

ANNUAL BUDGET MTERF FOR 2024/2025-2026/2027



MATATIELE

LOCAL MUNICIPALITY

ANNUAL BUDGET OF
MATATIELE LOCAL
MUNICIPALITY

2024/2025 TO 2026/27
MEDIUM TERM REVENUE AND
EXPENDITURE FORECASTS

Copies of this document can be viewed:

- **In the foyers of all municipal buildings**
- **All public libraries within the municipality**
 - **At www.matatiele.gov.za**

Table of Contents

| | |
|--|-------------------------------|
| PART 1 – ANNUAL BUDGET | 1 |
| 1.1 MAYOR’S REPORT | 1 |
| 1.2 COUNCIL RESOLUTIONS | ERROR! BOOKMARK NOT DEFINED.6 |
| 1.3 EXECUTIVE SUMMARY | 197 |
| PAST PERFORMACE IN TERMS OF AUDIT OUTCOMES | 20 |
| OPERATING BUDGET | |
| OPERATING REVENUE FRAMEWORK | 353 |
| OPERATING EXPENDITURE FRAMEWORK | 40 |
| 1.4 CAPITAL EXPENDITURE | 473 |
| 1.5 ANNUAL BUDGET TABLES | 484 |
| 2 PART 2 – SUPPORTING DOCUMENTATION | 60 |
| 2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS | 60 |
| 2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP | 60 |
| 2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS | 66 |
| 2.6 OVERVIEW OF BUDGET FUNDING | 74 |
| 2.8 SA23 - SUMMARY OF COUNCILLOR AND STAFF BENEFITS | 97 |
| 2.9 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW | 99 |
| 2.10 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS | 103 |
| 2.11 LEGISLATION COMPLIANCE STATUS | 104 |

Abbreviations and Acronyms

| | |
|--------|--|
| AMR | Automated Meter Reading |
| ASGISA | Accelerated and Shared Growth Initiative |
| BPC | Budget Planning Committee |
| CBD | Central Business District |
| CFO | Chief Financial Officer |
| CM | Municipality Manager |
| CPI | Consumer Price Index |
| CRRF | Capital Replacement Reserve Fund |
| DBSA | Development Bank of South Africa |
| DORA | Division of Revenue Act |
| DWA | Department of Water Affairs |
| EE | Employment Equity |
| EEDSM | Energy Efficiency Demand Side Management |
| EM | Executive Mayor |
| FBS | Free basic services |
| GAMAP | Generally Accepted Municipal Accounting Practice |
| GDP | Gross domestic product |
| GDS | Gauteng Growth and Development Strategy |
| GFS | Government Financial Statistics |
| GRAP | General Recognised Accounting Practice |
| HR | Human Resources |
| HSRC | Human Science Research Council |
| IDP | Integrated Development Strategy |
| IT | Information Technology |
| kℓ | kilolitre |
| km | kilometre |
| KPA | Key Performance Area |
| KPI | Key Performance Indicator |
| kWh | kilowatt |
| ℓ | litre |
| LED | Local Economic Development |
| MEC | Member of the Executive Committee |
| MFMA | Municipal Financial Management Act Programme |
| MIG | Municipal Infrastructure Grant |
| MMC | Member of Mayoral Committee |
| MPRA | Municipal Properties Rates Act |
| MSA | Municipal Systems Act |
| MTEF | Medium-term Expenditure Framework |
| MTREF | Medium-term Revenue and Expenditure Framework |
| NERSA | National Electricity Regulator South Africa |
| NGO | Non-Governmental organisations |
| NKPIs | National Key Performance Indicators |
| OHS | Occupational Health and Safety |
| OP | Operational Plan |
| PBO | Public Benefit Organisations |
| PHC | Provincial Health Care |
| PMS | Performance Management System |
| PPE | Property Plant and Equipment |
| PPP | Public Private Partnership |

| | |
|--------|---|
| PTIS | Public Transport Infrastructure System |
| RG | Restructuring Grant |
| RSC | Regional Services Council |
| SALGA | South African Local Government Association |
| SAPS | South African Police Service |
| SDBIP | Service Delivery Budget Implementation Plan |
| SMME | Small Micro and Medium Enterprises |
| Mscosa | Municipal standard chart of accounts |

Part 1 – Annual Budget

1.1 Mayor's report

UMPHATHI NKQUBO

SIKHAHLELE KWIKOMKHULU – NKOSI BALENI

BAYETHE BALUNGISE BAYETHE

USOMLOMO WEBHUNGA, UCEBA UNONZWAKAZI NGWANYA

CHIEF WHIP, CLLR. NOMONDE NKUKHU

EXECUTIVE COMMITTEE MEMBERS

THE HOSTING WARD COUNCILLOR – CLLR. JONA

HONOURABLE COUNCILLORS FROM VARIOUS MUNICIPALITIES NALAPHA EKHAYA

INKOSI ZOMTHONYAMA ZIZONKE

THE MUNICIPAL MANAGER, CFO AND HEADS OF DEPARTMENTS

THE ENTIRE MANAGEMENT AND SUPPORT STAFF

GOVERNMENT DEPARTMENTS EZIKHOYO

ABEFUNDISI BONKE

INVITED GUESTS

MEMBERS OF THE MEDIA

AB AHLALI BASE MATATIELE

MPHATHI NKQUBO

Mandithabathe elithuba ndikhahlele kubo bonke abahlali baseMatatiele abalapha kulenginginya kunye nabo basiphula-phule kunomathotholo iAlfred Nzo Community Radio kunye nakwikhasi lethu lezonxibelelwano uFacebook nakubaphula-phuli be The Informer.

Kunyaka ophelileyo xa besidibene kwiMbizo eHillside eWard 18 siye sanika izethembiso zemisebenzi esizakuyenza kulonyaka-mali uphelayo u2023/2024. Senza isibhambathiso sokuba sizakubuya kuni sizise

ingxelo yomgama esiwuhambileyo ukuphucula iimpilo zabantu bakowethu. Silapha ke namhlanje kulendawo kaNkosi uBaleni ukuze sinike ingxelo ngobume boMasipala, sichaze kwakhona apho singenzanga kakuhle nokuba sizawulungisa njani.

Kwanamhlanje siza kuthi theca uhlahlo-lwabiwo mali lonyaka ozayo esiza kuwuqala ngoJuly 2024 ukuya ngoJune 2025. Ewe ezinye zeWadi ziyakhalaza kodwa kuluvuyo kuthi ukwazi ukuba ubomi bomntu waseMatatiele kuleminyaka engamashumi amathathu enkululeko buphucukile. Ngenene sizamile kodwa asikagqibi kwaye asilibalanga.

PROGRAMME DIRECTOR

We are meeting here today just in less than 06 days before the General Elections on the 29th of May.

I would like to encourage you all to go out in numbers and exercise your democratic right.

We urge you people from across the length and breath of Matatiele to vote in order to move Matatiele & South Africa forward.

I urge you to go and vote for a track record, the record of good service delivery which you have witnessed in your various areas. We will continue changing the lives of the people of Matatiele.

You have the power to decide on the quality of life you want for yourself and your community, and even future generations. Voting is your chance to stand up for the issues you care about. This is your life: take the time to help decide what's best. Voting - rather than just venting on social media or protesting – is the best way to make your voice heard and make a positive input on the issues that concern you.

Elections are decided by the people who go out and vote. If you don't vote, someone else will make the decision for you. If you don't vote you get stuck with other people's choices

Masiphumeni ke ngobunintsi bethu siyovotela impilo engcono esele siyibonile kuleminyaka iyi 30 idlulileyo. Siyazi kwakhona ukuba asikagqibi futhi asilibalanga.

Ndawuba andenzanga nto okokuba andithethi ngezixholo-xholo esizibona zisenzeka kwiindawo zethu zaseMatatiele apho abantu beqhankqalazo belwela iinkonzo

Siyavuma ukuqhankqalaza lelinye lamalungelo wabantu beli loMzansti Afrika kodwa indlela esiyenza ngayo mayingachaphazeli ilungelo labanye abantu.

Masiyeke ukutshisa iziseko ezingundoqo okanye ukuzivala, masiyeke ukutshisa amaholo nezikolo naziphi na iziseko zikarhulumente ezingundonqo.

Iiofisis zethu kuMasipala waseMatatiele zivulelekile nakubani na ukuba sihlale phantsi sixoxe kwizikhalazo zenu. Ezinye siyakwazi ukuzisombulula kodwa ezinye singakwazi ngenxa yezezimali.

We are a listening and caring government and I urge you to utilize such channels.

BAHLALI

This week programme director, as government and the civil society we were conducting campaigns as part of the Child Protection Week to raise awareness on upholding the rights of children, mobilising society to protect children against violence, abuse, neglect, and exploitation.

Sibongoza ingakumbi amadoda okokuba bakhusele abantwana kunye nomama. Sithi phantsi ngokuhlukunyezwa nokubulawa kwabantwana kwiindawo zethu.

Isebe lezentlala kahle eMatatiele lichithe kulonyaka mali uphelayo imali engaphaya R3.8 million ukuphucula imeko zabantwana kwindawo yethu kunye nokubaphuhlisa.

This benefitted a Child welfare in Ward 19, PEIP in Maluti, Crossroads and Isibindiin Ward 19 & 20 with more than 897 beneficiaries.

In total the Department of Social Development has funded more than 34 Non Profit Organisations in Matatiele from Ward 15, 7, 10, 20, 26, 27, 8, 25, 13, 6, 3, 19, 18, 17, 5, 14, 9

BAHLALI

Mnintsi umsebenzi esiwenzileyo singuMasipala waseMatatiele kuleminyaka yolawulo lwethu.

To improve the infrastructure of our communities, government has constructed roads, removed waste, installed street lights and high mast lights, built state of the art schools, paid social grants, supported MSMEs, created job opportunities & connected electricity in various wards of Matatiele

In Ward 01

The area has experienced a fair amount of infrastructure investment in facilities, including community facilities, schools, buildings but water and sanitation are amongst the key challenges in the Ward.

The Alfred Nzo District Municipality is currently drilling three boreholes in the area to assist with water challenges facing this community.

The provisioning of electricity in ward relatively high. The community of ward 01 primarily use electricity for lighting. Electricity and Paraffin is mostly used for heating and cooking respectively.

We remove waste removal service twice a week in Maluti and service the area with grass cutting.

The Department of Public Works & Infrastructure recently completed the construction of the state of the art Tholang High School at an amount of more than R68 million with employment opportunities of 74 beneficiaries.

Sixakekile sithetha nje ngezindlu zase zakule Wadi eziyi 200 nalapho sibeke bucala imali engange R36 million ukwenza lomsebenzi.

Kwakumba wezindlu le wadi iyaxhamla kugqityezelo lwezindlu zase Maritseng kunye no Wadi 2 no 27 nezixabisa imali engaphaya kwe R71 million. Silindele ingqesho kubantu bethu abangaphaya kwamaShumi amaHlanu kunye nosomashishini abasakhasayo.

Asiphelelanga apho siwufakele umbane eTholang kwizindlu eziyi 405 kunye nase Skiti kwizindlu eziyi 310. We have also installed 01 highmast light in the Ward to fight crime.

Skiti and Tholang access road was also refurbished but a priority is to finalise phase 4 of Maluti internal streets as we work on beautifying the area. This will assist as we are in the process of registering Maluti to be a township and finalize title deeds.

The Department of Minerals and Energy installed about 200 solar panels to beneficiaries of Ward 1 as we are still facing the challenges of loadshedding.

We have installed WiFi hotspots at Maluti taxi rank, Civic Centre & Municipal Building to assist the youth to search for jobs, apply for funding and search information that will benefit them in making informed decisions.

Ward 02

As I have indicated above that we are pleased that the project of completing Maritseng 1500 housing project is underway. The remaining units are 461 at an amount of R71 million. About 30 job opportunities will be created for the community of Ward 2.

The Municipality is currently constructing 1.9 km Rockville to Protea access road and a bridge at an amount of R4 million creating more than 10 job opportunities.

Another investment was made by the Department of Public Works and Infrastructure of ensuring that doors of learning are opened to all by constructing Maluti High School with an investment value of R54.1 million creating jobs to 39 families.

We connected electricity to 155 households in Jabavu.

PROGRAMME DIRECTOR

In the past 30 years, we did not sideline the people of Ward 03.

Through our Special Programmes Section, we have supported Our Mission project at Masakala with chicks, feed, medication and mentoring for 03 years. We have invested more than R200 thousand in the project which is benefitting more than 10 community members.

The Department of Social Development continued funding Maluti Family Preservation in Ward 03 with an amount of R165 thousand in the previous financial year.

R35.6 million was spent to construct Bavumile SPS.

Close to 30 beneficiaries from Nkululekweni and Malubalube will benefit in the housing development project under the Maluti 200 programme.

Tsepisong to Masakala (7km), Khohlong (1,8km), Malubaluba (2km) were also constructed and close to 20 families were able to bring food on the table. These projects costed more than R4.4 million.

550 households at Nkululekweni were connected into the national electrification grid.

In Ward 04

Let me firstly Madame Speaker announce that we have adopted Mosa-Sibi SSS due to its social ills and the challenges facing the school. We will work with all stakeholders as led by the Ward Councillor to turn around the situation in the school. We do this because education is our number one priority as the ANC led government.

Government is also at an advanced stage in the construction of Prospect School.

The school has already six ventilated pit toilets and two prefabricated classrooms worth more than R3.9 million.

To date we have fully electrified the Ward and now busy with infills and extensions.

We have regravelled Zikhalini access road and DR067 was recently maintained by the Department of Transport. About 6 job opportunities were created.

Singumbutho we ANC siyakhathala futhi sathembisa okokuba abantu sizakubokhela izindlu kwaye izindlu ezinesidima. Sithetha nje sinikezele ikhontraka ezokwakha izindlu zase Tsitsong eziyi 200 ngemali engange R36 million. Siyayazi ke okokuba lendawo yenye ethi ibethwe kakhulu kukuguquka kwesimo semozulu simoshe imizi yabantu. Kodwa sizamile ukuphendula.

BAHLALI BASE WARD 05

Njengorhulumente wenu omamelayo siyenzile iMnceba-Matiase Access Road & Bridge eyi 9,1km. Siyayazi okokuba ibholorho yakhona isengumceli-mngeni kodwa siyayikhangela ukuze ibe semgangathweni. Mavundleni 6 km access road siyenzile ngemali engaphaya kwe R3.3 million.

Sisebenzise iplant yethu singuMasipala ukulungisa indlela yase Goxe ukuze ihambeke.

Ngabantu abangaphaya kwe 30 esibancedisile nge gas stoves ukuncedisana nabantu abangathathi-ntweni. Xa kuphela igas siyayigcwalisa singuMasipala ukuze abantu bangasebenzisi kakhulu umbane kuba amaxabiso axhumile.

Sithetha nje imizi eyi471 eVikinduku-Lubaleko iyalayita nalapho sathi sachitha imali engaphaya kwe R9.4 million. 154 households at Mhlangeni-Mnqayi namhlanje ziyakhanyisa nazo ngenxa yalorhulumente.

kuCllr Vikwa eWard 6 siyasazi isikhalazo sabahlali ingakumbi abantu abatsha kwicala lebala lase Mahangwe. Sithabathe isigqibo silibhunga okokuba siwalungise lamabala ukuze siphuhlise ezemidlalo eMatatiele silwe nobundlobongela kunye nolwaphulo mthetho.

Manguzela JSS is now a full service school and to ensure that, government spent more than R 3.6 million to refurbish the school. We appreciate the donation by SANDF at Caiphus Khoapa with 3 classrooms and 20 computers.

Bright Beginnings SC an NGO looking after persons with HIV/AIDS is funded by the Department of Social Development with an amount of R751 thousand with 800 beneficiaries. Also, the Maluti White Door Centre benefitting about 90 individuals.

Indlela esuka kwaKhoapa ukuya eDengwane naseZwelitsha Somlomo iyahambeka emva kokuba saqinisekisa singuMasipala ukuba siyayenza. Ngenxa yeemvula iyamoshakala kodwa siyancedisa ukuyilungisa nanjengoko besinikezela ngonokhontraka kunyaka ophelileyo ukuze ilungiswe. Sichithe ngaphezu kwe R2 million ukwenza kilometers ezingaphaya ko 9.

4.2 km Rammatli access road was constructed last year at a sum of R1.2 million.

Namhlanje silapha eWard 07 nalapho urhulumente echithe imali engaphaya kwe R15 million kwiziseko ezingundoqo. Namhlanje sokha izindlu kulewadi ePote eziyi 40 ngemali eqikelelwa ngaphaya R7.2 million. Sokha iindlela apha, silungisa iibholorho nabantu bethu bayaqashwa.

Yindlela yase Pamlaville – Mngeni eyi 6,3 km esiyicebayo ngemali eyi R2 million. iMngeni-Ngcwengane bridge nayo siphendulile kuyo including the Hillside-Ngcwengane Access Road & Bridge.

Pamlaville – Mngeni access road of about 6,3 km is under construction.

Sifakele umbane eHilside-Manzi uPhase 2 imizi eyi 275 ngemali eqikelelwa kwi R5.5 million creating more than 30 job opportunities for the locals. Siyenzile 2 km Link Line Hilside-Manzi ngemali eyi R1.6 million. Siyikhanyisile imizi eyi189 eSifolweni ngemali eyiR3.5 million. We have connected electricity to 186 houses in Ngcwengane.

Mavundleni JSS constructed at R20.8 million.

Ngenene asoyiki ukutsho ukuba amakhaya walapha eward 7 akwazile ukugxotha ikati eziko ngenxa yemali athe urhulumente wayichitha apha kwaye nemisebenzi engaphaya kwekhulu ithe yadalwa. Sikhokhelela lonto ukuze kungafani nangaphambili.

In Ward 08 programme director,

We are constructing 260 housing units for the needy at a total budget of more than R40 million.

R8.7 million is being spent to construct Mafube to Nkosana access road and a bridge. A site has been established at Belford 2.6 km access road.

uWard 8 yenye yendawo ezizakuxhamla kwimali engange R100 million that is injected by the Department of Transport through SANRAL to maintain the road between Matatiele to the borders of Qachas'nek.

Omakhelwane bethu uWard 09

Mphotshongweni housing project in the Ward with 250 units amounting to more than R51 million is underway.

and in Ward 10 we have done Caba-Dlodlweni access road.

Through the Department of Education, work is continuing at Magadla SSS. We urge the community of the ward not to interfere with the work of government so that the work can be concluded speedily.

At Caba village we are busy with extensions and other villages of the ward we are electrifying the infills.

The Department of Rural Development and Agrarian Reform has built a shearing shed at Sijoka for the farmers of this ward.

For communities of Ward 11

Work is progressing very well at Springana access road where about 3,7km is being regavelled. We are also working at Shepard's hope in an access road of about 9,2km.

The Department of Public Works & Infrastructure also built a multi-million state of the art Pongseng Mega School. More than R135 million was spent to build this school and 1350 people were employed with a benefit to 08 MSMEs

Rao Diaho was supported by the Municipality with 150 chicks, 50kg Starter, Grower & a Finisher.

For the people of Ward 12 under Mme Mofumahadi Moshoshoe

We have created 24 job opportunities during the electrification of Sikhulumi and Mapoti. At Mafaisa, we have electrified 51 households.

We are aware of the challenges facing the people of Ward 13 in terms of crime, drug abuse and other related activities.

We visited the ward last week with the MEC for Community Safety in the Eastern Cape, MEC Xolile Nqatha where we engaged with communities with the aim of finding a long last solution to these challenges. We commit once more to work with ward and other areas in Matatiele to eradicate these social ills.

We have electrified the ward and ensured that access roads are built. Last year we handed over a contractor for Queensmercy access road and that work is complete. We are also doing 5.9 km of Masopha access road.

250 units at Mahareng will be built by the Department of Human Settlements at a value of R54 million.

In Ward 14

The maintenance of the existing Lekhalong access road is almost complete and the people of Moiketsi are now connected into the energy grid. Our plant was dispatched to ward 14 to maintain their roads which were in a very bad state. Let us also urge the people ba Ntate Lebenya ukuthi bahlale phantsi norhulumente xa kukhona apho kungavisiswana khona ukuze izinto zisonjululwe.

In Ward 15 Madame Speaker, we are busy with Pholile 4km access road whereas in Ward 16 the Mehloloaneng 491 housing project at an amount of more than R88 million is progressing very smoothly, and our people are benefitting.

One of the wards where we dispatched our plant to maintain an access road is Ward 17. Mnintsi umsebenzi urhulumente awenzayo kwindawo zethu kodwa sicela umonde kuba asikagqibi futhi asilibalanga umsebenzi ofana neNyanzela access road nakwicala lezempilo through the Department of Health at Mt Hageaves clinic.

Tomorrow at Luxeni we will be hosting a candlelight memorial in remembrance of those who passed away due to HIV/AIDS.

MADAME SPEAKER

For the people of Ward 18 we are aware of their challenges especially when it comes to water and the matter is being attended to by the District Municipality.

In the ward we managed over the past 30 years to maintain Fiva access road and connect the people to electricity.

As part of our vision of promoting agriculture as an investment of choice, I call upon all relevant parties to work tirelessly to ensure that Moorosi Agricultural School is developed so that it can produce the much-needed results in the fight against poverty.

We are also working at Mrwabo and Khesa access roads. At Khesa & Sidakeni we connected about 231 households into the grid. The Department of Transport is busy maintaining R405 following requests from communities of this area.

KwaQili Agricultural Project was supported with seedlings & soil fertilizer, the project is led by the youth.

Siyazinceda PWD Project was supported by the Municipality with 2 x Sewing machines, 200 metres fabric.

Work is at an advanced stage in the completion of Nyaniso clinic.

Coming to the economic hub of Matatiele in Ward 19

We have re-surfaced about 6,7km existing surfaced roads of Matatiele town spending more than R20 million and benefitting the youth with employment opportunities. 250 street lights were installed and the target is 500 as we work on beautifying our CBD. Highmast lights are being installed in order to curb criminality.

We built our own sub-station as the Municipality to reduce the load from Eskom and benefit the people of Ward 19 & 20. This investment is yielding positive results.

We continue to fix potholes, grass cutting, tree pruning and the drainage system.

We have also constructed a Silo facility and a Fresh Produce Market to realise our vision which says agriculture is one of our investments of choice. Silo facility to be budgeted for to deal with snag list.

Fresh Produce was advertised requesting proposals but no responses were received. Recently received requests for agriculture products storage facility. Considering applications for different uses but giving priority to agriculture related requests.

Let us urge our people to keep Matatiele clean. We are working tirelessly to ensure that by-laws are implemented when it comes to illegal dealings in town.

In Ward 20

We have also installed 10 highmast lights in Harry Gwala & Itsokolele. I can safely say that kuyakhanya eWard 20 yaye sizakuqhubeka sikhanyisa. We have also installed these lights in Mountain View.

Ebulela lomsebenzi uMondli Majozi “Great syabonga.....we really need these ezilalini zethu.....nobusela bemfuyo bungehla yazi”. Liyinene elokuba nasezilalini ziyadingeka ezi zibane kwaye siwujongile lombono.

We are currently busy with the rehabilitation of Harry Gwala internal streets and in can safely confirm that we will complete this project with a high quality of work.

Work is also underway to refurbish of stormwater drainage and driveways.

In Ward 21

We have fixed Rhashule bridge and now learners can cross safely. We are also busy with Mabheleni-Upper Mvenyane Access Road & bridge.

Indlela phakathi kweMvenyane neCedarville sinoMphathiswa wezothutho ephondweni saye satsho kubahlali okokuba we are currently busy with designs after the termination of the previous contractor. We expect this work to be completed soon so that it gets surfaced. Currently the department is maintaining the road.

For the people of Ward 22

Urhulumente wethu ukuqala kwakhe ukwenza iaccess road ebiza ngaphaya kwe R5 million wayoqala eLukholweni.

Khange aphelele apho waqinisekisa okokuba abantu baseMkhemane nabo baneendlela ezintle. Zisamile nanamhlanje ezondlela. Epiphany izitalato zakhona zikumgangatho ophezulu.

Sithetha nje kulungiswa indlela eya eMpofini kuba yiyo engasilalisi.

Zonke iilali zakule wadi zinombane. Ngoku sijonge imizi eyokhiwa mva. Yenye yeWadi apho urhulumente echithe khona imali engaphaya kwe R20 million kwiminyaka edlulileyo ukuze abantu balendawo bafane nabanye. Zezinye zewadi eziphila phantsi kwendlala nentlupheko kodwa imisebenzi karhulumente iyabonakala.

Sizakuqinisekisa okokuba ibala lezemidlalo Epiphany liyalungiswa.

Amasimi kulendawo ayalinywa kwanje abiyelwe ngoba yenye yendlela yokuphila kubantu balendawo.

HONOURABLE COUNCILLORS

In Ward 23

We are busy with the electrification of Matolong 75, Bethesda 120 and Fobane 29 where most of these projects are infills and extensions which shows the road we have travelled in electrifying Matatiele villages.

Sekhutlong 5km access road is progressing well.

For Ward 24

The MEC of Education in the Province recently handed over the Zibi Meyer Mega School which costed government an amount of R112 million and created more than 1350 jobs benefitting close to 150 MSMEs.

We are about to complete Moriting access road.

In Ward 25

Siyayazi ingxaki yabantu base ward 25, 11, 12, 13 kunye no 14 okokuba yindlela yephondo edibanisa ezindawo. Siyaxoxa imihla yonke ukuze sifumane isisombululo esibambekayo. Currently the Department is maintaining the road but I am aware that it is not what the communities are looking for. Let us continue to work together to resolve this challenge speedily. I really appreciate your patience and cooperation.

In Ward 26

Finally, the people of Black Diamond are enjoying the fruits of freedom where about 7,9km of an access road is being constructed an amount R2.1 million.

Cedarville was the first area to pilot the project of paving the streets and yes it is working. We will be rolling it out to other villages as it is much cheaper to maintain than the gravel road.

I will talk to the infrastructure development along R56 at a later stage which is also benefitting the people of Ward 26.

The project of Sive Multi-Purpose Special School which is a school with all facilities required for a special needs. It costed government more than R89 million creating more than 70 jobs.

Finally, the newly established Ward 27

The Ward is part of Ward 01 & 02 to benefit in the housing development projects which is taking place in these areas.

Furthermore, on the road to Qachas'nek the ward is also set to be fully involved in terms of employment. We are also busy with Lekhalong via Magma-Outspan Access Road

PROGRAMME DIRECTOR

We have created 62 internship opportunities and 48 in-service learning opportunities, and we have invested more than R1,7 million in this regard. Our priority Madame Speaker as this Council is to create sustainable job opportunities for the people of Matatiele.

Yes, as government alone we cannot create the much-needed opportunities for the youth hence we are partnering with the private sector to create the much-needed jobs.

We value the partnership we have established with the SETAs through the Department of Higher Education & Training. This sector is providing various learnerships in Matatiele and the likes of Mazasa Management Consulting are training close to 100 young people in Matatiele.

To respond the triple challenges that are facing the Municipality through job creation, 500 Job opportunities were created through EPWP.

We will in the next financial year create employment opportunities through EPWP and we have allocated a budget of more than R9,8 million to change the lives of our people.

Our efforts of eradicating poverty and opportunities of creating jobs in Matatiele are being realised, we witnessed this last year in July where about One Hundred (100) youths from eight (8) Wards of Matatiele Local Municipality are recent beneficiaries of more than R3 Million funding from the Provincial Department of Economic Development and Environmental Affairs & Tourism for the wattle removal programme.

On economic development, 60 contractors were trained on Health and Safety, SCM processes and Project 60 SMMEs were trained, Supported 05 SMMEs in Manufacturing sector.

We have recently funded more than 5 tourism organizations who submitted proposals to market Matatiele as tourism destination of choice. This is in line with our vision of being a place where nature, agriculture and tourism are investments of choice.

We are proud to announce that our call has been answered regarding the construction of the road between Qachas'nek and Matatiele Town, which will contribute positively to the socio-economic growth of both countries. SANRAL will invest more than R100 million for 2 years to reconstruct this route and maintain it. Okusivuyisayo yimisebenzi eza kudalwa kwiWadi ezifana no 01, 02, 06, 08 kunye no 27.

HONOURABLE COUNCILLORS

While we address the partnerships we have created between Provincial and National governments, my address will be worthless if I don't mention the first of its kind investment by the Department of Transport worth R1.2 billion to construct R56 between Matatiele and New Amalfi.

The project covers 38 kilometres of the R56 between Matatiele town and the KwaZulu-Natal border past Cedarville.

The R56 upgrade will create over 500 job opportunities throughout the project lifecycle. Furthermore, over 100 local small, medium and micro enterprises (SMMEs) will participate in the project.

A total of R360 million will be ring-fenced and spent on local contractors, subcontractors and service providers, with an emphasis on women, persons with disabilities and the youth.

Indeed, Matatiele is a better place to be than it was before 1994.

As Matatiele Local Municipality we are indeed grateful by this investment from government. The Council remains determined to execute its key strategic objectives; core to these is eliminating the infrastructure backlogs, especially the roads infrastructure, therefore, this investment is the realisation of such objective. This will also reduce the high levels of poverty & unemployment in the area.

We are hopeful that other roads will be prioritized to connect our communities including routes to Ramatsiliso, Onguleksnek, R405, the route between Cedarville and KwaBhaca, indlela esuka eMaluti ukuza apha Ward 7, Swartberg route nezinye.

PROGRAMME DIRECTOR

The Department of Health through the Department of Public Works & Infrastructure is completing the construction of a state of the art Khotsong TB Hospital which started in 2016. The total value of the project is more than R436 million and is expected to be completed by June 2022. About 1 689 people were employed since the start of this mega project.

14 internships were provided in different categories including HR, Civil & Electrical engineering, building, quantity surveying and project management.

In terms of refuse removal honourable members, we need to do more. We must focus our awareness campaigns to rural areas because their means of disposing waste remains a challenge especially pampers.

Xa sithi asilibalanga futhi asikagqibi, sithetha ngalengxaki sinayo yamanzi. 53% of households don't have access to water in our area and that is concerning. Our people want the water infrastructure to be connected to electricity and not diesel. Water operators need to prioritize the people.

Kwicala logutyulo lwelindle, sibona uMasipala weAlfred Nzo usenza kakuhle kodwa kusekunintsi ekufuneka sikwenzile.

HONOURABLE COUNCILLORS

We have good working relations with our sector departments in Matatiele. Through the IGR structure, we meet quarterly to share our plans to avoid duplications and to practically implement the District Development Plan.

Let me touch on the work they are investing in Matatiele to eliminate underdevelopment, poverty and unemployment.

On Education

We are aware that education is a societal matter, and the biggest chunk of the national budget allocation goes to this sector.

Let us once again congratulate Mr Mbangeni and the team from Alfred Nzo West District for achieving the outstanding 84.3% during the 2023 NSC Matric results and being number 2 in the Province.

What we appreciate the most is the quality of results shown by the learners.

We applaud Dotye, Aphile from Sive Special School For The Deaf; Mantshule, Kwanga Bukho from Mvenyane Senior Secondary School; Manciya Bubomi from King Edward High School; Mutendebvure Memory from Mariazell Senior Secondary School; Marobele Moelo from Maluti Senior Secondary School and Maqashalala Baphiwe from Mariazell Senior Secondary School for the outstanding performance in the District and the Province.

As we celebrate these achievements Honourable Speaker, it is sad to announce that there is a decline of about 6.5% in school attendance. Abatwana bethu bayaphuma ezikolweni. A call is made to ward councillors to work closely with the Department of Basic Education to fight this growing matter. The doors of learning are accessible to everyone, therefore, we must tackle this missing 6.5%.

We have put in place strategies to support the department including, winter and autumn classes, matric awards, calculators for Grade 12s, awareness campaigns in various schools with challenges and adopting underperforming schools.

Today we will be awarding 13 calculators to learners from Hlangwini High School and we will identify other schools and handover these calculators to support the sector.

We have also registered more than 300 learners in the past 5 years to institutions of higher learning.

This current financial year, we will be paying historic debt of final year deserving students so that they can obtain their certificates to go to the market and look for job opportunities.

We will also be handing over school uniform to deserving underprivileged learners from Outspan Primary School.

We also appreciate the introduction of Matatiele Primary as a High School.

MADAME SPEAKER

Adding to the major projects handed over by the Department of Transport, last week the Executive Committee handed over contractors to maintain the following Provincial roads: Phalane to Zitapile; Nchodu to Hebron; T66 to Shenxa and T77 from Grinaker to Likhetlane.

On Economic Development

The Department of Economic Development, Environmental Affairs and Tourism through the Local and Regional Economic Development Fund meant to support MSMEs funded 2 projects in Matatiele to the tune of R4.3 million.

A total of 39 jobs have been created through these projects where Kamva Elihle Bricks in Ward 23 created 25 job opportunities and 14 at Soft 4 Matat Tissues in Ward 26.

Through Imvaba Fund a total of 25 permanent jobs have been created Thusanang Dairy Primary Cooperative funded for Tractor and Implements, Irrigation and Water Pump. Ukhanyo Agricultural Cooperative to the value of R600 000. 00 for irrigation and fencing plus input and Tsepisong Movers Primary Cooperative to the tune of R595, 900 for Bee Equipment.

The Small Towns Township and Rural Entrepreneurship Programme supported Makies Salon, Thokozani Makhathakhata, Ox Kota Bar, BZN Development Training, Mazasa Management, and Nandi Letsie of Naqua Primary Cooperative to an amount more than half a million.

We have supported our local MSME's investing more than R3 million on business equipment. More than 21 good quality hawker stalls have been provided to informal traders and some have also benefitted in our provision of mobile kitchens and mechanical equipment.

We have trained close to 500 MSME's and contractors on waste management, health & safety, supply chain processes, project management, business management, financial management, sustainable business development and bookkeeping.

About 250 emerging farmers benefitted from training on plant and animal production and project management.

We also vaccinated 800 sheep and cattle in some of our wards. We will, going forward dose and vaccinate 400 sheep and cattle in all 27 wards.

Madame Speaker

Abantu baseMatatiele bayayifumana inkxaso esuka kwaSASSA including the grant of R370 for those who qualify.

Sifumene ingxelo ethi inani labantu ababhalisela igrant yabantwana lwehlile. Siyakhuthaza ke ukuba nisebenzise elithuba ukuxhamla kwezinkonzo zamahala.

549 learners have been awarded with school uniform at a cost of R1.1 million.

SASSA has assisted 150 families who were affected by disaster with Social Relief Distress cash vouchers.

The Agency is spending more than R10.6 million on social grants across Matatiele with beneficiaries more than 94 thousand.

We offered support to the indigent, when we started, we offered them gel stoves and more than 20 000 households benefitted from that programme. To those with electricity, we offered free electricity. We recently introduced gas stoves, apho sinika khona umntu irhasi ehamba nestove sayo. Asipheleli apho, rhoqo emva kwenyanga ezintathu siyayithatha igas singumasipala siyigcwalise. Ngamakhaya angaphaya kwe 2500 asele exhamle kulengqubo.

Sisebenzise imali amalunga ne-TWENTY MILLION ukufakela isolar kumakhaya apho bekungekafakelwa umbane.

BAHLALI

Siyazi okokuba niyazidinga iinkonzo zesebe lakwa Employment and Labour, singuMasipala sikwingxoxo nabo ukuze bafumane iofisi esisigxina kunye no NYDA kwimiba yabantu abatsha noNSFAS kwabo basesikolweni kunye no SEDA kosomashishini abakhasayo.

iOfisi entsha yakwa Home Affairs kungekudala izakuvula eMatatiele ukuze kuphele imigca emide nabantu abalala edolophini.

Isebe lakwa Rural Development And Agrarian Reform lisebenzisana kakuhle nathi singuMasipala ukuphuhlisa amafama walapha eMatatiele. Lunikezele nge dipping tanks, imbewu yokutyala, lwabiya amasimi, lwaxhasa nama-fama ohlukeneyo eMatatiele.

Nathi ke singuMasipala sizakuqhubeka nephulo lethu lokulima kunye nokuncedisa kwimfuyo yethu ukuba ibe nenzala entle ukuze ithengiseke.

iMatatiele ngenene ayisafani.

Asilibalanga futhi asikagqibi.

MADAME SPEAKER

Xa sijonga kuhlalo-lwabiwo mali elithe lapasiswa ngumasipala kwibhunga ebelihle izolo.

