), the Bid Evaluation Committee shall draw lots to decide on the recommendation for award.
  - (13) All disclosures of conflict of interest shall be considered by the Bid Evaluation Committee and if the conflict of interest is of a material nature, this shall be reported to the Bid Adjudication Committee.
  - (14) The relevant User Department in consultation with the SCM Unit may, before the bid is considered by the Bid Evaluation Committee, provide a reasonable opportunity to a bidder who made an innocent error and / or omission in their bid document, to correct the innocent error and / or omission, provided that such opportunity will not unduly prejudice any of the other bidders.
  - (15) In an event as described in sub-paragraph 14, bidders shall be afforded a minimum of two (2) working days up to a maximum of five (5) working days (in consultation with the relevant User Department or the ~~BEC Committee Manager: Supply Chain Management~~) from time of notification to correct such innocent errors and / or omissions. If no response is received from such bidders at the deadline the bid may be deemed to be non-responsive.

## **29. BID ADJUDICATION COMMITTEES**

- (1) A Bid Adjudication Committee must –

- (a) Consider the report and recommendations of the Bid Evaluation Committee; and
  - (b) Either –
    - (i) Depending on its delegations, make a final award or a recommendation to the Accounting Officer to make the final award; or
    - (ii) Make another recommendation to the Accounting Officer how to proceed with the relevant procurement.
- (2) A Bid Adjudication Committee must consist of at least four senior managers of the Stellenbosch Municipality, which must include –

The Chief Financial Officer or, if the Chief Financial Officer is not available, another manager in the budget and treasury office reporting directly to the Chief Financial Officer and designated by the Chief Financial Officer;

~~(a)~~

~~Financial Officer;-~~

~~(b)~~(a) At least one senior supply chain management practitioner who is an official of the Stellenbosch Municipality; and

~~(c)~~(b) A technical expert in the relevant field who is an official, if such an expert exists.

- (3) The Accounting Officer must appoint the chairperson of the committee. If the chairperson is absent from a meeting, the members of the committee who are present must elect one of them to preside at the meeting.
- (4) Neither a member of a Bid Evaluation Committee, nor an advisor or person assisting the evaluation committee, may be a member of a Bid Adjudication Committee.
  - (a) If the Bid Adjudication Committee decides to award a bid other than the one recommended by the Bid Evaluation Committee, the Bid Adjudication Committee must prior to awarding the bid–
    - (i) Check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears; and
    - (ii) Notify the Accounting Officer.
  - (b) The Accounting Officer may –
    - (i) After due consideration of the reasons for the deviation, ratify or reject the decision of the Bid Adjudication Committee referred to in paragraph (a); and
    - (ii) If the decision of the Bid Adjudication Committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.

- (5) The members of the Bid Evaluation Committee, or their delegates, must be present at the Bid Ad-judication Committee meetings [introduce the reports to the Committee and assist in] to clarify issues that were dealt with in the Bid Evaluation Committee meetings without voting rights.
- (6) A technical expert in the relevant field, who is an official, if such an expert exists, may attend the meeting as an advisor for clarification purposes. This official will not have voting rights at the Bid Adjudication Committee meeting. Neither a member of a bid evaluation committee, nor an advisor or person assisting the bid evaluation committee, may be a member of a bid adjudication committee.
- (7) If the bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee –
- (a) the bid adjudication committee must prior to awarding the bid –
- (i) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears for more than three months, and;
- (ii) notify the Accounting Officer.
- (b) The Accounting Officer may –
- (i) after due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in clause (a); and
- (ii) if the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.
- (8) The Accounting Officer may at any stage of a bidding process, refer any recommendation made by the evaluation committee or the adjudication committee back to that committee for reconsideration of the recommendation.
- (9) The Accounting Officer must comply with Section 114 of the Act within 10 days–
- (a) If a tender other than the one recommended in the normal course of implementing the supply chain management policy is approved, the Accounting Officer must, in writing, notify the Auditor-General, the Provincial Treasury and the National Treasury of the reasons for deviating from such recommendation.
- (b) Subsection (1) does not apply if a different tender was approved in order to rectify an irregularity.
- ~~(6)~~(10) The Accounting Officer may at any stage of a bidding process, refer any recommendation made by the evaluation committee or the adjudication committee back to that committee for reconsideration of the recommendation.
- ~~(7)~~(11) The Accounting Officer must comply with section 114 of the Act within 10 working days

**30. PROCUREMENT OF BANKING SERVICES**

- (1) A contract for banking services –
  - (a) Must be procured through competitive bids;
  - (b) Must be consistent with section 7 or 85 of the Act; and
  - (c) May not be for a period of more than five years at a time.
- (2) The process for procuring a contract for banking services must commence at least nine months before the end of an existing contract.
- (3) The closure date for the submission of bids may not be less than 60 days from the date on which the advertisement is placed in a newspaper in terms of paragraph 22(1). Bids must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990).

**31. PROCUREMENT OF IT RELATED GOODS OR SERVICES**

- (1) The Accounting Officer may request the State Information Technology Agency (SITA) to assist with the acquisition of IT related goods or services through a competitive bidding process.
- (2) Both parties must enter into a written agreement to regulate the services rendered by and the payments to be made to SITA.
- (3) The Accounting Officer must notify SITA together with a motivation of the IT needs if –
  - (a) The transaction value of IT related goods or services required in any financial year will exceed R 50 million (VAT included); or
  - (b) The transaction value of a contract to be procured whether for one or more years exceeds R 50 million (VAT included).
- (4) If SITA's comments on the submission and the Stellenbosch Municipality disagree with such comments, the ~~comments~~comments, and the reasons for rejecting or not following such comments must be submitted to the council, the National

Treasury, the relevant provincial treasury and the Auditor General.

**32. PROCUREMENT OF GOODS AND SERVICES UNDER CONTRACTS SECURED BY OTHER ORGANS OF STATE**

- (1) The Accounting Officer may procure goods or services under a contract secured by another organ of state, but only if –
  - (a) The contract has been secured by that other organ of state by means of a competitive bidding process applicable to that organ of state;
  - (b) There is no reason to believe that such contract was not validly procured;
  - (c) There are demonstrable discounts or benefits to do so; and



- (d) That other organ of state and the provider has consented to such procurement in writing.
- (2) Subparagraphs (1)(c) and (d) do not apply if –
- (a) A municipal entity procures goods or services through a contract secured by its parent municipality; or
  - (b) A municipality procures goods or services through a contract secured by a municipal entity of which it is the parent municipality.
- (3) If paragraph (1) is complied with, Stellenbosch Municipality must request at least the following documents from the relevant organ of state and service provider as referred to under subparagraph (1)(d) –
- (a) A written declaration confirming –
    - (i) That the organ of state followed a competitive bidding process applicable to it;
    - (ii) That the organ of state has no reason to believe that the contract was not validly procured by itself;
    - (iii) That the organ of state evaluated the bid in terms of price and BBBEE and if applicable, in terms of functionality or quality, and concluded that the bid(s) that were accepted were in all aspects the best compliant and respective bid(s); and
    - (iv) That the organ of state gives formal written permission to Stellenbosch Municipality to procure goods and / or services from the approved bid(s) as accepted by the organ of state;
  - (b) Agenda and minutes of the organ of state's Bid Evaluation Committee at which the specific bid was evaluated;
  - (c) Agenda and minutes of the organ of state's Bid Adjudication Committee at which the bid was awarded or the approval of the Accounting Officer of that organ of state who approved the bid;
  - (d) A copy of the successful bidder(s) bid submissions; and
  - (e) Written consent from the service provider.
- (4) If Stellenbosch Municipality should enter into a contract secured by other organs of state, it shall enter into a contract with the successful bidder(s) on the same terms and conditions as accepted by the relevant organ of state.
- (5) Contracts entered into by Stellenbosch Municipality under paragraph (4) shall not be deemed to be a deviation from the official procurement processes.
- (6) The Accounting Officer shall report to Council on a monthly basis all contracts entered into in terms of paragraph (4) above.

### **33. PROCUREMENT OF GOODS NECESSITATING SPECIAL SAFETY ARRANGEMENTS**

- (1) The acquisition and storage of goods in bulk (other than water), which necessitate

special safety arrangements, including gasses and fuel, should be avoided wherever possible.

- (2) Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership, cost advantages and environmental impact and must be approved by the Accounting Officer.

#### **34. PROUDLY SA CAMPAIGN**

- (1) Stellenbosch Municipality supports the Proudly SA Campaign to the extent that, all things being equal, preference is given to procuring local goods and services from –
- (a) Firstly: Suppliers and businesses within the municipality or district;
  - (b) Secondly: Suppliers and businesses within the relevant province; and
  - (c) Thirdly: Suppliers and businesses within the Republic.

#### **35. APPOINTMENT OF CONSULTANTS**

- (1) The Accounting Officer may procure consulting services provided that any Treasury guidelines in respect of consulting services, Construction Industry Development Board guidelines and Council's Cost-Containment Policy in respect of services related to the built environment and construction works are taken into account when such procurements are made.
- (2) Consultancy services must be procured through competitive bids if –
- (a) The value of the contract exceeds R 200,000 (VAT included); or
  - (b) The duration period of the contract exceeds one year.
- (3) In addition to any requirements prescribed by this policy for competitive bids, bidders must furnish particulars of –
- (a) All consultancy services provided to an organ of state in the last five years; and
  - (b) Any similar consultancy services provided to an organ of state in the last five years.
- (4) The Accounting Officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, ~~system~~system, or process designed or devised, by a consultant ~~in the course of~~during the consultancy service is vested in the Stellenbosch Municipality.
- (5) Where the estimated value of fees is less than R 200,000 and the duration of the appointment is less than one year, any National Treasury and, where applicable, Construction Industry Development Board guidelines in respect of consulting services are ~~taken into account~~considered.

#### **36. DEVIATION FROM AND RATIFICATION OF MINOR BREACHES OF PROCUREMENT PROCESSES**

- (1) The Accounting Officer may –
  - (a) Dispense with the official procurement processes established by this Policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –
    - (i) In an emergency (as per definition);
    - (ii) If such goods or services are produced or available from a single source or sole provider only (as per definition);
    - (iii) For the acquisition of special works of art or historical objects where specifications are difficult to compile;
    - (iv) Acquisition of animals for zoos and/or nature and game reserves; or
    - (v) In any other exceptional case where it is impractical or impossible to follow the official procurement processes; and
  - (b) Ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties, which are purely of a technical nature.
- (2) The Accounting Officer must record the reasons for any deviations in terms of subparagraphs (1)(a) and (b) of this policy and report them to the next meeting of the council and include as a note to the annual financial statements.
- (3) Subparagraph (2) does not apply to the procurement of goods and services contemplated in paragraph 11(2) of this policy.

### **37. UNSOLICITED BIDS**

- (1) In accordance with section 113 of the Act there is no obligation to consider unsolicited bids received outside a normal bidding process.
- (2) The Accounting Officer may decide in terms of section 113(2) of the Act to consider an unsolicited bid, only if –
  - (a) The product or service offered in terms of the bid is a demonstrably or proven unique innovative concept;
  - (b) The product or service will be exceptionally beneficial to, or have exceptional cost advantages;
  - (c) The person who made the bid is the sole provider of the product or service; and
  - (d) The reasons for not going through the normal bidding processes are found to be sound by the Accounting Officer.
- (3) If the Accounting Officer decides to consider an unsolicited bid that complies with subparagraph (2) of this policy, the decision must be made public in accordance with section 21A of the Municipal Systems Act, together with –

- (a) Reasons as to why the bid should not be open to other competitors;
  - (b) An explanation of the potential benefits if the unsolicited bid were accepted; and
  - (c) An invitation to the public or other potential suppliers to submit their comments within 30 days of the notice.
- (4) The Accounting Officer must submit all written comments received pursuant to subparagraph (3), including any responses ~~from the unsolicited bidder, from the unsolicited bidder~~ to the National Treasury and the relevant provincial treasury for comment.
- (5) The adjudication committee must consider the unsolicited bid and may award the bid or make a recommendation to the Accounting Officer, depending on its delegations.
- (6) A meeting of the adjudication committee to consider an unsolicited bid must be open to the public.
- (7) When considering the matter, the adjudication committee must ~~take into account~~ consider –
- (a) Any comments submitted by the public; and
  - (b) Any written comments and recommendations of the National Treasury or the relevant provincial treasury.
- (8) If any recommendations of the National Treasury or provincial treasury are rejected or not followed, the Accounting Officer must submit to the Auditor General, the relevant ~~provincial Provincial treasury Treasury~~ and the National Treasury the reasons for rejecting or not following those recommendations.
- (9) Such submission must be made within seven days after the decision on the award of the unsolicited bid is taken, but no contract committing the Stellenbosch Municipality to the bid may be entered into or signed within 30 days of the submission.

### **38. COMBATING OF ABUSE OF SUPPLY CHAIN MANAGEMENT SYSTEM**

- (i) The Accounting Officer must –
  - (a) Take all reasonable steps to prevent abuse of the supply chain management system;
  - (b) Investigate any allegations against an official or other role player of fraud, corruption, favouritism, unfair or irregular practices or failure to comply with this Policy, and when justified –
    - (i) Take appropriate steps against such official or other role player; or
    - (ii) Report any alleged criminal conduct to the South African Police Service;
  - (c) Check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a

person prohibited from doing business with the public sector;

- (d) Reject any bid from a bidder –
  - (i) If any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the Stellenbosch Municipality or to any other municipality or municipal entity, are in arrears for more than three months; or
  - (ii) Who during the last five years has failed to perform satisfactorily on a previous contract with the Stellenbosch Municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory;
- (e) Reject a recommendation for the award of a contract if the recommended bidder or any of its directors, or trust or its trustees has committed a corrupt or fraudulent act in competing for the particular contract;
- (f) Cancel a contract awarded to a person if –
  - (i) The person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or
  - (ii) An official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person; and
- (g) Reject the bid of any bidder if that bidder or any of its directors –
  - (i) Has abused the supply chain management system of the Stellenbosch Municipality or has committed any improper conduct in relation to such system;
  - (ii) Has been convicted for fraud or corruption during the past five years;
  - (iii) Has wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - (iv) Has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).

(2) The Accounting Officer must inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of subparagraphs (1)(b)(ii), (e) or (f) of this Policy.

(3) SCM compliance regarding BBBEE, Local Content and Municipal Accounts during evaluation stages:

(a) BBBEE

- (i) Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

The Municipality reserves the right to require from a bidder during evaluation and consideration stages or any other stage before the award are made, to substantiate any claim regarding preferences. (Reference to National Treasury bidding document MBD 6.1)

B-BBEE Certificates or Sworn Affidavits must be a valid original or certified copy of the original and must comply with the minimum validation criteria as set out by National Treasury. In cases where a bidder submitted a copy of an original B-BBEE Certificate at the closing date and time of the bid, the bidder may be requested to submit the original or certified copy of the original within a specified period. If the required certificate is submitted within the specified time, and the certificate complies with the requirements set by National Treasury, the bidder may be awarded the points that they qualify for.

**(b) Local Content:**

Requesting of documentation during evaluation.

- (i) The Municipality reserves the right (on a case by case basis) to require from a bidder during evaluation and consideration stages or any other stage before the award are made, to substantiate any claim regarding local content. (Reference to National Treasury bidding document MBD 6.2)

~~(iv)~~

**(c) Municipal Accounts:**

- (i) The Municipality reserves the right to require from a bidder during evaluation and consideration stages or any other stage before the award are made, to verify that their municipal accounts are in order (MBD 10).

~~(2) The Accounting Officer must inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of subparagraphs (1)(b)(ii), (e) or (f) of this Policy.~~

### **PART 3: LOGISTICS, DISPOSAL, RISK AND PERFORMANCE MANAGEMENT**

#### **39. LOGISTICS MANAGEMENT**

- (1) The Accounting Officer must establish and implement an effective system of logistics management, which must include –
- (a) The monitoring of spending patterns on types or classes of goods and services incorporating, where practical, the coding of items to ensure that each item has a unique number;

- (b) The setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock;
- (c) The placing of manual or electronic orders for all acquisitions other than those from petty cash;
- (d) Before payment is approved, certification by the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract;
- (e) Appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased;
- (f) Regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes; and
- (g) Monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.

#### 40. DISPOSAL MANAGEMENT

- (1) A supply chain management policy must provide for an effective system of disposal management for the disposal or letting of assets, including unserviceable, ~~redundant~~redundant, or obsolete assets, subject to sections 14 and 90 of the Act
- (2) A supply chain management policy must specify the ways in which assets may be disposed of, including –
  - (a) Transferring the asset to another organ of state in terms of a provision of the Act enabling the transfer of assets;
  - (b) Transferring the asset to another organ of state at market related value or, when appropriate, free of charge;
  - (c) Selling the asset; and
  - (d) Destroying the asset.
- (3) The Accounting Officer must ensure that –
  - (a) Immovable property is sold only at market related prices except when the public interest or the plight of the poor demands otherwise;
  - (b) Movable assets are sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous, except when the public interest or the plight of the poor demands otherwise;
  - (c) Firearms are not sold or donated to any person or institution within or outside the Republic unless approved by the National Conventional Arms Control

Committee;

- (d) Immovable property is let at market related rates except when the public interest or the plight of the poor demands otherwise;
  - (e) All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed;
  - (f) Where assets are traded in for other assets, the highest possible trade-in price is negotiated; and
  - (g) In the case of the free disposal of computer equipment, the provincial department of education is first approached to indicate within 30 days whether any of the local schools are interested in the equipment.
- (4) All matters relating to the alienation of movable and immovable assets shall be dealt with in terms of Council's Asset Transfer Policy and the Asset Transfer Regulations, 2008 and Council's adopted Immovable Assets Policy.
  - (5) Notwithstanding the provisions of paragraph 3 hereof, the following statutory powers of Stellenbosch Council in respect of the alienation of immovable property, are reserved to be exercised by Council –
    - (a) To decide on reasonable grounds that an asset is not needed to provide the minimum level of basic municipal services; and
    - (b) To ~~considered~~consider the fair market value of the asset and the economic and community value to be received in exchange for the asset, and
  - (6) Notwithstanding sub-paragraph (3)(b) & (g) above, the Accounting Officer must determine the most advantageous way for the disposal or letting of movable capital assets, i.e. written price quotations, competitive bidding, or auction, except when public interest or the plight of the poor demands otherwise.
  - (7) The Accounting Officer is hereby authorized to dispose of movable capital assets:
    - (8) (a) Up to a value of R 2 000 000.00
    - (b) Up to a value of R1 000 000.00 (CFO and BAC Members)

#### 41. RISK MANAGEMENT

- (1) The criteria for an effective risk management strategy within supply chain management system, should include the identification, ~~consideration~~consideration, and avoidance of potential risks.
- (2) Risk management should include –
  - (a) The identification of risks on a case-by-case basis;
  - (b) The allocation of risks to the party best suited to manage such risks;
  - (c) Acceptance of the cost of the risk where the cost of transferring the risk is greater than that of retaining it;



- (d) The management of risks in a pro-active manner and the provision of adequate cover for residual risks; and
- (e) The assignment of relative risks to the contracting parties through clear and unambiguous contract documentation.

**42. PERFORMANCE MANAGEMENT**

- (1) The Accounting Officer must establish and implement an internal monitoring system ~~in order to~~ determine, ~~on the basis of~~based on a retrospective analysis, whether the authorised supply chain management processes were followed and whether the objectives of this Policy were achieved. The retrospective analysis will link to the regulatory reports and submissions on the implementation of the supply chain management policy to the delegated authorities as prescribed in terms of supply chain management regulations and the delegation system of council, as amended from time to time.

#### PART 4: OTHER MATTERS

##### 43. PROHIBITION ON AWARDS TO PERSONS WHOSE TAX MATTERS ARE NOT IN ORDER

- (1) No award above R 30,000 (including VAT) may be made in terms of this Policy to a person whose tax matters have not been declared by the South African Revenue Service to be in order.
- (2) Before making an award to a person the Accounting Officer must first check with SARS whether that person's tax matters are in order.
- (3) If SARS does not respond within 7 days such person's tax matters may for purposes of subparagraph (1) be presumed to be in order.

~~(4)~~ Where the recommended bidder is not tax compliant on the date of award, the bidder should be notified of the non-compliant status and be requested to submit written proof of tax ~~compliance~~compliance, or an arrangement issued from SARS within 7 working days from the date of award. The proof of tax compliance submitted by the bidder must be verified by the Municipality. The Municipality will reject a bid submitted by the bidder if such bidder fails to provide proof of tax compliance within the timeframe as set out above in this sub-paragraph.

~~(4)~~

##### 44. PROHIBITION ON AWARDS TO PERSONS IN THE SERVICE OF THE STATE

- (1) Irrespective of the procurement process followed, no award may be made to a person in terms of this Policy –
  - (a) Who is in the service of the state;
  - (b) If that person is not a natural person, of which any director, manager, principal ~~shareholders~~shareholder, or stakeholder is a person in the service of the state; or
  - (c) A person who is an advisor or consultant contracted with the Stellenbosch Municipality.

##### 45. AWARDS TO CLOSE FAMILY MEMBERS OF PERSONS IN THE SERVICE OF THE STATE

- (1) The Accounting Officer must ensure that the notes to the annual financial statements disclose particulars of any award of more than R 2,000 to a person who is a spouse, ~~child~~child, or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months, including –
  - (a) The name of that person;
  - (b) The capacity in which that person is in the service of the state; and

- (c) The amount of the award.

#### 46. ETHICAL STANDARDS

(1) A code of ethical standards as set out in [subparagraph (2) / the “National Treasury’s code of conduct for supply chain management practitioners and other role players involved in supply chain management, which also include all other municipal officials not involved in supply chain management system”] is hereby established for municipal officials and other role players in the supply chain management system of the Stellenbosch Municipality ~~in order to~~ promote-

- (a) Mutual trust and respect; and
- (b) An environment where business can be conducted with integrity and in a fair and reasonable manner.

(2) A municipal official or other role player involved in the implementation of this Policy–

- (a) Must treat all providers and potential providers equitably;
- (b) May not use his or her position for private gain or to improperly benefit another person;
- (c) May not accept any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of that person, of a value more than R 350;
- (d) Notwithstanding subparagraph (2)(c), must declare to the Accounting Officer details of any reward, gift, favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person;
- (e) Must declare to the Accounting Officer details of any private or business interest which that person, or any close family member, partner or associate, may have in any proposed procurement or disposal process of, or in any award of a contract by, the Stellenbosch Municipality;
- (f) Must immediately withdraw from participating in any manner whatsoever in a procurement or disposal process or in the award of a contract in which that person, or any close family member, partner or associate, has any private or business interest;
- (g) Must be scrupulous in his or her use of property belonging to Stellenbosch Municipality;
- (h) Must assist the Accounting Officer in combating fraud, corruption, ~~favouritism~~favouritism, and unfair and irregular practices in the supply chain management system; and
  - (i) Must report to the Accounting Officer any alleged irregular conduct in the supply chain management system which that person may become aware of, including –
    - (i) Any alleged fraud, corruption, favouritism or unfair conduct;

- (ii) Any alleged contravention of paragraph 47(1) of this Policy; or
  - (iii) Any alleged breach of this code of ethical standards.
- (3) Declarations in terms of subparagraphs (2)(d) and (e) –
- (a) Must be recorded in a register, which the Accounting Officer must keep for this purpose; and
  - (b) By the Accounting Officer must be made to the Executive Mayor of the municipality who must ensure that such declarations are recorded in the register.
- (4) The National Treasury's code of conduct and Schedule 2 of the Systems Act must be adhered to by supply chain management practitioners and other role players involved in supply chain management.
- (5) A breach of the code of ethics must be dealt with as follows –
- (a) In the case of an employee, in terms of the disciplinary procedures of the Stellenbosch Municipality envisaged in section 67(1)(h) of the Municipal Systems Act;
  - (b) In the case a role player who is not an employee, through other appropriate means in recognition of the severity of the breach;
  - (c) In all cases, financial misconduct must be dealt with in terms of chapter 15 of the Act; and
  - (d) All cases of non-compliance to this Policy should be reported to the Accounting Officer.

#### **47. INDUCEMENTS, REWARDS, GIFTS AND FAVOURS TO MUNICIPALITIES, OFFICIALS AND OTHER ROLE PLAYERS**

- (1) No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may either directly or through a representative or intermediary promise, offer or grant –
- (a) Any inducement or reward to the Stellenbosch Municipality for or in connection with the award of a contract; or
  - (b) Any reward, gift, favour or hospitality to –
    - (i) Any official; or
    - (ii) Any other role player involved in the implementation of this Policy.
- (2) The Accounting Officer must promptly report any alleged contravention of subparagraph (1) to the National Treasury for considering whether the offending person, and any representative or intermediary through which such person is alleged

to have acted, should be listed in the National Treasury's database of persons prohibited from doing business with the public sector.

- (3) Subparagraph (1) does not apply to gifts less than R 350 in value.

#### 48. SPONSORSHIPS

- (1) The Accounting Officer must promptly disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, ~~offered~~offered, or granted, whether directly or through a representative or intermediary, by any person who is –
- (a) A provider or prospective provider of goods or services; or
  - (b) A recipient or prospective recipient of goods disposed or to be disposed.

#### 49. OBJECTIONS AND COMPLAINTS

- (1) Persons aggrieved by decisions or actions taken in the implementation of this supply chain management system, may lodge within 14 days of the decision or action, a written objection or complaint against the decision or action.

#### 50. RESOLUTION OF DISPUTES, OBJECTIONS, COMPLAINTS AND QUERIES

- (1) The Accounting Officer may, if deem so, appoint an independent and impartial person, not directly involved in the supply chain management processes –
- (a) To assist in the resolution of disputes between the Stellenbosch Municipality and other persons regarding –
    - (i) Any decisions or actions taken in the implementation of the supply chain management system; or
    - (ii) Any matter arising from a contract awarded ~~in the course of~~during the supply chain management system; or
  - (b) To deal with objections, ~~complaints~~complaints, or queries regarding any such decisions or actions or any matters arising from such contract.
- (2) The Accounting Officer, or another official designated by the Accounting Officer, is responsible for assisting the appointed person to perform his or her functions effectively.
- (3) The person appointed should, if appointed –
- (a) Strive to resolve promptly all disputes, objections, ~~complaints~~complaints, or queries received; and
  - (b) Submit monthly reports to the Accounting Officer on all disputes, objections, ~~complaints~~complaints, or queries received, attended to or resolved.
- (4) A dispute, objection, ~~complaint~~complaint, or query may be referred to the relevant

provincial treasury if –

- (a) The dispute, objection, complaint or query is not resolved within 60 ~~days;~~days; or
  - (b) No response is forthcoming within 60 days.
- (5) If the provincial treasury does not or cannot resolve the matter, the dispute, objection, ~~complaint~~complaint, or query may be referred to the National Treasury for resolution.
- (6) This paragraph must not be read as affecting a person's rights to approach a court at any time.

#### **51. CONTRACTS PROVIDING FOR COMPENSATION BASED ON TURNOVER**

- (1) If a service provider acts on behalf of a Stellenbosch Municipality to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to the service provider is fixed as an agreed percentage of turnover for the service or the amount collected, the contract between the service provider and the Stellenbosch Municipality must stipulate
- (a) A cap on the compensation payable to the service provider; and
  - (b) That such compensation must be performance based.

#### **52. CONTRACTS HAVING BUDGETARY IMPLICATIONS BEYOND THREE FINANCIAL YEARS**

- (1) Stellenbosch Municipality may not ~~enter into~~enter any contract that will impose financial obligations beyond the three years covered in the annual budget for that financial year, unless the requirements of Section 33 of the Act have been fully complied with.

#### **53. INCREASE / EXTENSION IN APPROVED CONTRACT SUM / PERIOD**

- (1) Any increase and / or extension in the approved contract sum that may become necessary ~~as a result of~~because of exceptional circumstances during the contract period must be approved by the appropriate bid committees prior to implementation.
- (2) Contracts may be expanded or varied by not more than 20% of the original contract value for construction related goods, services and/or infrastructure projects and 15% for all other goods and/or services.
- (3) Any expansion or variation ~~in excess of~~more than these thresholds as stated under subparagraph (2) must be dealt with in terms of the provisions of section 116(3) of the Act which will be regarded as an amendment of a contract.
- (4) Where community participation has been a part of the project, the community must be advised of the proposed increase and be invited to provide written comment within a minimum period of seven (7) days.

**54. RIGHT OF APPEAL**

- (1) In terms of Section 62 of the Municipal Systems Act (Act 32 of 2000 as amended), a person whose rights are affected by a decision taken by the Municipality, in terms of a delegated authority, in the implementation of its supply chain management system, may appeal against that decision by giving written notice of the appeal and reasons to the Municipal Manager within 21 days of the date of the notification of the decision.
- (2) Notification of the decision in terms of sub-paragraph 55(1) of this policy must state that any appeal must be submitted in writing to the Municipal Manager and must at least contain the following information:
  - (a) The reasons and / or grounds for the appeal;
  - (b) The way in which the appellants rights have been affected; and
  - (c) The remedy sought by the appellant.
- (3) No award, where a competitive bidding process was followed, shall be formally implemented until a ruling has been made on any appeal/s received. The Municipal Manager may however grant approval for the implementation of bid awards prior to the conclusion of the appeal process in respect of bids which in his / her opinion are deemed as urgent.
- (4) The Appeal Authority will provide the service provider with copies of the Bid Committee minutes applicable to the specific tender on request ~~within the 21 days period,~~within the 21 days period of the service provider to enable him/her to motivate his/her appeal. —Should the service provider request other documentation a PAIA application should be submitted.
- (5) The appeal authority must consider the appeal and confirm, ~~vary~~vary, or revoke the decision, but no such variation or revocation of a decision may detract from any rights that may have accrued ~~as a result of~~because of the decision.

**55. NOTIFICATION OF BID DECISIONS**

- (1) The successful and unsuccessful bidders shall be notified in writing by the Supply Chain Management once a bid has been accepted.
- (2) The bidders shall, in addition, be advised of the ~~21-day~~21-day appeal period in terms of section 62 of the Municipal Systems Act and be notified that no rights will accrue to him / her until the bid is formally accepted in writing.
- (3) Once the ~~21-day~~21-day appeal period has lapsed and a decision has been made by the appeal authority, the ~~appellant~~appellant, and the service provider who the tender was initially awarded will be notified in writing of the outcome thereof by the Supply Chain Management.
- (4) Every notification of decision shall be faxed or sent via electronic mail and ordinary mail to the address chosen by the bidder, with a copy of proof of transmission kept for record purposes, or shall be delivered by hand, in which case acknowledgement of receipt must be signed and dated on a copy of such notification to be kept for record purposes.

**56. UNSUCCESSFUL BIDDER DEBRIEFING**

- (1) The Municipality will offer an unsuccessful bidder debriefing service to unsuccessful bidders upon request.
- (2) During the debriefing unsuccessful bidders will be informed of how their proposal scored against required criteria and obtain comments from the evaluation team on their bid.
- (3) The debriefing should be a positive and constructive experience that explains how bidders can improve future submissions.
- (4) The debriefing is an opportunity for unsuccessful bidders to –
  - (a) Learn more about the procurement and evaluation process in an informal setting;
  - (b) Find out how their proposal scored against the required criteria;
  - (c) Hear the overall comments from the evaluation team on their bid; and
  - (d) Gather information on how future submissions may be improved.
- (5) The debriefing is not part of the Supply Chain complaint or appeal process in terms of paragraph 49 or 55 of this Policy.
- (6) The debriefing is not a legal proceeding and no legal representation is permitted at the debriefing session.
- (7) At the debriefing session the unsuccessful bid is not compared to other bids, nor will information be provided to the unsuccessful bidder about other bids.
- (8) In scheduling a bidder's debriefings session upon the request of the unsuccessful bidder, the municipality must –
  - (a) Confirm the date and time of the debriefing session in writing;
  - (b) Conduct separate debriefings with each unsuccessful bidder;
  - (c) Ensure that proper minutes are kept of each debriefing session; and
  - (d) Retain all correspondence and documentation relevant to the debriefing session as part of the procurement documentation.
- (9) In conducting bidders' debriefings, the municipality may –
  - (a) Provide a general overview of the evaluation process set out in the bid documents;
  - (b) Discuss the strengths and weaknesses of the bidder's submission in relation to the specific evaluation criteria and the bidders evaluated score;
  - (c) Provide suggestions on how the supplier may improve future submissions; and



- (d) Address specific questions and issues raised by the supplier in relation to their submission.

## **57. THE SUSPENSION OF SERVICE PROVIDERS FOR POOR PERFORMANCE AND OTHER BREACHES**

- (1) Any failure to fulfil the deliverables in line with the contract or service levels constitutes a material breach or poor performance which will result in the termination of the contract and/or sanctions will be imposed in the form of suspension from the database.
- (2) Such sanctions will have variation in the periods of suspension based on the gravity of the breach.
- (3) The municipality must consider imposing following sanctions, subject to sub-clause (2) above:
  - a) 6 months for non-declarations of relative/spouse within the municipality;
  - b) 12 months for misleading information provided to the municipality; and
  - c) 24 months for certain or above a certain threshold value based.
  - d) All the above will be applicable based on the gravity of the poor performance and will be analysed on a ~~case by case~~ case-by-case basis co-ordinated by the Contract Management Section.

## **58. CONDONATION OF POLICY CONTRAVENTIONS**

- (1) Council may condone a contravention in terms of this Policy, provided that such contravention is also not a contravention of the Act or the Municipal Supply Chain Management Regulations, 2005
- (2) Any expenditure relating to such condonation by Council in terms of this Policy, will not constitute irregular expenditure as contemplated under section 1 of the Act.
- (3) Contraventions of the Act relating to supply chain management or the Municipal Supply Chain Management Regulations, 2005 must be dealt with in terms of section 32 and section 170 of the Act.

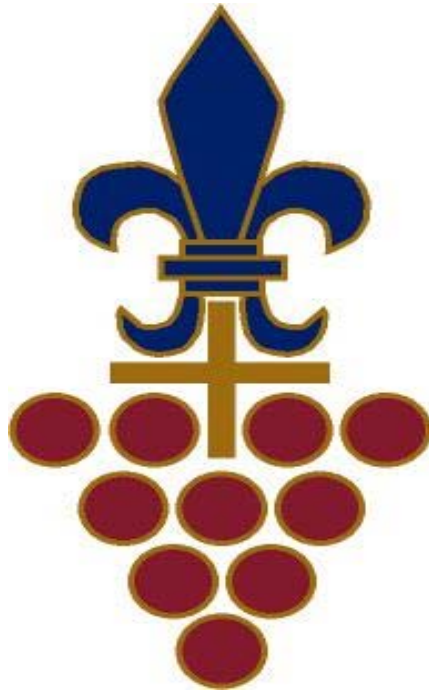
## **59. GENERAL**

The Framework for Infrastructure Delivery and Procurement Management (FIDPM) and relevant Circular is attached as Annexures A and B respectively, depending on the ability of Stellenbosch Municipality to implement the content of the Framework, only those parts that are practically implementable will be applied. The proper assessments will be done accordingly.

## **60. SHORT TITLE**

- (1) This policy is called the Stellenbosch Municipality Supply Chain Management Policy.

# **STELLENBOSCH MUNICIPALITY**



## **WAYLEAVE POLICY**

**2022/2023**

**REVISED**

SECTION: DEVELOPMENT SERVICES, ASSET MANAGEMENT &  
SYSTEMS, PROJECT MANAGEMENT UNIT (PMU)  
DIRECTORATE: INFRASTRUCTURE SERVICES



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|                                  |   |
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DIRECTORATE: **INFRASTRUCTURE SERVICES**



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## **WAYLEAVE POLICY**

SECTION: **DEVELOPMENT SERVICES, ASSET MANAGEMENT &  
SYSTEMS, PROJECT MANAGEMENT UNIT (PMU)**  
DIRECTORATE: **INFRASTRUCTURE SERVICES**

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## 1. INTRODUCTION

### 1.1 Legal Context

In terms of S151 of the Constitution of the Republic of South Africa, 108 of 1996, a municipality has the right to govern on its own initiative, the local government affairs of its community, subject to national and provincial legislation.

S156 of the Constitution grants the municipalities the right to administer the local government matters listed in Schedule 5B, which include municipal roads. A municipality may make by-laws for the effective administration of municipal roads.

This Policy will be converted into municipal by-laws to give it legal effect.

### 1.2 Need for Co-ordination

The collective value of services infrastructure contained within the Public Road Reserve and the road itself amounts to a considerable value. This infrastructure needs to be maintained, periodically rehabilitated and replaced from time to time. Such activities can result in considerable delays, inconvenience, danger and additional costs to the road users and Municipality itself if not well planned and coordinated. The potential damages that can be suffered by either party include:

- Damage to roads and other Services;
- Damage to vehicles;
- Injury to vehicle occupants or pedestrians;
- Reduction of the useful life of the road, footway or other Services; and
- Time and social costs caused by delays.

It is apparent that careful control and co-ordination of all Work in the public road reserves is a prerequisite for effective service delivery. This responsibility resides with The Stellenbosch Municipality and its Service Departments to continuously improve their capability to provide such services.

Being the custodian of all municipal Road Reserves, the Infrastructure Services Directorate – Roads, Transportation and Stormwater Sub-Unit within The Stellenbosch Municipality initiated a programme to establish the necessary co-ordination activities and policies regarding Work in the public road reserves. This document is the first deliverable of the programme. It attempts to provide a basic framework for ensuring proper co-ordination and co-operation between the various departments as well as external parties who conduct Work in the public road reserves.

The document was prepared with the aim to minimise the effect of all Work in the public road reserves to the benefit of all concerned and in particular the ratepayers, road users (motorists and pedestrians), and eventually the coordinating body within The Stellenbosch Municipality. Included in this document are the procedures to apply for, process and approve Wayleaves, procedures to follow for undertaking and completion of Work, as well as a reference to specifications according to which the Work must be done.

This initiative can only succeed if all internal and external parties that work in the public road reserves constructively cooperate by working according to this Code and by providing feedback on how the system can be improved.

### 1.3 Establishing a Service Co-ordinator

The Infrastructure Services Directorate has identified that this co-ordination function will need to:

- Improve the interdepartmental communication on annual Work plans and the execution of such Work;
- Coordinate and regulate all Work carried out within the public road reserves;
- Minimise the danger and inconvenience to the public;
- Minimise the damage to existing Services;
- Reduce the number of legal claims; and,
- Promote the use of technology, such as Geographical Information Systems (GIS) to locate Services.

In order to effectively implement and sustain such a function a Service Co-ordinator and a Quality Control Engineer (collectively the Asset Management & Wayleaves section) are being established within The Stellenbosch Municipality. The four essential tasks that must be accomplished in the process of establishing the Service Coordinator and the Quality Control Engineer are:

- Establishing the necessary Council Policy in this regard (covered by this document);
- Establishing effective and simplistic procedures (covered by this document);
- Establishing effective Municipal Bylaws (future activity); and,
- Establishing an effective Organisational Structure (future activity).
- Proper record-keeping of each approval and work done on-site (future activity).

The process to develop the Policy included the following activities:

- Identifying and documenting the Stellenbosch Municipality requirements in terms of the Policy and procedures;
- Identifying representatives for both internal and external stakeholders to participate in the policy formulation process;
- Researching existing documentation and other information sources as provided by the Stellenbosch Municipality and representatives;
- Developing of a draft Policy and Procedures;
- Facilitating workshops on the document; and
- Finalising documentation and getting approval from the Stellenbosch Municipality Council.

### 1.4 Document Structure

This document is organised into three sections. The following is a brief description of each section:

Section 1 – Introduction: This section aims to illustrate the need for coordination and responsibility of the custodian of the public road reserves to coordinate. It continues by explaining the development approach that was followed.

Section 2 – Definitions: This section is a summary of definitions of terms used throughout the document.

Section 3 – Policy: The Wayleave Policy as adopted by Council is explained under a collection of topics, including the Basic Wayleave Procedure. This structure was used in order to simplify the use of the document.

## 1.5 Supporting Documents

Three supporting documents, which documents are incorporated and form part of this Policy.

- The General Conditions relating to Wayleave Applications. These general conditions may be amended by the Service Co-ordinator depending on the nature of the Work to be carried out.
- Wayleave Work Permit/Approval form
- Services Verification Meeting Certificate
- Wayleave Guarantee Checklist
- Wayleave Tariffs
- Certificate of Completion

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## 2. DEFINITIONS

The following words and phrases have the meaning assigned to them in this Code unless the context otherwise indicates:

**"Authorised Agent"** means an agent who is authorised by the Service Co-ordinator to perform specified Services;

**"Backfilling"** refers to the replacement of the structural layers in the trench or excavation and includes the base, sub-base, selected subgrade and subgrade, but excludes the surfacing (see Reinstatement);

**"Certificate of Completion"** means the document issued by the Professional Engineer appointed by the Wayleave Holder as proof that Work in the public road reserves has been completed according to the specifications of this document;

**"Code"** means the Policy for Work in the Public Road Reserve (PRR) as approved by the Council and as agreed to by the Parties including any appendices attached thereto;

**"Council"** means the Municipal Council of The Stellenbosch Municipality established by Provincial Notice No. 352 of 2000 dated 19 September 2000, as amended, or its successor in title, and any committee or person to which or whom an instruction has been given or any power, function or duty has been delegated or sub-delegated in terms of, or as contemplated in, section 59 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

**"Distance of Excavation"** means the shortest horizontal distance between the electrical equipment or electrical structure nearest to the excavation. "Electric structure" means any power line tower, electric pole, switch box, miniature substation fence or building or any other structure used in the distribution of electricity;

**"Emergency Work"** is defined as any Work that is required to prevent or end a dangerous situation, to prevent or end an unplanned interruption in the supply of a Service, or to avoid any substantial losses. It is important to note that a lack of proper planning of Work to be carried out will not justify Emergency Work and such activities will be stopped by the Service Coordinator;

**"Lane Rentals"** mean the rentals that are paid to the Service Coordinator by a Service Agency, excluding a Municipal Department, whose Work in the Public Road Reserve (PRR) results in time delay costs (TDC) being incurred by the users of the Public Road Reserve (PRR);

**"Municipal Department"** means any Department that belongs to or is controlled by the Council;

**"Professional Engineer"** means a person registered as a Professional Engineer/Technologist in terms of the Engineering Professions Act, 2000, appointed and funded by the Wayleave Holder to ensure compliance with the Conditions of Approval of the Wayleave. Appointment of such a person is required to control the Works wherever any excavation is involved.

**"Public Road Reserve"** means the full width of a public road, and includes the verge and the roadway;

**"Reinstatement"** refers to replacing the bituminous surfacing, paving blocks or grass, as applicable, in the case of roads, footways and verges;

**"Routine Maintenance Work"** is defined as all types of Work involved in maintaining the services in the public road reserves and does not require excavation, traffic control or reinstatement activities;

**"Security Deposit"** means the refundable deposit required to be paid to the Municipality in respect of each Wayleave approval issued, either a fixed amount per the tariff register (for smaller projects), a percentage of the costs of the works to be undertaken or in an approved and valid form of bank guarantee;

**"Service"** means any system for supplying a public need that a Service Agency has on/in the Public Road Reserve (PRR);

**"Service Agency"** means any Municipal Department, Public Agency or utility that has a Service in the Public Road Reserve (PRR);

**"Service Coordinator"** means the person/official/institutional body established by the Council with the sole responsibility to carry out the administrative functions of receiving and processing applications for wayleaves, obtaining comments from the various internal and external service agencies, and (following the decision by the Strategic Management Committee) conveying this decision in writing to the Applicant, namely to approve with conditions, or reject with reasons, any application, and to provide record-keeping of each application and installation;

**"Service-Sharing Installation"** means installations of a service which are designed to utilise existing ducting or pipelines without the need for excavations, except minimal excavation/construction at junctions or terminals;

**"Quality Control Engineer"** means the person/official/institutional body identified by the Stellenbosch Municipality to coordinate and regulate any work undertaken in those sections of the public road reserves that fall within the Municipal area of the Council;

**"Wayleave"** generally means the formal approval to carry out Work in the Public Road Reserve in specific positions and during a specific period.

**"Wayleave Applicant"** means the institution or Service Agency who currently owns or would own the future Service, who applies for a Wayleave;

**"Wayleave Holder"** means the person, institution or Service Agency who is in possession of a Wayleave Approval Document/Work Permit approved by the Service Co-ordinator;

**"Wayleave Work Approval Document/ Work Permit"** means the signed document/s issued by the Service Coordinator, detailing the Work which has been approved and the period during which the Work shall be carried out, and includes approved drawings/plans and Conditions of Approval;

**"Work"** in the Public Road Reserve means any activity, including the activities provided for in Section 1 of this Code, carried out within the Public Road Reserve. It includes any project related activities, irrespective of the size of the project.

### 3. POLICY

#### 3.1 Overview

3.1.1 The coordination of Work in the public road reserves deals with two aspects, namely:

3.1.1.1 Planning the time schedule for future Work in the public road reserves so that the Work can be executed in a logical sequence, e.g. avoiding the placement of a Service in a road that was surfaced during the previous month. This could involve new construction, rehabilitation or Routine Maintenance Work; and

3.1.1.2 The application for and approval of a Wayleave for the execution of any Work in the public road reserves.

3.1.2 The co-ordination of Work schedules described under 3.1.1.1 above may result in specific co-ordination issues where the Service Co-ordinator, in consultation with the Quality Control Engineer, has to ensure that an acceptable solution is defined by the Service Agencies involved.

3.1.3 The role of the Quality Control Engineer is to facilitate coordination between the various Service Agencies. Each Service Agency will have its own project leaders and Professional Engineers. They are responsible for the implementation of their projects together with compliance with the Council's policies, procedures and standards.

3.1.4 The approval of a Wayleave means that:

3.1.4.1 The Wayleave Holder has permission to:

3.1.4.1.1 place a new Service in the Public Road Reserve;

3.1.4.1.2 do excavations in the Public Road Reserve;

3.1.4.1.3 do vehicular and pedestrian control in the Public Road Reserve; and,

3.1.4.1.4 do Reinstatement Work on the road and pavement surfaces where excavations have been made.

3.1.4.2 The Council intends to protect the new Service in its position in the public road reserves against damage by other parties while working in the public road reserves. However, it cannot be held responsible for any damages incurred.

3.1.4.3 The cost associated with relocating the Service when a road is widened or rebuilt remains with the Service Agency that owns the Service.

3.1.4.4 The cost to relocate a Service owned by the Council must be included in the project cost.

#### 3.2 Planning Work Time Schedules

3.2.1 The necessary procedure that must be followed for planning the time schedule of future Work is as follows:

3.2.1.1 Within a designated time period from the approval of this Policy and publication of the by-laws each external Service Agency shall provide to the Council digital records for capture into the Council's GIS, of all of its services within the jurisdiction of Stellenbosch Municipality. This will form the basis for all future planning and updating of new installations.

3.2.1.2 By 30 March of each year, the various internal and external Service Agencies

shall submit Work Plans, for the next 1-year period to the Service Co-ordinator.

3.2.1.3 These Work Plans shall show:

- a) The nature of the Work, e.g. the placement of new water main, or the replacement of a water/ sewer line.
- b) The location of the Work in terms of street blocks and the side of the public road reserves where the Work will be executed, with due regard for the Councils typical cross-section for the public road reserves.
- c) The extent of the Work, i.e. the start and end positions.
- d) The planned timing of the Work, i.e. from month/year to month/year.
- e) Reference to the Work in the latest approved Integrated Development Plan of Council if applicable.

3.2.1.4 The Service Coordinator, in consultation with the Quality Control Engineer, shall review the Work plans in order to determine possible conflicts in the planned Work.

3.2.1.5 Before the end of June each year the Service Coordinator, in consultation with the Quality Control Engineer, shall schedule a Service co-ordination meeting with the internal and external Service Agencies where the identified conflicts will be discussed and resolved.

3.2.1.6 A second co-ordination meeting may be held in July/August to resolve any changes that may have resulted out of the budget approval process.

### 3.3 Basic Wayleave Procedure

3.3.1 The basic procedure that is required for Work in the public road reserves is as follows:

3.3.1.1 Permission to work in the public road reserves must be obtained from the Service Coordinator through a formal Wayleave application in the form of a letter describing the Work to be done with details and design drawings/plans.

3.3.1.2 The Wayleave Applicant must firstly obtain Service plans, indicating the positions of existing Services from the Service Agencies identified by the Service Coordinator, where available. The Service plans must indicate the positions and type of Services in the area where Work will be undertaken. It may be necessary for the Applicant to carry out certain preliminary Work in order to determine precise positions and dimensions of any existing services which are not clear from the Service Plans which have been consulted.

3.3.1.3 The Service Coordinator shall arrange a Services Verification Meeting on behalf of the Wayleave Applicant to meet up with the necessary Service Agencies. This will help facilitate the process mentioned in 3.3.1.2. The Service Coordinator shall only arrange a Services Verification Meeting once the the Wayleave Applicant is in good standing with the Stellenbosch Municipality.

3.3.1.4 The Wayleave Applicant shall ensure that the control section on the Wayleave application form is signed by each Service Agency, indicating that in principle there is no objection to the issuing of the Wayleave, alternatively where there is an objection then detailed reasons and motivations for such objection must be given. This approval will be subject to technical compliance with the standards of the Service Agencies involved

as well as compliance with the standards of The Stellenbosch Municipality and the Work planned by the Council within the area under consideration.

- 3.3.1.5 Once the control section has been completed by all the Service Agencies, the application must be made for the issuing of a Wayleave Work Permit in accordance with the procedure set out in this document. No Work in the public road reserves may commence before a Wayleave has been approved and a Wayleave Work Permit issued for that Work
- 3.3.1.6 The Service Coordinator, in consultation with the Quality Control Engineer, will review the Wayleave application and prepare a report on the application, with recommendations.
- 3.3.1.7 The Service Co-ordinator shall submit the report to the Manager: Asset Management and Systems detailing the application, the various Service Agencies consulted, their comments received, confirmation of payment of the processing fees and the relevant security deposit, and confirmation of the appointment by the Applicant of a Professional Engineer or Technologist if any excavation is involved in the proposed Works, and after consultation with the Quality Control Engineer, the proposed decision, with conditions to be imposed upon approval, or the reasons for refusal.
- 3.3.1.8 Once approved, the decision to approve with conditions, or to refuse with reasons, shall be forwarded by the Service Co-ordinator to the Applicant. In the case of approval, the documents forwarded to the Applicant will include two copies of each of the letter indicating approval of the application and the conditions under which the approval is given, the signed approved plans, Signed Site Services Verification Certificate and the signed Wayleave Work Permit form. One copy of the letter of approval with Conditions imposed by Council together with the approved plans for a specific project must be signed as accepted by the Applicant and returned for filing.
- 3.3.1.9 The security deposit must be deposited in a Municipal suspense account for the purpose and will be used to correct unsatisfactory Work or reinstatements if need be.
- 3.3.1.10 The Work must be carried out according to this Policy, any other applicable laws and policies, and the procedures and specifications as referred to in the Conditions of Approval.
- 3.3.1.11 The Wayleave Work Permit and the Service plans of the Service Agencies must be kept on-site while the Work is in progress.
- 3.3.1.12 Additional copies of the Work Permit and approval documents may be obtained from the Service Coordinator if the Wayleave is applicable to more than one Work area or Work team.
- 3.3.1.13 Work will be stopped if either the Wayleave Work Permit or the Service plans are not available during inspections on-site or if any of the Wayleave Conditions are not being met. Work will be stopped until the required documents are available on site. Failure to comply with the Wayleave Conditions may impact other applications being made by the same Service Provider.
- 3.3.1.14 On completion of the Work, all trenches and excavations in the public road reserves must be Backfilled and Reinstated according to the specifications of the Quality Control Engineer, referred to by this document.
- 3.3.1.15 On completion of the Work and permanent Reinstatement, a Certificate of Completion signed by the Wayleave Holder's Professional Engineer must be sent to the Service Coordinator by the Wayleave Holder.
- 3.3.1.16 The Quality Control Engineer must review the Completion Certificate as well as carry out an inspection of the site after receiving the Completion

- Certificate, and sign the certificate confirming that all conditions have been met.
- 3.3.1.17 The applicable guarantee period will be stated in the letter of approval/conditions (usually 12 months).
  - 3.3.1.18 Work performed under an approved Wayleave can only be performed in normal working hours (Mondays – Thursdays 08:00-17:00 and Fridays 08:00-15h00). Working after hours, on public holidays or on the weekend is not permitted. Any work performed outside of business hours will attract a penalty as per the Municipal Tariffs. This penalty will apply before any new applications will be accepted from the Wayleave Applicant or non-Wayleave Holder.
  - 3.3.1.19 Where work in the road reserve has been performed without an approved wayleave, the penalty as per the Municipal Tariffs will apply. This penalty will apply before any new applications will be accepted from the Wayleave Applicant or non-Wayleave Holder.
- 3.3.2 This Code applies to all persons that carry out Work in the public road reserves in the Municipal area of the Council, such as internal Municipal Departments, external organisations, Service Agencies and contractors. It does not apply to work in national or provincial Road Reserves within the judicial area of the Council.

#### **3.4 Work in the Public Road Reserve**

- 3.4.1 Work in the public road reserves includes the digging of trenches, tunnelling, erection of signboards, erection of structures, street shaping, planting of trees in the public road reserves and any other Work that may affect motorists, cyclists, pedestrians, the road, footways, kerbing, traffic signs, traffic signals, street lighting, underground or overhead Services or any other structure or Service that is contained within the public road reserves.
- 3.4.2 The types of Work that require approval from the relevant Service Agencies before a Wayleave is granted are deemed to be a provision of a new Service and will be conducted according to the procedures in Section 3.3 above. In general, such Work refers to the positioning of a new Service, excavation in the public road reserves, traffic control and Reinstatement of the roadway and pavements. Examples include inter alia:
- 3.4.2.1 Work relating to the installation or maintenance of underground or overhead Services by Council's Service Agencies like Roads and Transportation, Water and Sanitation, Electricity, Land and Environmental Planning and City Planning.
  - 3.4.2.2 Work relating to the installation or maintenance of underground or overhead Services done by non-Council Service Agencies such as telecommunication, data cables, electricity, gas, oil and regional water supply.
  - 3.4.2.3 The erection of structures that require approved building plans in terms of the National Building Regulations and Building Standards Act 103 of 1977;
  - 3.4.2.4 The erection of advertising signs and structures that require approval in terms of the relevant by-laws;
  - 3.4.2.5 Works in the public road reserves, such as the construction of new roads, road widening or accesses to developments, paving, bollards, garden walls, etc. undertaken by developers or private property owners;
  - 3.4.2.6 The installation of new connection points for municipal Services, such as water, sewers, electricity and stormwater drainage from developments.

- 3.4.3 The types of Work for which prior approval from Service Agencies cannot be obtained due to the nature of the Work is deemed Emergency Work and must be undertaken according to the procedures set out in Section 3.17.
- 3.4.4 The types of Work that do not include any construction Work are deemed Routine.
- 3.4.5 Maintenance Work and must be executed according to the procedures set out in S
- 3.4.6 An application shall also be made in respect of Works classified as Service-Sharing Installations which involve minimal or no excavation. Only if there is absolutely no excavation involved does it become unnecessary to appoint a Professional Engineer to be in control of the Works.

### 3.5 Wayleave

- 3.5.1 All Work in the public road reserves is controlled by a Wayleave. A Wayleave is simply permission to work at a specified time in a specified area in the public road reserves according to approved conditions.
- 3.5.2 A Wayleave Application may be submitted for a small or large project that covers Work in any part of the Municipal Area, provided that the position and expected start/end dates of all Work in the public road reserves are adequately described under the description of the Work to be done.
- 3.5.3 General conditions are stated on the Wayleave form and may include, but are not restricted to, the following:
  - 3.5.3.1 Description of Work to be done;
  - 3.5.3.2 Timeframe within which the Work must be done;
  - 3.5.3.3 Location of Work to be done. (Provision can be made for big projects with multiple locations. The scope of big projects must be limited to manageable portions from the Wayleave perspective. The Service Coordinator/Quality Control Engineer will be able to direct project managers in this regard;
- 3.5.4 Additionally, there may be Specific conditions relating to the Wayleave which will be stated on or referred to on the Wayleave. Such conditions may include:
  - 3.5.4.1 Specific working conditions required in terms of the Occupational Health and Safety Act (Act no 85 of 1993);
  - 3.5.4.2 Methods of Work execution in protected roads and precincts; and,
  - 3.5.4.3 Reinstatement requirements.
  - 3.5.4.4 A Wayleave Work Permit must be obtained before any approved Work may be done in the public road reserves.
- 3.5.5 To obtain a Wayleave, a Wayleave application form must be submitted, together with:
  - 3.5.5.1 A traffic control plan showing how vehicular and pedestrian traffic will be accommodated during the execution of the Works in the public road reserves.
  - 3.5.5.2 Two (2) copies of the design drawing/plans showing details of the proposed Work. An additional legible digital copy is also required.
  - 3.5.5.3 Subject to 3.5.7 below, proof of payment of the required processing fee and the applicable deposit or submission of proof of sureties already held by the Council over the Work.
  - 3.5.5.4 Proof of appointment of Professional Engineer or Technologist appointed to

- monitor the construction and Reinstatement and to provide a Completion Certificate once completed.
- 3.5.5.5 Proof of appropriate public liability insurance and indemnity insurance.
- 3.5.6 Details required on the design drawing referred to in 3.5.5.2 are:
- 3.5.6.1 A clear depiction of the proposed Work.
- 3.5.6.2 Indication where Services are to be installed and the depth of the Service below the surface level of the relevant portion of the public road reserves.
- 3.5.6.3 Distance of the Service from the public road reserves boundary (i.e. the property boundary).
- 3.5.6.4 Position and extent of all structures, including underground structures such as manholes, chambers and junction boxes.
- 3.5.6.5 The location of all other Services in the public road reserves in relation to the proposed services to be installed. Services are located by obtaining information from the Service Agencies within the Council and by doing cross-cuts where required. The use of cross cuts, as explained in paragraph 3.14, is strongly recommended.
- 3.5.6.6 A Wayleave Work Permit will only be issued once all the requirements have been complied with and will be subject to any conditions specified in Section 3.3 and issued in terms of this Policy.
- 3.5.7 When the Wayleave Applicant is an internal Council Department, then the Wayleave Applicant shall provide a written assurance that they will be responsible for obtaining the deposit or proof of sureties (see 3.5.5.3) and the appointment, either internally or externally, of a suitably qualified engineer to supervise the project (see 3.5.5.4) that are required to protect the Council's interests.
- 3.5.8 The application for a Wayleave must be submitted timeously to ensure that the Wayleave can be issued before the Work is programmed to start. **WORK BEING CARRIED OUT IN THE PUBLIC ROAD RESERVE WITHOUT A WAYLEAVE MUST BE REPORTED TO THE SERVICE CO-ORDINATOR AND WILL BE STOPPED BY THE COUNCIL OFFICIAL ON SITE.** A copy of the Wayleave Work Permit and other documents as defined must therefore always be on site when Work is being done in the public road reserves.
- 3.5.9 The Service Coordinator will strive to limit the duration of the application review process to thirty (30) working days.
- 3.5.10 The Wayleave Holder accepts full responsibility for all costs (Refer to Section 3.10) associated with and resulting from the Work carried out in the public road reserves.
- 3.5.11 Only Work described in the Wayleave Work Permit may be executed. If the conditions on-site necessitate a deviation from the planned Work, the Service Coordinator must be informed before any work is done. These deviations may be in relation to the placement of the Service or the timing of the Works. The Service Coordinator may inform the Wayleave Holder of additional approvals that must be obtained from the Service Agencies affected by the deviation as well as further requirements in terms of drawings and specifications. Work will only be allowed to continue once the Service Co-ordinator is satisfied that all the additional requirements have been met.
- 3.5.12 The Wayleave Holder must complete the Work within the time specified on the Wayleave Work Permit or the approved time extension.
- 3.5.13 A Wayleave Holder who fails to complete the Work within the specified time window will be given a two (2) day notice period to either complete the Work or apply for a



time extension.

- 3.5.14 If upon expiry of the notice period referred to in 3.5.12 or 3.5.13 the Wayleave Holder is still in default, the Work will be stopped, and the Wayleave Holder will be given a further specific timeframe by the Quality Control Engineer to make the site safe. If the Wayleave Holder fails to do so the site may be made safe by the Quality Control Engineer, at the expense of the Wayleave Holder.

### 3.6 Existing Services and Planned Services

- 3.6.1 The Wayleave Applicant must submit Service drawings indicating the position of all Services in the area of Work with the Wayleave application form. This information is obtained from the relevant Service Agencies.
- 3.6.2 Service Agencies may require additional precautions relating to Work in the vicinity of their Services and must specify these in writing to the Wayleave Applicant.
- 3.6.3 As part of the Undertaking/Indemnity on the Wayleave application form, the Applicant has to confirm that the necessary information has been obtained from the Service Agencies and undertakes to adhere to the additional conditions laid down by the various Service Agencies. The control section on the Wayleave application form, signed by the Service Agencies, will serve as proof that the Service Agencies approved that a Wayleave Work Permit may be issued.
- 3.6.4 The Wayleave Applicant will verify with all Service Agencies whether future Work is planned for the area indicated in the Wayleave application. Such planned Work may dictate whether a Wayleave is approved and the conditions under which a Wayleave is approved. The planning horizon will depend on the planned life of the new Service as well as the Council's five year Work plan.

### 3.7 Road Categories

- 3.7.1 All roads are classified into one of the functional categories described below. The functional category of a road determines the Backfilling and Reinstatement specifications applicable to that road.
- 3.7.2 The following definitions apply for the road categories:

| Category | Road Type  | Administration   |
|----------|--|--|
| 1        | National Roads<br>Primary – (inter) provincial<br>Urban Freeway/Motorways                          | SANRAL<br>PGWC<br>PGWC   |
| 2        | Primary – (inter) provincial<br>Major (inter) urban arterials                                      | PGWC<br>PGWC   |
| 3        | (Inter) district connectors<br>Minor (intra) urban arterials                                       | PGWC<br>PGWC   |
| 4        | Major and minor collectors<br>Inter neighbourhood distributors<br>Intra neighbourhood distributors | PGWC<br>Service Coordinator (STM)<br>Service Coordinator (STM) |
| 5        | Residential streets  | Service Coordinator (STM)                                      |

- 3.7.3 All roads will be categorised into one of the above by the Council. For a specific road,

this information can be obtained from the Quality Control Engineer.

