99. **2017/2018 MEDIUM TERM INCOME AND EXPENDITURE FRAMEWORK: (MTREF);**
(Directorate: Budget and Treasury Office) VM/pm

1. STRATEGIC THRUST

The Budget is the most important strategic planning document of the Council which will guide and determine the day to day actions necessary for the delivery of Municipal services to the Community.

Financial viability is the first priority in the IDP process and has an objective to practice sound and sustainable financial management. This is a responsibility of all managers of Council and will determine the continuous viability of the municipality.

2. PURPOSE OF THE REPORT

The requirements for the compilation and submission of the Budget are contained in Chapter 4 of the MFMA and Municipal Budget and Reporting Regulations.

--- The purpose of tabling the 2017/18 budget to council is to consider the Income and expenditure per category, the tariffs to realize the budgeted income and to inform council about the limitations regarding the budget. The 2017/18 MTREF is attached as **Annexure "A" (Pages 496 - 655).**

3. EXECUTTVE SUMMARY

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

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

The Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. The 60 / 40 % split rolled out in 2015/16 when a consumer is purchasing electricity has been revised to 50/50% in 2016/17. The 90% will service the debt owed for accounts in arrears and 50% will go towards the purchase of electricity token. The 90/10% split will still be applicable in 2017/18 financial year to ensure recovery of debts owned.
The main challenges experienced during the compilation of the 2017/18Medium_Term Revenue and Expenditure framework (MTREF).

- The high influx of job seekers that does not translate into increase employment and local economic growth.
- The growth in the debtors book due to incorrect billing
- An increase in water losses due to aged ac pipes whilst the municipality cannot keep up with its replacement.

- Dependency on the mining sector has been affected by the weaker performance of the mines in 2016.
- The closing of two mine shafts had a negative effect on revenue collection.
- The inability of the private sector to create additional jobs around Rustenburg area.
- The payment level as at 30 June 2016 was standing at 85%, indicative of the decline in revenue collection as anticipated.
- Rapid growth in squatter camps has a major impact on the current municipal infrastructure.
- The negative growth of the South African economy is also impacting the municipality's economic growth.
- The lower demand for energy by Xstrata due to close of two shaft impacted on the sale of electricity

The following budget principles and guidelines directly informed the compilation of the 2017/17MTREF:

- The municipal budgeting at the project level for both the operational and capital budget as per the municipal Standard Charts of Accounts.
- All the MFMA budget related circulars including mSCOA circulars guided the compilation of the 2017/18MTREF
- Headline inflation forecast (for 2017/18– 6.4%, 2018/19 -5.7% and 2019/20 – 5.6%) was taken into consideration.
- The rise in the annual food inflation was considered not to overburden the poorest of the poor with increases on tariffs above the 6.4% except for electricity.
- The wage agreement with the union at CPI (6.4) + 1%.
- Both budget for operating and capital to be at project level aligned to the IDP identifier.
- Budgeting to comply with mSCOA for the six compulsory segments.

OUTLOOK OF DRAFT 2017/2018 MTREF

The following table is a consolidated overview of the proposed 2017/18Medium – Term Revenue and Income Expenditure Framework.

Table 1: Consolidated over view of 2017/18MTREF

Description	**2016/17**	**2017/18 Medium Term Revenue & Expenditure Framework**		
R thousands	Adjusted Budget	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20
Total Revenue(excluding capital transfers and contributions)	4,319,679	4,709,540	5,146,123	5,633,824
Total Expenditure	4,296,346	4,553,213	4,923,617	5,402,051
Surplus/(Deficit)	23 333	156,327	222,507	231,773
TotalCapital Expenditure -Standard	**646,252**	**569,974**	**508,395**	**481,395**

The 2017/18MTREF presents a total spending of R5, 123billion for the 2017/18, R5, 432billion for 2018/19 and R5, 883billion for the 2019/20 for the two outer years respectively including capital budget. Total capital spending is standing at R569,974million, R, 508,395million and R481, 395million in 2017/18 financial year and the outer years respectively.

--- The budget reflects the Council's response to the needs of its residents, ratepayers and business community which it serves. Schedule A1 version 2.8 has to only incorporate the audited outcome as it relates to the previous performance that is not aligned to Mscoa. Schedule A1 version 6.1 covers the 2017/18MTREF that is aligned to Mscoa reporting. A detailed multi-year budget is attached as **Annexure "A"** Version 2.8 of the audited outcome is attached as **Annexure AA.**

The 2017/18 operating revenue has increased by R405, 729million or 9.03% when compared to the adjusted revenue. The increase is at R436, 583million and R487, 7016million in the two outer years or 9.27% and 9.47% respectively.

The 2017/18 operating surplus before capital transfers and contributions has increased by R132,994 million when compared to the adjusted surplus before capital grants and contributions.The outer years increase is standing at R66,180million and R9,266million respectively.

The capital budget decreases by R76, 278million when compared to the adjusted budget in the 2017/18 financial year whilst in the two outer years decrease by R61, 579milliom and R27million respectively.

OPERATIONAL REVENUE FRAMEWORK

The municipality is still committed to ensuring that it renders a high quality service to its community in these trying economic times. The revenue enhancements initiatives have started since the 2015/16 financial year to ensure that all debts outstanding and service delivery related queries are attended to on the daily basis.

The reality is that there is a not adequate fund to address the high reports of water leakages and overflowing sewerage systems. In order to address water leakages municipality is faced with a challenge of non-available funding, whilst it also has to take into account the affordability of consumers not to set tariff high.

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

- National Treasury's guidelines on the budget circulars
- The proposed tariffs increases have been determined in relation to the costs of rendering such a service and ensuring that the consumers are not being overburden to an extend of not being able to afford paying for services
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Consideration was on increasing tariffs for average electricity at 8% whilst tariffs for water of 11% are at and other sundry tariffs are kept at 5.8% for 2017/18.
- Increase in the debtors' book due to non-affordability of consumers.

Table 2 Summary of revenue classified by main source of revenue

NW373 Rustenburg - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 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 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue By Source											
Property rates	2	–	–	–	300 115	300 115	300 115	300 115	319 434	340 074	362 089
Service charges - electricity revenue	2	–	–	–	2 072 510	2 264 868	2 264 868	2 264 868	2 471 460	2 706 301	2 979 704
Service charges - water revenue	2	–	–	–	484 254	484 054	484 054	484 054	547 366	624 477	718 726
Service charges - sanitation revenue	2	–	–	–	250 835	271 828	271 828	271 828	300 693	337 055	381 222
Service charges - refuse revenue	2	–	–	–	113 160	113 160	113 160	113 160	135 076	163 266	199 103
Service charges - other					295	225	225	225	239	254	269
Rental of facilities and equipment					8 884	10 082	10 082	10 082	10 697	11 328	11 985
Interest earned - external investments					35 241	15 193	15 193	15 193	16 114	17 107	18 099
Interest earned - outstanding debtors					139 244	196 047	196 047	196 047	208 006	220 278	233 054
Dividends received						–	–	–			
Fines, penalties and forfeits					9 062	1 614	1 614	1 614	1 713	1 814	1 919

Licences and permits					10 856	8 591	8 591	8 591	9 115	9 653	10 213
Agency services					19 277	19 277	19 277	19 277	20 453	21 659	22 916
Transfers and subsidies					583 768	609 026	609 026	609 026	642 016	664 095	664 095
Other revenue	2	–	–	–	24 400	24 241	24 241	24 241	25 719	27 237	28 816
Gains on disposal of PPE					5 000	1 358	1 358	1 358	1 441	1 526	1 614
Total Revenue (excluding capital transfers and contributions)		**–**	**–**	**–**	**4 056 902**	**4 319 679**	**4 319 679**	**4 319 679**	**4 709 540**	**5 146 123**	**5 633 824**

Revenue generated from rates and other trading services as proposed has increased by 78.58% or R182,825million in 2017/18 when compared to the adjusted budget .For the two outer years, the revenue increase is at R214,721million or 84.49% and R256,032 or 93.43% respectively.

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from operating statement, as inclusion of these revenue sources will distort the calculation of the operating surplus or deficit.

The South African economic growth forecasts is at 3.1% over the 2017/18MTREF whilst CPI guideline per National Treasury circular 86 is at 6.4%,5.7% and 5.6% over the MTREF.

It is critical to ensure that the revenue base of the municipality is enhanced and interdependencies of the billing unit and planning will allow correct valuation roll information and the correct billing of all properties, thus protecting and growing of the municipal revenue base .Whilst at the same time we avoid unnecessary increases in tariffs, it will be detrimental when tariff increases are not aligned to municipal spending on key components required for rendering such services.
The major increases in tariffs are aligned to cover the cost of bulk services and at least to break-even in water and sanitation services.

Proposed **Property Rates** revenue in 2017/18 as proposed has increased by 6.4% or R19,319million when compared to the adjusted budget. The increase in the two outer years is at 6.% and 6.47% respectively.

Revenue on Service charges

Electricity revenue is at R2, 471billion in 2017/18 financial year giving a growth of 9.1% when compared to the adjusted budget. The reduction is seen only on the reduction of Xstrata billed revenue due to the close of two Xstrata shafts. For the two outer years the increase is at 10% and 10.1% respectively.

The proposed electricity revenue is at 52.47% of the total revenue in 2017/18 whilst the two outer years is standing at R2, 7billion or 52.59% and R2.980billion or 52.89% of total revenue.

Water revenue as proposed is at R547, 4million in 2017/18 and increases by R63.31million or 13.1% when compared to the adjusted budget. The outer years increases are standing at R77, 1million or 14% and R94, 249million or 15.1% respectively.

The performance of water services has been constant over the billing period in the current financial year. The expected growth is in line with the revenue enhancement initiatives of ensuring that most of the customers are charged correctly and the reduction in estimates to ensure accurate collection from customers who are economically active. The transfer of Freedom Park Extension 2 to municipality is also anticipated to be finalised that will also generate revenue for the municipality.

The weekly sitting of the revenue enhancement team is working timelessly to address issues of unread meters, inaccurate billing and illegal connections that is hampering the revenue collection as anticipated.

Sanitation is at R300, 693million or 6.38% of the total revenue in 2017/18 as proposed. For the outer years, it is standing at R337, 055million or 6.55% and R381, 222million or 6.77% respectively. It increases by 10.6% in 2017/18 financial year when compared to the adjusted budget. There is an increase of 12% and 13.1% respectively in the outer years. The major growth is due to the inclusion of the Rustenburg Water Services Trust revenue of R182, 343million.

Waste Management increases by R21, 916million in the 2017/18 financial year when compared to the adjusted budget. For the two outer years it increases by R28, 189million and R35, 837 million respectively. The increase is in 2017/18 financial year is 19.4% to accommodate the full operationalization of the Waterval landfill sites. There is an increase in the proposed revenue in the outer years of 21% and 22% respectively.

The proposed revenue on **Rental of facilities** is at R10, 697 million in 2017/18 financial year and for the outer years is at R11, 328million and R11, 985million respectively. Anticipated revenue is mainly on the following facilities: Rental of Sports Facilities, Kloof Holiday Resort, Community Halls and Housing Provision for Municipal Houses and Flats.

It is envisaged that the municipal parks will generate revenue in the coming financial year, hence the 6.10% increase of revenue in 2017/18 when compared to the adjusted budget. The increase in the outer years is at 6% and 5.80% respectively.

Interest on outstanding debtors: This is the interest charged on accounts in arrears. The credit control and debt collection policy has a provision to write off outstanding interest if the whole amount owned is settled.

The proposed increase in 2017/18 is at R11, 959million or 6.10% when compared to the adjusted budget. The increase in the outer years is standing at 6% and 5.80% respectively.

Interest earned – External Investment performance The performance of this line item increases by 6.1% in 2017/18 when compared of the adjusted budgeted. There is an anticipated growth in the collection of revenue due to the revenue enhancement strategies that the municipality is embarking on currently , that will allow for additional revenue to be invested. It is projected that the interest from investments will grow by 6.6% and 5.80% respectively in the outer years.

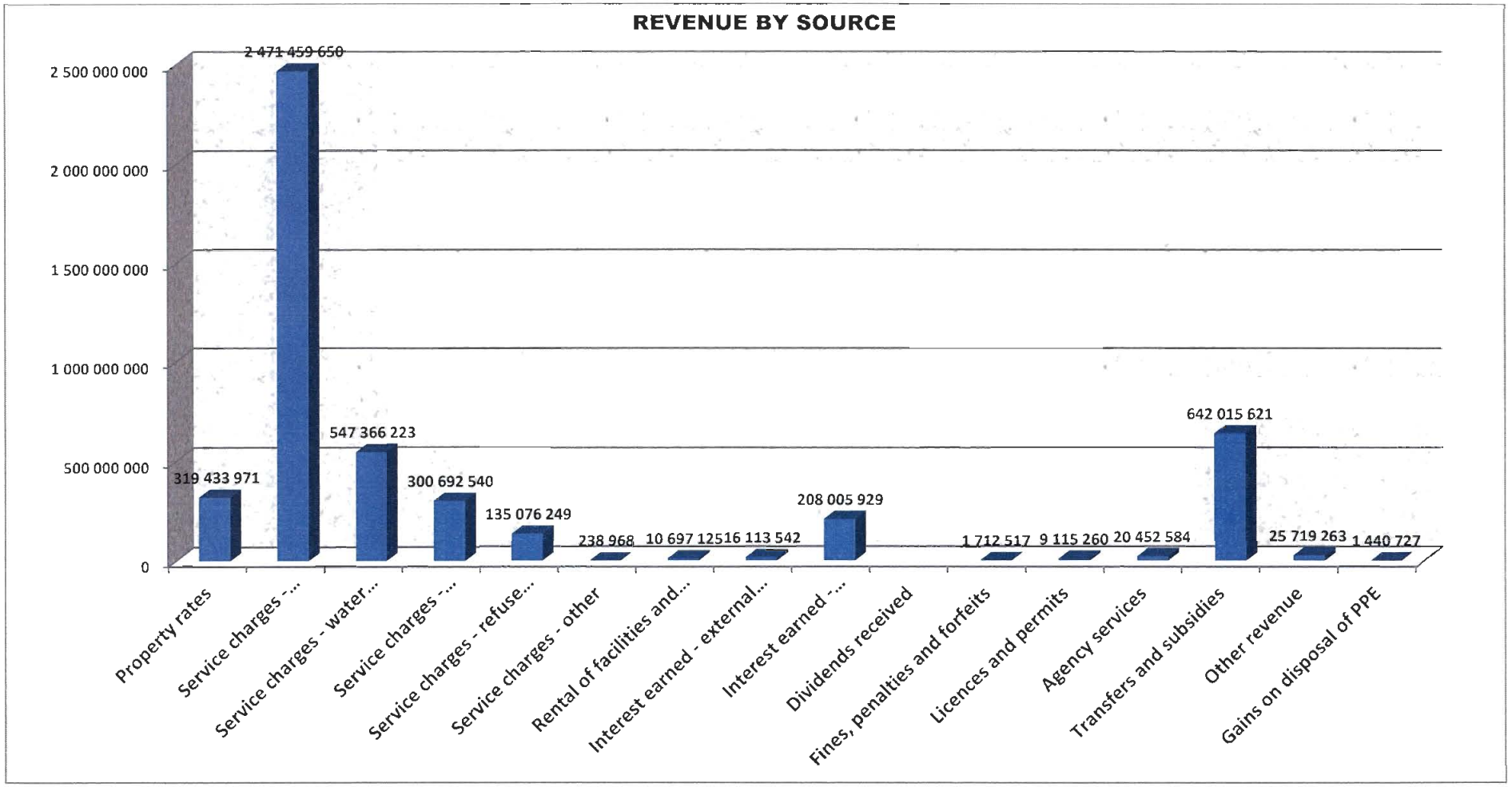
Fines services 2017/18 financial year revenue increases by 6.10% when compared to the adjusted budget. It increases by 6% and 5.80% respectively in the outer years.

Licences and Permits refer to revenue earned on issuing of various licenses and permits by License Department and the testing fees for vehicles, flammable liquids for Emergency and Disaster Management and trading licenses for Community Development.
The proposed revenue is at R9, 115million in 2017/18 financial year, is at R9, 653million and R10, 213million in the outer years.

The **income for Agency Services** is for Vehicle Testing and Licenses which is a function done by the municipal on behalf of the Provincial Government. It is important to note that a portion of this revenue is payable to Provincial Government under the 80/20 agreement and the municipality retains 20% before vat of the revenue on vehicle testing and licenses.
The revenue increases by R1, 176million in 2017/18 when compared to the adjusted budget, increases by R1, 207million and R1, 256million in the outer years.

The following table gives a breakdown of the revenue category

Table 3 revenue by main revenue source



--- Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability. Proposed tariffs are attached as **Annexure "B (Pages 656 - 676)"**

Tariffs are set by the Rustenburg local municipality for the services it renders, such as electricity, water, sanitation, refuse removal and others. These tariffs are reviewed once a year, with public comment sought on any increases. Tariffs are levied to recover costs of services provided directly and indirectly to customers and other ad hoc services.

The tariffs increases are necessary to address essential operational requirements, maintenance of existing infrastructure provision and to ensure the financial sustainability of the services.

An abnormal high tariffs increase might mean that the municipality will experience difficulties in collecting revenue at expected levels and bad debts might increase. The municipality has strived to minimize its domestic tariff increases to limit the effects of inflation and high interest rates on residents in the 2017/18 financial year.

In revising its tariffs for water, sanitation, electricity and refuse removal, the municipality has taken into account current food and fuel prices, which has soared by sky-high margin. "Considering the financial distress the South African consumer is in: the affordability of most goods and services is at risk.

National Treasury continues to encourage municipalities to keep increase in rates, tariffs and other charges as low as possible. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

Given that these tariff increases are determined by external agencies, they have impact on the municipality's electricity and water and these tariffs are largely outside the control of the municipality. Discounting the impact of these price increases with lower consumer tariffs will erode the municipality's future financial position and viability.

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

Property Rates

Property rates cover the costs of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process. The tariff increases is between 6.40% and 114% across all properties in 2017/18 whilst the increase for outer years is between 6.25 and 6.33% .

Increases for private own town increased by R111.4 to be in line with Rustenburg Local Municipality tariffs. The assessment rates must be the same for all residential and must not be discriminating.

The municipality will not levy a rate of the first part of the value up R100 000, 00 of the market value as per the Valuation Roll:

The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value in terms of section 17(1)(h) of the Municipal Property Rates Act (MPRA) and on the balance of the market value up to R85 000 in terms of section 15 of the MPRA in respect of the residential properties, provided that the Council from time to time during its annual budget process contemplated in section 12 (2) of the Act determine as threshold, the amount to be deducted from the market value of the residential properties as a result of which rates will only be determined on the balance of the market value of such properties after deduction of the threshold amount.

A summary of the proposed tariffs for households (residential) and non-residential are as follows:
Table 4– Proposed Property rates tariff increase

ASSESSMENT RATES

TARRIF DESCRIPTION	Approved Tariff 2016/17	2017/2018 Increase	Proposed Tariff 2017/18	Proposed Tariff 2018/2019	Proposed Tariff 2019/2020
	R / C		R / C	R / C	R / C
REBATE EARNINGS< 4500	-0.4000		-0.4000	-0.4000	-0.4000
REBATE EARNINGS BETWEEN 4500 AND 5500	-0.3000		-0.3000	-0.3000	-0.3000
REBATE EARNINGS BETWEEN 5500 AND 6500	-0.2000		-0.2000	-0.2000	-0.2000
GOVERNMENT REBATE 20%	-0.1000		-0.1000	-0.1000	-0.1000
RESIDENTIAL REBATE	-100 000		-100 000	-100 000	-100 000
RESIDENTIAL 1	0.0060	6.40	0.0064	0.0068	0.0072
RES 1 VACANT LAND	0.0093	6.80	0.0100	0.0106	0.0113
RESIDENTIAL 2-4	0.0060	6.40	0.0064	0.0068	0.0072
RES 2-4 VACANT LAND	0.0093	6.80	0.0100	0.0106	0.0113
BUSINESS/COMMERCIAL	0.0222	7.00	0.0238	0.0253	0.0269
INDUSTRIAL	0.0226	7.00	0.0242	0.0258	0.0274

GOVERNMENT	0.0211	7.00	0.0226	0.0240	0.0256
EDUCATIONAL	0.0203	7.00	0.0217	0.0231	0.0246
MINING	0.0238	7.00	0.0255	0.0271	0.0288
AGRIC RESIDENTIAL	0.0015	6.40	0.0016	0.0017	0.0018

ASSESSMENT RATES

TARRIF DESCRIPTION	Approved Tariff 2016/17	2017/2018 Increase	Proposed Tariff 2017/18	Proposed Tariff 2018/2019	Proposed Tariff 2019/2020
	R / C		R / C	R / C	R / C
AGRIC VACANT LAND	0.0093	6.80	0.0100	0.0106	0.0113
AGRIC BUSINESS/INDUSTRIAL	0.0236	7.00	0.0253	0.0269	0.0286
AGRICULTURAL	0.0016	6.80	0.0017	0.0018	0.0019
PRIVATE ROAD	0.0063	7.00	0.0067	0.0072	0.0076
GUEST HOUSES	0.0080	7.00	0.0086	0.0091	0.0097
PRIVATE SCHOOLS	0.0222	7.00	0.0238	0.0253	0.0269
CRECHES	0.0222	6.80	0.0237	0.0252	0.0268
PRIVATE OWED TOWN	0.0030	114.00	0.0064	0.0068	0.0072

VACANT - BUSINESS	0.0241	7.00	0.0258	0.0274	0.0292
PRIVATE OPEN SPACES	0.0066	6.80	0.0071	0.0075	0.0080
		115.27			
			0.0034		

SUNDRY TARIFFS

TARIFF DESCRIPTION	Approved Tariffs 2016/17	2017/2018 Increase	Proposed Tariff 2017/18	Proposed Tariff 2018/2019	Proposed Tariff 2019/2020
	R		R	R	R
CLEARANCE CERTIFICATE FEE	67.67	10.00	74.44	78.83	83.56
CLEARANCE APPLICATION FEE: MANUAL	135.34	15.00	155.64	164.83	174.71
CLEARANCE APPLICATION FEE: ELECTRONIC (clearance.com)	315.80	10.00	347.38	367.87	389.94
ISSUING OF DUPLICATE MUNICIPAL ACCOUNT OVER 3 MONTHS (per acc)	3.00	10.00	3.30	3.49	3.70
ADMIN FEE R/D CHEQUE	157.30	10.00	173.03	183.24	194.23
CONSUMER DEPOSIT - RESIDENTIAL	1 600.00	6.30	1 700.80	1 801.15	1 909.22
VALUATION ROLL - Soft copy	734.09	36.22	1 000.00	1 059.00	1 122.54
VALUATION ROLL - Hard copy			1 000.00	1 059.00	1 122.54
VALUATION CERTIFICATE	73.41	5.80	77.67	82.25	87.19
DEED SEARCH	52.43	10.00	57.68	61.08	64.74
LOST COPY OF CERTIFICATE	52.43	20.00	62.92	66.63	70.63
FINAL DEMAND	25.34	6.40	26.96	28.56	30.27
WATER RECONNECTION	506.90	6.40	539.34	571.16	605.43

ELECTRICITY RECONNECTION	354.83	6.40	377.54	399.82	423.80
REMOVAL OF INSTALLATION	2 062.26	6.40	2 194.25	2 323.71	2 463.13
CHEQUE RE ISSUE *(New)*			150.00	158.85	168.38
ADMIN FEE ON TRANSFERS *(New)*			5.50	5.82	6.17
SEARCHING OF ANY DISCLOSURE RECORD			R15 P/H OR PART	R16.5 P/H OR PART	R17 P/H OR PART

Sale of Water and Impact of Tariff Increases

The revision in the water tariff is necessities by the high demand of water in relation to the municipal aging water infrastructure, the cost of maintaining the water purification plants, water networks and the cost associated with the reticulation expansion:

Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and are designed to encourage efficient and sustainable consumption.

Proposed 2017/18 Tariffs Water and Sanitation Tariffs

The proposed tariffs for 2017/18 were developed with the objective to provide a sound business management, to narrow the gabs identified form the 2016/17 and outer year's analysis.

- It is therefore proposed that an average of between 10% to 12% be applied across both water and sanitation basic charges (This will provide much better balance and will not necessarily generate significant revenue to allow improvement in terms of infrastructure upgrade and maintenance)
- The Magalies Water, Rand water indicated increases of 9.66% and 10.2% respectively which has been integrated into the formula to determine the 2017/18 tariffs. (it must be noted that our bulk purchases contributes approximately 80% of the total running costs, is therefore impacting our tariffs significantly , more so on water sales.
- We also taking note that some of the proposed percentage increment is quite aggressive, specifically on water sales. The purpose was to adjust previously under-rated tariffs and ensure that the municipality does not carry the burden, specifically with regard to industrial and commercial (but also taking into account that we do not transfer lot of strain to our clients).
- As indicated, the 2017/18 water and sanitation proposed tariffs increment are intensified, with the understand that they will provide more balanced and will allow both units at least to sustain their running costs.
- The increments on 2018/19 and 2019/20 are more relaxed, with average of only 1% top-up annually. (We envisage business to be stabilized in the two outer years)

2017/18	2018/19	2019/2020
Average Increase of (10% -12 %)	Average increase of 13%	Average increase of 14%

Table 5: Proposed Water Tariffs

WATER

BASIC

CONSUMER	Approved Tariff 2016/2017 PER MONTH	Approved Tariffs 2016/2017 ANNUAL	Proposed Tariff increase 2017/2018	Proposed Tariffs 2017/2018 PER MONTH	Proposed Tariffs 2017/2018 ANNUAL	Proposed Tariffs 2018/2019 PER MONTH	Proposed Tariffs 2018/2019 ANNUAL	Proposed Tariffs 2019/2020 PER MONTH	Proposed Tariffs 2019/2020 ANNUAL
Residential	63,10	757,16	10,0 %	69,41	832,88	77,39	928,66	86,81	1 041,76
Residential Vacant	65,48	785,74	12,0 %	73,34	880,02	82,65	991,75	93,76	1 125,09
INDUSTRIAL	67,98	815,71	11,0 %	75,45	905,44	84,23	1 010,81	94,62	1 135,39
INDUSTRIAL - Vacant	67,98	815,71	12,5 %	76,47	917,67	86,59	1 039,03	98,71	1 184,55
Agricultural	67,98	815,71	12,5 %	76,47	917,67	86,59	1 039,03	98,71	1 184,55
BUSINESS	67,98	815,71	18,3 %	80,42	964,98	95,98	1 151,82	115,67	1 387,98
BUSINESS - Vacant	67,98	815,71	18,3 %	80,42	964,98	95,98	1 151,82	115,67	1 387,98
CHURCH	65,48	785,74	11,0 %	72,68	872,17	81,14	973,67	91,14	1 093,67
Educational	65,48	785,74	11,0 %	72,68	872,17	81,14	973,67	91,14	1 093,67
STATE OWNED	65,48	785,74	16,1 %	75,99	911,92	88,91	1 066,87	104,90	1 258,85
MUNICIPALITY	65,48	785,74	16,1 %	75,99	911,92	88,91	1 066,87	104,90	1 258,85

WATER TARIFFS

CONSUMER	Approved Tariff 2016/2017	2017/2018 Increase	Proposed Tariff 2017/2018	Proposed Tariff 2018/2019	Proposed Tariff 2019/2020
DOMESTIC (Prepaid and Convertional meters) TOTAL					
Consumption 0KL to 12KL	10,4786	11,2%	11,6522	13,0330	14,6685
Consumption 13KL to 25KL	12,5728	11,5%	14,0187	15,7243	17,7504
Consumption 26KL to 40KL	14,4399	12,1%	16,1871	18,2593	20,7348
Consumption 41KL to 60KL	16,3754	12,3%	18,3895	20,7826	23,6467
Consumption above 60KL	17,7630	12,5%	19,9833	22,6261	25,7950
Domestic consumers with no meter Minimum charge per household per month	63,0970	11,9%	70,6181	78,0330	86,2265
		11,9%			
AGRICULTURAL DOMESTIC TOTAL					
Consumption 0KL to 12KL	14,2135	11,5%	15,8481	17,7763	20,0668
Consumption 13KL to 25KL	15,0947	12,1%	16,9212	19,0874	21,6751
Consumption 26KL to 40KL	16,6355	12,3%	18,6817	21,1128	24,0224
Consumption 41KL to 60KL	18,3335	5,5%	19,3418	20,4673	21,7286
Consumption above 60KL	20,2046	5,0%	21,2149	22,3371	23,5885
INDUSTRIAL TOTAL					
Consumption 0KL to 60KL	14,9872	13,5%	17,0105	19,4401	22,3805
Consumption 61KL to 100KL	15,5747	19,0%	18,5339	22,2595	26,9982
Consumption 101KL to 150KL	15,8479	30,0%	20,6023	27,1415	36,2644
Consumption 151KL+	16,6980	35,0%	22,5423	30,8897	43,0030

WATER TARIFFS

CONSUMER	Approved Tariff 2016/2017	2017/2018 Increase	Proposed Tariff 2017/2018	Proposed Tariff 2018/2019	Proposed Tariff 2019/2020
INDUSTRIAL: BOSPOORT TOTAL					
Consumption 0KL to 60KL	14,9872	20,0%	17,9847	21,7902	26,6731
Consumption 61KL to 100KL	15,5747	22,3%	19,0478	23,5419	29,4239
Consumption 101KL to 150KL	15,8479	23,9%	19,6356	24,6007	31,1882
Consumption 151KL+	16,6980	23,5%	20,6220	25,7493	32,5291
COMMERCIAL TOTAL					
Consumption 0KL to 60KL	14,9872	15,0%	17,2353	19,9705	23,3269
Consumption 61KL to 100KL	15,5747	16,3%	18,1134	21,2371	25,1156
Consumption 101KL to 150KL	15,8479	25,0%	19,8099	25,0496	32,0662
Consumption 151KL+	16,6284	25,0%	20,7855	26,2833	33,6454
INSTITUTIONAL: Church TOTAL					
Consumption 0KL to 60KL	14,7263	10,8%	16,3167	18,1811	20,3811
Consumption 61KL to 100KL	15,3014	11,5%	17,0611	19,1369	21,6027
Consumption 101KL to 150KL	15,3698	12,0%	17,2141	19,3996	22,0079
Consumption 151KL+	16,0023	12,5%	18,0025	20,3834	23,2381

WATER TARIFFS

CONSUMER	Approved Tariff 2016/2017	2017/2018 Increase	Proposed Tariff 2017/2018	Proposed Tariff 2018/2019	Proposed Tariff 2019/2020
INSTITUTIONAL TOTAL					
Consumption 0KL to 60KL	14,4353	10,8%	15,9944	17,8219	19,9785
Consumption 61KL to 100KL	15,0012	11,5%	16,7263	18,7614	21,1788
Consumption 101KL to 150KL	15,2644	12,0%	17,0961	19,2666	21,8570
Consumption 151KL+	16,0831	12,5%	18,0935	20,4864	23,3556
INSTITUTIONAL:GOVERNMENT TOTAL					
Consumption 0KL to 60KL	14,4353	18,0%	17,0337	20,2776	24,3671
Consumption 61KL to 100KL	15,0012	30,0%	19,5015	25,6913	34,3268
Consumption 101KL to 150KL	15,2644	30,0%	19,8437	26,1420	34,9291
Consumption 151KL+	16,0831	31,0%	21,0689	27,9791	37,6971
PUBLIC AND PRIVATE SCHOOLS					
Consumption 0KL to 60KL	14,1840	18,0%	16,7371	19,9245	23,9428
Consumption 61KL to 100KL	14,7380	30,0%	19,1594	25,2405	33,7246
Consumption 101KL to 150KL	14,8038	30,0%	19,2449	25,3532	33,8751
Consumption 151KL+	15,4130	31,0%	20,1910	26,8133	36,1263
SPECIAL					
Consumption 0KL to 60KL	14,4353	25,0%	18,0442	22,8169	29,2080
Consumption 61KL to 100KL	15,0012	25,0%	18,7515	23,7112	30,3529
Consumption 101KL to 150KL	15,2644	25,0%	19,0804	24,1272	30,8854
Consumption 151KL+	16,0831	25,0%	20,1039	25,4214	32,5421

Sanitation and Impact of Tariff Increases

There is a proposed increase of 10 %.11%, 12.5% for residential and category of business, government, industrial, institutions based on m2 per area over the 2017/18MTREF.

Table 7: Proposed Sanitation tariff.

SANITATION SERVICES

CONSUMER	Approved Tariff 2016/2017	2017/2018 Increase	Proposed Tariff 2017/2018	Proposed Tariff 2018/2019	Proposed Tariff 2019/2020
Residential 1 TOTAL					
Up to and including 300m2	115,5536	10,0%	127,1089	141,3451	159,0755
301m2 to 1000m2	122,4868	10,5%	135,3479	149,5595	167,1477
1001m2 to 2000m2	132,2858	11,0%	146,8372	162,9893	183,0696
2001m2 and Above	145,5143	12,5%	163,7035	184,1665	209,9498
Residential 2-4 TOTAL					
Up to and including 300m2	115,5536	11,0%	128,2645	142,3736	159,9140
301m2 to 1000m2	122,4868	11,5%	136,5728	152,2787	171,8922
1001m2 to 2000m2	132,2858	12,0%	148,1601	165,9393	188,2415
2001m2 and Above	145,5143	12,5%	163,7035	184,1665	209,9498
Business/Commmercial TOTAL					

Up to and including 300m2	125,9967	11,0%	139,8563	155,2405	174,3662
301m2 to 1000m2	139,8797	11,3%	155,6861	173,2786	195,2088
1001m2 to 2000m2	158,1026	11,8%	176,7587	197,6162	223,7331
2001m2 and Above	181,8754	12,5%	204,6098	230,1860	262,4121
Industrial TOTAL					
Up to and including 300m2	130,7934	11,0%	145,1807	161,1505	181,0043
301m2 to 1000m2	145,2049	11,3%	161,6130	179,8753	202,6403
1001m2 to 2000m2	164,1215	11,8%	183,4879	205,1395	232,2507
2001m2 and Above	188,7995	12,5%	212,3994	238,9493	272,4022

SANITATION SERVICES

CONSUMER	Approved Tariff 2016/2017	2017/2018 Increase	Proposed Tariff 2017/2018	Proposed Tariff 2018/2019	Proposed Tariff 2019/2020
Government TOTAL					
Up to and including 300m2	130,7934	11,0%	145,1807	161,1505	181,0043
301m2 to 1000m2	145,2049	11,3%	161,6130	179,8753	202,6403
1001m2 to 2000m2	164,1215	11,8%	183,4879	205,1395	232,2507
2001m2 and Above	188,7995	12,5%	212,3994	238,9493	272,4022

Church TOTAL					
Up to and including 300m2	125,9499	11,0 %	139,8044	155,1829	174,301 4
301m2 to 1000m2	139,1941	11,3 %	154,9230	172,4293	194,252 0
1001m2 to 2000m2	156,6625	11,8 %	175,1487	195,8162	221,695 3
2001m2 and Above	181,8754	12,5 %	204,6098	230,1861	262,412 1
Educational TOTAL					
Up to and including 300m2	125,9499	11,0 %	139,8044	155,1829	174,301 4
301m2 to 1000m2	139,1941	11,3 %	154,9230	172,4293	194,252 0
1001m2 to 2000m2	156,6625	11,8 %	175,1487	195,8162	221,695 3
2001m2 and Above	181,8754	12,5 %	204,6098	230,1861	262,412 1
Agri Residential TOTAL					
Up to and including 300m2	115,5536	11,0 %	128,2645	142,3736	159,914 0
301m2 to 1000m2	122,4868	11,3 %	136,3278	151,7329	170,936 2
1001m2 to 2000m2	132,2858	11,8 %	147,8955	165,3472	187,199 4
2001m2 and Above	145,5143	12,5 %	163,7035	184,1665	209,949 8

SANITATION SERVICES					
CONSUMER	**Approved Tariff 2016/2017**	**2017/2018 Increase**	**Proposed Tariff 2017/2018**	**Proposed Tariff 2018/2019**	**Proposed Tariff 2019/2020**
Agri Business TOTAL					
Up to and including 300m2	125,9967	11,0%	139,8563	155,2405	174,3662
301m2 to 1000m2	139,8797	11,3%	155,6861	173,2786	195,2087
1001m2 to 2000m2	158,1025	11,8%	176,7586	197,6161	223,7331
2001m2 and Above	181,8754	12,5%	204,6098	230,1860	262,4121
Municaipal TOTAL					
Up to and including 300m2	125,9967	11,0%	139,8563	155,2405	174,3662
301m2 to 1000m2	139,8797	11,3%	155,6861	173,2786	195,2087
1001m2 to 2000m2	158,1025	11,8%	176,7586	197,6161	223,7331
2001m2 and Above	181,8754	12,5%	204,6098	230,1860	262,4121
Special TOTAL					
Up to and including 300m2	125,9967	11,0%	139,8563	155,2405	174,3662
301m2 to 1000m2	141,1630	11,3%	157,1144	174,8683	196,9997
1001m2 to 2000m2	164,3372	11,8%	183,7289	205,4090	232,5558
2001m2 and Above	186,7909	12,5%	210,1398	236,4073	269,5043
Vacant property TOTAL					
Up to and including 300m2	117,7758	11,0%	130,7311	145,1115	162,9892
301m2 to 1000m2	129,5533	11,3%	144,1928	160,4866	180,7978
1001m2 to 2000m2	145,0997	11,8%	162,2215	181,3636	205,3326
2001m2 and Above	165,4136	12,5%	186,0903	209,3516	238,6609

Sale of Electricity and Impact of Tariff Increases

As the tariffs were aligned in the 2016/2017 financial year, the average increase is based on the Municipal tariff guideline increase and NERSA benchmarks for municipal tariff approval process for the 2017/18 financial year.

The final tariffs will be approved by NERSA
The Energy Regulator granted Eskom an annual average increase of 2.2% leading to a bulk purchase increase of 3.1% for municipalities.

Other factors includes:

Consumer Price Index (CPI) – 6.2%.
Salary increase – CPI plus 1%.
Repairs and maintenance, capital charges and other costs will increase by CPI.

Registered indigents will again be granted 50 kWh per 30-day period free of charge. The fixed charge per month will vary according to the electricity consumer type. The energy rate will be on the sliding scale and will still differ according to consumer type.

The increase in the sale of electricity will not be in line with the 6.4% as per MFMA circular 86 but the increase in electricity sales were based on the past performance.

Electricity tariffs
The proposed increase for electricity tariffs is at 1.88% and 6.10 over the 2017/18MTREF for residential and category of business, government, industrial, institutions and will be charged within the identified demand block.

Residential Tariffs

This tariff is based on the inclining block principle, that is, the more units used, the higher the rate becomes.

The domestic tariffs for the 2016/17 benchmark were increased by the municipal tariff guideline increase of 1.88%.

The proposed tariff increase is 1,70% for block 1 and 2 and 15% for block 3 and for block 4 to cater for the low income groups and to try to align the unit rate with the NERSA Benchmark per unit as per other Municipalities.

As from Residential Town Conventional onwards the proposed tariff increase is the proposed tariff increase is 1,88% for block 1 and 2 as per NERSA guidelines and 15% for block 3 and for block 4 to align Rustenburg tariffs for this groups to the overall benchmark per unit as per other Municipalities.

Except for Residential Town Prepaid, the fixed charges on Business tariffs has also been increased aligned to cater for the administration costs to administrate all.

Table 6: Proposed electricity consumption for households

ELECTRICITY TARIFFS

Description	*Provide description of tariff structure where appropriate*	*Approved Tariff 2016/17*	*2017/2018 Increase %*	*Proposed Tariff 2017/18*	*Proposed Tariff 2018/2019*	*Proposed Tariff 2019/2020*
DOMESTIC TARIFFS						
Residential Life-line						
Residential 1(1-50 KWH)		84,00	1,88	85,5800	90,6391	96,1681
Residential 2(51-350 KWH)		105,00	1,89	106,9800	113,2989	120,2101
Residential 3(351-600 KWH)		128,00	1,88	130,4100	156,1792	165,7061
Residential 4(601 + KWH)		154,00	1,88	156,9000	187,9031	199,3652

Residential Town Conventional						
Residential 1(1-50 KWH)		84,00	1,88	85,580 0	90,799 5	96,338 3
Residential 2(51-350 KWH)		105,00	1,89	106,98 00	113,49 94	120,42 29
Residential 3(351-600 KWH)		128,00	1,88	130,41 00	156,17 92	165,70 61
Residential 4(601 + KWH)		154,00	1,88	156,90 00	187,90 31	199,36 52
Basic Charge (R/month)		256,55	14,57	293,92 34	311,85 27	330,87 57

ELECTRICITY TARIFFS

Increases between 1.88% and 6.10%

Description	***Provide description of tariff structure where appropriate***	***Approved Tariff 2016/17***	***2017/2018 Increase %***	***Proposed Tariff 2017/18***	***Proposed Tariff 2018/2019***	***Proposed Tariff 2019/2020***
Residential Town Prepaid						
Residential 1(1-50 KWH)		84,00	1,88	85,5800	90,7995	96,3383
Residential 2(51-350 KWH)		105,00	1,89	106,9800	113,4994	120,4229
Residential 3(351-600 KWH)		128,00	1,88	130,4100	156,1792	165,7061
Residential 4(601 + KWH)		154,00	1,88	156,9000	187,9031	199,3652
Basic Charge (R/month)		183,00	2,10	186,8430	198,2404	210,3331
Residential Rural Prepaid/Coventional						
Residential 1(1-50 KWH)		84,00	1,88	85,5800	90,7995	96,3383
Residential 2(51-350 KWH)		105,00	1,89	106,9800	113,4994	120,4229
Residential 3(351-600 KWH)		128,00	1,88	130,4100	156,1792	165,7061
Residential 4(601 + KWH)		154,00	1,88	156,9000	187,9031	199,3652
Basic Charge (R/month)		288,50	1,88	293,9238	311,8532	330,8762

Commercial or Small Businesses Tariffs

This tariff shall apply to electricity supplied and made available at 400V (3 phase) or 230V (1 phase) Customers.

To qualify for this tariff, the current may not exceed 3 Phase 150 Ampere and it must be restricted by such a circuit breaker. If the demand of any customer exceeds 150 Ampere current such customer shall be classified as a bulk customer

Fixed Charge per month is increased with 2% for all tariffs.

The proposed average tariff increase for Energy Rate (c/kWh) Winter Charge is 1.88%. This average tariff for Energy Rate (c/kWh) Summer Charge is 17,8% and 18% percent respectively to align Rustenburg tariffs for this groups to the overall benchmark per unit as per other Municipalities..

The proposed average tariff increase for Energy Rate (c/kWh) Summer Charge Prepaid is 1,88 %.

Industrial or Bulk Tariffs

To qualify for this tariff, the current must be more than 400V 150 Ampere. If the demand of any customer exceeds 150 Ampere current such customer shall be classified as a bulk customer.

Bulk consumers are divided into two groups namely:

- Low Voltage: Supply voltage of 400V
- Medium Voltage: Supply voltage of 33 kV or 11 kV

The proposed average tariff increase will be at 3.1% for the Bulk Tariffs as per the approved NERSA guidelines for Eskom to Municipalities. The Summer Energy Rate (c/kWh) Summer Charge is increased by 35% to align with NERSA benchmarks

Time of Use Tariffs for Industrial or Bulk Customers.

To qualify for this tariff, the current must be more than 150 Ampere. If the demand of any customer exceeds 150 Ampere current such customer shall be classified as a bulk customer.

Demand registered during off-peak hours will not be taken into account when calculating the demand charge payable.

For the purposes of this tariff during Winter months, June, July and August, Peak Hours will be from 06:00 to 09:00 and 17:00 to 19:00 on weekdays. Standard Hours will be from 09:00 to 17:00 and 19:00 to 22:00 on weekdays and from 07:00 to 12:00 and 18:00 to 20:00 on Saturdays. Off-peak Hours will be from 22:00 to 06:00 on weekdays, 12:00 to 18:00 and 20:00 to 07:00 on Saturdays and all of Sundays.

The municipalities are encouraged by NERSA to develop time-of-use tariffs in order to enable the customer to benefit from shifting their load. This will also enable municipalities to charge their customers prices that are similar to what Eskom is charging them.

The 2016/2017 approved tariffs is based on the Eskom plus a percentage mark up to cater for distribution costs.

The following must be requested from NERSA. To allow RLM to ensure that the expected revenue is not compromised so drastically, it is suggested that all new TOU applications be approved by the CFO and that the tariff be phased in by means of 50% for the first 6 months after approval and the full rest after this 6 months period.

NOTE

Further to that the following was resolved by NERSA in the signed Review Approval letter dated 29/07/2016.

The approved increase for the Industrial 11kV Bulk TOU was limited from the requested 45,52% to 23,76% for the 2016/2017 financial year in order to cushion the customer against adverse tariff increase in a financial year.

The approved increase for the Industrial 33kV Bulk TOU was also limited from the requested 51,59% to 27,22% for the 2016/2017 financial year.

The Energy Regulator has resolved to allow a similar increase for the 2017-18, financial year, in order to enable the Municipality to gradually align to the NERSA benchmark tariffs for the particular customer group.

Hence the proposed tariff increase of 23,76% % for the for the Industrial 11kV Bulk Time of Use and a tariff increase of 27,22 % for the for the Industrial 33kV Bulk Time of Use.

Time of Use Tariffs for Industrial or Bulk Customers > 150 MVA

Only Glencore, previously known as XSTRATA / GLENCORE qualifies for this tariff

The 2016/2017 approved tariffs is based on the Eskom tariff with a wheeling charge of 7.5% that was initiated due to the fact that XSTRATA / GLENCORE transform internally from 33kV to 11kV and the wheeling charge mainly caters for the loss in 11kV revenue.

The proposed tariff increase is the Eskom Municipal benchmark of more or less 3.1% for the 33kV Bulk Time of Use >150MVA as this is an Eskom based tariff with a wheeling Charge of 7,5% to cater for the internal Auxiliary load forecast of XSTRATA / GLENCORE

This results in the fact that XSTRATA / GLENCORE will only be billed at one metering point and supply agreement can altered accordingly.

It must be noted that a NERSA visits will be undertaken to discuss the proposed tariff increase as requested.

There the municipalities' overall financial and technical performance will be reviewed prior to a final decision on the overall tariff increase. Indicators that is to be considered mainly include:

a) percentage surplus;
b) percentage energy losses;
c) percentage power costs;
d) repairs and maintenance;
e) bad debt provision; and
f) average selling price/average purchase price ratio.

ELECTRICITY TARIFFS

Description	***Provide description of tariff structure where appropriate***	***Approved Tariff 2016/17***	***2017/2018 Increase %***	***Proposed Tariff 2017/18***	***Proposed Tariff 2018/2019***	***Proposed Tariff 2019/2020***
COMMERICAL TARIFFS						
Business Rate (Conventional/Prepaid)						
Basic Charge (R/month)		800,00	2,00	816,00	865,78	918,59
Business/Commercial	Energy Rate (c/kWh) Summer	150,00	18,00	177,0000	187,7970	199,2526
Business/Commercial	Energy Rate (c/kWh) Winter	200,00	1,88	203,7600	216,1894	229,3769

ELECTRICITY TARIFFS

Description	***Provide description of tariff structure where appropriate***	***Approved Tariff 2016/17***	***2017/2018 Increase %***	***Proposed Tariff 2017/18***	***Proposed Tariff 2018/2019***	***Proposed Tariff 2019/2020***
INDUSTRIAL TARIFFS						
Basic Charge (R/month)		2 663,20	2,00	2 716,46	2 882,17	3 057,98
Industrial (Bulk Supply Town 400 V)	Energy Rate (c/kWh) Summer	100,02	35,00	135,0270	143,2636	152,0027
Industrial (Bulk Supply Town 400 V)	Energy Rate (c/kWh) Winter	167,91	3,10	173,1152	183,6752	194,8794
Industrial (Bulk Supply Town 400 V)	Utilised Demand Charge (R/kVA) 12 month maximum	162,48	3,10	167,5169	177,7354	188,5773
Industrial (Bulk Supply Town 400 V)	Maximum Demand Charge (R/kVA)	40,62	3,10	41,8792	44,4339	47,1443
Basic Charge (R/month)		2 663,20	3,10	2 745,76	2 913,25	3 090,96
Agricultural (Bulk Supply Rural 400 V)	Energy Rate (c/kWh) Summer	100,02	35,00	135,0270	143,2636	152,0027
Agricultural (Bulk Supply Rural 400 V)	Energy Rate (c/kWh) Winter	167,91	3,10	173,1152	183,6752	194,8794
Agricultural (Bulk Supply Rural 400 V)	Utilised Demand Charge	162,48	3,10	167,5169	177,7354	188,5773

	(R/kVA) 12 month maximum					
Agricultural (Bulk Supply Rural 400 V)	Maximum Demand Charge (R/kVA)	40,62	3,10	41,8792	44,4339	47,1443
Basic Charge (R/month)		2 300,00	3,10	2 371,30	2 515,95	2 669,42
Industrial (11kV Bulk Supply Town and Rural)	Energy Rate (c/kWh) Summer	98,00	35,00	132,3000	140,3703	148,9329
Industrial (11kV Bulk Supply Town and Rural)	Energy Rate (c/kWh) Winter	154,00	3,10	158,7740	168,4592	178,7352
Industrial (11kV Bulk Supply Town and Rural)	Utilised Demand Charge (R/kVA) 12 month maximum	39,18	3,10	40,3946	42,8586	45,4730
Industrial (11kV Bulk Supply Town and Rural)	Maximum Demand Charge (R/kVA)	156,75	3,10	161,6093	171,4674	181,9269

ELECTRICITY TARIFFS

Description	***Provide description of tariff structure where appropriate***	***Approved Tariff 2016/17***	***2017/2018 Increase %***	***Proposed Tariff 2017/18***	***Proposed Tariff 2018/2019***	***Proposed Tariff 2019/2020***
TIME -OF - USE						
Basic Charge (R/month)		7 272,00	23,76	8999,8272	9548,8167	10131,2945

11 kV Bulk supply Time-of-use	SUMMER: Demand Charge (R/kVA)	34,00	8,00	36,7200	39,6576	42,8302
	Access Charge (R/kVA)	26,00	8,00	28,0800	30,3264	32,7525
	Peak Energy (c/kWh)	112,00	8,00	120,9600	130,6368	141,0877
	Standard Energy (c/kWh)	76,00	8,00	82,0800	88,6464	95,7381
	Off-peak Energy (c/kWh)	54,00	8,00	58,3200	62,9856	68,0244
	WINTER: Demand Charge (R/kVA)	34,00	23,76	42,0784	44,6452	47,3685
	Access Charge (R/kVA)	26,00	23,76	32,1776	34,1404	36,2230
	Peak Energy (c/kWh)	351,00	23,76	434,3976	460,8959	489,0105
	Standard Energy (c/kWh)	102,00	23,76	126,2352	133,9355	142,1056
	Off-peak Energy (c/kWh)	60,00	23,76	74,2560	78,7856	83,5915
	Reactive Energy (c/kVArh)	17,06	23,76	21,1135	22,4014	23,7679

ELECTRICITY TARIFFS

Description	***Provide description of tariff structure where appropriate***	***Approved Tariff 2016/17***	***2017/2018 Increase %***	***Proposed Tariff 2017/18***	***Proposed Tariff 2018/2019***	***Proposed Tariff 2019/2020***
TIME -OF - USE						
-						
Basic Charge (R/month)		7 166,00	27,22	9116,5852	9672,6969	10262,7314
33 kV Bulk supply Time-of-use	SUMMER: Demand Charge (R/kVA)	33,00	27,22	41,9826	44,5435	47,2607
	Access Charge (R/kVA)	2 500,00	27,22	3180,5000	3374,5105	3580,3556
	Peak Energy (c/kWh)	110,00	27,22	139,9420	148,4785	157,5356
	Standard Energy (c/kWh)	74,00	27,22	94,1428	99,8855	105,9785
	Off-peak Energy (c/kWh)	52,00	27,22	66,1544	70,1898	74,4714
	WINTER: Demand Charge (R/kVA)	33,00	27,22	41,9826	44,5435	47,2607
	Access Charge (R/kVA)	2 500,00	27,22	3180,5000	3374,5105	3580,3556

	Peak Energy (c/kWh)	345,00	27,22	438,9090	465,6824	494,0891
	Standard Energy (c/kWh)	100,00	27,22	127,2200	134,9804	143,2142
	Off-peak Energy (c/kWh)	58,00	27,22	73,7876	78,2886	83,0643
	Reactive Energy (c/kVArh)	17,06	27,22	21,7037	23,0277	24,4323

ELECTRICITY TARIFFS

Description	***Provide description of tariff structure where appropriate***	***Approved Tariff 2016/17***	***2017/2018 Increase %***	***Proposed Tariff 2017/18***	***Proposed Tariff 2018/2019***	***Proposed Tariff 2019/2020***
TIME -OF - USE						
Basic Charge (R/month)		111 817,00	5,02	117 434,00	124 597,47	132 197,92
33 kV Bulk supply NMD >150MVA	SUMMER: Demand Charge (R/kVA)	28,95	0,31	29,0400	30,8114	32,6909
	Access Charge (R/kVA)	15,28	3,10	15,7537	16,7147	17,7342
	Transmission Energy (c/kWh)	7,62	3,10	7,8562	8,3354	8,8439
	Peak	104,03	0,31	104,3500	110,7154	117,4690

	Energy (c/kWh)					
	Standard Energy (c/kWh)	74,03	0,30	74,2500	78,7793	83,5848
	Off-peak Energy (c/kWh)	49,82	0,30	49,9700	53,0182	56,2523
	WINTER: Demand Charge (R/kVA)	28,95	0,31	29,0400	30,8114	32,6909
	Access Charge (R/kVA)	15,28	3,10	15,7537	16,7147	17,7342
	Transmission Energy (c/kWh)	7,62	3,10	7,8562	8,3354	8,8439
	Peak Energy (c/kWh)	13,38	3,10	13,7948	14,6363	15,5291
	Reactive Energy (c/kVArh)	302,82	0,31	303,7500	322,2788	341,9378
	Standard Energy (c/kWh)	97,17	0,31	97,4700	103,4157	109,7240
	Off-peak Energy (c/kWh)	56,32	0,30	56,4900	59,9359	63,5920

The following are the new proposed tariffs

Waste Removal and Impact of Tariff Increases

Waste management division has introduced the waste management tariff policy that outlines the cost to be mapped against the tariff required to reflect costs of rendering the service. The refuse removal charges for households, disposal at landfill sites, rental of skips, industrial ,commercial, institutions waste and other services tariffs increases by 9%, 9.6% over the MTREF. For 2017/18 rental skips increases are at 19%

Annexure B.

The following table compares current and proposed amounts:

Table 8: Proposed Waste Removal tariffs

WASTE MANAGEMENT SERVICES

	Tariff Code	Unit	Approved Tariff 2016/17	2017/2018 Increase	Proposed Tariff 2017/18	Proposed Tariff 2018/2019	Proposed Tariff 2019/2020
1. DOMESTIC							
STD CONTAINER 1 X WEEK RES 1	*AA*	*R/month*	*113,93*	*9,00*	*124,18*	*135,61*	*148,63*
STD CONTAINER 1 X WEEK RES 2-4	*BA*	*R/month*	*113,93*	*9,00*	*124,18*	*135,61*	*148,63*
BAG COLLECTION (4 BAGS each 85L)	*NEW*	*R/month*	*113,93*	*9,00*	*124,18*	*135,61*	*148,63*
MONTHLY RENTAL PER 240LITER BIN	*NEW*	*R/month*	*17,39*	*9,00*	*18,96*	*20,70*	*22,69*
2. INDUSTRIAL							
INDUSTRIAL	*DA*	*R/month*	*129,52*	*267,13*	*475,53*	*519,27*	*569,12*
3. COMMERCIAL							
240L BULK CONTAINER 1 X WEEK	*CF*	*R/month*	*399,60*	*19,00*	*475,53*	*519,27*	*569,12*
240L BULK CONTAINER (ADDITIONAL)	*CG*	*R/month*	*340,20*	*19,00*	*404,84*	*442,09*	*484,53*
770L BULK CONTAINER 1 X WEEK	*NEW*	*R/month*	*1 188,01*	*19,00*	*1 413,73*	*1 543,79*	*1 691,99*
770L BULK CONTAINER (ADDITIONAL)	*NEW*	*R/month*	*1 004,40*	*19,00*	*1 195,24*	*1 305,20*	*1 430,50*
1100L BULK CONTAINER 1 X WEEK	*NEW*	*R/month*	*1 706,41*	*19,00*	*2 030,63*	*2 217,44*	*2 430,32*
1100L BULK CONTAINER (ADDITIONAL)	*NEW*	*R/month*	*1 447,21*	*19,00*	*1 722,18*	*1 880,62*	*2 061,16*

1.5 m³ BULK CONTAINER 1 X WEEK	CB	R/month	1 944,01	19,00	2 313,37	2 526,20	2 768,72
1.5 m³ BULK CONTAINER 1 X WEEK (ADDITIONAL)	CC	R/month	1 663,21	19,00	1 979,22	2 161,30	2 368,79
4.0 m³ BULK CONTAINER 1 X WEEK	NEW	R/month	4 428,02	19,00	5 269,34	5 754,12	6 306,52
4.0 m³ BULK CONTAINER 1 X WEEK (ADDITIONAL)	NEW	R/month	3 736,82	19,00	4 446,81	4 855,92	5 322,09
6.0 m³ BULK CONTAINER 1 X WEEK	CD	R/month	6 561,29	19,00	7 807,93	8 526,26	9 344,79
6.0 m³ BULK CONTAINER 1 X WEEK (ADDITIONAL)	CE	R/month	5 562,03	19,00	6 618,81	7 227,74	7 921,60
STD CONTAINER 2 X WEEK BUS/COM	CA	R/month	0,00	0,00	0,00	0,00	0,00

WASTE MANAGEMENT SERVICES

	Tariff Code	Unit	Approved Tariff 2016/17	2017/2018 Increase	Proposed Tariff 2017/18	Proposed Tariff 2018/2019	Proposed Tariff 2019/2020
4. INSTITUTIONAL							
MUNICIPAL	EA	R/month	109,61	19,00	130,44	142,44	156,11
GOVERNMENT	FA	R/month	109,61	19,00	130,44	142,44	156,11
CHURCH	GA	R/month	109,61	19,00	130,44	142,44	156,11
EDUCATIONAL	JA	R/month	109,61	19,00	130,44	142,44	156,11
5. RENTAL SERVICES							
240L BIN RENTAL (Including disposal costs)	CJ	R/week	203,52	19,00	242,19	256,48	271,35
770L CONTAINER RENTAL (Including disposal costs)	NEW	R/week	408,10	19,00	485,64	514,29	544,12

1100L CONTAINER RENTAL (Including disposal costs)	NEW	R/week	466,40	19,00	555,02	587,76	621,85
1.5 m³ CONTAINER RENTAL	CN	R/week	556,50	19,00	662,24	701,31	741,98
4 m³ SKIP CONTAINER RENTAL (First Removal)	CK	R/week	1 123,60	19,00	1 337,09	1 415,97	1 498,10
4 m³ SKIP CONTAINER RENTAL (Additional Removal)	NEW	R/week	954,00	19,00	1 135,26	1 202,24	1 271,97
6 m³ SKIP CONTAINER RENTAL (First Removal)	CL	R/week	1 621,80	19,00	1 929,94	2 043,81	2 162,35
6 m³ SKIP CONTAINER RENTAL (Additional Removal)	NEW	R/week	1 378,00	19,00	1 639,82	1 736,57	1 837,29
9 m³ SKIP CONTAINER RENTAL (First Removal)	NEW	R/week	2 385,00	19,00	2 838,15	3 005,60	3 179,93
9 m³ SKIP CONTAINER RENTAL (Additional Removal)	NEW	R/week	2 027,25	19,00	2 412,43	2 554,76	2 702,94
36 m³ RORO CONTAINER RENTAL (First Removal)	NEW	R/week	5 724,01	19,00	6 811,57	7 213,45	7 631,83
36 m³ RORO CONTAINER RENTAL (Additional Removal)	NEW	R/week	4 865,41	19,00	5 789,83	6 131,43	6 487,06

WASTE MANAGEMENT SERVICES

	Tariff Code	Unit	Approved Tariff 2016/17	2017/2018 Increase	Proposed Tariff 2017/18	Proposed Tariff 2018/2019	Proposed Tariff 2019/2020
6. OTHER SERVICES							
RENTAL OF WASTE MANAGEMENT HALL	NEW	R/day	892,43	19,00	1 061,99	1 124,64	1 189,87
RENTAL OF PA (SOUND) SYSTEM	NEW	R/day	729,65	19,00	868,29	919,51	972,85
WASTE REMOVAL INFORMAL	NEW	R/shack	16,84	19,00	20,04	21,23	22,46

SETTLEMENT PER SHACK							
WASTE TRANSPORTER PERMIT VEHICLES UNDER FOUR TON PER ANNUM	NEW	R/vehicle	112,25	19,00	133,58	141,46	149,67
WASTE TRANSPORTER PERMIT VEHICLES ABOVE FOUR TON PER ANNUM	NEW	R/vehicle	224,51	19,00	267,16	282,93	299,34
ILLEGAL DUMPING REMOVAL ON EMPTY STANDS 1000 SQUARE METERS	NEW	R/stand	9 070,13	19,00	10 793,46	11 430,27	12 093,23
ILLEGAL DUMPING REMOVAL ON EMPTY STANDS 1001 SQUARE METERS AND ABOVE	NEW	R/stand	11 225,42	19,00	13 358,25	14 146,39	14 966,88
SPECIAL WASTE REMOVAL	KA	R/t	938,27	19,00	1 116,54	1 182,42	1 251,00
CARCASS REMOVAL	KD	R/carcass	259,28	19,00	308,54	326,74	345,69
CONDEMNED FOODSTUFF	NEW	R/t	885,15	19,00	1 053,33	1 115,48	1 180,18
STREET SWEEPER OR COLLECTION WORKER	NEW	R/h	121,90	19,00	145,06	153,62	162,53
DRIVER	NEW	R/h	180,20	19,00	214,44	227,09	240,26
240 LITER BIN ONCE OFF PURCHASE	???	R	572,50	19,00	681,27	721,47	763,31
770 LITER BIN ONCE OFF PURCHASE	???	R	5 388,20	19,00	6 411,96	6 790,26	7 184,10
1100 LITER BIN ONCE OFF PURCHASE	???	R	5 612,71	19,00	6 679,12	7 073,19	7 483,43

WASTE MANAGEMENT SERVICES

	Tariff Code	Unit	Approved Tariff 2016/17	2017/2018 Increase	Proposed Tariff 2017/18	Proposed Tariff 2018/2019	Proposed Tariff 2019/2020
7. DISPOSAL CHARGES AT THE DROP-OFF CENTRES AND TRANSFER STATIONS							
GARDEN WASTE	*NEW*	*R/t*	*10,60*	*19,00*	*12,61*	*13,36*	*14,13*
8. DISPOSAL CHARGES AT THE WATERVAL LANDFILL							
Non Municipal Resident	*NEW*	*R/t*	*333,90*	*19,00*	*397,34*	*420,78*	*445,19*
General waste (household waste and similar commercial, industrial and institutional wastes)	*NEW*	*R/t*	*79,50*	*19,00*	*94,61*	*100,19*	*106,00*
Private deliveries of any kind of uncontaminated (non-hazardous) waste (passenger car, pick-up, bakkie / trailer up to 1,000 kg payload) - once a week	*NEW*	*R/t*	*0,00*	*0,00*	*0,00*	*0,00*	*0,00*
Garden waste (free from impurities)	*NEW*	*R/t*	*0,00*	*0,00*	*0,00*	*0,00*	*0,00*
Construction and demolition waste (uncontaminated soil and rubble up to a length of 80 cm from edge to edge)	*NEW*	*R/t*	*5,30*	*19,00*	*6,31*	*6,68*	*7,07*
Rubble (stone, concrete or asphalt) with a length of larger than 80 cm from edge to edge	*NEW*	*R/t*	*10,60*	*19,00*	*12,61*	*13,36*	*14,13*
Mixed construction and demolition waste (including glass,	*NEW*	*R/t*	*106,00*	*19,00*	*126,14*	*133,58*	*141,33*

packagings, gypsum, wood, plastics, metals, etc.)							
Special waste (Includes solid, liquid, sludge waste or waste requiring special handling, e.g. condemned foodstuff, animal carcasses, de-listed sanitary waste, rags and grit from sewerage works, incinerator ash, sludge etc. all special wastes will require prior approval and laboratory testing)	*NEW*	*R/t*	*212,00*	*19,00*	*252,28*	*267,16*	*282,66*

WASTE MANAGEMENT SERVICES

	Tariff Code	Unit	Approved Tariff 2016/17	2017/2018 Increase	Proposed Tariff 2017/18	Proposed Tariff 2018/2019	Proposed Tariff 2019/2020
8. DISPOSAL CHARGES AT THE WATERVAL LANDFILL							
Mixed industrial and commercial waste	NEW	R/t	159,00	19,00	189,21	200,37	212,00
Mixed recyclable wastes (impurities less than 5%)	NEW	R/t	0,00	0,00	0,00	0,00	0,00
Waste tyres up to a diameter of 0.8 m (normal passenger vehicle tyre) - without wheel rim	NEW	R/tyre	5,30	19,00	6,31	6,68	7,07
Waste tyres up to a diameter of 0.8 m (normal passenger vehicle tyre) - with wheel rim	NEW	R/tyre	7,95	19,00	9,46	10,02	10,60
Waste tyres with a diameter of larger than 0.8 m - without wheel rim	NEW	R/tyre	15,90	19,00	18,92	20,04	21,20
Waste tyres with a diameter of larger than 0.8 m - with wheel rim	NEW	R/tyre	23,85	19,00	28,38	30,06	31,80
Tyres cut or shredded	NEW	R/t	106,00	19,00	126,14	133,58	141,33
E-waste (if more than 50kg) (Electrical and electronical waste)	NEW	R/t	53,00	19,00	63,07	66,79	70,67
Bulky waste (Furniture, sofas, beds, mattresses, shelfs, carpets, bicycles, and other bulky household items)	NEW	R/t	53,00	19,00	63,07	66,79	70,67
Hazardous Household Waste (If more than 10kg)	NEW	R/kg	10,60	19,00	12,61	13,36	14,13

SUNDRY TARIFFS attached as Annexure "B"

1. **Community development**
   The cemetery tariffs increase is at 5.8 % and 6% over the 2017/18.The revised tariffs were calculated based on the projected revenue and expenditure for the 2016/17 financial year as a base to calculate the 2017/18 tariffs for all cemeteries in Rustenburg Local Municipalities jurisdiction per activity type.

   Civic Centre increase is at 5.8 % and 6% over the 2017/18.The revised tariffs were calculated using the 2016/17 projected revenue and expenditure as a baseline for all the activities of the civic centre and community halls for the year.

   It should be noted that the civic centre is not run as a business unit, hence not all the costs incurred to run it will be recovered due to it being used for free in most instances.

   Community Halls
   For all the halls including civic centre an hourly rate was discontinued in 2016/17 financial to a flat rate per time frame. All the community halls will be charged the following flat amount:

   The increases are to cover the costs of overtime to be paid to employers and additional running costs.

   For all community halls increases is at 5.8 % and 6% over the 2017/18MTREF as the rates were aligned properly in 2017/18 to differentiate the charges per area to accommodate the income level per consumer types.

   It should be noted that all of the above services type were in the past operating at a loss and will still be operating at a loss especially due to the expenditure not directly linked to the rendering of this service.

   Swimming pools: The proposed increase is kept at 5.8 % and 6% over the 2017/18MTREF for all municipal swimming pools.

   Additional tariff effected 2017/18MTREF

   .**Musical festival Concerts**:

0-500 people per day	R40 000
501-3000 people per day	R100 000
Above 3001 people per day	R150 000
Booking fee/deposit	R 10 000

--- **Annexure "B" and Annexure "C" (Attached) is all the tariffs of the municipality**
Overall Impact of Tariff Increases on Households
The following table shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services. Note that in all instances the overall impact of the tariff increases on

household's bills is between 6% and 6.2% for all services except electricity that is at 8% for all types of consumers in 2017/18.

OPERATING EXPENDITURE FRAMEWORK

The municipality's expenditure framework for the 2017/18MTREF is informed by the following:

- Reduction in allocation of conditional grants to municipalities by National Treasury
- Growth in the debtors' book that does not translate into additional revenue to fund revenue generating projects.
- mSCOA reforms that require budgeting for maintenance at the project level.
- Required funding for the mSCOA compliance system
- Historically ageing infrastructure with the inability to budget adequately for maintenance.

The following table is a high level summary of the 2017/18 and MTREF (classified per main type of operating expenditure) to be adjusted.

Table 9: Summary of Operating Expenditure Financial Performance (Expenditure)

NW373 Rustenburg - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 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 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Expenditure By Type											
Employee related costs	2	–	–	–	577 889	580 038	580 038	580 038	632 787	676 883	723 659
Remuneration of councillors					30 722	30 837	30 837	30 837	33 500	35 819	38 296
Debt impairment	3				386 643	386 643	386 643	386 643	560 536	583 311	601 235
Depreciation & asset impairment	2	–	–	–	415 968	415 977	415 977	415 977	440 290	465 241	480 216
Finance charges					52 721	61 822	61 822	61 822	61 565	61 026	61 754
Bulk purchases	2	–	–	–	1 769 272	2 082 000	2 082 000	2 082 000	2 167 582	2 436 036	2 765 418
Other materials	8				131 712	168 388	168 388	168 388	173 055	196 060	233 297
Contracted services		–	–	–	208 411	313 749	313 749	313 749	241 982	249 151	262 349
Transfers and subsidies		–	–	–	30 204	19 749	19 749	19 749	6 060	6 389	6 731
Other expenditure	4, 5	–	–	–	287 919	237 143	237 143	237 143	235 856	213 701	229 098

Loss on disposal of PPE											
Total Expenditure		–	–	–	3 891 460	4 296 346	4 296 346	4 296 346	4 553 213	4 923 617	5 402 051

The overall increase in operating expenditure is at 6%, 8. %,9.7% over the 2017/18MTREF

Employee-Related Costs refers to salaries and benefits of all the municipal staff.

- The proposed budget for **employee related costs** for the 2017/18 financial year is at R632,787 million inclusive of filling of vacancies and temporary workers, which equals 13.90 (%) per cent of the total operating expenditure in 2017/18, as well as 13.75% and 13.40% respectively in the outer years. It should be noted that the salary component is based on the actual head count received from the salary office taking into account temporary workers.
  Employee-related costs budget increases by 9.09% or R52, 749million in 2017/18 financial year when compared to the adjusted budget. The increase is above the wage agreement with the union of CPI plus 1% (7.4%) by 2.02 %.
  The increase is as a result of the following:
  I. Provision for medical aid continued membership proposal of R4,538million ,R4,806million and R5,085million over the 2017/18MTREF
  II. Skills levy transferred from general expenses to salaries to align it with MSCOA requirements, at R5,475million, R5,798million and R6,135million over the 2017/18MTREF
  III. Workman's Compensation fund contributions moved from general expenses to salaries to align it to mSCOA provided at R2, 224million, R2, 355million and R2, 492million over the 2017/18.
  IV. MTREF set aside to cover the cost of filling of critical vacancies and medical aid that increases annually in January. For the outer years increase is standing at 7% and 6.91% respectively.

The cost associated with the **remuneration of councilors** 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). Total increase is at 8.64% in 2017/18 financial year when compared to the adjusted budget. The most recent proclamation has not been received. The increase above 7% on remuneration of Councilors is to accommodate envisaged increases in December and the costs of data bundles. Remuneration of councilors equates to 0.74% of the total operating budget in 2017/18 and is at 0.73% and 0.71% respectively in the outer years.

The provision of debt impairment was determined based on the projected average collection rate of 85.15 % . The municipality is being mindful of its local economic conditions, downturn in the global economy and the high rate of unemployment. The write offs will happen with the Debt Write-off Policy and credit control policy of Rustenburg local municipality. Debt impairment is at 12.31% of the total expenditure for the 2017/2018 budget year and is at 11.85% and 11.13% for the two outer years respectively.

The increase in 2017/18 financial year is R173, 893million or 44.98% when compared to the adjusted budget. It is increasing at 4% and 3.1% respectively in the outer years.
The provision is declining as there is the revenue enhancement committee that is tracking performance of the trading services that will inform accurate billing and likely reduction in the debtors book through data cleansing that will inform write offs of all debts that is not collectable.

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 asset rate of consumption. Through the implementation of mSCOA, the municipality will be able to accurately track the performance of its asset monthly and reduce the unauthorised expenditure that happens at year end due to inadequate provision.

The proposed depreciation for 2017/2018 financial year is R24,313 million and is at 9.67% of total operational expenditure. The outer year's provision for depreciation and debt impairment is at 9.45% and 8.89% of total outer year's expenditure respectively.

Depreciation increased by 5.84% for 2017/2018 financial year and the outer years increased by 6% and 3.21% respectively.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 1.4% (per cent) (R61, 565 million) of the operating expenditure and decreases by 0.41% in 2017/18 financial year when compared to the adjusted budget

Bulk purchases are directly informed by the purchase of electricity from Eskom, water from Rand Water, Magalies Water and bulk purchase of purified water from the Rustenburg Water Services Trust. The Eskom Magalies water and Rand water tariff increases is at 9.66% and 10.2% respectively.

- As indicated, the 2017/18 water and sanitation proposed tariffs increases are intensified, with the understanding that they will provide more balance and allow both units to at least sustain their running costs.
- The increments on 2018/19 and 2019/20 are more relaxed, with average of only 1% top-up annually. (We envisage business to be stabilized in the two outer years)

2017/18	2018/19	2019/2020
Average Increase of (10% -12 %)	Average increase of 6.4+1%	Average increase of %

The projected expenditure for Magalies water is based on the 2016/17 financial year spending for the past eight (8) months projected for the full year multiplied by 12 plus (+) 9.66% giving us projected expenditure of R29,595million.
Rand water projected bulk purchases is also based on the projected full year performance of 2016/17 financial year plus (+) 10.2%.Rand water extract water from Vaal and treat it at Zuikerbosch and supply Rustenburg through Barnaardvlei and the projected spending is at R262,337million.

	Ytd Adjusted Budget	Ytd Projected Bulk	% Increase	%	'2017/18
Magalies Water	24 401 224	25 530 661,97	2 466 262	9.66	27 996 924
Rand water	260 038 579	261 932 889,51	26 717 155	10.2 0	288 650 044

NERSA approved 2.2% electricity tariff increase for ESKOM in 2017/18 financial year as per MFMA circular 85.

Budget proposals in this regard are R2.168billion for the 2017/18 financial year and equates to 47.61% of the total operating expenditure. It is at 49.48% and 51.19% for the outer years respectively.

Electricity purchases proposed budget is at R1, 828 billion or 84.38% of the total bulk purchases in 2017/18.For the two outer years it is standing at R2, 055billion and R2, 305 billion or 84.40% and 83.38 respectively. Water a purchase is standing at 15.62% of the proposed 2017/18 bulk purchases and in the two outer years is at 15.60% and 16.62% respectively.

Repairs and maintenance comprise of amongst others the materials for maintenance In terms of mSCOA municipal budgeting for maintenance has to be at project level. The current budgeting is not informed by the assets maintenance plan.
Other material is appropriated at R173, 1million or 3.80% of the 2017/18 total operating budget and the 2018/19 amount is R196, 06 at a rate 3.98% and the amount for 2019/20 is 262, 35 at a rate 4.31% of the proposed budget for the outer year respectively. The increases are at 2.8%, 13% and 19% respectively over the 2017/18MTREF.

A contracted services spending have been appropriated at R241, 982million in 2017/18 financial year and is at 5.31% of the total operating budget. For the outer years it is standing at R249, 151million or 5.06% and R262, 349million or 4.86% respectively. Contracted services expenditure has deceased by R71, 767 million or 22.9% when compared to the adjusted budget. The Directorate previously had several number of services providers assisting with the rendering of maintenance service in the water and sanitation distribution on an ad-hoc basis.
The proposed new structure for water and sanitation units according to the Directorate Technical and Infrastructure report, will limit the incurrence of maintenance services expenditure on service providers except for services requiring specialized skills and machinery.
The municipality had in the past placed more reliance on contractors for even jobs that could have been performed by internal staff. It is imperative that operational efficiency be attended to in order to ensure value for money.

Increase participation of internal staff is expected to translate in the reduction of the contracted services budget for the water and sanitation once these positions are filled. Contracted services proposed budget increases by 3% and 5.3 % respectively in the outer years.

Major spending is for the Rustenburg Water Services Trust at on sewer treatment R103million, R46million for PTIS, R36,07 million for waste collection.
Other expenditure comprises of various line items relating to the daily operations of the municipality. This services are mainly on (Advertising, Travelling, Stationery, Rentals, Copy Charges, Financial Management activities, Materials and Stock, Departmental Charges, Transport, etc.)
mSCOA budgeting will require the unbundling of all expenditure items to be part of operational projects related to municipal running costs and typical work streams, linked to the expenditure items in order to transact in the financial system by 1st July 2017.

There is a proposed decrease of 22.9 (%) percent or R71, 767million in 2017/2018 budget year when compared to the adjusted budget. For the two outer years, proposed spending increases by R7, 169million or 3% and 5.3% respectively. It is at 5.31% of total proposed expenditure in the 2017/18 financial year and is at 5.06% and 4.86% respectively for the two outer years.

Table 10 Percentage growth in expenditure by main expenditure type

NW373 Rustenburg - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	Ref	Current Year 2016/17					2017/18 Medium Term Revenue & Expenditure Framework				
R thousand	1	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	%	Budget Year 2017/18	%	Budget Year +1 2018/19	%	Budget Year +2 2019/20
Expenditure By Type											
Employee related costs	2	577 889	580 038	580 038	580 038	9.1	632 787	7.0	676 883	6.9	723 659
Remuneration of councillors		30 722	30 837	30 837	30 837	8.6	33 500	6.9	35 819	6.9	38 296
Debt impairment	3	386 643	386 643	386 643	386 643	45.0	560 536	4.1	583 311	3.1	601 235
Depreciation & asset impairment	2	415 968	415 977	415 977	415 977	5.8	440 290	5.7	465 241	3.2	480 216
Finance charges		52 721	61 822	61 822	61 822	0.4	61 565	-0.9	61 026	1.2	61 754
Bulk purchases	2	1 769 272	2 082 000	2 082 000	2 082 000	4.1	2 167 582	12.4	2 436 036	13.5	2 765 418
Other materials	8	131 712	168 388	168 388	168 388	2.8	173 055	13.3	196 060	19.0	233 297
Contracted services		208 411	313 749	313 749	313 749	-22.9	241 982	3.0	249 151	5.3	262 349
Transfers and subsidies		30 204	19 749	19 749	19 749	69.3	6 060	5.4	6 389	5.4	6 731
Other expenditure	4, 5	287 919	237 143	237 143	237 143	-0.5	235 856	-9.4	213 701	7.2	229 098
Loss on disposal of PPE											
Total Expenditure		**3 891 460**	**4 296 346**	**4 296 346**	**4 296 346**	**6.0**	**4 553 213**	**8.1**	**4 923 617**	**9.7**	**5 402 051**

Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance:
Table 11 Operational repairs and maintenance

NW373 Rustenburg - Supporting Table SA34c Consolidated repairs and maintenance by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Repairs and maintenance expenditure by Asset Class/Sub-class										
-										
Infrastructure		–	–	–	47 856	80 256	80 256	143 957	147 587	154 885
Roads Infrastructure		–	–	–	10 900	10 900	10 900	14 536	15 393	16 286
Roads					10 900	10 900	10 900	14 536	15 393	16 286
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		–	–	–	14 207	13 157	13 157	16 081	17 030	18 018
Power Plants										
HV Substations					10 078	9 828	9 828	12 550	13 290	14 061

HV Switching Station *HV Transmission Conductors*					4 128	3 328	3 328	3 531	3 740	3 957
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										

NW373 Rustenburg - Supporting Table SA34c Consolidated repairs and maintenance by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Repairs and maintenance expenditure by Asset Class/Sub-class										
-					14	14	14	18	19	20
Water Supply Infrastructure		–	–	–	745	639	639	715	819	969
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains					14	14	14	18	19	20
Distribution					745	639	639	715	819	969
Distribution Points										
PRV Stations										

Capital Spares										
Sanitation Infrastructure		–	–	–	4 004	32 780	32 780	85 946	86 154	89 888
Pump Station										
Reticulation					4 004	32 780	32 780	85 946	86 154	89 888
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities										
Capital Spares										

NW373 Rustenburg - Supporting Table SA34c Consolidated repairs and maintenance by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Repairs and maintenance expenditure by Asset Class/Sub-class										
-										
Solid Waste Infrastructure		–	–	–	4 000	8 780	8 780	8 679	9 191	9 724
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities								8 679	9 191	9 724
Waste Drop-off Points										
Waste Separation Facilities					4 000	8 780	8 780			
Electricity Generation Facilities										

Capital Spares										
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										

NW373 Rustenburg - Supporting Table SA34c Consolidated repairs and maintenance by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Repairs and maintenance expenditure by Asset Class/Sub-class										
-										
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										

Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares										

NW373 Rustenburg - Supporting Table SA34c Consolidated repairs and maintenance by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Repairs and maintenance expenditure by Asset Class/Sub-class										
-										
Community Assets		–	–	–	6182	1547	1547	6082	7622	9222
Community Facilities		–	–	–	6182	1547	1547	6082	7622	9222
Halls					517	367	367	390	413	437
Centres					277	277	277	294	311	329
Crèches					564	564	564	599	634	671
Clinics/Care Centres					371	321	321	341	361	382

Fire/Ambulance Stations				156	191	191	215	227	240
Testing Stations					–	–			
Museums				185	185	185			
Galleries				528	443 4	443 4			
Theatres				–	950	950			
Libraries				–	–	–			
Cemeteries/Crematoria				–	–	–			
Police				20	(100)	(100)			
Purls					–	–			
Public Open Space				–	(44)	(44)	771	817	864
Nature Reserves									
Public Ablution Facilities									
Markets									
Stalls									
Abattoirs									
Airports									
Taxi Ranks/Bus Terminals									
Capital Spares									

NW373 Rustenburg - Supporting Table SA34c Consolidated repairs and maintenance by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Repairs and maintenance expenditure by Asset Class/Sub-class										
-										
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Indoor Facilities										
Outdoor Facilities										
Capital Spares		1	1	1	1	1	1	1	1	1
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Revenue Generating		–	–	–	729	739	739	–	–	–
Improved Property					729	739	739			
Unimproved Property										

Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property										
Unimproved Property										

NW373 Rustenburg - Supporting Table SA34c Consolidated repairs and maintenance by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Repairs and maintenance expenditure by Asset Class/Sub-class										
-										
Other assets		–	–	–	509 80	239 80	239 80	823 21	705 22	053 24
Operational Buildings		–	–	–	509 80	239 80	239 80	823 21	705 22	053 24
Municipal Offices					136 000 4	136 630 5	136 630 5	170 297	180 315	191 333
Pay/Enquiry Points										
Building Plan Offices					26	26	26	53	56	59
Workshops						–	–			
Yards						–	–			

Stores					2 920	2 220	2 220	3 416	3 618	3 828
Laboratories						–	–			
Training Centres						–	–			
Manufacturing Plant						–	–	3 707	3 926	4 154
Depots					45 621	45 321	45 321	12 481	12 812	13 586
Capital Spares					27 806	26 906	26 906	1 698	1 798	1 902
Housing		–	–	–	–	–	–	–	–	–
Staff Housing										
Social Housing										
Capital Spares										

NW373 Rustenburg - Supporting Table SA34c Consolidated repairs and maintenance by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Repairs and maintenance expenditure by Asset Class/Sub-class										
-										

Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets										
Intangible Assets		–	–	–	–	–	–	–	–	–
Servitudes										
Licences and Rights		–	–	–	–	–	–	–	–	–
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications										
Load Settlement Software Applications										
Unspecified										
Computer Equipment		–	–	–	–	–	–	–	–	–
Computer Equipment										

NW373 Rustenburg - Supporting Table SA34c Consolidated repairs and maintenance by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Repairs and maintenance expenditure by Asset Class/Sub-class										
-										

Furniture and Office Equipment Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets Transport Assets		–	–	–	–	–	–	–	–	–
Libraries Libraries		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Repairs and Maintenance Expenditure	1	–	–	–	131 712	168 388	168 388	168 388	173 055	181 860
R&M as a % of PPE		*0.0%*	*0.0%*	*0.0%*	*1.4%*	*1.8%*	*1.8%*	*1.8%*	*1.9%*	*1.9%*
R&M as % Operating Expenditure		*0.0%*	*0.0%*	*0.0%*	*3.4%*	*3.9%*	*3.9%*	*3.9%*	*3.8%*	*3.7%*

Capital expenditure

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

Table 12: 2016/17 Medium-term capital budget per vote include 2019/20

NW373 Rustenburg - Table A5 Consolidated Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 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 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital Expenditure - Functional											
Governance and administration		–	–	–	18 465	11 040	11 040	11 040	27 722	24 813	24 813
Executive and council					7 465	–	–	–	27 722	24 813	24 813
Finance and administration					–	–	–	–	–	–	–
Internal audit					11 000	11 040	11 040	11 040	–	–	–
Community and public safety		–	–	–	9 391	12 863	12 863	12 863	9 153	1 605	1 605
Community and social services					1 532	4 997	4 997	4 997	9 153	1 605	1 605
Sport and recreation					7 859	7 866	7 866	7 866	–	–	–
Public safety					–	–	–	–	–	–	–
Housing					–	–	–	–	–	–	–
Health					–	–	–	–	–	–	–
Economic and environmental services		–	–	–	305 002	335 242	335 242	335 242	272 778	220 976	220 976

Planning and development					–	–	–	–			
Road transport					305 002	335 242	335 242	335 242	272 778	220 976	220 976
Environmental protection					–	–	–	–			
Trading services		–	–	–	144 016	277 108	277 108	277 108	**260 321**	**261 000**	**234 000**
Energy sources					21 800	76 944	76 944	76 944	21 700	10 000	10 000
Water management					53 216	128 884	128 884	128 884	156 058	208 000	208 000
Waste water management					69 000	71 279	71 279	71 279	82 564	43 000	16 000
Waste management					–	–	–	–	–	–	–
Other					**10 000**	**10 000**	**10 000**	**10 000**	–	–	–
Total Capital Expenditure - Functional	3	–	–	–	486 874	646 252	646 252	646 252	569 974	508 395	481 395
Funded by:											
National Government					397 342	426 947	426 947	426 947	499 521	463 789	463 789
Provincial Government					1 532	2 582	2 582	2 582	1 453	1 605	1 605
District Municipality					–	–	–	–	–	–	–
Other transfers and grants					–	–	–	–	–	–	–
Transfers recognised - capital	4	–	–	–	398 874	429 529	429 529	429 529	**500 974**	**465 395**	**465 395**

Public contributions & donations	5				69 000	69 000	69 000	69 000	69 000	43 000	16 000
Borrowing	6				–	128 603	128 603	128 603	–	–	–
Internally generated funds					19 000	19 120	19 120	19 120	–	–	–
Total Capital Funding	7	–	–	–	486 874	646 252	646 252	646 252	569 974	508 395	481 395

The proposed capital budget for the 2017/18 financial year is at R569, 974million.It is standing at R508, 395million and R481, 395million in the outer years. There is an increase of R30, 566million or 4.73% in 2017/18 when compared to the adjustment budget. The capital budget decreases by R168, 4million and R27million over the MTREF due to loan funded projects that are not catered for in 2018/19 and the reduction of the capital grants funding over the MTREF as per the Division of Revenue Act (DORA).

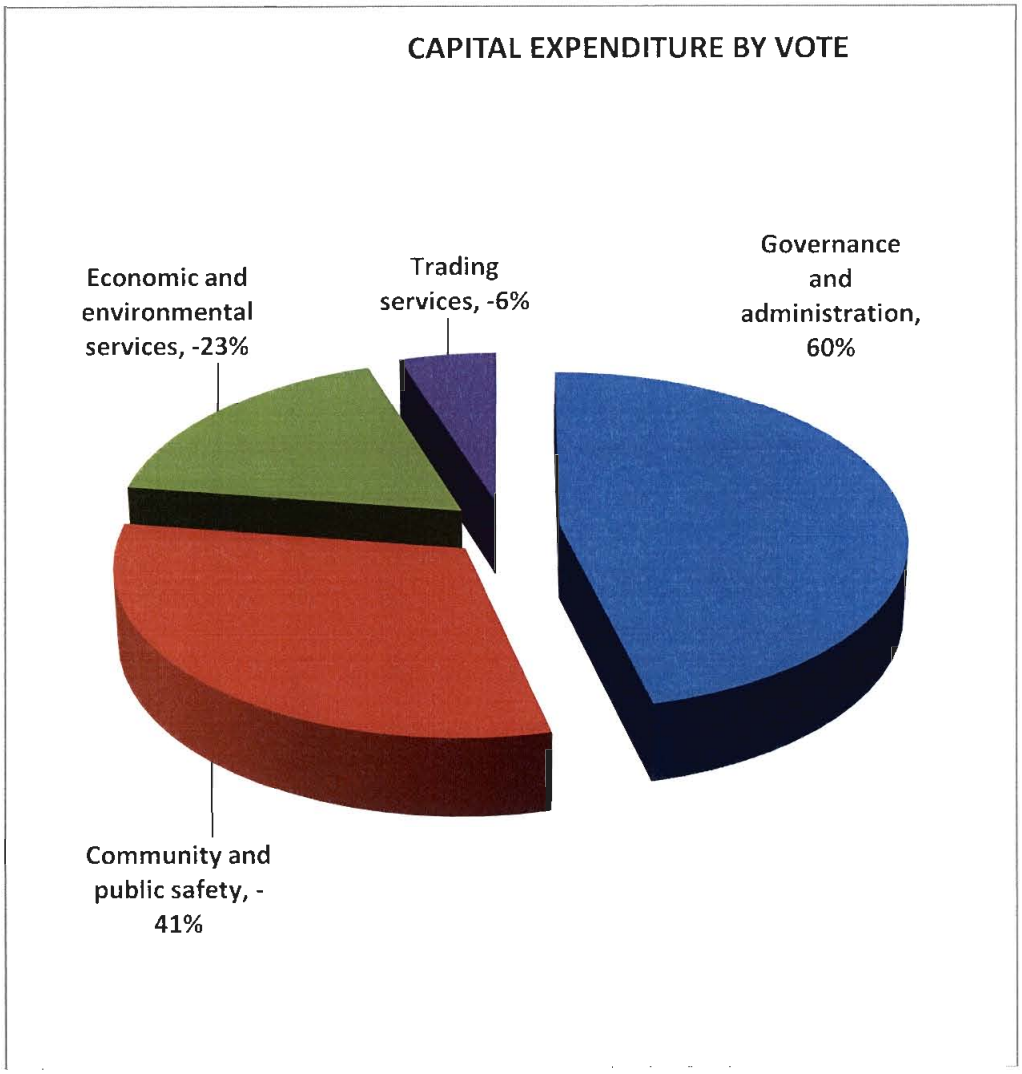
The loan funded projects totalling R128, 603million were rolled over from the 2015/16 financial year due to work- in- progress on projects that were already committed based on allocated funds as requested from DBSA.A total of 16.92% of these funds are expected to be spent in the 2016/17 financial year hence a borrowing liability of R106, 844million has been provided for in sheet A8. It should be noted that the non-spent portion of the received loan is no longer available to fund these projects except to tap in the current projected revenue from rates and trading services as it is collected. The total request is provided for in the A1 Schedule sheet A8 of the version 6.1.