The operating expenditure is anticipated to be R584 million in the 2024/25 financial year.

Included on contracted services is repairs and maintenance of

- Fleet & Plant
- ICT Infrastructure
- Machinery and Equipment
- Building and Facilities
- Road sidewalks
- Electricity Infrastructure
- Refuse Removal and cleaning
- Included on contracted services is electrification projects budget of R26,6 million to be funded from the integrated national electrification programme as follows;
 - Motsekuoa Electrification
 - Paballong Electrification
 - Mahlabatheng Electrification
 - Lugada Electrification
 - Mbizeni Electrification
 - Mapakising Electrification
 - Mgubho Electrification
 - Luxeni Electrification
 - Lugada Electrification
 - Special programmes have been allocated budget of R5,230,000 this will include the Mayoral Cup.
 - Communications and Marketing has been allocated a budget of R2,160,000.
 - Local Economic Development has been allocated budget of R16,550,000 as follows;
 - Cropping and Household food security -R5,000,000.
 - Livestock Improvement -R1,950,000.
 - Tourism -R4,900,000
 - SMME Support Programmes -R4,700,000

- Indigent support budget of R15,200,000 million has been provided for gas and solar maintenance, electricity and refuse.

The total budget for Community Services is R16,3 million, to be funded from the capital replacement reserves.

Siza kulungisa ezindlela:

| PROJECT DESCRIPTION | NEW OR UPGRADE OF EXISTING | REGION /WARD | BUDGET 2024/2025 | CAPITAL REPLACEMENT RESERVES | MIG | LIBRARY SUPPORT | MDRG |
|---|----------------------------------|-----------------|---------------------|------------------------------------|-----|--------------------|-------------------|
| Malubaluba AC 1,1km at ward 3 | New | 3 | 550,000 | 550,000 | - | - | - |
| Skiti -Tholang AR 3km at ward 1 | New | 1 | 1,500,000 | 1,500,000 | - | - | - |
| Office Furniture | New | Admin | 100,000 | 100,000 | - | - | - |
| New Resh AR 4km at ward 09 | Maintenance | 9 | 2,000,000 | 2,000,000 | - | - | - |
| Mafaise AR 6km at ward 12 | Maintenance | 12 | 3,000,000 | 3,000,000 | - | - | - |
| Bhakaneni 4,2km ward 06 | Maintenance | 6 | 2,100,000 | 2,100,000 | - | - | - |
| Kinira to Shepard Hope Access Road | Maintenance | 16 | 2,000,000 | 2,000,000 | - | - | - |
| Chere Mahareng 8km at ward 13 | Maintenance | 13 | 4,000,000 | 4,000,000 | - | - | - |
| Hillside to Ngcwengane Access road and Bridge | Maintenance | 7 | 8,309,734 | - | - | - | 8,309,734 |
| Mabheleni to Upper Mvenyane Access Roads and | Maintenance | 21 | 1,319,424 | - | - | - | 1,319,424 |
| Rockville to Protea Bridge | Maintenance | 2 | 3,200,000 | - | - | - | 3,200,000 |
| Balloon Street Crossing | Maintenance | 19 | 433,694 | - | - | - | 433,694 |
| Nyanzela Access Road | Maintenance | 17 | 885,891 | - | - | - | 885,891 |
| Mngeni Bridge | Maintenance | 7 | 6,466,368 | - | - | - | 6,466,368 |
| Mdeni AC 5km and bridge | Maintenance | 3 | 9,335,022 | - | - | - | 9,335,022 |
| Mvenyane AC 7,5km and bridge | Maintenance | 21 | 900,000 | - | - | - | 900,000 |
| Lugada to Mahlabathini AC and Bridge at ward | Maintenance | 17 | 10,242,247 | - | - | - | 10,242,247 |
| | | | | - | - | - | - |
| | | | 56,342,380 | 15,250,000 | - | - | 41,092,380 |

Ezinye zeendlela esizakuthi sizenze ziquka ezi:

| PROJECT DESCRIPTION | NEW OR UPGRADE OF EXISTING | REGION /WARD | BUDGET 2024/2025 | CAPITAL REPLACEMENT RESERVES | MIG | LIBRARY SUPPORT | MDRG |
|---|----------------------------------|-----------------|---------------------|------------------------------------|-------------------|--------------------|------|
| Project Operations and Maintenance | | | | | | | |
| Harry Gwala Internal Streets | Upgrade | 20 | 11,513,244 | - | 11,513,244 | - | - |
| Extension Of Matatiele Sport Centre | New | 20 | 3,937,503 | - | 3,937,503 | - | - |
| Higmast Lights | New | 20 | 1,100,000 | - | 1,100,000 | - | - |
| Cedarville Internal Streets Phase 4 | Upgrade | 26 | 7,702,540 | - | 7,702,540 | - | - |
| Maluti Internal Streets Phase 5 | Upgrade | 1 | 7,644,954 | - | 7,644,954 | - | - |
| Mahasheng Access Road & Bridge | New | 14 | 4,828,019 | - | 4,828,019 | - | - |
| Likhalong via Magera to Outspan Access Road | New | 27 | 4,877,265 | - | 4,877,265 | - | - |
| Mafube-Nkosana Access Road & Bridge | New | 8 | 4,000,000 | - | 4,000,000 | - | - |
| Planning of Disaster & Fire Management Centre | New | 9 | 1,035,000 | - | 1,035,000 | - | - |
| Planning of Upgrading Mahangwe Sport Centre | New | 6 | 1,035,000 | - | 1,035,000 | - | - |
| Procurement of Specialised Vehicles | New | Admin | 7,031,275 | - | 7,031,275 | - | - |
| New Stance Access Road | New | 25 | 4,218,000 | 4,218,000 | - | - | - |
| Potlo Access Road | New | 12 | 3,192,000 | 3,192,000 | - | - | - |
| Upgrading of stormwater | New | 19 | 1,000,000 | 1,000,000 | - | - | - |
| Khauoe Access Road | New | 25 | 6,210,000 | 6,210,000 | - | - | - |
| Fraystata Bridge | New | | 60,000 | 60,000 | | | |
| Mapoleseng Access Road | New | 15 | 2,679,000 | 2,679,000 | - | - | - |
| Nkungwini-Ngudla Access Road | New | 18 | 4,728,799 | 4,728,799 | - | - | - |
| Sehlabeng Access Road (Newstance) | New | 4 | 3,363,000 | 3,363,000 | - | - | - |
| Fatima Access Road | New | 14 | 2,280,000 | 2,280,000 | - | - | - |
| Ramafole Access Road | New | 24 | 1,710,000 | 1,710,000 | - | - | - |
| St Paul Concrete Slab | New | 25 | 500,000 | 500,000 | - | - | - |
| | | | 84,645,599 | 29,940,799 | 54,704,800 | - | - |

The capital budget for electricity unit is R9,6 million, to be funded from the capital reserves.

The total budget of the Municipality is anticipated to be approximately R767 million.

We are delighted to announce that there will be no property rates tariff increase by for the 2024/25 financial year.

The electricity tariff is proposed to increase by 9-16% subject to approval from NERSA.

No increase is proposed for the Refuse tariffs and all other tariffs.

eMatatiele imihla nezolo sindwendwelwa ngabaphathiswa abohlukeneyo oko siqalile ukukhokhela. Lento siyenza ukuze our area to be well marketed and branded so that we receive investors to Matatiele. Minister of Employment & Labour, Honourable Thulas Nxesi was here to meet employers and bring them closer to the job seekers. They are here today to strengthen those relations.

The Premier of the Eastern Cape, Hon. Oscar Mabuyane has the interests of Matatiele at heart and his role is recognised.

We have seen the likes of Minister Capa, Minister Stella Ndabeni-Abrahams, MEC for COGTA, Hon. Zolile Williams, former Minister Mbalula, Minister of Finance, Hon. Enoch Godongwana, Minister and MEC for Public Works & Infrastructure, Hon. Zikalala and Nkopane respectively all crisscrossing the length and breath of Matatiele with the of supporting our developmental agenda.

We also appreciate the role played by the private sector, business, civil society and NGOs within our space.

A special thanks to the Council for always prioritizing the people of Matatiele.

Officials from the Municipality and government are appreciated for implementing our vision of promoting Matatiele as an investment of choice.

Abahlali baseMatatiele, siyaphinda sithi ngaphandle kwenu asiyonto. Sibulela ukuxhaswa nini nokusinika iingcebiso.

Kwakhona masikhuthaze abantu bethu okokuba baphume ngobunintsi ukuyovotela lekqubela phambili. Mhle umsebenzi esiwenzileyo kwaye sizakhuqhubeka. Ewe zinintsi izinto esingekazenzi kodwa siyathembisa zikwimiba ephambili kuthi.

Ngalomazwi Siyabulela.

1.3 EXECUTIVE SUMMARY

ANNUAL BUDGET 2024/25 – 2026/2027

Budgeted Financial Performance (revenue)

| DESCRIPTION | ADJUSTMENTS BUDGET 2023/2024 | BUDGET 2024/2025 | BUDGET 2025/2026 | BUDGET 2026/2027 |
|--|---------------------------------|---------------------|---------------------|---------------------|
| Exchange Revenue | | | | |
| Service charges - Electricity | 71,415,912 | 76,445,904 | 80,146,356 | 83,929,572 |
| Service charges - Waste Management | 15,525,768 | 15,525,768 | 16,331,928 | 17,083,188 |
| Sale of Goods and Rendering of Services | 3,649,386 | 5,946,252 | 680,616 | 4,303,392 |
| Interest earned from Receivables | 24,930,792 | 2,199,996 | 2,307,804 | 2,416,272 |
| Interest earned from Current and Non Current Assets | 28,813,006 | 28,812,996 | 30,224,844 | 31,645,404 |
| Rental from Fixed Assets | 2,027,544 | 2,027,532 | 2,126,904 | 2,226,852 |
| Licence and permits | 4,093,848 | 4,522,104 | 4,743,768 | 4,966,752 |
| Operational Revenue | 965,016 | 892,008 | 933,024 | 3,130,848 |
| Non-Exchange Revenue | | | | |
| Property rates | 54,360,276 | 61,936,752 | 65,652,960 | 69,592,140 |
| Fines, penalties and forfeits | 1,769,004 | 25,890,000 | 27,158,604 | 28,435,080 |
| Licences or permits | 24,996 | 24,996 | 26,100 | 27,348 |
| Transfer and subsidies - Operational | 359,414,649 | 360,244,200 | 343,948,708 | 333,571,652 |
| Transfers and subsidies - capital (monetary allocations) | 143,853,911 | 96,747,180 | 81,860,304 | 62,180,352 |
| Transfers and subsidies - capital (in-kind) | 6,887,154 | - | - | - |
| Total Revenue | 717,731,262 | 681,215,688 | 656,141,920 | 643,508,852 |

Remarks;

- The revenue is anticipated to be R681,215,688 in the 2024/25 financial year. The adjusted budget for 2023/24 was R717,731,262. This is a decrease of R36,515,574 from the current adjustment budget. Revenue budget for the indicative years 2025/26 and 2026/27 is anticipated to be R656,141,920 and R643,508,852 respectively.
- The property rates amount is calculated from the current valuation roll as implemented from 01st July 2018.
- Operational transfers and subsidies have been included as per the Dora and the Eastern Cape provincial allocations.
- It should be noted that capital transfers and subsidies has decreased due to decreased grants allocation for the disaster response grant and human settlements grant that is not included in the next year's budget.
- Revenue budget from all other own revenue sources have been anticipated using the municipal tariff and proposed increases.

Transfers and grant receipts

| Description | Current Budget | | 2024-2025 Medium Term Revenue & Expenditure Framework | | |
|--|------------------------------|---------------------------|---|------------------|------------------|
| | Approved Budget Year 2023/24 | Adjustment Budget 2023/24 | Budget 2024/2025 | Budget 2025/2026 | Budget 2026/2027 |
| RECEIPTS: | | | | | |
| Operating Transfers and Grants | | | | | |
| National Government: | 352,469 | 353,374 | 355,428 | 342,699 | 332,279 |
| Local Government Equitable Share | 303,970 | 303,970 | 320,321 | 317,882 | 307,006 |
| Expanded Public Works Programme Integrated Grant | 3,974 | 3,974 | 3,880 | – | – |
| Local Government Financial Management Grant | 1,700 | 1,700 | 1,700 | 1,800 | 2,000 |
| Integrated National Electrification Programme | 39,900 | 41,000 | 26,648 | 20,000 | 20,000 |
| Municipal Infrastructure Grant (MIG) | 2,925 | 2,730 | 2,879 | 3,017 | 3,273 |
| Provincial Government: | 5,941 | 5,941 | 4,816 | 1,250 | 1,293 |
| Capacity Building and Other : Library | 2,250 | 2,250 | 1,750 | 1,250 | 1,293 |
| Other grant providers: | – | – | – | – | – |
| DEDEAT | 3,691 | 3,691 | 3,066 | – | – |
| Total Operating Transfers and Grants | 358,410 | 359,315 | 360,244 | 343,949 | 333,572 |
| Capital Transfers and Grants | 55,581 | 86,820 | 95,797 | 81,860 | 62,180 |
| Municipal Infrastructure Grant (MIG) | 55,581 | 51,863 | 54,705 | 57,317 | 62,180 |
| Disaster Response Grant | – | 34,957 | 41,092 | 24,543 | – |
| | – | 63,921 | 950 | – | – |
| Human Settlement Development Grant | – | 57,034 | – | – | – |
| Other grant providers: | – | – | – | – | – |
| Allocations in-kind | – | 6,887 | – | – | – |
| Capacity Building and Other : Library | – | – | 950 | – | – |
| Total Capital Transfers and Grants | 55,581 | 150,741 | 96,747 | 81,860 | 62,180 |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS | 413,991 | 510,056 | 456,991 | 425,809 | 395,752 |

Remarks;

- The municipality will recognise both conditional and unconditional grants of R456, 9 million, a decrease of R53, million from R510, million on the 2023/24 adjusted allocation as gazetted on Division of Revenue Act (DoRA) inclusive of provincial allocations.
- The equitable share allocation is appropriated to fund municipal delivery of services through day to day operations and strategic social development programs, the allocation for equitable share has increased with R16,3 million from the current financial year's allocation.
- Conditional operational grants (EPWP, Wattle clearing Grant & FMG) are appropriated to fund expenditures relating to EPWP programs and financial reforms respectively as per grants stipulated conditions.

- The Expanded public works incentive has been allocated a budget of R3,880,000, which is a decrease by R94,000 for the next budget year.
- The finance management grant has been maintained at an allocation of R1,700,000 for the next budget .
- Conditional capital grants (Municipal Infrastructure grant and the Municipal Disaster relief grant) are appropriated to fund capital expenditure of roads construction, maintenance of roads affected by disaster and local economic development projects.
- The allocation for MIG has increased by R2,9 million from the current year's allocation.
- The allocation for INEP has decreased by R14,3 million from the current years adjusted allocation.
- The allocation for the Municipal Disaster relief grant has decreased by 10,4 million from the current year's adjusted allocation.

Budgeted Financial Performance (operating expenditure)

| DESCRIPTION | ADJUSTMENTS BUDGET 2023/2024 | BUDGET 2024/2025 | BUDGET 2025/2026 | BUDGET 2026/2027 |
|---------------------------------|---------------------------------|---------------------|---------------------|---------------------|
| Expenditure | | | | |
| Employee related costs | 168,902,541 | 174,999,456 | 162,969,024 | 152,389,644 |
| Remuneration of councillors | 25,320,192 | 26,401,344 | 27,311,544 | 28,595,136 |
| Bulk purchases - electricity | 71,075,364 | 76,245,564 | 79,981,596 | 83,740,740 |
| Inventory consumed | 7,191,416 | 6,897,036 | 7,405,884 | 7,754,004 |
| Depreciation and amortisation | 53,349,309 | 52,789,752 | 58,522,824 | 61,273,380 |
| Contracted services | 162,693,671 | 160,781,520 | 169,251,696 | 149,880,780 |
| Irrecoverable debts written off | 7,000,000 | 6,294,000 | 3,602,400 | 3,912,720 |
| Operational costs | 72,455,444 | 80,057,640 | 69,065,160 | 60,713,448 |
| Total Expenditure | 567,987,937 | 584,466,312 | 578,110,128 | 548,259,852 |

Remarks;

- The operating expenditure is anticipated to be R584, 466, 312 in the 2024/25 financial year. The adjusted budget for 2023/24 was R567,987,937. This is an increase of R16,478,375 from the current adjustment budget. For the two outer years 2025/26 and 2026/27 the operating expenditure budget is anticipated to be R578,110,128 and R548,259,852 respectively.
- An increase of 4.9% has been affected on employee related costs, the Salary and Wage Collective Agreement for the period 01 July 2021 to 30 June 2024 has come to an end and a new agreement is under consultation, which is anticipated to consider the current fiscal constraints faced by government.
- Included in the budget for employee related costs is an allocation of R9,880,000 for the Expanded Public Works Programme.

- Included on contracted services is repairs and maintenance R33,790,000 as follows;
 - Maintenance Municipal Fleet & Plant - R5,200,000.
 - Maintenance of ICT Infrastructure - R2,550,000.
 - Maintenance of Machinery and Equipment -R1,650,000.
 - Maintenance of Building and Facilities -R3,390,000.
 - Maintenance of road sidewalks -R2,800,000.
 - Maintenance of Electricity Infrastructure -R5,200,000.
 - Refuse Removal and cleaning -R13,000,000.
- Included on contracted services is electrification projects budget of R26,648,000 million to be funded from the integrated national electrification programme as follows;
 - Motsekuoa Electrification - R19,195,000.
 - Paballong Electrification - R1,155,000.
 - Mahlabatheng Electrification - R743,000.
 - Lugada Electrification - R385,000.
 - Mbizeni Electrification - R495,000.
 - Mapakising Electrification - R2,200,000.
 - Mgubho Electrification - R632,000.
 - Luxeni Electrification - R1,155,000.
 - Lugada Electrification - R688,000.
- Special programmes have been allocated budget of R5,230,000
- Communications and Marketing has been allocated a budget of R2,160,000.
- Local Economic Development has been allocated budget of R16,550,000 as follows;
 - Cropping and Household food security -R5,000,000.
 - Livestock Improvement -R1,950,000.
 - Tourism -R4,900,000
 - SMME Support Programmes -R4,700,000
- Indigent support budget of R15,200,000 million has been provided for gas and solar maintenance, electricity and refuse.

Budgeted Capital Expenditure by vote, and funding

| DEPARMENT/MUNICIPAL VOTE | APPROVED BUDGET 2023/24 | ADJUSTMENTS BUDGET 2023/24 | DRAFT BUDGET 2024/2025 | BUDGET YEAR +2025/2026 | BUDGET YEAR 2026/2027 |
|--|-------------------------------|----------------------------------|---------------------------|---------------------------|--------------------------|
| Executive and Council | - | - | 50,000 | - | - |
| Municipal Manager's Office | 2,050,000 | 1,750,000 | 705,000 | 280,000 | 5,520,000 |
| Budget & Treasury | 3,780,000 | 3,780,000 | 2,560,000 | 600,000 | - |
| Corporate Services | 2,610,000 | 2,760,000 | 3,920,000 | 4,250,000 | 3,022,000 |
| Community Services | 9,130,000 | 9,280,000 | 16,360,000 | 8,560,000 | 2,210,000 |
| Economic Development Planning | 130,000 | 57,163,570 | 8,705,000 | 250,000 | 300,000 |
| Infrastructure | 164,016,499 | 155,356,149 | 150,682,979 | 116,832,630 | 91,511,448 |
| TOTAL CAPITAL PER MUNICIPAL VOTE | 181,716,499 | 230,089,719 | 182,983,008 | 130,772,676 | 102,563,436 |
| Funding Sources | | | | | |
| Capital Replacement reserves | 86,235,799 | 86,235,799 | 86,235,799 | 48,913,630 | 40,383,448 |
| Municipal Disaster Grant | - | 34,957,000 | 41,092,380 | 24,542,000 | - |
| Municipal Infrastructure Grant | 55,580,700 | 51,863,350 | 54,704,800 | 57,317,000 | 62,180,000 |
| Intergrated National Electrification Programme | 39,900,000 | - | - | - | - |
| Library Support Grant | - | - | 950,000 | - | - |
| Human Settlements Grant | - | 57,033,570 | - | - | - |
| TOTAL CAPITAL FUNDING | 181,716,499 | 230,089,719 | 182,983,008 | 130,772,676 | 102,563,436 |

Remarks;

Capital expenditure is the expenditure appropriated for items to be utilised over a period of time longer than 12 months to generate future income and derive economic benefit for the municipality.

- The capital expenditure is anticipated to be R182,983,008 in the 2024/25 financial year. The adjusted budget for 2023/24 was R230, 089,719. This is a decrease of R47,106,740 from the adjustment budget due to the following:
 - Budget of the Municipal Disaster Relief grant increased by R6,135,388 from R34,957,000 to R41,092,380 inclusive of 2023/24 unspent funds.
 - The capital allocation from the Municipal Infrastructure has increased slightly by R2,841,450.
 - Municipal reserves funding has been maintained at R 86,235,799.
 - Library support grant will fund R900,000 of the budget.

The capital budget per municipal departments is tabulated as below,

MAYOR AND COUNCIL

| PROJECT DESCRIPTION | NEW OR UPGRADE OF EXISTING | REGION /WARD | BUDGET 2024/2025 | CAPITAL REPLACEMENT RESERVES | MIG | LIBRARY SUPPORT | MDRG |
|----------------------------------|----------------------------------|-----------------|---------------------|------------------------------------|----------|--------------------|------|
| EXECUTIVE & COUNCIL | | | | | | | |
| Mayor & Council | | | 50,000 | 50,000 | - | - | - |
| Smart TV | New | Admin | 20,000 | 20,000 | - | - | - |
| Computer Equipment | New | Admin | 30,000 | 30,000 | - | - | - |
| | | | - | - | - | - | - |
| Total Mayor & Council | | | 50,000 | 50,000 | - | - | |

Remarks;

- The total budget for Mayor and Council is R50,000 to be funded from the capital replacement reserves.

BUDGET AND TREASURY

| PROJECT DESCRIPTION | NEW OR UPGRADE OF EXISTING | REGION /WARD | BUDGET 2024/2025 | CAPITAL REPLACEMENT RESERVES | MIG | LIBRARY SUPPORT | MDRG |
|---|----------------------------------|-----------------|---------------------|------------------------------------|----------|--------------------|----------|
| | | | | | | | |
| Budget Planning & Investments | | | - | - | - | - | - |
| | | | - | - | - | - | - |
| Revenue & Expenditure Management | | | 90,000 | 90,000 | - | - | |
| Laptops | New | Admin | 60,000 | 60,000 | - | - | - |
| Office Furniture | New | Admin | 30,000 | 30,000 | - | - | - |
| Supply Chain Management | | | 2,430,000 | 2,430,000 | - | - | |
| Municipal Fleet | New | Admin | 2,430,000 | 2,430,000 | - | - | |
| Financial Reporting & Assets Management | | | 40,000 | 40,000 | - | - | - |
| Laptop | New | Admin | 40,000 | 40,000 | - | - | - |
| Finance Governance | | | - | - | - | - | |
| | | | | | | | |
| TOTAL BUDGET & TREASURY | | | 2,560,000 | 2,560,000 | - | - | - |

Remarks;

- The total budget for budget and treasury is R2,560,000 to be funded from the capital replacement reserves.

MUNICIPAL MANAGER'S OFFICE

| PROJECT DESCRIPTION | NEW OR UPGRADE OF EXISTING | REGION /WARD | BUDGET 2024/2025 | CAPITAL REPLACEMENT RESERVES | MIG | LIBRARY SUPPORT | MDRG |
|---|----------------------------------|-----------------|---------------------|------------------------------------|-----|--------------------|------|
| Municipal Manager | | | 40,000 | 40,000 | - | - | - |
| Laptop | New | Admin | 40,000 | 40,000 | - | - | - |
| | | | | | | | |
| Legal Services | | | - | - | - | - | - |
| | | | - | - | - | - | - |
| | | | | | | | |
| Risk/Strategic Governance Unit | | | 75,000 | 75,000 | - | - | - |
| Laptop *2 | New | Admin | 60,000 | 60,000 | - | - | - |
| Office Equipment /Office Printer | New | Admin | 15,000 | 15,000 | - | - | - |
| | | | | | | | |
| Internal Audit | | | - | - | - | - | - |
| | | | - | - | - | - | - |
| | | | - | - | - | - | - |
| | | | | | | | |
| SPU & Communications | | | 590,000 | 590,000 | - | - | - |
| 2x Laptops | New | Admin | 60,000 | 60,000 | - | - | - |
| Led out door digital screen | New | All wards | 500,000 | 500,000 | - | - | - |
| Camcorder with flash and Tripod stand | New | Admin | 30,000 | 30,000 | - | - | - |
| | | | | | | | |
| Total Municipal Manager's Office | | | 705,000 | 705,000 | - | - | - |

Remarks;

- The total budget for the office of the Municipal manager amounts to R705,000 to be funded from capital replacement reserves.

CORPORATE SERVICES

| PROJECT DESCRIPTION | NEW OR UPGRADE OF EXISTING | REGION /WARD | BUDGET 2024/2025 | CAPITAL REPLACEMENT RESERVES | MIG | LIBRARY SUPPORT | MDRG |
|------------------------------------|----------------------------------|-----------------|---------------------|------------------------------------|-----|--------------------|------|
| Admin & Council Support | | | | | | | |
| Cleaning Machinery | New | Admin | 30,000 | 30,000 | - | - | - |
| Computer Equipment- | New | Admin | 60,000 | 60,000 | - | - | - |
| | | | - | - | - | - | - |
| | | | 90,000 | 90,000 | - | - | - |
| | | | | | | | |
| Public Participation | | | | | | | |
| Furniture | New | Various Wards | 450,000 | 450,000 | - | - | - |
| Laptops-Computer Equipment | New | Admin | 60,000 | 60,000 | - | - | - |
| | | | 510,000 | 510,000 | - | - | - |
| | | | | | | | |
| Human Resources | | | | | | | |
| Laptop | New | Admin | 60,000 | 60,000 | - | - | - |
| Furniture and Equipment | New | Admin | 30,000 | 30,000 | - | - | - |
| | | | 90,000 | 90,000 | - | - | - |
| | | | | | | | |
| ICT SERVICES | | | | | | | |
| Delegate Management System | Upgrade | Admin | 300,000 | 300,000 | - | - | - |
| Furniture and Equipment | Upgrade | Admin | 30,000 | 30,000 | - | - | - |
| UNINTERIPTED POWER SUPPLY (ups) | Upgrade | Admin | 300,000 | 300,000 | - | - | - |
| SURVEILLANCE CAMERAS | Upgrade | Ward 26 | 250,000 | 250,000 | - | - | - |
| PUBLIC WI FI | Upgrade | Ward 02 | 350,000 | 350,000 | - | - | - |
| IT EQUIPMENT | Upgrade | Admin | 250,000 | 250,000 | - | - | - |
| Server | | | 1,500,000 | 1,500,000 | - | - | - |
| Network Cable for ICT Centre | Upgrade | Ward 20 | 250,000 | 250,000 | - | - | - |
| | | | 3,230,000 | 3,230,000 | - | - | - |
| TOTAL CORPORATE SERVICES | | | 3,920,000 | 3,920,000 | - | - | - |

Remarks;

- The total budget for corporate services is R3,920,000 to be funded from the municipal reserves.

ECONOMIC DEVELOPMENT AND PLANNING

| PROJECT DESCRIPTION | NEW OR UPGRADE OF EXISTING | REGION /WARD | BUDGET 2024/2025 | CAPITAL REPLACEMENT RESERVES | MIG | LIBRARY SUPPORT | MDRG |
|--|----------------------------------|-----------------|---------------------|------------------------------------|-----|--------------------|------|
| Planning | | | | | | | |
| Inspection equipment | New | Admin | 50,000 | 50,000 | - | - | - |
| lotter | New | Admin | 50,000 | 50,000 | - | - | - |
| | | | 100,000 | 100,000 | | | |
| Local Economic Development | | | | | | | |
| laptops | New | Admin | 60,000 | 60,000 | - | - | - |
| Completion of Silo facilities | New | All Wards | 3,000,000 | 3,000,000 | - | - | - |
| | | | 3,060,000 | 3,060,000 | - | - | |
| EDP Governance | | | 45,000 | 45,000 | - | - | |
| laptop | New | Admin | 45,000 | 45,000 | | | |
| Human Settlement | | | 5,500,000 | 5,500,000 | - | - | - |
| Refurbishment of main office | New | Admin | 1,000,000 | 1,000,000 | - | - | - |
| Renovation of Town Hall | Upgrade | 19 | 1,500,000 | 1,500,000 | - | - | - |
| Refurbishment of municipal stores | New | Admin | 1,000,000 | 1,000,000 | - | - | - |
| Renovation of Maluti office | New | Admin | 1,000,000 | 1,000,000 | - | - | - |
| EDP Carpots | New | Admin | 400,000 | 400,000 | - | - | - |
| renovation of pound building | | | 600,000 | 600,000 | - | - | - |
| ECONOMIC DEVELOPMENT AND PLANNING | | | 8,705,000 | 8,705,000 | - | - | - |

Remarks;

- The total budget for economic development and planning is R8,705,000 to be funded from the municipal reserves.

COMMUNITY SERVICES

| PROJECT DESCRIPTION | NEW OR UPGRADE OF EXISTING | REGION /WARD | BUDGET 2024/2025 | CAPITAL REPLACEMENT RESERVES | MIG | LIBRARY SUPPORT | MDRG |
|---------------------------------------|----------------------------------|-----------------|---------------------|------------------------------------|-----|--------------------|------|
| Public Amenities | | | 2,440,000 | 1,490,000 | - | 950,000 | - |
| Northend Boreholes | New | 19 | 400,000 | 400,000 | - | - | - |
| Library Double Cab | | | 650,000 | | | 650,000 | |
| Furniture & Office Equipment | | | 300,000 | | | 300,000 | |
| Goal Post | New | All Wards | 150,000 | 150,000 | - | - | - |
| Laptops | New | Admin | 90,000 | 90,000 | - | - | - |
| Furniture | New | Admin | 50,000 | 50,000 | - | - | - |
| Grass Cutting Machinery | New | Admin | 300,000 | 300,000 | - | - | - |
| Nokhwe and Thandanani Stadium Fencing | New | 20 | 500,000 | 500,000 | - | - | - |
| Public Safety | | | 7,900,000 | 7,900,000 | - | - | - |
| Storage Container | New | Admin | 300,000 | 300,000 | - | - | - |
| Fire Engine | New | All Wards | 6,500,000 | 6,500,000 | - | - | - |
| Roadblock equipment | New | Admin | 300,000 | 300,000 | - | - | - |
| Backup generator | New | Admin | 800,000 | 800,000 | - | - | - |
| Solid Waste & Environment | | | 5,950,000 | 5,950,000 | - | - | - |
| Furniture and Equipment | New | All | 350,000 | 350,000 | - | - | - |
| Fencing of the Mountain Lake | Upgrade | 19 | 1,500,000 | 1,500,000 | - | - | - |
| Waste skip bins | Upgrade | All | 800,000 | 800,000 | - | - | - |
| Cemetery Development | Upgrade | All | 600,000 | 600,000 | - | - | - |
| Waste Buy Back Center | New | 19 20 | 1,000,000 | 1,000,000 | - | - | - |
| weigh bridge | | | 1,700,000 | 1,700,000 | - | - | - |
| Community Governance | | | 70,000 | 70,000 | | | |
| Printer | New | All | 20,000 | 20,000 | - | - | - |
| Furniture | New | All | 50,000 | 50,000 | - | - | - |
| TOTAL COMMUNITY SERVICES | | | 16,360,000 | 15,410,000 | - | 950,000 | - |

Remarks;

- The total budget for community services is R16,360,000, to be funded from the capital replacement reserves.

INFRASTRUCTURE**PROJECT OPERATIONS AND MAINTENANCE**

| PROJECT DESCRIPTION | NEW OR UPGRADE OF EXISTING | REGION /WARD | BUDGET 2024/2025 | CAPITAL REPLACEMENT RESERVES | MIG | LIBRARY SUPPORT | MDRG |
|---|----------------------------------|-----------------|---------------------|------------------------------------|-----|--------------------|-------------------|
| Malubaluba AC 1,1km at ward 3 | New | 3 | 550,000 | 550,000 | - | - | - |
| Skiti -Tholang AR 3km at ward 1 | New | 1 | 1,500,000 | 1,500,000 | - | - | - |
| Office Furniture | New | Admin | 100,000 | 100,000 | - | - | - |
| New Resh AR 4km at ward 09 | Maintenance | 9 | 2,000,000 | 2,000,000 | - | - | - |
| Mafaise AR 6km at ward 12 | Maintenance | 12 | 3,000,000 | 3,000,000 | - | - | - |
| Bhakaneni 4,2km ward 06 | Maintenance | 6 | 2,100,000 | 2,100,000 | - | - | - |
| Kinira to Shepard Hope Access Road | Maintenance | 16 | 2,000,000 | 2,000,000 | - | - | - |
| Chere Mahareng 8km at ward 13 | Maintenance | 13 | 4,000,000 | 4,000,000 | - | - | - |
| Hillside to Ngcwengane Access road and Bridge | Maintenance | 7 | 8,309,734 | - | - | - | 8,309,734 |
| Mabheleni to Upper Mvenyane Access Roads and | Maintenance | 21 | 1,319,424 | - | - | - | 1,319,424 |
| Rockville to Protea Bridge | Maintenance | 2 | 3,200,000 | - | - | - | 3,200,000 |
| Balloon Street Crossing | Maintenance | 19 | 433,694 | - | - | - | 433,694 |
| Nyanzela Access Road | Maintenance | 17 | 885,891 | - | - | - | 885,891 |
| Mngeni Bridge | Maintenance | 7 | 6,466,368 | - | - | - | 6,466,368 |
| Mdeni AC 5km and bridge | Maintenance | 3 | 9,335,022 | - | - | - | 9,335,022 |
| Mvenyane AC 7,5km and bridge | Maintenance | 21 | 900,000 | - | - | - | 900,000 |
| Lugada to Mahlabathini AC and Bridge at ward | Maintenance | 17 | 10,242,247 | - | - | - | 10,242,247 |
| | | | | - | - | - | - |
| | | | 56,342,380 | 15,250,000 | - | - | 41,092,380 |

Remarks;

- The total capital budget for the operations and maintenance unit is R56,342,380, the Municipal disaster relief grant will fund R41,092,380 of the budget and R15, 250,000 will be funded from the capital reserves.

PROJECT MANAGEMET

| PROJECT DESCRIPTION | NEW OR UPGRADE OF EXISTING | REGION /WARD | BUDGET 2024/2025 | CAPITAL REPLACEMENT RESERVES | MIG | LIBRARY SUPPORT | MDRG |
|---|----------------------------------|-----------------|---------------------|------------------------------------|-------------------|--------------------|------|
| Project Operations and Maintenance | | | | | | | |
| Harry Gwala Internal Streets | Upgrade | 20 | 11,513,244 | - | 11,513,244 | - | - |
| Extension Of Matatiele Sport Centre | New | 20 | 3,937,503 | - | 3,937,503 | - | - |
| Higmast Lights | New | 20 | 1,100,000 | - | 1,100,000 | - | - |
| Cedarville Internal Streets Phase 4 | Upgrade | 26 | 7,702,540 | - | 7,702,540 | - | - |
| Maluti Internal Streets Phase 5 | Upgrade | 1 | 7,644,954 | - | 7,644,954 | - | - |
| Mahasheng Access Road & Bridge | New | 14 | 4,828,019 | - | 4,828,019 | - | - |
| Likhalong via Magera to Outspan Access Road | New | 27 | 4,877,265 | - | 4,877,265 | - | - |
| Mafube-Nkosana Access Road & Bridge | New | 8 | 4,000,000 | - | 4,000,000 | - | - |
| Planning of Disaster & Fire Management Centre | New | 9 | 1,035,000 | - | 1,035,000 | - | - |
| Planning of Upgrading Mahangwe Sport Centre | New | 6 | 1,035,000 | - | 1,035,000 | - | - |
| Procurement of Specialised Vehicles | New | Admin | 7,031,275 | - | 7,031,275 | - | - |
| New Stance Access Road | New | 25 | 4,218,000 | 4,218,000 | - | - | - |
| Potlo Access Road | New | 12 | 3,192,000 | 3,192,000 | - | - | - |
| Upgrading of stormwater | New | 19 | 1,000,000 | 1,000,000 | - | - | - |
| Khauoe Access Road | New | 25 | 6,210,000 | 6,210,000 | - | - | - |
| Fraystata Bridge | New | | 60,000 | 60,000 | - | - | - |
| Mapoleseng Access Road | New | 15 | 2,679,000 | 2,679,000 | - | - | - |
| Nkungwini-Ngudla Access Road | New | 18 | 4,728,799 | 4,728,799 | - | - | - |
| Sehlabeng Access Road (Newstance) | New | 4 | 3,363,000 | 3,363,000 | - | - | - |
| Fatima Access Road | New | 14 | 2,280,000 | 2,280,000 | - | - | - |
| Ramafole Access Road | New | 24 | 1,710,000 | 1,710,000 | - | - | - |
| St Paul Concrete Slab | New | 25 | 500,000 | 500,000 | - | - | - |
| | | | 84,645,599 | 29,940,799 | 54,704,800 | - | - |

Remarks;

- The capital budget for project management unit is R84,645,599, a portion of R54,704,800 will be funded from the Municipal infrastructure grant and R29,940,799 will be funded from the capital reserves.