- 3.7.4 Work carried out on arterials, major collectors and central business district roads will be restricted to outside the following periods, namely from 6:30 to 09:00 and 15:30 to 18:00, to ensure the free flow of traffic during peak hours. These times apply seven days a week.

### **3.8 Restricted Roads**

- 3.8.1 Over and above the road categories defined in Section 3.7 of this Code, certain roads are further classified as restricted roads (no-dig roads).
- 3.8.2 Restricted roads are roads across which no digging of trenches is permitted. A road is protected if it has been designated a restricted road by the Council. Roads are designated as restricted when they are of particular strategic importance (Categories 1 to 4 in the new road asset classification) or if they pose special engineering difficulties.
- 3.8.3 Any road that has been newly constructed, overlaid or resurfaced will be restricted for a seven (7) year period. A list of roads that falls in this category is available from the Quality Control Engineer.
- 3.8.4 If a road is restricted, it will be indicated as such on the Wayleave Work Approval/Permit.
- 3.8.5 Restricted roads may only be crossed using trenchless methods. If trenchless methods for some reason cannot be used, special permission to excavate must be obtained from the Quality Control Engineer. These road crossings will only be allowed after hours (Monday to Fridays 6 pm – 6 am, Saturday 2 pm to Monday at 6 pm).
- 3.8.6 For the purpose of planning Work done by Service Agencies, categories 4 and 5 may be regarded as unrestricted unless they have been newly constructed, overlaid or resurfaced and fall within the protected period and provided that the first 20m from an intersection with any other road category is considered to be restricted.

### **3.9 Protected Precincts**

- 3.9.1 Works in protected precincts are subject to special trenching methods and care to ensure minimal damage to specialised and expensive material and furniture. The Quality Control Engineer will inform the Wayleave Applicant of the required methods and might request that a third-party contractor must be used to carry out the Work.
- 3.9.2 A list of protected precincts is available from the Senior Manager: Roads and Transport.

### **3.10 Costs**

#### **3.10.1 Administration & Supervision Fees**

- 3.10.1.1 The administration and supervision fees are the tariff amounts that are payable by the Applicant upon submission of a Wayleave application form. These fee amounts will be determined by the Council on the recommendation of the Quality Control Engineer from time to time, and included in the Municipal Tariffs.
- 3.10.1.2 The administration and supervision fees covers the Council's costs for Work done by the Service Co-ordinator to process the Wayleave application.

### 3.10.2 Security Deposit

- 3.10.2.1 A refundable security deposit will be charged for each Wayleave being issued. Security deposits will not be charged for Work done by Internal Service Agencies (Council Departments) themselves.
- 3.10.2.2 The deposit amount will be based on a percentage of the value of Work to be carried out or the greatest value based on the on-site service verification, as per the Council's tariffs.
- 3.10.2.3 The Council will have the right to use the deposit to cover costs incurred by the Service Coordinator in relation to the Wayleave under consideration. This does not detract from the Municipality's legal remedies in enforcing this Policy or by-laws.
- 3.10.2.4 The responsibility remains with the Wayleave Holder to ensure that any of its contractors or agents engaged in the implementation of the Work is in possession of valid and sufficient public liability insurance. It is an express condition of this approval that the Wayleave Holder indemnifies and holds the Council harmless against any claims, demands or losses incurred as a result of any work performed in terms of the Application Form and under any Wayleave approval.

### 3.10.3 Reinstatement Cost

- 3.10.3.1 The total cost of the permanent Reinstatement on the site of the installation in terms of the Wayleave Approval/Work Permit will be borne by the Wayleave Holder plus 10% Administration Fee.

### 3.10.4 Other Costs

- 3.10.4.1 Other costs can result from any of the following:
  - 3.10.4.1.1 Damages to existing Services;
  - 3.10.4.1.2 Relocation of existing Services;
  - 3.10.4.1.3 Testing of Services and Backfills;
  - 3.10.4.1.4 Costs claimed by the Council's Municipal Traffic from external Service Agencies for loss in revenue due to disestablished parking bays;
  - 3.10.4.1.5 Rentals (Lane rentals during construction and perpetual rental after completion of the Works); (See Tariff)
  - 3.10.4.1.6 Services rendered by the Service Coordinator in completing Work or altering Work to conform to Wayleave specifications; and
  - 3.10.4.1.7 Claims that may result from the Work. In this case, it is expressly recorded that the Wayleave Holder shall be responsible for any shortfalls in the Security deposit and insurances in respect of any claim arising from the execution of the Works;
  - 3.10.4.1.8 Any penalties in terms of the Municipal tariffs (See Tariff).
  - 3.10.4.1.9 Loss of income to the Council as a result of disestablished parking bays (See Tariff).
- 3.10.4.2 All such costs will be borne by the Wayleave Holder. An additional 10%

Wayleave Administration Fee will also apply.

- 3.10.4.3 A party wishing to dispute the costs charged to him as a result of any of the above reasons will do so at their own cost.

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### 3.11 Traffic Control

- 3.11.1 It is the responsibility of the Wayleave Holder working in the public road reserves to ensure that all laws regarding traffic, safety, traffic signs and barricading are complied with while executing Work.
- 3.11.2 The Wayleave Holder working in the public road reserves shall, therefore, take all necessary measures and provide all necessary facilities to ensure an adequately safe and easy passage for traffic and pedestrians through areas in which Work is in progress, or is incomplete.
- 3.11.3 The Service Coordinator can request that a traffic ~~control~~ management plan be submitted Manager: Transport, Roads and Stormwater for approval. Any such Approved Traffic Control Management Plan shall be kept available on site.
- 3.11.4 Traffic signs and barricading shall be done according to the latest edition of the Southern African Development Community Roads Traffic Signs Manual.
- 3.11.5 The Wayleave Holder must contact the relevant traffic authority to ensure that all requirements have been met for the particular location where the Work is being done and whether points-men will be required.
- 3.11.6 The importance of adequate traffic signs and barricading is emphasised. These measures are intended to ensure the maximum safety for motorists, pedestrians and workers and also the minimum disruption of vehicles and pedestrians. Worksites must be properly barricaded and signed irrespective of how long the Work will last. The safety precautions must be maintained for the full time that risks exist in the public road reserves due to Work being performed in the public road reserves.

### 3.12 Road Closure

- 3.12.1 The granting of a Wayleave does not give the Wayleave Holder the authority to close the road completely to traffic. Methods of construction and programmes of Work must, therefore, be determined on the basis that no road, or portion of the road, may be completely closed to traffic for any considerable period.
- 3.12.2 In exceptional circumstances, permission may be granted for the closure of a road or portion of the road to traffic. The Wayleave Holder must apply to the Council separately for approval two weeks prior to the road being closed. A road closure will be approved for a specific period only, i.e. from and to a specific time on a specific date and is only valid for that specific period. If the Work is not carried out in that period, an application for a new road closure will have to be made.

### 3.13 Lane Rental

- 3.13.1 Lane rental refers to the rental of space in the public road reserves for the storage of construction materials, site offices or the closure of lanes for a period exceeding two weeks.
- 3.13.2 Lane rental is managed by the Council's Roads and Transportation Division.
- 3.13.3 The rates for Lane Rentals are to be set by the Council and will be included in the tariffs.

### 3.14 Preliminary Works and Cross-Cuts

- 3.14.1 In respect of all preliminary Work requested by the Service Agencies and cross-

cuts, the specifications from the relevant Service Agencies and in this document must be adhered to before Work will be allowed to start. Such requests include inter alia that:

- 3.14.1.1 The Municipal Traffic Department must always be notified in writing seven (7) working days in advance by the Wayleave Holder.
  - 3.14.1.2 The Service Coordinator and the contact person of each Service Agency involved must be informed 48 hours prior to commencing with the Work by the Wayleave Holder.
  - 3.14.1.3 Alternatively, notice periods specified by the Service Agencies must be adhered to.
  - 3.14.1.4 The Municipal Traffic Department must be requested to remove parking meter heads where Work necessitates the temporary disestablishment of parking bays with the due agreement for compensation in loss of revenue where applicable.
- 3.14.2 The Applicant may be required to do cross cuts in the area where Work is planned. The purpose of cross cuts is to establish and confirm the position of Services in areas where the information on Services are unclear.
- 3.14.3 A cross-cut is done by excavating a trench that runs from the verge of the road up to the property boundary, perpendicular to the normal direction of Services. Excavation must always be done by hand.
- 3.14.4 The minimum depth of the cross-cut trench is 1 meter below the lowest point of the public road reserves.
- 3.14.5 A separate Wayleave Work Permit approval needs to be obtained for prior preliminary or cross-cut Work to be undertaken.
- 3.14.6 A non refundable Roadway Open Trench Fee will apply as well as outlined in the Municipal Tariffs.

3.14.6

### 3.15 Excavations

The Wayleave Holder shall be responsible for ensuring that:

- 3.15.1 The area that is excavated must always be kept to a minimum. The width of the trench must be uniform in length and depth; in other words, the sides must be parallel and vertical. The top of the trench must be cut with a saw to ensure smooth, uniform edges.
- 3.15.2 All excavations must comply with the statutory requirements for health and safety. The Wayleave Holder must pay specific attention to:
  - 3.15.2.1 Excavations must be executed according to the Occupational Health and Safety Act referred to in Section 5.
  - 3.15.2.2 Excavations deeper than 1.5 m must be shored or V-cut according to the Occupational Health and Safety Act.
  - 3.15.2.3 Excavations deeper than 1.5 m must be registered with the Department of Labour prior to commencement of the Work. The registration includes the scope of the Work, depth of the trench and the construction method (shoring or V-cut method according to the Occupational Health and Safety Act).
- 3.15.3 The minimum depth that any Service may be placed under a road is 800 mm

measured from the level of the surfacing of the road to the top of the Service. The minimum depth at any other place in the public road reserves, e.g. on a verge, is also 800 mm measured from the level of the surfacing of the road and not from natural ground level. Services not subject to being laid at a specific grade such as water pipes and cables should not be placed at depths in excess of the 800 mm as this could interfere with future Services that has to be laid at a specific grade, such as sewers and stormwater pipes.

- 3.15.4 All excavated material and equipment must be placed and demarcated in such a way as to cause the minimum disruption to vehicles and pedestrians.
- 3.15.5 The view of motorists must at all times be kept clear of any obstructions such as excavated material, road signs or hoardings.
- 3.15.6 Safe passage must be kept open for pedestrians at all times.
- 3.15.7 Excavation areas must be clearly demarcated with warning signs that allow ample time for motorists and pedestrians to alter their routes.
- 3.15.8 The Wayleave Holder is held responsible for any damage to existing Services. Services, indicated on the drawings or on-site by representatives from the relevant Service Agencies, must be opened by careful hand excavating. If the Services cannot be found, the relevant organisation must be contacted again for further instructions. Under no circumstances may a Wayleave Holder excavate with mechanical equipment before known Services have been found and marked. When found, Services must be marked and protected or supported as required by the owner. If Services need to be relocated, instructions from the owner must be followed carefully. The Wayleave Holder will be responsible for all relocation costs. If any Service is damaged as a result of the Work, the relevant Service Agency and the Service Coordinator must be contacted immediately.
- 3.15.9 Under no circumstances will the Council be held liable for any incorrect information provided by any external service agency or for any damages, losses and claims resulting from such incorrect information.
- 3.15.10 Adequate preventative measures must be taken to ensure that no water (e.g. due to rain) flows into the open trenches since this will result in the weakening of the structural layers of the road. Any water that is present in the trenches must be pumped out before Backfilling. Water must be pumped into the stormwater system and not into sewer manholes. Any material that has become wet must be removed from the bottom of the trench before Backfilling.
- 3.15.11 The Wayleave Holder must prevent foreign materials from entering the drains and ensure that silting does not occur either from pumping operations or as a result of rain. If any silting or other contamination does occur, the Wayleave Holder must clean the drains or request the Service Coordinator to do it at the cost of the Wayleave Holder.
- 3.15.12 All re-usable materials such as concrete blocks, slabs, kerbs, gutters, channels and stormwater inlets must be removed with care and re-used if possible. Any surplus material must be returned to the Roads and Transportation stores. The address will be available at the Service Coordinator.
- 3.15.13 If any street furniture (e.g. street names, traffic signs, bus shelters, etc.) have to be removed, arrangements must be made with the relevant authority for the removal, storage and re-erection. The cost specified by the relevant authority will be for the Wayleave Holders account.
- 3.15.14 Where excavations are made through entrances to properties, access must be

maintained by using steel plates, planks or other temporary bridges of sufficient strength that are adequately secured against movement. The occupants of the properties must be kept informed at all times of how their accesses will be affected.

3.15.15 The cleaning up of the construction site and the Reinstated to its previous condition is considered part of the Work and must be completed within 14 days after Reinstatement of the trench has been done. If the Wayleave Holder fails to do so, action will be taken by the Council as indicated in Sections 3.5.12 – 3.5.14.

3.15.16 Where a roadway is crossed, a non refundable Roadway Open Trench Fee will apply as well as outlined in the Municipal Tariffs.

3.15.17 Where a road crossing is planned and executed the Wayleave Holder shall provide three 110mm dai sleeves and one 160mm dai sleeve.

3.15.18 Road crossing to be clearly mark and painted in yellow on sidewalk.  
~~3.15.16-~~

~~3.15.17~~3.15.19 Backfilling of road crossings: excavated material CANNOT be used to backfill road crossing trenches. The Wayleave Approval will specify the acceptable backfilling material. All excavated material must be removed from site ~~as soon as possible~~ before backfilling to avoid reuse.

### 3.16 Trenchless Methods

3.16.1 If trenchless methods are used, disruption of traffic flow and pedestrian movements can be reduced considerably or totally eliminated. However, it is crucial that the Wayleave Holder using such methods must have all the necessary equipment and expertise to complete the Work successfully. The trenchless method can be used for all road categories but shall be used for all roads classified as "Restricted" (Refer to Sections 3.7 & 3.8).

3.16.1 The position of existing Services must be located accurately. If any Services are damaged, the Wayleave Holder will be responsible for all costs.

3.16.2 The depth to the top of any tunnel that is drilled for the installation of new Services must be at least 800 mm measured from the lowest level of the road surfacing.

3.16.3 Where a directional drilling is planned and executed the Wayleave Holder shall provide and additional sleeve for future municipal use.

3.16.4 Direction drilling to be clearly mark and painted in yellow on sidewalk.  
~~3.16.2~~

### 3.17 Emergency Work

3.17.1 Emergency Work is defined as any Work that is required to prevent or end a dangerous situation, to prevent or end an unplanned interruption in the supply of a Service, or to avoid any substantial losses. It is important to note that a lack of proper planning of Work to be carried out will not justify Emergency Work, and such activities will be stopped by the Service Co-ordinator.

3.17.2 A categorised list of Emergency Work will be maintained by the Service Coordinator. It will serve as a guideline for Service Agencies as well as the Service Co-ordinator in determining whether Work is an Emergency.

3.17.3 The Service Coordinator will provide an emergency number for the use of Service Agencies that requires information on the position of Services in the area where Emergency Work is to be carried out.



- 3.17.4 The Service Coordinator must be notified in writing within one working day from commencing with Emergency Work. The Emergency notification certificate must be used for this purpose. If the Service Co-ordinator is not notified within 24 hours from the first working day, the Work will be reinstated by the Service Coordinator, and the cost thereof will be invoiced against the Service Agency. The Emergency notification document can be obtained from the Service Co-ordinator.
- 3.17.5 The emergency notification must always be certified by an Authorised Agent of the Service Agency as an emergency situation that requires their immediate attention.

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- 3.17.6 Emergency Work must be done in accordance with all procedures as set out in paragraph 3.15 above and specifications applicable to the type of Work as set out in the Municipality's specifications.
- 3.17.7 Backfilling must be done immediately, and full Reinstatement of the area must be done as soon as possible in accordance with the provisions of paragraph 3.19 below.
- 3.17.8 The responsibility remains with the Service Agency to ensure that their drawing information is updated according to the alterations made during the Emergency Work.

### **3.18 Routine Maintenance Work**

- 3.18.1 Routine Maintenance Work is defined as all types of Work involved with maintaining the Services in the public road reserves and does not require excavation, traffic control or Reinstatement of the public road reserves as part of the Work.
- 3.18.2 A categorised list of Routine Maintenance Work will be maintained by the Service Coordinator. It will serve as a guideline for Service Agencies as well as the Service Coordinator in determining whether Work is Routine Maintenance Work.
- 3.18.3 Such Work can include inter alia:
  - 3.18.3.1 Any Work that relates to maintaining the vegetation in the road reserve through cutting planting, removing or relocating of plants.
  - 3.18.3.2 The placement of advertising material on or within structures pre-erected for that purpose.
  - 3.18.3.3 Temporary diversion of traffic for public events, i.e. sport, mass action, parades.

### **3.19 Backfilling and Reinstatement**

- 3.19.1 Any trenching activity disturbs the structural integrity of a road or footway. Backfilling and Reinstatement must, therefore, be done in such a way as to ensure that the reinstated trench and its immediate surroundings do not fail structurally, thus resulting in road user discomfort and increased costs.
- 3.19.2 Backfilling refers to the replacement of the structural layers in the trench or excavation and includes the base, sub-base, selected subgrade and subgrade, but exclude the surfacing.
- 3.19.3 Reinstatement refers to replacing the bituminous surfacing or paving blocks in the case of roads, or the paving blocks, paving slabs, bituminous surfacing or grass in the case of footways and verges.
- 3.19.4 Backfilling must in all cases be done by the Wayleave Holder in accordance with the Council's specifications. The Service Agency is responsible for the maintenance of the site in a safe condition until the final Reinstatement has been done.
- 3.19.5 Permanent Reinstatement must be done by all external Service Agencies within five (5) working days. Reinstatement of the public road reserves will be done by the Council's Roads, Transportation and Stormwater Sub-Unit only for internal Council Service Agencies, upon receipt of a notification from the respective Municipal Department that the Work has been completed.

- 3.19.6 The Wayleave Holder must obtain prior written approval from the Council's Roads, Transportation and Stormwater Sub-Unit for the project specification to be used for backfilling public road reserves. The proposed specification shall be submitted to the Council's Roads, Transportation and Stormwater Sub-Unit, who shall provide written comments on the specification, or an alternative specification, within seven working days after the receipt of the request.
- 3.19.7 Permanent Backfilling and Reinstatement done by the Wayleave Holder will be subject to a guarantee period of one year based on the performance specifications described in the specifications document.
- 3.19.8 If the Reinstatement done by the Wayleave Holder fails during the one year guarantee period, the Wayleave Holder will be required to rectify the situation within 14 days of notification. If the Wayleave Holder fails to rectify it, then the Quality Control Engineer will carry out the permanent Reinstatement at the applicable rates defined by the Council and will deduct the costs from the security deposit of the Wayleave Holder.
- 3.19.9 Temporary Reinstatement must be done where the Wayleave Holder leaves the site with the view of returning to complete the Work. The Wayleave Holder must maintain this temporary Reinstatement.
- 3.19.10 The Wayleave Holder may not leave the site for more than fourteen days without permanently reinstating the site.
- 3.19.11 If a Wayleave Holder who leaves the site unattended for more than the period specified in 3.19.10, a penalty fee will be charged. The amount will be determined by the Council.

### **3.20 Certificate of Completion**

- 3.20.1 On completion of the Work, the Professional Engineer appointed by the Wayleave Holder must provide the Completion Certificate to the Service Coordinator within two working days. The Quality Control Engineer will then set up a site meeting with the Wayleave Holder to carry out an inspection and will sign off the Certificate of Completion if all requirements have been met. The 12-month guarantee period for Reinstatements by the Wayleave Holder then commences.
- 3.20.2 Completion of the Work means that all Work has been completed, the Reinstatement has been done by the Wayleave Holder and that all materials, equipment and rubble have been removed and the site is completely cleared and cleaned. Furthermore, it requires that all applicable documentation and as-built drawings as specified on the Wayleave form have been handed to the Service Coordinator for recording.
- 3.20.3 If Work involves more than one street link (street block), then a Completion Notice must be submitted after completion of each phase of the Work.

### **3.21 Policy Enforcement**

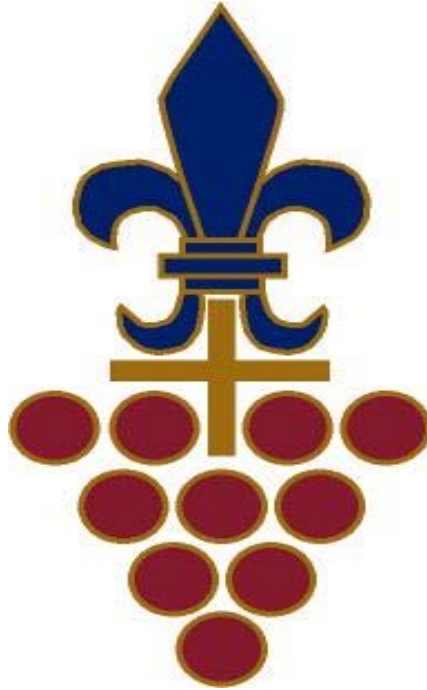
- 3.21.1 Council reserves its right to exercise its discretion in the implementation and enforcement of this Policy.
- 3.21.2 Notwithstanding any penalty or remedy expressly provided for in this Policy; the Council reserves the right to exercise any other legal remedy it may have in enforcing this Policy.

### 3.22 Exemption, Appeal and Revoking

- 3.22.1 The Accounting Officer may, upon written motivation by a Wayleave Applicant or Wayleave Holder or the Wayleave Service Co-ordinating Department, and after having considered any comment and advice on such motivation by other interested parties, authorise a deviation from this Policy or revoking of an approved wayleave. Such deviation or revoking shall be subject to such conditions as the Accounting Officer may stipulate in writing.
- 3.22.2 The Accounting Officer may authorise an amendment to any conditions imposed by the Council in respect of a Wayleave Approval, provided that an application for such amendment shall be referred to all interested and affected parties for comment, which comments shall be duly considered by the Accounting Officer.
- 3.22.3 Any person affected by or having an interest in the administration of this Policy shall have a right of appeal as determined in terms of S62 of the Local Government Municipal Systems Act in respect of any decision taken by the Council.

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# **STELLENBOSCH MUNICIPALITY**



## **BUDGET IMPLEMENTATION AND MONITORING POLICY**

**2022/2023**

**REVISED**



# STELLENBOSCH MUNICIPALITY

## BUDGET IMPLEMENTATION AND MONITORING POLICY

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**1. PREAMBLE**

In the spirit of the Municipal Finance Management Act, (No.56 of 2003) “ to modernize budget and financial management practices by placing local government finances on a sustainable footing in order to maximize the capacity of municipalities to deliver services to all residents customers, users and investors” and,

Whereas chapter 4 of the Municipal Finance Management Act, (No 56 of 2003) determines that a municipality may, except where otherwise provided in the Act, incur expenditure only in terms of an approved budget; and within the limits of the amounts appropriated for the different votes in an approved budget,

In terms of the Budget and Reporting Regulations the municipality has to adopt a policy which includes the following:

1. a policy dealing with the shifting of funds within votes
2. a policy dealing with the introduction of adjustment budgets
3. policies dealing with unforeseen and unavoidable expenditure
4. policies dealing with management and oversight

Therefore the Stellenbosch Municipality revised its Budget Policy to give effect to the Budget and Reporting Regulations as set out in this policy.

## 2. DEFINITIONS

**"Accounting officer"** means a person appointed in terms of section 82(l) (a) or (b) of the Municipal Structures Act;

**"Allocation"**, means-

- (a) a municipality's share of the local government's equitable share referred to in section 214(l) (a) of the Constitution;
- (b) an allocation of money to a municipality in terms of section 214(1) (c) of the Constitution;
- (c) an allocation of money to a municipality in terms of a provincial budget; or
- (d) any other allocation of money to a municipality by an organ of state, including by another municipality, otherwise than in compliance with a commercial or other business transaction;

**"Annual Division of Revenue Act"** means the Act of Parliament, which must be enacted annually in terms of section 214 (1) of the Constitution;

**"Approved budget,"** means an annual budget-

- (a) approved by a municipal council, or
- (b) includes such an annual budget as revised by an adjustments budget in terms of section 28 of the MFMA;

**"Basic Municipal Service"** means a municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety or the environment;

**"Budget-related Policy"** means a policy of a municipality affecting or affected by the annual budget of the municipality, including-

- (a) the tariff policy, which the municipality must adopt in terms of section 74 of the Municipal Systems Act;
- (b) the rates policy which the municipality must adopt in terms of legislation regulating municipal property rates; or
- (c) the credit control and debt collection policy, which the municipality must adopt in terms of section 96 of the Municipal Systems Act;



**"Budget transfer"** means transfer of funding within a function / vote subject to limitations.

**"Budget Year"** means the financial year of the municipality for which an annual budget is to be approved in terms of section 16(1) of the MFMA;

**"Chief Financial Officer"** means a person designated in terms of section 80(2) (a) of the MFMA;

**"councillor"** means a member of a municipal council;

**"current year"** means the financial year, which has already commenced, but not yet ended;

**"delegation"**, in relation to a duty, includes an instruction or request to perform or to assist in performing the duty;

**"executive mayor"** means the councillor elected as the executive mayor of the municipality in terms of section 55 of the Municipal Structures Act;

**"financial recovery plan"** means a plan prepared in terms of section 141 of the MFMA

**"financial year"** means a twelve months period commencing on 1 July and ending on 30 June each year

**"financing agreement"** includes any loan agreement, lease, and instalment purchase contract or hire purchase arrangement under which a municipality undertakes to repay a long-term debt over a period of time;

**"fruitless and wasteful expenditure"** means expenditure that was made in vain and would have been avoided had reasonable care been exercised;

**"irregular expenditure"**, means-

- (a) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the MFMA , and which has not been condoned by Council (b) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the Municipal Systems Act, and which has not been condoned in terms of that Act;
- (b) expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Public Office-Bearers Act, 1998 (Act No. 20 of 1998); or

(c) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality or entity or any of the municipality's by-laws giving effect to such policy, and which has not been condoned in terms of such policy or by-law, but excludes expenditure by a municipality which falls within the definition of "unauthorised expenditure";

**"investment/s"**, in relation to funds of a municipality, means-

- (a) the placing on deposit of funds of a municipality with a financial institution; or
- (b) the acquisition of assets with funds of a municipality not immediately required, with the primary aim of preserving those funds;

**"local community"** has the meaning assigned to it in section 1 of the Municipal Systems Act;

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

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

**"long-term debt"** means debt repayable over a period exceeding one year;

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

**"municipality"**-

- (a) when referred to as a corporate body, means a municipality as described in section 2 of the Municipal Systems Act; or
- (b) when referred to as a geographic area, means a municipal area determined in terms of the Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998);

**"municipal service"** has the meaning assigned to it in section 1 of the Municipal Systems Act (refer to the MSA for definition);

**"municipal tariff"** means a tariff for services which a municipality may set for the provision of a service to the local community, and includes a surcharge on such tariff;

**"National Treasury"** means the National Treasury established by section 5 of the Public Finance Management Act;

**"official"**, means-

- (a) an employee of a municipality or municipal entity;
- (b) a person seconded to a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity; or
- (c) a person contracted by a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity otherwise than as an employee;

**"overspending"**-

- (a) means causing the operational or capital expenditure incurred by the municipality during a financial year to exceed the total amount appropriated in that year's budget for its operational or capital expenditure, as the case may be;
- (b) in relation to a vote, means causing expenditure under the vote to exceed the amount appropriated for that vote; or
- (c) in relation to expenditure under section 26 of the MFMA, means causing expenditure under that section to exceed the limits allowed in subsection (5) of this section;

**"quarter"** means any of the following periods in a financial year:

- (a) 1 July to 30 September;
- (b) 1 October to 31 December;
- (c) 1 January to 31 March; or
- (d) 1 April to 30 June;

**"service delivery and budget implementation plan"** means a detailed plan approved by the executive mayor of a municipality in terms of section 53(l)(c)(ii) of the MFMA for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate-

- (a) projections for each month of-
  - (i) revenue to be collected, by source; and
  - (ii) operational and capital expenditure, by vote;
- (b) service delivery targets and performance indicators for each quarter; and
- (c) any other matters that may be prescribed, and includes any revisions of such plan by the executive mayor in terms of section 54(l) (c) of the MFMA;

**"unauthorised expenditure"**, means any expenditure incurred by a municipality otherwise than in accordance with section 15 or 11(3) of the MFMA, and includes-

- (a) overspending of the total amount appropriated in the municipality's approved budget;
- (b) overspending of the total amount appropriated for a vote in the approved budget;
- (c) expenditure from a vote unrelated to the department or functional area covered by the vote;
- (d) expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;
- (e) spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of "allocation" otherwise than in accordance with any conditions of the allocation; or
- (f) a grant by the municipality otherwise than in accordance with the MFMA;

**"virement"** refer to the definition of budget transfer

**"vote"** means-

- (a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the
- (b) municipality; and
- (c) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

### **3. OBJECTIVES OF POLICY**

The objective of the budget policy is to:

- a) Set out the principles which the municipality will follow in preparing each medium term revenue and expenditure framework budget
- b) Outline the responsibilities of the executive mayor, the accounting officer, the chief financial officer and other senior managers in compiling the budget
- c) Establish and maintain procedures to ensure adherence to Stellenbosch Municipality's Integrated Development Plan (IDP) review and budget processes
- d) Give effect to the requirements and stipulations of the Municipal Finance Management Act and Municipal Budget and Reporting Framework in terms of the planning, preparation and approval of the annual and adjustments budgets

The policy shall apply to all staff and councillors of the Stellenbosch Municipality that are involved in budget implementation.

## 4. BUDGET PREPARATION PROCESS

### 4.1 Budget Steering Committee

- a) The mayor of a municipality must establish a budget steering committee to provide technical assistance to the mayor in discharging the responsibilities set out in section 53 of the Act.
- b) The steering committee must consist of at least the following persons:
- I. the councillor responsible for financial matters;
  - II. the Municipal Manager;
  - III. the Chief Financial Officer;
  - IV. the senior managers responsible for at least the three largest votes in the municipality;
  - V. the manager responsible for budgeting;
  - VI. the manager responsible for planning; and
  - VII. any technical experts on infrastructure.

### 4.2 Roles and responsibilities

#### 4.2.1 Executive Mayor

- a) As provided in Section 21(1) of the MFMA, the Mayor is responsible for:
- I. Co-ordinating the process for preparing the annual budget and for reviewing the Integrated Development Plan (“IDP”) and budget related-policies;
  - II. Tabling in the council a time schedule outlining key deadlines.
- b) In addition, as provided in Section 21(2) of the MFMA, for purposes of preparing the budget, the Mayor is required to:
- I. Take into account the Municipality’s IDP;
  - II. Take all reasonable steps to ensure that the Municipality revises the IDP;
  - III. Take into account the national budget, the provincial budget, the national government’s fiscal and macro-economic policy, the Annual Division of Revenue Act and any agreements reached in the budget forum;

- IV. Consult the relevant district municipality, if applicable, and local municipalities within the district, the provincial treasury, and when requested, the national treasury, and any national organs of state as may be prescribed;
  - V. Provide on request information to the National Treasury and other organs of state and other municipalities affected by the budget.
- c) Pursuant to Section 52 of the MFMA the mayor must:
- I. provide general political guidance over the fiscal and financial affairs of the municipality;
  - II. in providing such general political guidance. may monitor and. to the extent provided in
  - III. the MFMA, oversee the exercise of responsibilities assigned in terms of the MFMA to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities;
  - IV. must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget;
  - V. must within 30 days of the end of each quarter. submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality; and
  - VI. must exercise the other powers and perform the other duties assigned to the mayor in terms of the MFMA or delegated by the council to the mayor.
- d) As Required by Section 53 of the MFMA, the mayor must:
- I. provide general political guidance over the budget process and the priorities that must guide the preparation of a budget;
  - II. co-ordinate the annual revision of the integrated development plan in terms of section 34 of the Municipal Systems Act and the preparation of the annual budget, and determine how the integrated development plan is to be taken into account or revised for the purposes of the budget; and
  - III. take all reasonable steps to ensure that:
    - a. the municipality approves its annual budget before the start of the budget year;
    - b. the municipality's service delivery and budget implementation plan is approved by the mayor within 28 days after the approval of the budget; and

- c. the annual performance agreements as required in terms of section 57(1)(6) of the Municipal Systems Act, for the municipal manager and all senior managers comply with the MFMA and in particular, the provisions of Section 53(1)(c)(iii) of the MFMA;
- iv. promptly report to the municipal council and the MEC for finance in the province any delay in the tabling of an annual budget, the approval of the service delivery and budget implementation plan or the signing of the annual performance agreements referred to above; and
- v. ensure-
  - a. that the revenue and expenditure projections for each month and the service delivery targets and performance indicators for each quarter, as set out in the service delivery and budget implementation plan, are made public no later than 14 days after the approval of the service delivery and budget implementation plan; and
  - b. that the performance agreements of the municipal manager, senior managers and any other categories of officials as may be prescribed are made public no later than 14 days after the approval of the municipality's service delivery and budget implementation plan. Copies of such performance agreements must be submitted to the council and the MEC for local government in the province.

#### 4.2.2 Accounting Officer

- a. The Accounting Officer shall provide technical and administrative support to the Executive Mayor in the preparation and approval of the annual and adjustment budgets, as well as the consultative process and the furnishing of information.
- b. The Accounting Officer shall ensure that all heads of departments provide the inputs required by the Chief Financial Officer for the purpose of preparing the budget.
- c. The Accounting Officer shall delegate to the Chief Financial Officer all such powers as may be necessary for the Chief Financial Officer to prepare the budgets.

#### 4.2.3 Chief Financial Officer

- a. The Chief Financial Officer shall provide technical and administrative support to the Executive



Mayor in the preparation and approval of the annual and adjustment budgets, as well as the consultative process and the furnishing of information.

- b. The Chief Financial Officer shall be responsible for preparing the budgets, as delegated by the Accounting Officer.
- c. The Chief Financial Officer shall ensure that the annual and adjustments budgets comply with the requirements of the National Treasury, reflect the budget priorities determine by the mayor, are aligned with the IDP, and comply with all budget-related policies, and shall make recommendations to the mayor on the revision of the IDP and the budget-related policies where these are indicated.

#### 4.2.4 Directors directly accountable to the Accounting Officer

- a. Directors shall provide technical and administrative support to the Executive Mayor in the preparation and approval of the annual and adjustment budgets, as well as the consultative process and the furnishing of information.

### **4.3 Public participation process**

a) Immediately after the draft resolutions of the annual budget is tabled in a municipal council, the Accounting Officer of the municipality must— in accordance with Chapter 4 of the Municipal Systems Act-

- I. make public the annual budget and the documents referred to in section 17(3); and
- II. invite the local community to submit representations in connection with the budget; and
- III. submit the annual budget—(draft budget)
- IV. in both printed and electronic formats to the National Treasury and the relevant provincial treasury as prescribed by National Treasury-; and
- V. in either format to any prescribed national or provincial organs of state and to other municipalities affected by the budget.

b) When the annual budget has been tabled, the municipal council must consider any views of-

- I. the local community; and
- II. the National Treasury, the relevant provincial treasury and any provincial or national organs of state or municipalities which made submissions on the budget.

c) The Municipal Manager must also make public any information that the municipal council considers appropriate to facilitate the budget consultation process, including:

- i. Summaries of the annual budget and supporting documents in alternate language predominant in the community; and
- ii. Information relevant to each ward in the municipality
- iii. All the information contemplated in sub-regulation (c) must cover
- iv. The relevant financial and service delivery implications of the annual budget; and
- v. At least the previous year's actual outcome, the current year's forecast outcome, the budget year, and the following two years.

d) When submitting the annual budget to the National Treasury and the relevant provincial treasury, the municipal manager must also submit to National Treasury and the relevant provincial treasury, both in printed and electronic form –

- I. The supporting budget documentation as tabled in the municipal council;
- II. The draft Service Delivery and Budget Implementation Plan (SDBIP); and
- III. Any other information as may be required by National Treasury.

e) The Municipal Manager must send copies of the annual budget and supporting documentation as tabled in the municipal council, in both printed and electronic form to:

- I. Any other municipality affected by the annual budget within ten working days of the annual budget being tabled in the municipal council; and
- II. Any organ of state on receipt of a request from the organ of state.

f) After considering all budget submissions, the council must give the Executive Mayor an opportunity-

- I. to respond to the submissions; and
- II. if necessary, to revise the budget and table amendments for consideration by the council.

g) Within consideration of the approval of the Annual Budget and thirty (30) days before the start of the budget year the Executive Mayor must table the following documents in the Council in consideration of the annual budget approval

- I. A report summarizing the local community's views on the annual budget;

- II. Any comments on the annual budget received from National Treasury and Provincial Treasury;
  - III. Any comments on the annual budget received from any organ of state, including any affected municipality; and
  - IV. Any comments on the annual budget received from any other stakeholders.
- h) The Municipal Manager must assist the Executive Mayor in the preparation of the documents referred to in sub-regulation (g) and 23 (2) of the Act.

#### **4.4 Approval of the budget**

- (a) Council shall consider the medium term revenue and expenditure framework budget (MTREF) for approval not later than 31 May (30 days before the start of the budget year).
- (b) The council resolution must contain budget policies and the performance measures to be adopted.
- (c) The council must consider the full implications, financial or otherwise, of the annual budget and supporting documentation before approving the annual budget.
- (d) When approving the annual budget, the council must consider and adopt separate resolutions dealing with each of the matters contemplated.
- (e) Should the municipality fail to approve the budget before the start of the budget year, the executive mayor must inform the MEC for Finance that the budget has not been approved.
- (f) The budget tabled to Council for approval shall include the following supporting documents:
  - I. draft resolutions approving the budget and levying property rates, other taxes and
  - II. tariffs for the financial year concerned;
  - III. measurable performance objectives for each budget vote, taking into account the
  - IV. municipality's IDP;
  - V. the projected cash flows for the financial year by revenue sources and expenditure
  - VI. votes;
  - VII. any proposed amendments to the IDP;
  - VIII. any proposed amendments to the budget-related policies;
  - IX. particulars of any proposed allocations or grants to other municipalities, municipal
  - X. entities, external mechanisms assisting the municipality in service delivery, other

- XI. organs of state, and organizations such as non- governmental organizations,
- XII. welfare institutions and so on;
- XIII. particulars of the municipality's investments;
- XIV. particulars of any proposed service delivery agreements, including material
- XV. amendments to existing service delivery agreements;
- XVI. the proposed cost to the municipality for the budget year of the salary, allowances
- XVII. and benefits of-

- (i) each political office-bearer of the municipality;
- (ii) councillors of the municipality; and
- (iii) the municipal manager, the chief financial officer, each senior manager of the municipality and any other official of the municipality having a remuneration package greater than or equal to that of a senior manager;

#### **4.5 Service Delivery and Budget Implementation Plan (SDBIP)**

a) The Executive Mayor must approve the Service Delivery and Budget Implementation Plan not later than 28 days after the approval of the Budget by Council, and within ten days (10) after the Executive Mayor has approved the Plan it has to be made public.

b) The SDBIP shall include the following components:

- I. Projections for each month of Revenue to be collected, by source, and Operational and capital expenditure, by vote;
- II. Service delivery targets and performance indicators for each quarter;
- III. Monthly projections of revenue to be collected for each source;
- IV. Monthly projections of expenditure (operating and capital) and revenue for each vote;
- V. Quarterly projections of service delivery targets and performance indicators for each vote;
- VI. Information for expenditure and delivery; and
- VII. Detailed capital works plan.

## **5. BUDGET PRINCIPLES**

- a) The municipality shall ensure that revenue projections in the budget are realistic taking into account actual collection levels. The expenses may only be incurred in terms of the approved annual budget (or adjustments budget) and within the limits of the amounts appropriated for each vote in the approved budget.
- b) Stellenbosch Municipality shall prepare a three-year budget (medium term revenue and expenditure framework (MTREF)) which will be reviewed annually and will be approved by Council. The MTREF budget will at all times be within the framework of the Municipal Integrated Development Plan (IDP).
- c) The annual budget will consist of a Capital and Operating Budget which will be discussed below:

### **5.1 Capital Budgets**

- a) The capital budget refers to the allocations made to specific infrastructural projects and the purchase of equipment and other forms of assets having a lifespan of more than one year.

#### **5.1.1 Basis of Calculation**

- a) The zero based method is used in preparing the annual capital budget, except in cases where a contractual commitment has been made that would span over more than one financial year.
- b) The annual capital budget shall be based on realistically anticipated revenue (capital loans to be taken up will be deemed to be part of this), which should be equal to the anticipated capital expenditure in order to result in a balanced budget.
- c) The impact of the capital budget on the current and future operating budgets in terms of finance charges to be incurred on external loans, depreciation of fixed assets, maintenance of fixed assets and any other operating expenditure to be incurred resulting directly from the capital expenditure, should be carefully analyzed when the annual capital budget is being compiled.
- d) In addition, the council shall consider the likely impact of such operational expenses- net of any revenues expected to be generated by such item- on future property rates and service tariffs.

## 5.1.2 Financing

### 1. Own Financing Sources

The Council shall establish a Capital Replacement Reserve (CRR) for the purpose of financing capital projects and the acquisition of capital assets. Such reserve shall be established from the following:

- a) unappropriated cash-backed surpluses to the extent that such surpluses are not required for operational purposes;
- b) further amounts appropriated as contributions in each annual or adjustments budget; and
- c) net gains on the sale of fixed assets in terms of the fixed asset management and accounting policy.

### 2. Other Finance Sources

The Ad- Hoc capital budget shall be financed from external sources such as the following:

- a) Grants and subsidies as allocated in the annual Division of Revenue of Act;
- b) Grants and subsidies as allocated by Provincial Government;
- c) External Loans;
- d) Private Contributions;
- e) Contributions from the Capital Development Fund (developer's contributions); and
- f) Any other financing source secured by the local authority.

## 5.1.3 Implementation

- a) After the budget has been approved, the service delivery and budget implementation plan (SDBIP) should be compiled.
- b) The SDBIP must be tabled to the Mayor within 28 days after aforementioned approval.
- c) Each director has to indicate the intended spending patterns of both their capital and operating budgets. (Cash flows)
- d) These listed cash flows are consolidated into the Service Delivery and Budget Implementation Plan of the organisation.

- e) The SDBIP will be monitored on a monthly basis where actual spending will be compared with the planned spending as indicated by the directors at the beginning of the year.
- f) Each directorate can use their respective vote numbers as indicated on the capital budget

## 5.2 Operational Budget

The operational budget refers to the funds that would be raised in the delivery of basic services, grants & subsidies and any other municipal services rendered. These funds are in turn used to cover the expenses incurred in the day to day running of the organization.

### 5.2.1 Basis of Calculation

- a) A zero based approach is used in preparing the annual operating budget.
- b) The annual operating budget shall be based on realistically anticipated revenue.
- c) An income based approach shall be used whereby realistically anticipated income is determined first and the level of operating expenditure would be based on the determined income flows.

### 5.2.2 Financing

The operating budget shall be financed from the following sources:

- a) Service Charges
  - (i) Electricity Charges
  - (ii) Water Sales
  - (iii) Refuse Removal Fees
  - (iv) Sewerage Fees

*Increases in tariffs should be cost reflective.*

- b) Property rates

*Increases in rates will as far as possible be limited to inflation.*

c) Grants & Subsidies

Grants and subsidies shall be based on all the gazetted grants and subsidies plus all other subsidies received by the organization.

d) Interest on Investments

The budget for interest and investment shall be in accordance with the Cash Management and Investment policy of the organization.

e) Rental Fees

Income from rental property will be budgeted for based on the percentage growth rate as determined by Financial Services for a particular budget year.

f) Fines

Income from fines will be budgeted for based on the actual ~~income received~~fines issued in the preceding year (calculated on the basis of actual ~~receipts until~~fines issued till end of February of each year, extrapolated over 12 months) and the percentage growth rate as determined by Financial Services for a particular budget year.

g) Other Income

All other income items will be budgeted for based on the actual income received in the preceding year (calculated on the basis of actual receipts until end of February of each year, extrapolated over 12 months) and the percentage growth rate as determined by Financial Services for a particular budget year.

### 5.2.3 Implementation

- a) After the budget has been approved, the service delivery and budget implementation plan (SDBIP) is compiled.



- b) The SDBIP must be tabled to the Mayor within 28 days after aforementioned approval.
- c) Each director has to indicate the intended spending patterns of both their capital and operating budgets. (Cash flows)
- d) These listed cash flows are consolidated into the Service Delivery and Budget Implementation Plan of the organisation.
- e) The SDBIP will be monitored on a monthly basis where actual spending will be compared with the planned spending as indicated by the directors at the beginning of the year.
- f) Each directorate can use their respective vote numbers as indicated on the capital budget.

### **5.3 Contents of the Budget**

- a) The budget must comply with the provisions of Section 17(1) of the MFMA, and in particular:
  - i. The budget must be in the format prescribed by the regulations;
  - ii. The budget must reflect the realistically expected revenues by major source for the budget year concerned;
  - iii. The expenses reflected in the budget must be divided into the votes of the various departments of the municipality;
  - iv. The budget must also contain:
    - 1. the foregoing information for the two years immediately succeeding the financial year to which the budget relates;
    - 2. the actual revenues and expenses for the previous financial year , and
    - 3. the estimated revenues and expenses for the current year.
- b) The budget must be accompanied by all of the documents referred to in Section 17(3) of the MFMA.
- c) For the purposes of Section 17(3) (k) of the MFMA, the salary, allowances and benefits of each group referred to therein must be stated individually.

## 5.4 Components of the Budget

a) The annual budget and adjustments budget shall, as required by Section 17(2) of the MFMA consist of:

- I. the Ccapital component, and
- II. Othe Operating component
- III. Cash flow budget
- ~~IV.~~ Balance sheet budget.

b) The operating component shall duly reflect the impact of the capital component on:

- I. Compensation of employees & Remuneration of Councillors~~Councillors~~
- II. Bulk Service Expenses~~Purchases~~
- ~~III.~~ Debt impairment
- ~~IV.~~ Depreciation charges;
- ~~V.~~ Repairs and maintenance expenses;
- VI. Interest payable on external borrowings~~Finance charges;~~
- VII. Inventory consumed;
- VIII. Contracted services;
- ~~IX.~~ Transfer and subsidies; and~~and~~
- ~~X.~~ Other operating expenses.

c) Before approving the capital budget component of the annual or adjustments budget, the council shall consider the impact of the capital component on the present and future operating budgets of the municipality in relation to the items referred to:

- I. The projected cost covering all financial years until the project is operational;
- II. The future operational costs and revenue on the project, including municipal tax and tariff implications.
- III. All capital projects have an effect on future operating budgets. The following cost factors must therefore be considered before approval:
  - 1) Additional personnel cost to staff new facilities once operational;
  - 2) Additional contracted services, such as security, cleaning etc.
  - 3) Additional general expenditure, such as services cost, stationery, telephones, material etc.

- 4) Additional other capital requirements to operate the facility, such as vehicles, plant and equipment, furniture and office equipment etc.
- 5) Additional costs to maintain the assets;
- 6) Additional interest and redemption in the case of borrowings;
- 7) Additional depreciation charges;
- 8) Additional revenue generation. The impact of expenditure items must be offset by additional revenue generated to determine the real impact on tariffs.

## 6. ADJUSTMENTS BUDGETS

- (a) Each adjustments budget shall reflect realistic excess, however nominal, of current revenues over expenses.
- (b) The eChief fFinancial Qofficer shall ensure that the adjustments budgets comply with the requirements of the National Treasury, reflect the budget priorities determined by the executive mayor, are aligned with the IDP, and comply with all budget-related policies, and shall make recommendations to the executive mayor on the revision of the IDP and the budget-related policies where these are indicated.
- (c) Council may revise its annual budget by means of an adjustments budget as regulated.
- (d) The Accounting Officer must promptly adjust its budgeted revenues and expenses if a material under-collection of revenues arises or is apparent.
- (e) The Accounting Officer shall appropriate additional revenues, which have become available but only to revise or accelerate spending programmes already budgeted for or any areas of critical importance identified by Council in compliance with Item 2 of Section 10.
- (f) The Council shall in such adjustments budget, and within the prescribed framework, confirm unforeseen and unavoidable expenses on the recommendation of the Executive Mayor.
- (g) Only the Executive mayor shall table an adjustment budget. Adjustments budget shall be done once as part of the mid-year budget performance assessment.
- (h) An adjustments budget must contain all of the following:
  - i. an explanation of how the adjustments affect the approved annual budget

- II. appropriate motivations for material adjustments; and
  - III. an explanation of the impact of any increased spending on the current and future annual budgets.
- (i) Any unappropriated surplus from previous financial years, even if fully cash-backed, may not be used to balance any adjustments budget, but may be appropriated to the municipality's capital replacement reserve.
  - (j) Municipal taxes and tariffs may not be increased during a financial year except if required in terms of a financial recovery plan and or per National Treasury Regulations.
  - (k) Unauthorised expenses may be authorised in an adjustments budget.

### **6.1 Formats of adjustments budgets**

- (a) An adjustment budget and supporting documentation of a municipality must be in the format specified by National Treasury and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.

### **6.2 Funding of the adjustments budgets**

- (a) An adjustments budget of a municipality must be appropriately funded.
- (b) The supporting documentation to accompany an adjustments budget in terms of section 28(5) of the Act must contain an explanation of how the adjustments budget is funded.

### **6.3 Timeframes for tabling of adjustments budgets**

- (a) An adjustments budget referred to in section 28(2)(b), (d) and (f) of the Act may be tabled in the municipal council at any time during the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the current year.
- (b) Only one adjustments budget referred to in subregulation (1) may be tabled in the municipal council during a financial year, except when the additional revenues contemplated in section 28(2)(b) of the

Act are allocations to a municipality in a national or provincial adjustments budget, in which case subregulation (3) applies.

- (c) If a national or provincial adjustments budget allocates or transfers additional revenues to a municipality, the mayor of the municipality must, at the next available council meeting, but within 60 days of the approval of the relevant national or provincial adjustments budget, table an adjustments budget referred to in section 28(2)(b) of the Act in the municipal council to appropriate these additional revenues.
- (d) An adjustments budget referred to in section 28(2)(c) of the Act must be tabled in the municipal council at the first available opportunity after the unforeseeable and unavoidable expenditure contemplated in that section was incurred within the period set in section 29(3) of the Act.
- (e) An adjustments budget referred to in section 28(2)(e) of the Act may only be tabled after the end of the financial year to which the roll-overs relate, and must be approved by the municipal council by 25 August of the financial year following the financial year to which the roll-overs relate.
- (f) An adjustments budget contemplated in section 28(2)(G) of the Act may only authorise unauthorised expenditure as anticipated by section 32(2)(a)(i) of the Act, and must be –
- (g) dealt with as part of the adjustments budget contemplated in subregulation (1); and
- (h) a special adjustments budget tabled in the municipal council when the mayor tables the annual report in terms of section 127(2) of the Act, which may only deal with unauthorised expenditure from the previous financial year which the council is being requested to authorise in terms of section 32(2)(a)(i) of the Act.

#### **6.4 Submission of tabled adjustments budgets**

- (a) The municipal manager must comply with section 28(7) of the Act, read together with section 22(b)(i) of the Act, within ten working days after the mayor has tabled an adjustments budget in the municipal council.
- (b) When submitting the tabled adjustments budget to the National Treasury and the relevant provincial treasury in terms of section 28(7) of the Act, read together with section 22(b)(i) of the Act, the municipal manager must submit in both printed and electronic form

- i. the supporting documentation referred to in section 28(5) of the Act within ten working days of the adjustments budget being tabled in the municipal council; and
  - ii. any other information as may be required by National Treasury.
- (b) The municipal manager must send copies of an adjustments budget and supporting documentation, in both printed and electronic form to –
- i. any other municipality affected by that adjustments budget within ten working days of the adjustments budget being tabled in the municipal council; and
  - ii. any other organ of state on receipt of a request from that organ of state.

### **6.5 Approval of adjustment budget**

- (i) A municipal council must consider the full implications, financial or otherwise, of the adjustments budget and supporting documentation referred to in section (1) (a) before approving the adjustments budget.
- (j) When approving the adjustment budget, a municipal council must consider and adopt separate resolutions dealing with each of the matters listed in item 4 of Schedule B.

### **6.6 Publications of approved adjustment budget**

- (a) Within ten 10 working days after the municipal council has approved an adjustment budget, the municipal manager must in accordance with section 21A of the Municipal Systems Act make public the approved adjustments budget and supporting documentation, as well as the resolutions referred to in section 5 (a).
- (b) When making public an adjustment budget and supporting documentation, the municipal Manager must make public awareness of the adjustment budget, including –
- (c) Summaries of the adjustment budget and supporting documentation in alternate languages predominant in the community;
- (d) Information relevant to each ward in the municipality, if that ward is affected by the adjustments budget; and

- (e) Any consequential amendment of the service delivery and budget implementation plan that is necessitated by the adjustments budget.

### 6.7 Submission of approved adjustments budget and other documents

- (a) The ~~M~~municipal Manager must comply with section 28(7) of the Act read together with section 24(3) of the Act within ten working days after the municipal council has approved and adjustments budget.
- b) When submitting an adjustments budget to National Treasury and other relevant ~~p~~Provincial ~~T~~Treasury in terms of section 28(7) of the Act read together with section 24(3) of the Act, the municipal manager must also submit to National Treasury and the relevant ~~P~~rovincial ~~T~~Treasury, I both printed and electronic form –
- i. The supporting documentation within ten working days after the municipal council has approved the adjustments budget;
  - ii. The amended service delivery and budget implementation plan, within ten working days after the council has approved the amended plan in terms of the section 54(1)(c) of the Act; and
  - iii. Any other information as may be required by the National Treasury.
- (c) The municipal manager must send copies of an adjustments budget and supporting documentation, in ~~both~~ electronic ~~and printed form to pdf format to the local government upload portal~~ –
- i. Any other municipality affected by that adjustments budget within ten (10) working days of the adjustments budget being tabled in the municipal council; and
  - ii. Any other organ of state on receipt of a request from that organ of state.

## **7. BUDGET IMPLEMENTATION**

### **7.1 Monitoring (Section 71 of MFMA)**

- (a) The Accounting Officer with the assistance of the Chief Financial Officer and other senior managers is responsible for the implementation of the budget, and must take all reasonable steps to ensure that:
- I. funds are spent in accordance with the budget;
  - II. expenses are reduced if expected revenues are less than projected; and
  - III. revenues and expenses are properly monitored.

### **7.2 Reporting**

#### **7.2.1 Monthly budget statements (Section 71 of the MFMA)**

- (b) Accounting Officer with the assistance of the Chief Financial Officer must, not later than ten working days after the end of each calendar month, submit to the Executive Mayor and Provincial and National Treasury a report in the prescribed format on the state of the municipality's budget for such calendar month, as well as on the state of the budget cumulatively for the financial year to date.
- (c) This report must reflect the following:
- i. actual revenues per source, compared with budgeted revenues;
  - ii. actual expenses per vote, compared with budgeted expenses;
  - iii. actual capital expenditure per vote, compared with budgeted expenses;
  - iv. actual borrowings, compared with the borrowings envisaged to fund the capital budget;
  - v. the amount of allocations received, compared with the budgeted amount;
  - vi. actual expenses against allocations, but excluding expenses in respect of the equitable share;
  - vii. explanations of any material variances between the actual revenues and expenses as indicated above and the projected revenues by source and expenses by vote as set out in the service delivery and budget implementation plan;



- viii. the remedial or corrective steps to be taken to ensure that the relevant projections remain within the approved or revised budget; and
- ix. projections of the revenues and expenses for the remainder of the financial year, together with an indication of how and where the original projections have been revised.

### **7.2.2 Quarterly Reports (Section 52 of MFMA)**

- (a) The Executive Mayor must submit to Council within thirty days of the end of each quarter a report on the implementation of the budget and the financial state of affairs of the municipality. The report submitted to National and Provincial Treasury must be both in electronic format and in a signed written document.

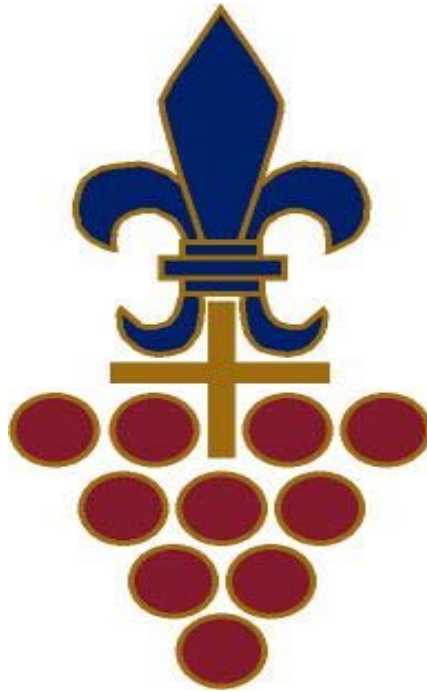
### **7.2.3 Mid-year budget and performance assessment (Section 72 and 88 of MFMA)**

- (a) The Accounting Officer must assess the budgetary performance of the municipality for the first half of the financial year, taking into account all the monthly budget reports for the first six months, the service delivery performance of the municipality as against the service delivery targets and performance indicators which were set in the service delivery and budget implementation plan.
- (b) The Accounting officer must then submit a report on such assessment to the Executive Mayor by 25 January each year and to Council, Provincial Treasury and National Treasury by 31 January each year.
- (c) The Accounting Officer may in such report make recommendations after considering the recommendation of the Chief Financial Officer for adjusting the annual budget and for revising the projections of revenues and expenses set out in the service delivery and budget implementation plan.

## **8. REVIEW OF POLICY**

- (a) This shall be reviewed on an annual basis to ensure that it is in line with the municipality's strategic objectives, good governance, prudent expenditure management and with relevant legislation.

# **STELLENBOSCH MUNICIPALITY**



## **ACCOUNTING POLICY**

**2022/2023**

**REVISED**



# STELLENBOSCH MUNICIPALITY

## ACCOUNTING POLICY

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## **1. Basis of Preparation**

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations, guidelines and directives, issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand. All figures are rounded to the nearest Rand.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

The principal accounting policies adopted in the preparation of these annual financial statements are set out below.

### **1.1 Going concern assumption**

These unaudited annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

### **1.2 Housing development fund**

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing

developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

### **1.3 Internal reserves**

#### **Capital replacement reserve (CRR)**

In order to finance the acquisition of infrastructure and other items of property, plant and equipment from internal sources, amounts are transferred from the accumulated surplus/(deficit) to the CRR in terms of the Annual Budget. The cash in the designated CRR bank account can only be utilised to finance items of property, plant and equipment. The CRR is reduced and the accumulated surplus/(deficit) is credited by a corresponding amount when the amounts in the CRR are utilised.

#### **Self-insurance reserve**

The municipality has a Self-insurance reserve to set aside amounts to offset potential losses or claims that cannot be insured externally. The balance of the self-insurance fund is invested in short-term investments. Claims are settled by transferring a corresponding amount from the self-insurance reserve to the accumulated surplus.

#### **Accumulated surplus**

The accumulated surplus/deficit represent the net difference between the total assets and the total liabilities of the municipality. Any surpluses and deficits realised during a specific financial year are credited/debited against accumulated surplus/deficit. Prior year adjustments, relating to income and expenditure, are debited/credited against accumulated surplus when retrospective adjustments are made.

### **1.4 Materiality**

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

## **1.5 Significant judgements and sources of estimation uncertainty**

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are insignificant to the annual financial statements are set out below:

### **Sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

#### **Revenue recognition**

Accounting Policy 1.16 on Revenue from Exchange Transactions and Accounting Policy 1.17 on Revenue from Nonexchange Transactions describes the conditions under which revenue will be recorded by the management of the municipality.

In concluding judgement, management considered the detailed criteria for recognition of revenue as set out in GRAP 9: Revenue from Exchange Transactions and, in particular, whether the municipality, when goods are sold, had transferred to the buyer the significant risks and rewards of ownership of the goods and when services are rendered, whether the service has been rendered. The management of the municipality is satisfied that recognition of the revenue in the current year is appropriate.

#### **Impairment of financial assets**

Accounting Policy 1.11: Financial Instruments, referring to the paragraph on impairment of financial assets, describes the process followed to determine the value with which financial assets should be impaired. In making the estimation of the impairment, the management of the municipality considered the detailed criteria of impairment of financial assets as set out in GRAP 104: Financial Instruments - Recognition and Measurement. The management of the municipality is satisfied that impairment of financial assets recorded during the year is appropriate. Details of the impairment loss calculation are provided in the applicable notes to the annual financial statements.

#### **Useful lives of property, plant and equipment and intangible assets**

As described in Accounting Policy 1.8 and 1.9 the municipality depreciates its property, plant and equipment and intangible assets over the estimated useful lives of the assets, taking into account the residual values of the assets at the end of their useful life, which is determined when the assets are brought into use.. The review of useful life and residual values of assets are only reviewed if one of the indicators of potential review is triggered.

### **Employee benefit obligations**

The municipality obtains actuarial valuations of its employee benefit obligations. The employee benefit obligations of the municipality that were identified are post-retirement health benefit obligations and long-service awards. The estimated liabilities are recorded in accordance with the requirements of GRAP 25. Details of the liabilities and the key assumptions made by the actuaries in estimating the liabilities are provided in the applicable notes to the annual financial statements.

### **Impairment of non-financial assets**

The recoverable amounts of cash-generating units have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

The recoverable amounts of individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

It is reasonably possible that the assumptions may change which may then impact our estimations and may then require a material adjustment to the carrying value of tangible assets.

### **Value in use of cash generating assets**

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including economic factors such as inflation and interest.