The municipality was allocated R7, 465 million and R400, 000 in 2016/17 financial year per DORA to be spent on capital and operational budget respectively for neighbourhood development. These funds were withheld by National Treasury as the municipality did not submit a plan on how the funds will be utilized.
There is an allocation of R27, 722million for 2017/18 financial year and R24, 813million for the two outer years in the DORA to be spent on neighbourhood development. The municipality is encouraged to be pro-active in ensuring that the plan is submitted timeously to the National Treasury in order to secure this funding.

Grant funded capital budget is at 87.9%, 91.5% and 96.68% of the total proposed budget over the 2017/18MTREF.
The capital budget spending is mainly on the following:

DESCRIPTION	**2017/18**	**2018/19**	**2019/20**
Public Transport N Grant	232 777 680	178 976 209	178 976 209
Municipal Infrastructure Grant	165 021 420	172 000 000	172 000 000
Rustenburg Water Services Trust	69 000 000	**43 000** 000 000,00	160000 000 000,00
Water Infrastructure Grant	74 000 000	**88 000** 000 000,00	88000 000 000,00
Neighbourhood Development	27 722 000	24 813 000	24 813 000
DSAC (LIBRARIES)	1 453 120	1 605 390	1 605 390
TOTAL	**569 974 220**	**508 394 599**	**481 394 599**

The following graph provides a breakdown of the capital budget to be spent per directorates



The Capital budget is funded from the National, Provincial, and External Borrowings. The National Government has huge funding source in capital projects because of the Municipal Infrastructure Grant and Public Transport Infrastructure System Grant. Total capital budget is proposed include the Rustenburg Water Services Trust.

Annual Budget Tables – Consolidated information.
The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. Each table is accompanied by explanatory notes on the facing page.

Explanatory notes to MBRR Table A1 - Budget Summary

- 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).
- 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.
- Financial management reforms emphasizes 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;

1. Transfers recognized are reflected on the Financial Performance Budget;
2. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget

- 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 Cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances. Consequently Council has taken a deliberate decision to ensure adequate cash-backing for all material obligations in accordance with the recently adopted Budget Policy. But over the MTREF there is progressive improvement in the level of cash-backing of obligations.
- 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

Standard Classification

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

Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification

- Note that as a general principle, the revenues for the Trading Services should exceed their expenditures. The table highlights that this is the case for Electricity, Water and Waste water and Waste management functions.
- Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue sources.

Budgeted Financial Performance (revenue and expenditure by municipal vote)

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

- 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 organizational structure of the municipality. This means it is possible to present the operating surplus or deficit of a vote.
- Note that the surpluses on these trading accounts are utilised as an internal funding source for the capital programme for asset renewal, refurbishment and the development of new asset infrastructure.

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

Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of RLM

- Bulk purchases have increased over the 2013/14 to 2017/18MTREF. These increases can be attributed to the substantial increase in the cost of bulk electricity from Eskom and water from Rand Water and Magalies water.

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.

- **MBRR 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.
    - The capital programmes are funded from national, provincial grants and transfers, public contributions and donations, loans and internally generated funds.

Explanatory notes to Table A6 - Budgeted Financial Position

- Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet). 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. Table SA3 provides a detailed analysis of the major components of a number of items, including: '2
- Call investments deposits;
- Consumer debtors;
- Property, plant and equipment;
- Trade and other payables;
- Provisions non-current;
- Changes in net assets; and
- Reserves

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. 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

Explanatory notes to Table A7 - Budgeted Cash Flow Statement: The budgeted cash flow statement is the first measurement in determining if the budget is funded. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget. Cash and cash equivalents totals R610, 636 million as at the end of the 2017/18 financial year as budgeted, and is at R1, 037billion and R1,531billion for the outer years respectively.

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget. 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. 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 budget must be "funded". Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.

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

Budget Process Overview
In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (1st August 2016) a time schedule that sets out the process to revise the IDP and prepare the budget.
The Mayor tabled in Council the required the IDP and budget time lines

IDP and Service Delivery and Budget Implementation Plan
The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fourth revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP has been taken into consideration and financial planning process leading up to the 2017/18 MTREF, based on the approved 2016/17 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

Overview of alignment of annual budget with IDP
The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process. Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-

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

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

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

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance.

One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the municipality's response to these requirements.

The 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 RLM has seven strategic objectives for the 2017/18 MTREF and further planning refinements that have directly informed the compilation of the budget.

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

The 201718 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table SA4 is reconciliation between the IDP strategic objectives and budgeted revenue **Table SA5** is Reconciliation between the IDP strategic objectives and budgeted operating expenditure. **Table SA7** - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

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 RLM 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:

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

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

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

Table SA8 is a Performance indicators and benchmarks

Performance indicators and benchmarks
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, RLM borrowing strategy is primarily informed by the affordability of debt repayments.

The following financial performance indicators have formed part of the compilation of the 2017/18 MTREF:

- Capital charges to operating expenditure are a measure of the cost of borrowing in relation to the operating expenditure.

Liquidity

- Current ratio is a measure of the current assets divided by the current liabilities and as a benchmark the RLM has set a limit of 1. 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. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations.

Revenue Management

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

On revenue enhancement, the initiative to install prepaid meters for domestic customers is on going and additional interns have been appointed to verify the billing data on basic services.

A committee is established to look at top two hundred outstanding debts in order to ensure effective revenue collection.

The municipality is no longer outsourcing meter reading as it was not yielding intended results. This will ensure accountability on accuracy of information and ensuring that all meters are read. Internal meter readers are given automated gadgets so as to ensure that the information is captured in real-time.

The ongoing data cleansing exercise ensures that inaccuracies and errors in the billing are addressed as and when identified. This will ensure that all connections are uploaded on the financial system and billed accurately every month.

Query management system has been implemented to ensure improved customer relations.

RLM, which is expected to benefit the municipality in the form of more competitive pricing of tenders, as suppliers compete for the municipality's business. \Open tender system has been introduced were members of community are able to be non-participant observers in the gallery through the bidding processes.

Monthly water losses are a concern to the municipality and the following initiatives are earmarked to reduce non-revenue and water losses:

1. Water Demand Management:

- Magalies water and Rand Water is assisting, through the on war on leaks project to ensure water conservation.

- Rustenburg Water Services Trust will be doing pressure monitoring on areas were we experience a lot of pipe burst.

- The Trust will do corrective measures by installing pressure relieve valves and zonal meters

- Replacement of ac pipes is an on-going activity

- Replacement of domestic and bulk water meters and even relocating inaccessible meters and faulty meters is on-going projects for the water unit.

Free Basic Services: basic social services package for indigent households

The SA9 table indicates the rand value definition of poor for our municipality as calculated. It was calculated using the Statistics South Africa average poverty income which was stated for 2016.The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of Rustenburg local municipality.

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.
The following are free basic services for registered indigent consumers (households) in terms of the Municipality's Indigent Policy:

- 50kwh of electricity
- 6kl water
- Refuse
- Sanitation

Indigent households who qualifies for free basic services will not be liable to pay for the municipal services except where they exceed the free basic services provided by Council in terms of the policy

Providing clean water and managing waste water
The Rustenburg Local Municipality is the Water Services Authority for the entire municipality in terms of the Water Services Act, 1997 and acts as water services provider

- The following is briefly the main challenges facing the municipality in this regard:
- The infrastructure at most of the waste water treatment works is old and insufficient to treat the increased volumes of waste water to the necessary compliance standard;
- Shortage of skilled personnel makes proper operations and maintenance difficult;
- Electrical power supply to some of the plants is often interrupted which hampers the purification processes;

Overview of budget related-policies

Rustenburg Local Municipality budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies are attached as Annexure "D" **(Pages 677 – 1263)**

Property Rates Policy

The other aim of the policy is to ensure that all owners of rateable property are informed about their liability for rates. The revision is on page 23 and 72 and is highlighted in green.

Review of credit control and debt collection procedures/policies

The Collection Policy as approved by Council and it is currently under review. While the adopted policy is credible, sustainable, manageable and informed by affordability and value for money there has been a need to review certain components to achieve a higher collection rate.
Some of the possible revisions will include the lowering of the credit periods for the down payment of debt, the revision of the life line water tariff to become 6kl and not 12kl.
The change will also have an impact on the Indigent policy.

In addition emphasis will be placed on speeding up the indigent registration process to ensure that credit control and debt collection efforts are not fruitlessly wasted on these debtors.

As most of the indigents within the municipal area are unable to pay for municipal services because they are unemployed. The 2017/18 MTREF has been prepared on the basis of achieving an average debtors" collection rate of 85.1 per cent (%).

Indigent Policy
The aim and purpose of this policy is to ensure that Registered Indigents have access to basic municipal services, to ensure that the subsidy scheme for Registered Indigents forms part of the financial management system of the Municipality and to provide procedures and guidelines for the subsidisation of basic municipal services and tariff charges to the Registered Indigents.
All amendments to the policy are bolded in yellow to be replaced by red
Tariff Policy

RLM tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The policies have been approved on various dates and a consolidated tariff policy is envisaged to be compiled for ease of administration and implementation of the next two years.
Changes to be effected will be on the revision of the life line water tariff to become 6kl and not 12kl.

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Within the framework, the need for asset renewal was considered a priority and hence the capital programme was determined based on renewal of current assets versus new asset construction.

Budget Policy

The Budget Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the RLM system of delegations.

The Budget Policy was approved by Council. The adjustments budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level

of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the RLM continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilised to ensure that underperforming functions are identified and funds redirected to performing functions.

The adopted policy in 2014/15 financial year will still be implemented in 2017/18 with changes to accommodate Mscoa reforms.

The adopted policy in 2014/15 financial year will still be implemented in 2017/18 with changes to accommodate Mscoa reforms.

The additions to the policy cover the following:

5.1 Virement Process

- The limitation of 5% of the aggregated expenditure per annum is increased to 10%. The virement within a vote shall be capped at 10% (percentage) in 2017/18 financial year to accommodate the phase-in of budgeting at project level.
- Virements shall be allowed between projects at vote level, as mscoa budgeting allows a breakdown at project level.
  - Point 1.6 for repairs and maintenance will be allowed on similar projects e.g. saving identified in planned maintenance shall be redirected to the other planned maintenance project and not to the unplanned maintenance project.
  - Virements between votes shall be included in the adjustment budget as part of the revised budget subsequent to the approval of the main budget in May of each year.
  - Subsequent to the budget adjustment no virements will be allowed as these virements will be outside the approved and revised SDBIP after Council's approval of the budget adjustments.
  - Any other expenditure that was not accommodated in the adjustment budget has to be approved by Council prior to spending.
- The above recommended paragraphs are additions and replacement of the bolded paragraphs in page 14-15 of the old policy.

Supply Chain Management Policy
The Supply Chain Management Policy will be reviewed

Cash Management and Investment Policy
RLM Cash Management and Investment Policy has not being amended by Council. The aim of the policy is to ensure that RLM surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduce time frames to achieve certain benchmarks.

Funds and Reserves Policy

This is a new proposed policy to be implemented from 1st July 2015 onwards once approved by Council after public participation.

The purpose of this policy is to ensure that municipality maintains cost effective and efficient cash funding, that provisions and reserves are maintained at the sufficient required level to avoid future unfunded liabilities.
The policy is in line with the requirements of Section 8 of the Local Government: Municipal Budget and Reporting Regulation of 2009 (Government Gazette 32141 in order to monitor and sustain the municipality's financial management.
All the above policies are available on the RLM website, as well as the following budget related policies:

- Fixed Assets Management Policy
- Travelling and Subsistence Policy
- Rewards, Gifts and Favour Policy
- Inventory Policy
- Contract Management Policy

Legislation compliance status

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

1. In year reporting
   Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor and Council has progressively improved and includes monthly published financial performance on Rustenburg Local Municipality website.
2. Internship programme
   The municipality is participating in the Municipal Financial Management Internship programme and has employed five interns in 2014 with the resignation of one, 2 additional in 2016 and is undergoing training in various sections of the Budget and Treasury Office and Internal Audit. The municipality has already absorbed almost 12 interns over a three year period. RLM is intending to appoint another five interns
3. Budget and Treasury Office
   The Budget and Treasury Office has been established in accordance with the MFMA.

Municipal manager's quality certificate

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

Tshenolo Edwin Lefutswe
Acting Municipal manager of RLM (NW373)

Signature _____
Date _____

RECOMMENDATIONS: **ACTION**

1. That the multi-year annual capital and operating Budget for the 2017/2018 financial year of R5, 123 billion and the two outer years of(2018/2019+2019/20) R5, 432 billion, R5.883 billion and related policies be tabled as per the following tables as set out in Annexure A:-

Table A1 – Budget Summary
Table A2 – Budgeted Financial Performance
(Revenue and expenditure by standard classification)
Table A3 – Budgeted Financial Performance
(Revenue and expenditure by municipal vote)
Table A4 – Budgeted Financial Performance
(Revenue and Expenditure)
Table A5 – Budgeted Capital Expenditure by Vote,
(Standard classification and funding)
Table A6 – Budgeted Financial Position
Table A 7 – Budgeted Cash Flows
Table A8- Cash backed reserves / accumulated Surplus reconciliation
Table 9 – Asset Management
Table 10 – Basic Delivery measurement BTO

2. That the budget as proposed include the budget for the Rustenburg Water Services Trust; **BTO**

3. That Council take note that for the 2017/18MTREF financial year the revenue and expenditure budget proposed has a surplus of R156,327million, R222, 507million and R231,773million respectively BTO

4. That in terms of section 74 of the Local Government Municipal System Act, all consumptive tariffs, Rates, basic charges as proposed be considered, amended and be subjected to public participation prior to implementation in July 2017, and are attached as Annexure "B' BTO

5. That all the sundry tariffs and other tariffs be amended as proposed in Annexure' B be subjected to public participation prior to implementation on 01 July 2017; BTO

6. That the unspent conditional grant at end of 2016/17 not be committed to expenditure until approval has been obtained from National, Provincial in accordance with directives from National Treasury Circulars; BTO

7. That the draft budget, proposed tariffs with the budget related polices be subjected to public participation prior to implementation on 01 July 2017 ; BTO

8. That the provision has been made of an annual increase of CPI +1 % (6.4%+1%) in the salaries of employees including Section 57 officials' accordance with MFMA circular 75; BTO

9. That the provision has been made for 7% estimated in increase in salaries of Councilors which have to be still announced in terms of the Public Office Bearers Act of the Public Office Bearers Act; BTO

10 That the following proposed budget related policies with amendments be considered and be subjected to public communication prior to implementation on 01 July 2017 ALL

10.1Budget related policies with Amendments

- Credit Control and Debt Collection Policy
- Budget policy
- Indigent Policy
- Property rates
- Tariffs policy
- Supply Chain Management Policy

10.2Budget related policies without changes

- Cash Management and Investment Policy
- Fixed Assets Management Policy
- Travelling and Subsistence
- Rewards, Gifts and Favour Policy
- Contract Management Policy
- Borrowing Policy
- Funds and Reserves Policy ALL

10.3 NEW POLICY

- Accelerated Economic Empowerment and Transformation

11. That MFMA circular no 85 and 86 from National Treasury be noted as Annexure "E" ALL

12. That the approved 2017/18Medium Term Revenue and Expenditure (MTREF) Forecasts both printed and electronic formats be submitted to National Treasury and Provincial Treasury; BTO

13. That the approved (MTREF) Budget together with the tariffs, budget related policies be placed on the municipal website and be published in terms of Section 21A and B of the Municipal Systems Act as well as the MFMA and applicable regulations; BTO

Municipal annual budgets and MTREF & supporting tables

Version 2.8

Click for Instructions!

Accountability

Transparency

Information & service delivery

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Contact details:

Elsabé Rossouw
National Treasury
Tel: (012) 315-5534
Electronic submissions:
lgdocuments@treasury.gov.za


Preparation Instructions
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Fax: 014 590 3399
E-Mail: secretary_bto@rustenburg.gov.za
Budget for MTREF starting: 2017
Budget Year: 2017/18
Does this municipality have Entities? Yes
If YES: Identify type of report: Consolidated Inf
Name Votes & Sub-Votes
Printing Instructions
Showing / Hiding Columns
Hide Pre-audit columns on all
Hide Reference columns on all
Showing / Clearing Highlights
Clear Highlights on all sheets
Important documents which provide essential assistance
MFMA Budget Circulars
Click to view
MBRR Budget Formats Guide
Click to view
Dummy Budget Guide
Click to view
Funding Compliance Guide
Click to view
MFMA Return Forms
Click to view

Organisational Structure Votes		Complete Votes & Sub-Votes	Select Org. Structure
Vote 1 - EXECUTIVE MAYOR	Vote 1	EXECUTIVE MAYOR	
Vote 2 - MUNICIPAL MANAGER	1.1	001 - OFFICE OF THE EXECUTIVE MAYOR	1.1 - 001 - OFFICE OF THE EXECUTIVE MAYOR
Vote 3 - CORPORATE SUPPORT SERVICES	1.2	002 - OFFICE OF THE SPEAKER	1.2 - 002 - OFFICE OF THE SPEAKER
Vote 4 - BUDGET AND TREASURY	1.3	003 - MAYORAL COMMITTEE	1.3 - 003 - MAYORAL COMMITTEE
Vote 5 - PUBLIC SAFETY	1.4	004 - COUNCIL GENERAL	1.4 - 004 - COUNCIL GENERAL
Vote 6 - PLANNING AND HUMAN SETTLEMENT	1.5	005 - OFFICE OF THE CHIEF WHIP	1.5 - 005 - OFFICE OF THE CHIEF WHIP
Vote 7 - LOCAL ECONOMIC DEVELOPMENT	1.6	006 - INTERGOVERNMENTAL RELATIONS	1.6 - 006 - INTERGOVERNMENTAL RELATIONS
Vote 8 - [NAME OF VOTE 8]	1.7	007 - OFFICE OF THE MUNICIPAL PUBLIC ACCOUNTS	1.7 - 007 - OFFICE OF THE MUNICIPAL PUBLIC ACCOUNTS
Vote 9 - TECHNICAL AND INFRASTRUCTURE	1.8	008 - MONITORING AND EVALUATION	1.8 - 008 - MONITORING AND EVALUATION
Vote 10 - MUNICIPAL ENTITY	1.9	[Name of sub-vote]	
Vote 11 - [NAME OF VOTE 11]	1.10	[Name of sub-vote]	
Vote 12 - [NAME OF VOTE 12]	Vote 2	MUNICIPAL MANAGER	
Vote 13 - [NAME OF VOTE 13]	2.1	010 - OFFICE OF THE MUNICIPAL MANAGER	2.1 - 010 - OFFICE OF THE MUNICIPAL MANAGER
Vote 14 - [NAME OF VOTE 14]	2.2	011 - INTERNAL AUDITING	2.2 - 011 - INTERNAL AUDITING
Vote 15 - [NAME OF VOTE 15]	2.3	012 - INTEGRATED DEVELOPMENT PLAN (IDP)	2.3 - 012 - INTEGRATED DEVELOPMENT PLAN (IDP)
	2.4	013 - CORPORATE ADVISORY	2.4 - 013 - CORPORATE ADVISORY
	2.5	014 - PERFORMANCE MANAGEMENT SYSTEM	2.5 - 014 - PERFORMANCE MANAGEMENT SYSTEM
	2.6	017 - REGIONAL COMMUNITY CENTRES	2.6 - 017 - REGIONAL COMMUNITY CENTRES
	2.7	018 - PROJECT MANAGEMENT UNIT	2.7 - 018 - PROJECT MANAGEMENT UNIT
	2.8	019 - OFFICE OF THE CHIEF OPERATIONS OFFICER	2.8 - 019 - OFFICE OF THE CHIEF OPERATIONS OFFICER
	2.9	050 - LEGAL AND VALUATION SERVICES	2.9 - 050 - LEGAL AND VALUATION SERVICES
	2.10	270 - RUSTENBURG RAPID TRANSPORT	2.10 - 270 - RUSTENBURG RAPID TRANSPORT
	Vote 3	CORPORATE SUPPORT SERVICES	
	3.1	020 - OFFICE OF THE DIRECTOR CORPORATE SUPPORT SERVI	3.1 - 020 - OFFICE OF THE DIRECTOR CORPORATE SUPPORT SERVICES
	3.2	015 - INFORMATION TECHNOLOGY	3.2 - 015 - INFORMATION TECHNOLOGY
	3.3	025 - ADMINISTRATIVE SUPPORT	3.3 - 025 - ADMINISTRATIVE SUPPORT
	3.4	030 - HUMAN RESOURCE MANAGEMENT	3.4 - 030 - HUMAN RESOURCE MANAGEMENT
	3.5	035 - OCCUPATIONALHEALTH AND SAFETYY	3.5 - 035 - OCCUPATIONALHEALTH AND SAFETYY
	3.6	[Name of sub-vote]	
	3.7	[Name of sub-vote]	
	3.8	[Name of sub-vote]	
	3.9	[Name of sub-vote]	
	3.10	[Name of sub-vote]	
	Vote 4	BUDGET AND TREASURY	
	4.1	070 - OFFICE OF THE CHIEF FINANCIAL OFFICER	4.1 - 070 - OFFICE OF THE CHIEF FINANCIAL OFFICER
	4.2	075 - ACCOUNTING SERVICES	4.2 - 075 - ACCOUNTING SERVICES
	4.3	076 - BILLING	4.3 - 076 - BILLING
	4.4	080 - FINANCIAL CONTROL	4.4 - 080 - FINANCIAL CONTROL
	4.5	085 - SUPPLY CHAIN MANAGEMENT	4.5 - 085 - SUPPLY CHAIN MANAGEMENT
	4.6	090 - FINANCIAL MANAGEMENT SERVICES	4.6 - 090 - FINANCIAL MANAGEMENT SERVICES
	4.7	[Name of sub-vote]	
	4.8	[Name of sub-vote]	
	4.9	[Name of sub-vote]	
	4.10	[Name of sub-vote]	
	Vote 5	PUBLIC SAFETY	
	5.1	100 - OFFICE OF THE DIRECTOR PUBLIC SAFETY	5.1 - 100 - OFFICE OF THE DIRECTOR PUBLIC SAFETY
	5.2	115 - EMERGENCY AND DISASTER MANAGEMENT	5.2 - 115 - EMERGENCY AND DISASTER MANAGEMENT
	5.3	130 - TRAFFIC SERVICES	5.3 - 130 - TRAFFIC SERVICES
	5.4	140 - TESTING AND LICENSES	5.4 - 140 - TESTING AND LICENSES
	5.5	145 - LAW ENFORCEMENT	5.5 - 145 - LAW ENFORCEMENT
	5.6	[Name of sub-vote]	
	5.7	[Name of sub-vote]	
	5.8	[Name of sub-vote]	
	5.9	[Name of sub-vote]	
	5.10	[Name of sub-vote]	
	Vote 6	PLANNING AND HUMAN SETTLEMENT	
	6.1	150 - OFFICE OF THE DIRECTOR PLANNING AND HUMAN SETLE	6.1 - 150 - OFFICE OF THE DIRECTOR PLANNING AND HUMAN SETLEMENT
	6.2	155 - DEVELOPMENT PLANNING	6.2 - 155 - DEVELOPMENT PLANNING
	6.3	156 - ESTATES	6.3 - 156 - ESTATES
	6.4	160 - HOUSING PROVISION	6.4 - 160 - HOUSING PROVISION
	6.5	165 - BUILDING CONTROL AND REGULATIONS	6.5 - 165 - BUILDING CONTROL AND REGULATIONS
	6.6	[Name of sub-vote]	
	6.7	[Name of sub-vote]	
	6.8	[Name of sub-vote]	
	6.9	[Name of sub-vote]	
	6.10	[Name of sub-vote]	
	Vote 7	LOCAL ECONOMIC DEVELOPMENT	
	7.1	180 - LOCAL ECONOMIC DEVELOPMENT	7.1 - 180 - LOCAL ECONOMIC DEVELOPMENT
	7.2	185 - ENTERPRISE / SMME DEVELOPMENT	7.2 - 185 - ENTERPRISE / SMME DEVELOPMENT
	7.3	190 - POLICY RESERCH AND MARKETING	7.3 - 190 - POLICY RESERCH AND MARKETING
	7.4	[Name of sub-vote]	
	7.5	[Name of sub-vote]	
	7.6	[Name of sub-vote]	
	7.7	[Name of sub-vote]	
	7.8	[Name of sub-vote]	
	7.9	[Name of sub-vote]	
	7.10	[Name of sub-vote]	
	Vote 8	[NAME OF VOTE 8]	
	8.1	200 - OFFICE OF THE DIRECTOR COMMUNITY DEVELOPMENT	8.1 - 200 - OFFICE OF THE DIRECTOR COMMUNITY DEVELOPMENT
	8.2	215 - LIBRARY AND INFORMATION SERVICES	8.2 - 215 - LIBRARY AND INFORMATION SERVICES
	8.3	220 - CEMETERIES	8.3 - 220 - CEMETERIES
	8.4	225 - COMMUNITY HALLS	8.4 - 225 - COMMUNITY HALLS
	8.5	230 - KLOOF HOLIDAY RESORT	8.5 - 230 - KLOOF HOLIDAY RESORT
	8.6	235 - PARKS AND OPEN AREAS	8.6 - 235 - PARKS AND OPEN AREAS
	8.7	245 - SPORT FACILITIES	8.7 - 245 - SPORT FACILITIES
	8.8	250 - SWIMMING POOLS	8.8 - 250 - SWIMMING POOLS
	8.9	175 - INTEGRATED ENVIRONMENTAL MANAGEMENT	8.9 - 175 - INTEGRATED ENVIRONMENTAL MANAGEMENT
	8.10	305 - CIVIL FACILITIES DEVELOPMENT AND MANAGEMENT	8.10 - 305 - CIVIL FACILITIES DEVELOPMENT AND MANAGEMENT
	8.11	360 - WASTE MANAGEMENT	
	Vote 9	TECHNICAL AND INFRASTRUCTURE	
	9.1	300 - OFFICE OF THE DIRECTOR TECHNICAL SERVICSE AND INF	9.1 - 300 - OFFICE OF THE DIRECTOR TECHNICAL SERVICSE AND INFRASTRUCTURE DEVELOPMENT
	9.2	310 - ELECTRICAL ENGINEERING SERVICES	9.2 - 310 - ELECTRICAL ENGINEERING SERVICES
	9.3	315 - STREET LIGHTING	9.3 - 315 - STREET LIGHTING
	9.4	325 - MECHANICAL ENGINEERING SERVICES	9.4 - 325 - MECHANICAL ENGINEERING SERVICES
	9.5	335 - ROADS AND STORMWATER	9.5 - 335 - ROADS AND STORMWATER
	9.6	340 - WATER SERVICE	9.6 - 340 - WATER SERVICE
	9.7	345 - SANITATION SERVICE	9.7 - 345 - SANITATION SERVICE
	9.8	[Name of sub-vote]	
	9.9	[Name of sub-vote]	
	9.10	[Name of sub-vote]	
	Vote 10	MUNICIPAL ENTITY	
	10.1	RUSTENBURG WATER SERVICE TRUST	10.1 - RUSTENBURG WATER SERVICE TRUST

NW373 Rustenburg - Contact Information

A. GENERAL INFORMATION

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1 Grade in terms of the Remuneration of Public Office Bearers Act.

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Cell number	
Fax number	
E-mail address	

Secretary/PA to the Deputy Mayor/Executive Mayor:	
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Title	
Name	
Telephone number	
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Fax number	
E-mail address	

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NW373 Rustenburg - Table A1 Consolidated Budget Summary

Description	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Financial Performance										
Property rates	161 957	264 534	283 492	–	–	–	–	–	–	–
Service charges	1 965 535	2 085 081	2 502 924	–	–	–	–	–	–	–
Investment revenue	38 115	39 940	27 952	–	–	–	–	–	–	–
Transfers recognised - operational	415 553	344 378	545 688	–	–	–	–	–	–	–
Other own revenue	223 312	311 261	215 434	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	2 804 472	3 045 194	3 575 490	–	–	–	–	–	–	–
Employee costs	499 888	561 709	529 540	–	–	–	–	–	–	–
Remuneration of councillors	27 238	27 593	28 076	–	–	–	–	–	–	–
Depreciation & asset impairment	372 442	363 486	288 510	–	–	–	–	–	–	–
Finance charges	42 522	69 245	50 044	–	–	–	–	–	–	–
Materials and bulk purchases	1 535 421	1 543 841	1 809 716	–	–	–	–	–	–	–
Transfers and grants	499	492	24 314	–	–	–	–	–	–	–
Other expenditure	1 094 502	930 284	837 510	–	–	–	–	–	–	–
Total Expenditure	3 572 512	3 496 650	3 567 711	–	–	–	–	–	–	–
Surplus/(Deficit)	(768 040)	(451 456)	7 779	–	–	–	–	–	–	–
Transfers recognised - capital	700 747	657 411	653 617	–	–	–	–	–	–	–
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(67 293)	205 955	661 396	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(67 293)	205 955	661 396	–	–	–	–	–	–	–
Capital expenditure & funds sources										
Capital expenditure	923 807	812 418	1 297 129	–	–	–	–	–	–	–
Transfers recognised - capital	818 741	657 411	934 649	–	–	–	–	–	–	–
Public contributions & donations	116	–	89 078	–	–	–	–	–	–	–
Borrowing	41 780	155 007	79 270	–	–	–	–	–	–	–
Internally generated funds	63 170	–	194 131	–	–	–	–	–	–	–
Total sources of capital funds	923 807	812 418	1 297 129	–	–	–	–	–	–	–
Financial position										
Total current assets	973 357	1 026 649	993 466	–	–	–	–	–	–	–
Total non current assets	7 678 075	8 192 605	9 387 346	–	–	–	–	–	–	–
Total current liabilities	1 010 047	1 154 302	874 056	–	–	–	–	–	–	–
Total non current liabilities	664 023	881 752	823 789	–	–	–	–	–	–	–
Community wealth/Equity	6 977 362	7 183 200	8 682 967	–	–	–	–	–	–	–
Cash flows										
Net cash from (used) operating	463 350	663 296	1 081 566	–	–	–	–	–	–	–
Net cash from (used) investing	(887 771)	(794 617)	(802 938)	–	–	–	–	–	–	–
Net cash from (used) financing	177 955	207 200	(55 075)	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	527 095	602 974	593 693	–	–	–	–	–	–	–
Cash backing/surplus reconciliation										
Cash and investments available	527 095	603 854	594 572	–	–	–	–	–	–	–
Application of cash and investments	779 860	889 322	524 709	–	–	–	–	–	–	–
Balance - surplus (shortfall)	(252 766)	(285 468)	69 863	–	–	–	–	–	–	–
Asset management										
Asset register summary (WDV)	7 677 255	8 191 725	9 071 132	–	–	–	–	–	–	–
Depreciation & asset impairment	372 442	363 486	288 510	–	–	–	–	–	–	–
Renewal of Existing Assets	99 923	100 019	614 570	–	–	–	–	–	–	–
Repairs and Maintenance	171 322	118 075	114 895	–	–	–	–	–	–	–
Free services										
Cost of Free Basic Services provided	–	–	211 895	–	–	–	–	–	–	–
Revenue cost of free services provided	19 209	39 423	76 627	–	–	–	–	–	–	–
Households below minimum service level										
Water:	6	7	2	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	210	247	252	–	–	–	–	–	–	–
Refuse:	46	49	61	–	–	–	–	–	–	–

NW373 Rustenburg - Table A2 Consolidated Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue - Standard										
Governance and administration		356 538	573 189	479 242	–	–	–	–	–	–
Executive and council		169 281	280 061	161 835	–	–	–	–	–	–
Budget and treasury office		184 628	291 225	311 389	–	–	–	–	–	–
Corporate services		2 629	1 903	6 017	–	–	–	–	–	–
Community and public safety		48 093	20 863	25 695	–	–	–	–	–	–
Community and social services		2 938	3 529	3 040	–	–	–	–	–	–
Sport and recreation		3 498	1 349	1 512	–	–	–	–	–	–
Public safety		39 915	9 482	17 445	–	–	–	–	–	–
Housing		1 740	6 502	3 697	–	–	–	–	–	–
Health		1	0	0	–	–	–	–	–	–
Economic and environmental services		707 923	691 512	164 092	–	–	–	–	–	–
Planning and development		21 668	227 671	11 555	–	–	–	–	–	–
Road transport		686 237	463 841	152 537	–	–	–	–	–	–
Environmental protection		18	0	–	–	–	–	–	–	–
Trading services		2 392 665	2 417 040	3 560 078	–	–	–	–	–	–
Electricity		1 616 336	1 563 398	1 851 026	–	–	–	–	–	–
Water		421 585	559 762	636 562	–	–	–	–	–	–
Waste water management		134 880	153 718	908 467	–	–	–	–	–	–
Waste management		219 863	140 162	164 022	–	–	–	–	–	–
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Standard	2	3 505 219	3 702 605	4 229 107	–	–	–	–	–	–
Expenditure - Standard										
Governance and administration		684 446	326 626	375 815	–	–	–	–	–	–
Executive and council		157 985	115 522	104 808	–	–	–	–	–	–
Budget and treasury office		394 833	113 445	152 591	–	–	–	–	–	–
Corporate services		131 627	97 660	118 417	–	–	–	–	–	–
Community and public safety		210 636	213 980	211 773	–	–	–	–	–	–
Community and social services		39 273	40 652	43 023	–	–	–	–	–	–
Sport and recreation		44 948	44 300	48 605	–	–	–	–	–	–
Public safety		116 268	120 207	110 949	–	–	–	–	–	–
Housing		8 049	8 660	8 917	–	–	–	–	–	–
Health		2 099	162	278	–	–	–	–	–	–
Economic and environmental services		461 904	276 922	411 445	–	–	–	–	–	–
Planning and development		62 080	40 276	41 113	–	–	–	–	–	–
Road transport		393 652	234 447	367 920	–	–	–	–	–	–
Environmental protection		6 172	2 198	2 411	–	–	–	–	–	–
Trading services		2 215 526	2 679 122	2 568 678	–	–	–	–	–	–
Electricity		1 296 001	1 475 610	1 752 151	–	–	–	–	–	–
Water		499 248	803 947	480 037	–	–	–	–	–	–
Waste water management		233 544	233 375	226 351	–	–	–	–	–	–
Waste management		186 733	166 189	110 140	–	–	–	–	–	–
Other	4	–	–	–	–	–	–	–	–	–
Total Expenditure - Standard	3	3 572 512	3 496 650	3 567 711	–	–	–	–	–	–
Surplus/(Deficit) for the year		(67 293)	205 955	661 396	–	–	–	–	–	–

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes

2. Total Revenue by standard classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)

3. Total Expenditure by Standard Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)

4. All amounts must be classified under a standard classification (modified GFS). The GFS function 'Other' is only for Abbatoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

NW373 Rustenburg - Table A2 Consolidated Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue - Standard										
Municipal governance and administration		356 538	573 189	479 242	–	–	–	–	–	–
Executive and council		169 281	280 061	161 835	–	–	–	–	–	–
Mayor and Council		169 181	270 071	161 832						
Municipal Manager		100	9 991	3						
Budget and treasury office		184 628	291 225	311 389						
Corporate services		2 629	1 903	6 017	–	–	–	–	–	–
Human Resources		882	1 776	4 288						
Information Technology		33	–	–						
Property Services		8	7	8						
Other Admin		1 706	119	1 721						
Community and public safety		48 093	20 863	25 695	–	–	–	–	–	–
Community and social services		2 938	3 529	3 040	–	–	–	–	–	–
Libraries and Archives		958	1 321	846						
Museums & Art Galleries etc		–	–	–						
Community halls and Facilities		1 094	1 114	986						
Cemeteries & Crematoriums		842	1 008	1 106						
Child Care		–	–	–						
Aged Care		–	–	–						
Other Community		44	86	103						
Other Social		–	–	–						
Sport and recreation		3 498	1 349	1 512						
Public safety		39 915	9 482	17 445	–	–	–	–	–	–
Police		39 368	9 250	17 216						
Fire		547	233	229						
Civil Defence		–	–	–						
Street Lighting		–	–	–						
Other		–	–	–						
Housing		1 740	6 502	3 697						
Health		1	0	0	–	–	–	–	–	–
Clinics		1	0	0						
Ambulance		–	–	–						
Other		–	–	–						
Economic and environmental services		707 923	691 512	164 092	–	–	–	–	–	–
Planning and development		21 668	227 671	11 555	–	–	–	–	–	–
Economic Development/Planning		5 319	108	244						
Town Planning/Building enforcement		16 350	227 563	11 312						
Licensing & Regulation		–	–	–						
Road transport		686 237	463 841	152 537	–	–	–	–	–	–
Roads		659 684	432 545	125 158						
Public Buses		–	–	–						
Parking Garages		–	–	–						
Vehicle Licensing and Testing		26 554	31 296	27 379						
Other		–	–	–						
Environmental protection		18	0	–	–	–	–	–	–	–
Pollution Control		18	0	–						
Biodiversity & Landscape			–	–						
Other			–	–						
Trading services		2 392 665	2 417 040	3 560 078	–	–	–	–	–	–
Electricity		1 616 336	1 563 398	1 851 026	–	–	–	–	–	–
Electricity Distribution		1 616 336	1 563 398	1 851 026						
Electricity Generation			–							
Water		421 585	559 762	636 562	–	–	–	–	–	–
Water Distribution		421 585	559 762	636 562						
Water Storage			–	–						
Waste water management		134 880	153 718	908 467	–	–	–	–	–	–
Sewerage		134 880	153 718	254 850						
Storm Water Management				653 617						
Public Toilets			–	–						
Waste management		219 863	140 162	164 022	–	–	–	–	–	–
Solid Waste		219 863	140 162	164 022						
Other		–	–	–	–	–	–	–	–	–
Air Transport										
Abattoirs										
Tourism										
Forestry										
Markets										
Total Revenue - Standard	2	3 505 219	3 702 605	4 229 107	–	–	–	–	–	–

Expenditure - Standard										
Municipal governance and administration		684 446	326 626	375 815	–	–	–	–	–	–
Executive and council		157 985	115 522	104 808	–	–	–	–	–	–
Mayor and Council		121 879	81 362	80 566						
Municipal Manager		36 106	34 159	24 242						
Budget and treasury office		394 833	113 445	152 591						
Corporate services		131 627	97 660	118 417	–	–	–	–	–	–
Human Resources		17 195	15 794	16 609						
Information Technology		24 048	26 234	23 401						
Property Services		14 107	7 699	7 587						
Other Admin		76 278	47 933	70 819						
Community and public safety		210 636	213 980	211 773	–	–	–	–	–	–
Community and social services		39 273	40 652	43 023	–	–	–	–	–	–
Libraries and Archives		13 563	14 159	14 361						
Museums & Art Galleries etc		–	–	–						
Community halls and Facilities		18 810	18 505	20 119						
Cemeteries & Crematonums		5 568	5 724	6 124						
Child Care		–	–	–						
Aged Care		–	–	–						
Other Community		1 332	2 264	2 419						
Other Social		–	–	–						
Sport and recreation		44 948	44 300	48 605						
Public safety		116 268	120 207	110 949	–	–	–	–	–	–
Police		83 306	86 803	79 260						
Fire		22 371	25 356	23 675						
Civil Defence		–	–	–						
Street Lighting		7 929	4 922	4 635						
Other		2 661	3 125	3 379						
Housing		8 049	8 660	8 917						
Health		2 099	162	278	–	–	–	–	–	–
Clinics		2 091	162	278						
Ambulance		–	–	–						
Other		8	–	–						
Economic and environmental services		461 904	276 922	411 445	–	–	–	–	–	–
Planning and development		62 080	40 276	41 113	–	–	–	–	–	–
Economic Development/Planning		36 121	11 177	10 729						
Town Planning/Building enforcement		25 959	29 099	30 384						
Licensing & Regulation		–	–	–						
Road transport		393 652	234 447	367 920	–	–	–	–	–	–
Roads		372 830	211 859	345 289						
Public Buses		–	–	–						
Parking Garages		–	–	–						
Vehicle Licensing and Testing		20 823	22 587	22 631						
Other		–	–	–						
Environmental protection		6 172	2 198	2 411	–	–	–	–	–	–
Pollution Control		6 172	2 198	2 411						
Biodiversity & Landscape			–	–						
Other			–	–						
Trading services		2 215 526	2 679 122	2 568 678	–	–	–	–	–	–
Electricity		1 296 001	1 475 610	1 752 151	–	–	–	–	–	–
Electricity Distribution		1 296 001	1 475 610	1 752 151						
Electricity Generation			–	–	–	–	–			
Water		499 248	803 947	480 037	–	–	–	–	–	–
Water Distribution		499 248	803 947	480 037						
Water Storage			–	–						
Waste water management		233 544	233 375	226 351	–	–	–	–	–	–
Sewerage		233 544	233 375	226 351						
Storm Water Management		–	–	–						
Public Toilets		–	–	–						
Waste management		186 733	166 189	110 140	–	–	–	–	–	–
Solid Waste		186 733	166 189	110 140						
Other		–	–	–	–	–	–	–	–	–
Air Transport										
Abattoirs										
Tourism										
Forestry										
Markets										
Total Expenditure - Standard	3	3 572 512	3 496 650	3 567 711	–	–	–	–	–	–
Surplus/(Deficit) for the year		(67 293)	205 955	661 396	–	–	–	–	–	–

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist national and international accounts and comparison

2. Total Revenue by Standard Classification must reconcile to total operating revenue shown in Financial Performance (revenue and expenditure)

3. Total Expenditure by Standard Classification must reconcile to total operating expenditure shown in Financial Performance (revenue and expenditure)

4. All amounts must be classified under a Standard (modified GFS) classification. The GFS function 'Other' is only for Abbatoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

NW373 Rustenburg - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue by Vote	1									
Vote 1 - EXECUTIVE MAYOR		150 650	110 071	165 733	–	–	–	–	–	–
1.1 - 001 - OFFICE OF THE EXECUTIVE MAYOR		454	9	1						
1.2 - 002 - OFFICE OF THE SPEAKER		445	606	265						
1.3 - 003 - MAYORAL COMMITTEE		–		–						
1.4 - 004 - COUNCIL GENERAL		149 751	109 456	165 467						
1.5 - 005 - OFFICE OF THE CHIEF WHIP		–	–	–						
1.6 - 006 - INTERGOVERNMENTAL RELATIONS		–	–	–						
1.7 - 007 - OFFICE OF THE MUNICIPAL PUBLIC ACCOU		–	–	–						
1.8 - 008 - MONITORING AND EVALUATION		–	–	–						
Vote 2 - MUNICIPAL MANAGER		1 082	101 349	125 061	–	–	–	–	–	–
2.1 - 010 - OFFICE OF THE MUNICIPAL MANAGER		–	56	40						
2.2 - 011 - INTERNAL AUDITING		–	–	–						
2.3 - 012 - INTEGRATED DEVELOPMENT PLAN (IDP)		–	–	–						
2.4 - 013 - CORPORATE ADVISORY		–	–	–						
2.5 - 014 - PERFORMANCE MANAGEMENT SYSTEM		–	–	–						
2.6 - 017 - REGIONAL COMMUNITY CENTRES		–	–	3						
2.7 - 018 - PROJECT MANAGEMENT UNIT		–	4 806	8 892						
2.8 - 019 - OFFICE OF THE CHIEF OPERATIONS OFFIC		82	9 615	–						
2.9 - 050 - LEGAL AND VALUATION SERVICES		–	238	17						
2.10 - 270 - RUSTENBURG RAPID TRANSPORT		1 000	86 634	116 110						
Vote 3 - CORPORATE SUPPORT SERVICES		3 743	1 903	4 254	–	–	–	–	–	–
3.1 - 020 - OFFICE OF THE DIRECTOR CORPORATE SU		–	–	–						
3.2 - 015 - INFORMATION TECHNOLOGY		2 180	–	–						
3.3 - 025 - ADMINISTRATIVE SUPPORT		1 523	126	20						
3.4 - 030 - HUMAN RESOURCE MANAGEMENT		–	1 776	4 234						
3.5 - 035 - OCCUPATIONALHEALTH AND SAFETYY		39	–	–						
Vote 4 - BUDGET AND TREASURY		205 311	393 622	318 215	–	–	–	–	–	–
4.1 - 070 - OFFICE OF THE CHIEF FINANCIAL OFFICER		7	–	–						
4.2 - 075 - ACCOUNTING SERVICES		203 276	391 466	310 262						
4.3 - 076 - BILLING		–	–	–						
4.4 - 080 - FINANCIAL CONTROL		1 095	805	1 600						
4.5 - 085 - SUPPLY CHAIN MANAGEMENT		250	16	–						
4.6 - 090 - FINANCIAL MANAGEMENT SERVICES		683	1 335	6 353						
Vote 5 - PUBLIC SAFETY		13 465	29 801	39 921	–	–	–	–	–	–
5.1 - 100 - OFFICE OF THE DIRECTOR PUBLIC SAFETY		–	–	–						
5.2 - 115 - EMERGENCY AND DISASTER MANAGEMEN		–	136	250						
5.3 - 130 - TRAFFIC SERVICES		336	8 989	11 972						
5.4 - 140 - TESTING AND LICENSES		13 129	20 676	27 699						
5.5 - 145 - LAW ENFORCEMENT										
Vote 6 - PLANNING AND HUMAN SETTLEMENT		52 738	5 032	20 308	–	–	–	–	–	–
6.1 - 150 - OFFICE OF THE DIRECTOR PLANNING AND		–	–	–						
6.2 - 155 - DEVELOPMENT PLANNING		49 749	731	786						
6.3 - 156 - ESTATES			994	14 724						
6.4 - 160 - HOUSING PROVISION		2 989	2 497	4 122						
6.5 - 165 - BUILDING CONTROL AND REGULATIONS			810	675						
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		3 325	36	94	–	–	–	–	–	–
7.1 - 180 - LOCAL ECONOMIC DEVELOPMENT		3 325	36	26						
7.2 - 185 - ENTERPRISE / SMME DEVELOPMENT		–		68						
7.3 - 190 - POLICY RESERCH AND MARKETING		–	–							
Vote 8 - [NAME OF VOTE 8]		156 108	150 486	174 725	–	–	–	–	–	–
8.1 - 200 - OFFICE OF THE DIRECTOR COMMUNITY DE		254	11	1 037						
8.2 - 215 - LIBRARY AND INFORMATION SERVICES		887	848	906						
8.3 - 220 - CEMETERIES		1 499	954	1 066						
8.4 - 225 - COMMUNITY HALLS		1 211	1 001	900						
8.5 - 230 - KLOOF HOLIDAY RESORT		–	900	–						
8.6 - 235 - PARKS AND OPEN AREAS		–	–	–						
8.7 - 245 - SPORT FACILITIES		1 323	482	357						
8.8 - 250 - SWIMMING POOLS		–	154	310						
8.9 - 175 - INTEGRATED ENVIRONMENTAL MANAGEMI		23	3	–						
8.10 - 305 - CIVIL FACILITIES DEVELOPMENT AND MA		–	6	8						
8.11-360 - WASTE MANAGEMENT		150 911	146 127	170 142						
Vote 9 - TECHNICAL AND INFRASTRUCTURE		2 918 795	2 910 305	3 380 796	–	–	–	–	–	–
9.1 - 300 - OFFICE OF THE DIRECTOR TECHNICAL SEI		–	–	1 304						
9.2 - 310 - ELECTRICAL ENGINEERING SERVICES		1 798 558	1 603 731	1 764 287						
9.3 - 315 - STREET LIGHTING										
9.4 - 325 - MECHANICAL ENGINEERING SERVICES										
9.5 - 335 - ROADS AND STORMWATER		65 998	572	202						
9.6 - 340 - WATER SERVICE		473 207	497 673	626 762						
9.7 - 345 - SANITATION SERVICE		230 524	139 185	252 815						
		350 508	669 143	735 425						
Vote 10 - MUNICIPAL ENTITY		–	–	–	–	–	–	–	–	–
10.1 - RUSTENBURG WATER SERVICE TRUST										
Total Revenue by Vote	2	3 505 219	3 702 605	4 229 107	–	–	–	–	–	–

NW373 Rustenburg - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Expenditure by Vote	1									
Vote 1 - EXECUTIVE MAYOR		108 109	122 304	83 819	–	–	–	–	–	–
1.1 - 001 - OFFICE OF THE EXECUTIVE MAYOR		18 644	11 201	16 296						
1.2 - 002 - OFFICE OF THE SPEAKER		12 673	10 254	11 175						
1.3 - 003 - MAYORAL COMMITTEE		10 096	8 542	10 063						
1.4 - 004 - COUNCIL GENERAL		61 697	87 978	40 207						
1.5 - 005 - OFFICE OF THE CHIEF WHIP		2 731	2 202	3 171						
1.6 - 006 - INTERGOVERNMENTAL RELATIONS		1 307	1 402	1 845						
1.7 - 007 - OFFICE OF THE MUNICIPAL PUBLIC ACCOU		960	701	1 041						
1.8 - 008 - MONITORING AND EVALUATION		–	25	21						
Vote 2 - MUNICIPAL MANAGER		30 593	82 777	165 147	–	–	–	–	–	–
2.1 - 010 - OFFICE OF THE MUNICIPAL MANAGER		2 278	9 586	9 711						
2.2 - 011 - INTERNAL AUDITING		3 738	2 366	3 314						
2.3 - 012 - INTEGRATED DEVELOPMENT PLAN (IDP)		1 876	1 085	966						
2.4 - 013 - CORPORATE ADVISORY		475	17	15						
2.5 - 014 - PERFORMANCE MANAGEMENT SYSTEM		2 331	21	22						
2.6 - 017 - REGIONAL COMMUNITY CENTRES		2 000	5 211	7 137						
2.7 - 018 - PROJECT MANAGEMENT UNIT		3 000	13 251	8 412						
2.8 - 019 - OFFICE OF THE CHIEF OPERATIONS OFFIC		4 895	2 323	12 415						
2.9 - 050 - LEGAL AND VALUATION SERVICES		–	7 254	12 483						
2.10 - 270 - RUSTENBURG RAPID TRANSPORT		10 000	41 664	110 672						
Vote 3 - CORPORATE SUPPORT SERVICES		160 194	61 759	84 493	–	–	–	–	–	–
3.1 - 020 - OFFICE OF THE DIRECTOR CORPORATE SU		–	1 425	2 223						
3.2 - 015 - INFORMATION TECHNOLOGY		119 853	17 525	38 458						
3.3 - 025 - ADMINISTRATIVE SUPPORT		19 724	28 572	24 661						
3.4 - 030 - HUMAN RESOURCE MANAGEMENT		20 617	13 215	16 919						
3.5 - 035 - OCCUPATIONALHEALTH AND SAFETYY		–	1 022	2 231						
Vote 4 - BUDGET AND TREASURY		183 779	122 812	150 149	–	–	–	–	–	–
4.1 - 070 - OFFICE OF THE CHIEF FINANCIAL OFFICER		13 709	6 302	9 195						
4.2 - 075 - ACCOUNTING SERVICES		134 158	83 817	95 658						
4.3 - 076 - BILLING		–	–	–						
4.4 - 080 - FINANCIAL CONTROL		6 568	9 852	15 937						
4.5 - 085 - SUPPLY CHAIN MANAGEMENT		8 612	6 320	8 041						
4.6 - 090 - FINANCIAL MANAGEMENT SERVICES		20 731	16 521	21 319						
Vote 5 - PUBLIC SAFETY		129 602	129 454	129 354	–	–	–	–	–	–
5.1 - 100 - OFFICE OF THE DIRECTOR PUBLIC SAFETY		3 195	2 232	3 443						
5.2 - 115 - EMERGENCY AND DISASTER MANAGEMEN		–	21 215	25 875						
5.3 - 130 - TRAFFIC SERVICES		21 763	62 251	54 142						
5.4 - 140 - TESTING AND LICENSES		104 644	20 585	24 845						
5.5 - 145 - LAW ENFORCEMENT		–	23 170	21 049						
Vote 6 - PLANNING AND HUMAN SETTLEMENT		69 529	23 995	31 594	–	–	–	–	–	–
6.1 - 150 - OFFICE OF THE DIRECTOR PLANNING AND		–	1 959	2 343						
6.2 - 155 - DEVELOPMENT PLANNING		49 208	10 587	12 884						
6.3 - 156 - ESTATES		–	1 822	2 731						
6.4 - 160 - HOUSING PROVISION		20 322	6 210	9 007						
6.5 - 165 - BUILDING CONTROL AND REGULATIONS		–	3 417	4 628						
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		40 939	10 145	9 980	–	–	–	–	–	–
7.1 - 180 - LOCAL ECONOMIC DEVELOPMENT		3 654	3 021	3 513						
7.2 - 185 - ENTERPRISE / SMME DEVELOPMENT		33 498	5 221	5 395						
7.3 - 190 - POLICY RESERCH AND MARKETING		3 787	1 902	1 072						
Vote 8 - [NAME OF VOTE 8]		395 264	288 639	221 324	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		16 473	2 926	2 434						
8.1 - 200 - OFFICE OF THE DIRECTOR COMMUNITY DE		16 845	12 013	14 356						
8.2 - 215 - LIBRARY AND INFORMATION SERVICES		5 766	5 663	6 144						
8.3 - 220 - CEMETERIES		25 329	18 749	19 670						
8.4 - 225 - COMMUNITY HALLS		–	1 021	271						
8.5 - 230 - KLOOF HOLIDAY RESORT		–	20 126	28 746						
8.6 - 235 - PARKS AND OPEN AREAS		88 493	19 857	10 768						
8.7 - 245 - SPORT FACILITIES		–	6 253	7 437						
8.8 - 250 - SWIMMING POOLS		8 244		2 862						
8.9 - 175 - INTEGRATED ENVIRONMENTAL MANAGEMI		–	6 253	7 697						
8.11 - 360-WASTE MANAGEMENT		234 114	195 780	120 940						
Vote 9 - TECHNICAL AND INFRASTRUCTURE		2 454 503	2 533 106	2 691 851	–	–	–	–	–	–
9.1 - 300 - OFFICE OF THE DIRECTOR TECHNICAL SEF		–	3 699	4 841						
9.2 - 310 - ELECTRICAL ENGINEERING SERVICES		1 516 729	1 746 240	1 697 896						
9.3 - 315 - STREET LIGHTING										
9.4 - 325 - MECHANICAL ENGINEERING SERVICES		–	15 624	4 396						
9.5 - 335 - ROADS AND STORMWATER		360 084	215 297	236 043						
9.6 - 340 - WATER SERVICE		454 178	395 105	495 384						
9.7 - 345 - SANITATION SERVICE		123 512	155 631	253 290						
			1 511							
Vote 10 - MUNICIPAL ENTITY		–	121 660	–	–	–	–	–	–	–
10.1 - RUSTENBURG WATER SERVICE TRUST			121 660							
Total Expenditure by Vote	2	3 572 512	3 496 650	3 567 711	–	–	–	–	–	–
Surplus/(Deficit) for the year	2	(67 293)	205 955	661 396	–	–	–	–	–	–

References

1. Insert 'Vote'; e.g. Department, if different to standard structure

2. Must reconcile to Financial Performance ('Revenue and Expenditure by Standard Classification' and 'Revenue and Expenditure')

3. Assign share in 'associate' to relevant Vote

NW373 Rustenburg - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 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 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue By Source											
Property rates	2	161 957	264 534	283 492	–	–	–	–	–	–	–
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	1 560 581	1 512 740	1 789 136	–	–	–	–	–	–	–
Service charges - water revenue	2	251 541	403 877	418 740	–	–	–	–	–	–	–
Service charges - sanitation revenue	2	70 838	77 278	194 681	–	–	–	–	–	–	–
Service charges - refuse revenue	2	82 575	91 185	99 894	–	–	–	–	–	–	–
Service charges - other		–		473							
Rental of facilities and equipment		6 154	7 312	7 860							
Interest earned - external investments		38 115	39 940	27 952							
Interest earned - outstanding debtors		112 994	132 936	139 620							
Dividends received		–	–								
Fines		37 794	8 092	16 017							
Licences and permits		9 813	10 449	9 659							
Agency services		16 568	20 940	18 240							
Transfers recognised - operational		415 553	344 378	545 688							
Other revenue	2	30 054	130 957	24 037	–	–	–	–	–	–	–
Gains on disposal of PPE		9 935	575	–							
Total Revenue (excluding capital transfers and contributions)		2 804 472	3 045 194	3 575 490	–	–	–	–	–	–	–
Expenditure By Type											
Employee related costs	2	499 888	561 709	529 540	–	–	–	–	–	–	–
Remuneration of councillors		27 238	27 593	28 076							
Debt impairment	3	492 374	426 798	391 291							
Depreciation & asset impairment	2	372 442	363 486	288 510	–	–	–	–	–	–	–
Finance charges		42 522	69 245	50 044							
Bulk purchases	2	1 364 099	1 425 766	1 694 821	–	–	–	–	–	–	–
Other materials	8	171 322	118 075	114 895							
Contracted services		275 247	233 394	249 488	–	–	–	–	–	–	–
Transfers and grants		499	492	24 314	–	–	–	–	–	–	–
Other expenditure	4, 5	309 908	270 092	196 731	–	–	–	–	–	–	–
Loss on disposal of PPE		16 973									
Total Expenditure		3 572 512	3 496 650	3 567 711	–	–	–	–	–	–	–
Surplus/(Deficit)		(768 040)	(451 456)	7 779	–	–	–	–	–	–	–
Transfers recognised - capital		700 747	657 411	653 617							
Contributions recognised - capital	6	–	–	–	–	–	–	–	–	–	–
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		(67 293)	205 955	661 396	–	–	–	–	–	–	–
Taxation											
Surplus/(Deficit) after taxation		(67 293)	205 955	661 396	–	–	–	–	–	–	–
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		(67 293)	205 955	661 396	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		(67 293)	205 955	661 396	–	–	–	–	–	–	–

References

1. Classifications are revenue sources and expenditure type

2. Detail to be provided in Table SA1

3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment

4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs

5. Repairs & maintenance detailed in Table A9 and Table SA34c

6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)

7. Equity method

NW373 Rustenburg - Table A5 Consolidated Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 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 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital expenditure - Vote											
Multi-year expenditure *to be appropriated*	2										
Vote 1 - EXECUTIVE MAYOR		546	29	–	–	–	–	–	–	–	–
Vote 2 - MUNICIPAL MANAGER		233	40	–	–	–	–	–	–	–	–
Vote 3 - CORPORATE SUPPORT SERVICES		2 109	–	400	–	–	–	–	–	–	–
Vote 4 - BUDGET AND TREASURY		367	106	–	–	–	–	–	–	–	–
Vote 5 - PUBLIC SAFETY		3 584	2 898	–	–	–	–	–	–	–	–
Vote 6 - PLANNING AND HUMAN SETTLEMENT		16 225	32 065	925	–	–	–	–	–	–	–
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		5 654	3 515	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		39 597	39 877	28 296	–	–	–	–	–	–	–
Vote 9 - TECHNICAL AND INFRASTRUCTURE		752 531	683 231	1 178 430	–	–	–	–	–	–	–
Vote 10 - MUNICIPAL ENTITY		102 961	50 656	89 078	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	7	923 807	812 418	1 297 129	–	–	–	–	–	–	–
Single-year expenditure *to be appropriated*	2										
Vote 1 - EXECUTIVE MAYOR		–	–	–	–	–	–	–	–	–	–
Vote 2 - MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–
Vote 3 - CORPORATE SUPPORT SERVICES		–	–	–	–	–	–	–	–	–	–
Vote 4 - BUDGET AND TREASURY		–	–	–	–	–	–	–	–	–	–
Vote 5 - PUBLIC SAFETY		–	–	–	–	–	–	–	–	–	–
Vote 6 - PLANNING AND HUMAN SETTLEMENT		–	–	–	–	–	–	–	–	–	–
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–
Vote 9 - TECHNICAL AND INFRASTRUCTURE		–	–	–	–	–	–	–	–	–	–
Vote 10 - MUNICIPAL ENTITY		–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Vote		923 807	812 418	1 297 129	–	–	–	–	–	–	–
Capital Expenditure - Standard											
Governance and administration		11 162	135	400	–	–	–	–	–	–	–
Executive and council		916	29								
Budget and treasury office		367	106								
Corporate services		9 879		400							
Community and public safety		15 926	11 834	18 503	–	–	–	–	–	–	–
Community and social services		3 074	273	3 158							
Sport and recreation		9 701	8 662	15 345							
Public safety		3 151	2 898								
Housing		–	–								
Health		–	–								
Economic and environmental services		587 603	520 488	807 434	–	–	–	–	–	–	–
Planning and development		20 758	35 620	925							
Road transport		565 624	484 868	806 509							
Environmental protection		1 222	–								
Trading services		309 115	279 961	381 713	–	–	–	–	–	–	–
Electricity		47 108	104 015	91 065							
Water		58 544	62 067	122 771							
Waste water management		203 464	82 938	158 085							
Waste management		–	30 942	9 793							
Other		–	–	89 078							
Total Capital Expenditure - Standard	3	923 807	812 418	1 297 129	–	–	–	–	–	–	–
Funded by:											
National Government		818 608	653 796	933 736							
Provincial Government		133	3 615	913							
District Municipality		–	–								
Other transfers and grants		–	–								
Transfers recognised - capital	4	818 741	657 411	934 649	–	–	–	–	–	–	–
Public contributions & donations	5	116	–	89 078							
Borrowing	6	41 780	155 007	79 270							
Internally generated funds		63 170	–	194 131							
Total Capital Funding	7	923 807	812 418	1 297 129	–	–	–	–	–	–	–

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).

2. Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year

3. Capital expenditure by standard classification must reconcile to the appropriations by vote

4. Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure)

5. Must reconcile to Budgeted Financial Performance (revenue and expenditure)

6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17

7. Total Capital Funding must balance with Total Capital Expenditure

8. Include any capitalised interest (MFMA section 46) as part of relevant capital budget

NW373 Rustenburg - Table A5 Consolidated Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 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 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital expenditure - Municipal Vote											
Multi-year expenditure appropriation	2										
Vote 1 - EXECUTIVE MAYOR		546	29	–	–	–	–	–	–	–	–
1.1 - 001 - OFFICE OF THE EXECUTIVE MAYOR				–					–	–	–
1.2 - 002 - OFFICE OF THE SPEAKER				–					–	–	–
1.3 - 003 - MAYORAL COMMITTEE				–					–	–	–
1.4 - 004 - COUNCIL GENERAL		546	29	–					–	–	–
1.5 - 005 - OFFICE OF THE CHIEF WHIP				–					–	–	–
1.6 - 006 - INTERGOVERNMENTAL RELATIONS				–					–	–	–
1.7 - 007 - OFFICE OF THE MUNICIPAL PUBLIC ACCOUNTS				–					–	–	–
1.8 - 008 - MONITORING AND EVALUATION									–	–	–
Vote 2 - MUNICIPAL MANAGER		233	40	–	–	–	–	–	–	–	–
2.1 - 010 - OFFICE OF THE MUNICIPAL MANAGER				–					–	–	–
2.2 - 011 - INTERNAL AUDITING		2		–					–	–	–
2.3 - 012 - INTEGRATED DEVELOPMENT PLAN (IDP)				–					–	–	–
2.4 - 013 - CORPORATE ADVISORY				–					–	–	–
2.5 - 014 - PERFORMANCE MANAGEMENT SYSTEM				–					–	–	–
2.6 - 017 - REGIONAL COMMUNITY CENTRES		218		–					–	–	–
2.7 - 018 - PROJECT MANAGEMENT UNIT			40	–					–	–	–
2.8 - 019 - OFFICE OF THE CHIEF OPERATIONS OFFICER				–					–	–	–
2.9 - 050 - LEGAL AND VALUATION SERVICES		13		–					–	–	–
2.10 - 270 - RUSTENBURG RAPID TRANSPORT									–	–	–
Vote 3 - CORPORATE SUPPORT SERVICES		2 109	–	400	–	–	–	–	–	–	–
3.1 - 020 - OFFICE OF THE DIRECTOR CORPORATE SU		–	–	–					–	–	–
3.2 - 015 - INFORMATION TECHNOLOGY		1 891	–	400					–	–	–
3.3 - 025 - ADMINISTRATIVE SUPPORT		98	–	–					–	–	–
3.4 - 030 - HUMAN RESOURCE MANAGEMENT		121	–	–					–	–	–
3.5 - 035 - OCCUPATIONALHEALTH AND SAFETYY		–	–	–					–	–	–
Vote 4 - BUDGET AND TREASURY		367	106	–	–	–	–	–	–	–	–
4.1 - 070 - OFFICE OF THE CHIEF FINANCIAL OFFICER		367	106						–	–	–
4.2 - 075 - ACCOUNTING SERVICES									–	–	–
4.3 - 076 - BILLING									–	–	–
4.4 - 080 - FINANCIAL CONTROL									–	–	–
4.5 - 085 - SUPPLY CHAIN MANAGEMENT									–	–	–
4.6 - 090 - FINANCIAL MANAGEMENT SERVICES									–	–	–
Vote 5 - PUBLIC SAFETY		3 584	2 898	–	–	–	–	–	–	–	–
5.1 - 100 - OFFICE OF THE DIRECTOR PUBLIC SAFETY		38	–						–	–	–
5.2 - 115 - EMERGENCY AND DISASTER MANAGEMENT		3 145	2 898						–	–	–
5.3 - 130 - TRAFFIC SERVICES		73	–						–	–	–
5.4 - 140 - TESTING AND LICENSES		178	–						–	–	–
5.5 - 145 - LAW ENFORCEMENT		150	–						–	–	–
Vote 6 - PLANNING AND HUMAN SETTLEMENT		16 225	32 065	925	–	–	–	–	–	–	–
6.1 - 150 - OFFICE OF THE DIRECTOR PLANNING AND		8	–	925					–	–	–
6.2 - 155 - DEVELOPMENT PLANNING		14 915	–	–					–	–	–
6.3 - 156 - ESTATES		–	32 065	–					–	–	–
6.4 - 160 - HOUSING PROVISION		–	–	–					–	–	–
6.5 - 165 - BUILDING CONTROL AND REGULATIONS		1 303	–	–					–	–	–
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		5 654	3 515	–	–	–	–	–	–	–	–
7.1 - 180 - LOCAL ECONOMIC DEVELOPMENT		5 654	3 515						–	–	–
7.2 - 185 - ENTERPRISE / SMME DEVELOPMENT									–	–	–
7.3 - 190 - POLICY RESERCH AND MARKETING									–	–	–
Vote 8 - [NAME OF VOTE 8]		39 597	39 877	28 296	–	–	–	–	–	–	–
8.1 - 200 - OFFICE OF THE DIRECTOR COMMUNITY DE		8	–	–					–	–	–
8.2 - 215 - LIBRARY AND INFORMATION SERVICES		801	273	3 158					–	–	–
8.3 - 220 - CEMETERIES		883	–	–					–	–	–
8.4 - 225 - COMMUNITY HALLS		546	–	–					–	–	–
8.5 - 230 - KLOOF HOLIDAY RESORT			–	–					–	–	–
8.6 - 235 - PARKS AND OPEN AREAS		3 234	–	–					–	–	–
8.7 - 245 - SPORT FACILITIES		2 553	8 662	15 345					–	–	–
8.8 - 250 - SWIMMING POOLS		126	–	–					–	–	–
8.9 - 175 - INTEGRATED ENVIRONMENTAL MANAGEME		1 222	–	–					–	–	–
8.9 - 175 - INTEGRATED ENVIRONMENTAL MANAGEME		–	–	–					–	–	–
360 - WASTE MANAGEMENT		30 223	30 942	9 793					–	–	–
Vote 9 - TECHNICAL AND INFRASTRUCTURE		752 531	683 231	1 178 430	–	–	–	–	–	–	–
9.1 - 300 - OFFICE OF THE DIRECTOR TECHNICAL SER		16							–	–	–
9.2 - 310 - ELECTRICAL ENGINEERING SERVICES		32 751	104 015	91 065					–	–	–
9.3 - 315 - STREET LIGHTING		4 309							–	–	–
9.4 - 325 - MECHANICAL ENGINEERING SERVICES		586 767	484 868						–	–	–
9.5 - 335 - ROADS AND STORMWATER		84 036	62 067	806 509					–	–	–
9.6 - 340 - WATER SERVICE		44 651	32 281	122 771					–	–	–
9.7 - 345 - SANITATION SERVICE				158 085					–	–	–
									–	–	–
									–	–	–
									–	–	–
									–	–	–
Vote 10 - MUNICIPAL ENTITY		102 961	50 656	89 078	–	–	–	–	–	–	–
10.1 - RUSTENBURG WATER SERVICE TRUST		102 961	50 656	89 078					–	–	–
Capital multi-year expenditure sub-total		923 807	812 418	1 297 129	–	–	–	–	–	–	–

NW373 Rustenburg - Table A6 Consolidated Budgeted Financial Position

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
ASSETS											
Current assets											
Cash		527 095	602 974	188 367							
Call investment deposits	1	(0)	(0)	405 325	–	–	–	–	–	–	–
Consumer debtors	1	404 178	369 748	345 846	–	–	–	–	–	–	–
Other debtors		22 025	804	36 449							
Current portion of long-term receivables		–	36 449	804							
Inventory	2	20 059	16 674	16 674							
Total current assets		973 357	1 026 649	993 466	–	–	–	–	–	–	–
Non current assets											
Long-term receivables		–	–	–							
Investments		–	880	880							
Investment property		238 726	314 509	–							
Investment in Associate		820	–								
Property, plant and equipment	3	7 437 288	7 876 510	9 386 347	–	–	–	–	–	–	–
Agricultural		–	–								
Biological		–	–								
Intangible		1 241	706								
Other non-current assets		–	–	119							
Total non current assets		7 678 075	8 192 605	9 387 346	–	–	–	–	–	–	–
TOTAL ASSETS		8 651 432	9 219 254	10 380 812	–	–	–	–	–	–	–
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	45 705	40 762	49 030	–	–	–	–	–	–	–
Consumer deposits		26 453	28 160	30 120							
Trade and other payables	4	918 369	1 057 729	775 544	–	–	–	–	–	–	–
Provisions		19 520	27 651	19 362							
Total current liabilities		1 010 047	1 154 302	874 056	–	–	–	–	–	–	–
Non current liabilities											
Borrowing		458 764	659 278	608 000	–	–	–	–	–	–	–
Provisions		205 259	222 474	215 789	–	–	–	–	–	–	–
Total non current liabilities		664 023	881 752	823 789	–	–	–	–	–	–	–
TOTAL LIABILITIES		1 674 070	2 036 054	1 697 845	–	–	–	–	–	–	–
NET ASSETS	5	6 977 362	7 183 200	8 682 967	–	–	–	–	–	–	–
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		6 854 490	7 060 422	8 597 381							
Reserves	4	122 872	122 778	85 586	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	5	6 977 362	7 183 200	8 682 967	–	–	–	–	–	–	–

References

1. Detail to be provided in Table SA3

2. Include completed low cost housing to be transferred to beneficiaries within 12 months

3. Include 'Construction-work-in-progress' (disclosed separately in annual financial statements)

4. Detail to be provided in Table SA3. Includes reserves to be funded by statute

5 Net assets must balance with Total Community Wealth/Equity

NW373 Rustenburg - Table A7 Consolidated Budgeted Cash Flows

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges		161 957	264 534	253 792					–	–	–
Service charges		2 071 578	2 104 223	2 461 924					–	–	–
Other revenue		99 858	94 870	77 935					–	–	–
Government - operating	1	1 116 300	1 001 789	543 309					–	–	–
Government - capital	1	–	–	644 984					–	–	–
Interest		151 109	172 876	31 764					–	–	–
Dividends		–	–	–					–	–	–
Payments											
Suppliers and employees		(2 185 315)	(2 835 522)	(2 848 785)					–	–	–
Finance charges		(42 522)	(69 245)	(59 044)					–	–	–
Transfers and Grants	1	(909 615)	(70 229)	(24 314)					–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		463 350	663 296	1 081 566	–	–	–	–	–	–	–
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		36 189	17 801	102 440					–	–	–
Decrease (increase) in non-current debtors		–	–	–					–	–	–
Decrease (increase) other non-current receivables		–	–	–					–	–	–
Decrease (increase) in non-current investments		(153)	–	–					–	–	–
Payments											
Capital assets		(923 807)	(812 418)	(905 379)					–	–	–
NET CASH FROM/(USED) INVESTING ACTIVITIES		(887 771)	(794 617)	(802 938)	–	–	–	–	–	–	–
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–					–	–	–
Borrowing long term/refinancing		200 000	258 000	–					–	–	–
Increase (decrease) in consumer deposits		–		1 960					–	–	–
Payments											
Repayment of borrowing		(22 045)	(50 800)	(57 035)					–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		177 955	207 200	(55 075)	–	–	–	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		(246 466)	75 879	223 553	–	–	–	–	–	–	–
Cash/cash equivalents at the year begin:	2	773 561	527 095	370 140					–	–	–
Cash/cash equivalents at the year end:	2	527 095	602 974	593 693	–	–	–	–	–	–	–

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities

2. Cash equivalents includes investments with maturities of 3 months or less

NW373 Rustenburg - Table A8 Consolidated Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Cash and investments available											
Cash/cash equivalents at the year end	1	527 095	602 974	593 693	–	–	–	–	–	–	–
Other current investments > 90 days		–	–	–	–	–	–	–	–	–	–
Non current assets - Investments	1	–	880	880	–	–	–	–	–	–	–
Cash and investments available:		527 095	603 854	594 572	–	–	–	–	–	–	–
Application of cash and investments											
Unspent conditional transfers		399 028	434 450	201 616	–	–	–	–	–	–	–
Unspent borrowing		–	–	–	–	–	–		–	–	–
Statutory requirements	2	35 443	40 000	(22 860)							
Other working capital requirements	3	94 499	280 122	241 006	–	–	–	–	–	–	–
Other provisions		182 926	80 360	19 361							
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	67 964	54 390	85 586							
Total Application of cash and investments:		779 860	889 322	524 709	–	–	–	–	–	–	–
Surplus(shortfall)		(252 766)	(285 468)	69 863	–	–	–	–	–	–	–

References

1. Must reconcile with Budgeted Cash Flows

2. For example: VAT, taxation

3. Council approval for policy required - include sufficient working capital (e g allowing for a % of current debtors > 90 days as uncollectable)

4. For example: sinking fund requirements for borrowing

5. Council approval required for each reserve created and basis of cash backing of reserves

NW373 Rustenburg - Table A9 Consolidated Asset Management

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
CAPITAL EXPENDITURE										
Total New Assets	1	823 884	712 399	682 559	–	–	–	–	–	–
Infrastructure - Road transport		85 405	484 868	525 712	–	–	–	–	–	–
Infrastructure - Electricity		9 083	99 209	48 715	–	–	–	–	–	–
Infrastructure - Water		29 835	62 067	60 069	–	–	–	–	–	–
Infrastructure - Sanitation		19 634	32 281	22 000	–	–	–	–	–	–
Infrastructure - Other		643 081	30 942	5 000	–	–	–	–	–	–
Infrastructure		*787 039*	*709 366*	*661 495*	–	–	–	–	–	–
Community		11 301	–	15 000	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		4 218	–	–	–	–	–	–	–	–
Other assets	6	21 080	3 033	6 063	–	–	–	–	–	–
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		246	–	–	–	–	–	–	–	–
Total Renewal of Existing Assets	2	99 923	100 019	614 570	–	–	–	–	–	–
Infrastructure - Road transport		6 830	–	280 797	–	–	–	–	–	–
Infrastructure - Electricity		37 916	4 806	42 349	–	–	–	–	–	–
Infrastructure - Water		27 021	–	62 703	–	–	–	–	–	–
Infrastructure - Sanitation		14 158	–	225 163	–	–	–	–	–	–
Infrastructure - Other		–	50 656	–	–	–	–	–	–	–
Infrastructure		*85 926*	*55 463*	*611 012*	–	–	–	–	–	–
Community		4 700	8 935	3 158	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6	9 298	35 620	400	–	–	–	–	–	–
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
Total Capital Expenditure	4									
Infrastructure - Road transport		92 235	484 868	806 509	–	–	–	–	–	–
Infrastructure - Electricity		46 999	104 015	91 065	–	–	–	–	–	–
Infrastructure - Water		56 856	62 067	122 771	–	–	–	–	–	–
Infrastructure - Sanitation		33 793	32 281	247 163	–	–	–	–	–	–
Infrastructure - Other		643 081	81 598	5 000	–	–	–	–	–	–
Infrastructure		*872 964*	*764 829*	*1 272 508*	–	–	–	–	–	–
Community		16 001	8 935	18 158	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		4 218	–	–	–	–	–	–	–	–
Other assets		30 378	38 653	6 463	–	–	–	–	–	–
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		246	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class	2	923 807	812 418	1 297 129	–	–	–	–	–	–
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Road transport		1 683 583	1 704 531	2 376 225						
Infrastructure - Electricity		1 362 540	1 520 505	1 696 961						
Infrastructure - Water		1 352 618	1 384 898	1 505 001						
Infrastructure - Sanitation		1 409 734	1 411 845	1 608 998						
Infrastructure - Other		1 495 220	1 582 341	1 589 620						
Infrastructure		*7 303 696*	*7 604 121*	*8 776 805*	–	–	–	–	–	–
Community		68 141	26 961	48 978						
Heritage assets		–	–							
Investment properties		238 726	314 509	–	–	–	–	–	–	–
Other assets		65 452	245 428	245 349						
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		1 241	706	–	–	–	–	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	7 677 255	8 191 725	9 071 132	–	–	–	–	–	–
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		372 442	363 486	288 510	–	–	–	–	–	–
Repairs and Maintenance by Asset Class	3	171 322	118 075	114 895	–	–	–	–	–	–
Infrastructure - Road transport		24 972	8 843	11 565	–	–	–	–	–	–
Infrastructure - Electricity		15 257	16 269	11 990	–	–	–	–	–	–
Infrastructure - Water		55 791	33 120	13 667	–	–	–	–	–	–
Infrastructure - Sanitation		38 306	36 035	55 013	–	–	–	–	–	–
Infrastructure - Other		6 990	6 226	3 568	–	–	–	–	–	–
Infrastructure		*141 316*	*100 493*	*95 803*	–	–	–	–	–	–
Community		9 648	6 973	6 268	–	–	–	–	–	–
Heritage assets		–	4 693	392	–	–	–	–	–	–
Investment properties		4 138	3 100	197	–	–	–	–	–	–
Other assets	6, 7	16 221	2 816	12 235	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS		543 764	481 561	403 405	–	–	–	–	–	–
Renewal of Existing Assets as % of total capex		*10.8%*	*12.3%*	*47.4%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Renewal of Existing Assets as % of deprecn"		*26.8%*	*27.5%*	*213.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
R&M as a % of PPE		*2.3%*	*1.5%*	*1.2%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Renewal and R&M as a % of PPE		*4.0%*	*3.0%*	*8.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

References

1. *Detail of new assets provided in Table SA34a*
2. *Detail of renewal of existing assets provided in Table SA34b*
3. *Detail of Repairs and Maintenance by Asset Class provided in Table SA34c*
4. *Must reconcile to total capital expenditure on Budgeted Capital Expenditure*
5. *Must reconcile to 'Budgeted Financial Position' (written down value)*
6. *Donated/contributed and assets funded by finance leases to be allocated to the respective category*
7. Including repairs and maintenance to agricultural, biological and intangible assets

NW373 Rustenburg - Table A10 Consolidated basic service delivery measurement

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Household service targets	1									
Water:										
Piped water inside dwelling		50 564	59 205	71 662	–	–	–	–	–	–
Piped water inside yard (but not in dwelling)		5 619	6 579	3 608	–	–	–	–	–	–
Using public tap (at least min.service level)	2	4 732	5 541	510	–	–	–	–	–	–
Other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		60 915	71 325	75 780	–	–	–	–	–	–
Using public tap (< min.service level)	3	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	4	6 167	7 221	1 687	–	–	–	–	–	–
No water supply		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		6 167	7 221	1 687	–	–	–	–	–	–
Total number of households	5	67 082	78 546	77 467	–	–	–	–	–	–
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		60 826	105 108	71 662	–	–	–	–	–	–
Flush toilet (with septic tank)		–	–	–	–	–	–	–	–	–
Chemical toilet		–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		9 873	11 560	14 575	–	–	–	–	–	–
Other toilet provisions (> min.service level)		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		70 699	116 668	86 237	–	–	–	–	–	–
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	70 699	116 668	86 237	–	–	–	–	–	–
Energy:										
Electricity (at least min.service level)		2 746	3 234	3 298	–	–	–	–	–	–
Electricity - prepaid (min.service level)		75	88	90	–	–	–	–	–	–
Minimum Service Level and Above sub-total		2 821	3 322	3 388	–	–	–	–	–	–
Electricity (< min.service level)		163 207	192 190	196 034	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		46 347	54 577	55 669	–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		209 554	246 767	251 703	–	–	–	–	–	–
Total number of households	5	212 375	250 089	255 091	–	–	–	–	–	–
Refuse:										
Removed at least once a week		105 000	110 250	137 738	–	–	–	–	–	–
Minimum Service Level and Above sub-total		105 000	110 250	137 738	–	–	–	–	–	–
Removed less frequently than once a week		25 200	26 460	4 379	–	–	–	–	–	–
Using communal refuse dump		5	5	4 578	–	–	–	–	–	–
Using own refuse dump		–	–	38 017	–	–	–	–	–	–
Other rubbish disposal		1	1	2 986	–	–	–	–	–	–
No rubbish disposal		21 000	22 050	11 346	–	–	–	–	–	–
Below Minimum Service Level sub-total		46 206	48 516	61 306	–	–	–	–	–	–
Total number of households	5	151 206	158 766	199 044	–	–	–	–	–	–
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		4 988	5 267	27 759	–	–	–	–	–	–
Sanitation (free minimum level service)		4 988	5 267	27 759	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)		1 392	3 120	27 759	–	–	–	–	–	–
Refuse (removed at least once a week)		4 988	5 267	27 759	–	–	–	–	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
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)		–	–	211 895	–	–	–	–	–	–
Total cost of FBS provided		–	–	211 895	–	–	–	–	–	–
Highest level of free service provided per household										
Property rates (R value threshold)		100 000	100 000	100 000						
Water (kilolitres per household per month)		12	12	6						
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)		99	99	105						
Electricity (kwh per household per month)		50	50	50						
Refuse (average litres per week)		1	1	240						
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)		19 209		41 420						
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		–	24 001	35 207	–	–	–	–	–	–
Water (in excess of 6 kilolitres per indigent household per month)		–	5 706	–	–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)		–	3 617	–	–	–	–	–	–	–
Electricity/other energy (in excess of 50 kwh per indigent household per month)		–	2 019	–	–	–	–	–	–	–
Refuse (in excess of one removal a week for indigent households)		–	4 079	–	–	–	–	–	–	–
Municipal Housing - rental rebates										
Housing - top structure subsidies	6									
Other										
Total revenue cost of subsidised services provided		19 209	39 423	76 627	–	–	–	–	–	–

References

1. Include services provided by another entity; e.g. Eskom

2. Stand distance <= 200m from dwelling

3. Stand distance > 200m from dwelling

4. Borehole, spring, rain-water tank etc.

5. Must agree to total number of households in municipal area (informal settlements receiving services must be included)

6. Include value of subsidy provided by municipality above provincial subsidy level

7. Show number of households receiving at least these levels of services completely free (informal settlements must be included)

8. Must reflect the cost to the municipality of providing the Free Basic Service

NW373 Rustenburg - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
REVENUE ITEMS:											
Property rates	6										
Total Property Rates		161 957	288 535	318 699							
less Revenue Foregone (exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)			24 001	35 207							
Net Property Rates		161 957	264 534	283 492	–	–	–	–	–	–	–
Service charges - electricity revenue	6										
Total Service charges - electricity revenue		1 560 581	1 514 760	1 789 136							
less Revenue Foregone (in excess of 50 kwh per indigent household per month)			2 019								
less Cost of Free Basis Services (50 kwh per indigent household per month)		–	–	–	–	–	–		–	–	–
Net Service charges - electricity revenue		1 560 581	1 512 740	1 789 136	–	–	–	–	–	–	–
Service charges - water revenue	6										
Total Service charges - water revenue		251 541	409 583	418 740							
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)			5 706								
less Cost of Free Basis Services (6 kilolitres per indigent household per month)		–	–	–	–	–	–		–	–	–
Net Service charges - water revenue		251 541	403 877	418 740	–	–	–	–	–	–	–
Service charges - sanitation revenue											
Total Service charges - sanitation revenue		70 838	80 895	194 681							
less Revenue Foregone (in excess of free sanitation service to indigent households)			3 617								
less Cost of Free Basis Services (free sanitation service to indigent households)		–	–	–	–	–	–		–	–	–
Net Service charges - sanitation revenue		70 838	77 278	194 681	–	–	–	–	–	–	–
Service charges - refuse revenue	6										
Total refuse removal revenue		82 575	95 265	99 894							
Total landfill revenue			–								
less Revenue Foregone (in excess of one removal a week to indigent households)			4 079								
less Cost of Free Basis Services (removed once a week to indigent households)		–	–	–	–	–	–		–	–	–
Net Service charges - refuse revenue		82 575	91 185	99 894	–	–	–	–	–	–	–
Other Revenue by source											
Fuel Levy		30 054	35 063	–							
Other Revenue				862							
				132							
				–							
				21							
				9 151							
				6 078							
				1 418							
				26							
				–							
				190							
	3		95 894	6 160							
Total 'Other' Revenue	1	30 054	130 957	24 037	–	–	–	–	–	–	–

NW373 Rustenburg - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	326 088	433 530	394 564							
Pension and UIF Contributions		58 032	59 599	64 029							
Medical Aid Contributions		28 411	24 723	30 219							
Overtime		35 225	36 327	29 497							
Performance Bonus		–	240	–							
Motor Vehicle Allowance		15 932	12 431	15 841							
Cellphone Allowance			135	91							
Housing Allowances		1 238	1 328	1 425							
Other benefits and allowances		34 963	2 476	2 853							
Payments in lieu of leave			–								
Long service awards		–									
Post-retirement benefit obligations	4	–									
sub-total	5	499 888	570 787	538 619	–	–	–	–	–	–	–
Less: Employees costs capitalised to PPE			9 078	9 078							
Total Employee related costs	1	499 888	561 709	529 540	–	–	–	–	–	–	–
Contributions recognised - capital											
List contributions by contract											
Total Contributions recognised - capital		–	–	–	–	–	–	–	–	–	–
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		372 442	363 486	288 510							
Lease amortisation											
Capital asset impairment											
Depreciation resulting from revaluation of PPE	10										
Total Depreciation & asset impairment	1	372 442	363 486	288 510	–	–	–	–	–	–	–
Bulk purchases											
Electricity Bulk Purchases		1 235 268	1 269 659	1 435 544							
Water Bulk Purchases		128 831	156 107	259 277							
Total bulk purchases	1	1 364 099	1 425 766	1 694 821	–	–	–	–	–	–	–
Transfers and grants											
Cash transfers and grants		499	492	485	–	–	–	–	–	–	–
Non-cash transfers and grants		–	–	23 829	–	–	–	–	–	–	–
Total transfers and grants	1	499	492	24 314	–	–	–	–	–	–	–
Contracted services											
Meter Reading		3 531	3 665	2 500							
Professional Fees		15 372	4 474	4 000							
Security Services		10 106	11 285	10 000							
Valuation Services		10 106	1 266	1 500							
Water Supply New Areas		7 231	3 959	4 000							
Water Services		43 505	65 179	–							
Refuse Removal		3 539	8 013	9 500							
Network Maintenance		1 041	321	–							
Marketing & Stakeholder engagement		10 885	6 706	8 000							
Legal Expenses		10 865	4 659	4 000							
Investigation Transport Agency		–	–	2 000							
Fines settlement-Collection Agreement		4 763	3 464	4 280							
EPWP-Refuse Removal		687	1 634	893							
Consultant Pmu assistance		1 354	218	135							
Cleaning Newly Incorporated Areas		19 368	13 774	10 000							
Digital Agency		–	–	82 580							
Carriage of cashier takings		2 641	2 280	2 000							
Bus operating company		–	–	18 000							
Roads Rural Areas		11 484	5 659	–							
Software		2 867	3 015	50							
Specialist Support & Project Coordination		45 795	22 662	60 000							
Taxi Industry Technical & Negotiation Support		5 847	11 484	14 500							
Washing		2	1	3							
Other Contracted Services		64 258	59 675	11 547							
sub-total	1	275 247	233 394	249 488	–	–	–	–	–	–	–
Allocations to organs of state:											
Electricity											
Water											
Sanitation											
Other											
Total contracted services		275 247	233 394	249 488	–	–	–	–	–	–	–
Other Expenditure By Type											
Collection costs		19 113	15 036	11 500							
Contributions to 'other' provisions		3 690	3 499	3 557							
Consultant fees											
Audit fees		5 702	6 221	5 000							
General expenses	3	188 327	127 893	91 890							
List Other Expenditure by Type											
Advertising		6 383	1 689	1 827							
16 DAYS OF ACTIVISM		512	235	–							
AVM Online Vending Services		14 954	24 693	10 695							
Bad Debts Written Off		63	–	–							
Bank Charges		8 161	5 505	4 500							
Travelling and Subsistance		2 671	5 262	674							
Electricity		598	786	1 026							
Entertainment		759	320	105							
Hiring of Equipment		200	–	500							
Bags		512	235	363							
IDP Activities		176	25	20							
Insurance		3 077	5 846	10 708							
BOITEKONG WASTE TREATMENT PLANT - RWST		–	26 142	–							
Insurance		3 077	5 846	9 507							
Legal Costs		666	800	500							
Transport		43 196	36 159	40 619							
License fees		3 688	2 286	2 500							
Materials and Stocks		4 162	1 260	1 065							
Marketing Costs		120	140	150							
Medical Examinations		99	217	25							
Total 'Other' Expenditure	1	309 908	270 092	196 731	–	–	–	–	–	–	–
by Expenditure Item	8										
Employee related costs											
Other materials		171 322	118 075	114 895							
Contracted Services											
Other Expenditure											
Total Repairs and Maintenance Expenditure	9	171 322	118 075	114 895	–	–	–	–	–	–	–
	check	–	–	–	–	–	–	–	–	–	–

NW373 Rustenburg - Supporting Table SA2 Consolidated Matrix Financial Performance Budget (revenue source/expenditure type & dept.)