ELECTRICITY

| PROJECT DESCRIPTION | NEW OR UPGRADE OF EXISTING | REGION /WARD | BUDGET 2024/2025 | CAPITAL REPLACEMENT RESERVES | MIG | LIBRARY SUPPORT | MDRG |
|--|----------------------------------|-----------------|---------------------|------------------------------------|-----|--------------------|------|
| Christmas Lights | New | 19 | 500,000 | 500,000 | - | - | - |
| Transformers, RMU & Circuit Breakers ,Kiosks | Upgrade | 19&20 | 5,000,000 | 5,000,000 | - | - | - |
| Refubishment of FM Towerline | Upgrade | 19 | 2,000,000 | 2,000,000 | - | - | - |
| Fencing of Substations/Mini-Sub/Transformers | New | 19 | 300,000 | 300,000 | - | - | - |
| Cherry Picker | New | Admin | 1,200,000 | 1,200,000 | - | - | - |
| Pound Electricity Connection | New | 19 | 650,000 | 650,000 | - | - | - |
| | | | 9,650,000 | 9,650,000 | - | - | - |

- The capital budget for Electricity unit is R9,650,000, to be funded from the capital reserves.

INFRASTRURE GOVERNANCE

| PROJECT DESCRIPTION | NEW OR UPGRADE OF EXISTING | REGION /WARD | BUDGET 2024/2025 | CAPITAL REPLACEMENT RESERVES | MIG | LIBRARY SUPPORT | MDRG |
|---------------------|----------------------------------|-----------------|---------------------|------------------------------------|-----|--------------------|------|
| | | | 45,000 | 45,000 | | | |
| Laptop | New | Admin | 45,000 | 45,000 | - | - | |

- The capital budget for infrastructure governance unit is R45,000 to be funded from the capital reserves.

TOTAL BUDGET 2024/25-2026/27

| Description | Current Budget | | 2024/25 Medium Term Revenue & Expenditure | | |
|---------------------|---------------------------------|------------------------------------|---|----------------------|----------------------|
| | APPROVED BUDGET 2023/2024 | ADJUSTMENTS BUDGET 2023/2024 | FINAL BUDGET +2024/2025 | BUDGET +2025/2026 | BUDGET +2026/2027 |
| Operating Budget | 514 750 752 | 567 987 940 | 584 466 312 | 578 110 128 | 548 259 852 |
| Capital Budget | 181 716 499 | 230 089 719 | 182 983 008 | 130 772 676 | 102 563 352 |
| Total Budget | 696 467 251 | 798 077 659 | 767 449 320 | 708 882 804 | 650 823 204 |

Remarks;

- The total budget is anticipated to be R767,449,320, it should be noted that this is a decrease of R30,628,339 from the current adjustments budget.
- The decrease is mainly as a result of decreased allocation in capital grants.

TARIFF OF CHARGES 2024/2025

Municipal tariffs are to be as follows:

PROPERTY RATES

Property rates tariff is to increase by 0% for the 2024/25 financial year as follows;

| Categories | Rate Randages /Rand Value – c/R | Ratio in relation to residential property |
|--|---------------------------------|---|
| Residential property | 0.010878 | 1:1 |
| Farm property as defined in Section 8(2) (d)(i) and 8 (2) (f) (i) of the Act (being Farm property used for agricultural purposes and smallholdings used for agricultural purposes) | 0.0027195 | 1: 0.25 |
| Agricultural property used predominantly for commercial and / or industrial purposes | 0.0027195 | 1:0.25 |
| Smallholdings used predominantly for commercial and / or industrial purposes | 0.0027195 | 1: 0.25 |
| Commercial / Business properties | 0.013054 | 1: 1.2 |
| Industrial properties | 0.013054 | 1:1.2 |
| State Owned/ Government | 0.02176 | 1:2 |
| Public Service Infrastructure properties | 0.0027195 | 1:0.25 |
| Municipal properties | 0.013054 | 1:1.2 |

ASSESMENT RATES

| | | |
|-------------|----------|----|
| Residential | 0.010878 | 0% |
|-------------|----------|----|

| | | |
|-----------------------|-----------|----|
| First R190 000 exempt | | |
| 40% Rebate | | |
| Vacant Land | 0.02176 | 0% |
| Commercial | 0.013054 | 0% |
| 15% exempt | | 0% |
| Government | 0.02176 | 0% |
| Farms | 0.0027195 | 0% |
| 70% rebate | | 0% |
| Industrial | 0.013054 | 0% |
| 15% rebate | | 0% |
| Municipal | 0.013054 | 0% |
| 100% rebate | | |

New Nature Reserve Tariffs

The following are new tariffs for the Nature reserve;

| DESCRIPTION | New Tariff Including VAT 2024/2025 | |
|---|---------------------------------------|--------|
| Nature Reserve | | |
| Walks/Picnic/Day visitor per person | R | 15.00 |
| per car | R | 45.00 |
| per passenger | R | 10.00 |
| Hiking Clubs/Groups per day | R | 250.00 |
| Cycling | R | 30.00 |
| Motor Bike | R | 50.00 |
| 4 x 4 Driving | R | 100.00 |
| Wedding events (50 to 80 people) per day | R | 800.00 |
| Other events: Birthday/Braai/Celebrations per day | R | 500.00 |
| | | |

Service Charges

- The electricity tariff is proposed to increase by 9-16% subject to approval from NERSA.
- No increase is proposed for the Refuse tariffs and all other tariffs.

Remuneration of Councillors and Employee related costs

The municipality has provided for a 4.9 % increase on both remuneration of councillors and Employee related costs subject the SALGBC salary and wage increase agreement.

Budget Related Policies

The following budget related policies have been reviewed for the 2024/25 budget,

1. Budget policy,
2. Cash management policy,
3. Cash shortage policy,
4. Credit control and debt collection policy,
5. Cost containment policy ,
6. Customer care policy,
7. Customer incentive scheme policy,
8. Data backup policy,
9. Debt capacity policy,
10. Donor finance policy,
11. Electricity token policy,
12. Entertainment & refreshments policy,

13. Fleet Management Policy ,
14. Unclaimed deposits policy,
15. Fraud prevention plan,
16. Gifts policy for officials,
17. Grants & donation policy,
18. GRAP framework policy,
19. Impairment and write off policy,
20. Cash-up Policy,
21. Fixed Assets Policy,
22. Payment Policy,
23. Petty Cash Policy,
24. Rates Policy,
25. Special Services Policy,
26. Strategy to improve Debtor policy,
27. Supply Chain Management Policy,
28. Tariff Policy,
29. Use of Credit Card Policy and
30. Virement Policy.
31. Infrastructure procurement and delivery management policy.
32. Indigent Policy
33. Banking and Investments Policy
34. Use of Consultants Policy

Operating Revenue Framework

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

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

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure 85 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

The following table is a summary of the 2024/25 MTREF (classified by main revenue source):

Table 1 -Summary of revenue classified by main revenue source

| Description | ## | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|---|----------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousand | 1 | | | | | | | | | | |
| Revenue | | | | | | | | | | | |
| Exchange Revenue | | | | | | | | | | | |
| Service charges - Electricity | 2 | 57 058 | 56 530 | 59 114 | 71 416 | 71 416 | 71 416 | 71 416 | 76 446 | 80 146 | 83 930 |
| Service charges - Water | 2 | - | - | - | - | - | - | - | - | - | - |
| Service charges - Waste Water Management | 2 | - | - | - | - | - | - | - | - | - | - |
| Service charges - Waste Management | 2 | 11 531 | 11 615 | 11 713 | 15 526 | 15 526 | 15 526 | 15 526 | 15 526 | 16 332 | 17 083 |
| Sale of Goods and Rendering of Services | | 759 | 923 | 870 | 3 930 | 3 649 | 3 649 | 3 649 | 5 946 | 681 | 4 303 |
| Agency services | | - | - | - | - | - | - | - | - | - | - |
| Interest | | - | - | - | - | - | - | - | - | - | - |
| Interest earned from Receivables | | 1 371 | 2 168 | 1 313 | 6 500 | 6 500 | 6 500 | 6 500 | 2 200 | 2 308 | 2 416 |
| Interest earned from Current and Non Current Assets | | 8 835 | 9 599 | 19 146 | 17 200 | 28 813 | 28 813 | 28 813 | 28 813 | 30 225 | 31 645 |
| Dividends | | - | - | - | - | - | - | - | - | - | - |
| Rent on Land | | 172 | 144 | 206 | - | - | - | - | - | - | - |
| Rental from Fixed Assets | | 1 398 | 1 260 | 1 237 | 2 028 | 2 028 | 2 028 | 2 028 | 2 028 | 2 127 | 2 227 |
| Licence and permits | | 3 770 | 3 503 | 3 596 | 4 094 | 4 094 | 4 094 | 4 094 | 4 522 | 4 744 | 4 967 |
| Operational Revenue | | 114 | 283 | 264 | 965 | 965 | 965 | 965 | 892 | 933 | 3 131 |
| Non-Exchange Revenue | | | | | | | | | | | |
| Property rates | 2 | 46 575 | 48 726 | 48 716 | 54 360 | 54 360 | 54 360 | 54 360 | 61 937 | 65 653 | 69 592 |
| Surcharges and Taxes | | - | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | | 762 | 2 058 | 2 754 | 1 769 | 1 769 | 1 769 | 1 769 | 25 890 | 27 159 | 28 435 |
| Licences or permits | | 17 | (96) | 64 | 25 | 25 | 25 | 25 | 25 | 26 | 27 |
| Transfer and subsidies - Operational | | 306 535 | 267 351 | 293 763 | 318 510 | 318 093 | 318 093 | 318 093 | 360 244 | 343 949 | 333 572 |
| Interest | | 11 986 | 14 020 | 14 956 | 18 431 | 18 431 | 18 431 | 18 431 | - | - | - |
| Fuel Levy | | - | - | - | - | - | - | - | - | - | - |
| Operational Revenue | | - | - | - | - | - | - | - | - | - | - |
| Gains on disposal of Assets | | 333 | - | 104 | - | - | - | - | - | - | - |
| Other Gains | | 1 468 | (15) | 591 | - | - | - | - | - | - | - |
| Discontinued Operations | | - | - | - | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contrib | | 452 685 | 418 070 | 458 408 | 514 753 | 525 668 | 525 668 | 525 668 | 584 469 | 574 282 | 581 329 |

1.4.1 Property Rates

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

National Treasury's MFMA Circular No.51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio to residential properties to be 1:025. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R190 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17 (h) of the MPRA). In addition to this rebate, a further R50 000 reduction on the market value of a property will be granted in terms of the municipality's own Property Rates Policy i.e. the market value less R 190 000.00;
- 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy;
- For pensioners, physically and mentally disabled persons, a minimum total rebate of 40 per cent will be granted to owners of rateable property if the total gross income of the applicant and/or his/her spouse, if any, is the following:
 - Income not exceeding R 10 000.00

In this regard the following stipulations are relevant:

- The rate-able property concerned must be occupied only by the applicant and his/her spouse.
- The applicant must submit proof of his/her age, identity and also proof of the annual income from a social pension;
- The applicant's account must be paid in full, or if not, an arrangement to the debt should be in place; and
- The property must be categorized as residential.

Additional:

- Residential properties a 40% rebate
- Properties categorized commercial 15% rebate on rates.
- Farms/ Smallholdings used for agricultural purposes 70% rebates.
- The municipality may award a 100 per cent grant in aid on the assessment rates of rate-able properties of certain

Classes such as churches, registered welfare organizations, institutions or organizations performing charitable work,

Sports grounds used for purposes of amateur sport.

In considering changes in property rates, cognizance was taken of the local economic conditions such as the gradual recovery in the property market, trends in household incomes and unemployment. Excessive increases in property rates and other tariffs are likely to be counterproductive, resulting in higher levels of non-payment and increased bad debts.

Table 2- Transfers and Grant Receipts

| Description | ### | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|---|------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2024/25 | Budget Year #1 2025/26 | Budget Year #2 2026/27 |
| R thousand | | | | | | | | | | |
| RECEIPTS: | 1, 2 | | | | | | | | | |
| <u>Operating Transfers and Grants</u> | | | | | | | | | | |
| National Government: | | 299 604 | 342 334 | 345 491 | 312 569 | 312 152 | 405 237 | 355 428 | 342 699 | 332 279 |
| Expanded Public Works Programme Integrated Grant | | 0 | 4 887 | 4 810 | 3 974 | 3 752 | 3 974 | 3 880 | – | – |
| Integrated National Electrification Programme Grant | | – | – | – | – | – | 41 000 | 26 648 | 20 000 | 20 000 |
| Local Government Financial Management Grant | | – | 1 650 | 1 650 | 1 700 | 1 700 | 1 700 | 1 700 | 1 800 | 2 000 |
| Municipal Infrastructure Grant | | (0) | 76 971 | 52 723 | 2 925 | 2 730 | 54 593 | 2 879 | 3 017 | 3 273 |
| Equitable Share | | 299 604 | 258 826 | 286 308 | 303 970 | 303 970 | 303 970 | 320 321 | 317 882 | 307 006 |
| Provincial Government: | | 2 224 | – | – | 5 941 | 5 941 | – | 4 816 | 1 250 | 1 293 |
| Specify (Add grant description) | | – | – | – | 2 250 | 2 250 | – | 1 750 | 1 250 | 1 293 |
| Specify (Add grant description) | | 2 224 | – | – | 3 691 | 3 691 | – | 3 066 | – | – |
| District Municipality: | | – | – | – | – | – | 100 | – | – | – |
| Specify (Add grant description) | | – | – | – | – | – | 100 | – | – | – |
| Other grant providers: | | – | – | – | – | – | – | – | – | – |
| Total Operating Transfers and Grants | 5 | 301 828 | 342 334 | 345 491 | 318 510 | 318 093 | 405 337 | 360 244 | 343 949 | 333 572 |
| <u>Capital Transfers and Grants</u> | | | | | | | | | | |
| National Government: | | (0) | 97 778 | 48 539 | 95 481 | 124 220 | 32 706 | 95 797 | 81 860 | 62 180 |
| Municipal Disaster Relief Grant | | – | – | 2 251 | – | 34 957 | 32 706 | 41 092 | 24 543 | – |
| Municipal Infrastructure Grant | | – | – | – | 55 581 | 51 863 | – | 54 705 | 57 317 | 62 180 |
| Integrated National Electrification Programme Grant | | (0) | 97 778 | 46 288 | 39 900 | 37 400 | – | – | – | – |
| Provincial Government: | | – | 650 | – | – | 57 034 | 3 981 | 950 | – | – |
| Specify (Add grant description) | | – | – | – | – | – | – | 950 | – | – |
| Specify (Add grant description) | | – | – | – | – | – | 3 331 | – | – | – |
| Specify (Add grant description) | | – | – | – | – | 57 034 | – | – | – | – |
| Specify (Add grant description) | | – | 650 | – | – | – | 650 | – | – | – |
| District Municipality: | | – | – | – | – | – | – | – | – | – |
| Other grant providers: | | – | – | – | – | – | – | – | – | – |
| Total Capital Transfers and Grants | 5 | (0) | 98 428 | 48 539 | 95 481 | 181 254 | 36 687 | 96 747 | 81 860 | 62 180 |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS | 5 | 301 828 | 440 762 | 394 030 | 413 991 | 499 347 | 442 024 | 456 991 | 425 809 | 395 752 |

The municipality operational grants budget amounts to R 360,2 million for 2024/25 year, the operational grants budget equates to 60% of the total revenue budget.

Table 3 Comparison of rated levies for the 2024/25 financial year

| Description | Tariff 2024/2025 |
|---------------------------|-------------------------|
| <u><i>Residential</i></u> | 0.010878 |
| First R190 000 Exemption | |
| 40% Rebate | |
| | |
| <u><i>Vacant Land</i></u> | 0.021755 |
| | |
| <u><i>Commercial</i></u> | 0.013054 |
| 15% Rebate | |
| | |
| Government | 0.021755 |
| 0 Rebates | |
| <u><i>Farms</i></u> | 0.002720 |
| 70% Rebate | |
| | |
| <u><i>Industrial</i></u> | 0.013054 |
| 15% Rebate | |
| | |
| <u><i>Municipal</i></u> | 0.013054 |
| 100% discount | |
| | |

Table 4 Comparison between current electricity charges and increases

| | DESCRIPTION | New Tariff Including VAT 2023/2024 | Increase for 2024/2025 | New Tariff VAT Excluded 2024/2025 | New Tariff Including VAT 2024/2025 |
|-----------|---|---------------------------------------|---------------------------|---|---|
| | | | | | |
| 6 | ELECTRICITY CHARGES | | | | |
| | Electricity tariff subject to National Electricity Regulator S.A approval | | | | Electricity tariff subject to National Electricity Regulator S.A approval |
| | The charges payable by consumers for the supply of electricity shall be as follows: | | | | |
| 6.1 | Scale 1: Domestic Consumers | | | | |
| (a) | Basic charge, single or three phase per household per month. Plus the following kWh charges per month. | R 752.38 | 11.65 | 730.4597563 | R 840.03 |
| | 0-50 | R 1.67 | 11.65 | 1.619912326 | R 1.86 |
| | 51-350 | R 2.17 | 11.65 | 2.104727989 | R 2.42 |
| | 351-600 | R 3.07 | 11.65 | 2.977930661 | R 3.42 |
| | 600 over | R 3.68 | 11.65 | 3.568528336 | R 4.10 |
| (b) | Scale 2: Commercial & Other Consumers | | | | |
| | Basic charge of consumers with the following kVA installed per month | | | | |
| | 0 - 25 KVA | R 834.32 | 11.65 | 810.0174826 | R 931.52 |
| | Commercial unit charge: | R 3.27 | 11.65 | 3.174988744 | R 3.65 |
| | 26 - 64 KVA | R 3,110.20 | 11.65 | 3019.597328 | R 3,472.54 |
| | Commercial unit charge: | R 3.32 | 11.65 | 3.227449046 | R 3.71 |
| | 65 KVA and more | R 18,198.43 | 11.65 | 17668.30174 | R 20,318.55 |
| | Commercial unit charge: | R 3.32 | 11.65 | 3.227449046 | R 3.71 |
| (c) | Scale 3: Pre-Paid Metre Units | | | | |
| | Domestic: | | | | |
| | That a flat rate per kWh | | | | |
| | 0-50 | R 1.65 | 11.65 | 1.604220845 | R 1.84 |
| | 51-350 | R 2.15 | 11.65 | 2.091759526 | R 2.41 |
| | 351-600 | R 3.05 | 11.65 | 2.96495746 | R 3.41 |
| | 600 over | R 3.66 | 11.65 | 3.553805348 | R 4.09 |
| | Commercial Prepaid | | | | |
| | That a flat rate per kWh | | | | |
| | 0 - 2000 kWh | R 3.33 | 11.65 | 3.231250517 | R 3.72 |
| (d) | Scale 4: Schools/School Hostels | | | | |
| | "Schools defined as the majority of its Teachers paid for by the Government or State Education Department." | | | | |
| | Basic Charges per month, | R 600.23 | 11.65 | 582.7428473 | R 670.15 |
| | Plus the following charger per kWh per month | | | | |
| | 0 - 2000 kWh | R 2.26 | 11.65 | 2.193002512 | R 2.52 |
| | 2000 - and more | R 2.26 | 11.65 | 2.193002512 | R 2.52 |
| 6.2 | Special Agreements | | | | |
| | The Council reserves the right in special circumstances to enter into special agreements subject to the approval of the Premier of the supply of electrical energy to consumers. | | | | |
| 6.3 | Change of Scale | | | | |
| | Where a consumer elects to change from any one scale to any other scale, he shall notify the Municipal Manager in writing at least 30 days prior to the date on which the elected scale shall take effect, and shall remain on such elected scale for a period of not less than 12 months. | | | | |
| 6.4 | Supply to Separate Consumers on same Premises | | | | |
| | Where electricity is supplied to shops and dwellings or flats situated on the same premises such shops and dwellings or flats shall be regarded as separately occupied buildings, and the charges for the supply of electricity shall be as prescribed in applicable scales. | | | | |
| 6.5 | Payment of Accounts | | | | |
| (a) | All accounts for the supply of electricity shall become due and payable on demand but not later than the last working day of the month following the month to which such accounts relate. Any account which remains unpaid after such date shall be subject to a penalty of 1,5%. Please note that a portion of a month shall be deemed a full month. | | | | |
| (b) | The Council may disconnect the supply of electricity where any account remains unpaid at the end of the month following the month in respect of which such account was rendered and the supply of electricity shall only be resumed on payment of a charge of R123.35 excl. VAT in addition to all other outstanding charges. | R 127.05 | 11.65 | 123.3484508 | R 141.85 |
| (c) | Consumers shall be responsible for obtaining statements of their accounts so as to enable them to effect payment thereof within the prescribed period. | | | | |
| 6.6 | Deposits | | | | |
| | Every consumer shall when making application for a supply of electricity deposit with the Council the applicable amount as tabled hereunder. | | | | |
| (a) | Domestic consumers | R 4,600.00 | 11.65 | 5136.00 | R 5,136.00 |
| (b) | Small power consumers with installation not exceeding 25 KVA | R 11,500.00 | 11.65 | 12840.00 | R 12,840.00 |
| (c) | Medium power consumers with a demand exceeding 25kVA but not exceeding 64 Kva | R 20,125.00 | 11.65 | 22470.00 | R 22,470.00 |
| (d) | Large power consumers with a demand exceeding 65KVA to supply a bank guarantee equal to two months estimated average usage. | | | | |
| 41 | Connection Fees and other Charges | | | | |
| (a) | Commercial and other consumers electricity connection fees and be charged at cost of materials, labour, supervision plus 10% payable in advance. | | | | |
| (b) | Domestic consumers electricity connection fees payable in advance. | | | | |

Waste Removal and Impact of Tariff Increases

Currently solid waste removal is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case. The Municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to this deficit are repairs and maintenance on vehicles, increases in general expenditure such as fuel and oil and the employee related cost.

No increase on the waste tariff is proposed from for the 2024/25 budget year.

The following table compares current and proposed amounts payable for the 204/25 MTREF Table 5

Comparison between current waste removal fees and increases

1.1.1 Overall impact of tariff increases on households

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

Table 6 EC441 MATATIELE LOCAL MUNICIPALITY Table SA14 – Household bills

| Description | ### | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | 2024/25 Medium Term Revenue & Expenditure Framework | | | |
|--|-----|-------------------|-------------------|------------------|----------------------|------------------|--------------------|---|---------------------|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2024/25 % incr. | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| Rand/cent | | | | | | | | | | | |
| Monthly Account for Household - 'Middle Income Range' | 1 | | | | | | | | | | |
| Rates and services charges: | | | | | | | | | | | |
| Property rates | | 355.79 | 355.79 | 355.79 | 411.87 | 411.87 | 411.87 | -100.00% | - | - | - |
| Electricity: Basic levy | | 247.76 | 247.76 | 247.76 | - | - | - | 0.00% | 0.16 | 0.16 | 0.16 |
| Electricity: Consumption | | 745.45 | 745.45 | 745.45 | - | - | - | 0.00% | 0.16 | 0.16 | 0.16 |
| Water: Basic levy | | - | - | - | - | - | - | 0.00% | - | - | - |
| Water: Consumption | | - | - | - | - | - | - | 0.00% | - | - | - |
| Sanitation | | - | - | - | - | - | - | 0.00% | - | - | - |
| Refuse removal | | 117.99 | 117.99 | 132.00 | 139.20 | 139.20 | 139.20 | -100.00% | - | - | - |
| Other | | - | - | - | - | - | - | 0.00% | - | - | - |
| sub-total | | 1 466.99 | 1 466.99 | 1 481.00 | 551.07 | 551.07 | 551.07 | (99.9%) | 0.32 | 0.32 | 0.32 |
| VAT on Services | | - | - | - | - | - | - | 0.00% | - | - | - |
| Total large household bill: | | 1 466.99 | 1 466.99 | 1 481.00 | 551.07 | 551.07 | 551.07 | (99.9%) | 0.32 | 0.32 | 0.32 |
| % increase/decrease | | - | - | 1.0% | (62.8%) | - | - | (100.2%) | (99.9%) | - | - |
| Monthly Account for Household - 'Affordable Range' | 2 | | | | | | | | | | |
| Rates and services charges: | | | | | | | | | | | |
| Property rates | | 322.72 | 355.79 | 355.79 | 411.87 | 411.87 | 411.87 | -100.00% | 0.03 | 0.03 | 0.03 |
| Electricity: Basic levy | | 219.00 | 248.00 | 248.00 | 258.00 | 258.00 | 258.00 | -100.00% | 0.07 | 0.07 | 0.07 |
| Electricity: Consumption | | 660.00 | 745.00 | 745.00 | 775.00 | 775.00 | 775.00 | -100.00% | 0.07 | 0.07 | 0.07 |
| Water: Basic levy | | - | - | - | - | - | - | 0.00% | - | - | - |
| Water: Consumption | | - | - | - | - | - | - | 0.00% | - | - | - |
| Sanitation | | - | - | - | - | - | - | 0.00% | - | - | - |
| Refuse removal | | 50.85 | 117.99 | 132.00 | 139.00 | 139.00 | 139.00 | -100.00% | - | - | - |
| Other | | - | - | - | - | - | - | 0.00% | - | - | - |
| sub-total | | 1 252.57 | 1 466.78 | 1 480.79 | 1 583.87 | 1 583.87 | 1 583.87 | (100.0%) | 0.17 | 0.17 | 0.17 |
| VAT on Services | | - | - | - | - | - | - | 0.00% | - | - | - |
| Total small household bill: | | 1 252.57 | 1 466.78 | 1 480.79 | 1 583.87 | 1 583.87 | 1 583.87 | (100.0%) | 0.17 | 0.17 | 0.17 |
| % increase/decrease | | - | 17.1% | 1.0% | 7.0% | - | - | (100.1%) | (100.0%) | - | - |
| Monthly Account for Household - 'Indigent' | 3 | | | | | | | | | | |
| Household receiving free basic services | | | | | | | | | | | |
| Rates and services charges: | | | | | | | | | | | |
| Property rates | | 30 000.00 | 30 000.00 | 55 000.00 | 65 000.00 | 65 000.00 | 65 000.00 | 0.00% | 65 000.00 | 65 000.00 | 65 000.00 |
| Electricity: Basic levy | | - | - | - | - | - | - | 0.00% | - | - | - |
| Electricity: Consumption | | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 0.00% | 50.00 | 50.00 | 50.00 |
| Water: Basic levy | | - | - | - | - | - | - | 0.00% | - | - | - |
| Water: Consumption | | - | - | - | - | - | - | 0.00% | - | - | - |
| Sanitation | | - | - | - | - | - | - | 0.00% | - | - | - |
| Refuse removal | | 72 813.69 | 76 454.37 | 132.00 | 139.00 | 139.00 | 139.00 | 0.00% | 139.00 | 139.00 | 139.00 |
| Other | | - | - | - | - | - | - | 0.00% | - | - | - |
| sub-total | | 102 863.69 | 106 504.37 | 55 182.00 | 65 189.00 | 65 189.00 | 65 189.00 | - | 65 189.00 | 65 189.00 | 65 189.00 |
| VAT on Services | | - | - | - | - | - | - | 0.00% | - | - | - |
| Total small household bill: | | 102 863.69 | 106 504.37 | 55 182.00 | 65 189.00 | 65 189.00 | 65 189.00 | - | 65 189.00 | 65 189.00 | 65 189.00 |
| % increase/decrease | | - | 3.5% | (48.2%) | 18.1% | - | - | (100.0%) | - | - | - |

Operating Expenditure Framework

The Municipality's expenditure framework for the 2024/25 budget and MTREF is informed by the following:

- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- Strict adherences to the principle of no project plan no budget.
- Cost containment regulations

The following table is a high level summary of the 2024/25 budget and MTREF (classified per main type of operating expenditure):

Table 7 Summary of operating expenditure by standard classification item

| Description | ### | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|---------------------------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| Expenditure | | | | | | | | | | | |
| Employee related costs | 2 | 119 453 | 128 507 | 146 840 | 161 717 | 168 730 | 168 730 | 168 730 | 174 999 | 162 969 | 152 390 |
| Remuneration of councillors | | 19 979 | 21 444 | 22 872 | 25 320 | 25 320 | 25 320 | 25 320 | 26 401 | 27 312 | 28 595 |
| Bulk purchases - electricity | 2 | 48 196 | 58 161 | 58 340 | 71 075 | 71 075 | 71 075 | 71 075 | 76 246 | 79 982 | 83 741 |
| Inventory consumed | 8 | 5 757 | 6 075 | 5 748 | 7 629 | 7 191 | 7 191 | 7 191 | 6 897 | 7 406 | 7 754 |
| Debt impairment | 3 | - | - | - | - | - | - | - | - | - | - |
| Depreciation and amortisation | | 83 800 | 56 094 | 64 712 | 53 300 | 53 300 | 53 300 | 53 300 | 52 790 | 58 523 | 61 273 |
| Interest | | 14 | 35 | 134 | - | - | - | - | - | - | - |
| Contracted services | | 93 160 | 100 450 | 134 393 | 113 385 | 159 484 | 159 484 | 159 484 | 160 782 | 169 252 | 149 881 |
| Transfers and subsidies | | - | - | - | - | - | - | - | - | - | - |
| Irrecoverable debts written off | | 27 338 | 17 651 | 13 361 | 6 000 | 7 000 | 7 000 | 7 000 | 6 294 | 3 602 | 3 913 |
| Operational costs | | 39 240 | 49 557 | 59 793 | 76 325 | 71 965 | 71 965 | 71 965 | 80 058 | 69 065 | 60 713 |
| Losses on disposal of Assets | | - | 78 219 | 64 569 | - | - | - | - | - | - | - |
| Other Losses | | - | - | - | - | - | - | - | - | - | - |
| Total Expenditure | | 436 938 | 516 193 | 570 761 | 514 751 | 564 066 | 564 066 | 564 066 | 584 466 | 578 110 | 548 260 |

The budgeted allocation for employee related costs for the 2024/25 financial year totals

R 174,9 million, which equals 34 per cent of the total operating expenditure. The municipality has effected an increase of 4.9 % for the 2024/2025 budget year.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been considered in compiling the Municipality's budget.

The provision of debt impairment was determined based on an annual collection rate of 85 per cent and the Debt Write-off Policy of the Municipality. For the 2024/25 financial year this amount equates to R 6,2 million and forecasted to R 3,9 million by 2026/27. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R 52,7 million for the 2024/2025 financial and equates to 9 per cent of the total operating expenditure.

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

Other material comprises of amongst others materials for maintenance.

For 2024/25 budget year the appropriation against this group of expenditure is by 1 per cent and is maintained at 1 per cent for the two outer years.

Other expenditure comprises of various line items relating to the daily operations of the municipality. The appropriation for this group of expenditures equates to 13 per cent for 2024/25.

1.1.2 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2024/25 budget and MTREF provide for extensive growth in the area of asset maintenance, as informed by the asset renewal strategy and repairs and maintenance plan of the Municipality. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services.

The table below provides a breakdown of the repairs and maintenance in relation expenditure items:

Table 8 Repairs and maintenance by expenditure item

| Description | ### | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousand | | | | | | | | | | |
| EXPENDITURE OTHER ITEMS | | 63 618 | 74 026 | 70 525 | 78 945 | 74 995 | 74 995 | 81 270 | 89 062 | 85 573 |
| Depreciation | 7 | 42 843 | 54 938 | 55 782 | 53 300 | 53 300 | 53 300 | 52 790 | 58 523 | 61 273 |
| Repairs and Maintenance by Asset Class | 3 | 20 774 | 19 089 | 14 743 | 25 645 | 21 695 | 21 695 | 28 480 | 30 539 | 24 300 |
| Roads Infrastructure | | 8 714 | 4 513 | 205 | 4 300 | 3 210 | 3 210 | 3 500 | 3 468 | 3 636 |
| Storm water Infrastructure | | - | - | - | - | - | - | - | - | - |
| Electrical Infrastructure | | - | - | - | - | - | - | - | - | - |
| Water Supply Infrastructure | | - | - | - | - | - | - | - | - | - |
| Sanitation Infrastructure | | - | - | - | - | - | - | - | - | - |
| Solid Waste Infrastructure | | - | - | - | - | - | - | - | - | - |
| Rail Infrastructure | | - | - | - | - | - | - | - | - | - |
| Coastal Infrastructure | | - | - | - | - | - | - | - | - | - |
| Information and Communication Infrastructure | | - | - | - | - | - | - | - | - | - |
| Infrastructure | | 8 714 | 4 513 | 205 | 4 300 | 3 210 | 3 210 | 3 500 | 3 468 | 3 636 |
| Community Facilities | | 989 | 1 491 | 1 064 | 1 800 | 1 450 | 1 450 | 2 550 | 3 667 | 3 790 |
| Sport and Recreation Facilities | | 6 125 | 7 523 | 7 434 | 11 900 | 9 755 | 9 755 | 8 500 | 10 402 | 3 274 |
| Community Assets | | 7 114 | 9 014 | 8 498 | 13 700 | 11 205 | 11 205 | 11 050 | 14 069 | 7 064 |
| Heritage Assets | | - | - | - | - | - | - | - | - | - |
| Revenue Generating | | - | - | - | - | - | - | - | - | - |
| Non-revenue Generating | | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - |
| Operational Buildings | | 1 311 | 715 | 393 | 1 750 | 1 665 | 1 665 | 4 750 | 4 655 | 4 869 |
| Housing | | - | - | - | - | - | - | - | - | - |
| Other Assets | | 1 311 | 715 | 393 | 1 750 | 1 665 | 1 665 | 4 750 | 4 655 | 4 869 |
| Biological or Cultivated Assets | | - | - | - | - | - | - | - | - | - |
| Servitudes | | - | - | - | - | - | - | - | - | - |
| Licences and Rights | | - | - | - | - | - | - | - | - | - |
| Intangible Assets | | - | - | - | - | - | - | - | - | - |
| Computer Equipment | | - | - | - | - | - | - | - | - | - |
| Furniture and Office Equipment | | - | - | - | - | - | - | - | - | - |
| Machinery and Equipment | | 1 261 | 1 277 | 1 350 | 1 895 | 1 215 | 1 215 | 3 780 | 3 954 | 4 136 |
| Transport Assets | | 2 375 | 3 570 | 4 297 | 4 000 | 4 400 | 4 400 | 5 400 | 4 393 | 4 595 |
| Land | | - | - | - | - | - | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - | - | - | - | - | - |
| Mature | | - | - | - | - | - | - | - | - | - |
| Immature | | - | - | - | - | - | - | - | - | - |
| Living Resources | | - | - | - | - | - | - | - | - | - |
| TOTAL EXPENDITURE OTHER ITEMS | | 63 618 | 74 026 | 70 525 | 78 945 | 74 995 | 74 995 | 81 270 | 89 062 | 85 573 |
| Renewal and upgrading of Existing Assets as % of total capex | | 30.3% | 17.4% | 35.6% | 17.3% | 28.1% | 28.1% | 41.1% | 38.6% | 30.0% |
| Renewal and upgrading of Existing Assets as % of deprecn | | 107.0% | 60.1% | 63.2% | 59.1% | 121.4% | 121.4% | 142.5% | 86.4% | 50.3% |
| R&M as a % of PPE | | 2.6% | 2.1% | 1.6% | 2.2% | 2.1% | 2.1% | 3.4% | 3.8% | 3.3% |
| Renewal and upgrading and R&M as a % of PPE | | 8.2% | 5.8% | 5.6% | 5.0% | 8.3% | 8.3% | 12.3% | 10.2% | 7.4% |

For the 2024/25 financial year repairs and maintenance is budgeted at R 28,4 million this equates to 5% of the total operating budget.