### **Value in use of non-cash generating assets.**

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that the impairment may have occurred, the remaining service potential of the asset is determined. The most appropriate approach selected to determine the remaining service potential is dependent on the availability of data and the nature of the impairment.

### **Provisions**

Provisions are raised and management determines an estimate based on the information available. Additional disclosures of these estimates of provisions are included in note 20 - Provisions.

### **Allowance for slow moving, damaged and obsolete stock**

An allowance for inventory to write inventory down to the lower of cost or net realisable value. Management has made estimates of the selling price and direct cost to sell on certain inventory items. The write down is included in the surplus/deficit.

### **Fair value estimation**

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the municipality is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined by using valuation techniques. The municipality uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the municipality for similar financial instruments.

### **Effective interest rate**

The municipality used the prime interest rate to discount future cash flows.



**Allowance for doubtful debts**

On receivables an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the receivables carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

**Impairment of statutory receivables**

If there is an indication that a statutory receivable, may be impaired, the municipality measures the impairment loss. The impairment loss is measured as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, are reduced, either directly or through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

In estimating the future cash flows, the municipality considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the municipality discounts the estimated future cash flows using a rate that reflects the current risk free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable are revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

**Accounting by principals and agents**

The entity makes assessments on whether it is the principal or agent in principal-agent relationships.

**1.6 Biological assets that form part of an agricultural activity**

The municipality recognises biological assets that form part of an agricultural activity or agricultural produce when and only when:

- the municipality controls the asset as a result of past events;
- it is probable that future economic benefits or service potential associated with the asset will flow to the municipality; and
- the fair value or cost of the asset can be measured reliably.

Biological assets that form part of an agricultural activity are measured at their fair value less costs to sell.

A gain or loss arising on initial recognition of biological assets that form part of an agricultural activity or agricultural produce at fair value less costs to sell and from a change in fair value less costs to sell of a biological assets that form part of an agricultural activity, is included in surplus or deficit for the period in which it arises.

Where market determined prices or values are not available, the present value of the expected net cash inflows from the asset, discounted at a current market-determined pre-tax rate where applicable, is used to determine fair value.

Where fair value cannot be measured reliably, biological assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

The municipality classifies biological assets as consumables which consist of timber in the form of pine trees. All biological assets are held for sale.

| <b>Item</b>                  | <b>Useful life</b> |
|------------------------------|--------------------|
| Trees in a plantation forest | indefinite         |

## 1.7 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services; or for
- administrative purposes; or
- sale in the ordinary course of operations.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that is associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Depreciation is calculated at the straight line method over a period of 30 - 99 years

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of

the investment property, the carrying amount of the replaced part is derecognised.

### **Cost model**

Investment property is, subsequent to initial measurement, carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write down the cost, less estimated residual value by equal installments over the useful life of the property, which is as follows:

| <b>Item</b>          | <b>Useful life</b> |
|----------------------|--------------------|
| Property - buildings | 30-99 years        |
| Property - land      | indefinite         |

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

The nature OR type of properties classified as held for strategic purposes are as follows:

The municipality separately discloses expenditure to repair and maintain investment property in the notes to the annual financial statements (see note 11).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the annual financial statements (see note 11).

When classification is difficult, the criteria used to distinguish investment property from owner - occupied property and from property held for sale in the ordinary course of operations, are as follows:

Transfers to, or from, investment property shall be made when, and only when, there is a change in use, evidenced by:

- (a) commencement of owner-occupation, for a transfer from investment property to owner-occupied property;
- (b) commencement of development with a view to sale, for a transfer from investment property to inventories;

- (c) end of owner-occupation, for a transfer from owner-occupied property to investment property; or
- (d) commencement of an operating lease (on a commercial basis) to another party, for a transfer from inventories to investment property.

## 1.8 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

Property, plant and equipment is recognised as an asset when:

- it is probable that the future economic benefits or service potential that are associated with the property, plant and equipment will flow to the municipality; and
- the cost or fair value of the item can be determined reliably.

### Measurement

Property, plant and equipment are initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary cost of dismantling and removing the asset and restoring the site on which it is located.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and

equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the municipality is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Major spare parts and standby equipment which are expected to be used for more than one period are included in property, plant and equipment. In addition, spare parts and standby equipment which can only be used in connection with an item of property, plant and equipment are accounted for as property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Subsequent to initial measurement property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

#### **Incomplete construction work**

Incomplete construction work is stated at historical cost. Depreciation only commences when the asset is available for use.

#### **Impairment**

Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable service amount, it is written down immediately to its recoverable service amount and an impairment loss is charged to the statement of financial performance.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

#### **Depreciation**

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

|  |            |
|--|------------|
| Land   | indefinite |
| Machinery and equipment                      | 1-25       |
| Furniture and office equipment               | 2-24       |
| Transport assets                             | 4-20       |
| Computer equipment                           | 5-23       |
| Community assets                             | 4-30       |
| Other property, plant and equipment          | 6-99       |
| Capital restoration asset                    | 5-30       |
| Electrical infrastructure                    | 10-50      |
| Water supply infrastructure                  | 10-100     |
| Solid waste infrastructure                   | 10-30      |
| Roads infrastructure                         | 10-100     |
| Information and communication infrastructure | 3-15       |
| Waste water network                          | 10-100     |
| Stormwater infrastructure                    | 10-50      |

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 10).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 10).

## **1.9 Intangible assets**

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from the municipality and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations. A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
- the cost or fair value of the asset can be measured reliably.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale;
- there is an intention to complete and use or sell it;
- there is an ability to use or sell it;
- it will generate probable future economic benefits or service potential;
- there are available technical, financial and other resources to complete the development and to use or sell the asset; and
- the expenditure attributable to the asset during its development can be measured reliably. Intangible assets are initially measured at cost.

Subsequent to initial measurement intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:





| <b>Item</b>                               |               | <b>Useful life</b> |
|---|---------------|--------------------|
| Computer software                         |               | 3 - 30 years       |
| Internally generated: Capital development | Straight-line | 5 - 7 years        |
| Service operating and land rights         | Straight-line | 5 - 30 years       |

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of an intangible asset is the difference between the net disposal proceeds and the carrying amount and is included in surplus or deficit when the asset is derecognised.

### 1.10 Heritage assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

#### Recognition

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

Where the municipality holds a heritage asset, but on initial recognition it does not meet the recognition criteria because it cannot be reliably measured, information on such a heritage asset is disclosed in note 14 Heritage assets.

#### Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

#### Subsequent measurement

Subsequent to initial measurement classes of heritage assets are carried at cost less any accumulated impairment losses.

**Impairment**

The municipality assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

**Transfers**

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

**Derecognition**

The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

**1.11 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

A concessionary loan is a loan granted to or received by a municipality on terms that are not market related.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability

from an municipality's statement of financial position.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, a municipality shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the municipality shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another municipality; or
- a contractual right to:
  - receive cash or another financial asset from another municipality; or
  - exchange financial assets or financial liabilities with another municipality under conditions that are potentially favourable to the municipality.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another municipality; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the municipality.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an municipality in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another

financial asset.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the municipality had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the municipality designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
  - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
  - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern

- of short term profit-taking
- o non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
- o financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

The municipality has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

| <b>Class</b>                                 | <b>Category</b>                            |
|--|--|
| Receivables from exchange transactions       | Financial asset measured at amortised cost |
| Receivables from non-exchange transactions   | Financial asset measured at amortised cost |
| Cash and cash equivalents                    | Financial asset measured at amortised cost |
| Other receivables from exchange transactions | Financial asset measured at amortised cost |
| Short term investments                       | Financial asset measured at amortised cost |
| Long term receivables                        | Financial asset measured at amortised cost |

The municipality has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

| <b>Class</b>                        | <b>Category</b>                                |
|-------------------------------------|--|
| Payables from exchange transactions | Financial liability measured at amortised cost |
| Consumer deposits                   | Financial liability measured at amortised cost |
| Other financial liabilities         | Financial liability measured at amortised cost |

### **Initial recognition**

The municipality recognises a financial asset or a financial liability in its statement of financial position when the municipality becomes a party to the contractual provisions of the instrument.

### **Initial measurement of financial assets and financial liabilities**

The municipality measures a financial asset and financial liability initially at its fair value plus, in the case of a financial asset or a liability not subsequently measured at fair value,

transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The municipality first assesses whether the substance of a concessionary loan is in fact a loan. On initial recognition, the municipality analyses a concessionary loan into its component parts and accounts for each component separately. The municipality accounts for that part of a concessionary loan that is:

- a social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

### **Subsequent measurement of financial assets and financial liabilities**

The municipality measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

### **Fair value measurement considerations**

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the municipality establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the municipality uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on municipality-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, the municipality calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data..

Short-term receivables and payables are not discounted where the initial credit period granted

or received is consistent with terms used in the public sector, either through established practices or legislation.

### **Reclassification**

The municipality does not reclassify a financial instrument while it is issued or held unless it is:

- combined instrument that is required to be measured at fair value; or
- an investment in a residual interest that meets the requirements for reclassification

Where the municipality cannot reliably measure the fair value of an embedded derivative that has been separated from a host contract that is a financial instrument at a subsequent reporting date, it measures the combined instrument at fair value. This requires a reclassification of the instrument from amortised cost or cost to fair value.

If fair value can no longer be measured reliably for an investment in a residual interest measured at fair value, the municipality reclassifies the investment from fair value to cost. The carrying amount at the date that fair value is no longer available becomes the cost.

If a reliable measure becomes available for an investment in a residual interest for which a measure was previously not available, and the instrument would have been required to be measured at fair value, the municipality reclassifies the instrument from cost to fair value.

### **Gains and losses**

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

### **Impairment and uncollectibility of financial assets**

The municipality assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

For amounts due to the municipality, significant financial difficulties of the receivable, probability that the receivable will enter bankruptcy and default of payments are all considered indicators of impairment.

### **Financial assets measured at amortised cost:**

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference



between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

The calculation in respect of the impairment of fines receivable (receivables from non-exchange transactions) is based on an assessment of the past history of fines per category.

## **Derecognition Financial assets**

The municipality derecognises financial assets using trade date accounting. The municipality derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the municipality, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the municipality:
  - derecognise the asset; and
  - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

Cash includes cash on hand and cash with banks. Cash equivalents are short term highly liquid investments that are held with registered banking institutions with a maturity period of between three and twelve months and are subject to an insignificant risk of change in value. Cash and cash equivalents are carried in the balance sheet at amortised cost.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand and cash with bank, net of bank overdrafts.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdrafts are expensed as incurred.

### **Financial liabilities**

The municipality removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another municipality by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

### **1.12 Leases**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the municipality assesses the classification of each element separately.

#### **Housing rental and instalments**

Finance income from the sale of housing by way of instalment sales agreements or finance leases is recognised on a time proportion basis.

#### **Operating leases - lessor**

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

### **Operating leases - lessee**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight- line basis.

Any contingent rent is expensed in the period in which they are incurred.

## **1.13 Inventories**

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, and then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for:

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs. The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

#### **1.14 Landfill site**

Site restoration and dismantling cost - The municipality has an obligation to dismantle, remove and restore items of property, plant and equipment. Such obligations are referred to as 'decommissioning, restoration and similar liabilities'. The cost of an item of property, plant and equipment includes:

- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located;
- changes in the measurement of an existing decommissioning, restoration and similar liability that result from change in the estimated timing or amount of the outflow of resources embodying economic benefits or service potential required to settle the obligation, or a change in discount rate; and
- the obligation the municipality incurs for having used the items during a particular period for purposes other than to produce inventories during that period.

If the related asset is measured using the cost model:

- (a) subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;
- (b) if a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and

- (c) if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment of cash-generating assets and/or impairment of non-cash-generating assets.

### 1.15 Impairment of cash-generating assets

Cash-generating assets are assets managed with the objective of generating a commercial return. An asset generates a commercial return when it is deployed in a manner consistent with that adopted by a profit-oriented entity.

Cash generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

Management has judged all assets as non cash generating assets.

### Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

### **Value in use**

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

### **Discount rate**

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

### **Recognition and measurement (individual asset)**

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

### **Cash-generating units**

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

### **Reversal of impairment loss**

The municipality assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if

there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

### **1.16 Impairment of non- cash generating assets**

Non cash generating assets are assets other than cash generating assets.

#### Identification

When the carrying amount of a non cash generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non cash generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also tests a non cash generating intangible asset with an indefinite useful life or a non cash generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with



its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

### **Value in use**

Value in use of non cash generating assets is the present value of the non cash generating assets remaining service potential.

The present value of the remaining service potential of a non cash generating assets is determined using the following approach:

#### Depreciated replacement cost approach

The present value of the remaining service potential of a non cash generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the municipality would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset.

Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

### **Recognition and measurement**

If the recoverable service amount of a non cash generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non cash generating asset is adjusted in future periods to allocate the non cash generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

### **Reversal of an impairment loss**

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non cash generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non cash generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non cash generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non cash generating asset is adjusted in future periods to allocate the non cash generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

### **1.17 Employee benefits**

Employee benefits are all forms of consideration given by a municipality in exchange for service rendered by employees.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party of the reporting municipality, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting municipality's own creditors (even in liquidation) and cannot be paid to the reporting municipality, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to the reporting municipality to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- a municipality's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide postemployment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from a municipality's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the municipality has indicated to other parties that it will accept certain responsibilities and as a result, the municipality has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

### **Short term employee benefits**

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the municipality during a reporting period, the entity recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the municipality recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-

accumulating absences, when the absence occurs. The municipality measure the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The municipality recognises the expected cost of bonus, incentive and performance related payments when the municipality has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

### **Accrued leave pay**

Liabilities for annual leave are recognised as they accrue to employees. Liability is based on the total accrued leave days owing to employees and is reviewed annually.

### **Post-employment benefits**

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which a municipality provides post-employment benefits for one or more employees.

Multi-employer plans are defined contribution plans (other than state plans and composite social security programmes) or defined benefit plans (other than state plans) that pool the assets contributed by various entities that are not under common control and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.

### **Multi-employer plans**

The municipality classifies a multi-employer plan and/or state plans and/or composite social security programmes as a defined contribution plan or a defined benefit plan under the terms of the plan (including any constructive obligation that goes beyond the formal terms).

Where a plan is a defined contribution plan, the municipality accounts for in the same way as for any other defined contribution plan.

Where a plan is a defined benefit plan, the municipality account for its proportionate share of the defined benefit obligation, plan assets and cost associated with the plan in the same way as for any other defined benefit plan.

When sufficient information is not available to use defined benefit accounting for a plan, that is a defined benefit plan, the municipality account for the plan as if it was a defined contribution plan.

### **Post-employment benefits: Defined contribution plans**

Defined contribution plans are post-employment benefit plans under which the municipality pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the municipality during a reporting period, the municipality recognizes the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, the municipality recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

### **Post-employment benefits: Defined benefit plans**

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability the municipality recognises actuarial gains and losses in surplus or deficit in the reporting period in which they occur.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long- term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are

changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability the municipality recognise past service cost as an expense in the reporting period in which the plan is amended.

Plan assets comprise assets held by a long-term employee benefit fund and qualifying insurance policies.

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

The return on plan assets is interest, dividends and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less any costs of administering the plan (other than those included in the actuarial assumptions used to measure the defined benefit obligation) and less any tax payable by the plan itself.

The amount recognised as a defined benefit liability is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly;
- plus any liability that may arise as a result of a minimum funding requirement.

The amount determined as a defined benefit liability may be negative (an asset). The municipality measure the resulting asset at the lower of:

- the amount determined above; and
- the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The present value of these economic benefits is determined using a discount rate which reflects the time value of money.

Any adjustments arising from the limit above is recognised in surplus or deficit.

The municipality determine the present value of defined benefit obligations and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the annual financial statements do not differ materially from the amounts that would be determined at the reporting date.

The municipality recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement rights;
- actuarial gains and losses;

- past service cost;
- the effect of any curtailments or settlements; and
- the effect of applying the limit on a defined benefit asset (negative defined benefit liability).

The municipality uses the Projected Unit Credit Method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost. The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, the municipality shall attribute benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, the municipality attributes benefit on a straight-line basis from:

- the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service); until
- the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date.

The municipality recognises gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on a curtailment or settlement comprises:

- any resulting change in the present value of the defined benefit obligation; and
- any resulting change in the fair value of the plan assets.

Before determining the effect of a curtailment or settlement, the municipality re-measures the obligation (and the related plan assets, if any) using current actuarial assumptions (including current market interest rates and other current market prices).

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

The municipality offsets an asset relating to one plan against a liability relating to another plan when the municipality has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan and intends either to settle the obligations on a net basis, or to realise the surplus in one plan and settle its obligation under the other plan simultaneously.

### **Actuarial assumptions**

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
  - those changes were enacted before the reporting date; or
  - past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

### **Other long term employee benefits**

The municipality provides post-retirement health care benefits, housing subsidies and gratuities upon retirement to some retirees.

Long term service awards is payable after 10 years of continuous service and after every 5 years thereafter to employees. Additional to this employees shall be entitled to a 14th cheque for continuous employment on their 30th and every 5th year onward. Furthermore a retirement gift is payable on retirement to employees with 10 years or more service. The provision is an estimate of the long service award based on historical staff turnover based on historical staff turnover. No other long service benefits are provided to employees.

The entitlement to post-retirement health care benefits is based on the employee remaining



in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. Independent qualified actuaries carry out valuations of these obligations. The municipality also provides a gratuity and housing subsidy on retirement to certain employees. An annual charge to income is made to cover both these liabilities.

The amount recognised as a liability for other long-term employee benefits is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The municipality shall recognise the net total of the following amounts as expense or revenue, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement right recognised as an asset;
- actuarial gains and losses, which shall all be recognised immediately;
- past service cost; and
- the effect of any curtailments or settlements.

### **Termination benefits**

The municipality recognises termination benefits as a liability and an expense when the entity is demonstrably committed to either:

- terminate the employment of an employee or group of employees before the normal retirement date; or
- provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The municipality is demonstrably committed to a termination when the entity has a detailed formal plan for the termination and is without realistic possibility of withdrawal. The detailed plan includes [as a minimum]:

- the location, function, and approximate number of employees whose services are to be terminated;
- the termination benefits for each job classification or function; and
- the time at which the plan will be implemented.

Implementation begins as soon as possible and the period of time to complete implementation is such that material changes to the plan are not likely.

Where termination benefits fall due more than twelve months after the reporting date, they

are discounted using an appropriate discount rate. The rate used to discount the benefit reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the benefit.

In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits shall be based on the number of employees expected to accept the offer.

### **1.18 Provisions and contingencies**

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating deficits.

If the municipality has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

#### **Provision for the rehabilitation of landfill sites**

At year end a provision is raised for the rehabilitation of landfill sites. The provision is the net present value of the future cash flows to rehabilitate damaged land at year end.

As the related asset is measured using the cost model:

- changes in the liability is added to, or deducted from, the cost of the related asset in the current period;
- the amount deducted from the cost of the asset does not exceed its carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit;
- if the adjustments result in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may be fully recoverable. If there is such an indication, the municipality tests the asset for impairment by estimating its recoverable amount or recoverable service amount, and accounts for any impairment loss, in accordance with the accounting policy on impairment of assets as described in the accounting policy on impairment of cash-generating assets and/ or impairment of non-cash generating assets.

The adjusted depreciable amount of the asset is depreciated over its useful life. Therefore, once the related asset has reached the end of its useful life, all subsequent changes in the liability are recognised in surplus or deficit as they occur.

### **Provision for constructive obligations**

A constructive obligation to restructure arises only when the municipality:

- has a detailed formal plan for the restructuring, identifying at least:
  - the activity/operating unit or part of a activity/operating unit concerned;
  - the principal locations affected;
  - the location, function, and approximate number of employees who will be compensated for services being terminated;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the municipality.

No obligation arises as a consequence of the sale or transfer of an operation until the municipality is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

## Contingencies

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality.

A contingent liability is a:

- possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality;
- present obligation that arises from past events but is not recognised because: it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; the amount of the obligation cannot be measured with sufficient reliability.

### 1.19 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction

### Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

### Service charges

Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption, based on the consumption history, are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced, except at year-end when estimates of consumption up to year-end

are recorded as revenue without being invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is made based on the billings done during July and August. The billing and invoiced amounts done in July are recognized in total as an accrual as all billing in July pertains to services rendered prior 30 June. An estimate is then made based on August billing pertaining to services rendered up until 30 June.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

Service charges from sewerage and sanitation are based on the number of sewerage connections on each developed property using the tariffs approved from Council and are levied monthly.

### **Rendering of services**

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by surveys of work performed.

### **Pre-paid electricity**

Revenue from the sale of electricity prepaid units is recognised when all the following conditions have been satisfied:

- The municipality has transferred to the buyer the significant risks and rewards of

ownership of the goods.

- The municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

### **Interest earned**

Interest earned on investments is recognised in the statement of financial performance on the time proportionate basis that takes into account the effective yield on the investment.

### **Dividends**

Dividends are recognised on the date that the municipality becomes entitled to receive the dividend in accordance with the substance of the relevant agreement, where applicable.

### **Charges**

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant approved tariff. This includes the issuing of licences and permits.

### **Sale of goods**

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- The municipality has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

### **Income from agency services**

Income for agency services is recognised on a monthly basis once the income collected on

behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

## 1.20 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by the municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, the municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

### Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces

the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the municipality with no future related costs are recognised in the statement of financial performance in the period in which they become receivable.

### **Measurement**

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

### **Property rates**

The municipality recognises an asset in respect of taxes when the taxable event occurs and the asset recognition criteria are met.

Resources arising from taxes satisfy the definition of an asset when the municipality controls the resources as a result of a past event (the taxable event) and expects to receive future economic benefits or service potential from those resources.

Resources arising from taxes satisfy the criteria for recognition as an asset when it is probable that the inflow of resources will occur and their fair value can be reliably measured.

The municipality analyses the taxation laws to determine what the taxable events are for the various taxes levied.

The taxable event for property tax is the passing of the date on which the tax is levied, or the period for which the tax is levied, if the tax is levied on a periodic basis.



Taxation revenue is determined at a gross amount. It is not reduced for expenses paid through the tax system.

### **Transfers**

The municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

### **Debt forgiveness and assumption of liabilities**

The municipality recognises revenue in respect of debt forgiveness when the former debt no longer meets the definition of a liability or satisfies the criteria for recognition as a liability, provided that the debt forgiveness does not satisfy the definition of a contribution from owners.

Revenue arising from debt forgiveness is measured at the carrying amount of debt forgiven.

### **Fines**

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

The municipality makes use of estimates to determine the amount of revenue that it is entitled to collect. Where settlement discounts or reductions in the amount payable are offered, the municipality considers past history in assessing the likelihood of these discounts or reductions being taken up by receivables. Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting municipality.

### **Gifts and donations, including goods in-kind**

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

### **Services in-kind**

Services in-kind that are significant to the municipality's operations and/or service delivery objectives are recognised as assets and the related revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

Where services in-kind are not significant to the municipality's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the municipality discloses the nature and type of services in-kind received during the reporting period.

### **Collection charges and penalties**

Collection charges and penalty interest is recognised when:

- it is probable that the economic benefits or service potential associated with the transactions will flow to the municipality; and
- the amount of revenue can be measured reliably; and

to the extent that there has been compliance with the relevant legal requirements (if applicable).

### **1.21 Statutory receivables Identification**

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount (for purposes of the Standard of GRAP on Statutory Receivables) means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

### **Recognition**

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the accounting policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the accounting policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the accounting policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the municipality and the transaction amount can be measured reliably.

## Initial measurement

The municipality initially measures statutory receivables at their transaction amount. Subsequent measurement

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised. Accrued interest

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the accounting policy on Revenue from exchange transactions or the accounting policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

## Other charges

Where the municipality is required or entitled to levy additional charges in terms of legislation, supporting regulations, by-laws or similar means on overdue or unpaid amounts, these charges are accounted for in terms of the municipality's accounting policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (taxes and transfers).

## Impairment losses

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

- significant financial difficulty of the receivable, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- it is probable that the receivable will enter sequestration, liquidation or other financial re-organisation.
- a breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
- adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable, or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

### **Derecognition**

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the receivable; or
- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the municipality:
  - derecognises the receivable; and
  - recognises separately any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The municipality considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

## **1.22 Accounting by principles and agents**

### **2 Identification**

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

### **Identifying whether an entity is a principal or an agent**

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether a municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

### **Binding arrangement**

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

### **Assessing which entity benefits from the transactions with third parties**

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the municipality concludes that it is not the agent, then it is the principal in the transactions.

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that it is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

### **Recognition**

The municipality, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

The municipality, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

### **1.23 Borrowing costs**

Borrowing costs are interest and other expenses incurred by the municipality in connection with the borrowing of funds. Borrowing costs are recognised as an expense in the period in which they are incurred.

### **1.24 Comparative figures**

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year. Refer to note 59 and 60 for detail.

### **1.25 Unauthorised expenditure**

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

### **1.26 Fruitless and wasteful expenditure**

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

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

### 1.27 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure.

All expenditure relating to irregular expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

### 1.28 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Key management as well as their close family members, and/or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions.

Management are those persons responsible for planning, directing and controlling the activities of the municipality including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the municipality

to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

### **Changes in accounting policies, estimates and errors**

Changes in accounting policies that are affected by management have been applied retrospectively in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with GRAP 3 requirements. Details of changes in estimates are disclosed in the notes to the annual financial statements where applicable.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

### **Commitments**

Items are classified as commitments where the municipality commits itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments are not recognised in the statement of financial position as a liability, but are included in the disclosure notes in the following cases:

- approved and contracted commitments;
- where the expenditure has been approved and the contract has been awarded at the reporting date; and
- where disclosure is required by a specific standard of GRAP.

#### **1.29 Changes in accounting policies, estimates and errors**



Changes in accounting policies that are affected by management have been applied retrospectively in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with GRAP 3 requirements. Details of changes in estimates are disclosed in the notes to the annual financial statements where applicable.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

### **1.30 Commitments**

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments are not recognised in the statement of financial position as a liability, but are included in the disclosure notes in the following cases:

- approved and contracted commitments;
- where the expenditure has been approved and the contract has been awarded at the reporting date; and
- where disclosure is required by a specific standard of GRAP.

### **1.31 Value Added Tax**

The municipality accounts for Value Added Tax on the cash (receipt) basis.

### **1.32 Budget information**

The approved budget is prepared on the accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2019/07/01 to 2020/06/30.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the statement of comparison of budget and actual amounts.

### **1.33 Events after reporting date**

Events after reporting date are those events, both favourable and unfavourable, that occur

between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

### **1.34 Presentation currency**

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

### **1.354 Construction contracts and receivables**

Construction contract is a contract, or a similar binding arrangement, specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

Contractor is an entity that performs construction work pursuant to a construction contract.

A contractor is an entity that enters into a contract to build structures, construct facilities, produce goods, or render services to the specifications of another entity either itself or through the use of sub-contractors. The term “contractor” thus includes a general or prime contractor, a subcontractor to a general contractor, or a construction manager.

### **1.36 Segment Information**

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

### **Measurement**

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

## **2 New standards and interpretations**

### **2.1 Standards and interpretations not yet effective or relevant**

In the current year, the municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

#### **IGRAP 20: Accounting for Adjustments to Revenue**

As per the background to this Interpretation of the Standards of GRAP, there are a number of legislative and regulatory processes that govern how entities levy, charge or calculate revenue, in the public sector. Adjustments to revenue already recognised in terms of legislation or similar means arise from the completion of an internal review process within the entity, and/or the outcome of an external appeal or objection process undertaken in terms of legislation or similar means. Adjustments to revenue include any refunds that become payable as a result of the completion of a review, appeal or objection process. The adjustments to revenue already recognised following the outcome of a review, appeal or objection process can either result in a change in an accounting estimate, or a correction of an error.

As per the scope, this Interpretation of the Standards of GRAP clarifies the accounting for adjustments to exchange and non-exchange revenue charged in terms of legislation or similar

means, and interest and penalties that arise from revenue already recognised as a result of the completion of a review, appeal or objection process. Changes to the measurement of receivables and payables, other than those changes arising from applying this Interpretation, are dealt with in accordance with the applicable Standards of GRAP. The principles in this Interpretation may be applied, by analogy, to the accounting for adjustments to exchange or non-exchange revenue that arises from contractual arrangements where the fact patterns are similar to those in the Interpretation.

The interpretation sets out the issues and relating consensus with accounting for adjustments to revenue.

The effective date of the interpretation is for years beginning on or after 01 April 2020.

The municipality has adopted the interpretation for the first time in the 2020/2021 annual financial statements.

### **GRAP 110 (as amended 2016): Living and Non-living Resources**

The objective of this Standard is to prescribe the:

- recognition, measurement, presentation and disclosure requirements for living resources; and
- disclosure requirements for non-living resources

It furthermore covers Definitions, Recognition, Measurement, Depreciation, Impairment, Compensation for impairment, Transfers, Derecognition, Disclosure, Transitional provisions and Effective date.

The subsequent amendments to the Standard of GRAP on Living and Non-living Resources resulted from editorial changes to the original text and inconsistencies in measurement requirements in GRAP 23 and other asset-related Standards of GRAP in relation to the treatment of transaction costs. Other changes resulted from changes made to IPSAS 17 on Property, Plant and Equipment (IPSAS 17) as a result of the IPSASB's Improvements to IPSASs 2014 issued in January 2015 and Improvements to IPSASs 2015 issued in March 2016.

The most significant changes to the Standard are:

- General improvements: To clarify the treatment of transaction costs and other costs incurred on assets acquired in non-exchange transactions to be in line with the principle in GRAP 23; and To clarify the measurement principle when assets may be acquired in exchange for a non-monetary asset or assets, or a combination of monetary and non-monetary assets
- IPSASB amendments: To clarify the revaluation methodology of the carrying amount and accumulated depreciation when a living resource is revalued; To clarify acceptable methods of depreciating assets; and To define a bearer plant and include bearer plants within the scope of GRAP 17 or GRAP 110, while the produce growing on bearer plants will remain within the scope of GRAP 27

The effective date of the standard is for years beginning on or after 01 April 2020.

The municipality has adopted the standard for the first time in the 2020/2021 annual financial statements.

The impact of the standard is not material. The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2019 or later periods but no effective date has been determined by the Minister:

### **IGRAP 1 (revised): Applying the Probability Test on Initial Recognition of Revenue**

The amendments to this Interpretation of the Standard of GRAP clarifies that the entity should also consider other factors in assessing the probability of future economic benefits or service potential to the entity. Entities are also uncertain of the extent to which factors, other than the uncertainty about the collectability of revenue, should be considered when determining the probability of the inflow of future economic benefits or service potential on initial recognition of revenue. For example, in providing certain goods or services, or when charging non-exchange revenue, the amount of revenue charged may be reduced or otherwise modified under certain circumstances. These circumstances include, for example, where the entity grants early settlement discounts, rebates or similar reductions based on the satisfaction of certain criteria, or as a result of adjustments to revenue already recognised following the outcome of any review, appeal or objection process.

The consensus is that on initial recognition of revenue, an entity considers the revenue it is entitled to, following its obligation to collect all revenue due to it in terms of legislation or similar means. In addition, an entity considers other factors that will impact the probable inflow of future economic benefits or service potential, based on past experience and current facts and circumstances that exist on initial recognition.

A municipality applies judgement based on past experience and current facts and circumstances.

The effective date of the amendment is for years beginning on or after 01 April 2020.

The municipality has adopted the interpretation for the first time in the 2020/2021 annual financial statements.

### **GRAP 18 (as amended 2016): Segment Reporting**

Segments are identified by the way in which information is reported to management, both for purposes of assessing performance and making decisions about how future resources will be allocated to the various activities undertaken by the municipality. The major classifications of activities identified in budget documentation will usually reflect the segments for which an entity reports information to management.

Segment information is either presented based on service or geographical segments. Service segments relate to a distinguishable component of an entity that provides specific outputs or achieves particular operating objectives that are in line with the municipality's overall mission. Geographical segments relate to specific outputs generated, or particular objectives achieved, by an entity within a particular region.

The subsequent amendments to the Standard of GRAP on Segment Reporting resulted from editorial and other changes to the original text have been made to ensure consistency with other Standards of GRAP. The most significant changes to the Standard are:

- General improvements: An appendix with illustrative segment disclosures has been deleted from the Standard as the National Treasury has issued complete examples as part of its implementation guidance.

The effective date of the standard is for years beginning on or after 01 April 2020

The municipality has adopted the standard for the first time in the 2019/2019 annual financial statements

The adoption of this standard has not had a material impact on the results of the municipality, but has resulted in more disclosure than would have previously been provided in the annual financial statements.

## **2.2 Standards and interpretations issued, but not yet effective**

The municipality has not early adopted any GRAP standard that is not effective.

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2020 or later periods:

| <b>Standard/ Interpretation:</b>   | <b>Effective date:<br/>Years beginning on<br/>or after</b> | <b>Expected impact:</b>   |
|--|--|---|
| • <del>GRAP 34: Separate Financial Statements</del>                      | <del>01 April 2020</del>                                   | <del>Unlikely there will be a material impact</del>                               |
| • <del>GRAP 35: Consolidated Financial Statements</del>                  | <del>01 April 2020</del>                                   | <del>Unlikely there will be a material impact</del>                               |
| • <del>GRAP 36: Investments in Associates and Joint Ventures</del>       | <del>01 April 2020</del>                                   | <del>Unlikely there will be a material impact</del>                               |
| • <del>GRAP 37: Joint Arrangements</del>                                 | <del>01 April 2020</del>                                   | <del>Unlikely there will be a material impact</del>                               |
| • <del>GRAP 38: Disclosure of Interests in Other Entities</del>          | <del>01 April 2020</del>                                   | <del>Unlikely there will be a material impact</del>                               |
| • <del>GRAP 110 (as amended 2016): Living and Non-living Resources</del> | <del>01 April 2020</del>                                   | <del>Unlikely there will be a material impact</del>                               |
| • <del>GRAP 18 (as amended 2016): Segment Reporting</del>                | <del>01 April 2020</del>                                   | <del>Not expected to impact results but may result in additional disclosure</del> |

## **2.3 Standards and interpretations issued, but not yet effective**

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2021 or later periods:

#### **GRAP 104 (amended): Financial Instruments**

Following the global financial crisis, a number of concerns were raised about the accounting for financial instruments. This included that (a) information on credit losses and defaults on financial assets was received too late to enable proper decision-making, (b) using fair value in certain instances was inappropriate, and (c) some of the existing accounting requirements were seen as too rules based. As a result, the International Accounting Standards Board® amended its existing Standards to deal with these issues. The IASB issued IFRS® Standard on Financial Instruments (IFRS 9) in 2009 to address many of the concerns raised. Revisions were also made to IAS® on Financial Instruments: Presentation and the IFRS Standard® on Financial Instruments: Disclosures. The IPSASB issued revised International Public Sector Accounting Standards in June 2018 so as to align them with the equivalent IFRS Standards.

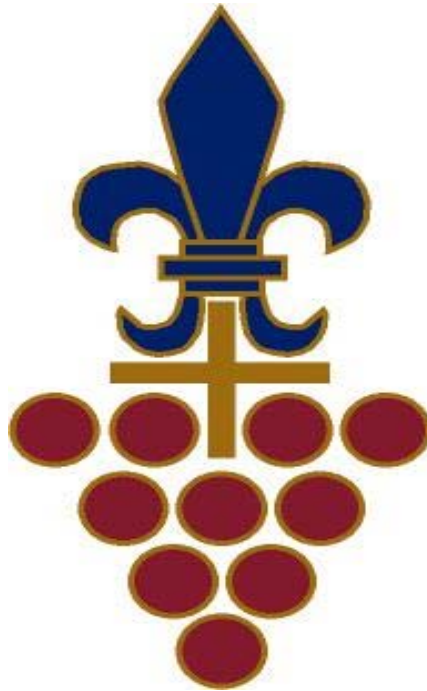
The revisions better align the Standards of GRAP with recent international developments. The amendments result in better information available to make decisions about financial assets and their recoverability, and more transparent information on financial liabilities. The most significant changes to the Standard affect:

- Financial guarantee contracts issued
- Loan commitments issued
- Classification of financial assets
- Amortised cost of financial assets
- Impairment of financial assets
- Disclosures

The effective date of the is not yet set by the Minister of Finance.

The municipality expects to adopt the standard for the first time when the Minister sets the effective date for the standard.

# **STELLENBOSCH MUNICIPALITY**



## **ASSET MANAGEMENT POLICY**

**2022/2023**

**REVISED**





# STELLENBOSCH MUNICIPALITY

## ASSET MANAGEMENT POLICY

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## 1. PREAMBLE

- Section 63 of the Municipal Finance Management Act Number 56 of 2003 governs Asset and Liability Management and states the following:

### **Asset and liability management**

**63.** (1) The accounting officer of a municipality is responsible for the management 10  
of—

(a) the assets of the municipality, including the safeguarding and the maintenance of those assets; and

(b) the liabilities of the municipality.

(2) The accounting officer must for the purposes of subsection (1) take all reasonable 15  
steps to ensure—

(a) that the municipality has and maintains a management, accounting and information system that accounts for the assets and liabilities of the municipality;

(b) that the municipality's assets and liabilities are valued in accordance with 20  
standards of generally recognised accounting practice; and

(c) that the municipality has and maintains a system of internal control of assets and liabilities, including an asset and liabilities register, as may be prescribed.

The Municipal Finance Management Act Number 56 of 2003 will be the legislative framework for the Asset Management Policy whilst Generally Recognised Accounting Practice (GRAP) will be the accounting framework.

- The Municipal Council of Stellenbosch is in terms of the MFMA and GRAP obliged to adopt an Asset Management Policy to regulate the effective management of all council's assets.
- **And whereas** the municipal manager as accounting officer of municipal funds, assets and liabilities is responsible for the effective implementation of the asset management policy which regulates the acquisition, safeguarding, maintenance of all assets and disposal of assets where the assets are no longer used to provide a minimum level of basic service as regulated in terms of section 14 of the MFMA.
- **And whereas** these assets must be protected over their useful life and may be used in the production or supply of goods and services or for administrative purposes in meeting the municipality's operational requirements.
- **Now therefore** the municipal council of the Stellenbosch Municipality adopts this asset management policy:

## 2. DEFINITIONS

In this Policy, unless the context indicates otherwise

An **asset** means a resource

- a) controlled by Stellenbosch Municipality
- b) as a result of a past event
- c) it is probable that future economic benefits or service potential associated with the assets will flow to the municipality

**Property, Plant and Equipment (PPE)** refers to tangible, identifiable assets that:

- a) are held for-
  - i. use in the production or supply of goods or services
  - ii. rental, or
  - iii. administrative purposes, and
  - iv. are expected to be used for more than one year.

**PPE** should be classified according to the following definition groups:

- a) **Infrastructure assets** which are defined as assets that usually display some or all of the following characteristics:
  - i. they are part of a system or network,
  - ii. they are specialised in nature and do not have alternative uses
  - iii. they are immovable, and
  - iv. they may be subject to constraints on disposal
  - v. examples are road networks, sewer systems, water networks etc.
- b) **Community assets** which are defined as assets that contributes to the communities' well-being. Community assets are disclosed in accordance with its nature.
- c) **Heritage assets** which are defined as cultural significant resources.
- d) **Investment Properties** are defined as properties (land or buildings) that are acquired for economic and capital gains or held by Stellenbosch Municipality as finance lease to earn rentals. Examples are office parks and undeveloped land acquired for the purpose of resale in future years.
- e) **Other assets** which are defined as assets utilised in normal operations.

- f) **Intangible assets** which are defined as being assets without physical substance.
- g) **Biological assets** are assets acquired for agricultural purposes.

**Capitalization of assets** means the recording of assets in the Fixed Asset Register with its historical financial cost in accordance with GRAP.

**Carrying amount** means the amount at which an asset is recognized after deducting any accumulated depreciation and accumulated impairment losses.

**Classification of assets** means the grouping of assets of a similar nature of functionality in an entities operation that is shown as a single item for the purpose of disclosure in the financial statements.

**Cost** means the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognized in accordance with specific requirements of other Standards of Generally Recognized Accounting Practices (GRAP).

**Contributed assets** means items received by the municipality as a donation.

**Depreciation** means the systematic allocation of the depreciable amount of an asset over its useful life.

**Depreciable amount** means the cost of an asset, or other amount substituted for the cost less its residual value.

**Fair value** means the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

**Fixed Asset Register** means a register for recording assets in accordance with GRAP

**Impairment of an asset**

- An impairment loss of cash - generating assets is the amount by which the carrying amount of an asset exceeds its recoverable amount.
- An impairment loss of non - cash generating assets is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

**Recoverable amount** means the amount that the municipality expects to recover

from the future use of an asset, including the residual value on disposal.

**Residual value** means the estimated amount that Stellenbosch municipality would currently obtain from disposal of the asset, after deducting the estimated cost of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

**Useful life** means the period over which an asset is expected to be available for use by the municipality.

**Contributed Assets** means items received by the Stellenbosch Municipality in the form of a donation.

### 3. ACRONYMS

|           |                                      |
|-----------|--------------------------------------|
| PPE:      | Property, Plant and Equipment        |
| AMC Form: | Asset Movement Capture Form          |
| MFMA:     | Municipal Finance Management Act     |
| GRAP:     | General Accepted Accounting Practice |
| DIR:      | Departmental Inventory Register      |
| SCM:      | Supply Chain Management              |
| FAR:      | Fixed Asset Register                 |
| NARC:     | New asset receipt capture form       |
| AT:       | Asset transfer form                  |

### 4. AIM

This policy will lay down broad guidelines for consistent, effective and efficient asset management principles of Stellenbosch Municipality

### 5. OBJECTIVES

- Specifying Council's practice regarding accounting for assets
- Ensure consistency in accounting treatment.
- To assist officials in understanding their legal and managerial responsibilities with regard to key asset functions such as:
  - safeguarding of assets,

- maintaining assets,
- establishing and maintaining a management, accounting and information system
- that accounts for the assets of the municipality.
- asset valuation principles in accordance with GRAP.
- establishing and maintaining systems of internal controls over assets.
- establishing and maintaining asset registers.
- clarifying responsibilities and accountabilities for the asset management process.

## 6. STATUTORY AND REGULATORY FRAMEWORK

This policy must comply with all relevant legislative requirements including:

- The Constitution of the Republic of South Africa, 1996
- Municipal Structures Act, 1998
- Municipal Systems Act, 2000
- Division of Revenue Act (enacted annually)
- Municipal Finance Management Act of 2003

Also, this policy must comply with the standards specified by the Accounting Standards Board. The relevant currently recognized accounting standards include:

- GRAP 17 Property, plant or equipment
- GRAP 16 Investment property
- ~~GRAP 100 Non-current Assets held for Sale and Discontinued Operations~~
- GRAP 31 Intangibles
- GRAP 103 Heritage Assets
- GRAP ~~27401~~ Agriculture
- GRAP 21 & 26 Impairment
- GRAP 12 Inventories

## 7. RESPONSIBILITIES AND ACCOUNTABILITIES

The purpose of this section is to prescribe the responsibilities of the various functionaries within Stellenbosch Municipality.

### 7.1 The Accounting Officer (Municipal Manager)

The Accounting Officer (Municipal Manager) or his/her duly delegated

representative is responsible to ensure implementation and compliance with the responsibilities prescribed in section 63 of the MFMA.

- The municipality has and maintains a management, accounting and information system that accounts for the assets of the municipality;
- The municipality's assets are valued in accordance with standards of generally recognized accounting practice;
- The municipality has and maintains a system of internal control of assets, including an asset register; and
- The senior managers and their teams comply with this policy.
- In consultation with the asset managers, he approves the temporary or permanent transfer of a movable asset between departments as determined in the "Delegation of Authority to officials of the Stellenbosch Municipality".

## **7.2 The Chief Financial Officer (Director: Finance)**

The Chief Financial Officer is responsible to the Municipal Manager to ensure that the financial investment in the municipality's assets is safeguarded and maintained.

The Chief Financial Officer must take reasonable steps to ensure that:

- i. Appropriate systems of financial management and internal control are established and carried out diligently;
- ii. The financial and other resources of the municipality are utilized effectively, efficiently, economically and transparently;
- iii. Any unauthorized, irregular or fruitless or wasteful expenditure and losses resulting from criminal or negligent conduct are prevented;
- iv. The systems, processes and registers required to substantiate the financial values of the municipality's assets are maintained at standards sufficient to satisfy the requirements of the Auditor-General.
- v. Financial processes are established and maintained to ensure that the municipality's financial resources are optimally utilized through an appropriate asset plan, budgeting, purchasing, maintenance and disposal decisions.
- vi. The managers and asset champions are appropriately advised on the exercise of their powers and duties pertaining to the financial administration of assets;
- vii. The policy and supporting procedures or guidelines are established, maintained and effectively communicated;
- viii. The Chief Financial Officer may delegate or otherwise assign responsibility for performing the functions but he/she will remain

accountable for ensuring these activities are performed.

### 7.3 **Asset Managers/ Directors**

- a) The manager referred to in Section 56 of the municipal systems act being someone reporting directly to the Municipal Manager and has the functional accountabilities for the physical management of a particular set of assets in order to achieve the municipalities strategic objectives relevant to their directorate.
- b) Directors shall be directly responsible for the physical safeguarding of any fixed asset controlled or used by the directorate in question. In exercising this responsibility, directors shall adhere to the stipulations of this policy as well as any other written directives issued by the municipal manager to the directorate in question, or generally to all directorates, in regard to the control of or safeguarding of the municipality's fixed assets.

#### Asset Managers should:

- i. ensure that employees in their departments adhere to the approved Asset Management Policy;
- ii. ensure that all assets are procured in terms of the SCM Policy;
- iii. ensure that council are properly informed about any contributed (donated) assets and that approval from council is obtained timeously
- iv. ensure that the contributed asset is recorded on the NARC form and communicated with the Financial Asset Management Department.
- v. ensure that employees with delegated authority have been nominated to implement and maintain physical control over assets in their departments. Although authority has been delegated, responsibility remains with the respective Managers of the departments and overall accountability with ~~the Director~~the Directors of relevant directorates;
- vi. ensure that the termination of service asset verification form for staff, is duly completed and submitted to the Strategic and Corporate Services Directorate;
- vii. ensure that assets are properly maintained in accordance with their respective asset maintenance policy;
- viii. ensure that, where applicable, all their movable assets as reflected on the Fixed Asset Register are barcoded to exercise control;
- ix. ensure that the Financial Asset Management Section is notified via the AT form within 10 working days of any changes in the status of assets under the department's control;
- x. ensure that transfers between departments within directorates are



- administered internally;
- xi. ensure that a complete asset verification of all inventory and asset items is performed annually;
  - xii. ensure that all obsolete, damaged and unused assets, supported by relevant asset and condemnation forms, are handed in at the [Financial Asset Management Department](#) without delay;
  - xiii. be responsible for maintaining and managing their own DIR;
  - xiv. ensure that all assets are safeguarded against loss/theft and that they are adequately insured; and
  - xv. ensure that location changes are made timeously and location/room information are updated and reported on the relevant form to the Asset Management Section regularly.

#### 7.4 Asset Champions

Asset Champions are senior officials appointed by the [Financial Asset Manager](#) in the different Directorates.

##### The Asset Champion must:

- i. Assist the [Financial Asset Manager/ Director](#) in performing his/her functions and duties.
- ii. Ensure that all new assets (purchased or donated) are recorded on the NARC form.
- iii. Ensure that the NARC forms are completed in full and send with copies of the relevant documentation to the asset control department within 7 working days after receipt of the assets.
- iv. Ensures that all their movable assets, where applicable, are barcoded.
- v. Ensure that asset listings are verified and kept up to date in collaboration with the Finance Directorate.
- vi. Assist the [Financial Assete Department](#) with the annual verification of movable assets by making sure that the assets, as per asset listing, are at the correct locations, that these locations are accessible when the verification of assets takes place and provides a full report on any missing assets to the [Financial Asset Manager](#).
- vii. Notify the [Financial Assete Department](#) when he/she identifies obsolete and redundant assets so that these assets can be moved to the Write-off Store.
- viii. Report all changes affecting asset listing sheets to the Director:

Finance and the ~~Manager~~~~Finance Department:~~ Financial Asset Management ~~Division~~ within 7 days of occurrence.

The following require the written recommendation of the Financial Asset Manager and approval of Municipal Manager on the prescribed form:

- a) The temporary or permanent transfer of all movable assets between departments.
- b) The writing off or disposal of obsolete or redundant assets.

#### **7.5 Financial Services Directorate: Financial Asset Management Section**

- i. Is the asset registrar of the municipality and shall ensure that a complete, accurate and up to date asset register is maintained that conforms to the GRAP specifications.
- ii. Ensures that physical asset verification is performed annually by all departments to verify the assets on the asset register. The results of this verification must be reported to the Municipal Manager and Council.
- iii. Will perform reconciliations between the asset register and the General Ledger on a monthly basis.
- iv. Ensures adequate bar codes and equipment to exercise the function relating to asset control is available at all times.
- v. Will ensure that all audit queries are resolved in a timely manner.
- vi. Dispose of asset in accordance with the SCM policy
- vii. Handles the administrative functions with regards to the transfers received.

#### **7.6 The responsibility of the Budget and Costing and Treasury**

- i. Ensure that a clear description is provided with each project and the appropriate funding source is identified.
- ii. Release capital funds only after receiving written authority and a clear and concise description of the item to be purchased.
- iii. Ensure that any changes in the capital budget, with regards to funds transferred or project description changes are communicated to the Financial Asset Management ~~department~~Division.

#### **7.7 The Strategic and Corporate Services Directorate**

The Strategic and Corporate Services directorate shall ensure that no monies are paid out to the staff on termination of their service prior to receiving the relevant

asset resignation form signed off by the relevant directorate- refer to Termination of Service Asset Confirmation form.

## 8. SAFEGUARDING OF ASSETS

### Custody and Security

- i. All barcoded assets shall be tracked by physical location through the Fixed Asset Register.
- ii. A physical asset verification process shall be performed every year and all directorates will be verified simultaneously.
- iii. The coordination of the process and verification of the assets will rest with the [Financial](#) Asset Management Section and all directorates are responsible to see that the assets under their control are available during the verification process.

### Communication

- i. Directorates are responsible to report any stolen or damage property to the [Financial](#) Asset Management Section.
- ii. All changes must be accurately recorded on the AT forms and reported to the [Financial](#) Asset Management Section within 10 working days.
- iii. Any discrepancies between the Fixed Asset Register and the physical inventory must be reconciled and motivated by the relevant directorates.

## 9. PROCEDURE WITH REGARD TO CONTRIBUTED ASSETS

### Governance

- i. The authority to endorse and approve acceptance of assets contributed to the Stellenbosch Municipality vests with Council as such assets have an impact on future operational costs.
- ii. A report including the fair value/cost price of the contributed asset as well as the financial implications of acceptance of the contributed asset must be submitted to Council, so that acceptance of the asset can be confirmed.

### Procedures

- i. Once Council has approved the donation, the departments must:

- ii. Notify the Financial Services Directorate of any assets contributed, by submitting the Council approved report including the cost/fair value of the contributed asset so that the asset can be recorded and capitalized at the appropriate value.

## 10. FINANCIAL MANAGEMENT

### Pre-Acquisition Planning

Before a capital project is included in the draft municipal budget for approval, the [Asset Manager/ Director](#) must prove that they have considered:

- The projected acquisition and implementation cost over all the financial years until the project is operational;
- The future operational costs and revenue on the project, including tax and tariff implications;
- The financial sustainability of the project over its economic life span including revenue generation and subsidization requirements;
- The physical and financial stewardship of the asset through all stages in its economic life span including acquisition, installation, maintenance, operations, disposal and rehabilitation; and
- The inclusion of the capital project in the Integrated Development Plans and future budgets.

The Chief Financial Officer is accountable to ensure that the [Asset Managers/ Directors](#) receive all reasonable assistance, guidance and explanation to enable them to achieve their planning requirements.

### Approval to acquire Property, Plant and Equipment:

Funds can only be invested with a capital project if:

- The funds have been appropriated in the capital budget;
- The project, including the total cost and funding sources, has been approved by the Council;
- The Director: Finance confirms that funding is available for that specific project; The Supply Chain Management prescripts/procedures have been adhered to.
- Any contract that will impose financial obligations more than two years beyond the budget year is appropriately disclosed.

### The funding sources of Assets:

Within the municipality's ongoing financial, legislative or administrative capacity, the

Chief Financial Officer will establish and maintain the funding strategies that optimize the municipality's ability to achieve its Strategic Objectives as stated in the Integrated Development Plan.

Four main sources of finance are utilized to acquire Property Plant and Equipment for the municipality, namely:

- The Accumulated Surplus/Deficit (Capital Replacement Reserve)
- The External Financing Fund (EFF).
- Grants, Subsidies and Public
- Contributions. Fair value

The sources of finance that may be utilized to finance assets are utilized in accordance with the provisions of S19 of the Municipal Finance Management Act.

**a) Accumulated Surplus/Deficit (The Capital Replacement Reserve)**

The Council must annually approve the basis and the amounts for which contributions should be appropriated to the Accumulated Surplus/Deficit in conjunction with the availability of funds and the requirements of the capital program for that financial year.

The funds in the Accumulated Surplus/Deficit are accumulated by: An annual contribution from revenue

The cash backed profit on the sale/disposal of assets

When an amount is advanced to a borrowing service to finance the acquisition of an asset, the money must be transferred to the Accumulated Surplus created for the purpose of acquiring a specific asset and the accumulated funds in the Accumulated Surplus/Deficit must be reduced by the amount of the advance.

The balance of the accumulated funds in the Accumulated Surplus/Deficit will therefore represent the amount that is available to finance assets in future periods. This balance must be cash backed at all times.

The balance in the Accumulated Surplus is transferred to the income statement over the estimated life of assets financed by the Accumulated Surplus/Deficit to offset the depreciation charge included in the income statement relating to fixed assets.

**b) The External Financing Fund (EFF)**

When loans are obtained from external sources, they must be paid into the

EFF. The corresponding cash should be invested until utilized for the purpose of acquiring assets. When the external loan is utilized to finance assets in a service entity it should be recorded in an “advances” account in the EFF.

Where a loan has a fixed period the [installmentsinstalments](#) should be calculated to determine the cash that should be set aside in the EFF. This is done so that there will be sufficient money to repay the loan when it matures as well as any interest charges as they occur.

When the loan is an annuity loan, the cash required to be paid into the EFF should be based on the actual loan repayments. Once the money has been received by the EFF, the cash would be used to repay the loan.

When the EFF is consolidated with the various services, the “advances made” account in the EFF will contra with the “advances received” account in the various service entities.

### **Loan finance option**

A municipality should ensure that a loan satisfies the requirements of legislation on incurring debt. In particular, municipalities should ensure that long-term debt is:

- Incurred only for the purposes of capital expenditure for the purpose of achieving the objectives stated in section 152 of the Constitution (MFMA S46);
- incurred in line with its capital budget (MFMA S19 and S46(2));
- Is incurred only after the anticipated debt repayment schedule has been submitted to council (MFMA S46(3)(b)(i));
- Included in the liabilities register and
- Satisfies the other requirements of sections 19, 46 and 63 of the MFMA, the MSA and the Constitution.

### **c) Grants, Subsidies and Public Contributions (Capital Receipts)**

Unutilized conditional grants are reflected on the Balance Sheet as a Creditor called Creditor (Unspent and Receipts). They represent unspent government grants, subsidies and contributions from the public. This creditor always has to be backed by cash.

The following provisions are set for the creation and utilization of this creditor:

- The cash which backs up the creditor is invested until it is utilized.
- Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor. If it is the council’s interest it is recognized as interest earned in the income

statement.

- Whenever an asset is purchased out of the unutilized conditional grant an amount equal to the cost price of the asset purchased is transferred from the Unutilized Capital Receipts into the income statement as revenue. Thereafter an equal amount is transferred on the statement of changes in equity to a reserve called an Accumulated Surplus/Deficit (Future Depreciation Reserve). This reserve is equal to the remaining depreciable value (book value) of assets purchased out of the Unutilized Capital Receipts. The Future Depreciation Reserve is used to offset depreciation charged on assets purchased out of the Unutilized Capital Receipts to avoid double taxation of the consumers.
- If a profit is made on the sale of assets previously purchased out of Unutilized Capital Receipts the profit on these assets sold is reflected in the notes to the income statement and is then treated in accordance with Council policy.

The acquisition of assets will not be funded over a period longer than the useful life of that asset.

### **Disposal of assets**

- The municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of an asset needed to provide the minimum level of basic municipal services, unless such asset is obsolete or surplus to requirements or beyond a state of good repair or being replaced and provided that the delivery of the minimum level of basic municipal services must not be compromised as a result of the disposal of the asset.
- The decision that a specific asset is not needed to provide the minimum level of basic municipal services, may not be reversed by the municipality after that asset had been sold, transferred or otherwise disposed of.
- The disposal of an item of property, plant or equipment must be fair, equitable, transparent, competitive and cost effective and comply with a prescribed regulatory framework for municipal supply chain management and the Supply Chain Management Policy of the municipality.
- The transfer of assets to another municipality, municipal entity, national department or provincial department is excluded from these provisions, provided such transfer is being done in accordance with a prescribed regulatory framework. Directors shall report in writing to the Director: Finance on 31 May of each financial year on all fixed assets controlled or used by the directorate concerned which such Director wishes to alienate by public auction or public tender. The Director: Finance shall thereafter consolidate the requests received from the various directorates, and shall promptly report such consolidated information to the council or the Municipal Manager of the municipality, as the case may be, recommending the process of alienation to

be adopted.

- Once the fixed assets are alienated, the Director: Finance shall de-recognize the asset from the accounting records and the fixed asset register.

### **Loss, theft, destruction or impairment of fixed assets**

The different directorates shall ensure that any incident of loss, theft, destruction, or material impairment of any fixed asset controlled or used by the directorate in question is promptly reported in writing to the Director: Financial Services, to the internal auditor, and in cases of suspected theft or malicious damage, also to the South African Police Service.

## **11.ACCOUNTING FOR ASSETS**

### **Capitalization of Assets**

Stellenbosch Municipality does not capitalize an asset based on a capitalization cost threshold, but recognizes an asset when it complies with the definition of an asset as stipulated in GRAP 17 and the cost of the asset to the municipality can be measured reliably.

Where an asset is acquired at no cost, or for a nominal cost, its cost is its fair value as at the date of acquisition (GRAP 17.22).

Assets will only be capitalized in the asset register on completion or finalization of the project.

### **Multi Year projects**

Projects to be completed over more than one financial year will be initially disclosed in the asset register and financial statements as “Work in Progress” thereafter only on completion the asset will be capitalized and depreciated.

Assets will be recorded in the asset register continuously on completion thereof and bar-coded with an aluminium label where appropriate for identification.

Only expenses incurred in the enhancement of a fixed asset (in the form of improved or increased services or benefits flowing from the use of such asset) or in the material extension of the useful operating life of a fixed asset shall be capitalized (GRAP 17.19-.20):

- Parts of some items of property, plant and equipment may require replacement at regular intervals. For example, a road may need resurfacing every few years, a furnace may require relining after a specified number of hours use, or aircraft interiors such as seats and galleys may require



replacement several times during the life of the airframe. Items of property, plant and equipment may also be required to make a less frequently recurring replacement, such as replacing the interior walls of a building, or to make a non-recurring replacement. Under the recognition principle in an entity recognizes in the carrying amount of an item property, plant and equipment the cost replacing part of such an item when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the de-recognition provision of this Standard (GRAP 17.19).

- A condition of continuing to operate an item of property, plant and equipment (for example, an aircraft) may be performing regular major inspections for faults regardless of whether parts of the item are replaced. When each major inspection is performed, its cost is recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognized. This occurs regardless of whether the cost of the previous inspection was identified in the transaction in which the item was acquired or constructed. If necessary, the estimated cost of a future similar inspection may be used as an indication of what the cost of the existing inspection component was when the item was acquired or constructed (GRAP 17.20)

Computer software will be capitalized and classified as intangible assets.

## **MAINTENANCE**

### **Maintenance Strategy**

Each directorate must develop a maintenance strategy that will ensure that the assets of Stellenbosch Municipality are maintained at an adequate operational level or standard by ensuring that all statutory, technical and operational objectives are achieved. This strategy must ensure that tangible assets under the custody and control of the relevant directors are properly maintained and repaired so that their possible maximum useful lives are realised.

### **Rehabilitation/Enhancements/Renewals of Capital Assets**

Expenditure to rehabilitate, enhance or renew an existing capital asset (including separately depreciable parts) can be recognised as capital if:

- That expenditure satisfies the recognition criteria.
- That expenditure is enhancing the service provision of that capital asset beyond its original expectation (i.e., not maintenance) and either that

expenditure:

- Increases the useful life of that capital asset (beyond its original life).
- Increases that capital asset capacity (beyond its original capacity).
- Increases the performance of the capital asset (beyond the original performance).
- Increases the functionality of that capital asset.
- Reduces the future ownership costs of that capital asset significantly; or
- Increases the size of the asset or changes its shape.

The following points are important to note:

- Approval through the budget process for these improvements may require a business case.
- It must be probable that the expenditure will lead to the level of benefits expected.
- The expenditure to restore the functionality of the capital asset to its original level is a maintenance/refurbishment expense and not a capital expense. Maintenance/ refurbishment will not be capitalised to the capital asset.

The rehabilitated or renewed separately depreciable part will be derecognised and the replacement will be recognised. Where the separately identifiable asset is rehabilitated or renewed, the amount incurred will be added to the carrying value of the asset.

Renewals have the same meaning and treatment as rehabilitation/enhancements and are different from refurbishment, which is seen as maintenance.