Description	Ref	Vote 1 - EXECUTIVE MAYOR	Vote 2 - MUNICIPAL MANAGER	Vote 3 - CORPORATE SUPPORT SERVICES	Vote 4 - BUDGET AND TREASURY	Vote 5 - PUBLIC SAFETY	Vote 6 - PLANNING AND HUMAN SETTLEMENT	Vote 7 - LOCAL ECONOMIC DEVELOPMENT	Vote 8 - [NAME OF VOTE 8]	Vote 9 - TECHNICAL AND INFRASTRUCTURE	Vote 10 - MUNICIPAL ENTITY	Vote 11 - [NAME OF VOTE 11]	Vote 12 - [NAME OF VOTE 12]	Vote 13 - [NAME OF VOTE 13]	Vote 14 - [NAME OF VOTE 14]	Vote 15 - [NAME OF VOTE 15]	Total
R thousand	1																
Revenue By Source																	
Property rates																	-
Property rates - penalties & collection charges																	-
Service charges - electricity revenue																	-
Service charges - water revenue																	-
Service charges - sanitation revenue																	-
Service charges - refuse revenue																	-
Service charges - other																	-
Rental of facilities and equipment																	-
Interest earned - external investments																	-
Interest earned - outstanding debtors																	-
Dividends received																	-
Fines																	-
Licences and permits																	-
Agency services																	-
Other revenue																	-
Transfers recognised - operational																	-
Gains on disposal of PPE																	-
Total Revenue (excluding capital transfers and contributio		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure By Type																	
Employee related costs																	-
Remuneration of councillors																	-
Debt impairment																	-
Depreciation & asset impairment																	-
Finance charges																	-
Bulk purchases																	-
Other materials																	-
Contracted services																	-
Transfers and grants																	-
Other expenditure																	-
Loss on disposal of PPE																	-
Total Expenditure		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital																	-
Contributions recognised - capital																	-
Contributed assets																	-
Surplus/(Deficit) after capital transfers & contributions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

NW373 Rustenburg - Supporting Table SA3 Supportinging detail to 'Budgeted Financial Position'

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
ASSETS											
Call investment deposits											
Call deposits < 90 days		(0)	(0)	405 325							
Other current investments > 90 days											
Total Call investment deposits	2	(0)	(0)	405 325	–	–	–	–	–	–	–
Consumer debtors											
Consumer debtors		2 147 715	2 629 874	2 922 450							
Less: Provision for debt impairment		(1 743 537)	(2 260 126)	(2 576 604)							
Total Consumer debtors	2	404 178	369 748	345 846	–	–	–	–	–	–	–
Debt impairment provision											
Balance at the beginning of the year		1 353 876	1 143 961	2 274 885							
Contributions to the provision		(209 915)	157 140	301 719							
Bad debts written off		–	–	–							
Balance at end of year		1 143 961	1 301 100	2 576 604	–	–	–	–	–	–	–
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		11 782 385	12 576 244	13 620 939							
Leases recognised as PPE	3	–	–	–							
Less: Accumulated depreciation		4 345 097	4 699 734	4 234 592							
Total Property, plant and equipment (PPE)	2	7 437 288	7 876 510	9 386 347	–	–	–	–	–	–	–
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)		0	–	–							
Current portion of long-term liabilities		45 705	40 762	49 030							
Total Current liabilities - Borrowing		45 705	40 762	49 030	–	–	–	–	–	–	–
Trade and other payables											
Trade and other creditors		519 341	623 279	596 787							
Unspent conditional transfers		399 028	434 450	201 616							
VAT		–	–	(22 860)							
Total Trade and other payables	2	918 369	1 057 729	775 544	–	–	–	–	–	–	–
Non current liabilities - Borrowing											
Borrowing	4	443 791	659 278	608 000							
Finance leases (including PPP asset element)		14 973									
Total Non current liabilities - Borrowing		458 764	659 278	608 000	–	–	–	–	–	–	–
Provisions - non-current											
Retirement benefits		166 879	180 654	30 000							
List other major provision items											
Refuse landfill site rehabilitation		38 380	41 820	25 482							
Other		–	–	160 307							
Total Provisions - non-current		205 259	222 474	215 789	–	–	–	–	–	–	–
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		6 284 215	6 045 244	7 550 279							
GRAP adjustments											
Restated balance		6 284 215	6 045 244	7 550 279	–	–	–	–	–	–	–
Surplus/(Deficit)		(67 293)	205 955	661 396	–	–	–	–	–	–	–
Appropriations to Reserves		(43 201)	(45 620)	(48 084)							
Transfers from Reserves		141 832	285 718	268 208							
Depreciation offsets		125 917	132 969	140 149							
Other adjustments		413 139	436 275	25 433							
Accumulated Surplus/(Deficit)	1	6 854 609	7 060 541	8 597 381	–	–	–	–	–	–	–
Reserves											
Housing Development Fund		–	–	7 483							
Capital replacement		–	–	25 000							
Self-insurance			–	28 102							
Other reserves		–	–	25 000							
Revaluation		122 872	122 778	–							
Total Reserves	2	122 872	122 778	85 586	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	6 977 481	7 183 319	8 682 967	–	–	–	–	–	–	–

Total capital expenditure includes expenditure on nationally significant priorities:

Provision of basic services											

References

1. Must reconcile with Table A4 Budgeted Financial Performance (revenue and expenditure)

2. Must reconcile with Table A6 Budgeted Financial Position

3. Leases treated as assets to be depreciated as the same as purchased/constructed assets. Includes PPP asset element accounted for as finance leases

4. Borrowing must reconcile to Table A17

NW373 Rustenburg - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
1. Efficient provision of quality basic service sand infrastructure within a well-planned spatial structure	Accelerated delivery and maintenance of quality basic and essential services to all Communities			3 003 820	3 126 728	3 596 292						
	Improved service delivery through provision of high quality, reliable and cost effective infrastructure based on integrated spatial planning			15 425	11 564	9 946						
	Develop and implement educational/awareness programmes to obtain community in and ownership in the use and protection of community and municipal facilities			5 185	3 817	4 560						
	Implementation of a City Business Development (CBD) Regeneration Strategy			–	–	–						
	Improved public transport infrastructure			35 918	28 086	124 456						
2. Drive diversified economic growth and job creation	Consolidated Rustenburg minerals index, value- production and economic growth path quantification and impact			–	–	–						
	Revive and expedite development of alternative high value adding economic growth sectors - agriculture, manufacturing, transportation services and products			3 018	3 158	26						
	Build and support broad-based black economic empowerment and sustainable Small, Medium and Micro Enterprises (SMMEs) business development			307	431	218						
	Create an enabling environment for the attraction, retention and expansion of foreign and local investments			–	–	–						
	Stimulate and facilitate sustainable tourism development and marketing of Rustenburg City as a world-class destination			–	–	–						
	Development of an integrated human resources that empowers communities skills development			1	–	–						
	Development of an institutional integrated human resources capability that enhances institutional competence			–	–	–						
3. Ensure municipal financial viability and management	Develop and implement integrated financial management systems to support municipal programmes and ensure internal financial sustainability			7	–	30						
	Implement revenue management strategy to enhance municipal financial viability and sustainability			211 767	285 854	306 919						
	Implement sound and sustainable financial management and compliance controls			1 095	800	1 600						
	Develop and implement an integrated municipal core projects' funding and acquisition model aligned with funding institutions' terms and conditions			2 883	3 844	468						
4. Maintain clean, green, safe and healthy municipal enviroment for all	Implement quality and improved health and social services to Communities			2	2	0						
	Explore and implement alternative eco-friendly and conservation interventions to preserve the environment			23	3	–						
	Implement integrated community safety and security strategy and measures			13 465	13 897	12 445						
	Implement an integrated by-law enforcement programme			31 931	34 141	25 139						
5. Transform and maintain a vibrant and sustainable rural development	Drive integrated rural development planning and infrastructural development			38 972	36 759	6 568						
	Provide conductive environment for rural economic development through sustainable SMME's mentoring			–	–	–						
6. Uphold good governance and public participation principles	Drive good governance and legislative compliance in all municipal processes			20	73	217						
	Promote public participation and partnerships with stakeholders on municipal programmes			140 260	151 121	135 993						
	Establish and maintain strong partnerships with local (mining) industries to oversee social responsibility programmes, job creation and local economic development			–	–	–						
7. Drive optimal municipal institutional development, transformation and capacity building	Develop and implement integrated internal systems and processes			–		–						
	Develop, implement and review internal policies and procedures on regular basis			–		–						
	Establish and inculcate a service delivery culture			–	–	–						
	Establish quality management processes in the delivery of all services			1 122	26	3						
	Maintain a positive and vibrant image and identity of the municipality			–	–	–						
	Provide credible leadership in driving transformation initiatives			–	–	–						
	Develop and implement internal capability model (institutional core and critical competencies, scarce skills, maintenance skills) that enhance institutional and external stakeholders' development communities and institutional capability			–	–	–						
	Review, realign and implement organisational structure to support the vision and objectives			–	2 299	4 228						
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	3 505 219	3 702 605	4 229 107	–	–	–	–	–	–

References

1. Total revenue must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

2. Balance of allocations not directly linked to an IDP strategic objective

check op revenue balance – – – – – – – – –

NW373 Rustenburg - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
1 .Efficient provision of quality basic service sand infrastructure	Accelerated delivery and maintenance of quality basic and essential services to all Communities			2 365 222	2 521 523	2 850 724						
	Improved service delivery through provision of high quality, reliable and cost effective infrastructure based on integrated spatial planning			18 937	13 250	13 153						
	Develop and implement educational/awareness programmes to obtain community in and ownership in the use and protection of community and municipal facilities			169 883	165 215	100 015						
	Implementation of a City Business Development (CBD) Regeneration Strategy			-	-	-						
	Improved public transport infrastructure			338 814	245 210	109 906						
2. Drive diversified economic growth and job creation	Consolidated Rustenburg minerals index, value-production and economic growth path quantification and impact			-	-	-						
	Revive and expedite development of alternative high value adding economic growth sectors - agriculture, manufacturing,			3 669	5 321	2 805						
	Build and support broad-based black economic empowerment and sustainable Small, Medium and Micro Enterprises			33 498	7 013	6 853						
	Create an enabling environment for the attraction, retention and expansion of foreign and local investments			-	-	-						
	Stimulate and facilitate sustainable tourism development and marketing of Rustenburg City as a world-class destination			-	-	-						
	Development of an integrated human resources that empowers communities skills development			3 788	2 522	1 072						
	Development of an institutional integrated human resources capability that enhances institutional competence			-	-	-						
3. Ensure municpal financial viability and management	Develop and implement integrated financial management systems to support municipal programmes and ensure internal financial			13 709	5 212	6 924						
	Implement revenue management strategy to enhance municipal financial viability and sustainability			134 178	119 858	99 408						
	Implement sound and sustainable financial management and compliance controls			6 568	16 251	16 691						
	Develop and implement an integrated municipal core projects' funding and acquisition model aligned with funding institutions' terms and conditions			20 790	14 125	18 080						
4. Maintain clean, green, safe and healthy municipal envronment for all	Implement quality and improved health and social services to Communities			13 773	3 524	278						
	Explore and implement alternative eco-friendly and conservation interventions to preserve the environment			8 244	2 969	2 411						
	Implement integrated community safety and security strategy and measures			108 112	99 855	84 806						
	Implement an integrated by-law enforcement programme			24 923	30 125	45 437						
5. Transform and maintain a vibrant and sustainable rural development	Drive integrated rural development planning and infrastructural development			53 755	36 280	29 849						
	Provide conductive environment for rural economic development through sustainable SMME's mentoring			-	-	-						
6. Uphold good governance and public participation principles	Drive good governance and legislative compliance in all municipal processes			14 186	8 020	7 983						
	Promote public participation and partnerships with stakeholders on municipal programmes			108 238	118 525	75 945						
	Establish and maintain strong partnerships with local (mining) industries to oversee social responsibility programmes, job creation and local economic development			-	-	-						
7. Drive optimal municipal institutional development, transformation and capacity building	Develop and implement integrated internal systems and processes			1 876	1 012	1 040						
	Develop, implement and review internal policies and procedures on regular basis			-	-	-						
	Establish and inculcate a service delivery culture			-	-	-						
	Establish quality management processes in the delivery of all services			51 083	41 201	43 343						
	Maintain a positive and vibrant image and identity of the municipality			-	-	-						
	Provide credible leadership in driving transformation initiatives			-	-	-						
	Develop and implement internal capability model (institutional core and critical competencies, scarce skills, maintenance skills) that enhance institutional and external stakeholders' development communities			-	-	-						
	Review, realign and implement organisational structure to support the vision and objectives			49 265	39 659	50 985						
Allocations to other priorities												
Total Expenditure			1	3 572 512	3 496 650	3 567 711	-	-	-	-	-	-

References

1 Total expenditure must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

2 Balance of allocations not directly linked to an IDP strategic objective

check op expenditure balance

NW373 Rustenburg - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
1 Efficient provision of quality basic service sand infrastructure within a well-planned spatial structure	Accelerated delivery and maintenance of quality basic and essential services to all Communities	A		221 841	127 964	618 364						
	Improved service delivery through provision of high quality, reliable and cost effective infrastructure based on integrated spatial	B		185	80	-						
	Develop and implement educationalawareness programmes to obtain community in and ownership in the use and	C		25 136	6 688	-						
	Implementation of a City Business Development (CBD) Regeneration Strategy	D		-	-	-						
	Improved public transport infrastructure	E		646 135	635 986	467 187						
2 Drive diversified economic growth and job creation	Consolidated Rustenburg minerals index, value-production and economic growth path quantification and impact	F		-	-	-						
	Revive and expedite development of alternative high value adding economic growth sectors - agriculture, manufacturing,	G		-	3 700	-						
	Build and support broad-based black economic empowerment and sustainable Small, Medium and Micro Enterprises (SMMEs)	H		6 282	-	-						
	Create an enabling environment for the attraction, retention and expansion of foreign and local investments	I		-	-	-						
	Simulate and facilitate sustainable tourism development and marketing of Rustenburg City as a world-class destination	J		-	-	-						
	Development of an integrated human resources that empowers communities skills development	K		5 900		-						
	Development of an institutional integrated human resources capability that enhances institutional competence	L		-	-	-						
3 Ensure municipal financial viability and management	Develop and implement integrated financial management systems to support municipal programmes and ensure internal financial	M		436	-	-						
	Implement revenue management strategy to enhance municipal financial viability and sustainability	N		-	-	-						
	Implement sound and sustainable financial management and compliance controls	O		-	-	-						
	Develop and implement an integrated municipal core projects' funding and acquisition model aligned with funding institutions'	P		-	-	-						
4 Maintain clean, green, safe and healthy municipal environment for all	Implement quality and improved health and social services to Communities			-	-	11 158						
	Explore and implement alternative eco-friendly and conservation interventions to preserve the environment			1 400	-	-						
	Implement integrated community safety and security strategy and measures			8 972		-						
	Implement an integrated by-law enforcement programme			1 169		-						
5 Transform and maintain a vibrant and sustainable rural development	Drive integrated rural development planning and infrastructural development			-	33 000	-						
	Provide conductive environment for rural economic development through sustainable SMME's mentoring			-	-	-						
6 Uphold good governance and public participation principles	Drive good governance and legislative compliance in all municipal processes			30		-						
	Promote public participation and partnerships with stakeholders on municipal programmes			-	-	-						
	Establish and maintain strong partnerships with local (mining) industries to oversee social responsibility programmes, job			-	-	-						
7 Drive optimal municipal institutional development, transformation and capacity building	Develop and implement integrated internal systems and processes			-	-	-						
	Develop, implement and review internal policies and procedures on regular basis			-	-							
	Establish and inculcate a service delivery culture			5 989	-	400						
	Establish quality management processes in the delivery of all services			-	5 000							
	Maintain a positive and vibrant image and identity of the municipality			330	-	-						
	Provide credible leadership in driving transformation initiatives			-	-	-						
	Develop and implement internal capability model (institutional core and critical competencies, scarce skills, maintenance skills) that			-	-	-						
Allocations to other priorities			3									
Total Capital Expenditure			1	923 867	812 418	1 297 129	-	-	-	-	-	-

References

1. Total capital expenditure must reconcile to Budgeted Capital Expenditure

2. Goal code must be used on Table SA36

3. Balance of allocations not directly linked to an IDP strategic objective

check capital balance

NW373 Rustenburg - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Vote 1 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description	km	50.0%	55.0%	55.0%						
Sub-function 2 - (name)										
Insert measure/s description	Number	1320.0%	1410.0%	1410.0%						
Sub-function 3 - (name)										
Insert measure/s description		1699.0%	1607.3%	1607.3%						
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description	Number	2268.0%	2268.0%	2268.0%						
Sub-function 2 - (name)										
Insert measure/s description	Wards	26.0%	0.0%	0.0%						
Sub-function 3 - (name)										
Insert measure/s description	% Repaired	78.0%	82.2%	82.2%						
Vote 2 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Vote 3 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
And so on for the rest of the Votes										

1. Include a measurable performance objective for each revenue source (within a relevant function) and each vote (MFMA s17(3)(b))
2. Include all Basic Services performance targets from 'Basic Service Delivery' to ensure Table SA7 represents all strategic responsibilities
3. Only include prior year comparative information for individual measures where relevant activity occurred in that year/s

NW373 Rustenburg - Entities measureable performance objectives

Description	Unit of measurement	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Entity 1 - (name of entity)										
Insert measure/s description										
Entity 2 - (name of entity)										
Insert measure/s description										
Entity 3 - (name of entity)										
Insert measure/s description										
And so on for the rest of the Entities										

NW373 Rustenburg - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Borrowing Management											
Credit Rating		A1	B1	B0	B1	B2	B3	B4			
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	1.8%	3.4%	3.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	2.7%	4.4%	3 5%	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 and grants and contributions	190.6%	166.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	373 4%	537.0%	710 4%	0.0%	0.0%	0.0%	0 0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	1.0	0.9	1 1	–	–	–	–	–	–	–
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.0	0.9	1.1	–	–	–	–	–	–	–
Liquidity Ratio	Monetary Assets/Current Liabilities	0.5	0.5	0.7	–	–	–	–	–	–	–
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		105.0%	100 8%	97.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		105.0%	100.8%	97.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	15.2%	13.4%	10.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))	100.0%	100.0%	100.0%							
Creditors to Cash and Investments		98.5%	103.4%	100.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW)	151189609	159353848	160947386							
	Total Cost of Losses (Rand '000)	74 869	78 912	79 701							
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	0	0							
Water Distribution Losses (2)	Total Volume Losses (kℓ)	9 889	10 423	10 528							
	Total Cost of Losses (Rand '000)	44048390	46427003	46891273							
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	0	0							
Employee costs	Employee costs/(Total Revenue - capital revenue)	17.8%	18.4%	14.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	19.4%	17.8%	16.2%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	6.1%	3.9%	3.2%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	14.8%	14.2%	9.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	10.7	30.4	–	–	–	–	–	–	–	–
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	20.0%	17.3%	13.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	2.2	2.5	2.4	–	–	–	–	–	–	–

References

1. Consumer debtors > 12 months old are excluded from current assets

2. Only include if services provided by the municipality

Calculation data										
Debtors > 90 days										
Monthly fixed operational expenditure	239 360	237 455	250 947	–	–	–	–	–	–	–
Fixed operational expenditure % assumption	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
Own capex	104 950	155 007	273 402	–	–	–	–	–	–	–
Borrowing	200 000	258 000	–	–	–	–	–	–	–	–

NW373 Rustenburg - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2013/14	2014/15	2015/16	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population			216	219	286	372	582	598				
Females aged 5 - 14			34	35	42	54	48	49				
Males aged 5 - 14			35	35	43	56	49	50				
Females aged 15 - 34			66	67	93	121	106	109				
Males aged 15 - 34			82	83	108	141	124	127				
Unemployment			25	25	21	27	23	24				
Monthly household income (no. of households)	1, 12											
No income			105	106	113	116	125	128				
R1 - R1 600			105	106	113	116	103	105				
R1 601 - R3 200			32	32	34	35	116	118				
R3 201 - R6 400			5 352	5 427	5 715	5 858	6 149	6 272				
R6 401 - R12 800			7 621	7 728	8 170	8 400	17 760	18 115				
R12 801 - R25 600			11 819	11 984	12 657	13 014	43 536	44 407				
R25 601 - R51 200			11 673	11 836	12 476	12 828	55 893	57 011				
R52 201 - R102 400			37 746	38 274	40 423	41 563	28 253	28 818				
R102 401 - R204 800			33 503	33 972	35 844	36 855	15 454	15 763				
R204 801 - R409 600			29 450	29 862	31 570	32 364	5 693	5 807				
R409 601 - R819 200			14 856	15 064	15 894	16 342	5 693	5 807				
> R819 200			6 711	6 805	7 166	7 368	1 303	1 329				
Poverty profiles (no. of households)												
< R2 060 per household per month	13											
Insert description	2											
Household/demographics (000)												
Number of people in municipal area			108 721	219 493	286 337	372	582	405				
Number of poor people in municipal area			25 000	106	113	0	409	420				
Number of households in municipal area			146 543	-	-	–	–	–				
Number of poor households in municipal area			-	-	-	–	–	–				
Definition of poor household (R per month)			-	106	113	2 696	2 863	3 029				
Housing statistics	3											
Formal			65 695	-	-	1 811 765	-	-				
Informal			80 848	-	-	61 298	-	-				
Total number of households			146 543	-	-	1 873 063	-	-	-	-	-	-
Dwellings provided by municipality	4		146 543	-	-	146 543	-	-				
Dwellings provided by province/s			-	-	-	850	-	-				
Dwellings provided by private sector	5		-	-	-	-	-	-				
Total new housing dwellings			146 543	-	-	147 393	-	-	-	-	-	-
Economic	6											
Inflation/inflation outlook (CPIX)												
Interest rate - borrowing												
Interest rate - investment												
Remuneration increases												
Consumption growth (electricity)												
Consumption growth (water)												
Collection rates	7											
Property tax/service charges												
Rental of facilities & equipment												
Interest - external investments												
Interest - debtors												
Revenue from agency services												

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	50 564	59 205	71 662	–	–	–	–	–	–
		Piped water inside yard (but not in dwelling)	5 619	6 579	3 608	–	–	–	–	–	–
	8	Using public tap (at least min.service level)	4 732	5 541	510	–	–	–	–	–	–
	10	Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	60 915	71 325	75 780	–	–	–	–	–	–
	9	Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (< min.service level)	6 167	7 221	1 687	–	–	–	–	–	–
		No water supply	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	6 167	7 221	1 687	–	–	–	–	–	–
		Total number of households	67 082	78 546	77 467	–	–	–	–	–	–
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	60 826	105 108	71 662	–	–	–	–	–	–
		Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–
		Chemical toilet	–	–	–	–	–	–	–	–	–
		Pit toilet (ventilated)	9 873	11 560	14 575	–	–	–	–	–	–
		Other toilet provisions (> min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	70 699	116 668	86 237	–	–	–	–	–	–
		Bucket toilet	–	–	–	–	–	–	–	–	–
		Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
		No toilet provisions	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	70 699	116 668	86 237	–	–	–	–	–	–
		Energy:									
		Electricity (at least min.service level)	2 746	3 234	3 298	–	–	–	–	–	–
		Electricity - prepaid (min.service level)	75	88	90	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	2 821	3 322	3 388	–	–	–	–	–	–
		Electricity (< min.service level)	163 207	192 190	196 034	–	–	–	–	–	–
		Electricity - prepaid (< min. service level)	46 347	54 577	55 669	–	–	–	–	–	–
		Other energy sources	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	209 554	246 767	251 703	–	–	–	–	–	–
		Total number of households	212 375	250 089	255 091	–	–	–	–	–	–
		Refuse:									
		Removed at least once a week	105 000	110 250	137 738	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	105 000	110 250	137 738	–	–	–	–	–	–
		Removed less frequently than once a week	25 200	26 460	4 379	–	–	–	–	–	–
		Using communal refuse dump	5	5	4 578	–	–	–	–	–	–
		Using own refuse dump	–	–	38 017	–	–	–	–	–	–
		Other rubbish disposal	1	1	2 986	–	–	–	–	–	–
		No rubbish disposal	21 000	22 050	11 346	–	–	–	–	–	–
		Below Minimum Service Level sub-total	46 206	48 516	61 306	–	–	–	–	–	–
		Total number of households	151 206	158 766	199 044	–	–	–	–	–	–

Municipal in-house services	Ref.		2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	50 564	59 205	71 662						
		Piped water inside yard (but not in dwelling)	5 619	6 579	3 608						
	8	Using public tap (at least min.service level)	4 732	5 541	510						
	10	Other water supply (at least min.service level)	–	–	–						
		Minimum Service Level and Above sub-total	60 915	71 325	75 780	–	–	–	–	–	–
	9	Using public tap (< min.service level)	–	–	–						
	10	Other water supply (< min.service level)	6 167	7 221	1 687						
		No water supply	–	–	–						
		Below Minimum Service Level sub-total	6 167	7 221	1 687	–	–	–	–	–	–
		Total number of households	67 082	78 546	77 467	–	–	–	–	–	–
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	60 826	105 108	71 662						
		Flush toilet (with septic tank)	–	–	–						
		Chemical toilet	–	–	–						
		Pit toilet (ventilated)	9 873	11 560	14 575						
		Other toilet provisions (> min.service level)	–	–	–						
		Minimum Service Level and Above sub-total	70 699	116 668	86 237	–	–	–	–	–	–
		Bucket toilet									
		Other toilet provisions (< min.service level)									
		No toilet provisions									
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	70 699	116 668	86 237	–	–	–	–	–	–
		Energy:									
		Electricity (at least min.service level)	2 746	3 234	3 298						
		Electricity - prepaid (min.service level)	75	88	90						
		Minimum Service Level and Above sub-total	2 821	3 322	3 388	–	–	–	–	–	–
		Electricity (< min.service level)	163 207	192 190	196 034						
		Electricity - prepaid (< min. service level)	46 347	54 577	55 669						
		Other energy sources									
		Below Minimum Service Level sub-total	209 554	246 767	251 703	–	–	–	–	–	–
		Total number of households	212 375	250 089	255 091	–	–	–	–	–	–
		Refuse:									
		Removed at least once a week	105 000	110 250	137 738						
		Minimum Service Level and Above sub-total	105 000	110 250	137 738	–	–	–	–	–	–
		Removed less frequently than once a week	25 200	26 460	4 379						
		Using communal refuse dump	5	5	4 578						
		Using own refuse dump	–	–	38 017						
		Other rubbish disposal	1	1	2 986						
		No rubbish disposal	21 000	22 050	11 346						
		Below Minimum Service Level sub-total	46 206	48 516	61 306	–	–	–	–	–	–
		Total number of households	151 206	158 766	199 044	–	–	–	–	–	–

Municipal entity services	Ref.		2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Name of municipal entity		Household service targets (000)									
		Water:									
		Piped water inside dwelling									
		Piped water inside yard (but not in dwelling)									
	8	Using public tap (at least min.service level)									
	10	Other water supply (at least min.service level)									
		Minimum Service Level and Above sub-total	-	-	-	-	-	-	-	-	-
	9	Using public tap (< min.service level)									
	10	Other water supply (< min.service level)									
		No water supply									
		Below Minimum Service Level sub-total	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
Name of municipal entity		*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	-	-	-	-	-	-	-	-	-
Name of municipal entity		*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	-	-	-	-	-	-	-	-	-
Name of municipal entity		*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	-	-	-	-	-	-	-	-	-

Services provided by 'external mechanisms'	Ref.		2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Names of service providers		Household service targets (000)									
		Water:									
		Piped water inside dwelling									
		Piped water inside yard (but not in dwelling)									
	8	Using public tap (at least min.service level)									
	10	Other water supply (at least min.service level)									
		Minimum Service Level and Above sub-total	-	-	-	-	-	-	-	-	-
	9	Using public tap (< min.service level)									
	10	Other water supply (< min.service level)									
		No water supply									
		Below Minimum Service Level sub-total	-	-	-	-	-	-	-	-	-
		Total number of households	-	-	-	-	-	-	-	-	-
Names of service providers		*Sanitation/sewerage:*									
		Flush toilet (connected to sewerage)									
		Flush toilet (with septic tank)									
		Chemical toilet									
		Pit toilet (ventilated)									
		Other toilet provisions (> min.service level)									
		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	-	-	-	-	-	-	-	-	-
Names of service providers		*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	-	-	-	-	-	-	-	-	-
Names of service providers		*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	-	-	-	-	-	-	-	-	-

Detail of Free Basic Services (FBS) provided			2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Electricity	Ref.	*Location of households for each type of FBS*									
List type of FBS service		Formal settlements - (50 kwh per indigent household per month R'000)									
		Number of HH receiving this type of FBS	1 392	3 120	27 759						
		Informal settlements (R'000)			88 475 283						
		Number of HH receiving this type of FBS			27 759						
		Informal settlements targeted for upgrading (R'000)									
		Number of HH receiving this type of FBS									
		Living in informal backyard rental agreement (R'000)									
		Number of HH receiving this type of FBS									
		Other (R'000)									
		Number of HH receiving this type of FBS									

	Total cost of FBS - Electricity for informal settlements	–	–	88 475 283	–	–	–	–	–	–
Water	Ref.	*Location of households for each type of FBS*								
List type of FBS service		Formal settlements - (6 kilolitre per indigent household per month R'000)								
		Number of HH receiving this type of FBS	4 988	5 267	27 759					
		Informal settlements (R'000)			51 305 294					
		Number of HH receiving this type of FBS			27 759					
		Informal settlements targeted for upgrading (R'000)								
		Number of HH receiving this type of FBS								
		Living in informal backyard rental agreement (R'000)								
		Number of HH receiving this type of FBS								
		Other (R'000)								
		Number of HH receiving this type of FBS								
	Total cost of FBS - Water for informal settlements	–	–	51 305 294	–	–	–	–	–	–
Sanitation	Ref.	*Location of households for each type of FBS*								
List type of FBS service		Formal settlements - (free sanitation service to indigent households)								
		Number of HH receiving this type of FBS	4 988	5 267	27 759					
		Informal settlements (R'000)			36 312 103					
		Number of HH receiving this type of FBS			27 759					
		Informal settlements targeted for upgrading (R'000)								
		Number of HH receiving this type of FBS								
		Living in informal backyard rental agreement (R'000)								
		Number of HH receiving this type of FBS								
		Other (R'000)								
		Number of HH receiving this type of FBS								
	Total cost of FBS - Sanitation for informal settlements	–	–	36 312 103	–	–	–	–	–	–
Refuse Removal	Ref.	*Location of households for each type of FBS*								
List type of FBS service		Formal settlements - (removed once a week to indigent households)								
		Number of HH receiving this type of FBS	4 988	5 267	27 759					
		Informal settlements (R'000)			35 802 448					
		Number of HH receiving this type of FBS			27 759					
		Informal settlements targeted for upgrading (R'000)								
		Number of HH receiving this type of FBS								
		Living in informal backyard rental agreement (R'000)								
		Number of HH receiving this type of FBS								
		Other (R'000)								
		Number of HH receiving this type of FBS								
	Total cost of FBS - Refuse Removal for informal settlements	–	–	35 802 448	–	–	–	–	–	–

References

1. *Monthly household income threshold. Should include all sources of income.*
2. *Show the poverty analysis the municipality uses to determine its indigents policy and the provision of services*
3. *Include total of all housing units within the municipality*
4. *Number of subsidised dwellings to be constructed by the municipality under agency agreement with province*
5. *Provide estimate based on building approval information. Include any non-subsidised dwellings constructed by the municipality*
6. *Insert actual or estimated % increases assumed as a basis for budget calculations*
7. *Insert actual or estimated % collection rate assumed as a basis for budget calculations for each revenue group*
8. *Stand distance <= 200m from dwelling*
9. *Stand distance > 200m from dwelling*

NW373 Rustenburg Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	527 095	602 974	593 693	–	–	–	–	–	–	–
Cash + investments at the yr end less applications - R'000	18(1)b	2	(252 766)	(285 468)	69 863	–	–	–	–	–	–	–
Cash year end/monthly employee/supplier payments	18(1)b	3	2.2	2.5	2.4	–	–	–	–	–	–	–
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	58 624	338 924	801 545	–	–	–	–	–	–	–
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	4.4%	12.6%	(106.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	99.7%	92.6%	93.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	23.1%	18.2%	14.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital payments % of capital expenditure	18(1)c;19	8	100.0%	100.0%	69.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	190.4%	166.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(4.5%)	(5.9%)	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	2.3%	1.5%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	10.8%	12.3%	47.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

References

1. Positive cash balances indicative of minimum compliance - subject to 2

2. Deduct cash and investment applications (defined) from cash balances

3. Indicative of sufficient liquidity to meet average monthly operating payments

4. Indicative of funded operational requirements

5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

6. Realistic average cash collection forecasts as % of annual billed revenue

7. Realistic average increase in debt impairment (doubtful debt) provision

8. Indicative of planned capital expenditure level & cash payment timing

9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing

10. Substantiation of National/Province allocations included in budget

11. Indicative of realistic current arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

12. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection

14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection

Supporting indicators												
% incr *total service charges (incl prop rates)*	18(1)a			10.4%	18.6%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Property Tax	18(1)a			63.3%	7.2%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - electricity revenue	18(1)a			(3.1%)	18.3%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - water revenue	18(1)a			60.6%	3.7%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - sanitation revenue	18(1)a			9.1%	151.9%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - refuse revenue	18(1)a			10.4%	9.6%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr in Service charges - other	18(1)a			0.0%	0.0%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		2 127 492	2 349 615	2 786 416	–	–	–	–	–	–	–
Service charges			2 127 492	2 349 615	2 786 416	–	–	–	–	–	–	–
Property rates			161 957	264 534	283 492	–	–	–	–	–	–	–
Service charges - electricity revenue			1 560 581	1 512 740	1 789 136	–	–	–	–	–	–	–
Service charges - water revenue			251 541	403 877	418 740	–	–	–	–	–	–	–
Service charges - sanitation revenue			70 838	77 278	194 681	–	–	–	–	–	–	–
Service charges - refuse removal			82 575	91 185	99 894	–	–	–	–	–	–	–
Service charges - other			–	–	473	–	–	–	–	–	–	–
Rental of facilities and equipment			6 154	7 312	7 860	–	–	–	–	–	–	–
Capital expenditure excluding capital grant funding			105 066	155 007	362 480	–	–	–	–	–	–	–
Cash receipts from ratepayers	18(1)a		2 333 393	2 463 627	2 793 652	–	–	–	–	–	–	–
Ratepayer & Other revenue	18(1)a		2 340 869	2 660 301	3 001 850	–	–	–	–	–	–	–
Change in consumer debtors (current and non-current)			39 881	(19 202)	(23 902)	(383 099)	(383 099)	(383 099)	(383 099)	–	–	–
Operating and Capital Grant Revenue	18(1)a		1 116 300	1 001 789	1 199 304	–	–	–	–	–	–	–
Capital expenditure - total	20(1)(vi)		923 807	812 418	1 297 129	–	–	–	–	–	–	–
Capital expenditure - renewal	20(1)(vi)		99 923	100 019	614 570	–	–	–	–	–	–	–
Supporting benchmarks												
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline			4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY												
DoRA capital grants total MFY												
Provincial operating grants												
Provincial capital grants												
District Municipality grants												
Total gazetted/advised national, provincial and district grants										–	–	–
Average annual collection rate (arrears inclusive)												
DoRA operating												
List operating grants												
										–	–	–
DoRA capital												
List capital grants												
										–	–	–
Trend												
Change in consumer debtors (current and non-current)			39 881	(19 202)	(23 902)	(383 099)	–	–	–	–	–	–
Total Operating Revenue			2 804 472	3 045 194	3 575 490	–	–	–	–	–	–	–
Total Operating Expenditure			3 572 512	3 496 650	3 567 711	–	–	–	–	–	–	–
Operating Performance Surplus/(Deficit)			(768 040)	(451 456)	7 779	–	–	–	–	–	–	–
Cash and Cash Equivalents (30 June 2012)										–		
Revenue												

% Increase in Total Operating Revenue				8.6%	17.4%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Property Rates Revenue				63.3%	7.2%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Electricity Revenue				(3.1%)	18.3%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Property Rates & Services Charges				10.4%	18.6%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expenditure												
% Increase in Total Operating Expenditure				(2.1%)	2.0%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Employee Costs				12.4%	(5.7%)	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Electricity Bulk Purchases				2.8%	13.1%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Average Cost Per Budgeted Employee Position (Remuneration)					276233.7731	0				0		
Average Cost Per Councillor (Remuneration)					369424.4737	0				0		
R&M % of PPE			2.3%	1.5%	1.2%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Asset Renewal and R&M as a % of PPE			4.0%	3.0%	8.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Debt Impairment % of Total Billable Revenue			23.1%	18.2%	14.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital Revenue												
Internally Funded & Other (R'000)			63 286	–	283 209	–	–	–	–	–	–	–
Borrowing (R'000)			41 780	155 007	79 270	–	–	–	–	–	–	–
Grant Funding and Other (R'000)			818 741	657 411	934 649	–	–	–	–	–	–	–
Internally Generated funds % of Non Grant Funding			60.2%	0.0%	78.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing % of Non Grant Funding			39.8%	100.0%	21.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			88.6%	80.9%	72.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital Expenditure												
Total Capital Programme (R'000)			923 807	812 418	1 297 129	–	–	–	–	–	–	–
Asset Renewal			99 923	100 019	614 570	–	–	–	–	–	–	–
Asset Renewal % of Total Capital Expenditure			10.8%	12.3%	47.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash												
Cash Receipts % of Rate Payer & Other			99.7%	92.6%	93.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash Coverage Ratio			0	0	0	–	–	–	–	–	–	–
Borrowing												
Credit Rating (2009/10)										B1		
Capital Charges to Operating			1.8%	3.4%	3.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing Receipts % of Capital Expenditure			190.4%	166.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Reserves												
Surplus/(Deficit)			(252 766)	(285 468)	69 863	–	–	–	–	–	–	–
Free Services												
Free Basic Services as a % of Equitable Share			0.0%	0.0%	53.1%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Free Services as a % of Operating Revenue (excl operational transfers)			0.8%	1.5%	2.5%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
High Level Outcome of Funding Compliance												
Total Operating Revenue			2 804 472	3 045 194	3 575 490	–	–	–	–	–	–	–
Total Operating Expenditure			3 572 512	3 496 650	3 567 711	–	–	–	–	–	–	–
Surplus/(Deficit) Budgeted Operating Statement			(768 040)	(451 456)	7 779	–	–	–	–	–	–	–
Surplus/(Deficit) Considering Reserves and Cash Backing			(252 766)	(285 468)	69 863	–	–	–	–	–	–	–
MTREF Funded (1) / Unfunded (0)		15	0	0	1	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ×		15	×	×	✓	✓	✓	✓	✓	✓	✓	✓

NW373 Rustenburg - Supporting Table SA11 Property rates summary

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Valuation:	1									
Date of valuation:		2012/01/07		01/07/2014						
Financial year valuation used										
Municipal by-laws s6 in place? (Y/N)	2	Yes	Yes	Yes						
Municipal/assistant valuer appointed? (Y/N)		Yes	Yes	Yes						
Municipal partnership s38 used? (Y/N)		No	No	No						
No. of assistant valuers (FTE)	3	1	1	1						
No. of data collectors (FTE)	3	1	1	1						
No. of internal valuers (FTE)	3	-	-	-						
No. of external valuers (FTE)	3	1	1	1						
No. of additional valuers (FTE)	4	-	-	-						
Valuation appeal board established? (Y/N)		Yes	Yes	Yes						
Implementation time of new valuation roll (mths)		48	48							
No. of properties	5	64 190	61 566	64 644						
No. of sectional title values	5	8 155	9 009	10 544						
No. of unreasonably difficult properties s7(2)										
No. of supplementary valuations		1	1	1						
No. of valuation roll amendments										
No. of objections by rate payers										
No. of appeals by rate payers										
No. of successful objections	8									
No. of successful objections > 10%	8									
Supplementary valuation		1	1	1						
Public service infrastructure value (Rm)	5	3	3							
Municipality owned property value (Rm)		320	320	202						
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)		11	11	11						
Valuation reductions-nature reserves/park (Rm)										
Valuation reductions-mineral rights (Rm)										
Valuation reductions-R15,000 threshold (Rm)		1 107	1 107	1 107						
Valuation reductions-public worship (Rm)		152	152	152						
Valuation reductions-other (Rm)		6 634	6 634	6 634						
Total valuation reductions:		7 904	7 904	7 904	-	-	-	-	-	-
Total value used for rating (Rm)	5	2 558	3 559							
Total land value (Rm)	5									
Total value of improvements (Rm)	5									
Total market value (Rm)	5									
Rating:										
Residential rate used to determine rate for other categories? (Y/N)		Yes	Yes	Yes						
Differential rates used? (Y/N)	5	Yes	Yes	Yes						
Limit on annual rate increase (s20)? (Y/N)		Yes	Yes	Yes						
Special rating area used? (Y/N)		Yes	Yes	Yes						
Phasing-in properties s21 (number)		Yes	Yes	Yes						
Rates policy accompanying budget? (Y/N)		Yes	Yes	Yes						
Fixed amount minimum value (R'000)		Yes	Yes	Yes						
Non-residential prescribed ratio s19? (%)										
Rate revenue:										
Rate revenue budget (R '000)	6	171 819	161 957	288 535						
Rate revenue expected to collect (R'000)	6	144 005	161 957	264 534						
Expected cash collection rate (%)										
Special rating areas (R'000)	7	4 750	4 750	4 750						
Rebates, exemptions - indigent (R'000)										
Rebates, exemptions - pensioners (R'000)										
Rebates, exemptions - bona fide farm. (R'000)										
Rebates, exemptions - other (R'000)				24 001						
Phase-in reductions/discounts (R'000)										
Total rebates,exemptns,reductns,discs (R'000)		-	-	24 001	-	-	-	-	-	-

NW373 Rustenburg - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
Current Year 2016/17																	
Valuation:																	
No. of properties																	
No. of sectional title property values																	
No. of unreasonably difficult properties s7(2)																	
No. of supplementary valuations																	
Supplementary valuation (Rm)																	
No. of valuation roll amendments																	
No. of objections by rate-payers																	
No. of appeals by rate-payers																	
No. of appeals by rate-payers finalised																	
No. of successful objections	5																
No. of successful objections > 10%	5																
Estimated no. of properties not valued																	
Years since last valuation **(select)**																	
Frequency of valuation **(select)**																	
Method of valuation used **(select)**																	
Base of valuation **(select)**																	
Phasing-in properties s21 (number)																	
Combination of rating types used? (Y/N)																	
Flat rate used? (Y/N)																	
Is balance rated by uniform rate/variable rate?																	
Valuation reductions:																	
Valuation reductions-public infrastructure (Rm)																	
Valuation reductions-nature reserves/park (Rm)																	
Valuation reductions-mineral rights (Rm)																	
Valuation reductions-R15,000 threshold (Rm)																	
Valuation reductions-public worship (Rm)																	
Valuation reductions-other (Rm)	2																
Total valuation reductions:																	
Total value used for rating (Rm)	6																
Total land value (Rm)	6																
Total value of improvements (Rm)	6																
Total market value (Rm)	6																
Rating:																	
Average rate	3																
Rate revenue budget (R '000)																	
Rate revenue expected to collect (R'000)																	
Expected cash collection rate (%)	4																
Special rating areas (R'000)																	
Rebates, exemptions - indigent (R'000)																	
Rebates, exemptions - pensioners (R'000)																	
Rebates, exemptions - bona fide farm. (R'000)																	
Rebates, exemptions - other (R'000)																	
Phase-in reductions/discounts (R'000)																	
Total rebates,exemptns,reductns,discs (R'000)																	

References

1. Land & Assistance Act, Restitution of Land Rights, Communual Property Associations

2. Include value of additional reductions is 'free' value greater than MPRA minimum.

3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed to 6 decimal places maximum

4. Include arrears collections

5. In favour of the rate-payer

6. Provide relevant information for historical comparisons.

NW373 Rustenburg - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
Budget Year 2017/18																	
Valuation:																	
No of properties																	
No. of sectional title property values																	
No of unreasonably difficult properties s7(2)																	
No. of supplementary valuations																	
Supplementary valuation (Rm)																	
No. of valuation roll amendments																	
No. of objections by rate-payers																	
No. of appeals by rate-payers																	
No. of appeals by rate-payers finalised																	
No. of successful objections	5																
No. of successful objections > 10%	5																
Estimated no. of properties not valued																	
Years since last valuation (select)																	
Frequency of valuation (select)																	
Method of valuation used (select)																	
Base of valuation (select)																	
Phasing-in properties s21 (number)																	
Combination of rating types used? (Y/N)																	
Flat rate used? (Y/N)																	
Is balance rated by uniform rate/variable rate?																	
Valuation reductions:																	
Valuation reductions-public infrastructure (Rm)																	
Valuation reductions-nature reserves/park (Rm)																	
Valuation reductions-mineral rights (Rm)																	
Valuation reductions-R15,000 threshold (Rm)																	
Valuation reductions-public worship (Rm)																	
Valuation reductions-other (Rm)	2																
Total valuation reductions:																	
Total value used for rating (Rm)	6																
Total land value (Rm)	6																
Total value of improvements (Rm)	6																
Total market value (Rm)	6																
Rating:																	
Average rate	3																
Rate revenue budget (R '000)																	
Rate revenue expected to collect (R'000)																	
Expected cash collection rate (%)	4																
Special rating areas (R'000)																	
Rebates, exemptions - indigent (R'000)																	
Rebates, exemptions - pensioners (R'000)																	
Rebates, exemptions - bona fide farm. (R'000)																	
Rebates, exemptions - other (R'000)																	
Phase-in reductions/discounts (R'000)																	
Total rebates,exemptns,reductns,discs (R'000)																	

References

1. Land & Assistance Act, Restitution of Land Rights, Communual Property Associations

2. Include value of additional reductions is 'free' value greater than MPRA minimum.

3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed to 6 decimal places maximum

4. Include arrears collections

5. In favour of the rate-payer

6. Provide relevant information for historical comparisons.

NW373 Rustenburg - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2013/14	2014/15	2015/16	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Property rates *(rate in the Rand)*	1								
Residential properties			0.0052	0.0055	0.0057				
Residential properties - vacant land			0.0079	0.0083	0.0088				
Formal/informal settlements		Not Rated							
Small holdings		Rated with farms	0.0013	0.0014	0.0014				
Farm properties - used		Rated as farms	0.0079	0.0083	0.0088				
Farm properties - not used		Rated as farms							
Industrial properties			0.0199	0.0201	0.0213				
Business and commercial properties			0.0193	0.0201	0.0209				
Communal land - residential		Not rated							
Communal land - small holdings		Not rated							
Communal land - farm property		Not rated							
Communal land - business and commercial		Not rated							
Communal land - other		Not rated							
State-owned properties			0.0184	0.0191	0.0199				
Municipal properties		Zero Rated	-	-	-				
Public service infrastructure									
Privately owned towns serviced by the owner			0.0026	0.0028	0.0028				
State trust land		Not rated							
Restitution and redistribution properties		Not rated							
Protected areas		Not rated							
National monuments properties		Not rated							
Exemptions, reductions and rebates *(Rands)*									
Residential properties									
R15 000 threshhold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate									
Indigent rebate or exemption									
Pensioners/social grants rebate or exemption									
Temporary relief rebate or exemption									
Bona fide farmers rebate or exemption									
Other rebates or exemptions	2								
Water tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*			53	56	59				
Service point - vacant land *(Rands/month)*			53	56	61				
Water usage - flat rate tariff *(c/kl)*									
Water usage - life line tariff									
Water usage - Block 1 (c/kl)		*(0-12kl)*	9	9	13				
Water usage - Block 2 (c/kl)		*(13-25kl)*	11	11	14				
Water usage - Block 3 (c/kl)		*(26-40kl)*	12	12	16				
Water usage - Block 4 (c/kl)		*(41-60kl)*	14	14	17				
Other	2	*(60kl +)*			19				
Waste water tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*									
Service point - vacant land *(Rands/month)*									
Waste water - flat rate tariff *(c/kl)*			99	105					
Volumetric charge - Block 1 (c/kl)		Up to and including 300m2			109				
Volumetric charge - Block 2 (c/kl)		From 301 m2 to 1000m2			116				
Volumetric charge - Block 3 (c/kl)		1001m2 to 2000m2			125				
Volumetric charge - Block 4 (c/kl)		Larger than 2000m2			137				
Other	2								
Electricity tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*									
Service point - vacant land *(Rands/month)*									
FBE		Indigents	50	50	50				
Life-line tariff - meter									
Life-line tariff - prepaid									
Flat rate tariff - meter *(c/kwh)*									
Flat rate tariff - prepaid*(c/kwh)*									
Meter - IBT Block 1 (c/kwh)		*(1-50 KWH)*	70	74	83				
Meter - IBT Block 2 (c/kwh)		*(51-350 KWH)*	87	92	103				
Meter - IBT Block 3 (c/kwh)		*(351-600 KWH)*	100	107	120				
Meter - IBT Block 4 (c/kwh)		*(601 + KWH)*	120	127	143				
Meter - IBT Block 5 (c/kwh)									
Prepaid - IBT Block 1 (c/kwh)		*(1-50 KWH)*	70	74	79				
Prepaid - IBT Block 2 (c/kwh)		*(51-350 KWH)*	87	92	100				
Prepaid - IBT Block 3 (c/kwh)		*(351-600 KWH)*	100	107	121				
Prepaid - IBT Block 4 (c/kwh)		*(601 + KWH)*	120	127	147				
Prepaid - IBT Block 5 (c/kwh)		(fill in thresholds)							
Other	2								
Waste management tariffs									
Domestic									
Street cleaning charge									
Basic charge/fixed fee			96	101	107				
80l bin - once a week									
250l bin - once a week									

References

1. If properties are not rated or zero rated this must be indicated as such

2.Please provide detailed descriptions on Sheet SA13b

NW373 Rustenburg - Supporting Table SA13b Service Tariffs by category - explanatory

Description	Ref	Provide description of tariff structure where appropriate	2013/14	2014/15	2015/16	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Exemptions, reductions and rebates *(Rands)*									
Rebate Earnings<4500		Rebate Earnings<4500	0.4	0.4	0.4000				
Rebate Earnings between 4500 and 5500		Rebate Earnings between 4500	0.3	0.3	0.3000				
Rebate Earnings between 5500 and 6500		Rebate Earnings between 5500	0.2	0.2	0.2000				
Government Rebates 20%		Government Rebates 20%	0.2	0.1	0.1000				
Residential Rebates		Residential Rebates	100 000	100 000	100 000				
Water tariffs									
Domestic - Conventional		(0-12kl)	9	9	10				
Domestic - Conventional		(13-25kl)	11	11	12				
Domestic - Conventional		(26-40kl)	12	12	14				
Domestic - Conventional		(41-60kl)	14	14	15				
Domestic - Conventional		(60kl +)	15	15	17				
Domestic - Prepaid		(0-12kl)	9	9	10				
Domestic - Prepaid		(13-25kl)	11	11	12				
Domestic - Prepaid		(26-40kl)	12	12	14				
Domestic - Prepaid		(41-60kl)	14	14	15				
Domestic - Prepaid		(60kl +)	15	15	17				
Domestic Agricultural		(0-12kl)	9	13	13				
Domestic Agricultural		(13-25kl)	11	13	14				
Domestic Agricultural		(26-40kl)	12	13	16				
Domestic Agricultural		(41-60kl)	14	13	17				
Domestic Agricultural		(60kl +)	15	13	19				
Commercial		(0-150kl) (0-60Kl New)	13	13	14				
Commercial		(0 - 150) (61-100Kl New)	13	13	14				
Commercial		(0-150kl) (101-150Kl New)	13	13	14				
Commercial		(150kl +) (151Kl + New)	13	13	14				
Industrial		(0-150kl) (0-60Kl New)	13	13	14				
Industrial		(0 - 150) (61-100Kl New)	13	13	14				
Industrial		(0-150kl) (101-150Kl New)	13	13	14				
Industrial		(150kl +) (151Kl + New)	13	13	14				
Agricultural Business		(0-150kl) (0-60Kl New)	13	13	14				
Agricultural Business		(0 - 150) (61-100Kl New)	13	13	14				
Agricultural Business		(0-150kl) (101-150Kl New)	13	13	14				
Agricultural Business		(150kl +) (151Kl + New)	13	13	14				
Bospoort		(0-150kl) (0-60Kl New)	13	13	14				
Bospoort		(0 - 150) (61-100Kl New)	13	13	14				
Bospoort		(0-150kl) (101-150Kl New)	13	13	14				
Bospoort		(150kl +) (151Kl + New)	13	13	14				
Institutional - Church		(0-150kl) (0-60Kl New)	13	13	14				
Institutional - Church		(0 - 150) (61-100Kl New)	13	13	14				
Institutional - Church		(0-150kl) (101-150Kl New)	13	13	14				
Institutional - Church		(150kl +) (151Kl + New)	13	13	14				
Institutional - Educational / Private and Public Schools		(0-150kl) (0-60Kl New)	12	12	13				
Institutional - Educational / Private and Public Schools		(0 - 150) (61-100Kl New)	12	12	13				
Institutional - Educational / Private and Public Schools		(0-150kl) (101-150Kl New)	12	12	13				
Institutional - Educational / Private and Public Schools		(150kl +) (151Kl + New)	12	12	13				
Institutional - Municipal		(0-150kl) (0-60Kl New)	12	12	13				
Institutional - Municipal		(0 - 150) (61-100Kl New)	12	12	13				
Institutional - Municipal		(0-150kl) (101-150Kl New)	12	12	13				
Institutional - Municipal		(150kl +) (151Kl + New)	12	12	13				
Institutional - Government		(0-150kl) (0-60Kl New)	13	10	13				
Institutional - Government		(0 - 150) (61-100Kl New)	13	10	13				
Institutional - Government		(0-150kl) (101-150Kl New)	13	10	13				
Institutional - Government		(150kl +) (151Kl + New)	13	10	13				
Special		(0-150kl) (0-60Kl New)	10	12	13				
Special		(0 - 150) (61-100Kl New)	10	12	13				
Special		(0-150kl) (101-150Kl New)	10	12	13				
Special		(150kl +) (151Kl + New)	10	12	13				
Waste water tariffs									
Agricultural Business		Up to and including 300m2	99	110	117				
		From 301 m2 to 1000m2	99	110	128				
		1001m2 to 2000m2	99	110	144				
		Larger than 2000m2	99	110	164				
Business/Commercial		Up to and including 300m2	104	110	117				
		From 301 m2 to 1000m2	104	110	128				
		1001m2 to 2000m2	104	110	144				
		Larger than 2000m2	104	110	164				
Educational		Up to and including 300m2	108	114	121				
		From 301 m2 to 1000m2	108	114	133				
		1001m2 to 2000m2	108	114	149				
		Larger than 2000m2	108	114	170				
Industrial		Up to and including 300m2	108	114	121				
		From 301 m2 to 1000m2	108	114	133				
		1001m2 to 2000m2	108	114	149				
		Larger than 2000m2	108	114	170				

Municipal	Up to and including 300m2	108	110	117					
	From 301 m2 to 1000m2	108	110	128					
	1001m2 to 2000m2	108	110	144					
	Larger than 2000m2	108	110	164					
Religious	Up to and including 300m2	104	114	117					
	From 301 m2 to 1000m2	104	114	128					
	1001m2 to 2000m2	104	114	144					
	Larger than 2000m2	104	114	164					
Residential Vacant	Up to and including 300m2	-	110	111					
	From 301 m2 to 1000m2	-	110	122					
	1001m2 to 2000m2	-	110	137					
	Larger than 2000m2	-	110	156					
State-Owned	Up to and including 300m2	108	114	121					
	From 301 m2 to 1000m2	108	114	133					
	1001m2 to 2000m2	108	114	149					
	Larger than 2000m2	108	114	170					
	(fill in structure)								
	(fill in structure)								
	(fill in structure)								
Electricity tariffs									
Residential 1(1-50 KWH)		70	74	83					
Residential 1(51-350 KWH)		87	92	103					
Residential 1(351-600 KWH)		100	107	120					
Residential 1(601 + KWH)		120	127	143					
Residential 2(1-50 KWH)Prepaid		70	74	83					
Residential 2(51-350 KWH)Prepaid		87	92	103					
Residential 2(351-600 KWH)Prepaid		100	107	120					
Residential 2(601 + KWH)Prepaid		120	127	143					
Business/Commercial	Energy Rate (c/kWh) Summer	117	128	115					
Business/Commercial	Energy Rate (c/kWh) Winter	117	128	206					
Industrial (Bulk Supply Town 400 V)	Energy Rate (c/kWh) Summer			67					
Industrial (Bulk Supply Town 400 V)	Energy Rate (c/kWh) Winter			192					
Industrial (Bulk Supply Town 400 V)	Utilised Demand Charge			162					
Industrial (Bulk Supply Town 400 V)	Maximum Demand Charge			41					
Agricultural (Bulk Supply Rural 400 V)	SUMMER: Demand Charge			67					
Agricultural (Bulk Supply Rural 400 V)	Access Charge			192					
Agricultural (Bulk Supply Rural 400 V)	Peak Energy			162					
Agricultural (Bulk Supply Rural 400 V)	Standard Energy			41					
	Off-peak Energy								
	WINTER: Demand Charge								
	Access Charge								
	Peak Energy								
	Standard Energy								
	Off-peak Energy								
	Reactive Energy								
Industrial (11kV Bulk Supply Town and Rural)	Energy Rate (c/kWh) Summer			63					
Industrial (11kV Bulk Supply Town and Rural)	Energy Rate (c/kWh) Winter			181					
Industrial (11kV Bulk Supply Town and Rural)	Utilised Demand Charge			157					
Industrial (11kV Bulk Supply Town and Rural)	Maximum Demand Charge			39					
33 kV Bulk supply Time-of-use	SUMMER: Demand Charge			29					
	Access Charge			22					
	Peak Energy			89					
	Standard Energy			52					
	Off-peak Energy			39					
	Reactive Energy			-					
	WINTER: Demand Charge			29					
	Access Charge			22					
	Peak Energy			306					
	Standard Energy			74					
	Off-peak Energy			45					
	Reactive Energy			18					
11 kV Bulk supply Time-of-use	SUMMER: Demand Charge			29					
	Access Charge			22					

		Peak Energy			90				
		Standard Energy			57				
		Off-peak Energy			40				
		Reactive Energy			-				
	WINTER:	Demand Charge			29				
		Access Charge			22				
		Peak Energy			318				
		Standard Energy			85				
		Off-peak Energy			47				
		Reactive Energy			18				
33 kV Bulk supply NMD >150MVA	SUMMER:	Demand Charge			25				
		Access Charge			20				
		Peak Energy			90				
		Standard Energy			64				
		Off-peak Energy			43				
		Reactive Energy			-				
	WINTER:	Demand Charge			25				
		Access Charge			20				
		Peak Energy			262				
		Standard Energy			84				
		Off-peak Energy			49				
		Reactive Energy			12				

NW373 Rustenburg - Supporting Table SA14 Household bills

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework			
Rand/cent		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18 % incr.	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		260.00	275.00	275.00							
Electricity: Basic levy		235.32	123.17	237.99							
Electricity: Consumption		1 025.46	1 089.24	1 219.85							
Water: Basic levy		50.02	55.84	59.19							
Water: Consumption		313.54	330.78	340.39							
Sanitation		98.88	104.82	124.80							
Refuse removal		95.75	101.49	107.48							
Other											
sub-total		2 078.97	2 080.34	2 364.70	–	–	–	–	–	–	–
VAT on Services		291.06	291.25	331.06							
Total large household bill:		2 370.03	2 371.59	2 695.76	–	–	–	–	–	–	–
% increase/-decrease			0.1%	13.7%	(100.0%)	–	–		–	–	–
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		173.33	183.33	183.33							
Electricity: Basic levy		235.32	123.17	237.99							
Electricity: Consumption		456.00	473.12	528.63							
Water: Basic levy		50.02	55.84	59.19							
Water: Consumption		251.80	266.03	272.53							
Sanitation		98.88	104.82	115.55							
Refuse removal		95.75	101.49	107.48							
Other											
sub-total		1 361.10	1 307.81	1 504.70	–	–	–	–	–	–	–
VAT on Services		190.55	183.09	210.66							
Total small household bill.		1 551.65	1 490.90	1 715.36	–	–	–	–	–	–	–
% increase/-decrease			(3.9%)	15.1%	(100.0%)	–	–		–	–	–
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		86.67	91.67	91.67							
Electricity: Basic levy		235.32	123.17	237.99							
Electricity: Consumption		261.00	275.91	308.54							
Water: Basic levy		50.02	55.84	59.19							
Water: Consumption		86.08	90.40	154.02							
Sanitation		98.88	104.82	109.01							
Refuse removal		95.75	101.49	107.48							
Other											
sub-total		913.72	843.30	1 067.90	–	–	–	–	–	–	–
VAT on Services		127.92	118.06	149.51							
Total small household bill:		1 041.64	961.36	1 217.41	–	–	–	–	–	–	–
% increase/-decrease			(7.7%)	26.6%	(100.0%)	–	–		–	–	–

References

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water

2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water

3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)

4. Note this is for a SINGLE household.

NW373 Rustenburg - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		(0)	(0)	405 325						
Deposits - Public Investment Commissioners		–	880	880						
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	(0)	880	406 205	–	–	–	–	–	–
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		–	–	–	–	–	–	–	–	–
Consolidated total:		(0)	880	406 205	–	–	–	–	–	–

References

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

check investment balance - - - - - - - - -

NW373 Rustenburg - Supporting Table SA16 Investment particulars by maturity

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

References

1. Total investments must reconcile to all items in Table SA15 for the Current Year (30 June)

2. List investments in expiry date order

3. If 'variable' selected in column F, input interest rate range

4. Withdrawals to be entered as negative

check

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NW373 Rustenburg - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Parent municipality										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)		458 764	659 278	608 000						
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	458 764	659 278	608 000	–	–	–	–	–	–
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 Borrowing	1	458 764	659 278	608 000	–	–	–	–	–	–

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	–	–	–	–	–	–	–	–	–

References

1. Total borrowing must reconcile to Budgeted Financial Position (Borrowing - non-current)
check borrowing balance

NW373 Rustenburg - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		353 918	388 062	541 492	–	–	–	–	–	–
Local Government Equitable Share		285 427	333 249	399 145						
Finance Management		1 550	1 600	1 600						
Municipal Systems Improvement		890	934	930						
Water Services Operating Subsidy		300	5 000	7 000						
2010 FIFA World Cup Operating		–	–	–						
Energy Efficiency and Demand Management		–	–	–						
NDPG		–	–	–						
FIFA		–	–	–						
EPWP		–	4 611	3 384						
PTIS		–	27 664	124 406						
PMU		65 751	5 004	5 028						
MIG		–	10 000	–						
Provincial Government:		1 830	2 162	670	–	–	–	–	–	–
Sport and Recreation		670	947	670						
Skills Levy		–	1 050	–						
LG-SETA		1 160	165	–						
MIG										
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]										
Total Operating Transfers and Grants	5	355 748	390 224	542 162	–	–	–	–	–	–
Capital Transfers and Grants										
National Government:		921 927	968 780	652 877	–	–	–	–	–	–
Municipal Infrastructure Grant (MIG)		271 868	208 021	197 715						
Public Transport and Systems		638 325	757 623	428 161						
Neighbourhood Development Partnership			–	5 000						
Department of Energy		11 734	3 000	10 000						
Municipal Systems Improvement			30	–						
Finance Management			106							
Water Infrastructure Grant				12 000						
Municipal Systems Improvement										
Other capital transfers/grants [insert desc]										
Provincial Government:		4 882	348	340	–	–	–	–	–	–
Department of Arts,Sports & Culture & DPLG		4 882	348	340						
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]										
Total Capital Transfers and Grants	5	926 809	969 128	653 217	–	–	–	–	–	–
TOTAL RECEIPTS OF TRANSFERS & GRANTS		1 282 556	1 359 352	1 195 379	–	–	–	–	–	–

References

1. Each transfer/grant is listed by name as gazetted together with the name of the transferring department or municipality, donor or other organisation

2. Amounts actually RECEIVED; not revenue recognised (objective is to confirm grants transferred)

3. Replacement of RSC levies

4. Housing subsidies for housing where ownership transferred to organisations or persons outside the control of the municipality

5. Total transfers and grants must reconcile to Budgeted Cash Flows

6. Motor vehicle licensing refunds to be included under 'agency' services (Not Grant Receipts)

NW373 Rustenburg - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		353 918	388 062	541 492	–	–	–	–	–	–
Local Government Equitable Share		285 427	333 249	399 145						
Finance Management		1 550	1 600	1 600						
Municipal Systems Improvement		890	934	930						
Water Services Operating Subsidy		300	5 000	7 000						
2010 FIFA World Cup Operating		–	–	–						
Energy Efficiency and Demand Management		–	–	–						
NDPG		–	–	–						
FIFA		–	–	–						
EPWP		–	4 611	3 384						
PTIS		–	27 664	124 406						
PMU		65 751	5 004	5 028						
MIG		–	10 000	–						
MIG										
Provincial Government:		1 830	2 162	670	–	–	–	–	–	–
Sport and Recreation		670	947	670						
Skills Levy		–	1 050	–						
LG-SETA		1 160	165	–						
MIG										
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]										
Total operating expenditure of Transfers and Grants:		355 748	390 224	542 162	–	–	–	–	–	–
Capital expenditure of Transfers and Grants										
National Government:		921 927	968 780	652 877	–	–	–	–	–	–
Municipal Infrastructure Grant (MIG)		271 868	208 021	197 715						
Public Transport and Systems		638 325	757 623	428 161						
Neighbourhood Development Partnership			–	5 000						
Department of Energy		11 734	3 000	10 000						
Municipal Systems Improvement			30	–						
Finance Management			106							
Water Infrastructure Grant				12 000						
Municipal Systems Improvement										
Other capital transfers/grants [insert desc]										
Provincial Government:		4 882	348	340	–	–	–	–	–	–
Department of Arts,Sports & Culture & DPLG		4 882	348	340						
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]										
Total capital expenditure of Transfers and Grants		926 809	969 128	653 217	–	–	–	–	–	–
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		1 282 556	1 359 352	1 195 379	–	–	–	–	–	–

References

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

NW373 Rustenburg - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		414 393	331 678	545 014						
Conditions met - transferred to revenue		414 393	331 678	545 014	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts		1 160	4 742	670						
Conditions met - transferred to revenue		1 160	4 742	670	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts			7 958	4						
Conditions met - transferred to revenue		–	7 958	4	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		415 553	344 378	545 688	–	–	–	–	–	–
Total operating transfers and grants - CTBM	2	–	–	–	–	–	–	–	–	–
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		813 859	657 063	1 052 790						
Conditions met - transferred to revenue		813 859	657 063	1 052 790	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts		4 882	348	340						
Conditions met - transferred to revenue		4 882	348	340	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		818 740	657 411	1 053 130	–	–	–	–	–	–
Total capital transfers and grants - CTBM	2	–	–	–	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE		1 234 294	1 001 789	1 598 817	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS - CTBM		–	–	–	–	–	–	–	–	–

References

1. Total capital transfers and grants revenue must reconcile to Budgeted Financial Performance and Financial Position; total recurrent grants revenue must reconcile to Budgeted Financial Performance

2. CTBM = conditions to be met

3. National Treasury database will require this reconciliation for each transfer/grant

NW373 Rustenburg - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Cash Transfers to other municipalities											
Insert description	1										
Total Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	–
Cash Transfers to Entities/Other External Mechanisms											
Insert description	2										
Total Cash Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–	–
Cash Transfers to other Organs of State											
Bessie Mpelegeleng Ngwana	3	41	50	50							
Donation Spca		408	392	385							
Donation Rlm sports & Recreation Club		50	50	50							
Total Cash Transfers To Other Organs Of State:		499	492	485	–	–	–	–	–	–	–
Cash Transfers to Organisations											
Insert description											
Total Cash Transfers To Organisations		–	–	–	–	–	–	–	–	–	–
Cash Transfers to Groups of Individuals											
Insert description											
Total Cash Transfers To Groups Of Individuals:		–	–	–	–	–	–	–	–	–	–
TOTAL CASH TRANSFERS AND GRANTS	6	499	492	485	–	–	–	–	–	–	–
Non-Cash Transfers to other municipalities											
Insert description	1										
Total Non-Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	–
Non-Cash Transfers to Entities/Other External Mechanisms											
Insert description	2										
Total Non-Cash Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–	–
Non-Cash Transfers to other Organs of State											
Insert description	3										
Total Non-Cash Transfers To Other Organs Of State:		–	–	–	–	–	–	–	–	–	–
Non-Cash Grants to Organisations											
Insert description	4										
Total Non-Cash Grants To Organisations		–	–	–	–	–	–	–	–	–	–
Groups of Individuals											
Insert description	5			23 829							
Total Non-Cash Grants To Groups Of Individuals:		–	–	23 829	–	–	–	–	–	–	–
TOTAL NON-CASH TRANSFERS AND GRANTS		–	–	23 829	–	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS	6	499	492	24 314	–	–	–	–	–	–	–

NW373 Rustenburg - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		27 181	16 987	21 142						
Pension and UIF Contributions		2 524	2 670	2 220						
Medical Aid Contributions		1 383	1 477	674						
Motor Vehicle Allowance		6 089	6 442	3 435						
Cellphone Allowance		1 124	1 189	1 716						
Housing Allowances										
Other benefits and allowances										
Sub Total - Councillors		38 303	28 766	29 186	–	–	–	–	–	–
% increase	4		(24.9%)	1.5%	(100.0%)	–	–	–	–	–
Senior Managers of the Municipality	2									
Basic Salaries and Wages		9 915	10 783	11 565						
Pension and UIF Contributions		964	917	970						
Medical Aid Contributions		331	128	136						
Overtime		–	–	–						
Performance Bonus		–	–	–						
Motor Vehicle Allowance	3	980	962	1 018						
Cellphone Allowance	3	–	–	–						
Housing Allowances	3	38	36	38						
Other benefits and allowances	3	–	140	148						
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Municipality		12 229	12 966	13 875	–	–	–	–	–	–
% increase	4		6.0%	7.0%	(100.0%)	–	–	–	–	–
Other Municipal Staff										
Basic Salaries and Wages		351 788	365 947	386 304						
Pension and UIF Contributions		68 758	59 438	63 912						
Medical Aid Contributions		25 540	26 927	31 041						
Overtime		21 691	26 901	32 659						
Performance Bonus		225	240	–						
Motor Vehicle Allowance	3	13 225	15 480	16 137						
Cellphone Allowance	3	310	92	91						
Housing Allowances	3	1 691	1 316	4 062						
Other benefits and allowances	3	10 714	2 476	3 532						
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Other Municipal Staff		493 942	498 817	537 738	–	–	–	–	–	–
% increase	4		1.0%	7.8%	(100.0%)	–	–	–	–	–
Total Parent Municipality		544 473	540 549	580 799	–	–	–	–	–	–
			(0.7%)	7.4%	(100.0%)	–	–	–	–	–
Board Members of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Board Fees										
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Board Members of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Senior Managers of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Other Staff of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Total Municipal Entities		–	–	–	–	–	–	–	–	–
TOTAL SALARY, ALLOWANCES & BENEFITS		544 473	540 549	580 799	–	–	–	–	–	–
% increase	4		(0.7%)	7.4%	(100.0%)	–	–	–	–	–
TOTAL MANAGERS AND STAFF	5,7	506 171	511 783	551 613	–	–	–	–	–	–

NW373 Rustenburg - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1. Rand per annum	Ref	No.	Salary	Contributions 1.	Allowances	Performance Bonuses	In-kind benefits	Total Package 2.
Councillors	3							
Speaker	4							–
Chief Whip								–
Executive Mayor								–
Deputy Executive Mayor								–
Executive Committee								–
Total for all other councillors								–
Total Councillors	8	–	–	–	–			–
Senior Managers of the Municipality	5							
Municipal Manager (MM)								–
Chief Finance Officer								–
								–
								–
								–
								–
List of each offical with packages >= senior manager								
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
Total Senior Managers of the Municipality	8,10	–	–	–	–	–		–
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	–	–	–	–	–		–

References

NW373 Rustenburg - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2015/16			Current Year 2016/17			Budget Year 2017/18		
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)		76	–	76						
Board Members of municipal entities	4	–	–	–						
Municipal employees	5	–	–	–						
Municipal Manager and Senior Managers	3	139	106	33						
Other Managers	7	–	–	–						
Professionals		*1 778*	*1 606*	*172*	–	–	–	–	–	–
Finance		155	138	17						
Spatial/town planning		72	64	8						
Information Technology		13	6	7						
Roads		185	179	6						
Electricity		133	116	17						
Water		201	201							
Sanitation		–	–	–						
Refuse		173	173							
Other		846	729	117						
Technicians		–	–	–	–	–	–	–	–	–
Finance										
Spatial/town planning										
Information Technology										
Roads										
Electricity										
Water										
Sanitation										
Refuse										
Other										
Clerks (Clerical and administrative)										
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators										
Elementary Occupations										
TOTAL PERSONNEL NUMBERS	9	1 993	1 712	281	–	–	–	–	–	–
% increase					(100.0%)	(100.0%)	(100.0%)	–	–	–
Total municipal employees headcount	6, 10									
Finance personnel headcount	8, 10									
Human Resources personnel headcount	8, 10									

NW373 Rustenburg - Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue By Source																
Property rates													–	–	–	–
Property rates - penalties & collection charges													–	–	–	–
Service charges - electricity revenue													–	–	–	–
Service charges - water revenue													–	–	–	–
Service charges - sanitation revenue													–	–	–	–
Service charges - refuse revenue													–	–	–	–
Service charges - other													–	–	–	–
Rental of facilities and equipment													–	–	–	–
Interest earned - external investments													–	–	–	–
Interest earned - outstanding debtors													–	–	–	–
Dividends received													–	–	–	–
Fines													–	–	–	–
Licences and permits													–	–	–	–
Agency services													–	–	–	–
Transfers recognised - operational													–	–	–	–
Other revenue													–	–	–	–
Gain on disposal of PPE													–	–	–	–
Total Revenue (excluding capital transfers and contribution		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Expenditure By Type																
Employee related costs													–	–	–	–
Remuneration of councillors													–	–	–	–
Debt impairment													–	–	–	–
Depreciation & asset impairment													–	–	–	–
Finance charges													–	–	–	–
Bulk purchases													–	–	–	–
Other materials													–	–	–	–
Contracted services													–	–	–	–
Transfers and grants													–	–	–	–
Other expenditure													–	–	–	–
Loss on disposal of PPE													–	–	–	–
Total Expenditure		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital													–	–	–	–
Contributions recognised - capital													–	–	–	–
Contributed assets													–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Taxation													–	–	–	–
Attributable to minorities													–	–	–	–
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

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NW373 Rustenburg - Supporting Table SA26 Consolidated budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue by Vote																
Vote 1 - EXECUTIVE MAYOR													–	–	–	–
Vote 2 - MUNICIPAL MANAGER													–	–	–	–
Vote 3 - CORPORATE SUPPORT SERVICES													–	–	–	–
Vote 4 - BUDGET AND TREASURY													–	–	–	–
Vote 5 - PUBLIC SAFETY													–	–	–	–
Vote 6 - PLANNING AND HUMAN SETTLEMENT													–	–	–	–
Vote 7 - LOCAL ECONOMIC DEVELOPMENT													–	–	–	–
Vote 8 - [NAME OF VOTE 8]													–	–	–	–
Vote 9 - TECHNICAL AND INFRASTRUCTURE													–	–	–	–
Vote 10 - MUNICIPAL ENTITY													–	–	–	–
Vote 11 - [NAME OF VOTE 11]													–	–	–	–
Vote 12 - [NAME OF VOTE 12]													–	–	–	–
Vote 13 - [NAME OF VOTE 13]													–	–	–	–
Vote 14 - [NAME OF VOTE 14]													–	–	–	–
Vote 15 - [NAME OF VOTE 15]													–	–	–	–
Total Revenue by Vote		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Expenditure by Vote to be appropriated																
Vote 1 - EXECUTIVE MAYOR													–	–	–	–
Vote 2 - MUNICIPAL MANAGER													–	–	–	–
Vote 3 - CORPORATE SUPPORT SERVICES													–	–	–	–
Vote 4 - BUDGET AND TREASURY													–	–	–	–
Vote 5 - PUBLIC SAFETY													–	–	–	–
Vote 6 - PLANNING AND HUMAN SETTLEMENT													–	–	–	–
Vote 7 - LOCAL ECONOMIC DEVELOPMENT													–	–	–	–
Vote 8 - [NAME OF VOTE 8]													–	–	–	–
Vote 9 - TECHNICAL AND INFRASTRUCTURE													–	–	–	–
Vote 10 - MUNICIPAL ENTITY													–	–	–	–
Vote 11 - [NAME OF VOTE 11]													–	–	–	–
Vote 12 - [NAME OF VOTE 12]													–	–	–	–
Vote 13 - [NAME OF VOTE 13]													–	–	–	–
Vote 14 - [NAME OF VOTE 14]													–	–	–	–
Vote 15 - [NAME OF VOTE 15]													–	–	–	–
Total Expenditure by Vote		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) before assoc.		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Taxation													–	–	–	–
Attributable to minorities													–	–	–	–
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

References

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

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NW373 Rustenburg - Supporting Table SA27 Consolidated budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue - Standard																
Governance and administration		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Executive and council													–	–	–	–
Budget and treasury office													–	–	–	–
Corporate services													–	–	–	–
Community and public safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and social services													–	–	–	–
Sport and recreation													–	–	–	–
Public safety													–	–	–	–
Housing													–	–	–	–
Health													–	–	–	–
Economic and environmental services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Planning and development													–	–	–	–
Road transport													–	–	–	–
Environmental protection													–	–	–	–
Trading services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Electricity													–	–	–	–
Water													–	–	–	–
Waste water management													–	–	–	–
Waste management													–	–	–	–
Other													–	–	–	–
Total Revenue - Standard		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Expenditure - Standard																
Governance and administration		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Executive and council													–	–	–	–
Budget and treasury office													–	–	–	–
Corporate services													–	–	–	–
Community and public safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and social services													–	–	–	–
Sport and recreation													–	–	–	–
Public safety													–	–	–	–
Housing													–	–	–	–
Health													–	–	–	–
Economic and environmental services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Planning and development													–	–	–	–
Road transport													–	–	–	–
Environmental protection													–	–	–	–
Trading services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Electricity													–	–	–	–
Water													–	–	–	–
Waste water management													–	–	–	–
Waste management													–	–	–	–
Other													–	–	–	–
Total Expenditure - Standard		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) before assoc.		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

References

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

check

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NW373 Rustenburg - Supporting Table SA28 Consolidated budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Multi-year expenditure *to be appropriated*	1															
Vote 1 - EXECUTIVE MAYOR													–	–	–	–
Vote 2 - MUNICIPAL MANAGER													–	–	–	–
Vote 3 - CORPORATE SUPPORT SERVICES													–	–	–	–
Vote 4 - BUDGET AND TREASURY													–	–	–	–
Vote 5 - PUBLIC SAFETY													–	–	–	–
Vote 6 - PLANNING AND HUMAN SETTLEMENT													–	–	–	–
Vote 7 - LOCAL ECONOMIC DEVELOPMENT													–	–	–	–
Vote 8 - [NAME OF VOTE 8]													–	–	–	–
Vote 9 - TECHNICAL AND INFRASTRUCTURE													–	–	–	–
Vote 10 - MUNICIPAL ENTITY													–	–	–	–
Vote 11 - [NAME OF VOTE 11]													–	–	–	–
Vote 12 - [NAME OF VOTE 12]													–	–	–	–
Vote 13 - [NAME OF VOTE 13]													–	–	–	–
Vote 14 - [NAME OF VOTE 14]													–	–	–	–
Vote 15 - [NAME OF VOTE 15]													–	–	–	–
Capital multi-year expenditure sub-total	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Single-year expenditure *to be appropriated*																
Vote 1 - EXECUTIVE MAYOR													–	–	–	–
Vote 2 - MUNICIPAL MANAGER													–	–	–	–
Vote 3 - CORPORATE SUPPORT SERVICES													–	–	–	–
Vote 4 - BUDGET AND TREASURY													–	–	–	–
Vote 5 - PUBLIC SAFETY													–	–	–	–
Vote 6 - PLANNING AND HUMAN SETTLEMENT													–	–	–	–
Vote 7 - LOCAL ECONOMIC DEVELOPMENT													–	–	–	–
Vote 8 - [NAME OF VOTE 8]													–	–	–	–
Vote 9 - TECHNICAL AND INFRASTRUCTURE													–	–	–	–
Vote 10 - MUNICIPAL ENTITY													–	–	–	–
Vote 11 - [NAME OF VOTE 11]													–	–	–	–
Vote 12 - [NAME OF VOTE 12]													–	–	–	–
Vote 13 - [NAME OF VOTE 13]													–	–	–	–
Vote 14 - [NAME OF VOTE 14]													–	–	–	–
Vote 15 - [NAME OF VOTE 15]													–	–	–	–
Capital single-year expenditure sub-total	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

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NW373 Rustenburg - Supporting Table SA29 Consolidated budgeted monthly capital expenditure (standard classification)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital Expenditure - Standard	1															
Governance and administration		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Executive and council													–	–	–	–
Budget and treasury office													–	–	–	–
Corporate services													–	–	–	–
Community and public safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and social services													–	–	–	–
Sport and recreation													–	–	–	–
Public safety													–	–	–	–
Housing													–	–	–	–
Health													–	–	–	–
Economic and environmental services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Planning and development													–	–	–	–
Road transport													–	–	–	–
Environmental protection													–	–	–	–
Trading services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Electricity													–	–	–	–
Water													–	–	–	–
Waste water management													–	–	–	–
Waste management													–	–	–	–
Other													–	–	–	–
Total Capital Expenditure - Standard	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Funded by:																
National Government													–	–	–	–
Provincial Government													–	–	–	–
District Municipality													–	–	–	–
Other transfers and grants													–	–	–	–
Transfers recognised - capital		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Public contributions & donations													–	–	–	–
Borrowing													–	–	–	–
Internally generated funds													–	–	–	–
Total Capital Funding		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

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NW373 Rustenburg - Supporting Table SA30 Consolidated budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Cash Receipts By Source													1		
Property rates												–			
Property rates - penalties & collection charges												–			
Service charges - electricity revenue												–			
Service charges - water revenue												–			
Service charges - sanitation revenue												–			
Service charges - refuse revenue												–			
Service charges - other												–			
Rental of facilities and equipment												–			
Interest earned - external investments												–			
Interest earned - outstanding debtors												–			
Dividends received												–			
Fines												–			
Licences and permits												–			
Agency services												–			
Transfer receipts - operational												–			
Other revenue												–			
Cash Receipts by Source	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Cash Flows by Source															
Transfer receipts - capital												–			
Contributions recognised - capital & Contributed assets												–			
Proceeds on disposal of PPE												–			
Short term loans												–			
Borrowing long term/refinancing												–			
Increase (decrease) in consumer deposits												–			
Decrease (increase) in non-current debtors												–			
Decrease (increase) other non-current receivables												–			
Decrease (increase) in non-current investments												–			
Total Cash Receipts by Source	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Cash Payments by Type															
Employee related costs												–			
Remuneration of councillors												–			
Finance charges												–			
Bulk purchases - Electricity												–			
Bulk purchases - Water & Sewer												–			
Other materials												–			
Contracted services												–			
Transfers and grants - other municipalities												–			
Transfers and grants - other												–			
Other expenditure												–			
Cash Payments by Type	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Cash Flows/Payments by Type															
Capital assets												–			
Repayment of borrowing												–			
Other Cash Flows/Payments												–			
Total Cash Payments by Type	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
NET INCREASE/(DECREASE) IN CASH HELD	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the month/year begin:		–	–	–	–	–	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the month/year end:	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

References

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

NW373 Rustenburg - Supporting Table SA31 Aggregated entity budget

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R million		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Financial Performance										
Property rates		–	–	–						
Service charges		126	146	154						
Investment revenue		5	9	6						
Transfers recognised - operational		–	–	–						
Other own revenue		–	–	–						
Contributions recognised - capital & contributed assets		–	–	–						
Total Revenue (excluding capital transfers and contributions)		131	156	160	–	–	–	–	–	–
Employee costs		–	–	–						
Remuneration of Board Members		–	–	–						
Depreciation & asset impairment		16	17	17						
Finance charges		26	24	22						
Materials and bulk purchases		–	–	–						
Transfers and grants		–	–	–						
Other expenditure		72	80	93						
Total Expenditure		114	122	132	–	–	–	–	–	–
Surplus/(Deficit)		18	34	28	–	–	–	–	–	–
Capital expenditure & funds sources										
Capital expenditure		15	70	90						
Transfers recognised - operational		–	–	–						
Public contributions & donations				90						
Borrowing				–						
Internally generated funds		15	70	–						
Total sources		15	70	90	–	–	–	–	–	–
Financial position										
Total current assets										
Total non current assets										
Total current liabilities										
Total non current liabilities										
Equity										
Cash flows										
Net cash from (used) operating										
Net cash from (used) investing										
Net cash from (used) financing										
Cash/cash equivalents at the year end										

NW373 Rustenburg - Supporting Table SA32 List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1. Number	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2. R thousand

References

1. Total agreement period from commencement until end

2. Annual value

NW373 Rustenburg - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework			Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Total Contract Value
R thousand	1,3	Total	Original Budget	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality:														
Revenue Obligation By Contract	2													
Contract 1														–
Contract 2														–
Contract 3 etc														–
Total Operating Revenue Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Expenditure Obligation By Contract	2													
Contract 1														–
Contract 2														–
Contract 3 etc														–
Total Operating Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Capital Expenditure Obligation By Contract	2													
Contract 1														–
Contract 2														–
Contract 3 etc														–
Total Capital Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Total Parent Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Entities:														
Revenue Obligation By Contract	2													
Contract 1														–
Contract 2														–
Contract 3 etc														–
Total Operating Revenue Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Expenditure Obligation By Contract	2													
Contract 1														–
Contract 2														–
Contract 3 etc														–
Total Operating Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Capital Expenditure Obligation By Contract	2													
Contract 1														–
Contract 2														–
Contract 3 etc														–
Total Capital Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Total Entity Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–

References

1. Total implication for all preceding years to be summed and total stated in 'Preceding Years' column

2. List all contracts with future financial obligations beyond the three years covered by the MTREF (MFMA s33)

3. For municipalities with approved total revenue not exceeding R250 m - all contracts with an annual cost greater than R500 000. For municipalities with approved total revenue greater than R250 m - all contracts with an annual cost greater than R1million. For municipalities with approved total revenue greater than R500 m - all contracts with an annual cost greater than R5 million

NW373 Rustenburg - Supporting Table SA34a Consolidated capital expenditure on new assets by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		787 039	709 366	661 495	–	–	–	–	–	–
Infrastructure - Road transport		85 405	484 868	525 712	–	–	–	–	–	–
Roads, Pavements & Bridges		85 405	484 868	525 712						
Storm water										
Infrastructure - Electricity		9 083	99 209	48 715	–	–	–	–	–	–
Generation										
Transmission & Reticulation		9 083	99 209	48 715						
Street Lighting										
Infrastructure - Water		29 835	62 067	60 069	–	–	–	–	–	–
Dams & Reservoirs										
Water purification										
Reticulation		29 835	62 067	60 069						
Infrastructure - Sanitation		19 634	32 281	22 000	–	–	–	–	–	–
Reticulation										
Sewerage purification		19 634	32 281	22 000						
Infrastructure - Other		643 081	30 942	5 000	–	–	–	–	–	–
Waste Management		92 669	30 942	5 000						
Transportation	2									
Gas										
Other	3	550 412								
Community		11 301	–	15 000	–	–	–	–	–	–
Parks & gardens		3 788		10 000						
Sportsfields & stadia		2 280		5 000						
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses	7									
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing	8									
Other		5 234								
Heritage assets		–	–	–	–	–	–	–	–	–
Buildings										
Other	9									
Investment properties		4 218	–	–	–	–	–	–	–	–
Housing development										
Other		4 218								
Other assets		21 080	3 033	6 063	–	–	–	–	–	–
General vehicles										
Specialised vehicles	10	–	2 898	–	–	–	–	–	–	–
Plant & equipment		43								
Computers - hardware/equipment										
Furniture and other office equipment		3 792	135							
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings		11 461								
Other Land										
Surplus Assets - (Investment or Inventory)										
Other		5 784		6 063						
Agricultural assets		–	–	–	–	–	–	–	–	–
List sub-class										
Biological assets		–	–	–	–	–	–	–	–	–
List sub-class										
Intangibles		246	–	–	–	–	–	–	–	–
Computers - software & programming		246								
Other *(list sub-class)*										
Total Capital Expenditure on new assets	1	823 884	712 399	682 559	–	–	–	–	–	–