1.5.2 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services, the households are required to register in terms of the Municipality's Indigent Policy. The target is to register 12 000 or more indigent households during the 2024/25 financial year, a process reviewed annually.

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

1.2 Capital expenditure

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

Table 09 2024/25 Medium-term capital budget per vote

| Vote Description | ### | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousand | 1 | | | | | | | | | | |
| Capital expenditure - Vote | | | | | | | | | | | |
| Multi-year expenditure to be appropriated | 2 | | | | | | | | | | |
| Vote 1 - Executive Council | | - | - | - | - | - | - | - | - | - | - |
| Vote 2 - Finance and Admin | | - | - | - | - | - | - | - | - | - | - |
| Vote 3 - Corporate | | - | - | - | - | - | - | - | - | - | - |
| Vote 4 - Development and Planning | | - | - | - | - | - | - | - | - | - | - |
| Vote 5 - Community | | - | - | - | - | - | - | - | - | - | - |
| Vote 6 - Infrastructure | | - | - | - | - | - | - | - | - | - | - |
| Vote 7 - Internal Audit | | - | - | - | - | - | - | - | - | - | - |
| Vote 8 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 9 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 11 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 12 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 13 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 14 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 15 - | | - | - | - | - | - | - | - | - | - | - |
| Capital multi-year expenditure sub-total | 7 | - | - | - | - | - | - | - | - | - | - |
| Single-year expenditure to be appropriated | 2 | | | | | | | | | | |
| Vote 1 - Executive Council | | 3 574 | 74 | - | 70 | 70 | 70 | 70 | 90 | - | - |
| Vote 2 - Finance and Admin | | 4 061 | 562 | 3 867 | 3 900 | 3 900 | 3 900 | 3 900 | 3 225 | 136 | 142 |
| Vote 3 - Corporate | | 2 516 | 4 698 | 1 704 | 2 610 | 2 760 | 2 760 | 2 760 | 3 920 | 596 | 1 678 |
| Vote 4 - Development and Planning | | 19 040 | 163 | - | 130 | 57 164 | 57 164 | 57 164 | 8 705 | 1 046 | 6 911 |
| Vote 5 - Community | | 984 | 2 484 | 2 417 | 9 130 | 9 280 | 9 280 | 9 280 | 16 360 | 2 270 | 2 724 |
| Vote 6 - Infrastructure | | 120 986 | 181 979 | 90 916 | 164 017 | 155 356 | 155 356 | 155 356 | 150 683 | 126 725 | 91 109 |
| Vote 7 - Internal Audit | | - | - | - | 1 860 | 1 560 | 1 560 | 1 560 | - | - | - |
| Vote 8 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 9 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 11 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 12 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 13 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 14 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 15 - | | - | - | - | - | - | - | - | - | - | - |
| Capital single-year expenditure sub-total | | 151 160 | 189 960 | 98 903 | 181 717 | 230 090 | 230 090 | 230 090 | 182 983 | 130 773 | 102 564 |
| Total Capital Expenditure - Vote | | 151 160 | 189 960 | 98 903 | 181 717 | 230 090 | 230 090 | 230 090 | 182 983 | 130 773 | 102 564 |

1.3 Annual Budget Tables

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2024/25 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes* on the facing page.

MBRR Table A1 - Budget Summary

| Description | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|--|-----------------|-----------------|------------------|----------------------|------------------|--------------------|-------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousands | | | | | | | | | | |
| Financial Performance | | | | | | | | | | |
| Property rates | 46 575 | 48 726 | 48 716 | 54 360 | 54 360 | 54 360 | 54 360 | 61 937 | 65 653 | 69 592 |
| Service charges | 68 589 | 68 146 | 70 828 | 86 942 | 86 942 | 86 942 | 86 942 | 91 972 | 96 478 | 101 013 |
| Investment revenue | 8 835 | 9 599 | 19 146 | 17 200 | 28 813 | 28 813 | 28 813 | 28 813 | 30 225 | 31 645 |
| Transfer and subsidies - Operational | 306 535 | 267 351 | 293 763 | 318 510 | 318 093 | 318 093 | 318 093 | 360 244 | 343 949 | 333 572 |
| Other own revenue | 22 151 | 24 248 | 25 956 | 37 741 | 37 461 | 37 461 | 37 461 | 41 503 | 37 977 | 45 507 |
| Total Revenue (excluding capital transfers and contributions) | 452 685 | 418 070 | 458 408 | 514 753 | 525 668 | 525 668 | 525 668 | 584 469 | 574 282 | 581 329 |
| Employee costs | 119 453 | 128 507 | 146 840 | 161 717 | 168 730 | 168 730 | 168 730 | 174 999 | 162 969 | 152 390 |
| Remuneration of councillors | 19 979 | 21 444 | 22 872 | 25 320 | 25 320 | 25 320 | 25 320 | 26 401 | 27 312 | 28 595 |
| Depreciation and amortisation | 83 800 | 56 094 | 64 712 | 53 300 | 53 300 | 53 300 | 53 300 | 52 790 | 58 523 | 61 273 |
| Interest | 14 | 35 | 134 | — | — | — | — | — | — | — |
| Inventory consumed and bulk purchases | 53 954 | 64 236 | 64 088 | 78 705 | 78 267 | 78 267 | 78 267 | 83 143 | 87 387 | 91 495 |
| Transfers and subsidies | — | — | — | — | — | — | — | — | — | — |
| Other expenditure | 159 738 | 245 877 | 272 116 | 195 709 | 238 449 | 238 449 | 238 449 | 247 133 | 241 919 | 214 507 |
| Total Expenditure | 436 938 | 516 193 | 570 761 | 514 751 | 564 066 | 564 066 | 564 066 | 584 466 | 578 110 | 548 260 |
| Surplus/(Deficit) | 15 748 | (98 124) | (112 354) | 2 | (38 398) | (38 398) | (38 398) | 2 | (3 829) | 33 069 |
| Transfers and subsidies - capital (monetary allocations) | 92 926 | 165 532 | 108 353 | 95 481 | 181 254 | 181 254 | 181 254 | 96 747 | 81 860 | 62 180 |
| Transfers and subsidies - capital (in-kind) | — | — | — | — | — | — | — | — | — | — |
| Surplus/(Deficit) after capital transfers & contributions | 108 674 | 67 408 | (4 001) | 95 483 | 142 856 | 142 856 | 142 856 | 96 749 | 78 032 | 95 249 |
| Share of Surplus/(Deficit) attributable to Associate | — | — | — | — | — | — | — | — | — | — |
| Surplus/(Deficit) for the year | 108 674 | 67 408 | (4 001) | 95 483 | 142 856 | 142 856 | 142 856 | 96 749 | 78 032 | 95 249 |
| Capital expenditure & funds sources | | | | | | | | | | |
| Capital expenditure | 151 160 | 189 960 | 98 903 | 181 717 | 230 090 | 230 090 | 230 090 | 182 983 | 130 773 | 102 564 |
| Transfers recognised - capital | 78 907 | 141 845 | 50 769 | 95 481 | 143 854 | 143 854 | 143 854 | 96 747 | 81 860 | 62 180 |
| Borrowing | — | — | — | — | — | — | — | — | — | — |
| Internally generated funds | 72 253 | 47 709 | 48 134 | 86 236 | 86 236 | 86 236 | 86 236 | 86 236 | 48 912 | 40 383 |
| Total sources of capital funds | 151 160 | 189 554 | 98 903 | 181 717 | 230 090 | 230 090 | 230 090 | 182 983 | 130 773 | 102 564 |
| Financial position | | | | | | | | | | |
| Investments | — | — | — | — | — | — | — | — | — | — |
| LIABILITIES | — | — | — | — | — | — | — | — | — | — |
| Financial liabilities | — | — | — | — | — | — | — | — | — | — |
| NET ASSETS | 1 344 032 | 1 261 983 | 1 233 710 | 1 629 334 | 1 602 291 | 1 602 291 | 1 602 291 | 1 232 317 | 1 310 349 | 1 405 598 |
| Community wealth/Equity | — | — | — | — | — | — | — | — | — | — |
| Cash flows | | | | | | | | | | |
| Net cash from (used) operating | 491 348 | 340 998 | 353 025 | 147 918 | 196 291 | 196 291 | 196 291 | 177 947 | 155 372 | 170 539 |
| Net cash from (used) investing | (161 457) | (188 241) | (143 199) | (181 717) | (230 090) | (230 090) | (230 090) | (182 983) | (130 773) | (102 564) |
| Net cash from (used) financing | — | — | — | — | — | — | — | — | — | — |
| Cash/cash equivalents at the year end | 329 891 | 377 179 | 446 558 | 326 924 | 285 300 | 285 300 | 285 300 | 290 162 | 314 761 | 382 737 |
| Cash backing/surplus reconciliation | | | | | | | | | | |
| Non current investments | 4 461 | 12 340 | 4 904 | — | — | — | — | 20 746 | 20 746 | 20 746 |
| Statutory requirements | (186 782) | (188 509) | (147 885) | 299 079 | 286 938 | 286 938 | 286 938 | 211 734 | 250 817 | 309 153 |
| Balance - surplus (shortfall) | 191 243 | 200 849 | 152 789 | (299 079) | (286 938) | (286 938) | (286 938) | (190 988) | (230 070) | (288 407) |
| Asset management | | | | | | | | | | |
| Asset register summary (WDV) | 808 393 | 905 956 | 901 065 | 1 145 895 | 1 046 935 | 1 046 935 | — | 842 540 | 796 502 | 749 793 |
| Depreciation | 42 843 | 54 938 | 55 782 | 53 300 | 53 300 | 53 300 | — | 52 790 | 58 523 | 61 273 |
| Renewal and Upgrading of Existing Assets | 45 856 | 32 993 | 35 241 | 31 517 | 64 699 | 64 699 | — | 75 243 | 50 537 | 30 801 |
| Repairs and Maintenance | 20 774 | 19 089 | 14 743 | 25 645 | 21 695 | 21 695 | — | 28 480 | 30 539 | 24 300 |
| Free services | | | | | | | | | | |
| Cost of Free Basic Services provided | — | — | — | — | — | — | — | — | — | — |
| Revenue cost of free services provided | 0 | — | — | 15 945 | 15 945 | 15 945 | — | 20 127 | 21 335 | 22 615 |
| Households below minimum service level | | | | | | | | | | |
| Water: | — | — | — | — | — | — | — | — | — | — |
| Sanitation/sewerage: | — | — | — | — | — | — | — | — | — | — |
| Energy: | — | — | — | — | — | — | — | — | — | — |
| Refuse: | — | — | — | — | — | — | — | — | — | — |

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasise the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected on the Financial Performance Budget;
 - ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
 - iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed. These places the municipality in a very vulnerable financial position, as the recent slow-down in revenue collections highlighted. Consequently, Council has taken a deliberate decision to ensure adequate cash-backing for all material obligations in accordance with the recently adopted Funding and Reserves Policy. This cannot be achieved in one financial year. But over the MTREF there is progressive improvement in the level of cash-backing of obligations. It is anticipated that the goal of having all obligations cash-back will be achieved by 2024/25, when a small surplus is reflected.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

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

| Functional Classification Description | ### | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|---------------------------------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousand | 1 | | | | | | | | | |
| Revenue - Functional | | | | | | | | | | |
| Governance and administration | | 369 360 | 333 981 | 372 020 | 403 019 | 414 562 | 414 562 | 438 117 | 442 154 | 440 243 |
| Executive and council | | - | - | - | - | - | - | - | - | - |
| Finance and administration | | 369 360 | 333 981 | 372 020 | 403 019 | 414 562 | 414 562 | 438 117 | 442 154 | 440 243 |
| Internal audit | | - | - | - | - | - | - | - | - | - |
| Community and public safety | | 9 482 | 11 464 | 12 997 | 12 190 | 11 909 | 11 909 | 14 604 | 9 863 | 10 099 |
| Community and social services | | 4 965 | 6 057 | 6 664 | 6 989 | 6 708 | 6 708 | 8 904 | 3 687 | 3 844 |
| Sport and recreation | | - | - | - | - | - | - | - | - | - |
| Public safety | | 4 517 | 5 407 | 6 334 | 5 201 | 5 201 | 5 201 | 5 700 | 5 976 | 6 256 |
| Housing | | - | - | - | - | - | - | - | - | - |
| Health | | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | | 61 176 | 68 038 | 63 015 | 62 020 | 149 852 | 149 852 | 104 188 | 85 099 | 67 122 |
| Planning and development | | 691 | 171 | 868 | 3 504 | 60 292 | 60 292 | 5 502 | 211 | 1 658 |
| Road transport | | 60 486 | 67 867 | 62 147 | 58 516 | 89 560 | 89 560 | 98 686 | 84 887 | 65 464 |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| Trading services | | 105 593 | 170 119 | 118 729 | 133 005 | 130 599 | 130 599 | 124 307 | 119 226 | 126 044 |
| Energy sources | | 91 192 | 156 620 | 106 919 | 113 716 | 111 216 | 111 216 | 105 494 | 102 663 | 107 283 |
| Water management | | - | - | - | - | - | - | - | - | - |
| Waste water management | | - | - | - | - | - | - | - | - | - |
| Waste management | | 14 401 | 13 498 | 11 810 | 19 289 | 19 383 | 19 383 | 18 813 | 16 563 | 18 761 |
| Other | 4 | - | - | - | - | - | - | - | - | - |
| Total Revenue - Functional | 2 | 545 611 | 583 602 | 566 760 | 610 234 | 706 922 | 706 922 | 681 216 | 656 142 | 643 509 |
| Expenditure - Functional | | | | | | | | | | |
| Governance and administration | | 209 526 | 241 964 | 213 148 | 233 487 | 249 822 | 249 822 | 256 861 | 249 998 | 215 393 |
| Executive and council | | 24 561 | 28 897 | 30 685 | 33 967 | 33 664 | 33 664 | 35 348 | 36 737 | 38 454 |
| Finance and administration | | 181 677 | 208 687 | 178 892 | 194 744 | 211 319 | 211 319 | 216 649 | 208 140 | 171 582 |
| Internal audit | | 3 287 | 4 380 | 3 571 | 4 775 | 4 839 | 4 839 | 4 864 | 5 121 | 5 357 |
| Community and public safety | | 32 878 | 35 002 | 46 537 | 51 797 | 70 013 | 70 013 | 55 502 | 50 930 | 54 232 |
| Community and social services | | 13 826 | 15 738 | 24 553 | 27 466 | 46 638 | 46 638 | 29 281 | 24 713 | 26 787 |
| Sport and recreation | | - | - | - | - | - | - | - | - | - |
| Public safety | | 19 052 | 19 264 | 21 984 | 24 331 | 23 375 | 23 375 | 26 221 | 26 217 | 27 445 |
| Housing | | - | - | - | - | - | - | - | - | - |
| Health | | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | | 63 504 | 72 266 | 125 473 | 105 773 | 83 530 | 83 530 | 115 059 | 128 717 | 134 382 |
| Planning and development | | 17 620 | 19 907 | 19 784 | 38 759 | 39 209 | 39 209 | 48 686 | 59 152 | 62 260 |
| Road transport | | 45 884 | 52 359 | 105 689 | 67 014 | 44 321 | 44 321 | 66 373 | 69 565 | 72 122 |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| Trading services | | 131 030 | 166 961 | 185 604 | 123 893 | 160 701 | 160 701 | 157 044 | 148 464 | 144 253 |
| Energy sources | | 96 944 | 141 882 | 168 806 | 102 345 | 139 049 | 139 049 | 131 098 | 132 688 | 136 205 |
| Water management | | - | - | - | - | - | - | - | - | - |
| Waste water management | | - | - | - | - | - | - | - | - | - |
| Waste management | | 34 085 | 25 079 | 16 798 | 21 348 | 21 651 | 21 651 | 25 946 | 15 776 | 8 048 |
| Other | 4 | - | - | - | - | - | - | - | - | - |
| Total Expenditure - Functional | 3 | 436 938 | 516 193 | 570 761 | 514 751 | 564 066 | 564 066 | 584 466 | 578 110 | 548 260 |
| Surplus/(Deficit) for the year | | 108 674 | 67 408 | (4 001) | 95 483 | 142 856 | 142 856 | 96 749 | 78 032 | 95 249 |

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

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.
3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures.

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

| Vote Description | ### | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|---|----------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousand | | | | | | | | | | |
| Revenue by Vote | 1 | | | | | | | | | |
| Vote 1 - Executive Council | | - | - | - | - | - | - | - | - | - |
| Vote 2 - Finance and Admin | | 369 140 | 333 448 | 371 565 | 402 544 | 414 207 | 414 207 | 437 767 | 441 788 | 439 142 |
| Vote 3 - Corporate | | 221 | 533 | 454 | 475 | 355 | 355 | 350 | 366 | 1 101 |
| Vote 4 - Development and Planning | | 508 | 283 | 846 | 3 504 | 60 292 | 60 292 | 5 502 | 211 | 1 658 |
| Vote 5 - Community | | 23 883 | 24 963 | 24 807 | 31 479 | 31 292 | 31 292 | 33 416 | 26 226 | 28 861 |
| Vote 6 - Infrastructure | | 151 860 | 224 375 | 169 087 | 172 232 | 200 776 | 200 776 | 204 180 | 187 551 | 172 747 |
| Vote 7 - Internal Audit | | - | - | - | - | - | - | - | - | - |
| Vote 8 - | | - | - | - | - | - | - | - | - | - |
| Vote 9 - | | - | - | - | - | - | - | - | - | - |
| Vote 10 - | | - | - | - | - | - | - | - | - | - |
| Vote 11 - | | - | - | - | - | - | - | - | - | - |
| Vote 12 - | | - | - | - | - | - | - | - | - | - |
| Vote 13 - | | - | - | - | - | - | - | - | - | - |
| Vote 14 - | | - | - | - | - | - | - | - | - | - |
| Vote 15 - | | - | - | - | - | - | - | - | - | - |
| Total Revenue by Vote | 2 | 545 611 | 583 602 | 566 760 | 610 234 | 706 922 | 706 922 | 681 216 | 656 142 | 643 509 |
| Expenditure by Vote to be appropriated | 1 | | | | | | | | | |
| Vote 1 - Executive Council | | 24 561 | 28 897 | 30 685 | 33 967 | 33 664 | 33 664 | 35 348 | 36 737 | 38 454 |
| Vote 2 - Finance and Admin | | 114 110 | 144 926 | 106 403 | 111 852 | 120 004 | 120 004 | 125 287 | 119 387 | 112 160 |
| Vote 3 - Corporate | | 67 567 | 63 761 | 72 489 | 82 892 | 91 315 | 91 315 | 91 362 | 88 753 | 59 423 |
| Vote 4 - Development and Planning | | 20 280 | 20 957 | 19 940 | 38 759 | 39 209 | 39 209 | 48 686 | 59 152 | 62 260 |
| Vote 5 - Community | | 66 963 | 60 081 | 63 335 | 73 146 | 91 665 | 91 665 | 81 448 | 66 707 | 62 280 |
| Vote 6 - Infrastructure | | 140 169 | 193 191 | 274 339 | 169 359 | 183 370 | 183 370 | 197 471 | 202 253 | 208 327 |
| Vote 7 - Internal Audit | | 3 287 | 4 380 | 3 571 | 4 775 | 4 839 | 4 839 | 4 864 | 5 121 | 5 357 |
| Vote 8 - | | - | - | - | - | - | - | - | - | - |
| Vote 9 - | | - | - | - | - | - | - | - | - | - |
| Vote 10 - | | - | - | - | - | - | - | - | - | - |
| Vote 11 - | | - | - | - | - | - | - | - | - | - |
| Vote 12 - | | - | - | - | - | - | - | - | - | - |
| Vote 13 - | | - | - | - | - | - | - | - | - | - |
| Vote 14 - | | - | - | - | - | - | - | - | - | - |
| Vote 15 - | | - | - | - | - | - | - | - | - | - |
| Total Expenditure by Vote | 2 | 436 938 | 516 193 | 570 761 | 514 751 | 564 066 | 564 066 | 584 466 | 578 110 | 548 260 |
| Surplus/(Deficit) for the year | 2 | 108 674 | 67 408 | (4 001) | 95 483 | 142 856 | 142 856 | 96 749 | 78 032 | 95 249 |

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

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

Table A4 - Budgeted Financial Performance (revenue and expenditure)

| Description | ### | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|--|----------|-----------------|-----------------|------------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousand | 1 | | | | | | | | | | |
| Revenue | | | | | | | | | | | |
| Exchange Revenue | | | | | | | | | | | |
| Service charges - Electricity | 2 | 57 058 | 56 530 | 59 114 | 71 416 | 71 416 | 71 416 | 71 416 | 76 446 | 80 146 | 83 930 |
| Service charges - Water | 2 | - | - | - | - | - | - | - | - | - | - |
| Service charges - Waste Water Management | 2 | - | - | - | - | - | - | - | - | - | - |
| Service charges - Waste Management | 2 | 11 531 | 11 615 | 11 713 | 15 525 | 15 525 | 15 525 | 15 525 | 15 525 | 16 332 | 17 083 |
| Sale of Goods and Rendering of Services | | 789 | 923 | 870 | 3 930 | 3 649 | 3 649 | 3 649 | 5 946 | 681 | 4 303 |
| Agency services | | - | - | - | - | - | - | - | - | - | - |
| Interest | | - | - | - | - | - | - | - | - | - | - |
| Interest earned from Receivables | | 1 371 | 2 168 | 1 313 | 6 500 | 6 500 | 6 500 | 6 500 | 2 200 | 2 308 | 2 416 |
| Interest earned from Current and Non Current Assets | | 8 835 | 9 599 | 19 146 | 17 200 | 28 813 | 28 813 | 28 813 | 28 813 | 30 225 | 31 645 |
| Dividends | | - | - | - | - | - | - | - | - | - | - |
| Rent on Land | | 172 | 144 | 206 | - | - | - | - | - | - | - |
| Rental from Fixed Assets | | 1 398 | 1 260 | 1 237 | 2 028 | 2 028 | 2 028 | 2 028 | 2 028 | 2 127 | 2 227 |
| Licence and permits | | 3 770 | 3 503 | 3 596 | 4 094 | 4 094 | 4 094 | 4 094 | 4 522 | 4 744 | 4 967 |
| Operational Revenue | | 114 | 283 | 264 | 965 | 965 | 965 | 965 | 892 | 933 | 3 131 |
| Non-Exchange Revenue | | | | | | | | | | | |
| Property rates | 2 | 46 575 | 48 726 | 48 716 | 54 360 | 54 360 | 54 360 | 54 360 | 61 937 | 65 653 | 69 592 |
| Surcharges and Taxes | | - | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | | 762 | 2 058 | 2 754 | 1 769 | 1 769 | 1 769 | 1 769 | 25 890 | 27 159 | 28 435 |
| Licences or permits | | 17 | (96) | 64 | 25 | 25 | 25 | 25 | 25 | 26 | 27 |
| Transfer and subsidies - Operational | | 306 535 | 267 351 | 293 763 | 318 510 | 318 093 | 318 093 | 318 093 | 360 244 | 343 949 | 333 572 |
| Interest | | 11 986 | 14 020 | 14 956 | 18 431 | 18 431 | 18 431 | 18 431 | - | - | - |
| Fuel Levy | | - | - | - | - | - | - | - | - | - | - |
| Operational Revenue | | - | - | - | - | - | - | - | - | - | - |
| Gains on disposal of Assets | | 333 | - | 104 | - | - | - | - | - | - | - |
| Other Gains | | 1 468 | (15) | 591 | - | - | - | - | - | - | - |
| Discontinued Operations | | - | - | - | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contrib | | 452 685 | 418 070 | 458 408 | 514 753 | 525 668 | 525 668 | 525 668 | 584 469 | 574 282 | 581 329 |
| Expenditure | | | | | | | | | | | |
| Employee related costs | 2 | 119 453 | 128 507 | 146 840 | 161 717 | 168 730 | 168 730 | 168 730 | 174 999 | 162 969 | 152 390 |
| Remuneration of councillors | | 19 979 | 21 444 | 22 872 | 25 320 | 25 320 | 25 320 | 25 320 | 26 401 | 27 312 | 28 595 |
| Bulk purchases - electricity | 2 | 48 196 | 58 161 | 58 340 | 71 075 | 71 075 | 71 075 | 71 075 | 76 246 | 79 982 | 83 741 |
| Inventory consumed | 8 | 5 757 | 6 075 | 5 748 | 7 629 | 7 191 | 7 191 | 7 191 | 6 897 | 7 406 | 7 754 |
| Debt impairment | 3 | - | - | - | - | - | - | - | - | - | - |
| Depreciation and amortisation | | 83 800 | 56 094 | 64 712 | 53 300 | 53 300 | 53 300 | 53 300 | 52 790 | 58 523 | 61 273 |
| Interest | | 14 | 35 | 134 | - | - | - | - | - | - | - |
| Contracted services | | 93 160 | 100 450 | 134 393 | 113 385 | 159 484 | 159 484 | 159 484 | 160 782 | 169 252 | 149 881 |
| Transfers and subsidies | | - | - | - | - | - | - | - | - | - | - |
| Irrecoverable debts written off | | 27 338 | 17 651 | 13 361 | 6 000 | 7 000 | 7 000 | 7 000 | 6 294 | 3 602 | 3 913 |
| Operational costs | | 39 240 | 49 557 | 59 793 | 76 325 | 71 965 | 71 965 | 71 965 | 80 058 | 69 065 | 60 713 |
| Losses on disposal of Assets | | - | 78 219 | 64 569 | - | - | - | - | - | - | - |
| Other Losses | | - | - | - | - | - | - | - | - | - | - |
| Total Expenditure | | 436 938 | 516 193 | 570 761 | 514 751 | 564 066 | 564 066 | 564 066 | 584 466 | 578 110 | 548 260 |
| Surplus/(Deficit) | | 15 748 | (98 124) | (112 354) | 2 | (38 398) | (38 398) | (38 398) | 2 | (3 829) | 33 069 |
| Transfers and subsidies - capital (monetary) | 6 | 92 926 | 165 532 | 108 353 | 95 481 | 181 254 | 181 254 | 181 254 | 96 747 | 81 860 | 62 180 |
| Transfers and subsidies - capital (in-kind) | 6 | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | | 108 674 | 67 408 | (4 001) | 95 483 | 142 856 | 142 856 | 142 856 | 96 749 | 78 032 | 95 249 |
| Income Tax | | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after income tax | | 108 674 | 67 408 | (4 001) | 95 483 | 142 856 | 142 856 | 142 856 | 96 749 | 78 032 | 95 249 |
| Share of Surplus/Deficit attributable to Joint Venture | | - | - | - | - | - | - | - | - | - | - |
| Share of Surplus/Deficit attributable to Minorities | | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) attributable to municipality | | 108 674 | 67 408 | (4 001) | 95 483 | 142 856 | 142 856 | 142 856 | 96 749 | 78 032 | 95 249 |
| Share of Surplus/Deficit attributable to Associate | 7 | - | - | - | - | - | - | - | - | - | - |
| Intercompany/Parent subsidiary transactions | | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) for the year | 1 | 108 674 | 67 408 | (4 001) | 95 483 | 142 856 | 142 856 | 142 856 | 96 749 | 78 032 | 95 249 |

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

1. Total revenue is R 584,4 million (excluding capital and reduces to R 581, million by 2026/27.
2. Revenue to be generated from property rates is R 61,9 million in the 2024/25 financial year and increases to R 67,9 million by 2026/27 which represents 9 per cent of the own operating revenue base of the Municipality and therefore remains a significant funding source for the municipality's own revenue.
3. Services charges relating to electricity and refuse removal constitutes the biggest component of the revenue basket of the Municipality totalling R 91,9 million for the 2043/25 financial year and increasing to R 101, million by 2026/27. For the 2024/25 financial year services charges amount to 14 per cent of the total operating revenue base. This growth can mainly be attributed to the increase in the bulk prices of electricity.
4. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. The percentage share of this revenue source increases each year as per the allocations on the DORA.
5. Bulk purchases amount to R 76,2 million and increases to R 83,7 million for 2026/27. These increases can be attributed to the substantial increase in the cost of bulk electricity from Eskom.
6. Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.

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

| Vote Description | R thousand | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|---|------------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| Capital expenditure - Vote | | | | | | | | | | | |
| Multi-year expenditure - to be appropriated | 2 | | | | | | | | | | |
| Vote 1 - Executive Council | | - | - | - | - | - | - | - | - | - | - |
| Vote 2 - Finance and Admin | | - | - | - | - | - | - | - | - | - | - |
| Vote 3 - Corporate | | - | - | - | - | - | - | - | - | - | - |
| Vote 4 - Development and Planning | | - | - | - | - | - | - | - | - | - | - |
| Vote 5 - Community | | - | - | - | - | - | - | - | - | - | - |
| Vote 6 - Infrastructure | | - | - | - | - | - | - | - | - | - | - |
| Vote 7 - Internal Audit | | - | - | - | - | - | - | - | - | - | - |
| Vote 8 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 9 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 11 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 12 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 13 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 14 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 15 - | | - | - | - | - | - | - | - | - | - | - |
| Capital multi-year expenditure sub-total | 7 | - | - | - | - | - | - | - | - | - | - |
| Single-year expenditure - to be appropriated | 2 | | | | | | | | | | |
| Vote 1 - Executive Council | | 3 574 | 74 | - | 70 | 70 | 70 | 70 | 90 | - | - |
| Vote 2 - Finance and Admin | | 4 061 | 562 | 3 957 | 3 900 | 3 900 | 3 900 | 3 900 | 3 225 | 136 | 142 |
| Vote 3 - Corporate | | 2 516 | 4 698 | 1 704 | 2 610 | 2 760 | 2 760 | 2 760 | 3 920 | 596 | 1 678 |
| Vote 4 - Development and Planning | | 19 040 | 163 | - | 130 | 57 164 | 57 164 | 57 164 | 8 705 | 1 046 | 6 911 |
| Vote 5 - Community | | 984 | 2 484 | 2 417 | 9 130 | 9 280 | 9 280 | 9 280 | 16 360 | 2 270 | 2 734 |
| Vote 6 - Infrastructure | | 120 986 | 181 979 | 90 916 | 164 017 | 155 356 | 155 356 | 155 356 | 150 683 | 125 725 | 91 109 |
| Vote 7 - Internal Audit | | - | - | - | 1 860 | 1 560 | 1 560 | 1 560 | - | - | - |
| Vote 8 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 9 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 11 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 12 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 13 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 14 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 15 - | | - | - | - | - | - | - | - | - | - | - |
| Capital single-year expenditure sub-total | | 151 160 | 189 960 | 98 903 | 181 717 | 230 090 | 230 090 | 230 090 | 182 983 | 130 773 | 102 564 |
| Total Capital Expenditure - Vote | | 151 160 | 189 960 | 98 903 | 181 717 | 230 090 | 230 090 | 230 090 | 182 983 | 130 773 | 102 564 |
| Capital Expenditure - Functional | | | | | | | | | | | |
| Governance and administration | | 10 150 | 5 334 | 5 571 | 8 440 | 8 290 | 8 290 | 8 290 | 7 235 | 732 | 1 820 |
| Executive and council | | 3 574 | 74 | - | 70 | 70 | 70 | 70 | 90 | - | - |
| Finance and administration | | 6 576 | 5 260 | 5 571 | 6 510 | 6 660 | 6 660 | 6 660 | 7 145 | 732 | 1 820 |
| Internal audit | | - | - | - | 1 860 | 1 560 | 1 560 | 1 560 | - | - | - |
| Community and public safety | | 830 | 1 366 | 2 086 | 4 600 | 5 050 | 5 050 | 5 050 | 10 410 | 73 | 427 |
| Community and social services | | 675 | 166 | 373 | 910 | 1 360 | 1 360 | 1 360 | 2 510 | 73 | 127 |
| Sport and recreation | | - | - | - | - | - | - | - | - | - | - |
| Public safety | | 155 | 1 199 | 1 713 | 3 690 | 3 690 | 3 690 | 3 690 | 7 900 | - | 300 |
| Housing | | - | - | - | - | - | - | - | - | - | - |
| Health | | - | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | | 92 462 | 84 209 | 87 929 | 99 791 | 189 921 | 189 921 | 189 921 | 149 738 | 127 091 | 97 308 |
| Planning and development | | 488 | 163 | - | 130 | 57 164 | 57 164 | 57 164 | 8 705 | 1 046 | 6 911 |
| Road transport | | 91 974 | 84 047 | 87 929 | 99 661 | 132 758 | 132 758 | 132 758 | 141 033 | 126 045 | 90 397 |
| Environmental protection | | - | - | - | - | - | - | - | - | - | - |
| Trading services | | 47 718 | 99 051 | 3 318 | 68 886 | 26 829 | 26 829 | 26 829 | 15 600 | 2 876 | 3 009 |
| Energy services | | 47 564 | 97 933 | 2 987 | 64 356 | 22 599 | 22 599 | 22 599 | 9 650 | 680 | 711 |
| Water management | | - | - | - | - | - | - | - | - | - | - |
| Waste water management | | - | - | - | - | - | - | - | - | - | - |
| Waste management | | 154 | 1 119 | 330 | 4 530 | 4 230 | 4 230 | 4 230 | 5 950 | 2 197 | 2 298 |
| Other | | - | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure - Functional | 3 | 151 160 | 189 960 | 98 903 | 181 717 | 230 090 | 230 090 | 230 090 | 182 983 | 130 773 | 102 564 |
| Funded by: | | | | | | | | | | | |
| National Government | | 78 786 | 141 845 | 50 769 | 95 481 | 86 820 | 86 820 | 86 820 | 95 797 | 81 860 | 62 180 |
| Provincial Government | | 121 | - | - | - | 57 034 | 57 034 | 57 034 | 950 | - | - |
| District Municipality | | - | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions) | | - | - | - | - | - | - | - | - | - | - |
| Transfers recognised - capital | 4 | 78 907 | 141 845 | 50 769 | 95 481 | 143 854 | 143 854 | 143 854 | 96 747 | 81 860 | 62 180 |
| Borrowing | 6 | - | - | - | - | - | - | - | - | - | - |
| Internally generated funds | | 72 253 | 47 709 | 48 134 | 86 236 | 86 236 | 86 236 | 86 236 | 86 236 | 48 912 | 40 383 |
| Total Capital Funding | 7 | 151 160 | 189 554 | 98 903 | 181 717 | 230 090 | 230 090 | 230 090 | 182 983 | 130 773 | 102 564 |

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

- Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
- The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations.

3. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.

The capital programme is funded from capital and provincial grants and transfers, public contributions and donations and internally generated funds from current year surpluses. These funding sources are further discussed in detail in 2.6 (Overview of Budget Funding).