### **Directorates Responsibilities**

Each Directorate is responsible for ensuring:

- i. That all tangible assets under their control are maintained in a good working condition. The directorates must take adequate care that the working environments for the various assets are appropriate and suitable for such types of tangible assets.
- ii. That their assets are not misused or used for personal use or benefit.
- iii. That repair and maintenance costs incurred is reviewed and properly controlled.
- iv. The development of a maintenance program according to their operating budget resources. The program must provide a schedule of the repairs and maintenance to be done. The program must also consist of planned and unplanned repairs and maintenance to be performed.
- v. The following matrix will assist in distinguishing capital expenditure from maintenance expenditure:

| CAPITAL EXPENDITURE   | MAINTENANCE  |
|---|--|
| <ul style="list-style-type: none"> <li>Acquiring a new asset</li> </ul>   | <ul style="list-style-type: none"> <li>Restoring an asset so that it can continue to be used for its intended purpose</li> </ul>                 |
| <ul style="list-style-type: none"> <li>Replacing an existing asset</li> </ul>   | <ul style="list-style-type: none"> <li>Maintaining an asset so that it can be used for the period for which it was initially intended</li> </ul> |
| <ul style="list-style-type: none"> <li>Enhancing an existing asset so that its use is expanded</li> </ul>                           |  |
| <ul style="list-style-type: none"> <li>Further developing an existing asset so that its original useful life is extended</li> </ul> |  |

When assets are capitalized a distinction should be made on whether the new asset is purchased to replace an existing asset or whether it is a total new asset that is purchased.

### **Assets held under leases**

- Finance leases** are leases, which in effect transfer all risks and rewards associated with the ownership of an asset from the lessor to the lessee. Assets held under finance leases are capitalized by the municipality and reflected as such in the fixed asset register. It will be capitalized at its leased value at commencement of the lease, which will be the price stated in the lease agreement. The asset is then depreciated over its expected useful life.
- Operating leases** are those leases which do not fall within the scope of the above definition. Operating lease rentals are expensed as they become due. Assets held under operating leases are not accounted for in the asset registers of the municipality.

### **INVESTMENT PROPERTY**

- An item shall be recognised as investment property if it meets the definition. Investment property is recorded at cost.
- Disclosable value measured at recognition:
  - Initially at acquisition cost plus transaction cost, or nominal value
  - Where acquired at no cost or nominal value, fair value at acquisition is deemed to be cost for disclosure
  - If held under a lease and classified as Investment Property, is the lower

of fair value and the present value of the minimum lease payments

- Cost value is determined according to the requirements of the GRAP standard on Investment Property.
- Assets classified as Investment Property shall be re-defined once such assets usage changes

### Cost Model

Investment property is, subsequent to initial measurement, carried at cost less accumulated depreciation and any accumulated impairment losses

Depreciation is provided to write down the cost, less estimated residual value by equal instalments over the useful life of the property, which is as follows:

| Item                 | Useful life |
|----------------------|-------------|
| Property – buildings | 30-99 years |
| Property – land      | indefinite  |

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable

### Depreciation

- Depreciation will be done in accordance with the GRAP frame work
- The depreciable amount of an item of property, plant or equipment should be allocated on a systematic basis over its useful life.
- Stellenbosch Municipality's depreciation method will be the straight-line method for all assets of the Council unless otherwise agreed to in writing by the Director: Financial Services.
- Depreciation shall be calculated from the day the fixed asset is available for use (commissioning date) (GRAP 17.65).
- If the cost of land includes the cost of site dismantlement, removal and restoration, the portion of the land asset is depreciated over the period of benefits or service potential obtained by incurring those costs. In some cases,

the land itself may have a limited useful life, in which case it is depreciated in a manner that reflects the benefits or service potential to be derived from it (GRAP 17.69).

### **Review of residual value and useful life**

- The municipality should assess whether there is any indication that the expected useful life of the asset has changed based on whether the condition of the asset has improved or declined. This is based on any condition assessments undertaken by the entity on its assets during the reporting period. Paragraph .60(f) of GRAP 17 should not be read as requiring a condition assessment at each reporting date. Condition assessments will be undertaken by entities on selected or identified assets as part of its on-going asset management. Instead, any information available from any condition assessments undertaken during the reporting period should be used to assess whether the useful life of particular assets should be changed.
- All movable assets with a useful life of two years or less will be reviewed on an annual basis to ensure adherence to GRAP 1757 (c) if no other indicators are present or detected during the year under review.
- If the review indicates that a change has taken place and expectations differ from previous estimates, the changes should be accounted for as a change in the accounting estimate in accordance with the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors.
- The remaining useful life of capital assets should be reviewed annually and, if expectations are significantly different from previous estimates, the depreciation charge for the current and future periods should be adjusted.
- This review should be done by the asset manager in conjunction with the impairment review.
- The review of useful life is a check to see if there is any evidence to suggest that expected life should be changed.
- The Table of Useful Lives is provided in the MFMA Local Government Capital Asset Management Guideline (Refer to Annexure A). These should be used as a guide to the minimum useful lives only because actual asset lives experienced greatly exceed those recommend lives.
- The residual value of an asset may increase to an amount equal to or greater than the asset's carrying amount. If it does, the asset's depreciation charge is zero unless and until its residual value subsequently decreases to an amount below the asset's carrying amount (GRAP 17.65).

### **Impairment of assets**

The accounting treatment relating to impairment losses is outlined as follows in

## GRAP 17:

- The carrying amount (Book value) of an item or a group of identical items of property, plant and equipment should be reviewed periodically in order to assess whether or not the recoverable amount has declined below the carrying amount.
- Recoverable amount is the higher of a cash – generating asset's net selling price and its value in use.
- When such a decline has occurred, the carrying amount should be reduced to the recoverable amount. The amount of the reduction should be recognized as an expense immediately.
- The recoverable amount of individual assets, or groups of identical assets, is determined separately and the carrying amount reduced to recoverable amount on an individual asset, or group of identical assets, basis.
- However, there may be circumstances when it may not be possible to assess the recoverable amount of an asset on this basis, for example when all of the plant and equipment in a sewerage purification work is used for the same purpose. In such circumstances, the carrying amount of each of the related assets is reduced in proportion to the overall decline in recoverable amount of the smallest grouping of assets for which it is possible to make an assessment of recoverable amount.

The following may be indicators that an item of PPE has become impaired:

- The asset has been damaged.
- The asset has become technologically obsolete.
- The asset remains idle for a considerable period either prior to it being put into use or during its useful life.
- Land is purchased at market value and is to be utilized for subsidized housing developments, where the subsidy is less than the purchase price.

**Procedure to identify, budget and account for impairment losses:**

- The following needs to be done to ensure that impairment losses that are identified by the above indicators are budgeted for during the operating budget cycle and are accounted for in the next financial year. The following steps will have to be performed during the operating budget cycle:

**Financial Services Directorate - [Financial](#) Asset Management Section shall issue a memo to all directorates requesting them to identify assets that:**

- a) Are in a state of damage at the start of the operating budget cycle;
- b) Are technologically obsolete at the start of the operating budget cycle; This can be facilitated if directorates require that Financial Services Directorate – [Financial Asset Management](#) - section to supply them with a Fixed Asset Register printout pertaining to major assets showing the remaining useful lives of assets. The directorates can then assess and indicate cases where the assessed remaining useful life is shorter than the remaining useful life on the printout.
- c) Have remained idle for a considerable period either prior to them being put into uses at the start of the operating budget cycle or during their useful life;
- d) Are subject to impairment losses because the subsidies to be received in exchange for assets are less than the carrying amounts. An example of this is Land that is purchased at market value and is to be utilized for subsidized housing developments;
  - The recoverable amounts of these assets need to be calculated by calculating the Net selling Price per asset as defined above.
  - The impairment loss per asset needs to be calculated as the difference between the Net selling price and the book value of the asset.
  - The impairment loss needs to be budgeted for.
  - The following steps will have to be performed regularly during the year to account for impairment losses:

**Directorates will identify and inform Financial Services Directorate – [Financial Asset Management](#) section of assets that:**

- a) Are in a state of damage at year-end,
- b) Are technologically obsolete at year-end. This can be facilitated if directorates require Finance Directorate – [Financial Asset Management](#) section to supply them with a Fixed Asset Register printout pertaining to major assets showing the remaining useful lives of assets. The directorates can then assess and indicate cases where the assessed remaining useful life is shorter than the remaining useful life on the printout.
- c) Have remained idle for a considerable period either prior to them being put into uses at year-end or during their useful life
- d) Are subject to impairment losses because the subsidies to be received in exchange for assets are less than the carrying amounts. An example of this is Land that is purchased at market value and is to be utilized for subsidized housing developments. The recoverable amounts of these assets need to be calculated by calculating the Net selling Price per asset as defined above.

The impairment loss per asset needs to be calculated as the difference between the Net selling price and the book value of the asset.

The impairment loss needs to be accounted for by identifying the relevant funding source.

### **Disclosure requirements relating to impairment losses:**

All material impairment losses need to be disclosed in the notes to the income statement as a separately disclosed item. They are normally disclosed as part of the note on the amounts that are included in the calculation of the Net Surplus or Deficit for the year.

## **DISPOSAL AND RETIREMENTS**

### **Governance**

Section 14 and 90 of the MFMA governs the disposal of assets. This section provides inter alia:

- The council may not dispose of assets that are utilized to provide minimum level of basic municipal services.
- Assets other than those utilized to provide minimum level of basic service may be disposed of subject to Council approval.
- An item of property, plant or equipment should be eliminated from the Statement of Financial Position, on disposal or when the asset is permanently ~~withdrawn~~ withdrawn from use and no future economic benefits or potential service delivery is expected from its disposal, in accordance with GRAP 1700.
- Gains or losses arising from the retirement or disposal of an item of property, plant or equipment should be determined as the difference between the actual or estimated net disposal proceeds and the carrying amount of the ~~asset,~~ asset and should be recognized as revenue or expense in the Statement of Financial Performance.

### **Procedures**

- a) Any items declared obsolete or damaged will be handed in to the Finance department ~~– Financial Asset Management Control department~~ section for safekeeping.
- b) No items will be received by the Financial Services Directorate, Financial Asset Management section without a completed AT form and attached condemnation forms, counter signed by Finance Directorate ~~–~~



- ~~Asset~~Financial Asset Management section, describing the status of the item and the reason for writing-off the item.
- c) Directorates must ensure that assets are disposed of in terms of the SCM policy.
  - d) It is the responsibility of each directorate to ensure that all such assets to be disposed of are delivered to and received at the Finance Directorate ~~–~~ Financial Asset Management section.
  - e) Approval for the disposal of assets is considered by the Municipal Manager only after a recommendation has been obtained from the following persons:
    - i. Vehicles and Plant ~~–~~ Manager: Financial Asset Management~~The Fleet Manager~~ and applicable Directorate;
    - ii. Computers - Information Technology ~~Manager;~~Manager.
    - iii. Other Items ~~–~~ Directors/Managers (~~Asset Managers~~) within the different directorates.
  - f) After the approval of the Municipal Manager has been obtained, any vehicle written off must be deregistered immediately.
  - g) All asset items lost, stolen or damaged must be reported to the Financial Services Directorate – Insurance section as well as Finance Directorate ~~–~~ Financial Asset Management section by completing the AT form.
  - h) All asset items lost or stolen also need to be reported to the SAPS by the relevant department.

An item of property, plant and equipment should be eliminated from the balance sheet on disposal or when the asset is permanently withdrawn from use and no future economic benefits or potential service delivery is expected from when it is disposed of.

Gains and losses arising from the retirement or disposal of an item of property, plant and equipment should be determined as the difference between the actual or estimated net disposal proceeds and the carrying amount of the ~~asset, and~~asset and should be recognized as revenue or expense in the Statement of Financial Performance.

The accounting treatment relating to the profit or loss on the sale of property, plant & equipment is outlined in GRAP 17. The following is a summary of the relevant aspects:

Profits and losses, which are disclosed in total in the financial statements, are *calculated by use of the following formula:* -

|                             |  |
|-----------------------------|--|
| <i>Proceeds</i>             | Sales value, trade-in value or proceeds received from insurance if the asset was damaged or stolen.  |
| <i>Less: Carrying value</i> | Cost, or if valued, revaluation amount, less accumulated depreciation up to the date of sale or when asset can no longer be used for its intended purpose. |
| <i>Equals PROFIT or</i>     | If proceeds greater than carrying value, or  |
| <i>Equals LOSS</i>          | If proceeds less than carrying value.  |

## 12. INTERNAL CONTROL OVER ASSETS

- Establishment and Management of the Financial Asset Register:

The Chief Financial Officer will establish and maintain the Asset Register containing key financial data on each item of Property, Plant or Equipment that satisfies the criterion for recognition as per the accounting standards.

Each Asset Manager is responsible to ensure that sufficient controls exist to substantiate the quantity, value, location and condition of all assets in the asset register.

Each Asset Manager must appoint an Asset Champion in each Directorate/Section which will be responsible to ensure that the asset listings are verified and kept up to date in collaboration with the Directorate: Finance Services.

- Contents of the Fixed Asset Register

The fixed asset register shall be maintained in the format determined by the Director: Financial Services, which format shall comply with the requirements of generally recognized accounting practice (GRAP) and any other accounting requirements which may be prescribe Directors under whose control any fixed asset falls shall promptly provide Director: Financial

Services in writing with any information required to compile the fixed asset change which may occur in respect of such information. Contents of the Financial Asset Register:

The details included in the Asset Register will include:

- The depreciation methods used
- The useful live
- Depreciation charge
- The carrying amount
- The accumulated depreciation
- Additions
- Disposals and transfers
- Date of acquisition
- Date of disposal (if relevant)
- Asset description
- Historical cost of the asset
- Asset classification
- Asset ID
- Residual value

### **Internal Controls over the Financial Asset Registers**

- Controls around their asset register should be sufficient to provide an accurate, reliable and up to date account of assets under their control to the standards specified by the Chief Financial Officer and required by the Auditor-General.
- Controls around the asset registers should be sufficient to provide Directors with an accurate, reliable and up to date account of assets under their control to the standards specified by the Director: Finance and required by relevant legislation.

These controls will include the physical management and recording of all acquisition, assignments, transfers, losses and disposals of assigned assets as well as regular asset counts and systems audits to confirm the adequacy of controls.

**Identification of fixed assets:**

The Municipal Manager shall ensure that the municipality maintains a fixed asset identification system which shall be operated in conjunction with its computerized fixed asset register.

**Transfers, Reallocation or Reassignment of Property, Plant or Equipment**

- a) An Asset Manager retains management accountability and control for a particular asset until another Asset Manager in writing does accept responsibility for that asset, and the Chief Financial Officer endorses the transfer.
- b) The Asset Manager must advise the Chief Financial Officer on the prescribed form whenever an asset is permanently or temporarily reallocated or reassigned from one location to another.
- c) The form must be completed and signed by both the sender and receiver
- d) The ~~Director: Financial Services~~Manager: Financial Asset Management will appropriately amend the Asset Register with all approved transfers.
- e) ~~Assets must~~Assets must solely and exclusively be used for the purpose of the
- f) Council's business.

**Verification of fixed assets**

- a) Financial Services Directorate: Financial Asset Management Section shall at least once during every financial year undertake a comprehensive verification of all fixed assets controlled or used by the directorate concerned.
- b) Finance Directorate: Financial Asset Management Section shall promptly and fully report in writing to the Director: Financial Services in the format determined by the Director: Financial Services, all relevant results of such fixed asset verification, provided that each such asset verification shall be undertaken and completed as closely as possible to the end of each financial year, and that the resultant report shall be submitted to the Director: Financial Services not later than 30 June of the year in question.

**Asset listings**

- a) The Chief Financial Officer must submit within six months after each financial year, asset listings of capitalised assets to all Asset Managers.
- b) At all times these asset listings should indicate the assets in particular location and should be easily accessible.
- c) When employees get appointed or resign from any specific post the relevant asset listings must be verified and accordingly endorsed by the Asset Champion for the specific workplace.
- d) All changes on asset listing sheets must be reported in writing to the Director:

Financial Services within 7 days of when change took place.

### **13. FINANCIAL DISCLOSURE**

Assets must be disclosed in respect of each class of property, plant and equipment, in accordance with Generally Recognized Accounting Practice.

### **14. CLASSIFICATION OF ASSETS**

Any asset recognized as an asset under this policy will be classified according to categories as per the Fixed Asset Register. All fixed assets should be classified under the following headings in the Asset Register:

#### **Property, plant and equipment:**

#### **Other Assets**

Other Assets shall be recorded under the following main categories;

- Bins and Containers;
- Emergency Equipment;
- Furniture and Fittings;
- Motor Vehicles;
- Office Equipment;
- Plant and Equipment;
- Specialised Vehicles;
- Watercraft; and
- Other Assets.

#### **Heritage Assets**

A Heritage Asset is an asset that has historical, cultural or national importance and needs to be preserved. The following is a list of some typical heritage assets encountered in the municipal environment:

- Archaeological sites;
- Conservation areas;
- Historical buildings or other historical structures (such as war memorials);
- Historical sites (for example, historical battle site or site of a historical

settlement);

- Museum exhibits;
- Public statues; and
- Works of art (which will include paintings and sculptures).

### **Intangibles Assets**

- Computer Software
- Databases

### **Community Assets**

*Community Assets* shall be recorded under the following main categories;

- Recreational Facilities;
- Sporting Facilities; and
- Other Facilities.

### **Land and Buildings**

Land and buildings shall be treated using the cost model.

Land shall be accounted for ~~at cost~~ at cost, and shall not be depreciated. Land on which infrastructure and community assets are located shall be identified as land and buildings and not disclosed together with the infrastructure and community assets. Land not registered in the name of the municipality but controlled by the municipality by virtue of owner-occupied buildings thereon, shall be recognised at cost.

Buildings shall be ~~accounted at~~ accounted ~~—cost~~ —cost, less any accumulated depreciation and any accumulated impairment losses.

## Investment property

The classification of an investment property is based on management's judgement; the following criteria will be applied to distinguish investment properties from owner-occupied property or property held for resale:

| <b>Investment property</b>  | <b>PPE</b>   | <b>Non-current assets held for sale</b>  |
|---|--|--|
| the asset generates its own cash flows in the form of rentals (on a commercial basis)     | rental income earned is below market value, and the asset is held for service delivery rather than to generate a commercial return   | land and other properties held for sale within the next 12 months, if the criteria in GRAP 100 are met |
| the asset is held for capital appreciation  | the asset is held to achieve service delivery objectives rather than to earn rental or for capital appreciation  |  |
| investment property that is being redeveloped for continued use as an investment property | property that is being constructed or developed for future use as investment property (until the asset meets the definition of investment property it is accounted for as PPE)   |  |
| Land held for an undetermined use   | owner occupied-property such as office buildings and residential buildings occupied by staff members (assets used by employees, irrespective of whether or not the employees pay rent at market rates, are owner-occupied) |  |

The judgement of the Management of Stellenbosch Municipality is that the following classes of Municipal Property will be classified as Investment Property:

- Land held for long-term capital appreciation rather than for short-term sale in

the ordinary course of operations which council intends to sell at a beneficial time in the future.

- Land held for a currently undetermined future use.
- A building owned by the municipality (or held by the municipality under a finance lease) and leased out under one or more operating leases on a commercial basis.
- A building that is currently vacant but is held to be leased out under one or more operating leases on a commercial basis to external parties.

## **ANNUAL REVIEW ON THE POLICY**

This policy will be reviewed and updated annually or whenever legislative or accounting standards amendments significantly change the requirements pertaining to asset management in general and the administration of property, plant and equipment at a sooner event.

## **GENERAL**

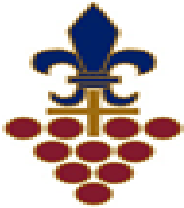
This policy does not overrule the requirement to comply with other policies like supply chain management, tendering or budget policies. The Chief Financial Officer will provide guidance or recommend an amendment to this policy to comply with the essence and understanding of the policies, regulations or legislation being conflicted.

## **COMMENCEMENT**

| 01 July 202215



**Asset Transfer form**



**STELLENBOSCH MUNICIPALITY**  
**ASSET MOVEMENT / WRITE OFF FORM**  
**GENERAL INFORMATION**

ANNEXURE "A"

Type of asset movement to be recorded (indicate with X)

|  |                   |          |                   |  |  |               |  |
|--|-------------------|----------|-------------------|--|--|---------------|--|
| Asset Transfer: Interdepartmental      |                   |          |                   | Asset Obsolete/Damaged/Written-Off             |  |               |  |
| Asset Transfer: Unused Asset to Stores |                   |          |                   | Asset Written-Off due to Loss (Burglary/Theft) |  |               |  |
| <b>Basic Asset Data</b>                |                   |          |                   | Asset Description                              |  | SERIAL NUMBER |  |
| Asset Bar Code                         | Location Bar Code | No. from | Location Bar Code |  |  |               |  |
|  |                   |          |                   |  |  |               |  |
|  |                   |          |                   |  |  |               |  |
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|  |                   |          |                   |  |  |               |  |

**AUTHORISATION OF TRANSACTION – LINE MANAGER**

|           |                        |       |
|-----------|------------------------|-------|
| Signature | Name & Surname (Print) | Title |
|           |                        |       |
|           |                        |       |

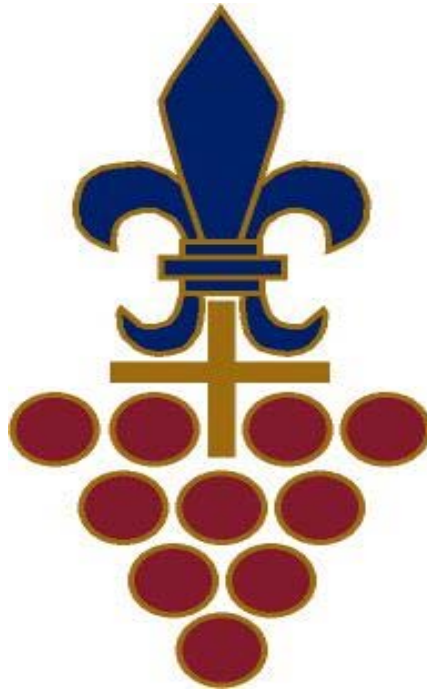
**Recipient Confirmation**

|                                  |             |      |
|----------------------------------|-------------|------|
| Condition of Asset when received | Received By | Date |
|                                  |             |      |
|                                  |             |      |

Remarks:  
 Good

.....

# **STELLENBOSCH MUNICIPALITY**



## **WARD ALLOCATION POLICY**

**2022/2023**

**REVISED**



# STELLENBOSCH MUNICIPALITY

## WARD ALLOCATION POLICY

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## 1. INTERPRETATION

### 1.1. Acronyms

|         |   |   |
|---------|---|---|
| “IDP”   | - | Integrated Development Plan                     |
| “SDBIP” | - | Service Delivery and Budget Implementation Plan |
| “EPWP”  | - | Expanded Public Works Programme                 |

### 1.2. Definitions

“**Capital budget**” is expenditure relating to the purchase, upgrade or refurbishment of a Council asset (property, plant and/or equipment);

“**Town / municipality**” means the Greater Stellenbosch also known as WC024, a local municipality established in terms of section 12 of the Local Government Municipal Structures Act (Act 117 of 1998)

“**Municipal Manager**” means the accounting officer of the municipality of Stellenbosch, appointed in terms of section 54A of the Local Government: Municipal Systems Act (Act No. 32 of 2000) being the head of administration and accounting officer in terms of section 55 of the Local Government: Municipal Systems Act (Act No. 32 of 2000);

“**Council**” means the municipal Council of Stellenbosch Municipality;

“**Councillor**” means a member of the Council of the Stellenbosch Municipality;

“**Lead directorate**” is the directorate whose core business encompasses the ward allocation project, which is the dominant user or beneficiary of the outcome of the ward allocation project and which accepts responsibility and ownership of the ward allocation project;

“**Legacy project**” is a project that is executed in a financial year and of which the benefits to the community continues into the future;

“**User Department**” is the department whose core business encompasses the ward allocation project, which is the dominant user or beneficiary of the outcome of the ward allocation project and which accepts responsibility and ownership of the ward allocation project;

“**Operating budget**” refers to expenditure, other than capital, in respect of Council activities and includes repairs and maintenance of Council assets;

“**Ukey**” refers to a unique numerical key consisting of 7 segments describing the allocation of funds. All budget items must be linked to a Ukey.

“**Veriment**” refers to the administrative process required to request and approve the transfer of funds from one cost centre to another. Apart from

re-allocation of funds through the adjustment budget, transfer of funds can only be done between cost centres within a directorate.

**“Ward committee”** means a committee that has been established for each ward in terms of section 73 of the Local Government: Municipal Structures Act (Act No. 117 of 1998);

**“Ward project”** a project identified by the ward councillor in line with the identified IDP needs, in consultation with the ward committee and financed by the ward allocation;

## 2. INTRODUCTION

The Republic of South Africa Constitution, 1996 requires the Municipality to encourage the public participation of community members and community organizations in the matters of local government. The Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) (“Structures Act”) provides for the establishment of ward committees as formal mechanisms to give effect to this Constitutional obligation. Ward committees play a vital role in bridging the gap between the Community, the Municipality and its Council and also play an important role in:

- a) Enhancing participatory democracy;
- b) Neighbourhood and ward based planning including the encouragement of communities to take charge of their own livelihoods;
- c) Assisting the Municipality in service delivery improvement;
- d) Assisting in the economic empowerment of communities;
- e) Enhancing local democracy and accountability;
- f) Enhancing social cohesion, nation building and integration of communities across class, race, culture

Along with many other responsibilities the Municipality provide support to the Councillors and Ward Committees through the Ward Allocation policy. The policy intends to establish uniform rules and regulations in the identification, planning and implementation of ward projects. It will further encourage accountability and regulate all administrative processes in the execution phases.

## 3. POLICY OBJECTIVE

- 3.1. The objective of the Ward Allocations Policy is to create opportunities for Councillors to identify ward projects in line with the identified IDP needs, with the support of their Ward Committees, which would improve the quality of living in all wards. These projects would need to fit into the basket of services of the relevant User Department and must comply with the following:

- 3.1.1. Local Government’s mandate;

- 3.1.2. Council policies;
  - 3.1.3. Support the pillars and objectives of the IDP;
  - 3.1.4. Directly benefit the community.
- 3.2. Ward project must be:
- 3.2.1. Additional projects identified by Councillors as identified through the IDP community participation processes,
  - 3.2.2. Supported by the ward committees, and
  - 3.2.3. Approved by Council.
- 3.3. Ward Allocation funds must be utilised in the manner contemplated in sections
- 3.3.1. **7(e)** categorising municipalities according to their system of municipal government. B Municipalities include a ward participatory system which allows for matters of local concern to be dealt with by committees established for wards;
  - 3.3.2. **72 (3)** describing the object of a ward committee as being to enhance participatory democracy in local government; and
  - 3.3.3. **74** describing the powers and functions of ward committees
- of the Local Government: Municipal Structures Act (Act No. 117 of 1998).**

#### 4. STRATEGIC INTENT

The Policy shall be governed by the underlying principle of ensuring that ward allocation projects meet the requirements of the Integrated Development Plan including specific reference to the following:

- 4.1. A “**valley of possibility**” that creates an environment conducive to business development and job creation. To facilitate and coordinate support to emerging entrepreneurs by utilizing internal SCM processes and linking SMME’s with opportunities in the market. To provide, upgrade and maintain an effective engineering infrastructure to support effective service delivery and to ensure the provision of non-motorised transport routes as a functional mode of transport.
- 4.2. A “**green and sustainable valley**” that ensures the management of human use of the biosphere and its resources, enhancing the integrity of the environment as an imperative for long-term sustainability and incorporates bio-diversity into the environment as an imperative for long-term sustainability. A valley that ensures spatial sustainability and facilitate efficient use of all forms of capital available to the Town including human capacity and ability and information management.
- 4.3. A “**safe valley**” where integrated safety strategies with multi-stakeholder engagements are implemented to focus on institutional, situational and social crime prevention interventions that will improve law enforcement and neighbourhood watches.

- 4.4. A “**valley with dignified living**” inclusive of sustainable human settlements, social infrastructure through the involvement and building of capacity of stakeholders in the planning and management of the areas where they live. This includes access to basic services to households.
- 4.5. A “**valley of good governance and compliance**” that ensures transparency and is corruption-free, establishes an efficient and productive administration to prioritise service delivery and ensures financial prudence, with clean audits by the Auditor-General;

## 5. POLICY PARAMETERS

- 5.1. The provisions of this policy apply to Ward Councillors, Ward Committees and all Directorates and Departments of the municipality;
- 5.2. This policy applies to all programmes and projects within the jurisdiction of Stellenbosch Municipality that are funded through ward allocations and which are approved by Council in accordance with this policy.

## 6. REGULATORY CONTEXT

This Policy draws its legal mandate from the following laws and relevant policies, as amended from time to time:

- 6.1. Legislation:
  - 6.1.1. The Constitution of the Republic of South Africa, 1996
  - 6.1.2. Local Government: Municipal Systems Act, (Act No. 32 of 2000);
  - 6.1.3. Local Government: Municipal Finance Management Act, (Act No. 56 of 2003);
  - 6.1.4. The Municipal Budget and Reporting Regulations with specific reference to Circular 82 adopted by Stellenbosch Council on 25 May 2016.
- 6.2. Policies and documents
  - 6.2.1. Stellenbosch Municipality: Integrated Development Plan (IDP);
  - 6.2.2. Stellenbosch Municipality: Asset Management Policy;
  - 6.2.3. Stellenbosch Municipality: Supply Chain Management Policy;
  - 6.2.4. Stellenbosch Municipality: Virement Policy

## 7. ROLE PLAYERS, ROLES AND RESPONSIBILITIES

The relevant role players include, but are not limited to:

- 7.1. The Ward Councillors and members of Ward Committees;



- 7.2. Manager: Councillor Support;
- 7.3. Council support staff;
- 7.4. Directors;
- 7.5. Budget office;
- 7.6. Technical or functional representatives in User Departments;
- 7.7. Ward Administrators; and
- 7.8. IDP Department

| <b>Official / Councillor</b>  | <b>Role and responsibility</b>  |
|-------------------------------|---|
| Manager: Councillor Support   | <p>Owner and driver of Ward Allocation Policy.</p> <p>Collations of all ward projects.</p> <p>Submission of ward allocation projects for draft budget.</p> <p>Facilitation of meetings with councillors.</p> <p>Manage ward administrators in this process.</p> <p>Monthly and annual collations of all ward-project progress reporting on all ward projects.</p> <p>Elevate problems to MM.</p>  |
| Councillor and Ward Committee | <p>Project identification, development, submission for draft budget inclusion to Manager Councillor Support.</p> <p>Signing of commitment form.</p> <p>Finalization and submission of project plans to lead departments.</p> <p>Attending meetings with lead departments.</p> <p>Identification of IDP link.</p> <p>Identification of beneficiaries.</p> <p>Attendance, overseeing and reporting (incl. pictures) on projects.</p> <p>Return service provider goods/equipment (if applicable).</p> <p>It is important to note that Ward Committees play a supporting and advisory role to the Ward Councillor.</p>  |
| Ward Administrator            | <p>Minute keeping of Ward Committee meetings and provision of said minutes relating to project identification to lead departments.</p> <p>Administrative support for the execution of ward projects (communication and arrangements)</p> <p>Administrative and coordinating link between lead department, councillor and community (ie. Transport plans, attendance registers, beneficiary communication, indemnity forms, etc.).</p> <p>Assist with the drawing up of project evaluation reports and submission thereof to lead department.</p> <p>Compilation of photographic portfolio of evidence of completed projects with specific focus on goods and services procured.</p> <p>Asset registers and general asset management of furniture, tools and equipment procured.</p> |

|   |   |
|---|---|
| Speaker after consultation with the Executive Mayor | <p>Identify the annual strategic intent of ward projects.</p> <p>Verify that the identified projects comply with the mandate of local government,</p> <p>Respond in writing to the Ward Councillor if projects are approved.</p> <p>Has the prerogative to refuse funding for projects outside the scope of the policy.</p> <p>Continuously, monitor and evaluate the progress of the Ward projects.</p> <p>Provide advice and support to Ward Councillors where necessary in terms of the Ward Allocation projects.</p> <p>Keep record of all proposals and projects arrange All Wards meetings discussing the projects.</p> |
| MM  | <p>The Municipal Manager as head of the administration is responsible and accountable for tasks and functions as provided for in, but not limited to the Local Government: Municipal Systems Act, No. 32 of 2000, Chapter 8 of the Local Government: Municipal Finance Management Act, No. 56 of 2003, other functions/tasks.</p>   |
| IDP and Public Participation                        | <p>Identification of needs and priorities in the different wards through a valid public participation process.</p> <p>Provide ward committees and ward councillors with updated lists of community needs and ward priorities.</p> <p>Provide feedback to community on project implementation linked to their needs.</p>   |
| CFO   | <p>Submission of recommended projects as part of draft and final budget for council approval.</p> <p>The Finance Directorate with the approval of the Speaker may, depending on the circumstances approve the use of the Ward Allocation for projects outside this framework but within the mandate of the Municipality.</p>  |
| Directors   | <p>Ensure implementation ownership of projects at manager level.</p> <p>Recommend projects for inclusion after costing.</p> <p>Authorization of procurement documents.</p> <p>Address elevated problems with lead managers.</p>   |
| User department                                     | <p>Costing of projects.</p> <p>Completion of procurement plans and inclusion of ward projects in implementation planning for the year.</p> <p>Implementation of projects.</p> <p>Procurement of services.</p> <p>Arranging meetings with councillors to guide, and explain process to follow.</p> <p>Communication between procured service provider, Ward Administrator and Ward Councillor.</p> <p>Signing off and submission of invoices.</p>  |

|     |  |
|-----|--|
|     | Monthly reporting on overall departmental expenditure for ward projects. |
| SCM | Procurement of goods and services.                                       |

## 8. CRITERIA FOR THE SELECTION OF PROJECTS

In response to the current COVID-19 pandemic and the realignment of the budget for 2021/22, with severe budget cuts and adjustments, the following measures will be in place regarding ward allocations until further notice, and replace the information regarding capital and operational ward projects in this policy:

- i) ~~The CAPEX for ward allocations is withdrawn from ward allocations for 2021/22;~~
- ii) ~~The OPEX ward allocation is reduced to R50 000 per ward for 2021/22;~~
- iii) ~~That OPEX be utilised to fund COVID prevention projects; this is in line with the request from Western Cape Government – Department of Local Government that ward allocation projects be aligned to address COVID-19 pandemic;~~
- iv) ~~The following list of goods will be circulated for councillors to choose from in order to be utilised for the COVID prevention projects:~~

| <b>GOODS AVAILABLE FOR COVID-PREVENTION PROJECTS (2021 – 22)</b> |              |                        |
|--|--------------|------------------------|
| <b>ITEM</b>  | <b>PRICE</b> | <b>QUANTITY NEEDED</b> |
| Masks for children   |              |                        |
| Masks for adults   |              |                        |
| Face cloths  |              |                        |
| Hand towels  |              |                        |
| Polar fleece blankets  |              |                        |
| 250 ml refill sanitiser spray bottle                             |              |                        |
| 5L bulk sanitiser  |              |                        |
| Hand soap (per box)  |              |                        |

- v) ~~Prices for the goods will be communicated as soon as the 2021/22 financial year commences. Current prices of goods will be made available to assist with planning processes.~~
- vi) ~~A separate form similar to the table above will be issued that must be completed by ward councillors to register the COVID prevention project.~~

- ~~vii) The goods will not be issued with a municipal logo, as the logo is only used for officials and official municipal branding.~~
- ~~viii) Ward councillors must be discouraged from requesting nutritional support assistance. Currently, the Special Investigations Unit are investigating numerous municipalities around the country on matters related to food parcel / nutritional support irregularities, distribution and allocation.~~

Projects that are to be implemented under the Ward Allocations Policy must comply with the following criteria:

- 8.1 Be within Local Government mandate as defined in legislation.
- 8.3 Be aligned with the objectives and pillars of the Integrated Development Plan and with the approved strategic intent identified by the Speaker.
- 8.4 Comply with all the Policies of Council.
- 8.5 Be informed by the ward based needs of the wards and municipal infrastructure needs that have been –
  - 8.5.1 assessed by the Ward Councillor and Manager Councillor Support, and
  - 8.5.2 reported and supported by the ward committee in accordance with the budget and IDP timelines.
- 8.6 Fall within the core business activity of the Lead Directorate and shall form part of the Lead Directorate's SDBIP.
- 8.7 Preferably be legacy projects that will address a need and be of a sufficient scale to have a significant impact in the ward.
- 8.8 **Not** be projects that directly benefit an individual.
- 8.9 **Not** be projects that benefit a private property – including repairs and maintenance of property not owned by Stellenbosch Municipality.
- 8.10 Projects shall, as far as possible, be completed within the financial year in respect of which they are approved but capital funds may be rolled over to the next financial year at the August Adjustment Budget (MFMA Sec 28 (2) (e) where compelling reasons exist for such roll-over. Funds remaining after the successful completion of projects will be deemed savings and re-allocated to existing approved projects requiring additional funding during the adjustment budget in January of each year.

- 8.11 Projects may cross ward boundaries provided that the relevant ward councillors are in agreement on collaborative planning, funding and implementation of such projects.
- 8.12 The lead directorate must technically evaluate and cost all projects in order to ensure that they are technically feasible, cost effective and comply with budgetary priorities before council considers a project for approval.
- 8.13 Labour intensive approaches shall be developed to maximise EPWP opportunities wherever possible for projects in both the capital and operating budget components. Councillors should note the timelines for submission of EPWP projects as part of the National EPWP Business Plan. These requirements entail that EPWP project identification must be completed and submitted to the LED Department by March each year.
- 8.14 In the case of projects undertaken on the **capital budget**, the assets created must:
- 8.14.1 Be on council property that is appropriately zoned and reserved for the lead directorate.
  - 8.14.2 Have a provision for maintenance and operating costs (inclusive of human resources) on the operating budget of the user directorate for subsequent years. These projects must adhere to sections 18 and 19 of the Local Government: Municipal Finance Management Act, (Act no. 56 of 2003) describing the funding sources and requirements for capital projects.
  - 8.14.3 Be placed on the asset register of the user directorate responsible for the facility.
  - 8.14.4 Be adequately insured and secured by the user directorate responsible for the facility.
- 8.15 In the case of projects undertaken on the **operating budget**:
- 8.16.1
  - 8.14.1. Adequate supervisory control shall be provided by the user directorate.
  - 8.14.2. Projects will be undertaken on council property, except in cases where:
    - 8.14.2.1. A ward hosts a function or event at facilities that are not council owned - subject to adequate supervisory control provided by the relevant user directorate, or
    - 8.14.2.2. A ward funds or supports a local government function (for example; additional law enforcement officers) that is not necessarily performed on council property.
  - 8.14.3. All operational projects will comply with the requirements of National Treasury Circular 82 specifying requirements to be

adhered to when providing catering as adopted by Stellenbosch council.

8.14.4. Community events aimed at vulnerable groups must contain an educational component that speaks to the strategic intent as identified by the Speaker.

8.15. To contribute to maximum impact through meaningful legacy projects within communities, projects must be limited to **two operational and two capital** projects per ward. (Except for wards consisting of mostly rural areas where council does not own property.)

## 9. OWNERSHIP AND ACCOUNTABILITY

Directors are responsible for ensuring that all ward allocation projects within their respective directorates are completed during the financial year in respect of the projects approved by Council. Capital funds may be rolled over to the next financial year where compelling reasons exist for such roll-over and after approval has been obtained.

Directors must ensure timeous monthly and annual reporting on constraints and/or progress to the Manager Councillor Support for inclusion in Council documents.

## 10. BASIS FOR ALLOCATING WARD ALLOCATION BUDGET

10.1. Council ~~may~~**MAY** allocate as part of the municipal annual budgetary process certain funding from the rates accounts towards the Ward Allocations which may be an Operating Budget allocation and/or a Capital Budget allocation. The funding provided for each ward in the municipality must be equal;

10.2. Ward allocation funding ~~might be~~**is** approved annually as part of the budgeting process with a percentage distribution between capital and operational funding ~~if there is allocation for both capital and operational.~~ All capital projects must be captured on the municipality's capital project identification, planning and prioritization system.

## 11. POOLING OF FUNDS BETWEEN WARDS

Subject to the clause ~~8.118-118.10~~ ward allocations may be pooled in order to achieve higher impact and enable legacy projects.

## 12. PROJECT SELECTION AND IMPLEMENTATION PROCESS

The different stages of selection and implementation are set out hereunder and are subject to the timelines set out in the IDP and Budget Preparation process approved by Council in August of each year. See Ward Allocation SOP for detail and roles and responsibilities. **(ANNEXURE 1) Note that the stages are completed in the**

preceding financial year to ensure implementation of projects within one financial year.

| ACTION   | RESPONSIBLE  | TIME LINE     |
|--|--|---------------|
| <b>STAGE 1: STRATEGIC INTENT</b>   |  |               |
| Determine and announce strategic intent of all ward projects for the ensuing financial year.   | Speaker  | July          |
| <b>STAGE 2: INTRODUCTION</b>   |  |               |
| Report submitted at All Wards Meeting containing:<br>1. Clear strategic intent<br>2. Timeframes<br>3. Roles and responsibilities<br>4. Process<br>5. Updated ward priorities, ward plans and baseline needs  | Manager: Councillor<br>Support supported by<br>1. Manager IDP<br>2. Manager Budget Office<br><br>Representation required from all user departments at meeting. | July          |
| Documentation required for this stage:<br>1. Minutes of meeting<br>2. Attendance Register<br>3. Ward Allocation Policy<br>4. Updated IDP ward priorities   | Manager Councillor Support   | July          |
| <b>STAGE 3: WORKSHOP AND CONSULTATION PHASE</b>  |  |               |
| Arrange series of workshops with Ward Councillors and Ward Committees to:<br>1. Discuss strategic intent, ward priorities, process, timelines and costing of proposed projects<br>2. Explain the project prioritisation and provide technical information regarding projects.<br>3. Signing of Commitment Form <b>(ANNEXURE 2)</b> | User Departments through Ward Administrator  | July - August |
| Documentation of meetings containing the following:<br>1. Minutes<br>2. Attendance Registers<br>3. Completed Commitment Forms  | Ward Administrator   | August        |
| <b>STAGE 4: PROJECT IDENTIFICATION, COSTING AND TECHNICAL REVIEW</b>   |  |               |
| Completed project priority list submitted to user department. <b>(ANNEXURE 3)</b> . This list provides clear indication of projects ward councillors would like to have implemented in order of priority. It will minimize time spent on costing   | Ward Administrator – after decisions taken at ward committee meeting.  | September     |





|   |                                     |  |
|---|-------------------------------------|--|
| Council approval of ward project plans as part of draft and final budget.   | Council                             | March and May                                      |
| Documentation required for this stage include:<br>1. Completed and signed Ward Project Plans per ward.<br>2. Minutes of meetings  | Manager Council Support Secretariat | May  |
| <b>STAGE 6: IMPLEMENTATION</b>  |                                     |  |
| Monthly reporting on implementation of projects submitted to Manager Council Support  | User Department                     | Monthly starting in July of each financial year.   |
| Collation and monthly reporting on progress to Executive Mayor and Speaker  | Manager Council Support             | Monthly starting in August of each financial year. |
| Changes to approved Ward Allocation Projects can be done as part of the adjustment budget following the same processes and approvals as departmental adjustment budget requests. It is important to note that the adjustment budget does not allow for the creation of new projects, but only for the movement of budget between previously approved projects on the existing budget. |                                     |  |

### 13. DEVIATION FROM POLICY

- 13.1. Deviation from the project selection criteria as listed in section 8 above may be considered by the Municipal Manager on receipt of a written request from the Manager Councillor Support, supported by the User Directorate, detailing the motivation for such a deviation.
- 13.2. The basis of the Municipal Manager's consideration of a deviation shall be whether the deviation would further the Policy Objective as set out in section 3 of the Policy.
- 13.3. The Municipal Manager shall report to Council on the requests received for deviations from the Policy.

### 14. PROJECT REVIEW

- 14.1. After every financial year there shall be a review of the projects undertaken by the Ward Allocation process. This review will be undertaken by the Manager Councillor Support and reported to the Municipal Manager and Director's Forum. Once supported the reviewed document must be submitted to Council;
- 14.2. The review must cover the following for all the projects undertaken in the municipal area:
  - 14.2.1. Ward number and Ward Councillor name;
  - 14.2.2. List of projects per User Directorate responsible;
  - 14.2.3. Budgeted cost against projects;

- 14.2.4. Whether the project was completed within the planned time by the User Directorate – if not, reasons must be supplied;
- 14.2.5. Assessment of project as to whether the original objectives of the project were achieved;
- 14.2.6. Assessment of projects in terms of quality;
- 14.2.7. Assessment of the sustainability of the projects in terms of maintenance and operating cost;
- 14.2.8. Check list for Asset Register and Insurance;
- 14.2.9. Reason for the under spending of allocated funds in order to reflect savings or over-quoting

## **15. ANNEXURES TO POLICY**

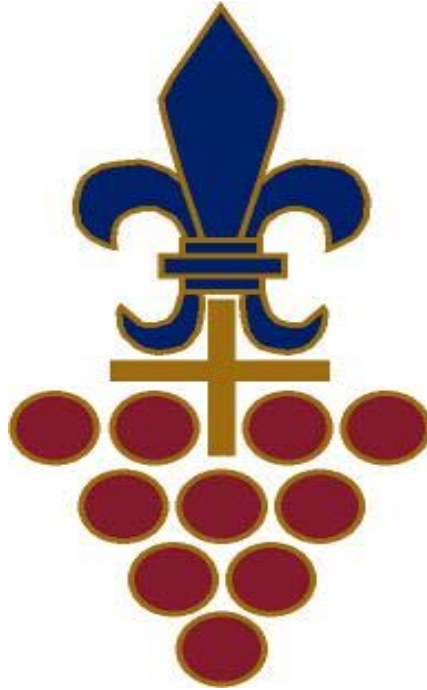
**ANNEXURE 1:** Ward Allocation SOP

**ANNEXURE 2:** Ward Allocation Commitment Form

**ANNEXURE 3:** Ward Allocation Project Plan

**ANNEXURE 4:** Ward Allocation Project approval budget submission format

# **STELLENBOSCH MUNICIPALITY**



## **GRANTS-IN-AID POLICY**

**2022/2023**



# STELLENBOSCH MUNICIPALITY

## GRANT-IN-AID POLICY

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## 1. DEFINITIONS

“**Appendix A**” means the application for Grant-in-Aid, detailed more fully below, and provided for in clause 5.2.

“**Appendix B**” refers to the memorandum of agreement (MOA), detailed more fully below, and provided for in clause 10.

“**Capacity building**” Capacity building refers to a process which enables human beings to realize their potential, build self-confidence and lead lives of dignity and fulfilment. These Capacity Building programs must align to the basket of services of the Directorate: Social Development and Early Childhood Development i.e. Early Childhood Development, Youth Development, Substance Abuse, Poverty Alleviation, Vulnerable Groups and Street People.

“**Community Based Organization (CBO)**” are non-profit groups that work at a local level to improve life for residents. The focus is to build equality across society in all streams – health care, environment, quality of education, access to technology, access to spaces and information.

“**Early Childhood Development (“ECD”) Facility**” means any place, building or premises, including a private residence, maintained, or used partly or exclusively, for the reception, protection and temporary or partial care of more than six children that shall be registered, managed, and maintained in terms of the Children’s Amendment Act, 41 of 2007.

“**Grant-in-aid**” means a grant-in-aid or allocation, as referred to in Section 12, 17 (3) (j) (iv) of the MFMA, made by the municipality to any organisation or body referred to in Section 67(1) and to be utilised to assist the municipality in fulfilling the Constitutional mandates including social developmental and arts and culture programmes as set out therein.

“**Local Agenda 21**” means the international program, adopted by South Africa to put sustainable development into practice.

“**Memorandum of agreement (MOA)**” means the agreement entered into between the municipality and any organisation or body which receives a Grant-in-Aid in terms of this Policy and **Appendix A**.

“**Non-governmental organisation (NGO)**” means a non-governmental organisation (NGO) that is a legally constituted non-profit organisation that operates independently from any form of government.

“**Non-profit company (NPC)**” means a company whose Memorandum of Incorporation must set out at least one object of the company and each such object must be either a public benefit object or object relating to one or more cultural or social activities, or communal or group interests as required by Item 1(1) of Schedule 1 of the Companies Act, 71 of 2008.

“**Non-profit organisation (NPO)**” means a non-profit organisation registered in terms of Section 13 of the NPO Act, 71 of 1997, established for public purpose and which income and

property thereof is not distributable to its members or office-bearers, except as reasonable compensation for services rendered.

“**Stellenbosch Environmental Management Framework (SEMF)**” means legal and moral obligations of Stellenbosch Municipality as it relates to the environment, and provides a dynamic vision, goals and objectives, and spatial and strategic directives towards giving effect to such obligations.

## **2. PURPOSE, AIMS AND OBJECTIVES**

- 2.1. This policy aims to provide a framework for Grant-in-Aid to non-governmental organisations (NGOs), community-based organisations (CBOs), non-profit organisations (NPOs) or non-profit companies (NPC) and bodies that are used by government as an agency to serve the poor, marginalised or otherwise vulnerable as envisaged by Sections 12, 17 and 67 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003).
- 2.2. The purpose of the Grant-in-Aid Policy is to complement the goals, objectives, programmes, and actions of the Stellenbosch Municipality’s Integrated Development Plan (IDP), to create a sustainable, credible, and caring municipality by empowering and building communities and enhancing growth and sharing through partnerships. Priority ward needs as identified through Council’s IDP MUST be the guiding factor in developing these partnerships.
- 2.3. Grant-in-Aid should not duplicate services already provided for by Council or which falls within the geographical jurisdiction in which Council operates, being WC024.
- 2.4. Grant-in-Aid should improve the opportunity for Council to elicit the support of external organisations to deliver those services to communities which fall within the Council’s area of responsibility in a way that allows the Stellenbosch community and town to create an enabling environment for community development.

## **3. LEGAL FRAMEWORK**

All transfers of funds in terms of this policy shall comply with the: Constitution of the Republic of South Africa, 1996 as amended (Constitution); Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) as amended (MSA); Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA); and any other applicable legislation, regulations and policies that may govern the transfer of municipal funds and that are not in contradiction to the above.

## **4. RESTRICTIONS**

- 4.1. The Policy applies to all transfers of grants made by the Municipality towards support of services for the poor, marginalized or otherwise vulnerable people. Individuals may not apply for Grant-in-Aid and no payment may be made under this policy to individuals. Council may however set aside a specific amount from

which the Municipal Manager, after consultation with the Executive Mayor, may, at his/her discretion, make donations to support individual, meritorious cases to assist and/or recognise individual excellence in whichever field. Bursaries to individuals are treated according to the Council's Bursary Policy.

- 4.2. The total expenditure on grants may not exceed 1% of the operational budget of the Municipality.
- 4.3. Grants will only be made for services rendered in the WCO24.
- 4.4. Transfers made to categories A and B
  - 4.4.1. Transfers provided for those listed in Category A below may be made to a maximum of R40 000-00 per organisation or body per annum.
  - 4.4.2. Transfers in Category B may exceed this amount where funding relates to night shelters or addresses specific ward priorities identified and specified in the IDP and upon proper motivation contained in a business plan to address said issue. Consideration for grants larger than R 40 000, 00 requires audited financial statements, schedule of estimated annual costs and a business plan as provided for in 6 below. The decision to grant an amount more than R 40 000,00 is solely at the discretion of council and subject to available funds.
- 4.5. Grant-in-Aid transfers/payments shall be restricted to deserving organisation and bodies serving, especially those working with the poor/aged/youth/disabled/women, as per the eligible categories in 6.2, provided that such organisations or bodies:
  - 4.5.1. Operate as a separate legal entity and are recognised as such by South African legislation;
  - 4.5.2. Are governed by their constitutions, have regular meetings with their membership and subscribe to sound accounting practices; and
  - 4.5.3. Are located and serve communities and individuals who are most in need within the jurisdiction of the Municipality.
- 4.6. No Grant-in-Aid may be made to any political body, rate payers association or for any religious purposes.
- 4.7. No grant will be allocated, under this policy, to organisations or bodies in cases where a member of Council, an official of Stellenbosch Municipality or close relatives of said individuals receive any financial or other gain.
- 4.8. Funds may only be transferred to an organisation or body if provision has been made for the expenditure on the budget or appropriations budget.
- 4.9. An organisation or body is only entitled to one allocation per financial year, but disbursements can be made more often.

## 5. PUBLIC ADVERTISEMENT

- 5.1. The advertisements must meet the following requirements:
  - 5.1.1. The Municipal Manager must, place a public advert in local newspapers distributed in the Stellenbosch Municipal area, calling for proposals.
  - 5.1.2. This advert must be placed in time to complete all relevant processes prior to the approval of the annual draft budget or any adjustment budget to invite public comment on the proposed donations prior to the approval of the final or adjustment budget.
  - 5.1.3. Advertisements should clearly specify the categories for which proposals are called, the closing date for applications, who the proposal should be addressed to, and where and how to obtain the relevant documentation pertaining to such applications/proposals, including the prescribed forms.
  - 5.1.4. Advertisements should also clearly reflect the Municipality's right not to make an award, as well as the fact that awards will not be made to organisations that have received funds in the previous year but have not submitted a final report on the projects or previous expenditure.
  - 5.1.5. The advertisement should also clearly state that final approval is reliant on the approval of the budget and that **no late submissions will be considered.**
- 5.2. Only applications made on the prescribed form, being **Appendix A**, may be considered.
- 5.3. Funds may not be transferred to any organisation or body that has not submitted a proposal in response to a public advertisement and after the attendance of a compulsory briefing session and that have not signed a Memorandum of Agreement with the Municipality.

## 6. GENERAL GUIDELINES AND CATEGORIES

### 6.1. General Guidelines

Funding of applications shall proceed on the basis listed below in response to an advertisement issued after the expiry of the relevant period associated with the specific category and after a compulsory workshop explaining the policy, application process and the required documentation has been attended by the applicants. Subject to the MOA provided for in clause 10, all funding is unrequited, provided there is compliance with said MOA. Funding of application in –

- 6.1.1. Category A will be considered on an annual basis; and



- 6.1.2. Category B shall be considered on a three-year basis subject to a monthly review at the discretion of the Municipality which may result in early termination for unsatisfactory and reckless expenditure.
- 6.1.3. Council in 6.1.1 and 6.1.2 reserve the right not to fund an organisation for two periods in succession and to cancel said funding in accordance with the MOA concluded.
- 6.1.4. Funding applications however will not be considered in the following instances:
- (i) Where a project or organisation is already receiving funds from Council in terms of Council's functions. Applicants are required to disclose other sources of funding;
  - (ii) Where in Council's opinion, an organisation receives sufficient funds from other sources to sustain its activities or the project applied for. For this purpose, organisations must submit financial statements and a budget for the ensuing financial year;
  - (iii) Where only an individual will benefit;
  - (iv) For political or ratepayers organisations/groupings;
  - (v) Projects outside the boundaries of the Municipality;
  - (vi) Where expenses have already been incurred,
  - (vii) Where an applicant did not attend the compulsory clarification session as advertised, and
  - (viii) Where applications were received after the due date and time for submissions.
- 6.1.5. Funding of projects and to organisations shall exclude travel costs, subsistence, accommodation, food or entertainment expenses of any kind, staff salaries, bursaries, payments in lieu of rates or other municipal charges except for where the transport and nutrition is intended for beneficiaries/participants in the projects in question. The Municipality may also exercise their discretion to allow funding to extend to the above costs on a needs basis for the organisation or body clearly motivated for in the application.
- 6.1.6. Subsequent requests from applicants to cover overspending on projects will not be considered.
- 6.2. Categories Eligible for Grant-in-Aid

The following categories currently apply. Cognisance should be taken that these categories are not exhaustive. Other than the general guidelines and conditions set out above, categories now indicated may require specific criteria applicable to its projects/programmes:

### **Category A**

#### **6.2.1. Health**

Projects/programmes include the following but are not limited to:

- (i) Public Health interventions inclusive of TB, STD's, and HIV/Aids;

- (ii) Preventable lifestyle diseases e.g., drug/alcohol abuse, tobacco related illnesses; and
- (iii) Promotive and preventative services to infants, children, and women.

#### 6.2.2. **Environment**

**Purpose:** To stimulate the development of sustainable leisure, aesthetic, and environmental projects within the municipal area; to increase the awareness of the environment by promoting “Greening of the City”; to promote swimming skills and water safety.

Projects/programmes include the following but are not limited to:

- (i) Voluntary rescue organisations;
- (ii) Lifesaving clubs and swimming organisations;
- (iii) Environmental groups/organisations; and
- (iv) Organisations promoting community involvement as a means of sustaining leisure, aesthetic, or environmental projects.
- (v) Projects which further the Council’s aims and the strategies of SEMF (Strategic Environmental Management Framework) and including but not limited to the sustainable management of:
  - o Riverine corridors;
  - o Biodiversity;
  - o Natural and built environment;
  - o Heritage resources;
  - o Quality urban spaces;
  - o Ecological conservation areas;
  - o Urban agricultural complexes;
  - o Bioregional planning;
  - o Nature area management;
  - o Wetlands;
  - o Local Agenda 21 projects

#### 6.2.3. **Solid Waste (Cleansing)**

**Purpose:** Waste Reduction and awareness.

Projects/programmes include the following but are not limited to:

- (i) Waste reduction and awareness;
- (ii) Educational programmes/projects addressing litter and waste handling; and
- (iii) Waste minimisation solutions.

#### 6.2.4. **Social Development**

**Purpose:** The promotion of projects/programmes which stimulates the Stellenbosch Municipality’s Integrated Development Plan (IDP) focusing especially on the needs of the most marginalised sectors in the greater Stellenbosch as identified in the ward priorities.

Projects/programmes include the following but are not limited to:

- (i) Poverty alleviation;
- (ii) Urban renewal;
- (iii) Capacity building of communities;

- (iv) Youth development;
- (v) Women and gender development;
- (vi) Early childhood development where an organization is registered with the Department of Social Development or Education as a fully functional ECD facility;
- (vii) Early childhood development where an organization is registered as an NPO, but **not registered with the Department of Social Development or Education** then only regarding application content that will contribute towards compliance with registration requirements. In these cases, also up to a maximum of three years by when said organization must be able to illustrate registration.
- (viii) Street people programmes;
- (ix) Arts and culture programmes
- (x) Facilitation of public participation processes; arts and culture programmes
- (xi) Development of disabled persons, and
- (xii) Development of elderly people

#### 6.2.5. **Sports and Recreation**

**Purpose:** To stimulate the development of sustainable Sport and Recreation infrastructure and programmes within the municipal area especially targeting disadvantaged communities; encourage creativity and self-reliance on the part of grassroots sport and recreation bodies or groups; to increase participation in sport and recreation programmes and activities.

Projects/programmes include the following but are not limited to:

- (i) Local sport and recreation clubs;
- (ii) School sport teams
- (iii) Local sport and recreation councils or associations
- (iv) Informal sport and recreation groups; and
- (v) Community and non-government organisations.

### **Category B**

#### 6.2.6. **Night Shelters**

**Purpose:** Provision of shelter for vulnerable individuals living on the street, without homes, in the need of shelter at night. Shelter is provided on a temporary basis and residency should not be provided for on a permanent basis. The Municipality aims to reduce the number of people living on the streets of Stellenbosch and as such the organisation or body's goals should align with this vision. Further the Municipality aims to reduce the socio-economic effects of poverty on the community of Stellenbosch. The organisation or body must therefore present to Council a clear business plan with a comprehensive response to the prevention, reduction, outreach, and stabilisation of street people. Organisations or bodies that provide a continuum of services and that collaborate with businesses, government departments and other organisations are preferred. Street people programmes listed in Category A shall fall under this category if provision is made for overnight stay.

Projects/programmes must include the following but are not limited to:

- (i) Provision of basic services (overnight facility, shower, morning and evening meals)
- (ii) Provision of social work services inclusive of referrals
- (iii) Family re-integration services
- (iv) Social support
- (v) Community work programme
- (vi) Facility maintenance (Infrastructure and operational equipment)

**6.2.7. Projects aligned to the strategic objectives of the municipality as described in the IDP**

**Purpose:** The promotion of projects/programmes which stimulates the Stellenbosch Municipality's Integrated Development Plan (IDP) focusing on the strategic objectives of the Municipality and identified ward priorities. The organisation must therefore present to Council not only a clear business plan detailing how they intend to address the specific issue but how they intend to partner with other organisations to achieve a unified approach to that challenge. Organisations or bodies that provide a continuum of services and that collaborate with businesses, government departments and other organisations are preferred.

Projects/programmes include the following strategic objectives but are not limited to:

Those listed in Category A that address specific ward priorities identified and specified in the IDP and upon proper motivation contained in a potential plan to address said issue.

- (i) Valley of Possibility
- (ii) Green and Sustainable Valley
- (iii) Dignified Living
- (iv) Safe Valley
- (v) Good Governance and Compliance

## **7. APPLICATION PROCEDURE**

Applications and proposal for Grant-in-Aid must be on the prescribed form stated in 5.2 above, a copy of which is attached hereto as **Annexure A for Category A and B**. Applications must be accompanied by a covering letter on the letterhead of the organisation or body, signed by the head of the organisation or body and must include the following information. Should an applicant wish to submit a Category B application, but would want to be considered for a Category A application if the Category B application is declined, this must be clearly stated in the covering letter and supporting documents **MUST** be submitted for both types of applications:

- 7.1. The applicant's legal name and a brief description of the applicant organisations or body's business;
- 7.2. if the applicant claims to be a non-profit organisation, the registration number and

the certificate;

- 7.3. the date of establishment, details of the applicant's member founding documents, including constitution and certificates of incorporation;
- 7.4. a contact name, full street address, telephone number and an e-mail address;
- 7.5. if funding is required for a specific project, a brief description of the project what it aims to achieve, as well as the detailed budget for and duration of the project;
- 7.6. a description on how the project aligns with the needs identified in the community through the IDP process and which ward priorities will be addressed through the project;
- 7.7. if the request is for general support, the organisation's or body's overall budget must be included;
- 7.8. references, independent of the applicant and its executive;
- 7.9. most recent audited financial statements (subject to MFMA, section 67(4)) statements; or at least statements signed off by the treasurer and chairperson of the organization in the case of small emerging organizations;
- 7.10. a summary of past achievements;
- 7.11. a declaration by the head of the organization to the satisfaction of the Municipal Manager, that the organisation or body implements effective, efficient, and transparent financial management and internal control mechanisms to guard against fraud, theft and financial mismanagement and has in the past complied with requirements for similar transfers of funds; and
- 7.12. notwithstanding the above requirements, the CFO after considering the merits of an application not complying with the minimum application criteria and after consulting the Municipal Manager, may for the purpose of this policy approve a deviation from the norm;
- 7.13. Applications for Category B **must** include a schedule of annual costs for a three-year period, business plan and audited financial statements.