Specialised vehicles		–	2 898	–	–	–	–	–	–	–
Refuse										
Fire			2 898							
Conservancy										
Ambulances										

NW373 Rustenburg - Supporting Table SA34b Consolidated capital expenditure on existing assets by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		85 926	55 463	611 012	–	–	–	–	–	–
Infrastructure - Road transport		6 830	–	280 797	–	–	–	–	–	–
Roads, Pavements & Bridges		6 830		280 797						
Storm water										
Infrastructure - Electricity		37 916	4 806	42 349	–	–	–	–	–	–
Generation										
Transmission & Reticulation		37 916	–	42 349						
Street Lighting			4 806							
Infrastructure - *Water*		27 021	–	62 703	–	–	–	–	–	–
Dams & Reservoirs										
Water purification										
Reticulation		27 021		62 703						
Infrastructure - Sanitation		14 158	–	225 163	–	–	–	–	–	–
Reticulation				89 078						
Sewerage purification		14 158		136 085						
Infrastructure - Other		–	50 656	–	–	–	–	–	–	–
Waste Management										
Transportation	2									
Gas										
Other	3		50 656							
Community		4 700	8 935	3 158	–	–	–	–	–	–
Parks & gardens		2 963								
Sportsfields & stadia		249	8 662							
Swimming pools										
Community halls		917								
Libraries			273	3 158						
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses	7									
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing	8									
Other		571								
Heritage assets		–	–	–	–	–	–	–	–	–
Buildings										
Other	9									
Investment properties		–	–	–	–	–	–	–	–	–
Housing development										
Other										
Other assets		9 298	35 620	400	–	–	–	–	–	–
General vehicles		4 309								
Specialised vehicles	10	–	–	–	–	–	–	–	–	–
Plant & equipment										
Computers - hardware/equipment				400						
Furniture and other office equipment		1 924	40							
Abattoirs										
Markets										
Civic Land and Buildings		1 010	32 065							
Other Buildings		987	3 515							
Other Land										
Surplus Assets - (Investment or Inventory)										
Other		1 068								
Intangibles		–	–	–	–	–	–	–	–	–
Computers - software & programming										
Other *(list sub-class)*										
Total Capital Expenditure on renewal of existing assets	1	99 923	100 019	614 570	–	–	–	–	–	–
Specialised vehicles		–	–	–	–	–	–	–	–	–
Refuse										
Fire										
Conservancy										
Ambulances										
Renewal of Existing Assets as % of total capex		*10.8%*	*12.3%*	*47.4%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Renewal of Existing Assets as % of deprecn"		*26.8%*	*27.5%*	*213.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

NW373 Rustenburg - Supporting Table SA34c Consolidated repairs and maintenance by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		141 316	100 493	95 803	–	–	–	–	–	–
Infrastructure - Road transport		24 972	8 843	11 565	–	–	–	–	–	–
Roads, Pavements & Bridges		24 972	8 843	11 565						
Storm water										
Infrastructure - Electricity		15 257	16 269	11 990	–	–	–	–	–	–
Generation		15 257	16 269	8 690						
Transmission & Reticulation				3 300						
Street Lighting										
Infrastructure - Water		55 791	33 120	13 667	–	–	–	–	–	–
Dams & Reservoirs										
Water purification		55 791	33 120	13 667						
Reticulation										
Infrastructure - Sanitation		38 306	36 035	55 013	–	–	–	–	–	–
Reticulation		38 306	36 035	55 013						
Sewerage purification										
Infrastructure - Other		6 990	6 226	3 568	–	–	–	–	–	–
Waste Management		5 966	6 226	3 568						
Transportation	2									
Gas										
Other	3	1 024								
Community		9 648	6 973	6 268	–	–	–	–	–	–
Parks & gardens		2 286	1 760	1 042						
Sportsfields & stadia										
Swimming pools		0	135							
Community halls		–	–	682						
Libraries		–	–	207						
Recreational facilities										
Fire, safety & emergency		233	248	257						
Security and policing										
Buses	7	3 145	3 023	1 054						
Clinics		3 906	1 715	1 513						
Museums & Art Galleries		21	65	359						
Cemeteries										
Social rental housing	8	58	28	305						
Other				848						
Heritage assets		–	4 693	392	–	–	–	–	–	–
Buildings		–	4 693	132						
Other	9			260						
Investment properties		4 138	3 100	197	–	–	–	–	–	–
Housing development		4 138	3 100	197						
Other										
Other assets		16 221	2 816	12 235	–	–	–	–	–	–
General vehicles										
Specialised vehicles	10	–	–	–	–	–	–	–	–	–
Plant & equipment		7 260	94	2 440						
Computers - hardware/equipment										
Furniture and other office equipment										
Abattoirs										
Markets										
Civic Land and Buildings		–	2 504	2						
Other Buildings		8 961	218	3 577						
Other Land										
Surplus Assets - (Investment or Inventory)										
Other				6 215						
Agricultural assets		–	–	–	–	–	–	–	–	–
List sub-class										
Biological assets		–	–	–	–	–	–	–	–	–
List sub-class										
Intangibles		–	–	–	–	–	–	–	–	–
Computers - software & programming										
Other *(list sub-class)*										
Total Repairs and Maintenance Expenditure	1	171 322	118 075	114 895	–	–	–	–	–	–
Specialised vehicles		–	–	–	–	–	–	–	–	–
Refuse										
Fire										
Conservancy										
Ambulances										
R&M as a % of PPE		2.3%	1.5%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M as % Operating Expenditure		4.8%	3.4%	3.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

NW373 Rustenburg - Supporting Table SA34d Consolidated Depreciation by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Depreciation by Asset Class/Sub-class										
Infrastructure		324 183	181 746	273 654	–	–	–	–	–	–
Infrastructure - Road transport		831	30 290	177 164	–	–	–	–	–	–
Roads, Pavements & Bridges		831	30 290	177 164						
Storm water										
Infrastructure - Electricity		1 180	60 586	1 298	–	–	–	–	–	–
Generation										
Transmission & Reticulation		1 180	30 290	1 298						
Street Lighting			30 296							
Infrastructure - Water		47 123	30 290	42 668	–	–	–	–	–	–
Dams & Reservoirs										
Water purification										
Reticulation		47 123	30 290	42 668						
Infrastructure - Sanitation		48 057	30 290	50 010	–	–	–	–	–	–
Reticulation		48 057	30 290	50 010						
Sewerage purification										
Infrastructure - Other		226 993	30 290	2 513	–	–	–	–	–	–
Waste Management		2 096	30 290	2 513						
Transportation	2									
Gas										
Other	3	224 897								
Community		5 037	90 870	5 716	–	–	–	–	–	–
Parks & gardens				598						
Sportsfields & stadia			30 290	125						
Swimming pools				50						
Community halls		857		282						
Libraries		449	30 290	426						
Recreational facilities				–						
Fire, safety & emergency				2 805						
Security and policing				1 259						
Buses	7			–						
Clinics		18		–						
Museums & Art Galleries				–						
Cemeteries				56						
Social rental housing	8			–						
Other		3 712	30 290	116						
Heritage assets		–	–	–	–	–	–	–	–	–
Buildings										
Other	9									
Investment properties		35 814	–	–	–	–	–	–	–	–
Housing development										
Other		35 814								
Other assets		7 409	90 870	9 240	–	–	–	–	–	–
General vehicles		1 439		956						
Specialised vehicles	10	–	–	–	–	–	–	–	–	–
Plant & equipment		1 309								
Computers - hardware/equipment										
Furniture and other office equipment		2 933	90 870							
Abattoirs										
Markets										
Civic Land and Buildings				51						
Other Buildings		1 237								
Other Land										
Surplus Assets - (Investment or Inventory)										
Other		491		8 234						
Agricultural assets		–	–	–	–	–	–	–	–	–
List sub-class										
Biological assets		–	–	–	–	–	–	–	–	–
List sub-class										
Intangibles		–	–	–	–	–	–	–	–	–
Computers - software & programming										
Other *(list sub-class)*										
Total Depreciation	1	372 442	363 486	288 610	–	–	–	–	–	–
Specialised vehicles		–	–	–	–	–	–	–	–	–
Refuse										
Fire										
Conservancy										
Ambulances										

NW373 Rustenburg - Supporting Table SA35 Consolidated future financial implications of the capital budget

Vote Description	Ref	2017/18 Medium Term Revenue & Expenditure Framework			Forecasts			
R thousand		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Present value
Capital expenditure	1							
Vote 1 - EXECUTIVE MAYOR		–	–	–				
Vote 2 - MUNICIPAL MANAGER		–	–	–				
Vote 3 - CORPORATE SUPPORT SERVICES		–	–	–				
Vote 4 - BUDGET AND TREASURY		–	–	–				
Vote 5 - PUBLIC SAFETY		–	–	–				
Vote 6 - PLANNING AND HUMAN SETTLEMENT		–	–	–				
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		–	–	–				
Vote 8 - [NAME OF VOTE 8]		–	–	–				
Vote 9 - TECHNICAL AND INFRASTRUCTURE		–	–	–				
Vote 10 - MUNICIPAL ENTITY		–	–	–				
Vote 11 - [NAME OF VOTE 11]		–	–	–				
Vote 12 - [NAME OF VOTE 12]		–	–	–				
Vote 13 - [NAME OF VOTE 13]		–	–	–				
Vote 14 - [NAME OF VOTE 14]		–	–	–				
Vote 15 - [NAME OF VOTE 15]		–	–	–				
List entity summary if applicable								
Total Capital Expenditure		–	–	–	–	–	–	–
Future operational costs by vote	2							
Vote 1 - EXECUTIVE MAYOR								
Vote 2 - MUNICIPAL MANAGER								
Vote 3 - CORPORATE SUPPORT SERVICES								
Vote 4 - BUDGET AND TREASURY								
Vote 5 - PUBLIC SAFETY								
Vote 6 - PLANNING AND HUMAN SETTLEMENT								
Vote 7 - LOCAL ECONOMIC DEVELOPMENT								
Vote 8 - [NAME OF VOTE 8]								
Vote 9 - TECHNICAL AND INFRASTRUCTURE								
Vote 10 - MUNICIPAL ENTITY								
Vote 11 - [NAME OF VOTE 11]								
Vote 12 - [NAME OF VOTE 12]								
Vote 13 - [NAME OF VOTE 13]								
Vote 14 - [NAME OF VOTE 14]								
Vote 15 - [NAME OF VOTE 15]								
List entity summary if applicable								
Total future operational costs		–	–	–	–	–	–	–
Future revenue by source	3							
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Service charges - other								
Rental of facilities and equipment								
List other revenues sources if applicable								
List entity summary if applicable								
Total future revenue		–	–	–	–	–	–	–
Net Financial Implications		–	–	–	–	–	–	–

NW373 Rustenburg - Supporting Table SA36 Consolidated detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2017/18 Medium Term Revenue & Expenditure Framework			Project information	
R thousand	4			2	6	3	3	5		Audited Outcome 2015/16	Current Year 2016/17 Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Ward location	New or renewal
Parent municipality:																
List all capital projects grouped by Municipal Vote																
Parent Capital expenditure	1											–	–	–		
Entities:																
List all capital projects grouped by Entity																
Entity A																
Water project A																
Entity B																
Electricity project B																
Entity Capital expenditure										–	–	–	–	–		
Total Capital expenditure										–	–	–	–	–		

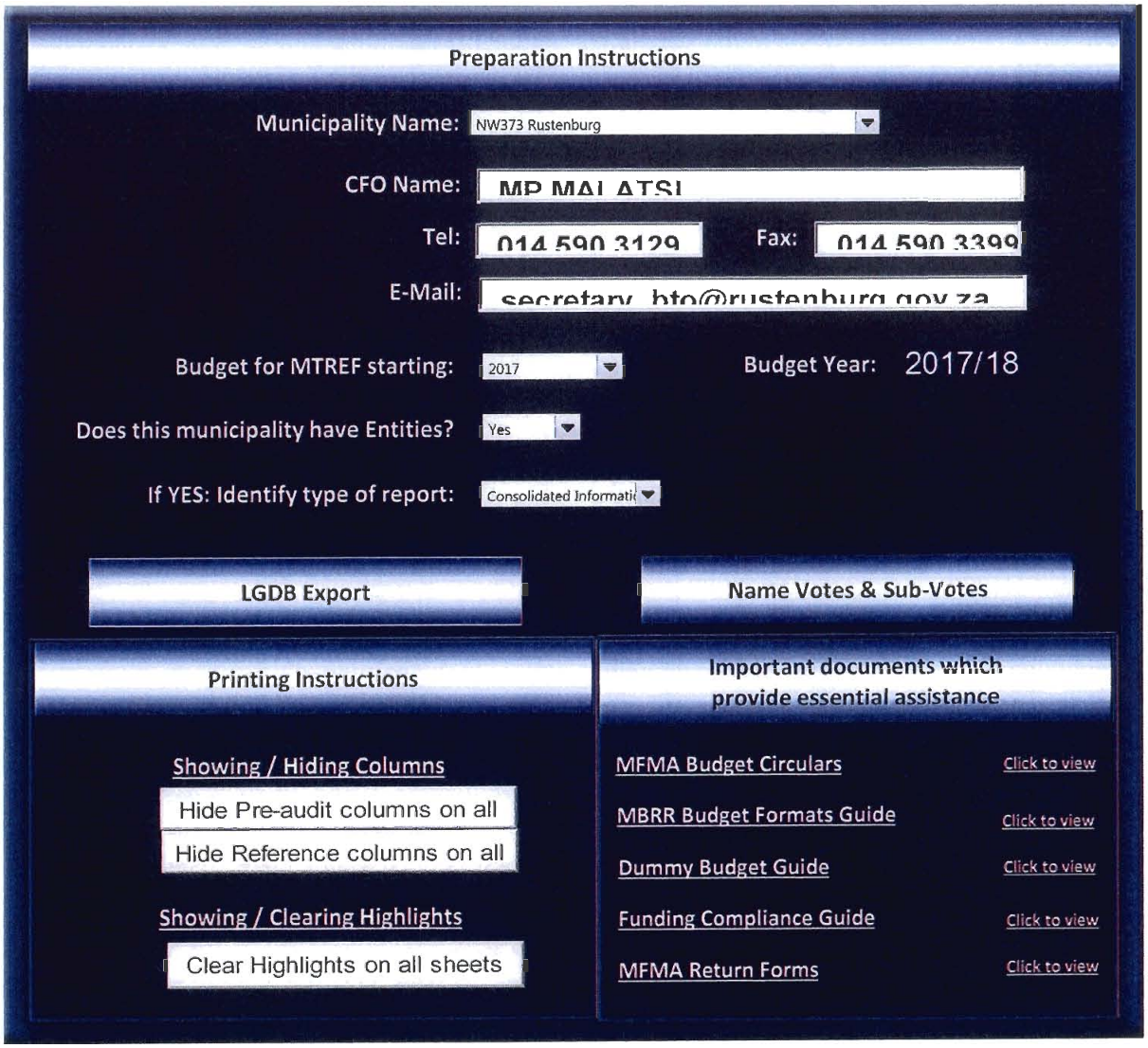
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NW373 Rustenburg - Supporting Table SA37 Consolidated projects delayed from previous financial year/s

Municipal Vote/Capital project	Ref.	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete	Current Year 2016/17		2017/18 Medium Term Revenue & Expenditure Framework		
	1,2							Original Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand							Year					
Parent municipality:												
List all capital projects grouped by Municipal Vote				*Examples*	*Examples*							
Entities:												
List all capital projects grouped by Municipal Entity												
Entity Name												
Project name												

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Municipal annual budgets
and MTREF
&
supporting tables
mSCOA Version 6.1
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Accountability
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Information &
service delivery
national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA
Contact details:
Elsabé Rossouw
National Treasury
Tel: (012) 315-5534
Electronic submissions:
lgdocuments@treasury.gov.za


Preparation Instructions
Municipality Name: NW373 Rustenburg
CFO Name: MP MALATSI
Tel: 014 590 3129
Fax: 014 590 3399
E-Mail: secretary.bto@rustenburg.gov.za
Budget for MTREF starting: 2017
Budget Year: 2017/18
Does this municipality have Entities? Yes
If YES: Identify type of report: Consolidated Informati
LGDB Export
Name Votes & Sub-Votes
Printing Instructions
Showing / Hiding Columns
Hide Pre-audit columns on all
Hide Reference columns on all
Showing / Clearing Highlights
Clear Highlights on all sheets
Important documents which provide essential assistance
MFMA Budget Circulars
Click to view
MBRR Budget Formats Guide
Click to view
Dummy Budget Guide
Click to view
Funding Compliance Guide
Click to view
MFMA Return Forms
Click to view

Organisational Structure Votes		Complete Votes & Sub-Votes	Select Org. Structure
Vote 1 - EXECUTIVE MAYOR	Vote 1	EXECUTIVE MAYOR	
Vote 2 - MUNICIPAL MANAGER	1.1	001 - OFFICE OF THE EXECUTIVE MAYOR	1.1 - 001 - OFFICE OF THE EXECUTIVE MAYOR
Vote 3 - CORPORATE SUPPORT SERVICES	1.2	002 - OFFICE OF THE SPEAKER	1.2 - 002 - OFFICE OF THE SPEAKER
Vote 4 - BUDGET AND TREASURY	1.3	003 - MAYORAL COMMITTEE	1.3 - 003 - MAYORAL COMMITTEE
Vote 5 - PUBLIC SAFETY	1.4	004 - COUNCIL GENERAL	1.4 - 004 - COUNCIL GENERAL
Vote 6 - PLANNING AND HUMAN SETTLEMENT	1.5	005 - OFFICE OF THE CHIEF WHIP	1.5 - 005 - OFFICE OF THE CHIEF WHIP
Vote 7 - LOCAL ECONOMIC DEVELOPMENT	1.6	006 - INTERGOVERNMENTAL RELATIONS	1.6 - 006 - INTERGOVERNMENTAL RELATIONS
Vote 8 - COMMUNITY DEVELOPMENT	1.7	007 - OFFICE OF THE MUNICIPAL PUBLIC ACCOUNTS	1.7 - 007 - OFFICE OF THE MUNICIPAL PUBLIC ACCOUNTS
Vote 9 - TECHNICAL AND INFRASTRUCTURE	1.8	008 - MONITORING AND EVALUATION	1.8 - 008 - MONITORING AND EVALUATION
Vote 10 - ROADS AND TRANSPORT	1.9	[Name of sub-vote]	
Vote 11 - MUNICIPAL ENTITY	1.10	[Name of sub-vote]	
Vote 12 - [NAME OF VOTE 12]	Vote 2	MUNICIPAL MANAGER	
Vote 13 - [NAME OF VOTE 13]	2.1	010 - OFFICE OF THE MUNICIPAL MANAGER	2.1 - 010 - OFFICE OF THE MUNICIPAL MANAGER
Vote 14 - [NAME OF VOTE 14]	2.2	011 - INTERNAL AUDITING	2.2 - 011 - INTERNAL AUDITING
Vote 15 - [NAME OF VOTE 15]	2.3	012 - INTEGRATED DEVELOPMENT PLAN (IDP)	2.3 - 012 - INTEGRATED DEVELOPMENT PLAN (IDP)
	2.4	013 - CORPORATE ADVISORY	2.4 - 013 - CORPORATE ADVISORY
	2.5	014 - PERFORMANCE MANAGEMENT SYSTEM	2.5 - 014 - PERFORMANCE MANAGEMENT SYSTEM
	2.6	017 - REGIONAL COMMUNITY CENTRES	2.6 - 017 - REGIONAL COMMUNITY CENTRES
	2.7	018 - PROJECT MANAGEMENT UNIT	2.7 - 018 - PROJECT MANAGEMENT UNIT
	2.8	019 - OFFICE OF THE CHIEF OPERATIONS OFFICER	2.8 - 019 - OFFICE OF THE CHIEF OPERATIONS OFFICER
	2.9	050 - LEGAL AND VALUATION SERVICES	2.9 - 050 - LEGAL AND VALUATION SERVICES
	2.10	[Name of sub-vote]	
	Vote 3	CORPORATE SUPPORT SERVICES	
	3.1	020 - OFFICE OF THE DIRECTOR CORPORATE SUPPORT SERVI	3.1 - 020 - OFFICE OF THE DIRECTOR CORPORATE SUPPORT SERVICES
	3.2	015 - INFORMATION TECHNOLOGY	3.2 - 015 - INFORMATION TECHNOLOGY
	3.3	025 - ADMINISTRATIVE SUPPORT	3.3 - 025 - ADMINISTRATIVE SUPPORT
	3.4	030 - HUMAN RESOURCE MANAGEMENT	3.4 - 030 - HUMAN RESOURCE MANAGEMENT
	3.5	035 - OCCUPATIONALHEALTH AND SAFETYY	3.5 - 035 - OCCUPATIONALHEALTH AND SAFETYY
	3.6	[Name of sub-vote]	
	3.7	[Name of sub-vote]	
	3.8	[Name of sub-vote]	
	3.9	[Name of sub-vote]	
	3.10	[Name of sub-vote]	
	Vote 4	BUDGET AND TREASURY	
	4.1	070 - OFFICE OF THE CHIEF FINANCIAL OFFICER	4.1 - 070 - OFFICE OF THE CHIEF FINANCIAL OFFICER
	4.2	075 - ACCOUNTING SERVICES	4.2 - 075 - ACCOUNTING SERVICES
	4.3	076 - BILLING	4.3 - 076 - BILLING
	4.4	080 - FINANCIAL CONTROL	4.4 - 080 - FINANCIAL CONTROL
	4.5	085 - SUPPLY CHAIN MANAGEMENT	4.5 - 085 - SUPPLY CHAIN MANAGEMENT
	4.6	090 - FINANCIAL MANAGEMENT SERVICES	4.6 - 090 - FINANCIAL MANAGEMENT SERVICES
	4.7	[Name of sub-vote]	
	4.8	[Name of sub-vote]	
	4.9	[Name of sub-vote]	
	4.10	[Name of sub-vote]	
	Vote 5	PUBLIC SAFETY	
	5.1	100 - OFFICE OF THE DIRECTOR PUBLIC SAFETY	5.1 - 100 - OFFICE OF THE DIRECTOR PUBLIC SAFETY
	5.2	115 - EMERGENCY AND DISASTER MANAGEMENT	5.2 - 115 - EMERGENCY AND DISASTER MANAGEMENT
	5.3	130 - TRAFFIC SERVICES	5.3 - 130 - TRAFFIC SERVICES
	5.4	140 - TESTING AND LICENSES	5.4 - 140 - TESTING AND LICENSES
	5.5	145 - LAW ENFORCEMENT	5.5 - 145 - LAW ENFORCEMENT
	5.6	[Name of sub-vote]	
	5.7	[Name of sub-vote]	
	5.8	[Name of sub-vote]	
	5.9	[Name of sub-vote]	
	5.10	[Name of sub-vote]	
	Vote 6	PLANNING AND HUMAN SETTLEMENT	
	6.1	150 - OFFICE OF THE DIRECTOR PLANNING AND HUMAN SETLE	6.1 - 150 - OFFICE OF THE DIRECTOR PLANNING AND HUMAN SETLEMENT
	6.2	155 - DEVELOPMENT PLANNING	6.2 - 155 - DEVELOPMENT PLANNING
	6.3	156 - ESTATES	6.3 - 156 - ESTATES
	6.4	160 - HOUSING PROVISION	6.4 - 160 - HOUSING PROVISION
	6.5	165 - BUILDING CONTROL AND REGULATIONS	6.5 - 165 - BUILDING CONTROL AND REGULATIONS
	6.6	[Name of sub-vote]	
	6.7	[Name of sub-vote]	
	6.8	[Name of sub-vote]	
	6.9	[Name of sub-vote]	
	6.10	[Name of sub-vote]	
	Vote 7	LOCAL ECONOMIC DEVELOPMENT	
	7.1	180 - LOCAL ECONOMIC DEVELOPMENT	7.1 - 180 - LOCAL ECONOMIC DEVELOPMENT
	7.2	185 - ENTERPRISE / SMME DEVELOPMENT	7.2 - 185 - ENTERPRISE / SMME DEVELOPMENT
	7.3	190 - POLICY RESERCH AND MARKETING	7.3 - 190 - POLICY RESERCH AND MARKETING
	7.4	[Name of sub-vote]	
	7.5	[Name of sub-vote]	
	7.6	[Name of sub-vote]	
	7.7	[Name of sub-vote]	
	7.8	[Name of sub-vote]	
	7.9	[Name of sub-vote]	
	7.10	[Name of sub-vote]	
	Vote 8	COMMUNITY DEVELOPMENT	
	8.1	200 - OFFICE OF THE DIRECTOR COMMUNITY DEVELOPMENT	8.1 - 200 - OFFICE OF THE DIRECTOR COMMUNITY DEVELOPMENT
	8.2	215 - LIBRARY AND INFORMATION SERVICES	8.2 - 215 - LIBRARY AND INFORMATION SERVICES
	8.3	220 - CEMETERIES	8.3 - 220 - CEMETERIES
	8.4	225 - COMMUNITY HALLS	8.4 - 225 - COMMUNITY HALLS
	8.5	230 - KLOOF HOLIDAY RESORT	8.5 - 230 - KLOOF HOLIDAY RESORT
	8.6	235 - PARKS AND OPEN AREAS	8.6 - 235 - PARKS AND OPEN AREAS
	8.7	245 - SPORT FACILITIES	8.7 - 245 - SPORT FACILITIES
	8.8	250 - SWIMMING POOLS	8.8 - 250 - SWIMMING POOLS
	8.9	175 - INTEGRATED ENVIRONMENTAL MANAGEMENT	8.9 - 175 - INTEGRATED ENVIRONMENTAL MANAGEMENT
	8.10	305 - CIVIL FACILITIES DEVELOPMENT AND MANAGEMENT	8.10 - 305 - CIVIL FACILITIES DEVELOPMENT AND MANAGEMENT
	8.11	360 - WASTE MANAGEMENT	
	Vote 9	TECHNICAL AND INFRASTRUCTURE	
	9.1	300 - OFFICE OF THE DIRECTOR TECHNICAL SERVICSE AND INF	9.1 - 300 - OFFICE OF THE DIRECTOR TECHNICAL SERVICSE AND INFRASTRUCTURE DEVELOPMENT
	9.2	310 - ELECTRICAL ENGINEERING SERVICES	9.2 - 310 - ELECTRICAL ENGINEERING SERVICES
	9.3	315 - STREET LIGHTING	9.3 - 315 - STREET LIGHTING
	9.4	325 - MECHANICAL ENGINEERING SERVICES	9.4 - 325 - MECHANICAL ENGINEERING SERVICES
	9.5	340 - WATER SERVICE	9.5 - 340 - WATER SERVICE
	9.6	345 - SANITATION SERVICE	9.6 - 345 - SANITATION SERVICE
	9.7	[Name of sub-vote]	
	9.8	[Name of sub-vote]	
	9.9	[Name of sub-vote]	
	9.10	[Name of sub-vote]	
	Vote 10	ROADS AND TRANSPORT	
	10.1	270 - RUSTENBURG RAPID TRANSPORT	10.1 - 270 - RUSTENBURG RAPID TRANSPORT
	10.2	335 - ROADS AND STORMWATER	10.2 - 335 - ROADS AND STORMWATER
	10.3	[Name of sub-vote]	
	10.4	[Name of sub-vote]	
	10.5	[Name of sub-vote]	
	10.6	[Name of sub-vote]	
	10.7	[Name of sub-vote]	
	10.8	[Name of sub-vote]	
	10.9	[Name of sub-vote]	
	10.10	[Name of sub-vote]	
	Vote 11	MUNICIPAL ENTITY	
	11.1	RUSTENBURG WATER SERVICE TRUST	11.1 - RUSTENBURG WATER SERVICE TRUST
	11.2	[Name of sub-vote]	
	11.3	[Name of sub-vote]	
	11.4	[Name of sub-vote]	
	11.5	[Name of sub-vote]	
	11.6	[Name of sub-vote]	
	11.7	[Name of sub-vote]	
	11.8	[Name of sub-vote]	
	11.9	[Name of sub-vote]	
	11.10	[Name of sub-vote]	

NW373 Rustenburg - Contact Information

A GENERAL INFORMATION	
Municipality	NW373 Rustenburg
Grade	5
Province	NW NORTH WEST
Web Address	www.rustenburg.gov.za
e-mail Address	munman@rustenburg.gov.za

1 Grade in terms of the Remuneration of Public Office Bearers Act.

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Street address	
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City / Town	Rustenburg
Postal Code	0300
General Contacts	
Telephone number	014 590 3111
Fax number	

C. POLITICAL LEADERSHIP			
Speaker:		**Secretary/PA to the Speaker:**	
ID Number		ID Number	
Title	Mrs	Title	Mrs
Name	SSK Mabale-Huma	Name	
Telephone number	014 590 3415	Telephone number	014 590 3415
Cell number		Cell number	
Fax number	014 590 3015	Fax number	014 590 3015
E-mail address	speaker@rustenburg.gov.za	E-mail address	speaker@rustenburg.gov.za
Mayor/Executive Mayor:		**Secretary/PA to the Mayor/Executive Mayor:**	
ID Number		ID Number	
Title	Mr	Title	Mrs
Name	ME KHUNOU	Name	M MOKGOSI
Telephone number	014 590 3004	Telephone number	014 590 3004
Cell number		Cell number	
Fax number	014 590 3006	Fax number	014 590 3006
E-mail address	mmokgosi@rustenburg.gov.za	E-mail address	mmokgosi@rustenburg.gov.za
Deputy Mayor/Executive Mayor:		**Secretary/PA to the Deputy Mayor/Executive Mayor:**	
ID Number		ID Number	
Title		Title	
Name		Name	
Telephone number		Telephone number	
Cell number		Cell number	
Fax number		Fax number	
E-mail address		E-mail address	

D. MANAGEMENT LEADERSHIP			
Municipal Manager:		**Secretary/PA to the Municipal Manager:**	
ID Number		ID Number	
Title	Mr	Title	Mrs
Name	T LEFUTSWE	Name	N NKELE
Telephone number	014 590 3551	Telephone number	014 590 3551
Cell number		Cell number	
Fax number	014 590 3003	Fax number	014 590 3003
E-mail address	munman@rustenburg.gov.za	E-mail address	munman@rustenburg.gov.za
Chief Financial Officer		**Secretary/PA to the Chief Financial Officer**	
ID Number		ID Number	
Title	Mr	Title	Mrs
Name	MP MALATSI	Name	N MODISAGAE
Telephone number	014 590 3129	Telephone number	014 590 3129
Cell number		Cell number	
Fax number	014 590 3399	Fax number	014 590 3399
E-mail address	secretary_bto@rustenburg.gov.za	E-mail address	secretary_bto@rustenburg.gov.za
Official responsible for submitting financial information		**Official responsible for submitting financial information**	
ID Number		ID Number	781028 5394 081
Title	Ms	Title	Mr
Name	V MDHLULI	Name	M DIKOKO
Telephone number	014 590 3887	Telephone number	014 590 3325
Cell number	072 521 7432	Cell number	072 322 0296
Fax number	014 590 3399	Fax number	014 590 3416
E-mail address	vmdlhuli@rustenburg.gov.za	E-mail address	mdikoko@rustenburg.gov.za

Official responsible for submitting financial information	
ID Number	
Title	Mr
Name	I MOTSATSING
Telephone number	014 590 3625
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Fax number	014 590 3416
E-mail address	imotsatsing@rustenburg.gov.za

Official responsible for submitting financial information	
ID Number	
Title	Ms
Name	D SEKHU
Telephone number	014 590 3754
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Official responsible for submitting financial information	
ID Number	
Title	Mrs
Name	M TSITSI
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Official responsible for submitting financial information	
ID Number	
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NW373 Rustenburg - Table A1 Consolidated Budget Summary

Description	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Financial Performance										
Property rates	–	–	–	300 115	300 115	300 115	300 115	319 434	340 074	362 089
Service charges	–	–	–	2 921 055	3 134 135	3 134 135	3 134 135	3 454 834	3 831 353	4 279 024
Investment revenue	–	–	–	35 241	15 193	15 193	15 193	16 114	17 107	18 099
Transfers recognised - operational	–	–	–	583 768	609 026	609 026	609 026	642 016	664 095	664 095
Other own revenue	–	–	–	216 723	261 210	261 210	261 210	277 143	293 495	310 518
Total Revenue (excluding capital transfers and contributions)	–	–	–	4 056 902	4 319 679	4 319 679	4 319 679	4 709 540	5 146 123	5 633 824
Employee costs	–	–	–	577 889	580 038	580 038	580 038	632 787	676 883	723 659
Remuneration of councillors	–	–	–	30 722	30 837	30 837	30 837	33 500	35 819	38 296
Depreciation & asset impairment	–	–	–	415 968	415 977	415 977	415 977	440 290	465 241	480 216
Finance charges	–	–	–	52 721	61 822	61 822	61 822	61 565	61 026	61 754
Materials and bulk purchases	–	–	–	1 900 984	2 250 388	2 250 388	2 250 388	2 340 637	2 632 096	2 998 714
Transfers and grants	–	–	–	30 204	19 749	19 749	19 749	6 060	6 389	6 731
Other expenditure	–	–	–	882 973	937 535	937 535	937 535	1 038 373	1 046 163	1 092 682
Total Expenditure	–	–	–	3 891 460	4 296 346	4 296 346	4 296 346	4 553 213	4 923 616	5 402 051
Surplus/(Deficit)	–	–	–	165 442	23 333	23 333	23 333	156 327	222 507	231 773
Transfers and subsidies - capital (monetary allocations	–	–	–	398 874	429 529	429 529	429 529	500 974	465 395	465 395
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	–	–	–	564 316	452 862	452 862	452 862	657 301	687 902	697 168
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	–	–	–	564 316	452 862	452 862	452 862	657 301	687 902	697 168
Capital expenditure & funds sources										
Capital expenditure	–	–	–	486 874	646 252	646 252	646 252	569 974	508 395	481 395
Transfers recognised - capital	–	–	–	398 874	429 529	429 529	429 529	500 974	465 395	465 395
Public contributions & donations	–	–	–	69 000	69 000	69 000	69 000	69 000	43 000	16 000
Borrowing	–	–	–	–	128 603	128 603	128 603	–	–	–
Internally generated funds	–	–	–	19 000	19 120	19 120	19 120	–	–	–
Total sources of capital funds	–	–	–	486 874	646 252	646 252	646 252	569 974	508 395	481 395
Financial position										
Total current assets	–	–	–	1 528 238	977 585	474 091	474 091	990 867	1 552 570	2 189 059
Total non current assets	–	–	–	9 522 300	9 522 300	9 522 300	9 522 300	9 641 793	10 102 215	10 292 224
Total current liabilities	–	–	–	912 436	710 820	710 820	710 820	727 825	738 996	756 608
Total non current liabilities	–	–	–	775 325	775 325	775 325	775 325	730 189	681 376	644 039
Community wealth/Equity	–	–	–	9 362 777	9 013 739	8 510 246	8 510 246	9 174 645	10 234 413	11 080 636
Cash flows										
Net cash from (used) operating	–	–	–	954 035	840 838	331 174	331 174	1 053 871	1 110 126	1 135 597
Net cash from (used) investing	–	–	–	(393 873)	(644 895)	(575 895)	(575 895)	(499 533)	(506 869)	(479 780)
Net cash from (used) financing	–	–	–	(50 643)	(50 643)	(50 578)	(50 578)	(50 560)	(53 474)	(57 384)
Cash/cash equivalents at the year end	–	–	–	1 103 212	552 558	49 065	49 065	552 842	1 102 626	1 701 059
Cash backing/surplus reconciliation										
Cash and investments available	–	–	–	1 104 092	553 438	49 944	49 944	553 732	1 103 526	1 701 974
Application of cash and investments	–	–	–	551 752	356 163	391 269	391 269	467 569	379 392	361 735
Balance - surplus (shortfall)	–	–	–	552 339	197 275	(341 325)	(341 325)	86 163	724 133	1 340 239
Asset management										
Asset register summary (WDV)	–	–	–	9 521 301	9 521 301	9 521 301	9 640 779	9 640 779	10 101 186	10 291 175
Depreciation	–	–	–	415 968	415 977	415 977	415 977	415 977	440 290	465 241
Renewal of Existing Assets	–	–	–	279 258	448 729	448 729	448 729	–	–	–
Repairs and Maintenance	–	–	–	131 712	168 388	168 388	168 388	168 388	173 055	181 860
Free services										
Cost of Free Basic Services provided	–	–	–	245 163	245 163	245 163	263 073	263 073	283 927	294 239
Revenue cost of free services provided	–	–	–	79 904	79 904	79 904	84 778	84 778	89 780	94 987
Households below minimum service level										
Water:	–	–	–	1	1	1	1	1	1	1
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	257	257	257	262	262	276	293
Refuse:	–	–	–	31	31	31	7	7	30	32

NW373 Rustenburg - Table A2 Consolidated Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue - Functional										
Governance and administration		–	–	–	506 758	536 230	536 230	571 494	605 384	641 193
Executive and council		–	–	–	168 180	204 704	204 704	217 191	230 006	243 346
Finance and administration		–	–	–	338 578	331 525	331 525	354 303	375 379	397 847
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		–	–	–	38 551	36 668	36 668	39 082	41 249	43 612
Community and social services		–	–	–	2 864	2 976	2 976	3 278	3 333	3 496
Sport and recreation		–	–	–	1 613	1 262	1 262	1 339	1 418	1 500
Public safety		–	–	–	29 689	27 785	27 785	29 537	31 279	33 094
Housing		–	–	–	4 362	4 645	4 645	4 929	5 219	5 522
Health		–	–	–	23	–	–	–	–	–
Economic and environmental services		–	–	–	101 364	116 083	116 083	81 923	79 576	80 073
Planning and development		–	–	–	18 151	16 112	16 112	12 741	13 480	13 864
Road transport		–	–	–	83 213	99 971	99 971	69 182	66 096	66 209
Environmental protection		–	–	–	–	0	0	0	0	1
Trading services		–	–	–	3 809 104	4 060 227	4 060 228	4 518 015	4 885 308	5 334 340
Energy sources		–	–	–	2 153 038	2 342 087	2 342 087	2 541 085	2 781 077	3 054 638
Water management		–	–	–	702 346	712 683	712 683	833 512	975 331	1 070 311
Waste water management		–	–	–	766 814	818 552	818 552	925 212	882 469	927 088
Waste management		–	–	–	186 906	186 905	186 906	218 206	246 431	282 304
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	–	–	–	4 455 776	4 749 208	4 749 208	5 210 514	5 611 518	6 099 219
Expenditure - Functional										
Governance and administration		–	–	–	482 010	424 418	424 418	429 433	455 552	483 242
Executive and council		–	–	–	190 909	110 946	110 946	115 429	123 172	131 403
Finance and administration		–	–	–	286 819	308 801	308 801	309 010	327 039	346 128
Internal audit		–	–	–	4 282	4 671	4 671	4 995	5 341	5 711
Community and public safety		–	–	–	219 993	225 450	225 450	239 393	254 956	271 442
Community and social services		–	–	–	79 923	84 974	84 974	90 634	96 637	103 012
Sport and recreation		–	–	–	89 958	90 018	90 018	94 961	100 987	107 344
Public safety		–	–	–	30 744	31 014	31 014	33 102	35 328	37 703
Housing		–	–	–	18 349	18 408	18 408	19 597	20 841	22 153
Health		–	–	–	1 018	1 035	1 035	1 098	1 163	1 230
Economic and environmental services		–	–	–	405 570	455 287	455 287	436 421	456 413	472 696
Planning and development		–	–	–	42 714	51 728	51 728	44 729	47 882	51 141
Road transport		–	–	–	358 080	399 051	399 051	386 888	403 415	416 107
Environmental protection		–	–	–	4 776	4 507	4 507	4 804	5 117	5 448
Trading services		–	–	–	2 783 888	3 191 192	3 191 192	3 447 966	3 756 695	4 174 671
Energy sources		–	–	–	1 828 456	2 130 741	2 130 741	2 110 261	2 354 285	2 612 127
Water management		–	–	–	500 757	538 855	538 855	745 562	833 496	990 966
Waste water management		–	–	–	323 032	362 742	362 742	397 689	365 519	366 957
Waste management		–	–	–	131 643	158 854	158 854	194 454	203 395	204 620
Other	4	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	–	–	–	3 891 460	4 296 346	4 296 346	4 553 213	4 923 616	5 402 051
Surplus/(Deficit) for the year		–	–	–	564 316	452 862	452 862	657 301	687 902	697 168

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes

2. Total Revenue by functional classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)

3. Total Expenditure by Functional Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)

4. All amounts must be classified under a functional classification . The GFS function 'Other' is only for Abbatoirs, Air Transport, Forestry, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

NW373 Rustenburg - Table A2 Consolidated Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue - Functional										
Municipal governance and administration		–	–	–	506 758	536 230	536 230	571 494	605 384	641 193
Executive and council		–	–	–	168 180	204 704	204 704	217 191	230 006	243 346
Mayor and Council					167 771	204 574	204 574	217 053	229 859	243 191
Municipal Manager, Town Secretary and Chief Executive					409	130	130	138	146	155
Finance and administration		–	–	–	338 578	331 525	331 525	354 303	375 379	397 847
Administrative and Corporate Support					1 528	1 688	1 688	1 791	1 896	2 006
Asset Management					–	–	–	–	–	–
Budget and Treasury Office					–	1	1	1	1	1
Finance					336 706	329 006	329 005	351 663	372 583	394 890
Fleet Management					–	–		–	–	–
Human Resources					337	414	414	382	405	428
Information Technology					–	14	14	15	16	17
Legal Services					0	1	1	1	1	1
Marketing, Customer Relations, Publicity and Media Co-ordination					–	–	–	–	–	–
Property Services					8	7	7	8	8	9
Risk Management					–	–	–	–	–	–
Security Services					–	395	395	419	444	470
Supply Chain Management					–	–	–	23	25	26
Valuation Service					–	–	–	–	–	–
Internal audit		–	–	–	–	–	–	–	–	–
Governance Function					–	–	–	–	–	–
Community and public safety		–	–	–	38 551	36 668	36 668	39 082	41 249	43 612
Community and social services		–	–	–	2 864	2 976	2 976	3 278	3 333	3 496
Aged Care					–	–	–	–	–	–
Agricultural					–	–	–	–	–	–
Animal Care and Diseases					–	–	–	–	–	–
Cemeteries, Funeral Parlours and Crematoriums					838	865	865	918	972	1 029
Child Care Facilities					–	–	–	–	–	–
Community Halls and Facilities					1 192	1 014	1 014	1 076	1 139	1 205
Consumer Protection					–	–	–	–	–	–
Cultural Matters					–	–	–	–	–	–
Disaster Management					250	516	516	548	580	614
Education					–	–	–	–	–	–
Indigenous and Customary Law					–	–	–	–	–	–
Industrial Promotion					–	–	–	–	–	–
Language Policy					–	–	–	–	–	–
Libraries and Archives					584	581	581	737	642	649
Literacy Programmes					–	–	–	–	–	–
Media Services					–	–	–	–	–	–
Museums and Art Galleries					–	–	–	–	–	–
Population Development					–	–	–	–	–	–
Provincial Cultural Matters					–	–	–	–	–	–
Theatres					–	–	–	–	–	–
Zoo's					–	–	–	–	–	–
Sport and recreation		–	–	–	1 613	1 262	1 262	1 339	1 418	1 500
Beaches and Jetties					–	–	–	–	–	–
Casinos, Racing, Gambling, Wagering					–	–	–	–	–	–
Community Parks (including Nurseries)					–	–	–	–	–	–
Recreational Facilities					1 294	1 036	1 036	1 099	1 164	1 231
Sports Grounds and Stadiums					319	226	226	240	254	269
Public safety		–	–	–	29 689	27 785	27 785	29 537	31 279	33 094
Civil Defence					–	–	–	–	–	–
Cleansing					–	–	–	–	–	–
Control of Public Nuisances					–	–	–	–	–	–
Fencing and Fences					–	–	–	–	–	–
Fire Fighting and Protection					–	–	–	–	–	–
Licensing and Control of Animals					29 689	27 785	27 785	29 537	31 279	33 094
Housing		–	–	–	4 362	4 645	4 645	4 929	5 219	5 522
Housing					4 362	4 645	4 645	4 929	5 219	5 522
Informal Settlements					–	–	–	–	–	–
Health		–	–	–	23	–	–	–	–	–
Ambulance					–	–	–	–	–	–
Health Services					23	–	–	–	–	–
Laboratory Services					–	–	–	–	–	–
Food Control					–	–	–	–	–	–
Health Surveillance and Prevention of Communicable Diseases					–	–	–	–	–	–
Vector Control					–	–	–	–	–	–
Chemical Safety					–	–	–	–	–	–
Economic and environmental services		–	–	–	101 364	116 083	116 083	81 923	79 576	80 073
Planning and development		–	–	–	18 151	16 112	16 112	12 741	13 480	13 864
Billboards					–	–	–	–	–	–
Corporate Wide Strategic Planning (IDPs, LEDs)					–	–	–	–	–	–
Central City Improvement District					–	–	–	–	–	–
Development Facilitation					–	–	–	–	–	–
Economic Development/Planning					235	345	345	366	388	410
Regional Planning and Development					–	–	–	–	–	–
Town Planning, Building Regulations and Enforcement, and City					7 399	5 400	5 400	5 730	6 068	6 420
Project Management Unit					10 516	10 366	10 366	6 645	7 024	7 034
Provincial Planning					–	–	–	–	–	–
Support to Local Municipalities					–	–	–	–	–	–
Road transport		–	–	–	83 213	99 971	99 971	69 182	66 096	66 209
Police Forces, Traffic and Street Parking Control					–	–	–	–	–	–
Pounds					–	–	–	–	–	–
Public Transport					72 678	98 336	98 336	67 447	64 258	64 265
Road and Traffic Regulation					10 284	1 585	1 585	1 681	1 781	1 884
Roads					250	50	50	53	56	60
Taxi Ranks					–	–	–			
Environmental protection		–	–	–	–	0	0	0	0	1

Biodiversity and Landscape									
Coastal Protection									
Indigenous Forests									
Nature Conservation				0	0	0	0	1	
Pollution Control									
Soil Conservation									

Trading services				3 809 104	4 060 227	4 060 228	4 518 015	4 885 308	5 334 340	
Energy sources	–	–	–	2 153 038	2 342 087	2 342 087	2 541 085	2 781 077	3 054 638	
Electricity				2 153 038	2 342 087	2 342 087	2 541 085	2 781 077	3 054 638	
Street Lighting and Signal Systems				–		–	–	–	–	
Nonelectric Energy				–	–	–	–	–	–	
Water management	–	–	–	702 346	712 683	712 683	833 512	975 331	1 070 311	
Water Treatment				–	–	–	–	–	–	
Water Distribution				702 346	712 683	712 683	833 512	975 331	1 070 311	
Water Storage				–	–	–	–	–	–	
Waste water management	–	–	–	766 814	818 552	818 552	925 212	882 469	927 088	
Public Toilets				–	–	–	–	–	–	
Sewerage				367 940	389 023	389 023	424 238	417 075	461 694	
Storm Water Management				–	–	–	–	–	–	
Waste Water Treatment				398 874	429 529	429 529	500 974	465 395	465 395	
Waste management	–	–	–	186 906	186 905	186 906	218 206	246 431	282 304	
Recycling				186 906	186 905	186 906	588	623	659	
Solid Waste Disposal (Landfill Sites)							2 470	2 438	2 406	
Solid Waste Removal				–	–	–	215 148	243 370	279 239	
Street Cleaning				–	–	–	–	–	–	
Other	–	–	–	–	–	–	–	–	–	
Abattoirs				–	–	–	–	–	–	
Air Transport				–	–	–	–	–	–	
Forestry				–	–	–	–	–	–	
Licensing and Regulation				–	–	–	–	–	–	
Markets				–	–	–	–	–	–	
Tourism				–	–	–	–	–	–	
Total Revenue - Functional	2 –	–	–	4 455 776	4 749 208	4 749 208	5 210 514	5 611 518	6 099 219	
Expenditure - Functional										
Municipal governance and administration	–	–	–	482 010	424 418	424 418	429 433	455 552	483 242	
Executive and council	–	–	–	190 909	110 946	110 946	115 429	123 172	131 403	
Mayor and Council				154 996	82 438	82 438	86 552	92 301	98 401	
Municipal Manager, Town Secretary and Chief Executive				35 913	28 509	28 509	28 876	30 871	33 002	
Finance and administration	–	–	–	286 819	308 801	308 801	309 010	327 039	346 128	
Administrative and Corporate Support				31 348	35 431	35 431	35 768	38 237	40 856	
Asset Management				–	–	–	–	–	–	
Budget and Treasury Office				6 955	12 323	12 323	9 096	8 898	7 739	
Finance				105 874	121 406	121 406	117 911	124 207	131 640	
Fleet Management				21 404	19 789	19 789	21 095	22 473	23 935	
Human Resources				15 916	18 189	18 189	18 698	19 906	21 382	
Information Technology				22 677	30 122	30 122	29 977	31 896	33 906	
Legal Services				8 519	11 357	11 357	12 730	13 530	14 373	
Marketing, Customer Relations, Publicity and Media Co-ordination				–	–	–	–	–	–	
Property Services				29 536	28 796	28 796	30 590	32 447	34 391	
Risk Management				–	–	–	–	–	–	
Security Services				35 840	23 130	23 130	24 740	26 460	28 300	
Supply Chain Management				8 750	8 257	8 257	8 405	8 986	9 606	
Valuation Service				–	–	–	–	–	–	
Internal audit	–	–	–	4 282	4 671	4 671	4 995	5 341	5 711	
Governance Function				4 282	4 671	4 671	4 995	5 341	5 711	
Community and public safety	–	–	–	219 993	225 450	225 450	239 393	254 956	271 442	
Community and social services	–	–	–	79 923	84 974	84 974	90 634	96 637	103 012	
Aged Care				–	–	–	–	–	–	
Agricultural				–	–	–	–	–	–	
Animal Care and Diseases				–	–	–	–	–	–	
Cemeteries, Funeral Parlours and Crematoriums				6 331	6 835	6 835	7 330	7 829	8 362	
Child Care Facilities				–	–	–	–	–	–	
Community Halls and Facilities				25 179	25 889	25 889	27 683	29 463	31 346	
Consumer Protection				–	–	–	–	–	–	
Cultural Matters				–	–	–	–	–	–	
Disaster Management				29 368	33 064	33 064	35 356	37 720	40 233	
Education				–	–	–	–	–	–	
Indigenous and Customary Law				–	–	–	–	–	–	
Industrial Promotion				–	–	–	–	–	–	
Language Policy				–	–	–	–	–	–	
Libraries and Archives				19 045	19 186	19 186	20 265	21 624	23 071	
Literacy Programmes				–	–	–	–	–	–	
Media Services				–	–	–	–	–	–	
Museums and Art Galleries				–	–	–	–	–	–	
Population Development				–	–	–	–	–	–	
Provincial Cultural Matters				–	–	–	–	–	–	
Theatres				–	–	–	–	–	–	
Zoo's				–	–	–	–	–	–	
Sport and recreation	–	–	–	89 958	90 018	90 018	94 961	100 987	107 344	
Beaches and Jetties				–	–	–	–	–	–	
Casinos, Racing, Gambling, Wagering				–	–	–	–	–	–	
Recreational Facilities				31 472	31 889	31 889	33 171	35 396	37 764	
Sports Grounds and Stadiums				17 637	16 818	16 818	17 881	18 985	20 146	
Public safety				40 849	41 311	41 311	43 910	46 606	49 433	
Public safety	–	–	–	30 744	31 014	31 014	33 102	35 328	37 703	
Civil Defence				3 332	3 530	3 530	3 771	4 027	4 301	
Cleansing				–	–	–	–	–	–	
Fencing and Fences				–	–	–	–	–	–	
Fire Fighting and Protection				–	–	–	–	–	–	
Licensing and Control of Animals				27 412	27 484	27 484	29 332	31 301	33 402	
Housing	–	–	–	18 349	18 408	18 408	19 597	20 841	22 153	
Housing				18 349	18 408	18 408	19 597	20 841	22 153	
Informal Settlements				–	–	–	–	–	–	
Health	–	–	–	1 018	1 035	1 035	1 098	1 163	1 230	
Ambulance				–	–	–	–	–	–	
Health Services				1 018	1 035	1 035	1 098	1 163	1 230	
Laboratory Services				–	–	–	–	–	–	
Food Control				–	–	–	–	–	–	
Health Surveillance and Prevention of Communicable Diseases				–	–	–	–	–	–	
Vector Control				–	–	–	–	–	–	

Chemical Safety							–	–	–
Economic and environmental services	–	–	–	405 570	455 287	455 287	436 421	456 413	472 696
Planning and development	–	–	–	42 714	51 728	51 728	44 729	47 882	51 141
Billboards				–	–	–	–	–	–
Corporate Wide Strategic Planning (IDPs, LEDs)				–	–	–	–	–	–
Central City Improvement District				–	–	–	–	–	–
Development Facilitation				3 866	2 303	2 303	2 461	2 630	2 810
Economic Development/Planning				8 352	8 945	8 945	9 557	10 210	10 906
Regional Planning and Development				–	–	–	–	–	–
Town Planning, Building Regulations and Enforcement, and City				20 279	30 254	30 254	26 225	28 187	30 569
Project Management Unit				10 216	10 226	10 226	6 486	6 856	6 856
Provincial Planning				–	–	–	–	–	–
Support to Local Municipalities				–	–	–	–	–	–

Road transport		–	–	–	358 080	399 051	399 051	386 888	403 415	416 107
Police Forces, Traffic and Street Parking Control					–	–	–	–	–	–
Pounds					–	–	–	–	–	–
Public Transport					72 578	98 594	98 594	67 341	64 146	64 146
Roads					53 500	66 060	66 060	70 538	75 157	80 051
Taxi Ranks					232 002	234 397	234 397	249 009	264 112	271 910
Environmental protection					–	–	–			
Environmental protection		–	–	–	4 776	4 507	4 507	4 804	5 117	5 448
Biodiversity and Landscape					–	–	–	–	–	–
Coastal Protection					–	–	–	–	–	–
Indigenous Forests					–	–	–	–	–	–
Nature Conservation					–	–	–	–	–	–
Pollution Control					4 776	4 507	4 507	4 804	5 117	5 448
Soil Conservation					–	–	–	–	–	–
Trading services		–	–	–	2 783 888	3 191 192	3 191 192	3 447 966	3 756 695	4 174 671
Energy sources		–	–	–	1 828 456	2 130 741	2 130 741	2 110 261	2 354 285	2 612 127
Electricity					1 822 759	2 125 729	2 125 729	2 104 936	2 348 636	2 606 139
Street Lighting and Signal Systems					5 696	5 012	5 012	5 325	5 649	5 988
Nonelectric Energy								–	–	–
Water management		–	–	–	500 757	538 855	538 855	745 562	833 496	990 966
Water Treatment					–	–	–	–	–	–
Water Distribution					500 757	538 855	538 855	745 562	833 496	990 966
Water Storage					–	–	–	–	–	–
Waste water management		–	–	–	323 032	362 742	362 742	397 689	365 519	366 957
Public Toilets					–	–	–	–	–	–
Sewerage					323 032	362 742	362 742	397 689	365 519	366 957
Storm Water Management					–	–	–	–	–	–
Waste Water Treatment					–	–	–	–	–	–
Waste management		–	–	–	131 643	158 854	158 854	194 454	203 395	204 620
Recycling					131 643	158 854	158 854	43 899	46 593	49 416
Solid Waste Disposal (Landfill Sites)					–	–	–	14 329	15 227	16 170
Solid Waste Removal					–	–	–	136 226	141 575	139 034
Street Cleaning					–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Abattoirs					–	–	–	–	–	–
Air Transport					–	–	–	–	–	–
Forestry					–	–	–	–	–	–
Licensing and Regulation					–	–	–	–	–	–
Markets					–	–	–	–	–	–
Tourism					–	–	–	–	–	–
Total Expenditure - Functional	3	–	–	–	3 891 460	4 296 346	4 296 346	4 553 213	4 923 616	5 402 051
Surplus/(Deficit) for the year		–	–	–	564 316	452 862	452 862	657 301	687 902	697 168

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist national and international accounts and comparison

2. Total Revenue by Functional Classification must reconcile to total operating revenue shown in Financial Performance (revenue and expenditure)

3. Total Expenditure by Functional Classification must reconcile to total operating expenditure shown in Financial Performance (revenue and expenditure)

4. All amounts must be classified under a Functional classification. The GFS function 'Other' is only for Abbatoirs, Air Transport, Forestry, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

check oprev balance	-	-	-	-	-	-	-	-	-
check opexp balance	-	-	-	-	-	-	0	-0	0

NW373 Rustenburg - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue by Vote	1									
Vote 1 - EXECUTIVE MAYOR		–	–	–	167 771	204 574	204 574	217 053	229 859	243 191
Vote 2 - MUNICIPAL MANAGER		–	–	–	10 925	10 497	10 497	6 784	7 171	7 190
Vote 3 - CORPORATE SUPPORT SERVICES		–	–	–	361	463	463	434	460	487
Vote 4 - BUDGET AND TREASURY		–	–	–	336 706	329 006	329 006	351 687	372 609	394 917
Vote 5 - PUBLIC SAFETY		–	–	–	40 223	30 281	30 281	32 185	34 084	36 061
Vote 6 - PLANNING AND HUMAN SETTLEMENT		–	–	–	11 760	10 046	10 046	10 658	11 287	11 942
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		–	–	–	235	345	345	366	388	410
Vote 8 - COMMUNITY DEVELOPMENT		–	–	–	191 181	190 361	190 361	222 303	250 630	286 717
Vote 9 - TECHNICAL AND INFRASTRUCTURE		–	–	–	3 623 684	3 875 249	3 875 249	4 301 544	4 640 715	5 053 979
Vote 10 - ROADS AND TRANSPORT		–	–	–	72 929	98 387	98 387	67 500	64 315	64 325
Vote 11 - MUNICIPAL ENTITY		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	–	–	–	**4 455 776**	**4 749 208**	**4 749 208**	**5 210 514**	**5 611 518**	**6 099 219**
Expenditure by Vote *to be appropriated*	1									
Vote 1 - EXECUTIVE MAYOR		–	–	–	154 996	82 438	82 438	86 552	92 301	98 401
Vote 2 - MUNICIPAL MANAGER		–	–	–	58 931	54 763	54 763	54 686	58 303	61 759
Vote 3 - CORPORATE SUPPORT SERVICES		–	–	–	62 559	76 712	76 712	76 933	82 017	87 575
Vote 4 - BUDGET AND TREASURY		–	–	–	127 003	141 985	141 985	135 412	142 090	148 985
Vote 5 - PUBLIC SAFETY		–	–	–	155 148	158 281	158 281	169 061	180 314	192 275
Vote 6 - PLANNING AND HUMAN SETTLEMENT		–	–	–	42 495	50 965	50 965	46 684	49 953	53 716
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		–	–	–	8 352	8 945	8 945	9 557	10 210	10 906
Vote 8 - COMMUNITY DEVELOPMENT		–	–	–	310 034	337 740	337 740	383 984	405 014	419 004
Vote 9 - TECHNICAL AND INFRASTRUCTURE		–	–	–	2 667 362	3 051 526	3 051 526	3 273 992	3 575 157	3 993 374
Vote 10 - ROADS AND TRANSPORT		–	–	–	304 580	332 991	332 991	316 350	328 257	336 056
Vote 11 - MUNICIPAL ENTITY		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	–	–	–	**3 891 460**	**4 296 346**	**4 296 346**	**4 553 213**	**4 923 616**	**5 402 051**
Surplus/(Deficit) for the year	2	–	–	–	**564 316**	**452 862**	**452 862**	**657 301**	**687 902**	**697 168**

References

1. Insert 'Vote'; e.g. department, if different to functional classification structure

2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)

3. Assign share in 'associate' to relevant Vote

NW373 Rustenburg - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue by Vote	1									
Vote 1 - EXECUTIVE MAYOR		–	–	–	167 771	204 574	204 574	217 053	229 859	243 191
1.1 - 001 - OFFICE OF THE EXECUTIVE MAYOR					–	–	–			
1.2 - 002 - OFFICE OF THE SPEAKER					–	–	–			
1.3 - 003 - MAYORAL COMMITTEE					–	–	–			
1.4 - 004 - COUNCIL GENERAL					167 771	204 574	204 574	217 053	229 859	243 191
1.5 - 005 - OFFICE OF THE CHIEF WHIP					–	–	–			
1.6 - 006 - INTERGOVERNMENTAL RELATIONS					–	–	–			
1.7 - 007 - OFFICE OF THE MUNICIPAL PUBLIC ACCOUNTS					–	–	–			
1.8 - 008 - MONITORING AND EVALUATION					–	–	–			
Vote 2 - MUNICIPAL MANAGER		–	–	–	10 925	10 497	10 497	6 784	7 171	7 190
2.1 - 010 - OFFICE OF THE MUNICIPAL MANAGER					–	128	128	136	144	152
2.2 - 011 - INTERNAL AUDITING					–	–	–			
2.3 - 012 - INTEGRATED DEVELOPMENT PLAN (IDP)					–	–	–			
2.4 - 013 - CORPORATE ADVISORY					–	–	–			
2.5 - 014 - PERFORMANCE MANAGEMENT SYSTEM					–	–	–			
2.6 - 017 - REGIONAL COMMUNITY CENTRES					9	2	2	2	2	2
2.7 - 018 - PROJECT MANAGEMENT UNIT					10 516	10 366	10 366	6 645	7 024	7 034
2.8 - 019 - OFFICE OF THE CHIEF OPERATIONS OFFICER					400	–	–			
2.9 - 050 - LEGAL AND VALUATION SERVICES					0	1	1	1	1	1
Vote 3 - CORPORATE SUPPORT SERVICES		–	–	–	361	463	463	434	460	487
3.1 - 020 - OFFICE OF THE DIRECTOR CORPORATE SUPPORT SERVICES					–	–	–			
3.2 - 015 - INFORMATION TECHNOLOGY					–	14	14	15	16	17
3.3 - 025 - ADMINISTRATIVE SUPPORT					24	35	35	37	39	42
3.4 - 030 - HUMAN RESOURCE MANAGEMENT					337	414	414	382	405	428
3.5 - 035 - OCCUPATIONALHEALTH AND SAFETYY					–	–	–			
Vote 4 - BUDGET AND TREASURY		–	–	–	336 706	329 006	329 006	351 687	372 609	394 917
4.1 - 070 - OFFICE OF THE CHIEF FINANCIAL OFFICER					–	1	1	1	1	1
4.2 - 075 - ACCOUNTING SERVICES					331 839	327 198	327 198	3 742	3 963	4 194
4.3 - 076 - BILLING					–	(1 551)	(1 551)	344 406	364 998	386 962
4.4 - 080 - FINANCIAL CONTROL					1 625	1 647	1 647	1 700	1 700	1 700
4.5 - 085 - SUPPLY CHAIN MANAGEMENT					–	–	–	23	25	26
4.6 - 090 - FINANCIAL MANAGEMENT SERVICES					3 242	1 711	1 711	1 816	1 923	2 034
Vote 5 - PUBLIC SAFETY		–	–	–	40 223	30 281	30 281	32 185	34 084	36 061
5.1 - 100 - OFFICE OF THE DIRECTOR PUBLIC SAFETY					–	–	–			
5.2 - 115 - EMERGENCY AND DISASTER MANAGEMENT					250	516	516	548	580	614
5.3 - 130 - TRAFFIC SERVICES					10 284	1 585	1 585	1 681	1 781	1 884
5.4 - 140 - TESTING AND LICENSES					29 689	27 785	27 785	29 537	31 279	33 094
5.5 - 145 - LAW ENFORCEMENT						395	395	419	444	470
						–	–			
						–	–			
						–	–			
						–	–			
Vote 6 - PLANNING AND HUMAN SETTLEMENT		–	–	–	11 760	10 046	10 046	10 658	11 287	11 942
6.1 - 150 - OFFICE OF THE DIRECTOR PLANNING AND HUMAN SETLEMENT					–	–	–			
6.2 - 155 - DEVELOPMENT PLANNING					671	656	656	696	737	779
6.3 - 156 - ESTATES					6 158	4 015	4 015	4 260	4 511	4 773
6.4 - 160 - HOUSING PROVISION					4 362	4 645	4 645	4 929	5 219	5 522
6.5 - 165 - BUILDING CONTROL AND REGULATIONS					571	730	730	774	820	867
						–	–			
						–	–			
						–	–			
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		–	–	–	235	345	345	366	388	410
7.1 - 180 - LOCAL ECONOMIC DEVELOPMENT					78	269	269	285	302	320
7.2 - 185 - ENTERPRISE / SMME DEVELOPMENT					157	76	76	81	86	91
7.3 - 190 - POLICY RESERCH AND MARKETING						–	–			
						–	–			
						–	–			
						–	–			
Vote 8 - COMMUNITY DEVELOPMENT		–	–	–	191 181	190 361	190 361	222 303	250 630	286 717
8.1 - 200 - OFFICE OF THE DIRECTOR COMMUNITY DEVELOPMENT					40	18	18	19	20	21
8.2 - 215 - LIBRARY AND INFORMATION SERVICES					584	581	581	737	642	649
8.3 - 220 - CEMETERIES					838	865	865	918	972	1 029
8.4 - 225 - COMMUNITY HALLS					1 192	1 014	1 014	1 076	1 139	1 205
8.5 - 230 - KLOOF HOLIDAY RESORT					900	900	900	955	1 011	1 070
8.6 - 235 - PARKS AND OPEN AREAS						–	–			
8.7 - 245 - SPORT FACILITIES					319	226	226	240	254	269
8.8 - 250 - SWIMMING POOLS					394	136	136	144	153	162
8.9 - 175 - INTEGRATED ENVIRONMENTAL MANAGEMENT						0	0	0	0	1
8.10 - 305 - CIVIL FACILITIES DEVELOPMENT AND MANAGEMENT					8	7	7	8	8	9
8.11 - 360 - WASTE MANAGEMENT					186 906	186 614	186 614	218 206	246 431	282 304
Vote 9 - TECHNICAL AND INFRASTRUCTURE		–	–	–	3 623 684	3 875 249	3 875 249	4 301 544	4 640 715	5 053 979
9.1 - 300 - OFFICE OF THE DIRECTOR TECHNICAL SERVICSE AND INFRASTRUCTURE DEVELOPMENT					1 486	1 635	1 635	1 735	1 837	1 944
9.2 - 310 - ELECTRICAL ENGINEERING SERVICES					2 153 038	2 342 379	2 342 379	2 541 084	2 781 077	3 054 638
9.3 - 315 - STREET LIGHTING								–	–	–
9.4 - 325 - MECHANICAL ENGINEERING SERVICES					702 346	712 683	712 683	833 512	975 331	1 070 310
9.5 - 340 - WATER SERVICE					367 940	389 023	389 023	424 238	417 075	461 694
9.6 - 345 - SANITATION SERVICE					398 874	429 529	429 529	500 974	465 395	465 395
Vote 10 - ROADS AND TRANSPORT		–	–	–	72 929	98 387	98 387	67 500	64 315	64 325
10.1 - 270 - RUSTENBURG RAPID TRANSPORT					72 678	98 336	98 336	67 447	64 258	64 269
10.2 - 335 - ROADS AND STORMWATER					250	50	50	53	56	57

NW373 Rustenburg - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
		–	–	–	–	–	–	–	–	–
Vote 11 - MUNICIPAL ENTITY										
11.1 - RUSTENBURG WATER SERVICE TRUST										
		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]										
12.1 - [Name of sub-vote]										
		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]										
13.1 - [Name of sub-vote]										
		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]										
14.1 - [Name of sub-vote]										
		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]										
15.1 - [Name of sub-vote]										
Total Revenue by Vote	2	–	–	–	4 455 776	4 749 208	4 749 208	5 210 514	5 611 518	6 099 219

NW373 Rustenburg - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Expenditure by Vote	1									
Vote 1 - EXECUTIVE MAYOR		–	–	–	154 996	82 438	82 438	86 552	92 301	98 401
1.1 - 001 - OFFICE OF THE EXECUTIVE MAYOR					12 680	14 864	14 864	16 055	17 130	18 276
1.2 - 002 - OFFICE OF THE SPEAKER					10 612	9 802	9 802	10 431	11 094	11 796
1.3 - 003 - MAYORAL COMMITTEE					10 950	9 894	9 894	10 586	11 326	12 117
1.4 - 004 - COUNCIL GENERAL					114 530	42 188	42 188	43 408	46 270	49 293
1.5 - 005 - OFFICE OF THE CHIEF WHIP					3 369	2 088	2 088	2 230	2 382	2 544
1.6 - 006 - INTERGOVERNMENTAL RELATIONS					1 690	1 445	1 445	1 543	1 649	1 761
1.7 - 007 - OFFICE OF THE MUNICIPAL PUBLIC ACCOUNTS					586	1 978	1 978	2 112	2 255	2 407
1.8 - 008 - MONITORING AND EVALUATION					578	178	178	187	197	206
Vote 2 - MUNICIPAL MANAGER		–	–	–	58 931	54 763	54 763	54 686	58 303	61 759
2.1 - 010 - OFFICE OF THE MUNICIPAL MANAGER					10 263	7 822	7 822	8 360	8 932	9 544
2.2 - 011 - INTERNAL AUDITING					4 282	4 671	4 671	4 995	5 341	5 711
2.3 - 012 - INTEGRATED DEVELOPMENT PLAN (IDP)					1 501	1 500	1 500	1 599	1 704	1 817
2.4 - 013 - CORPORATE ADVISORY						–	–	–		
2.5 - 014 - PERFORMANCE MANAGEMENT SYSTEM					34	34	34	34	35	35
2.6 - 017 - REGIONAL COMMUNITY CENTRES					7 374	7 569	7 569	8 092	8 651	9 248
2.7 - 018 - PROJECT MANAGEMENT UNIT					10 216	10 226	10 226	6 486	6 856	6 856
2.8 - 019 - OFFICE OF THE CHIEF OPERATIONS OFFICER					16 742	11 585	11 585	12 391	13 253	14 175
2.9 - 050 - LEGAL AND VALUATION SERVICES					8 519	11 357	11 357	12 730	13 530	14 373
Vote 3 - CORPORATE SUPPORT SERVICES		–	–	–	62 559	76 712	76 712	76 933	82 017	87 575
3.1 - 020 - OFFICE OF THE DIRECTOR CORPORATE SUPPORT SERVICES					2 262	2 421	2 421	2 587	2 765	2 955
3.2 - 015 - INFORMATION TECHNOLOGY					22 677	30 122	30 122	29 977	31 896	33 906
3.3 - 025 - ADMINISTRATIVE SUPPORT					17 448	20 677	20 677	20 004	21 393	22 860
3.4 - 030 - HUMAN RESOURCE MANAGEMENT					15 916	18 189	18 189	18 698	19 906	21 382
3.5 - 035 - OCCUPATIONALHEALTH AND SAFETYY					4 255	5 302	5 302	5 667	6 057	6 473
Vote 4 - BUDGET AND TREASURY		–	–	–	127 003	141 985	141 985	135 412	142 090	148 985
4.1 - 070 - OFFICE OF THE CHIEF FINANCIAL OFFICER					6 955	12 323	12 323	9 096	8 898	7 739
4.2 - 075 - ACCOUNTING SERVICES					66 888	38 277	38 277	50 065	51 757	54 329
4.3 - 076 - BILLING					–	21 435	21 435	21 843	23 210	24 661
4.4 - 080 - FINANCIAL CONTROL					26 506	44 780	44 780	27 971	30 027	32 186
4.5 - 085 - SUPPLY CHAIN MANAGEMENT					8 750	8 257	8 257	8 405	8 986	9 606
4.6 - 090 - FINANCIAL MANAGEMENT SERVICES					17 905	16 914	16 914	18 033	19 213	20 464
Vote 5 - PUBLIC SAFETY		–	–	–	155 148	158 281	158 281	169 061	180 314	192 275
5.1 - 100 - OFFICE OF THE DIRECTOR PUBLIC SAFETY					3 332	3 530	3 530	3 771	4 027	4 301
5.2 - 115 - EMERGENCY AND DISASTER MANAGEMENT					29 368	33 064	33 064	35 356	37 720	40 233
5.3 - 130 - TRAFFIC SERVICES					53 500	66 060	66 060	70 538	75 157	80 051
5.4 - 140 - TESTING AND LICENSES					27 412	27 484	27 484	29 332	31 301	33 402
5.5 - 145 - LAW ENFORCEMENT					35 840	23 130	23 130	24 740	26 460	28 300
					5 696	5 012	5 012	5 325	5 649	5 988
Vote 6 - PLANNING AND HUMAN SETTLEMENT		–	–	–	42 495	50 965	50 965	46 684	49 953	53 716
6.1 - 150 - OFFICE OF THE DIRECTOR PLANNING AND HUMAN SETLEMENT					3 866	2 303	2 303	2 461	2 630	2 810
6.2 - 155 - DEVELOPMENT PLANNING					12 753	22 203	22 203	16 018	17 279	18 913
6.3 - 156 - ESTATES					2 862	3 271	3 271	3 496	3 736	3 993
6.4 - 160 - HOUSING PROVISION					18 349	18 408	18 408	19 597	20 841	22 153
6.5 - 165 - BUILDING CONTROL AND REGULATIONS					4 665	4 780	4 780	5 112	5 467	5 847
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		–	–	–	8 352	8 945	8 945	9 557	10 210	10 906
7.1 - 180 - LOCAL ECONOMIC DEVELOPMENT					3 421	3 336	3 336	3 564	3 808	4 068
7.2 - 185 - ENTERPRISE / SMME DEVELOPMENT					3 885	4 097	4 097	4 378	4 677	4 995
7.3 - 190 - POLICY RESERCH AND MARKETING					1 045	1 512	1 512	1 615	1 725	1 843
Vote 8 - COMMUNITY DEVELOPMENT		–	–	–	310 034	337 740	337 740	383 984	405 014	419 004
8.1 - 200 - OFFICE OF THE DIRECTOR COMMUNITY DEVELOPMENT					3 566	3 655	3 655	3 897	4 152	4 422
8.2 - 215 - LIBRARY AND INFORMATION SERVICES					19 045	19 186	19 186	20 265	21 624	23 071
8.3 - 220 - CEMETERIES					6 331	6 835	6 835	7 330	7 829	8 362
8.4 - 225 - COMMUNITY HALLS					25 179	25 889	25 889	27 683	29 463	31 346
8.5 - 230 - KLOOF HOLIDAY RESORT					7 546	7 546	7 546	8 006	8 479	8 971
8.6 - 235 - PARKS AND OPEN AREAS					31 472	31 889	31 889	33 171	35 396	37 764
8.7 - 245 - SPORT FACILITIES					40 849	41 311	41 311	43 910	46 606	49 433
8.8 - 250 - SWIMMING POOLS					10 091	9 272	9 272	9 874	10 507	11 175
8.9 - 175 - INTEGRATED ENVIRONMENTAL MANAGEMENT					4 776	4 507	4 507	4 804	5 117	5 448
8.10 - 305 - CIVIL FACILITIES DEVELOPMENT AND MANAGEMENT					29 536	28 796	28 796	30 590	32 447	34 391
8.11 - 360 - WASTE MANAGEMENT					131 643	158 854	158 854	194 454	203 395	204 621
Vote 9 - TECHNICAL AND INFRASTRUCTURE		–	–	–	2 667 362	3 051 526	3 051 526	3 273 992	3 575 157	3 993 374
9.1 - 300 - OFFICE OF THE DIRECTOR TECHNICAL SERVICSE AND INFRASTRUCTURE DEVELOPMENT					4 835	4 410	4 410	4 712	5 033	5 377
9.2 - 310 - ELECTRICAL ENGINEERING SERVICES					1 817 334	2 125 729	2 125 729	2 104 936	2 348 636	2 606 139
9.3 - 315 - STREET LIGHTING						–	–			
9.4 - 325 - MECHANICAL ENGINEERING SERVICES					21 404	19 789	19 789	21 095	22 473	23 935
9.5 - 340 - WATER SERVICE					500 757	538 855	538 855	745 562	833 496	990 966
9.6 - 345 - SANITATION SERVICE					323 032	362 742	362 742	397 689	365 519	368 957
Vote 10 - ROADS AND TRANSPORT		–	–	–	304 580	332 991	332 991	316 350	328 257	336 056
10.1 - 270 - RUSTENBURG RAPID TRANSPORT					72 578	98 594	98 594	67 341	64 146	64 146
10.2 - 335 - ROADS AND STORMWATER					232 002	234 397	234 397	249 009	264 111	271 910

NW373 Rustenburg - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
		–	–	–	–	–	–	–	–	–
Vote 11 - MUNICIPAL ENTITY										
11 1 - RUSTENBURG WATER SERVICE TRUST										
Total Expenditure by Vote	2	–	–	–	3 891 460	4 296 346	4 296 346	4 553 213	4 923 616	5 402 051
Surplus/(Deficit) for the year	2	–	–	–	564 316	452 862	452 862	657 301	687 902	697 168

References

1. Insert 'Vote'; e.g. Department, if different to Functional structure

2. Must reconcile to Financial Performance ('Revenue and Expenditure by Functional Classification' and 'Revenue and Expenditure')

3. Assign share in 'associate' to relevant Vote

NW373 Rustenburg - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 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 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue By Source											
Property rates	2	–	–	–	300 115	300 115	300 115	300 115	319 434	340 074	362 089
Service charges - electricity revenue	2	–	–	–	2 072 510	2 264 868	2 264 868	2 264 868	2 471 460	2 706 301	2 979 704
Service charges - water revenue	2	–	–	–	484 254	484 054	484 054	484 054	547 366	624 477	718 726
Service charges - sanitation revenue	2	–	–	–	250 835	271 828	271 828	271 828	300 693	337 055	381 222
Service charges - refuse revenue	2	–	–	–	113 160	113 160	113 160	113 160	135 076	163 266	199 103
Service charges - other					295	225	225	225	239	254	269
Rental of facilities and equipment					8 884	10 082	10 082	10 082	10 697	11 328	11 985
Interest earned - external investments					35 241	15 193	15 193	15 193	16 114	17 107	18 099
Interest earned - outstanding debtors					139 244	196 047	196 047	196 047	208 006	220 278	233 054
Dividends received						–	–	–			
Fines, penalties and forfeits					9 062	1 614	1 614	1 614	1 713	1 814	1 919
Licences and permits					10 856	8 591	8 591	8 591	9 115	9 653	10 213
Agency services					19 277	19 277	19 277	19 277	20 453	21 659	22 916
Transfers and subsidies					583 768	609 026	609 026	609 026	642 016	664 095	664 095
Other revenue	2	–	–	–	24 400	24 241	24 241	24 241	25 719	27 237	28 816
Gains on disposal of PPE					5 000	1 358	1 358	1 358	1 441	1 526	1 614
Total Revenue (excluding capital transfers and contributions)		–	–	–	4 056 902	4 319 679	4 319 679	4 319 679	4 709 540	5 146 123	5 633 824
Expenditure By Type											
Employee related costs	2	–	–	–	577 889	580 038	580 038	580 038	632 787	676 883	723 659
Remuneration of councillors					30 722	30 837	30 837	30 837	33 500	35 819	38 296
Debt impairment	3				386 643	386 643	386 643	386 643	560 536	583 311	601 235
Depreciation & asset impairment	2	–	–	–	415 968	415 977	415 977	415 977	440 290	465 241	480 216
Finance charges					52 721	61 822	61 822	61 822	61 565	61 026	61 754
Bulk purchases	2	–	–	–	1 769 272	2 082 000	2 082 000	2 082 000	2 167 582	2 436 036	2 765 418
Other materials	8				131 712	168 388	168 388	168 388	173 055	196 060	233 297
Contracted services		–	–	–	208 411	313 749	313 749	313 749	241 982	249 151	262 349
Transfers and subsidies		–	–	–	30 204	19 749	19 749	19 749	6 060	6 389	6 731
Other expenditure	4, 5	–	–	–	287 919	237 143	237 143	237 143	235 856	213 701	229 097
Loss on disposal of PPE											
Total Expenditure		–	–	–	3 891 460	4 296 346	4 296 346	4 296 346	4 553 213	4 923 616	5 402 051
Surplus/(Deficit)		–	–	–	165 442	23 333	23 333	23 333	156 327	222 507	231 773
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)					398 874	429 529	429 529	429 529	500 974	465 395	465 395
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	6	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)											
Surplus/(Deficit) after capital transfers & contributions		–	–	–	564 316	452 862	452 862	452 862	657 301	687 902	697 168
Taxation											
Surplus/(Deficit) after taxation		–	–	–	564 316	452 862	452 862	452 862	657 301	687 902	697 168
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		–	–	–	564 316	452 862	452 862	452 862	657 301	687 902	697 168
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		–	–	–	564 316	452 862	452 862	452 862	657 301	687 902	697 168

References

1. Classifications are revenue sources and expenditure type

2. Detail to be provided in Table SA1

3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment

4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs

5. Repairs & maintenance detailed in Table A9 and Table SA34c

6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)

7. Equity method (Includes Joint Ventures)

NW373 Rustenburg - Table A5 Consolidated Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 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 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital expenditure - Vote											
Multi-year expenditure *to be appropriated*	2										
Vote 1 - EXECUTIVE MAYOR		–	–	–	–	–	–	–	–	–	–
Vote 2 - MUNICIPAL MANAGER		–	–	–	7 465	40	40	40	27 722	24 813	24 813
Vote 3 - CORPORATE SUPPORT SERVICES		–	–	–	11 000	11 000	11 000	11 000	–	–	–
Vote 4 - BUDGET AND TREASURY		–	–	–	–	–	–	–	–	–	–
Vote 5 - PUBLIC SAFETY		–	–	–	–	–	–	–	–	–	–
Vote 6 - PLANNING AND HUMAN SETTLEMENT		–	–	–	–	–	–	–	–	–	–
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		–	–	–	–	–	–	–	–	–	–
Vote 8 - COMMUNITY DEVELOPMENT		–	–	–	9 391	12 863	12 863	12 863	9 153	1 605	1 605
Vote 9 - TECHNICAL AND INFRASTRUCTURE		–	–	–	184 558	313 589	313 589	313 589	191 321	218 000	218 000
Vote 10 - ROADS AND TRANSPORT		–	–	–	205 461	239 761	239 761	239 761	272 778	220 976	220 976
Vote 11 - MUNICIPAL ENTITY		–	–	–	69 000	69 000	69 000	69 000	69 000	43 000	16 000
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	7	–	–	–	486 874	646 252	646 252	646 252	569 974	508 395	481 395
Single-year expenditure *to be appropriated*	2										
Vote 1 - EXECUTIVE MAYOR		–	–	–	–	–	–	–	–	–	–
Vote 2 - MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–
Vote 3 - CORPORATE SUPPORT SERVICES		–	–	–	–	–	–	–	–	–	–
Vote 4 - BUDGET AND TREASURY		–	–	–	–	–	–	–	–	–	–
Vote 5 - PUBLIC SAFETY		–	–	–	–	–	–	–	–	–	–
Vote 6 - PLANNING AND HUMAN SETTLEMENT		–	–	–	–	–	–	–	–	–	–
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		–	–	–	–	–	–	–	–	–	–
Vote 8 - COMMUNITY DEVELOPMENT		–	–	–	–	–	–	–	–	–	–
Vote 9 - TECHNICAL AND INFRASTRUCTURE		–	–	–	–	–	–	–	–	–	–
Vote 10 - ROADS AND TRANSPORT		–	–	–	–	–	–	–	–	–	–
Vote 11 - MUNICIPAL ENTITY		–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Vote		–	–	–	486 874	646 252	646 252	646 252	569 974	508 395	481 395
Capital Expenditure - Functional											
Governance and administration		–	–	–	18 465	11 040	11 040	11 040	27 722	24 813	24 813
Executive and council					7 465	–	–	–	27 722	24 813	24 813
Finance and administration					–	–	–	–			
Internal audit					11 000	11 040	11 040	11 040			
Community and public safety		–	–	–	9 391	12 863	12 863	12 863	9 153	1 605	1 605
Community and social services					1 532	4 997	4 997	4 997	9 153	1 605	1 605
Sport and recreation					7 859	7 866	7 866	7 866			
Public safety					–	–	–	–			
Housing					–	–	–	–			
Health					–	–	–	–			
Economic and environmental services		–	–	–	305 002	335 242	335 242	335 242	272 778	220 976	220 976
Planning and development					–	–	–	–			
Road transport					305 002	335 242	335 242	335 242	272 778	220 976	220 976
Environmental protection					–	–	–	–			
Trading services		–	–	–	144 016	277 108	277 108	277 108	260 321	261 000	234 000
Energy sources					21 800	76 944	76 944	76 944	21 700	10 000	10 000
Water management					53 216	128 884	128 884	128 884	156 058	208 000	208 000
Waste water management					69 000	71 279	71 279	71 279	82 564	43 000	16 000
Waste management					–	–	–	–			
Other					10 000	10 000	10 000	10 000			
Total Capital Expenditure - Functional	3	–	–	–	486 874	646 252	646 252	646 252	569 974	508 395	481 395
Funded by:											
National Government					397 342	426 947	426 947	426 947	499 521	463 789	463 789
Provincial Government					1 532	2 582	2 582	2 582	1 453	1 605	1 605
District Municipality					–	–	–	–			
Other transfers and grants					–	–	–	–			
Transfers recognised - capital	4	–	–	–	398 874	429 529	429 529	429 529	500 974	465 395	465 395
Public contributions & donations	5				69 000	69 000	69 000	69 000	69 000	43 000	16 000
Borrowing	6				–	128 603	128 603	128 603			
Internally generated funds					19 000	19 120	19 120	19 120			
Total Capital Funding	7	–	–	–	486 874	646 252	646 252	646 252	569 974	508 395	481 395

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3)

2. Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year

3. Capital expenditure by functional classification must reconcile to the appropriations by vote

4. Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure)

5. Must reconcile to Budgeted Financial Performance (revenue and expenditure)

6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17

7. Total Capital Funding must balance with Total Capital Expenditure

8. Include any capitalised interest (MFMA section 46) as part of relevant capital budget

NW373 Rustenburg - Table A5 Consolidated Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 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 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital expenditure - Municipal Vote	2										
Multi-year expenditure appropriation											
Vote 1 - EXECUTIVE MAYOR		–	–	–	–	–	–	–	–	–	–
1.1 - 001 - OFFICE OF THE EXECUTIVE MAYOR									–	–	–
1.2 - 002 - OFFICE OF THE SPEAKER									–	–	–
1.3 - 003 - MAYORAL COMMITTEE									–	–	–
1.4 - 004 - COUNCIL GENERAL									–	–	–
1.5 - 005 - OFFICE OF THE CHIEF WHIP									–	–	–
1.6 - 006 - INTERGOVERNMENTAL RELATIONS									–	–	–
1.7 - 007 - OFFICE OF THE MUNICIPAL PUBLIC ACCOUNTS									–	–	–
1.8 - 008 - MONITORING AND EVALUATION									–	–	–
Vote 2 - MUNICIPAL MANAGER		–	–	–	7 465	40	40	40	27 722	24 813	24 813
2.1 - 010 - OFFICE OF THE MUNICIPAL MANAGER					–	–	–	–	–	–	–
2.2 - 011 - INTERNAL AUDITING					–	–	–	–	–	–	–
2.3 - 012 - INTEGRATED DEVELOPMENT PLAN (IDP)					–	–	–	–	–	–	–
2.4 - 013 - CORPORATE ADVISORY					–	–	–	–	–	–	–
2.5 - 014 - PERFORMANCE MANAGEMENT SYSTEM					–	–	–	–	–	–	–
2.6 - 017 - REGIONAL COMMUNITY CENTRES					–	40	40	40	27 722	24 813	24 813
2.7 - 018 - PROJECT MANAGEMENT UNIT					7 465	–	–	–	–	–	–
2.8 - 019 - OFFICE OF THE CHIEF OPERATIONS OFFICER					–	–	–	–	–	–	–
2.9 - 050 - LEGAL AND VALUATION SERVICES						–	–		–	–	–
Vote 3 - CORPORATE SUPPORT SERVICES		–	–	–	11 000	11 000	11 000	11 000	–	–	–
3.1 - 020 - OFFICE OF THE DIRECTOR CORPORATE SUPPORT SERVICES					–	–	–	–	–	–	–
3.2 - 015 - INFORMATION TECHNOLOGY					11 000	11 000	11 000	11 000	–	–	–
3.3 - 025 - ADMINISTRATIVE SUPPORT					–	–	–	–	–	–	–
3.4 - 030 - HUMAN RESOURCE MANAGEMENT					–	–	–	–	–	–	–
3.5 - 035 - OCCUPATIONALHEALTH AND SAFETYY					–	–	–	–	–	–	–
					–	–	–	–	–	–	–
					–	–	–	–	–	–	–
					–	–	–	–	–	–	–
					–	–	–	–	–	–	–
					–	–	–	–	–	–	–
Vote 4 - BUDGET AND TREASURY		–	–	–	–	–	–	–	–	–	–
4.1 - 070 - OFFICE OF THE CHIEF FINANCIAL OFFICER									–	–	–
4.2 - 075 - ACCOUNTING SERVICES									–	–	–
4.3 - 076 - BILLING									–	–	–
4.4 - 080 - FINANCIAL CONTROL									–	–	–
4.5 - 085 - SUPPLY CHAIN MANAGEMENT									–	–	–
4.6 - 090 - FINANCIAL MANAGEMENT SERVICES									–	–	–
									–	–	–
									–	–	–
									–	–	–
Vote 5 - PUBLIC SAFETY		–	–	–	–	–	–	–	–	–	–
5.1 - 100 - OFFICE OF THE DIRECTOR PUBLIC SAFETY									–	–	–
5.2 - 115 - EMERGENCY AND DISASTER MANAGEMENT									–	–	–
5.3 - 130 - TRAFFIC SERVICES									–	–	–
5.4 - 140 - TESTING AND LICENSES									–	–	–
5.5 - 145 - LAW ENFORCEMENT									–	–	–
									–	–	–
									–	–	–
									–	–	–
Vote 6 - PLANNING AND HUMAN SETTLEMENT		–	–	–	–	–	–	–	–	–	–
6.1 - 150 - OFFICE OF THE DIRECTOR PLANNING AND HUMAN SETLEMENT									–	–	–
6.2 - 155 - DEVELOPMENT PLANNING									–	–	–
6.3 - 156 - ESTATES									–	–	–
6.4 - 160 - HOUSING PROVISION									–	–	–
6.5 - 165 - BUILDING CONTROL AND REGULATIONS									–	–	–
									–	–	–
									–	–	–
									–	–	–
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		–	–	–	–	–	–	–	–	–	–
7.1 - 180 - LOCAL ECONOMIC DEVELOPMENT									–	–	–
7.2 - 185 - ENTERPRISE / SMME DEVELOPMENT									–	–	–
7.3 - 190 - POLICY RESERCH AND MARKETING									–	–	–
									–	–	–
									–	–	–
									–	–	–
Vote 8 - COMMUNITY DEVELOPMENT		–	–	–	9 391	12 863	12 863	12 863	9 153	1 605	1 605
8.1 - 200 - OFFICE OF THE DIRECTOR COMMUNITY DEVELOPMENT					–	–	–	–	–	–	–
8.2 - 215 - LIBRARY AND INFORMATION SERVICES					1 532	2 582	2 582	2 582	1 453	1 605	1 605
8.3 - 220 - CEMETERIES					–	120	120	120	7 700	–	–
8.4 - 225 - COMMUNITY HALLS					–	–	–	–	–	–	–
8.5 - 230 - KLOOF HOLIDAY RESORT					–	–	–	–	–	–	–
8.6 - 235 - PARKS AND OPEN AREAS					–	–	–	–	–	–	–
8.7 - 245 - SPORT FACILITIES					7 859	7 866	7 866	7 866	–	–	–
8.8 - 250 - SWIMMING POOLS					–	–	–	–	–	–	–
8.9 - 175 - INTEGRATED ENVIRONMENTAL MANAGEMENT					–	–	–	–	–	–	–
8.10 - 305 - CIVIL FACILITIES DEVELOPMENT AND MANAGEMENT						2 295	2 295	2 295			
Vote 9 - TECHNICAL AND INFRASTRUCTURE		–	–	–	184 558	313 589	313 589	313 589	191 321	218 000	218 000
9.1 - 300 - OFFICE OF THE DIRECTOR TECHNICAL SERVICSE AND INFRASTRUCTURE DEVELOPMENT					–	–	–	–	–	–	–
9.2 - 310 - ELECTRICAL ENGINEERING SERVICES					21 800	76 944	76 944	76 944	–	–	–
9.3 - 315 - STREET LIGHTING					10 000	10 000	10 000	10 000	–	–	–
9.4 - 325 - MECHANICAL ENGINEERING SERVICES					99 541	95 481	95 481	95 481	21 700	10 000	10 000
9.5 - 340 - WATER SERVICE					53 216	128 884	128 884	128 884	–	–	–
9.6 - 345 - SANITATION SERVICE					–	2 279	2 279	2 279	156 058	208 000	208 000
					–				13 564	–	–