MBRR Table A6 -Budgeted Financial Position**Explanatory notes to Table A6 - Budgeted Financial Position**

| Description | ### | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousand | | | | | | | | | | | |
| ASSETS | | | | | | | | | | | |
| Current assets | | | | | | | | | | | |
| Cash and cash equivalents | | 224 422 | 236 732 | 254 787 | 326 924 | 285 300 | 285 300 | 285 300 | 290 162 | 269 912 | 298 719 |
| Trade and other receivables from exchange transactions | 1 | (13 393) | (20 836) | (27 588) | 125 378 | 103 587 | 103 587 | 103 587 | 126 604 | 139 166 | 152 820 |
| Receivables from non-exchange transactions | 1 | 103 001 | 126 487 | 143 549 | 52 209 | 32 890 | 32 890 | 32 890 | 37 651 | 46 133 | 54 471 |
| Current portion of non-current receivables | | – | – | – | – | – | – | – | – | – | – |
| Inventory | 2 | 2 137 | 1 874 | 1 605 | 2 025 | 2 580 | 2 580 | 2 580 | 3 041 | 3 041 | 3 041 |
| VAT | | 59 135 | 71 028 | 82 019 | 17 322 | 2 200 | 2 200 | 2 200 | 18 836 | 18 577 | 18 596 |
| Other current assets | | 4 696 | 4 961 | 5 319 | – | – | – | – | 5 048 | 5 048 | 5 048 |
| Total current assets | | 379 998 | 420 248 | 459 690 | 523 858 | 426 557 | 426 557 | 426 557 | 481 343 | 481 876 | 532 694 |
| Non current assets | | | | | | | | | | | |
| Investments | | – | – | – | – | – | – | – | – | – | – |
| Investment property | | 4 960 | 4 960 | 4 960 | 4 960 | 6 542 | 6 542 | 6 542 | 4 960 | 4 960 | 4 960 |
| Property, plant and equipment | 3 | 1 122 708 | 1 029 447 | 972 419 | 1 297 761 | 1 245 716 | 1 245 716 | 1 245 716 | 981 457 | 1 053 707 | 1 094 997 |
| Biological assets | | – | – | – | – | – | – | – | – | – | – |
| Living and non-living resources | | – | – | – | – | – | – | – | – | – | – |
| Heritage assets | | – | 870 | 1 543 | – | 1 543 | 1 543 | 1 543 | 1 543 | 1 543 | 1 543 |
| Intangible assets | | 403 | 206 | 911 | 1 975 | 550 | 550 | 550 | 652 | 652 | 652 |
| Trade and other receivables from exchange transactions | | – | – | – | – | – | – | – | – | – | – |
| Non-current receivables from non-exchange transactions | | – | – | – | – | – | – | – | – | – | – |
| Other non-current assets | | – | – | – | – | – | – | – | – | – | – |
| Total non current assets | | 1 128 072 | 1 035 483 | 979 833 | 1 304 697 | 1 254 350 | 1 254 350 | 1 254 350 | 988 611 | 1 060 861 | 1 102 151 |
| TOTAL ASSETS | | 1 508 070 | 1 455 730 | 1 439 523 | 1 828 554 | 1 680 907 | 1 680 907 | 1 680 907 | 1 469 954 | 1 542 738 | 1 634 846 |
| LIABILITIES | | | | | | | | | | | |
| Current liabilities | | | | | | | | | | | |
| Bank overdraft | | – | – | – | – | – | – | – | – | – | – |
| Financial liabilities | | – | – | – | – | – | – | – | – | – | – |
| Consumer deposits | | 1 497 | 1 578 | 1 636 | 413 | 465 | 465 | 465 | 472 | 472 | 472 |
| Trade and other payables from exchange transactions | 4 | 47 666 | 54 068 | 57 688 | 56 071 | 61 200 | 61 200 | 61 200 | 126 890 | 120 966 | 117 145 |
| Trade and other payables from non-exchange transactions | 5 | 4 461 | 12 340 | 4 904 | – | – | – | – | 20 746 | 20 746 | 20 746 |
| Provision | | 12 357 | 11 350 | 11 816 | 90 868 | 29 993 | 29 993 | 29 993 | 29 993 | 29 993 | 29 993 |
| VAT | | 57 369 | 68 021 | 81 928 | 13 041 | (13 041) | (13 041) | (13 041) | 20 285 | 20 961 | 21 642 |
| Other current liabilities | | 2 961 | 2 961 | 2 961 | – | – | – | – | – | – | – |
| Total current liabilities | | 126 310 | 150 317 | 160 933 | 160 394 | 78 617 | 78 617 | 78 617 | 198 388 | 193 138 | 189 997 |
| Non current liabilities | | | | | | | | | | | |
| Financial liabilities | 6 | – | – | – | – | – | – | – | – | – | – |
| Provision | 7 | 24 191 | 28 828 | 30 382 | 38 827 | – | – | – | 39 250 | 39 250 | 39 250 |
| Long term portion of trade payables | | – | – | – | – | – | – | – | – | – | – |
| Other non-current liabilities | | 13 536 | 14 601 | 14 497 | – | – | – | – | – | – | – |
| Total non current liabilities | | 37 728 | 43 429 | 44 880 | 38 827 | – | – | – | 39 250 | 39 250 | 39 250 |
| TOTAL LIABILITIES | | 164 038 | 193 746 | 205 813 | 199 221 | 78 617 | 78 617 | 78 617 | 237 637 | 232 388 | 229 248 |
| NET ASSETS | | 1 344 032 | 1 261 983 | 1 233 710 | 1 629 334 | 1 602 291 | 1 602 291 | 1 602 291 | 1 232 317 | 1 310 349 | 1 405 598 |
| COMMUNITY WEALTH/EQUITY | | | | | | | | | | | |
| Accumulated surplus/(deficit) | 8 | 891 573 | 866 600 | 881 389 | 1 543 098 | 1 525 339 | 1 525 339 | 1 525 339 | 1 146 081 | 1 261 437 | 1 365 215 |
| Reserves and funds | 9 | 452 460 | 395 384 | 352 321 | 86 236 | 76 952 | 76 952 | 76 952 | 86 236 | 48 912 | 40 383 |
| Other | | – | – | – | – | – | – | – | – | – | – |
| TOTAL COMMUNITY WEALTH/EQUITY | 10 | 1 344 032 | 1 261 983 | 1 233 710 | 1 629 334 | 1 602 291 | 1 602 291 | 1 602 291 | 1 232 317 | 1 310 349 | 1 405 598 |

1. Table A6 is consistent with international standards of good financial management practice, and improves understand ability for councillors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
4. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table A7 - Budgeted Cash Flow Statement

| Description | ### | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousand | | | | | | | | | | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Property rates | | 17 483 | 36 620 | 43 708 | 43 488 | 43 488 | 43 488 | 43 488 | 52 646 | 55 805 | 59 153 |
| Service charges | | 54 759 | 62 021 | 70 126 | 76 730 | 76 730 | 76 730 | 76 730 | 80 376 | 84 314 | 88 277 |
| Other revenue | | 33 631 | 15 705 | 21 974 | 51 959 | 51 679 | 51 679 | 51 679 | 84 503 | 75 203 | 78 785 |
| Transfers and Subsidies - Operational | 1 | 309 461 | 266 202 | 293 564 | 318 510 | 318 093 | 318 093 | 318 093 | 360 244 | 343 949 | 333 572 |
| Transfers and Subsidies - Capital | 1 | 92 926 | 174 749 | 119 841 | 95 481 | 181 254 | 181 254 | 181 254 | 96 747 | 81 860 | 62 180 |
| Interest | | – | 4 385 | 18 991 | 17 200 | 28 813 | 28 813 | 28 813 | 28 813 | 30 225 | 31 645 |
| Dividends | | – | – | – | – | – | – | – | – | – | – |
| Payments | | | | | | | | | | | |
| Suppliers and employees | | (16 912) | (218 683) | (215 178) | (455 451) | (503 766) | (503 766) | (503 766) | (525 383) | (515 985) | (483 074) |
| Interest | | – | – | – | – | – | – | – | – | – | – |
| Transfers and Subsidies | 1 | – | – | – | – | – | – | – | – | – | – |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 491 348 | 340 998 | 353 025 | 147 918 | 196 291 | 196 291 | 196 291 | 177 947 | 155 372 | 170 539 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Proceeds on disposal of PPE | | – | – | – | – | – | – | – | – | – | – |
| VAT Control (receipts) | | – | – | – | – | – | – | – | – | – | – |
| Decrease (increase) in non-current receivables | | – | – | – | – | – | – | – | – | – | – |
| Decrease (increase) in non-current investments | | – | – | – | – | – | – | – | – | – | – |
| Payments | | | | | | | | | | | |
| Capital assets | | (161 457) | (188 241) | (143 199) | (181 717) | (230 090) | (230 090) | (230 090) | (182 983) | (130 773) | (102 564) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | (161 457) | (188 241) | (143 199) | (181 717) | (230 090) | (230 090) | (230 090) | (182 983) | (130 773) | (102 564) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Short term loans | | – | – | – | – | – | – | – | – | – | – |
| Borrowing long term/refinancing | | – | – | – | – | – | – | – | – | – | – |
| Increase (decrease) in consumer deposits | | – | – | – | – | – | – | – | – | – | – |
| Payments | | | | | | | | | | | |
| Repayment of borrowing | | – | – | – | – | – | – | – | – | – | – |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | – | – | – | – | – | – | – | – | – | – |
| NET INCREASE/ (DECREASE) IN CASH HELD | | 329 891 | 152 757 | 209 826 | (33 799) | (33 799) | (33 799) | (33 799) | (5 036) | 24 599 | 67 976 |
| Cash/cash equivalents at the year begin: | 2 | – | 224 422 | 236 732 | 360 723 | 319 099 | 319 099 | 319 099 | 295 199 | 290 162 | 314 761 |
| Cash/cash equivalents at the year end: | 2 | 329 891 | 377 179 | 446 558 | 326 924 | 285 300 | 285 300 | 285 300 | 290 162 | 314 761 | 382 737 |

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. The 2024/25 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium-term.
4. The estimated surplus for the 2024/25 MTREF is based on enhancing the going concern principle of the municipality, the cash and cash equivalents is estimated at R 290,1 million and R 382,7 million in 2025/26 outer year.

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

| Description | Ref | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousand | | | | | | | | | | | |
| Cash and investments available | | | | | | | | | | | |
| Cash/cash equivalents at the year end | 1 | 329 891 | 377 179 | 446 558 | 326 924 | 285 300 | 285 300 | 285 300 | 290 162 | 314 761 | 382 737 |
| Other current investments > 90 days | | (105 469) | (140 447) | (191 771) | - | - | - | - | - | (44 850) | (84 018) |
| Non current Investments | 1 | - | - | - | - | - | - | - | - | - | - |
| Cash and investments available: | | 224 422 | 236 732 | 254 787 | 326 924 | 285 300 | 285 300 | 285 300 | 290 162 | 269 912 | 298 719 |
| Application of cash and investments | | | | | | | | | | | |
| Unspent conditional transfers | | 4 461 | 12 340 | 4 904 | - | - | - | - | 20 746 | 20 746 | 20 746 |
| Unspent borrowing | | - | - | - | - | - | - | - | - | - | - |
| Statutory requirements | 2 | 57 702 | 77 577 | 84 484 | (4 281) | (15 241) | (15 241) | (15 241) | 1 449 | 2 384 | 3 046 |
| Other working capital requirements | 3 | (31 008) | (43 719) | (66 225) | (144 978) | (93 341) | (93 341) | (93 341) | (59 996) | (82 940) | (104 602) |
| Other provisions | | 15 318 | 14 310 | 14 776 | 90 868 | 29 993 | 29 993 | 29 993 | 29 993 | 29 993 | 29 993 |
| Long term investments committed | 4 | - | - | - | - | - | - | - | - | - | - |
| Reserves to be backed by cash/investments | 5 | 364 732 | 364 732 | 364 732 | 86 236 | 76 952 | 76 952 | 76 952 | 86 236 | 48 912 | 40 383 |
| Total Application of cash and investments: | | 411 204 | 425 241 | 402 672 | 27 845 | (1 637) | (1 637) | (1 637) | 78 428 | 19 095 | (10 434) |
| Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits | | (186 782) | (188 509) | (147 885) | 299 079 | 286 938 | 286 938 | 286 938 | 211 734 | 250 817 | 309 153 |
| Creditors transferred to Debt Relief - Non-Current portion | | - | - | - | - | - | - | - | - | - | - |
| Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits | | (186 782) | (188 509) | (147 885) | 299 079 | 286 938 | 286 938 | 286 938 | 211 734 | 250 817 | 309 153 |

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Considering the requirements of section 18 of the MFMA, it can be concluded that the tabled 2024/25 MTREF is funded.
5. As part of the budgeting and planning guidelines that informed the compilation of the 2024/25 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.

A9 - Asset Management

| Description | #### | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|--|------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousand | | | | | | | | | | |
| CAPITAL EXPENDITURE | | | | | | | | | | |
| <u>Total New Assets</u> | 1 | 105 305 | 156 967 | 63 662 | 150 200 | 165 390 | 165 390 | 107 740 | 80 235 | 71 763 |
| Roads Infrastructure | | 23 224 | 47 311 | 44 126 | 63 147 | 65 164 | 65 164 | 60 044 | 64 941 | 51 599 |
| Storm water Infrastructure | | — | — | — | — | — | — | 1 000 | 1 046 | 1 094 |
| Electrical Infrastructure | | 46 153 | 97 236 | 6 239 | 55 129 | 13 439 | 13 439 | 2 650 | 680 | 711 |
| Water Supply Infrastructure | | — | — | — | 300 | 750 | 750 | 400 | — | — |
| Sanitation Infrastructure | | — | — | — | — | — | — | — | — | — |
| Solid Waste Infrastructure | | — | — | — | 1 700 | 1 440 | 1 440 | 1 700 | — | — |
| Rail Infrastructure | | — | — | — | — | — | — | — | — | — |
| Coastal Infrastructure | | — | — | — | — | — | — | — | — | — |
| Information and Communication Infrastructure | | 923 | 898 | 343 | 250 | 250 | 250 | 550 | — | — |
| Infrastructure | | 70 299 | 145 445 | 50 708 | 120 526 | 81 043 | 81 043 | 66 344 | 66 667 | 53 404 |
| Community Facilities | | 400 | 907 | — | 500 | 500 | 500 | 2 535 | 2 652 | 2 774 |
| Sport and Recreation Facilities | | 5 323 | 1 634 | 92 | 4 308 | 4 308 | 4 308 | 1 185 | 1 083 | 1 132 |
| Community Assets | | 5 723 | 2 541 | 92 | 4 808 | 4 808 | 4 808 | 3 720 | 3 734 | 3 806 |
| Heritage Assets | | — | — | — | — | — | — | — | — | — |
| Revenue Generating | | — | — | — | — | — | — | — | — | — |
| Non-revenue Generating | | — | — | — | — | — | — | — | — | — |
| Investment properties | | — | — | — | — | — | — | — | — | — |
| Operational Buildings | | 17 937 | 2 464 | 2 918 | 6 100 | 3 481 | 3 481 | 6 900 | 1 674 | 4 413 |
| Housing | | — | — | — | — | 57 034 | 57 034 | — | — | — |
| Other Assets | | 17 937 | 2 464 | 2 918 | 6 100 | 60 515 | 60 515 | 6 900 | 1 674 | 4 413 |
| Biological or Cultivated Assets | | — | — | — | — | — | — | — | — | — |
| Servitudes | | — | — | — | — | — | — | — | — | — |
| Licences and Rights | | — | 50 | — | 2 150 | 1 950 | 1 950 | 300 | — | — |
| Intangible Assets | | — | 50 | — | 2 150 | 1 950 | 1 950 | 300 | — | — |
| Computer Equipment | | 2 661 | 4 328 | 1 757 | 2 350 | 2 430 | 2 430 | 4 110 | 230 | 1 295 |
| Furniture and Office Equipment | | 3 952 | 301 | 225 | 1 085 | 1 245 | 1 245 | 1 475 | 575 | 652 |
| Machinery and Equipment | | 1 228 | 1 837 | 3 203 | 4 280 | 4 320 | 4 320 | 7 080 | — | 400 |
| Transport Assets | | 3 504 | — | 4 760 | 8 900 | 9 080 | 9 080 | 17 811 | 7 355 | 7 663 |
| Land | | — | — | — | — | — | — | — | — | — |
| Zoo's, Marine and Non-biological Animals | | — | — | — | — | — | — | — | — | — |
| Mature | | — | — | — | — | — | — | — | — | — |
| Immature | | — | — | — | — | — | — | — | — | — |
| Living Resources | | — | — | — | — | — | — | — | — | — |
| <u>Total Renewal of Existing Assets</u> | 2 | — | — | 4 106 | — | 33 886 | 33 886 | 51 292 | 34 376 | 11 270 |
| Roads Infrastructure | | — | — | 4 106 | — | 33 886 | 33 886 | 51 292 | 34 376 | 11 270 |
| Storm water Infrastructure | | — | — | — | — | — | — | — | — | — |
| Electrical Infrastructure | | — | — | — | — | — | — | — | — | — |
| Water Supply Infrastructure | | — | — | — | — | — | — | — | — | — |
| Sanitation Infrastructure | | — | — | — | — | — | — | — | — | — |
| Solid Waste Infrastructure | | — | — | — | — | — | — | — | — | — |
| Rail Infrastructure | | — | — | — | — | — | — | — | — | — |
| Coastal Infrastructure | | — | — | — | — | — | — | — | — | — |
| Information and Communication Infrastructure | | — | — | — | — | — | — | — | — | — |
| Infrastructure | | — | — | 4 106 | — | 33 886 | 33 886 | 51 292 | 34 376 | 11 270 |
| Community Facilities | | — | — | — | — | — | — | — | — | — |
| Sport and Recreation Facilities | | — | — | — | — | — | — | — | — | — |
| Community Assets | | — | — | — | — | — | — | — | — | — |
| Heritage Assets | | — | — | — | — | — | — | — | — | — |
| Revenue Generating | | — | — | — | — | — | — | — | — | — |
| Non-revenue Generating | | — | — | — | — | — | — | — | — | — |
| Investment properties | | — | — | — | — | — | — | — | — | — |
| Operational Buildings | | — | — | — | — | — | — | — | — | — |
| Housing | | — | — | — | — | — | — | — | — | — |
| Other Assets | | — | — | — | — | — | — | — | — | — |
| Biological or Cultivated Assets | | — | — | — | — | — | — | — | — | — |

| Description | ### | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousand | | | | | | | | | | |
| | | | | | | | | | | |
| Total Upgrading of Existing Assets | 6 | 45 856 | 32 993 | 31 135 | 31 517 | 30 813 | 30 813 | 23 951 | 16 162 | 19 531 |
| Roads Infrastructure | | 44 876 | 32 536 | 26 477 | 18 750 | 15 994 | 15 994 | 14 413 | 12 984 | 13 153 |
| Storm water Infrastructure | | - | - | - | - | - | - | - | - | - |
| Electrical Infrastructure | | - | 240 | 1 995 | 5 667 | 5 600 | 5 600 | 1 600 | 1 151 | 1 204 |
| Water Supply Infrastructure | | - | - | - | - | - | - | - | - | - |
| Sanitation Infrastructure | | - | - | - | - | - | - | - | - | - |
| Solid Waste Infrastructure | | - | 217 | - | - | - | - | - | - | - |
| Rail Infrastructure | | - | - | - | - | - | - | - | - | - |
| Coastal Infrastructure | | - | - | - | - | - | - | - | - | - |
| Information and Communication Infrastructure | | - | - | - | - | - | - | - | - | - |
| Infrastructure | | 44 876 | 32 993 | 28 472 | 24 417 | 21 594 | 21 594 | 16 013 | 14 135 | 14 357 |
| Community Facilities | | - | - | - | - | - | - | 1 500 | - | 1 054 |
| Sport and Recreation Facilities | | 280 | - | 2 663 | 5 000 | 7 119 | 7 119 | 4 438 | 2 027 | 2 120 |
| Community Assets | | 280 | - | 2 663 | 5 000 | 7 119 | 7 119 | 5 938 | 2 027 | 3 174 |
| Heritage Assets | | - | - | - | - | - | - | - | - | - |
| Revenue Generating | | - | - | - | - | - | - | - | - | - |
| Non-revenue Generating | | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - |
| Operational Buildings | | 614 | - | - | 2 100 | 2 100 | 2 100 | 2 000 | - | 2 000 |
| Housing | | - | - | - | - | - | - | - | - | - |
| Other Assets | | 614 | - | - | 2 100 | 2 100 | 2 100 | 2 000 | - | 2 000 |
| Biological or Cultivated Assets | | - | - | - | - | - | - | - | - | - |
| Servitudes | | - | - | - | - | - | - | - | - | - |
| Licences and Rights | | - | - | - | - | - | - | - | - | - |
| Intangible Assets | | - | - | - | - | - | - | - | - | - |
| Computer Equipment | | - | - | - | - | - | - | - | - | - |
| Furniture and Office Equipment | | - | - | - | - | - | - | - | - | - |
| Machinery and Equipment | | 85 | - | - | - | - | - | - | - | - |
| Transport Assets | | - | - | - | - | - | - | - | - | - |
| Land | | - | - | - | - | - | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - | - | - | - | - | - |
| Mature | | - | - | - | - | - | - | - | - | - |
| Immature | | - | - | - | - | - | - | - | - | - |
| Living Resources | | - | - | - | - | - | - | - | - | - |
| | | | | | | | | | | |
| Total Capital Expenditure | 4 | 151 180 | 189 960 | 98 903 | 181 717 | 230 090 | 230 090 | 182 983 | 130 773 | 102 564 |
| Roads Infrastructure | | 68 100 | 79 847 | 74 710 | 81 897 | 115 044 | 115 044 | 125 749 | 112 302 | 76 022 |
| Storm water Infrastructure | | - | - | - | - | - | - | 1 000 | 1 046 | 1 094 |
| Electrical Infrastructure | | 46 153 | 97 476 | 8 234 | 60 796 | 19 039 | 19 039 | 4 250 | 1 830 | 1 915 |
| Water Supply Infrastructure | | - | - | - | 300 | 750 | 750 | 400 | - | - |
| Sanitation Infrastructure | | - | - | - | - | - | - | - | - | - |
| Solid Waste Infrastructure | | - | 217 | - | 1 700 | 1 440 | 1 440 | 1 700 | - | - |
| Rail Infrastructure | | - | - | - | - | - | - | - | - | - |
| Coastal Infrastructure | | - | - | - | - | - | - | - | - | - |
| Information and Communication Infrastructure | | 923 | 898 | 343 | 250 | 250 | 250 | 550 | - | - |
| Infrastructure | | 115 175 | 178 439 | 83 287 | 144 943 | 136 523 | 136 523 | 133 649 | 115 178 | 79 031 |
| Community Facilities | | 400 | 907 | - | 500 | 500 | 500 | 4 035 | 2 652 | 3 828 |
| Sport and Recreation Facilities | | 5 602 | 1 634 | 2 754 | 9 308 | 11 427 | 11 427 | 5 623 | 3 109 | 3 252 |
| Community Assets | | 6 002 | 2 541 | 2 754 | 9 808 | 11 927 | 11 927 | 9 658 | 5 761 | 7 080 |
| Heritage Assets | | - | - | - | - | - | - | - | - | - |
| Revenue Generating | | - | - | - | - | - | - | - | - | - |
| Non-revenue Generating | | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - |
| Operational Buildings | | 18 551 | 2 464 | 2 918 | 8 200 | 5 581 | 5 581 | 8 900 | 1 674 | 6 413 |
| Housing | | - | - | - | - | 57 034 | 57 034 | - | - | - |
| Other Assets | | 18 551 | 2 464 | 2 918 | 8 200 | 62 615 | 62 615 | 8 900 | 1 674 | 6 413 |
| Biological or Cultivated Assets | | - | - | - | - | - | - | - | - | - |
| Servitudes | | - | - | - | - | - | - | - | - | - |
| Licences and Rights | | - | 50 | - | 2 150 | 1 950 | 1 950 | 300 | - | - |
| Intangible Assets | | - | 50 | - | 2 150 | 1 950 | 1 950 | 300 | - | - |
| Computer Equipment | | 2 661 | 4 328 | 1 757 | 2 350 | 2 430 | 2 430 | 4 110 | 230 | 1 295 |
| Furniture and Office Equipment | | 3 952 | 301 | 225 | 1 085 | 1 245 | 1 245 | 1 475 | 575 | 652 |
| Machinery and Equipment | | 1 314 | 1 837 | 3 203 | 4 280 | 4 320 | 4 320 | 7 080 | - | 400 |

| | | | | | | | | | | |
|--|---|----------------|----------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Total Upgrading of Existing Assets | 6 | 45 856 | 32 993 | 31 135 | 31 517 | 30 813 | 30 813 | 23 951 | 16 162 | 19 531 |
| Roads Infrastructure | | 44 876 | 32 536 | 26 477 | 18 750 | 15 994 | 15 994 | 14 413 | 12 984 | 13 153 |
| Storm water Infrastructure | | - | - | - | - | - | - | - | - | - |
| Electrical Infrastructure | | - | 240 | 1 995 | 5 667 | 5 600 | 5 600 | 1 600 | 1 151 | 1 204 |
| Water Supply Infrastructure | | - | - | - | - | - | - | - | - | - |
| Sanitation Infrastructure | | - | - | - | - | - | - | - | - | - |
| Solid Waste Infrastructure | | - | 217 | - | - | - | - | - | - | - |
| Rail Infrastructure | | - | - | - | - | - | - | - | - | - |
| Coastal Infrastructure | | - | - | - | - | - | - | - | - | - |
| Information and Communication Infrastructure | | - | - | - | - | - | - | - | - | - |
| Infrastructure | | 44 876 | 32 993 | 28 472 | 24 417 | 21 594 | 21 594 | 16 013 | 14 135 | 14 357 |
| Community Facilities | | - | - | - | - | - | - | 1 500 | - | 1 054 |
| Sport and Recreation Facilities | | 280 | - | 2 663 | 5 000 | 7 119 | 7 119 | 4 438 | 2 027 | 2 120 |
| Community Assets | | 280 | - | 2 663 | 5 000 | 7 119 | 7 119 | 5 938 | 2 027 | 3 174 |
| Heritage Assets | | - | - | - | - | - | - | - | - | - |
| Revenue Generating | | - | - | - | - | - | - | - | - | - |
| Non-revenue Generating | | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - |
| Operational Buildings | | 614 | - | - | 2 100 | 2 100 | 2 100 | 2 000 | - | 2 000 |
| Housing | | - | - | - | - | - | - | - | - | - |
| Other Assets | | 614 | - | - | 2 100 | 2 100 | 2 100 | 2 000 | - | 2 000 |
| Biological or Cultivated Assets | | - | - | - | - | - | - | - | - | - |
| Servitudes | | - | - | - | - | - | - | - | - | - |
| Licences and Rights | | - | - | - | - | - | - | - | - | - |
| Intangible Assets | | - | - | - | - | - | - | - | - | - |
| Computer Equipment | | - | - | - | - | - | - | - | - | - |
| Furniture and Office Equipment | | - | - | - | - | - | - | - | - | - |
| Machinery and Equipment | | 85 | - | - | - | - | - | - | - | - |
| Transport Assets | | - | - | - | - | - | - | - | - | - |
| Land | | - | - | - | - | - | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - | - | - | - | - | - |
| Mature | | - | - | - | - | - | - | - | - | - |
| Immature | | - | - | - | - | - | - | - | - | - |
| Living Resources | | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure | 4 | 151 160 | 189 960 | 98 903 | 181 717 | 230 090 | 230 090 | 182 983 | 130 773 | 102 564 |
| Roads Infrastructure | | 68 100 | 79 847 | 74 710 | 81 897 | 115 044 | 115 044 | 125 749 | 112 302 | 76 022 |
| Storm water Infrastructure | | - | - | - | - | - | - | 1 000 | 1 046 | 1 094 |
| Electrical Infrastructure | | 46 153 | 97 476 | 8 234 | 60 796 | 19 039 | 19 039 | 4 250 | 1 830 | 1 915 |
| Water Supply Infrastructure | | - | - | - | 300 | 750 | 750 | 400 | - | - |
| Sanitation Infrastructure | | - | - | - | - | - | - | - | - | - |
| Solid Waste Infrastructure | | - | 217 | - | 1 700 | 1 440 | 1 440 | 1 700 | - | - |
| Rail Infrastructure | | - | - | - | - | - | - | - | - | - |
| Coastal Infrastructure | | - | - | - | - | - | - | - | - | - |
| Information and Communication Infrastructure | | 923 | 898 | 343 | 250 | 250 | 250 | 550 | - | - |
| Infrastructure | | 115 175 | 178 439 | 83 287 | 144 943 | 136 523 | 136 523 | 133 649 | 115 178 | 79 031 |
| Community Facilities | | 400 | 907 | - | 500 | 500 | 500 | 4 035 | 2 652 | 3 828 |
| Sport and Recreation Facilities | | 5 602 | 1 634 | 2 754 | 9 308 | 11 427 | 11 427 | 5 623 | 3 109 | 3 252 |
| Community Assets | | 6 002 | 2 541 | 2 754 | 9 808 | 11 927 | 11 927 | 9 658 | 5 761 | 7 080 |
| Heritage Assets | | - | - | - | - | - | - | - | - | - |
| Revenue Generating | | - | - | - | - | - | - | - | - | - |
| Non-revenue Generating | | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - |
| Operational Buildings | | 18 551 | 2 464 | 2 918 | 8 200 | 5 581 | 5 581 | 8 900 | 1 674 | 6 413 |
| Housing | | - | - | - | - | 57 034 | 57 034 | - | - | - |
| Other Assets | | 18 551 | 2 464 | 2 918 | 8 200 | 62 615 | 62 615 | 8 900 | 1 674 | 6 413 |
| Biological or Cultivated Assets | | - | - | - | - | - | - | - | - | - |
| Servitudes | | - | - | - | - | - | - | - | - | - |
| Licences and Rights | | - | 50 | - | 2 150 | 1 950 | 1 950 | 300 | - | - |
| Intangible Assets | | - | 50 | - | 2 150 | 1 950 | 1 950 | 300 | - | - |
| Computer Equipment | | 2 661 | 4 328 | 1 757 | 2 350 | 2 430 | 2 430 | 4 110 | 230 | 1 295 |
| Furniture and Office Equipment | | 3 952 | 301 | 225 | 1 085 | 1 245 | 1 245 | 1 475 | 575 | 652 |
| Machinery and Equipment | | 1 314 | 1 837 | 3 203 | 4 280 | 4 320 | 4 320 | 7 080 | - | 400 |

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 7 per cent of PPE.

Table 19 MBRR Table A10 - Basic Service Delivery Measurement

| Description | RMB | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|--|-----|---------|---------|---------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| Household service targets | 1 | | | | | | | | | |
| Water: | | | | | | | | | | |
| Piped water inside dwelling | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Piped water inside yard (but not in dwelling) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Using public tap (at least min.service level) | 2 | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Other water supply (at least min.service level) | 4 | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Minimum Service Level and Above sub-total | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Using public tap (< min.service level) | 3 | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Other water supply (< min.service level) | 4 | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| No water supply | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Below Minimum Service Level sub-total | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Total number of households | 5 | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Sanitation/sewerage: | | | | | | | | | | |
| Flush toilet (connected to sewerage) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Flush toilet (with septic tank) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Chemical toilet | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Pit toilet (ventilated) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Other toilet provisions (> min.service level) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Minimum Service Level and Above sub-total | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Bucket toilet | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Other toilet provisions (< min.service level) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| No toilet provisions | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Below Minimum Service Level sub-total | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Total number of households | 5 | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Energy: | | | | | | | | | | |
| Electricity (at least min.service level) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Electricity - prepaid (min.service level) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Minimum Service Level and Above sub-total | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Electricity (< min.service level) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Electricity - prepaid (< min. service level) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Other energy sources | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Below Minimum Service Level sub-total | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Total number of households | 5 | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Refuse: | | | | | | | | | | |
| Removed at least once a week | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Minimum Service Level and Above sub-total | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Removed less frequently than once a week | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Using communal refuse dump | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Using own refuse dump | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Other rubbish disposal | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| No rubbish disposal | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Below Minimum Service Level sub-total | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Total number of households | 5 | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Households receiving Free Basic Service | 7 | | | | | | | | | |
| Water (6 kilolitres per household per month) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Sanitation (free minimum level service) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Electricity/other energy (50kwh per household per month) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Refuse (removed at least once a week) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Informal Settlements | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Cost of Free Basic Services provided - Formal Settlements (R'000) | | | | | | | | | | |
| Water (6 kilolitres per indigent household per month) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Sanitation (free sanitation service to indigent households) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Electricity/other energy (50kwh per indigent household per month) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Refuse (removed once a week for indigent households) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Cost of Free Basic Services provided - Informal Formal Settlements (R'000) | | | | | | | | | | |
| Total cost of FBS provided | 8 | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Highest level of free service provided per household | | | | | | | | | | |
| Property rates (R value threshold) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Water (kilolitres per household per month) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Sanitation (kilolitres per household per month) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Sanitation (Rand per household per month) | | -- | -- | -- | 50 | 50 | 50 | 50 | 50 | 50 |
| Electricity (kwh per household per month) | | -- | -- | -- | -- | -- | -- | 139 | 139 | 139 |
| Refuse (average litres per week) | | 55 000 | 55 000 | 19 274 | 17 954 | 17 954 | 17 954 | 18 852 | 18 852 | 18 852 |
| Revenue, cost of subsidised services provided (R'000) | 9 | | | | | | | | | |
| Property rates (tariff adjustment) (impermissible values per section 17 of MPRA) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Property rates - exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA | | 0 | -- | -- | 15 945 | 15 945 | 15 945 | 20 127 | 21 335 | 22 815 |
| 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) | | -- | -- | -- | -- | 0 | 0 | -- | -- | -- |
| Refuse (in excess of one removal a week for indigent households) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Municipal Housing - rental rebates | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Housing - top structure subsidies | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Other | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Total revenue cost of subsidised services provided | 6 | 0 | -- | -- | 16 945 | 16 945 | 16 945 | 20 127 | 21 335 | 22 815 |

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
2. The budget provides for 12 000 households to be registered as indigent in 2024/25, and therefore entitled to receiving Free Basic Services. The number is to be maintained at 15 000 households given the rapid rate of in-migration to the Municipality, especially by poor people seeking economic opportunities.
3. It is anticipated that these Free Basic Services will cost the municipality R 14,2 million in 2024/25, increasing to R 16,7 million in 2026/2027. This is covered by the municipality's equitable share allocation from national government and Interest receivables from Electricity.

2 Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

On 27th July 2023, the IDP and Budget process plan as required by section 21 of the MFMA was submitted and approved by Council to ensure that municipality does not fail to prepare and approve its credible budget within the legislated time frames.

IDP review

As per the approved plan, the municipality on the 16 – 18 October 2023, conducted its public consultative meetings with all 27 wards to review IDP for 2022-2027. The reviewed IDP has been used by the municipality to inform the draft budget for 2024/25 to 2026/27 (MTREF) for consideration. The tabled draft budget will then be subjected for comments and suggestions by stakeholders and public.

DRAFT BUDGET 2024/25 – 2026/2027

On the 02nd April 2024- 04th April 2024 the Municipality held a budget community outreach in all 27 wards to present the tabled draft budget 2024/25-2026/27 MTREF. The Municipality also had a session with the Provincial Treasury on assessment or benchmarking of the draft budget.

The comments received have been considered on the final budget 2024/25 -2026/27

The Municipal Departments are aligned with the 5 Local Government Key Performance Areas. The Department's strategies are therefore linked to the 5 KRA's Details of the Budgets allocated to the various departments are reflected in schedules SA4-6.

The Departmental SDBIP contains projects and programmes listed in the IDP. The General Manager's performances plan is linked to the Departmental SDBIP.

The SDBIP marries the Performance Management System with the budget and the IDP. Thus the strategic Direction mapped out in the IDP is matched with financial resources and delivery of services as specified in the PMS.