## **8. OBLIGATIONS OF THE APPLICANT**

- 8.1. The head of the organisation or body must acknowledge in writing to the Municipal Manager that the money was received in its bank account and that the amount is/will be utilised to the benefit and in accordance with the role of the organisation or body in society. The funds should be used as outlined in the application form.
- 8.2. The organisation or body shall regularly report, if and when required but at least once a year, to the Municipal Manager regarding the activities conducted, the ward

within which activities are conducted, as well as the number of people benefiting from the activities. \_

- 8.3. If funding is required for a specific project, a brief description of the project and what it aims to achieve, as well as the detailed budget for and duration of the project.
- 8.4. The applicant must attend a compulsory workshop on the Grant-in-Aid policy and application procedure prior to submission of the application.
- 8.5. If successful with the application, the applicant must spend funds according to the approved Grant-in-Aid funding request. Should the need change over the funding period, written consent needs to be obtained from the municipality prior to spending the funds on alternative needs. Failure to spend funding on approved projects can result in the applicant being required to return the funding and/or the applicant being excluded from future applications for a period of 5 years.

## **9. RIGHTS OF THE MUNICIPALITY**

- 9.1. The Municipality shall be entitled, from time-to-time, to verify and inspect the existence and activities of the organisation or body. The municipality will therefore have the right to physically visit the premises where the organisation, or the funded project, is based; to peruse the budgets and any progress reports related to the project (in contract).
- 9.2. The Municipality shall manage contracts entered into with organisations or bodies by receiving reports and doing the necessary site visits and inspections to ensure that this policy and contract are being complied with.
- 9.3. The Municipality has the right not to give a Grant-in-Aid to any or all organisations applying for grants. Having been awarded a grant previously does not give an applicant the right to receive a grant again.
- 9.4. The Municipality will run proposed donations through a public participation process before final awards are made.

## **10. AGREEMENT**

Before any funds are transferred to an organisation an agreement (**Annexure B**) must be concluded by the Municipal Manager with the beneficiary to protect the interest of the Municipality.

## **11. DEVIATION**

This policy constitutes the entire framework for Grant-in-Aid and no deviation will be entertained.

## **12. COMMENCEMENT**

This Policy takes effect on the date on which it is adopted by the Council of Stellenbosch Municipality.



## APPLICATION FOR GRANT-IN-AID: 2021/22

NOTE: ATTENDANCE OF THE GRANT-IN-AID WORKSHOP IS COMPULSORY

| PLEASE COMPLETE THE FOLLOWING |  |                       |              |
|-------------------------------|--|-----------------------|--------------|
| <b>A</b>                      | <b>REGISTERED NAME OF ORGANISATION</b>   |                       |              |
|                               |  |                       |              |
| <b>B</b>                      | <b>DATE AND YEAR IN WHICH THE ORGANISATION WAS FOUNDED:</b><br>(Include a brief description of the business or activities of the organization) |                       |              |
|                               |  |                       |              |
|                               |  |                       |              |
|                               |  |                       |              |
|                               |  |                       |              |
|                               |  |                       |              |
| <b>C</b>                      | <b>ADDRESS OF REGISTERED ORGANISATION</b>  |                       |              |
|                               | <b>PHYSICAL ADDRESS</b>  | <b>POSTAL ADDRESS</b> |              |
|                               |  |                       |              |
|                               |  |                       |              |
|                               |  |                       |              |
|                               |  |                       |              |
|                               | <b>CODE:</b>   |                       | <b>CODE:</b> |
|                               |  |                       |              |
| <b>D</b>                      | <b>CONTACT DETAILS</b><br>(Details of the person to contact regarding this GIA application)  |                       |              |
|                               | <b>NAME &amp; SURNAME:</b>   |                       |              |
|                               | <b>POSITION:</b>   |                       |              |
|                               | <b>TEL:</b> ( )  | <b>FAX:</b> ( )       |              |
|                               | <b>MOBILE:</b>   | <b>ALTERNATIVE:</b>   |              |
|                               | <b>EMAIL ADDRESS:</b>  |                       |              |

| <b>E REGISTRATION:</b>  |  |            |  |           |
|---|--|------------|--|-----------|
|   | <b>Is the organization a NP/NG Organisation?</b>   | <b>YES</b> |  | <b>NO</b> |
|   | <b>If YES, please provide the Registration Number:</b><br>(Attach a copy of the registration certificate or proof of other affiliation where applicable) |            |  |           |
| <b>F BOARD/COMMITTEE MEMBERS OF THE ORGAN SATION:</b><br>(List ALL Board/Committee Members of the Organisation) Insert a separate page if the space is not enough). |  |            |  |           |
| <b>1</b>  | <b>NAME &amp; SURNAME:</b>   |            |  |           |
|   | <b>POSITION:</b>   |            |  |           |
|   | <b>ADDRESS:</b>  |            |  |           |
|   |  |            |  |           |
|   | <b>CONTACT NUMBER:</b>   |            |  |           |
| <b>2</b>  | <b>NAME &amp; SURNAME:</b>   |            |  |           |
|   | <b>POSITION:</b>   |            |  |           |
|   | <b>ADDRESS:</b>  |            |  |           |
|   |  |            |  |           |
|   | <b>CONTACT NUMBER:</b>   |            |  |           |
| <b>3</b>  | <b>NAME &amp; SURNAME:</b>   |            |  |           |
|   | <b>POSITION:</b>   |            |  |           |
|   | <b>ADDRESS:</b>  |            |  |           |
|   |  |            |  |           |
|   | <b>CONTACT NUMBER:</b>   |            |  |           |
| <b>4</b>  | <b>NAME &amp; SURNAME:</b>   |            |  |           |
|   | <b>POSITION:</b>   |            |  |           |
|   | <b>ADDRESS:</b>  |            |  |           |
|   |  |            |  |           |
|   | <b>CONTACT NUMBER:</b>   |            |  |           |



|   |                            |  |
|---|----------------------------|--|
| 5 | <b>NAME &amp; SURNAME:</b> |  |
|   | <b>POSITION:</b>           |  |
|   | <b>ADDRESS:</b>            |  |
|   |                            |  |
|   | <b>CONTACT NUMBER:</b>     |  |
| 6 | <b>NAME &amp; SURNAME:</b> |  |
|   | <b>POSITION:</b>           |  |
|   | <b>ADDRESS:</b>            |  |
|   |                            |  |
|   | <b>CONTACT NUMBER:</b>     |  |
| 7 | <b>NAME &amp; SURNAME:</b> |  |
|   | <b>POSITION:</b>           |  |
|   | <b>ADDRESS:</b>            |  |
|   |                            |  |
|   | <b>CONTACT NUMBER:</b>     |  |
| 8 | <b>NAME &amp; SURNAME:</b> |  |
|   | <b>POSITION:</b>           |  |
|   | <b>ADDRESS:</b>            |  |
|   |                            |  |
|   | <b>CONTACT NUMBER:</b>     |  |
| 9 | <b>NAME &amp; SURNAME:</b> |  |
|   | <b>POSITION:</b>           |  |
|   | <b>ADDRESS:</b>            |  |
|   |                            |  |
|   | <b>CONTACT NUMBER:</b>     |  |

|   |                            |            |  |           |  |
|---|----------------------------|------------|--|-----------|--|
| <b>10</b>   | <b>NAME &amp; SURNAME:</b> |            |  |           |  |
|   | <b>POSITION:</b>           |            |  |           |  |
|   | <b>ADDRESS:</b>            |            |  |           |  |
|   |                            |            |  |           |  |
|   | <b>CONTACT NUMBER:</b>     |            |  |           |  |
| <b>G PREVIOUS FUNDING:</b>  |                            |            |  |           |  |
| <b>Have you successfully applied and received Stellenbosch Municipal Grant-In-Aid funding previously?</b>   |                            |            |  |           |  |
| <b>If yes for which financial year?</b>   |                            |            |  |           |  |
| <b>What amount was received?</b>  |                            |            |  |           |  |
| <b>Did you submit Financial Reports for the funds received?</b>   |                            |            |  |           |  |
| <b>Do you receive any other sources of funding?</b><br>(If YES please provide details)  |                            |            |  |           |  |
|   |                            |            |  |           |  |
|   |                            |            |  |           |  |
|   |                            |            |  |           |  |
| <b>H CATEGORY A:</b>  |                            |            |  |           |  |
| For more information refer to the Grant-In-Aid Policy for general guidelines and categories (Please categorize your application by marking the appropriate category with X) |                            |            |  |           |  |
| <b>HEALTH</b>   |                            |            |  |           |  |
| <b>ENVIRONMENT</b>  |                            |            |  |           |  |
| <b>SOLID WASTE</b>  |                            |            |  |           |  |
| <b>SOCIAL DEVELOPMENT</b>   |                            |            |  |           |  |
| <b>SPORTS &amp; RECREATION</b>  |                            |            |  |           |  |
| <b>CATEGORY B:</b>  |                            |            |  |           |  |
| For more information refer to the Grant-In-Aid Policy for general guidelines and categories (Please categorize your application by marking the appropriate category with X) |                            |            |  |           |  |
| <b>NIGHT SHELTER</b>  |                            |            |  |           |  |
| <b>OTHER</b> (Please specify)   |                            |            |  |           |  |
|   |                            |            |  |           |  |
|   |                            |            |  |           |  |
|   |                            |            |  |           |  |
| <b>I REQUEST FOR FUNDING:</b>   |                            |            |  |           |  |
| <b>Is funding required for the ensuing year?</b>  |                            | <b>YES</b> |  | <b>NO</b> |  |
| <b>Is funding required for a specific project?</b><br>(If YES attach details separately)  |                            | <b>YES</b> |  | <b>NO</b> |  |
| <b>Is funding required for general support?</b><br>(If YES, attach a copy of the Organisation's Overall Budget)   |                            | <b>YES</b> |  | <b>NO</b> |  |
| <b>Budgeted amount requested</b>  |                            |            |  |           |  |
| <b>Duration of project?</b>   |                            |            |  |           |  |

|          |  |        |  |        |  |        |
|----------|--|--------|--|--------|--|--------|
|          | <b>If Category B Application</b>   |        |  |        |  |        |
|          | Total amount requested for 3-year period   |        |  |        |  |        |
|          | Annual amounts requested:  | Year 1 |  | Year 2 |  | Year 3 |
| <b>J</b> | <b>SERVICE FOCUS</b>   |        |  |        |  |        |
|          | <b>Ward number/s in which services are delivered:</b>  |        |  |        |  |        |
|          | <b>Which Ward Priority/ies are addressed through the service:</b><br>(Please provide details below)  |        |  |        |  |        |
|          |  |        |  |        |  |        |
|          |  |        |  |        |  |        |
|          | <b>Describe the services for which funds are requested:</b>  |        |  |        |  |        |
|          |  |        |  |        |  |        |
|          |  |        |  |        |  |        |
|          | <b>Which Municipal Strategic Goal/s is linked to the services:</b><br>(Please mark with a X)   |        |  |        |  |        |
|          | Valley of Possibility  |        |  |        |  |        |
|          | Safe Valley  |        |  |        |  |        |
|          | Dignified Living   |        |  |        |  |        |
|          | Good Governance and Compliance   |        |  |        |  |        |
|          | Green and Sustainable Valley   |        |  |        |  |        |
| <b>K</b> | <b>THE FOLLOWING MUST BE ATTACHED TO THIS APPLICATION: (Category A and B applications)</b><br>(Please use this form as a checklist, to ensure that you comply to the specified requirements)   |        |  |        |  |        |
| <b>1</b> | <b>AUDITED FINANCIAL STATEMENTS</b><br>(A copy of the latest audited financial statements. Should the organization be classified as an emerging organization, the financial statements MUST be dated and signed by the Treasurer and Chairperson and MUST include a monthly income and expense statement for the months that the organization has been in existence or for the last 12 months)   |        |  |        |  |        |
| <b>2</b> | <b>ORGANISATIONAL CONSTITUTION</b><br>(A signed and dated copy of the Organisation's Constitution, as well as a signed copy of the <b>Minutes of the AGM/Special Meeting</b> , to verify the acceptance of the Constitution.)  |        |  |        |  |        |
| <b>3</b> | <b>PROJECT PROGRAMME/BUSINESS PLAN</b><br>(A copy of the project/program description and/or a business plan for the ensuing financial year. Please ensure that the following is included in the project/program and or business plan, by using the below mentioned bullet points as a guide).<br>❖ Full details of the proposal/project/business plan including objectives;<br>❖ The number of people who will benefit and how the project/program will contribute or enhance the strategic objectives of Stellenbosch Municipality;<br>❖ The project/program commencement and completion dates;<br>❖ Information on the total costs of the project/program budget;<br>❖ A breakdown of costs and an outline of any contributions by fundraising and / or own contributions;<br>❖ A list of all other sources of funding together with the assessments;<br>❖ A summary of past achievements;<br>❖ Reference independent of the applicant and its executive/board or committee members. |        |  |        |  |        |
| <b>4</b> | <b>SIGNED AND STAMPED CREDITOR CONTROL FORM</b><br>(An original signed copy of a correctly completed Creditors Control form of the Stellenbosch Municipality)  |        |  |        |  |        |
| <b>5</b> | <b>ACCOUNT ON EXPENDITURE FOR PRECEDING FUNDING</b><br>(If you have received funding from Stellenbosch Municipality in the preceding financial year, expenditure of the funds received needs to be accounted for with this new application). Please refer to Section M for the format.   |        |  |        |  |        |
| <b>6</b> | <b>PROOF OF REGISTRATION/AFFILIATION</b><br>(Attach a copy of the organisation's Registration Certificate of Affiliation)  |        |  |        |  |        |

| <b>REQUIREMENTS CATEGORY B APPLICATIONS</b> |  |
|---|--|
| <b>L</b>                                    | (Please note that Category B applications <b>MUST</b> adhere to the following requirements and those listed under section K, except where indicated otherwise.)  |
| <b>1</b>                                    | <b>AUDITED FINANCIAL STATEMENTS</b><br>A copy of the latest audited financial statements must be included in the application. Category B applications <b>MUST</b> submit their latest audited financial statements. Statements signed off by the treasurer, chairperson or other delegated party will not be accepted.   |
| <b>2</b>                                    | <b>THREE YEAR BUSINESS PLAN</b><br>See the requirements for the business plan as listed under section K as guideline. NOTE: Category B applications <b>MUST</b> provide a clear proposal for a period of three years. Each year must be indicated separately and be costed per annum indicating all expenditure against the projected measurable outcomes. Outcomes must be listed to how they will be reported on and measured monthly.   |
| <b>M</b>                                    | <b>FORMAT FOR FEEDBACK REPORT</b><br>(Please ensure that your feedback of previous funding received, includes the following)   |
| <b>1</b>                                    | Narrative report on the project including numbers reached, outcomes reached, evaluation of the project indicating successes and failures/lessons learned.  |
| <b>2</b>                                    | Pictures of the project/program.   |
| <b>3</b>                                    | Financial report on expenditure regarding previous donation separate from the annual financial statements. (Attach proof of expenditure).  |
| <b>N</b>                                    | <b>THE FOLLOWING SHALL APPLY:</b>  |
| <b>1</b>                                    | The allocation of Grant-In-Aid will only be considered if the application document has been fully completed and signed and is accompanied by the required and supporting documentation referred to therein.  |
| <b>2</b>                                    | An applicant who has been registered as a non-profit organization in terms of Section 13 of the Non-Profit Organisation Act, 1997, and the necessary proof thereof is submitted together with this application.  |
| <b>3</b>                                    | Applicants must in their submission clearly indicate/specify and motivate what the funds will be utilized for.   |
| <b>4</b>                                    | The Grant-In-Aid must be exclusively utilized for the purpose defined and the successful applicant must submit the necessary undertaking to this effect.   |
| <b>5</b>                                    | Applicants must in their submission satisfy the Council of their ability to execute the project successfully.  |
| <b>6</b>                                    | Organisations who have already received financial or other assistance from the Council during the previous financial year <b>MUST</b> specify same in their application.   |
| <b>7</b>                                    | No funding will be considered for political groupings, churches, or ratepayers organisations.  |
| <b>8</b>                                    | No funding will be considered where only an individual will benefit or where a member of Council or an official of Stellenbosch Municipality will receive any financial or other gain.   |
| <b>9</b>                                    | Projects outside the boundaries of the Council will not be considered.   |
| <b>10</b>                                   | Expenditure that will not be funded includes travel costs (unless it is for the transport of beneficiaries), subsistence, accommodation, food (unless intended for the beneficiaries) or entertainment expenses of any kind, staff salaries including bonuses, bursaries, and payments in lieu of rates or other municipal charges.  |
| <b>11</b>                                   | Subsequent requests from the applicants to cover overspending on projects will not be considered.  |
| <b>12</b>                                   | Successful applicants must always comply with the provisions of Section 67(1) of the Municipal Finance Management Act no. 56 of 2003 which inter alia stipulates that the organization or body must: -   |
|   | ❖ Enter into and comply with a Memorandum of Agreement with the Municipality as well as with all reporting financial management and auditing requirements as may be contained in such an agreement. This memorandum of agreement will bind the successful applicant to deliver on what the application speaks to, but also to commit to become involved with municipal programs of the community where it functions. The Memorandum of Agreement will be made available to successful applicants for completion. |
|   | ❖ Report monthly on the actual expenditure of the amount allocated to it. Should monthly allocations be made.  |
| <b>13</b>                                   | The Council reserves the right not to give a Grant-In-Aid to any organization applying for grants. Having been awarded a grant previously does not give an applicant the right to receive a grant again.   |
| <b>14</b>                                   | Funding will not be considered where a project or organization is already receiving funds from Council in terms of Council's functions. Applicants are required to disclose other sources of funding, failing which such applicant will be disqualified.   |
| <b>15</b>                                   | Funding will not be considered where in Council's opinion, an organization received sufficient funds from other sources to sustain its activities or the project applied for. For this purpose, organisations must submit financial statements and budget for the ensuing financial year.  |
| <b>16</b>                                   | Organisations having received funding from Stellenbosch Municipality during the previous financial year, are required to attach to any new application, a copy of the financial statements relating to the year in which the funding was received from Council, as required in terms of Section 17 of the Non-profit Organisation Act, 1997 and Section 67(1) of the Municipal Finance Management Act, 2003 (MFMA).  |
| <b>17</b>                                   | Funding will not be considered where expenses have already been incurred on a project by the applicant. (The Council's Grant-In-Aid Policy must be consulted for the sake of completeness).  |





# STELLENBOSCH

STELLEN BOSCH • PN I E L • FR ANSC HHOE K

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

## MEMORANDUM OF AGREEMENT

Entered into and between

### STELLENBOSCH MUNICIPALITY

(Hereafter called the "**MUNICIPALITY**")

Herein represented by **Geraldine Mettler**, in her capacity as **Municipal Manager**, being duly authorised

and

---

(Hereafter called the "**BENEFICIARY**")

Herein represented by \_\_\_\_\_ in his/her capacity as \_\_\_\_\_, being duly authorised.

**WHEREAS** Section 67(1) of the Local Government: Municipal Finance Management Act, Act 56 of 2003 (MFMA) oblige the Accounting Officer of a **MUNICIPALITY** to satisfy himself that, before transferring funds of the **MUNICIPALITY** to an organisation or body outside any sphere of government otherwise than in compliance with a commercial or other business transaction, that such organisation or body: -

- (a) has the capacity and has agreed-
  - (i) to comply with any agreement with the **MUNICIPALITY**;
  - (ii) for the period of the agreement to comply with all reporting, financial management and auditing requirements as may be stipulated in the agreement;
  - (iii) to report at least monthly to the Accounting Officer on actual expenditure against such transfer (should transfers be done monthly); and

- (b) implements effective, efficient, and transparent financial management and internal control systems to guard against fraud, theft, and financial mismanagement; and
- (c) has in respect of previous similar transfers complied with all the requirements as set out above; and
- (d) give permission to site visits done by the **MUNICIPALITY**.

**WHEREAS** the **MUNICIPALITY** has approved a Grants-in-Aid Policy, in terms whereof applications are considered;

**WHEREAS** the **BENEFICIARY** has applied for a grant-in-aid as per the official grant-in-aid application form; and

**WHEREAS** the **MUNICIPALITY** has approved such application, subject to certain conditions;

**NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:**

**1. TRANSFER OF FUNDS**

1.1 The **MUNICIPALITY** hereby undertakes to transfer an all-inclusive amount of **R..... (.....)**, being a donation for the period **01 July 20... to 30 June 20...** to the **BENEFICIARY**.

1.2 Bank Account details: (The following are confirmed through a correctly completed Creditors Control Form.)

Account number : \_\_\_\_\_

Name of financial institution : \_\_\_\_\_

Name of account holder : \_\_\_\_\_

Branch code : \_\_\_\_\_

Type of account : \_\_\_\_\_

1.3 The all-inclusive amount will be transferred in equal amounts on the following dates (if applicable):

\_\_\_\_\_

**2. OBLIGATIONS OF BENEFICIARY**

- 2.1 The **BENEFICIARY** must acknowledge in writing to the Municipal Manager that the amount(s) was(were) received in its bank account.
- 2.2 The **BENEFICIARY** hereby certifies that the money will be utilised in accordance with the role of the organisation or society, to the benefit of the community and in accordance with the project(s) / programme(s) as indicated in the application form.
- 2.3 The **BENEFICIARY** undertakes to regularly report monthly to the Municipal Manager regarding the activities conducted, actual expenditure against such transferred funds, as well as the number of people benefiting from the activities should monthly payments be made. If not, an annual report on the expenditure will be provided.
- 2.4 The **BENEFICIARY** further undertakes to submit an audited financial statement for its financial year to the Municipal Manager by not later than **30 April 20...**

**3. SPECIFIC CONDITIONS**

- 3.1 The parties specifically agree on the following:

That the organization will commit to active involvement in any programme run by the municipality in the area of operation of the organization when such a programme is active in the community.

**Other conditions:**

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**4. DECLARATION OF INTEREST**

The beneficiary declares that the following municipal employees and/or councillors have a vested interest in the business of the beneficiary. However, they do not benefit directly from this donation and were not part of the decision-making process in the allocation of the donations: (Name and designation)

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## 5. ACQUISITION OF ASSETS

5.1 Should the **BENEFICIARY** wish to acquire any moveable or immovable assets with the money donated in terms of this Agreement, the **BENEFICIARY** hereby undertakes to:

-

5.1.1 adhere to the principles as per the **MUNICIPALITY'S** Supply Chain Management Policy, and

5.1.2 take all reasonable steps to ensure that such assets are maintained and that a system of internal control of such assets is in place.

## 6. RIGHTS OF THE MUNICIPALITY

6.1 The **MUNICIPALITY** shall be entitled, from time to time, to verify the existence and to inspect the activities of the **BENEFICIARY**, having regards for its right to privacy as entrenched in terms of the Constitution of the Republic of South Africa.

6.2 The **MUNICIPALITY** shall further be entitled to peruse the budgets and any progress reports related to the project / programme as per this Agreement.

## 7. FAILURE TO COMPLY

7.1 Failure by the **BENEFICIARY** to comply with the obligations as set out in Clause 2 of this Agreement, may lead to the cancellation of this Agreement, in which case the **MUNICIPALITY** may demand that the organisation pays back any unspent funds as per this Agreement. The **MUNICIPALITY** may even, depending on the circumstances leading to the non-compliance by the **BENEFICIARY**, demand that the organisation pays back the full amount paid to the **BENEFICIARY**.

## 8. INDEMNIFICATION

8.1 The **BENEFICIARY** hereby acknowledges that it receives the grant voluntarily and that it shall keep the **MUNICIPALITY** always indemnified against any loss, cost, damage, injury, or liability suffered by the **MUNICIPALITY** resulting from any action, proceeding or claim made by any person (including themselves) against the **MUNICIPALITY** caused directly or indirectly by the use/spending of the grant.

**9. DISPUTE RESOLUTION**

9.1 Any dispute arising from this Agreement shall be mediated between the Parties by a mutually agreed upon and suitably skilled mediator. Should the mediator be unsuccessful, and the Parties fail to reach agreement, the dispute may be referred by the aggrieved Party to the arbitration of a single arbitrator, to be agreed upon between the Parties, or failing agreement, to be nominated on the application of any Party, by the President for the time being of the South African Association of Arbitrators. The decision of the single arbitrator shall be final and binding on the Parties.

**10. NOTICES AND DOMICILIA**

10.1 The parties choose as their *domicilia citandi et executandi* their respective addresses as set out in this clause for all purposes arising out of or in connection with the agreement at which addresses all processes and notices arising out of or in connection with this Agreement, its breach or termination, may validly be served upon or delivered to the Parties.

10.2 For purposes of this Agreement the Parties' respective addresses shall be:

**10.2.1 The MUNICIPALITY:**

Town House  
Plein Street  
Stellenbosch  
7600  
Fax: 021 – 808 8025

**10.2.2 The BENEFICIARY:**

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or at such other address of which the Party concerned may notify the other(s) in writing provided that no street address mentioned in this sub-clause shall be changed to a post office box or poste restante.

10.3 Any notice given in terms of this Agreement shall be in writing and shall-

10.3.1 if delivered by hand be deemed to have been duly received by the addressee on the date of delivery;

10.3.2 if posted by prepaid registered post be deemed to have been received by the addressee on the 8<sup>th</sup> (eighth) day following the date of such posting;

10.3.3 if transmitted by facsimile be deemed to have been received by the addressee on the day following the date of dispatch;

10.4 Notwithstanding anything to the contrary contained or implied in this Agreement, a written notice or communication received by one of the Parties from another, including by way of facsimile transmission, shall be adequate written notice or communication to such party.

**11. ENTIRE AGREEMENT**

This Agreement, including the **Grant-in-Aid policy and application form**, reflects the entire Agreement between the Parties and no variation, amendment or addendum shall be of any force and effect between the Parties unless contained in writing, signed, and agreed on by both Parties.

Signed at Stellenbosch on this \_\_\_\_\_ day of \_\_\_\_\_ 20....

.....  
for the **MUNICIPALITY**

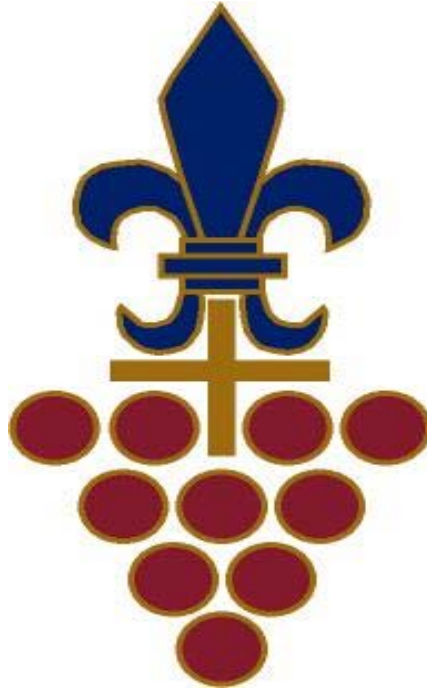
WITNESS: 1. ....  
2. ....

Signed at Stellenbosch on this \_\_\_\_\_ day of \_\_\_\_\_ 20....

.....  
for the **BENEFICIARY**

WITNESS: 1. ....  
2. ....

# **STELLENBOSCH MUNICIPALITY**



## **SPECIAL RATING AREA BY-LAW POLICY**

**2022/2023**



# STELLENBOSCH MUNICIPALITY

## SPECIAL RATING AREA BY-LAW

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**To provide for the establishment of special rating areas; to provide for additional rates; and to provide for matters incidental thereto.**

BE IT ENACTED by Stellenbosch Municipality as follows:-

## **CHAPTER 1**

### **ESTABLISHMENT OF SPECIAL RATING AREAS**

#### **1. DEFINITIONS**

In this By-law words or expressions shall bear the meaning assigned to them and, unless context otherwise indicates.

In addition to the definitions contained in the Property Rates Act, the following definitions apply for the purpose of the application of this By-law.

**“additional rate”** means an additional rate contemplated in sections 19(1)(d) and 22(1)(b) of the Property Rates Act in section 12(2) of this By-Law;

**“applicant”** means any owner who makes an application for the determination of a special rating area in accordance with provisions of Chapter 1 of this By-Law, or if a management body is established in terms of section 10 of this By-Law any reference to **“the Applicant”** means the management body;

**“CFO”** means the Chief Financial Officer of Stellenbosch Municipality, or his or her nominee.

**“Council”** means Council of Stellenbosch Municipality;

**“implementation plan”** means an Implementation Plan as contemplated in section 6 of this By-Law;

**“limited special rating area”** means a limited special rating area approved by the Council in terms of section 9 of this By-Law;

**“majority”** means the majority of properties represented by the members of the local community in the proposed special rating area who will be liable for paying the additional rate;

**“management body”** means the management body of a special rating area to be established in accordance with the provision of section 10 of this By-Law;

**“motivation report”** means a motivation report as contemplated in section 6 of this By-Law;

**“owner”** has the meaning assigned to it in section 1 of the Property Rates Act;

“**Policy**” means the Policy for the determination of special rating areas named the Special Rating Area Policy of the Stellenbosch Municipality;

“**Property Rates Act**” means the Local Government: Municipal Property Rates Act, 2004 (Act No.6 of 2004);

“**rateable property**” has the meaning assigned to it in section 1 of the Property Rates Act;

“**special rating area**” means a special rating area approved by the Council in accordance with the provisions of section 22 of the Property Rates Act and section 8 of this By-Law.

## 2. INTERPRETATION

In the event of any conflict with the Afrikaans or isiXhosa texts the English text prevails.

## 3. DETERMINATION OF SPECIAL RATING AREAS

Stellenbosch Municipality may by resolution of the Council determine special rating areas.

## 4. APPLICATION

- (1) Any owner located within the area of jurisdiction of Stellenbosch Municipality and who owns property within the proposed special rating area, may lodge an application to the Stellenbosch Municipality for the determination of a special rating area.
- (2) All costs incurred by the applicant in respect of the establishment of a special rating area shall be for his or her own account, provided that after implementation of the implementation plan the management body may reimburse the applicant for some or all of those costs.
- (3) Any application contemplated in subsection (1) above must –
  - (a) be in writing and be in the form as the CFO may determine;
  - (b) be submitted not more than nine months after the date on which the public meeting referred to in section 5 of this By-Law is held, or if a second public meeting is held as provided for in section 6(2) of this By-Law, nine months after the date of the second public meeting;
  - (c) be accompanied by –
    - (i) a motivation report and an implementation plan;
    - (ii) the written consent submitted by the members of the local community in the proposed special rating area who will be liable for paying the additional rate. All

owners of each property in the proposed special rating area must sign the consent form. The majority shall be determined by the number of properties in the proposed special rating area for which duly preformed consent forms were received in relation to the number of properties in the proposed special rating area. Under specific conditions, aimed at a more inclusive approval process, the majority may be set at a higher percentage as determined in the Special Rating Area policy. The format of the consent may be determined by the CFO;

- (iii) payment of such fee as the Council may determine.

## 5. PUBLIC MEETINGS

- (1) An application for the determination of a special rating area must be preceded by the holding of a public meeting.
- (2) The purpose of the public meeting is to enable the applicant to consult with those owners within the proposed special rating area regarding the proposed boundaries of the area and the proposed improvement or upgrading of the area.
- (3) Prior to the holding of the public meeting, the applicant must –
  - (a) give notice in a manner approved by the CFO in terms of this By-law owners of rateable property, who will be liable for payment of the additional rate, of the applicant's intention to apply for the determination of a special rating area
  - (b) in the notice referred to in subsection (3)(a) above, give notice of a public meeting, which notice must –
    - (i) state the purpose of such meeting; and
    - (ii) contain details of the place, date and time when such meeting is to be held.
- (4) The public meeting must be held not less than seven days and not more than 30 days after the date of the notice.
- (5) The public meeting must be held at such place, date and time as stated in the notice, provided that it must be held at a place which is within the boundaries of the proposed special rating area unless the CFO approves another venue in writing before the public meeting is held.
- (6) The public meeting must be chaired by a suitable qualified and experienced person appointed by the CFO.
- (7) Any interested person must, at the public meeting, be –



- (a) Furnished with all relevant information relating to the proposed special rating area, including the information to be set out in the motivation report and implementation plan; and
- (b) given an opportunity to ask questions, express their views and make representations.

**6. MOTIVATION REPORT AND IMPLEMENTATION PLAN**

- (1) Any application for the establishment of a special rating area must include a motivation report and an implementation plan covering a period commencing on 1 July of a year and ending on 30 June of the fifth year or covering such lesser period as may be determined by the CFO.
- (2) If the motivation report or the implementation plan are materially amended, as determined by the CFO, after the public meeting referred to in section 5 of this By-Law, the applicant must call a second public meeting for approval of the special rating area as amended.
- (3) The provision of section 5 of this By-Law applies with the necessary changes to the second public meeting.

**7. ADVERTISING OF APPLICATION AND OBJECTIONS**

- (1) The applicant must within 14 days after the application is lodged in accordance with section 4 of this By-Law, or within such further period which the CFO may approve –
  - (a) Cause a notice of the application to be published in a manner approved by the CFO; and
  - (b) Either before or up to seven days after the date of publication of the notice, give written notice of the application to all owners within the proposed special rating area, who will be liable for payment of the additional rate. Such notice must be served by pre-paid registered post, hand delivery or in any other manner approved of in writing by the CFO.
- (2) Every notice contemplated in terms of subsection (1) above must state that written objections to the determination of a special rating area or the provisions of the motivation report and implementation plan may be lodged with the Stellenbosch Municipality by a date specified in the notice, which shall not be less than 30 days after the date of publication in terms of subsection (1)(a) above, and must state where the documentation specified in subsection (5) below will be available for inspection.
- (3) Any owner of rateable property who will be liable for paying the additional rate may submit written objections to the determination of the special rating area, which objections must be

received by the Stellenbosch Municipality not later than the date stipulated in the notice referred to in subsection (1) above.

- (4) Any objector to the application who owns property within the proposed special rating area may make oral representation to the CFO.
- (5) The application, including the motivation report and the implementation plan, and all objections must be available for inspection at the office of Stellenbosch Municipality and at a venue determined by the CFO within the proposed special rating area, for the period referred to in subsection (2) above.

## **8. DECISION**

- (1) After the provision of sections 4 and 7 of this By-Law have been complied with, the Council must, at a meeting of the Council held within 90 days after the last date for the submission of objections in accordance with section 7(2) of this By-Law, consider the application and –
  - (a) determine a special rating area which must be implemented in accordance with the motivation report and implementation plan;
  - (b) determine a special rating area with such amendments or conditions as the Council considers to be in public interest;
  - (c) determine a special rating area in respect of a limited area in terms of section 9 of this By-Law;
  - (d) refuse the application, in which event the Council must, within 30 days, furnish the applicant with written reasons for not approving the determination of a special rating area;  
or
  - (e) refer the application back to the applicant for amendments in such manner as the Council may direct.
- (2) If an application is refused by the Council in accordance with the provisions of subsection (1)(d) above or referred back to the applicant in accordance with the provisions of subsection (1)(e) above, the applicant may, within six months of the Council's decision, re-apply to the Council for the determination of the special rating area, provided that such re-application has been appropriately amended in the light of the reasons for refusal or referral, as the case may be.
- (3) If the motivation report or implementation plan is amended in any material respect at any time before the determination, the Council may require that the amended application be re-advertised in accordance with the provision of section 7 of this By-law, with the necessary changes.

**9. DETERMINATION OF A LIMITED SPECIAL RATING AREA**

If an application in terms of section 4 of this By-Law is not accompanied by the majority of the members of the local community in the proposed special rating area required by section 4(3)(c) of this By-Law, but the applicant can demonstrate to the satisfaction of the Council, that –

- (a) there are such confirmations from owners of rateable properties in a limited geographical area within the proposed special rating area that would meet the requirements of section 4(3)(c) of this By-Law if they were to be applied to that area; and
- (b) the level of services to be provided will not be reduced and the budget will be reduced accordingly as a result of the provision of those services in the limited area alone, as compared to the provision of those services in the whole of the proposed special rating area,

then the Council may, subject to the other provisions of this By-Law, determine a limited special rating area.

**CHAPTER 2****SPECIAL RATING AREAS – STRUCTURES AND FINANCES****10. COMMENCEMENT OF THE IMPLEMENTATION PLAN**

Once the Council has approved the establishment of the special rating area, the implementation plan may only be implemented after the management body has been established in accordance with section 11 of this By-Law.

**11. ESTABLISHMENT, COMPOSITION, POWERS AND DUTIES OF MANAGEMENT BODY**

- (1) The applicant must establish a management body for the purposes of implementing the provisions of the implementation plan.
- (2) The management body must be a company incorporated in accordance with the provisions of a Non-Profit company (company not for gain) as per the Companies Act, Act 71 of 2008 (as amended or replaced).
- (3) Stellenbosch Municipality shall monitor compliance by the management body with the applicable provisions of this By-Law, any guidelines or policies adopted by Stellenbosch Municipality and any agreements entered into with the management body and Stellenbosch Municipality.

- (4) The Council must nominate the relevant ward councillor and one other person, as representatives to attend and participate, but not vote, at the meetings of the management body.
- (5) Within two months after receipt of the first payment of the additional rate, the management body must begin carrying out the objectives of the implementation plan.
- (6) Within two months of the end of each financial year, the management body must provide the CFO with –
  - (a) Its audited financial statements for the immediately preceding year; and
  - (b) an annual report on its progress in carrying out the objectives of the implementation plan in the preceding year to improve and upgrade the special rating area.
- (7) Within two months after the Annual General Meeting, the management body must provide the Finance Portfolio Committee with –
  - (c) Its audited financial statements for the immediately preceding year; and
  - (d) An annual report on its progress in carrying out the objectives of the implementation plan in the preceding year to improve and upgrade the special rating area.

## **12. FINANCES**

- (1) The financial year of the management body must coincide with the financial year of the Stellenbosch Municipality.
- (2) Where a special rating area has been determined, the Council must levy in accordance with the provisions of the Property Rates Act, a property rate in addition to the rates that it already charges on the owners of rateable property in the special rating area for the purposes of realizing the implementation plan. Provided that the Council may in terms of the Property Rates Act, Stellenbosch Rates Policy, Stellenbosch Credit Control and Debt Collection By-Law and the Stellenbosch Credit Control and Debt Collection Policy, exempt the indigent, senior citizens, disabled persons or any other category of owners from the additional rates.
- (3) When determining the additional rate referred to in subsection (2) above, the Council may consider imposing differential additional rates on one or more of the categories set out in section 8 of the Property Rates Act or any category as set out in the Stellenbosch Rates Policy.
- (4) The additional rate due in terms of this By-Law is a debt due to the Council and is payable and must be collected in the same manner as other property rates imposed by the Council.

- (5) The Council may, for the purpose of carrying out the provisions of the implementation plan of special rating area and subject to section 67 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 200), make payment to the management body of a special rating area.
- (6) The payment contemplated in subsection (5) above is conditional upon the conclusion of a finance agreement to be entered into between the Council and the relevant management body, and such agreement must regulate, among other things –
  - (a) the mechanisms and manner of payment; and
  - (b) terms on which payment to the relevant management body is to be made.
- (7) Subject to the provisions of its memorandum and articles of association, the management body is entitled to raise its own funds through commercial activities, donations or any other lawful means.
- (8) The Council, may determine and impose on the management body an administrative charge.

### **13. THE ROLE OF THE CFO**

In addition to the other responsibilities and obligations of the CFO as set out elsewhere in this By-Law, the CFO must –

- (a) Establish separate ring-fenced budget votes and other record-keeping systems regarding the revenue generated by the additional rate and the improvement and upgrading of the special rating area;
- (b) Monitor compliance with the applicable legislation, including this By-Law and the Policy, by –
  - (i) receiving and considering the audited financial statements and reports regarding the carrying out of duties laid out in the implementation plan;
  - (ii) nominating, if he or she elects to do so, representatives to attend and participate but not vote at meetings of the management body.

## **CHAPTER 3**

### ***AMENDMENT AND EXTENSION OF IMPLEMENTATION PLANS***

#### **14. AMENDMENT TO IMPLEMENTATION PLANS**

- (1) An implementation plan, including the geographical boundaries of the special rating area, may be amended by the Council on written application by the management body at any time after the formation of the special rating area.
- (2) The council may approve an application for an amendment referred to in subsection (1) above where the Council considers it not likely to materially affect the rights or interests of any owner, provided that the Council may require the management body to cause a notice of the application for such amendments to be published as approved by the CFO.
- (3) The Council may only approve an amendment in terms of subsection (1) above, with the changes required by the context, in accordance with the provisions of Chapter 1 of this By-Law, which the Council considers is likely to –
  - (a) materially affect the rights or interests of any person;
  - (b) affect the approved budget for the special rating area; and
  - (c) change the boundaries of the special rating area.
- (4) The Council may, for good reason, on written application by the management body, exempt the management body from complying with the provisions, or condone any non-compliance with any provisions, of Chapter 1 of this By-Law.

## **15. EXTENSION OF IMPLEMENTATION PLANS**

A management body must, if it elects to extend the term of the implementation plan for a further period, on or before January in the year in which the implementation plan is due to terminate, submit an application to Stellenbosch Municipality for approval of extension of the term of the implementation plan, provided that –

- (a) the extension of the implementation plan may only be approved by the Council in accordance with the provisions of Chapter 1 of this By-Law, with the changes required by the context, and the Council may, for good reason, on written application by the management body, exempt the management body from complying, or condone any non-compliance, with any such provisions;
- (b) the provisions of section 14 of this By-Law shall apply to any amendment of an implementation plan which has been extended in terms of this section.

## CHAPTER 4

### DISSOLUTION OF A SPECIAL RATING AREA

#### 16. DISSOLUTION

- (1) The Council may terminate the municipality's business relationship (connection and commitment) to a management body of a specific special rating area –
  - (a) Upon written application signed by owners of the majority of properties within the boundaries of the special rating area who are liable for paying the additional rate; or
  - (b) After prior consultation by the CFO with the management body or the community, whereupon for any good cause he or she may cause the necessary steps or processes to terminate the business relationship with the management body.
  - (c) Upon the decision by the CFO to terminate the business relationship to the specific special rating area, notices shall be forwarded to the management body and to all the property owners of the specific special rating area presenting the reasons for the proposed termination and any other pertinent details.
- (2) Upon the approval by Council to terminate the business relationship with the management body the additional rates applicable to said special rating area will no longer be raised and the associated payments to the management body shall cease.

## CHAPTER 5

### MISCELLANEOUS PROVISIONS

#### 17. REPEAL

The provisions of any By-laws relating to special rating areas by Stellenbosch Municipality are hereby repealed insofar as they relate to matters provided for in this By-law.

#### 18. SHORT TITLE AND EFFECTIVE DATE

- (1) This By-Law is called the Special Rating Area By-Law of Stellenbosch Municipality and shall take effect on 01 July 2021.
- (2) No new special rating area determined in terms of this By-Law may implement its implementation plan prior to 01 July 2020.

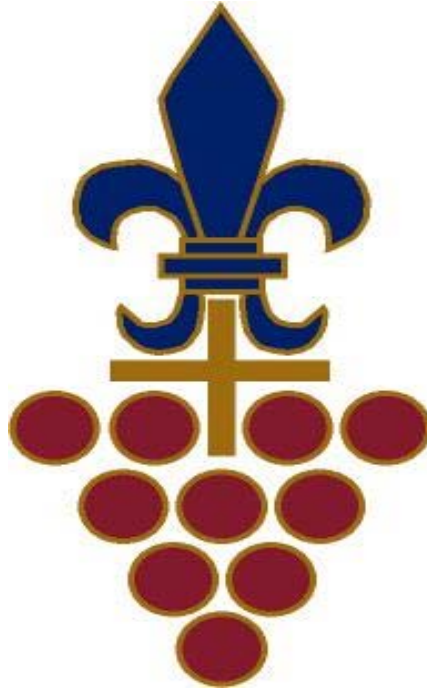
**G. Mettler**

**Municipal Manager**

**Plein Street, PO Box 17, Stellenbosch, 7599**

**Telephone Number 021 808 8025**

# **STELLENBOSCH MUNICIPALITY**



## **PETTY CASH POLICY**

**2022/2023**





# STELLENBOSCH MUNICIPALITY

## PETTY CASH POLICY

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**1. INTRODUCTION**

The accounting officer of a municipality is responsible for the management of the expenditure of the municipality in an effective and controlled manner. Therefore the Stellenbosch Municipality adopts the following petty cash policy.

**2. REGULATORY FRAMEWORK**

- a) The Municipal Finance Management Act (56 of 2003);
- b) Section 15 of the Municipal Supply Chain Regulations;
- c) Treasury regulations in terms of Section 13(1) of the Act;
- d) MFMA Circular 97 (Cost Containment Measures);
- e) Cost Containment Policy;
- f) Municipal Cost Containment Regulations, 2019; and
- g) Any subsequent MFMA Circulars relevant to Petty Cash or Cost Containment in general that may be issued By National Treasury from time to time.

**3. OBJECTIVES**

Compliance with the regulatory framework in terms of the relevant legislation is required.

**4. RESPONSIBILITY AND ACCOUNTABILITY**

The key responsibilities in terms of the MFMA (Section 65) are:

Accounting Officer (Municipal Manager)-

- (1) The accounting officer of a municipality is responsible for the management of the expenditure of the municipality.
- (2) The accounting officer must for the purpose of subsection (1) take all reasonable steps to ensure—
  - (a) That the municipality has and maintains an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds;
  - (b) That the municipality has and maintains a management, accounting and information system which—

- (i) recognises expenditure when it is incurred;
  - (ii) accounts for creditors of the municipality; and
  - (iii) accounts for payments made by the municipality;
- (c) that the municipality has and maintains a system of internal control in respect of creditors and payments;
- (d) that payments by the municipality are made—
- (i) directly to the person to whom it is due unless agreed otherwise for reasons as may be prescribed; and
  - (ii) either electronically or by way of non-transferable cheques, provided that cash payments and payments by way of cash cheques may be made for exceptional reasons only, and only up to a prescribed limit;

The Municipal Manager delegates authority to the Chief Financial Officer to ensure compliance and adherence to the principles established by this policy.

## **5. PETTY CASH FRAMEWORK**

### **5.1 General Policy**

- a. The use of petty cash floats is strictly confined to individual cash purchases of:
- i) up to a maximum of R500, where the petty cash floats in other departments are used to make purchases,
  - ii) up to a maximum of R2 000, when claimed from the Financial Services Petty Cash Float.

All Petty Cash expenditure must be in compliance with this Policy, the Municipal Cost Containment Regulations 2019, Cost Containment Policy and MFMA Circular 97 (Cost Containment Measures).

- i) The municipality may not incur catering expenses for meetings that are only attended by persons in the employ of the municipality, unless prior written approval is obtained from the accounting officer.
- ii) Catering expenses may be incurred by the accounting officer for the following, provided they exceed five (5) hours in duration:
  - Hosting of meetings
  - Conferences

- Workshops
  - Courses
  - Forums
  - Recruitment interviews
  - Council proceedings
- iii) Expenses may not be incurred on alcoholic beverages.
- iv) The accounting officer must ensure that expenses are not incurred on social events. This provision is not intended to impede the constitutional obligation of the municipality, therefore the following events are excluded:
- Economic development events
  - Cultural festivals
  - Local tourism festivals
  - Youth, aged, disabled and other vulnerable persons development events
  - Civic honours events
  - Staff recognition or achievement awards and functions
  - Town centennial or other significant municipal commemorating events
  - Opening of facilities and buildings
  - Strategic planning sessions
  - Non-recreational team building events
  - Non-recreational staff wellness functions.
- v) Expenditure may not be incurred on corporate branded items like clotting or goods for personal use by officials, other than uniforms, office supplies and tools of trade, unless the costs thereto are recovered from the affected officials or is an integral part of the business model of a specific project or drive.
- vi) The accounting officer must ensure that any sporting events, and expenditure directly related to sporting events such as travel and accommodation cost, sporting gear and sporting regalia are not financed from the budget of the municipality or by suppliers or sponsors. This provision does not apply to sporting events that are held in terms of the municipality's constitutional function.

The accounting officer may incur expenditure not exceeding the limits of this Policy for one transaction usage, to host farewell functions in recognition of officials who retire after serving the municipality for ten or more years or retire due to ill health.

Under no circumstances may Petty Cash be abused for purposes of avoiding Supply Chain Management procedures. It is not acceptable for one receipt or a number of receipts, in respect of the same event, which have been obtained by the same person, to be split over multiple cash purchase claims.

- d. The Directorate making use of Petty Cash for smaller purchases is responsible for ensuring that sufficient budget is available on the relevant votes.
  - e. A petty cash float is not to be used for any of the following:
    - i) the cashing of cheques;
    - ii) loans to any person whatsoever;
    - iii) payment of personal remuneration to any employee whatsoever, whether for fees, salaries, wages, travel allowance as part of remuneration, honorarium or other reason; or
    - iv) Purchase of capital items.
    - v) Any item or service that does not fall within the ambit of the Cost Containment Policy and –Regulations.
  - f. Examples of permissible Petty Cash Expenditure may include, but is not limited to:
    - i) Toll Fees
    - ii) Parking Fees
    - iii) Postage
    - iv) PDP and Licence fees
    - v) Keys
    - vi) Car Wash
    - vii) Fire Arm Licencing
  - g. Should there be any uncertainty, the relevant Director may exercise discretion and approve a requisition for Petty Cash, or in the case of an own Petty Cash Float, approve such expenditure provided that all such approvals remain within the confines of the Cost Containment Policy and –Regulations..
- Other cash floats may also be established for the purpose of providing change, for a cash register, or any other purpose approved by the Chief Financial Officer. Use of such floats is restricted to the purpose for which they were established.
- i. The Chief Financial Officer may approve the use of petty cash for specific use, based on practical reasons or cost-benefit reasons. Such an authority will be done on a case by case basis for the purposes of considering merit.
  - j. The CFO may determine and approve the maximum amount to be held in any individual petty cash float.

## 5.2 Purchases through Petty Cash Float – Supply Chain Management Office

- a. Purchases from SCM database suppliers shall be allowed in the following instance, provided that a monthly submission are made to the CFO of all purchases and the respective director confirming the enforcement of rotation of suppliers:
  - i) When the amount of the individual purchase / event is less than R250.00, irrespective of it being an emergency or not.
- b. Purchases from SCM database suppliers are NOT allowed for capital items or fuel.
- c. Petty claims will be dealt with on a first come, first serve basis and it is subject to the monetary limit of the petty cash.

## 5.3 Establishing and Operating a Petty Cash Float

- a. To establish a new petty cash float or increase an existing advance, a written application is to be made to the Chief Financial Officer by the relevant Department, motivating the need for such petty cash float.
- b. The total value of the advance requested will be an amount which would normally necessitate reimbursement approximately once a fortnight. This level of advances keeps to a minimum the overall cash in the buildings on municipal property and ensures regular inclusion of information regarding expenditure in financial reports and for budget control purposes.
- c. A request for the establishment of an advance will indicate the name and status of senior administrative or clerical staff to be held responsible for the operation of the petty cash float. The staff member's specimen signature must also be submitted by the Department to the Chief Financial Officer, together with the application documentation.
- d. The application will indicate the security arrangement in place to ensure safe custody of funds in the office. The minimal security arrangement that will be acceptable is that the float will be kept in a locked box which will be kept in a locked filing cabinet or safe. If an advance is approved, the Assistant Accountant: Creditors will advise the Department accordingly and request that the responsible staff member collect the advance. This establishing advance will be charged to a "Petty Cash Advances - ...Name/Dept..." in the General Ledger and not against any expenditure votes. A register of advances is thus maintained per Ledger Account for the purpose of accounting for all petty cash floats.

#### 5.4 Security of Petty Cash Floats

- a. The cash on hand and used petty cash vouchers are to be kept in a locked box for which there should be two keys. One key is to be retained by the officer (on their person) normally responsible for the petty cash and the other to be kept in a sealed envelope in the office safe or other secure place, to be used only in an emergency.
- b. The locked petty cash box must be kept in a secure place when not in use and should be removed and returned by the responsible staff member only. At no stage should staff other than the responsible administrative/clerical staff member have access to the storage place of the petty cash box.
- c. Under no circumstance are keys to be left in the lock to the petty cash box, cabinet or safe.
- d. If the responsible officer is either going on leave or is leaving the Municipality's employment, the petty cash float is to be reconciled and signed by the departing- as well as replacement staff members, to indicate their agreement as to its balance. The replacement staff specimen signature must also be submitted to the Chief Financial Officer.

#### 5.5 Completing a Cash Purchase Claim Form

- a. Petty cash stationery is available from the Expenditure Section (Financial Services). The form consists of two parts:
  - (i) Cash Purchase Claim page
  - (ii) Cash Purchase Record page
  - (iii) Receipt for cash advance (Only when appropriate, refer paragraph on Advances).
- b. All details entered on the Cash Purchase Claim appear on the Cash Purchase record page.
- c. The Cash Purchase Claim must be completed as follows:
  - (i) description and cost of the goods/services purchased
  - (ii) purchaser's signature
  - (iii) vote number to be charged
  - (iv) Signature of the Officer in Charge of Petty Cash.

- d. Original receipts or other valid documentation as required must be attached as proof of payment, with the signature of an appropriate financial delegate on this documentation. A financial delegate cannot authorise a cash purchase claim where she or he is the purchaser.

## 5.6 Sub-Advances to staff members

- a. If it is necessary to make an initial sub-advance to a staff member for various needs, a receipt for cash advance must be completed. The receipt for Cash Advance Form must be completed as follows:
  - (i) description and *estimated* cost of the goods/services purchased
  - (ii) purchaser's signature
  - (iii) vote number to be charged
  - (iv) Signature of the Officer in Charge of Petty Cash.
- b. On completion of the purchase, the recording-, documentation- and authorization requirements will be as stated in the above paragraph: Completing a Cash Purchase Claim Form.

All such sub-advances will be accounted for within 24 hours, by submitting original receipts and other applicable documentation required, attached as proof of payment (with the approval signature on the documentation). Where this cannot be achieved, the buyer will be liable to pay back the advance without any delay or the money will be deducted on his/her next salary irrespective of consent being given or noted. Not more than one advance will be made to any one person at a time.

## 5.7 Out-of-Pocket Payments

- a. Where a staff member has made purchases from their own funds and now seeks reimbursement from the petty cash, supporting documentation must be provided to substantiate the claim.
- b. The supporting documentation is to be attached to the Claim.
- c. The recording-, documentation- and authorization requirements will be as stated in the above paragraph (**Completing a Cash Purchase Claim Form**).



## 5.8 Reimbursement of Petty Cash Floats

- a. A petty cash float is operated on the basis that expenditure from the float is periodically reimbursed. Such reimbursement-
  - (i) returns the cash level of the petty cash float to its original level and
  - (ii) Charges the expenditure which has been made, to the correct expenditure vote.
- b. Accordingly, at any point of time, the sum of the cash on hand, i.e. remaining unspent, plus the cash advances for un-finalised purchases, plus the completed cash purchase claim forms, will equal the level of the petty cash advanced to the Department.
- c. Completed Cash Purchase Claim forms, with attached cash register slips, etc., must be taken by the officer in charge of the Petty Cash in a Directorate/Department, to the Assistant Accountant: Accounts Payable for reimbursement, after the Summary Claim Cover Page and attached documentation have been authorised by a financial delegate at least once in 14 days. Reimbursement of claims where supporting documentation is missing will not be entertained.
- d. The prescribed Summary Cash Purchase Claim form as well as other relevant forms attached to it must be completed in full.
- e. The most recently completed Cash Purchase Claim form must record the reconciliation of the petty cash float. The Assistant Accountant: Accounts Payable will refuse reimbursement of claims where this is not supplied.
- f. A petty cash float must never be reimbursed with funds derived from any other source whatsoever.

## 5.9 Shortages

- a. Any shortages in respect of a petty cash float must be paid in immediately.
- b. Where a petty cash float is stolen the incident must be reported promptly to the Chief Financial Officer in the required format, after which same needs to be reported to the South African Police Services and a case number provided to the Assistant Accountant: Accounts Payable.

**5.10 Procedure applicable when a Petty Cash Float is repaid/cancelled**

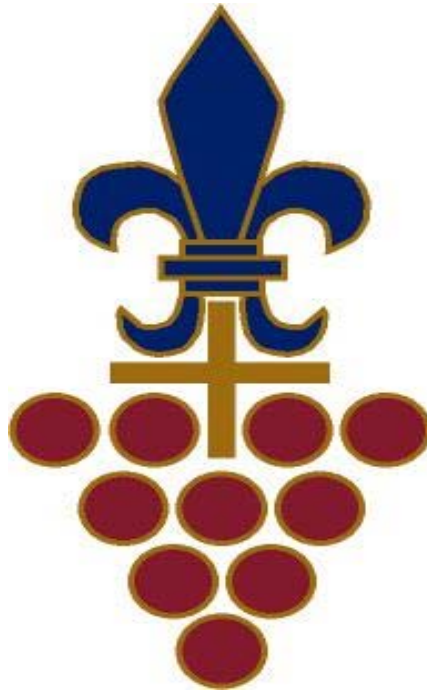
When an advance is no longer required, a statement in a form of a memorandum is to be completed and signed by the Head of the relevant Department and submitted to the Assistant Accountant: Accounts Payable, with the balance of cash on hand and completed and authorized Cash Purchase Claim forms. The most recently completed Cash Purchase Claim form will record the reconciliation of the petty cash float, where after a cheque will be issued to the relevant person to effect completion of the transaction..

The Cashier will issue a receipt to the affected department.

**5.11 Financial year-end procedures**

Reconciled petty cash registers (cash slips attached), accompanied with the cash balance must be returned to the Senior Accountant: Expenditure a week before the financial year end.

# **STELLENBOSCH MUNICIPALITY**



## **COST CONTAINMENT POLICY**

**2022/2023**



# STELLENBOSCH MUNICIPALITY

## COST CONTAINMENT POLICY

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1. **DEFINITIONS**

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

“*Consultant*” means a professional person, individual partnership, corporation, or a company appointed to provide technical and specialist advice or to assist with a design and implementation of projects or to assist the municipality to achieve its objectives of local government in terms of section 152 of the Constitution;

“*Cost containment*” means the measures implemented to curtail spending in terms of this policy;

“*Credit Card*” means a card issued by a financial services provider, which creates a revolving account and grants a line of credit to the cardholder;

“*Debit Card*” means a card issued by a financial services provider allowing the cardholder to transfer money electronically from any bank account held by the Municipality when making a purchase;

“*Municipality*” means Stellenbosch Local Municipality;

“*Persons in the employ of the municipality*” means any employee of the municipality whether employed on a permanent or temporary basis and any public office bearer serving on the Council;

“*Procurement Documentation*” means any documentation used for the procurement of consultants, whether it is documentation used for tenders or formal quotations;

2. **PURPOSE**

The purpose of the policy is to regulate spending and to implement cost containment measures at Stellenbosch Local Municipality.

3. **OBJECTIVES OF THE POLICY**

3.1 The objectives of this policy are to:

3.1.1 To ensure that the resources of the municipality are used effectively, efficiently and economically;

3.1.2 To implement cost containment measures.

4. **SCOPE OF THE POLICY**

4.1 This policy will apply to all:

4.1.1 Councillors'; and

4.1.2 Municipal employees.

4.2 In the event of any conflict between a provision of this policy and any other policy of council, the provision of this policy shall apply.

5. **LEGISLATIVE FRAMEWORK**

5.1 This policy must be read in conjunction with the -

5.1.1 The Municipal Finance Management Act,

5.1.2 MFMA Circular 97, published on 31 July 2019;

5.1.3 Municipal Cost Containment Regulations, 2019; and

5.1.4 Travelling and subsistence policy.

6. **POLICY PRINCIPLES**

6.1 This policy will apply to the procurement of the following goods and/or services:

- 6.1.1 Use of consultants
- 6.1.2 Vehicles used for political office-bearers
- 6.1.3 Travel and subsistence
- 6.1.4 Domestic accommodation
- 6.1.5 Credit cards
- 6.1.6 Sponsorships, events and catering
- 6.1.7 Communication
- 6.1.8 Conferences, meetings and study tours
- 6.1.9 Any other related expenditure items

7 **USE OF CONSULTANTS**

7.1 Consultants may only be appointed after an assessment of the needs and requirements has been conducted to support the requirement of the use of consultants.

7.2 The assessment referred to in 7.1 must confirm that the municipality does not have requisite skills or resources in its full time employ to perform the function that the consultant will carry out.

7.3 Procurement documentation for the appointment of consultants must include a clause that remuneration rates will be subject to negotiation and will not exceed the applicable rates stated below:

- 7.3.1 Rates determined in the “Guideline on fees for audits undertaken on behalf of the Auditor-General of South Africa” issued by the South African Institute of Chartered Accountants;
- 7.3.2 Rates set out in the “Guide on Hourly Fee Rates for Consultants” issued by the Department of Public Service and Administration;
- 7.3.3 Rates prescribed by the body regulating the profession of the consultant.