Vote 10 - ROADS AND TRANSPORT	–	–	–	205 461	239 761	239 761	239 761	272 778	220 976	220 976
10.1 - 270 - RUSTENBURG RAPID TRANSPORT				205 461	239 761	239 761	239 761	232 778	178 976	178 976
10.2 - 335 - ROADS AND STORMWATER				–	–	–	–	40 000	42 000	42 000
Vote 11 - MUNICIPAL ENTITY	–	–	–	69 000	69 000	69 000	69 000	69 000	43 000	16 000
11.1 - RUSTENBURG WATER SERVICE TRUST				69 000	69 000	69 000	69 000	69 000	43 000	16 000
Vote 12 - [NAME OF VOTE 12]	–	–	–	–	–	–	–			
12.1 - [Name of sub-vote]										
Vote 13 - [NAME OF VOTE 13]	–	–	–	–	–	–	–			
13.1 - [Name of sub-vote]										
Vote 14 - [NAME OF VOTE 14]	–	–	–	–	–	–	–			
14.1 - [Name of sub-vote]										
Vote 15 - [NAME OF VOTE 15]	–	–	–	–	–	–	–			
15.1 - [Name of sub-vote]										
Capital multi-year expenditure sub-total	–	–	–	486 874	646 252	646 252	646 252	569 974	508 395	481 395

NW373 Rustenburg - Table A6 Consolidated Budgeted Financial Position

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
ASSETS											
Current assets					194 248	194 248	194 248	194 248	201 432	229 602	241 025
Cash					908 963	358 310	(145 184)	(145 184)	351 410	873 024	1 460 034
Call investment deposits	1	–	–	–	319 301	319 301	319 301	319 301	325 964	331 169	355 436
Consumer debtors	1	–	–	–	88 207	88 207	88 207	88 207	93 500	99 110	110 250
Other debtors					844	844	844	844	887	931	945
Current portion of long-term receivables					16 674	16 674	16 674	16 674	17 674	18 735	21 369
Inventory	2										
Total current assets		–	–	–	1 528 238	977 585	474 091	474 091	990 867	1 552 570	2 189 059
Non current assets											
Long-term receivables					–	–	–	–	–	–	–
Investments					880	880	880	880	890	900	915
Investment property					314 509	314 509	314 509	314 509	327 089	340 173	352 145
Investment in Associate					–	–	–	–	–	–	–
Property, plant and equipment	3	–	–	–	9 206 086	9 206 086	9 206 086	9 206 086	9 312 956	9 760 249	9 938 235
Agricultural					–	–	–	–	–	–	–
Biological					–	–	–	–	–	–	–
Intangible					706	706	706	706	734	764	795
Other non-current assets					119	119	119	119	124	129	134
Total non current assets		–	–	–	9 522 300	9 522 300	9 522 300	9 522 300	9 641 793	10 102 215	10 292 224
TOTAL ASSETS		–	–	–	11 050 538	10 499 885	9 996 391	9 996 391	10 632 660	11 654 785	12 481 283
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	–	–	–	49 051	49 051	49 051	49 051	51 504	52 125	54 102
Consumer deposits					42 198	42 198	42 198	42 198	44 397	46 724	49 125
Trade and other payables	4	–	–	–	800 664	599 048	599 048	599 048	610 170	617 087	628 238
Provisions					20 523	20 523	20 523	20 523	21 755	23 060	25 142
Total current liabilities		–	–	–	912 436	710 820	710 820	710 820	727 825	738 996	756 608
Non current liabilities											
Borrowing		–	–	–	556 207	556 207	556 207	556 207	500 938	442 542	395 125
Provisions		–	–	–	219 118	219 118	219 118	219 118	229 252	238 834	248 914
Total non current liabilities		–	–	–	775 325	775 325	775 325	775 325	730 189	681 376	644 039
TOTAL LIABILITIES		–	–	–	1 687 762	1 486 145	1 486 145	1 486 145	1 458 015	1 420 372	1 400 647
NET ASSETS	5	–	–	–	9 362 777	9 013 739	8 510 246	8 510 246	9 174 645	10 234 413	11 080 636
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)					9 150 990	8 801 952	8 298 459	8 298 459	8 986 601	10 041 015	10 882 493
Reserves	4	–	–	–	211 787	211 787	211 787	211 787	188 045	193 397	198 143
TOTAL COMMUNITY WEALTH/EQUITY	5	–	–	–	9 362 777	9 013 739	8 510 246	8 510 246	9 174 645	10 234 413	11 080 636

References

1. Detail to be provided in Table SA3

2. Include completed low cost housing to be transferred to beneficiaries within 12 months

3. Include 'Construction-work-in-progress' (disclosed separately in annual financial statements)

4. Detail to be provided in Table SA3. Includes reserves to be funded by statute.

5 Net assets must balance with Total Community Wealth/Equity

NW373 Rustenburg - Table A7 Consolidated Budgeted Cash Flows

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates					275 556	275 556	240 693	240 693	280 074	285 460	300 913
Service charges					2 671 542	2 941 425	2 658 079	2 658 079	3 099 384	3 481 444	3 931 848
Other revenue					72 478	63 834	63 805	63 805	67 697	71 691	75 849
Government - operating	1				583 768	609 026	609 026	609 026	642 016	664 095	664 095
Government - capital	1				398 874	429 529	235 529	235 529	500 974	465 395	465 395
Interest					35 241	15 193	15 193	15 193	16 114	17 107	18 099
Dividends					–	–	–	–	–	–	–
Payments											
Suppliers and employees					(3 005 924)	(3 412 155)	(3 409 580)	(3 409 580)	(3 484 762)	(3 807 650)	(4 252 116)
Finance charges					(52 721)	(61 822)	(61 822)	(61 822)	(61 565)	(61 026)	(61 754)
Transfers and Grants	1				(24 779)	(19 749)	(19 749)	(19 749)	(6 060)	(6 389)	(6 731)
NET CASH FROM/(USED) OPERATING ACTIVITIES		–	–	–	954 035	840 838	331 174	331 174	1 053 871	1 110 126	1 135 597
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE					93 000	1 358	70 358	70 358	70 441	1 526	1 614
Decrease (Increase) in non-current debtors					–	–	–	–	–	–	–
Decrease (increase) other non-current receivables					–	–	–	–	–	–	–
Decrease (increase) in non-current investments					–	–	–	–	–	–	–
Payments											
Capital assets					(486 873)	(646 252)	(646 252)	(646 252)	(569 974)	(508 395)	(481 395)
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	–	–	(393 873)	(644 895)	(575 895)	(575 895)	(499 533)	(506 869)	(479 780)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans					–	–	–	–	–	–	–
Borrowing long term/refinancing					–	–	–	–	–	–	–
Increase (decrease) in consumer deposits					2 078	2 078	2 078	2 078	2 161	2 247	2 337
Payments											
Repayment of borrowing					(52 721)	(52 721)	(52 656)	(52 656)	(52 721)	(55 721)	(59 721)
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	(50 643)	(50 643)	(50 578)	(50 578)	(50 560)	(53 474)	(57 384)
NET INCREASE/ (DECREASE) IN CASH HELD		–	–	–	509 519	145 300	(295 298)	(295 298)	503 778	549 783	598 433
Cash/cash equivalents at the year begin	2				593 693	407 258	344 363	344 363	49 065	552 842	1 102 626
Cash/cash equivalents at the year end:	2	–	–	–	1 103 212	552 558	49 065	49 065	552 842	1 102 626	1 701 059

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities

2. Cash equivalents includes investments with maturities of 3 months or less

NW373 Rustenburg - Table A8 Consolidated Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Cash and investments available											
Cash/cash equivalents at the year end	1	–	–	–	1 103 212	552 558	49 065	49 065	552 842	1 102 626	1 701 059
Other curren: investments > 90 days		–	–	–	–	–	–	–	–	–	–
Non current assets - Investments	1	–	–	–	880	880	880	880	890	900	915
Cash and investments available:		–	–	–	1 104 092	553 438	49 944	49 944	553 732	1 103 526	1 701 974
Application of cash and investments											
Unspent conditional transfers		–	–	–	201 616	–	–	–	25 000	–	–
Unspent borrowing		–	–	–	–	–	–		80 844	–	–
Statutory requirements	2				(24 231)	(14 731)	(14 731)	(14 731)	(17 010)	(27 226)	(29 752)
Other working capital requirements	3	–	–	–	264 835	261 362	296 468	296 468	253 826	274 266	251 855
Other provisions					20 523	20 523	20 523	20 523	62 340	66 080	70 632
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5				89 009	89 009	89 009	89 009	62 569	66 272	69 000
Total Application of cash and investments:		–	–	–	551 752	356 163	391 269	391 269	467 569	379 392	361 735
Surplus(shortfall)		–	–	–	552 339	197 275	(341 325)	(341 325)	86 163	724 133	1 340 239

References

1. Must reconcile with Budgeted Cash Flows

2. For example: VAT, taxation

3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)

4 For example: sinking fund requirements for borrowing

5. Council approval required for each reserve created and basis of cash backing of reserves

NW373 Rustenburg - Table A9 Consolidated Asset Management

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
CAPITAL EXPENDITURE										
Total New Assets	1	–	–	–	207 617	197 524	197 524	569 974	508 395	481 395
Roads Infrastructure		–	–	–	99 541	95 481	95 481	272 778	220 976	220 976
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	21 700	10 000	10 000
Water Supply Infrastructure		–	–	–	30 216	23 216	23 216	156 058	208 000	208 000
Sanitation Infrastructure		–	–	–	69 000	69 000	69 000	82 564	43 000	16 000
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	–	*198 758*	*187 698*	*187 698*	*533 099*	*481 976*	*454 976*
Community Facilities		–	–	–	–	–	–	9 153	1 605	1 605
Sport and Recreation Facilities		–	–	–	7 859	7 866	7 866	–	–	–
Community Assets		–	–	–	*7 859*	*7 866*	*7 866*	*9 153*	*1 605*	*1 605*
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	27 722	24 813	24 813
Investment properties		–	–	–	–	–	–	*27 722*	*24 813*	*24 813*
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	120	120	–	–	–
Other Assets		–	–	–	–	*120*	*120*	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	1 000	1 840	1 840	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Renewal of Existing Assets	2	–	–	–	279 258	448 729	448 729	–	–	–
Roads Infrastructure		–	–	–	205 461	239 761	239 761	–	–	–
Storm water Infrastructure		–	–	–	21 800	76 944	76 944	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	43 000	105 668	105 668	–	–	–
Sanitation Infrastructure		–	–	–	–	2 279	2 279	–	–	–
Solid Waste Infrastructure		–	–	–	–	2 295	2 295	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	–	*270 261*	*426 947*	*426 947*	–	–	–
Community Facilities		–	–	–	8 997	2 582	2 582	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	*8 997*	*2 582*	*2 582*	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	9 200	9 200	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	10 000	10 000	–	–	–
Libraries		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Upgrading of Existing Assets	6	–	–	–	–	–	–	76 278	61 580	27 000
Roads Infrastructure		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	–	–	–	–	–	–	–
Community Facilities		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	–	–	–	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–

Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	76 278	61 580	27 000
Intangible Assets		–	–	–	–	–	–	*76 278*	*61 580*	*27 000*
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure	4									
Roads Infrastructure		–	–	–	305 002	335 242	335 242	272 778	220 976	220 976
Storm water Infrastructure		–	–	–	21 800	76 944	76 944	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	21 700	10 000	10 000
Water Supply Infrastructure		–	–	–	73 216	128 884	128 884	156 058	208 000	208 000
Sanitation Infrastructure		–	–	–	69 000	71 279	71 279	82 564	43 000	16 000
Solid Waste Infrastructure		–	–	–	–	2 295	2 295	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	–	*469 018*	*614 645*	*614 645*	*533 099*	*481 976*	*454 976*
Community Facilities		–	–	–	8 997	2 582	2 582	9 153	1 605	1 605
Sport and Recreation Facilities		–	–	–	7 859	7 866	7 866	–	–	–
Community Assets		–	–	–	*16 856*	*10 448*	*10 448*	*9 153*	*1 605*	*1 605*
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	27 722	24 813	24 813
Investment properties		–	–	–	–	–	–	*27 722*	*24 813*	*24 813*
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	120	120	–	–	–
Other Assets		–	–	–	–	*120*	*120*	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	76 278	61 580	27 000
Intangible Assets		–	–	–	–	–	–	*76 278*	*61 580*	*27 000*
Computer Equipment		–	–	–	1 000	11 040	11 040	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	10 000	10 000	–	–	–
Libraries		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class		–	–	–	486 874	646 252	646 252	646 252	569 974	508 395
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Roads Infrastructure					2 511 071	2 511 071	2 511 071	2 434 567	2 583 417	2 592 002
Storm water Infrastructure					1 782 762	1 782 762	1 782 762	1 787 793	1 780 140	1 771 464
Electrical Infrastructure					1 548 383	1 548 383	1 548 383	1 729 733	1 826 926	1 943 173
Water Supply Infrastructure					1 666 786	1 666 786	1 666 786	1 703 286	1 896 468	1 961 769
Sanitation Infrastructure					1 571 900	1 571 900	1 571 900	1 543 290	1 572 993	1 580 938
Solid Waste Infrastructure										
Rail Infrastructure										
Coastal Infrastructure										
Information and Communication Infrastructure										
Infrastructure		–	–	–	*9 080 901*	*9 080 901*	*9 080 901*	*9 198 669*	*9 659 944*	*9 849 345*
Community Facilities					45 634	45 634	45 634	51 201	55 215	59 807
Sport and Recreation Facilities										
Community Assets		–	–	–	*45 634*	*45 634*	*45 634*	*51 201*	*55 215*	*59 807*
Heritage Assets					–	–	–			
Revenue Generating					314 509	314 509	314 509	310 652	305 771	301 766
Non-revenue Generating										
Investment properties		–	–	–	*314 509*	*314 509*	*314 509*	*310 652*	*305 771*	*301 766*
Operational Buildings					79 550	79 550	79 550	79 550	79 550	79 550
Housing										
Other Assets		–	–	–	*79 550*	*79 550*	*79 550*	*79 550*	*79 550*	*79 550*
Biological or Cultivated Assets										
Servitudes					706	706	706	706	706	706
Licences and Rights										
Intangible Assets		–	–	–	*706*	*706*	*706*	*706*	*706*	*706*
Computer Equipment										
Furniture and Office Equipment										
Machinery and Equipment										
Transport Assets										
Libraries										
Zoo's, Marine and Non-biological Animals										
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	–	–	–	9 521 301	9 521 301	9 521 301	9 640 779	10 101 186	10 291 175

EXPENDITURE OTHER ITEMS										
Depreciation	7	–	–	–	415 968	415 977	415 977	415 977	440 290	465 241
Repairs and Maintenance by Asset Class	3	–	–	–	131 712	168 388	168 388	168 388	173 055	181 860
Roads Infrastructure		–	–	–	10 900	10 900	10 900	14 536	15 393	16 286
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	14 207	13 157	13 157	16 081	17 030	18 018
Water Supply Infrastructure		–	–	–	14 745	14 639	14 639	18 715	19 819	20 969
Sanitation Infrastructure		–	–	–	4 004	32 780	32 780	85 946	86 154	89 888
Solid Waste Infrastructure		–	–	–	4 000	8 780	8 780	8 679	9 191	9 724
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	–	*47 856*	*80 256*	*80 256*	*143 957*	*147 587*	*154 885*
Community Facilities		–	–	–	2 618	7 154	7 154	2 608	2 762	2 922
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	*2 618*	*7 154*	*7 154*	*2 608*	*2 762*	*2 922*
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	729	739	739	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	*729*	*739*	*739*	–	–	–
Operational Buildings		–	–	–	80 509	80 239	80 239	21 823	22 705	24 053
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	*80 509*	*80 239*	*80 239*	*21 823*	*22 705*	*24 053*
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS		–	–	–	547 679	584 365	584 365	584 365	613 345	647 101
Renewal and upgrading of Existing Assets as % of total capex		*0.0%*	*0.0%*	*0.0%*	*57.4%*	*69.4%*	*69.4%*	*11.8%*	*10.8%*	*5.3%*
Renewal and upgrading of Existing Assets as % of deprecn		*0.0%*	*0.0%*	*0.0%*	*67.1%*	*107.9%*	*107.9%*	*18.3%*	*14.0%*	*5.8%*
R&M as a % of PPE		*0.0%*	*0.0%*	*0.0%*	*1.4%*	*1.8%*	*1.8%*	*1.8%*	*1.8%*	*1.8%*
Renewal and upgrading and R&M as a % of PPE		*0.0%*	*0.0%*	*0.0%*	*4.0%*	*6.0%*	*6.0%*	*3.0%*	*2.0%*	*2.0%*

References

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

NW373 Rustenburg - Table A10 Consolidated basic service delivery measurement

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Household service targets	1									
Water:										
Piped water inside dwelling		–	–	–	75 245	75 245	75 245	79 007	83 273	88 269
Piped water inside yard (but not in dwelling)		–	–	–	3 436	3 436	3 436	3 124	3 293	3 491
Using public tap (at least min.service level)	2	–	–	–	408	408	408	272	287	304
Other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	79 089	79 089	79 089	82 403	86 853	92 064
Using public tap (< min.service level)	3	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	4	–	–	–	1 349	1 349	1 349	899	948	1 005
No water supply		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	1 349	1 349	1 349	899	948	1 005
Total number of households	5	–	–	–	80 438	80 438	80 438	83 302	87 801	93 069
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		–	–	–	75 245	75 245	75 245	79 007	83 273	88 269
Flush toilet (with septic tank)		–	–	–	–	–	–	–	–	–
Chemical toilet		–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		–	–	–	15 304	15 304	15 304	16 070	16 938	17 954
Other toilet provisions (> min.service level)		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	90 549	90 549	90 549	95 077	100 211	106 224
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	90 549	90 549	90 549	95 077	100 211	106 224
Energy:										
Electricity (at least min.service level)		–	–	–	3 364	3 364	3 364	3 432	3 617	3 834
Electricity - prepaid (min.service level)		–	–	–	92	92	92	94	99	105
Minimum Service Level and Above sub-total		–	–	–	3 456	3 456	3 456	3 526	3 716	3 939
Electricity (< min.service level)		–	–	–	199 954	199 954	199 954	203 953	214 966	227 864
Electricity - prepaid (< min. service level)		–	–	–	56 782	56 782	56 782	57 918	61 046	64 709
Other energy sources		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	256 736	256 736	256 736	261 871	276 012	292 573
Total number of households	5	–	–	–	260 192	260 192	260 192	265 397	279 728	296 512
Refuse:										
Removed at least once a week		–	–	–	167 738	167 738	167 738	170 738	179 958	190 755
Minimum Service Level and Above sub-total		–	–	–	167 738	167 738	167 738	170 738	179 958	190 755
Removed less frequently than once a week		–	–	–	6 479	6 479	6 479	782	12 648	13 407
Using communal refuse dump		–	–	–	2 000	2 000	2 000	493	2 958	3 135
Using own refuse dump		–	–	–	8 017	8 017	8 017	5 000	5 270	5 586
Other rubbish disposal		–	–	–	1 000	1 000	1 000	129	527	559
No rubbish disposal		–	–	–	13 810	13 810	13 810	786	8 432	8 938
Below Minimum Service Level sub-total		–	–	–	31 306	31 306	31 306	7 190	29 835	31 625
Total number of households	5	–	–	–	199 044	199 044	199 044	177 928	209 793	222 380
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		–	–	–	2 778	2 778	2 778	2 875	2 976	3 080
Sanitation (free minimum level service)		–	–	–	2 778	2 778	2 778	2 875	2 976	3 080
Electricity/other energy (50kwh per household per month)		–	–	–	2 778	2 778	2 778	2 875	2 976	3 080
Refuse (removed at least once a week)		–	–	–	2 778	2 778	2 778	2 875	2 976	3 080
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		–	–	–	5 584	5 584	5 584	5 925	6 275	6 638
Sanitation (free sanitation service to indigent households)		–	–	–	3 194	3 194	3 194	4 582	4 853	5 134
Electricity/other energy (50kwh per indigent household per month)		–	–	–	3 870	3 870	3 870	1 464	1 550	1 640
Refuse (removed once a week for indigent households)		–	–	–	3 220	3 220	3 220	3 417	3 618	3 828
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	229 294	229 294	229 294	247 685	267 631	276 998
Total cost of FBS provided		–	–	–	245 163	245 163	245 163	263 073	283 927	294 239
Highest level of free service provided per household										
Property rates (R value threshold)					100 000	100 000	100 000	100 000	100 000	100 000
Water (kilolitres per household per month)					6	6	6	6	6	6
Sanitation (kilolitres per household per month)					–	–	–			
Sanitation (Rand per household per month)					111	111	111	122	130	137
Electricity (kwh per household per month)					50	50	50	50	50	50
Refuse (average litres per week)					240	240	240	240	240	240
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)					42 836	42 836	42 836	45 449	48 130	50 922
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		–	–	–	37 068	37 068	37 068	39 329	41 650	44 065
Water (in excess of 6 kilolitres per indigent household per month)		–	–	–	–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)		–	–	–	–	–	–	–	–	–
Electricity/other energy (in excess of 50 kwh per indigent household per month)		–	–	–	–	–	–	–	–	–
Refuse (in excess of one removal a week for indigent households)		–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates										
Housing - top structure subsidies	6									
Other										
Total revenue cost of subsidised services provided		–	–	–	79 904	79 904	79 904	84 778	89 780	94 987

References

1. *Include services provided by another entity; e.g. Eskom*
2. *Stand distance <= 200m from dwelling*
3. *Stand distance > 200m from dwelling*
4. *Borehole, spring, rain-water tank etc.*
5. *Must agree to total number of households in municipal area (informal settlements receiving services must be included)*
6. *Include value of subsidy provided by municipality above provincial subsidy level*
7. *Show number of households receiving at least these levels of services completely free (informal settlements must be included)*
8. *Must reflect the cost to the municipality of providing the Free Basic Service*

NW373 Rustenburg - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
REVENUE ITEMS:											
Property rates	6										
Total Property Rates					337 184	337 184	337 184	337 184	358 763	381 724	406 155
less Revenue Foregone (exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)					37 068	37 068	37 068	37 068	39 329	41 650	44 065
Net Property Rates		–	–	–	300 115	300 115	300 115	300 115	319 434	340 074	362 089
Service charges - electricity revenue	6										
Total Service charges - electricity revenue					2 076 380	2 268 737	2 268 737	2 268 737	2 472 924	2 707 852	2 981 345
less Revenue Foregone (in excess of 50 kwh per indigent household per month)								3 870			
less Cost of Free Basis Services (50 kwh per indigent household per month)		–	–	–	3 870	3 870	3 870		1 464	1 550	1 640
Net Service charges - electricity revenue		–	–	–	2 072 510	2 264 868	2 264 868	2 264 868	2 471 460	2 706 301	2 979 704
Service charges - water revenue	6										
Total Service charges - water revenue					489 838	489 638	489 638	489 638	553 291	630 752	725 365
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)								5 584			
less Cost of Free Basis Services (6 kilolitres per indigent household per month)		–	–	–	5 584	5 584	5 584		5 925	6 275	6 638
Net Service charges - water revenue		–	–	–	484 254	484 054	484 054	484 054	547 366	624 477	718 726
Service charges - sanitation revenue											
Total Service charges - sanitation revenue					254 030	275 022	275 022	275 022	305 275	341 908	386 356
less Revenue Foregone (in excess of free sanitation service to indigent households)								3 194			
less Cost of Free Basis Services (free sanitation service to indigent households)		–	–	–	3 194	3 194	3 194		4 582	4 853	5 134
Net Service charges - sanitation revenue		–	–	–	250 835	271 828	271 828	271 828	300 693	337 055	381 222
Service charges - refuse revenue	6										
Total refuse removal revenue					116 381	116 381	116 381	116 381	138 493	166 884	202 931
Total landfill revenue											
less Revenue Foregone (in excess of one removal a week to indigent households)								3 220			
less Cost of Free Basis Services (removed once a week to indigent households)		–	–	–	3 220	3 220	3 220		3 417	3 618	3 828
Net Service charges - refuse revenue		–	–	–	113 160	113 160	113 160	113 160	135 076	163 266	199 103
Other Revenue by source											
ADMINISTRATION CHARGE ON REFUNDS					6	1	1	1	1	1	1
ADVERTISING FEES - SIGNS					1 478	1 598	1 598	1 598	1 695	1 795	1 899
AMENDMENT SCHEME NETWORK CONTRIBUTION					3 208	725	725	725	769	814	861
APPLICATION FOR CLEARANCE CERTIFICATE					656	(294)	(294)	(294)	(312)	(330)	(350)
BANK CHARGES RECOVERED					223	163	163	163	173	183	194
BUILDING PLAN FEES					568	728	728	728	773	818	866
CEMETERY FEES					801	828	828	828	878	930	984
CHARGE / TRANSACTION FEE AVM's					343	210	210	210	222	236	249
CLEARANCE CERTIFICATES					112	4	4	4	5	5	5
CONDEMN FOOD					30	38	38	38	8	8	9
CONSOLIDATION FEES					2 563	2 103	2 103	2 103	3	4	4
Other Revenue by source	3				14 412	18 138	18 138	18 138	21 504	22 773	24 094
Total 'Other' Revenue	1	–	–	–	24 400	24 241	24 241	24 241	25 719	27 237	28 816
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2				386 533	397 923	397 923	397 923	441 138	472 014	504 665
Pension and UIF Contributions					67 273	70 821	70 821	70 821	72 206	77 236	82 609
Medical Aid Contributions					31 523	35 629	35 629	35 629	42 661	45 589	48 716
Overtime					29 493	21 443	21 443	21 443	26 354	28 198	30 172
Performance Bonus						–	–	–			
Motor Vehicle Allowance					16 665	15 765	15 765	15 765	19 075	20 383	21 789
Cellphone Allowance					87	91	91	91	97	104	111
Housing Allowances					6 699	3 471	3 471	3 471	3 714	3 974	4 253
Other benefits and allowances					39 617	34 895	34 895	34 895	27 541	29 385	31 344
Payments in lieu of leave						–	–	–			
Long service awards						–	–	–			
Post-retirement benefit obligations	4					–	–	–			
sub-total	5	–	–	–	577 889	580 038	580 038	580 038	632 787	676 883	723 659
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	–	–	–	577 889	580 038	580 038	580 038	632 787	676 883	723 659
Contributions recognised - capital											
List contributions by contract											
Total Contributions recognised - capital		–	–	–	–	–	–	–	–	–	–
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment					415 968	415 977	415 977	415 977	440 290	465 241	480 216
Lease amortisation											
Capital asset impairment											
Depreciation resulting from revaluation of PPE	10										
Total Depreciation & asset impairment	1	–	–	–	415 968	415 977	415 977	415 977	440 290	465 241	480 216
Bulk purchases											
Electricity Bulk Purchases					1 486 660	1 776 326	1 776 326	1 776 326	1 828 936	2 055 987	2 305 860
Water Bulk Purchases					282 612	305 674	305 674	305 674	338 647	380 049	459 558
Total bulk purchases	1	–	–	–	1 769 272	2 082 000	2 082 000	2 082 000	2 167 582	2 436 036	2 765 418
Transfers and grants											
Cash transfers and grants		–	–	–	30 204	19 749	19 749	19 749	6 060	6 389	6 731

Non-cash transfers and grants		–	–	–	–	–	–	–	–	–	–
Total transfers and grants	1	–	–	–	30 204	19 749	19 749	19 749	6 060	6 389	6 731
Contracted services											
Meter Reading					2 600	2 600	2 600	2 600	1 000	1 000	1 000
Professional Fees					4 000	9 450	9 450	9 450	6 026	5 618	4 234
Security Services					9 000	11 500	11 500	11 500	12 202	12 921	13 671
Valuation Services					1 500	700	700	700	1 500	1 589	1 681
Water Supply New Areas					3 000	6 000	6 000	6 000	4 366	4 742	5 133
Water Services					–	–	–	–	–	–	–
Refuse Removal					8 717	8 717	8 717	8 717	300	318	336
Network Maintenance					–	–	–	–	–	–	–
Marketing & Stakeholder engagement					4 500	6 500	6 500	6 500	4 897	4 203	3 927
Legal Expenses					4 000	6 953	6 953	6 953	8 000	8 472	8 963
Investigation Transport Agency					–	–	–	–	–	–	–
Fines settlement-Collection Agreement					1 000	1 000	1 000	1 000	–	–	–
EPWP-Refuse Removal					161	161	161	161	300	318	336
Consultant Pmu assistance					–	–	–	–	–	–	–
Cleaning Newly Incorporated Areas					10 000	39 384	39 384	39 384	–	–	–
Digital Agency					4 500	4 500	4 500	4 500	36 407	39 145	41 995
Carriage of cashier takings					2 400	2 400	2 400	2 400	3 836	3 180	2 938
Bus operating company					10 000	10 000	10 000	10 000	2 546	2 697	2 853
Roads Rural Areas					–	–	–	–	–	–	–
Software					2 000	5 094	5 094	5 094	5 723	6 060	6 412
Specialist Support & Project Coordination					3 500	17 654	17 654	17 654	10 731	9 636	9 287
Taxi Industry Technical & Negotiation Support					8 000	9 000	9 000	9 000	6 488	6 689	6 910
Washing					–	–	–	–	–	–	–
Other Contracted Services					129 533	172 138	172 138	172 138	137 661	142 564	152 674
						–	–	–			
sub-total	1	–	–	–	208 411	313 749	313 749	313 749	241 982	249 151	262 349
Allocations to organs of state:											
Electricity											
Water											
Sanitation											
Other											
Total contracted services		–	–	–	208 411	313 749	313 749	313 749	241 982	249 151	262 349
Other Expenditure By Type											
Collection costs					9 500	67	67	67	8 489	8 989	9 511
Contributions to 'other' provisions					2 575	2 575	2 575	2 575	2 732	2 893	3 061
Consultant fees					–	–	–	–	–	–	–
Audit fees					5 240	4 894	4 894	4 894	5 845	6 308	6 789
General expenses	3				89 745	82 747	82 747	82 747	105 088	118 691	128 451
List Other Expenditure by Type						–	–	–			
Advertising					2 046	2 013	2 013	2 013	2 956	2 956	2 956
16 DAYS OF ACTIVISM					50	50	50	50	30	30	30
AVM Online Vending Services					9 000	9 000	9 000	9 000	24 658	26 112	27 627
Bad Debts Written Off					75 000	–	–	–	–	–	–
Bank Charges					4 758	3 758	3 758	3 758	3 945	4 178	4 420
Travelling and Subsistance					368	1 473	1 473	1 473	1 449	1 449	1 449
Electricity					1 533	1 213	1 213	1 213	1 004	1 063	1 126
Entertainment					146	148	148	148	148	148	148
Hiring of Equipment					–	200	200	200	–	–	–
Bags					150	250	250	250	265	281	297
IDP Activites					345	340	340	340	361	382	405
Insurance					9 184	8 482	8 482	8 482	8 999	9 597	10 103
BOITEKONG WASTE TREATMENT PLANT - RWST					42 000	42 000	42 000	42 000	41 000	–	–
Insurance					9 184	9 184	9 184	9 184	–	–	–
Legal Costs					1 700	8 155	8 155	8 155	2 031	2 298	2 876
Transport					22 627	20 789	20 789	20 789	23 813	25 218	26 675
License fees					1 020	1 020	1 020	1 020	1 082	1 146	1 213
Materials and Stocks					1 413	2 000	2 000	2 000	1 962	1 962	1 962
Marketing Costs					235	198	198	198			
Medical Examinations					100	1 725	1 725	1 725			
						34 863	34 863	34 863			
Total 'Other' Expenditure	1	–	–	–	287 919	237 143	237 143	237 143	235 856	213 701	229 097

by Expenditure Item	8										
Employee related costs					131 712	168 388	168 388	168 388	173 055	181 860	189 497
Other materials											
Contracted Services											
Other Expenditure											
Total Repairs and Maintenance Expenditure	9	–	–	–	131 712	168 388	168 388	168 388	173 055	181 860	189 497
	check	–	–	–	131 435	168 111	168 111		172 761	181 549	189 168

NW373 Rustenburg - Supporting Table SA2 Consolidated Matrix Financial Performance Budget (revenue source/expenditure type & dept.)

Description	Ref	Vote 1 - EXECUTIVE MAYOR	Vote 2 - MUNICIPAL MANAGER	Vote 3 - CORPORATE SUPPORT SERVICES	Vote 4 - BUDGET AND TREASURY	Vote 5 - PUBLIC SAFETY	Vote 6 - PLANNING AND HUMAN SETTLEMENT	Vote 7 - LOCAL ECONOMIC DEVELOPMENT	Vote 8 - COMMUNITY DEVELOPMENT	Vote 9 - TECHNICAL AND INFRASTRUCTURE	Vote 10 - ROADS AND TRANSPORT	Vote 11 - MUNICIPAL ENTITY	Vote 12 - [NAME OF VOTE 12]	Vote 13 - [NAME OF VOTE 13]	Vote 14 - [NAME OF VOTE 14]	Vote 15 - [NAME OF VOTE 15]	Total
R thousand	1																
Revenue By Source																	
Property rates					319 434												319 434
Service charges - electricity revenue										2 471 460							2 471 460
Service charges - water revenue										547 366							547 366
Service charges - sanitation revenue										300 693							300 693
Service charges - refuse revenue										135 076							135 076
Service charges - other					186					53							239
Rental of facilities and equipment							7 742	77	2 877								10 697
Interest earned - external investments		9 047								7 066							16 114
Interest earned - outstanding debtors		208 006															208 006
Dividends received																	–
Fines, penalties and forfeits					0	1 648	61		4								1 713
Licences and permits						9 102			13								9 115
Agency services				357		20 096											20 453
Other revenue			298	77	4 573	1 340	1 415	289	1 173	16 449	106						25 719
Transfers and subsidies			6 486		27 494				83 159	457 536	67 341						642 016
Gains on disposal of PPE							1 441										1 441
Total Revenue (excluding capital transfers and contribution		217 053	6 784	434	351 687	32 185	10 659	366	87 226	3 935 700	67 447	–	–	–	–	–	4 709 541
Expenditure By Type																	
Employee related costs		28 163	44 283	39 326	59 499	121 941	29 420	8 571	135 277	119 167	47 141						632 787
Remuneration of councillors		33 500															33 500
Debt impairment					12 732				29 708	518 096							560 536
Depreciation & asset impairment		423	426	2 203	4 796	15 093	9 369	734	106 865	113 951	186 428						440 290
Finance charges									5 229	51 108	5 229						61 565
Bulk purchases										2 167 582							2 167 582
Other materials		637		5 973	212	778	784	–	14 076	127 107	23 488						173 055
Contracted services		106	8 297	3 118	37 894	13 263	45 757	–	46 707	86 842							241 982
Transfers and subsidies					6 060												6 060
Other expenditure		25 723	1 680	31 006	14 349	12 662	10 611	252	24 869	106 395	8 308						235 856
Loss on disposal of PPE																	–
Total Expenditure		88 552	54 686	81 626	135 542	163 736	95 941	9 557	362 731	3 290 248	270 593	–	–	–	–	–	4 553 214
Surplus/(Deficit)		128 501	(47 902)	(81 192)	216 145	(131 551)	(85 282)	(9 191)	(275 505)	645 451	(203 146)	–	–	–	–	–	156 327
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			27 722						9 153	260 321	272 778						569 974
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)																	–
Transfers and subsidies - capital (in-kind - all)										(69 000)							(69 000)
Surplus/(Deficit) after capital transfers & contributions		128 501	(20 180)	(81 192)	216 145	(131 551)	(85 282)	(9 191)	(266 352)	836 773	69 631	–	–	–	–	–	657 301

References

1. Departmental columns to be based on municipal organisation structure

Adopted 31 May 2023

NW373 Rustenburg - Supporting Table SA3 Supportinging detail to 'Budgeted Financial Position'

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
ASSETS											
Call investment deposits											
Call deposits					908 963	358 310	(145 184)	(145 184)	351 410	873 024	1 460 034
Other current investments											
Total Call investment deposits	2	–	–	–	908 963	358 310	(145 184)	(145 184)	351 410	873 024	1 460 034
Consumer debtors											
Consumer debtors					3 263 549	3 263 549	3 263 549	3 263 549	3 538 894	3 719 427	3 824 694
Less: Provision for debt impairment					(2 944 248)	(2 944 248)	(2 944 248)	(2 944 248)	(3 212 930)	(3 388 258)	(3 469 258)
Total Consumer debtors	2	–	–	–	319 301	319 301	319 301	319 301	325 964	331 169	355 436
Debt impairment provision											
Balance at the beginning of the year					2 576 604	–	–	–	–	–	–
Contributions to the provision					367 643	2 944 248	2 944 248	2 944 248	3 032 575	3 138 715	3 276 819
Bad debts written off					–	–	–	–	–	–	–
Balance at end of year		–	–	–	2 944 247	2 944 248	2 944 248	2 944 248	3 032 575	3 138 715	3 276 819
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)					13 757 007	13 757 007	13 757 007	13 757 007	14 097 163	14 696 063	15 063 465
Leases recognised as PPE	3				–	–	–	–			
Less: Accumulated depreciation					4 550 921	4 550 921	4 550 921	4 550 921	4 784 207	4 935 814	5 125 230
Total Property, plant and equipment (PPE)	2	–	–	–	9 206 086	9 206 086	9 206 086	9 206 086	9 312 956	9 760 249	9 938 235
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)					–	–	–	–			
Current portion of long-term liabilities					49 051	49 051	49 051	49 051	51 504	52 125	54 102
Total Current liabilities - Borrowing		–	–	–	49 051	49 051	49 051	49 051	51 504	52 125	54 102
Trade and other payables											
Trade and other creditors					623 279	623 279	623 279	623 279	610 855	644 313	657 199
Unspent conditional transfers					201 616	–	–	–	25 000	–	
VAT					(24 231)	(24 231)	(24 231)	(24 231)	(25 685)	(27 226)	(28 961)
Total Trade and other payables	2	–	–	–	800 664	599 048	599 048	599 048	610 170	617 087	628 238
Non current liabilities - Borrowing											
Borrowing	4				556 207	556 207	556 207	556 207	500 938	442 542	395 125
Finance leases (including PPP asset element)					–	–	–	–	–	–	–
Total Non current liabilities - Borrowing		–	–	–	556 207	556 207	556 207	556 207	500 938	442 542	395 125
Provisions - non-current											
Retirement benefits					31 800	31 800	31 800	31 800	33 708	35 730	37 338
List other major provision items											
Refuse landfill site rehabilitation					27 011	27 011	27 011	27 011	28 632	30 350	33 294
Other					160 307	160 307	160 307	160 307	166 912	172 754	178 282
Total Provisions - non-current		–	–	–	219 118	219 118	219 118	219 118	229 252	238 834	248 914
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance					8 181 041	7 943 457	7 439 963	7 439 963	7 901 222	8 914 009	9 731 291
GRAP adjustments											
Restated balance		–	–	–	8 181 041	7 943 457	7 439 963	7 439 963	7 901 222	8 914 009	9 731 291
Surplus/(Deficit)		–	–	–	564 316	452 862	452 862	452 862	657 301	687 902	697 168
Appropriations to Reserves					(50 680)	(50 680)	(50 680)	(50 680)	(53 467)	(59 255)	(61 269)
Transfers from Reserves					281 637	281 637	281 637	281 637	297 127	300 127	310 331
Depreciation offsets					147 717	147 717	147 717	147 717	155 841	167 941	173 651
Other adjustments					26 959	26 959	26 959	26 959	28 577	30 291	31 321
Accumulated Surplus/(Deficit)	1	–	–	–	9 150 990	8 801 952	8 298 459	8 298 459	8 986 601	10 041 016	10 882 493
Reserves											
Housing Development Fund					7 783	7 783	7 783	7 783	8 094	8 418	8 253
Capital replacement					26 000	26 000	26 000	26 000	17 040	18 122	19 125
Self-insurance					29 226	29 226	29 226	29 226	20 395	21 611	22 025
Other reserves					26 000	26 000	26 000	26 000	17 040	18 122	18 950
Revaluation					122 778	122 778	122 778	122 778	125 475	127 125	129 789
Total Reserves	2	–	–	–	211 787	211 787	211 787	211 787	188 045	193 397	198 143
TOTAL COMMUNITY WEALTH/EQUITY	2	–	–	–	9 362 777	9 013 739	8 510 246	8 510 246	9 174 646	10 234 413	11 080 636

Total capital expenditure includes expenditure on nationally significant priorities:

Provision of basic services										

NW373 Rustenburg - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
1 .Efficient provision of quality basic service sand infrastructure within a well-planned spatial structure	Accelerated delivery and maintenance of quality basic and essential services to all Communities						3 570 991	4 060 228	4 060 228	4 518 015	4 885 308	5 334 341
	Improved service delivery through provision of high quality, reliable and cost effective infrastructure based on integrated spatial planning						7 096	12 001	12 001	8 380	8 861	8 978
	Develop and implement educational/awareness programmes to obtain community in and ownership in the use and protection of community and municipal facilities						4 455	3 740	3 740	4 096	4 199	4 412
	Implementation of a City Business Development (CBD) Regeneration Strategy						–	–	–	–	–	–
	Improved public transport infrastructure						312 006	98 387	98 387	67 500	64 315	64 325
2. Drive diversified economic growth and job creation	Consolidated Rustenburg minerals index, value- production and economic growth path quantification and impact						–	–	–	–	–	–
	Revive and expedite development of alternative high value adding economic growth sectors - agriculture, manufacturing, transportation services and products						78	269	269	285	302	320
	Build and support broad-based black economic empowerment and sustainable Small, Medium and Micro Enterprises (SMMEs) business development						157	76	76	81	86	91
	Create an enabling environment for the attraction, retention and expansion of foreign and local investments						–	–	–	–	–	–
	Stimulate and facilitate sustainable tourism development and marketing of Rustenburg City as a world-class destination						–	–	–	–	–	–
	Development of an integrated human resources that empowers communities skills development						–	–	–	–	–	–
	Development of an institutional integrated human resources capability that enhances institutional competence						–	–	–	–	–	–
3. Ensure municpal financial viability and management	Develop and implement integrated financial management systems to support municipal programmes and ensure internal financial sustainability						–	1	1	1	1	1
	Implement revenue management strategy to enhance municipal financial viability and sustainability						332 117	325 648	325 648	348 148	368 961	391 156
	Implement sound and sustainable financial management and compliance controls						1 625	1 647	1 647	1 723	1 725	1 726
	Develop and implement an integrated municipal core projects' funding and acquisition model aligned with funding institutions' terms and conditions						3 242	1 717	1 717	1 816	1 923	2 034

4. Maintain clean, green, safe and healthy municipal enviroment for all	Implement quality and improved health and social services to Communities							23	–	–	–	–	–
	Explore and implement alternative eco-friendly and conservation interventions to preserve the environment							–	0	0	0	0	1
	Implement integrated community safety and security strategy and measures							8 718	2 101	2 101	2 229	2 361	2 497
	Implement an integrated by-law enforcement programme							34 041	28 234	28 234	29 956	31 723	33 563
5. Transform and maintain a vibrant and sustainable rural development	Drive integrated rural development planning and infrastructural development							11 760	10 046	10 046	10 658	11 287	11 942
	Provide conductive environment for rural economic development through sustainable SMME's mentoring							–	–	–	–	–	–
6. Uphold good governance and public participation principles	Drive good governance and legislative compliance in all municipal processes							0	1	1	1	1	1
	Promote public participation and partnerships with stakeholders on municipal programmes							165 147	204 574	204 574	217 053	229 859	243 191
	Establish and maintain strong partnerships with local (mining) industries to oversee social responsibility programmes, job creation and local economic development							–	–	–	–	–	–
7. Drive optimal municipal institutional development, transformation and capacity building	Develop and implement integrated internal systems and processes							–	–	–	–	–	–
	Develop, implement and review internal policies and procedures on regular basis							–	–	–	–	–	–
	Establish and inculcate a service delivery culture							–	–	–	–	–	–
	Establish quality management processes in the delivery of all services							9	144	144	153	162	171
	Maintain a positive and vibrant image and identity of the municipality							–	–	–	–	–	–
	Provide credible leadership in driving transformation initiatives							–	–	–	–	–	–
	Develop and implement internal capability model (institutional core and critical competencies, scarce skills, maintenance skills) that enhance institutional and external stakeholders' development communities and institutional capability							–	–	–	–	–	–
	Review, realign and implement organisational structure to support the vision and objectives							4 311	395	395	419	444	470
Allocations to other priorities				2									
Total Revenue (excluding capital transfers and contributions)				1	–	–	–	4 455 776	4 749 209	4 749 209	5 210 514	5 611 518	6 099 219

References

1. Total revenue must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

NW373 Rustenburg - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
1 .Efficient provision of quality basic service sand infrastructure within a well-planned spatial structure	Accelerated delivery and maintenance of quality basic and essential services to all Communities						2 625 326	3 209 992	3 209 992	3 488 903	3 800 378	4 221 267
	Improved service delivery through provision of high quality, reliable and cost effective infrastructure based on integrated						10 145	14 637	14 637	11 198	11 889	12 233
	Develop and implement educational/awareness programmes to obtain community in and ownership in the use and						161 597	172 656	172 656	183 628	195 340	207 705
	Implementation of a City Business Development (CBD) Regeneration Strategy						–	–	–			
	Improved public transport infrastructure						490 452	332 751	332 751	316 350	328 258	336 056
2. Drive diversified economic growth and job creation	Consolidated Rustenburg minerals index, value- production and economic growth path quantification and impact						–	–	–	–	–	–
	Revive and expedite development of alternative high value adding economic growth sectors - agriculture,						3 421	3 336	3 336	3 564	3 808	4 068
	Build and support broad-based black economic empowerment and sustainable Small, Medium and Micro Enterprises (SMMEs)						3 885	4 097	4 097	4 378	4 677	4 995
	Create an enabling environment for the attraction, retention and expansion of foreign and local investments						–	–	–	–	–	–
	Stimulate and facilitate sustainable tourism development and marketing of Rustenburg City as a world-class destination						–	–	–	–	–	–
	Development of an integrated human resources that empowers communities skills development						1 045	1 512	1 512	1 615	1 725	1 843
	Development of an institutional integrated human resources capability that enhances institutional competence						–	–	–	–	–	–
3. Ensure municpal financial viability and management	Develop and implement integrated financial management systems to support municipal programmes and ensure internal						6 955	12 323	12 323	9 096	8 898	7 739
	Implement revenue management strategy to enhance municipal financial viability and sustainability						61 463	60 707	60 707	50 065	51 757	54 329
	Implement sound and sustainable financial management and compliance controls						34 056	53 787	53 787	36 376	39 013	41 792
	Develop and implement an integrated municipal core projects' funding and acquisition model aligned with funding institutions'						17 905	16 914	16 914	18 033	19 213	20 464
4. Maintain clean, green, safe and healthy municipal enviroment for all	Implement quality and improved health and social services to Communities						1 018	1 035	1 035	1 098	1 163	1 230
	Explore and implement alternative eco-friendly and conservation interventions to preserve the environment						4 776	4 507	4 507	4 804	5 117	5 448
	Implement integrated community safety and security strategy and measures						82 868	99 279	99 279	105 894	112 877	120 284
	Implement an integrated by-law enforcement programme						66 584	54 145	54 145	57 842	61 788	66 003
5. Transform and maintain a vibrant and sustainable rural development	Drive integrated rural development planning and infrastructural development						42 495	49 965	49 965	46 684	49 953	53 716
	Provide conductive environment for rural economic development through sustainable SMME's mentoring						–	–	–	–	–	–
6. Uphold good governance and public participation principles	Drive good governance and legislative compliance in all municipal processes						8 519	12 375	12 375	12 730	13 530	14 373
	Promote public participation and partnerships with stakeholders on municipal programmes						169 996	82 438	82 438	88 552	94 301	100 401

	Establish and maintain strong partnerships with local (mining) industries to oversee social responsibility programmes, job						–	–	–	–	–	–
7. Drive optimal municipal institutional development, transformation and capacity building	Develop and implement integrated internal systems and processes						1 501	1 500	1 500	1 599	1 704	1 817
	Develop, implement and review internal policies and procedures on regular basis						–	–	–	–	–	–
	Establish and inculcate a service delivery culture						–	–	–	–	–	–
	Establish quality management processes in the delivery of all services						57 571	61 802	61 802	63 848	68 108	72 619
	Maintain a positive and vibrant image and identity of the municipality						–	–	–	–	–	–
	Provide credible leadership in driving transformation initiatives						–	–	–	–	–	–
	Develop and implement internal capability model (institutional core and critical competencies, scarce skills, maintenance skills) that						–	–	–	–	–	–
	Review, realign and implement organisational structure to support the vision and objectives						39 881	46 589	46 589	46 956	50 120	53 669
Allocations to other priorities												
Total Expenditure		1	–	–	–		3 891 460	4 296 346	4 296 346	4 553 213	4 923 617	5 402 051

References

1. Total expenditure must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

NW373 Rustenburg - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
1 .Efficient provision of quality basic service sand infrastructure within a well-planned spatial structure	Accelerated delivery and maintenance of quality basic and essential services to all Communities	A					157 016	295 492	295 492	260 321	261 000	234 000
	Improved service delivery through provision of high quality, reliable and cost effective infrastructure based on integrated spatial	B					–	40	40	–	–	–
	Develop and implement educational/awareness programmes to obtain community in and ownership in the use and	C						14 962	14 962	9 153	1 605	1 605
	Implementation of a City Business Development (CBD) Regeneration Strategy	D						–	–	–	–	–
	Improved public transport infrastructure	E					312 002	324 759	324 759	272 778	220 976	220 976
2. Drive diversified economic growth and job creation	Consolidated Rustenburg minerals index, value- production and economic growth path quantification and impact	F					–	–	–	–	–	–
	Revive and expedite development of alternative high value adding economic growth sectors - agriculture, manufacturing,	G					–	–	–	–	–	–
	Build and support broad-based black economic empowerment and sustainable Small, Medium and Micro Enterprises (SMMEs)	H					–	–	–	–	–	–
	Create an enabling environment for the attraction, retention and expansion of foreign and local investments	I					–	–	–	–	–	–
	Stimulate and facilitate sustainable tourism development and marketing of Rustenburg City as a world-class destination	J					–	–	–	–	–	–
	Development of an integrated human resources that empowers communities skills development	K					–	–	–	–	–	–
	Development of an institutional integrated human resources capability that enhances institutional competence	L					–	–	–	–	–	–
3. Ensure municpal financial viability and management	Develop and implement integrated financial management systems to support municipal programmes and ensure internal financial	M					–	–	–	–	–	–
	Implement revenue management strategy to enhance municipal financial viability and sustainability	N					–	–	–	–	–	–
	Implement sound and sustainable financial management and compliance controls	O					–	–	–	–	–	–
	Develop and implement an integrated municipal core projects' funding and acquisition model aligned with funding institutions' terms and conditions	P					–	–	–	–	–	–
4. Maintain clean, green, safe and healthy municipal enviroment for all	Implement quality and improved health and social services to Communities						9 391	–	–	–	–	–
	Explore and implement alternative eco-friendly and conservation interventions to preserve the environment							–	–	–	–	–
	Implement integrated community safety and security strategy and measures							–	–	–	–	–
	Implement an integrated by-law enforcement programme							–	–	–	–	–
5. Transform and maintain a vibrant and sustainable rural development	Drive integrated rural development planning and infrastructural development							–	–	–	–	–

	Provide conductive environment for rural economic development through sustainable SMME's mentoring						–	–	–	–	–
6. Uphold good governance and public participation principles	Drive good governance and legislative compliance in all municipal processes						–	–	–	–	–
	Promote public participation and partnerships with stakeholders on municipal programmes						–	–	–	–	–
	Establish and maintain strong partnerships with local (mining) industries to oversee social responsibility programmes, job creation and local economic development					–	–	–	–	–	–
7. Drive optimal municipal institutional development, transformation and capacity building	Develop and implement integrated internal systems and processes						–	–	–	–	–
	Develop, implement and review internal policies and procedures on regular basis						–	–	–	–	–
	Establish and inculcate a service delivery culture					8 465	11 000	11 000	27 722	24 813	24 813
	Establish quality management processes in the delivery of all services						–	–	–	–	–
	Maintain a positive and vibrant image and identity of the municipality					–	–	–	–	–	–
	Provide credible leadership in driving transformation initiatives						–	–	–	–	–
	Develop and implement internal capability model (institutional core and critical competencies, scarce skills, maintenance skills) that enhance institutional and external stakeholders' development communities and institutional capability						–	–	–	–	–
	Review, realign and implement organisational structure to support the vision and objectives										
		3									
		1	–	–	–	486 874	646 252	646 252	569 974	508 395	481 395

NW373 Rustenburg - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Vote 1 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description	km				55.0%	55.0%	55.0%	55.0%	55.0%	55.0%
Sub-function 2 - (name)										
Insert measure/s description	Number				1410.0%	1410.0%	1410.0%	1410.0%	1410.0%	1410.0%
Sub-function 3 - (name)										
Insert measure/s description	Meters				1607.3%	1607.3%	1607.3%	1607.3%	1607.3%	1607.3%
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description	Number				2368.0%	2368.0%	2368.0%	2368.0%	2368.0%	2368.0%
Sub-function 2 - (name)										
Insert measure/s description	Wards				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sub-function 3 - (name)										
Insert measure/s description	% Repaired				82.2%	82.2%	82.2%	82.2%	82.2%	82.2%
Vote 2 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Vote 3 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
And so on for the rest of the Votes										

1. *Include a measurable performance objective for each revenue source (within a relevant function) and each vote (MFMA s17(3)(b))*
2. *Include all Basic Services performance targets from 'Basic Service Delivery' to ensure Table SA7 represents all strategic responsibilities*
3. *Only include prior year comparative information for individual measures where relevant activity occurred in that year/s*

NW373 Rustenburg - Entities measureable performance objectives

Description	Unit of measurement	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Entity 1 - (name of entity)										
Insert measure/s description										
Entity 2 - (name of entity)										
Insert measure/s description										
Entity 3 - (name of entity)										
Insert measure/s description										
And so on for the rest of the Entities										

1. *Include a measurable performance objective as agreed with the parent municipality (MFMA s87(5)(d))*
2. *Only include prior year comparative information for individual measures where relevant activity occurred in that year/s*

NW373 Rustenburg - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Borrowing Management											
Credit Rating					B1	B2	B3	B4			
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.0%	0.0%	0.0%	2.7%	2.7%	2.7%	2.7%	2.5%	2.4%	2.2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.0%	0.0%	0.0%	3.0%	3.1%	3.1%	3.1%	2.8%	2.6%	2.4%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	262.6%	262.6%	262.6%	262.6%	266.4%	228.8%	199.4%
Liquidity											
Current Ratio	Current assets/current liabilities	–	–	–	1.7	1.4	0.7	0.7	1.4	2.1	2.9
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	–	–	–	1.7	1.4	0.7	0.7	1.4	2.1	2.9
Liquidity Ratio	Monetary Assets/Current Liabilities	–	–	–	1.2	0.8	0.1	0.1	0.8	1.5	2.2
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	91.5%	93.7%	84.4%	84.4%	89.5%	90.3%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	0.0%	0.0%	91.5%	93.7%	84.4%	84.4%	89.5%	90.3%	91.2%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	0.0%	0.0%	0.0%	10.1%	9.5%	9.5%	9.5%	8.9%	8.4%	8.3%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		0.0%	0.0%	0.0%	56.5%	112.8%	1270.3%	1270.3%	110.5%	58.4%	38.6%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW)				148672861	148672861	148672861	148672861	148672861	148672861	148672861
	Total Cost of Losses (Rand '000)				73 527	73 527	73 527	73 527	73 527	73 527	73 527
	% Volume (units purchased and generated less units sold)/units purchased and generated				0	0	0	0	0	0	0
Water Distribution Losses (2)	Total Volume Losses (kℓ)				10 033	10 033	10 033	10 033	10 033	10 033	10 033
	Total Cost of Losses (Rand '000)				41142054	41142054	41142054	41142054	41142054	41142054	41142054
	% Volume (units purchased and generated less units sold)/units purchased and generated				0	0	0	0	0	0	0
Employee costs	Employee costs/(Total Revenue - capital revenue)	0.0%	0.0%	0.0%	14.2%	13.4%	13.4%	13.4%	13.4%	13.2%	12.8%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	0.0%	0.0%	0.0%	15.0%	14.1%	14.1%		14.1%	13.8%	13.5%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	0.0%	0.0%	3.2%	3.9%	3.9%		3.6%	3.4%	3.2%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	0.0%	0.0%	0.0%	11.6%	11.1%	11.1%	11.1%	10.7%	10.2%	9.6%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	–	–	–	51.1	51.1	51.1	53.9	55.9	57.6	63.9
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0.0%	0.0%	0.0%	12.6%	11.9%	11.9%	11.9%	11.1%	10.3%	10.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	–	–	–	4.2	1.8	0.2	0.2	1.7	3.2	4.5

References

1. Consumer debtors > 12 months old are excluded from current assets

2. Only include if services provided by the municipality

NW373 Rustenburg - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2013/14	2014/15	2015/16	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population			216	219	286				550	627	627	627
Females aged 5 - 14			34	35	42				37	40	40	40
Males aged 5 - 14			35	35	43				38	41	41	41
Females aged 15 - 34			66	67	93				99	103	103	103
Males aged 15 - 34			82	83	108				124	122	122	122
Unemployment			25	25	21				70			
Monthly household income (no. of households)	1, 12											
No income			105	106	113				33 439	33 439	33 439	33 439
R1 - R1 600			105	106	113				5 374	5 374	5 374	5 374
R1 601 - R3 200			32	32	34				8 161	8 161	8 161	8 161
R3 201 - R6 400			5 352	5 427	5 715				22 293	22 293	22 293	22 293
R6 401 - R12 800			7 621	7 728	8 170				34 236	34 236	34 236	34 236
R12 801 - R25 600			11 819	11 984	12 657				45 979	45 979	45 979	45 979
R25 601 - R51 200			11 673	11 836	12 476				24 084	24 084	24 084	24 084
R52 201 - R102 400			37 746	38 274	40 423				14 132	14 132	14 132	14 132
R102 401 - R204 800			33 503	33 972	35 844				7 962	7 962	7 962	7 962
R204 801 - R409 600			29 450	29 862	31 570				2 389	2 389	2 389	2 389
R409 601 - R819 200			14 856	15 064	15 894				597	597	597	597
> R819 200			6 711	6 805	7 166				398	398	398	398
Poverty profiles (no. of households)												
< R2 060 per household per month	13											
Insert description	2											
Household/demographics (000)												
Number of people in municipal area			108 721	219 493	286 337				266	266	266	266
Number of poor people in municipal area			25 000	106	113				70	70	70	70
Number of households in municipal area			146 543	-	-				199	199	199	199
Number of poor households in municipal area			-	-	-				-	-	-	-
Definition of poor household (R per month)			-	106	113				4 800	4 800	4 800	4 800
Housing statistics	3											
Formal			65 695	-	-				-	178 941	178 941	178 941
Informal			80 848	-	-				-	76 062	76 062	76 062
Total number of households			146 543	-	-	-	-	-	-	255 003	255 003	255 003
Dwellings provided by municipality	4		146 543	-	-				-	-	-	-
Dwellings provided by province/s			-	-	-				-	-	-	-
Dwellings provided by private sector	5		-	-	-				-	-	-	-
Total new housing dwellings			146 543	-	-	-	-	-	-	-	-	-
Economic	6											
Inflation/inflation outlook (CPIX)												
Interest rate - borrowing												
Interest rate - investment												
Remuneration increases												
Consumption growth (electricity)												
Consumption growth (water)												
Collection rates	7											
Property tax/service charges												
Rental of facilities & equipment												
Interest - external investments												
Interest - debtors												
Revenue from agency services												

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	–	–	–	75 245	75 245	75 245	79 007	83 273	88 269
		Piped water inside yard (but not in dwelling)	–	–	–	3 436	3 436	3 436	3 124	3 293	3 491
	8	Using public tap (at least min.service level)	–	–	–	408	408	408	272	287	304
	10	Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	79 089	79 089	79 089	82 403	86 853	92 064
	9	Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (< min.service level)	–	–	–	1 349	1 349	1 349	899	948	1 005
		No water supply	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	1 349	1 349	1 349	899	948	1 005
		Total number of households	–	–	–	80 438	80 438	80 438	83 302	87 801	93 069
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	–	–	–	75 245	75 245	75 245	79 007	83 273	88 269
		Flush toilet (with septic tank)	–	–	–	–	–	–	–	–	–
		Chemical toilet	–	–	–	–	–	–	–	–	–
		Pit toilet (ventilated)	–	–	–	15 304	15 304	15 304	16 070	16 938	17 954
		Other toilet provisions (> min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	90 549	90 549	90 549	95 077	100 211	106 224
		Bucket toilet	–	–	–	–	–	–	–	–	–
		Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
		No toilet provisions	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	90 549	90 549	90 549	95 077	100 211	106 224
		Energy:									
		Electricity (at least min.service level)	–	–	–	3 364	3 364	3 364	3 432	3 617	3 834
		Electricity - prepaid (min.service level)	–	–	–	92	92	92	94	99	105
		Minimum Service Level and Above sub-total	–	–	–	3 456	3 456	3 456	3 526	3 716	3 939
		Electricity (< min.service level)	–	–	–	199 954	199 954	199 954	203 953	214 966	227 864
		Electricity - prepaid (< min. service level)	–	–	–	56 782	56 782	56 782	57 918	61 046	64 709
		Other energy sources	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	256 736	256 736	256 736	261 871	276 012	292 573
		Total number of households	–	–	–	260 192	260 192	260 192	265 397	279 728	296 512
		Refuse:									
		Removed at least once a week	–	–	–	167 738	167 738	167 738	170 738	179 958	190 755
		Minimum Service Level and Above sub-total	–	–	–	167 738	167 738	167 738	170 738	179 958	190 755
		Removed less frequently than once a week	–	–	–	6 479	6 479	6 479	782	12 648	13 407
		Using communal refuse dump	–	–	–	2 000	2 000	2 000	493	2 958	3 135
		Using own refuse dump	–	–	–	8 017	8 017	8 017	5 000	5 270	5 586
		Other rubbish disposal	–	–	–	1 000	1 000	1 000	129	527	559
		No rubbish disposal	–	–	–	13 810	13 810	13 810	786	8 432	8 938
		Below Minimum Service Level sub-total	–	–	–	31 306	31 306	31 306	7 190	29 835	31 625
		Total number of households	–	–	–	199 044	199 044	199 044	177 928	209 793	222 380

Municipal in-house services	Ref.		2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
		Household service targets (000)									
		Water:									
		Piped water inside dwelling				75 245	75 245	75 245	79 007	83 273	88 269
		Piped water inside yard (but not in dwelling)				3 436	3 436	3 436	3 124	3 293	3 491
	8	Using public tap (at least min.service level)				408	408	408	272	287	304
	10	Other water supply (at least min.service level)				–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	79 089	79 089	79 089	82 403	86 853	92 064
	9	Using public tap (< min.service level)				–	–	–	–	–	–
	10	Other water supply (< min.service level)				1 349	1 349	1 349	899	948	1 005
		No water supply				–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	1 349	1 349	1 349	899	948	1 005
		Total number of households	–	–	–	80 438	80 438	80 438	83 302	87 801	93 069
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)				75 245	75 245	75 245	79 007	83 273	88 269
		Flush toilet (with septic tank)				–	–	–	–	–	–
		Chemical toilet				–	–	–	–	–	–
		Pit toilet (ventilated)				15 304	15 304	15 304	16 070	16 938	17 954
		Other toilet provisions (> min.service level)				–	–	–	–	–	–
		Minimum Service Level and Above sub-total	–	–	–	90 549	90 549	90 549	95 077	100 211	106 224
		Bucket toilet									
		Other toilet provisions (< min.service level)									
		No toilet provisions									
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	90 549	90 549	90 549	95 077	100 211	106 224
		Energy:									
		Electricity (at least min.service level)				3 364	3 364	3 364	3 432	3 617	3 834
		Electricity - prepaid (min.service level)				92	92	92	94	99	105
		Minimum Service Level and Above sub-total	–	–	–	3 456	3 456	3 456	3 526	3 716	3 939
		Electricity (< min.service level)				199 954	199 954	199 954	203 953	214 966	227 864
		Electricity - prepaid (< min. service level)				56 782	56 782	56 782	57 918	61 046	64 709
		Other energy sources								–	–
		Below Minimum Service Level sub-total	–	–	–	256 736	256 736	256 736	261 871	276 012	292 573
		Total number of households	–	–	–	260 192	260 192	260 192	265 397	279 728	296 512
		Refuse:									
		Removed at least once a week				167 738	167 738	167 738	170 738	179 958	190 755
		Minimum Service Level and Above sub-total	–	–	–	167 738	167 738	167 738	170 738	179 958	190 755
		Removed less frequently than once a week				6 479	6 479	6 479	782	12 648	13 407
		Using communal refuse dump				2 000	2 000	2 000	493	2 958	3 135
		Using own refuse dump				8 017	8 017	8 017	5 000	5 270	5 586
		Other rubbish disposal				1 000	1 000	1 000	129	527	559
		No rubbish disposal				13 810	13 810	13 810	786	8 432	8 938
		Below Minimum Service Level sub-total	–	–	–	31 306	31 306	31 306	7 190	29 835	31 625
		Total number of households	–	–	–	199 044	199 044	199 044	177 928	209 793	222 380

Municipal entity services	Ref		2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Name of municipal entity		Household service targets (000)									
		Water:									
		Piped water inside dwelling									
		Piped water inside yard (but not in dwelling)									
	8	Using public tap (at least min.service level)									
	10	Other water supply (at least min.service level)									
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
	9	Using public tap (< min.service level)									
	10	Other water supply (< min.service level)									
		No water supply									
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Name of municipal entity		*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	–	–	–	–	–	–	–	–	–
Name of municipal entity		*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	–	–	–	–	–	–	–	–	–
Name of municipal entity		*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	–	–	–	–	–	–	–	–	–

Services provided by 'external mechanisms'	Ref		2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Names of service providers		Household service targets (000)									
		Water:									
		Piped water inside dwelling									
		Piped water inside yard (but not in dwelling)									
	8	Using public tap (at least min.service level)									
	10	Other water supply (at least min.service level)									
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
	9	Using public tap (< min.service level)									
	10	Other water supply (< min.service level)									
		No water supply									
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Names of service providers		*Sanitation/sewerage:*									
		Flush toilet (connected to sewerage)									
		Flush toilet (with septic tank)									
		Chemical toilet									
		Pit toilet (ventilated)									
		Other toilet provisions (> min.service level)									
		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	–	–	–	–	–	–	–	–	–
Names of service providers		*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	–	–	–	–	–	–	–	–	–
Names of service providers		*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	–	–	–	–	–	–	–	–	–

Detail of Free Basic Services (FBS) provided			2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Electricity	Ref.	*Location of households for each type of FBS*									
List type of FBS service		Formal settlements - (50 kwh per indigent household per month R'000)				3 869 875	3 869 875	3 869 875	1 464 112	1 550 495	1 640 423
		Number of HH receiving this type of FBS				2 778	2 778	2 778	2 875	2 976	3 080
		Informal settlements (R'000)				93 960 751	93 960 751	93 960 751	99 410 475	105 176 282	108 857 452
		Number of HH receiving this type of FBS				28 731	28 731	28 731	29 736	30 777	31 854
		Informal settlements targeted for upgrading (R'000)									
		Number of HH receiving this type of FBS									
		Living in informal backyard rental agreement (R'000)									
		Number of HH receiving this type of FBS									
		Other (R'000)									
		Number of HH receiving this type of FBS									
		Total cost of FBS - Electricity for informal settlements	–	–	–	93 960 751	93 960 751	93 960 751	99 410 475	105 176 282	108 857 452
Water	Ref.	*Location of households for each type of FBS*									
List type of FBS service		Formal settlements - (6 kilolitre per indigent household per month R'000)				5 584 291	5 584 291	5 584 291	5 924 933	6 274 504	6 638 425
		Number of HH receiving this type of FBS				2 778	2 778	2 778	2 875	2 976	3 080
		Informal settlements (R'000)				56 287 477	56 287 477	56 287 477	61 635 591	67 493 961	69 856 250
		Number of HH receiving this type of FBS				28 731	28 731	28 731	29 736	30 777	31 854
		Informal settlements targeted for upgrading (R'000)									
		Number of HH receiving this type of FBS									
		Living in informal backyard rental agreement (R'000)									
		Number of HH receiving this type of FBS									
		Other (R'000)									
		Number of HH receiving this type of FBS									
		Total cost of FBS - Water for informal settlements	–	–	–	56 287 477	56 287 477	56 287 477	61 635 591	67 493 961	69 856 250
Sanitation	Ref.	*Location of households for each type of FBS*									
List type of FBS service		Formal settlements - (free sanitation service to indigent households)				3 194 304	3 194 304	3 194 304	4 582 210	4 852 560	5 134 009
		Number of HH receiving this type of FBS				2 778	2 778	2 778	2 875	2 976	3 080
		Informal settlements (R'000)				39 766 002	39 766 002	39 766 002	43 626 280	47 860 697	49 535 821
		Number of HH receiving this type of FBS				28 731	28 731	28 731	29 736	30 777	31 854
		Informal settlements targeted for upgrading (R'000)									
		Number of HH receiving this type of FBS									
		Living in informal backyard rental agreement (R'000)									
		Number of HH receiving this type of FBS									
		Other (R'000)									
		Number of HH receiving this type of FBS									
		Total cost of FBS - Sanitation for informal settlements	–	–	–	39 766 002	39 766 002	39 766 002	43 626 280	47 860 697	49 535 821
Refuse Removal	Ref.	*Location of households for each type of FBS*									
List type of FBS service		Formal settlements - (removed once a week to indigent households)				3 220 244	3 220 244	3 220 244	3 417	3 618	3 828
		Number of HH receiving this type of FBS				2 778	2 778	2 778	2 875	2 976	3 080
		Informal settlements (R'000)				39 279 874	39 279 874	39 279 874	43 012 529	47 099 890	48 748 386
		Number of HH receiving this type of FBS				28 731	28 731	28 731	29 736	30 777	31 854
		Informal settlements targeted for upgrading (R'000)									
		Number of HH receiving this type of FBS									
		Living in informal backyard rental agreement (R'000)									
		Number of HH receiving this type of FBS									
		Other (R'000)									
		Number of HH receiving this type of FBS									
		Total cost of FBS - Refuse Removal for informal settlements	–	–	–	39 279 874	39 279 874	39 279 874	43 012 529	47 099 890	48 748 386

References

1. Monthly household income threshold. Should include all sources of income.

2. Show the poverty analysis the municipality uses to determine its indigents policy and the provision of services

3. Include total of all housing units within the municipality

4. Number of subsidised dwellings to be constructed by the municipality under agency agreement with province

5. Provide estimate based on building approval information. Include any non-subsidised dwellings constructed by the municipality

6. Insert actual or estimated % increases assumed as a basis for budget calculations

7. Insert actual or estimated % collection rate assumed as a basis for budget calculations for each revenue group

8. Stand distance <= 200m from dwelling

9. Stand distance > 200m from dwelling

NW373 Rustenburg Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	–	–	–	1 103 212	552 558	49 065	49 065	552 842	1 102 626	1 701 059
Cash + investments at the yr end less applications - R'000	18(1)b	2	–	–	–	552 339	197 275	(341 325)	(341 325)	86 163	724 133	1 340 239
Cash year end/monthly employee/supplier payments	18(1)b	3	–	–	–	4.2	1.8	0.2	0.2	1.7	3.2	4.5
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	–	–	–	712 033	600 579	600 579	600 579	813 143	855 843	870 819
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(6.0%)	(6.0%)	(6.0%)	0.6%	(6.0%)	(6.0%)	3.9%	4.5%	5.3%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	0.0%	0.0%	0.0%	88.0%	88.8%	80.2%	80.2%	85.1%	86.0%	87.0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	0.0%	0.0%	12.0%	11.3%	11.3%	11.3%	14.9%	14.0%	13.0%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	0.0%	0.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.9%	2.6%	8.2%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.0%	0.0%	0.0%	1.4%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	57.4%	69.4%	69.4%	0.0%	0.0%	0.0%	0.0%

References

1. Positive cash balances indicative of minimum compliance - subject to 2

2. Deduct cash and investment applications (defined) from cash balances

3. Indicative of sufficient liquidity to meet average monthly operating payments

4. Indicative of funded operational requirements

5 Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

6 Realistic average cash collection forecasts as % of annual billed revenue

7. Realistic average increase in debt impairment (doubtful debt) provision

8. Indicative of planned capital expenditure level & cash payment timing

9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing

10. Substantiation of National/Province allocations included in budget

11. Indicative of realistic current arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

12. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

13 Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection

14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection

NW373 Rustenburg - Supporting Table SA11 Property rates summary

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Valuation:	1									
Date of valuation:					01/07/2014					
Financial year valuation used					2015/16			2015/16		
Municipal by-laws s6 in place? (Y/N)	2				Yes			Yes		
Municipal/assistant valuer appointed? (Y/N)					Yes			Yes		
Municipal partnership s38 used? (Y/N)					No	No	No	No	No	No
No. of assistant valuers (FTE)	3				1	1	1	1	1	1
No. of data collectors (FTE)	3				1	1	1	1	1	1
No. of internal valuers (FTE)	3				-	-	-	-	-	-
No. of external valuers (FTE)	3				1	2	3	3	4	5
No. of additional valuers (FTE)	4				-	-	-	-	-	-
Valuation appeal board established? (Y/N)					Yes					
Implementation time of new valuation roll (mths)										
No. of properties	5				67 876	67 876	77 577	79 880	81 500	83 700
No. of sectional title values	5				11 071	11 071	10 914	11 624	12 205	12 816
No. of unreasonably difficult properties s7(2)										
No. of supplementary valuations					1	1	1	1	1	1
No. of valuation roll amendments										
No. of objections by rate payers										
No. of appeals by rate payers										
No. of successful objections	8									
No. of successful objections > 10%	8									
Supplementary valuation					1	1	1	1	1	1
Public service infrastructure value (Rm)	5									
Municipality owned property value (Rm)					205	205	205	205	205	205
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)					11	11	11	11	11	11
Valuation reductions-nature reserves/park (Rm)										
Valuation reductions-mineral rights (Rm)										
Valuation reductions-R15,000 threshold (Rm)					1 107	1 107	1 107	1 107	1 107	1 107
Valuation reductions-public worship (Rm)					152	152	152	152	152	152
Valuation reductions-other (Rm)					6 634	6 634	8 110	8 110	8 110	8 700
Total valuation reductions:		-	-	-	7 904	7 904	9 380	9 380	9 380	9 971
Total value used for rating (Rm)	5									
Total land value (Rm)	5				n/a	n/a	n/a	n/a	n/a	n/a
Total value of improvements (Rm)	5				n/a	n/a	n/a	n/a	n/a	n/a
Total market value (Rm)	5				32 764	32 764	32 764	34 730	36 570	38 399
Rating:										
Residential rate used to determine rate for other categories? (Y/N)					Yes			Yes		
Differential rates used? (Y/N)	5				Yes			Yes		
Limit on annual rate increase (s20)? (Y/N)					Yes			Yes		
Special rating area used? (Y/N)					Yes			Yes		
Phasing-in properties s21 (number)					Yes			Yes		
Rates policy accompanying budget? (Y/N)					Yes			Yes		
Fixed amount minimum value (R'000)					Yes			Yes		
Non-residential prescribed ratio s19? (%)										
Rate revenue:										
Rate revenue budget (R '000)	6				318 699	318 699	318 699	337 184	359 438	383 869
Rate revenue expected to collect (R'000)	6				243 803	253 792	253 792	275 556	288 363	318 303
Expected cash collection rate (%)					95.0%	95.0%	95.0%	88.0%	89.0%	90.0%
Special rating areas (R'000)	7									
Rebates, exemptions - indigent (R'000)					124	124	124			
Rebates, exemptions - pensioners (R'000)										
Rebates, exemptions - bona fide farm (R'000)										
Rebates, exemptions - other (R'000)					35 207	36 707	36 707	37 068	39 218	41 493
Phase-in reductions/discounts (R'000)										
Total rebates,exemptns,reductns,discs (R'000)		-	-	-	35 331	36 831	36 831	37 068	39 218	41 493

NW373 Rustenburg - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
Current Year 2016/17																	
Valuation:																	
No. of properties		68 836	511	1 546	3 630	522	933	212	634							253	480
No. of sectional title property values		10 914															
No. of unreasonably difficult properties s7(2)																	
No. of supplementary valuations		1	1	1		1	1	1	1							1	1
Supplementary valuation (Rm)																	
No. of valuation roll amendments																	
No. of objections by rate-payers																	
No. of appeals by rate-payers																	
No. of appeals by rate-payers finalised																	
No. of successful objections	5																
No. of successful objections > 10%	5																
Estimated no. of properties not valued																	
Years since last valuation (select)		4	4	4	4	4	4	4	4							4	4
Frequency of valuation (select)																	
Method of valuation used (select)																	
Type of valuation (select)		Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.							Land & impr.	Land & impr.
Phasing-in properties s21 (number)																	
Combination of rating types used? (Y/N)																	
Flat rate used? (Y/N)																	
Is balance rated by uniform rate/variable rate?																	
Valuation reductions:																	
Valuation reductions-public infrastructure (Rm)																	
Valuation reductions-nature reserves/park (Rm)																	
Valuation reductions-mineral rights (Rm)																	
Valuation reductions-R15,000 threshold (Rm)		7 200															
Valuation reductions-public worship (Rm)																	
Valuation reductions-other (Rm)	2																
Total valuation reductions:																	
Total value used for rating (Rm)	6																
Total land value (Rm)	6																
Total value of improvements (Rm)	6																
Total market value (Rm)	6																
Rating:																	
Average rate	3																
Rate revenue budget (R '000)		167 953		142 218	11 598			15 416									
Rate revenue expected to collect (R'000)		147 799		125 152	10 206			13 656									
Expected cash collection rate (%)	4	88.0%		88.0%	88.0%			88.0%									
Special rating areas (R'000)																	
Rebates, exemptions - indigent (R'000)																	
Rebates, exemptions - pensioners (R'000)																	
Rebates, exemptions - bona fide farm. (R'000)																	
Rebates, exemptions - other (R'000)		36 509															
Phase-in reductions/discounts (R'000)																	
Total rebates,exemptns,reductns,discs (R'000)																	

DRAFT 2016/17

NW373 Rustenburg - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
Budget Year 2017/18																	
Valuation:																	
No. of properties		68 836	511	1 546	3 630	522	933	212	634							253	480
No. of sectional title property values		10 914															
No. of unreasonably difficult properties s7(2)																	
No. of supplementary valuations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Supplementary valuation (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of valuation roll amendments		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of objections by rate-payers		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers finalised		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of successful objections	5	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of successful objections > 10%	5	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Estimated no. of properties not valued		–	–	–	–	–	–		–	–	–	–	–	–	–	–	–
Years since last valuation (select)		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Frequency of valuation (select)		4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Method of valuation used (select)		Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (select)		Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Phasing-in properties s21 (number)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Combination of rating types used? (Y/N)		No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Flat rate used? (Y/N)		No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Is balance rated by uniform rate/variable rate?		Uniform	Uniform	Uniform	Uniform	Variable	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform
Valuation reductions:																	
Valuation reductions-public infrastructure (Rm)																	
Valuation reductions-nature reserves/park (Rm)																	
Valuation reductions-mineral rights (Rm)																	
Valuation reductions-R15,000 threshold (Rm)																	
Valuation reductions-public worship (Rm)																	
Valuation reductions-other (Rm)	2																
Total valuation reductions:																	
Total value used for rating (Rm)	6																
Total land value (Rm)	6																
Total value of improvements (Rm)	6																
Total market value (Rm)	6																
Rating:																	
Average rate	3																
Rate revenue budget (R '000)																	
Rate revenue expected to collect (R'000)																	
Expected cash collection rate (%)	4																
Special rating areas (R'000)																	
Rebates, exemptions - indigent (R'000)																	
Rebates, exemptions - pensioners (R'000)																	
Rebates, exemptions - bona fide farm. (R'000)																	
Rebates, exemptions - other (R'000)																	
Phase-in reductions/discounts (R'000)																	
Total rebates,exemptns,reductns,discs (R'000)																	

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NW373 Rustenburg - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2013/14	2014/15	2015/16	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Property rates *(rate in the Rand)*	1								
Residential properties						0.0060	0.0064	0.0068	0.0072
Residential properties - vacant land						0.0093	0.0099	0.0105	0.0111
Formal/informal settlements		Not Rated							
Small holdings		Rated with farms				0.0015	0.0016	0.0017	0.0018
Farm properties - used		Rated as farms				0.0093	0.0099	0.0105	0.0111
Farm properties - not used		Rated as farms							
Industrial properties						0.0226	0.0240	0.0255	0.0270
Business and commercial properties						0.0217	0.0236	0.0250	0.0265
Communal land - residential		Not rated							
Communal land - small holdings		Not rated							
Communal land - farm property		Not rated							
Communal land - business and commercial		Not rated							
Communal land - other		Not rated							
State-owned properties						0.0211	0.0224	0.0238	0.0252
Municipal properties		Zero Rated				-	-	-	-
Public service infrastructure									
Privately owned towns serviced by the owner						0.0030	0.0032	0.0034	0.0035
State trust land		Not rated							
Restitution and redistribution properties		Not rated							
Protected areas		Not rated							
National monuments properties		Not rated							
Exemptions, reductions and rebates *(Rands)*									
Residential properties									
R15 000 threshhold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate									
Indigent rebate or exemption									
Pensioners/social grants rebate or exemption									
Temporary relief rebate or exemption									
Bona fide farmers rebate or exemption									
Other rebates or exemptions	2								
Water tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*						63	67	71	75
Service point - vacant land *(Rands/month)*						65	70	74	78
Water usage - flat rate tariff *(c/kl)*						63	67	71	75
Water usage - life line tariff		(describe structure)							-
Water usage - Block 1 (c/kl)		(fill in thresholds)				14	16	18	20
Water usage - Block 2 (c/kl)		(fill in thresholds)				15	17	19	22
Water usage - Block 3 (c/kl)		(fill in thresholds)				17	19	21	24
Water usage - Block 4 (c/kl)		(fill in thresholds)				18	19	20	22
Other	2					20	21	22	24
Waste water tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*									
Service point - vacant land *(Rands/month)*									
Waste water - flat rate tariff *(c/kl)*									
Volumetric charge - Block 1 (c/kl)		(fill in structure)				116	127	141	159
Volumetric charge - Block 2 (c/kl)		(fill in structure)				122	135	150	167
Volumetric charge - Block 3 (c/kl)		(fill in structure)				132	147	163	183
Volumetric charge - Block 4 (c/kl)		(fill in structure)				146	164	184	210
Other	2								
Electricity tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*						183	187	198	210
Service point - vacant land *(Rands/month)*									
FBE		(how is this targeted?)				50	50	50	50
Life-line tariff - meter		(describe structure)							
Life-line tariff - prepaid		(describe structure)							
Flat rate tariff - meter *(c/kwh)*									
Flat rate tariff - prepaid *(c/kwh)*									
Meter - IBT Block 1 (c/kwh)		(fill in thresholds)				84	86	91	96
Meter - IBT Block 2 (c/kwh)		(fill in thresholds)				105	107	113	120
Meter - IBT Block 3 (c/kwh)		(fill in thresholds)				128	147	156	166
Meter - IBT Block 4 (c/kwh)		(fill in thresholds)				154	177	188	199
Meter - IBT Block 5 (c/kwh)		(fill in thresholds)							
Prepaid - IBT Block 1 (c/kwh)		(fill in thresholds)				84	86	91	96
Prepaid - IBT Block 2 (c/kwh)		(fill in thresholds)				105	107	113	120
Prepaid - IBT Block 3 (c/kwh)		(fill in thresholds)				128	130	156	166
Prepaid - IBT Block 4 (c/kwh)		(fill in thresholds)				154	157	188	199
Prepaid - IBT Block 5 (c/kwh)		(fill in thresholds)							
Other	2								
Waste management tariffs									
Domestic									
Street cleaning charge									
Basic charge/fixed fee						114	121	128	135
80l bin - once a week									
250l bin - once a week									

NW373 Rustenburg - Supporting Table SA13b Service Tariffs by category - explanatory

Description	Ref	Provide description of tariff structure where appropriate	2013/14	2014/15	2015/16	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
							Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Exemptions, reductions and rebates (Rands)									
Rebate Earnings<4500		Rebate Earnings<4500				0.4000	0.4000	0.4000	0.4000
Rebate Earnings between 4500 and 5500		Rebate Earnings between 4500				0.3000	0.3000	0.3000	0.3000
Rebate Earnings between 5500 and 6500		Rebate Earnings between 5500				0.2000	0.2000	0.2000	0.2000
Government Rebates 20%		Government Rebates 20%				0.1000	0.1000	0.1000	0.1000
Residential Rebates		Residential Rebates				100 000	100 000	100 000	100 000
Water tariffs									
Domestic - Conventional		(0-12kl)				10.4786	11.6522	13.0330	14.6685
Domestic - Conventional		(13-25kl)				12.5728	14.0187	15.7243	17.7504
Domestic - Conventional		(26-40kl)				14.4399	16.1871	18.2593	20.7348
Domestic - Conventional		(41-60kl)				16.3754	18.3895	20.7826	23.6467
Domestic - Conventional		(60kl +)				17.7630	19.9833	22.6261	25.7950
Domestic - Prepaid		(0-12kl)				10.4786	11.6522	13.0330	14.6685
Domestic - Prepaid		(13-25kl)				12.5728	14.0187	15.7243	17.7504
Domestic - Prepaid		(26-40kl)				14.4399	16.1871	18.2593	20.7348
Domestic - Prepaid		(41-60kl)				16.3754	18.3895	20.7826	23.6467
Domestic - Prepaid		(60kl +)				17.7630	19.9833	22.6261	25.7950
Domestic Agricultural		(0-12kl)				14.2135	15.8481	17.7763	20.0668
Domestic Agricultural		(13-25kl)				14.2135	16.9212	19.0874	21.6751
Domestic Agricultural		(26-40kl)				14.2135	18.6817	21.1128	24.0224
Domestic Agricultural		(41-60kl)				14.2135	19.3418	20.4673	21.7286
Domestic Agricultural		(60kl +)				14.2135	21.2149	22.3371	23.5885
Commercial		(0-150kl) (0-60Kl New)				14.9872	17.2353	19.9705	23.3269
Commercial		(0 - 150) (61-100Kl New)				15.5747	18.1134	21.2371	25.1156
Commercial		(0-150kl) (101-150Kl New)				15.8479	19.8099	25.0496	32.0662
Commercial		(150kl +) (151Kl + New)				16.6284	20.7855	26.2833	33.6454
Industrial		(0-150kl) (0-60Kl New)				14.9872	17.0105	19.4401	22.3805
Industrial		(0 - 150) (61-100Kl New)				15.5747	18.5339	22.2595	26.9982
Industrial		(0-150kl) (101-150Kl New)				15.8479	20.6023	27.1415	36.2644
Industrial		(150kl +) (151Kl + New)				16.6980	22.5423	30.8897	43.0030
Agricultural Business		(0-150kl) (0-60Kl New)				14.9872	17.0105	19.4401	22.3805
Agricultural Business		(0 - 150) (61-100Kl New)				15.5747	18.5339	22.2595	26.9982
Agricultural Business		(0-150kl) (101-150Kl New)				15.8479	20.6023	27.1415	36.2644
Agricultural Business		(150kl +) (151Kl + New)				16.6980	22.5423	30.8897	43.0030
Bospoort		(0-150kl) (0-60Kl New)				14.9872	17.9847	21.7902	26.6731
Bospoort		(0 - 150) (61-100Kl New)				15.5747	19.0478	23.5419	29.4239
Bospoort		(0-150kl) (101-150Kl New)				15.8479	19.6356	24.6007	31.1882
Bospoort		(150kl +) (151Kl + New)				16.6980	20.6220	25.7493	32.5291
Institutional - Church		(0-150kl) (0-60Kl New)				14.7263	16.3167	18.1811	20.3811
Institutional - Church		(0 - 150) (61-100Kl New)				15.3014	17.0611	19.1369	21.6027
Institutional - Church		(0-150kl) (101-150Kl New)				15.3698	17.2141	19.3996	22.0079
Institutional - Church		(150kl +) (151Kl + New)				16.0023	18.0025	20.3834	23.2381
Institutional - Educational / Private and Public Schools		(0-150kl) (0-60Kl New)				14.1840	16.7371	19.9245	23.9428
Institutional - Educational / Private and Public Schools		(0 - 150) (61-100Kl New)				14.7380	19.1594	25.2405	33.7246
Institutional - Educational / Private and Public Schools		(0-150kl) (101-150Kl New)				14.8038	19.2449	25.3532	33.8751
Institutional - Educational / Private and Public Schools		(150kl +) (151Kl + New)				15.4130	20.1910	26.8133	36.1263
Institutional - Municipal		(0-150kl) (0-60Kl New)				14.4353	17.0337	20.2776	24.3671
Institutional - Municipal		(0 - 150) (61-100Kl New)				15.0012	19.5015	25.6913	34.3268
Institutional - Municipal		(0-150kl) (101-150Kl New)				15.2644	19.8437	26.1420	34.9291
Institutional - Municipal		(150kl +) (151Kl + New)				16.0831	21.0689	27.9791	37.6971
Institutional - Government		(0-150kl) (0-60Kl New)				14.4353	17.0337	20.2776	24.3671
Institutional - Government		(0 - 150) (61-100Kl New)				15.0012	19.5015	25.6913	34.3268
Institutional - Government		(0-150kl) (101-150Kl New)				15.2644	19.8437	26.1420	34.9291
Institutional - Government		(150kl +) (151Kl + New)				16.0831	21.0689	27.9791	37.6971
Special		(0-150kl) (0-60Kl New)				14.4353	18.0442	22.8169	29.2080
Special		(0 - 150) (61-100Kl New)				15.0012	18.7515	23.7112	30.3529
Special		(0-150kl) (101-150Kl New)				15.2644	19.0804	24.1272	30.8854
Special		(150kl +) (151Kl + New)				16.0831	20.1039	25.4214	32.5421