The SDBIP allows the budget to be implemented fully as it identifies:

- The Strategic Imperative – Through link with the IDP.
- The Financial Imperative – Through links with the Budget
- The Performance Imperative – Through links to the PMS

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

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

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

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

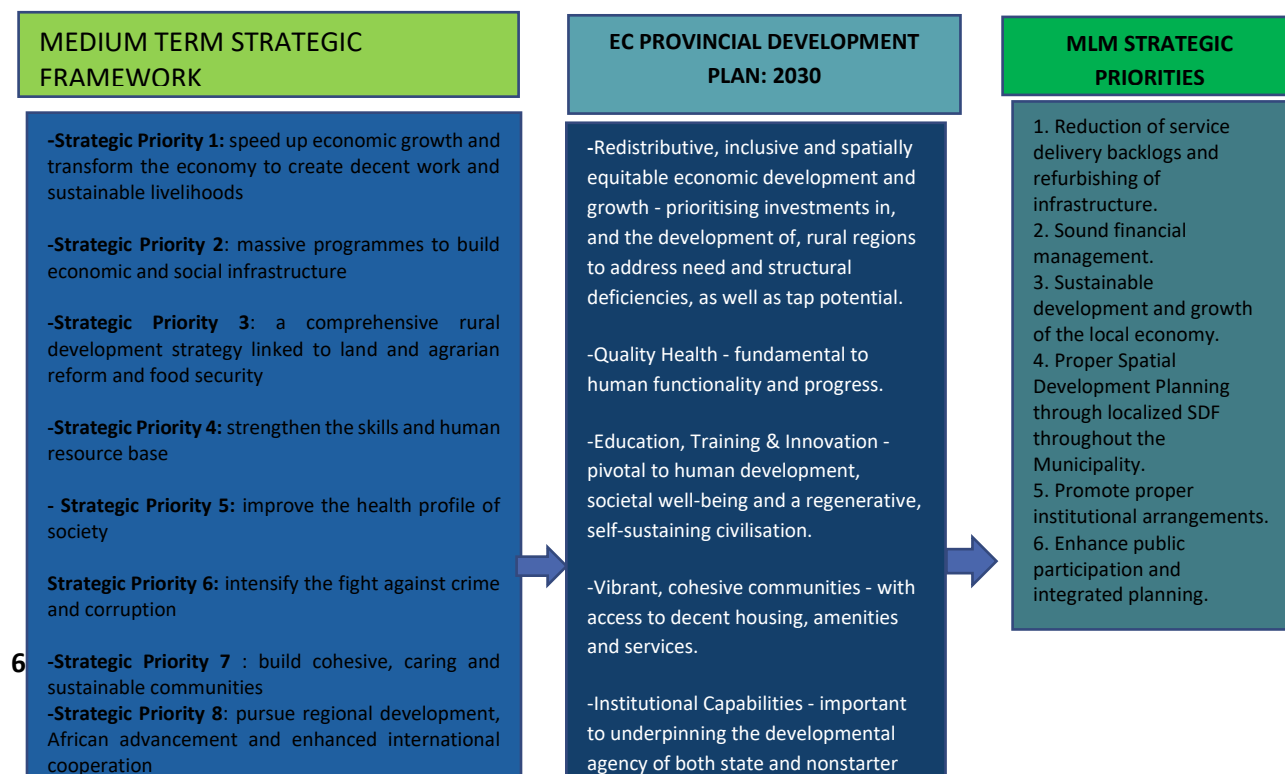
The aim of the revision cycle was develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and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

The national and provision priorities, policies

- Green Paper on National Strategic
- Government Programme of Action
- Development Facilitation Act of
- Provincial Growth and Development
- National and Provincial Spatial Development Perspectives;
- Relevant Sector plans such as transportation, Legislation and policy;
- National Key Performance Indicators (NKPI's);
- Accelerated and Shared Growth
- National Spatial Development
- The National Priority Outcomes

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2022/2027 MTREF and further planning refinements that have directly informed the compilation of the budget:

IDP Strategic Objectives



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

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives:

1. Provision of quality basic service and infrastructure which includes, amongst others:
 - Provide Electricity
 - Provide Water
 - Provide Sanitation
 - Provide Waste Removal
 - Provide Housing
 - Provide Roads and Storm Water
 - Provide Public Transport
 - Provide City Planning Service; and
 - Maintaining the Infrastructure of the municipality
2. Economic growth and development that leads to sustainable job creation by:
 - Ensuring there is a clear structural plan for the municipality;
 - Ensuring planning processes function in accordance with set timeframes;
 - Facilitating the use of labour-intensive approaches in the delivery of services and the building of infrastructure.
3. Fight poverty and build clean, healthy, safe and sustainable communities:
 - Effective implementation of the Indigent Policy;
 - Working with the Provincial Department of Health to provide primary health care services;
 - Extending waste removal services and ensuring effective city cleansing;
 - Ensuring safe working environments by effective enforcement of building and health regulations;
 - Promote viable, sustainable communities through proper zoning; and
 - Promote environmental sustainability by protecting wetlands and key open spaces.
- 3.1 Integrated Social Services for empowered and sustained communities
 - Work with Provincial Departments to ensure the development of community infrastructure such as schools and clinics is properly co-ordinated with the informal settlements upgrade programme
4. Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:
 - Optimising effective community participation in the ward committee system; and

- Implementing Batho Pele in the Revenue Management Strategy.
- 5.1 Promote sound governance through:
- Publishing the outcomes of all tender processes on the municipal website
- 5.2 Ensure financial sustainability through:
- Reviewing the use of contracted services
 - Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan
- 4.3 Optimal institutional transformation to ensure capacity to achieve set objectives
- Review of the organizational structure to optimize the use of personal;

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

In addition to the five-year IDP, the City undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the City so as to promote greater equity and enhanced opportunity. The strategy specifically targets future developmental opportunities in traditional dormitory settlements. It provides direction to the City's IDP, associated scrolal plans and strategies, and the allocation of resources of the City and other service delivery partners.

This development strategy introduces important policy shifts which have further been translated into seven strategic focus areas/objectives as outlined below:

- Developing dormant areas;
- Enforcing hard development lines – so as to direct private investment;
- Maintaining existing urban areas;
- Strengthening key economic clusters;
- Building Social cohesion;
- Strong developmental initiatives in relation to the municipal institution as a whole; and
- Sound financial fundamentals

Lessons learned with Previous IDP revision planning cycles as well as changing environments were taken into consideration in the compilation for the fourth revised IDP, including;

- Strengthening the analysis and strategic planning processes of the City;

- Initiating zoned planning processes that involve the communities in the analysis and planning processes. More emphasis was placed on area based interventions, within the overall holistic framework;
- Ensuring better coordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

Table 20 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

| Strategic Objective | Goal | Goal Code | Ref | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|--|--|-----------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousand | | | | | | | | | | | | |
| Ensure full compliance with legislative requirements of MFMA, MPRA and financial relevant regulations and national treasury guides and reforms to improve financial management and its viability | Sustain a Financially viable institution that is sustainable and complies with statutes | 003 | | 451 527 | 453 853 | | 458 643 | 414 207 | 414 207 | 513 530 | 503 375 | 482 390 |
| To promote safer, informed and secure communities | Realize sustainable communities in a safe and Healthy environment | 001 | | 3 583 | 3 798 | | 5 201 | 355 | 355 | 12 554 | 13 169 | 13 814 |
| Improve revenue enhancement through broadening revenue base and improving revenue collection | Sustain a Financially viable institution that is sustainable and complies with statutes | 003 | | 88 930 | 94 266 | | 129 072 | 251 068 | 261 068 | 148 278 | 132 409 | 139 763 |
| Improve access to sports and recreational facilities in rural and urban areas within the municipality | Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification. | | | 1 397 | 1 481 | | 2 028 | 31 292 | 31 292 | 6 854 | 7 190 | 7 542 |
| Allocations to other priorities | | | 2 | | | | | | | | | |
| Total Revenue (excluding capital transfers and contributions) | | | 1 | 545 438 | 553 438 | - | 604 943 | 706 922 | 706 922 | 681 216 | 656 142 | 643 509 |

Table 20 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

| Strategic Objective | Goal | Goal Code | Ref | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|--|--|-----------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousand | | | | | | | | | | | | |
| Provide suitable and conducive working conditions for municipal staff and councilors | Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification. | 001 | | | | | 222 469 | 38 703 | 38 703 | 268 119 | 277 394 | 295 597 |
| Ensure full compliance with legislative requirements of MFMA, MPRA and financial relevant regulations and national treasury guides and | Sustain a Financially viable institution that is sustainable and complies with statutes | 002 | | 75 238 | 79 752 | | 66 961 | 120 004 | 120 004 | 70 309 | 46 327 | 57 081 |
| Achieve sound environmental management and land use conservation management | Realize sustainable communities in a safe and Healthy environment | 003 | | 38 232 | 40 526 | | 34 027 | 91 315 | 91 315 | 54 363 | 57 081 | 34 027 |
| Provide support to indigent households with the municipality | Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification. | 001 | | 22 472 | 23 820 | | 20 000 | 91 665 | 91 665 | 15 200 | 19 200 | 19 200 |
| Improve the provision basic services to rural and urban communities in the municipality. | Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification. | 001 | | 270 813 | 338 407 | | 140 050 | 183 370 | 183 370 | 115 264 | 121 027 | 82 420 |
| Maintain municipal infrastructure and public amenities ; | Improve access to services in rural areas through sustainable road network and buildings infrastructure and electrification. | 001 | | 29 157 | 30 906 | | 25 949 | 39 209 | 39 209 | 61 211 | 57 081 | 59 935 |
| Allocations to other priorities | | | | | | | | | | | | |
| Total Expenditure | | | 1 | 435 912 | 513 411 | - | 509 456 | 564 266 | 564 266 | 584 466 | 578 110 | 548 280 |

2.2 Measurable performance objectives and indicators

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

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance.

Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

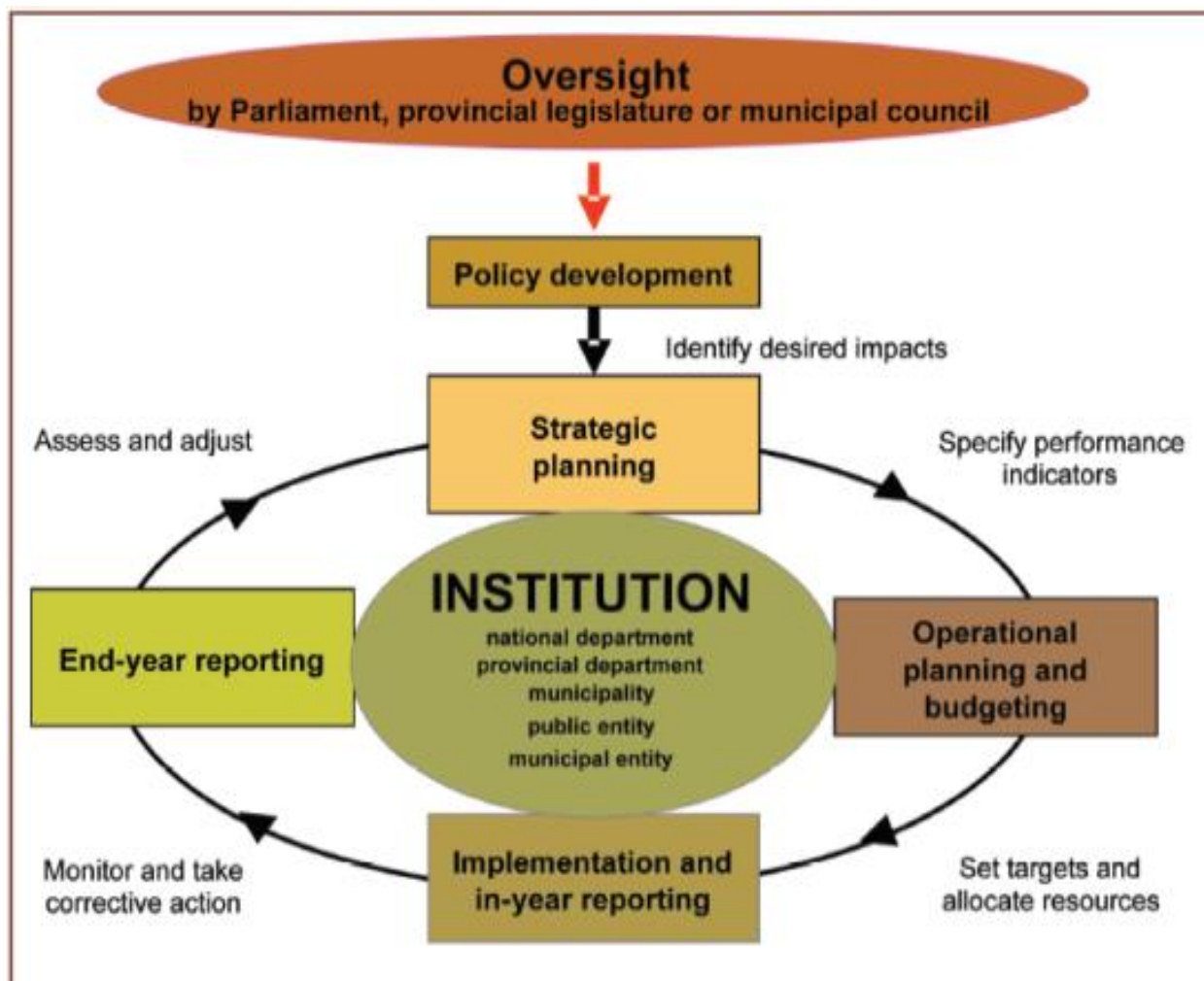


Figure 5 Planning, Budgeting and Reporting Cycle

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

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

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

Figure 6 Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

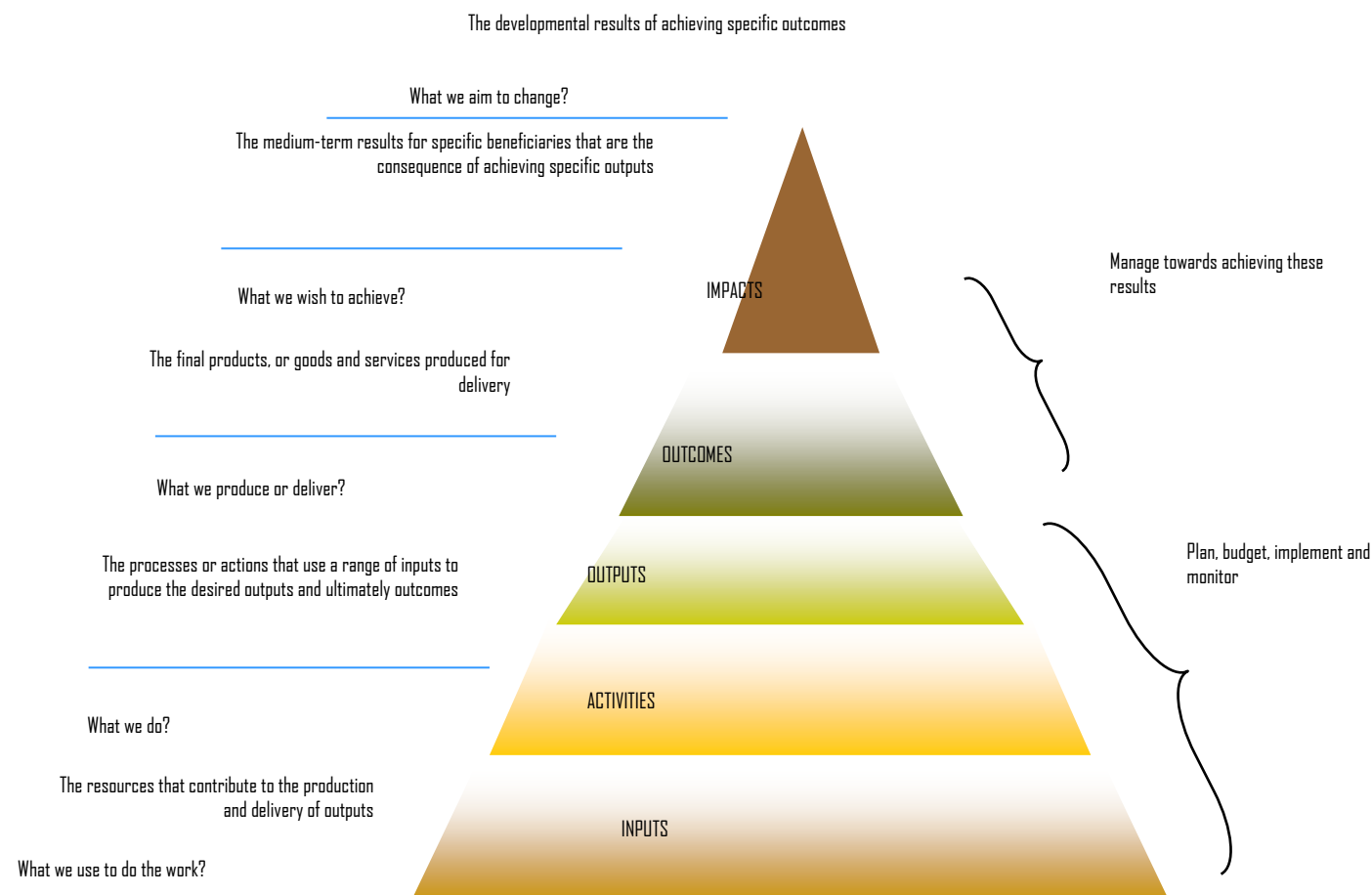


Figure 6 Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

MBRR Table SA8 - Performance indicators and benchmarks

| Description of financial indicator | Basis of calculation | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|--|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| <u>Borrowing Management</u> | | | | | | | | | | | |
| Credit Rating | | | | | | | | | | | |
| Capital Charges to Operating Expenditure | Interest & Principal Paid /Operating | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Capital Charges to Own Revenue | Finance charges & Repayment of borrowing | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Borrowed funding of 'own' capital expenditure | Borrowing/Capital expenditure excl. transfers | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| <u>Safety of Capital</u> | | | | | | | | | | | |
| Gearing | Long Term Borrowing/ Funds & Reserves | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| <u>Liquidity</u> | | | | | | | | | | | |
| Current Ratio | Current assets/current liabilities | 3.0 | 2.8 | 2.9 | 3.3 | 5.4 | 5.4 | 5.4 | 2.4 | 2.5 | 2.8 |
| Current Ratio adjusted for aged debtors | Current assets less debtors > 90 days/current | 3.0 | 2.8 | 2.9 | 3.3 | 5.4 | 5.4 | 5.4 | 2.4 | 2.5 | 2.8 |
| Liquidity Ratio | Monetary Assets/Current Liabilities | 1.7 | 1.4 | 1.4 | 2.8 | 4.9 | 4.9 | 4.9 | 2.1 | 2.1 | 2.4 |
| <u>Revenue Management</u> | | | | | | | | | | | |
| Annual Debtors Collection Rate (Payment Level %) | Last 12 Mths Receipts/Last 12 Mths Billing | 0.0% | 104.2% | 142.8% | 158.8% | 132.3% | 132.7% | 132.7% | 132.7% | 135.9% | 144.2% |
| Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue) | | 104.2% | 142.8% | 158.8% | 132.3% | 132.7% | 132.7% | 132.7% | 135.9% | 144.2% | 140.0% |
| Outstanding Debtors to Revenue | Total Outstanding Debtors to Annual Revenue | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Longstanding Debtors Recovered | Debtors > 12 Mths Recovered/Total Debtors > | | | | | | | | | | |
| <u>Creditors Management</u> | | | | | | | | | | | |
| Creditors System Efficiency | % of Creditors Paid Within Terms (within MFMA's 65(e)) | | | | | | | | | | |
| Creditors to Cash and Investments | | 0.0% | 24.1% | 24.4% | 15.5% | 19.2% | 19.2% | 19.2% | 43.0% | 41.7% | 37.2% |
| <u>Other Indicators</u> | | | | | | | | | | | |
| Electricity Distribution Losses (2) | Total Volume Losses (kW) technical | | | | | | | | 1900000 | 1900000 | 1900000 |
| | Total Volume Losses (kW) non technical | | | | | | | | 1500000 | 1500000 | 1500000 |
| | Total Cost of Losses (Rand '000) | | | | | | | | 0.04 | 0.04 | 0.04 |
| | % Volume (units purchased and generated less units sold)/units purchased and generated | | | | | | | | | | |
| Water Volumes :System input | Bulk Purchase | | | | | | | | 1900000 | 1900000 | 1900000 |
| | Water treatment works | | | | | | | | 1500000 | 1500000 | 1500000 |
| | Natural sources | | | | | | | | | | |
| | Total Volume Losses (kt) | | | | | | | | | | |
| Water Distribution Losses (2) | Total Cost of Losses (Rand '000) | | | | | | | | | | |
| | % Volume (units purchased and generated less units sold)/units purchased and generated | | | | | | | | | | |
| Employee costs | Employee costs/(Total Revenue - capital | 26.4% | 30.7% | 32.0% | 31.4% | 32.1% | 32.1% | 32.1% | 29.9% | 28.4% | 26.2% |
| Remuneration | Total remuneration/(Total Revenue - capital | 30.8% | 35.9% | 37.0% | 36.3% | 36.9% | 36.9% | 36.3% | 32.6% | 31.5% | 0.0% |
| Repairs & Maintenance | R&M/(Total Revenue excluding capital | 4.6% | 4.6% | 3.2% | 5.0% | 4.1% | 4.1% | 5.4% | 5.2% | 4.2% | 0.0% |
| Finance charges & Depreciation | FC&D/(Total Revenue - capital revenue) | 18.5% | 13.4% | 14.1% | 10.4% | 10.1% | 10.1% | 10.1% | 9.0% | 10.2% | 10.5% |
| <u>IDP regulation financial viability indicators</u> | | | | | | | | | | | |
| i. Debt coverage | (Total Operating Revenue - Operating | 10316.5% | 2201.4% | 2664.6% | 1786.5% | 1824.4% | 1824.4% | 1824.4% | 1933.7% | 1814.7% | 0.0% |
| ii.O/S Service Debtors to Revenue | Total outstanding service debtors/annual | 236.9% | 288.7% | 316.8% | 78.7% | 41.6% | 41.6% | 41.6% | 60.8% | 69.7% | 72.3% |
| iii. Cost coverage | (Available cash + Investments)/monthly fixed | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |

2.2.1 Performance indicators and benchmarks

2.2.1.1 Borrowing Management

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

In summary, various financial risks could have a negative impact on the future borrowing capacity of the municipality. In particular, the continued ability of the Municipality to meet its revenue targets and ensure its forecasted cash flow targets are achieved will be critical in meeting the repayments of the debt service costs.

2.2.1.2 Safety of Capital

- *The debt-to-equity ratio* is a financial ratio indicating the relative proportion of equity and debt used in financing the municipality's assets.
- *The gearing ratio* is a measure of the total long term borrowings over funds and reserves.

2.2.1.3 Liquidity

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the Municipality has set a limit of 1, hence at no point in time should this ratio be less than 1. For the 2024/25 MTREF the current ratio is 3.11 in the 2025/26 financial year 4.91 and 3.59 for the two outer years of the MTREF. Going forward it will be necessary to maintain these levels.
- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately.

2.2.1.4 Revenue Management

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

2.2.1.5 Creditors Management

- The Municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice. While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure a 100 per cent compliance rate to this legislative obligation. This has had a favourable impact on suppliers' perceptions of risk of doing business with the Municipality, which is expected to benefit the Municipality in the form of more competitive pricing of tenders, as suppliers compete for the Municipality's business.

2.2.1.6 *Other Indicators*

- Employee costs as a percentage of operating revenue continues to increase over the MTREF.
- Similar to that of employee costs, repairs and maintenance as percentage of operating revenue is also decreasing owing directly to cost drivers such as bulk purchases increasing far above inflation. In real terms, repairs and maintenance has increased as part of the Municipality's strategy to ensure the management of its asset base.

2.2.2 **Free Basic Services: basic social services package for indigent households**

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

For the 2024/25 financial year 12 000 registered indigents have been provided for in the budget with this figured increasing to 15 000 by 2026/27. In terms of the Municipality's indigent policy registered households are entitled to 50 kWh of electricity and free waste removal as well as a discount on their property rates.

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

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

2.4 OVERVIEW OF BUDGET RALATED POLICIES

As listed hereunder are all the budget related policies that were reviewed;

Matatiele Local Municipality. All these policies can be viewed on the official municipal website www.matatiele.gov.za

1. Budget policy,
2. Cash management policy,
3. Cash shortage policy,
4. Credit control and debt collection policy,
5. Cost containment policy ,
6. Customer care policy,
7. Customer incentive scheme policy,
8. Data backup policy,
9. Debt capacity policy,
10. Donor finance policy,
11. Electricity token policy,
12. Entertainment & refreshments policy,
13. Fleet Management Policy ,
14. Unclaimed deposits policy,
15. Fraud prevention plan,
16. Gifts policy for officials,
17. Grants & donation policy,
18. GRAP framework policy,
19. Impairment and write off policy,
20. Cash-up Policy,
21. Fixed Assets Policy,
22. Payment Policy,
23. Petty Cash Policy,
24. Rates Policy,
25. Special Services Policy,
26. Strategy to improve Debtor policy,
27. Supply Chain Management Policy,
28. Tariff Policy,
29. Use of Credit Card Policy and
30. Virement Policy.
31. Infrastructure procurement and delivery management policy.
32. Indigent Policy
33. Banking and Investments Policy
34. Use of Consultants Policy

Overview of Budget Assumptions

Arising from the above Overview of Economic Analysis, the following Budget Assumptions were made and are affected in the 2024/25 budget:

Estimate Salary Increases

- 2024/25 – 4.9%
- 2025/26 – 4.9%
- 2026/27 – 4.9%

Debt Impairment: the overall collection levels are estimate around 85% overall for the MLM. Payment levels for the following revenue streams have been estimated as follows:

- Property Rates (85% in 2024/25)
- Electricity (85% in 2024/25)
- Refuse (95% in 2024/25)

Other expenditure: In order to accommodate the increases in salaries, bulk purchases, debt Impairment and depreciation, it means that all other expenditure will increase at a reduced rate or maintained at the current levels;

The Budget is based on current service levels.

Government grants for the years 2024/25- 2026/27 are as per the Division of Revenue Act, assuming that all allocations will be received;

Growth in staff related costs has been provided for in the budget at 4.9% per annum, growth in the remaining expense items range from 0% to 10%;

2.6 Overview of budget funding

2.6.1 Medium-term outlook: operating revenue

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

Breakdown of the operating revenue over the medium-term

| Description | ### | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| R thousand | 1 | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| Revenue | | | | | | | | | | | |
| Exchange Revenue | | | | | | | | | | | |
| Service charges - Electricity | 2 | 57 058 | 56 530 | 59 114 | 71 416 | 71 416 | 71 416 | 71 416 | 76 446 | 80 146 | 83 930 |
| Service charges - Water | 2 | - | - | - | - | - | - | - | - | - | - |
| Service charges - Waste Water Management | 2 | - | - | - | - | - | - | - | - | - | - |
| Service charges - Waste Management | 2 | 11 531 | 11 615 | 11 713 | 15 526 | 15 526 | 15 526 | 15 526 | 15 526 | 16 332 | 17 083 |
| Sale of Goods and Rendering of Services | | 759 | 923 | 870 | 3 930 | 3 649 | 3 649 | 3 649 | 5 946 | 681 | 4 303 |
| Agency services | | - | - | - | - | - | - | - | - | - | - |
| Interest | | - | - | - | - | - | - | - | - | - | - |
| Interest earned from Receivables | | 1 371 | 2 168 | 1 313 | 6 500 | 6 500 | 6 500 | 6 500 | 2 200 | 2 308 | 2 416 |
| Interest earned from Current and Non Current Assets | | 8 835 | 9 599 | 19 146 | 17 200 | 28 813 | 28 813 | 28 813 | 28 813 | 30 225 | 31 645 |
| Dividends | | - | - | - | - | - | - | - | - | - | - |
| Rent on Land | | 172 | 144 | 206 | - | - | - | - | - | - | - |
| Rental from Fixed Assets | | 1 398 | 1 260 | 1 237 | 2 028 | 2 028 | 2 028 | 2 028 | 2 028 | 2 127 | 2 227 |
| Licence and permits | | 3 770 | 3 503 | 3 596 | 4 094 | 4 094 | 4 094 | 4 094 | 4 522 | 4 744 | 4 967 |
| Operational Revenue | | 114 | 283 | 264 | 965 | 965 | 965 | 965 | 892 | 933 | 3 131 |
| Non-Exchange Revenue | | | | | | | | | | | |
| Property rates | 2 | 46 575 | 48 726 | 48 716 | 54 360 | 54 360 | 54 360 | 54 360 | 61 937 | 65 653 | 69 592 |
| Surcharges and Taxes | | - | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | | 762 | 2 058 | 2 754 | 1 769 | 1 769 | 1 769 | 1 769 | 25 890 | 27 159 | 28 435 |
| Licences or permits | | 17 | (96) | 64 | 25 | 25 | 25 | 25 | 25 | 26 | 27 |
| Transfer and subsidies - Operational | | 306 535 | 267 351 | 293 763 | 318 510 | 318 093 | 318 093 | 318 093 | 360 244 | 343 949 | 333 572 |
| Interest | | 11 986 | 14 020 | 14 956 | 18 431 | 18 431 | 18 431 | 18 431 | - | - | - |
| Fuel Levy | | - | - | - | - | - | - | - | - | - | - |
| Operational Revenue | | - | - | - | - | - | - | - | - | - | - |
| Gains on disposal of Assets | | 333 | - | 104 | - | - | - | - | - | - | - |
| Other Gains | | 1 468 | (15) | 591 | - | - | - | - | - | - | - |
| Discontinued Operations | | - | - | - | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contrib | | 452 685 | 418 070 | 458 408 | 514 753 | 525 668 | 525 668 | 525 668 | 584 469 | 574 282 | 581 329 |

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

- The revenue strategy is a function of key components such as:
- Growth in the municipality and economic development;
- Revenue management and enhancement;
- Achievement of 85 per cent annual collection rate for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing/calculating revenue requirements;
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), and the ability to extend new services and obtain cost recovery levels.

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

The tariff increases for the 2024/25 MTREF on the different revenue categories are:

| | DESCRIPTION | New Tariff Including VAT 2023/2024 | Increase for 2024/2025 | New Tariff VAT Excluded 2024/2025 | New Tariff Including VAT 2024/2025 |
|-------|---|---------------------------------------|---------------------------|---|---------------------------------------|
| 1 | REFUSE REMOVAL CHARGES | | | | |
| 1.1 | <i>Domestic Removals</i> | | | | |
| (a) | Every owner or occupier of premises from which refuse is removed twice weekly shall pay the Council a fee of per bag per month. | R 160.07 | 0% | 139.19 | R 160.07 |
| 1.2 | <i>Commercial Removals</i> | | | | |
| (a) | Each individual/separate business shall be charged a basic service charge per month. | R 240.09 | 0% | 208.77 | R 240.09 |
| 1.3 | In addition to 1.2 every owner or occupier of business premises from which refuse is removed, shall pay the Council a fee of per bag per month, removal twice weekly. | R 240.09 | 0% | 208.77 | R 240.09 |
| 1.4 | Provided that Council may at any time conclude separate agreements with commercial users who require that refuse be removed more than twice a week. The above tariff shall be the applicable tariff. | | | | |
| 1.5 | <i>Removal from Separate Consumers on same Premises</i> | | | | |
| | Where refuse is removed from shops and dwellings or flats situated on the same premises such shops and dwellings or flats shall be regarded as separately occupied buildings, and the charges for the removal of refuse shall be as prescribed in applicable scales. | | | | |
| 1.6 | <i>Availability Charge</i> | | | | |
| | A availability fee , is charged to any vacant commercial erven located in the town areas of Cedarville, Matatiele and Maluti. | R 271.33 | 0% | 235.94 | R 271.33 |
| | A availability fee , is charged to any vacant domestic erven located in the town areas of Cedarville, Matatiele and Maluti. | R 135.66 | 0% | 117.97 | R 135.66 |
| 2 | BUILDING PLAN FEES | | | | |
| 2.1 | The fees payable for plans of any building submitted in terms of the building regulations shall be calculated at R6.00 per R1 000 or part thereof in respect of total estimated cost of the work, subject to a minimum charge of R1 000. Building Cost is calculated at R2 500 per m². This calculation is used to calculate the building plan fees for buildings in excess of 100m2 and major alterations to existing buildings. | | | | |
| 2.1.1 | Building less than 80m². | R 935.40 | 0% | 813.39 | R 935.40 |
| 2.1.2 | Building less than 100m2. | R 2,358.91 | 0% | 2051.23 | R 2,358.91 |
| 2.1.3 | Building more than 100m2. | | | | |
| | Tariff 2.1 is applicable | | | | |
| 2.1.4 | Hoarding Permit | | | | |
| | Commercial (for 3 months) | R 303.62 | 0% | 264.02 | R 303.62 |
| | Residential (for 3 months) | R 269.75 | 0% | 234.57 | R 269.75 |
| | Industrial (for 3 months) | R 524.33 | 0% | 455.94 | R 524.33 |
| | CBD Buildings (for 3 months) | R 822.12 | 0% | 714.89 | R 822.12 |
| 2.1.5 | Demolishing fee for all buildings | R 498.05 | 0% | 433.09 | R 498.05 |
| 2.1.6 | Copy of Building Plan | | | | |
| | A4 | R 7.01 | 0% | 6.10 | R 7.01 |
| | A3 | R 15.18 | 0% | 13.20 | R 15.18 |
| | A2 | R 30.37 | 0% | 26.41 | R 30.37 |
| | A1 | R 45.54 | 0% | 39.60 | R 45.54 |
| | A0 | R 59.56 | 0% | 51.79 | R 59.56 |
| 2.1.7 | Boundary Wall | | | | |
| | Boundary Wall (Brick or Blocks) 1800mm high | R 902.69 | 0% | 784.95 | R 902.69 |
| | Boundary Wall (Precast) 1800mm high | R 902.69 | 0% | 784.95 | R 902.69 |
| | Boundary Wall (Palisade Fencing) 1800mm high. | R 902.69 | 0% | 784.95 | R 902.69 |
| | Identification of site beacons must be done by professional land surveyor. The Municipality will provide technical advice only. | | | | |
| 2.1.8 | Minor Works in terms of section 13 of the act (valid for 6 months only) | | | | |
| | Residential | R 472.95 | 0% | 411.26 | R 472.95 |
| | None Residential | R 823.29 | 0% | 715.90 | R 823.29 |
| 2.1.9 | Temporal Structures | | | | |
| | Tent | R 373.69 | 0% | 324.95 | R 373.69 |
| | Carport | R 898.02 | 0% | 780.89 | R 898.02 |
| | Container for site office or site storage during construction only | R 898.02 | 0% | 780.89 | R 898.02 |

| | DESCRIPTION | New Tariff Including VAT 2023/2024 | Increase for 2024/2025 | New Tariff VAT Excluded 2024/2025 | New Tariff Including VAT 2024/2025 |
|--------|---|---------------------------------------|---------------------------|---|---------------------------------------|
| 1 | REFUSE REMOVAL CHARGES | | | | |
| 2.1.10 | Building Plan Fee | | | | |
| | Pre- Scrutiny Plan | R 332.82 | 0% | 289.41 | R 332.82 |
| | Swimming Pool | R 902.69 | 0% | 784.95 | R 902.69 |
| | Occupational Certificate | R 224.22 | 0% | 194.97 | R 224.22 |
| | Second call site Inspection for the same inspection stage | R 298.95 | 0% | 259.96 | R 298.95 |
| 2.2 | Builders Deposits | | | | |
| | The following deposits must be paid by building contractors/owners in a developed area, prior to the commencement of any work: | | | | |
| (a) | Extensions less than 100m ² or part thereof as determined by the Building Inspector but not more than | 250.00 | 0% | 250.00 | 250.00 |
| (b) | Extensions more than 100m ² but less than 200m ² or part thereof | 1,135.00 | 0% | 1135.00 | 1,135.00 |
| (c) | Extensions more than 200m ² but less than 500m ² | 4,725.00 | 0% | 4725.00 | 4,725.00 |
| (d) | Extensions more than 500m ² or part thereof | 6,615.00 | 0% | 6615.00 | 6,615.00 |
| 2.3 | Penalty | | | | |
| | Deposits will be forfeited after 7 days from date of completion certificate, should the Developer/Contractor not have the sidewalk/pavement cleared within such period. | | | | |
| 2.4 | Exemption Certificate | | | | |
| | Fee payable for minor building work as contemplated in Section 13 of the National Building Regulations and Building Standards Act, 1977(Act 103 of 1977) as amended | R 133.13 | 0% | 115.76 | R 133.13 |
| | | | | | |
| | 3 POUND FEES | | | | |
| 3.1 | Schedule B: Rate of Compensation for all animals delivered to the pound, per head. | R 24.53 | 0% | 21.33 | R 24.53 |
| 3.2 | Schedule C: Trespass on private land | | | | |
| | Description of animal | | | | |
| | Donkeys, Horses, Cattle, Pigs and Ostriches, per head per day | R 19.85 | 0% | 17.26 | R 19.85 |
| | Sheep and goats per head per day | R 14.01 | 0% | 12.18 | R 14.01 |
| 3.3 | Schedule E: Pound Fees | | | | |
| | Description of animal | | | | |
| | Donkeys, Horses, Cattle, Pigs and Ostriches, | R 19.85 | 0% | 17.26 | R 19.85 |
| | Sheep and Goats. | R 14.01 | 0% | 12.18 | R 14.01 |
| 3.4 | Schedule F: Sustenance fees | | | | |
| | Description of animal | | | | |
| | Donkeys, Horses, Cattle, Pigs and Ostriches, per head per day | R 32.69 | 0% | 28.43 | R 32.69 |
| | Sheep and Goats, per head per day | R 19.85 | 0% | 17.26 | R 19.85 |