- 7.4 When negotiating cost effective rates for international consultants, the Accounting officer may take into account the relevant international and market determined rates.
- 7.5 When consultants are appointed the following should be included in the Service Level Agreements:
  - 7.5.1 Consultants should be appointed on a time and cost basis that has specific start and end dates;
  - 7.5.2 Consultants should be appointed on an output-specific basis, with specified deliverables and the associated remuneration;
  - 7.5.3 Ensure that cost ceilings are included to specify the contract price as well travel and subsistence disbursements and whether the contract price is inclusive or exclusive of travel and subsistence;
  - 7.5.4 A clause ensuring that skills transfer is done by the consultant to the relevant Municipal officials. This requirement must also be specified in Procurement Documentation.
  - 7.5.5 All engagements with consultants should be undertaken in accordance with the municipality's supply chain management policy and Supply Chain Regulations.
- 7.6 The travel and subsistence costs of consultants must be in accordance with the national travel policy issued by the National Department of Transport as updated periodically.
- 7.7 Consultancy reduction plans should be developed to reduce the reliance on consultants.
- 7.8 All contracts with consultants must include a retention fee or a penalty clause for poor performance.
- 7.9 The specifications and performance of the service provider must be used as a monitoring tool for the work that is to be undertaken and performance must be appropriately recorded and monitored.



**8. VEHICLES USED FOR POLITICAL OFFICE-BEARERS**

- 8.1 Should the approved capital budget of the municipality include the purchase of vehicles for official use by political office bearers, the threshold limit for such vehicle purchases may not exceed seven hundred thousand rand (R700 000) or 70% (VAT inclusive) of the total annual remuneration package for the different grades, whichever is greater.
- 8.2 The procurement of vehicles must be undertaken using the national government transversal mechanism unless it can be procured at a lower cost through other procurement mechanisms.
- 8.3 Before deciding on the procurement of a vehicle as contemplated in 8.2, the chief financial officer must provide the council with information relating to the following criteria which must be considered:
- 8.3.1 Status of current vehicles;
  - 8.3.2 Affordability, including options of purchasing vs. renting;
  - 8.3.3 Extent of service delivery backlogs;
  - 8.3.4 Terrain for effective usage of vehicle; and
  - 8.3.5 Any other policy of council.
- 8.4 If the rental option is preferred, the Accounting officer must review the costs incurred on a quarterly basis to ensure that value for money is obtained.
- 8.5 Regardless of their usage, vehicles for official use by public office bearers may only be replaced after completion of 120 000 kilometres.
- 8.6 Notwithstanding 8.5, a municipality may replace vehicles for official use by public office bearers before the completion of 120 000 kilometres only in instances where the vehicle experiences serious mechanical problems and is in a poor condition, and subject to obtaining a detailed mechanical report by the vehicle manufacturer or approved dealer.

9 **TRAVEL, SUBSISTENCE AND ACCOMMODATION**

**Air Travel**

- 9.1 The Accounting officer in respect of all officials or political office bearers and the Executive mayor in respect of the Accounting officer may only approve the purchase of economy class tickets for air travel.

**International Travel**

- 9.2 International travel for any official or political office bearer can only be approved by the municipal council in a council meeting open to the public with a supporting vote of the majority of the members of the municipal council present.

- 9.3 The report to council for approval of international travel must include:

9.3.1 A motivation why the international travel is seen as critical and fully setting out the anticipated benefit that the municipality will derive from attending the event, meeting or function;

9.3.2 If international travel to the destination or event was previously undertaken, state what benefits if any derived from the previous attendance;

9.3.3 The full cost of the international travel including travel allowances to be paid; and

9.3.4 The proposed officials and political office bearers, not exceeding three, to travel and why they have been identified.

- 9.4 The following events will not be considered critical to justify international travel whether the full cost of the travel is paid by another institution or not:

9.4.1 Attendance of international sporting events;

9.4.2 Attendance of international social events;

9.4.3 Attendance of international party-political events;

9.4.4 The opening of another country's parliament or any other country's government's celebration events.

- 9.5 The accounting officer or delegated official must ensure that requirements for international travel by officials or political office bearers are not inserted into bid documents, whether it is for inspection of products at source of construction/assembly or for any other reason.

**Domestic Accommodation**

- 9.6 Overnight accommodation may only be booked where the return trip exceeds 500 kilometres.
- 9.7 Notwithstanding the provision in paragraph 9.6 overnight accommodation, where the return trip is 500 kilometres or less, may be booked where in the view of the accounting officer or delegated official the limitation may be impractical and any of the following instances are present:
- 9.7.1 The road or any other conditions could jeopardise the safety, health and security of officials or political office bearers;
  - 9.7.2 The trips are to be undertaken over a number of consecutive days provided that a return trip is in excess of 200 kilometres;
  - 9.7.3 The starting time of the meeting or event would require the official or councillor to leave his/her place of residence before 05:00 in order to be punctual; and
  - 9.7.4 Overnight accommodation is cheaper than the travelling expenses payable under council policy on travel and subsistence.
- 9.8 Any request for overnight accommodation in compliance with paragraph 9.6 or 9.7 must be motivated on a prescribed form and approved by the municipal manager or delegated official prior to the arrangement for overnight stay;
- 9.9 The written approval in terms of paragraph 9.8 must be filed with the relevant supply chain documents for the accommodation booking; and
- 9.10 A copy of such written approval in terms of paragraph 9.8 must also accompany the request for travel and subsistence.

10. **CREDIT CARDS**

- 10.1 The accounting officer must ensure that no credit card or debit card linked to a bank account of the municipality is issued to any official or public office-bearer.
- 10.2 Where officials or public office bearers must incur expenditure in relation to approved official municipal activities, such officials and public office bearers may use their personal bank cards or cash, and may request reimbursement from the municipality in accordance with approved policies and processes.

11. **SPONSORSHIPS, EVENTS & CATERING**

- 11.1 The municipality may not incur catering expenses for meetings that are only attended by persons in the employ of the municipality, unless prior written approval is obtained from the accounting officer.
- 11.2 Catering expenses may be incurred by the accounting officer for the following, if they exceed five (5) hours:
  - 11.2.1 Hosting of meetings;
  - 11.2.2 Conferences;
  - 11.2.3 Workshops;
  - 11.2.4 Courses;
  - 11.2.5 Forums;
  - 11.2.6 Recruitment interviews; and
  - 11.2.7 Council proceedings
- 11.3 Entertainment allowances of officials may not exceed two thousand rand (R2 000.00) per person per financial year, unless otherwise approved by the accounting officer.
- 11.4 Expenses may not be incurred on alcoholic beverages.

11.5 The regulations require *inter alia* that the accounting officer must ensure that social events are not financed from the municipality's budget however, this provision is not intended to impede on the constitutional obligation of the municipality as particularly set out in section 152, 153, 195(1)(h) and Schedule 4 Part B of the Constitution to promote and cultivate social development, economic development, good human-resource management and local tourism.

□

11.6 Social events exclude the following events linked to the strategic objectives of the municipality:

11.6.1 Economic development events;

11.6.2 Cultural festivals;

11.6.3 Local tourism festivals;

11.6.4 Youth, aged, disable and other vulnerable persons developmental events;

11.6.5 Civic honours events;

11.6.6 Staff recognition or achievement awards and functions;

11.6.7 Town centennial or other significant municipal commemorating events;

11.6.8 Opening of facilities and buildings;

11.6.9 Strategic planning sessions;

11.6.10 Non-recreational team building events; and

11.6.11 Non-recreational staff wellness functions.

11.7 Expenditure may not be incurred on corporate branded items like clothing or goods for personal use of officials, other than uniforms, office supplies and tools of trade, unless the costs thereto are recovered from the affected officials or is an integral part of the business model of a specific project or drive.

11.8 The accounting officer must ensure that any sporting events, and expenditure directly or indirectly related to sporting events such as travel and accommodation cost, sporting gear and sporting regalia are not financed from the budget of the municipality or by any suppliers or sponsors. This provision does not prohibit the municipality to incur

expenditure on municipal sport facilities as per its constitutional function.

- 11.9 The accounting officer or delegated official may incur expenditure not exceeding the limits for petty cash as per the municipal Petty Cash Policy for one transaction usage, to host farewell functions in recognition of officials who retire after serving the municipality for ten or more years or retire on grounds of ill health.

## 12 **COMMUNICATION**

- 12.1 Stellenbosch Municipality may, if matters are not required to be notified through the media to the local community in terms of section 21 of the Municipal Systems Act or any other applicable legislation, advertise municipal related events on its website instead of advertising in magazines or newspapers.
- 12.2 The accounting officer must ensure that allowances to officials for private calls and data costs are limited to the amounts as determined in Council's Cellular Telephone Policy or any other applicable policy that regulates cellular calls and data cost.
- 12.3 Newspaper and other related publications for the use of officials and political office bearers must be discontinued on expiry of existing contracts; unless, authorised by the accounting officer for officials and by the executive mayor for political office bearers that it is required for professional purposes.
- 12.4 Stellenbosch Municipality may participate in the transversal term contract arranged by the National Treasury for the acquisition of mobile communication services provided that the municipality cannot procure it at cheaper rates.

## 13 **CONFERENCES, MEETINGS & STUDY TOURS**

- 13.1 Cost containment measures with regards to conferences, meetings and study tours are dealt with in the approved Travel and Subsistence Policy.

14 **OTHER RELATED EXPENDITURE ITEMS**

- 14.1 All commodities, services and products covered by a transversal contract by the National Treasury must be procured through that transversal contract before approaching the market, in order to benefit from savings and lower prices or rates that have already been negotiated.
- 14.2 Municipal resources may not be used to fund elections, campaign activities, including the provision of food, clothing and other inducements as part of, or during the election periods.
- 14.3 Procurement of elaborate and expensive office furniture must be avoided.
- 14.4 If considered a requirement, only the services of the South African Police Service may be used to conduct security threat assessments of political office bearers and key officials. A report must be submitted to the Office of the Speaker.

15 **ENFORCEMENT PROCEDURES**

- 15.1 Failure to implement or comply with this policy may result in any official of the municipality or political office bearer that has authorized or incurred any expenditure contrary to those stipulated herein being held liable for financial misconduct or a financial offence in the case of political office bearers as defined in Chapter 15 of the Act read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014.

16 **DISCLOSURES OF COST CONTAINMENT MEASURES**

- 16.1 Cost containment measures applied by the municipality must be included in the municipal in-year budget report and annual cost savings must be disclosed in the annual report.

16.2 The measures implemented and aggregate amounts saved per quarter, together with the regular reports on reprioritization of cost savings, on the implementation of the cost containment measures must be submitted to the municipal council for review and resolution. The municipal council can refer such reports to an appropriate council committee for further recommendations and actions.

16.3 Such reports must be copied to the National Treasury and relevant provincial treasuries within seven calendar days after the report is submitted to municipal council.

17 **REVIEW PROCESS**

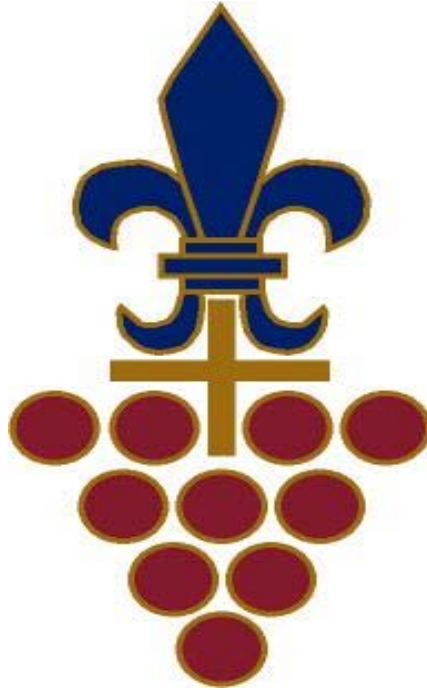
17.1 This policy is a budget related policy and will be reviewed at least annually or when required by way of a council resolution, or when an update is issued by National Treasury.

18 **SHORT TITLE AND IMPLEMENTATION**

19.1 This policy is called the Cost Containment Policy and takes effect on 1 October 2019.



# **STELLENBOSCH MUNICIPALITY**



## **VIREMENT POLICY**

**2022/2023**



# STELLENBOSCH MUNICIPALITY

## VIREMENT POLICY

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**1. Preamble**

Cognisance taken of the need that may arise to transfer within approved votes due to the change in circumstances and priorities.

**2. Definitions**

**"Approved budget,"** means an annual budget-

- a) approved by a municipal council, or
- b) includes such an annual budget as revised by an adjustments budget in terms of section 28 of the MFMA;

**"Budget transfer"** means transfer of funding within a vote subject to limitations.

**"Capital budget"** means a financial plan catering for large and long-term sums for investment in property, plant and machinery, over a period greater than the period considered under an operating budget.

**"Chief Financial Officer"** means a person designated in terms of section 80(2) (a) of the MFMA;

**"Delegation"**, in relation to a duty, includes an instruction or request to perform or to assist in performing the duty;

**"Financial year"** means a twelve months period commencing on 1 July and ending on 30 June each year

**"Municipal council"** or "council" means the council of a municipality referred to in section 18 of the Municipal Structures Act;

**"Municipality"**-

- a) when referred to as a corporate body, means a municipality as described in section 2 of the Municipal Systems Act; or
- b) when referred to as a geographic area, means a municipal area determined in terms of the Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998);

**"Official"**, means-

- a) an employee of a municipality or municipal entity;

- b) a person seconded to a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity; or
- c) a person contracted by a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity otherwise than as an employee;

**"Operating budget"** An operating budget is the annual budget of an activity stated in terms of Budget Classification Code, functional/sub-functional categories and cost accounts. It contains estimates of the total value of resources required for the performance of the operations in terms of revenue and expenditure including reimbursable work or services for others;

**"Overspending"**-

- a) means causing the operational or capital expenditure incurred by the municipality during a financial year to exceed the total amount appropriated in that year's budget for its operational or capital expenditure, as the case may be;
- b) in relation to a vote, means causing expenditure under the vote to exceed the amount appropriated for that vote; or
- c) in relation to expenditure under section 26 of the MFMA, means causing expenditure under that section to exceed the limits allowed in subsection (5) of this section;

**"Virement"** refer to the definition of budget transfer

**"Vote"** means-

- a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the
- b) municipality; and
- c) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

### **3. Legislative Framework**

Paragraph 4.6 of Circular 51 of the MFMA states that:

“The MFMA and the Municipal Budget and Reporting Regulations seek to move municipalities away from the traditional approach of appropriating/approving budgets by line item. The aim is to give the heads of municipal departments and programmes greater flexibility in managing their budgets. To further facilitate this, each municipality must put in place a council approved virements policy, which should provide clear guidance to managers of when they may shift funds between items, projects, programmes and votes.”

### **4. Objective of Policy**

This policy shall give effect to the requirements and stipulations of the Municipal Finance Management Act and Municipal Budget and Reporting Framework in terms of the Approved budget.

The policy sets out the virement principles and processes which Stellenbosch Municipality will follow during a financial year.

These virements will represent a flexible mechanism to effect budgetary amendments within a municipal financial year.

The policy shall apply to all staff and councillors of the Stellenbosch Municipality that are involved in budget implementation.

### **5. Virement Clarification**

Virement is the process of transferring budgeted funds from one line item number to another, with the recommendation of the relevant Director to the CFO or delegated finance official, to enable the Budget Office to effect the adjustments.

### **6. Virement Procedure**

- a) All virement proposals must be completed on the appropriate documentation and forwarded to the relevant Finance Officer for checking and implementation. (See annexure 1 and 2)

- b) All virements must be signed and supported by the relevant Director of the directorate within which the vote is allocated. (Section 79 MFMA)
- c) Projected cash flows in the SDBIP should be attached to all virement request and be adjusted in line with the virement.
- d) Relevant corroborating documentation must be attached on the virement form to support the transfer.
- e) All documentation must be in order and approved before any expenditure can be committed and incurred.
- f) All virementations must be motivated and need to be approved by the CFO or a delegated official after the Director of the department has recommended said transfer. The latter requires that such application reaches the office of the CFO prior to incurring expenditure.
- g) The turnaround time for processing of virementations are 72 hours, only if the virement request meets all the necessary requirements.
- h) No virementations will be considered if it equates to facilitating fiscal dumping
- i) No virements after the closing of orders as stipulated in the financial protocol and/or formally communicated in line with the financial year-end preparation will be considered unless in an absolute emergency that could reasonably not have been foreseen.

## **7. Virement Restrictions**

- a) Virements are not permitted in relation to the revenue side of the budget.
- b) No virements of funds across votes (directorates) will be accommodated during the year; unless within the adjustments budget.
- c) Virements from the capital budget to the operating budget are not permitted.
- d) Virements will not result in adding 'new' projects to the Capital Budget.

- e) Virements of conditional grant funds to purposes outside of that specified in the relevant conditional grant framework will not be permitted.
- f) The budget savings from the following line items (necessary adjustments) may only be considered and transferred by the CFO:
  - (i) Employee Related Cost
  - (ii) Remuneration of councillors
  - (iii) Depreciation and asset impairment
  - (iv) Finance Charges (Interest on Loan)
  - (v) Municipal Services Consumption (Water, Electricity, Refuse and Sewerage)
  - (vi) Bulk Purchases (Water and Electricity)
  - (vii) Transfers and subsidies paid
- g) An approved virement does not give expenditure authority outside of what is allowed by Council's Supply Chain Management Policy.

## **8. General Principle**

Virements will only be approved if they facilitate and promote sound risk and financial management.

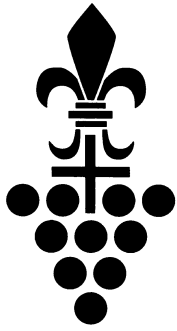
## **9. Accountability**

Accountability to ensure that the virement application forms are completed in accordance with Council's virement policy and are not in conflict with the directorate's strategic objectives manifests with the head of the relevant directorate.

## **10. Annexures**

Annexure 1: Virement Form (Capital and Operating)

Annexure 2: Supporting document to Ward Allocation virement request.



| TYPE      |  |
|-----------|--|
| CAPITAL   |  |
| OPERATING |  |

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**BUDGET VIREMENTATION FORM**

---

**TO: FINANCIAL SERVICES****FROM:****DATE:**

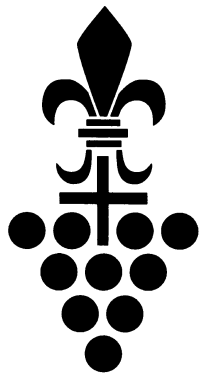
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**The following transfers are requested, as per motivation provided.**

|                         |        |
|-------------------------|--------|
| From Unique Key :       | Amount |
| Unique Key Description: |        |
| To Unique Key :         | Amount |
| Unique Key Description: |        |

- 1. Why are additional funds requested ?**
- 2. Is it part of the legislative mandate of the municipality?**  
Yes/ No
- 3. Which measures will be implemented to ensure expenditure are managed within the approved budget?**
- 4. Where funds would be transferred from?**
- 5. Reasons why funds are not needed from the transferring Unique Key?**





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**Requested by**

Name :

Designation :

Telephone Number :

**Supported:**

---



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**FOR OFFICAL USE**

**BUDGET OFFICE**

FUNDS AVAILABLE ON UNIQUE KEY : YES NO

CASHFLOW ATTACHED : YES NO

SUPPORTING DOCUMENTS : YES NO N/A

**VERIFIED BY** : NAME: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

COMMENTS: \_\_\_\_\_

**APPROVAL**

APPROVED BY CHIEF FINANCIAL OFFICER/ : \_\_\_\_\_  
DELEGATED OFFICIAL

DATE : \_\_\_\_\_

COMMENTS: \_\_\_\_\_

**PROCESSED BY** : NAME: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_



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WARD ALLOCATIONS  
Supporting document to Virement Request

Ward:  Amount:  Fin Year:

**Transferring Ukey:**

**Receiving Ukey:**

Job number:

Job number:

Project Description:

Project Description:

**Approved: Project Manager (Transferring)**

**Approved by the Ward Councillor:**

Name:

Name:

Signature:

Signature:

**Approved: Project Manager (Receiving)**

**Approval by the CFO/Manager: Budget Office**

Name:

Name:

Signature:

Signature:

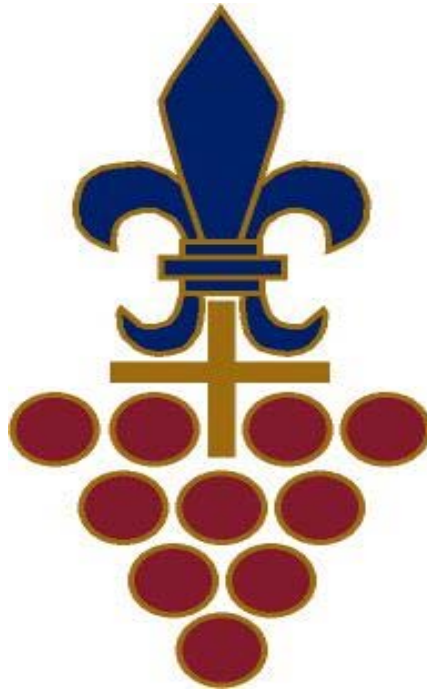
**Budget Office Use only**

Processed by:

Signature:

Date:

# **STELLENBOSCH MUNICIPALITY**



## **BORROWING, FUNDS AND RESERVES POLICY**

**2022/2023**



# STELLENBOSCH MUNICIPALITY

## BORROWING, FUNDS AND RESERVES POLICY

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## 1. INTRODUCTION

The documented **Borrowing, Funds and Reserves Policy**, sets out the framework for the prudent use of Borrowing, Funds and Reserves available to the Municipality.

This Policy should be implemented in conjunction with the approved **Liquidity Policy**. The Liquidity Policy sets out the prudent level of cash to be maintained by the Municipality as one of several factors to ensure long term financial sustainability. It is however of equal importance to protect, maintain and extend the infrastructure of the Municipality to ensure the continued provision of services at an acceptable standard.

This policy is implemented to provide guidance on the appropriation of capital funding resources on a sustainable basis in the longer term.

## 2. BACKGROUND AND APPROACH

With reference to the applicable legislation as referred to in paragraph 3 below. Legislation exists and prescribes the framework of a Borrowing as well as Funds and Reserves Policy and these factors will all be addressed in this Policy.

Although legislation provides guidance as to the broader framework to ensure financial management of resources to ensure the Council meets all of its obligations timeously, it is not prescriptive with regards to quantifying not only the prudent level of Borrowing, Funds and Reserves but more so the optimal level hereof.

Therefore in this Policy cognisance has been taken of the legislative guidelines whilst more prescriptive guidelines are set for the optimal management and monitoring of resources to the Municipality's avail based on sound financial practices.

## 3. LEGISLATIVE REQUIREMENTS

The legislative framework governing borrowings, funds and reserves are:

- 1.1. Local Government Municipal Finance Management Act, Act 56 of 2003 (MFMA) must be complied with; and

- 1.1.1. MFMA Circular 71 stipulates the following guidelines regarding borrowing:

**Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure**

(Capital Cost (Interest Paid and Redemption) / Total Operating Expenditure) x100

Criteria: 6% - 8%

**Debt (Total Borrowings) / Revenue**

(Overdraft + Current Finance Lease Obligation + Non Finance Lease Obligation + Short Term Borrowings + Long Term Borrowings) / Total Operating Revenue

Criteria: Maximum 45%

1.2. Local Government Municipal Budget and Reporting Regulation, Regulation 393, published under Government Gazette 32141, 17 April 2009.

**4. FUNDING POLICY**

The Local Government Municipal Budget and Reporting Regulation, Regulation 393, published under Government Gazette 32141, 17 April 2009 stipulates:

8. (1) *Each municipality must have a funding and reserves policy which must set out the assumptions and methodology for estimating –*

- (a) *projected billings, collections and all direct revenues;*
- (b) *the provision for revenue that will not be collected;*
- (c) *the funds the municipality can expect to receive from investments;*
- (d) *the dividends the municipality can expect to receive from municipal entities;*
- (e) *the proceeds the municipality can expect to receive from transfer or disposal of assets;*
- (f) *the municipality's borrowing requirements;*
- (g) *the funds to be set aside in reserves.*

In terms of Section 18 and 19 of the MFMA an **annual budget** may only be funded from:

***Cash backed accumulated funds from previous years' surpluses not committed for other purposes:***

Transfers from the accumulated surplus to fund operating expenditure will only be allowed for specific once-off projects with no recurring operating expenditure resulting thereof.

***Borrowed funds, but only for capital projects:***

Actual capital expenditure may only be incurred on a capital project if the funding for the project has been appropriated in the Capital Budget, but has also been secured from the financial source that is not committed for another purpose.

***Realistically anticipated revenues to be collected:***

Realistic anticipated revenue projections must take into account projected revenue for the current year based on actual collection levels in previous financial years.

#### **4.1. OPERATING BUDGET**

The Operating Budget should be cash funded. The Operating Budget is funded from the following main sources of revenue:

- a) Property Rates;
- b) Surplus generated from Service Charges;
- c) Government Grants and Subsidies;
- d) Other revenue, fines, interest received etc.;

The following guiding principles apply when compiling the Operating Budget:

- a) Growth parameters must be realistic taking into account the current economic conditions;
- b) Tariff adjustments must be in line with the following approved policies: ***Tariff Policy and Indigent Policy***;
- c) Revenue from Government Grants and Subsidies must be in line with allocations gazette in the Division of Revenue Act and provincial gazettes. Transfers of a conditional nature must be appropriated only as prescribed and should not be used to fund the Operating Budget;
- d) Revenue from public contributions, donations or any other grants may only be included in the Budget if there is acceptable documentation that guarantees the funds and if the transfers are unconditional of nature;



- e) Provision for revenue that will not be collected is made against the expenditure item bad debt and based on actual collection levels for the previous financial year and the reasonably projected annual non-payment rate;
- f) Interest received from actual Long-term and or Short-term Investments are based on the amount reasonably expected to be earned on cash amounts available during the year according to the expected interest rate trends. The actual amount allocated for interest on investments is contributed to the Capital Replacement Reserve;
- g) A detailed salary budget is compiled on an annual basis. All funded positions are budgeted for in total as well as new and/or funded vacant positions. As a guiding principle the salary budget should not constitute more than 35% of annual Operating Expenditure;
- h) Depreciation charges are fully budgeted for according to the Asset Register.
- i) The annual cash flow requirement for the repayment of borrowings must fully be taken into consideration with the setting of tariffs;
- j) Sufficient provision must be made for the maintenance of existing infrastructure based on affordable levels. The maintenance budgets are normally lower than the recommended levels. As a guiding principle repair and maintenance should constitute between 5% and 8% of total operating expenditure and should annually be increased incrementally until the required targets are achieved;
- k) Individual expenditure line items are to be revised each year when compiling the budget to ensure proper control over expenditure.

#### **4.2. CAPITAL BUDGET**

The capital budget provides funding for the municipality's capital programme based on the needs and objectives as identified by the community through the Integrated Development Plan and provides for the eradication of infrastructural backlogs, renewal and upgrading of existing infrastructure, new developments and enlargement of bulk infrastructure.

The capital budget is limited by the availability and access to the following main sources of funding:

- a) Accumulated cash backed internal reserves such as the Capital Replacement Reserve;
- b) External borrowings;
- c) Government Grants and Subsidies;
- d) Public Donations and Contributions.

The following guiding principles apply when considering sources of funding for the capital budget:

**a) Government Grants and Subsidies:**

- a. Only Government Gazetted allocations or transfers as reflected in the Division of Revenue Act or allocations as per Provincial Gazettes may be used to fund projects;
- b. The conditions of the specific grant must be taken into consideration when allocated to a specific project.

**b) Public Donations and Contributions:**

- a. In the case of public contributions, donations and/or other grants, such capital projects may only be included in the annual budget if the funding has been received by the municipality already.

**c) External Borrowing:**

- a. The borrowing requirements as contained in the **Borrowing Policy** in paragraph 6 are used as a basis to determine the affordability of external loans over the Medium Term Income and Expenditure Framework. The ratios to be considered to take up additional borrowings are as follows, unless in contravention with any loan covenants:
  - i. Estimated long-term credit rating of BBB and higher;
  - ii. Interest Paid to Total Expenditure not to exceed 5%;
  - iii. Total Long-term Debt to Total Operating Revenue (excluding conditional grants and transfers) not to exceed 35%;
  - iv. Operating Cash Surplus generated before loan repayments are made covers the Total Annual Repayment at least 1 time;
  - v. Percentages of Total Annual Repayment (Capital and Interest) to Operating Expenditure to be less than 10%.

**d) Cash backed Reserves**

- a. Allocations to capital projects from cash backed internal reserves will be based on the available funding for each ring-fenced reserve according to the conditions of each reserve. With reference to Paragraph 5, **Reserves Policy**.

All capital projects have an effect on future operating budget therefore the following additional cost factors should be considered before approval:

- a) Personnel cost to staff new facilities once operational;
- b) Contracted services, that is, security, cleaning etc.;
- c) General expenditure such as services cost, stationery, telephones, material etc.;
- d) Other capital requirements to the operate facility such as vehicles, plant and equipment, furniture and office equipment etc.;
- e) Costs to maintain the assets;
- f) Interest and redemption in the case of borrowings;
- g) Depreciation charges;
- h) Revenue generation as the additional expenses incurred may be offset by additional revenue generated to determine the real impact on tariffs.

## 5. RESERVES POLICY

All reserves are “ring fenced” as internal reserves within the accumulated surplus, except for provisions as allowed by the General Recognized Accounting Practices (GRAP):

- a) Housing Development Fund;
- b) Revaluation Reserve

The municipality endeavours to effectively utilise and maintain the **Capital Replacement Reserve** for the funding of capital replacement and renewal for future financial years. This reserve needs to be cash backed. This will provide the Municipality with a more balanced capital funding approach in the longer term thereby reducing the risk of reaching its maximum gearing ability or depleting its free cash.

This Reserve can be generated as follows from the Operating Budget; the following methodology needs to be read in conjunction with the **Liquidity Policy**:

### a) Cash generated from Operating Activities:

- a. The Municipality has maintained a strong ability to generate surplus operational cash flow which it has used to fund most of its capital spending in the past;
- b. In the past depreciation charges could be considered sufficiently cash backed based on the cash surplus generated prior to capital spending. However going

forward should capital spending increase sharply it will result simultaneously with Depreciation charges increasing sharply which may therefore in future not be fully supported by cash;

- c. Depreciation is a method to generate future cash. Therefore it is prudent to annually measure the cash coverage for depreciation charges until it is fully funded from cash through tariff setting;
- d. As at year end it is to be determined whether the Municipality meets its **Minimum Liquidity Criteria** as stipulated in the **Liquidity Policy**, excess cash in addition to this prescribed level is to be calculated and appropriated to the Capital Replacement Reserve and no more than 80% of the balance of the Capital Replacement Reserve as at year end should be allocated to the following year's capital budget unless sufficient recommendations are made to Council to substantiate such a decision.

**b) Interest received on the investment made for the Capital Replacement Reserve**

**6. BORROWING POLICY**

It is required that the Municipality comply with the guidelines of Chapter 6 of the MFMA with regards to Debt Disclosure as detailed in Sections 46, 47, 48 and 49. This section should be read in conjunction with point c) under paragraph 4.2. on page 6. External borrowings may only be incurred for approved capital programmes and may under no circumstances be allocated to fund the Operating Budget.

Municipal infrastructure has a long-term economic life and it is appropriate to fund assets of this nature with long term external borrowing. The economic life of assets should be equal to or longer than the tenure of the external borrowing.

The following needs to be taken into consideration when accessing external borrowing:

**a) Types of loan financing**

- a. Annuity Loans enable the Municipality to provide for the redemption of loans on an amortising basis which is generally the most cost effective method of financing often referred to as vanilla funding;
- b. Bullet Redemption Loans are attractive as interest on the loan is serviced with the capital redemption only taking place at the end of the tenure of the loan. However, this method is more costly as interest is paid on the full debt

throughout the term as the Capital does not reduce. This type of loan also requires an annual contribution to a sinking fund, which in essence then mimics the traits of an annuity loan although at a higher cost. The use of such structure warrants a detailed motivation based on the benefits to the implementation of the capital project;

- c. Sculpted Repayment Loans offer a combination of the above two types, as loans are sculpted according to the potential cash flows to be generated from the capital project in future. For example the following can be included in a sculpted loan:
  - i. A capital grace period in the first years of the development of the capital project;
  - ii. An incremental annual increase in the repayment in relation to the projected growth in revenue from the project.

#### **b) Interest Rate Risk Management**

- a. The impact of interest and capital redemption payments on both the current and forecasted property rates and service charges through tariffs taking into consideration the current and future capacity of the consumer to pay therefore;
- b. Likely movement in interest rates for variable rate borrowings. There are benefits to be yielded from borrowing on a variable rate if rates are projected to decrease in future, however it is prudent for the Municipality to enter into fixed interest rate loans to accurately budget for expenses incurred.

#### **c) Tenure of Borrowing**

- a. The tenure of external borrowings should where possible match the economic useful life of the asset.

#### **d) Security**

- a. Unless sufficient motivation is provided and other than for the provision of a sinking fund for the redemption of a bullet loan, the provision of any security against external borrowings, should be specifically motivated by the CFO for approval.

#### **e) Loan Covenants**

- a. The Municipality is to maintain a Loan Covenants Register detailing the covenants entered into with each active loan agreement until date of maturity thereof;
- b. Compliance with all loan covenants are to be monitored and reported on semi-annually to ensure that the Municipality does not breach any covenants;
- c. Should a default be triggered based on non-compliance with loan covenants, the Municipality is to alert Council and send the related Financial Institutions a written commitment to address the matter within a reasonable timeframe.

**f) Level of gearing**

- a. As stipulated in point c) under paragraph 4.2. on page 6, gearing is not only limited by the level of debt against the Total Operating Income (excluding conditional grants) but also limited by other operational factors including compliance with the stipulations of the approved **Liquidity Policy**.

## **7. CORPORATE GOVERNANCE (OVERSIGHT)**

Compliance with the various stipulations as documented in this Borrowing, Funds and Reserves Policy need to be monitored by the Chief Financial Officer and reported on to the Municipal Manager on a monthly basis and to the Finance/Audit Committee on a quarterly basis.

Where compliance has been breached the Chief Financial Officer must present an action plan to correct the non-compliance. The Finance Committee must monitor the successful implementation of the corrective action plans and report progress to Council.

## **8. TRANSITIONAL ARRANGEMENT**

Upon adoption of this policy by the Council, the Municipal Manager in conjunction with the Chief Financial Officer must determine the current performance levels of the Municipality against this Policy and present a plan of action towards achieving and maintaining the stipulation as set out in this policy thereby utilising a more blended funding mix for capital infrastructure investment.

The Council must approve an appropriate timeframe within which the Municipality must achieve the approved stipulations as set out in this Policy. The period between the date of the policy adoption by Council and the target date for compliance shall be known as the Transitional Period.

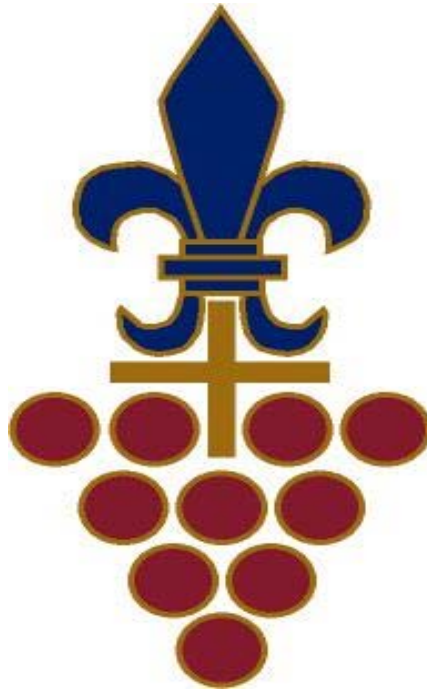
The Finance Committee must report progress during the approved Transitional Period to the Council.

## **9. POLICY MANAGEMENT**

The Borrowing, Funds and Reserves Policy forms part of the Municipality's overall financial objectives and therefore forms part of approved Budget Policies. The policy must be reviewed at least annually during the budget revision and presented to Council for approval.

The Policy is effective from the date it is approved by Council.

# **STELLENBOSCH MUNICIPALITY**



## **FINANCING OF EXTERNAL BODIES PERFORMING MUNICIPAL FUNCTIONS POLICY**

**2022/2023**





**STELLENBOSCH MUNICIPALITY**  
**FINANCING OF EXTERNAL BODIES**  
**PERFORMING MUNICIPAL FUNCTIONS POLICY**

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## 1. DEFINITIONS

1.1 In this policy unless the context indicates otherwise:

- 1.1.1 **“Accounting Officer”** means the Municipal Manager as referred to in section 60 of the Local Government: Municipal Finance Management Act, 56 of 2003 (“MFMA”);
- 1.1.2 **“Approved Budget”** means the Municipality’s annual budget approved by the Council in terms of section 24 of the MFMA and include an adjustment budget in terms of Section 28 of the MFMA;
- 1.1.3 **“Community”** means the residents within the Stellenbosch WCO24 area;
- 1.1.4 **“Constitution”** means the Constitution of the Republic of South Africa, 1996;
- 1.1.5 **“Director”** means a person appointed in terms of section 56 of the Systems Act who is directly accountable to the Municipal Manager;
- 1.1.6 **“Executive Mayor”** means the councillor elected as the Executive Mayor in terms of section 55 of the Local Government: Municipal Structures Act, 32 of 2000 (“the Structures Act”);
- 1.1.7 **“Chief Financial Officer”** or “CFO” means an official as envisaged in section 80(2)(a) of the Local Government: Municipal Finance Management Act, 56 of 2003 (“MFMA”);
- 1.1.8 **“Grant”** means a grant or allocation, as referred to in section 17(3)(j(ii) and 17(3)(j(iv) of the MFMA, made by the Municipality to any organisation or body referred to in section 67(1) and to be utilised to assist the Municipality in fulfilling its constitutional mandates including local tourism, municipal health services and such other municipal functions contemplated in Part B of Schedules 4 and 5 of the Constitution;
- 1.1.9 **“Grant Committee”** means the Committee established in terms of clause 7 of this policy;
- 1.1.10 **“official”** means an employee in the service of the Municipality;
- 1.1.11 **“organisation or body”** means those organisations or bodies outside any sphere of government making application for Grants in terms of this Policy, Which include associations, non-profit organisations or companies or trusts;
- 1.1.12 **“the Systems Act”** means the Local Government: Municipal Structures Act, 32 of 2000;
- 1.1.13 **“the Structures Act”** means the Local Government: Municipal Structures Act, 117 of 1998;
- 1.1.14 **“the MFMA”** means the Local Government: Municipal Finance Management Act, 56 of 2003;
- 1.1.15 **“the Municipality”** means the Stellenbosch Municipality and reference to Council has a similar meaning;

- 1.1.16 **“the Policy”** means the Financing of External Organisation/Bodies Performing Municipal Function Policy as set out in this document.
- 1.1.17 **"service delivery agreement"** or "MOA" means the agreement entered into between the Municipality and any organisation or body which received a Grant in terms of this Policy.

## 1. PURPOSE, AIMS AND OBJECTIVES

- 1.1 The purpose of this Policy is to provide a framework for financial assistance by Stellenbosch Municipality (“the Municipality”) to external organisations / bodies performing local government functions to the extent as set out in section 155(6)(a) and (7) of the Constitution as listed in Part B of Schedule 4 and 5.
- 1.2 The purpose of this Policy is to ensure the efficient performance of the municipal function entrusted to that external organisation/body in a manner which gives effect to the goals and objectives of the Municipality’s Integrated Development Plan (“IDP”) by establishing partnerships between the municipality and the organisations and bodies performing the functions on behalf of the Municipality.
- 1.3 The Municipality will favour grants for achievement of outcomes aligned to the IDP. The objective of the funding of external bodied performing municipal functions is primarily to ensure the achievement of agreed outcomes to improve the health and well-being of the citizens and not to cover administrative costs and salaries.

## 2. LEGAL FRAMEWORK

- 2.1 In terms of section 156 of the Constitution, the Municipality has executive authority in respect of and the right to administer –
- 2.1.1 the local government matters listed in Part B of Schedule 4 and 5; and
- 2.1.2 any other matters assigned to it by national and provincial legislation.
- 2.2 Section 16(2) of the MFMA provides that the Mayor of the Municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year. Section 17(3)(j)(ii) and 17(3)(j)(iv) provides that when an annual budget is tabled in terms of section 16(2) it must include particulars of any proposed allocation or grants by the municipality to any municipal entities and other external mechanism assisting the municipality in the exercise of its functions or power and any organisation or bodies referred to in section 67(1).
- 2.3 Immediately after the tabling of the annual budget the accounting officer must make public the annual budget and invite the local community to submit representations in connection with the budget before the budget is approved by Council in terms of section 24 of the MFMA.
- 2.4 Section 67 of the MFMA provides that the Municipality implement and sustain proper and effective controls and procedures when transferring funds of the

- Municipality to an organisation or body outside any sphere of government.
- 2.5 Section 67(1) provides that the accounting officer must be satisfied that the organisation or body has the capacity and agreed to comply with any agreement with the Municipality including all reporting, financial management and auditing requirements as may be stipulated in the agreement, to report at least monthly to the accounting officer on actual expenditure against such transfer and to submit audited financial statements for its financial year to the accounting officer promptly. The organization must implement effective, efficient and transparent financial management and internal control systems to guard against fraud, theft and financial mismanagement and has the obligation to prove in terms of previous similar transfers that it has complied with all the requirements. The accounting officer must through contractual and other appropriate mechanism enforce compliance with this policy.
- 2.6 All transfer of funds in terms of this Policy shall comply with the Constitution, the Systems Act, the Structures Act, the MFMA and any other applicable legislation, regulations and policies that may govern the transfer of municipal funds and that are not in contradiction to the aforementioned legislation.

### **3. PUBLIC ADVERTISEMENT AND APPLICATION PROCEDURE**

- 3.1 Applications for funding of external bodies performing municipal functions shall be considered where organisations or bodies have responded to advertisements published in the local newspapers distributed in the Stellenbosch Municipal Area calling upon organisations or bodies to submit proposals in the prescribed form, as set out 4.3 below, to perform a specific municipal function for a period up to 3 years. Such advertisements may be published quarterly by the accounting officer.
- 3.2 Advertisements should clearly specify the categories for which requests are called, the closing date for applications, who they should be addressed to, and where and how to obtain the relevant documentation pertaining to such applications, including the prescribed forms. Only applications made on the prescribed form (see Annexure A) may be considered.
- 3.3 The organisation/body must submit a detailed business plan with its application, confirming the envisaged outcomes their past achievements in the field and their commitment to performing that particular municipal function effectively and in line with Council's goals as set out in the IDP. Applications must be accompanied by a covering letter on the organisation/body letterhead, signed by the head of the organisation/body and must include the following information:
- 3.3.1 the organisation/body's legal name and a brief description of the organisation/body's business;
  - 3.3.2 the organisation/body's registration number, if any;
  - 3.3.3 the date of establishment, details of the organisation/body's members, founding documents, including constitution and certificates of incorporation;
  - 3.3.4 the contact name of the person signing the application, full street address, telephone number and email address of the organisation;
  - 3.3.5 if funding is required for a specific project, a brief description of the project and what it aims to achieve, as well as the detailed budget

- for and the duration of the project together with a written confirmation by the relevant municipal Director that the project is part of the IDP projects or programs;
- 3.3.6 references, independent of the organisation/body and the head of the organisation/body;
  - 3.3.7 most recent audited financial statements not older than 24 months;
  - 3.3.8 a summary of its past achievements; and
  - 3.3.9 a declaration by the head of the organisation/body to the satisfaction of the Municipal Manager that the organisation/body implements effective, efficient and transparent financial management and internal control mechanism to guard against fraud, theft and financial mismanagement and has in the past complied with requirements for similar transfers of funds.
- 3.4 Individuals will not be considered or appointed as an organisation/body to provide a municipal function as contemplated in this Policy.
  - 3.5 Organisations or bodies whose directors, managers, major shareholders or trustees are in service of the state will not be considered or appointed as an organisation/body to provide a municipal function as contemplated in this Policy.
  - 3.6 The appointment of a particular organisation/body to perform a municipal function for a period of three (3) years does not guarantee financial support by the Municipality, which will be determined annually when the municipal budget is approved by the Municipal Council.
  - 3.7 No late applications received, in response to an advertisement as contemplated in clause 3.1 and 3.2 above will be considered and processed by the Grant Committee.

#### **4. OBLIGATIONS OF THE ORGANISATION/BODY**

- 4.1 The head of the organisation/body must acknowledge in writing to the Municipal Manager that the money allocated was received in its bank account and that the money will be utilised in accordance with the completed and signed MOA, the submitted application and this Policy within 30 days of transfer of funds / payment, failing which no future grants may be considered.
- 4.2 The organisation / body shall submit monthly reports on actual expenditure against such transfer, the ward within which activities are conducted as well as the number of people benefiting from the activity to the Municipal Manager.
- 4.3 The relevant municipal Director must co-sign each monthly report to confirm monthly management and oversight of the activities.

#### **5. RIGHTS OF THE MUNICIPALITY, CONTROL AND MONITORING**

- 5.1 The relevant municipal Director shall be entitled, at any reasonable time from time to time, to verify and inspect the existence and activities of the organisation/body. The relevant municipal Director or his delegate has the right to physically visit the premises where the organisation/body or funded project is based, to peruse the budgets and any progress report related to the project.

- 5.2 The relevant municipal Director shall manage the service delivery agreement entered into between the Municipality and the organisation / body by inter alia receiving and considering monthly reports, inspecting financial records including audited financial statement.
- 5.3 If the organisation / body fails to comply with the terms and conditions of its service delivery agreement with the Municipality, the accounting officer may in consultation with the relevant municipal Director terminate the agreement with reasonable notice or grant the organization / body an opportunity to rectify the breach within an agreed period of not more than 90 days, failing which the accounting officer may terminate the agreement with reasonable notice.
- 5.4 The Municipality has the right not to give a Grant to any or all organisations/bodies applying for such Grants or to give proportional or partial grants to give. Having been awarded a Grant previously does not give an organisation/body the right to receive a Grant again.
- 5.5 The relevant municipal Director shall ensure that those organisations or bodies, who have received Grants in terms of this Policy:-
- 5.5.1 comply with all the provisions of the completed and signed MOA;
  - 5.5.2 comply with all reporting, financial management and auditing requirements as stipulated in the MOA;
  - 5.5.3 report at least monthly to the Municipality on actual expenditure against such transfer;
  - 5.5.4 promptly, or no longer than 4 months after the end of their financial year, submit their audited financial statements; and
  - 5.5.5 utilise the grant funding strictly in accordance with the approved business plan and approved budget.
- 5.6 The requirements in paragraphs 5.5.1 to 5.5.4 above shall not apply to organisations where the transfer does not exceed R200 000,00 (two hundred thousand rand), provided the Accounting Officer takes all reasonable steps to ensure that the targeted beneficiaries, as identified by the organisation or body in its application, receive the benefit of such grants and it certifies that compliance by that organisation or body with 5.5.1 to 5.5.4 above is uneconomical or unreasonable.

## **6. GRANT COMMITTEE**

- 6.1 A Grant Committee consisting of at least the Municipal Manager, the Chief Financial Officer and one director of the Municipality, as well as any other official whom the Municipal Manager may include, shall evaluate all applications received in response to the local advertisement.
- 6.2 The Grant Committee will have the power to make recommendations to Council for final appointments and financial allocations.
- 6.3 The Grant Committee must submit a report on its decisions to the Council for final approval.
- 6.4 The Grant Committee shall, in terms of the Systems Act, establish a programme for community consultation and information dissemination regarding the appointment of any organisation/body and the availability of the service delivery agreement for perusal will be communicated to the local community through the media prior to any service delivery agreement being entered into between the Municipality and the organisation or body.

- 6.5 No payments in terms of the allocation will be made to any organisation / body until a service delivery agreement in the form approved by the accounting officer has been signed by the respective parties.
- 6.6 No payment can be made to an organisation/body until it has submitted its audited financial statements as contemplated in this Policy and a statement certified by its auditor that it has fully complied with its agreement with the Municipality.
- 6.7 Payments may be allocated as a once off amount or in tranches as determined by the CFO in consultation with the relevant municipal Director.

## **7. Funding acknowledgement of the Municipality**

Successful applicants will be required to acknowledge the Municipality as the provider of Grant funding in their funding record as well as any public record in respect of Grants received in order to confirm that these transfers of funds are also part of the Municipality's endeavours to meet its strategic objectives and to assist it in carrying out its constitutional powers and functions.

## **8. COMMENCEMENT**

This Policy called the **FINANCING OF EXTERNAL BODIES PERFORMING MUNICIPAL FUNCTIONS POLICY** takes effect on the date on which it is adopted by the Council.



**STELLENBOSCH**

STELLENBOSCH , PNIEL , FRANSCHHOEK

Municipality • Umasipala • Munisipaliteit

**APPLICATION : FUNDING OF EXTERNAL BODIES PERFORMING A MUNICIPAL FUNCTION**

NOTE: ONLY APPLICATIONS ON THIS PRESCRIBED FORM WILL BE CONSIDERED

**PLEASE COMPLETE THE FOLLOWING:**

|  |   |  |   |
|--|---|--|---|
| <b>A</b>   | <p><b>Registered name of organisation:</b></p> <p>.....</p>   |  |   |
| <b>B</b>   | <p><b>Date and year in which the organisation was founded or incorporated (include brief description of business or activities of organisation):</b></p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p>  |  |   |
| <b>C</b>   | <p><b>Address:</b></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <p>(i) Street</p> <p>.....</p> <p>.....</p> <p>.....</p> </td> <td style="width: 50%; vertical-align: top;"> <p>(ii) Postal</p> <p>.....</p> <p>.....</p> <p>.....</p> </td> </tr> </table> <p>Contact details:</p> <p>Name and Surname: .....</p> <p>Title/Position held: .....</p> <p>Tel: ..... E-mail: .....</p> | <p>(i) Street</p> <p>.....</p> <p>.....</p> <p>.....</p> | <p>(ii) Postal</p> <p>.....</p> <p>.....</p> <p>.....</p> |
| <p>(i) Street</p> <p>.....</p> <p>.....</p> <p>.....</p> | <p>(ii) Postal</p> <p>.....</p> <p>.....</p> <p>.....</p>   |  |   |
| <b>D</b>   | <p><b>List <u>ALL</u> the directors / board / committee members / shareholders / trustees of the organization (use additional pages if necessary):</b></p> <p>Name and Surname: .....</p> <p>Position: .....</p> <p>Contact Address and tel. no: .....</p> <p>Name and Surname: .....</p>   |  |   |



Contact Address and tel. no: .....

Name and Surname: .....

Position: .....

Contact Address and tel. no: .....

Name and Surname: .....

Position: .....

Contact Address and tel. no: .....

Name and Surname: .....

Position: .....

Contact Address and tel. no: .....

Name and Surname: .....

Position: .....

Contact Address and tel. no: .....

**D Indicate in which ward the organisation is active:**

Ward: \_\_\_\_\_

Is the organisation a non-profit company? Yes    No  
 If yes, provide company registration number: \_\_\_\_\_ -

Is the organisation a non-profit organisation as contemplated in section 13 of the Non-Profit Organisation Act, 1997? Yes    No  
 If yes, provide registration number: \_\_\_\_\_ -

Is the organisation a public benefit organisation as contemplated in terms of the Income Tax Act, 1962? Yes    No  
 If yes, provide registration number: \_\_\_\_\_ -

Is funding required for a specific project? Yes    No  
 If yes, attach details separately.  
 Budget amount of projects: .....

Duration of project: .....

Is funding required for general support? Yes    No  
 If yes, attach a copy of the organisation's overall budget and business plan.

**E Category:**

Please categorise your application (mark with x):

Tourism Destination Marketing & Visitors Information

Tourism Development

Animal Welfare

Note: For more detail, see attached Funding of External Bodies Performing a Municipal Function Policy.(general guidelines and categories)

Please indicate the specific type of project/programme, as per the Funding of External Bodies Performing a Municipal Function Policy

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- F The following MUST accompany this application:**
1. A copy of the latest, audited financial statements.
  2. A copy of the Organisation’s Constitution or Memorandum of Incorporation as well as the resolutions/minutes adopting the Constitution or Memorandum of Incorporation.
  3. A copy of a project/programme description and/or a business plan for the ensuing financial year. Including the following:
    - Full details of the proposal or project including its objectives, the number of people who will benefit and how the project will contribute or enhance the strategic objectives of Stellenbosch Municipality.
    - Commencement and completion dates of the project.
    - Information on the total cost of the project budget, including a breakdown of costs and an outline of any contribution by fundraising and/or own contribution.
    - A list of all other sources of funding together with the assessments.
    - A summary of past achievements.
    - References independent of the applicant and its executive.
  4. An original copy of a correctly completed creditors control form of Stellenbosch Municipality.
  5. If the Organisation received funding from Stellenbosch Municipality in the preceding financial year, you need to account for the expenditure of the funding received with your new application.
  6. If the Organisation received funding from other bodies, please identify and list the amounts received;

|                 |   |
|-----------------|---|
|                 | <ol style="list-style-type: none"> <li>7. If the Organisation is a non-profit company as defined in the section 1 of the Companies Act, 2008, a certificate/letter issued by the Companies and Intellectual Property Commission (CIPC) confirming registration must be attached;</li> <li>8. If the Organisation has been registered as a “non-profit” organisation in terms of the Non-Profit Organisation Act, 1997, a certificate/letter issued by the Department of Social Development confirming registration as a non-profit organisation must be attached;</li> <li>9. If the Organisation has been registered as a “Public Benefit Organisation” in terms of the Income Tax Act, 1962, a certificate/letter issued by SARS confirming the Organisation's tax exemption status must be attached; and</li> <li>10. Valid Tax Clearance Certificate issued by SARS.</li> </ol>   |
| <p><b>G</b></p> | <p><b>The following shall apply:</b></p> <ol style="list-style-type: none"> <li>1. The allocation of funds will only be considered if the application document has been fully completed and signed and is accompanied by the required and supporting documentation referred to therein.<br/><br/>Applicants must in their submission clearly indicate / specify and motivate what the funding will be utilised for.</li> <li>2. The funding must be exclusively utilised for the purpose defined and the successful applicant must submit the necessary undertaking to this effect.</li> <li>3. Applicants must in their submission satisfy the Council of their ability to execute the project successfully.</li> <li>4. Organisations who have already received financial or other assistance from the Council during the previous financial year <u>must</u> specify same in their application.</li> <li>5. No funding will be considered for political groupings, church/sectarian bodies or ratepayers organisations.</li> <li>6. No funding will be considered where only an individual will benefit or where a member of Council or an official of Stellenbosch Municipality will receive any financial or other gain.</li> <li>7. Projects outside the boundaries of the Council will not be considered.</li> <li>8. Subsequent requests from applicants to cover overspending on projects will not be considered.</li> <li>9. Council will not pay any funds to anyone who has already procured against the perception that they will receive any municipal funds.</li> <li>10. Successful applicants must at all times comply with the provisions of Section 67(1) of the Municipal Finance Management Act No. 56 of 2003 which <i>inter alia</i> stipulates that the organisation or body has to:- <ul style="list-style-type: none"> <li>• Enter into and comply with a Memorandum of Agreement with the Municipality as well as with all reporting, financial management and auditing requirements as may be contained in such agreement. This memorandum of agreement will bind the successful applicant to deliver on what the application speaks to, but also to commit to become involved with municipal programmes of the community where it functions. The Memorandum of Agreement will be made available to successful applicants for completion.</li> <li>• Report monthly on the actual expenditure of the amount allocated.</li> </ul> </li> </ol> |

11. The Council reserves the right not to give funding to any or all organisations applying.
12. Having been awarded funding previously does not give an applicant the right to receive a grant/funding again.
13. Funding will not be considered where a project or organisation is already receiving funds from Council in terms of Council's functions. Applicants are required to disclose other sources of funding, failing which such applicant will be disqualified.
14. Funding will not be considered where in Council's opinion, an organisation received sufficient funds from other sources to sustain its activities or the project applied for. For this purpose, organisations must submit financial statements and budget for the ensuing financial year.
15. Organisations having received funding from Stellenbosch Municipality during the previous financial year, are required to attached to any new application, a copy of the financial statements relating to the year in which the funding was received from Council, as required in terms of section 67(1) of the Municipal Finance Management Act, 2003 (MFMA).

(The Funding of External Bodies Performing a Municipal Function Policy must be consulted for the sake of completeness)

**H Undertaking:**

I/We hereby verify that the information provided in this application is true and correct and that the conditions applicable to the allocation of funds as set out above have been read, understood and will be complied with.

I/We also declare that the organisation implements effective, efficient and transparent financial management and internal control mechanisms to guard against fraud, theft and financial mismanagement and has in the past complied with requirements for similar transfer(s) of funds.

This completed and signed at Stellenbosch on this.....day of .....20....

\_\_\_\_\_  
**Chairperson / Authorised Representative**

\_\_\_\_\_  
**Secretary / Duly Authorised Signatory**

**I Please take note:**

(i) That completed application forms together with all the required documentation must be delivered to:

**Director: Planning and Economic Development  
P O Box 17  
Stellenbosch  
7599**

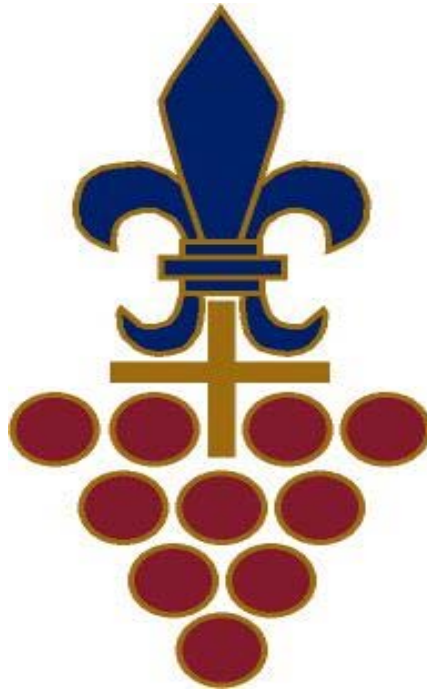
Or delivered to:

**58 Andringa Street  
Stellenbosch  
7600**

(ii) That the closing date for the submission of applications is: ..... at  
.....

(iii) That **neither late nor incomplete applications** shall be considered.

# **STELLENBOSCH MUNICIPALITY**



## **LIQUIDITY POLICY**

**2022/2023**



# STELLENBOSCH MUNICIPALITY

## LIQUIDITY POLICY

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## 1. INTRODUCTION

The documented Liquidity Policy sets out the minimum risk management measures that Stellenbosch Municipality has to implement and adhere to in order to ensure that its current and future liquidity position is managed in a prudent manner.

Liquidity is the amount of cash and / or “near cash” (which refers to assets or security that can easily and quickly be converted to cash), available to be utilized to meet obligations and / or pay commitments. The marketability or ability to buy or sell an asset without incurring unacceptable large losses thus determines the liquidity of an asset or defines it as near cash.

This Policy is implemented to provide guidance on the minimum liquidity level that Stellenbosch Municipality has to maintain in order to comply with required legislative and / or National Treasury directives and within the overall financial management objectives as approved/reviewed by the Council from time to time.

## 2. BACKGROUND AND APPROACH

Various policies and procedures exist that direct the way in which the business of Stellenbosch Municipality is or should be conducted in a prudent manner. Generally these policies and procedures flow from the prescription made in Legislation i.e. the Municipal Finance Management Act (“MFMA”) and/or directives issued by a national department such as National Treasury.

Guidelines provided by National Treasury indicate that an acceptable level of cash resources needs to be available for working capital requirements (see below).

It is for this reason that the need to have an official Liquidity Policy was identified.

## 3. LEGISLATIVE REQUIREMENTS

3.1. The MFMA circular 71 stipulates the following two prescribed ratios to manage liquidity:

**Cash/Cost Coverage Ratio (Excluding Unspent Conditional Grants) is calculated as:**

$$\frac{((\text{Cash and Cash Equivalents} - \text{Unspent Conditional Grants} - \text{Overdraft}) + \text{Short Term Investment})}{\text{Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)}}$$

Criteria: 1 – 3 times



## **Current Ratio Current Assets / Current Liabilities**

Criteria: 1.5 - 2:1

The above guidelines are noted but the proposed policy is more conservative to ensure that the municipality secures its strong financial position thereby providing comfort to investors.

## **4. LIQUIDITY POLICY**

This policy provides guidance on the determination of the minimum liquidity requirement and the calculation of the liquidity available of Stellenbosch Municipality from time to time (see **Annexure 1**).

***Notwithstanding the requirements as reflected in this policy, Stellenbosch Municipality should ensure that its Current Assets (excluding debtors older than 90 days) cover all of its Current Liabilities at least two times.***

The policy encapsulates certain key aspects and considerations which have been outlined below:

### **4.1. KEY COMPONENTS OF MINIMUM LIQUIDITY REQUIRED:**

The following constitutes the key elements to take into consideration when determining the liquidity requirement of Stellenbosch Municipality:

- 4.1.1. To comply with statutory requirements it is proposed that the following funds, reserves and provisions be fully covered by unencumbered cash and investments:
  - 4.1.1.1. *All earmarked or conditional grant transfers from spheres of Government or from Public Contributions made to Stellenbosch Municipality that have not yet been utilized;*
  - 4.1.1.2. *All commitments resulting from the legally entrenched rights and benefits employees have, with specific reference to the Council's short term commitment to staff retirement benefits and medical fund claims payable;*
  - 4.1.1.3. *All funds not yet been utilized in relation to agency services provided on behalf of Provincial or National Government should also be treated as earmarked funds;*
  - 4.1.1.4. *All reserves stated by Stellenbosch Municipality on its Statement of Financial Position that have been established for the purposes of making provisions for a defined purpose.*

- 4.1.2. Cognisance also needs to be taken of the external loan commitments and the servicing of capital and interest on these loans. Therefore provision should be made that Stellenbosch Municipality can meet its external loan/financial commitments together with the normal operational expenditure, as well as its liabilities to staff.
- 4.1.3. All investments ceded as security against long term loans need to be excluded from total cash and investment balances for calculation of the minimum liquidity level required.
- 4.1.4. In addition, a level of cash available for normal operational expenditure needs to be held in cash to ensure that, notwithstanding fluctuations in the monthly income levels of Stellenbosch Municipality, Stellenbosch Municipality will be in a position to meet its financial requirements. In this respect, the average monthly operational expenditure needs to be used as a guide of the minimum buffer required. One month's operational expenditure excluding debt impairments, depreciation and other non-cash expenses should be available for liquidity cover.
- 4.1.5. The "golden rule" should be to ensure that Stellenbosch Local Municipality will have adequate liquid assets (those that can be made into cash within 24 hours, weekly or monthly as the requirement might be) to meet its short term financial commitments.