Waste water tariffs						
Agricultural Business	Up to and including 300m2	115.5536	127.1089	141.3451	159.0755	
	From 301 m2 to 1000m2	122.4868	135.3479	149.5595	167.1477	
	1001m2 to 2000m2	132.2858	146.8372	162.9893	183.0696	
	Larger than 2000m2	145.5143	163.7035	184.1665	209.9498	
Business/Commercial	Up to and including 300m2	115.5536	128.2645	142.3736	159.9140	
	From 301 m2 to 1000m2	122.4868	136.5728	152.2787	171.8922	
	1001m2 to 2000m2	132.2858	148.1601	165.9393	188.2415	
	Larger than 2000m2	145.5143	163.7035	184.1665	209.9498	
Educational	Up to and including 300m2	125.9499	139.8044	155.1829	174.3014	
	From 301 m2 to 1000m2	139.1941	154.9230	172.4293	194.2520	
	1001m2 to 2000m2	156.6625	175.1487	195.8162	221.6953	
	Larger than 2000m2	181.8754	204.6098	230.1861	262.4121	
Industrial	Up to and including 300m2	130.7934	145.1807	161.1505	181.0043	
	From 301 m2 to 1000m2	145.2049	161.6130	179.8753	202.6403	
	1001m2 to 2000m2	164.1215	183.4879	205.1395	232.2507	
	Larger than 2000m2	188.7995	212.3994	238.9493	272.4022	
Municipal	Up to and including 300m2	125.9967	139.8563	155.2405	174.3662	
	From 301 m2 to 1000m2	139.8797	155.6861	173.2786	195.2087	
	1001m2 to 2000m2	158.1025	176.7586	197.6161	223.7331	
	Larger than 2000m2	181.8754	204.6098	230.1860	262.4121	
Religious	Up to and including 300m2	125.9499	139.8044	155.1829	174.3014	
	From 301 m2 to 1000m2	139.1941	154.9230	172.4293	194.2520	
	1001m2 to 2000m2	156.6625	175.1487	195.8162	221.6953	
	Larger than 2000m2	181.8754	204.6098	230.1861	262.4121	
Residential Vacant	Up to and including 300m2	117.7758	130.7311	145.1115	162.9892	
	From 301 m2 to 1000m2	129.5533	144.1928	160.4866	180.7978	
	1001m2 to 2000m2	145.0997	162.2215	181.3636	205.3326	
	Larger than 2000m2	165.4136	186.0903	209.3516	238.6609	
State-Owned	Up to and including 300m2	130.7934	145.1807	161.1505	181.0043	
	From 301 m2 to 1000m2	145.2049	161.6130	179.8753	202.6403	
	1001m2 to 2000m2	164.1215	183.4879	205.1395	232.2507	
	Larger than 2000m2	188.7995	212.3994	238.9493	272.4022	
Electricity tariffs						
Residential 1(1-50 KWH)		84.0000	85.5800	90.6391	96.1681	
Residential 1(51-350 KWH)		105.0000	106.9800	113.2989	120.2101	
Residential 1(351-600 KWH)		128.0000	130.4100	156.1792	165.7061	
Residential 1(601 + KWH)		154.0000	156.9000	187.9031	199.3652	
Residential 2(1-50 KWH)Prepaid		84.0000	85.5800	90.7995	96.3383	
Residential 2(51-350 KWH)Prepaid		105.0000	106.9800	113.4994	120.4229	
Residential 2(351-600 KWH)Prepaid		128.0000	130.4100	156.1792	165.7061	
Residential 2(601 + KWH)Prepaid		154.0000	156.9000	187.9031	199.3652	
Business/Commercial	Energy Rate (c/kWh) Summer	150.0000	177.0000	187.7970	199.2526	
Business/Commercial	Energy Rate (c/kWh) Winter	200.0000	203.7600	216.1894	229.3769	
Industrial (Bulk Supply Town 400 V)	Energy Rate (c/kWh) Summer	100.0200	135.0270	143.2636	152.0027	
Industrial (Bulk Supply Town 400 V)	Energy Rate (c/kWh) Winter	167.9100	173.1152	183.6752	194.8794	
Industrial (Bulk Supply Town 400 V)	Utilised Demand Charge	162.4800	167.5169	177.7354	188.5773	
Industrial (Bulk Supply Town 400 V)	Maximum Demand Charge	40.6200	41.8792	44.4339	47.1443	
Agricultural (Bulk Supply Rural 400 V)	Energy Rate (c/kWh) Summer	100.0200	150.1200	143.2636	152.0027	
Agricultural (Bulk Supply Rural 400 V)	Energy Rate (c/kWh) Winter	167.9100	173.1152	183.6752	194.8794	
Agricultural (Bulk Supply Rural 400 V)	Utilised Demand Charge	162.4800	177.3320	177.7354	188.5773	
Agricultural (Bulk Supply Rural 400 V)	Maximum Demand Charge	40.6200	44.3330	44.4339	47.1443	
Industrial (11kV Bulk Supply Town and Rural)	Energy Rate (c/kWh) Summer	98.0000	132.3000	140.3703	148.9329	
Industrial (11kV Bulk Supply Town and Rural)	Energy Rate (c/kWh) Winter	154.0000	158.7740	168.4592	178.7352	
Industrial (11kV Bulk Supply Town and Rural)	Utilised Demand Charge	39.1800	40.3946	42.8586	45.4730	
Industrial (11kV Bulk Supply Town and Rural)	Maximum Demand Charge	156.7500	161.6093	171.4674	181.9269	
11 kV Bulk supply Time-of-use	SUMMER: Demand Charge	34.0000	36.7200	39.6576	42.8302	
	Access Charge	26.0000	28.0800	30.3264	32.7525	
	Peak Energy	112.0000	120.9600	130.6368	141.0877	
	Standard Energy	76.0000	82.0800	88.6464	95.7381	
	Off-peak Energy	54.0000	58.3200	62.9856	68.0244	
	WINTER: Demand Charge	34.0000	42.0784	44.6452	47.3685	
	Access Charge	26.0000	32.1776	34.1404	36.2230	
	Peak Energy	351.0000	434.3976	460.8959	489.0105	
	Standard Energy	102.0000	126.2352	133.9355	142.1056	
	Off-peak Energy	60.0000	74.2560	78.7856	83.5915	
	Reactive Energy	17.0600	21.1135	22.4014	23.7679	
33 kV Bulk supply Time-of-use	SUMMER: Demand Charge	33.0000	41.9826	44.5435	47.2607	
	Access Charge	2500.0000	3180.5000	3374.5105	3580.3556	
	Peak Energy	110.0000	139.9420	148.4785	157.5356	
	Standard Energy	74.0000	94.1428	99.8855	105.9785	
	Off-peak Energy	52.0000	66.1544	70.1898	74.4714	

	WINTER: Demand Charge				33.0000	41.9826	44.5435	47.2607
	Access Charge				2500.0000	3180.5000	3374.5105	3580.3556
	Peak Energy				345.0000	438.9090	465.6824	494.0891
	Standard Energy				100.0000	127.2200	134.9804	143.2142
	Off-peak Energy				58.0000	73.7876	78.2886	83.0643
	Reactive Energy				17.0600	21.7037	23.0277	24.4323
33 kV Bulk supply NMD >150MVA	SUMMER: Demand Charge				28.9500	29.0400	30.8114	32.6909
	Access Charge				15.2800	15.7537	16.7147	17.7342
	Transmission				7.6200	7.8562	8.3354	8.8439
	Peak Energy				104.0300	104.3500	110.7154	117.4690
	Standard Energy				74.0300	74.2500	78.7793	83.5848
	Off-peak Energy				49.8200	49.9700	53.0182	56.2523
	WINTER: Demand Charge				28.9500	29.0400	30.8114	32.6909
	Access Charge				15.2800	15.7537	16.7147	17.7342
	Transmission				7.6200	7.8562	8.3354	8.8439
	Reactive Energy				13.3800	13.7948	14.6363	15.5291
	Peak Energy				302.8200	303.7500	322.2788	341.9378
	Standard Energy				97.1700	97.4700	103.4157	109.7240
	Off-peak Energy				56.3200	56.4900	59.9359	63.5920

NW373 Rustenburg - Supporting Table SA14 Household bills

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework			
Rand/cent		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18 % incr.	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates					292.05	292.05	292.05	5.8%	308.99	326.91	346.52
Electricity: Basic levy					256.55	256.55	256.55	5.8%	271.43	287.17	304.40
Electricity: Consumption					1 296.70	1 296.70	1 296.70	5.8%	1 371.91	1 451.48	1 538.57
Water: Basic levy					62.74	62.74	62.74	5.8%	66.38	70.23	74.44
Water: Consumption					360.81	360.81	360.81	5.8%	381.74	403.88	428.11
Sanitation					132.04	132.04	132.04	6.0%	139.96	148.36	157.26
Refuse removal					113.93	113.93	113.93	5.8%	120.54	127.53	135.18
Other											
sub-total		–	–	–	2 514.82	2 514.82	2 514.82	5.8%	2 660.94	2 815.55	2 984.49
VAT on Services		–	–	–	352.07	352.07	352.07	0.01	372.53	394.18	417.83
Total large household bill:		–	–	–	2 866.89	2 866.89	2 866.89	5.8%	3 033.48	3 209.73	3 402.32
% increase/-decrease			–	–	–	–	–		5.8%	5.8%	6.0%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates					194.70	194.70	194.70	5.8%	205.99	217.94	231.01
Electricity: Basic levy					256.55	256.55	256.55	5.8%	271.43	287.17	304.40
Electricity: Consumption					561.93	561.93	561.93	5.8%	594.52	629.00	666.74
Water: Basic levy					62.74	62.74	62.74	5.8%	66.38	70.23	74.44
Water: Consumption					288.88	288.88	288.88	5.8%	305.64	323.36	342.77
Sanitation					122.26	122.26	122.26	6.0%	129.59	137.37	145.61
Refuse removal					113.93	113.93	113.93	5.8%	120.54	127.53	135.18
Other											
sub-total		–	–	–	1 600.99	1 600.99	1 600.99	5.8%	1 694.09	1 792.60	1 900.15
VAT on Services		–	–	–	224.14	224.14	224.14	0.01	237.17	250.96	266.02
Total small household bill:		–	–	–	1 825.12	1 825.12	1 825.12	5.8%	1 931.26	2 043.56	2 166.18
% increase/-decrease			–	–	–	–	–		5.8%	5.8%	6.0%
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates					97.35	97.35	97.35	5.8%	103.00	108.97	115.51
Electricity: Basic levy					256.55	256.55	256.55	5.8%	271.43	287.17	304.40
Electricity: Consumption					327.98	327.98	327.98	5.8%	347.00	367.13	389.15
Water: Basic levy					62.74	62.74	62.74	5.8%	66.38	70.23	74.44
Water: Consumption					163.26	163.26	163.26	5.8%	172.73	182.75	193.71
Sanitation					115.34	115.34	115.34	6.0%	122.26	129.59	137.37
Refuse removal					113.93	113.93	113.93	5.8%	120.54	127.53	135.18
Other											
sub-total		–	–	–	1 137.15	1 137.15	1 137.15	5.8%	1 203.33	1 273.37	1 349.77
VAT on Services		–	–	–	159.20	159.20	159.20	0.01	168.47	178.27	188.97
Total small household bill:		–	–	–	1 296.35	1 296.35	1 296.35	5.8%	1 371.80	1 451.64	1 538.74
% increase/-decrease			–	–	–	–	–		5.8%	5.8%	6.0%

References

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water

2 Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water

3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)

NW373 Rustenburg - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank					908 963 880	358 310 880	(145 184) 880	351 410 890	873 024 900	1 460 034 915
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	–	–	–	909 843	359 190	(144 304)	352 301	873 924	1 460 949
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		–	–	–	–	–	–	–	–	–
Consolidated total:		–	–	–	909 843	359 190	(144 304)	352 301	873 924	1 460 949

NW373 Rustenburg - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity Name of institution & investment ID	Ref 1	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate [3]	Commission Paid (Rands)	Commission Recipient	Expiry date of Investment
Parent municipality									
Sanlam			Short Term		Variable				Call
Kagiso Asset Management			Short Term		Variable				Call
Standard Bank			Short Term		Variable				Call
Absa Bank									
2072931992			Short Term		Fixed	0.0732	0	0	02 March 2017
2076427525			Short Term		Fixed	0.0797	0	0	31 March 2017
Municipality sub-total									
Entities									
Entities sub-total									
TOTAL INVESTMENTS AND INTEREST	1								

References

1. Total investments must reconcile to all items in Table SA15 for the Current Year (30 June)

2. List investments in expiry date order

NW373 Rustenburg - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Parent municipality										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)					556 207	556 207	556 207	500 938	442 542	395 125
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	–	–	–	556 207	556 207	556 207	500 938	442 542	395 125
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	–	–	–	556 207	556 207	556 207	500 938	442 542	395 125
Unspent Borrowing - Categorised by type										
Parent municipality										
Long-Term Loans (annuity/reducing balance)								80 844		
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	–	–	–	–	–	–	80 844	–	–
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	–	–	–	–	–	–	80 844	–	–

References

1. Total borrowing must reconcile to Budgeted Financial Position (Borrowing - non-current)

NW373 Rustenburg - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		–	–	–	583 300	608 915	608 915	641 399	663 580	663 580
Local Government Equitable Share					451 980	451 980	451 980	521 872	585 878	585 878
Finance Management					1 625	1 625	1 625	1 700	1 700	1 700
Municipal Systems Improvement										
Water Services Operating Subsidy										
2010 FIFA World Cup Operating								–	5 000	5 000
Energy Efficiency and Demand Management										
NDPG					400	–	–			
FIFA										
EPWP					4 219	4 219	4 219			
PTIS					72 578	98 594	98 594	67 341	64 146	64 146
PMU					5 997	5 997	5 997	6 486	6 856	6 856
MIG					46 500	46 500	46 500	44 000	–	–
Provincial Government:		–	–	–	468	468	468	617	515	515
Sport and Recreation					468	468	468	617	515	515
Skills Levy										
LG-SETA										
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]										
Total Operating Transfers and Grants	5	–	–	–	583 768	609 383	609 383	642 016	664 095	664 095
Capital Transfers and Grants										
National Government:		–	–	–	397 342	426 947	426 947	499 521	463 789	463 789
Municipal Infrastructure Grant (MIG)					147 417	147 787	147 787	165 021	172 000	172 000
Public Transport and Systems					212 461	246 761	246 761	232 778	178 976	178 976
Neighbourhood Development Partnership					7 465	–	–	27 722	24 813	24 813
Department of Energy								–	–	–
Municipal Systems Improvement										
Finance Management										
Water Infrastructure Grant					30 000	32 400	32 400	74 000	88 000	88 000
Municipal Systems Improvement										
Other capital transfers/grants [insert desc]										
Provincial Government:		–	–	–	1 532	2 582	2 582	1 453	1 605	1 605
Department of Arts,Sports & Culture & DPLG					1 532	2 582	2 582	1 453	1 605	1 605
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]										
Total Capital Transfers and Grants	5	–	–	–	398 874	429 529	429 529	500 974	465 395	465 395
TOTAL RECEIPTS OF TRANSFERS & GRANTS		–	–	–	982 642	1 038 912	1 038 912	1 142 990	1 129 489	1 129 489

References

1. *Each transfer/grant is listed by name as gazetted together with the name of the transferring department or municipality, donor or other organisation*
2. *Amounts actually* RECEIVED; not revenue recognised (objective is to confirm grants transferred)
3. *Replacement of RSC levies*
4. *Housing subsidies for housing where ownership transferred to organisations or persons outside the control of the municipality*
5. *Total transfers and grants must reconcile to Budgeted Cash Flows*
6. *Motor vehicle licensing refunds to be included under 'agency' services (Not Grant Receipts)*

NW373 Rustenburg - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		–	–	–	583 300	608 915	608 915	641 399	663 580	663 580
Local Government Equitable Share					451 980	451 980	451 980	521 872	585 878	585 878
Finance Management					1 625	1 625	1 625	1 700	1 700	1 700
Municipal Systems Improvement										
Water Services Operating Subsidy										
2010 FIFA World Cup Operating										
Energy Efficiency and Demand Management								–	5 000	5 000
NDPG					400	–	–			
FIFA										
EPWP					4 219	4 219	4 219			
PTIS					72 578	98 594	98 594	67 341	64 146	64 146
PMU					5 997	5 997	5 997	6 486	6 856	6 856
MIG					46 500	46 500	46 500	44 000	–	–
0										
Provincial Government:		–	–	–	468	468	468	617	515	515
Sport and Recreation					468	468	468	617	515	515
Skills Levy										
LG-SETA										
0										
District Municipality:		–	–	–	–	–	–	–	–	–
Department of Arts,Sports & Culture & DPLG										
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]										
Total operating expenditure of Transfers and Grants:		–	–	–	583 768	609 383	609 383	642 016	664 095	664 095
Capital expenditure of Transfers and Grants										
National Government:		–	–	–	397 342	426 947	426 947	499 521	463 789	463 789
Municipal Infrastructure Grant (MIG)					147 417	147 787	147 787	165 021	172 000	172 000
Public Transport and Systems					212 461	246 761	246 761	232 778	178 976	178 976
Neighbourhood Development Partnership					7 465	–	–	27 722	24 813	24 813
Department of Energy								–	–	–
Municipal Systems Improvement										
Finance Management										
Water Infrastructure Grant					30 000	32 400	32 400	74 000	88 000	88 000
Municipal Systems Improvement										
Other capital transfers/grants [insert desc]										
Provincial Government:		–	–	–	1 532	2 582	2 582	1 453	1 605	1 605
Department of Arts,Sports & Culture & DPLG					1 532	2 582	2 582	1 453	1 605	1 605
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]										
Total capital expenditure of Transfers and Grants		–	–	–	398 874	429 529	429 529	500 974	465 395	465 395
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		–	–	–	982 642	1 038 912	1 038 912	1 142 990	1 129 489	1 129 489

References

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

NW373 Rustenburg - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year					583 300	608 558	608 558	641 399	663 580	663 580
Current year receipts					583 300	608 558	608 558	641 399	663 580	663 580
Conditions met - transferred to revenue		–	–	–						
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year					468	468	468	617	515	515
Current year receipts					468	468	468	617	515	515
Conditions met - transferred to revenue		–	–	–						
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year					–	–	–	–	–	–
Current year receipts										
Conditions met - transferred to revenue		–	–	–						
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year					–	–	–	–	–	–
Current year receipts										
Conditions met - transferred to revenue		–	–	–						
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		–	–	–	583 768	609 026	609 026	642 016	664 095	664 095
Total operating transfers and grants - CTBM	2	–	–	–	–	–	–	–	–	–
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year					397 342	426 947	426 947	499 521	463 789	463 789
Current year receipts					397 342	426 947	426 947	499 521	463 789	463 789
Conditions met - transferred to revenue		–	–	–						
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year					1 532	2 582	2 582	1 453	1 605	1 605
Current year receipts					1 532	2 582	2 582	1 453	1 605	1 605
Conditions met - transferred to revenue		–	–	–						
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year					–	–	–	–	–	–
Current year receipts										
Conditions met - transferred to revenue		–	–	–						
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year					–	–	–	–	–	–
Current year receipts										
Conditions met - transferred to revenue		–	–	–						
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		–	–	–	398 874	429 529	429 529	500 974	465 395	465 395
Total capital transfers and grants - CTBM	2	–	–	–	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE		–	–	–	982 642	1 038 555	1 038 555	1 142 990	1 129 489	1 129 489
TOTAL TRANSFERS AND GRANTS - CTBM		–	–	–	–	–	–	–	–	–

References

1. Total capital transfers and grants revenue must reconcile to Budgeted Financial Performance and Financial Position, total recurrent grants revenue must reconcile to Budgeted Financial Performance

2. CTBM = conditions to be met

3. National Treasury database will require this reconciliation for each transfer/grant

NW373 Rustenburg - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Cash Transfers to other municipalities											
Insert description	1										
Total Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	–
Cash Transfers to Entities/Other External Mechanisms											
Insert description	2										
Rustenburg Rapid Transport					5 425						
Total Cash Transfers To Entities/Ems'		–	–	–	5 425	–	–	–	–	–	–
Cash Transfers to other Organs of State											
Bessie Mpelegeleng Ngwana	3				24 779	19 749	19 749	19 749	6 060	6 389	6 731
Donation Spca											
Donation Rlm sports & Recreation Club											
Total Cash Transfers To Other Organs Of State:		–	–	–	24 779	19 749	19 749	19 749	6 060	6 389	6 731
Cash Transfers to Organisations											
Insert description											
Total Cash Transfers To Organisations		–	–	–	–	–	–	–	–	–	–
Cash Transfers to Groups of Individuals											
Insert description											
Total Cash Transfers To Groups Of Individuals:		–	–	–	–	–	–	–	–	–	–
TOTAL CASH TRANSFERS AND GRANTS	6	–	–	–	30 204	19 749	19 749	19 749	6 060	6 389	6 731
Non-Cash Transfers to other municipalities											
Insert description	1										
Total Non-Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	–
Non-Cash Transfers to Entities/Other External Mechanisms											
Insert description	2										
Total Non-Cash Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–	–
Non-Cash Transfers to other Organs of State											
Insert description	3										
Total Non-Cash Transfers To Other Organs Of State:		–	–	–	–	–	–	–	–	–	–
Non-Cash Grants to Organisations											
Insert description	4										
Total Non-Cash Grants To Organisations		–	–	–	–	–	–	–	–	–	–
Groups of Individuals											
Insert description	5										
Alternative Energy											
Free Sanitation Services											
Free Water Services											
Free Property Rates Services											
Free Refuse Services											
Free Electricity Services											
Total Non-Cash Grants To Groups Of Individuals:		–	–	–	–	–	–	–	–	–	–
TOTAL NON-CASH TRANSFERS AND GRANTS		–	–	–	–	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS	6	–	–	–	30 204	19 749	19 749	19 749	6 060	6 389	6 731

NW373 Rustenburg - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages					22 999	24 904	24 904	26 647	28 512	30 508
Pension and UIF Contributions					2 264	1 450	1 450	1 552	1 660	1 777
Medical Aid Contributions					670	690	690	739	790	846
Motor Vehicle Allowance					3 085	2 022	2 022	2 163	2 314	2 476
Cellphone Allowance					1 704	1 772	1 772	2 400	2 542	2 542
Housing Allowances										
Other benefits and allowances										
Sub Total - Councillors		–	–	–	30 722	30 837	30 837	33 500	35 819	38 148
% increase	4		–	–	–	0.4%	–	8.6%	6.9%	6.5%
Senior Managers of the Municipality	2									
Basic Salaries and Wages					12 192	13 512	13 512	14 326	14 763	15 202
Pension and UIF Contributions					1 038	1 585	1 585	1 906	2 176	2 461
Medical Aid Contributions					145	172	172	549	862	1 178
Overtime					–	–	–	–	–	–
Performance Bonus					–	–	–	–	–	–
Motor Vehicle Allowance	3				1 167	1 354	1 354	1 518	1 692	1 867
Cellphone Allowance	3				–	4	4	4	4	4
Housing Allowances	3				41	89	89	–	–	–
Other benefits and allowances	3				159	159	159	170	181	193
Payments in lieu of leave								–	–	–
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Municipality		–	–	–	14 741	16 875	16 875	18 473	19 679	20 907
% increase	4		–	–	–	14.5%	–	9.5%	6.5%	6.2%
Other Municipal Staff										
Basic Salaries and Wages					403 401	402 693	402 693	430 818	461 159	493 037
Pension and UIF Contributions					66 235	66 235	66 235	70 872	75 882	81 238
Medical Aid Contributions					31 378	31 378	31 378	38 112	40 727	43 538
Overtime					29 493	27 693	27 693	26 354	28 198	30 172
Performance Bonus					–	–	–	–	–	–
Motor Vehicle Allowance	3				15 499	15 499	15 499	16 557	17 691	18 922
Cellphone Allowance	3				87	87	87	93	100	107
Housing Allowances	3				6 658	6 658	6 658	3 714	3 974	4 253
Other benefits and allowances	3				9 897	12 905	12 905	27 794	29 473	31 634
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Other Municipal Staff		–	–	–	562 648	563 148	563 148	614 314	657 203	702 900
% increase	4		–	–	–	0.1%	–	9.1%	7.0%	7.0%
Total Parent Municipality		–	–	–	608 111	610 860	610 860	666 287	712 701	761 954
			–	–	–	0.5%	–	9.1%	7.0%	6.9%
Board Members of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Board Fees										
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Board Members of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Senior Managers of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									

Sub Total - Senior Managers of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Other Staff of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Total Municipal Entities		–	–	–	–	–	–	–	–	–
TOTAL SALARY, ALLOWANCES & BENEFITS		–	–	–	608 111	610 860	610 860	666 287	712 701	761 954
% increase	4		–	–	–	0.5%	–	9.1%	7.0%	6.9%
TOTAL MANAGERS AND STAFF	5,7	–	–	–	577 389	580 023	580 023	632 787	676 882	723 806

NW373 Rustenburg - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1. Rand per annum	Ref	No.	Salary 1.	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package 2.
Councillors	3							
Speaker	4				818 034			818 034
Chief Whip					769 140			769 140
Executive Mayor					1 021 867			1 021 867
Deputy Executive Mayor								–
Executive Committee					7 687 362			7 687 362
Total for all other councillors					23 203 597			23 203 597
Total Councillors	8	–	–	–	33 500 000			33 500 000
Senior Managers of the Municipality	5							
Municipal Manager (MM)			2 212 101					2 212 101
Chief Finance Officer			1 680 881					1 680 881
DIRECTOR: TECHNICAL & INFR			1 680 881					1 680 881
DIRECTOR: CORPORATE SUPPORT SER			1 544 228					1 544 228
DIRECTOR: COMMUNITY DEVELOPM			1 543 277					1 543 277
DIRECTOR ROADS AND TRANSPORT			1 694 386					1 694 386
List of each offical with packages >= senior manager								
DIRECTOR: LED			1 417 623					1 417 623
DIRECTOR: PUBLIC SAFETY			1 415 862					1 415 862
DIRECTOR: PLANNING			1 680 881					1 680 881
DEPUTY CHIEF FINANCIAL OFFICER			1 164 660					1 164 660
MANAGER: OFFICE OF THE COO			1 213 912					1 213 912
MANAGER: OFFICE OF THE MM			1 225 257					1 225 257
								–
								–
								–
								–
								–
								–
								–
Total Senior Managers of the Municipality	8,10	–	18 473 948	–	–	–		18 473 948
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	–	18 473 948	–	33 500 000	–		51 973 948

NW373 Rustenburg - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2015/16			Current Year 2016/17			Budget Year 2017/18		
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)					96	–	96	96	–	96
Board Members of municipal entities	4				–	–	–	–	–	–
Municipal employees	5				–	–	–	–	–	–
Municipal Manager and Senior Managers	3				35	–	35	36	–	36
Other Managers	7				–	–	–	–	–	–
Professionals		–	–	–	*19*	–	*19*	*15*	–	*15*
Finance					–	–	–	–	–	–
Spatial/town planning					–	–	–	–	–	–
Information Technology					–	–	–	–	–	–
Roads					–	–	–	–	–	–
Electricity					–	–	–	–	–	–
Water					19	–	19	15	–	15
Sanitation					–	–	–	–	–	–
Refuse					–	–	–	–	–	–
Other					–	–	–	–	–	–
Technicians		–	–	–	–	–	–	–	–	–
Finance										
Spatial/town planning										
Information Technology										
Roads										
Electricity										
Water										
Sanitation										
Refuse										
Other										
Clerks (Clerical and administrative)										
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators										
Elementary Occupations										
TOTAL PERSONNEL NUMBERS	9	–	–	–	150	–	150	147	–	147
% increase					–	–	–	(2.2%)	–	(2.2%)
Total municipal employees headcount	6, 10									
Finance personnel headcount	8, 10									
Human Resources personnel headcount	8, 10									

References

1. Positions must be funded and aligned to the municipality's current organisational structure

2. Full Time Equivalent (FTE) E.g. One full time person = 1FTE. A person working half time (say 4 hours out of 8) = 0.5FTE.

3. s57 of the Systems Act

4. Include only in Consolidated Statements

5 Include municipal entity employees in Consolidated Statements

6 Include headcount (number fo persons, Not FTE) of managers and staff only (exclude councillors)

7 Managers who provide the direction of a critical technical function

8. Total number of employees working on these functions

NW373 Rustenburg - Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue By Source																
Property rates		28 936	30 256	31 026	35 026	30 080	27 302	28 712	19 033	23 197	20 796	25 086	19 982	319 434	340 074	362 089
Service charges - electricity revenue		223 025	252 398	292 154	256 857	109 826	262 781	226 370	20 365	206 443	150 236	203 625	267 379	2 471 460	2 706 301	2 979 704
Service charges - water revenue		42 798	40 213	49 259	48 035	49 785	48 032	40 185	49 167	47 899	40 825	45 248	45 919	547 366	624 477	718 726
Service charges - sanitation revenue		23 194	24 126	23 020	25 039	27 328	25 155	24 358	29 023	23 199	28 099	24 026	24 125	300 693	337 055	381 222
Service charges - refuse revenue		10 005	9 032	10 206	10 000	13 026	12 899	10 963	11 010	12 009	12 252	13 251	10 422	135 076	163 266	199 103
Service charges - other		20	20	20	20	20	20	20	20	20	20	20	20	239	254	269
Rental of facilities and equipment		891	794	854	972	783	825	942	765	825	855	1 001	1 190	10 697	11 328	11 985
Interest earned - external investments		1 343	1 456	1 237	1 362	1 204	1 828	1 006	1 289	1 529	924	1 009	1 928	16 114	17 107	18 099
Interest earned - outstanding debtors		17 334	16 846	16 513	16 876	19 682	14 158	18 265	18 785	17 515	19 242	15 536	17 255	208 006	220 278	233 054
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		143	133	146	123	152	169	105	153	159	102	136	191	1 713	1 814	1 919
Licences and permits		760		1 425	805	976		1 025	1 258	1 003	602	503	759	9 115	9 653	10 213
Agency services		1 704	1 605	1 663	1 524	1 623	1 826	1 633	1 933	1 833	1 452	1 856	1 800	20 453	21 659	22 916
Transfers and subsidies		53 501	60 987	61 242	63 485	49 186	50 398	49 313	70 363	10 861	80 327	10 934	81 419	642 016	664 095	664 095
Other revenue		2 143			9 125			6 753	3 025		2 036		2 637	25 719	27 237	28 816
Gains on disposal of PPE		-			174			131			137		999	1 441	1 526	1 614
Total Revenue (excluding capital transfers and contributio		405 799	437 866	488 764	469 424	303 673	445 393	409 780	226 187	346 491	357 906	342 232	476 026	4 709 540	5 146 123	5 633 824
Expenditure By Type																
Employee related costs		52 732	52 732	52 732	52 732	52 732	52 732	52 732	52 732	52 732	52 732	52 732	52 732	632 787	676 883	723 659
Remuneration of councillors		2 792	2 792	2 792	2 792	2 792	2 792	2 792	2 792	2 792	2 792	2 792	2 792	33 500	35 819	38 296
Debt impairment		–	–	125 236	–	–	103 003	–	–	132 465	–	–	199 832	560 536	583 311	601 235
Depreciation & asset impairment		38 263	37 857	35 225	38 577	30 790	39 726	39 115	38 263	39 321	33 236	37 264	32 652	440 290	465 241	480 216
Finance charges		12 862	1 055	5 051	1 021	1 858	1 936	2 036	2 033	15 020	15 024	1 547	2 121	61 565	61 026	61 754
Bulk purchases		185 271	184 363	177 785	185 633	180 985	173 632	182 363	173 959	183 064	186 543	175 829	178 157	2 167 582	2 436 036	2 765 418
Other materials		14 125	14 335	14 995	14 117	14 145	14 759	14 995	15 125	15 748	14 000	14 741	11 966	173 055	196 060	233 297
Contracted services		20 297	20 370	20 896	20 828	20 285	20 829	19 036	18 253	19 285	20 529	20 363	21 012	241 982	249 151	262 349
Transfers and subsidies		1 055						1 899		3 106			–	6 060	6 389	6 731
Other expenditure		21 033	21 224	21 165	21 435	19 684	21 254	18 364	19 247	17 440	19 195	17 246	18 568	235 856	213 701	229 097
Loss on disposal of PPE													–	–	–	–
Total Expenditure		348 431	334 729	455 879	337 136	323 272	430 663	333 332	322 403	480 974	344 050	322 513	519 831	4 553 213	4 923 616	5 402 051
Surplus/(Deficit)		57 368	103 138	32 885	132 288	(19 599)	14 729	76 448	(96 216)	(134 483)	13 855	19 719	(43 806)	156 327	222 507	231 773
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		22 542	25 614	31 369	39 617	39 775	34 039	39 167	41 991	41 926	53 926	104 005	27 005	500 974	465 395	465 395
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)													–	–	–	–
Transfers and subsidies - capital (in-kind - all)													–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		79 910	128 751	64 255	171 905	20 176	48 768	115 615	(54 225)	(92 558)	67 781	123 723	(16 801)	657 301	687 902	697 168
Taxation													–	–	–	–
Attributable to minorities													–	–	–	–
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	79 910	128 751	64 255	171 905	20 176	48 768	115 615	(54 225)	(92 558)	67 781	123 723	(16 801)	657 301	687 902	697 168

References

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

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NW373 Rustenburg - Supporting Table SA26 Consolidated budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue by Vote																
Vote 1 - EXECUTIVE MAYOR		17 109	18 549	16 563	17 987	19 660	16 551	19 983	16 684	19 360	16 514	18 234	19 858	217 053	229 859	243 191
Vote 2 - MUNICIPAL MANAGER		556	406	511	420	602	502	555	521	536	596	654	925	6 784	7 171	7 190
Vote 3 - CORPORATE SUPPORT SERVICES		35	33	38	39	36	38	39	36	36	39	31	33	434	460	487
Vote 4 - BUDGET AND TREASURY		26 612	27 012	28 912	28 365	19 512	19 631	22 256	30 120	32 021	42 100	41 220	33 924	351 687	372 609	394 917
Vote 5 - PUBLIC SAFETY		3 246	3 588	1 459	1 590	3 215	2 546	4 479	2 579	2 589	2 590	2 087	2 219	32 185	34 084	36 061
Vote 6 - PLANNING AND HUMAN SETTLEMENT		952	921	1 052	957	103	999	989	999	990	999	800	897	10 658	11 287	11 942
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		31	30	25	26	33	32	30	32	30	34	32	30	366	388	410
Vote 8 - COMMUNITY DEVELOPMENT		19 912	19 012	19 812	19 512	19 312	19 612	19 912	19 812	19 946	19 742	9 112	16 603	222 303	250 630	286 717
Vote 9 - TECHNICAL AND INFRASTRUCTURE		386 332	395 699	355 332	390 124	396 124	394 123	302 156	301 357	350 127	379 124	329 365	321 680	4 301 544	4 640 715	5 053 979
Vote 10 - ROADS AND TRANSPORT		5 213	5 469	5 412	5 145	5 456	5 846	5 699	5 625	5 779	5 896	5 987	5 973	67 500	64 315	64 325
Vote 11 - MUNICIPAL ENTITY													–	–	–	–
Vote 12 - [NAME OF VOTE 12]													–	–	–	–
Vote 13 - [NAME OF VOTE 13]													–	–	–	–
Vote 14 - [NAME OF VOTE 14]													–	–	–	–
Vote 15 - [NAME OF VOTE 15]													–	–	–	–
Total Revenue by Vote		459 999	470 719	429 117	464 165	464 055	459 881	376 099	377 766	431 414	467 634	407 523	402 142	5 210 514	5 611 518	6 099 219
Expenditure by Vote to be appropriated																
Vote 1 - EXECUTIVE MAYOR		5 123	7 063	6 987	7 413	6 456	7 632	8 123	7 321	8 963	6 541	7 891	7 037	86 552	92 301	98 401
Vote 2 - MUNICIPAL MANAGER		1 246	2 588	3 459	2 590	5 215	4 546	9 479	3 579	6 589	8 590	1 087	5 720	54 686	58 303	61 759
Vote 3 - CORPORATE SUPPORT SERVICES		14 856	10 852	5 000	4 123	4 456	4 051	5 987	4 000	4 321	5 963	6 988	6 335	76 933	82 017	87 575
Vote 4 - BUDGET AND TREASURY		14 123	13 321	10 321	10 654	12 032	10 456	10 963	10 457	13 369	10 369	10 000	9 345	135 412	142 090	148 985
Vote 5 - PUBLIC SAFETY		12 654	15 163	12 124	13 124	15 124	14 789	15 365	13 456	14 124	13 124	14 123	15 892	169 061	180 314	192 275
Vote 6 - PLANNING AND HUMAN SETTLEMENT		4 051	3 087	3 000	3 526	3 265	3 087	3 132	4 985	3 215	4 021	3 000	8 314	46 684	49 953	53 716
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		610	741	710	785	759	712	695	600	795	712	625	1 811	9 557	10 210	10 906
Vote 8 - COMMUNITY DEVELOPMENT		30 857	29 852	31 897	28 954	30 695	29 124	25 124	30 692	29 521	30 100	32 456	54 712	383 984	405 014	419 004
Vote 9 - TECHNICAL AND INFRASTRUCTURE		208 000	265 825	244 250	243 020	243 250	246 895	331 000	259 875	245 124	206 588	355 000	425 166	3 273 992	3 575 157	3 993 374
Vote 10 - ROADS AND TRANSPORT		30 590	21 589	21 990	19 236	28 457	27 358	25 896	26 569	31 896	29 790	22 526	30 454	316 350	328 257	336 056
Vote 11 - MUNICIPAL ENTITY													–	–	–	–
Vote 12 - [NAME OF VOTE 12]													–	–	–	–
Vote 13 - [NAME OF VOTE 13]													–	–	–	–
Vote 14 - [NAME OF VOTE 14]													–	–	–	–
Vote 15 - [NAME OF VOTE 15]													–	–	–	–
Total Expenditure by Vote		322 111	370 082	339 738	333 425	349 710	348 651	435 764	361 534	357 917	315 798	453 696	564 786	4 553 213	4 923 616	5 402 051
Surplus/(Deficit) before assoc.		137 888	100 637	89 380	130 740	114 345	111 229	(59 665)	16 232	73 497	151 836	(46 173)	(162 644)	657 301	687 902	697 168
Taxation													–	–	–	–
Attributable to minorities													–	–	–	–
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	137 888	100 637	89 380	130 740	114 345	111 229	(59 665)	16 232	73 497	151 836	(46 173)	(162 644)	657 301	687 902	697 168

References

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

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NW373 Rustenburg - Supporting Table SA27 Consolidated budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue - Functional																
Governance and administration		45 316	42 306	41 290	42 824	41 840	55 405	42 727	52 727	56 969	51 235	48 461	50 394	571 494	605 384	641 193
Executive and council		15 795	17 347	16 476	17 050	15 728	17 743	17 202	17 202	22 936	17 202	22 936	19 573	217 191	230 006	243 346
Finance and administration		29 521	24 960	24 813	25 774	26 111	37 662	25 525	35 525	34 033	34 033	25 525	30 821	354 303	375 379	397 847
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		2 262	1 802	3 338	1 567	6 728	3 798	3 416	2 639	3 646	2 944	3 038	3 905	39 082	41 249	43 612
Community and social services		233	161	254	291	281	228	286	215	358	243	286	443	3 278	3 333	3 496
Sport and recreation		89	93	102	124	111	119	113	119	119	107	102	142	1 339	1 418	1 500
Public safety		1 560	1 185	2 585	751	5 939	3 059	2 693	1 935	2 661	2 177	2 256	2 735	29 537	31 279	33 094
Housing		380	364	398	401	397	392	324	370	509	417	393	584	4 929	5 219	5 522
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		6 096	8 006	6 811	6 518	6 365	8 467	6 205	6 713	6 061	6 746	6 229	7 705	81 923	79 576	80 073
Planning and development		801	2 310	1 280	987	927	3 028	229	862	660	695	278	684	12 741	13 480	13 864
Road transport		5 295	5 695	5 531	5 531	5 439	5 439	5 976	5 851	5 401	6 051	5 951	7 021	69 182	66 096	66 209
Environmental protection		–	0	–	–	–	–	–	–	–	–	–	0	0	0	1
Trading services		384 621	382 989	358 186	309 053	324 871	375 435	393 206	378 551	454 010	361 507	354 941	440 645	4 518 015	4 885 308	5 334 340
Energy sources		211 733	199 131	163 093	171 719	179 795	213 201	226 297	211 324	290 054	213 811	201 933	258 994	2 541 085	2 781 077	3 054 638
Water management		72 210	86 764	88 058	31 097	39 578	51 271	69 100	78 972	78 586	78 843	83 908	75 124	833 512	975 331	1 070 311
Waste water management		75 670	77 818	87 579	87 539	87 234	94 479	82 488	68 558	66 767	54 628	51 593	90 861	925 212	882 469	927 088
Waste management		25 009	19 276	19 456	18 698	18 264	16 484	15 320	19 697	18 602	14 225	17 508	15 666	218 206	246 431	282 304
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue - Functional		438 295	435 103	409 625	359 962	379 803	443 104	445 554	440 629	520 687	422 433	412 669	502 649	5 210 514	5 611 518	6 099 219
Expenditure - Functional																
Governance and administration		24 307	30 159	28 591	29 908	29 394	43 965	32 819	37 407	35 957	43 410	49 594	43 923	429 433	455 552	483 242
Executive and council		8 673	14 094	10 732	10 397	11 860	8 443	5 663	6 099	6 970	10 406	10 841	11 251	115 429	123 172	131 403
Finance and administration		15 234	15 715	17 360	18 911	17 085	35 123	26 806	31 008	28 487	32 605	38 403	32 272	309 010	327 039	346 128
Internal audit		400	350	500	599	450	400	350	300	500	400	350	400	4 995	5 341	5 711
Community and public safety		11 466	11 617	13 547	13 522	13 831	14 329	28 322	25 653	29 034	24 792	22 861	30 419	239 393	254 956	271 442
Community and social services		4 321	5 912	5 813	5 593	6 226	6 514	8 419	8 023	9 061	9 814	9 209	11 727	90 634	96 637	103 012
Sport and recreation		3 333	3 691	3 604	3 815	3 382	3 825	13 635	10 044	14 999	10 226	10 818	13 590	94 961	100 987	107 344
Public safety		2 829	1 045	3 182	3 117	3 241	3 064	3 296	3 870	1 706	2 522	1 348	3 884	33 102	35 328	37 703
Housing		981	966	945	997	982	926	2 770	3 463	3 048	2 078	1 385	1 056	19 597	20 841	22 153
Health		3	3	3	0	0	0	202	252	222	151	101	160	1 098	1 163	1 230
Economic and environmental services		35 429	38 214	40 243	38 948	33 871	26 127	44 045	40 056	46 450	36 034	32 023	24 981	436 421	456 413	472 696
Planning and development		3 576	3 560	4 897	3 417	3 628	3 246	4 407	5 509	4 848	3 306	2 204	2 130	44 729	47 882	51 141
Road transport		31 603	34 449	35 133	35 324	29 991	22 626	39 020	33 775	40 922	32 265	29 510	22 272	386 888	403 415	416 107
Environmental protection		251	205	213	206	252	255	618	772	680	463	309	579	4 804	5 117	5 448
Trading services		171 204	246 751	260 647	211 053	253 641	373 983	315 288	250 418	268 170	339 734	387 893	369 184	3 447 966	3 756 695	4 174 671
Energy sources		104 562	181 189	185 334	132 039	162 442	265 977	206 345	129 989	123 633	197 277	225 922	195 553	2 110 261	2 354 285	2 612 127
Water management		43 510	39 007	41 342	47 433	55 779	64 868	61 012	66 265	72 313	72 759	85 506	95 768	745 562	833 496	990 966
Waste water management		12 535	15 406	21 622	21 344	23 366	30 361	32 073	37 591	48 280	46 555	51 037	57 519	397 689	365 519	366 957
Waste management		10 598	11 150	12 349	10 237	12 054	12 777	15 858	16 572	23 944	23 143	25 429	20 344	194 454	203 395	204 620
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional		242 406	326 741	343 028	293 431	330 736	458 405	420 474	353 533	379 611	443 970	492 371	468 507	4 553 213	4 923 616	5 402 051
Surplus/(Deficit) before assoc.		195 889	108 363	66 598	66 532	49 067	(15 300)	25 080	87 096	141 076	(21 537)	(79 702)	34 142	657 301	687 902	697 168
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	195 889	108 363	66 598	66 532	49 067	(15 300)	25 080	87 096	141 076	(21 537)	(79 702)	34 142	657 301	687 902	697 168

References

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

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NW373 Rustenburg - Supporting Table SA28 Consolidated budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Multi-year expenditure *to be appropriated*	1															
Vote 1 - EXECUTIVE MAYOR													–	–	–	–
Vote 2 - MUNICIPAL MANAGER		2 500	2 000	1 900	1 600	2 400	2 401	2 200	2 100	2 300	2 102	2 900	3 319	27 722	24 813	24 813
Vote 3 - CORPORATE SUPPORT SERVICES													–	–	–	–
Vote 4 - BUDGET AND TREASURY													–	–	–	–
Vote 5 - PUBLIC SAFETY													–	–	–	–
Vote 6 - PLANNING AND HUMAN SETTLEMENT													–	–	–	–
Vote 7 - LOCAL ECONOMIC DEVELOPMENT													–	–	–	–
Vote 8 - COMMUNITY DEVELOPMENT		635	725	893	635	863	685	705	897	864	809	738	703	9 153	1 605	1 605
Vote 9 - TECHNICAL AND INFRASTRUCTURE		10 365	12 036	13 524	19 145	21 258	15 258	16 203	20 036	11 026	28 283	12 846	11 339	191 321	218 000	218 000
Vote 10 - ROADS AND TRANSPORT		19 041	30 852	25 052	28 236	25 254	25 695	19 258	19 258	18 036	22 731	22 020	17 343	272 778	220 976	220 976
Vote 11 - MUNICIPAL ENTITY			1 250	6 598	5 306	5 365	5 690	7 805	8 971	7 988	7 651	6 502	5 875	69 000	43 000	16 000
Vote 12 - [NAME OF VOTE 12]													–	–	–	–
Vote 13 - [NAME OF VOTE 13]													–	–	–	–
Vote 14 - [NAME OF VOTE 14]													–	–	–	–
Vote 15 - [NAME OF VOTE 15]													–	–	–	–
Capital multi-year expenditure sub-total	2	32 542	46 864	47 968	54 922	55 140	49 728	46 172	51 262	40 214	61 576	45 007	38 579	569 974	508 395	481 395
Single-year expenditure *to be appropriated*																
Vote 1 - EXECUTIVE MAYOR													–	–	–	–
Vote 2 - MUNICIPAL MANAGER													–	–	–	–
Vote 3 - CORPORATE SUPPORT SERVICES													–	–	–	–
Vote 4 - BUDGET AND TREASURY													–	–	–	–
Vote 5 - PUBLIC SAFETY													–	–	–	–
Vote 6 - PLANNING AND HUMAN SETTLEMENT													–	–	–	–
Vote 7 - LOCAL ECONOMIC DEVELOPMENT													–	–	–	–
Vote 8 - COMMUNITY DEVELOPMENT													–	–	–	–
Vote 9 - TECHNICAL AND INFRASTRUCTURE													–	–	–	–
Vote 10 - ROADS AND TRANSPORT													–	–	–	–
Vote 11 - MUNICIPAL ENTITY													–	–	–	–
Vote 12 - [NAME OF VOTE 12]													–	–	–	–
Vote 13 - [NAME OF VOTE 13]													–	–	–	–
Vote 14 - [NAME OF VOTE 14]													–	–	–	–
Vote 15 - [NAME OF VOTE 15]													–	–	–	–
Capital single-year expenditure sub-total	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure	2	32 542	46 864	47 968	54 922	55 140	49 728	46 172	51 262	40 214	61 576	45 007	38 579	569 974	508 395	481 395

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References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates

2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

NW373 Rustenburg - Supporting Table SA29 Consolidated budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital Expenditure - Functional	1															
Governance and administration		2 310	2 015	2 683	3 628	1 529	902	1 683	2 549	2 124	2 928	3 052	2 319	27 722	24 813	24 813
Executive and council		2 310	2 015	2 683	3 628	1 529	902	1 683	2 549	2 124	2 928	3 052	2 319	27 722	24 813	24 813
Finance and administration													–	–	–	–
Internal audit													–	–	–	–
Community and public safety		763	706	802	801	883	626	686	759	886	585	905	752	9 153	1 605	1 605
Community and social services		763	706	802	801	883	626	686	759	886	585	905	752	9 153	1 605	1 605
Sport and recreation													–	–	–	–
Public safety													–	–	–	–
Housing													–	–	–	–
Health													–	–	–	–
Economic and environmental services		22 731	21 031	22 000	21 030	20 825	22 055	22 249	20 359	26 001	26 526	22 522	25 449	272 778	220 976	220 976
Planning and development													–	–	–	–
Road transport		22 731	21 031	22 000	21 030	20 825	22 055	22 249	20 359	26 001	26 526	22 522	25 449	272 778	220 976	220 976
Environmental protection													–	–	–	–
Trading services		19 414	22 349	23 180	22 140	21 580	21 100	20 132	21 823	21 729	22 525	21 358	22 990	260 321	261 000	234 000
Energy sources		1 444	2 053	2 063	2 266	2 020	2 094	2 053	1 055	1 905	1 369	1 055	2 324	21 700	10 000	10 000
Water management		10 110	12 248	12 219	12 051	12 910	12 035	13 058	13 863	14 255	14 258	15 052	13 999	156 058	208 000	208 000
Waste water management		7 860	8 048	8 899	7 824	6 650	6 971	5 021	6 906	5 569	6 898	5 251	6 667	82 564	43 000	16 000
Waste management													–	–	–	–
Other		–											–	–	–	–
Total Capital Expenditure - Functional	2	45 219	46 101	48 666	47 601	44 816	44 682	44 750	45 489	50 740	52 564	47 838	51 510	569 974	508 395	481 395
Funded by:																
National Government		41 749	37 432	41 333	38 030	35 641	40 516	34 011	35 755	41 039	47 920	49 449	56 646	499 521	463 789	463 789
Provincial Government		–	–	65	698	–	–	–	–	–	–	–	690	1 453	1 605	1 605
District Municipality													–	–	–	–
Other transfers and grants													–	–	–	–
Transfers recognised - capital		41 749	37 432	41 398	38 728	35 641	40 516	34 011	35 755	41 039	47 920	49 449	57 336	500 974	465 395	465 395
Public contributions & donations			1 250	6 598	5 306	5 365	5 690	7 805	8 971	7 988	7 651	6 502	5 875	69 000	43 000	16 000
Borrowing													–	–	–	–
Internally generated funds													–	–	–	–
Total Capital Funding		41 749	38 682	47 996	44 034	41 006	46 206	41 816	44 726	49 027	55 570	55 951	63 210	569 974	508 395	481 395

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates

2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

check

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NW373 Rustenburg - Supporting Table SA30 Consolidated budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
													1		
Cash Receipts By Source															
Property rates	23 086	23 017	23 034	22 090	23 078	24 507	22 012	23 034	23 090	24 086	24 086	24 958	280 074	285 480	300 913
Service charges - electricity revenue	194 219	191 125	194 217	194 145	189 459	194 519	191 419	190 793	193 216	186 239	185 416	180 158	2 284 927	2 520 104	2 810 357
Service charges - water revenue	37 256	33 653	37 423	41 753	39 855	39 742	33 159	41 204	45 622	40 631	38 621	46 524	475 441	525 827	589 356
Service charges - sanitation revenue	17 179	19 369	19 123	21 785	19 302	18 111	19 125	18 412	20 000	19 020	18 452	18 232	228 113	283 015	336 602
Service charges - refuse revenue	8 705	8 452	8 456	10 042	9 745	8 125	9 903	9 125	9 111	8 029	9 952	11 019	110 664	152 245	195 264
Service charges - other	27	18	18	17	17	27	17	17	24	18	18	21	239	254	269
Rental of facilities and equipment	891	882	874	952	863	796	941	874	874	892	896	960	10 697	11 328	11 985
Interest earned - external investments	1 343	1 424	1 412	1 422	1 523	1 523	1 472	1 588	1 202	1 023	1 000	1 180	16 114	17 107	18 099
Interest earned - outstanding debtors												–			
Dividends received												–			
Fines, penalties and forfeits	143	141	142	141	146	141	144	148	144	141	143	139	1 713	1 814	1 919
Licences and permits	760	715	715	774	775	737	800	790	758	759	715	821	9 115	9 653	10 213
Agency services	1 705	1 713	1 614	1 415	1 612	1 814	1 971	1 712	2 161	1 710	1 905	1 117	20 453	21 659	22 916
Transfer receipts - operational	200 000	–	–	80 000	135 000	–	80 878	–	92 890	–	20 253	32 995	642 016	664 095	664 095
Other revenue	2 162	2 512	2 261	2 361	2 012	2 062	2 462	1 718	1 661	2 261	2 162	2 086	25 719	27 237	28 816
Cash Receipts by Source	487 476	283 020	289 289	376 899	423 386	292 105	364 303	289 415	390 753	284 809	303 619	320 209	4 105 284	4 519 796	4 990 803
Other Cash Flows by Source															
Transfer receipts - capital	22 542	25 614	31 369	39 617	39 775	34 039	39 167	41 991	41 926	53 926	104 005	27 005	500 974	465 395	465 395
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)												–			
Proceeds on disposal of PPE			14 911			32 005				20 005		3 519	70 441	1 526	1 614
Short term loans												–			
Borrowing long term/refinancing												–			
Increase (decrease) in consumer deposits	180	99	210	245	119	178	245	59	120	360	175	168	2 161	2 247	2 337
Decrease (Increase) in non-current debtors												–			
Decrease (increase) other non-current receivables												–			
Decrease (increase) in non-current investments												–			
Total Cash Receipts by Source	510 198	308 733	335 780	416 761	463 281	358 327	403 715	331 465	432 799	359 101	407 798	350 901	4 678 860	4 988 964	5 460 149
Cash Payments by Type															
Employee related costs	52 850	52 150	51 800	52 220	53 150	53 950	52 550	52 050	53 120	52 925	52 925	53 100	632 787	676 883	723 659
Remuneration of councillors	2 710	2 630	2 792	2 792	2 792	2 792	2 792	2 792	2 792	2 792	2 792	3 035	33 500	35 819	38 296
Finance charges	6 002	4 152	4 502	4 202	4 372	6 592	4 592	6 792	6 152	5 402	4 402	4 408	61 565	61 026	61 754
Bulk purchases - Electricity	145 794	151 294	151 394	152 299	150 364	159 146	151 689	152 794	154 794	158 994	153 940	146 433	1 828 936	2 055 987	2 305 860
Bulk purchases - Water & Sewer	25 164	24 114	29 224	29 138	30 116	29 164	27 037	28 471	26 364	29 147	29 164	31 545	338 647	380 049	459 558
Other materials	1 713	13 213	10 313	11 113	21 203	10 020	11 018	19 003	19 113	17 201	19 003	20 147	173 055	196 060	233 297
Contracted services	12 554	14 114	19 554	20 364	22 554	22 054	22 754	24 754	19 754	20 754	20 754	22 016	241 982	249 151	262 349
Transfers and grants - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and grants - other	12	121	721	530	623	602	600	522	515	522	622	671	6 060	6 389	6 731
Other expenditure	21 236	20 296	18 336	18 336	19 276	20 777	21 236	21 536	20 260	18 217	20 776	15 575	235 856	213 701	229 098
Cash Payments by Type	268 034	282 083	288 634	290 992	304 449	305 096	294 266	308 712	302 862	305 952	304 376	296 931	3 552 387	3 875 065	4 320 601
Other Cash Flows/Payments by Type															
Capital assets	32 542	45 614	51 369	49 617	49 775	44 039	39 167	41 991	41 926	53 926	70 005	50 005	569 974	508 395	481 395
Repayment of borrowing		6 941	8 696		8 997	9 984	8 991	5 868			3 244	–	52 721	55 721	59 721
Other Cash Flows/Payments												–			
Total Cash Payments by Type	300 575	334 637	348 699	340 609	363 221	359 119	342 425	356 571	344 788	359 878	377 624	346 936	4 175 082	4 439 181	4 861 716
NET INCREASE/(DECREASE) IN CASH HELD	209 622	(25 904)	(12 920)	76 152	100 060	(792)	61 290	(25 106)	88 011	(777)	30 174	3 965	503 778	549 783	598 433
Cash/cash equivalents at the month/year begin:	49 065	258 687	232 783	219 863	296 015	396 076	395 284	456 574	431 468	519 480	518 703	548 877	49 065	552 842	1 102 626
Cash/cash equivalents at the month/year end:	258 687	232 783	219 863	296 015	396 076	395 284	456 574	431 468	519 480	518 703	548 877	552 842	552 842	1 102 626	1 701 059

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NW373 Rustenburg - Supporting Table SA31 Aggregated entity budget

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R million		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Financial Performance										
Property rates					–	–	–	–	–	–
Service charges					161	181	181	182	194	206
Investment revenue					7	7	7	7	8	8
Transfers recognised - operational					–	–	–	–	–	–
Other own revenue					–	–	–	–	–	–
Contributions recognised - capital & contributed assets					–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		–	–	–	168	188	188	189	202	214
Employee costs					–	–	–	–	–	–
Remuneration of Board Members					–	–	–	–	–	–
Depreciation & asset impairment					17	17	17	17	17	17
Finance charges					19	20	20	17	14	11
Materials and bulk purchases					–	–	–	–	–	–
Transfers and grants					–	–	–	–	–	–
Other expenditure					104	125	125	122	129	137
Total Expenditure		–	–	–	141	162	162	156	160	166
Surplus/(Deficit)		–	–	–	27	26	26	34	41	48
Capital expenditure & funds sources										
Capital expenditure					111	111	111	110	43	16
Transfers recognised - operational					42	42	42	41	–	–
Public contributions & donations					14	14	14	69	43	16
Borrowing					–	–	–	–	–	–
Internally generated funds					55	55	55	–	–	–
Total sources		–	–	–	111	111	111	110	43	16
Financial position										
Total current assets										
Total non current assets										
Total current liabilities										
Total non current liabilities										
Equity										
Cash flows										
Net cash from (used) operating										
Net cash from (used) investing										
Net cash from (used) financing										
Cash/cash equivalents at the year end										

NW373 Rustenburg - Supporting Table SA32 List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1. Number	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2. R thousand

References

1. Total agreement period from commencement until end

2. Annual value

NW373 Rustenburg - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework			Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Total Contract Value
R thousand	1,3	Total	Original Budget	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality:														
Revenue Obligation By Contract	2													
Electricity Sales			1 736 058	1 838 485	1 941 441	2 038 513	2 140 438	2 247 460	2 359 833	2 477 825	2 601 716	2 731 802	2 868 392	24 981 963
Water Sales			281 751	298 375	315 084	330 838	347 380	364 749	382 986	402 136	422 242	443 355	465 522	4 054 418
Other			900	900	900	900	900	900	900	900	900	900	900	9 900
Total Operating Revenue Implication		–	2 018 709	2 137 760	2 257 424	2 370 251	2 488 718	2 613 109	2 743 719	2 880 860	3 024 858	3 176 056	3 334 814	29 046 281
Expenditure Obligation By Contract	2													
Eskom -			722 585	765 218	808 070	848 474	890 897	935 442	982 214	1 031 325	1 082 891	1 137 036	1 193 888	10 398 040
Magalies Water			23 164	24 531	25 904	27 200	28 559	29 987	31 487	33 061	34 714	36 450	38 272	333 330
Rand Water			237 716	251 741	265 838	279 130	293 087	307 741	323 128	339 285	356 249	374 061	392 764	3 420 741
Total Operating Expenditure Implication		–	983 465	1 041 489	1 099 813	1 154 803	1 212 544	1 273 171	1 336 829	1 403 671	1 473 854	1 547 547	1 624 924	14 152 111
Capital Expenditure Obligation By Contract	2													
Contract 1														–
Contract 2														–
Contract 3 etc														–
Total Capital Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Total Parent Expenditure Implication		–	983 465	1 041 489	1 099 813	1 154 803	1 212 544	1 273 171	1 336 829	1 403 671	1 473 854	1 547 547	1 624 924	14 152 111
Entities:														
Revenue Obligation By Contract	2													
Contract 1														–
Contract 2														–
Contract 3 etc														–
Total Operating Revenue Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Expenditure Obligation By Contract	2													
Contract 1														–
Contract 2														–
Contract 3 etc														–
Total Operating Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Capital Expenditure Obligation By Contract	2													
Contract 1														–
Contract 2														–
Contract 3 etc														–
Total Capital Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Total Entity Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–

References

1. Total implication for all preceding years to be summed and total stated in 'Preceding Years' column

2. List all contracts with future financial obligations beyond the three years covered by the MTREF (MFMA s33)

3. For municipalities with approved total revenue not exceeding R250 m - all contracts with an annual cost greater than R500 000. For municipalities with approved total revenue greater than R250 m - all contracts with an annual cost greater than R1million. For municipalities with approved total revenue greater than R500 m - all contracts with an annual cost greater than R5 million

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NW373 Rustenburg - Supporting Table SA34a Consolidated capital expenditure on new assets by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		–	–	–	198 758	187 698	187 698	533 099	481 976	454 976
Roads Infrastructure		–	–	–	99 541	95 481	95 481	272 778	220 976	220 976
Roads					99 541	95 481	95 481	272 778	220 976	220 976
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		–	–	–	–	–	–	21 700	10 000	10 000
Power Plants								21 700	10 000	10 000
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure		–	–	–	30 216	23 216	23 216	156 058	208 000	208 000
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution					30 216	23 216	23 216	156 058	208 000	208 000
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		–	–	–	69 000	69 000	69 000	82 564	43 000	16 000
Pump Station										
Reticulation					69 000	69 000	69 000	13 564		
Waste Water Treatment Works								69 000	43 000	16 000
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres										
Core Layers										

Distribution Layers									
Capital Spares									
Community Assets	–	–	–	7 859	7 866	7 866	9 153	1 605	1 605
Community Facilities	–	–	–	–	–	–	9 153	1 605	1 605
Halls									
Centres									
Crèches									
Clinics/Care Centres									
Fire/Ambulance Stations									
Testing Stations									
Museums									
Galleries									
Theatres									
Libraries							1 453	1 605	1 605
Cemeteries/Crematoria							7 700		
Police									
Parks									
Public Open Space									
Nature Reserves									
Public Ablution Facilities									
Markets									
Stalls									
Abattoirs									
Airports									
Taxi Ranks/Bus Terminals									
Capital Spares									
Sport and Recreation Facilities	–	–	–	7 859	7 866	7 866	–	–	–
Indoor Facilities				7 859	7 866	7 866			
Outdoor Facilities									
Capital Spares									
Heritage assets	–	–	–	–	–	–	–	–	–
Monuments									
Historic Buildings									
Works of Art									
Conservation Areas									
Other Heritage									
Investment properties	–	–	–	–	–	–	27 722	24 813	24 813
Revenue Generating	–	–	–	–	–	–	–	–	–
Improved Property									
Unimproved Property									
Non-revenue Generating	–	–	–	–	–	–	27 722	24 813	24 813
Improved Property							27 722	24 813	24 813
Unimproved Property									
Other assets	–	–	–	–	120	120	–	–	–
Operational Buildings	–	–	–	–	–	–	–	–	–
Municipal Offices									
Pay/Enquiry Points									
Building Plan Offices									
Workshops									
Yards									
Stores									
Laboratories									
Training Centres									
Manufacturing Plant									
Depots									
Capital Spares									
Housing	–	–	–	–	120	120	–	–	–
Staff Housing					120	120			
Social Housing									
Capital Spares									
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets									
Intangible Assets	–	–	–	–	–	–	–	–	–
Servitudes									
Licences and Rights	–	–	–	–	–	–	–	–	–
Water Rights									
Effluent Licenses									
Solid Waste Licenses									
Computer Software and Applications									

Load Settlement Software Applications										
Unspecified										
Computer Equipment		–	–	–	1 000	1 840	1 840	–	–	–
Computer Equipment					1 000	1 840	1 840			
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment										
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment										
Transport Assets		–	–	–	–	–	–	–	–	–
Transport Assets										
Libraries		–	–	–	–	–	–	–	–	–
Libraries										
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals										
Total Capital Expenditure on new assets	1	–	–	–	207 617	197 524	197 524	569 974	508 395	481 395

References

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

check balance		-	-	-	-	-	-	-	-	-

NW373 Rustenburg - Supporting Table SA34b Consolidated capital expenditure on the renewal of existing assets by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		–	–	–	270 261	426 947	426 947	–	–	–
Roads Infrastructure		–	–	–	205 461	239 761	239 761	–	–	–
Roads					205 461	239 761	239 761			
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		–	–	–	21 800	76 944	76 944	–	–	–
Drainage Collection					21 800	76 944	76 944	–		
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure		–	–	–	43 000	105 668	105 668	–	–	–
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution					43 000	105 668	105 668			
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		–	–	–	–	2 279	2 279	–	–	–
Pump Station										
Reticulation						2 279	2 279			
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		–	–	–	–	2 295	2 295	–	–	–
Landfill Sites						2 295	2 295			
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares										

Community Assets	–	–	–	8 997	2 582	2 582	–	–	–
Community Facilities	–	–	–	8 997	2 582	2 582	–	–	–
Halls									
Centres									
Crèches									
Clinics/Care Centres									
Fire/Ambulance Stations									
Testing Stations									
Museums									
Galleries									
Theatres									
Libraries				1 532	2 582	2 582			
Cemeteries/Crematoria									
Police									
Parks									
Public Open Space									
Nature Reserves									
Public Ablution Facilities									
Markets									
Stalls									
Abattoirs									
Airports									
Taxi Ranks/Bus Terminals									
Capital Spares				7 465					
Sport and Recreation Facilities	–	–	–	–	–	–	–	–	–
Indoor Facilities									
Outdoor Facilities									
Capital Spares									
Heritage assets	–	–	–	–	–	–	–	–	–
Monuments									
Historic Buildings									
Works of Art									
Conservation Areas									
Other Heritage									
Investment properties	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Improved Property									
Unimproved Property									
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Improved Property									
Unimproved Property									
Other assets	–	–	–	–	–	–	–	–	–
Operational Buildings	–	–	–	–	–	–	–	–	–
Municipal Offices									
Pay/Enquiry Points									
Building Plan Offices									
Workshops									
Yards									
Stores									
Laboratories									
Training Centres									
Manufacturing Plant									
Depots									
Capital Spares									
Housing	–	–	–	–	–	–	–	–	–
Staff Housing									
Social Housing									
Capital Spares									
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets									
Intangible Assets	–	–	–	–	–	–	–	–	–
Servitudes									
Licences and Rights	–	–	–	–	–	–	–	–	–
Water Rights									
Effluent Licenses									
Solid Waste Licenses									
Computer Software and Applications									
Load Settlement Software Applications									
Unspecified									
Computer Equipment	–	–	–	–	9 200	9 200	–	–	–
Computer Equipment					9 200	9 200			
Furniture and Office Equipment	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment									
Machinery and Equipment	–	–	–	–	–	–	–	–	–
Machinery and Equipment									
Transport Assets	–	–	–	–	10 000	10 000	–	–	–

Transport Assets						10 000	10 000			
Libraries		–	–	–	–	–	–	–	–	–
Libraries										
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals										
Total Capital Expenditure on renewal of existing assets	1	–	–	–	279 258	448 729	448 729	–	–	–
Renewal of Existing Assets as % of total capex		*0.0%*	*0.0%*	*0.0%*	*57.4%*	*69.4%*	*69.4%*	*0.0%*	*0.0%*	*0.0%*
Renewal of Existing Assets as % of deprecn"		*0.0%*	*0.0%*	*0.0%*	*67.1%*	*107.9%*	*107.9%*	*0.0%*	*0.0%*	*0.0%*

NW373 Rustenburg - Supporting Table SA34c Consolidated repairs and maintenance by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		–	–	–	47 856	80 256	80 256	143 957	147 587	154 885
Roads Infrastructure		–	–	–	10 900	10 900	10 900	14 536	15 393	16 286
Roads					10 900	10 900	10 900	14 536	15 393	16 286
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		–	–	–	14 207	13 157	13 157	16 081	17 030	18 018
Power Plants										
HV Substations					10 078	9 828	9 828	12 550	13 290	14 061
HV Switching Station					4 128	3 328	3 328	3 531	3 740	3 957
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure		–	–	–	14 745	14 639	14 639	18 715	19 819	20 969
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution					14 745	14 639	14 639	18 715	19 819	20 969
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		–	–	–	4 004	32 780	32 780	85 946	86 154	89 888
Pump Station										
Reticulation					4 004	32 780	32 780	85 946	86 154	89 888
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		–	–	–	4 000	8 780	8 780	8 679	9 191	9 724
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities								8 679	9 191	9 724
Waste Drop-off Points										
Waste Separation Facilities					4 000	8 780	8 780			
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										

Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Sand Pumps									
Piers									
Revetments									
Promenades									
Capital Spares									
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Data Centres									
Core Layers									
Distribution Layers									
Capital Spares									
Community Assets	–	–	–	2 618	7 154	7 154	2 608	2 762	2 922
Community Facilities	–	–	–	2 618	7 154	7 154	2 608	2 762	2 922
Halls				517	367	367	390	413	437
Centres				277	277	277	294	311	329
Crèches				564	564	564	599	634	671
Clinics/Care Centres				371	321	321	341	361	382
Fire/Ambulance Stations				156	191	191	215	227	240
Testing Stations					–	–			
Museums				185	185	185			
Galleries				528	443	443			
Theatres				–	4 950	4 950			
Libraries				–	–	–			
Cemeteries/Crematoria				–	–	–			
Police				20	(100)	(100)			
Purls					–	–			
Public Open Space				–	(44)	(44)	771	817	864
Nature Reserves									
Public Ablution Facilities									
Markets									
Stalls									
Abattoirs									
Airports									
Taxi Ranks/Bus Terminals									
Capital Spares									
Sport and Recreation Facilities	–	–	–	–	–	–	–	–	–
Indoor Facilities									
Outdoor Facilities									
Capital Spares									
Heritage assets	–	–	–	–	–	–	–	–	–
Monuments									
Historic Buildings									
Works of Art									
Conservation Areas									
Other Heritage									
Investment properties	–	–	–	729	739	739	–	–	–
Revenue Generating	–	–	–	729	739	739	–	–	–
Improved Property				729	739	739			
Unimproved Property									
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Improved Property									
Unimproved Property									

Other assets		–	–	–	80 509	80 239	80 239	21 823	22 705	24 053
Operational Buildings		–	–	–	80 509	80 239	80 239	21 823	22 705	24 053
Municipal Offices					136	136	136	170	180	191
Pay/Enquiry Points					4 000	5 630	5 630	297	315	333
Building Plan Offices					26	26	26	53	56	59
Workshops						–	–			
Yards						–	–			
Stores					2 920	2 220	2 220	3 416	3 618	3 828
Laboratories						–	–			
Training Centres						–	–			
Manufacturing Plant						–	–	3 707	3 926	4 154
Depots					45 621	45 321	45 321	12 481	12 812	13 586
Capital Spares					27 806	26 906	26 906	1 698	1 798	1 902
Housing		–	–	–	–	–	–	–	–	–
Staff Housing										
Social Housing										
Capital Spares										
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets										
Intangible Assets		–	–	–	–	–	–	–	–	–
Servitudes										
Licences and Rights		–	–	–	–	–	–	–	–	–
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications										
Load Settlement Software Applications										
Unspecified										
Computer Equipment		–	–	–	–	–	–	–	–	–
Computer Equipment										
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment										
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment										
Transport Assets		–	–	–	–	–	–	–	–	–
Transport Assets										
Libraries		–	–	–	–	–	–	–	–	–
Libraries										
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals										
Total Repairs and Maintenance Expenditure	1	–	–	–	131 712	168 388	168 388	168 388	173 055	181 860
R&M as a % of PPE		*0.0%*	*0.0%*	*0.0%*	*1.4%*	*1.8%*	*1.8%*	*1.8%*	*1.9%*	*1.9%*
R&M as % Operating Expenditure		*0.0%*	*0.0%*	*0.0%*	*3.4%*	*3.9%*	*3.9%*	*3.9%*	*3.8%*	*3.7%*

References

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

	check balance	–	–	–	–	–	–	–	–	–

NW373 Rustenburg - Supporting Table SA34d Consolidated Depreciation by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Depreciation by Asset Class/Sub-class										
Infrastructure		–	–	–	292 269	292 274	292 274	327 688	345 995	354 054
Roads Infrastructure		–	–	–	175 704	175 709	175 709	186 421	197 420	200 871
Roads					175 704	175 709	175 709	186 421	197 420	200 871
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		–	–	–	15 711	15 711	15 711	16 669	17 653	18 677
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors					14 997	14 997	14 997	15 912	16 851	17 828
MV Substations										
MV Switching Stations					714	714	714	757	802	849
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure		–	–	–	45 217	45 217	45 217	47 976	50 806	51 753
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution					45 217	45 217	45 217	47 976	50 806	51 753
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		–	–	–	28 853	28 853	28 853	48 013	49 819	50 699
Pump Station										
Reticulation					28 853	28 853	28 853	48 013	49 819	50 699
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		–	–	–	26 784	26 784	26 784	28 610	30 297	32 055
Landfill Sites					26 784	26 784	26 784	28 418	30 095	31 840
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares								192	203	215
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										

Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Sand Pumps									
Piers									
Revetments									
Promenades									
Capital Spares									
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Data Centres									
Core Layers									
Distribution Layers									
Capital Spares									
Community Assets	–	–	–	66 285	66 285	66 285	62 188	65 857	69 676
Community Facilities	–	–	–	32 233	32 233	32 233	26 059	27 596	29 197
Halls				6 775	6 775	6 775	7 189	7 613	8 054
Centres									
Crèches									
Clinics/Care Centres				1 018	1 018	1 018	1 080	1 144	1 210
Fire/Ambulance Stations				4 386	4 386	4 386	4 654	4 928	5 214
Testing Stations									
Museums									
Galleries									
Theatres									
Libraries				3 265	3 265	3 265	3 464	3 669	3 882
Cemeteries/Crematoria				38	38	38	40	42	45
Police				9 078	9 078	9 078	9 632	10 200	10 792
Purls									
Public Open Space									
Nature Reserves									
Public Ablution Facilities									
Markets									
Stalls									
Abattoirs									
Airports									
Taxi Ranks/Bus Terminals									
Capital Spares				7 672	7 672	7 672			
Sport and Recreation Facilities	–	–	–	34 052	34 052	34 052	36 129	38 261	40 480
Indoor Facilities				28 032	28 032	28 032	2 687	2 845	3 010
Outdoor Facilities				3 488	3 488	3 488	29 742	31 496	33 323
Capital Spares				2 532	2 532	2 532	3 701	3 919	4 146
Heritage assets	–	–	–	19 456	19 456	19 456	15 310	17 011	29 420
Monuments				19 456	19 456	19 456	15 310	17 011	29 420
Historic Buildings									
Works of Art									
Conservation Areas									
Other Heritage									
Investment properties	–	–	–	19 050	19 050	19 050	3 857	4 881	4 005
Revenue Generating	–	–	–	19 050	19 050	19 050	3 857	4 881	4 005
Improved Property				19 050	19 050	19 050	3 857	4 881	4 005
Unimproved Property									
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Improved Property									
Unimproved Property									
Other assets	–	–	–	–	–	–	–	–	–
Operational Buildings	–	–	–	–	–	–	–	–	–
Municipal Offices									
Pay/Enquiry Points									
Building Plan Offices									
Workshops									
Yards									
Stores									
Laboratories									
Training Centres									
Manufacturing Plant									
Depots									
Capital Spares									
Housing	–	–	–	–	–	–	–	–	–
Staff Housing									

Social Housing										
Capital Spares										
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets										
Intangible Assets		–	–	–	18 909	18 912	18 912	5 333	4 850	6 291
Servitudes										
Licences and Rights		–	–	–	18 909	18 912	18 912	5 333	4 850	6 291
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications										
Load Settlement Software Applications										
Unspecified					18 909	18 912	18 912	5 333	4 850	6 291
Computer Equipment		–	–	–	–	–	–	–	–	–
Computer Equipment										
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment										
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment										
Transport Assets		–	–	–	–	–	–	1 602	1 696	1 794
Transport Assets								1 602	1 696	1 794
Libraries		–	–	–	–	–	–	–	–	–
Libraries										
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals										
Total Depreciation	1	–	–	–	415 968	415 977	415 977	415 977	440 290	465 241

References

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

Check	–	–	–	–	–	–	–	–	–

NW373 Rustenburg - Supporting Table SA34e Consolidated capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		–	–	–	–	–	–	–	–	–
Roads Infrastructure		–	–	–	–	–	–	–	–	–
Roads										
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution										
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Pump Station										
Reticulation										
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares										
Community Assets		–	–	–	–	–	–	–	–	–
Community Facilities		–	–	–	–	–	–	–	–	–
Halls										
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries										

Cemeteries/Crematoria										
Police										
Puris										
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Indoor Facilities										
Outdoor Facilities										
Capital Spares										
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property										
Unimproved Property										
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property										
Unimproved Property										
Other assets		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Municipal Offices										
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards										
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares										
Housing		–	–	–	–	–	–	–	–	–
Staff Housing										
Social Housing										
Capital Spares										
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets										
Intangible Assets		–	–	–	–	–	–	76 278	61 580	27 000
Servitudes										
Licences and Rights		–	–	–	–	–	–	76 278	61 580	27 000
Water Rights										
Effluent Licenses								76 278	61 580	27 000
Solid Waste Licenses										
Computer Software and Applications										
Load Settlement Software Applications										
Unspecified										
Computer Equipment		–	–	–	–	–	–	–	–	–
Computer Equipment										
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment										
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment										
Transport Assets		–	–	–	–	–	–	–	–	–
Transport Assets										
Libraries		–	–	–	–	–	–	–	–	–
Libraries										
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals										
Total Capital Expenditure on upgrading of existing assets	1	–	–	–	–	–	–	76 278	61 580	27 000
Upgrading of Existing Assets as % of total capex		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*11.8%*	*10.8%*	*5.3%*
Upgrading of Existing Assets as % of deprecn"		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*18.3%*	*14.0%*	*5.8%*

NW373 Rustenburg - Supporting Table SA35 Consolidated future financial implications of the capital budget

Vote Description	Ref	2017/18 Medium Term Revenue & Expenditure Framework			Forecasts			
R thousand		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Present value
Capital expenditure	1							
Vote 1 - EXECUTIVE MAYOR		–	–	–	–	–	–	–
Vote 2 - MUNICIPAL MANAGER		27 722	24 813	24 813	26 252	27 775	29 386	31 090
Vote 3 - CORPORATE SUPPORT SERVICES		–	–	–	–	–	–	–
Vote 4 - BUDGET AND TREASURY		–	–	–	–	–	–	–
Vote 5 - PUBLIC SAFETY		–	–	–	–	–	–	–
Vote 6 - PLANNING AND HUMAN SETTLEMENT		–	–	–	–	–	–	–
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		–	–	–	–	–	–	–
Vote 8 - COMMUNITY DEVELOPMENT		9 153	1 605	1 605	1 699	1 797	1 901	2 012
Vote 9 - TECHNICAL AND INFRASTRUCTURE		191 321	218 000	218 000	230 644	244 021	258 175	273 149
Vote 10 - ROADS AND TRANSPORT		272 778	220 976	220 976	233 793	247 353	261 699	276 878
Vote 11 - MUNICIPAL ENTITY		69 000	43 000	16 000	16 928	17 910	18 949	20 048
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–
List entity summary if applicable								
Total Capital Expenditure		569 974	508 395	481 395	509 315	538 856	570 109	603 176
Future operational costs by vote	2							
Vote 1 - EXECUTIVE MAYOR		88 552	94 301	100 401	106 224	112 385	118 904	125 800
Vote 2 - MUNICIPAL MANAGER		54 686	58 303	61 759	65 341	69 131	73 140	77 382
Vote 3 - CORPORATE SUPPORT SERVICES		81 626	86 769	92 192	97 539	103 197	109 182	115 515
Vote 4 - BUDGET AND TREASURY		139 351	148 056	157 240	166 360	176 009	186 217	197 018
Vote 5 - PUBLIC SAFETY		169 061	180 314	192 275	203 427	215 226	227 709	240 916
Vote 6 - PLANNING AND HUMAN SETTLEMENT		50 184	53 453	56 916	60 217	63 709	67 405	71 314
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		9 557	10 210	10 906	11 539	12 208	12 916	13 665
Vote 8 - COMMUNITY DEVELOPMENT		362 232	385 014	409 004	432 726	457 824	484 378	512 472
Vote 9 - TECHNICAL AND INFRASTRUCTURE		3 225 984	3 387 531	3 561 359	3 767 917	3 986 457	4 217 671	4 462 296
Vote 10 - ROADS AND TRANSPORT		316 350	328 258	336 056	355 548	376 169	397 987	421 070
Vote 11 - MUNICIPAL ENTITY								
Vote 12 - [NAME OF VOTE 12]								
Vote 13 - [NAME OF VOTE 13]								
Vote 14 - [NAME OF VOTE 14]								
Vote 15 - [NAME OF VOTE 15]								
List entity summary if applicable								
Total future operational costs		4 497 584	4 732 209	4 978 108	5 266 838	5 572 314	5 895 509	6 237 448
Future revenue by source	3							
Property rates		318 422	337 209	363 767	384 866	407 188	430 805	455 792
Service charges - electricity revenue		2 399 131	2 540 886	2 708 348	2 865 432	3 031 627	3 207 462	3 393 494
Service charges - water revenue		507 673	537 632	568 958	601 958	636 871	673 810	712 891
Service charges - sanitation revenue		274 954	292 274	309 696	327 658	346 663	366 769	388 042
Service charges - refuse revenue		116 656	123 542	136 791	144 724	153 118	161 999	171 395
Service charges - other		239	253	268	283	300	317	335
Rental of facilities and equipment		10 697	11 328	11 985	12 680	13 416	14 194	15 017
List other revenues sources if applicable		924 575	963 368	980 726	1 037 608	1 097 789	1 161 461	1 228 826
List entity summary if applicable					–	–	–	–
Total future revenue		4 552 348	4 806 493	5 080 539	5 375 210	5 686 973	6 016 817	6 365 792
Net Financial Implications		515 210	434 111	378 963	400 943	424 198	448 801	474 831

References

1. Summarise the total capital cost until capital project is operational (MFMA s19(2)(a))

2. Summary of future operational costs from when projects operational (present value until the end of each asset's useful life) (MFMA s19(2)(b))

3. Summarise the future revenue from when projects are operational, including municipal tax and tariff implications, (present value until the end of asset's useful life)

NW373 Rustenburg - Supporting Table SA36 Consolidated detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2017/18 Medium Term Revenue & Expenditure Framework			Project information	
R thousand	4			2	6	3	3	5		Audited Outcome 2015/16	Current Year 2016/17 Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Ward location	New or renewal
Parent municipality:																
List all capital projects grouped by Municipal Vote																
CORPORATE SUPPORT SERVICES		COMPUTERS(LAPTOPS AND DESKTOPS)				*Other Assets*	*Furniture and other office equipment*				2	–	–	–		
		ICT INFRASTRUCTURE UPGRADE				*Other Assets*	*Computers - software & programming*				9	–	–	–		
WATER SERVICES		WATER INFRASTRUCTURE GRANT				*Water Supply Infrastructure*	*Reticulation*				2	74	88	88		
		BETHANIE,MODIKWE AND BERSEBA-WATER SUPPLY				*Water Supply Infrastructure*	*Reticulation*				–	–	–	–		
		BOSCHDAL - WATER SUPPLY				*Water Supply Infrastructure*	*Reticulation*				11	–	–	–		
		BOSCHFONTEIN-WATER SUPPLY				*Water Supply Infrastructure*	*Reticulation*				4	–	–	–		
		BOSCHFONTEIN-WATER SUPPLY				*Water Supply Infrastructure*	*Reticulation*				0	–	–	–		
		BOSPOORT - UPGRADING OF PIPELINES				*Water Supply Infrastructure*	*Reticulation*				1	–	–	–		
		BULK METER AUTOMATION				*Water Supply Infrastructure*	*Reticulation*				3	–	–	–		
		CBD - REFURBISHMENT OF WATER RETICULATION SYSTEM				*Water Supply Infrastructure*	*Reticulation*				0	–	–	–		
		CONSTRUCTION OF BOSPOORT BULK WATER PIPELINES				*Water Supply Infrastructure*	*Reticulation*				6	15	–	–		
		GEELHOUTPARK EXT 10 - WATER RETICULATION SYSTEM				*Water Supply Infrastructure*	*Reticulation*				–	–	–	–		
		INSTALLATION OF PREPAID METERS				*Water Supply Infrastructure*	*Reticulation*				5	–	–	–		
		INSTALLATION OF PREPAID/SMART METERS				*Water Supply Infrastructure*	*Reticulation*				1	–	–	–		
		INSTALLATION OF PREPAID/SMART METERS				*Water Supply Infrastructure*	*Reticulation*				2	–	–	–		
		LEKGALONG - WATER SUPPLY:PHASE 2				*Water Supply Infrastructure*	*Reticulation*				10	–	–	–		
		LEKGALONG-WATER SUPPLY				*Water Supply Infrastructure*	*Reticulation*				1	–	–	–		
		MARIKANA & SURROUNDING AREAS: WATER SUPPLY & YARD CONNECTIONS				*Water Supply Infrastructure*	*Reticulation*				–	6	62	62		
		MATHOPESTAD - RURAL WATER SUPPLY SCHEME:PHASE 2				*Water Supply Infrastructure*	*Reticulation*				10	–	–	–		
		MATHOPESTAD WATER SUPPLY				*Water Supply Infrastructure*	*Reticulation*				0	–	–	–		
		MAUMONG WATER SUPPLY				*Water Supply Infrastructure*	*Reticulation*				10	–	–	–		
		RANKELEYANE-WATER SUPPLY				*Water Supply Infrastructure*	*Reticulation*				1	–	–	–		
		REFURBISHMENT OF BULK LINE & TLHABANE WATER AC REPLACEMENT				*Water Supply Infrastructure*	*Reticulation*				–	8	10	10		
		REFURBISHMENT OF BULK PIPELINES				*Water Supply Infrastructure*	*Reticulation*				3	–	–	–		
		REPLACEMENT OF WATER AC IN RUSTENBURG EAST				*Water Supply Infrastructure*	*Reticulation*				–	7	–	–		
		REPLACEMENT OF WATER AC PIPES				*Water Supply Infrastructure*	*Reticulation*				4	–	–	–		
		REPLACEMENT OF WATER AC PIPES IN PROTEA 1 & 2 , SAFARI 1,2,3				*Water Supply Infrastructure*	*Reticulation*				–	6	15	15		
		REPLACEMENT OF WATER AC PIPES IN ZINIAVILLE INDUSTRIAL AND RESIDENT				*Water Supply Infrastructure*	*Reticulation*				–	8	–	–		
		RESERVOIRS-PALISADE FENCING				*Water Supply Infrastructure*	*Reticulation*				–	–	–	–		
		RTB & EXTENSIONS - UPGRADING OF WATER METERS AND AGED CONNECTIONS				*Water Supply Infrastructure*	*Reticulation*				14	–	–	–		
		RTB EAST UPGRADING OF WATER METERS & AGED CONNECTIONS				*Water Supply Infrastructure*	*Reticulation*				0	–	–	–		
		RUSTENBURG - (INCL - EXTENTIONS) REPLACEMENT OF WATER AC PIPES				*Water Supply Infrastructure*	*Reticulation*				18	–	–	–		
		SYFERFONTEIN-WATER SUPPLY				*Water Supply Infrastructure*	*Reticulation*				3	–	–	–		
		SYFERFONTEIN-WATER SUPPLY				*Water Supply Infrastructure*	*Reticulation*				0	–	–	–		
		TIERKLOOF/BOSCHDAL RESERVIOR AND BULK WATER LINE				*Water Supply Infrastructure*	*Reticulation*				–	6	33	33		
		TLHABANE WEST-RESEVOIR AND PUMPSTATION				*Water Supply Infrastructure*	*Reticulation*				0	–	–	–		
		TLHABANE-AC PIPES(REPLACEMENT)				*Water Supply Infrastructure*	*Reticulation*				4	–	–	–		
		UPGRADING AND EXTENSION OF BOSPOORT WATER TREATMENT PLANT				*Water Supply Infrastructure*	*Reticulation*				10	25	–	–		
		ZINNIAVILLE & KARLIEN PARK - UPGRADING OF WATER METERS & AGED CONNECTIONS				*Water Supply Infrastructure*	*Reticulation*				3	–	–	–		
ELECTRICITY SERVICES		Greater Rustenburg - Internal upgrading				*Electrical Infrastructure*	*Reticulation*				–	–	–	–		
		BOITEKONG EXT 12- RELOCATION OF ELECTRICAL BULK SERVICES				*Electrical Infrastructure*	*Reticulation*				–	–	–	–		
		SERALENG- ENERGIZING OF HIGH MAST LIGHTS				*Electrical Infrastructure*	*Reticulation*				–	–	–	–		
		WATERKLOOF SUBSTATION PHASE 4				*Electrical Infrastructure*	*Reticulation*				4	–	–	–		
		UPGRADING OF POWER CORRECTION EQUIPMENT				*Electrical Infrastructure*	*Reticulation*				–	–	–	–		
		HV METER EQUIPMENT				*Electrical Infrastructure*	*Reticulation*				–	–	–	–		
		RURAL-NETWORK UPGRADING				*Electrical Infrastructure*	*Reticulation*				–	–	–	–		
		REFURBISHMENT OF OLD SWITCHGEAR BREAKERS				*Electrical Infrastructure*	*Reticulation*				–	–	–	–		
		KOORSBOOM SUBSTATION-11KV SWITCHEAR AND EQUIPMENT				*Electrical Infrastructure*	*Reticulation*				–	–	–	–		
		WATERKLOOF-CIVIL WORK				*Electrical Infrastructure*	*Reticulation*				–	–	–	–		
		ALPHA SUBSTATION-11KV SWITCHGEAR AND EQUIPMENT				*Electrical Infrastructure*	*Reticulation*				–	–	–	–		
		WATERKLOOF SUBSTATION-INTER CONNECTION TO NEW ESKOM SWITCHING STATION				*Electrical Infrastructure*	*Reticulation*				2	–	–	–		
		SERALENG - HIGH MAST LIGHTS				*Electrical Infrastructure*	*Reticulation*				–	–	–	–		
		UPGRADING/REFURBISHMENT OF 33KV SUBSTATIONS				*Electrical Infrastructure*	*Reticulation*				44	–	–	–		
		RUSTENBURG - INTERNAL UPGRADE				*Electrical Infrastructure*	*Reticulation*				–	–	–	–		
		CASHAN EXT 28-INTERNAL ELECTRICAL NETWORK PHASE2				*Electrical Infrastructure*	*Reticulation*				1	–	–	–		
		MOTOR CITY SUBSTATION-PHASE2				*Electrical Infrastructure*	*Reticulation*				2	–	–	–		
		MOTOR CITY-INSTALLATION OF SUBSTATION EQUIPMENT				*Electrical Infrastructure*	*Reticulation*				–	–	–	–		
		WATERKLOOF SUBSTATION PHASE 4				*Electrical Infrastructure*	*Reticulation*				1	–	–	–		
ROADS AND STORMWATER		MERITING ROADS & STORMWATER - WARD 18				*Roads Infrastructure*	*Roads, Pavements & Bridges*				10	5	8	8		
		BOITEKONG ROADS & STORMWATER - WARD 19				*Roads Infrastructure*	*Roads, Pavements & Bridges*				–	–	–	–		