| | DESCRIPTION | New Tariff Including VAT 2023/2024 | Increase for 2024/2025 | New Tariff VAT Excluded 2024/2025 | New Tariff Including VAT 2024/2025 |
|------------|---|---------------------------------------|---------------------------|---|---------------------------------------|
| 4 | SWIMMING POOL FEES | | | | |
| 4.1 | Single Tickets | | | | |
| | Entrance, per occasion | | | | |
| (a) | Adults | R 12.00 | 0% | 10.52 | R 12.00 |
| (b) | Scholars and Children | R 6.00 | 0% | 5.26 | R 6.00 |
| 4.2 | Season Tickets | | | | |
| | Bath only, not transferable | | | | |
| (a) | Adult (Full Season) | R 269.76 | 0% | 234.57 | R 269.76 |
| (b) | Adult (Part Season - valid for one month from day issue) | R 135.47 | 0% | 117.80 | R 135.47 |
| (c) | Scholars and children (Full Season) | R 135.47 | 0% | 117.80 | R 135.47 |
| (d) | Scholars and children (Part Season valid for one month from day of issue) | R 53.71 | 0% | 46.71 | R 53.71 |
| | For the purposes of this Section "scholars" shall mean any scholars attending a primary or secondary school and "children" shall mean any children who have not reached the age of 17 years; provided that children have not reached the age of five years may be admitted free of charge if accompanied and under the care of a responsible adult. | | | | |
| | School Swimming Classes | | | | |
| | The Council may permit school swimming classes to use the bath free of charge at such times as the Council may determine from time to time provided that the pupils of such swimming classes are accompanied by and under the control of a responsible teacher. | | | | |
| 5 | FIRE SERVICES | | | | |
| | The charges payable for services rendered or materials supplied by the Council's Fire Department and for the use of the Department's Equipment, appliances and water, in connection with the preservation of life and property against fire, accident or other mishap, whether on private property or otherwise shall be as follows: | | | | |
| 5.1 | For the services rendered involving the making available of any appliances, together with the attendance of personnel, the charges shall be as follows: | | | | |
| (a) | Fire fighting and life-saving, per hour or part thereof | R 538.34 | 0% | 468.12 | R 538.34 |
| (b) | Travelling costs: Fire tenders per km or part thereof | R 19.85 | 0% | 17.26 | R 19.85 |
| (c) | Subsidized vehicles and any other equipment, materials used during a fire by officials of the Council | | | | |

| | DESCRIPTION | New Tariff Including VAT 2023/2024 | Increase for 2024/2025 | New Tariff VAT Excluded 2024/2025 | New Tariff Including VAT 2024/2025 |
|------------|--|---------------------------------------|---------------------------|---|---|
| 6 | ELECTRICITY CHARGES | | | | |
| | Electricity tariff subject to National Electricity Regulator S.A approval | | | | Electricity tariff subject to National Electricity Regulator S.A approval |
| | The charges payable by consumers for the supply of electricity shall be as follows: | | | | |
| 6.1 | Scale 1: Domestic Consumers | | | | |
| (a) | Basic charge, single or three phase per household per month. Plus the following kWh charges per month. | R 752.38 | 11.65 | 730.4597563 | R 840.03 |
| | 0-50 | R 1.67 | 11.65 | 1.619912326 | R 1.86 |
| | 51-350 | R 2.17 | 11.65 | 2.104727989 | R 2.42 |
| | 351-600 | R 3.07 | 11.65 | 2.977930661 | R 3.42 |
| | 600 over | R 3.68 | 11.65 | 3.568528336 | R 4.10 |
| (b) | Scale 2: Commercial & Other Consumers | | | | |
| | Basic charge of consumers with the following kVA installed per month | | | | |
| | 0 - 25 KVA | R 834.32 | 11.65 | 810.0174826 | R 931.52 |
| | <u>Commercial unit charge:</u> | R 3.27 | 11.65 | 3.174988744 | R 3.65 |
| | 26 - 64 KVA | R 3,110.20 | 11.65 | 3019.597328 | R 3,472.54 |
| | <u>Commercial unit charge:</u> | R 3.32 | 11.65 | 3.227449046 | R 3.71 |
| | 65 KVA and more | R 18,198.43 | 11.65 | 17668.30174 | R 20,318.55 |
| | <u>Commercial unit charge:</u> | R 3.32 | 11.65 | 3.227449046 | R 3.71 |
| (c) | Scale 3: Pre-Paid Metre Units | | | | |
| | Domestic: That a flat rate per kWh | | | | |
| | 0-50 | R 1.65 | 11.65 | 1.604220845 | R 1.84 |
| | 51-350 | R 2.15 | 11.65 | 2.091759526 | R 2.41 |
| | 351-600 | R 3.05 | 11.65 | 2.96495746 | R 3.41 |
| | 600 over | R 3.66 | 11.65 | 3.553805348 | R 4.09 |
| | Commercial Prepaid That a flat rate per kWh | | | | |
| | 0 - 2000 kWh | R 3.33 | 11.65 | 3.231250517 | R 3.72 |
| (d) | Scale 4: Schools/School Hostels | | | | |
| | "Schools defined as the majority of its Teachers paid for by the Government or State Education Department." | | | | |
| | Basic Charges per month, | R 600.23 | 11.65 | 582.7428473 | R 670.15 |
| | Plus the following charger per kWh per month | | | | |
| | 0 - 2000 kWh | R 2.26 | 11.65 | 2.193002512 | R 2.52 |
| | 2000 - and more | R 2.26 | 11.65 | 2.193002512 | R 2.52 |
| 6.2 | Special Agreements | | | | |
| | The Council reserves the right in special circumstances to enter into special agreements subject to the approval of the Premier of the supply of electrical energy to consumers. | | | | |

| | DESCRIPTION | New Tariff Including VAT 2023/2024 | Increase for 2024/2025 | New Tariff VAT Excluded 2024/2025 | New Tariff Including VAT 2024/2025 |
|-----|---|---------------------------------------|---------------------------|---|---------------------------------------|
| (b) | The Council may disconnect the supply of electricity where any account remains unpaid at the end of the month following the month in respect of which such account was rendered and the supply of electricity shall only be resumed on payment of a charge of R123.35 excl. VAT in addition to all other outstanding charges. | R 127.05 | 11.65 | 123.3484508 | R 141.85 |
| (c) | Consumers shall be responsible for obtaining statements of their accounts so as to enable them to effect payment thereof within the prescribed period. | | | | |
| 6.6 | Deposits | | | | |
| | Every consumer shall when making application for a supply of electricity deposit with the Council the applicable amount as tabled hereunder. | | | | |
| (a) | Domestic consumers | R 4,600.00 | 11.65 | 5136.00 | R 5,136.00 |
| (b) | Small power consumers with installation not exceeding 25 KVA | R 11,500.00 | 11.65 | 12840.00 | R 12,840.00 |
| (c) | Medium power consumers with a demand exceeding 25kVA but not exceeding 64 Kva | R 20,125.00 | 11.65 | 22470.00 | R 22,470.00 |
| (d) | Large power consumers with a demand exceeding 65KVA to supply a bank guarantee equal to two months estimated average usage. | | | | |
| 6.7 | Connection Fees and other Charges | | | | |
| (a) | Commercial and other consumers electricity connection fees and be charged at cost of materials, labour, supervision plus 10% payable in advance. | | | | |
| (b) | Domestic consumers electricity connection fees payable in advance. | | | | |
| | Cost plus 10% provided that the cost be taken from the boundary of the Erf per property of the applicant. | | | | |
| (c) | For a connection after a disconnection at consumers request, or in case of a faulty installation exc vat payable in advance. | R 703.38 | 11.65 | 682.8864415 | R 785.32 |
| (d) | For the testing of a metre cost plus 10% | | | | |
| (e) | For a special reading of metre R50.00 payable in advance. | | | | |
| (f) | For an investigation to establish the cause of a defect in consumers installation - R77.55 plus VAT payable in advance. (Call out fee) | R 79.88 | 11.65 | 77.54929875 | R 89.18 |
| (g) | For each inspection and testing of an installation after failure to pass the first inspection and test - R120.39 payable in advance. | R 133.13 | 11.65 | 129.2488313 | R 148.64 |
| (h) | Conversion | | | | |
| | On application from a consumer to convert from the conventional electricity metre to a pre-paid metre the following fee is applicable: | R 8,792.20 | 11.65 | 8536.080518 | R 9,816.49 |
| (i) | On application from a consumer to convert from the conventional electricity metre or any other meter to a pre-paid metre the following fee is applicable on condition that such application and payment is made before 30 September 2004. After 30 September 2004 - (h) apply. | | | | |
| (j) | Where supply has been disconnected as a result of unauthorized reconnection, illegal bypassing of meter or for tampering; per disconnection and additional sum for units stolen. | R 11,240.72 | 11.65 | R 10,913.27 | R 12,550.26 |

| | DESCRIPTION | New Tariff Including VAT 2023/2024 | Increase for 2024/2025 | New Tariff VAT Excluded 2024/2025 | New Tariff Including VAT 2024/2025 |
|--|--|---------------------------------------|---------------------------|---|---------------------------------------|
| | Tampering for second time | R 22,481.44 | 11.65 | 21826.54554 | R 25,100.53 |
| | Tampering for 3rd time | | | | |
| | NOTE: In addition to the amounts contained in item (i), reconnection shall only occur once any arrears consumption charges; estimated charges for unmetered consumption and/or additional deposits owed by the consumer have been paid. | | | | |
| | 7 CEMETERY CHARGES | | | | |
| | The following fees shall be payable to the Council in respect of burials | | | | |
| | 7.1 Burial Plots - Charge per Burial Plot | | | | |
| | A non-refundable charge of: | R 211.97 | 0% | 184.32 | R 211.97 |
| | 7.2 Burial Fees | | | | |
| | (a) Adult | R 350.82 | 0% | 305.06 | R 350.82 |
| | (b) Child | R 350.82 | 0% | 305.06 | R 350.82 |
| | 7.3 Miscellaneous Charges | | | | |
| | (a) Exhumation of body | R 2,653.20 | 0% | 2307.13 | R 2,653.20 |
| | (b) Widening or deepening of grave | R 358.13 | 0% | 311.42 | R 358.13 |
| | (c) Permit to erect a memorial | R 145.98 | 0% | 126.94 | R 145.98 |
| | 7.4 Fees for non-residents of the municipal area shall be the prescribed fees in (7.1) and (7.2) above, plus 50% | | | | |
| | 7.5 After hours burial request as in (7.1) plus 100% | | | | |
| | 7.6 At least 16 working hours notice must be given of a burial | | | | |
| | 7.7 Pauper burial fees | R 585.06 | 0% | 508.75 | R 585.06 |
| | 7.8 Internment of ashes in excising graves | R 46.71 | 0% | 40.62 | R 46.71 |
| | 8 PUBLIC HALLS TARIFF | | | | |
| | 8.1 Town Hall (Matatiele) | | | | |
| | (a) Main hall and kitchen per 12 hour period per day. | R 5,030.93 | 0% | 4374.72 | R 5,030.93 |
| | (b) Main hall and kitchen per function exceeding 12 hour. | R 5,855.05 | 0% | 5091.35 | R 5,855.05 |
| | 8.2 Town Hall (Maluti Civic Centre) | | | | |
| | (a) Main hall and kitchen per 12 hour period per day. | R 5,030.93 | 0% | 4374.72 | R 5,030.93 |
| | (b) Main hall and kitchen per function exceeding 12 hour. | R 5,855.05 | 0% | 5091.35 | R 5,855.05 |
| | Town Hall (Cedarville) | | | | |
| | (a) Main hall and kitchen per 12 hour period per day. | R 1,901.81 | 0% | 1653.75 | R 1,901.81 |
| | (b) Main hall and kitchen per function exceeding 12 hour. | R 2,744.95 | 0% | 2386.91 | R 2,744.95 |
| | (c) Old Cedarville Boardroom | R 183.84 | 0% | 159.86 | R 183.84 |
| | 8.3 Harry Gwala Park Community Hall | | | | |
| | (a) Main hall and kitchen per 12 hour period per day. | R 824.12 | 0% | 716.63 | R 824.12 |
| | (b) Main hall and kitchen per function exceeding 12 hour. | R 824.12 | 0% | 716.63 | R 824.12 |
| | 8.4 Nokhwezi & Msingizi Community Hall | | | | |
| | (a) Hall per 12 hour period per day | R 824.12 | 0% | 716.63 | R 824.12 |
| | (b) Hall per kitchen per function exceeding 12 hours | R 824.12 | 0% | 716.63 | R 824.12 |
| | 8.5 Library Hall (Matatiele) | | | | |
| | (a) Hall per 12 hour period per day | R 273.86 | 0% | 238.14 | R 273.86 |
| | 8.6 Library Hall (Cedarville) | | | | |
| | (a) Hall per 12 hour period per day | R 238.36 | 0% | 207.27 | R 238.36 |
| | 8.7 Community Halls (Rural Area) | | | | |
| | (a) Hall per 12 hour period per day | R 183.84 | 0% | 159.86 | R 183.84 |
| | 8.8 Equipment | | | | |
| | The public address system per day or part thereof | R 504.61 | 0% | 438.80 | R 504.61 |

| | DESCRIPTION | New Tariff Including VAT 2023/2024 | Increase for 2024/2025 | New Tariff VAT Excluded 2024/2025 | New Tariff Including VAT 2024/2025 |
|--------------|--|---------------------------------------|---------------------------|---|---------------------------------------|
| 8.9 | In addition to 8.1 to 8.6 above the hirer shall purchase pre-paid electricity cards for the supply of electricity. | | | | |
| 8.10 | Where the hall is hired there shall first be deposited with the Chief Financial Officer the following amounts which amounts shall be refunded when the premises is handed over in satisfactory condition. | | | | |
| | Town Hall (Matatiele) | R 4,535.00 | 0% | 4535.00 | R 4,535.00 |
| | Town Hall (Cedarville) | R 1,790.00 | 0% | 1790.00 | R 1,790.00 |
| | Harry Gwala Park Community Hall | R 735.00 | 0% | 735.00 | R 735.00 |
| | Nokhwezi & Msingizi Community Hall | R 735.00 | 0% | 735.00 | R 735.00 |
| | Library Hall (Matatiele) | R 245.00 | 0% | 245.00 | R 245.00 |
| | Library Hall (Cedarville) | R 192.00 | 0% | 192.00 | R 192.00 |
| 8.11 | Community Halls | | | | |
| | The Municipal Manager has delegated Authority to hire the Community Halls to Matatiele Local Registered Non-Profit Organisations/Institutions and to resident members of the community for memorial/personal social activities at a variable charge not less than the following amount per occasion | R 92.00 | 0% | 80.00 | R 92.00 |
| CONDI | | | | | |
| 1 | The Council reserves the right to refuse any booking or cancel any engagement if the function be not approved. | | | | |
| 2 | No booking will be made and no date reserved until the full charges for the hire accommodation required has been paid. In the event of the hirer canceling or postponing any booking 25% of the hire fees shall be forfeited to the Council, provided the Council is notified of such cancellation at least 5 days prior to the date booked. | | | | |
| 3 | Advance bookings will not be accepted for any date more than thirteen months ahead, provided that prior bookings may be accepted in respect of a conference congress or festival celebrations at the discretion of the Municipal Manager. | | | | |
| 4 | Every hirer shall specify the times and hours for which they wish to hire the accommodation concerned and they shall not be entitled to exceed the period of the hire period, the hirer shall be liable for the payment to the Council of any additional charges calculated as above but nothing herein shall prejudice the right of the Council to require him to vacate the accommodation upon the expiration of the hire period specified by them. | | | | |
| 5 | No additional or special lighting may be installed in the City Hall without the written approval of the Municipal Manager, and any additional lights so authorized shall be carried out by the Electricity Department of the council on terms and conditions to be arranged. | | | | |
| 6 | Hirers shall be responsible for making good any breakage or damage of any description to the hall, furniture, fittings or any other property of the Council. If any furniture, equipment or any other property of the Council be found defective by the hirer, the same must be pointed out to the Caretaker before being used, failing this, everything will be considered to be in proper order. | | | | |
| 7 | The hirer shall ensure that all accommodation or equipment hired and the adjoining City Hall corridors are kept and left in a clean and tidy condition, failing which the the Council will have the premises cleaned at the hirers expense. | | | | |
| 8 | From the deposit of the amount set out in the tariff of charges, the Council shall be entitled to deduct from such amount the cost of repairing, replacing or making good any damage, breakage, loss or disfigurement to the property of the Council sustained during hiring to hirer as well as any outstanding debt owed to the Municipality for rates or services. Should the amount of the said deposit be insufficient to cover such cost, the hirer shall be liable for the payment of any additional amount involved. In the event of no damage, breakage, loss or disfigurement to the property of the Council being sustained as aforesaid, the deposit shall be refunded to the hirer. | | | | |
| 9 | Cooking in the hall, other than in the kitchen and utensils provided for that purpose is prohibited. | | | | |
| 10 | The Council shall not be responsible for any loss occasioned by the temporary failure of the electric light supply in the building. | | | | |
| 11 | The Council shall not be responsible for any damage howsoever caused to, or for the loss of, articles or goods brought into, or left in the City Hall by the hirer or any other person. | | | | |
| 12 | The hirer shall be responsible for the control and behaviour of all children attending the functions, and shall prevent undue noise or nuisance being caused by children running about the Town Hall offices or otherwise. | | | | |
| 13 | No furniture, fittings, musical instruments, produce or refreshments shall be brought into, or removed from the building except by the Councillors car park entrance. | | | | |
| 14 | Standing on seats or chairs shall not be permitted. | | | | |
| 15 | No portion of the City Hall may be used for business purposes involving the sale of goods. The condition shall not apply to bazaars and fetes for charitable or other public purposes not to the sale or programmes or refreshments incidental to the use of the hall premises for public performances or functions. | | | | |
| 9 | MISCELLANEOUS SERVICES | | | | |
| | Sundry Charges | | | | |
| 9.1 | Search Fees | | | | |
| (a) | Other than from the Minutes of proceedings of the Council, for any document or information required dated back: | | | | |

| | DESCRIPTION | New Tariff Including VAT 2023/2024 | Increase for 2024/2025 | New Tariff VAT Excluded 2024/2025 | New Tariff Including VAT 2024/2025 |
|-----------------------------|---|---------------------------------------|---------------------------|---|---------------------------------------|
| | Tennis Court Rental | | | | |
| | PER PRACTICE | | | | |
| | Practice sessions maximum of 3 hours per session | | | | |
| | Fees per team of 2 players – (below the age of 18) | R 30.00 | 0% | 26.09 | R 30.00 |
| | (18 and above) | R 110.00 | 0% | 95.65 | R 110.00 |
| | PER MATCH | | | | |
| | Fees per Match team of 2 players– (below the age of 18) | R 120.00 | 0% | 104.35 | R 120.00 |
| | (18 and above) | R 210.00 | 0% | 182.61 | R 210.00 |
| | SEASON TICKETS (SIX MONTHS) | | | | |
| | Fees per Practice per team of 2 – (below the age of 18) | R 220.00 | 0% | 191.30 | R 220.00 |
| | (18 and above) | R 660.00 | 0% | 573.91 | R 660.00 |
| | YEAR TICKETS (12 MONTHS) | | | | |
| | Fees per Practice per team of 2 – (below the age of 18) | R 560.00 | 0% | 486.96 | R 560.00 |
| | (18 and above) | R 1,120.00 | 0% | 973.91 | R 1,120.00 |
| 9.15 | Pre-paid Electricity Metering cards to be purchased for the use of lights at the stadium at the Domestic Rates. | | | | |
| 9.16 | A penalty will be charged for any dishonoured cheque. | R 230.05 | 0% | 200.04 | R 230.05 |
| 9.17 | Damage to any Council property | R 2,499.05 | 0% | 2173.09 | R 2,499.05 |
| 9.18 | Cleaning of over grown property after failing to respond to councils instruction to clean this said property. | R 6,477.67 | 0% | 5632.76 | R 6,477.67 |
| 9.19 | Dog Licenses | | | | |
| | Dogs | R 25.70 | 0% | 22.34 | R 25.70 |
| 9.20 | Library Fines | | | | |
| | Lost books + cost of the book. | R 35.04 | 0% | 30.47 | R 35.04 |
| | Book/s per day | | | | |
| | Video/s per day | | | | |
| | Photocopies per copy | | | | |
| | Internet per 30 minutes | | | | |
| | Internet E-Mail address per 6 months. | | | | |
| 9.22 | Tender Documents | | | | |
| | Tender that is less than R1 million (including VAT) | R 300.00 | | | R 300.00 |
| | Tender that is between R1 million and R10 million (including VAT) | R 500.00 | | | R 500.00 |
| | Tender that is above R10 million (including VAT) | R 1,000.00 | | | R 1,000.00 |
| | The fee will increase according to the size of the tender document. | | | | |
| 10 BUSINESS LICENSES | | | | | |
| 10.1 | Food Vendors in caravans & carts or similar vessel | R 224.22 | 0% | 194.97 | R 224.22 |
| 10.2 | General Dealers | R 747.37 | 0% | 649.89 | R 747.37 |
| 10.3 | Supermarkets, Wholesalers & Butcheries | R 747.37 | 0% | 649.89 | R 747.37 |
| 10.4 | Restaurants, B&B's, Hotels, Guest Houses, Lodges | R 747.37 | 0% | 649.89 | R 747.37 |
| 10.5 | Spaza Shops | R 448.64 | 0% | 390.12 | R 448.64 |
| 10.6 | Funeral Parlours | R 747.37 | 0% | 649.89 | R 747.37 |
| 10.7 | Hawker License: Trucks & Bakkies | R 224.22 | 0% | 194.97 | R 224.22 |
| 10.8 | Hawker License: Street Vendors | R 120.00 | 0% | 104.35 | R 120.00 |
| 10.8.1 | Hawker License: Sheltered | R 180.00 | 0% | 156.52 | R 180.00 |
| 10.9 | Hawker License: (Special Application – Events) | R 448.43 | 0% | 389.94 | R 448.43 |
| 10.10 | Clothing Shops | R 747.37 | 0% | 649.89 | R 747.37 |
| 10.11 | Hardware | R 747.37 | 0% | 649.89 | R 747.37 |
| 10.12 | Garages | R 747.37 | 0% | 649.89 | R 747.37 |
| 10.13 | Livestock Sales | R 298.95 | 0% | 259.96 | R 298.95 |
| 10.14 | Car wash | R 298.95 | 0% | 259.96 | R 298.95 |
| 10.15 | Laundromat/Dry Cleaning | R 747.37 | 0% | 649.89 | R 747.37 |
| 10.16 | Financial Institution | R 747.37 | 0% | 649.89 | R 747.37 |
| 10.17 | Beauty Parlour: Hair Salons, Barber Shops etc | R 298.95 | 0% | 259.96 | R 298.95 |
| 10.18 | Furniture Shops | R 747.37 | 0% | 649.89 | R 747.37 |
| 10.19 | Legal Practice | R 747.37 | 0% | 649.89 | R 747.37 |
| 10.20 | Surgeries | R 747.37 | 0% | 649.89 | R 747.37 |
| 10.21 | Transport Industry | R 747.37 | 0% | 649.89 | R 747.37 |
| 10.22 | Liquor: Bottle Stores, Taverns | R 747.37 | 0% | 649.89 | R 747.37 |
| 10.23 | Book Shops | R 747.37 | 0% | 649.89 | R 747.37 |
| 10.24 | Brokers: Insurance, Estate agents etc | R 747.37 | 0% | 649.89 | R 747.37 |

| | DESCRIPTION | New Tariff Including VAT 2023/2024 | Increase for 2024/2025 | New Tariff VAT Excluded 2024/2025 | New Tariff Including VAT 2024/2025 |
|-----------|---|--|---------------------------|---|--|
| 16 | CATEGORY 1 LAND DEVELOPMENT APPLICATIONS | | | | |
| | Proposed Land Use applications: | | | | |
| 16.1 | Phasing /cancellation of approved layout plan | 1,593.00 | 0% | | 1,593.00 |
| 16.2 | Rezoning: | | | | |
| | (a) Advertising Fees | Applicants advised to apply on their own | | | Applicants advised to apply on their own |
| | (b) Erven 0 – 2500 m2 | 2,237.00 | 0% | | 2,237.00 |
| | (c) Erven 2501 – 5000 m2 | 5,622.29 | 0% | | 5,622.29 |
| | (d) Erven 5001 – 10 000 m2 | 6,200.00 | 0% | | 6,200.00 |
| | (e) Erven 1 ha – 5 ha | 11,428.88 | 0% | | 11,428.88 |
| | (f) Erven over 5 ha | 15,020.66 | 0% | | 15,020.66 |
| 16.3 | Removal, amendment, suspension of a restrictive or obsolete | 1,620.00 | 0% | | 1,620.00 |
| 16.4 | Amendment or cancellation of a general plan of a township | 1,755.00 | 0% | | 1,755.00 |
| 16.5 | Subdivision of land: | | | | |
| | (a) Basic Fee | 1,529.00 | 0% | | 1,529.00 |
| | (b) Charge per subdivision (remainder considered a subdivision) | 300.00 | 0% | | 300.00 |
| | (c) Subdivisions into more than 80 erven (Township | 12,649.00 | 0% | | 12,649.00 |
| 16.6 | Permanent closure of a public place Per closure | 2,237.00 | 0% | | 2,237.00 |
| 16.7 | Development on communal land | 5,092.00 | 0% | | 5,092.00 |
| 17 | CATEGORY 2 LAND USE APPLICATIONS | | | | |
| 17.1 | Subdivision of land provided for in land use scheme or town | 1,529.00 | 0% | | 1,529.00 |
| 17.2 | Consent use | 3,982.63 | 0% | | 3,982.63 |
| 17.3 | The removal, amendment or suspension of a restrictive title condition relating to the density of residential development | 1,620.00 | 0% | | 1,620.00 |
| 17.4 | Departures | | | | |
| | (a) Advertising fee for departures | Applicants advised to apply on their own | | | Applicants advised to apply on their own |
| | (b) Basic fee | 1,200.00 | 0% | | 1,200.00 |
| | (c) Erven 1- 500 m2 | 460.00 | 0% | | 460.00 |
| | (d) Erven 500 – 750 m2 | 892.00 | 0% | | 892.00 |
| | (e) Erven larger than 750 m2 | 1,600.00 | 0% | | 1,600.00 |
| 17.5 | Occasional use: other rights | 770.00 | 0% | | 770.00 |
| 17.6 | Material amendments to original application prior to approval/refusal | 50% of original application fee | | | 50% of original application fee |
| 18 | MISCELLANEOUS FEES | | | | |
| 18.1 | Extension of validity period of approval | 1,185.00 | 0% | | 1,185.00 |
| 18.2 | Certificates: | | | | |
| | (a) Zoning certificate Per certificate | 150.00 | 0% | | 150.00 |
| | (b) Any other certificate Per certificate | 150.00 | | | 150.00 |
| 18.3 | Public hearing and inspection | 500.00 | | | 500.00 |
| 18.4 | Reason for decision of municipal planning tribunal, land development officer or appeal authority | 500.00 | | | 500.00 |
| 18.5 | Re-issuing of any notice of approval of any application | 257.00 | | | 257.00 |
| 18.6 | Copy of A4 Map (Scholars are exempted) | 10.00 | | | 10.00 |
| 18.7 | Deed search | 30.00 | | | 30.00 |
| 18.8 | Title deed | 163.00 | | | 163.00 |
| 18.9 | Surveyor General(SG) Diagram search | 10.00 | | | 10.00 |
| 18.10 | Survey services | 500.00 | | | 500.00 |
| 18.11 | Way leave application (application to determine where the Council's services are located or a specific area where new services are to be installed) | 2,509.00 | | | 2,509.00 |
| 18.12 | Any other application not provided for elsewhere in this schedule of fees | 3,481.00 | | | 3,481.00 |
| 19 | COPIES | | | | |
| 19.1 | Spatial development framework: | | | | |
| | (a) Hard copy | 174.00 | | | 174.00 |
| | (b) In electronic format | 82.00 | | | 82.00 |
| 19.2 | Copy of Land Use Scheme or Town Planning Scheme (Scheme | 401.00 | | | 401.00 |
| 19.3 | Scheme Regulations Per set | 400.00 | | | 400.00 |
| 19.4 | Search fees Per erf | 30.00 | | | 30.00 |

Table 1MBRR SA16 – Investment particulars by maturity

| Investments by Maturity | Ref | Period of Investment | Type of Investment | Capital Guarantee (Yael/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 | | | | | | | | | | | | |
| Parent municipality | | | | | | | | | | | | | | |
| Standard Bank | | Daily Call | Current | Yes | Fixed | 5 | 0 | 0 | Daily Call | 179 814 | 8 991 | – | 28 000 | 216 805 |
| Standard Bank | | 32 Day Call | Current | Yes | Fixed | 5 | 0 | 0 | 32 Day Call | 12 820 | 641 | – | – | 13 461 |
| First National Bank | | Money Market | Current | Yes | Fixed | 5.5 | 0 | 0 | Money Market | 6 895 | 374 | – | – | 7 190 |
| Nedbank | | Money Market | Current | Yes | Fixed | 4.25 | 0 | 0 | Money Market | 7 629 | 324 | – | – | 7 953 |
| Nedbank | | Daily Call | Daily Call | Yes | Fixed | 7 | 0 | 0 | Daily Call | 10 234 | 716 | – | – | 10 950 |
| Nedbank | | Daily Call | Daily Call | Yes | Fixed | 7 | 0 | 0 | Daily Call | 145 | 10 | – | – | 155 |
| Nedbank | | Daily Call | Daily Call | Yes | Fixed | 7 | 0 | 0 | Daily Call | 6 202 | 434 | – | – | 6 636 |
| Municipality sub-total | | | | | | | | | | 223 649 | | – | 28 000 | 263 140 |
| Entities | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | – |
| | | | | | | | | | | | | | | – |
| | | | | | | | | | | | | | | – |
| | | | | | | | | | | | | | | – |
| Entities sub-total | | | | | | | | | | – | | – | – | – |
| TOTAL INVESTMENTS AND INTEREST | 1 | | | | | | | | | 223 649 | | – | 28 000 | 263 140 |

2.6.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2024/25 medium-term capital programme:

Sources of capital revenue for the 2024/25 financial year

| FUNDING OF CAPITAL BUDGET | 2024/25 |
|--------------------------------------|--------------------|
| | |
| Municipal Disaster Grant | 41 092 380 |
| Municipal Infrastructure Grant (MIG) | 54 704 800 |
| Library Grant | 950 000 |
| Capital Replacement Reserve (CRR) | 86 235 799 |
| | |
| TOTAL | 182 983 003 |

The Municipality's capital funding is dependant highly on the external grants as allocated on the DORA.

The following table is of the Municipality's borrowing liability, which is not applicable for the 2024/25 as we have no long term debt

Table 2MBRR Table SA 17 - Detail of borrowings

EC441 Matatiele - Supporting Table SA17 Borrowing

| Borrowing - Categorised by type R thousand | Ref | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| Parent municipality | | | | | | | | | | |
| 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 | | | | | | | | | | |
| Municipality sub-total | 1 | - | - | - | - | - | - | - | - | - |
| Entities | | | | | | | | | | |
| 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 | | | | | | | | | | |
| Entities sub-total | 1 | - | - | - | - | - | - | - | - | - |
| Total Borrowing | 1 | - | - | - | - | - | - | - | - | - |
| Unspent Borrowing - Categorised by type | | | | | | | | | | |
| Parent municipality | | | | | | | | | | |
| 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 | | | | | | | | | | |
| Municipality sub-total | 1 | - | - | - | - | - | - | - | - | - |
| Entities | | | | | | | | | | |
| 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 | | | | | | | | | | |
| Entities sub-total | 1 | - | - | - | - | - | - | - | - | - |
| Total Unspent Borrowing | 1 | - | - | - | - | - | - | - | - | - |

Table 41 MBRR Table SA 18 - transfers and grants receipts

| Description | ### | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|---|------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousand | | | | | | | | | | |
| RECEIPTS: | 1, 2 | | | | | | | | | |
| Operating Transfers and Grants | | | | | | | | | | |
| National Government: | | 299 604 | 342 334 | 345 491 | 312 569 | 312 152 | 405 237 | 355 428 | 342 699 | 332 279 |
| Expanded Public Works Programme Integrated Grant | | 0 | 4 887 | 4 810 | 3 974 | 3 752 | 3 974 | 3 880 | — | — |
| Integrated National Electrification Programme Grant | | — | — | — | — | — | 41 000 | 26 648 | 20 000 | 20 000 |
| Local Government Financial Management Grant | | — | 1 650 | 1 650 | 1 700 | 1 700 | 1 700 | 1 800 | 1 800 | 2 000 |
| Municipal Infrastructure Grant | | (0) | 76 971 | 52 723 | 2 925 | 2 730 | 54 593 | 2 879 | 3 017 | 3 273 |
| Equitable Share | | 299 604 | 258 826 | 286 308 | 303 970 | 303 970 | 303 970 | 320 321 | 317 882 | 307 006 |
| Provincial Government: | | 2 224 | — | — | 5 941 | 5 941 | — | 4 816 | 1 250 | 1 293 |
| Specify (Add grant description) | | — | — | — | 2 250 | 2 250 | — | 1 750 | 1 250 | 1 293 |
| Specify (Add grant description) | | 2 224 | — | — | 3 691 | 3 691 | — | 3 066 | — | — |
| District Municipality: | | — | — | — | — | — | 100 | — | — | — |
| Specify (Add grant description) | | — | — | — | — | — | 100 | — | — | — |
| Other grant providers: | | — | — | — | — | — | — | — | — | — |
| Total Operating Transfers and Grants | 5 | 301 828 | 342 334 | 345 491 | 318 510 | 318 093 | 405 337 | 360 244 | 343 949 | 333 572 |
| Capital Transfers and Grants | | | | | | | | | | |
| National Government: | | (0) | 97 778 | 48 539 | 95 481 | 124 220 | 32 706 | 95 797 | 81 860 | 62 180 |
| Municipal Disaster Relief Grant | | — | — | 2 251 | — | 34 957 | 32 706 | 41 092 | 24 543 | — |
| Municipal Infrastructure Grant | | — | — | — | 55 581 | 51 863 | — | 54 705 | 57 317 | 62 180 |
| Integrated National Electrification Programme Grant | | (0) | 97 778 | 46 288 | 39 900 | 37 400 | — | — | — | — |
| Provincial Government: | | — | 650 | — | — | 57 034 | 3 981 | 950 | — | — |
| Specify (Add grant description) | | — | — | — | — | — | — | 950 | — | — |
| Specify (Add grant description) | | — | — | — | — | — | 3 331 | — | — | — |
| Specify (Add grant description) | | — | — | — | — | 57 034 | — | — | — | — |
| Specify (Add grant description) | | — | 650 | — | — | — | 650 | — | — | — |
| District Municipality: | | — | — | — | — | — | — | — | — | — |
| Other grant providers: | | — | — | — | — | — | — | — | — | — |
| Total Capital Transfers and Grants | 5 | (0) | 98 428 | 48 539 | 95 481 | 181 254 | 36 687 | 96 747 | 81 860 | 62 180 |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS | 5 | 301 828 | 440 762 | 394 030 | 413 991 | 499 347 | 442 024 | 456 991 | 425 809 | 395 752 |

2.6.3 Cash Flow Management

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

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

Table 42 MBRR Table A7 - Budget cash flow statement

2.6.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

What are the predicted cash and investments that are available at the end of the budget year?