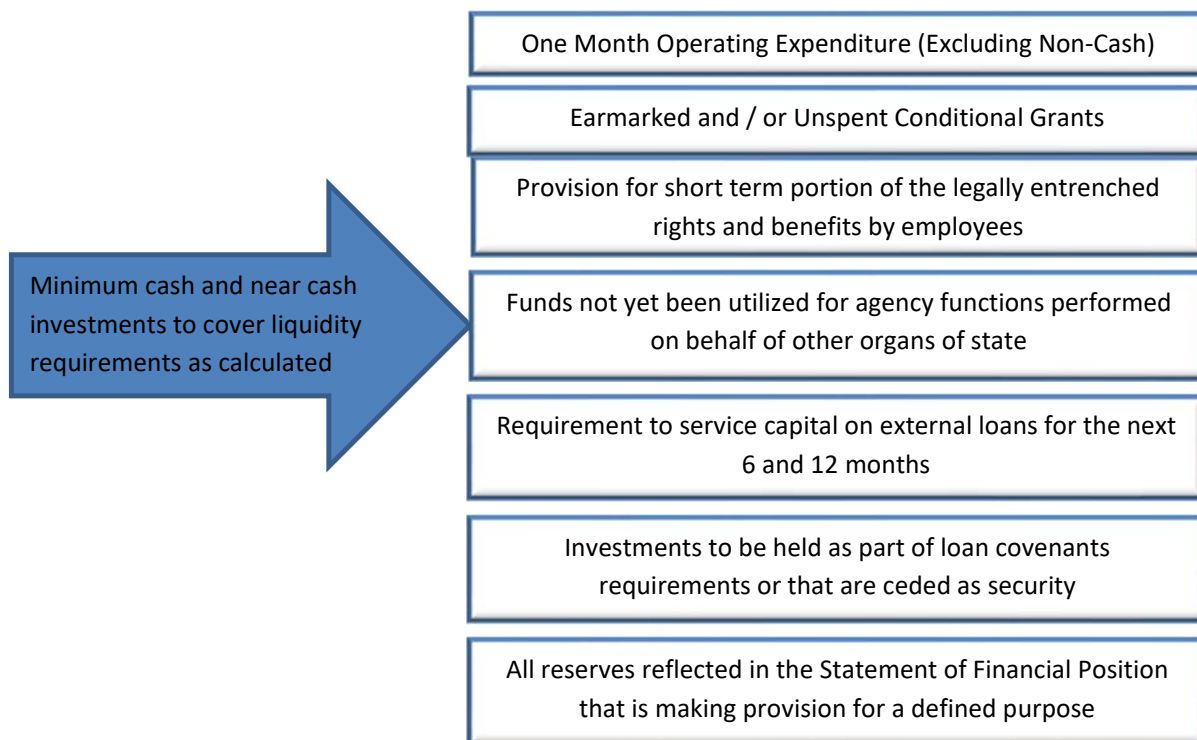
## **4.2. CALCULATION OF AVAILABLE LIQUIDITY**

The amount of liquidity available should be determined from time-to-time. The following, should be regarded as cash and or near cash in calculating the available liquidity:

- 4.2.1. *All cash held in a bank account or invested with a money market fund;*
- 4.2.2. *95% of the value of all NCD's or other tradable instruments issued by a bank that are not already ceded;*
- 4.2.3. *90% of the market value of all listed bonds on the JSE in which Stellenbosch Municipality is allowed to invest in;*
- 4.2.4. *Consumer debtors aged current to 60 days;*
- 4.2.5. *Amount of unspent conditional grants and public contributions excluded from own funds held in bank accounts;*
- 4.2.6. *Funds provided to Council for expenditure on activities executed on behalf of other spheres of Government (Provincial and / or National) as part of an agency function, excluded from own funds held in bank accounts;*
- 4.2.7. *Funds ring-fenced for cash backed reserves that are excluded from own funds held in bank accounts;*
- 4.2.8. *Cash amounts that need to be held by Council resulting from loan covenants' that are part of the conditions of loans extended, but not ceded outright to lenders;*

4.2.9. *The undrawn portion of unconditional bank overdraft facility or liquidity facility available to Stellenbosch Municipality.*

**The aforementioned in paragraphs 4.1. and 4.2. can schematically be reflected as follows:**



#### **4.3. IMPLEMENTATION AND MONITORING OF COMPLIANCE WITH LIQUIDITY POLICY:**

Once the policy is approved, the CFO is to be tasked to ensure that the required cash has to be maintained to continue meeting the requirements as set out in this policy.

Firstly, the minimum required liquidity level should be calculated based on audited annual financial statements. This level of liquidity required needs to be specifically budgeted for and on a quarterly basis be reported to the Finance Committee and / or other Committees as might be stipulated by Council as well as to Council.

Notwithstanding National Treasury's three months operational expenditure guideline and the one month operational expenditure buffer proposed as a minimum by the liquidity policy, it is recommended that Council set a target of one month's operational expenditure liquidity buffer to be achieved at the end of the transitional period (reference paragraph 6).

The cash provisions made to repay external loan commitments, if specifically earmarked, should also be added to this minimum working capital liquidity, to prevent

fluctuations in the working capital reserve that could put the minimum level of liquidity levels under pressure.

## **5. CORPORATE GOVERNANCE (OVERSIGHT)**

Compliance with this policy will be monitored by the Chief Financial Officer. The Chief Financial Officer must present the liquidity compliance reports to the Finance Committee and the Audit Committee of the municipality.

Where compliance has been breached the Chief Financial Officer must present an action plan to correct the non-compliance. The Finance Committee must monitor the successful implementation of the corrective action plans and report progress to Council.

## **6. POLICY MANAGEMENT**

The Liquidity Policy forms part of Stellenbosch Municipality overall financial objectives and therefore forms part of approved Budget Policies. The policy must be reviewed at least annually during the budget revision and presented to Council for approval.

The policy is effective from the date it is approved by Council.

**ANNEXURE 1**Liquidity Requirement as per Liquidity Policy

Financial Year End: \_\_\_\_\_

***Liquidity Requirement Calculation [as stipulated in Paragraph 4.1.]***

|   |  |
|---|--|
| All earmarked and/or conditional grants received but not yet utilised   |  |
| Value of legally entrenched short term rights and benefits of employees related to Medical benefits & Retirement benefits |  |
| Funds held for agency services not yet performed  |  |
| Reserve funds reflected in Statement of Financial Position that are assumed to be held in cash                            |  |
| Capital redemption and interest payments on external loans not reflected as part of normal operational expenditure        |  |
| Onemonth operational expenditure excluding non-cash items   |  |
| Commitments resulting from contracts concluded as part of Capex Programme, not reflected in operational budget            |  |
| <b>TOTAL LIQUIDITY REQUIREMENT</b>  |  |

***Actual available liquidity held [reference paragraph 4.2.]***

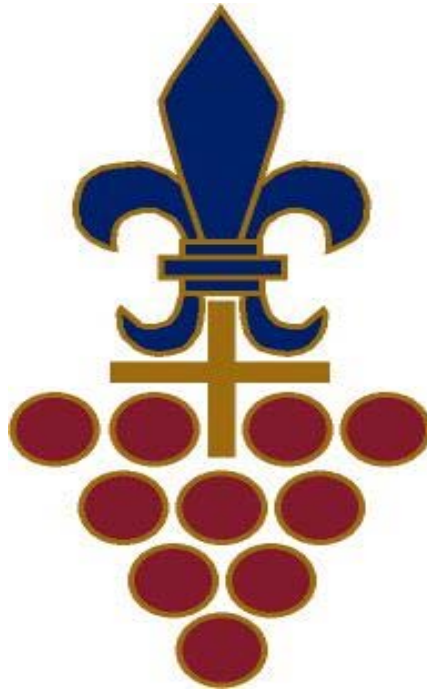
|  |  |
|--|--|
| Bank Balance at e.g.:  |  |
| - ABSA, FNB, Standard Bank, Nedbank, Investec, Money Market                          |  |
| <b>Bank balance sub total</b>  |  |
| 95% of all other term investments with Banks   |  |
| 90% of Market value of all Bonds on the JSE that are held                            |  |
| Consumer debtors (current – 60 days)   |  |
| Other reserves held in cash not reflected in bank balances mentioned above for e.g.: |  |
| - Unspent conditional grants   |  |
| - Payments received for agency functions not yet performed                           |  |
| - The cash value of reserves held  |  |
| - Cash deposits held as part of loan covenants or ceded                              |  |
| - Undrawn bank overdraft facility or committed liquidity lines available             |  |
| <b>TOTAL LIQUIDITY AVAILABLE</b>   |  |

**LIQUIDITY SURPLUS (SHORT FALL)****SURPLUS TO BE APPROPRIATED TO CAPITAL REPLACEMENT RESERVE**

(See Borrowing, Funds and Reserves Policy)

**Liquidity ratio:****Current Asset/Current Liabilities**

# **STELLENBOSCH MUNICIPALITY**



## **INVENTORY MANAGEMENT POLICY**

**2022/2023**



# STELLENBOSCH MUNICIPALITY

## INVENTORY MANAGEMENT POLICY

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## 1. DEFINITIONS

1.1 In this Policy, unless the context indicates otherwise, the following definitions are applied:

- “Accounting Officer”** means the Municipal Manager for the Municipality as contemplated in section 60 of the Local Government: Municipal Finance Management Act, 56 of 2003
- “CFO”** means the Chief Financial Officer designated in terms of section 80(2) (a) of the Local Government: Municipal Finance Management Act, 56 of 2003
- “Cost”** shall comprise costs of purchase, costs conversion and other costs incurred in bringing the inventories to their present location and condition
- “Delegated authority”** means the official who is given the authority for relevant functions in terms of the municipality’s written delegations;
- “Good received note”** means a document which is used to acknowledge the receipt of goods in good condition and correct quantities
- “Inventories”** are assets:  
 In the form of material or supplies to be consumed in the production process,  
 In the form of materials or supplies to be consumed or distributed in the rendering of services  
 Held for sale or distribution in the ordinary course of operations,  
 or  
 In the process of production for sale or distribution
- “Municipality”** shall mean the Stellenbosch Municipality;
- “Net Realisable”** Is the estimated selling price in the ordinary course of operations less the estimated costs of completion and estimated costs necessary to make the sale exchange or distribution.



|                                      |   |
|--------------------------------------|---|
| <b><i>“Obsolete inventory”</i></b>   | means items that have expired, are redundant or damaged;  |
| <b><i>“Re-order level”</i></b>       | means the level of inventory at which inventory is re-ordered;  |
| <b><i>“Requisition form”</i></b>     | means a written request to supply specified inventory;  |
| <b><i>“Store”</i></b>                | means a place where inventory is stored and reserved for future use, or a source from which supplies may be drawn;  |
| <b><i>“Inventory Controller”</i></b> | means an official responsible for the requisition, receipt, issue, recording, safeguarding of inventory and cost-effective and efficient management of inventory. |
| <b><i>“Stock Issue Register”</i></b> | means a document which is used to authorize the removal or issue of stock items from stores.  |

## **2. OBJECTIVE OF THE POLICY**

2.1 The policy aims to achieve the following objectives which are to:-

- a) Provide guidelines that employees of the Municipality must follow in the management and control of inventory, including safeguarding and disposal of inventory.
- b) Procure inventory in line with the established procurement principles contained in the Municipality's Supply Chain Management Policy.
- c) Eliminate any potential misuse of inventory and possible theft.

## **3. SCOPE**

3.1 This policy applies to Stellenbosch Municipality's inventory received by the Inventory Controller and issued to users.

3.2 This policy specifically excludes:

- a) Pharmaceutical inventory, livestock and face value forms; and
- b) Equipment and other assets not defined as inventory;

## **4. LEGAL FRAMEWORK**

4.1 In terms of the MFMA, the Accounting Officer for a municipality must:

- a) Be responsible for the effective, efficient, economical and transparent use of the resources of the municipality as per section 62 (1)(a);
- b) Take all reasonable steps to prevent unauthorised, irregular and fruitless and wasteful expenditure and other losses as per section 62(1)(d);
- c) Be responsible for the management, including the safeguarding and the maintenance of the assets, and for the management of the liabilities, of the municipality as per section 63 (1)(a) and (b).

### **4.2 In terms of GRAP 12:**

4.2.1 Inventories shall be recognized as an asset if, and only if,

- a) it is probable that future economic benefits or service potential associated with the item will flow to the entity ,and
- b) the cost of the inventories can be measured reliably.

### **4.3 MEASUREMENT AT RECOGNITION**

4.3.1 Inventories that qualify for recognition as assets shall initially be measured at cost,

4.3.2 Where inventories are acquired at no cost, or for nominal consideration, their costs shall be their fair value as at the date of acquisition.

#### **4.4 MEASUREMENT AFTER RECOGNITION**

4.4.1 Inventories shall be measured at the lower of cost and net realization value, except where paragraph .18 of GRAP 12 applies.

4.4.2 Inventories shall be measured at the lower of cost and current replacement cost where they are held for:

- a) distribution at no charge or for a nominal charge ,or
- b) consumption in the production process of goods to be distributed at no charge or for a nominal charge.

#### **4.5 RECOGNITION AS AN EXPENSE**

4.5.1 When inventories are sold, exchanged or distributed, the carrying amount of those inventories shall be recognized as an expense in the period in which the related revenue is recognized. If there is no related revenue, the expense is recognized when the goods are distributed, or related service is rendered. The amount of any write-down of inventories to net realizable value and all losses of inventories shall be recognized as an expense in the period the write-down or loss occurs. The amount of any reversal of any writes –down of inventories arising from an increase in net realizable value, shall be recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

4.5.2 Some inventories may be allocated to other assets accounts, for example, inventory used as a component of self-constructed property, plant or equipment. Inventories allocated to other assets in this way are recognized as an expense during the useful life of that asset.

### **5. INVENTORY PROCEDURES**

5.1 The procedures for inventory must be followed to ensure that:

- a) Inventory is safeguarded at all times;
- b) There are accurate records of quantities on hand at all times;
- c) Optimum inventory levels are maintained to meet the needs of users;
- d) Only authorised issues of inventory are made to users; and
- e) Items placed in store are secured and only used for the purpose for which they were purchased.

## **5.2 APPOINTMENT OF RESPONSIBLE OFFICIALS**

- 5.2.1 The CFO must appoint, in writing, officials to perform the duties of an Inventory Controller in terms of this Policy.
- 5.2.2 Adequate segregation of duties between the requisition, receipt, recording, storage and safekeeping of inventory and the management and control thereof must be maintained to avoid the potential occurrence of errors and fraud.

## **5.3 ORDERING OF INVENTORY**

Standard Supply Chain Management procedures as per approved Supply Chain Management policy are to be implemented.

## **5.4 RECEIPT OF INVENTORY**

All inventory must be received by the completion of a goods received note and processed on the financial management system.

## **5.5 STORAGE OF INVENTORY**

- 5.5.1 Inventory must be stored in a secured, exclusive use area, under lock and key, furthermore the inventory must be insured in terms of the Risk Management Policy of the municipality.
- 5.5.2 The area must be used exclusively for the storage of inventory, with limited authorised access only.
- 5.5.3 Inventory must be positioned to facilitate efficient handling and checking.
- 5.5.4 All items must be stored separately, with proper segregation.
- 5.5.5 Inventory must be clearly labeled for easy identification. Inventory tag/bin cards or inventory labels may be used to identify each item and to aid in the physical verification of the items.
- 5.5.6 Where practically possible, all items of the same type and reference must be stored together as per the description on the inventory records.
- 5.5.7 Items with limited shelf life must be rotated on a first in first out basis, in accordance with paragraph .35 of GRAP, to reduce the occurrence of expired or obsolete stocks.
- 5.5.8 Due diligence and care must be exercised to prevent damage of, or deterioration of inventory.

- 5.5.9 Due regard must be given to any safety standards which may apply to the storage of certain inventories.
- 5.5.10 Steps must be taken to ensure safe custody of items, including precautions against loss or theft.
- 5.5.11 The Inventory Controller or Delegated Official responsible for the custody and care of inventory must ensure that in his/her absence such items, where applicable, are securely stored.
- 5.5.12 The responsibility for the custody of the storeroom keys must be allocated by the delegated authority to an official who is accountable for its use.
- 5.5.13 No unauthorised persons/officials shall obtain entry to premises, buildings or containers where inventory is kept, unless accompanied by the responsible official.
- 5.5.14 Whenever a change in the Inventory Controller occurs, an inventory count must be conducted.
- 5.5.15 An independent official shall be nominated in writing by the delegated authority to assist the official handing and taking over with the checking of the inventory and any discrepancies.
- 5.5.16 Should the above not be complied with, the official taking over shall be liable for any discrepancies.
- 5.5.17 A handing-over certificate as prescribed by the CFO, must be completed by the handing and taking over officials and a copy retained for record purposes.
- 5.5.18 The following fire protection precautions must be adhered to:
- a) Inventories of an inflammable or dangerous nature shall be stored and handled in such a manner that persons or property are not endangered and in compliance with the requirements of any local authority;
  - b) The area must be clearly signposted; and
  - c) Fire extinguishing equipment must be placed in the area where inventories are held and must be serviced regularly.

## **5.6 ISSUE OF INVENTORY**

- 5.6.1 Only the Inventory Controller is authorised to issue inventory from the storeroom.
- 5.6.2 Inventory must only be issued in terms of the approved requisition form of the Municipality.
- 5.6.3 All requisition forms must be ruled off immediately below the last item to prevent items being added once the requisition is authorised by the responsibility manager.

- 5.6.4 The Inventory Controller must prepare the Stock Issue Register once stock items to be issued have been picked up from the shelves
- 5.6.5 The official receiving the inventory must acknowledge the receipt of stock items requested, by signing the Stock Issue Register prepared by the Inventory Controller.
- 5.6.6 Inventories must be issued and used for official purposes only.

## **5.7 OBSOLETE INVENTORY**

- 5.7.1 The preparatory work for the disposal of obsolete inventory must be undertaken by the Inventory Controller and verified by the Assets Accountant.
- 5.7.2 The Accounting Officer or delegated authority must convene a Disposal Committee for the disposal of obsolete inventory.
- 5.7.3 The Disposal Committee should consist of at least three officials, one of whom must act as the chairperson.
- 5.7.4 The delegated authority may approve the write-off of inventory, if satisfied that: -
  - a) The inventory has expired and is redundant;
  - b) The inventory is of a specialised nature and has become outdated due to the introduction of upgraded and more effective products;
  - c) The inventory cannot be used for the purpose for which it was originally intended; or
  - d) The inventory has been damaged and is rendered useless.
- 5.7.5 All disposed of items must be updated in the inventory records/register/database for the purposes of proper management and control.

## **5.8 INVENTORY COUNT**

- 5.8.1 Items may be subject to an inventory count on a quarterly basis.
- 5.8.2 Where the quantity of inventory is too large for the count to be completed on a single occasion, inventory counts may be carried out on a rotational basis with a full inventory count at the end of each financial year.
- 5.8.3 All approved Municipal procedures and processes must be complied with during the inventory count.

- 5.8.4 The Inventory Controller must submit a report to the CFO after investigating any discrepancies between the inventory records/register/database, bin/tag cards or inventory labels and the physical inventory.
- 5.8.5 The CFO must submit a report with the findings to the Accounting Officer, in order to have the matter reported to the Council of the Municipality for the write-off of any inventories losses, or the write –up of surpluses.
- 5.8.6 The appropriate disciplinary action must be instituted when applicable.
- 5.8.7 The inventory record, register, database or system must be updated accordingly.

## **6. INVENTORY RECORDS**

- 6.1. An inventory record/register/database must be maintained for all inventory items, either manually and / or electronically.
- 6.2 All relevant information must be included for the proper management and control of all inventory items. It is recommended that details include but are not limited to:
  - a) Order number/date;
  - b) Item description;
  - c) Quantity and value of stock on hand;
  - d) Quantity and value of stock received;
  - e) Quantity and value of stock issued;
  - f) Re-order level;
  - g) Optimum inventory level;
  - h) Quantity and value of obsolete stock; and
  - i) Opening/closing balance.
- 6.3 An inventory register/database must be printed monthly and the hard copy filed in a chronological order to maintain a proper audit trail.

## **7. REPORTING**

- 7.1 A report must be submitted at least quarterly to the Chief Financial Officer and/or the Assets Manager detailing the following:
  - a) Any inventory shortages or surpluses and the reasons for such;
  - b) Any inventory deficits proposed to be written-off; and
  - c) Any obsolete inventory items.

- 7.2 Inventories purchased during the financial year must be disclosed at cost or net realizable value in the disclosure notes of the Financial Statements of the Municipality.
- 7.3 In terms of GRAP the financial statements shall disclose:
- a) the accounting policies adopted in measuring inventories, including the cost formula used,
  - b) the total carrying amount of inventories and the carrying amount in classifications appropriate to the entity,
  - c) the carrying amount of inventories carried at fair value less costs to sell,
  - d) the amount of inventories recognized as an expense during the period,
  - e) the amount of any write-down of inventories recognized as an expense in the period in accordance with paragraph .43,
  - f) the amount of any reversal of any write-down that is recognized as a reduction in the amount of inventories recognized as an expense in the period in accordance with paragraph .43,
  - g) the circumstances or events that led to the reversal of a write-down of inventories in accordance with paragraph .43, and
  - h) the carrying amount of inventories pledged as security for liabilities.



## 8. CLASSIFICATION OF INVENTORY

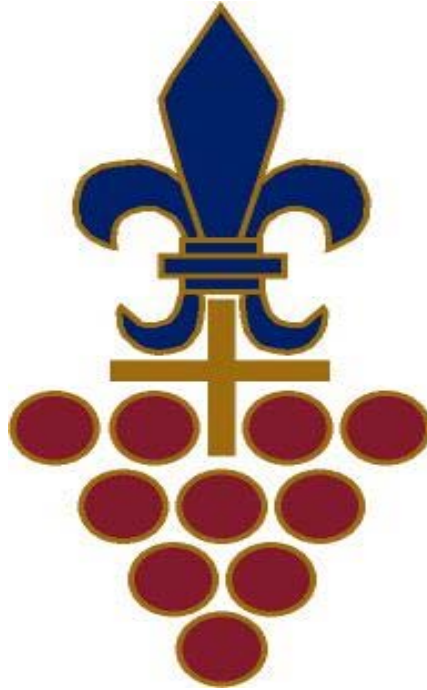
As per National Treasury Standard Chart of Accounts, inventory shall be classified as follows:

| <b>Inventory Categories</b>          | <b>Consumable Categories</b>    |
|--------------------------------------|---------------------------------|
| Ammunition & Security Supplies       | Consumable Supplies (level 4)   |
| Clothing Material & Accessories      | Agricultural Supplies (level 5) |
| Farming & Gardening Supplies         | Gifts & Awards                  |
| Fuel, Oil & Gas                      | Fuel Supplies                   |
| Crockery & Linen                     | Media Collections               |
| Learning & Teaching Support Material | Building & Construction         |
| Assets for Distribution              | Contraceptives                  |
| Materials & Supplies                 | First Aid Kit                   |
| Medical Supplies                     | Laboratories                    |
| Medicines                            | Security Accessories            |
| Military Stores                      | Bags & Accessories              |
| Laboratory Chemicals & Supplies      | Stationary                      |

## 9. POLICY ADOPTION

This policy has been reviewed and approved by the Council of Stellenbosch Municipality and is applicable with effect from 1 July 2019.

# **STELLENBOSCH MUNICIPALITY**



## **PREFERENTIAL PROCUREMENT POLICY**

**2022/2023**



# STELLENBOSCH MUNICIPALITY

## PREFERENTIAL PROCUREMENT POLICY

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## 1. PREAMBLE

- 1.1 The Constitution of the Republic of South Africa, 1996 in section 217 requires an organ of state to contract for goods or services in accordance with a procurement system which is fair, equitable, transparent, competitive and cost effective and to grant preferences within a framework prescribed by National Legislation.
- 1.2 A National Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000)- [PPPPFA] was promulgated in response to the Constitutional provision and allow for an organ of state to develop a preferential procurement policy and to implement such policy within the PPPFA framework.

From the preamble from the Constitution:

*We therefore, through our freely elected representatives, adopt this Constitution as **the supreme law of the Republic** so as to*

- *Heal the divisions of the past and establish a society based on democratic values, social justice and fundamental human rights;*
- ***Lay the foundations for a democratic and open society in which government is based on the will of the people and every citizen is equally protected by law;***
- ***Improve the quality of life of all citizens and free the potential of each person; and***
- *Build a united and democratic South Africa able to take its rightful place as a sovereign state in the family of nations.*

From Chapter 7 of the Constitution:

### **152. Objects of local government**

#### **1. The objects of local government are -**

- a. *to provide democratic and accountable government for local communities;*
- b. *to ensure the provision of services to communities in a sustainable manner;*
- c. *to promote social and economic development;*
- d. *to promote a safe and healthy environment; and*
- e. *to encourage the involvement of communities and community organisations in the matters of local government.*

#### **2. A municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1).**

### **153. Developmental duties of municipalities**

*A municipality must*

- a. *structure and manage its administration, and 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; and*
- b. *participate in national and provincial development programmes.*

## **2. FOREWORD**

The policy of Stellenbosch Municipality – in respect of Preferential Procurement is that:

- 2.1 State expenditure is recognised as an instrument of government policy to achieve economic, socio-economic and development objectives.
- 2.2 Procurement can be applied as an instrument of secondary redistribution to alter primary income distribution and as a means to address historic imbalances by means of creating employment and business opportunities for historically disadvantaged groups in the South African society.
- 2.3 Preferential Procurement is recognised as a valid instrument for such social reform.
- 2.4 It is recognised that preferential procurement cannot be applied without cost and that such cost should be subject to the Municipal Budget and the prioritisation processes applicable to all Municipal expenditure.
- 2.5 Ultimately, preferential procurement could go some way to providing a springboard to encourage redistribution and reducing economic concentration, which in turn would foster competition and promote effective and appropriate resource allocation.
- 2.6 The Stellenbosch Municipality Preferential Procurement Policy will be reviewed regularly.
- 2.7 This Policy marks the beginning of a long term path the Stellenbosch Municipality intends to walk with the citizens of Stellenbosch and that this Policy represents the first phase of implementation. With the increase in maturity of the Stellenbosch Municipality as well as its suppliers, it is further accepted that this Policy will also mature to the extent that visible socio- and economic benefits can be experienced by all citizens living in Stellenbosch.

## **3. PURPOSE AND OBJECTIVES**

The broad purpose of the Preferential Procurement Policy is to:

- 3.1 Validate Stellenbosch Municipality's commitment to Preferential Procurement.
- 3.2 Ensure effective and efficient application of resources.
- 3.3 Promote accountability, transparency and fairness.
- 3.4 Create opportunities for local small, medium and micro enterprises.

- 3.5 Enhance quality of services.
- 3.6 Stimulate socio-economic development.
- 3.7 Eliminate and counter corruption.
- 3.8 Contribute towards reduction of unemployment, especially within the Stellenbosch Municipal Area.
- 3.9 Broadening the tax base within the Stellenbosch Municipal Area.
- 3.10 Encourage linkages between small and large enterprises.
- 3.11 Promote skills transfer and training of the historically disadvantaged.
- 3.12 Protect local industry against unfair competition.

#### **4. LEGISLATIVE FRAMEWORK**

##### **Constitution, 1996 (Act 108 of 1996)**

- 4.1 Section 217(1) of the Constitution, 1996 (Act 108 of 1996) provides that when contracting for goods and services, organs of state must do so in accordance with a system that is fair, equitable, transparent, competitive and cost effective.
- 4.2 Section 217(2) and (3) of the Constitution allows organs of state to grant preferences when procuring for goods and services within a Framework prescribed by National legislation.

##### **Local Government Municipal Finance Management Act, 2003 (Act 56 of 2003) – [MFMA] and related SCM Treasury Regulations, 2005 [SCM TR]**

- 4.3 The MFMA aims to regulate financial management and Supply Chain Management [SCM] of local government to ensure that all revenue, expenditure, assets and liabilities are managed efficiently and effectively.
- 4.4 Sections 110 – 119 of the MFMA deals with SCM requirements and must be read together with the SCM TR's 1 – 52 issued in terms of section 168 of the MFMA through GG 27636 effective from 30 May 2005. Both these sets of prescripts supports the application of the PPPFA.

## **Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000) – [PPPFA]**

- 4.5 The PPPFA, 2000 took effect on 3 February 2000. The main thrust of the PPPFA, 2000 is that an organ of state must determine its preferential procurement policy and implement such within the preferential procurement framework, the latter which is commonly called the '80/20 or 90/10 principle'.
- 4.6 The National Treasury, in consultation with the Department of Trade and Industry, reviewed the Regulations issued in terms of the PPPFA, in 2001, and issued new Regulations that become effective on 01 April 2017

## **5. PRINCIPLES**

- 5.1. The principles that underpin this policy are as follows:
- 5.1.1 Sound commercial principles will underlie all transactions. There will be no compromise on quality, service delivery or any other commercial aspects related to the delivery of business objectives.
- 5.1.2 All preferential procurement processes will be transparent and subjected to audit in accordance with sound business principles and practices.
- 5.1.3 Stellenbosch Municipality will only conduct business with service providers that comply with legal requirements (registered with SARS; municipal taxes are not in arrears for more than three months; not on the restricted suppliers or tender defaulters lists; suppliers not deemed as in the service of the State, etc.)
- 5.2. The Policy is founded upon the following core principles:

### **5.2.1. Value for money**

Price alone is often not a reliable indicator and will not necessarily obtain the best value for money by accepting the lowest price offer that meets mandatory requirements. Best value for money means the best available outcome when all relevant costs and benefits over the procurement cycle are considered.

### **5.2.2. Open and effective competition**

All procurement laws, policies, practices and procedures must be readily accessible to all parties involved in the procurement process. The procurement process must be open and transparent and reasons must be provided for decisions in terms of current legislation.

**5.2.3. Ethics and fair dealing**

All procurement officials must comply with the municipal ethical standards to promote mutual trust and respect and an environment where business can be conducted in a fair and reasonable manner. The following is regarded as an acceptable ethical behaviour:

- Open, honest and co-operative business relations.
- Confidentiality of commercial information.
- Avoidance of conflict of interest or a perception of bias.
- Disclosure of conflict of interest as soon as they arise.
- Fair dealing and impartiality in the conduct of tender evaluations.
- Avoidance of combative or collusive practices.

**5.2.4. Accountability and reporting**

Procurement officials and other officials involved in SCM must be answerable for their decisions and actions to the public.

**5.2.5. Equity**

Stellenbosch Municipality will at all times strive to enhance the development of SMME's and B-BBEE enterprises' to allow them to contribute meaningfully in the economy of the Stellenbosch Municipal Area.

**6. POLICY STATEMENTS****6.1 Application**

6.1.1. This Policy will apply to all active industry sectors in the Stellenbosch Municipal Area. It is accepted that through the population of reliable data, trends will be evident which will continuously require a review of the Policy to ensure its relevance of all active industry sectors.

6.1.2. This Policy must be read with the Stellenbosch Municipality's SCM Policy

6.1.3. Construction tenders will also have to adhere to the requirements of the CIDBA.

**6.2 Targeting**

6.2.1. Targeting will be regarded as a specific goal identified by Stellenbosch Municipality and will be reflected in Part 7 to this Policy.



6.2.2. These targets will be determined prior to the invitation of tenders and reflected as special conditions.

### **6.3 Payment cycles**

6.3.1. The payment of invoices is dependent on timely invoicing, approval of invoices and on the payment administration. Responsible officials must process approved invoices within 30 days of receiving the invoice, unless otherwise provided for in the contract.

6.3.2. Reasons for not approving an invoice must be communicated to the tenderer prior to the lapsing of the said 30 days.

6.3.3. Officials must endeavour to, where feasible, process invoices of SMME's within 7-15 days in order to promote their cash flow position.

## 7. PREFERENCE TARGETS IDENTIFIED

7.1 Considering all the data available this Policy for the 2019/20 financial years will strive to achieve the following targets linked to its identified opportunities listed in paragraph 7.1 above:

| POLICY OBJECTIVE  | TARGET   |
|---|--|
| Improve the <b>local economic market</b>                | ➤ Make 10% appointments to local businesses through Formal Quotations for appointments below R200,000  |
| Improve the <b>local economic market</b>                | ➤ Obtain 30% quotations from local businesses for appointments below R30,000   |
| Employment of local <b>semi-&amp; unskilled workers</b> | ➤ Identify 10% of SCM tenders that are labour intensive to include specific conditions of a practical content of local semi-& unskilled workers from LED database / Indigent list. |

Methodology to achieve targets in the short term is to include specific conditions in the SCM documents for Formal Quotations and Bids similar to the following two examples:

### Example No 1:

“SPECIFIC CONDITIONS: TOTAL MAINTENANCE OF PARKS AND P.O.S WITH MANUAL MACHINES AS WELL AS ALL FLOWERBEDS AND YOUNG TREES IN THE MUNICIPAL AREA:

The intention of the municipality is to promote development of all enterprises. Suitably qualified contractors will be expected to spend at least **80%** of the value of the work on local people to ensure that local economic development is promoted. For this purpose the municipal area is divided into 5 smaller areas. For each area the service provider will be required to appoint a supervisor, and a team of at least **6** people.”

Monitoring will be based on the following methods by the End user dept.

1. Local Municipal accounts / Affidavits with ID numbers certified
2. Training and skills development certificates issued

**Example No 2:****TENDER DATA: SPECIAL CONDITIONS RELEVANT TO PROJECT.**

The following Conditions shall be adopted as per the Municipal PPPFA Policy

| <b>SPECIAL CONDITIONS OF TENDER</b>   |                       |                            |
|---|-----------------------|----------------------------|
|   | <b>Comply<br/>Y/N</b> | <b>Ref in<br/>proposal</b> |
| <b>A. CONDITIONS APPLICABLE TO THE PROMOTION OF MUNICIPAL LOCAL AND SOCIO-ECONOMIC DEVELOPMENT</b>  |                       |                            |
| The full portion budgeted for unskilled labour will be executed by unskilled, unemployed labourers who are beneficiaries of this project. The service provider must provide evidence of the identity and addresses of these labourers within 14 days after award of the contract.<br>Minimum prescribed wages must be paid.<br>In the event that this condition cannot be adhered to the contractor must obtain prior approval from the Municipality. |                       |                            |
| All materials procured for this project MUST be sourced from local suppliers<br>In the event that this condition cannot be adhered to the contractor must obtain prior approval from the Municipality.  |                       |                            |
| Use a local EME sub-contractor in for all manual labour in regards to excavations, filling and compaction of cable trenches, pole holes road crossings etc.<br>Suppliers must submit sub-contracting agreement with the tender proposal, together with an indication of the payment arrangements.<br>In the event that this condition cannot be adhered to the contractor must obtain prior approval from the Municipality.                           |                       |                            |
| Suppliers must submit sub-contracting agreement with the tender proposal, together with an indication of the payment arrangements   |                       |                            |
| <b>B. CONDITIONS APPLICABLE AFTER CLOSING OF TENDER BUT BEFORE A SELECTED SERVICE PROVIDER IS ANNOUNCED</b>   |                       |                            |
| Any additional information upon request must be submitted in writing within 48 hours of receipt.  |                       |                            |
| <b>C. CONDITIONS APPLICABLE AFTER AWARDING OF THE TENDER</b>  |                       |                            |
| The service provider must provide the Municipality with a completed list of local labourers to be used, within 14 days after final award of the tender for approval by the Municipality.  |                       |                            |
| The aforesaid list must be updated and submitted together with the service providers progress report and invoice, inclusive of the following details:<br>a) Salary / wages spent on local employees versus total wages / salary budget at site<br>b) Number of local employees employed versus per total workforce at site<br>c) Payments made to the subcontractor and his performance   |                       |                            |

|   |  |  |
|---|--|--|
| Any amendments prior approval from the Municipality.<br>The service provider must provide local labourers with basic on-the-job training and provide them with a reference letter after completion of their services. |  |  |
|---|--|--|

## 8. IMPLEMENTATION

- 8.1 This Policy is effective from 1 July 2019.
- 8.2 It is the responsibility of the Office of the CFO and various Line Department Managers to bring the content of this Policy to the attention of all parties concerned.
- 8.3 This Policy marks the beginning of a long term path the Stellenbosch Municipality intends to walk with the citizens of Stellenbosch and that this Policy represents the first phase of implementation. With the increase in maturity of the Stellenbosch Municipality as well as its suppliers, it is further accepted that this Policy will also mature to the extent that visible socio- and economic benefits can be experienced by all citizens living in Stellenbosch.
- 8.4 In order to achieve the above, the following immediate implementation steps are required:

### By 30 September 2019:

- a. Increased capacity in the SCM Unit.
- b. Identification and appointment of a PPPFA Champion.

## 9. DEFINITIONS

The words in this policy shall bear a meaning as prescribed and/or ascribed by applicable legislation, and in the event of a conflict, the meaning attached thereto by National Legislation shall prevail.

- 9.1 **“Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);
- 9.2 **“Black people”** as defined in the Broad-Based Black Economic Empowerment Act, 2003 (Act No 53 of 2003), is a generic term which means Africans, Coloured and Indians.
- 9.3 **“B-BBEE”** means broad-based black economic empowerment defined as the economic empowerment of all black people including women, workers, youth, people with

disabilities and people living in rural areas through diverse but integrated socio-economic strategies that include, but are not limited to:

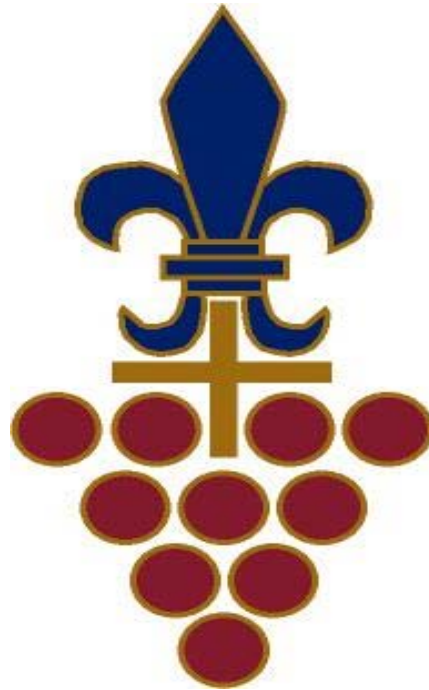
- Increasing the number of black people that manage, own and control enterprises and productive assets;
- Facilitating ownership and management of enterprises and productive assets by communities, workers cooperatives and other collective enterprises;
- Human resource and skills development;
- Achieving equitable representation in all occupational categories and levels in the workforce;
- Preferential procurement; and
- Investment in enterprises that are owned or managed by black people.

- 9.4 **“B-BBEE status level of contributor”** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act.
- 9.5 **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No 53 of 2003);
- 9.6 **“Collusion”** means an intentional and unlawful agreement by two or more companies/firms which is intended or calculated to misrepresent facts or defraud with the sole purpose of influencing the procurement process thereby prejudicing the interests of the service provider;
- 9.7 **“Companies and Shares”** shall be read so as to include Close Corporations and members interests mutatis mutandis;
- 9.8 **“Comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilised have been taken into consideration;
- 9.9 **“Consortium or Joint Venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
- 9.10 **“Contract”** means the agreement that results from the acceptance of a tender by an organ of state;
- 9.11 **“CFO”** means Chief Financial Officer

- 9.12 **“Disability”** means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being;
- 9.13 **“Executive Management Committee”** shall mean a committee comprising the Agency’s Heads of Divisions and any other Manager so invited.
- 9.14 **“Firm price”** is the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, ‘levy, or tax, which, in terms of a law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 9.15 **“Individual”** an individual shall mean a natural person;
- 9.16 **“Indigent”** any person who appears on the Municipality’s indigent register as of 1 July of the year under consideration;
- 9.17 **“Local Labour”** means South African residents who permanently resides in the Stellenbosch Municipal area;
- 9.18 **“Local Business”** means an enterprise which has its sole office or head office located within the Stellenbosch Municipal area;
- 9.19 **“Local Content”** means local manufacturing as contemplated in PPPFA Regulations 2011, Regulation 1;
- 9.20 **“Local economic development”** means local and socio-economic development as contemplated in section 152 of the Constitution, 1998;
- 9.21 **“Management”** in relation to an enterprise or business, means an activity inclusive of control and performed on a daily basis, by any person who is a principal executive officer of the company, by whatever name that person may be designated, and whether or not that person is a director;
- 9.22 **“Non-firm prices”** means all prices other than “firm” prices;
- 9.23 **“Person”** includes reference to a juristic person;
- 9.24 **“Rand value”** means the total estimated value of a contract in Rand denomination which is calculated at the time of tender invitations and includes all applicable taxes and excise duties;

- 9.25 **“Sub-Contracting”** means the primary contractor’s assigning or leasing or making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 9.26 **“Nominated Sub-contractor”** means contractors accredited on the Municipal database for construction related work as contemplated in the CIDBA.
- 9.27 **“Tender”** means a written offer or bid in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services or goods;
- 9.28 **“Tender format/strategy”** means the special conditions describing the tender strategy approach in order to achieve identified targets.
- 9.29 **“Trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 9.30 **“Trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

# **STELLENBOSCH MUNICIPALITY**



**MFMA Circular No.112**

**MUNICIPAL BUDGET CIRCULAR FOR  
THE 2022/2023 MTREF –  
6 DECEMBER 2021**



**MFMA Circular No. 112****Municipal Finance Management Act No. 56 of 2003****Municipal Budget Circular for the 2022/23 MTREF****CONTENTS**

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## Introduction

The purpose of the annual budget circular is to guide municipalities with their compilation of the 2022/23 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 in areas of the 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 5.1 per cent in 2021, following an expected contraction of 6.4 per cent in 2020. Real GDP growth is expected to moderate to 1.8 per cent in 2022, 1.6 per cent in 2023 and 1.7 per cent in 2024.

South Africa experienced its largest recorded decline in economic output in 2020 due to the strict COVID-19 lockdown. Real GDP contracted by 7.2 per cent in 2020 compared to 0.1 per cent increase in 2019. It is expected to increase by 6.2 per cent in 2021/22 and moderate by an average increase of 1.7 per cent over the 2022/23 MTEF.

Manufacturing production grew by 17 per cent in the first six months of 2021 compared with the same period in 2020. Production has not recovered to pre-pandemic levels, although the Absa Purchasing Managers' Index remains above the neutral 50-point mark. Electricity disruptions, raw material shortages and rising input costs will continue to limit output in the short to medium term.

The main risks to the economic outlook are slowdown in economic growth. The evolution of COVID-19 and slow progress in vaccine rollout reinforces uncertainty and poses risks to economic recovery.

Slow implementation of structural reforms continues to weigh on business confidence and private investment. Electricity supply constraints, which could worsen over the short term, are a drag on economic growth. In contrast, progress on energy reforms poses upside risks to fixed investment and the overall economic outlook.

A further deterioration in the public finances due to various spending pressures and the materialisation of contingent liabilities could trigger further credit rating downgrades. Pressures on the government wage bill ceiling, including the implementation of the non-pensionable salary increases undermine fiscal consolidation measures.

The fiscal framework does not include any additional support to state-owned companies, but the poor financial condition and operational performance of several of these companies remains a large contingent risk. A number of entities may request further bailouts.

Government is strictly enforcing minimum criteria before guaranteeing the debt of state-owned companies, as outlined in the 2021 Budget, which has led to a decline in guarantee requests. Nonetheless, the broader context of financial distress, weak governance and unsustainable operations in many of these companies remains unaddressed.

Since the 2008 global financial crisis, economic growth has trended downwards, resulting in persistent shortfalls in tax revenue that have not been matched by adjustments to spending growth. This in turn has led to wider budget deficits, higher borrowing and a rapid increase in the ratio of debt to GDP. The reason that the debt servicing costs are growing at a pace that is faster than the rate of GDP growth, and this ratio will continue to increase until government runs a sufficiently large primary budget surplus.

To maximise the value of spending, government needs to contain costs, more especially consumption related spending, exercise prudent and compliant financial management, and eradicate wasteful treatment of public funds and resources. Compensation of employees remains a major cost pressure. It remains critical for municipalities to adhere to compensation ceilings, manage headcounts proactively and conduct staff audit to ensure the staff complement is aligned to the approved organogram. This will assist government is to improve its fiscal position.

Medium-term priorities include: reindustrialising through implementation of the master plans; growing exports through the African Continental Free Trade Area; implementing the Tourism Sector Recovery Plan; supporting township and rural economies; and promoting localisation, inclusive economic growth and job creation.

In 2021/22, gross tax revenue is expected to be R120.3 billion higher than projected in the 2021 Budget, with corresponding improvements of R69.8 billion and R59.5 billion expected in 2022/23 and 2023/24 respectively. This is still well below pre-pandemic revenue estimates, but it provides space for government to deal with immediate fiscal pressures while continuing to stabilise the public finances.

Headline inflation is expected to remain between 3 to 6 per cent target range over the 2022/23 MTEF.

In summary, the tax revenue in 2021/22 was higher than projections and this was mainly due to commodity price rally. However, these are projected to be short term, and as such long-term spending commitments should not be made based on short term revenue benefits. There are measures in place to reduce expenditure to narrow the budget deficit.

The following macro-economic forecasts must be considered when preparing the 2022/23 MTREF municipal budgets.

**Table 1: Macroeconomic performance and projections, 2020 - 2025**

| Fiscal year   | 2020/21 | 2021/22  | 2022/23  | 2023/24 | 2024/25 |
|---------------|---------|----------|----------|---------|---------|
|               | Actual  | Estimate | Forecast |         |         |
| CPI Inflation | 2.9%    | 4.9%     | 4.0%     | 4.4%    | 4.5%    |

*Source: Medium Term Budget Policy Statement 2021.*

*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 2022/23 budget process

## 2.1 Local government conditional grants allocations

Over the 2022 MTEF period, transfers to municipalities will grow below inflation. Over the next three years, local government resources increase by 4.1 per cent.

Transfers to local government will be increased by R17.8 billion, including R9.3 billion from the local government equitable share, R1.5 billion from the general fuel levy and R6.9 billion in direct conditional grants over the 2022 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 2022 MTEF period.

The annual Division of Revenue Bill will be published in February 2022 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 2021 Division of Revenue Act to compile their 2022/23 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 2021 Division of Revenue Act for 2021/22. The DoRA is available at:

<http://www.treasury.gov.za/documents/national%20budget/2021/default.aspx>

### ***Division of Revenue Amendment Bill, 2021: changes to local government allocations***

***Budget Facility for Infrastructure Funding*** – R81 million is added to the direct regional bulk infrastructure grant for George Local Municipality for the implementation of the potable water security and remedial works project. Due to delays in the implementation of projects approved through Budget Facility for Infrastructure (BFI), the projects sponsors have requested funding to be reduced to align with the planned project rollout.

R1.3 billion is reduced from the public transport network grant for City of Cape Town to align to its revised implementation plan of myCiti phase 2A.

***Neighbourhood Development Partnership Grant*** – R841 million is added to the direct neighbourhood development partnership grant for local government to create 32 663 jobs through precinct management, community safety, place-making, greening, integrated waste management and digitalisation, with special focus on poor and marginalised areas and economic nodes.

***Roll-over of indirect regional bulk infrastructure grant*** – R582 million is rolled over in the indirect regional bulk infrastructure grant to fund the operational payments for the Vaal River pollution remediation project in Emfuleni Local Municipality. This change is shown in Schedule 6, Part B of this Bill.

***Reprioritisation in the neighbourhood development partnership grant*** – In the neighbourhood development partnership grant, R90 million is shifted from the direct component to the indirect component of the grant, to fund project preparation, planning and implementation for municipalities facing implementation challenges. The affected municipalities are City of Johannesburg, Mogale City, Kwa-Dukuza, West Rand, Sol Plaatje, Ray Nkonyeni and City of Cape Town. These changes are shown in Schedule 5, Part B and Schedule 6, Part B of this Bill.

### ***Changes to gazetted frameworks and allocations***

***Neighbourhood development partnership grant*** – The grant framework for the neighbourhood development partnership grant is amended to remove reference to Built

Environment Performance Plans and include the conditions attached to the approval of funds from the Presidential Youth Employment Initiative. The conditions require cities to expand the existing Expanded Public Works Programme projects and enter into new partnerships with the private sector and civil society.

**Regional bulk infrastructure grant** – The grant framework for the regional bulk infrastructure grant is amended to include the conditions attached to the approval of funding from the BFI for the implementation of the potable water security and remedial works project in George Local Municipality. The conditions require that the municipality submit a business plan, a cost-benefit analysis report and enter into a co-financing agreement with the Department of Water and Sanitation and the Department of Cooperative Governance.

**Integrated urban development grant** – The grant framework for the integrated urban development grant is amended to include a provision for purchasing special vehicles for waste management. This correction is needed to ensure alignment with conditions in the municipal infrastructure grant as municipalities can move between the two grants.

**Municipal infrastructure grant** – The grant framework for the municipal infrastructure grant is amended to correct for the omission of the baseline allocation of R14.8 billion in 2019/20 in the past performance section of the framework. The amount was erroneously not captured. This correction is needed to show the audited past financial performance of the grant.

### **3. IDP Consultation Process Post 2021 Local Government Elections**

Municipalities are advised to refer to the guidance (refer to the email sent by CoGTA to all municipalities on 20 October 2021) provided through the joint National Treasury/ Department of Cooperative Governance/ South African Local Government Association (NT/DCoG/SALGA) Joint Circular No.1 on the transitional measures in relation to the IDP consultation process. This circular indicates that the previous municipal councils had an obligation to ensure that the legislative stipulations were complied with. Therefore, they were expected to continue the process of the development of the IDP starting with the development and adoption of the process plans as provided for in section 28 of the Municipal Systems Act. Municipalities should then implement the adopted budget process plan and conduct the public engagements as per dates they have indicated in the process plan.

### **4. Municipalities unable to pass the annual budget after 1 July**

The provincial executive council must urgently request the Mayor to submit a report outlining detailed reasons and or circumstances that led to failure to approve the annual budget by the 1 July.

The provincial executive council must intervene in terms of section 139(4) of the Constitution and take appropriate steps by issuing a directive to the municipal council to approve a budget and any revenue raising measures necessary to give effect to the budget within a reasonable period.

Section 26(4) and (5) of the MFMA provides for how the expenses can be met pending the approval of a budget through a directive. Provincial Treasuries should establish clear internal processes for reviewing and recommending the approval of withdrawals by their MEC (templates can be obtained from National Treasury).

The provincial executive council must upon issuing of a directive to the Municipal Council conduct an assessment of the budget tabled by the Mayor against the norms and standards, approved budget process plan, and the outcome of public participation processes.

In the event the Municipal Council fails to approve a budget due to walk out or individual misconduct by a majority of councillors, the Speaker must immediately investigate the conduct of those identified councillors in terms of the Code of Conduct for councillors as provided for in the Municipal Systems Act, 2000.

If in terms of the assessment by the provincial executive council of the tabled budget, it is found that there are no justifiable grounds for not approving the budget, the former must submit/ present the outcome of the assessment to the Municipal Council with a directive to consider the assessment and adopt the budget. If the assessment of the provincial executive council of the tabled budget finds that it does not adhere to the required norms and standards, the directive from the provincial executive council should instruct the council to first amend the budget to remedy this before adopting the budget.

The provincial executive council must, if necessary give the municipal council a further 14 days to approve a tabled budget that complies with norms and standards and incorporates the outcome of public participation, failing which the provincial executive council must consider dissolution of municipal council, approval of a temporary budget and appointment of an administrator as a last resort.

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

### 5.1 Release of Version 6.6 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 6.6 is released with this circular.

Version 6.6 of the chart will be effective from 2022/23 and must be used to compile the 2022/23 MTREF and is available on the link below:

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

The Project Summary Document (PSD) on the National Treasury webpage will be aligned to the chart changes in version 6.6 where applicable. The PSD is also available on the above link.

*m*SCOA chart changes are issued annually in December. For the National Treasury to consider a new chart change, the issue must be logged with all relevant background and details on the Frequently Asked Questions (FAQ) database. The FAQ database can also be accessed on the above link.

The matter will then be further investigated by the FAQ committee of the National Treasury. If it is found that a chart change is required in the next chart version, then the matter will be elevated to the *m*SCOA Technical Committee and if in agreement, it will be recommended for approval to the *m*SCOA Steering Committee. Requests for chart changes in the next version of the chart must be logged for consideration by 31 August of each year.

### 5.2 Credibility of *m*SCOA data strings

The credibility of the *m*SCOA data strings remains 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; have not purchased all the modules of the core financial system or have not upgraded to the Enterprise Resource Planning (ERP) (*m*SCOA enabling) version of their financial systems;
- A number of municipalities are still transacting on their legacy systems that are not *m*SCOA enabling or they are using Ms Excel spreadsheets that are not incorporated in the functionality of their financial systems, while they are paying for maintenance and support for the *m*SCOA enabling system that was procured. This constitute fruitless and wasteful expenditure; 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 2022/23, 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.

Municipalities should refer to the guidance provided in the *m*SCOA circulars issued by the National Treasury to classify their transactions correctly.

The credibility and accuracy of the data strings must be verified by municipalities before submission as the data strings submitted will be used as the single source for all analysis and publications in the 2022/23 municipal financial year.

### 5.3 Regulation of Minimum Business Processes and System Specifications

One of the key objectives of the *m*SCOA reform is to ensure that municipalities are planning, 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 *m*SCOA Regulations.

All municipalities and municipal entities had to comply with the *m*SCOA Regulations by 1 July 2017. MFMA Circular No. 80 (Annexure B) provided guidance on the minimum business processes and system specifications for all categories of municipalities (A, B and C). A number of Regulations and best practices as per the MFMA Circulars have been introduced since the issuing of MFMA Circular No. 80 in 2016.

The National Treasury will expand and regulate the business processes and system specifications in 2022/23 to these new developments. If your municipality has not yet achieved the minimum required level of *m*SCOA implementation, then a detailed action plan (road map) must be developed to indicate how the municipality will fast track the implementation of *m*SCOA. The action plan should include the following focus areas, as applicable to the municipality:

- **System landscape** – does the municipality has access to updated ICT hardware, software and licences that is sufficient to run the chosen financial management systems solution;
- **Governance and institutional arrangements** – is there a functional *m*SCOA steering committee or equivalent structure consisting of representatives from all business units, that meet regularly to monitor and report on *m*SCOA related issues to Management Committee (MANCO), Executive Committee (EXCO) and Council. Furthermore, did the

- municipality appoint a suitably qualified System Administrator and the required IT securities are in place;
- **System functionality** – is the functionality of the system complying with the minimum business processes and system specifications articulated in MFMA Circular No 80; is the municipality utilising the core financial system solution and its modules optimally; and are 3rd party sub-systems seamlessly integrating with the *mSCOA* enabling financial system; and
  - **Proficiency of municipal officials to use the financial system** – are the relevant municipal officials sufficiently capacitated on all system modules and functionalities to use the financial systems solution; are relevant officials in the organisation familiar with the *mSCOA* chart, balance sheet budgeting and movement accounting; and have change management taken place to ensure that *mSCOA* is institutionalised as an organisational reform and not only a financial reform.

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 should ensure that they budget sufficiently to become and remain *mSCOA* compliant.

The progress against the action plan must be monitored by the municipality's *mSCOA* Project Steering Committee and should also be reported at the 2021/22 Mid-year Budget and Performance engagements and the Budget and Benchmark engagements with the National and the respective provincial treasury. Copies of the action plan and progress reports should also be shared with the National and the respective provincial treasury.

#### **5.4 Extension of RT25-2016 Service Level Agreements (SLA) for Financial Systems**

The National Treasury has received numerous queries about the extension of the SLA for the transversal contract for the procurement of municipal systems of financials management and internal control (RT25-2016).

The RT25-2016 contract has expired in May 2019. Therefore, the RT25-2016 cannot be utilised to procure financial systems and Service Level Agreements (SLAs) entered into through the transversal contract cannot be extended when they expire. Municipalities that procured systems through the RT25-2016 transversal tender must approach the market to procure a new service provider for system support and maintenance. Due to the high financial investment in procuring financial systems, it is not cost effective to change financial systems every 3 to 5 years. Also, the expiry of the SLA does not necessitate the procurement of a new financial system - unless the system that is being used is not complying with the required business processes and system specifications.

Furthermore, the Municipal SCM Regulations does not prohibit the use of long-term contracts as long as the needs analysis and market analysis are done to justify the continuous need for the service. Municipalities may utilise Section 33 of the MFMA, taking into account the municipality's specific circumstances, provided that the decision is legally sound and there is evidence to support the municipality's decision.

Where a municipality has entered into a SLA for the provision of system support and maintenance through an open procurement process, the SLA may be extended in terms of Section 116(3) of the MFMA.

Notwithstanding the above, since the ICT environment changes very quickly the municipal needs must be re-evaluated to ensure that the IT systems in place are still 1) compatible with the needs and systems of the municipality, 2) aligned to modern technology and new legislative requirements and 3) cost effective prior to concluding long-term maintenance and support agreements in the event that there are other financial management solutions or



systems that may be better or even more cost effective as opposed to the current ones that may be outdated.

### **5.5 mSCOA Monthly Trial Balance**

Municipalities are required to submit the following documents to GoMuni Upload portal on a monthly basis in PDF format:

1. C Schedule
2. Primary Bank Statement
3. Bank Reconciliation
4. Quality certificate
5. Monthly budget statement (Section 71 Report)
6. Trial balance

To date, the trial balances were submitted in various formats with varying levels of detail – some of them unreadable, making it difficult to identify the submission of the trial balances. From 1 July 2022, the trial balance must include the following minimum information:

- mSCOA item description
- Balance brought forward (i.e. opening balance)
- Movement Debit
- Movement Credit
- Balanced closing balance at the end of the document

The name of the municipality, municipal code and relevant period (year and month) must be clearly identified in the submission. Municipalities should ensure that the monthly data string aligns to the trial balance submitted to the GoMuni Upload portal.

### **5.6 Budgeting for the COVID-19 pandemic**

In terms of mSCOA Circular No. 9 municipalities are reminded to record and ring fence all funding and expenditure pertaining to the COVID-19 pandemic when budgeting and transacting.

It is evident from the mSCOA data strings that were submitted by municipalities in terms of the monthly Section 71 reporting that not all municipalities are budgeting and reporting on COVID-19 related allocations and expenditure as per the guidance provided. Therefore, the National Treasury is not able to draw complete COVID-19 reports from the mSCOA data strings inclusive of the data for all municipalities as yet and the weekly manual reporting is still required.

Once the National Treasury is able to draw COVID-19 reports from the mSCOA data strings for the majority of municipalities and the Covid-19 restrictions is lifted as per the Disaster Management Act, 2002 (Act 57 of 2002) and its regulations, the weekly manual reporting will be stopped.

### **5.7 Costing Segment**

The purpose of the costing segment in mSCOA is to provide for the recording of the full cost for the four core municipal functions, namely: electricity, water, waste water and waste management as a minimum requirement. These four services are the most significant revenue generating functions within municipalities and essential for setting cost reflective tariffs.

The costing segment does not impact on the financial statements and will be recorded as a 'below the line cost' and are recorded in the management accounts to make decisions in

formulating tariffs and cost control. Municipalities must refer to the PSD for the detailed application of the costing segment.

### 5.8 Classification of the Skills Development Levy

Employers must pay 1 per cent of their employees pay to the skills development levy. This is a contribution of 1 per cent of the total amount paid in respect of salaries to employees, which includes overtime payments, leave pay, bonuses etc. Therefore, this does not constitute employee related cost because it is not a compensation to employees, nor social contributions. Skills Development levy must be classified as operational costs as indicated in the *mSCOA* Project Summary Document (PSD).

### 5.9 Revised Municipal Property Rates Act Categories

Reference is made to paragraph 4.3 of MFMA Circular No. 107. Municipalities are reminded 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”).

Municipalities were required to implement the new property categorisation framework by not later than 1 July 2021. The *mSCOA* chart Version 6.6 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.

## 6. The revenue budget

Similar to the rest of government, municipalities face a difficult fiscal environment. The weak economic growth has put pressure 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.

Municipalities must ensure that they render basic services, maintain their assets and clean environment. Furthermore, there must be continuous communication with the community and other stakeholders to improve the municipality’s reputation. This will assist in attracting investment in the local economy which may result in reduced unemployment. Some municipalities are experiencing serious liquidity challenges. Therefore, the new leadership is advised to:

- Decisively address unfunded budgets by reducing non-priority spending and improving revenue management processes to enable collection; and
- Address service delivery failures by ensuring adequate maintenance, upgrading and renewal of existing assets to enable reliable service delivery.

It should be noted that it is easier for consumers to pay for services if they are reliable and when the environment is well maintained.

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 2022/23** 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.

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

Reference is made to MFMA Circulars 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 2022/23 MTREF budgets from realistically anticipated revenues to be collected. Municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this is a fundamental reason for municipalities not attaining their desired collection rates.

It is essential that municipalities reconcile their most recent valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are accurate. Municipalities should undertake this exercise annually as a routine practice during the budget process. 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 information with the Deeds Office registry. In accordance with the MFMA Circular No. 93, municipalities are once more requested to submit their annual reconciliation of the valuation roll to the billing system to the National Treasury by no later than **04 February 2022**.

The above information must be uploaded by the municipality's approved registered user(s) using the GoMuni Upload Portal at: <https://lguploadportal.treasury.gov.za/>. If the municipality experience any challenge uploading the information a request for an alternative arrangement may be emailed to [linda.kruger@treasury.gov.za](mailto:linda.kruger@treasury.gov.za).