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	BOITEKONG ROADS & STORMWATER - WARD 21	Roads Infrastructure	Roads, Pavements & Bridges			–	–	–	–			
	BOITEKONG ROADS & STORMWATER - WARD 20	Roads Infrastructure	Roads, Pavements & Bridges			–	–	–	–			
	NELSON MANDELA DRIVE - TAXI RANK	Roads Infrastructure	Roads, Pavements & Bridges			2	–	–	–			
	RUSTENBURG EXT 26 - STORMWATER MANAGEMENT	Roads Infrastructure	Roads, Pavements & Bridges			0	–	–	–			
	IKEMELENG BULK ROADS CONSTRUCTION PHASE 3	Roads Infrastructure	Roads, Pavements & Bridges			5	–	–	–			
	TSITSING ROADS & STORMWATER DRAINAGE	Roads Infrastructure	Roads, Pavements & Bridges			6	5	–	–			
	FREEDOM PARK ROADS & STORMWATER DRAINAGE	Roads Infrastructure	Roads, Pavements & Bridges			7	5	–	–			
	MARIKANA ROADS & STORMWATER DRAINAGE	Roads Infrastructure	Roads, Pavements & Bridges			5	–	–	–			
	UPGRADING & CONSTRUCTION OF ACCESS ROADS IN MAFIKA AND SERUTUBE	Roads Infrastructure	Roads, Pavements & Bridges			–	–	–	–			
	UPGRADING & CONSTRUCTION OF INTERNAL ACCESS ROADS IN KANANA	Roads Infrastructure	Roads, Pavements & Bridges			6	–	–	–			
	TLASENG ROADS & STORMWATER DRAINAGE PHASE 3	Roads Infrastructure	Roads, Pavements & Bridges			6	5	5	5			
	PHATSIMA ROADS & STORMWATER DRAINAGE PHASE 3	Roads Infrastructure	Roads, Pavements & Bridges			7	5	8	8			
	MAFENYA INTERNAL ROADS & STORMWATER UPGRADING	Roads Infrastructure	Roads, Pavements & Bridges			7	–	–	–			
	CHANENG INTERNAL ROADS & STORMWATER UPGRADING	Roads Infrastructure	Roads, Pavements & Bridges			5	–	–	–			
	RASIMONE ROADS & STORMWATER DRAINAGE	Roads Infrastructure	Roads, Pavements & Bridges			6	5	8	8			
	WARD 5 ROADS & STORMWATER UPGRADING	Roads Infrastructure	Roads, Pavements & Bridges			7	–	–	–			
	WARD 6 ROADS & STORMWATER UPGRADING	Roads Infrastructure	Roads, Pavements & Bridges			7	–	–	–			
	MAUMONG ROADS & STORMWATER	Roads Infrastructure	Roads, Pavements & Bridges			7	5	5	5			
	ROBEGA ROADS & STORMWATER	Roads Infrastructure	Roads, Pavements & Bridges			4	5	8	8			
SEWERAGE RETICULATION	THABONG 27& 28 INTERNAL SEWER RETICULATION	Sanitation Infrastructure	Reticulation			0	–	–	–			
	MACHARORA VIP TOILETS	Sanitation Infrastructure	Reticulation			–	–	–	–			
	UPGRADING OF THE BULK SEWER LINES TO THE WWTW (WESTERN AREA)	Sanitation Infrastructure	Reticulation			–	7	–	–			
	UPGRADING OF BOITEKONG WASTEWATER TREATMENT WORKS	Sanitation Infrastructure	Reticulation			–	–	–	–			
	UPGRADING OF OUTFALL SEWER LINES TO RUSTENBURG WWTW	Sanitation Infrastructure	Reticulation			1	–	–	–			
	REFURBISHMENT OF SEWER TREATED WATER RETICULATION SYSTEM	Sanitation Infrastructure	Reticulation			1	–	–	–			
	REFURBISHMENT OF SEWER TREATED RETICULATION	Sanitation Infrastructure	Reticulation			0	–	–	–			
	RUSTENBURG WWTW & BOITEKONG WWTW - LINK LINE	Sanitation Infrastructure	Reticulation			–	–	–	–			
	REPLACEMENT OF TLHABANE AC SEWER BULK LINE					–	7	–	–			
MUNICIPAL WORKSHOP	MUNICIPAL VEHICLES	Other Assets	General vehicles			10	–	–	–			
STREET LIGHTING	MOSENTHAL/IKAGENG HIGH MAST LIGHTS	Infrastructure - Electricity	Street Lighting			4	5	–	–			
	TLAPA HIGH MAST LIGHTS	Infrastructure - Electricity	Street Lighting			–	–	–	–			
	VERGENOEG HIGH MAST LIGHTS	Infrastructure - Electricity	Street Lighting			0	–	–	–			
	LEKOJANENG HIGH MAST LIGHTS	Infrastructure - Electricity	Street Lighting			–	–	–	–			
	RANKELENYANE MAST LIGHTS	Infrastructure - Electricity	Street Lighting			–	–	–	–			
	THABANENG MAST LIGHTS	Infrastructure - Electricity	Street Lighting			4	3	–	–			
	SERUTUBE HIGH MAST LIGHTS	Infrastructure - Electricity	Street Lighting			–	–	–	–			
	KANANA HIGH MAST LIGHTS	Infrastructure - Electricity	Street Lighting			4	5	10	10			
	MAFIKA HIGH MAST LIGHTS	Infrastructure - Electricity	Street Lighting			–	–	–	–			
	LESUNG HIGH MAST LIGHTS	Infrastructure - Electricity	Street Lighting			1	–	–	–			
	MABITSE HIGH MAST LIGHTS	Infrastructure - Electricity	Street Lighting			1	–	–	–			
	MAUMONG HIGH MAST LIGHTS	Infrastructure - Electricity	Street Lighting			4	4	–	–			
	RASIMONE HIGH MAST LIGHTS	Infrastructure - Electricity	Street Lighting			2	–	–	–			
	ROBEGA HIGH MAST LIGHTS	Infrastructure - Electricity	Street Lighting			4	5	–	–			
LIBRARY SERVICES	Themed browser boxes: Boitekong Library	Community Facilities	Libraries			0	–	–	–			
	Round kick step: East-End Library	Community Facilities	Libraries			0	–	–	–			
	Outside benches: Boitekong Library	Community Facilities	Libraries			0	–	–	–			
	Partiton: Discussion Room Tlhabane Library	Community Facilities	Libraries			0	–	–	–			
	Book trolley: Karlienpark Library	Community Facilities	Libraries			0	–	–	–			
	Book Display Unit: Karlienpark	Community Facilities	Libraries			0	–	–	–			
	Airconditioner: Librarian Office Karlienpark	Community Facilities	Libraries			0	–	–	–			
	Scanners: All Libraries	Community Facilities	Libraries			0	0	0	0			
	Study Tables: Main Library	Community Facilities	Libraries			0	–	–	–			
	Airconditioner: Mathupestad Info Hub	Community Facilities	Libraries			–	–	–	–			
	Study Chairs: Main Library	Community Facilities	Libraries			0	–	–	–			
	Extension of Marikana & phatsima Libraries	Community Facilities	Libraries			1	1	1	1			
	Spine Labelling Machine: Main Library	Community Facilities	Libraries			–	–	–	–			
	Counter Chairs: Main Library	Community Facilities	Libraries			–	–	–	–			
	Book Shelves Main Library	Community Facilities	Libraries			–	–	–	–			
	Guard House: Main Library	Community Facilities	Libraries			–	–	–	–			
	Step Ladders: Branch Libraries	Community Facilities	Libraries			0	–	–	–			
	Paving: Marikana Library	Community Facilities	Libraries			–	–	–	–			
	Stove: Karlien Library	Community Facilities	Libraries			–	–	–	–			
	Installation of Alarm Systems: All Libraries	Community Facilities	Libraries			0	–	–	–			
	Airconditioners: Mamerotse Info Hub	Community Facilities	Libraries			–	–	–	–			
	Cabinate with lockable glass doors: East-End Library	Community Facilities	Libraries			–	–	–	–			
	Steel Filing Cabinate: Main Library	Community Facilities	Libraries			–	0	0	0			
	Airconditioners: Main Library Offices	Community Facilities	Libraries			–	0	0	0			
	Carpet: East End Library	Community Facilities	Libraries			–	0	0	0			
	Hi-Fi: East End Library	Community Facilities	Libraries			–	0	0	0			

		Foding nose trolleys: All Libraries				Community Facilities	Libraries				–	0	0	0		
		Storage Lockers: East-End Library				Community Facilities	Libraries				–	0	0	0		
		Step Stool: 2 step: East-End Library				Community Facilities	Libraries				–	0	0	0		
		Book Display Unit: Charora Info Hug				Community Facilities	Libraries				–	0	0	0		
		Stripping Machine: Charora Info Hub				Community Facilities	Libraries				–	0	0	0		
		Jolly Chairs: Chorora Info Hub				Community Facilities	Libraries				–	0	0	0		
		Jolly Tables: Charora Info Hub				Community Facilities	Libraries				–	0	0	0		
		Tables: News paper area Charora Info Hub				Community Facilities	Libraries				–	0	0	0		
		Tables: Karllenpark Library Staff room				Community Facilities	Libraries				–	0	0	0		
		Chairs: Karllenpark Library Staff room				Community Facilities	Libraries				–	0	0	0		
		STUDY TABLES-MONAKATO LIB				Community Facilities	Libraries				0	–	–	–		
		STUDY TABLES-PHATSIMA				Community Facilities	Libraries				0	–	–	–		
		STUDY CHAIRS-MONAKATO LIB				Community Facilities	Libraries				0	–	–	–		
		STUDY CHAIRS-PHATSIMA				Community Facilities	Libraries				0	–	–	–		
		VISITORS CHAIRS/COUCHES: MAIN LIBRARY				Community Facilities	Libraries				0	–	–	–		
		BOOK CADDIE- MAIN LIBRARY				Community Facilities	Libraries				0	–	–	–		
		WATERCOOLERS - LIBRARIES				Community Facilities	Libraries				0	–	–	–		
		PAVING - BOITEKONG				Community Facilities	Libraries				0	–	–	–		
		AIR-CONDITIONERS - BERSEBA				Community Facilities	Libraries				0	–	–	–		
		SECURITY SYSTEMS - MAIN LIBRARY				Community Facilities	Libraries				0	–	–	–		
RRT		l: Infrastructure - New Infrastructure Assets: Roads NE B				Roads Infrastructure	Transportation				–	–	–	–		
		Capital: Infrastructure - New Infrastructure Assets: Roads NE C				Roads Infrastructure	Transportation				–	–	–	–		
		Capital: Infrastructure - New Infrastructure Assets: Roads NE D				Roads Infrastructure	Transportation				24	–	–	–		
		Capital: Infrastructure - New Infrastructure Assets: Stations A				Roads Infrastructure	Transportation				28	–	–	–		
		Capital: Infrastructure - New Infrastructure Assets: Stations B				Roads Infrastructure	Transportation				10	33	2	2		
		Capital: Infrastructure - New Infrastructure Assets: Roads CBD NORTH A				Roads Infrastructure	Transportation				38	32	3	3		
		Capital: Infrastructure - New Infrastructure Assets: Roads CBD NORTH B				Roads Infrastructure	Transportation				45	35	2	2		
		Capital: Infrastructure - New Infrastructure Assets: Roads CBD NORTH C				Roads Infrastructure	Transportation				58	31	4	4		
		Capital: Infrastructure - New Infrastructure Assest: Roads NMT Phase 1A				Roads Infrastructure	Transportation				25	5	1	1		
		Capital: Infrastructure - New Infrastructure Assets: Roads NMT Phase 1C, 1B & 2				Roads Infrastructure	Transportation				–	20	2	2		
		Capital: Infrastructure - New Infrastructure Assets :ICT				Roads Infrastructure	Transportation				5	9	9	9		
		Capital: Infrastructure - New Infrastructure Assets : AFC and APTMS				Roads Infrastructure	Transportation				8	17	18	18		
		Capital: Infrastructure - New Infrastructure Assets : Bus Layover				Roads Infrastructure	Transportation				–	16	18	18		
		Capital: Infrastructure - New Infrastructure Assets: Depots				Roads Infrastructure	Transportation				–	34	120	120		
		Capital : Non Infrustructure - New Machinery and Equipment				Roads Infrastructure	Plant & equipment				–	0	0	0		
		Capital : Non Infrustructure - New Furniture and Office Equipment				Roads Infrastructure	Furniture and other office equipment				0	0	0	0		
		Capital : Non Infrustructure - New Furniture Computer Equipment				Roads Infrastructure	Furniture and other office equipment				0	0	0	0		
		Capital : Non Infrustructure - New Machinery and Equipment				Roads Infrastructure	Furniture and other office equipment				0	0	0	0		
		Intergated Rapid Transport Network				Roads Infrastructure	Roads, Pavements & Bridges				–	–	–	–		
OFFICE OF COO		Neighbourhood Development				Infrastructure - Other	Other				–	28	25	25		
WASTE MANAGEMENT		Construction of Transfer Station - Marikana				Infrastructure - Other	Waste Management				2	–	–			
SPORTS FACILITIES		Development of Boitekong Sports Facility				Community Facilities	Sportsfields & stadia				7	–	–			
		Development of Tlhabane Sports Facility				Community Facilities	Sportsfields & stadia				1	–	–			
CEMETERIES		Development of Boitekong Cemetery				Community Facilities	Cemeteries				–	8	–	–		
		PHATSIMA CEMETRY:DEVELOPMENT OF FENCEING				Community Facilities	Cemeteries				0	–	–	–		
PROJECT MANAGEMENT UNIT		COMPUTERS				Other Assets	Computers - hardware/equipment				0	–	–	–		
ESTATES		Land Acquisition				Revenue Generating	Civic Land and Buildings				–	–	–	–		
Parent Capital expenditure	1									–	–	577	501	465	465		
Entities: *List all capital projects grouped by Entity*																	
Entity A Water project A		Rustenburg Water Services Trust										69	69	43	16		
Entity B Electricity project B																	
Entity Capital expenditure										–	–	69	69	43	16		
Total Capital expenditure										–	–	646	570	508	481		

NW373 Rustenburg - Supporting Table SA37 Consolidated projects delayed from previous financial year/s

Municipal Vote/Capital project	Ref. 1,2	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete	Current Year 2016/17		2017/18 Medium Term Revenue & Expenditure Framework		
								Original Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand							Year					
Parent municipality:												
List all capital projects grouped by Municipal Vote				*Examples*	*Examples*							
Rustenburg rapid transport		New Infrastructure Assets: Depots					**2017**	**8 000**		**34 000**	120 000	120 000
Roads		Robega roads and stormwater					2017	7 000		5 000	8 000	8 000
Water services		UPGRADING AND EXTENSIONOF BOSPOORT WATER TREATMENT WORKS					2017	9 716		24 543	–	–
Roads		TSITSING ROADS & STORMWATER DRAINAGE					2017	7 000		5 000	–	–
Roads		Freedom Park roads and stormwater					2017	7 000		5 000	–	–
Entities:												
List all capital projects grouped by Municipal Entity												
Entity Name												
Rustenburg water services trust		Waste water treatment works						69 000		69 000	43 000	16 000

References

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

2. Refer MFMA s30

3. As per Table SA34

4. Correct to seconds. Provide a logical starting point on networked infrastructure.

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NW373 Rustenburg - Supporting Table SA38 Consolidated detailed operational projects

Municipal Vote/Operational project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2017/18 Medium Term Revenue & Expenditure Framework			Project information
										Audited Outcome 2015/16	Current Year 2016/17 Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Ward location
R thousand	4			2	6			5							
Parent municipality:															
List all operational projects grouped by Municipal Vote															
Contracted Services					No							241 982	246 951	256 544	
Depreciation												440 290	465 241	480 216	
Employee related costs												632 787	676 883	723 659	
Councillors remuneration												33 500	35 819	38 296	
Collection cost												8 489	8 989	9 511	
Repairs and maintenance												173 055	181 860	189 497	
Interest expense - External loans												61 565	61 026	61 754	
Bulk purchase												2 167 582	2 325 256	2 509 396	
Other expenditure												233 427	209 100	221 318	
Debt impairment												562 536	580 311	554 235	
Parent operational expenditure	1											4 555 213	4 791 437	5 044 424	
Entities:															
List all operational projects grouped by Entity															
Entity A															
Water project A															
Entity B															
Electricity project B															
Entity Operational expenditure										–	–	–	–	–	
Total Operational expenditure										–	–	4 555 213	4 791 437	5 044 424	

References

1. Must reconcile with Budgeted Operating Expenditure

2. As per Table SA5

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

5. Correct to seconds. Provide a logical starting point on networked infrastructure.

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

Check –

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ASSESSMENT RATES

TARRIF DESCRIPTION	Approved Tariff 2016/17	2017/2018 Increase	Proposed Tariff 2017/18	Proposed Tariff 2018/2019	Proposed Tariff 2019/2020
	R / C		R / C	R / C	R / C
REBATE EARNINGS< 4500	-0 4000		-0.4000	-0.4000	-0.4000
REBATE EARNINGS BETWEEN 4500 AND 5500	-0 3000		-0 3000	-0.3000	-0 3000
REBATE EARNINGS BETWEEN 5500 AND 6500	-0.2000		-0.2000	-0.2000	-0.2000
GOVERNMENT REBATE 20%	-0.1000		-0.1000	-0.1000	-0.1000
RESIDENTIAL REBATE	-100 000		-100 000	-100 000	-100 000
RESIDENTIAL 1	0.0060	6.40	0 0064	0 0068	0.0072
RES 1 VACANT LAND	0.0093	6.80	0.0100	0.0106	0.0113
RESIDENTIAL 2-4	0.0060	6.40	0 0064	0.0068	0.0072
RES 2-4 VACANT LAND	0.0093	6.80	0 0100	0.0106	0 0113
BUSINESS/COMMERCIAL	0.0222	7 00	0.0238	0.0253	0.0269
INDUSTRIAL	0 0226	7.00	0.0242	0 0258	0.0274
GOVERNMENT	0 0211	7 00	0 0226	0.0240	0.0256
EDUCATIONAL	0.0203	7 00	0.0217	0.0231	0.0246
MINING	0.0238	7.00	0.0255	0 0271	0.0288
AGRIC RESIDENTIAL	0.0015	6.40	0.0016	0.0017	0.0018
AGRIC VACANT LAND	0.0093	6.80	0.0100	0.0106	0.0113
AGRIC BUSINESS/INDUSTRIAL	0.0236	7.00	0.0253	0.0269	0.0286
AGRICULTURAL	0.0016	6.80	0.0017	0.0018	0.0019
PRIVATE ROAD	0.0063	7.00	0.0067	0.0072	0.0076
GUEST HOUSES	0.0080	7.00	0.0086	0 0091	0.0097
PRIVATE SCHOOLS	0.0222	7.00	0.0238	0 0253	0 0269
CRECHES	0.0222	6.80	0.0237	0.0252	0.0268
PRIVATE OWED TOWN	0.0030	114.00	0.0064	0 0068	0.0072
VACANT - BUSINESS	0 0241	7 00	0.0258	0.0274	0 0292
PRIVATE OPEN SPACES	0.0066	6.80	0.0071	0.0075	0.0080

SUNDRY TARIFFS

TARIFF DESCRIPTION	Approved Tariffs 2016/17	2017/2018 Increase	Proposed Tariff 2017/18	Proposed Tariff 2018/2019	Proposed Tariff 2019/2020
	R		R	R	R
CLEARANCE CERTIFICATE FEE	67 67	10.00	74.44	78.83	83.56
CLEARANCE APPLICATION FEE: MANUAL	135.34	15.00	155.64	164 83	174.71
CLEARANCE APPLICATION FEE: ELECTRONIC (clearance.com)	315 80	10.00	347 38	367.87	389.94
ISSUING OF DUPLICATE MUNICIPAL ACCOUNT OVER 3 MONTHS (per acc)	3.00	10.00	3.30	3.49	3.70
ADMIN FEE R/D CHEQUE	157.30	10.00	173.03	183.24	194.23
CONSUMER DEPOSIT - RESIDENTIAL	1 600.00	6.30	1 700.80	1 801.15	1 909.22
VALUATION ROLL - Soft copy	734.09	36 22	1 000.00	1 059.00	1 122.54
VALUATION ROLL - Hard copy			1 000.00	1 059.00	1 122.54
VALUATION CERTIFICATE	73.41	5.80	77 67	82.25	87.19
DEED SEARCH	52.43	10.00	57.68	61.08	64.74
LOST COPY OF CERTIFICATE	52 43	20.00	62.92	66 63	70.63
FINAL DEMAND	25.34	6.40	26.96	28.56	30.27
WATER RECONNECTION	506.90	6.40	539 34	571 16	605.43
ELECTRICITY RECONNECTION	354.83	6.40	377 54	399 82	423.80
REMOVAL OF INSTALLATION	2 062.26	6 40	2 194 25	2 323.71	2 463.13
CHEQUE RE ISSUE *(New)*			150.00	158.85	168.38
ADMIN FEE ON TRANSFERS *(New)*			5.50	5.82	6.17
SEARCHING OF ANY DISCLOSURE RECORD			R15 P/H OR PART	R16.5 P/H OR PART	R17 P/H OR PART

ELECTRICITY TARIFFS

Description	*Provide description of tariff structure where appropriate*	*Approved Tariff 2016/17*	*2017/2018 Increase %*	*Proposed Tariff 2017/18*	*Proposed Tariff 2018/2019*	*Proposed Tariff 2019/2020*
DOMESTIC TARIFFS						
Residential Life-line						
Residential 1(1-50 KWH)		84.00	1.88	85.5800	90.6391	96.1681
Residential 2(51-350 KWH)		105.00	1.89	106.9800	113.2989	120.2101
Residential 3(351-600 KWH)		128.00	1.88	130.4100	156.1792	165.7061
Residential 4(601 + KWH)		154.00	1.88	156.9000	187.9031	199.3652
Residential Town Conventional						
Residential 1(1-50 KWH)		84.00	1.88	85.5800	90.7995	96.3383
Residential 2(51-350 KWH)		105.00	1.89	106.9800	113.4994	120.4229
Residential 3(351-600 KWH)		128.00	1.88	130.4100	156.1792	165.7061
Residential 4(601 + KWH)		154.00	1.88	156.9000	187.9031	199.3652
Basic Charge (R/month)		256.55	14.57	293.9234	311.8527	330.8757
Residential Town Prepaid						
Residential 1(1-50 KWH)		84.00	1.88	85.5800	90.7995	96.3383
Residential 2(51-350 KWH)		105.00	1.89	106.9800	113.4994	120.4229
Residential 3(351-600 KWH)		128.00	1.88	130.4100	156.1792	165.7061
Residential 4(601 + KWH)		154.00	1.88	156.9000	187.9031	199.3652
Basic Charge (R/month)		183.00	2.10	186.8430	198.2404	210.3331
Residential Rural Prepaid/Coventional						
Residential 1(1-50 KWH)		84.00	1.88	85.5800	90.7995	96.3383
Residential 2(51-350 KWH)		105.00	1.89	106.9800	113.4994	120.4229
Residential 3(351-600 KWH)		128.00	1.88	130.4100	156.1792	165.7061
Residential 4(601 + KWH)		154.00	1.88	156.9000	187.9031	199.3652
Basic Charge (R/month)		288.50	1.88	293.9238	311.8532	330.8762
COMMERICAL TARIFFS						
Business Rate (Conventional/Prepaid)						
Basic Charge (R/month)		800.00	2.00	816.00	865.78	918.59
Business/Commercial	Energy Rate (c/kWh) Summer	150.00	18.00	177.0000	187.7970	199.2526
Business/Commercial	Energy Rate (c/kWh) Winter	200.00	1.88	203.7600	216.1894	229.3769

INDUSTRIAL TARIFFS						
Basic Charge (R/month)		2 663.20	2.00	2 716.46	2 882.17	3 057.98
Industrial (Bulk Supply Town 400 V)	Energy Rate (c/kWh) Summer	100.02	35.00	135.0270	143.2636	152.0027
Industrial (Bulk Supply Town 400 V)	Energy Rate (c/kWh) Winter	167.91	3.10	173.1152	183.6752	194.8794
Industrial (Bulk Supply Town 400 V)	Utilised Demand Charge (R/kVA) 12 month maximum	162.48	3.10	167.5169	177.7354	188.5773
Industrial (Bulk Supply Town 400 V)	Maximum Demand Charge (R/kVA)	40.62	3.10	41.8792	44.4339	47.1443
Basic Charge (R/month)		2 663.20	3.10	2 745.76	2 913.25	3 090.96
Agricultural (Bulk Supply Rural 400 V)	Energy Rate (c/kWh) Summer	100.02	35.00	135.0270	143.2636	152.0027
Agricultural (Bulk Supply Rural 400 V)	Energy Rate (c/kWh) Winter	167.91	3.10	173.1152	183.6752	194.8794
Agricultural (Bulk Supply Rural 400 V)	Utilised Demand Charge (R/kVA) 12 month maximum	162.48	3.10	167.5169	177.7354	188.5773
Agricultural (Bulk Supply Rural 400 V)	Maximum Demand Charge (R/kVA)	40.62	3.10	41.8792	44.4339	47.1443
Basic Charge (R/month)		2 300.00	3.10	2 371.30	2 515.95	2 669.42
Industrial (11kV Bulk Supply Town and Rural)	Energy Rate (c/kWh) Summer	98.00	35.00	132.3000	140.3703	148.9329
Industrial (11kV Bulk Supply Town and Rural)	Energy Rate (c/kWh) Winter	154.00	3.10	158.7740	168.4592	178.7352
Industrial (11kV Bulk Supply Town and Rural)	Utilised Demand Charge (R/kVA) 12 month maximum	39.18	3.10	40.3946	42.8586	45.4730
Industrial (11kV Bulk Supply Town and Rural)	Maximum Demand Charge (R/kVA)	156.75	3.10	161.6093	171.4674	181.9269
TIME -OF -USE						
Basic Charge (R/month)		7 272.00	23.76	8999.8272	9548.8167	10131.2945
11 kV Bulk supply Time-of-use	SUMMER: Demand Charge (R/kVA)	34.00	8.00	36.7200	39.6576	42.8302
	Access Charge (R/kVA)	26.00	8.00	28.0800	30.3264	32.7525
	Peak Energy (c/kWh)	112.00	8.00	120.9600	130.6368	141.0877
	Standard Energy (c/kWh)	76.00	8.00	82.0800	88.6464	95.7381
	Off-peak Energy (c/kWh)	54.00	8.00	58.3200	62.9856	68.0244
	WINTER: Demand Charge (R/kVA)	34.00	23.76	42.0784	44.6452	47.3685
	Access Charge (R/kVA)	26.00	23.76	32.1776	34.1404	36.2230
	Peak Energy (c/kWh)	351.00	23.76	434.3976	460.8959	489.0105
	Standard Energy (c/kWh)	102.00	23.76	126.2352	133.9355	142.1056
	Off-peak Energy (c/kWh)	60.00	23.76	74.2560	78.7856	83.5915
	Reactive Energy (c/kVArh)	17.06	23.76	21.1135	22.4014	23.7679
Basic Charge (R/month)		7 166.00	27.22	9116.5852	9672.6969	10262.7314
33 kV Bulk supply Time-of-use	SUMMER: Demand Charge (R/kVA)	33.00	27.22	41.9826	44.5435	47.2607
	Access Charge (R/kVA)	2 500.00	27.22	3180.5000	3374.5105	3580.3556
	Peak Energy (c/kWh)	110.00	27.22	139.9420	148.4785	157.5356
	Standard Energy (c/kWh)	74.00	27.22	94.1428	99.8855	105.9785
	Off-peak Energy (c/kWh)	52.00	27.22	66.1544	70.1898	74.4714
	WINTER: Demand Charge (R/kVA)	33.00	27.22	41.9826	44.5435	47.2607
	Access Charge (R/kVA)	2 500.00	27.22	3180.5000	3374.5105	3580.3556
	Peak Energy (c/kWh)	345.00	27.22	438.9090	465.6824	494.0891
	Standard Energy (c/kWh)	100.00	27.22	127.2200	134.9804	143.2142
	Off-peak Energy (c/kWh)	58.00	27.22	73.7876	78.2886	83.0643
	Reactive Energy (c/kVArh)	17.06	27.22	21.7037	23.0277	24.4323
Basic Charge (R/month)		111 817.00	5.02	117 434.00	124 597.47	132 197.92
33 kV Bulk supply NMD >150MVA	SUMMER: Demand Charge (R/kVA)	28.95	0.31	29.0400	30.8114	32.6909
	Access Charge (R/kVA)	15.28	3.10	15.7537	16.7147	17.7342
	Transmission Energy (c/kWh)	7.62	3.10	7.8562	8.3354	8.8439
	Peak Energy (c/kWh)	104.03	0.31	104.3500	110.7154	117.4690
	Standard Energy (c/kWh)	74.03	0.30	74.2500	78.7793	83.5848
	Off-peak Energy (c/kWh)	49.82	0.30	49.9700	53.0182	56.2523
	WINTER: Demand Charge (R/kVA)	28.95	0.31	29.0400	30.8114	32.6909
	Access Charge (R/kVA)	15.28	3.10	15.7537	16.7147	17.7342
	Transmission Energy (c/kWh)	7.62	3.10	7.8562	8.3354	8.8439
	Peak Energy (c/kWh)	13.38	3.10	13.7948	14.6363	15.5291
	Reactive Energy (c/kVArh)	302.82	0.31	303.7500	322.2788	341.9378
	Standard Energy (c/kWh)	97.17	0.31	97.4700	103.4157	109.7240
	Off-peak Energy (c/kWh)	56.32	0.30	56.4900	59.9359	63.5920

WATER BASIC

CONSUMER	Approved Tariff 2016/2017 PER MONTH	Approved Tariffs 2016/2017 ANNUAL	Proposed Tariff increase 2017/2018	Proposed Tariffs 2017/2018 PER MONTH	Proposed Tariffs 2017/2018 ANNUAL	Proposed Tariffs 2018/2019 PER MONTH	Proposed Tariffs 2018/2019 ANNUAL	Proposed Tariffs 2019/2020 PER MONTH	Proposed Tariffs 2019/2020 ANNUAL
Residential	63.10	757.16	10.0%	69.41	832.88	77.39	928.66	86.81	1 041.76
Residential Vacant	65.48	785.74	12.0%	73.34	880.02	82 65	991.75	93.76	1 125.09
INDUSTRIAL	67.98	815.71	11 0%	75.45	905.44	84.23	1 010.81	94.62	1 135.39
INDUSTRIAL - Vacant	67 98	815 71	12.5%	76 47	917.67	86.59	1 039 03	98 71	1 184 55
Agricultural	67.98	815.71	12.5%	76.47	917.67	86.59	1 039.03	98.71	1 184.55
BUSINESS	67.98	815.71	18 3%	80 42	964.98	95.98	1 151.82	115.67	1 387.98
BUSINESS - Vacant	67.98	815.71	18.3%	80.42	964.98	95 98	1 151.82	115.67	1 387.98
CHURCH	65.48	785.74	11.0%	72.68	872.17	81.14	973 67	91.14	1 093.67
Educational	65 48	785 74	11 0%	72.68	872.17	81.14	973 67	91.14	1 093 67
STATE OWNED	65 48	785.74	16 1%	75.99	911.92	88.91	1 066.87	104 90	1 258 85
MUNICIPALITY	65.48	785.74	16.1%	75.99	911.92	88 91	1 066.87	104 90	1 258.85

WATER TARIFFS

CONSUMER	Approved Tariff 2016/2017	2017/2018 Increase	Proposed Tariff 2017/2018	Proposed Tariff 2018/2019	Proposed Tariff 2019/2020
DOMESTIC (Prepaid and Convertional meters) TOTAL					
Consumption 0KL to 12KL	10.4786	11.2%	11.6522	13.0330	14.6685
Consumption 13KL to 25KL	12.5728	11.5%	14.0187	15.7243	17.7504
Consumption 26KL to 40KL	14.4399	12.1%	16.1871	18.2593	20.7348
Consumption 41KL to 60KL	16.3754	12.3%	18.3895	20.7826	23.6467
Consumption above 60KL	17.7630	12.5%	19.9833	22.6261	25.7950
Domestic consumers with no meter Minimum charge per household per month	63.0970	11.9%	70.6181	78.0330	86.2265
		11.9%			
AGRICULTURAL DOMESTIC TOTAL					
Consumption 0KL to 12KL	14.2135	11.5%	15.8481	17.7763	20.0668
Consumption 13KL to 25KL	15.0947	12.1%	16.9212	19.0874	21.6751
Consumption 26KL to 40KL	16.6355	12.3%	18.6817	21.1128	24.0224
Consumption 41KL to 60KL	18.3335	5.5%	19.3418	20.4673	21.7286
Consumption above 60KL	20.2046	5.0%	21.2149	22.3371	23.5885
INDUSTRIAL TOTAL					
Consumption 0KL to 60KL	14.9872	13.5%	17.0105	19.4401	22.3805
Consumption 61KL to 100KL	15.5747	19.0%	18.5339	22.2595	26.9982
Consumption 101KL to 150KL	15 8479	30.0%	20.6023	27.1415	36 2544
Consumption 151KL+	16.6980	35 0%	22.5423	30.8897	43 0030
INDUSTRIAL: BOSPOORT TOTAL					
Consumption 0KL to 60KL	14.9872	20.0%	17.9847	21.7902	26 6731
Consumption 61KL to 100KL	15.5747	22.3%	19.0478	23.5419	29.4239
Consumption 101KL to 150KL	15.8479	23.9%	19.6356	24.6007	31.1882
Consumption 151KL+	16.6980	23.5%	20 6220	25.7493	32.5291
COMMERCIAL TOTAL					
Consumption 0KL to 60KL	14.9872	15.0%	17.2353	19.9705	23.3269
Consumption 61KL to 100KL	15.5747	16.3%	18.1134	21.2371	25.1156
Consumption 101KL to 150KL	15.8479	25.0%	19.8099	25.0496	32.0662
Consumption 151KL+	16.6284	25.0%	20.7855	26.2833	33.6454
INSTITUTIONAL: Church TOTAL					
Consumption 0KL to 60KL	14.7263	10.8%	16.3167	18.1811	20.3811
Consumption 61KL to 100KL	15.3014	11.5%	17.0611	19.1369	21.6027
Consumption 101KL to 150KL	15.3698	12.0%	17.2141	19.3996	22.0079
Consumption 151KL+	16 0023	12.5%	18.0025	20.3834	23.2381
INSTITUTIONAL TOTAL					
Consumption 0KL to 60KL	14.4353	10.8%	15.9944	17.8219	19.9785
Consumption 61KL to 100KL	15 0012	11.5%	16.7263	18.7614	21.1788
Consumption 101KL to 150KL	15.2644	12 0%	17.0961	19.2666	21.8570
Consumption 151KL+	16.0831	12.5%	18.0935	20 4864	23.3556
INSTITUTIONAL:GOVERNMENT TOTAL					
Consumption 0KL to 60KL	14.4353	18.0%	17.0337	20.2776	24.3671
Consumption 61KL to 100KL	15.0012	30.0%	19.5015	25.6913	34.3268
Consumption 101KL to 150KL	15.2644	30.0%	19.8437	26.1420	34.9291
Consumption 151KL+	16.0831	31.0%	21.0689	27.9791	37.6971
PUBLIC AND PRIVATE SCHOOLS					
Consumption 0KL to 60KL	14.1840	18.0%	16.7371	19.9245	23.9428
Consumption 61KL to 100KL	14.7380	30.0%	19.1594	25.2405	33.7246
Consumption 101KL to 150KL	14 8038	30.0%	19.2449	25.3532	33.8751
Consumption 151KL+	15.4130	31.0%	20.1910	26.8133	36.1263
SPECIAL					
Consumption 0KL to 60KL	14.4353	25.0%	18.0442	22 8169	29.2080
Consumption 61KL to 100KL	15.0012	25.0%	18.7515	23.7112	30 3529
Consumption 101KL to 150KL	15.2644	25.0%	19.0804	24.1272	30.8854
Consumption 151KL+	16.0831	25.0%	20.1039	25.4214	32.5421

SUNDRY WATER TARIFFS

Description	Approved Tariff 2016/2017				Proposed Tariff 2017/2018				Proposed Tariff 2018/2019				Proposed Tariff 2019/2020			
SUMMARY OF WATER CONNECTION	Short	Long	Short (Prepaid)	Long (Prepaid)	Short	Long	Short (Prepaid)	Long (Prepaid)	Short	Long	Short (Prepaid)	Long (Prepaid)	Short	Long	Short (Prepaid)	Long (Prepaid)
15 mm Connection	3 769.70	39 916.80	6 106.10	42 223.50	4 146.67	43 908.48	6 716.71	46 445.85	4 561.34	48 299.33	7 388.38	51 090.44	5 017.47	53 129.26	8 127.22	56 199.48
20 mm Connection	3 769.70	29 170.90	6 363.50	42 258.70	4 146.67	32 087.99	6 999.85	46 484.57	4 561.34	35 296.79	7 699.84	51 133.03	5 017.47	38 826.47	8 469.82	56 246.33
25 mm Connection	4 379.10	40 762.70	6 395.40	42 324.70	4 817.01	44 838.97	7 034.94	46 557.17	5 298.71	49 322.87	7 738.43	51 212.89	5 828.58	54 255.15	8 512.28	56 334.18
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	Short	Long	Short (AMR)	Long (AMR)	Short	Long	Short (AMR)	Long (AMR)	Short	Long	Short (AMR)	Long (AMR)	Short	Long	Short (AMR)	Long (AMR)
50 mm Connection	15 870.80	63 412.80	21 483.00	69 026.10	17 457.88	69 754.08	23 631.30	75 928.71	19 203.67	76 729.49	25 994.43	83 521.58	21 124.03	84 402.44	28 593.87	91 873.74
80 mm Connection	21 868.00	69 800.50	27 481.30	75 412.70	24 054.80	76 780.55	30 229.43	82 953.97	26 460.28	84 458.61	33 252.37	91 249.37	29 106.31	92 904.47	36 577.61	100 374.30
100 mm Connection	26 142.60	93 822.30	31 754.80	79 833.60	28 756.86	103 204.53	34 930.28	87 816.96	31 632.55	113 524.98	38 423.31	96 598.66	34 795.80	124 877.48	42 265.64	106 258.52
150 mm Connection	39 572.50	93 822.30	45 185.80	97 740.50	43 529.75	103 204.53	49 704.38	107 514.55	47 882.73	113 524.98	54 674.82	118 266.01	52 671.00	124 877.48	60 142.30	130 092.61
				-				-				-				-
SUMMARY OF SEWER CONNECTION	Short	Long			Short	Long			Short	Long			Short	Long		
100 mm Sewer Connection	3 137.20	50 846.40	-	-	3 450.92	55 931.04	-	-	3 796.01	61 524.14	-	-	4 175.61	67 676.56	-	-
160 mm Sewer Connection	3 411.10	57 585.00			3 752.21	63 343.50			4 127.43	69 677.85			4 540.17	76 645.64		
SUMMARY OF METER TEST	Cost				Cost				Cost				Cost			
15mm Meter Test	779.90				857.89				943.68				1 038.05			
20mm Meter Test	807.40				888.14				976.95				1 074.65			
25mm Meter Test	1 200.10				1 320.11				1 452.12				1 597.33			
50mm Meter Test	1 621.40				1 783.54				1 961.89				2 158.08			
50mm Meter Test (connection)	3 228.50				3 551.35				3 906.49				4 297.13			
80mm Meter Test	2 224.20				2 446.62				2 691.28				2 960.41			
80mm Meter Test (connection)	4 232.80				4 656.08				5 121.69				5 633.86			
100mm Meter Test	2 827.00				3 109.70				3 420.67				3 762.74			
100mm Meter Test (connection)	4 834.50				5 317.95				5 849.75				6 434.72			
150 mm Meter Test	4 131.60				4 544.76				4 999.24				5 499.16			
150mm Meter Test (connection)	4 834.50				5 317.95				5 849.75				6 434.72			
200mm Meter Test	4 131.60				4 544.76				4 999.24				5 499.16			
200mm Meter Test (connection)	4 834.50				5 317.95				5 849.75				6 434.72			
15mm water meter KSM	386.10				424.71				467.18				513.90			
15mm water metered box	547.80				602.58				662.84				729.12			
20mm water meter KSM	401.50				441.65				485.82				534.40			
20mm water metered box	721.60				793.76				873.14				960.45			
25mm water meter KSM	916.30				1 007.93				1 108.72				1 219.60			
25mm water metered box	1 141.80				1 255.98				1 381.58				1 519.74			
50mm water meter	2 541.00				2 795.10				3 074.61				3 382.07			
50mm combination meter	8 195.00				9 014.50				9 915.95				10 907.55			
80mm water meter	3 234.00				3 557.40				3 913.14				4 304.45			
80mm combination meter	8 943.00				9 837.30				10 821.03				11 903.13			
100mm water meter	3 553.00				3 908.30				4 299.13				4 729.04			
100mm combination meter	9 900.00				10 890.00				11 979.00				13 176.90			
150mm water meter	5 775.00				6 352.50				6 987.75				7 686.53			
150mm combination meter	19 580.00				21 538.00				23 691.80				26 060.98			
Prepaid / smart meter 15 - 25 mm	2 750.00				3 025.00				3 327.50				3 660.25			
OTHER SERVICES																
Description																
WSDP Copy	255.20				280.72				308.79				339.67			
Water services bylaw copy	63.80				70.18				77.20				84.92			
Delivery of water by tankers	602.80				663.08				729.39				802.33			
Septic and sewer tank disludging	0,30 per liter				0,30 per liter				0,30 per liter				0,30 per liter			
Treated Water per kl	10.48				11.09				11.73				12.41			
Portable toilets hire	293.70				323.07				355.38				390.91			
Water quality check per parameter	Based on current rates of appointed service provider				Based on current rates of appointed service provider				Based on current rates of appointed service provider				Based on current rates of appointed service provider			
Night soil disposal per 5Kl or part	321.20				353.32				388.65				427.52			
Prepaid meter tag	115.50				127.05				139.76				153.73			
Relocation of services	Quote on request				Quote on request				Quote on request				Quote on request			
Damage recovery	As per extent based on losses				As per extent based on losses				As per extent based on losses				As per extent based on losses			
Adjustment of manhole	Quote on request				Quote on request				Quote on request				Quote on request			

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Industrial effluent monitoring

The following formula will apply for industrial effluent charges covering the conveyance, and treatment of industrial effluent.

$$Ti = C \times \frac{Qi}{Qt} \times [0,3 + 0,35\ Kc + 0,25\ Kn + 0,1\ Kp]$$

Where:

Ti = charge due in R/month

C = total cost of the sewerage undertaking of Rustenburg Local Municipality covering both treatment and conveyance and must include

Qi = sewage flow from the industry in m3/month

Qt = sum of design capacities of all the waste water treatment works of the Rustenburg Local Municipality in m3/month

$$Kc = \frac{CODi}{CODt}$$

Where: CODi = industry sewage COD

CODt = target COD as published in **Schedule** A in the Bylaws in mg/ℓ

The ratio(Kc) is the larger of 1 or the actual ratio

$$Kn = \frac{TKNi}{TKNt}$$

Where: TKNi = the industry TKN

TKNt = target TKN as published in Schedule A in the Bylaws in mg/ℓ

The ratio(Kn) is the larger of 1 or the actual ratio

$$Kp = \frac{Pi}{Pt}$$

Where: Pi = Phosphate of industry in mg/ℓ

Pt = target Phosphate as published in Schedule A in these Bylaws in mg/ℓ

The ratio(Kp) is the larger of 1 or the actual ratio.

(a) The factor of 0,3 represents the "fixed portion" of the costs. This is independent of the strength (or make-up of the sewage) and also deals with the

(b) The above formula is only applicable for the treatment of compliant effluent. If any constituent (heavy metals, any toxic substances etc.) exceeds

i. Refuse to accept the effluent
ii. Impose a fine on the industry
iii. Insist on pre-treatment by the industry to render the effluent compliant prior to discharge to the municipal system

(c) Fines for contravening the allowable limits of constituents in industrial effluents.

(d) The municipality sells treated sewage effluent to the mines as process water. There is stringent quality criteria associated with this and the mines

(e) The municipality will thus, in particular, enforce the fat and oil standards rigorously.

(f) The fines will be implemented as follows:

i. First written warning No fine
ii. Second contravention R10 000 00 fine regardless of quantity or quality
iii. Subsequent contraventions:
- Spot fines of the larger of R 10 000 or a flow related minimum fine of R5 per m3 or as per written approval
- Refuse to accept the effluent

SANITATION SERVICES

CONSUMER	Approved Tariff 2016/2017	2017/2018 Increase	Proposed Tariff 2017/2018	Proposed Tariff 2018/2019	Proposed Tariff 2019/2020
Residential 1 TOTAL					
Up to and including 300m2	115.5536	10.0%	127.1089	141.3451	159.0755
301m2 to 1000m2	122 4868	10.5%	135.3479	149.5595	167.1477
1001m2 to 2000m2	132.2858	11.0%	146.8372	162.9893	183.0696
2001m2 and Above	145.5143	12.5%	163.7035	184.1665	209.9498
Residential 2-4 TOTAL					
Up to and including 300m2	115.5536	11.0%	128.2645	142.3736	159 9140
301m2 to 1000m2	122 4868	11.5%	136.5728	152 2787	171 8922
1001m2 to 2000m2	132.2858	12.0%	148.1601	165.9393	188.2415
2001m2 and Above	145.5143	12.5%	163.7035	184 1665	209.9498
Business/Commmercial TOTAL					
Up to and including 300m2	125.9967	11.0%	139.8563	155.2405	174 3662
301m2 to 1000m2	139 8797	11.3%	155.6861	173.2786	195.2088
1001m2 to 2000m2	158.1026	11.8%	176.7587	197.6162	223.7331
2001m2 and Above	181.8754	12.5%	204 6098	230.1860	262.4121
Industrial TOTAL					
Up to and including 300m2	130.7934	11.0%	145.1807	161.1505	181.0043
301m2 to 1000m2	145.2049	11.3%	161 6130	179.8753	202.6403
1001m2 to 2000m2	164.1215	11 8%	183 4879	205.1395	232.2507
2001m2 and Above	188.7995	12 5%	212.3994	238.9493	272 4022
Government TOTAL					
Up to and including 300m2	130.7934	11.0%	145 1807	161.1505	181.0043
301m2 to 1000m2	145 2049	11 3%	161.6130	179.8753	202.6403
1001m2 to 2000m2	164.1215	11.8%	183.4879	205.1395	232.2507
2001m2 and Above	188.7995	12.5%	212.3994	238.9493	272 4022
Church TOTAL					
Up to and including 300m2	125.9499	11.0%	139 8044	155.1829	174.3014
301m2 to 1000m2	139.1941	11.3%	154.9230	172 4293	194.2520
1001m2 to 2000m2	156 6625	11.8%	175 1487	195.8162	221 6953
2001m2 and Above	181.8754	12 5%	204.6098	230.1861	262.4121
Educational TOTAL					
Up to and including 300m2	125 9499	11.0%	139.8044	155.1829	174 3014
301m2 to 1000m2	139.1941	11.3%	154.9230	172.4293	194 2520
1001m2 to 2000m2	156.6625	11 8%	175.1487	195.8162	221.6953
2001m2 and Above	181.8754	12.5%	204.6098	230.1861	262.4121
Agri Residential TOTAL					
Up to and including 300m2	115 5536	11.0%	128.2645	142.3736	159.9140
301m2 to 1000m2	122.4868	11.3%	136.3278	151.7329	170.9362
1001m2 to 2000m2	132.2858	11.8%	147.8955	165.3472	187.1994
2001m2 and Above	145.5143	12.5%	163 7035	184 1665	209.9498
Agri Business TOTAL					
Up to and including 300m2	125 9967	11.0%	139.8563	155 2405	174.3662
301m2 to 1000m2	139.8797	11.3%	155.6861	173.2786	195.2087
1001m2 to 2000m2	158.1025	11.8%	176.7586	197.6161	223.7331
2001m2 and Above	181.8754	12.5%	204.6098	230.1860	262.4121
Municaipal TOTAL					
Up to and including 300m2	125.9967	11.0%	139 8563	155.2405	174.3662
301m2 to 1000m2	139.8797	11.3%	155 6861	173 2786	195.2087
1001m2 to 2000m2	158.1025	11.8%	176.7586	197 6161	223.7331
2001m2 and Above	181 8754	12 5%	204.6098	230.1860	262.4121
Special TOTAL					
Up to and including 300m2	125.9967	11 0%	139.8563	155 2405	174.3662
301m2 to 1000m2	141.1630	11 3%	157.1144	174.8683	196.9997
1001m2 to 2000m2	164 3372	11.8%	183.7289	205.4090	232.5558
2001m2 and Above	186.7909	12 5%	210.1398	236.4073	269 5043
Vacant property TOTAL					
Up to and including 300m2	117 7758	11.0%	130.7311	145.1115	162.9892
301m2 to 1000m2	129.5533	11.3%	144.1928	160.4866	180.7978
1001m2 to 2000m2	145.0997	11.8%	162 2215	181.3636	205 3326
2001m2 and Above	165 4136	12 5%	186.0903	209.3516	238.6609

LOCAL ECONOMIC DEVELOPMENT

PROPOSED TARIFFS FOR THE HIRING OF THE VARIUOS OFFICES OF THE SMME SUPPORT & DEVELOPMENT CENTRE

TARRIF DESCRIPTION	Frequency	Current 2016/17	Proposed 2017/18	Proposed 2018/19	Proposed 2019/20	INCREASE	% INCREASE
		R/C	R/C	R/C	R/C	R/C	
OFFICE 1							
Administrative Fee	Once Off	R 105.90	R 112.25	R 119.10	R 126.55	R6-24	6.0% p.a
Usage	Per Day	R 370.65	R 392.89	R 416.86	R 442.91	21-86	6.0% p.a
Usage	5 Days Per Week	R 1 588.50	R 1 683.81	R 1 786.52	R 1 898.18	R93-72	6.0% p.a
Usage	7 Days Per Week	R 1 853.25	R 1 964.45	R 2 084.28	R 2 214.54	R109-34	6.0% p.a
Usage	Per Month	R 7 942.50	R 8 419.05	R 8 932.61	R 9 490.90	R468-60	6.0% p.a
Usage	Per Annum	R 95 310.00	R 101 028.60	R 107 191.34	R 113 890.80	R5 623-29	6.0% p.a
OFFICE 2							
Administrative Fee	Once Off	R 105.90	R 112.25	R 119.10	R 126.55	R6-24	6.0% p.a
Usage	Per Day	R 370 65	R 392.89	R 416 86	R 442.91	21-86	6.0% p.a
Usage	5 Days Per Week	R 1 588.50	R 1 683.81	R 1 786.52	R 1 898.18	R93-72	6.0% p.a
Usage	7 Days Per Week	R 1 853.25	R 1 964.45	R 2 084.28	R 2 214.54	R109-34	6.0% p.a
Usage	Per Month	R 7 942 50	R 8 419.05	R 8 932.61	R 9 490.90	R468-60	6.0% p.a
Usage	Per Annum	R 95 310.00	R 101 028.60	R 107 191.34	R 113 890.80	R5 623-29	6.0% p a
OFFICE 3							
Administrative Fee	Once Off	R 105.90	R 112.25	R 119.10	R 126.55	R6-24	6.0% p.a
Usage	Per Day	R 370 65	R 392 89	R 416.86	R 442.91	21-86	6.0% p.a
Usage	5 Days Per Week	R 1 588.50	R 1 683.81	R 1 786.52	R 1 898.18	R93-72	6.0% p.a
Usage	7 Days Per Week	R 1 853.25	R 1 964.45	R 2 084.28	R 2 214.54	R109-34	6.0% p.a
Usage	Per Month	R 7 942.50	R 8 419.05	R 8 932.61	R 9 490.90	R468-60	6.0% p.a
Usage	Per Annum	R 95 310.00	R 101 028.60	R 107 191.34	R 113 890.80	R5 623-29	6.0% p.a

PROPOSED TARIFFS FOR THE HIRING OF THE VISITORS & INFORMATION CENTRE AND THE TIDC FACILITIES

TARRIF DESCRIPTION	Frequency	Proposed Tariff 2017/18	Approved Tariffs 2016/17	2017/2018 Increase	Proposed 2017/18	Proposed 2018/19	Proposed 2019/20
		Deposit	R/C	%	R/C	R/C	R/C
VISITORS & INFORMATION CENTRE							
Administrative Fee	Once Off	R 100.00	R 115.50	6.0%	R 122.43	R 129 90	R 138.02
VIC Boardroom	Once Off	R 100.00	R 278 80	6.0%	R 295.53	R 313.56	R 333.15
VIC Kitchen	Once Off	R 1 000.00	R 2 788.00	6.0%	R 2 955.28	R 3 135.55	R 3 331.52
VIC Eatery Area	Once Off	R 250.00	R 558.00	6.0%	R 591.48	R 627.56	R 666.78
TOURISM INFORMATION DEVELOPMENT CENTRE							
Administrative Fee (Once Off)		R 100.00	R 115.50	6.0%	R 122.43	R 129.90	R 138.02
TIDC Arena		R 100.00	R 278.80	6.0%	R 295.53	R 313.56	R 333.15
TIDC Cafeteria		R 100.00	R 401.46	6.0%	R 425.55	R 451.51	R 479.73
TIDC Office/s		R 100.00	R 334.80	6.0%	R 354.89	R 376.54	R 400.07
TIDC Lapa		R 200.00	R 679.90	6.0%	R 720.69	R 764 66	R 812.45
TIDC Boardroom		R 50.00	R 111.50	6.0%	R 118.19	R 125.40	R 133.24
TIDC Kitchen		R 1 000.00	R 1 673 76	6.0%	R 1 774.19	R 1 882.41	R 2 000.06
Outside Open Area		R 1 000.00	R 2 230.27	6.0%	R 2 364.09	R 2 508.30	R 2 665.06
TIDC Office (each)		R 100.00	R 334.80	6.0%	R 354.89	R 376.54	R 400.07

PROPOSED TARIFFS FOR THE HIRING OF THE RUSTENBURG SHOW HALLS

TARRIF DESCRIPTION	Frequency	Approved Tariffs 2016/17	Proposed 2017/18	Proposed 2018/19	Proposed 2019/20	INCREASE	% INCREASE
		R/C	R/C	R/C	R/C	R/C	
HALLS							
Administrative Fee	Once Off	R 105.90	R 112 25	R 119.10	R 126.55	R 6.25	6.0% p.a
Ans van Zyl Hall	Per Day	R 2 647.50	R 2 806.35	R 2 977 54	R 3 163.63	R156-20	6.0% p.a
Ans van Zyl Hall	Per Week	R 18 532.50	R 19 644.45	R 20 842.76	R 22 145.43	R727-41	6.0% p a
Ans van Zyl Hall	Per Month	R 52 950.00	R 56 127.00	R 59 550.75	R 63 272.67	R3 097-05	6.0% p a
Ans van Zyl Hall	Per Rtb Show	R 7 413.00	R 7 857.78	R 8 337.10	R 8 858.17	R437-36	6.0% p.a
Administrative Fee	Once Off	R 105.90	R 112.25	R 119 10	R 126.55	25-Jun	6.0% p a
Johann Voster	Per Day	R 2 647.50	R 2 806.35	R 2 977.54	R 3 163.63	R114-00	6.0% p a
Johann Voster	Per Week	R 13 237.50	R 14 031.75	R 14 887.69	R 15 818.17	781-01	6.0% p.a
Johann Voster	Per Month	R 5 000.00	R 5 300.00	R 5 623.30	R 5 974.76	R1770-00	6.0% p.a
Johann Voster	Per Rtb Show	R 5 292.00	R 5 609.52	R 5 951.70	R 6 323.68	312-4	6.0% p.a
Administrative Fee	Once Off	R 105.90	R 112.25	R 119.10	R 126.55	25-Jun	6.0% p.a
Opperman	Per Day	R 2 647 50	R 2 806.35	R 2 977.54	R 3 163.63	R114-00	6.0% p.a
Opperman	Per Week	R 13 237 50	R 14 031.75	R 14 887.69	R 15 818.17	781-01	6.0% p.a
Opperman	Per Month	R 5 000 00	R 5 300.00	R 5 623.30	R 5 974.76	R1770-00	6.0% p.a
Opperman	Per Rtb Show	R 3 706.50	R 3 928.89	R 4 168.55	R 4 429.09	312-4	6.0% p.a
Administrative Fee	Once Off	R 105.90	R 112 25	R 119.10	R 126.55	25-Jun	6.0% p.a
Nolte- Bigger Hall	Per Day	R 528.00	R 559.68	R 593.82	R 630.93	R28-00	6.0% p.a
Nolte- Bigger Hall	Per Week	R 15 885.00	R 16 838.10	R 17 865.22	R 18 981.80	R937-21	6.0% p.a
Nolte- Bigger Hall	Per Month	R 42 360.00	R 44 901.60	R 47 640.60	R 50 618.13	2499-24	6.0% p.a
Nolte- Bigger Hall	Per Rtb Show	R 5 824.50	R 6 173.97	R 6 550.58	R 6 959.99	R 343.64	6.0% p.a
Administrative Fee	Once Off	R 105.90	R 112.25	R 119 10	R 126.55	R 6.25	6.0% p.a
Nolte Small Hall	Per Day	R 1 962.32	R 2 080.06	R 2 206.94	R 2 344.88	R115-77	6.0% p.a
Nolte Small Hall	Per Week	R 12 708.00	R 13 470.48	R 14 292.18	R 15 185.44	R749-77	6.0% p.a
Nolte Small Hall	Per Month	R 2 647 50	R 2 806.35	R 2 977.54	R 3 163.63	R114-00	6.0% p.a
Nolte Small Hall	Per Rtb Show	R 2 647.50	R 2 806.35	R 2 977.54	R 3 163.63	R114-00	6.0% p.a
Administrative Fee	Once Off	R 105.90	R 112.25	R 119.10	R 126.55	R 6.25	6.0% p.a
KJH Behrens	Per Day	R 2 647.50	R 2 806.35	R 2 977 54	R 3 163.63	R156-20	6.0% p.a
KJH Behrens	Per Week	R 18 532.50	R 19 644.45	R 20 842 76	R 22 145.43	R727-41	6.0% p.a
KJH Behrens	Per Month	R 52 950.00	R 56 127.00	R 59 550.75	R 63 272.67	R3 097-05	6.0% p.a
KJH Behrens	Per Rtb Show	R 7 413.00	R 7 857.78	R 8 337.10	R 8 858.17	R437-36	6.0% p.a
Administrative Fee	Once Off	R 105.90	R 112.25	R 119.10	R 126.55	R 6.25	6.0% p.a
Flip Joubert	Per Day	R 2 647.50	R 2 806.35	R 2 977 54	R 3 163.63	R156-20	6.0% p.a
Flip Joubert	Per Week	R 18 532.50	R 19 644.45	R 20 842.76	R 22 145.43	R727-41	6.0% p.a
Flip Joubert	Per Month	R 52 950.00	R 56 127.00	R 59 550.75	R 63 272.67	R3 097-05	6.0% p.a
Flip Joubert	Per Rtb Show	R 7 413.00	R 7 857.78	R 8 337.10	R 8 858.17	R437-36	6.0% p.a
Administrative Fee	Once Off	R 105.90	R 112 25	R 119.10	R 126.55	R 6.25	6.0% p.a
Kobie van Zyl	Per Day	R 26 475.00	R 28 063.50	R 29 775.37	R 31 636.33	R156-20	6.0% p.a
Kobie van Zyl	Per Week	R 18 532.50	R 19 644.45	R 20 842.76	R 22 145.43	R727-41	6.0% p.a
Kobie van Zyl	Per Month	R 52 950.00	R 56 127.00	R 59 550.75	R 63 272.67	R3 097-05	6.0% p.a
Kobie van Zyl	Per Rtb Show	R 7 413.00	R 7 857.78	R 8 337.10	R 8 858 17	R437-36	6.0% p.a

TARRIF DESCRIPTION	Proposed Administrative Fee 2017/18	Proposed Refundable Deposit 2017/18	Approved Tariffs 2016/17		Approved Tariffs 2016/17	INCREASE R	INCREASE %	Proposed 2017/18	Proposed 2018/19	Proposed 2019/20
	Non-refundable	Deposit	Rental	R/C	R/C	R/C		R/C	R/C	R/C
PROPOSED TARIFFS FOR TRADING STALLS (INDIVIDUAL/SHARED SPACES)										
MAX BORNMAN TRADING AREA										
6 x 6m Stalls	R 100.00	R 800.00	New	R 400.00	R 400.00	R 22.40	6%	R 422.40	R 448.17	R 476.18
6 x 6m Stall (Shared)	R 100.00	R 800.00	New	R 400.00	R 400.00	R 22.40	6%	R 422.40	R 448.17	R 476.18
3x 6m Stall	R 100.00	R 600.00	Existing	R 300.00	R 300.00	R 18.60	6%	R 318.60	R 338.03	R 359.16
3x 6m Stall (Shared)	R 100.00	R 600.00	Existing	R 300.00	R 300.00	R 18.60	6%	R 318.60	R 338.03	R 359.16
3 x 3m Stall	R 100.00	R 400.00	Existing	R 200.00	R 200.00	R 11.20	6%	R 211.20	R 224.08	R 238.09
PROPOSED TARIFFS FOR HAWKERS/INFORMAL TRADING OPEN AREAS AT AREA ABUTTING FATIMA BHAYAT DRIVE NEAR TUNNEL										
2 x 3m Open Space	R 100.00	R 100.00	New	R 25.00	R 25.00	R 1.40	6%	R 26 40	R 28.01	R 29.76
PROPOSED TARIFFS FOR HAWKERS/INFORMAL TRADING OPEN SPACE 2: AREA OPPOSITE MAX BORNMAN SHOPPING CENTRE										
Demarcated Open Space	R 100.00	R 50 00	New	R 25.00	R 25.00	R 1.40	6%	R 26.40	R 28.01	R 29.76
PROPOSED TARIFFS FOR SUPPLIERS' DEMARCATED OFFLOADING PARKINGSPACES : BETHLEHEM DRIVE										
Parking/Loading Zone/Space	R 100.00	R 800.00	New	R 400.00	R 400.00	R 22.40	6%	R 422.40	R 448.17	R 476.18
PROPOSED TARIFFS FOR HAWKERS STALLS AT BAMTA TRADING SHARED/INDIVIDUAL STALLS										
3 x 4.1m Stalls (Shared)	R 100 00	R 50.00	New	R 25.00	R 25 00	R 1.40	6%	R 26.40	R 28.01	R 29.76
BAMTA Taxi Aisle	R 100.00	R 50.00	New	R 25.00	R 25.00	R 1.40	6%	R 26.40	R 28.01	R 29.76
PROPOSED TARIFFS FOR HAWKERS STALLS AT THE MAIN TAXI RANK TRADING AREA (SHARED & INDIVIDUAL STALLS)										
3 x 3m Stall	R 100 00	R 400.00	Existing	R 200.00	R 200.00	R 11 20	6%	R 211.20	R 224.08	R 238.09
3 x 3m Stall (Shared)	R 100.00	R 400.00	Existing	R 200.00	R 200.00	R 11.20	6%	R 211.20	R 224.08	R 238.09
Taxi Aisle	R 100 00	R 50.00	New	R 25.00	R 25.00	R 1.40	6%	R 26.40	R 28.01	R 29.76
PROPOSED TARIFFS FOR OPEN ALIENATED TRADING SPACES : OTHER AREAS										
Rustenburg & Extensions	R 100.00	R 50.00	New	R 25.00	R 25.00	R 1.40	6%	R 26.40	R 28.01	R 29.76
Tlhabane & Extensions	R 100.00	R 50.00	New	R 25.00	R 25.00	R 1.40	6%	R 26.40	R 28.01	R 29.76
Boitekong & Extensions	R 100.00	R 50.00	New	R 25.00	R 25.00	R 1.40	6%	R 26.40	R 28.01	R 29.76
Paardekraal & Extensions	R 100.00	R 50.00	New	R 25.00	R 25.00	R 1 40	6%	R 26.40	R 28.01	R 29.76
Meriting & Extensions	R 100.00	R 50.00	New	R 25.00	R 25.00	R 1.40	6%	R 26.40	R 28.01	R 29.76
Lethabong & Extensions	R 100.00	R 50.00	New	R 25.00	R 25.00	R 1.40	6%	R 26.40	R 28.01	R 29.76
Marikana & Extensions	R 100.00	R 50.00	New	R 25.00	R 25.00	R 1.40	6%	R 26.40	R 28.01	R 29.76
Phatsima & Extesnions	R 100.00	R 50.00	New	R 25.00	R 25.00	R 1.40	6%	R 26.40	R 28.01	R 29.76
Boshoek	R 100.00	R 50.00	New	R 25.00	R 25.00	R 1.40	6%	R 26.40	R 28.01	R 29.76
Monakato & Extensions	R 100.00	R 50.00	New	R 25.00	R 25.00	R 1.40	6%	R 26.40	R 28.01	R 29.76
Freedom Park & Extensions	R 100.00	R 50.00	New	R 25.00	R 25.00	R 1.40	6%	R 26.40	R 28.01	R 29.76

WASTE MANAGEMENT SERVICES

	Tariff Code	Unit	Approved Tariff 2016/17	2017/2018 Increase	Proposed Tariff 2017/18	Proposed Tariff 2018/2019	Proposed Tariff 2019/2020
1. DOMESTIC							
STD CONTAINER 1 X WEEK RES 1	AA	R/month	113.93	9.00	124.18	135.61	148.63
STD CONTAINER 1 X WEEK RES 2-4	BA	R/month	113.93	9.00	124.18	135.61	148.63
BAG COLLECTION (4 BAGS each 85L)	NEW	R/month	113.93	9.00	124.18	135 61	148.63
MONTHLY RENTAL PER 240LITER BIN	NEW	R/month	17.39	9.00	18.96	20.70	22.69
2. INDUSTRIAL							
INDUSTRIAL	DA	R/month	129.52	267.13	475.53	519.27	569.12
3. COMMERCIAL							
240L BULK CONTAINER 1 X WEEK	CF	R/month	399.60	19.00	475.53	519.27	569.12
240L BULK CONTAINER (ADDITIONAL)	CG	R/month	340.20	19 00	404.84	442.09	484.53
770L BULK CONTAINER 1 X WEEK	NEW	R/month	1 188.01	19.00	1 413.73	1 543.79	1 691.99
770L BULK CONTAINER (ADDITIONAL)	NEW	R/month	1 004.40	19.00	1 195.24	1 305.20	1 430.50
1100L BULK CONTAINER 1 X WEEK	NEW	R/month	1 706.41	19.00	2 030.63	2 217.44	2 430.32
1100L BULK CONTAINER (ADDITIONAL)	NEW	R/month	1 447.21	19.00	1 722.18	1 880.62	2 061.16
1.5 m³ BULK CONTAINER 1 X WEEK	CB	R/month	1 944 01	19 00	2 313 37	2 526.20	2 768.72
1.5 m³ BULK CONTAINER 1 X WEEK (ADDITIONAL)	CC	R/month	1 663.21	19.00	1 979.22	2 161.30	2 368 79
4.0 m³ BULK CONTAINER 1 X WEEK	NEW	R/month	4 428.02	19.00	5 269.34	5 754.12	6 306 52
4.0 m³ BULK CONTAINER 1 X WEEK (ADDITIONAL)	NEW	R/month	3 736.82	19.00	4 446.81	4 855.92	5 322.09
6.0 m³ BULK CONTAINER 1 X WEEK	CD	R/month	6 561.29	19.00	7 807.93	8 526.26	9 344.79
6.0 m³ BULK CONTAINER 1 X WEEK (ADDITIONAL)	CE	R/month	5 562.03	19.00	6 618 81	7 227.74	7 921.60
STD CONTAINER 2 X WEEK BUS/COM	CA	R/month	0.00	0.00	0.00	0.00	0.00
4. INSTITUTIONAL							
MUNICIPAL	EA	R/month	109.61	19.00	130.44	142.44	156 11
GOVERNMENT	FA	R/month	109.61	19.00	130.44	142.44	156.11
CHURCH	GA	R/month	109.61	19.00	130.44	142 44	156.11
EDUCATIONAL	JA	R/month	109.61	19 00	130.44	142.44	156.11
5. RENTAL SERVICES							
240L BIN RENTAL (Including disposal costs)	CJ	R/week	203.52	19.00	242.19	256.48	271.35
770L CONTAINER RENTAL (Including disposal costs)	NEW	R/week	408.10	19.00	485 64	514 29	544.12
1100L CONTAINER RENTAL (Including disposal costs)	NEW	R/week	466.40	19.00	555.02	587.76	621.85
1.5 m³ CONTAINER RENTAL	CN	R/week	556.50	19.00	662.24	701.31	741.98
4 m³ SKIP CONTAINER RENTAL (First Removal)	CK	R/week	1 123.60	19 00	1 337.09	1 415.97	1 498.10
4 m³ SKIP CONTAINER RENTAL (Additional Removal)	NEW	R/week	954.00	19.00	1 135.26	1 202.24	1 271.97
6 m³ SKIP CONTAINER RENTAL (First Removal)	CL	R/week	1 621.80	19.00	1 929 94	2 043.81	2 162.35
6 m³ SKIP CONTAINER RENTAL (Additional Removal)	NEW	R/week	1 378.00	19.00	1 639.82	1 736.57	1 837 29
9 m³ SKIP CONTAINER RENTAL (First Removal)	NEW	R/week	2 385.00	19.00	2 838.15	3 005.60	3 179.93
9 m³ SKIP CONTAINER RENTAL (Additional Removal)	NEW	R/week	2 027.25	19.00	2 412.43	2 554.76	2 702.94
36 m³ RORO CONTAINER RENTAL (First Removal)	NEW	R/week	5 724 01	19 00	6 811 57	7 213.45	7 631.83
36 m³ RORO CONTAINER RENTAL (Additional Removal)	NEW	R/week	4 865.41	19.00	5 789.83	6 131.43	6 487 06

6. OTHER SERVICES							
RENTAL OF WASTE MANAGEMENT HALL	*NEW*	*R/day*	*892.43*	*19.00*	*1 061 99*	*1 124 64*	*1 189.87*
RENTAL OF PA (SOUND) SYSTEM	*NEW*	*R/day*	*729.65*	*19.00*	*868.29*	*919.51*	*972.85*
WASTE REMOVAL INFORMAL SETTLEMENT PER SHACK	*NEW*	*R/shack*	*16 84*	*19.00*	*20.04*	*21.23*	*22.46*
WASTE TRANSPORTER PERMIT VEHICLES UNDER FOUR TON PER ANNUM	*NEW*	*R/vehicle*	*112.25*	*19.00*	*133.58*	*141.46*	*149.67*
WASTE TRANSPORTER PERMIT VEHICLES ABOVE FOUR TON PER ANNUM	*NEW*	*R/vehicle*	*224.51*	*19.00*	*267 16*	*282.93*	*299.34*
ILLEGAL DUMPING REMOVAL ON EMPTY STANDS 1000 SQUARE METERS	*NEW*	*R/stand*	*9 070 13*	*19.00*	*10 793.46*	*11 430.27*	*12 093 23*
ILLEGAL DUMPING REMOVAL ON EMPTY STANDS 1001 SQUARE METERS AND ABOVE	*NEW*	*R/stand*	*11 225.42*	*19.00*	*13 358.25*	*14 146.39*	*14 966.88*
SPECIAL WASTE REMOVAL	*KA*	*R/t*	*938.27*	*19.00*	*1 116 54*	*1 182.42*	*1 251.00*
CARCASS REMOVAL	*KD*	*R/carcass*	*259.28*	*19.00*	*308.54*	*326.74*	*345.69*
CONDEMNED FOODSTUFF	*NEW*	*R/t*	*885 15*	*19.00*	*1 053.33*	*1 115.48*	*1 180.18*
STREET SWEEPER OR COLLECTION WORKER	*NEW*	*R/h*	*121.90*	*19.00*	*145 06*	*153.62*	*162.53*
DRIVER	*NEW*	*R/h*	*180.20*	*19.00*	*214.44*	*227.09*	*240.26*
240 LITER BIN ONCE OFF PURCHASE	*???*	*R*	*572.50*	*19.00*	*681 27*	*721.47*	*763.31*
770 LITER BIN ONCE OFF PURCHASE	*???*	*R*	*5 388.20*	*19.00*	*6 411.96*	*6 790.26*	*7 184.10*
1100 LITER BIN ONCE OFF PURCHASE	*???*	*R*	*5 612.71*	*19.00*	*6 679.12*	*7 073.19*	*7 483.43*
7. DISPOSAL CHARGES AT THE DROP-OFF CENTRES AND TRANSFER STATIONS							
GARDEN WASTE	*NEW*	*R/t*	*10 60*	*19 00*	*12.61*	*13.36*	*14.13*
8. DISPOSAL CHARGES AT THE WATERVAL LANDFILL							
Non Municipal Resident	*NEW*	*R/t*	*333.90*	*19.00*	*397.34*	*420.78*	*445 19*
General waste (household waste and similar commercial, industrial and institutional wastes)	*NEW*	*R/t*	*79.50*	*19.00*	*94.61*	*100.19*	*106.00*
Private deliveries of any kind of uncontaminated (non-hazardous) waste (passenger car, pick-up, bakkie / trailer up to 1,000 kg payload) - once a week	*NEW*	*R/t*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
Garden waste (free from impurities)	*NEW*	*R/t*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
Construction and demolition waste (uncontaminated soil and rubble up to a length of 80 cm from edge to edge)	*NEW*	*R/t*	*5.30*	*19 00*	*6.31*	*6 68*	*7 07*
Rubble (stone, concrete or asphalt) with a length of larger than 80 cm from edge to edge	*NEW*	*R/t*	*10 60*	*19.00*	*12.61*	*13 36*	*14 13*
Mixed construction and demolition waste (including glass, packagings, gypsum, wood, plastics, metals, etc.)	*NEW*	*R/t*	*106.00*	*19.00*	*126.14*	*133.58*	*141 33*
Special waste (Includes solid, liquid, sludge waste or waste requiring special handling, e.g. condemned foodstuff, animal carcasses, de-listed sanitary waste, rags and grit from sewerage works, incinerator ash, sludge etc all special wastes will require prior approval and laboratory testing)	*NEW*	*R/t*	*212.00*	*19.00*	*252.28*	*267 16*	*282.66*
Mixed industrial and commercial waste	*NEW*	*R/t*	*159.00*	*19.00*	*189.21*	*200.37*	*212 00*
Mixed recyclable wastes (impurities less than 5%)	*NEW*	*R/t*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
Waste tyres up to a diameter of 0 8 m (normal passenger vehicle tyre) - without wheel rim	*NEW*	*R/tyre*	*5.30*	*19.00*	*6.31*	*6 68*	*7.07*
Waste tyres up to a diameter of 0.8 m (normal passenger vehicle tyre) - with wheel rim	*NEW*	*R/tyre*	*7.95*	*19.00*	*9.46*	*10.02*	*10 60*
Waste tyres with a diameter of larger than 0.8 m - without wheel rim	*NEW*	*R/tyre*	*15.90*	*19.00*	*18.92*	*20.04*	*21 20*
Waste tyres with a diameter of larger than 0.8 m - with wheel rim	*NEW*	*R/tyre*	*23.85*	*19.00*	*28.38*	*30.06*	*31.80*
Tyres cut or shredded	*NEW*	*R/t*	*106 00*	*19 00*	*126.14*	*133.58*	*141.33*
E-waste (if more than 50kg) (Electrical and electronical waste)	*NEW*	*R/t*	*53.00*	*19.00*	*63.07*	*66.79*	*70.67*
Bulky waste (Furniture, sofas, beds, mattresses, shelfs, carpets, bicycles, and other bulky household items)	*NEW*	*R/t*	*53 00*	*19 00*	*63.07*	*66.79*	*70.67*
Hazardous Household Waste (If more than 10kg)	*NEW*	*R/kg*	*10.60*	*19 00*	*12.61*	*13.36*	*14 13*

TOWN PLANNING

WRITTEN CONSENT: APPLICATION IN TERMS OF CLAUSE 3.1 READ WHITH CLAUSE 49 OF THE LAND USE MANAGEMENT SCHEME 2005.
PROPOSED TOWN PLANNING TARIFFS

APPLICATION	Approved Tariffs 2016/17	Proposed Tariff 2017/18	Proposed Tariff 2018/2019	Proposed Tariff 2019/2020
	6%	5.80%	6.00%	6.15%
WRITTEN CONSENT ON DOC:F/5- APPLICATION IN TERMS OF THE LAND USE MANAGEMENT SCHEME READ WITH SECTION 18(4) OF THE SPATIAL PLANNING AND LAND USE MANAGEMENT BY-LAW, 2015				
Second dwelling	R 545.00	R 576.61	R 611.21	R 648.80
Building Line Relaxation	R 545.00	R 576.61	R 611.21	R 648.80
Height Relaxation	R 545.00	R 576.61	R 611.21	R 648.80
Coverage Relaxation	R 545.00	R 576.61	R 611.21	R 648.80
Servitude Upliftment	R 545.00	R 576.61	R 611.21	R 648.80
Relaxation of the line(s) of no access	R 545.00	R 576.61	R 611.21	R 648.80
Provision of parking on adjacent property	R 545.00	R 576.61	R 611.21	R 648.80
Relaxation of parking	R 545.00	R 576.61	R 611.21	R 648.80
Site Development Plan	R 787.00	R 832.65	R 882.60	R 936.88
Amendment of Site Development Plan	R 787.00	R 832.65	R 882.60	R 936.88
Erection of screen wall(s) exceeding 20 meters in height	R 545.00	R 576.61	R 611.21	R 648.80
Written consent objection	R 440.00	R 465.52	R 493.45	R 523.80
SPECIAL CONSENT ON DOC:F/4- APPLICATION IN TERMS OF THE LAND USE MANAGEMENT SCHEME READ WITH SECTION 18(3) OF THE SPATIAL PLANNING AND LAND USE MANAGEMENT BY-LAW, 2015				
Special Consent	R 970.00	R 1 026.26	R 1 087.84	R 1 154.74
Special Consent Objection/submission	R 440.00	R 465.52	R 493.45	R 523.80
SPECIAL CONSENT ON DOC:F/6- APPLICATION IN TERMS OF THE LAND USE MANAGEMENT SCHEME READ WITH SECTION 18(5) OF THE SPATIAL PLANNING AND LAND USE MANAGEMENT BY-LAW, 2015				
The erection and use of temporary buildings, or the use of existing buildings for site offices, storage rooms, workshops or such other uses as may be necessary during the erection of any permanent	R 545.00	R 576.61	R 611.21	R 648.80
The occasional use of land or buildings for public religious exercise, place of instruction, institution, place of amusement or social hall, informal retail trade	R 545.00	R 576.61	R 611.21	R 648.80
The use of land or building thereon for State or Municipal purposes	R 545.00	R 576.61	R 611.21	R 648.80
Prospecting rights	R 545.00	R 576.61	R 611.21	R 648.80
AMENDMENT SCHEME ON DOC:F2- APPLICATION FOR THE CHANGE OF USE RIGHTS IN TERMS OF LAND USE MANAGEMENT SCHEME READ WITH SECTION 18(1) OF THE SPATIAL PLANNING AND LAND USE MANAGEMENT BY-LAW, 2015.				
Amendment Scheme Applications	R 23 025.00	R 24 360.45	R 25 822.08	R 27 410.13
Proclamation	R 1 100.00	R 1 163.80	R 1 233.63	R 1 309.50
Floor Area Ratio Increase	R 3 025.00	R 3 200.45	R 3 392.48	R 3 601.11
Amendment Scheme Objection	R 1 100.00	R 1 163.80	R 1 233.63	R 1 309.50
REMOVAL OF RESTRICTIONS ON DOC:F3: APPLICATION FOR THE REMOVAL, AMENDMENT OR SUSPENSION OF TITLE CONDITIONS IN TERMS OF SECTION 18(2) OF THE SPATIAL PLANNING AND LAND USE MANAGEMENT BY-LAW, 2015				
Removal of restrictive conditions	R 250.00	R 264.50	R 280.37	R 297.61
TOWNSHIP ESTABLISHMENT ON DOC:F/7- APPLICATION FOR TOWNSHIP ESTABLISHMENT IN TERMS OF SECTION 18(7) OF THE SPATIAL PLANNING AND LAND USE MANAGEMENT BY-LAW, 2015				
Township Establishment (1-100 erven)	R 6 655.00	R 7 040.99	R 7 463.45	R 7 922.45
Township with more than 100 stands	R 2 200.00	R 2 327.60	R 2 467.26	R 2 618.99
Proclamation notice	R1 500/page	R1 500/page	R1 500/page	R1 500/page
Extension of boundaries	R 6 655.00	R 7 040.99	R 7 463.45	R 7 922.45
Township Establishment Objection	R 2 200.00	R 2 327.60	R 2 467.26	R 2 618.99
DIVISION OF A TOWNSHIP ON DOC:/F9- APPLICATION FOR A DIVISION/PHASING OF A TOWNSHIP IN TERMS OF SECTION 18(8) OF THE SPATIAL PLANNING AND LAND USE MANAGEMENT BY-LAW, 2015				
Division of a Township	R 1 650.00	R 1 745.70	R 1 850.44	R 1 964.24
DIVISION OF LAND ON DOC:/F11 APPLICATION FOR A DIVISION OF AGRICULTURE LAND IN TERMS OF SECTION 18(15)(a)(iii-) OF THE SPATIAL PLANNING AND LAND USE MANAGEMENT BY-LAW, 2015				
Division of Agriculture Land	R 550-00			
AMENDMENT OF AN APPROVED TOWNSHIP ON DOC:/F10- APPLICATION FOR THE AMENDMENT OF AN APPROVED TOWNSHIP IN TERMS OF SECTION 18(7)(j) OF THE SPATIAL PLANNING AND LAND USE MANAGEMENT BY-LAW, 2015				
Amendment of the layout plan	R 1 650.00	R 1 745.70	R 1 850.44	R 1 964.24
CONSOLIDATION/SUBDIVISION ON DOC:/F11 – APPLICATION FOR THE CONSOLIDATION /SUBDIVISION IN TERMS OF SECTION 18(15) OF THE SPATIAL PLANNING AND LAND USE MANAGEMENT BY-LAW, 2015				
Subdivision	R 550.00	R 581.90	R 616.81	R 654.75
Subdivision with more than 5(five) stands/stand	R 65.00	R 68.77	R 72.90	R 77.38
Subdivision of Agricultural Land (Section 6) of the Town Planning and Townships Ordinance 20 of 1986.	R 550.00	R 581.90	R 616.81	R 654.75
Consolidation	R 424.00	R 448.59	R 475.51	R 504.75
OTHER APPLICATIONS				
Zoning Information	R 36.00	R 38.09	R 40.37	R 42.86
Trade License	R 242.00	R 256.04	R 271.40	R 288.09
Original Plans and Duresters				
AO	R 60.00	R 63.48	R 67.29	R 71.43
A1	R 50.00	R 52.90	R 56.07	R 59.52
A2	R 40.00	R 42.32	R 44.86	R 47.62
A3	R 17.00	R 17.99	R 19.07	R 20.24
A4	R 10.00	R 10.58	R 11.21	R 11.90
Original Plans				
AO	R 33.00	R 34.91	R 37.01	R 39.28
A1	R 27.00	R 28.57	R 30.28	R 32.14
A2	R 22.00	R 23.28	R 24.67	R 26.19
A3	R 11.00	R 11.64	R 12.34	R 13.09
A4	R 2.90	R 3.07	R 3.25	R 3.45

HOUSING

	Approved Tariffs 2016/17	Proposed Tariff 2017/18	Proposed Tariff 2018/2019	Proposed Tariff 2019/2020
CRU'S BOITEKONG EXT 12 (NO INCREASE)				
1 BEDROOM	R 300.00	R 300.00	R 300.00	R 300.00
2 BEDROOM	R 500.00	R 500.00	R 500.00	R 500.00
3 BEDROOM	R 700.00	R 700.00	R 700.00	R 700.00
AMBERBOOM (LOW COST HOUSES)				
1 BEDROOM	20%	20%	20%	20%
2 BEDROOM	25%	25%	25%	25%
3 BEDROOM	30%	30%	30%	30%
			-	-
PERSONNEL HOUSES (MARKET RELATED)			-	-
FLATS	R 3 500.00	R 3 500.00	R 3 500.00	R 3 500.00
HOUSES	R 3 500.00	R 3 500.00	R 3 500.00	R 3 500.00
KERK OLD AGE FLATS				
1 BEDROOM(SINGLE)	8%	8%	8%	8%
2 BEDROOM(DOUBLE)	10%	10%	10%	10%
GEELHOUT PARK OLD AGE FLATS				
2 BEDROOM(DOUBLE)	10%	10%	10%	10%