- How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality’s budget must be ‘funded’. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

Table 43 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

| Description | Ref | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|---|-----|------------------|------------------|------------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousand | | | | | | | | | | | |
| Cash and investments available | | | | | | | | | | | |
| Cash/cash equivalents at the year end | 1 | 329 891 | 377 179 | 446 558 | 326 924 | 285 300 | 285 300 | 285 300 | 290 162 | 314 761 | 382 737 |
| Other current investments > 90 days | | (105 469) | (140 447) | (191 771) | — | — | — | — | — | (44 850) | (84 018) |
| Non current investments | 1 | — | — | — | — | — | — | — | — | — | — |
| Cash and investments available: | | 224 422 | 236 732 | 254 787 | 326 924 | 285 300 | 285 300 | 285 300 | 290 162 | 269 912 | 298 719 |
| Application of cash and investments | | | | | | | | | | | |
| Unspent conditional transfers | | 4 461 | 12 340 | 4 904 | — | — | — | — | 20 746 | 20 746 | 20 746 |
| Unspent borrowing | | — | — | — | — | — | — | — | — | — | — |
| Statutory requirements | 2 | 57 702 | 77 577 | 84 484 | (4 281) | (15 241) | (15 241) | (15 241) | 1 449 | 2 384 | 3 046 |
| Other working capital requirements | 3 | (31 008) | (43 719) | (66 225) | (144 978) | (93 341) | (93 341) | (93 341) | (59 996) | (82 940) | (104 602) |
| Other provisions | | 15 318 | 14 310 | 14 776 | 90 868 | 29 993 | 29 993 | 29 993 | 29 993 | 29 993 | 29 993 |
| Long term investments committed | 4 | — | — | — | — | — | — | — | — | — | — |
| Reserves to be backed by cash/investments | 5 | 364 732 | 364 732 | 364 732 | 86 236 | 76 952 | 76 952 | 76 952 | 86 236 | 48 912 | 40 383 |
| Total Application of cash and investments: | | 411 204 | 425 241 | 402 672 | 27 845 | (1 637) | (1 637) | (1 637) | 78 428 | 19 095 | (10 434) |
| Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits | | (186 782) | (188 509) | (147 885) | 299 079 | 286 938 | 286 938 | 286 938 | 211 734 | 250 817 | 309 153 |
| Creditors transferred to Debt Relief - Non-Current portion | | — | — | — | — | — | — | — | — | — | — |
| Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits | | (186 782) | (188 509) | (147 885) | 299 079 | 286 938 | 286 938 | 286 938 | 211 734 | 250 817 | 309 153 |

2.6.5 Funding compliance measurement

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

2.6.5.1 Cash/cash equivalent position

The Municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

2.6.5.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table 43, on page 84. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

2.6.5.3 Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. It is especially important to consider the position should the municipality be faced with an expected disaster that threatens revenue collection such as rate boycotts. As part of the 2023/24 MTREF the municipalities improving cash position causes the ratio to move upwards to 7.3 and then increase slightly to 9 for outer years. As indicated above the Municipality aims to archive at least one month's cash coverage in the medium term, and then gradually move towards two months coverage. This measure will have to be carefully monitored going forward.

2.6.5.4 Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term.

It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

2.6.5.5 Property Rates/service charge revenue as a percentage increase less macro inflation target

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etc.

2.6.5.6 Cash receipts as a percentage of ratepayer and other revenue

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget. Given that the assumed collection rate was based on a 85 per cent performance target, the cash flow statement has been conservatively determined. In addition the risks associated with objections to the valuation roll need to be clarified and hence the conservative approach, also taking into consideration the cash flow challenges experienced in the current financial year. This measure and performance objective will have to be meticulously managed. Should performance with the mid-year review and adjustments be positive in relation to actual collections of billed revenue, the adjustments budget will be amended accordingly.

2.6.5.7 Debt impairment expense as a percentage of billable revenue

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues. Considering the debt incentive scheme and the municipality's revenue management strategy's objective to collect outstanding debtors of 90 days, the provision is well within the accepted leading practice.

2.6.5.8 Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. It can be seen that a 100 per cent timing discount has been factored into the cash position forecasted over the entire financial year. The municipality aims to keep this as low as possible through strict compliance with the legislative requirement that debtors be paid within 30 days.

2.6.5.9 Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded.

Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (Dora) have been budgeted for. The Municipality has budgeted for all transfers.

2.6.5.10 Consumer debtors change (Current and Non-current)

The purpose of these measures is to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position. Both measures show a relatively stable trend in line with the Municipality's policy of settling debtor's accounts within 30 days.

2.6.5.11 Repairs and maintenance expenditure level

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected.

2.6.5.12 Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability.

Table 45 MBRR SA19 - Expenditure on transfers and grant programmes

| Description | ### | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|---|----------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| EXPENDITURE: | 1 | | | | | | | | | |
| <u>Operating expenditure of Transfers and Grants</u> | | | | | | | | | | |
| National Government: | | 299 604 | 265 363 | 292 768 | 306 895 | 306 700 | 339 834 | 355 428 | 342 699 | 332 279 |
| Expanded Public Works Programme Integrated Grant | | – | 4 887 | 4 810 | – | – | 3 752 | 3 880 | – | – |
| Integrated National Electrification Programme Grant | | – | – | – | – | – | 29 598 | 26 648 | 20 000 | 20 000 |
| Local Government Financial Management Grant | | – | 1 650 | 1 650 | – | – | 1 484 | 1 700 | 1 800 | 2 000 |
| Municipal Infrastructure Grant | | – | – | – | 2 925 | 2 730 | 1 030 | 2 879 | 3 017 | 3 273 |
| Equitable Share | | 299 604 | 258 826 | 286 308 | 303 970 | 303 970 | 303 970 | 320 321 | 317 882 | 307 006 |
| Provincial Government: | | (484) | 2 113 | 345 | 3 691 | 3 691 | 3 170 | 4 816 | 1 250 | 1 293 |
| Specify (Add grant description) | | (484) | 2 113 | 345 | – | – | 0 | – | – | – |
| Specify (Add grant description) | | – | – | – | – | – | 204 | 1 750 | 1 250 | 1 293 |
| Specify (Add grant description) | | – | – | – | 3 691 | 3 691 | 2 966 | 3 066 | – | – |
| District Municipality: | | – | – | – | – | – | 100 | – | – | – |
| Specify (Add grant description) | | – | – | – | – | – | 100 | – | – | – |
| Other grant providers: | | – | – | – | – | – | – | – | – | – |
| Total operating expenditure of Transfers and Grants: | | 299 120 | 267 476 | 293 113 | 310 586 | 310 391 | 343 104 | 360 244 | 343 949 | 333 572 |
| <u>Capital expenditure of Transfers and Grants</u> | | | | | | | | | | |
| National Government: | | – | 165 407 | 108 353 | 103 405 | 131 922 | 57 096 | 95 797 | 81 860 | 62 180 |
| Municipal Disaster Relief Grant | | – | – | – | – | 34 957 | 6 555 | 41 092 | 24 543 | – |
| Municipal Infrastructure Grant | | – | 67 629 | 62 065 | 63 505 | 59 565 | 50 541 | 54 705 | 57 317 | 62 180 |
| Integrated National Electrification Programme Grant | | – | 97 778 | 46 288 | 39 900 | 37 400 | 0 | – | – | – |
| Provincial Government: | | – | – | – | – | 57 034 | (5 427) | 950 | – | – |
| Specify (Add grant description) | | – | – | – | – | – | – | 950 | – | – |
| Specify (Add grant description) | | – | – | – | – | 57 034 | (5 427) | – | – | – |
| District Municipality: | | – | – | – | – | – | – | – | – | – |
| Other grant providers: | | – | – | – | – | – | – | – | – | – |
| Total capital expenditure of Transfers and Grants | | – | 165 407 | 108 353 | 103 405 | 188 956 | 51 670 | 96 747 | 81 860 | 62 180 |
| TOTAL EXPENDITURE OF TRANSFERS AND GRANTS | | 299 120 | 432 883 | 401 465 | 413 991 | 499 347 | 394 774 | 456 991 | 425 809 | 395 752 |

2.8 Table 3MBRR SA23 - Summary of councillor and staff benefits

| Disclosure of Salaries, Allowances & Benefits 1. | Ref | No. | Salary | Contributions | Allowances | Performance Bonuses | In-kind benefits | Total Package |
|---|------------|------------|---------------|----------------------|-------------------|----------------------------|-------------------------|----------------------|
| Rand per annum | | | | 1. | | | | 2. |
| Councillors | 3 | | | | | | | |
| Speaker | 4 | - | 603 736 | 70 712 | 257 638 | - | - | 932 086 |
| Chief Whip | | - | 569 736 | 44 605 | 245 455 | - | - | 859 796 |
| Executive Mayor | | - | 565 011 | 44 250 | 494 203 | - | - | 1 103 464 |
| Deputy Executive Mayor | | - | - | - | - | - | - | - |
| Executive Committee | | - | 3 335 900 | 287 838 | 2 570 798 | - | - | 6 194 536 |
| Total for all other councillors | | - | 8 553 334 | 687 930 | 7 222 550 | - | - | 16 463 814 |
| Total Councillors | 8 | - | 13 627 717 | 1 135 335 | 10 790 644 | | | 25 553 696 |
| Senior Managers of the Municipality | 5 | | | | | | | |
| Municipal Manager (MM) | | - | 570 353 | 192 941 | 754 921 | 125 669 | - | 1 643 884 |
| Chief Finance Officer | | - | 523 390 | 62 113 | 648 304 | 122 014 | - | 1 355 821 |
| | | | | | | | | - |
| | | | | | | | | - |
| List of each official with packages >= senior manager | | | | | | | | - |
| | | | | | | | | - |
| | | | | | | | | - |
| | | | | | | | | - |
| | | | | | | | | - |
| | | | | | | | | - |
| | | | | | | | | - |
| | | | | | | | | - |
| | | | | | | | | - |
| Total Senior Managers of the Municipality | 8,10 | - | 1 093 743 | 255 054 | 1 403 225 | 247 683 | | 2 999 705 |
| A Heading for Each Entity | 6,7 | | | | | | | |
| List each member of board by designation | | | | | | | | - |
| | | | | | | | | - |
| | | | | | | | | - |
| | | | | | | | | - |
| | | | | | | | | - |
| | | | | | | | | - |
| | | | | | | | | - |
| | | | | | | | | - |
| | | | | | | | | - |
| | | | | | | | | - |
| | | | | | | | | - |
| Total for municipal entities | 8,10 | - | - | - | - | - | | - |
| TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION | 10 | - | 14 721 460 | 1 390 389 | 12 193 869 | 247 683 | | 28 553 401 |

Table 49 MBRR SA24–Summary of personnel numbers

| Summary of Personnel Numbers | | 2022/23 | | | Current Year 2023/24 | | | Budget Year 2024/25 | | |
|---|-------|-----------|---------------------|--------------------|----------------------|---------------------|--------------------|---------------------|---------------------|--------------------|
| Number | 1,2 | Positions | Permanent employees | Contract employees | Positions | Permanent employees | Contract employees | Positions | Permanent employees | Contract employees |
| Municipal Council and Boards of Municipal Entities | | | | | | | | | | |
| Councillors (Political Office Bearers plus Other Councillors) | | 54 | – | 54 | 54 | – | 54 | 54 | – | 54 |
| Board Members of municipal entities | 4 | – | – | – | – | – | – | – | – | – |
| Municipal employees | 5 | – | – | – | – | – | – | – | – | – |
| Municipal Manager and Senior Managers | 3 | – | – | – | – | – | – | – | – | – |
| Other Managers | 7 | 6 | – | 6 | 6 | 1 | 5 | 6 | 2 | 2 |
| Professionals | | 52 | 44 | 8 | 126 | 98 | – | 110 | 76 | – |
| Finance | | 26 | 22 | 4 | 63 | 42 | – | 73 | 42 | – |
| Spatial/town planning | | 11 | 10 | 1 | 40 | 35 | – | 18 | 19 | – |
| Information Technology | | 2 | 2 | – | 14 | 13 | – | 4 | 1 | – |
| Roads | | 1 | 1 | – | 9 | 8 | – | 1 | 1 | – |
| Electricity | | 6 | 3 | 3 | – | – | – | 7 | 7 | – |
| Water | | 6 | 6 | – | – | – | – | 6 | 5 | – |
| Sanitation | | – | – | – | – | – | – | – | – | – |
| Refuse | | – | – | – | – | – | – | – | – | – |
| Other | | – | – | – | – | – | – | 1 | 1 | – |
| Technicians | | 204 | 204 | – | 150 | 136 | – | 118 | 110 | – |
| Finance | | 102 | 102 | – | 75 | 68 | – | 59 | 55 | – |
| Spatial/town planning | | 18 | 18 | – | 28 | 25 | – | – | – | – |
| Information Technology | | 2 | 2 | – | 4 | 2 | – | 4 | 2 | – |
| Roads | | 4 | 4 | – | 5 | 5 | – | 4 | 4 | – |
| Electricity | | 3 | 3 | – | 5 | 5 | – | 6 | 5 | – |
| Water | | – | – | – | 18 | 17 | – | 3 | 3 | – |
| Sanitation | | – | – | – | – | – | – | – | – | – |
| Refuse | | 1 | 1 | – | 13 | 12 | – | 2 | 1 | – |
| Other | | 74 | 74 | – | 2 | 2 | – | 40 | 40 | – |
| Clerks (Clerical and administrative) | | 48 | 48 | – | 54 | 48 | 30 | 81 | 73 | 30 |
| Service and sales workers | | 25 | 25 | – | 50 | 40 | – | 56 | 49 | – |
| Skilled agricultural and fishery workers | | – | – | – | 2 | 2 | – | 2 | 1 | – |
| Craft and related trades | | 9 | 9 | – | – | – | – | – | – | – |
| Plant and Machine Operators | | 13 | 13 | – | 14 | 3 | – | 14 | 3 | – |
| Elementary Occupations | | 93 | 93 | – | 78 | 74 | – | 65 | 52 | – |
| TOTAL PERSONNEL NUMBERS | 9 | 504 | 436 | 68 | 534 | 402 | 89 | 506 | 366 | 86 |
| % increase | | | | | 6.0% | (7.6%) | 30.9% | (5.2%) | (9.0%) | (3.4%) |
| Total municipal employees headcount | 6, 10 | 395 | 312 | 83 | 417 | 292 | 108 | 431 | 303 | 105 |
| Finance personnel headcount | 8, 10 | – | – | – | – | – | – | 40 | 38 | 5 |
| Human Resources personnel headcount | 8, 10 | – | – | – | – | – | – | 13 | 12 | 1 |

2.9 Monthly targets for revenue, expenditure and cash flow

| Description | ### | Budget Year 2024/25 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|--|----------|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---|------------------------|------------------------|
| | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousand | | | | | | | | | | | | | | | | |
| Revenue | | | | | | | | | | | | | | | | |
| Exchange Revenue | | | | | | | | | | | | | | | | |
| Service charges - Electricity | | 6 679 | 6 679 | 6 679 | 6 679 | 6 679 | 6 679 | 6 679 | 6 679 | 6 679 | 6 679 | 6 679 | 2 978 | 76 446 | 80 146 | 83 930 |
| Service charges - Water | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - Waste Water Management | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - Waste Management | | 1 361 | 1 361 | 1 361 | 1 361 | 1 361 | 1 361 | 1 361 | 1 361 | 1 361 | 1 361 | 1 361 | 555 | 15 526 | 16 332 | 17 083 |
| Sale of Goods and Rendering of Services | | 57 | 57 | 57 | 57 | 57 | 57 | 57 | 57 | 57 | 57 | 57 | 5 322 | 5 946 | 681 | 4 303 |
| Agency services | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest earned from Receivables | | 192 | 192 | 192 | 192 | 192 | 192 | 192 | 192 | 192 | 192 | 192 | 85 | 2 200 | 2 308 | 2 416 |
| Interest earned from Current and Non Current Assets | | 2 519 | 2 519 | 2 519 | 2 519 | 2 519 | 2 519 | 2 519 | 2 519 | 2 519 | 2 519 | 2 519 | 1 107 | 28 813 | 30 225 | 31 645 |
| Dividends | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Rent on Land | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Rental from Fixed Assets | | 177 | 177 | 177 | 177 | 177 | 177 | 177 | 177 | 177 | 177 | 177 | 78 | 2 028 | 2 127 | 2 227 |
| Licence and permits | | 395 | 395 | 395 | 395 | 395 | 395 | 395 | 395 | 395 | 395 | 395 | 174 | 4 522 | 4 744 | 4 967 |
| Operational Revenue | | 78 | 78 | 78 | 78 | 78 | 78 | 78 | 78 | 78 | 78 | 78 | 37 | 892 | 933 | 3 131 |
| Non-Exchange Revenue | | | | | | | | | | | | | | | | |
| Property rates | | 5 471 | 5 471 | 5 471 | 5 471 | 5 471 | 5 471 | 5 471 | 5 471 | 5 471 | 5 471 | 5 471 | 1 755 | 61 937 | 65 653 | 69 592 |
| Surcharges and Taxes | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | | 2 263 | 2 263 | 2 263 | 2 263 | 2 263 | 2 263 | 2 263 | 2 263 | 2 263 | 2 263 | 2 263 | 995 | 25 890 | 27 159 | 28 435 |
| Licences or permits | | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 25 | 26 | 27 |
| Transfer and subsidies - Operational | | 28 662 | 28 662 | 28 662 | 28 662 | 28 662 | 28 662 | 28 662 | 28 662 | 28 662 | 28 662 | 28 662 | 44 958 | 360 244 | 343 949 | 333 572 |
| Interest | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fuel Levy | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Operational Revenue | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gains on disposal of Assets | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Gains | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Discontinued Operations | | | | | | | | | | | | | | | | |
| Total Revenue (excluding capital transfers and contributions) | | 47 857 | 47 857 | 47 857 | 47 857 | 47 857 | 47 857 | 47 857 | 47 857 | 47 857 | 47 857 | 47 857 | 58 044 | 584 469 | 574 282 | 581 329 |
| Expenditure | | | | | | | | | | | | | | | | |
| Employee related costs | | 13 581 | 13 581 | 13 581 | 13 581 | 13 581 | 13 581 | 13 581 | 13 581 | 13 581 | 13 581 | 13 581 | 25 611 | 174 999 | 162 969 | 152 390 |
| Remuneration of councillors | | 2 276 | 2 276 | 2 276 | 2 276 | 2 276 | 2 276 | 2 276 | 2 276 | 2 276 | 2 276 | 2 276 | 1 366 | 26 401 | 27 312 | 28 595 |
| Bulk purchases - electricity | | 6 665 | 6 665 | 6 665 | 6 665 | 6 665 | 6 665 | 6 665 | 6 665 | 6 665 | 6 665 | 6 665 | 2 929 | 76 246 | 79 982 | 83 741 |
| Inventory consumed | | 617 | 617 | 617 | 617 | 617 | 617 | 617 | 617 | 617 | 617 | 617 | 108 | 6 897 | 7 406 | 7 754 |
| Debt impairment | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Depreciation and amortisation | | 4 877 | 4 877 | 4 877 | 4 877 | 4 877 | 4 877 | 4 877 | 4 877 | 4 877 | 4 877 | 4 877 | (856) | 52 790 | 58 523 | 61 273 |
| Interest | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Contracted services | | 14 104 | 14 104 | 14 104 | 14 104 | 14 104 | 14 104 | 14 104 | 14 104 | 14 104 | 14 104 | 14 104 | 5 634 | 160 782 | 169 252 | 149 881 |
| Transfers and subsidies | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Irrecoverable debts written off | | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 2 992 | 6 294 | 3 602 | 3 913 |
| Operational costs | | 5 755 | 5 755 | 5 755 | 5 755 | 5 755 | 5 755 | 5 755 | 5 755 | 5 755 | 5 755 | 5 755 | 16 748 | 80 058 | 69 065 | 60 713 |
| Losses on disposal of Assets | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Losses | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Expenditure | | 48 176 | 48 176 | 48 176 | 48 176 | 48 176 | 48 176 | 48 176 | 48 176 | 48 176 | 48 176 | 48 176 | 54 532 | 584 466 | 578 110 | 548 260 |
| Surplus/(Deficit) | | (319) | (319) | (319) | (319) | (319) | (319) | (319) | (319) | (319) | (319) | (319) | 3 512 | 2 | (3 829) | 33 069 |
| Transfers and subsidies - capital (monetary allocations) | | 6 822 | 6 822 | 6 822 | 6 822 | 6 822 | 6 822 | 6 822 | 6 822 | 6 822 | 6 822 | 6 822 | 21 709 | 96 747 | 81 860 | 62 180 |
| Transfers and subsidies - capital (in-kind) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 25 220 | 96 749 | 78 032 | 95 249 |
| Income Tax | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after income tax | | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 25 220 | 96 749 | 78 032 | 95 249 |
| Share of Surplus/(Deficit) attributable to Joint Venture | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Share of Surplus/(Deficit) attributable to Minorities | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) attributable to municipality | | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 25 220 | 96 749 | 78 032 | 95 249 |
| Share of Surplus/(Deficit) attributable to Associate | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Intercompany/Parent subsidiary transactions | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) for the year | 1 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 6 503 | 25 220 | 96 749 | 78 032 | 95 249 |

Table 4MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

| Description | ### | Budget Year 2024/25 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|----------|---------------------|--------|-------|---------|----------|----------|---------|----------|-------|-------|-----|---------|---|------------------------|------------------------|
| | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousand | | | | | | | | | | | | | | | | |
| Revenue by Vote | | | | | | | | | | | | | | | | |
| Vote 1 - Executive Council | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 2 - Finance and Admin | | - | - | - | - | - | - | - | - | - | - | - | 437 767 | 437 767 | 441 788 | 439 142 |
| Vote 3 - Corporate | | - | - | - | - | - | - | - | - | - | - | - | 350 | 350 | 366 | 1 101 |
| Vote 4 - Development and Planning | | - | - | - | - | - | - | - | - | - | - | - | 5 502 | 5 502 | 211 | 1 658 |
| Vote 5 - Community | | - | - | - | - | - | - | - | - | - | - | - | 33 416 | 33 416 | 26 226 | 28 861 |
| Vote 6 - Infrastructure | | - | - | - | - | - | - | - | - | - | - | - | 204 180 | 204 180 | 187 551 | 172 747 |
| Vote 7 - Internal Audit | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 8 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 9 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 11 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 12 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 13 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 14 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 15 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Revenue by Vote | | - | - | - | - | - | - | - | - | - | - | - | 681 216 | 681 216 | 656 142 | 643 509 |
| Expenditure by Vote to be appropriated | | | | | | | | | | | | | | | | |
| Vote 1 - Executive Council | | - | - | - | - | - | - | - | - | - | - | - | 35 348 | 35 348 | 36 737 | 38 454 |
| Vote 2 - Finance and Admin | | - | - | - | - | - | - | - | - | - | - | - | 125 287 | 125 287 | 119 387 | 112 160 |
| Vote 3 - Corporate | | - | - | - | - | - | - | - | - | - | - | - | 91 362 | 91 362 | 88 753 | 59 423 |
| Vote 4 - Development and Planning | | - | - | - | - | - | - | - | - | - | - | - | 48 686 | 48 686 | 59 152 | 62 260 |
| Vote 5 - Community | | - | - | - | - | - | - | - | - | - | - | - | 81 448 | 81 448 | 66 707 | 62 280 |
| Vote 6 - Infrastructure | | - | - | - | - | - | - | - | - | - | - | - | 197 471 | 197 471 | 202 253 | 208 327 |
| Vote 7 - Internal Audit | | - | - | - | - | - | - | - | - | - | - | - | 4 864 | 4 864 | 5 121 | 5 357 |
| Vote 8 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 9 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 11 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 12 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 13 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 14 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 15 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Expenditure by Vote | | - | - | - | - | - | - | - | - | - | - | - | 584 466 | 584 466 | 578 110 | 548 260 |
| Surplus/(Deficit) before assoc. | | - | - | - | - | - | - | - | - | - | - | - | 96 749 | 96 749 | 78 032 | 95 249 |
| Income Tax | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Share of Surplus/Deficit attributable to Minorities | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Share of Surplus/Deficit attributable to Associate | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) | 1 | - | - | - | - | - | - | - | - | - | - | - | 96 749 | 96 749 | 78 032 | 95 249 |

Table 5MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

| Description | ### | Budget Year 2024/25 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|-----|---------------------|--------|-------|---------|------|------|---------|------|-------|-------|-----|---------|---|------------------------|------------------------|
| | | July | August | Sept. | October | Nov. | Dec. | January | Feb. | March | April | May | June | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousand | | | | | | | | | | | | | | | | |
| Multi-year expenditure to be appropriated | 1 | | | | | | | | | | | | | | | |
| Vote 1 - Executive Council | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 2 - Finance and Admin | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 3 - Corporate | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 4 - Development and Planning | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 5 - Community | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 6 - Infrastructure | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 7 - Internal Audit | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 8 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 9 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 11 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 12 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 13 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 14 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 15 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital multi-year expenditure sub-total | 2 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Single-year expenditure to be appropriated | | | | | | | | | | | | | | | | |
| Vote 1 - Executive Council | | - | - | - | - | - | - | - | - | - | - | - | 90 | 90 | - | - |
| Vote 2 - Finance and Admin | | - | - | - | - | - | - | - | - | - | - | - | 3 225 | 3 225 | 136 | 142 |
| Vote 3 - Corporate | | - | - | - | - | - | - | - | - | - | - | - | 3 920 | 3 920 | 596 | 1 678 |
| Vote 4 - Development and Planning | | - | - | - | - | - | - | - | - | - | - | - | 8 705 | 8 705 | 1 046 | 6 911 |
| Vote 5 - Community | | - | - | - | - | - | - | - | - | - | - | - | 16 360 | 16 360 | 2 270 | 2 724 |
| Vote 6 - Infrastructure | | - | - | - | - | - | - | - | - | - | - | - | 150 683 | 150 683 | 126 725 | 91 109 |
| Vote 7 - Internal Audit | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 8 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 9 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 11 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 12 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 13 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 14 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 15 - | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital single-year expenditure sub-total | 2 | - | - | - | - | - | - | - | - | - | - | - | 182 983 | 182 983 | 130 773 | 102 564 |
| Total Capital Expenditure | 2 | - | - | - | - | - | - | - | - | - | - | - | 182 983 | 182 983 | 130 773 | 102 564 |

Table 6MBRR SA30 - Budgeted monthly cash flow

R in thousands

| MONTHLY CASH FLOWS | Budget Year 2024/25 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---|------------------------|------------------------|
| | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| Cash Receipts By Source | | | | | | | | | | | | | | | |
| Property rates | 4 387 | 4 387 | 4 387 | 4 387 | 4 387 | 4 387 | 4 387 | 4 387 | 4 387 | 4 387 | 4 387 | 4 387 | 52 646 | 55 805 | 59 153 |
| Service charges - electricity revenue | 5 598 | 5 598 | 5 598 | 5 598 | 5 598 | 5 598 | 5 598 | 5 598 | 5 598 | 5 598 | 5 598 | 5 598 | 67 179 | 70 432 | 73 756 |
| Service charges - water revenue | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - sanitation revenue | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - refuse revenue | 1 100 | 1 100 | 1 100 | 1 100 | 1 100 | 1 100 | 1 100 | 1 100 | 1 100 | 1 100 | 1 100 | 1 100 | 13 197 | 13 882 | 14 521 |
| Rental of facilities and equipment | 169 | 169 | 169 | 169 | 169 | 169 | 169 | 169 | 169 | 169 | 169 | 169 | 2 028 | 2 127 | 2 227 |
| Interest earned - external investments | 2 401 | 2 401 | 2 401 | 2 401 | 2 401 | 2 401 | 2 401 | 2 401 | 2 401 | 2 401 | 2 401 | 2 401 | 28 813 | 30 225 | 31 645 |
| Interest earned - outstanding debtors | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Dividends received | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | 2 158 | 2 158 | 2 158 | 2 158 | 2 158 | 2 158 | 2 158 | 2 158 | 2 158 | 2 158 | 2 158 | 2 158 | 25 890 | 27 159 | 28 435 |
| Licences and permits | 379 | 379 | 379 | 379 | 379 | 379 | 379 | 379 | 379 | 379 | 379 | 379 | 4 547 | 4 770 | 4 994 |
| Agency services | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers and Subsidies - Operational | 30 020 | 30 020 | 30 020 | 30 020 | 30 020 | 30 020 | 30 020 | 30 020 | 30 020 | 30 020 | 30 020 | 30 020 | 360 244 | 343 949 | 333 572 |
| Other revenue | 4 336 | 4 336 | 4 336 | 4 336 | 4 336 | 4 336 | 4 336 | 4 336 | 4 336 | 4 336 | 4 336 | 4 336 | 52 038 | 41 148 | 43 129 |
| Cash Receipts by Source | 50 548 | 50 548 | 50 548 | 50 548 | 50 548 | 50 548 | 50 548 | 50 548 | 50 548 | 50 548 | 50 548 | 50 548 | 606 582 | 589 496 | 591 433 |
| Other Cash Flows by Source | | | | | | | | | | | | | | | |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | 8 062 | 8 062 | 8 062 | 8 062 | 8 062 | 8 062 | 8 062 | 8 062 | 8 062 | 8 062 | 8 062 | 8 062 | 96 747 | 81 860 | 62 180 |
| Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit institutions, Private Enterprises, Public Corporations, Higher Educ institutions) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Proceeds on Disposal of Fixed and Intangible Assets | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Short term loans | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Borrowing long term/refinancing | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Increase (decrease) in consumer deposits | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| VAT Control (receipts) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Decrease (increase) in non-current receivables | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Decrease (increase) in non-current investments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Cash Receipts by Source | 58 611 | 58 611 | 58 611 | 58 611 | 58 611 | 58 611 | 58 611 | 58 611 | 58 611 | 58 611 | 58 611 | 58 611 | 703 329 | 671 357 | 653 613 |
| Cash Payments by Type | | | | | | | | | | | | | | | |
| Employee related costs | 14 583 | 14 583 | 14 583 | 14 583 | 14 583 | 14 583 | 14 583 | 14 583 | 14 583 | 14 583 | 14 583 | 14 583 | 174 999 | 162 969 | 152 390 |
| Remuneration of councillors | 2 200 | 2 200 | 2 200 | 2 200 | 2 200 | 2 200 | 2 200 | 2 200 | 2 200 | 2 200 | 2 200 | 2 200 | 26 401 | 27 312 | 28 595 |
| Interest | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Bulk purchases - electricity | 6 354 | 6 354 | 6 354 | 6 354 | 6 354 | 6 354 | 6 354 | 6 354 | 6 354 | 6 354 | 6 354 | 6 354 | 76 246 | 79 982 | 83 741 |
| Acquisitions - water & other inventory | 575 | 575 | 575 | 575 | 575 | 575 | 575 | 575 | 575 | 575 | 575 | 575 | 6 897 | 7 406 | 7 754 |
| Contracted services | 13 398 | 13 398 | 13 398 | 13 398 | 13 398 | 13 398 | 13 398 | 13 398 | 13 398 | 13 398 | 13 398 | 13 398 | 160 782 | 169 252 | 149 881 |
| Transfers and subsidies - other municipalities | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies - other | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other expenditure | 6 671 | 6 671 | 6 671 | 6 671 | 6 671 | 6 671 | 6 671 | 6 671 | 6 671 | 6 671 | 6 671 | 6 671 | 80 058 | 69 065 | 60 713 |
| Cash Payments by Type | 43 782 | 43 782 | 43 782 | 43 782 | 43 782 | 43 782 | 43 782 | 43 782 | 43 782 | 43 782 | 43 782 | 43 782 | 525 383 | 515 985 | 483 074 |
| Other Cash Flows/Payments by Type | | | | | | | | | | | | | | | |
| Capital assets | 15 249 | 15 249 | 15 249 | 15 249 | 15 249 | 15 249 | 15 249 | 15 249 | 15 249 | 15 249 | 15 249 | 15 249 | 182 983 | 130 773 | 102 564 |
| Repayment of borrowing | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Cash Flows/Payments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Cash Payments by Type | 59 030 | 59 030 | 59 030 | 59 030 | 59 030 | 59 030 | 59 030 | 59 030 | 59 030 | 59 030 | 59 030 | 59 030 | 708 366 | 646 758 | 585 637 |
| NET INCREASE/(DECREASE) IN CASH HELD | (420) | (420) | (420) | (420) | (420) | (420) | (420) | (420) | (420) | (420) | (420) | (420) | (5 036) | 24 599 | 67 976 |
| Cash/cash equivalents at the monthly/year begin: | 295 199 | 294 779 | 294 359 | 293 940 | 293 520 | 293 100 | 292 680 | 292 261 | 291 841 | 291 421 | 291 002 | 290 582 | 295 199 | 290 162 | 314 761 |
| Cash/cash equivalents at the monthly/year end: | 294 779 | 294 359 | 293 940 | 293 520 | 293 100 | 292 680 | 292 261 | 291 841 | 291 421 | 291 002 | 290 582 | 290 162 | 290 162 | 314 761 | 382 737 |

10 Contracts having future budgetary implications

In terms of the Municipality's Supply Chain Management Policy, there were no contracts awarded beyond the medium-term revenue and expenditure framework:-

EC441 Matatiele - Supporting Table SA33 Contracts having future budgetary implications

| Description | Ref | Preceding Years | Current Year 2023/24 | 2024/25 Medium Term Revenue & Expenditure Framework | | | Forecast 2027/28 | Forecast 2028/29 | Forecast 2029/30 | Forecast 2030/31 | Forecast 2031/32 | Forecast 2032/33 | Forecast 2033/34 | Total Contract Value |
|---|-----|-----------------|----------------------|---|------------------------|------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|----------------------|
| | | Total | Original Budget | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate |
| R thousand | 1,3 | | | | | | | | | | | | | |
| Parent Municipality: | | | | | | | | | | | | | | |
| <u>Revenue Obligation By Contract</u> | 2 | | | | | | | | | | | | | |
| Contract 1 | | | | | | | | | | | | | | - |
| Contract 2 | | | | | | | | | | | | | | - |
| Contract 3 etc | | | | | | | | | | | | | | - |
| Total Operating Revenue Implication | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| <u>Expenditure Obligation By Contract</u> | 2 | | | | | | | | | | | | | |
| Contract 1 | | | | | | | | | | | | | | - |
| Contract 2 | | | | | | | | | | | | | | - |
| Contract 3 etc | | | | | | | | | | | | | | - |
| Total Operating Expenditure Implication | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| <u>Capital Expenditure Obligation By Contract</u> | 2 | | | | | | | | | | | | | |
| Contract 1 | | | | | | | | | | | | | | - |
| Contract 2 | | | | | | | | | | | | | | - |
| Contract 3 etc | | | | | | | | | | | | | | - |
| Total Capital Expenditure Implication | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Parent Expenditure Implication | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Entities: | | | | | | | | | | | | | | |
| <u>Revenue Obligation By Contract</u> | 2 | | | | | | | | | | | | | |
| Contract 1 | | | | | | | | | | | | | | - |
| Contract 2 | | | | | | | | | | | | | | - |
| Contract 3 etc | | | | | | | | | | | | | | - |
| Total Operating Revenue Implication | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| <u>Expenditure Obligation By Contract</u> | 2 | | | | | | | | | | | | | |
| Contract 1 | | | | | | | | | | | | | | - |
| Contract 2 | | | | | | | | | | | | | | - |
| Contract 3 etc | | | | | | | | | | | | | | - |
| Total Operating Expenditure Implication | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| <u>Capital Expenditure Obligation By Contract</u> | 2 | | | | | | | | | | | | | |
| Contract 1 | | | | | | | | | | | | | | - |
| Contract 2 | | | | | | | | | | | | | | - |
| Contract 3 etc | | | | | | | | | | | | | | - |
| Total Capital Expenditure Implication | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Entity Expenditure Implication | | - | - | - | - | - | - | - | - | - | - | - | - | - |

2.13 Legislation compliance status

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

1. In year reporting

Reporting to National Treasury uploading financial and non-financial information on the portal was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the Municipality's website.

2. Internship programme

The Municipality is participating in the Municipal Financial Management Internship programme and has employed 4 interns undergoing training in various divisions of the Financial Services Department recruitment processes are still underway for the additional 1 intern to be placed under budget and treasury.

3. Budget and Treasury Office

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

4. Service Delivery and Implementation Plan

The detail SDBIP document is directly aligned and informed by the 2024/25 MTREF.

5. Annual Report

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

MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I **LIZO MATIWANE**, Municipal Manager of **Matatiele Local Municipality**, hereby certify that the Annual Budget for the 2024/2025 MTREF and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual Budget and supporting documents are consistent with the Integrated Development Plan of the Municipality.

Print Name Lizo Matiwane

Municipal Manager of Matatiele Local Municipality (EC441)

Signature _____

Date _____