### 6.2 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 (Financial and Fiscal Commission (FFC), 2011). Credible budgets are critical for local government to fulfil its mandate and ensure financial sustainability.

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

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

Municipalities are encouraged to utilise the tariff setting tool referenced in MFMA Circular No. 98, item 4.2. This tool will assist in setting tariffs that are cost-reflective and would enable a municipality to recover costs to fulfil its mandate. The National Treasury Municipal Costing Guide is 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>

It is also imperative that every municipality is utilising the *m*SCOA cost segment correctly.

### 6.3 Bulk Account Payments and Concessions

During 2018/19, intense work was 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 agreed to provide relieve in certain areas. Municipalities are reminded of the following concessions that remain in place:

- The interest rate charged on overdue municipal bulk accounts were reduced from prime plus 5 per cent to prime plus 2.5 per cent;
- Payment terms were extended from 15 days to 30 days for municipal bulk accounts; and
- Eskom allocation of municipality payments to capital first and then to interest.

These concessions align to the MFMA and are meant to curb municipal growing debt levels by allowing a more conducive payment regime than what was previously employed. In addition, municipalities are urged to budget for and ring-fence their payment of bulk services. Bulk current account payments must be honoured religiously to avoid stringent application of the bulk suppliers' credit control policy.

Municipalities are also advised to enforce a culture of payment for services through their normal credit control processes. In this regard it should be noted that municipalities are only compensated for free basic services based on an indigent user component calculation through the equitable share. As such, a municipality's allocation of free basic services to all of the municipality's consumers is not funded in the equitable share. Every municipality, during the budget process, must consider the affordability to the municipality when allocating free basic services above the national norm and to consumers other than indigent consumers. **If a municipality has any arrears on any of its bulk supplier's accounts, it must limit its provision of free basic services to registered indigent consumers only.**

In this regard municipalities are reminded to take note of the Constitutional Court decision in **Mazibuko and Others vs City of Johannesburg and Others (CCT 39/09) [2009] ZACC 28; 2010 (3) BCLR 239 (CC); 2010 (4) SA 1 (CC) (8 October 2009)**. The Constitutional Court confirmed that a municipality has the right to disconnect the water service in the event of non-payment. In the case of registered indigent users, water may not be disconnected but can and should be restricted to the national policy limit of 6 kilolitres of water monthly.

### 6.4 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.

### 6.5 Smart Prepaid Meters Solution

The Inter-Ministerial Task Team (IMTT) of the 5<sup>th</sup> administration appointed a panel to investigate the electricity function to better understand what is causing the non-payment to Eskom. Cabinet subsequently endorsed the panel's recommendation that a smart prepaid solution for all municipalities must be explored. Municipalities are advised that the National Treasury, through the Office of the Chief Procurement Officer (OCPO), will soon facilitate a

transversal contract to standardise prepaid smart meter solutions for electricity that align to minimum and critical technical specifications for local government.

If your municipality or entity is currently in the process of procuring any smart meter solution or is planning to, you are cautioned:

- Against proceeding prior to the OCPO having issued and awarded the transversal prepaid smart meter Terms of Reference (ToR); and
- That, with immediate effect, you must obtain the National Treasury's input prior to proceeding with any current procurement or proposed procurement for any smart meter solution or similar system solution. This is to prevent unnecessary and wasteful expenditure on such solutions. Any request for National Treasury's input on the current or planned procurement of any smart meter solution or similar system solution or component thereof, must be directed to the National Treasury for the attention of the Local Government Budget Analysis Unit (Mr. Sadesh Ramjathan) [Sadesh.Ramjathan@treasury.gov.za](mailto:Sadesh.Ramjathan@treasury.gov.za).

Your assistance in proactively ensuring that the municipality and/ or its entities are not adversely affected by these processes will be appreciated.

## **6.6 Completeness and credibility of revenue related information in the Budget**

The Municipal Budget and Reporting Regulations (MBRR) regulates the minimum level of information required from municipalities when compiling, implementing, monitoring, and evaluating the municipality's financial management situation. Failure to include the minimum required information hampers the municipal council, the public and stakeholders' ability to make informed decisions and engage on the matter. It also limits research, studies, and benchmarking undertaken for local, provincial, and national purposes.

The National Treasury would like to take this opportunity to caution municipalities that the MBRR prescribe the minimum level of information municipalities must include as part of their legal reporting obligations.

Going forward the Treasuries will place increased attention and focus on the adequacy of municipalities' submissions. The National Treasury regards this non-compliance to include the minimum level of information as serious and if persistent will consider applying the available legal sanctions, including recourse in terms of section 216(2) of the Constitution. In this context, National Treasury will particularly focus on the completeness of asset management related information as well as the statistical information required in the A, B and C schedules during the 2022/23 MTREF.

## **6.7 Eskom Bulk Tariff increases**

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. Bulk electricity costs are consistently much higher than inflation, having gone as high as 17.8 per cent in the 2021/22 municipal financial year. Eskom's need for increased funding means that over the period ahead they are applying for much higher tariff increases. In their Multi-Year Price Determination (MYPD 5) application Eskom requested approval for municipal bulk tariff increases of 20.5 per cent in 2022/23, 15 per cent in 2023/24 and 10 per cent in 2024/25. NERSA rejected this revenue application at the end of September 2021 and in October 2021 ESKOM filed an application in the High Court to review NERSA's decision. The matter is still in court with a decision anticipated to be made shortly. If Eskom succeeds, the court will compel NERSA to process the rejected application for tariffs for the year starting 1 April 2022 in terms of the existing MYPD methodology. NERSA will then be expected to immediately publish Eskom's application for public comment.

## 6.8 Long Term Financial Strategies

National Treasury is supporting municipalities to develop and implement long-term financial models and strategies. This reform seeks to develop more sustainable, and integrated infrastructure development programmes over the longer term, informed by strategic plans, and financed in the most effective and efficient manner.

Although some municipalities have long-term financial models (LTFM), they are not always integrated with municipal plans, or based on actual cash flow analysis and investment programmes, or able to consider alternative financial scenarios and outcomes in relation to the ability to borrow and the structuring of market transactions.

Municipalities need to develop LTFM that support decisions on investment selection and assesses the financial impact of policy choices, by forecasting future financial performance and the impact of infrastructure projects on borrowing capacity. The LTFM needs to inform the municipality's long-term financial strategy, which must articulate a sustainable, efficient and effective borrowing strategy and practices for the municipality and provide a clear statement of intent for lenders and other stakeholders.

National Treasury has initiated this reform in the metropolitan municipalities and some of the Intermediate City municipalities and will continue with this reform in the next financial year. Based on the piloting of this reform, guidance will be provided to all municipalities to develop and implement LTFM's and strategies.

## 7. 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 2022/23 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;
- Strictly control the use of costly water tankers and fix the water infrastructure to enable the sustainable provision of water;
- Prioritise the filling of critical vacant posts, especially linked to the delivery of basic services; 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.

## 7.1 Employee related costs

The Salary and Wage Collective Agreement for the period 01 July 2021 to 30 June 2024 dated 15 September 2021 through the agreement that was approved by the Bargaining Committee of the Central Council in terms of Clause 17.3 of the Constitution should be used when budgeting for employee related costs for the 2022/23 MTREF. In terms of the agreement, all employees covered by this agreement shall receive with effect from 01 July 2022 and 01 July 2023 an increase based on the projected average CPI percentages for 2022 and 2023. The forecasts of the Reserve Bank, in terms of the January 2022 and January 2023, shall be used to determine the projected average CPI. Municipalities are encouraged to perform an annual head count and payroll verification process by undertaking a once-a-year manual salary disbursement, in order to root out ghost employees.

## 7.2 Remuneration of Councillors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also take into account the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process. Any overpayment to councillors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of Section 167 of the MFMA and must be recovered from the councillor(s) concerned.

# 8. TRANSFERS TO MUNICIPALITIES

## 8.1 Criteria for the release of the Equitable Share

Section 216(2) of the Constitution of South Africa requires that the National Treasury must enforce compliance with the measures established to ensure both transparency and expenditure control in each sphere of government and may stop the transfer of funds to an organ of state if that organ of state commits a serious or persistent material breach of those measures.

The criteria for the release of the Equitable Share Instalments for the 2022/23 municipal financial year are as follows:

- The 2022/23 adopted budget must be funded and adopted by Council as per the legal framework, as required in terms of section 18 of the MFMA and consistent with the Budget Council and Budget Forum resolutions;
  - a. The adopted budget must include budget allocations for bulk suppliers current account payments;
  - b. Should the adopted budget still be unfunded, then a funding plan will be required to show how the municipality intends moving progressively out of this position into a funded state, if this plan has been adopted in the past, then a progress report must be submitted on the framework previously shared to guide municipalities which is aligned to the rescue phase of the new approach to Municipal Financial Recovery Service (MFRS);
  - c. Those municipalities that adopted an unfunded budget must work with their respective Provincial Treasuries to rectify this position in the lead up to the main adjustments budget process in February 2023; and
  - d. A council resolution showing commitment to address the unfunded position must be submitted by these municipalities to the National Treasury by 01 July 2022.

- Credible *m*SCOA data strings and source documents for the 2022/23 MTREF and 2021/22 audits must be generated directly from the core municipal financial system and successfully uploaded to the Local Government GoMuni Portal. Source documents must be submitted in PDF and no excel based spreadsheet/ templates will be accepted;
- The report submitted by bulk suppliers in terms of section 41 of the MFMA must indicate that the current account has been paid timeously in terms of section 65(2)(e) of the MFMA. In addition, where the municipality has a repayment plan with Eskom and/ or the water boards, proof that the current accounts have been paid and a copy of the agreed upon payment plan (or evidence of negotiations underway with creditors) must be submitted to the National and provincial treasuries;
- Municipalities must provide evidence that SARS, pension and other staff benefits deducted from municipal officials have been paid over the appropriate Funds and/ or institutions;
- The information requested in MFMA Circulars No. 93, 98 and 107 on the reconciliation of the valuation roll have been submitted to the National Treasury as per the required timeframes;
- The Competency Regulations reporting requirements have been complied with;
- Provide a copy of the Unauthorised, Irregular, Fruitless and Wasteful (UIF&W) expenditure register, the latest copy of the Municipal Public Accounts Committee (MPAC) recommendations, Council Resolution on UIFW as well as council approved UIFW Reduction Strategy, proof of establishment of the Disciplinary Committee Board (or evidence of progress towards their establishment) and updated audit action plan (where the audit has been completed);
- Those municipalities that received an adverse or disclaimed opinions for the 2020/21 financial year will not receive their funding allocation unless there is a council resolution committing to address these opinions with an implementable plan. The resolution must be signed by each member of the Council and submitted to National Treasury by 1 October 2022;
- The Municipal Financial Recovery Service progress reporting framework for financial recovery plans must be complied with by municipalities under intervention in terms of S139 of the Constitution;
- Additionally, those municipalities that have outstanding audits for both the 2019/20 and 2020/21 financial years as well as municipalities with outstanding 2020/21 audit opinions that also received an adverse or disclaimer opinion in 2019/20, will also not receive their allocation; and
- Any other outstanding documents as per the legal framework have been submitted including the AFS submission (municipality only and consolidated AFS).

Failure to comply with the above criteria will result in National Treasury invoking section 38 of the MFMA which empowers National Treasury to withhold a municipality's equitable share if the municipality commits a serious or persistent breach of the measures established in terms of Section 216(2) of the Constitution which includes reporting obligations set out in the MFMA and National Treasury requests for information in terms of Section 74 of the MFMA.

## 9. The Municipal Budget and Reporting Regulations

### 9.1 Schedule A - version to be used for the 2022/23 MTREF

National Treasury has released Version 6.6 of the Schedule A1 (the Excel Formats) which is aligned to Version 6.6 of the *m*SCOA classification framework and must be used when compiling the 2022/23 MTREF budget.



All municipalities must prepare their 2022/23 MTREF budgets in their financial systems and produce the Schedule A1 directly from their financial system.

Municipalities must start early enough to capture their tabled budget (and later the adopted budget) in the budget module in the financial system and must ensure that they produce their Schedule A1 directly out of the budget module. **Manual capturing on A1 schedule version 6.6 is not allowed** in terms of the *m*SCOA Regulations.

National Treasury has protected the A1 schedule version 6.6 in order to ensure that the Schedule A1 generated directly from the financial system and not populated manually.

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 6.6. The revised MBRR Schedules for the 2022/23 MTREF and its linkages to the financial and non-financial data string are available on the link below:

<http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx>

## 9.2 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> |
| Abigail Maila                       |                          | 012-395 6737 | <a href="mailto:Abigail.Maila@Treasury.gov.za">Abigail.Maila@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                          | Sifiso Mabaso            | 012-315 5952 | <a href="mailto:Sifiso.mabaso@treasury.gov.za">Sifiso.mabaso@treasury.gov.za</a>             |
| Cethekile Moshane                   |                          | 012-315 5079 | <a href="mailto:Cethekile.moshane@treasury.gov.za">Cethekile.moshane@treasury.gov.za</a>     |
| Gauteng                             | Matjatji Mashoeshoe      | 012-315 5553 | <a href="mailto:Matjatji.Mashoeshoe@treasury.gov.za">Matjatji.Mashoeshoe@treasury.gov.za</a> |
| Abigail Maila                       |                          | 012-395 6737 | <a href="mailto:Abigail.Maila@Treasury.gov.za">Abigail.Maila@Treasury.gov.za</a>             |
| Johannesburg and Tshwane            | Willem Voigt             | 012-315 5830 | <a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@treasury.gov.za</a>   |
| Ekurhuleni                          | Kgomotso Baloyi          | 012-315 5866 | <a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@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>         |
| Kevin Bell                          |                          | 012-315 5725 | <a href="mailto:Kevin.Bell@treasury.gov.za">Kevin.Bell@treasury.gov.za</a>                   |
| eThekweni                           | Sifiso Mabaso            | 012-315 5952 | <a href="mailto:Sifiso.mabaso@treasury.gov.za">Sifiso.mabaso@treasury.gov.za</a>             |
| Limpopo                             | 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>         |
| Lesego Leqasa                       |                          |              | <a href="mailto:Lesego.Leqasa@treasury.gov.za">Lesego.Leqasa@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>         |
| Western Cape                        | Willem Voigt             | 012-315-5830 | <a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@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                              | Mandla Gilimani          | 012-315 5807 | <a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>         |
| Technical issues with Excel formats | Sephiri Tlhomeli         | 012-406 9064 | <a href="mailto:Iqdataqueries@treasury.gov.za">Iqdataqueries@treasury.gov.za</a>             |

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

### 9.3 Assessing the 2022/23 MTREF budget

National and provincial treasuries will assess the 2022/23 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 **01 April to 30 June 2022 for both the tabled and adopted budgets**. In this 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**.

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.

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 funding plan and ensure that it is credible. The credible funding plan must be immediately adopted by the Municipal Council, and the changes to the budget must be effected in the mid-year adjustments budget to ensure compliance with 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.

## 10. Submitting budget documentation and A1 schedules for 2022/23 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 2022**, the final date of submission of the electronic budget documents and corresponding *m*SCOA data strings is **Friday, 01 April 2022**; and
- Section 24(3) of the MFMA, read together with regulation 20(1) of the MBRR, requires that the approved annual budget must be submitted to both National Treasury and the relevant provincial treasury within ten working days after the council has approved the annual budget. However, given that municipalities are generating the annual budgets directly from the financial system as required by the *m*SCOA Regulations and that the budgets must be verified before it is locked on the financial system and transacted against, municipalities must submit the approved budget to the National Treasury and the relevant provincial treasury in electronic formats **immediately** after approval by the municipal council. Therefore, if the annual budget is tabled to council **on 31 May 2022**, the final date of submission of the electronic budget documents and corresponding *m*SCOA data strings is **Wednesday, 01 June 2022**.

**Since the 2020/21 MTREF, municipalities are no longer required to submit hard copies of all required documents including budget related, Annual Financial Statements and Annual Reports to National Treasury via post or courier services. Electronic copies must be submitted in pdf format to the GoMuni Upload portal.**

### 10.1 Expected submissions for 2022/23 MTREF

The following information should be submitted for the 2022/23 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, SA22, SA23, SA24 etc. and any other information not contained in the financial data string) in the A1 schedule must be submitted in the prescribed *m*SCOA data string in the format published with Version 6.6 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.

## 10.2 Go Muni Upload Portal

The National Treasury is in the process of finalising the development work on the GoMuni Upload portal. Municipalities, provincial treasuries, system vendors and sector departments should ensure that the names and contact details of the data uploaders or users of the data, as reflected on the LG Database, for their respective institutions are correct and updated as and when changes occur.

## 10.3 Portals for the submission of information

Municipalities must ensure that the documents are submitted to the correct portals/ mailboxes. These portals/ mailboxes are:

<https://lguploadportal.treasury.gov.za> (GoMuni Upload Portal) – All documents required in terms of legislation, including:

- mSCOA Data Strings by approved registered users;
- Budget-related and in-year documents and schedules (A, B and C) by approved registered users; and
- Reconciliation of the valuation roll to the financial system (as per MFMA Circular No. 93).

Budget related documents and schedules must be uploaded by approved registered users using the GoMuni Upload Portal at: <https://lguploadportal.treasury.gov.za/>. The GoMuni 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:

- Be in PDF format only; and
- 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.

Municipalities may **only** send electronic versions of the above documents to [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za) when experiencing problems with the GoMuni Upload Portal.

[lgdataqueries@treasury.gov.za](mailto:lgdataqueries@treasury.gov.za) – Database related and submission queries and the grant rollover templates.

[lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za) – Any additional information required by National Treasury that is not listed under the GoMuni Upload portal such as the manual COVID-19 reports.

Please do not submit the same document to ALL the platforms listed above as it means that our Database Team must register the same documents three times which slows down the process. **Any document/ queries that are submitted to the incorrect portal/ mailbox will be deleted and not processed.**

## 10.4 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.

## 10.5 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



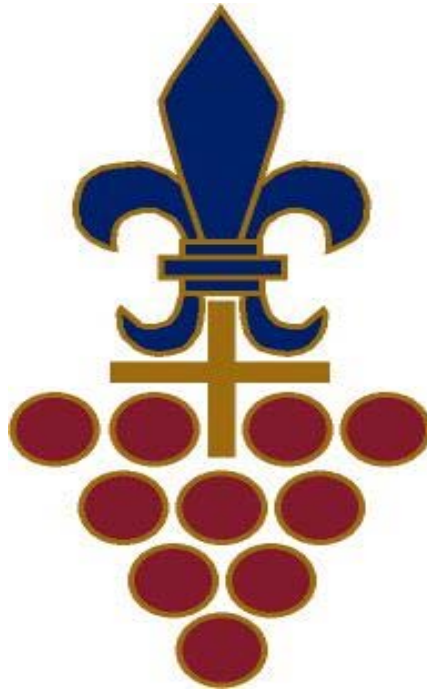
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**Chief Director: Local Government Budget Analysis**  
**06 December 2021**

# **STELLENBOSCH MUNICIPALITY**



**MFMA CIRCULAR NO.115**

**MUNICIPAL BUDGET CIRCULAR FOR  
THE 2022/2023 MTREF –  
4 MARCH 2022**

# Municipal Budget Circular for the 2022/23 MTREF

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## Introduction

This budget circular is a follow-up to MFMA Circular No. 112 that was issued on 06 December 2021. It aims to provide further guidance to municipalities with the preparation of their 2022/23 Medium Term Revenue and Expenditure Framework (MTREF) budgets and should be read together with the budget circulars that have been issued previously.

The grant allocations as per the 2022 Budget Review and the 2022 Division of Revenue Bill are also key focus areas in this circular. Municipalities are reminded to refer to the annual budget circulars of the previous years for guidance in areas of the budget preparation that is not covered in this circular.

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

The world economy is expected to grow by 4.4 per cent this year. This is lower than the 4.9 per cent that was anticipated when tabling the medium-term budget policy statement (MTBPS). The Omicron variant of the coronavirus caused many countries to impose restrictions to manage its spread. In addition, continued imbalances in global value chains have limited the pace of the world's economic recovery.

The South African economy has not been shielded from these global developments. National Treasury has revised South Africa's economic growth estimate for 2021 to 4.8 per cent, from 5.1 per cent at the time of the MTBPS.

This revision reflects a combination of the impact of changes in the global environment, along with South Africa's own unique challenges. Commodity prices, which have supported South Africa's economic recovery, slowed in the second half of 2021.

Also, violent unrest in July, and restrictions imposed to manage the third wave of COVID-19 further eroded the gains South Africa made in the first half of the year.

Industrial action in the manufacturing sector, and the re-emergence of loadshedding, also slowed the pace of the recovery.

Real Gross Domestic Product (GDP) growth of 2.1 per cent is projected for 2022. Over the next three years, GDP growth is expected to average 1.8 per cent.

Headline inflation is expected to remain between 3 to 6 per cent target range over the 2022/23 MTEF.

In summary, the tax revenue in 2021/22 was higher than projections and this was mainly due to commodity price rally. However, these are projected to be short term, and as such long-term spending commitments should not be made based on short term revenue benefits. There are measures in place to reduce expenditure to narrow the budget deficit.

The following macro-economic forecasts must be considered when preparing the 2022/23 MTREF municipal budgets.

**Table 1: Macroeconomic performance and projections, 2020 - 2025**

| Fiscal year   | 2020/21 | 2021/22  | 2022/23  | 2023/24 | 2024/25 |
|---------------|---------|----------|----------|---------|---------|
|               | Actual  | Estimate | Forecast |         |         |
| CPI Inflation | 2.9%    | 4.5%     | 4.8%     | 4.4%    | 4.5%    |



Source: Budget Review 2022.

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 2022/23 budget process

### 2.1 Local government conditional grants allocations

Over the 2022 MTEF period, direct transfers to municipalities will grow above inflation, at an annual average rate of 7.9 per cent. Direct conditional grants grow at an annual average rate of 5.3 per cent over the MTEF, while the Local Government Equitable Share (LGES) grows faster, at an annual average rate of 10.3 per cent over the same period.

The higher than inflation growth of allocations to local government is due to additional allocations over the medium term as follows:

- 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 2022 MTEF period. R28.9 billion is added to the LGES over the MTEF to increase coverage of the provision of free basic services; and
- An amount of R1.7 billion over the MTEF is added to the Neighbourhood Development Partnership Grant to fund the continuation of the upscaling of city-led public employment programmes, as part of the Presidential Youth Employment Intervention; and an amount of R347 million over the first two years of the MTEF period is allocated to fund the introduction of the Municipal Disaster Recovery Grant. More detail is provided below.

The Division of Revenue Bill was published on 23 February 2022, following the tabling of the Budget in Parliament. The Bill specifies all local government transfers and municipalities must reconcile their budgets to the numbers published herein.

In terms of the outer year allocations (2023/24 and 2024/25), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as presented in the 2022 Division of Revenue Act. The DoRB is available at:

<http://www.treasury.gov.za/documents/national%20budget/2022/dor.aspx>

### 2.2 Division of Revenue Bill, 2022: changes to local government allocations

**Budget Facility for Infrastructure (BFI) Funding** – There are reductions of R754 million in 2022/23 and R105 million in 2023/24; and an increase of R621 million in 2024/25 in the *Public Transport Network Grant* to align to the revised implementation plan and cash flow projections for the City of Cape Town's MyCiTi public transport network.

**Neighbourhood Development Partnership Grant** – R1.7 billion is added to the direct component of the *Neighbourhood Development Partnership Grant* for the eight metropolitan municipalities to fund the continuation of the upscaling of city-led public employment programmes that contribute to informal settlement upgrading, public space and asset maintenance, development and management, greening and cleaning, food security, innovative service delivery, local knowledge and information sharing and management, community safety, environmental services and management and community tourism. This is part of the Presidential Youth Employment Intervention and is a continuation of government's response to job losses due to COVID-19, introduced as part of the stimulus package to respond to the impact of the COVID-19 pandemic during 2020.

**Regional Bulk Infrastructure Grant** – R1 billion is added to the *Regional Bulk Infrastructure Grant*, funded from the BFI, to fund the continuation of the implementation of the Potable Water Security and Remedial Works project in George Local Municipality.

**Integrated National Electrification Programme (Eskom) Grant** – R50 million is reprioritised from the *Integrated National Electrification Programme (Eskom) Grant* to finance the operational requirements of the Independent Power Producer Office in 2022/23.

**Energy Efficiency and Demand Side Management Grant** – R8 million in 2022/23 and 2023/24, respectively is reprioritised from the *Energy Efficiency and Demand-Side Management Grant* to finance the operational requirements within the vote of the Department of Mineral Resources and Energy.

R10 million is shifted from the sport component of the **Municipal Infrastructure Grant (MIG)** to the **Integrated Urban Development Grant (IUDG)** in 2022/23, to fund a sport project in Polokwane Local Municipality.

The **Municipal Disaster Recovery Grant** is introduced to fund infrastructure recovery in municipalities in KwaZulu-Natal. This grant is allocated R347 million between 2022/23 and 2024/25.

### 2.3 Changes to gazetted frameworks and allocations

**Infrastructure Skills Development Grant (ISDG)** – The grant framework for the infrastructure skills development grant is amended to include a condition that municipalities must have a capacitated Project Management Units with qualified people to act as supervisors in terms of the relevant statutory council requirements.

**Municipal Infrastructure Grant (MIG)** – Over the 2022 MTEF, the Department of Cooperative Governance (DCoG) will introduce an indirect component to the MIG. This is to improve efficiency in grant expenditure to develop more and better-quality infrastructure. The conversion will be done in-year. The criteria as determined by DCoG includes indicators related to expenditure and reliability of infrastructure.

**Municipal Systems Improvement Grant** – Over the MTEF, a portion of the grant will be utilised to continue to support institutionalisation of the district development model.

**Municipal Disaster Relief Grant** – The name of the *Municipal Disaster Relief Grant* is changed to the *Municipal Disaster Response Grant*. The objective of the grant remains the same and the change aligns to existing National Disaster Management Centre (NDMC) processes in responding to disasters that have occurred.

**Local Government Financial Management (FMG) Grant** – Over the 2022 MTEF, the grant framework for the FMG will make provision for the preparation of asset registers.

## 3. IDP Consultation Process Post 2021 Local Government Elections

Municipalities are advised to refer to the guidance (refer to the email sent by the Department of Cooperative Governance and Traditional Affairs (CoGTA) to all municipalities on 20 October 2021) provided through the joint South African Local Government Association (SALGA)/ Department of Cooperative Governance (DCoG) and National Treasury (NT) Joint Circular No.1 on the transitional measures in relation to the integrated development plan (IDP) consultation process. This circular indicates that the previous municipal councils had an obligation to ensure that the legislative stipulations were complied with. Therefore, they were expected to continue the process of the development of the IDP starting with the development and adoption of the process plans as provided for in section 28 of the Municipal Systems Act,

2000. Municipalities should then implement the adopted budget process plan and conduct the public engagements as per dates they have indicated in the process plan.

#### **4. Municipalities unable to pass the annual budget after 1 July**

The provincial executive council must urgently request the Mayor to submit a report outlining detailed reasons and or circumstances that led to failure to approve the annual budget by the 1 July.

The provincial executive council must intervene in terms of section 139(4) of the Constitution and take appropriate steps by issuing a directive to the municipal council to approve a budget and any revenue raising measures necessary to give effect to the budget within a reasonable period.

Section 26(4) and (5) of the MFMA provides for how the expenses can be met pending the approval of a budget through a directive. Provincial Treasuries should establish clear internal processes for reviewing and recommending the approval of withdrawals by their MEC for Finance (templates can be obtained from National Treasury).

The provincial executive council must upon issuing of a directive to the Municipal Council conduct an assessment of the budget tabled by the Mayor against the norms and standards, approved budget process plan, and the outcome of public participation processes.

In the event the Municipal Council fails to approve a budget due to walk out or individual misconduct by a majority of councillors, the Speaker must immediately investigate the conduct of those identified councillors in terms of the Code of Conduct for councillors as provided for in the Municipal Systems Act, 2000.

If in terms of the assessment by the provincial executive council of the tabled budget, it is found that there are no justifiable grounds for not approving the budget, the former must submit/ present the outcome of the assessment to the Municipal Council with a directive to consider the assessment and adopt the budget. If the assessment of the provincial executive council of the tabled budget finds that it does not adhere to the required norms and standards, the directive from the provincial executive council should instruct the council to first amend the budget to remedy this before adopting the budget.

The provincial executive council must, if necessary give the municipal council a further 14 days to approve a tabled budget that complies with norms and standards and incorporates the outcome of public participation, failing which the provincial executive council must consider dissolution of municipal council, approval of a temporary budget and appointment of an administrator as a last resort.

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

#### **5.1 Release of Version 6.6.1 of the Chart**

Version 6.6.1 of the chart will be released through a patch to accommodate the following changes/conditions published in the 2022 Division of Revenue (DoR) Bill:

- The capital leg of the Local Government Financial Management (FMG) grant that was retired in chart version 6.2 of the chart. As per the conditions published in the 2022 DoR Bill, the grant may be used, inter alia, for the acquisition, upgrade and maintenance of financial management systems to produce multi-year budgets, in-year reports, service

delivery and budget implementation plans, annual financial statements, annual reports and automated financial management practices including the *m*SCOA;

- Allocation-in-kind for the MIG grant to make provision for the indirect grant portion of the grant; and
- The name change from Municipal Disaster relief grant to Municipal Disaster Response Grant. Municipalities should take note of this change when they report on COVID-19 in terms of *m*SCOA Circular No. 9.

Version 6.6.1 of the chart will be effective from 01 July 2022 and must be used to compile the 2022/23 MTREF. The patch is available on the link below:

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

## 5.2 Funding Depreciation

From the analysis of the *m*SCOA data strings it is evident that a number of municipalities are allocating non-funding as the funding source in the fund segment for depreciation charges. Depreciation charges must be funded from operational funds such as service charges for electricity if assets are utilised for electricity purposes, service charges water for water management purposes, waste and wastewater management in the same manner and property rates for services like roads that is primarily funded from property rates.

When deprecation is funded, it will assist the municipalities to accumulate sufficient surpluses that must be transferred to cash backed reserves. Depreciation is the method to provide for the replacement of the assets. If depreciation remains a journal without the funds being ring-fenced, municipalities will not be in a financial position to fund future infrastructure assets.

## 5.3 Application of Costing

The mapping for Table A2 on Financial Performance of the regulated Schedule A was updated to include the costing segment. The costing segment in *m*SCOA provides for the recording of the full cost for the four core municipal functions, namely: electricity, water, wastewater and waste management. It also allows for the charge out of costs between functions and projects. Costing: recoveries was previously recorded as 'revenue: default' in the item segment. However, as the charge out of cost does not present revenue, municipalities must use 'expenditure: default' in the item segment to record the debit and credit of all costing transactions where the charges increase cost and the recoveries decrease the cost per function or project.

Municipalities are also reminded that one of the validation rules that are applied when *m*SCOA data strings are submitted is that costing transactions for charges and recoveries must balance to zero.

## 5.4 Change in calculation of consumer deposits

The addition of consumer deposits as a funding source in version 6.6 of the *m*SCOA chart impacts on the population of Tables SA30 and A7 in the Schedule A. The calculation will be changed in the 6.6 chart version to the following:

| CASH FLOWS FROM FINANCING ACTIVITIES |   |
|--------------------------------------|---|
| Increase in consumer deposits        | Consumer deposits FD001001001014 linked to IA001 Deposits |
| (Decrease) in consumer deposits      | Consumer deposit IL001002 :Withdrawals                    |

All payments received in respect of consumer deposits will be picked up utilising the consumer deposit fund source linked to the bank: deposits posting level. The payment of consumer

deposits will be picked up from item liability: consumer deposits: withdrawals posting levels, which represent the outflow of cash.

## 5.5 NERSA reporting

Municipalities are reminded to complete the D-Forms that the National Energy Regulator of South Africa (NERSA) requires. The National Treasury is currently looking into ways of how the *mSCOA* data strings can be used to populate the NERSA reports and will provide guidance in this regard during 2022.

## 5.6 Restructuring of the Long-Term Component of Trade Payables

In an effort to assist municipalities to get to a funded budget position, the National Treasury have requested municipalities to negotiate with their major trade creditors like Eskom, Water Boards and the Department of Water Affairs to restructure their outstanding trade creditors. Where the debt owed by a municipality was restructured, in terms of a debt repayment agreement, and the repayment period exceeds a period of 12 months, the debt will remain under *current liabilities trade payables* as per the version 6.6 of the *mSCOA* chart.

The restructuring of debt in the Statement of Financial Position to include the non-current portion through the reclassification of the debt to a *non-current liability of trade payables* under non-current liabilities has a major impact on the working capital requirement disclosure in the funding compliance assessment on Table A8 of the Schedule A and on the entire funding methodology of the National Treasury. The restructuring of debt also affects a number of liquidity measurement ratios such as the Current Ratio, Liquidity Ratio and Creditors to Cash Ratio.

Detailed analysis and careful consideration of the appropriate accounting treatment to ensure that future adjustments to the chart will not compromise the funding methodology of the National Treasury is required. Therefore, any changes required to the *mSCOA* Chart to accommodate the restructuring of the long-term component of trade payables will only be considered for inclusion in version 6.7 of the chart.

The restructuring of the non-current portion should not only impact on the Statement of Financial Position as it requires that municipalities include additional cost in the operation budget for the repayment of the non-current liability, including any finance charges that may be payable as per the repayment agreement. The restructuring of the trade payables without the inclusion of the interest and redemption payments of the non-current liability on the cash flow statement will significantly misstate the funding position of the municipality.

The Budget Funding Assessment Tool used by the National and provincial treasuries to assess the funding position of municipal budgets has been enhanced to include a *Restructuring of Trade Payables Module* to assess the full impact of the restructuring on both the Statement of Financial Position and the impact of interest charges and repayment of the non-current liability on the cash flow position of the municipality. Municipalities that have restructured their trade payables should:

- Indicate this to the respective National and provincial treasuries when submitting their tabled and adopted 2022/23 MTREF budget; and
- Submit the approved agreement with the supplier to the respective National and provincial treasuries with their budget documentation.

The necessary restructuring will then be taken into account in the funding assessment by the respective National and provincial treasuries prior to determining the funding position of the municipality.

## 5.7 mSCOA eLearning

A web-based eLearning course on mSCOA will be available on the National School of Government (NSG) website from April 2022. This is a self-paced course aimed at all government and municipal officials, especially new employees and interns to on-board them on mSCOA.

The course is structured as follows:

### *Module 1 – The fundamentals of mSCOA (for financial and non-financial officials)*

- An overview of the Local Government Budget and Financial Management Reform Agenda and mSCOA Legislative Framework;
- mSCOA implementation oversight (including the role of internal audit, risk management and councilors); and
- Understanding the mSCOA segments.

### *Module 2 – System and reporting requirements (for financial and non-financial officials)*

- An overview of the reporting requirements in a mSCOA environment;
- Key business processes that underpins mSCOA;
- Minimum system specifications required to comply with the mSCOA Regulations;
- Submission of documents and data strings to the National Treasury (i.e. registration process and upload process); and
- Period Control and how to transact and report in period 13, 14 and 15.

### *Module 3 – Budgeting and transacting on the mSCOA chart (for financial officials)*

An understanding of accounting principles and GRAP is required to complete this module.

Municipalities are reminded to budget for the course in their 2022/23 MTREF. For further information, contact the NSG on their website link: <https://www.thensg.gov.za>.

## 6. The revenue budget

Similar to the rest of government, municipalities face a difficult fiscal environment. The weak economic growth has put pressure 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.

Municipalities must ensure that they render basic services, maintain their assets and clean environment. Furthermore, there must be continuous communication with the community and other stakeholders to improve the municipality's reputation. This will assist in attracting investment in the local economy which may result in reduced unemployment. Some municipalities are experiencing serious liquidity challenges. Therefore, the new leadership is advised to:

- Decisively address unfunded budgets by reducing non-priority spending and improving revenue management processes to enable collection; and
- Address service delivery failures by ensuring adequate maintenance, upgrading and renewal of existing assets to enable reliable service delivery.

It should be noted that it is easier for consumers to pay for services if they are reliable and when the environment is well maintained.

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 2022/23** 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.

### **6.1 Maximising the revenue generation of the municipal revenue base**

Reference is made to MFMA Circulars 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 2022/23 MTREF budgets from realistically anticipated revenues to be collected. Municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this is a fundamental reason for municipalities not attaining their desired collection rates.

It is essential that municipalities reconcile their most recent valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are accurate. Municipalities should undertake this exercise as a routine practice during the budget process so that supplementary adjustments to the valuation roll are kept up to date. 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 information with the Deeds Office registry. In accordance with the MFMA Circular No. 93, municipalities are once more requested to submit their reconciliation of the valuation roll to the billing system to the National Treasury on a quarterly basis.

The above information must be uploaded by the municipality's approved registered user(s) using the GoMuni Upload Portal at: <https://lguploadportal.treasury.gov.za/>. If the municipality experience any challenge uploading the information a request for an alternative arrangement may be emailed to [linda.kruger@treasury.gov.za](mailto:linda.kruger@treasury.gov.za).

### **6.2 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, 2000 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 (Financial and Fiscal Commission (FFC), 2011). Credible budgets are critical for local government to fulfil its mandate and ensure financial sustainability.

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

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

Municipalities are encouraged to utilise the tariff setting tool referenced in MFMA Circular No. 98, item 4.2. This tool will assist in setting tariffs that are cost-reflective and would enable a municipality to recover costs to fulfil its mandate. The National Treasury Municipal Costing Guide is 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>

It is also imperative that every municipality is utilising the *m*SCOA cost segment correctly.

### 6.3 Bulk Account Payments and Concessions

During 2018/19, intense work was 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 agreed to provide relieve in certain areas. Municipalities are reminded of the following concessions that remain in place:

- The interest rate charged on overdue municipal bulk accounts were reduced from prime plus 5 per cent to prime plus 2.5 per cent;
- Payment terms were extended from 15 days to 30 days for municipal bulk accounts; and
- Eskom allocation of municipality payments to capital first and then to interest.

These concessions align to the MFMA and are meant to curb municipal growing debt levels by allowing a more conducive payment regime than what was previously employed. In addition, municipalities are urged to budget for and ring-fence their payment of bulk services. Bulk current account payments must be honoured religiously to avoid stringent application of the bulk suppliers' credit control policy.

Municipalities are also advised to enforce a culture of payment for services through their normal credit control processes. In this regard it should be noted that municipalities are only compensated for free basic services based on an indigent user component calculation through the equitable share. As such, a municipality's allocation of free basic services to all of the municipality's consumers is not funded in the equitable share. Every municipality, during the budget process, must consider the affordability to the municipality when allocating free basic services above the national norm and to consumers other than indigent consumers. **If a municipality has any arrears on any of its bulk supplier's accounts, it must limit its provision of free basic services to registered indigent consumers only.**

In this regard municipalities are reminded to take note of the Constitutional Court decision in **Mazibuko and Others vs City of Johannesburg and Others (CCT 39/09) [2009] ZACC 28; 2010 (3) BCLR 239 (CC); 2010 (4) SA 1 (CC) (8 October 2009)**. The Constitutional Court confirmed that a municipality has the right to disconnect the water service in the event of non-payment. In the case of registered indigent users, water may not be disconnected but can and should be restricted to the national policy limit of 6 kilolitres of water monthly.

### 6.4 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.



## 6.5 Smart Prepaid Meters Solution

The Inter-Ministerial Task Team (IMTT) of the 5<sup>th</sup> administration appointed a panel to investigate the electricity function to better understand what is causing the non-payment to Eskom. Cabinet subsequently endorsed the panel's recommendation that a smart prepaid solution for all municipalities must be explored. Municipalities are advised that the National Treasury, through the Office of the Chief Procurement Officer (OCPO), will soon facilitate a transversal contract to standardise prepaid smart meter solutions for electricity that align to minimum and critical technical specifications for local government.

If your municipality or entity is currently in the process of procuring any smart meter solution or is planning to, you are cautioned:

- Against proceeding prior to the OCPO having issued and awarded the transversal prepaid smart meter Terms of Reference (ToR); and
- That, with immediate effect, you must obtain the National Treasury's input prior to proceeding with any current procurement or proposed procurement for any smart meter solution or similar system solution. This is to prevent unnecessary and wasteful expenditure on such solutions. Any request for National Treasury's input on the current or planned procurement of any smart meter solution or similar system solution or component thereof, must be directed to the National Treasury for the attention of the Local Government Budget Analysis Unit (Mr. Sadesh Ramjathan) [Sadesh.Ramjathan@treasury.gov.za](mailto:Sadesh.Ramjathan@treasury.gov.za).

Your assistance in proactively ensuring that the municipality and/ or its entities are not adversely affected by these processes will be appreciated.

## 6.6 Critical Notice Affecting STS Meters

Municipalities are alerted that there is a pending business risk to the prepayment metering industry that requires urgency of action. The token identifiers (TID) used to identify each credit token will run out of available numbers in November 2024, at which point all STS meters will stop accepting credit tokens. The remedy is to visit each meter and enter a special set of key change tokens in order to reset the meter memory. Municipalities are advised that the National Treasury, through the Office of the Chief Procurement Officer (OCPO), will soon facilitate a transversal contract for the provision of auditing, re-calibration and re-configuration services for standard transfer specification compliant prepayment meters that align to minimum and critical technical specifications for local government.

If your municipality or entity is currently in the process of procuring for a solution or is planning to, you are cautioned:

- Against proceeding prior to the OCPO having issued and awarded the transversal contract for the provision of auditing, re-calibration and re-configuration services for standard transfer specification compliant prepayment meters Terms of Reference (ToR); and
- That, with immediate effect, you must obtain the National Treasury's input prior to proceeding with any current procurement or proposed procurement for this purpose or any related solution or similar. This is to prevent unnecessary and wasteful expenditure on such solutions. Any request for National Treasury's input on the current or planned procurement of any related solution or similar or component thereof, must be directed to the National Treasury for the attention of the Local Government Budget Analysis Unit (Mr. Sadesh Ramjathan) [Sadesh.Ramjathan@treasury.gov.za](mailto:Sadesh.Ramjathan@treasury.gov.za).

In this regard, municipalities will have two options to choose from:

- Firstly, to pursue the route of auditing, re-calibrating and re-configuring services for standard transfer specification compliant prepayment meters; and
- Secondly, to replace the old meter with a new smart prepaid meter.

For both options, the municipality will have to budget accordingly as no additional funding will be available through the national fiscus.

Your assistance in proactively ensuring that the municipality and/ or its entities are not adversely affected by these processes will be appreciated.

### **6.7 Completeness and credibility of revenue related information in the Budget**

The Municipal Budget and Reporting Regulations (MBRR) regulates the minimum level of information required from municipalities when compiling, implementing, monitoring, and evaluating the municipality's financial management situation. Failure to include the minimum required information hampers the municipal council, the public and stakeholders' ability to make informed decisions and engage on the matter. It also limits research, studies, and benchmarking undertaken for local, provincial, and national purposes.

The National Treasury would like to take this opportunity to caution municipalities that the MBRR prescribe the minimum level of information municipalities must include as part of their legal reporting obligations.

Going forward the Treasuries will place increased attention and focus on the adequacy of municipalities' submissions. The National Treasury regards this non-compliance to include the minimum level of information as serious and if persistent will consider applying the available legal sanctions, including recourse in terms of section 216(2) of the Constitution. In this context, National Treasury will particularly focus on the completeness of asset management related information as well as the statistical information required in the A, B and C schedules during the 2022/23 MTREF.

### **6.8 Eskom Bulk Tariff increases**

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. Bulk electricity costs are consistently much higher than inflation, having gone as high as 17.8 per cent in the 2021/22 municipal financial year. Eskom's need for increased funding means that over the period ahead they are applying for much higher tariff increases. In their Multi-Year Price Determination (MYPD 5) application Eskom requested approval for municipal bulk tariff increases of 20.5 per cent in 2022/23, 15 per cent in 2023/24 and 10 per cent in 2024/25. NERSA rejected this revenue application at the end of September 2021 and in October 2021 ESKOM filed an application in the High Court to review NERSA's decision. Following the deliberations, NERSA has approved a 9.6 per cent tariff increase for Eskom starting from April 2022 and this figure accounts for a 3.49 per cent increase in 2022/23.

### **6.9 Long Term Financial Strategies**

National Treasury is supporting municipalities to develop and implement long-term financial models and strategies. This reform seeks to develop more sustainable, and integrated infrastructure development programmes over the longer term, informed by strategic plans, and financed in the most effective and efficient manner.

Although some municipalities have long-term financial models (LTFM), they are not always integrated with municipal plans, or based on actual cash flow analysis and investment programmes, or able to consider alternative financial scenarios and outcomes in relation to the ability to borrow and the structuring of market transactions.

Municipalities need to develop LTFM that support decisions on investment selection and assesses the financial impact of policy choices, by forecasting future financial performance and the impact of infrastructure projects on borrowing capacity. The LTFM needs to inform the municipality's long-term financial strategy, which must articulate a sustainable, efficient

and effective borrowing strategy and practices for the municipality and provide a clear statement of intent for lenders and other stakeholders.

National Treasury has initiated this reform in the metropolitan municipalities and some of the Intermediate City municipalities and will continue with this reform in the next financial year. Based on the piloting of this reform, guidance will be provided to all municipalities to develop and implement LTFM's and strategies.

### **6.10 Water management**

Reference is made to the 2011, Chapter 8 of the Local Government Budget and Expenditure Review (LGBER) which emphasizes the importance of water management.

It has been observed recently in various platforms where municipalities engage with treasuries and the sector departments that there is no uniformity in reporting water and electricity losses. These are material items and need to be disclosed in planning, budgeting, reporting and in the annual report and Annual Financial Statements in uniform ways in order to track performance. In order to ensure consistency of reporting, the following information must be provided:

Accounting for water sold, non-revenue water and water losses:

- System input volume (kl)
- Water Billings (sum of accounts issued) – volume in kl and rand value
- Free basic water allowance (not included in billings) - volume in kl and rand value
- Physical water losses (estimated): volume in kl and rand value
- Water revenue collected (Rand value)

Accounting for electricity sold and electricity losses:

- Electricity purchased and generated (Electricity input) (kWh)
- Electricity Billings (sum of accounts issued) (KWh and Rand value)
- Free basic electricity allowance (not included in billings) (KWh and Rand value)
- Technical losses (estimated) (KWh and Rand value)
- Electricity revenue collected (Rand value)

In addition, the norms articulated in MFMA Circular No. 71 should also be taken into consideration.

### **6.11 Unauthorised, Irregular, Fruitless and Wasteful Expenditure (UIFW)**

Cabinet adopted the Medium-Term Strategic Framework (MTSF) for 2019-2024 wherein it amongst others, committed that government will reduce irregular expenditure by 75 per cent and fruitless and wasteful expenditure by 100 per cent by 2024. It is important to note that these targets are applicable to each sphere of government. To this end, the Minister of Finance approved the UIFW Reduction Strategy for municipalities which was issued through MFMA Circular No. 111 in November 2021. The latter strategy advocated for municipalities to develop UIFW reduction plans that is approved by the municipal council, with the aim being for municipalities to utilize their 2018/19 UIFW figures as contained in their audited annual financial statements for that financial year as a baseline to develop the reduction plans. Whilst progress has been slow in terms of municipalities developing and submitting these plans to the National Treasury, some municipalities has made strides in this regard.

National Treasury would like again to encourage municipalities to develop the UIFW reduction plans and have it approved by the municipal councils through a council resolution for submission to the National Treasury to the MFMA helpdesk at [mfma@treasury.gov.za](mailto:mfma@treasury.gov.za) for the attention of Mr. Wayne McComans on [wayne.mccomans@treasury.gov.za](mailto:wayne.mccomans@treasury.gov.za). Municipalities are also advised to report progress against these UIFW reduction plans as part of their monthly

section 71 reporting to enable the necessary monitoring and oversight by the National Treasury on the implementation of these plans.

Going forward the Treasuries will place increased attention and focus on the processing of UIFW by municipalities as required by section 32(2) of the MFMA read with MFMA Circular No. 68. The National Treasury regards this consistent non-compliance for failure to adequately process and investigate UIFW as serious and if persistent will consider applying the available legal sanctions, including recourse in terms of section 216(2) of the Constitution.

## **7. 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 2022/23 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;
- Strictly control the use of costly water tankers and fix the water infrastructure to enable the sustainable provision of water;
- Prioritise the filling of critical vacant posts, especially linked to the delivery of basic services; 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.

### **7.1 Employee related costs**

The Salary and Wage Collective Agreement for the period 01 July 2021 to 30 June 2024 dated 15 September 2021 through the agreement that was approved by the Bargaining Committee of the Central Council in terms of Clause 17.3 of the Constitution should be used when budgeting for employee related costs for the 2022/23 MTREF. In terms of the agreement, all employees covered by this agreement shall receive with effect from 01 July 2022 and 01 July 2023 an increase based on the projected average CPI percentages for 2022 and 2023. The forecasts of the Reserve Bank, in terms of the January 2022 and January 2023, shall be used to determine the projected average CPI. Municipalities are encouraged to perform an annual head count and payroll verification process by undertaking a once-a-year manual salary disbursement, in order to root out ghost employees.

### **7.2 Remuneration of Councillors**

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of

Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also take into account the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process. Any overpayment to councilors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of Section 167 of the MFMA and must be recovered from the councilor(s) concerned.

### **7.3 Equitable Share allocation**

As highlighted in Minister Enoch Godongwana's 2022 Budget Speech, municipalities must be mindful that the Equitable Share is meant to fund basic municipal services to the indigent. Municipalities must ensure that monies are used for the purpose they were allocated for.

## **8. Transfers to Municipalities**

The circular reiterates the requirements of the rollover and unspent conditional grants process in line with conditions outlined in the annual Division of Revenue Act. Municipalities are required to request for a rollover approval against any unspent conditional grants that were allocated through the annual Division of Revenue Act, therefore this section provides guidance to municipalities with regard to the preparation for the 2021/22 unspent conditional grants and roll-over process and should be referenced against previous annual budget circulars.

### **8.1 Criteria for the rollover of conditional grant funds**

In terms of Section 21 of the Division of Revenue Act, 2021 (Act No.9 of 2021) (DoRA) read in conjunction with the Division of Revenue Amendment Act, 2021 (Act No. 17 of 2021) (DoRAA), the Act requires that any conditional allocation or a portion thereof that is not spent at the end of the 2021/22 financial year reverts to the National Revenue Fund (NRF), unless the rollover of the allocation is approved in terms of subsection (2). Furthermore, the receiving officer, provincial treasury and transferring national officer is required to prove to National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When requesting a rollover in terms of section 21(2) of the 2021 DoRA, municipalities must include the following information with their submission to National Treasury:

- A formal letter, signed by the accounting officer addressed to the National Treasury requesting the rollover of unspent conditional grants in terms of section 21(2) of the 2021 DoRA;
- 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;
- 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 2022; or
  - b) Proof of project tender and tender submissions published and finalised before 31 March 2022 with the appointment of contractor or service provider for delivery of the service before 30 June 2022 in cases where additional funding was allocated during the course of the final year of the project. Further, municipalities must note the letters issued by National Treasury dated 25 February and 03 March 2022 respectively regarding the Preferential Procurement Regulation, 2017;
  - c) Incorporation of the Appropriation Statement; and

- 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).
- A progress report (also in percentages) on the status of each project's implementation that includes an attached legible implementation plan);
  - The value of the committed project funding, and the conditional allocation from the funding source;
  - Reasons why the grants were not fully spent during the year of original allocation per the DoRA;
  - Rollover of rollovers will not be considered therefore municipalities must not include previous year's unspent conditional grants as rollover request;
  - An indication of the time-period within which the funds are to be spent if the roll-over is approved; and
  - 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 2022, the application will not be considered.

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:

- Compliance with the in-year reporting requirements in terms of sections 71 and 72 of the MFMA and section 12 of the 2021 DoRA, including the municipal manager and Chief Financial Officer signing-off on the information sent to National Treasury;
- Submission of the pre-audited Annual Financial Statements to National Treasury by 31 August 2022;
- Accurate disclosure of grant performance in the 2021/22 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS);
- Despite the fact that 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 2021/22 pre-audited Annual Financial Statements in order to verify grant expenditure; and
- Cash available in the bank (net position including short-term investments) as at 30 June 2022 is equivalent to the amount that is unspent as at the end of the financial year. If the amount that is requested for roll-over is not entirely cash backed, such a roll-over 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 roll-over:

- The entire 2021/22 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 2021/22 allocation;
- Rollover request of the same grant for the third consecutive time;

- 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
- 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 2022.

## 8.2 Unspent conditional grant funds for 2021/22

The 2021/22 unspent conditional process will be managed in accordance with section 21 of DoRA, in order to ensure that the unspent conditional grants against the 2021/22 financial year return to the National Revenue Fund (NRF). In addition to the previous MFMA Circulars, the following practical arrangements will apply:

- Step 1: Municipalities must submit their 30 June 2022 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 2022. 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 21(2) of the 2021 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 2022.

***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 21 October 2022;
- Step 5: National Treasury will communicate the unspent conditional grants amount by 08 November 2022. A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment arrangement to the National Revenue Fund (NRF) by 18 November 2021; and
- Step 6: Any unspent conditional grant funds that should have, but has not been repaid to the National Revenue Fund (NRF) by 18 November 2021, and for which a municipality has not requested a repayment arrangement, these funds will be offset against the municipality's 07 December 2022 equitable share allocation.

*Annexure to MFMA Circular No. 86 addresses all the issues pertaining to Appropriation Statement and reporting on approved roll-overs.*

## 8.3 Importance of section 16 of the Division of Revenue Act

The circular again reiterates the importance of compliance to section 16 of DoRA in relation to the allocation or transfer of funds by municipalities to other organs of state in order to implement projects on behalf of the municipalities.

Section 16 (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:

- 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
- 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 16 (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 16 (3) before any DoRA allocated funds that are allocated or transferred to any organ of state and the municipality should first seek approval from National Treasury. The allocation includes transfers made to any organ of state in order to perform a function using conditional grants allocated through the DoRA.

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

- If the municipality is benefitting and utilising from the five per cent from capital grants that may be utilized for Project Management Unit (PMU). In terms of the capital grant framework (i.e. MIG and the Integrated Urban Development Grant (IUDG) and three per cent for the Urban Settlements Development Grant (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;
- 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 capacity and service delivery. This implies that the municipality would be capacitated and be in a better position to implement capital projects; and
- If the request does not comply to 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 other organs of the state:

- In consultation with the relevant transferring officer municipalities must submit their request to National Treasury for approval;
- Provide the time frames regarding the duration of this arrangement between the municipality and the organ of the state;
- Provide the Service Level Agreement (SLA) between the municipality and the organ of state in consultation with the relevant transferring officer;
- Provide the agreed payment schedule reflecting the disbursement of the funds;
- Must provide the reasons why such a decision has been taken by the municipality;
- 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
- Upon approval the municipality must submit the approved budget that includes the allocation.



Note that once the allocation or transfer has been approved the payment for goods or services must be procured in accordance with or in compliance to 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 transferring national 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 16, 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.

## 9. The Municipal Budget and Reporting Regulations

### 9.1 Schedule A - version to be used for the 2022/23 MTREF

National Treasury has released Version 6.6.1 of the Schedule A1 (the Excel Specimen) which is aligned to Version 6.6.1 of the *mSCOA* classification framework and must be used when compiling the 2022/23 MTREF budget.

All municipalities **must** prepare their 2022/23 MTREF budgets in their financial systems and produce the Schedule A1 directly from their financial system.

Municipalities must start early enough to capture their tabled budget (and later the adopted budget) in the budget module in the financial system and must ensure that they produce their Schedule A1 directly out of the budget module. **Manual capturing on A1 schedule version 6.6.1 is not allowed** in terms of the *mSCOA* Regulations.

National Treasury has protected the A1 schedule version 6.6 in order to ensure that the Schedule A1 generated directly from the financial system and not populated manually.

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 *mSCOA* chart version 6.6.1. The revised MBRR Schedules for the 2022/23 MTREF and its linkages to the financial and non-financial data string are available on the link below:

<http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx>

### 9.2 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> |
|              | Abigail Maila            | 012-395 6737 | <a href="mailto:Abigail.Maila@Treasury.gov.za">Abigail.Maila@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   | Sifiso Mabaso            | 012-315 5952 | <a href="mailto:Sifiso.mabaso@treasury.gov.za">Sifiso.mabaso@treasury.gov.za</a>             |
|              | Cethekile Moshane        | 012-315 5079 | <a href="mailto:Cethekile.moshane@treasury.gov.za">Cethekile.moshane@treasury.gov.za</a>     |

|                                     |                     |              |  |
|-------------------------------------|---------------------|--------------|--|
| Gauteng                             | Matjatji Mashoeshoe | 012-315 5553 | <a href="mailto:Matjatji.Mashoeshoe@treasury.gov.za">Matjatji.Mashoeshoe@treasury.gov.za</a> |
| Johannesburg and Tshwane            | Abigail Maila       | 012-395 6737 | <a href="mailto:Abigail.Maila@Treasury.gov.za">Abigail.Maila@Treasury.gov.za</a>             |
| Ekurhuleni                          | 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                           | Kevin Bell          | 012-315 5725 | <a href="mailto:Kevin.Bell@treasury.gov.za">Kevin.Bell@treasury.gov.za</a>                   |
|                                     | Sifiso Mabaso       | 012-315 5952 | <a href="mailto:Sifiso.mabaso@treasury.gov.za">Sifiso.mabaso@treasury.gov.za</a>             |
| Limpopo                             | 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>         |
|                                     | Lesego Leqasa       |              | <a href="mailto:Lesego.Leqasa@treasury.gov.za">Lesego.Leqasa@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>         |
| Western Cape                        | Willem Voigt        | 012-315-5830 | <a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@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                              | Mandla Gilimani     | 012-315 5807 | <a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>         |
| Technical issues with Excel formats | Sephiri Tlhomeli    | 012-406 9064 | <a href="mailto:lgdataqueries@treasury.gov.za">lgdataqueries@treasury.gov.za</a>             |

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

### 9.3 Assessing the 2022/23 MTREF budget

National and provincial treasuries will assess the 2022/23 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 **01 April to 30 June 2022 for both the tabled and adopted budgets**. In this 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**.

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.

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 funding plan and ensure that it is credible. The credible funding plan must be***

***immediately adopted by the Municipal Council, and the changes to the budget must be effected in the main adjustments budget to ensure compliance with 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.

## **10. Submitting budget documentation and A1 schedules for 2022/23 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 2022**, the final date of submission of the electronic budget documents and corresponding *m*SCOA data strings is **Friday, 01 April 2022**; and
- Section 24(3) of the MFMA, read together with regulation 20(1) of the MBRR, requires that the approved annual budget must be submitted to both National Treasury and the relevant provincial treasury within ten working days after the council has approved the annual budget. However, given that municipalities are generating the annual budgets directly from the financial system as required by the *m*SCOA Regulations and that the budgets must be verified before it is locked on the financial system and transacted against, municipalities must submit the approved budget to the National Treasury and the relevant provincial treasury in electronic formats ***immediately*** after approval by the municipal council. Therefore, if the annual budget is tabled to council **on 31 May 2022**, the final date of submission of the electronic budget documents and corresponding *m*SCOA data strings is **Wednesday, 01 June 2022**.

**Since the 2020/21 MTREF, municipalities are no longer required to submit hard copies of all required documents including budget related, Annual Financial Statements and Annual Reports to National Treasury via post or courier services. Electronic copies must be submitted in pdf format to the GoMuni Upload portal.**

### 10.1 Expected submissions for 2022/23 MTREF

The following information should be submitted for the 2022/23 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, SA22, SA23, SA24 etc. and any other information not contained in the financial data string) in the A1 schedule must be submitted in the prescribed *mSCOA* data string in the format published with Version 6.6 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.

### 10.2 GoMuni Upload Portal

The development work on the GoMuni Upload portal has been concluded and municipalities must submit all documents required for the 2022/23 MTREF in terms of legislation, as per the guidance provided in MFMA Circular No 112 dated 06 December 2021, via the GoMuni Upload Portal. The upload portal can be accessed on <https://lguploadportal.treasury.gov.za> from 01 April 2022.

All municipal officials that currently have access to the LG Upload portal will be granted access to the GoMuni Upload portal. New users will have to complete and submit a *Request for Access* to [lgdataqueries@treasury.gov.za](mailto:lgdataqueries@treasury.gov.za). The request form will be available on the GoMuni login page under new registrations.

### 10.3 Additional validation rules applicable to data string submissions

To ensure that credible data strings are submitted to the GoMuni Upload portal, additional validation rules will be introduced in the 2022/23 MTREF. The credibility and accuracy of the data strings must be verified by municipalities before submission on the GoMuni Upload. The additional validation rules will be implemented on the stage 1 validation. In other words, a data string that fails the validation will be rejected. The additional rules are as follows:

1. A balanced data string must be submitted. This means that the data strings that is submitted must always be in balance. All the transactions should be included for Revenue, Expenditure, Gains and Losses, Assets, Liabilities and Net Assets;
2. All secondary cost data strings may only be linked to Item: Expenditure: Default. All costing transactions must be linked to Item: Expenditure default as it refers to the reallocation of cost from one function to another or one operational project to another operational project. Where cost is capitalised the costing segment is not used;
3. Inventory for water must be linked to the Function: Water Management. Bulk purchases of Water must only be recorded against the Water management function; and
4. Opening balances must be linked to Project default and Fund: non funding. All opening balances that are not linked to Project default and Non funding will not be valid.

The new validation rules will come into effect from 01 July 2022.

#### 10.4 Publication of municipal documents

Going forward, the following municipal documents will be published on the GoMuni/ Go Public portal:

- Integrated Development Plans;
- Budget Documentation;
- Service Delivery and Budget Implementation Plans;
- Annual Financial Statements;
- Annual Reports; and
- Audit Reports.

Municipal documents submitted to the National Treasury prior to 2022 will be available on the MFMA webpage and can be accessed via the MFMP Share Point Documents option on GoMuni/ Go Public.

GoMuni/ Go Public can be accessed on the following link: <https://lg.treasury.gov.za>

#### 10.5 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 March 2022**