TARRIF DESCRIPTION	Proposed Tariff 2017/18 R / C	Proposed Tariff 2018/2019 R/C	Proposed Tariff 2019/2020 R/C
DETERMINATION OF CHARGES PAYABLE TO THE LOCAL AUTHORITY WITH REGARDS TO THE EXAMINATION OF APPROVAL OF BUILDING PLANS AND RELATED MATTERS			
DWELLING HOUSES			
For new residential buildings,additions,new proposals,/re designs,amended plans(only residential buildings)	R 3.70 per m² (minimun R260.00 levy)	R 3.92 per m² (minimun R276.00 levy)	R 4.16 per m² (minimun R290.00 levy)
For alterations, amended plans (without additional area)	R 3.70 per m² (minimun R260.00 levy)	R 3.92 per m² (minimun R276.00 levy)	R 4.16 per m² (minimun R290.00 levy)
OTHER BUILDINGS			
For new other buildings,additions,new proposals,/re designs,amended plans(other buildings)	R 5.20 per m² (minimun R260.00 levy)	R 5.50 per m² (minimun R280.00 levy)	R 6.00 per m² (minimun R290.00 levy)
For alterations, amended plans (without additional area)	R 5.20 per m² (minimun R260.00 levy)	R 5.50 per m² (minimun R280.00 levy)	R 5.80 per m² (minimun R290.00 levy)
For renewal of a plan after approval has lapsed	R260.00 per application	R276 00 per application	R290.00 per application
For tenant/ shop layouts	R480.00 per application	R510.00 per application	R540.00 per application
Minor building work	R260.00 per application	R280 00per application	R290.00 per application
Re-roofing (amended plan)	R260.00 per application	R280 00 per application	R290.00 per application
Gas/fuel pumps installations	R480.00 per application	R510 00 per application	R540.00 per application
Low cost housing -by goverment/ council	No fee (submit proof)	No fee (submit proof)	No fee (submit proof)
Projects by state department on property owned by state	R1.60 per m² minimum or motivation for exemption DG of State Department	R1 70 per m² minimum or motivation for exemption DG of State Department	R1.80 per m² minimum or motivation for exemption DG of State Department
For section7(6) aplication	R1.60 per m² minimum R260.00 levy	R1.70 per m² minimum R280.00 levy	R1.80 per m² minimum R292.00 levy
Demolishing	R260.00 per application	R280.00 per application	R290.00 per application
Antennae/masts	R260 00 per application	R280.00 per application	R290.00 per application
For examination of preliminary sketch plans	R1.60 per m² minimum R260.00 levy	R1.70 per m² minimum R276.00 levy	R1.80 per m² minimum R292.00 levy
Inspection fee from 2nd re-inspection	R260.00 per application	R280.00 per application	R290.00 per application

TRAFFIC AND LICENSING

TRAFFIC

FUNERAL ESCORTS

ZONES	CEMETERY	Current Tariff 2016/17	2017/2018 Increase	Proposed 2017/18	Proposed 2018/19	Proposed 2019/20
TLHABANE	RIETVLEI	R 156	6%	R 165	R 175	R 186
BOITEKONG	RIETVLEI	R 289	6%	R 307	R 325	R 346
MERITING	RIETVLEI	R 289	6%	R 307	R 325	R 346
PAARDEKRAAL X1	RIETVLEI	R 289	6%	R 307	R 325	R 346
PAARDEKRAAL X2	RIETVLEI	R 289	6%	R 307	R 325	R 346
RUSTENBURG NORTH	RIETVLEI	R 189	6%	R 200	R 212	R 225
EAST END	RIETVLEI	R 189	6%	R 200	R 212	R 225
TLHABANE WEST	RIETVLEI	R 156	6%	R 165	R 175	R 186
ZINNIVILLE	RIETVLEI	R 189	6%	R 200	R 212	R 225
KARLIENPARK	RIETVLEI	R 189	6%	R 200	R 212	R 225
CASHAN	RIETVLEI	R 267	6%	R 283	R 300	R 319
KANANA	RIETVLEI	R 322	6%	R 342	R 362	R 385
LETHABONG	RIETVLEI	R 434	6%	R 460	R 488	R 518
GEELHOUTPARK	RIETVLEI	R 156	6%	R 165	R 175	R 186
BOITEKONG X 13	RIETVLEI	R 267	6%	R 283	R 300	R 319
SONDELA	RIETVLEI	R 267	6%	R 283	R 300	R 319
SERALENG	RIETVLEI	R 322	6%	R 342	R 362	R 385
FREEDOM PARK	RIETVLEI	R 289	6%	R 307	R 325	R 346
PROTEA PARK	RIETVLEI	R 211	6%	R 224	R 237	R 252
RUSTENBURG CBD	RIETVLEI	R 156	6%	R 165	R 175	R 186
PTA ROAD	RIETVLEI	R 267	6%	R 283	R 300	R 319
JHB ROAD	RIETVLEI	R 267	6%	R 283	R 300	R 319
RAMOCHANA	RIETVLEI	R 245	6%	R 260	R 275	R 293
SUNRISE	RIETVLEI	R 267	6%	R 283	R 300	R 319
PHOKENG	RIETVLEI	R 245	6%	R 260	R 275	R 293
BLESKOP	RIETVLEI	R 322	6%	R 342	R 362	R 385

ZONES	CEMETERY	Current Tariff 2016/17	2017/2018 Increase	Proposed 2017/18	Proposed 2018/19	Proposed 2019/20
TLHABANE	ZINNIAVILLE	R 178	6%	R 189	R 200	R 213
BOITEKONG	ZINNIAVILLE	R 211	6%	R 224	R 237	R 252
MERITING	ZINNIAVILLE	R 211	6%	R 224	R 237	R 252
PAARDEKRAAL X1	ZINNIAVILLE	R 211	6%	R 224	R 237	R 252
PAARDEKRAAL X2	ZINNIAVILLE	R 211	6%	R 224	R 237	R 252
RUSTENBURG NORTH	ZINNIAVILLE	R 178	6%	R 189	R 200	R 213
EAST END	ZINNIAVILLE	R 178	6%	R 189	R 200	R 213
TLHABANE WEST	ZINNIAVILLE	R 189	6%	R 200	R 212	R 225
ZINNIVILLE	ZINNIAVILLE	R 156	6%	R 165	R 175	R 186
KARLIENPARK	ZINNIAVILLE	R 156	6%	R 165	R 175	R 186
CASHAN	ZINNIAVILLE	R 211	6%	R 224	R 237	R 252
KANANA	ZINNIAVILLE	R 211	6%	R 224	R 237	R 252
LETHABONG	ZINNIAVILLE	R 378	6%	R 401	R 426	R 452
GEELHOUTPARK	ZINNIAVILLE	R 178	6%	R 189	R 200	R 213
BOITEKONG X 13	ZINNIAVILLE	R 211	6%	R 224	R 237	R 252
SONDELA	ZINNIAVILLE	R 178	6%	R 189	R 200	R 213
SERALENG	ZINNIAVILLE	R 178	6%	R 189	R 200	R 213
FREEDOM PARK	ZINNIAVILLE	R 211	6%	R 224	R 237	R 252
PROTEA PARK	ZINNIAVILLE	R 178	6%	R 189	R 200	R 213
RUSTENBURG CBD	ZINNIAVILLE	R 156	6%	R 165	R 175	R 186
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PHOKENG	ZINNIAVILLE	R 267	6%	R 283	R 300	R 319

ZONES	CEMETERY	Current Tariff 2016/17	2017/2018 Increase	Proposed 2017/18	Proposed 2018/19	Proposed 2019/20
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MERITING	KARLIEN PARK	R 211	6%	R 224	R 237	R 252
PAARDEKRAAL X1	KARLIEN PARK	R 211	6%	R 224	R 237	R 252
PAARDEKRAAL X2	KARLIEN PARK	R 211	6%	R 224	R 237	R 252
RUSTENBURG NORTH	KARLIEN PARK	R 178	6%	R 189	R 200	R 213
EAST END	KARLIEN PARK	R 178	6%	R 189	R 200	R 213
TLHABANE WEST	KARLIEN PARK	R 178	6%	R 189	R 200	R 213
ZINNIVILLE	KARLIEN PARK	R 156	6%	R 165	R 175	R 186
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CASHAN	KARLIEN PARK	R 211	6%	R 224	R 237	R 252
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LETHABONG	KARLIEN PARK	R 378	6%	R 401	R 426	R 452
GEELHOUTPARK	KARLIEN PARK	R 178	6%	R 189	R 200	R 213
BOITEKONG X 13	KARLIEN PARK	R 211	6%	R 224	R 237	R 252
SONDELA	KARLIEN PARK	R 178	6%	R 189	R 200	R 213
SERALENG	KARLIEN PARK	R 178	6%	R 189	R 200	R 213
FREEDOM PARK	KARLIEN PARK	R 211	6%	R 224	R 237	R 252
PROTEA PARK	KARLIEN PARK	R 178	6%	R 189	R 200	R 213
RUSTENBURG CBD	KARLIEN PARK	R 156	6%	R 165	R 175	R 186
RAMOCHANA	KARLIEN PARK	R 156	6%	R 165	R 175	R 186
SUNRISE	KARLIEN PARK	R 156	6%	R 165	R 175	R 186
PHOKENG	KARLIEN PARK	R 267	6%	R 283	R 300	R 319

ZONES	CEMETERY	Current Tariff 2016/17	2017/2018 Increase	Proposed 2017/18	Proposed 2018/19	Proposed 2019/20
TLHABANE	TLHABANE	R 156	6%	R 165	R 175	R 186
BOITEKONG	TLHABANE	R 189	6%	R 200	R 212	R 225
MERITING	TLHABANE	R 189	6%	R 200	R 212	R 225
PAARDEKRAAL X1	TLHABANE	R 189	6%	R 200	R 212	R 225
PAARDEKRAAL X2	TLHABANE	R 189	6%	R 200	R 212	R 225
RUSTENBURG NORTH	TLHABANE	R 156	6%	R 165	R 175	R 186
EAST END	TLHABANE	R 156	6%	R 165	R 175	R 186
TLHABANE WEST	TLHABANE	R 156	6%	R 165	R 175	R 186
ZINNIVILLE	TLHABANE	R 156	6%	R 165	R 175	R 186
KARLIENPARK	TLHABANE	R 156	6%	R 165	R 175	R 186
CASHAN	TLHABANE	R 156	6%	R 165	R 175	R 186
KANANA	TLHABANE	R 267	6%	R 283	R 300	R 319
LETHABONG	TLHABANE	R 378	6%	R 401	R 426	R 452
GEELHOUTPARK	TLHABANE	R 178	6%	R 189	R 200	R 213
BOITEKONG X 13	TLHABANE	R 189	6%	R 200	R 212	R 225
SONDELA	TLHABANE	R 189	6%	R 200	R 212	R 225
SERALENG	TLHABANE	R 189	6%	R 200	R 212	R 225
FREEDOM PARK	TLHABANE	R 189	6%	R 200	R 212	R 225
PROTEA PARK	TLHABANE	R 156	6%	R 165	R 175	R 186
RUSTENBURG CBD	TLHABANE	R 156	6%	R 165	R 175	R 186
RAMOCHANA	TLHABANE	R 156	6%	R 165	R 175	R 186
SUNRISE	TLHABANE	R 156	6%	R 165	R 175	R 186
PHOKENG	TLHABANE	R 245	6%	R 260	R 275	R 293

ZONES	CEMETERY	Current Tariff 2016/17	2017/2018 Increase	Proposed 2017/18	Proposed 2018/19	Proposed 2019/20
TLHABANE	DONKERHOEK	R 156	6%	R 165	R 175	R 186
BOITEKONG	DONKERHOEK	R 289	6%	R 307	R 325	R 346
MERITING	DONKERHOEK	R 289	6%	R 307	R 325	R 346
PAARDEKRAAL X1	DONKERHOEK	R 289	6%	R 307	R 325	R 346
PAARDEKRAAL X2	DONKERHOEK	R 289	6%	R 307	R 325	R 346
RUSTENBURG NORTH	DONKERHOEK	R 189	6%	R 200	R 212	R 225
EAST END	DONKERHOEK	R 189	6%	R 200	R 212	R 225
TLHABANE WEST	DONKERHOEK	R 156	6%	R 165	R 175	R 186
ZINNIVILLE	DONKERHOEK	R 189	6%	R 200	R 212	R 225
KARLIENPARK	DONKERHOEK	R 189	6%	R 200	R 212	R 225
CASHAN	DONKERHOEK	R 267	6%	R 283	R 300	R 319
KANANA	DONKERHOEK	R 322	6%	R 342	R 362	R 385
LETHABONG	DONKERHOEK	R 434	6%	R 460	R 488	R 518
GEELHOUTPARK	DONKERHOEK	R 156	6%	R 165	R 175	R 186
BOITEKONG X 13	DONKERHOEK	R 267	6%	R 283	R 300	R 319
SONDELA	DONKERHOEK	R 267	6%	R 283	R 300	R 319
SERALENG	DONKERHOEK	R 322	6%	R 342	R 362	R 385
FREEDOM PARK	DONKERHOEK	R 289	6%	R 307	R 325	R 346
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JHB ROAD	DONKERHOEK	R 267	6%	R 283	R 300	R 319
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SUNRISE	DONKERHOEK	R 267	6%	R 283	R 300	R 319
PHOKENG	DONKERHOEK	R 245	6%	R 260	R 275	R 293

ZONES	CEMETERY	Current Tariff 2016/17	2017/2018 Increase	Proposed 2017/18	Proposed 2018/19	Proposed 2019/20
PAARDEKRAAL	KANANA	R 156	6%	R 165	R 175	R 186
MERITING	KANANA	R 178	6%	R 189	R 200	R 213
RUSTENBURG CBD	KANANA	R 322	6%	R 342	R 362	R 385
RUSTENBURG	TLASENG	R 378	6%	R 401	R 426	R 452
RUSTENBURG	LETHABONG	R 434	6%	R 460	R 488	R 518
RUSTENBURG	MOSENTHAL	R 378	6%	R 401	R 426	R 452
RUSTENBURG	RANKELENYANE	R 322	6%	R 342	R 362	R 385
RUSTENBURG	RIETSPRUIT	R 378	6%	R 401	R 426	R 452
RUSTENBURG	MAILE	R 378	6%	R 401	R 426	R 452
RUSTENBURG	PHOKENG	R 267	6%	R 283	R 300	R 319
RUSTENBURG	CHANENG	R 322	6%	R 342	R 362	R 385
RUSTENBURG	MARIKANA	R 378	6%	R 401	R 426	R 452
RUSTENBURG	N4	R 156	6%	R 165	R 175	R 186
RUSTENBURG	PHATSIMA	R 378	6%	R 401	R 426	R 452
RUSTENBURG	LUKA	R 322	6%	R 342	R 362	R 385
RUSTENBURG	MAMEROTSE	R 434	6%	R 460	R 488	R 518
KANANA	KANANA	R 156	6%	R 165	R 175	R 186
BOITEKONG	BOITEKONG	R 156	6%	R 165	R 175	R 186
LETHABONG	LETHABONG	R 156	6%	R 165	R 175	R 186
PHOKENG	PHOKENG	R 156	6%	R 165	R 175	R 186
TLHABANE	PHOKENG	R 267	6%	R 283	R 300	R 319
TLHABANE	KANANA	R 289	6%	R 307	R 325	R 346
CHANENG	CHANENG	R 156	6%	R 165	R 175	R 186

	Current Tariff 2016/17	2017/2018 Increase	Proposed 2017/18	Proposed 2018/19	Proposed 2019/20
ESCORTS					
ESCORT ORDINARY PER VEHICLE PLUS R4.50 PER KM	R 146	6%	R 155	R 165	R 175
HEAVYVEHICLE ESCORTS PER 2 VEHICLES PLUS R4.50 PER KM	R 1 472	6%	R 1 561	R 1 656	R 1 759
LABOUR COST PER TRAFFIC OFFICER PER HOUR					
WEEK DAYS	R 182	6%	R 193	R 205	R 218
SATURDAYS	R 182	6%	R 193	R 205	R 218
SUNDAY / PUBLIC HOLIDAY	R 219	6%	R 233	R 247	R 262
FUNERALS AND SOME SPORTING EVENTS PER VEHICLE	R 146	6%	R 155	R 165	R 175
WEIGHBRIDGE					
WEIGHBRIDGE FEES	R -		R -	R -	R -
TOWING FEES					
LIGHT MOTOR VEHICLE (UP TO 3500KG)	R 982	6%	R 1 040	R 1 104	R 1 173
HEAVY MOTOR VEHICLE (3501KG AND UP)	R 1 472	6%	R 1 561	R 1 656	R 1 759
LIGHT MOTOR VEHICLE PER KM (THE FIRST 25KM)	R 27	6%	R 28	R 30	R 32
HEAVY MOTOR VEHICLE (ADDITIONAL COST PER KM)	R 30	6%	R 31	R 33	R 35
POUND FEES					
STORAGE (MOTOR VEHICLE) PER DAY	R 428	6%	R 454	R 482	R 512
STORAGE (GOODS) ONCE OFF ON RELEASE	R 2 699	6%	R 2 861	R 3 035	R 3 225

LICENSING	Current Tariff 2016/17	2017/2018 Increase	Proposed 2017/18	Proposed 2018/19	Proposed 2019/20
Heavy motor vehicle from 15h00-18h00 per day	R 106	6%	R 113	R 119	R 126
Light motor vehicle from 15h00-18h00 per day	R 80	6%	R 84	R 89	R 95
Motor cycle from 15h00-18h00 per day	R 53	6%	R 56	R 60	R 63

Annexure C

RUSTENBURG LOCAL MUNICIPALITY



FIXED ASSET MANAGEMENT POLICY

RUSTENBURG LOCAL MUNICIPALITY

FIXED ASSET MANAGEMENT POLICY

1. PURPOSE OF THE POLICY

The purpose of the policy is to manage the assets of the municipality in an efficient and effective way with regard to the acquisition, disposal, utilisation, control and maintenance of assets.

2. LEGAL REQUIREMENTS

2.1. In terms of section 62 (1) (a) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) the Accounting Officer (Municipal Manager) is responsible for the management of the assets of the municipality, including the safeguarding and maintenance of it.

Section 53 and 54 of the Municipality's Standard Financial By-laws determine the following:

2.2.1 The Chief Financial Officer will keep an asset register.

2.2.2 The Directors will inform the Chief Financial Officer on any changes to assets under the control of his or her Directorate.

2.2.3 The Directors will report regularly on the assets under their control as determined by the Chief Financial Officer.

2.2.4 The Directors will keep inventory lists of all assets not included in the asset register as determined by the Chief Financial Officer.

2.2.5 The Directors will do a physical count of the assets in their Directorates as determined by the Chief Financial Officer and submit a report on the results of such an asset count.

2.2.6 The Chief Financial Officer will report to Council on all assets not traced during the asset count and will include all the responses by the relevant Directors.

3. DEFINITION OF AN ASSET

3.1. The first Statement of Generally Accepted Municipal Accounting Practice (GAMAP 000) deals with the framework for the preparation and presentation of financial statements. In this statement an asset is defined as a resource controlled by the municipality as a result of past events and from which future economic benefits or potential service provision is expected to flow to the municipality.

3.2. Although assets include stock, cash, debtors and several others, this policy focuses on fixed assets – also referred to as property plant and equipment.

In terms of GAMAP 113, property, plant and equipment are defined as tangible assets that are held by a municipality for use in the production or supply of goods or serviced, for rental or others, or for administrative purposes and are expected to be used during more than one period.

4. DESCRIPTION OF AN ASSET CONTROL SYSTEM

All moveable assets are marked with a bar coded asset number. All assets are taken up in the asset register, which is operated on a computer software programme provided by an external provider (Combined Systems. Apart from the asset number, the following information must be captured on the system where applicable:

Asset description
Asset category
Date of purchase
Expected useful life
Funding source
Serial Numbers
Room Number
Cost Centre
Responsible Official
Directorate
Purchase Price
Title deed number
Replacement Value

5. RESPONSIBILITY FOR THE EXECUTION OF THE POLICY

5.1. **A Director is responsible**:

5.1.1. To exercise control over assets under the control of his or her Directorate.

5.1.2. To appoint an Asset Controller for the Directorate to manage all assets under the control of that Directorate.

5.1.3. To certify the asset register supplied by the Chief Financial Officer.

5.1.4. To maintain all assets under his or her control.

5.1.5. To ensure the effective and efficient utilisation of assets under his or her control.

5.1.6. To safeguard all assets against damage or loss.

5.1.7. To take disciplinary action against officials who misappropriate the assets of the municipality.

5.1.8. To ensure that all information, regarding assets, are submitted to the Chief Financial Officer who will ensure that assets are covered in terms of the Council's insurance policy.

5.2. **An Asset controller is responsible:**

5.2.1. To act as the asset representative for the Directorate and to assist the Director to execute his/her responsibilities in respect of the asset under his or her control.

5.2.2. To report any assets purchased, sold, demolished, destroyed, relocated or damaged or any other event, which materially affecting the value of an asset to the Chief Financial Officer in the prescribed format on a monthly basis.

5.2.3. To verify all assets on the asset register in co-operation with an official from the Finance Directorate or approved contractor, as scheduled in the asset count programme as compiled by the Chief Financial Officer.

5.2.4. To ensure that inventory lists, as provided by the Chief Financial Officer, are displayed at the back of the door to all the offices under his or her control.

5.2.5. To ensure that inventory lists for asset, not recorded in the asset register as determined by the Chief Financial Officer, be kept and maintained.

5.2.6. To submit a full report containing all relevant information to the Chief Financial Officer in respect of all assets that could not be traced.

5.2.7. To hand, all obsolete assets and assets that were replaced, in at the central stores and to provide such information to the Chief Financial Officer.

5.2.8. To motivate and ensure that all personnel in the relevant Directorate take full responsibility of assets under their control and to sign a monthly certificate regarding the status of their assets for submission to the Asset Controller.

5.2.9. To receive all signed certificates from employees in the Directorate and then prepare a consolidated certificate for the Directorate and signed by the Director for submission to the Chief Financial Officer.

5.3. **The Chief Financial Officer is responsible:**

5.3.1. To compile and maintain an asset register.

5.3.2. To collect the prescribed forms on the changes to the asset register from Directorates.

5.3.3. To supply the respective Directorates with a copy of the asset register and request the respective Directorates to verify all assets, as scheduled in the asset count programme.

5.3.4. To provide Directors with updated inventory lists per office, after any changes to an inventory list have been reported and corrected on the asset register.

5.3.5. To mark all new assets in co-operation with Asset Controllers in the respective Directorates and record it in the asset register.

5.3.6. To submit an asset report to Council once per year, after the certified asset registers from the Directorates have been received.

5.3.7. To submit a report to Council on all lost assets and include all explanations of the responsible Directorates.

5.3.8. To ensure that all assets of the municipality are covered in terms of the insurance policy of the municipality.

5.3.9. To issue a receipt to the Directorate for obsolete assets handed in at the Central Store.

5.3.10. To once per year before 30 June, invite tenders to alienate all obsolete assets and assets replaced.

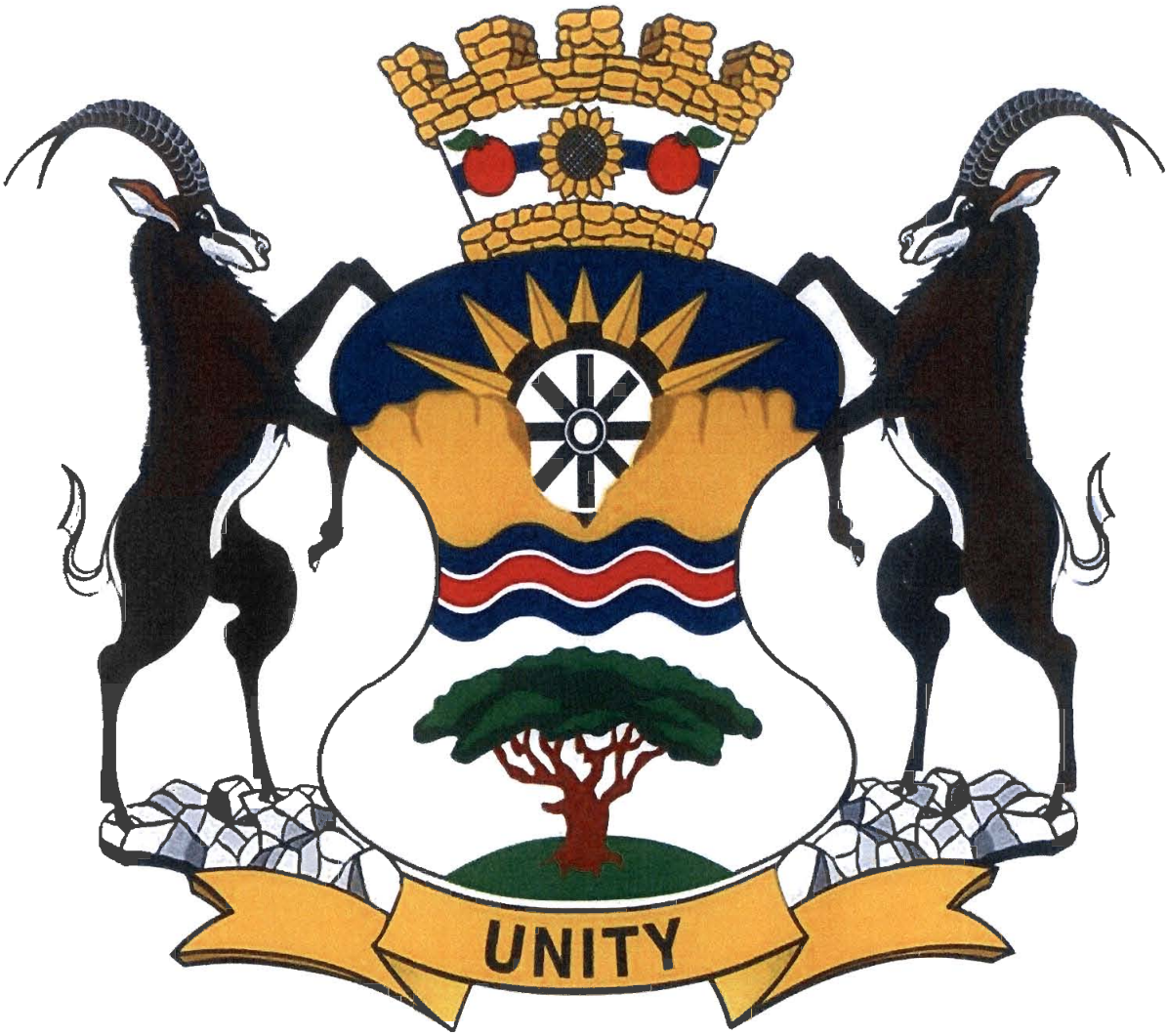
5.3.11. To compile an asset count programme to ensure that all assets are physically verified during a financial year and to make an official available to do the physical verification in co-operation with the Asset Controllers of the respective Directorates.

FIXED ASSET MANAGEMENT POLICY

POLICY REVIEW MANAGEMENT INFORMATION			
NAME & SURNAME	**DESIGNATION**	**SIGNATURE**	**DATE**
Thabo Modisane	Acting Unit Manager FMS		30/03/17
Paul Malatsi	Acting Chief Financial Officer		30/03/2017
Lucky Molotsane	Head Legal Unit		30/3/2017
Tshenolo Lefutswe	Acting Municipal Manager		30/3/2017

RUSTENBURG

LOCAL MUNICIPALITY



INDIGENT POLICY

PREAMBLE

(1) **WHEREAS** the provision of free basic municipal services by a Municipality is part of the broader social agenda and anti-poverty strategy of the South African Government, the Rustenburg Local Municipality (hereafter "the Municipality"), must give priority to the basic needs of the community, promote the social and economic development of the community and ensure that all residents and communities in the Municipality have access to at least the minimum level of basic municipal services in terms of section 152(1)(b) and 153(b) of the Constitution of the Republic of South Africa, 108 of 1996 (hereafter the Constitution);

(2) **AND WHERE AS** a Municipality, as the third sphere of government, therefore has a constitutional duty to assist the National and Provincial spheres of government in the realisation of the abovementioned rights;

(3) **AND WHEREAS** the key purpose of this Indigent Policy is to ensure that households with no or a lower income level are not denied basic municipal service, and to ensure the sustainability of the rendering of these municipal services to indigent consumers, within the financial and capacity restraints of the Municipality;

(4) **AND WHEREAS** the Indigent Policy must be maintained for so long as the Municipality is able to, without compromising the financial stability and functioning of the Municipality;

(5) **AND WHEREAS** it is of importance to set appropriate and sustainable threshold levels and subsidies of tariffs for indigent consumers;

(6) **AND WHEREAS** the Municipality requires qualifying indigent consumers to register as such and to agree to the terms, conditions and restrictions of the Municipality by completing the Municipality's application documentation;

NOW THEREFORE, the Council adopts the following Indigent Policy.

THE RUSTENBURG LOCAL MUNICIPALITY:

INDIGENT POLICY

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CHAPTER 1

INTRODUCTORY PROVISIONS

1. DEFINITIONS

In this policy, except where the context otherwise indicates, or it is expressly stipulated otherwise, the following words and expressions shall have the respective meanings assigned to them hereunder, and words and expressions to which a meaning has been assigned in terms of the provisions of the Systems Act, the MFMA, the Credit Control & Debt Collection Policy and By-law, the Tariff Policy and By-law, as well as the Rates Policy and By-law of the Municipality, will have a corresponding meaning assigned thereto in terms of such policies or by-laws. All headings are included for convenience only and shall not be used in the interpretation of any of the provisions of this policy.

NO.	WORD/EXPRESSION	DEFINITION
	"A"	
1.1	**"annual budget"**	Means the budget approved by the Councillor any particular financial year, and shall include any adjustments to such a budget.
1.2	**"annually"**	Means once every financial year.
1.3	**"applicant"**	Means the person applying to the Municipality to be afforded the status of a Registered Indigent in terms of this policy.
	"B"	
1.4	**"basic municipal service"**	Means a municipal service necessary to ensure an acceptable and reasonable quality of life, which service, if not provided, would endanger public health or safety or the environment.
	"C"	

1.5	**"Chief Financial Officer"**	Means the person appointed by the Council and designated by the Municipal Manager to manage the financial administration of the Municipality and who remains directly accountable to the Municipal Manager as contemplated in terms of the provisions of section 80(2)(a) read with section 1 and section 81 of the MFMA.
1.6	**"child"**	Means a minor person.
1.7	**"Constitution"**	Means the Constitution of the Republic of South Africa, 108 of 1996.
1.8	**"consumer"**	Means a person or entity consuming or receiving municipal services, and may include a customer or a tenant of a customer irrespective of whether such a person has concluded a service agreement with the Municipality, and may also include a person who illegally and unlawfully connected to the municipal services infrastructure or who illegally and unlawfully gained access to or usage of the municipal services.
1.9	**"Council"**	Means the Municipal Council of the Municipality as referred to and constituted in terms of the provisions of section 157 of the Constitution.
1.10	**"Credit Control & Debt Collection Policy" and "Credit Control &Debt Collection By-Law"**	Means the Credit Control and Debt Collection Policy as adopted by the Council of the Municipality and the Credit Control & Debt Collection By-Law adopted in terms of the provisions of section 96 and section 98 of the Systems Act.
1.11	**"customer"**	Means the owner of the premises or in exceptional circumstances a tenant, and includes a person or entity liable to the Municipality for the payment of tariffs, levies, fees and municipal consumption charges in terms of a service agreement concluded with the Municipality, and may include a person who applied to the Municipality to become a Registered Indigent in terms of this policy, and who is not the owner of the premises, but who is: (a) the child in control of a child-headed household where

		the residential property is registered in the name of the deceased parent or deceased parents of that child; or (b) the party to whom the residential property is awarded in the event of a divorce; or (c) where a deceased estate has not been wound up: (i) in the case of a deceased estate, in whose name the residential property is registered, any heir to whom the registered property has been bequeathed; or (ii) a surviving spouse, where the surviving spouse was married in community of property to the deceased, and where the residential property is registered in both spouses' names, and the surviving spouse is the sole heir; or (iii) a surviving spouse, who was married in community of property to the deceased, together with any other heirs, if any, where the residential property is registered in the name of that deceased; or (iv) in the case where a portion of a residential property is registered in the name of a deceased estate, the surviving registered owners together with the heirs to the deceased estate; and who simultaneously with the application for indigent support in terms of this policy, applied for the provision of municipal services in terms of the Credit Control & Debt Collection Policy and By-Law of the Municipality to be granted an account and to conclude a service agreement with the Municipality, and whose application has been approved by the Municipality, and as such has concluded a service agreement with the Municipality.
	"D"	
1.12	**"deemed indigent"**	Means individuals who live together in a single residential property and qualifies for indigent relief based on the use and value of property as determined in terms of general valuation roll.

	"E"	
1.13	**"equitable share"**	Means an allocation made by the National Government during a financial year, in its fiscal allocation, gazetted through the Division of Revenue Act (hereinafter "the DORA"), in order to assist municipalities to fund various expenses including expenses such as free basic services.
	"F"	
1.13	**"free basic alternative energy"**	Means any other form of basic energy excluding electricity (including solar home system) deemed necessary to support basic energy needs of an indigent household as determined from time to time, and funded by the Government.
1.14	**"free basic electricity"**	Means a limited amount of free electricity deemed necessary to provide basic services as determined and funded by the National Government.
1.15	**"free basic sanitation"**	Means the prescribed minimum standard of services rendered to households including informal households, necessary for the safe, hygienic and adequate collection, removal, disposal or purification of human excreta, domestic waste-water and sewage prescribed in terms of the Act, under regulation 2 of Government Notice GN R509 in Gazette Notice 22355 of 8 June 2001 or as amended from time to time, or any substitution for that regulation;
1.16	**"free basic water supply"**	Means the prescribed minimum standard of water supply services necessary for the reliable supply of sufficient quantity and quality of water to household including informal households to support life and personal hygiene, prescribed in terms of the Act under regulation 3 Government Notice GN R509 in Gazette Notice 22355 of 8 June 2001, as amended from time to time, or any substitution for that regulation.

1.17	**"financial year"**	Means the period starting from 1 July in any year and ending on 30 June of the following year.
	"H"	
1.18	**"household"**	Means the total number of persons who permanently reside in and occupy a single premise for residential purposes.
	"I"	
1.19	**"Indigent Household"**	Means a household headed by a Registered Indigent.
1.20	**"Indigent Management System"**	Means the system consisting of designated officials of the Municipality supported by an electronic management system, equipped and designated to process applications for indigent support and used by the Municipality for the management of the Indigent Register.
1.21	**"Indigent Policy"or "this policy"**	Means the Indigent Policy, adopted by the Council of the Municipality.
1.22	**"Indigent Register"**	Means a record of the Registered Indigents established and maintained by the Municipality as per the provisions of this policy.
1.23	**"indigent support"**	Means the financial and other support, discounts, subsidies and assistance which the Municipality renders to Registered Indigents and households headed by Registered Indigents.
	"M"	
1.24	**"Municipal Finance Management Act" or "MFMA"**	Means the Local Government: Municipal Finance Management Act, Act 56 of 2003 and the regulations promulgated in terms of this act.
1.25	**"Municipal Manager"**	Means the Municipal Manager of the Municipality appointed in terms of the provisions of section 54A of the Systems Act and as referred to in the definition of "Accounting Officer" in section 1 of the MFMA, and also referred to in section 60 of the MFMA, and includes a person acting as an Accounting Officer, or the person to whom the Accounting Officer has delegated his/her authority to act.
1.26	**"Municipality"**	Means the RUSTENBURG LOCAL MUNICIPALITY (also

		referred to as "the RLM") a local government and legal entity with full legal capacity as contemplated in section 2 of the Systems Act read with the provisions of Chapter 7 of the Constitution and sections 12 and 14 of the Structures Act, with its main place of business and the offices of the Municipal Manager, as envisaged in terms of the provisions of section 115(3) of the Systems Act, at: the Missionary Mpheni House, CNR NELSON MANDELA & BEYERS NAUDE STREET, RUSTENBURG, NORTH WEST PROVINCE, and may, depending on the context, include: (a) its successor in title; or (b) a functionary, employee or official exercising a delegated power or carrying out an instruction, in the event of any power being delegated as contemplated in terms of the provisions of section 59 of the Systems Act, or exercising any lawful act in the furtherance of the Municipality's duties, functions and powers; or (c) an authorised service provider fulfilling a responsibility assigned to it by the Municipality through a service delivery agreement.
1.27	**"Municipal Property Rates Act" or "MPRA"**	Means the Local Government: Property Rates Act, Act 6 of 2006 and the regulations promulgated in terms thereof.
1.28	**"municipal service" or "services"**	Means a service that a municipality in terms of its powers and functions provides or may provide to or for the benefit of the local community irrespective of whether: (a) such service is provided or to be provided by the Municipality through an internal mechanism contemplated in section 76; and (b) fees, charges or tariffs are levied in respect of such service or not.
1.29	**"municipal tariff" or "tariff"**	Means a fee, charge or tariff for services which the Municipality may set for the provision of a municipal service to the local community, and includes a surcharge on such fee, charge or tariff.

"O"		
1.30	**"occupier"**	Means any person who occupies premises or part thereof, without taking cognisance of the title under which he or she occupies the premises, and occupant has a corresponding meaning.
1.31	**"owner"**	Means: (a) the person in whose name the property is registered; (b) in the case where the person in whose name the property is registered, is insolvent or deceased, or is disqualified in terms of any legal action, the person who is responsible for administration or control of the property as curator, trustee, executor, administrator, legal manager, liquidator, usufructuary, servitude holder or any other duly authorised of appointed representative; (c) in the case where the Municipality or service provider is unable to establish the identity of such person, the person who is entitled to derive benefit from the property or any buildings thereon; (d) in the case of a lease agreement entered into for a period of 30(thirty) years or longer, or for the natural life of the lessee or any other person mentioned in the lease, or is renewable from time to time at the will of the lessee indefinitely or for a period of periods which, together with the first period of the lease, amounts to 30 (thirty) years, the lessee or any other person to whom he has ceded his right, title and interest under the lease, or gratuitous successor to the lessee; (e) In relation to: (i) a piece of land delineated on a sectional title plan and which is registered in terms of the Sectional Title Act, Act 95 of 1986, without limiting it to the developer or body corporate of the common

		property; (ii) a section as defined in the Sectional Title Act, Act 95 of 1986, the person in whose name that section is registered in terms of a "sectional title deed", including the lawfully appointed representative or agent of such person; (f) any legal entity including but not limited to: (i) a company registered in terms of the Companies Act, Act 61 of 1973, a trust inter vivos, trust mortis causa, a close corporation registered in terms of the Close Corporation Act, Act 69 of 1984 and any voluntary organisation; (ii) any provincial or national government department, or local authority; (iii) any Council or management body established in terms of any legal framework applicable to the Republic of South Africa; and (iv) any embassy or other foreign entity in whose name the property is registered; (g) in relation to property owned by the Municipality and which has been disposed of, but which has not been transferred to the person to whom it has been disposed of, from the date of the disposition concerned, such person; and (h) in relation to property owned by or under the control or management of the Municipality while held under a lease or any express or tacit extension thereof or under any other contract or under servitude or right analogous thereto, the person so holding the immovable property.
	"P"	
1.32	**"premises"**	Means any property or any building or structure above or below ground levels on property and may include any vehicle, aircraft or vessel.

1.33	**"prepayment meter"**	Means a meter whereby payment for municipal services is first made elsewhere and credit is transferred to such meters by means of a token or coded number or credit card or other means and such meter is programmed and dispenses pre-purchased municipal services as it is consumed by the consumer at a predetermined rate or charge.
1.34	**"Programme Officer"**	Means an official duly authorised by the Municipality, or an employee of a service provider appointed by the Municipality, who is responsible to ensure that an assessment, screening and site visits are undertaken and for recommending applicants for approval to receive indigent support.
1.35	**"property"**	Means: (a) immovable property registered in the name of a person/owner including in the case of a sectional title scheme, a sectional title unit registered in the name of any person/owner; (b) a right registered against immovable property in the name of a person excluding a mortgage bond registered against the property; (c) any piece of land, the external surface boundaries of which are delineated on: (i) a general plan or diagram registered in terms of the Land Survey Act, Act 9 of 1927 or in terms of the Deeds Registries Act, Act 47 of 1937 or; (ii) a sectional plan registered in terms of the Sectional Titles Act, Act 95 of 1986; which is situated within the area of the Municipality; (d) a land tenure right registered in the name of a person or granted to a person in terms of legislation; or (e) public service infrastructure.

	"R"	
1.36	**"rates"**	Means a municipal rate on property levied in terms of the provisions of section 229(1)(a) of the Constitution and section 2(1) of the MPRA.
1.37	**"Rates Policy"**	Means the Rates Policy of the Municipality as adopted by the Municipality in terms of the provisions of section 3(1) of the MPRA.
1.38	**"Registered Indigent"**	Means a person, qualifying to be registered as an indigent in terms of this policy, who has applied to the Municipality in terms of this policy to be registered as a Registered Indigent, whose application was approved by the Municipality, and who is indicated as a Registered Indigent in the Indigent Register.
	"S"	
1.39	**"service agreement"**	Means the written agreement concluded between the Municipality and a customer for the provision of municipal services to premises once the Municipality has approved the customers' official application form for the rendering of such services to the customer and which contains the terms and conditions upon which the Municipality will render such services to the customer.
1.40	**"Structures Act"**	Means the Local Government: Municipal Structures Act, Act 117 of 1998 and the regulations promulgated in terms thereof.
1.41	**"subsidised services"**	Means the municipal services, the costs of which are either subsidised in full or in part by the Municipality.
1.42	**"Systems Act"**	Means the Local Government: Municipal Systems Act, Act 32 of 2000 and the regulations promulgated in terms thereof.
	"T"	
1.43	**"Tariff Policy"**	Means the Tariff Policy of the Municipality adopted in terms of the provisions of section 74(1) of the Systems Act.

1.44	**"Tariff Schedule"**	Means the schedule containing details pertaining to the levels and application of the various fees, charges or tariffs as approved by the Council from time to time.
1.45	**"tenant"**	Means a person who is entitled to the use and enjoyment of premises for the payment of rent as a result of an agreement concluded with a person who has the right to extent such rights regarding the premises.
	"V"	
1.46	**"Verification Officer"**	Means an official duly authorised by the Municipality to assist with the management of applications for indigent support, to visit households and verify the applicant's application and to recommend that the applicant is either a suitable or not a suitable candidate for approval to receive indigent support.

2. ABBREVIATIONS

In this policy the following abbreviations will be used to signify the meaning or entity as indicated:

CDW	Community Development Worker
DORA	Division of Revenue Act, as enacted at the beginning of April every year
DWAF	The National Department of Water Affairs and Forestry
ESG	Equitable Share Grant
IDP	Integrated Development Plan
kWh	Kilowatt hour
LED	Local Economic Development
MFMA	Local Government: Municipal Finance Management Act, Act 56 of 2003
MIG	Municipal Infrastructure Grant
MPRA	Local Government: Municipal Property Rates Act, Act 6 of 2006
UIF	Unemployment Insurance Fund

3. AIM AND PURPOSE

The aim and purpose of this policy is to ensure that Registered Indigents have access to basic municipal services, to ensure that the subsidy scheme for Registered Indigents forms part of the financial management system of the Municipality and to provide procedures and guidelines for the subsidisation of basic municipal services and tariff charges to the Registered Indigents.

4. TITLE AND APPLICATION

(1) This policy is known as the Indigent Policy of the Municipality and is applicable to the municipal area of the Municipality.

(2) This policy revokes all previous policies, decisions and/or *ad hoc* clauses within any other policy, regarding the subject matter of this policy.

5. COMMENCEMENT AND VALIDITY

This policy shall come into full force and effect upon the acceptance thereof by the Council of the Municipality by resolution.

6. RESPONSIBLE AUTHORITY

(1) The responsible authority for the adoption and implementation of this policy is the Municipality, and where applicable the Council of the Municipality.

(2) In terms of the provisions of section 62 of the MFMA, the Municipal Manager of the Municipality is responsible for managing the financial administration of

the Municipality, and must for this purpose, take all reasonable steps to ensure *inter alia* that the Municipality has and implements:

(a) The Tariff Policy referred to in section 74 of the Systems Act. Section 74(2)(c) of the Systems Act provides that the Tariff Policy must reflect *inter alia* that indigent households must have access to at least basic municipal services through:

(i) tariffs that cover only operating and maintenance cost;

(ii) special tariffs or lifeline tariffs for low levels of use or consumption of services or for basic levels of service; or

(iii) any other direct or indirect method of subsidisation of tariffs for indigent households.

(b) A Credit Control and Debt Collection Policy referred to in section 96(b) of the Systems Act. Section 97(1)(c) of the Systems Act provides that a Credit Control and Debt Collection Policy must provide for the provision for debtors who are Registered Indigents that is consistent with its rates and tariff policies and any national policy on indigents.

(3) The Chief Financial Officer will ensure that this policy is integrated with the Municipality's financial planning and processes, as well as the taking into account of the effect of this policy in the annual budget of the Municipality.

7. POLICY PRINCIPLES

The Municipality undertakes to promote the following principles regarding this policy:

(a) the Municipality will ensure that the funding portion designated for free basic municipal services, allocated as part of the equitable share received annually from National Government and other budgetary provisions, is utilised for the benefit of Registered Indigents only and not to subsidise rates and service charges of those who can afford to pay same;

(b) the Municipality will link this policy with the Municipality's Integrated Development Plan (IDP), Local Economic Development (LED) initiatives and poverty alleviation programmes;

(c) the Municipality will promote an integrated approach to free basic municipal service delivery;

(d) the Municipality will engage the local community in the development and implementation of this policy;

(e) the Municipality will ensure that any relief and/or support provided in terms of this policy is constitutional, practical, fair, equitable, justifiable and does not amount to unfair discrimination;

(f) the Municipality will provide indigent support within the available limits of their financial capacity in order not to jeopardise the financial stability of the Municipality or the sustainability of the provision of municipal services to all the customers of the Municipality and the community as a whole;

(g) the Municipality will review and amend the qualification criteria for indigent support on a regular basis and when necessary;

(h) the payment of basic municipal services should be affordable to the Registered Indigent; and

(i) an approved community communications programme, embodying the principles of transparency and fairness, must be implemented in respect of the indigent support programme.

8. POLICY OBJECTIVES

The objectives of this policy are the following:

(a) to provide basic municipal services to the community in a sustainable manner within the financial and administrative capacity of the Municipality;

(b) to ensure the financial sustainability of free basic municipal services through the determination of appropriate tariffs that contribute to such sustainability through fair and reasonable cross subsidisation;

(c) to establish a framework for the identification and management of indigent households, including a socio-economic analysis and an exit strategy to assist the indigent household to escape the burden of indigence;

(d) to provide procedures and guidelines for the subsidisation of basic municipal services and tariff charges to Registered Indigents;

(e) to ensure co-operative governance with other spheres of government; and

(f) to enhance the institutional and financial capacity of the Municipality to implement this policy.

9. LEGISLATIVE FRAMEWORK

This policy is designed and must be implemented within the framework of *inter alia* the following legislation:

(a) The Constitution;

(b) The Systems Act;

(c) The MFMA;

(d) The Promotion of Administrative Justice Act, Act 3 of 2000;

(e) The Promotion of Access to Information Act, Act 2 of 2000;

(f) The MPRA;

(g) The Water Service Act, Act 108 of 1997 and Regulations thereto; and

(h) The Waste Act, Act 59 of 2008 and the Regulations thereto.

10. POLICIES, STRATEGIES AND GUIDELINES

There are several strategies and guidelines relating to free basic services which compliment this policy and which must be recognised and taken into account in the implementation of this policy, including:

(a) National Policy on Free Basic Services, National Policy on Free Basic Water, National Policy on Free Basic Electricity, National Policy for the provision of Basic Refuse Removal Services to Indigent Households.

(b) Free Basic Water Strategy and Guideline prepared by the DWAF.

(c) Free Basic Sanitation Strategy and Guidelines also prepared by DWAF.

(d) Guidelines on tariffs for municipal solid waste services prepared by the Department of Environmental Affairs and Tourism.

(e) Electricity Basic Support Tariff (Free Basic Electricity) Policy,1 April 2003, prepared by the Department of Minerals and Energy.

(f) National Policy on Free Basic Alternative Energy, 2007.

(g) The Property Rates Act, which provides for zero-rating of low value properties up to a value of R15000, thereby ensuring that households on these properties gain access to a package of public services for free.

11. FUNDING

The following internal and external sources of funding are available to the Municipality to provide basic municipal services to Registered Indigents:

(1) Internal Sources:

(a) Cross subsidies generated from the netted trading surplus from Trading Services or Economical Services, as referred to and categorised in terms of the Tariff Policy of the Municipality.

(b) The core administration revenue of the Municipality which include revenue generated by *inter alia* property rates.

(2) External sources:

The national fiscus, through the Equitable Share Grant (ESG) and Municipal Infrastructure Grant (MIG). This amount may be varied on a yearly basis according to the new allocation for a particular financial year.

12. TARGETING OF INDIGENT HOUSEHOLDS

(1) The implementation of this policy and the effective targeting of indigent persons will largely depend on the social analysis included in the IDP, the LED initiatives and other poverty relief programmes of the Municipality.

(2) The socio-economic information and performance indicators contained in these documents must form the basis for the targeting of indigent persons.

(3) Against the background of such socio-economic analysis, and within its financial and institutional capacity, the Municipality must decide which targeting method should be applied.

(4) The Municipality may apply the following targeting methods:

Targeting approach		Application
1.	Service levels	Lowest service levels normally in informal settlements and rural areas.

2.	Property value	Applicable only to Registered Indigents in respect of subsides or RDP housing to a value determined in addition to the rebate in terms of the MPRA.
3.	Gross household income	Threshold shall be R 3 500.00 equivalent to allowance as set out by the Minister of Finance on older persons grant of two total gross household income.
4.	Geographical (Zone) targeting	Specific areas (rural or urban) where households are regarded as poor irrespective of service level.

(5) The Municipality may use any one of the above targeting methods or any combination thereof for the assessment and evaluation of an application by any person for indigent support and in determining whether any person applying for such indigent support qualifies for such support.

13. QUALIFICATION CRITERIA

(1) The Municipality shall, from time to time, determine the qualification criteria for a person to become a Registered Indigent in order to receive indigent support, provided that until the Municipality determines otherwise, the following criteria shall apply:

(a) the premises to which the municipal services are rendered (or to be rendered) or relate must be a "residential property", as classified in terms of the categories of properties in terms of the provisions of the Rates Policy and By-Law of the Municipality, and must be utilised solely for residential purposes (no activity other than residential activity to be executed on the premises, i.e. no spaza shop or rental of rooms), as well as situated within the municipal area of the Municipality; and

(b) the applicant applying for the indigent support, must be:

(i) the holder of an account with the Municipality for the provision of municipal services to the premises referred to in sub-paragraph (a) above, who has concluded a service agreement with the Municipality, as referred to and defined in terms of the Credit Control & Debt Collection Policy and By-Law of the Municipality; or

(ii) in an instance where the applicant for the indigent support is not the holder of an account and has not concluded a service agreement with the Municipality, as required by sub-paragraph (i) above: the applicant must:

(aa) be the child in control of a child-headed household where the residential property is registered in the name of the deceased parent or deceased parents of that child; or

(bb) be the party to whom the residential property is awarded in the event of a divorce; or

(cc) be, where a deceased estate has not been wound up:

(aaa) in the case of a deceased estate, in whose name the residential property is registered, any heir to whom the registered property has been bequeathed; or

(bbb) a surviving spouse, where the surviving spouse was married in community of property to the deceased, and where the residential property is registered in both spouses' names, and the surviving spouse is the sole heir; or

(ccc) a surviving spouse, who was married in community of property to the deceased, together with any other heirs, if any, where

the residential property is registered in the name of that deceased; or

(ddd) in the case where a portion of a residential property is registered in the name of a deceased estate, the surviving registered owners together with the heirs to the deceased estate;

(dd) submit, simultaneously with the application for indigent support, an application for the provision of municipal services in terms of the provisions of the Credit Control & Debt Collection Policy and By-Law of the Municipality, applying to the Municipality to be granted an account and to conclude a service agreement with the Municipality; and

(c) the total household income of all the household occupants, of the indigent household to which the application relates, above the age of 18 (eighteen) years, on the residential property may not exceed the amount as determined by Council from time to time. This amount will be determined at the beginning of every financial year and will be applied for the duration of that particular financial year. **This amount will be aligned by the National Budget pronouncement on grants- allowances.** Currently the income amount is deemed to be R 3 500.00; and

(d) the applicant may not be the owner of more than one immovable property nationally and internationally; and

(e) the applicant must be a full-time occupant of the primary residential property owned; and

(f) where applicable, the applicant must have a prepayment electricity meter, a water management device or a prepayment water meter installed in terms of any applicable by-law or policy of the Municipality, as read with any approved tariff;

(g) the applicant must be a natural person.

(h) the Households within the following categories of properties will be deemed to be indigent households:

(a) the property is used for residential purposes only as reflected in General Valuation roll;
(b) residential exclusion as per Property Rates Act 2004 (Act No 6 of 2004) is applicable to property;
(c) municipal value of property does not exceed maximum value R 150 000.

(2) The Municipality may call upon an applicant, a Registered Indigent or a debtor (as defined in terms of the provisions of the Credit Control & Debt Collection Policy of the Municipality) at any time to produce documents in support of their claim for indigency or Registered Indigent status, and may approach any person in order to verify any claim made by an applicant.

CHAPTER 2

ASSISTANCE PROCEDURES

14. COMMUNICATION

(1) The Municipality must develop a community communication strategy, embodying the principles of transparency and fairness, in terms of which communities will be informed and educated on the contents of this policy in order to provide a clear understanding of the provisions of this policy and the implementation thereof.

(2) Regular information dissemination and awareness campaigns by the Municipality must be undertaken to eliminate unrealistic expectations both in terms of qualifying criteria for indigent status, the extent of the benefits accorded to Registered Indigents, as well as municipal service delivery in general.

(3) The methods of communication that the Municipality may utilise include, but will not be limited to:

(a) Ward committees;

(b) Community Development Workers (CDW's);

(c) Local radio stations and newspapers;

(d) Municipal accounts;

(e) Imbizo's and road shows; and

(f) Jamborees where government and municipal officials are made available to assist residents with applications such as ID applications, pension- and social grant applications, etc.

(4) The Municipality must communicate the following to the community:

(a) what the Municipality is trying to achieve with regard to the Indigent Policy;

(b) how the Municipality will be going about implementing the Indigent Policy;

(c) what the value for indigent and non-indigent households is;

(d) who qualifies for the indigent support and how the Municipality has determined this;

(e) how qualifying households should access the indigent support; and

(f) the financial constraints of the Municipality which limits the levels of sustainable indigent support that can be provided.

15. INSTITUTIONAL ARRANGEMENTS

The Municipality shall appoint officials, or engage existing staff, or Community Development Workers (CDW's) who have been trained in terms of the Municipality's directions, to assist with the development and implementation of this policy. Furthermore, the Municipality shall establish indigent registration points, the cost of which may be funded through the equitable share allocation, in its municipal area.

16. APPLICATION

(1) A person applying for indigent support must duly complete an official indigent support application form as prescribed by the Municipality (Schedule "A").

(2) Such application form shall be available at the main office of the Municipality and at approved registration points established by the Municipality, as referred to above and on the Municipality's web site

(3) The duly completed application form for the indigent support must be accompanied by the following documentation when such application for indigent support is lodged with the Municipality:

(a) the latest municipal account for the household, if there is such an account;

(b) a certified copy of the account holders' and/or applicant's identity document, where the original is not available and presented to the Municipality for the purposes of making a copy by the Municipality;

(c) proof of the income of **all** occupants residing on the premises to which the municipal services are rendered (or to be rendered) or relate, above the age of 18 (eighteen) years, i.e. a letter from his/her employer, salary slip/envelope, pension card, unemployment insurance fund (UIF) card or a certificate that confirms registration as "looking for employment";

(d) bank statementsof all the occupants residing on the premises above the age of 18 (eighteen) years, for the last 3 (three) months, certified by the bank and a sworn affidavit from each occupant that no other bank accounts exist;

(e) in the absence of any proof to be submitted either through sub-paragraphs (3)(c) or (3)(d) above, a sworn affidavit must be submitted by the applicant together with the documentation required in terms of paragraphs (3)(a) and (3)(b) above;

(f) proof of property ownership or proof of the existence of the criteria set out in paragraph 13(1)(b)(ii) above; and

(g) such other documentation as the Municipality reasonably determines from time to time.

(4) The Municipality may require any other documentation or information from the applicant which the Municipality may deem necessary to assess and evaluate the application.

(5) As part of the application the applicant must consent to the verification of the information submitted by them, by the Municipality, a credit bureau or any other similar agency performing external scans, as referred to in this policy.

(6) All applications must be confirmed and declared under oath and be signed before a Commissioner of Oath.

17. ASSESSMENT AND SCREENING APPLICANTS

Upon receiving of a duly completed application form from the applicant, together with the accompanying documentation as referred to above, all information must be verified by the Programme Officer or a person approved by the Municipality as follows:

(1) Indigent Management System Check

The information on the Municipality's Indigent Management System must be checked to determine whether an applicant or the household is already registered within the system as well as to determine dates when the existing applicants should be reviewed.

(2) Date Capture

The application date must be captured in an Indigent Management System as per the application form. The record must be flagged in the system as being an "application in progress".

(3) Verification – Site Visit

The Indigent Management System must assign an application to a duly appointed Verification Officer to perform an on-site verification. The Verification Officer must verify the information on the registration application

form, visit the applicant and visually confirm the details supplied by the applicant and prepare a report in writing as to his/her observations, which report must accompany the application when the Verification Officer refers same. The Verification Officer is also allowed to collect such additional information pertaining to the application as he/she deems fit. The Verification Officer must assess the application and if the Verification Officer is of the view that the application has merits he shall proceed to refer the application for an external scan as stipulated in sub-paragraph (4) below. This information shall be entered into the Indigent Management System within 72 (seventytwo) hours after receiving the information from the Verification Officer.

(4) Verification – External Scans

An external scan of applicants recommended as suitable candidates for indigent support in terms of sub-paragraph (3) above, must be conducted with UIF, SARS, Department of Welfare, Retail and credit bureau(s). The external scan must immediately follow the process after the information from the site visitation has been captured. The information of the external scan must then also be captured in the Indigent Management System within 72 (seventytwo) hours after receiving the information from the Verification Officer. The external scan must be done separately from the site verification.

18. RECOMMENDATION

Once the verification has been completed, the Indigent Management System must generate a recommendation based on the information captured in the database. Those applicants that qualify for indigent support in accordance with the system are then to be referred to the Indigent Committee for final approval.

19. INDIGENT COMMITTEE

(1) The Municipality shall have an Indigent Committee tasked with the execution of the functions allocated to the said committee in this policy. The Chief Financial Officer, in consultation with the Municipal Manager, shall appoint the members of the committee from officials of the Municipality having the required financial, legal and administrative skills to serve on this committee, and the committee shall be known as the "Indigent Committee". This committee must meet at least twice a month and must ensure that systems are put in place to ensure communication between the Indigent Committee and the Ward Committees in the Municipality in order to ensure that the provisions of this policy are implemented, that it functions and filters down to the community. The Indigent Committee must monitor in conjunction with Ward Councillors, Ward Committees, CDW's and other persons or organisations it may appoint, the execution and functioning of the indigent support programme.

(2) The main task of the committee will be to see to the implementation of this policy, the proper functioning of the Indigent Management System of the Municipality, and to approve applications for indigent support. Once an application for indigent support is submitted to the committee, the date on which the application was submitted to the Indigent Committee shall be noted in the Indigent Management System, in order to track the status of the application within the process.

(3) The Indigent Committee must consider each recommended application, assess and evaluate it on its own merits, taking duly cognisance of all the information submitted by the applicant and any other knowledge or information which members of the Indigent Committee may have in respect of the applicant.

(4) The Indigent Committee may require any further information from the applicant they deem necessary in order to assist them in making a fair and

justifiable assessment and may conduct site visits or require the applicant to attend an interview with the Indigent Committee.

(5) The Municipality's Finance Department will assist the Indigent Committee and will review its financial system to determine if the applying household is on its system and if so, what the levels of consumption have been and the levels of payment from that household.

(6) After the fair and objective assessment of each application, the Indigent Committee shall either approve or reject such an application.

(7) Approved applicants must be included in the Municipality's financial system and the Municipal Manager must sign off on the approved application before the Municipality proceeds to connect or re-connect and provide the municipal services to the Registered Indigent.

(8) In the event of a successful application, the Indigent Management System must be updated to show this, the system must be flagged to indicate that the application has been approved and a letter must be sent to the applicant, within 7 (seven) days, informing him/her of the approval of his/her application, the extent of the municipal services to which the applicant is entitled and the period for which the registration will remain valid. The applicant will be regarded as a Registered Indigent once the Indigent Management System is updated to reflect the approval of the application.

(9) In the event that the application is declined, it must be captured as such in the Indigent Management System, and the system must be flagged and a letter sent to the applicant informing him/her of the refusal and the reason therefore the Indigent Committee must provide reasons, which are to be captured on the Indigent Management System, recording why an application has been declined.

20. CONTINUOUS EVALUATION

The Indigent Management System must generate, on an annual basis, a list of site visits to be performed at Indigent Households of the Registered Indigents, and assign these to a Verification Officer. The Verification Officer must evaluate each Indigent Household the same as a new application and any changes in circumstances must be noted and -submitted to the Indigent Committee. This is to ensure that the system is kept current and that indigent support is in fact extended to those who require and still qualify for it.

21. RIGHT OF APPEAL

An applicant who feels aggrieved and whose rights are affected by a decision taken by the Municipality in respect of his/her application may lodge an appeal against that decision, which appeal must be dealt with as follows:

(a) an appeal must be made in writing, setting out the details of the decision which are being appealed against, as well as the full details of the application or request initially lodged by the appellant, the outcome which was received pertaining thereto from the Municipality as well as the grounds of the appeal and the contact details and identity of the appellant lodging the appeal;

(b) an appeal must be lodged with the office of the Municipal Manager within 21 (twentyone) days after the appellant received the decision of the Municipality against which the appeal lies;

(c) once the office of the Municipal Manager has received a properly noted appeal, the office of the Municipal Manager must within 7 (seven) days proceed to request the office of the Chief Financial Officer or the Indigent Committee to provide a written report in response to the grounds of appeal, within 14 (fourteen) days from being requested to do so, setting out the reasons for the decision of

the Municipality. The Municipal Manager may request any party to provide further detail or information as required to assist in the consideration of the appeal or to clarify any issues;

(d) the Municipal Manager shall then within 14 (fourteen) days after having received the response of the office of Chief Financial Officer or the Indigent Committee and any additional information requested, consider the appeal and inform the appellant who lodged the appeal of the outcome in writing;

(e) the decision of the Municipal Manager is final;

(f) the Municipal Manager may condone the late lodging of an appeal or any other procedural irregularity pertaining to an appeal in a written notice expressly doing so.

CHAPTER 3

INDIGENT SUPPORT

22. THE EXTENT OF INDIGENT SUPPORT

The extent of the monthly indigent support granted to a Registered Indigent, will be determined based on budgetary allocations for a particular financial year and the municipal tariffs determined for each financial year as part of the Municipality's budget process and as set out in the Tariff Schedule, as referred to in the Municipality's Tariff Policy and By-Law. The extent of the indigent support provided by the Municipality is as follows:

(1) Electricity

(a) The National Electricity Basic Service Support Tariff (Free Basic Electricity) Policy, 1 April 2003, published under Government Notice 1693 in Government Gazette No. 25088 of 4 July 2003, provides that 50 (fifty) kWh per month is considered to be adequate electrical energy to meet the needs for lightning, media access, limited water heating and basic ironing (or basic cooking) for a poor household on the national electrical grid.

(b) The National Policy on Free Basic Alternative Energy, 2007, published under Government Notice 391 in Government Gazette No. 29760 of 2 April 2007, provides for, and is intended to provide indigent households with alternative energy where electricity is not available because the indigent households are not on the national electrical grid. The Policy provides that a municipality must give energy to the value of R55.00 (fiftyfive Rand) equivalent to the cost of 50kWh, a as minimum to an unelectrified indigent household. This amount should increase on an annual basis by the inflation rate plus 1,5%. This minimum amount will be revised on a 5 (five) year cycle.

(c) Taking into account the above mentioned, the Municipality will provide Free Basic Electricity/Alternative Energy in the following manner:

(i) Electricity for households on the national electricity grid

(aa) All Registered Indigents will receive 50 (fifty) kWh electricity per month fully subsidised.

(bb) Unused free electricity units will not be carried over to the next month. Any meter tampering will result that the subsidisation will be withdrawn. In the event of the electricity supplied by Eskom directly, the Municipality will pay over an amount to Eskom equal to 50 (fifty) kWh of electricity per month based on the customers registered with the Municipality as indigent and not based on any indigent records submitted by Eskom, from their own records.

(ii) Alternative sources for households not on a national electricity grid

(aa) The Municipality will give energy to non-grid indigent households to the value of R55.00 (fifty five Rand) equivalent to the cost of 50kWh per month, (or as prescribed the National Policy on Free Basic Alternative Energy from time to time) or an amount as determined and provided for by the Council in the annual budget from time to time and as published in terms of the Tariff Schedule, as referred to in the Tariff Policy and By-Law of the Municipality. The Municipality may provide a voucher to the Registered Indigent to obtain the energy from an approved merchant or supplier, in lieu of energy.

(bb) Alternative energy sources are *inter alia* paraffin, liquefied petroleum gas, coal and bio-ethanol gel.

(2) Water

(a) The minimum standard for basic water supply services as prescribed in terms of Regulation 3 of the Regulations Relating to Compulsory Nationals Standards and Measures to Conserve Water, published under Government Notice R509 in Government Gazette No. 22355 of 8 June 2001 and promulgated in terms of the Water Services Act, Act 108 of 1997, are as follows:

(i) the provision of appropriate education in respect of effective water use; and

(ii) a minimum quantity of potable water of 25 (twenty five) litres per person per day or 6 (six) kilolitres per household per month:

(aa) at a minimum flow rate of not less than 10 (ten) litres per minute;

(bb) within 200 metres of a household; and

(cc) with an effectiveness such that no consumer is without a supply for more than 7 (seven) full days in any year.

(b) The Municipality will provide Registered Indigents with 12 (twelve) 6 (six) kilolitres of water per month fully subsidised or an amount as determined and provided for by the Council in the annual budget from time to time.

(c) The subsidy shall not be more than the applicable tariff for that year and will be applied for the duration of that particular financial year. The subsidy shall form part of the Tariff Policy applicable for the financial year.

(3) Sewerage

(a) The minimum standard for basic water supply services as prescribed in terms of Regulation 2 of the Regulations Relating to Compulsory

Nationals Standards and Measures to Conserve Water, published under Government Notice R509 in Government Gazette No. 22355 of 8 June 2001 and promulgated in terms of the Water Services Act, Act 108 of 1997, are as follows:

(i) the provision of appropriate health and hygiene education; and

(ii) a toilet which is safe, reliable, environmentally sound, easy to keep clean, provides privacy and protection against the weather, well ventilated, keeps smells to a minimum and prevents the entry and exit of flies and other disease-carrying pests.

(b) All Registered Indigents shall be fully subsidised for sewerage levied.

(c) Residential properties with a value of R 60 000.00 or less are exempted from paying any sewerage charges.

(d) The subsidy shall not be more than the applicable tariff for that year and will be applied for the duration of that particular financial year. The subsidy shall form part of the Tariff Policy applicable for the financial year.

(4) Refuse Removal

(a) The minimum standard for basic refuse removal as prescribed in terms of paragraph 8 of the National Policy for the Provision of Basic Refuse Removal Services to Indigent Households, published under Government Notice 413 in Government Gazette No. 34385 of 22 June 2011, are as follows:

(i) Spatial and settlements demarcation for Basic Refuse Removal Services:

(aa) More than 40 (forty) dwelling units per hectare (high density): Frequent and reliable formal collection and disposal of solid waste to a landfill is required.

(bb) 10 (ten) to 40 (forty) units per hectare (medium density): Communal collection and formal disposal of household refuse and litter is required.

(cc) Less than 10 (ten) dwelling units per hectare (low density): On-site disposal of general household waste in areas so designated by the Municipality and in accordance with the relevant guidelines for on-site disposal provided by the Municipality.

(ii) Collection frequency (applicable to medium and high density settlements): The collection frequency is dependent on the composition and the volumes of waste generated. The most appropriate collection frequency in medium and high density settlements is set out as:

(aa) At least once a week for purely biodegradable domestic waste but on-site composting should be promoted.

(bb) At least once a month for recyclable materials in rural areas.

(cc) At least once fortnightly for recyclable materials in urban areas.

(iii) Issuance of free receptacles:

(aa) The Municipality must provide appropriate free receptacles for refuse storage.

(bb) The number of free receptacles provided for household should be calculated based on the number of individuals residing in the household.

(cc) The Municipality should device appropriate strategies to maintain a constant and consistent supply of such free receptacles.

(dd) Most communities do not consider the provision of skips as a "service". Where this alternative is unavoidable, the Municipality should ensure that the refuse is collected for placement in the skip as part of the service. Skips must be serviced frequently enough to avoid littering or dumping.

(b) All Registered Indigents shall be fully subsidised for the basic levy for refuse removal for one service connection as provided for by Council in the annual budget from time to time.

(c) Residential properties with a value of R 60 000.00 or less are exempted from paying any refuse removal charges.

(d) The subsidy shall not be more than the applicable tariff for that year and will be applied for the duration of that particular financial year. The subsidy shall form part of the Tariff Policy applicable for the financial year.

(5) Property Rates

(a) Notwithstanding the rebate provided for in the provisions of MPRA applicable to residential properties, all Registered Indigents shall be fully subsidised for the payment of property rates provided for by Council in the annual budget from time to time and subject to the provisions of the Municipal Property Rates Act.

(b) The subsidy shall not be more than the applicable tariff for that year, and will be applied for the duration of that particular financial year. This subsidy shall form part of the Tariff Schedule applicable for the financial year.

(6) Burials

In the event of the death of a member of a Registered Indigent household, the Municipality will exempt the household from the cost of digging and preparation of a grave, provided that the burial takes place in a municipal cemetery under the control and management of the Municipality. Such application must be in writing and accompanied by a certified copy of the Death Certificate, Burial Order and a sworn affidavit regarding the relationship of the applicant.

(7) Exclusion

Nothing in this policy shall be interpreted as creating any right in favour of an applicant or Registered Indigent to be supplied with any municipal services or to have municipal services provided to the Indigent Household where any municipal service is not currently available at such site. Subsidies awarded to Registered Indigents shall apply only to those municipal services available at the site.

CHAPTER 4

PROCESS MANAGEMENT

23. VALIDITY PERIOD

(1) Save for the provisions of sub-paragraph (2) below, the validity period of assistance will be for the duration that the applicant remains a Registered Indigent and whilst so registered meets the criteria for registration as an indigent. Indigent households, in terms of the audit and review process, will be subjected to scrutiny and occasional inspection to determine any change in status. The Municipality may at any time revoke the status of a Registered Indigent who no longer qualifies as such or who breaches terms of this policy or any other policy or by-law of the Municipality.

(2) Indigent support is granted to a Registered Indigent for a period of 12 (twelve) months from approval of the applicant's application for indigent support. A Registered Indigent must re-apply for indigent support at the end of the 12 (twelve) month period depending on his/her circumstances.

(3) A Registered Indigent shall lose their status as such and immediately cease to be entitled to any benefits as a Registered Indigent in the event that the Registered Indigent no longer qualifies in terms of this policy to be registered as an indigent. The Municipality shall remove the details of any person who whilst registered as an indigent ceases to qualify as such, from the Indigent Register.

24. ARREARS AND EXCESS USAGE OF ALLOCATIONS

(1) On becoming a Registered Indigent, the arrears on the account of the Registered Indigent may be written off as provided for in the Credit Control & Debt Collection Policy & By-Law of the Municipality.

(2) The Municipality may implement restrictions on the provisions of municipal services to Registered Indigents where the said municipal services are subsidised by the Municipality in terms of this policy. A Registered Indigent shall accept and consent to such restrictions as part of the terms and conditions upon which the Municipality provides indigent support to a Registered Indigent. Where restrictions are not possible the Registered Indigent shall be responsible for paying for the consumption utilised in excess of the approved subsidy quantity.

(3) Upon the approval of an application for indigent support the water and electricity meters and measuring devices on the premises to which the municipal services are being rendered or relate will be converted to prepayment meters, at the cost of the Municipality, in order to enforce restrictions and measure the provisions of the said municipal services.

(4) If a prepayment meter cannot be installed immediately, the Registered Indigent may be subjected to restriction measures to only allow for the monthly-subsidised municipal services.

(5) The writing off of any arrears is strictly subject to the provision that the premises to which the municipal services are being rendered or relate may not be sold within a period of 2 (two) years from the date that Registered Indigent is registered. In the case of the premises being sold inside a period of 2 (two) years the arrear debt, excluding any further accumulated interest,

will be recovered before a clearance certificate in terms of section 118 of the Systems Act is issued by the Municipality.

26. TERMINATION OF INDIGENT SUPPORT

Indigent support to a Registered Indigent will be terminated under the following circumstances:

(a) upon death of the Registered Indigent;

(b) upon sale of the premises to which the municipal services, which are being subsidised in terms of indigent support, are rendered or relate;

(c) when circumstances in the indigent household have improved to the extent where the income threshold, as determined by the Municipality in terms of this policy, is exceeded;

(d) if there is any tampering or interference with the meters or measuring devices or restriction devices installed at the premises to which the municipal services, which are being subsidised in terms of indigent support, are rendered or relate;

(e) if the Registered Indigent is found to misrepresent about his/her personal circumstances or has furnished false information regarding indigent status, in which case the following will apply:

(i) all arrears and interest as provided for in the Credit Control and Debt Collection Policy of the Municipality will be written back as if the write off had not taken place, and become payable immediately;

(ii) the credit control and debt collection measures as set out in the Credit Control & Debt Collection Policy and By-Law will apply; and

(iii) the Registered Indigent will not be eligible to apply for indigent support for a period of 5 (five) years.

27. AUDIT AND REVIEW

(1) The Municipality may conduct regular audits on Registered Indigents on the Indigent Register with regard to the information furnished by Registered Indigents, possible changes in status, the usage of allocations and debt collection measures applied and where necessary review the status of Registered Indigents. Registered Indigents shall be required to furnish such information as requested by the Municipality to conduct the audits from time to time.

(2) The frequency of audits will depend on the institutional capacity of the Municipality to do so. Quarterly targeted audits and reviews should be undertaken to ensure the verification and re-registration of each Registered Indigent at least once in a 3 (three) year cycle.

(3) The Municipality reserves the right to send officials or its agents to indigent households from time to time for the purpose of conducting an on-site audit.

(4) Where any doubt exists regarding the current status of a Registered Indigent, the matter should immediately be referred to the Indigent Committee for verification at any time.

28. EXIT PROGRAMME

(1) Registered Indigents and the members of the indigent household headed by that Registered Indigent must be prepared to participate in exit programmes co-ordinated by the Municipality in collaboration with other government departments and the private sector.

(2) As part of its broader poverty reduction programme the Municipality undertakes to provide for the participation and accommodation of indigent persons in its local economic development (LED) initiatives and in the implementation of integrated development programmes where possible. Registered indigent and indigent households must partake in these programmes if so required by the Municipality.

(3) The Municipality must promote exit from indigence by:

(a) identifying Registered Indigents for inclusion in public works projects;

(b) initiating local job creation projects such as cleansing operations, small infrastructure projects, etc;

(c) facilitation of opportunities to enter the informal trade market;

(d) facilitation of food security projects; and

(e) liaison with National and Provincial departments to include Registered Indigents and other indigent persons in their public works programmes.

CHAPTER 5

MISCELLANEOUS PROVISIONS

29. DRAFTING AND MAINTENANCE OF AN INDIGENT REGISTER

(1) The Chief Financial Officer or his/her delegate will be responsible to compile and administer the database for Registered Indigents registered in terms of this policy.

(2) Registration will take place in terms of this policy on a continuous basis and in accordance with the programme of quarterly targeted audits and reviews. The Municipality may decide to launch special registration campaigns from time to time.

(3) The Chief Financial Officer or his/her delegate will provide assistance to persons who cannot read or write, at such times and places as are specified in the notices published to indicate that the registration programme is to take place.

30. PENALTIES AND DISQUALIFICATION FOR FALSE INFORMATION

(1) Applicants will be required to sign and submit a sworn affidavit, to the effect that all information supplied is true and that all income, i.e. from formal and/or informal sources, is declared. Non-compliance will make the application for indigent support invalid.

(2) Any applicant who supply false information will be disqualified from further participation in the indigent support scheme and be liable for the immediate repayment of all subsidies received and all debts including arrears and

interest thereon that have previously been written off. The Municipality may furthermore institute criminal proceedings, as it may deem fit.

(3) Registered Indigents shall immediately notify the Municipality of any changes in his/her or the indigent household's indigent status or circumstances where such change would mean that the Registered Indigent no longer meets the criteria for registration.

31. METHOD OF TRANSFER AND THE VALUE OF THE SUBSIDY

(1) No amount of money shall be paid to any Registered Indigent, but the subsidy shall be transferred, credited or indicated ona monthly basis:

(a) towards the Registered Indigent's municipal account in respect of the premisesto which the municipal services, which are being subsidised in terms of indigent support, are rendered or relate; and/or

(b) on the prepayment metering system installed on the premises to which the municipal services, which are being subsidised in terms of indigent support, are rendered or relate.

(2) Any credits or subsidies shall be based on the monthly current account of the Registered Indigent only and in accordance with the Tariff Policy.

(3) Subsidies, credits and vouchers shall not be transferable and no unused portion shall carry forward.

32. RESTORING SERVICES TO QUALIFIED HOUSEHOLDS

When a person qualifies and is registered as a Registered Indigent, any municipal services rendered to or relating to the premises to which the indigent support relates

which are at that time disconnected or terminated by the Municipality, shall be reinstated by the Municipality without any cost to the Registered Indigent.If services are to be restricted, discontinued or terminated in terms of the Credit Control & Debt Collection Policy after the Registered Indigent was registered as such, the approved tariff for reconnection will be payable by the Registered Indigent.

33. DEPOSITS

(1) In terms of the Credit Control & Debt Collection Policy and By-Law of the Municipality, all consumers must apply for the provision of municipal services before such services are rendered to a particular premises and such services will only be rendered once the consumer's application is approved by the Municipality and a written service agreement is concluded, at which time the consumer becomes a customer of the Municipality. On application for the provision of municipal services the consumer applying for the rendering of the municipal services must pay a deposit as prescribed by the Municipality.

(2) For the purposes of this policy and the rendering of indigent support to Registered Indigents, accounts will be opened for Registered Indigents without requiring the payment of any deposit. This is made possible through the fact that the value of services levied against these accounts is fully offset on a monthly basis against the applicable subsidy. This arrangement will immediately terminate if the status of the Registered Indigent changes.

(3) Where a person is registered as an indigent, the Municipality may, if it has not already done so, appropriate any deposit for services to the arrears before effecting any write off.

Where a person is allocated housing as per the RDP project, accounts will be opened without requiring any deposit.

34. MONITORING AND REPORTING

The Chief Financial Officer must report monthly on the status and implementation of indigent support in the Municipality to the Municipal Manager, via the Municipality's Service Delivery and Budget Implementation Plan to enable the Municipal Manager to report to Council and other interested parties.Such report shall reflect, with reference to the financial year and month to which the report relates, on the:

(a) number of application for indigent support received;

(b) the number of application for indigent support approved;

(c) number of Registered Indigents currently in the Municipality;

(d) amount of subsidy allocated per subsidy category;

(e) total amount spent by the Municipality on indigent support;

(f) amount of debt accumulating and debt recovery information (number of customers; enquires; arrangements for the paying off of debt in instalments; growth or diminishing of arrear debtors; ideally divided into wards, domestic, state, institutional and other such divisions);

(g) performance against targets set in respect of indigent support and poverty relief and in particular with regard to the following:

  (i) number of applications for indigent support dealt with;

  (ii) time taken to process and finalise applications;

  (iii) site visits undertaken; and

  (iv) awareness and exit initiatives;

(h) changes in the status of Registered Indigents.

35. CAPACITY BUILDING

The Municipality must ensure that all officials and councillors are appropriately capacitated in the contents, effect, implementation and workings of this policy in

order to ensure that this policy is implemented and extended to indigent persons who need the support extended by this policy to them.

36. IMPLEMENTATION AND REVIEW OF THIS POLICY

(1) This policy shall be implemented once approved by Council as part of the budgetary policies of the Municipality, as referred to in the provisions of regulation 7 of the Municipal Budget & Reporting Regulations, 2008, and section 17(3)(e), section 21(1)(b)(ii)(bb), section 22(a)(i) and section 24(2)(c)(v) of the MFMA.

(2) In terms of the provisions of section 17(1)(e) of the MFMA this policy must be reviewed on annual basis and the reviewed policy tabled to Council for approval as part of the budget process.

APPLICATION TO BE REGISTERED ASA REGISTERED INDIGENT

MUNICIPAL ACCOUNT INFORMATION

Account No.:			Date of application:		
Account Name:			Erf No.:		
Street name:					
House No.:		Pre-paid No.:			
Total valuationbelow a R100 000.00:	YES / NO		Tax Rebate form:	YES / NO	

APPLICANT'S PERSONAL INFORMATION

Surname of applicant:				
Full Names:				
Identity Number:				
Physical address:				
Postal address:			Postal Code:	
Telephone No.:	Home:		Work:	
	Cell:		Fax:	
Marital Status:	Married	Single	Divorced	Widowed
Husband/Life partner:	Birth date:		ID Number:	
Wife/Life partner:	Birth date:		ID Number:	
Husband's Pension No.:			Wife's Pension No.:	
Name of Employer of applicant:				
Employer's address:				
Contact number of Employer:				

(delete which is not applicable)	
1. Do you own a motor vehicle?	YES / NO
If Yes, what is the registration number?	
2. Do you have a clothing/furniture account?	YES / NO
3. Do you have a spaza shop or any other business activity on the premises to which the municipal services are rendered or relate to?	YES / NO
If Yes, what is your gross monthly income from that business?	R
4. Do you have tenants in your premises?	YES / NO
If Yes, how many tenants do you have?	
What is your total rental income?	R
5. Do you own other property?	YES / NO
If Yes, address of property(ies):	

Personal particulars of all occupants above the age of 18 years residing on the premises to which the municipal services are rendered or rebate to:

ID Number	Surname	Initials	Employed (Yes/No)	Gross monthly income	Source of income

DOCUMENTS REQUIRED

The applicant is required to submit the following documents and the Municipality will not process the application if the required documentation is not provided.

(a) the latest municipal account for the household, if there is such an account;

(b) a certified copy of the account holder's and/or applicant's identity document;

(c) proof of the income of <u>all</u> occupants residing on the premises to which the municipal services are rendered (or to be rendered) or relate, above the age of 18 (eighteen) years, i.e. a letter

from his/her employer, salary slip/envelope, pension card, unemployment insurance fund (UIF) card or a certificate that confirms registration as "looking for employment";

(d) bank statements of all the occupants residing on the premises above the age of 18 (eighteen) years, for the last 3 (three) months, certified by the bank and a sworn affidavit from each occupant that no other bank accounts exist;

(e) in the absence of any proof to be submitted either through sub-paragraphs (c) or (d) above, a sworn affidavit must be submitted by the applicant together with the documentation required in terms of paragraphs (a) and (b) above;

(f) written proof of property ownership or written proof of the existence of the criteria set out in paragraph 13(1)(b)(ii) of the Indigent Policy of the Municipality which are as follows:

(i) 2 (two) affidavits from mayor persons confirming that the applicant is a child heading a household accompanied by the death certificate(s) of the child's parents and written proof that the residential property is registered in the name of the deceased parent or deceased parents of that child; or

(ii) the divorce order awarding the residential property to the applicant; or

(iii) the appointment letter of the executor of the estate and affidavit by the executor confirming that one of the following scenarios is applicable:

(aa) the residential property is registered in the name of the deceased and the applicant is the heir to whom the registered property has been bequeathed;

(bb) the applicant is the surviving spouse who was married in community of property to the deceased, together with any other heirs, if any, and that the residential property is registered in the name of that deceased; or

(cc) that a portion of the residential property is registered in the name of the deceased and that the applicant is the surviving registered owner of the remainder or a portion of the remainder of the property; and

(g) such other documentation as the Municipality reasonably determines from time to time.

DECLARATION BY APPLICANT

I the undersigned, _____ **(full names and surname printed)** hereby apply to be registered as a Registered Indigent in order to receive indigent support in terms of the Indigent Policy of the Municipality, and do solemnly hereby declare under oath that:

(a) All the particulars furnished by me in this form, including the total gross income of myself and all the occupants above the age of 18 years residing on the premises, are to the best of my knowledge true and correct;

(b) I undertake that if the particulars furnished in this form should change for any reason, I will immediately notify theMunicipality in writing thereof;

(c) I, nor any other occupant residing on the premises, own any other immovable property in the Republic of South Africa, apart from the property indicated on the account for which this application is made;

(d) I understand that should my monthly consumption exceed the free allocation of water and remain unpaid, my supply may be restricted by a flow control washer or any other method the Municipality may deem fit, and I will then only have access to my free allocation of water;

(e) I understand and agree that I may be subjected to restriction measures to only allow for the monthly subsides municipal services;

(f) I agree that if I have misrepresented myself in the qualifying criteria in order to benefit from Municipality's indigent support, I would be committing an offence and all benefits that have been received in terms of the indigent support will be reversed. Any amounts due will be for my account and I will be subject to normal debt collection procedures;

(g) I am a South African citizen,

(h) The Municipality may conduct any investigation, internal or external, including credit checks at any credit bureau to confirm any of the information provided by me and I hereby agree to any on-site visit by and municipal official;

(i) I accept that his application, if successful, will only be valid for 12 (twelve) months from date of approval and the onus will be on me to re-apply, if necessary, the end of the 12 (twelve) month period;

(j) This application will be subject to the terms and conditions as contained in the Indigent Policy of the Municipality as well as the Credit Control & Debt Collection Policy and By-Law of the Municipality;

(k) I agree that the information contained in this document is not confidential. A list of approved applicants (Registered Indigents) will be handed to Councillors, and will be publicly displayed;

(l) Due to the uncertainty of the availability of funds, the amount of allocation as well as the period of payment cannot be guaranteed by the Municipality.

_____ _____

SIGNATURE/THUMB PRINT OF APPLICANT DATE

Signed and sworn before me at _____ on this the _____ day of _____ 20___, the deponent having acknowledged that he/she knows and understands the contents of this declaration and that he/she has no objection to the taking of the prescribed oath and that he/she considers it binding on his/her conscience. I certify that the provisions of Regulation R.1258 of 21 July 1972 have been complied with.

_____ _____

COMMISSIONER OF OATHS FULL NAMES **SIGNATURE**

COMPLETED BY:	
COUNCILLOR:	

CHECKED BY:_____ **DATE:**_____

APPROVED/NOT APPROVED:

ACCOUNTANT:_____ **DATE:**_____

CAPTURED BY:_____ **DATE:**_____

VERIFICATION FORM

Name: Verification Officer	
Ward number:	
Address visited:	
Date visited:	
Individual consulted:	
Declaration by Verification Officer	
I declare that I paid a visit to the premises as stated above. I am in possession of a copy of the prescribed application form and declare that the details contained therein have been verified by me. I am of the opinion that the contents of the application form are true and correct/false or incomplete.	
If false or incomplete, complete the following:	
Recommendation:	
Reasons for my decision:	
I, _____ (full names), , recommend that support is not granted. _____ _____ SIGNED DATE	
If information found to be correct, complete the following:	

I, _____ (full names),

, recommend that support be granted.

_____ _____

SIGNED DATE

Date received back from Verification Officer:

INDIGENT POLICY

POLICY REVIEW MANAGEMENT INFORMATION			
NAME & SURNAME	**DESIGNATION**	**SIGNATURE**	**DATE**
Louisa Mokotedi	Unit Manager Revenue Management		30/03/17
Paul Malatsi	Acting Chief Financial Officer		30/03/2017
Lucky Molotsane	Head Legal Unit		30/3/2017
Tshenolo Lefutswe	Acting Municipal Manager		30/3/2017

DRAFT 2017

RUSTENBURG

LOCAL MUNICIPALITY

CREDIT CONTROL AND DEBT COLLECTION POLICY

PREAMBLE

(1) **WHEREAS** section 152(1)(b) of the Constitution of the Republic of South Africa, Act 108 of 1996 (hereinafter referred to as "the Constitution") provides that one of the objects of Local Government is to ensure that the provision of services to communities occurs in a sustainable manner;

(2) **AND WHEREAS** section 153(a) of the Constitution provides that a Municipality must structure its administration, budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community;

(3) **AND WHEREAS** section 195(1) of the Constitution provides that the public administration must be governed by the democratic values and principles enshrined in the Constitution, including:

- The promotion of the efficient, economic and effective use of resources;
- The provision of services impartially, fairly, equitably and without bias; and
- The fact that people's needs must be responded to;

(4) **AND WHEREAS** section 18(1)(a), read with sub-section (2) of the Municipal Finance Management Act, Act 56 of 2003 (hereinafter referred to as "the MFMA") provides that an annual budget of the Municipality should be funded from realistically anticipated revenues to be collected taking into account projected revenue for the current year based on collection levels to date and the actual revenue collected in the previous financial years;

(5) **AND WHEREAS** section 4(1)(c) of the Local Government: Municipal Systems Act, Act 32 of 2000 (hereinafter referred to as "the Systems Act") provides that the Council of a Municipality has the right to finance the affairs of the Municipality by charging fees for services, imposing surcharges on fees, rates

on property and, to the extent authorised by national legislation, other taxes, levies and duties;

(6) **AND WHEREAS** section 5(1)(g), read with sub-section (2)(b) of the Systems Act provides that members of the local community have the right to have access to municipal services which the Municipality provides provided that, where applicable and subject to the policy for Registered Indigent debtors, they pay promptly for services and pay the fees, surcharges on fees, other taxes, levies and duties imposed by the Municipality;

(7) **AND WHEREAS** section 6(2)(c), (e) and (f) of the Systems Act, provides that the administration of a Municipality must take measures to prevent corruption, give members of a local community full and accurate information about the level and standard of municipal services that they are entitled to receive, and inform the local community about how the Municipality is managed and of the costs involved and the persons in charge;

(8) **AND WHEREAS** in terms of the provisions of section 95 of the Systems Act, the Rustenburg Local Municipality (hereinafter referred to as "the Municipality"), in relation to the levying of rates and other taxes and the charging of fees for municipal services and within its financial and administrative capacity, must:

(a) establish a sound customer management system which aims to create a positive and reciprocal relationship between persons liable for these payments and the Municipality, and where applicable a service provider;

(b) establish mechanisms for consumers of municipal services and ratepayers to give feedback to the Municipality or other service provider regarding the quality of the municipal services and performance of the service provider;

(c) take reasonable steps to ensure that users of municipal services are informed of the costs involved in municipal service provision, the

reasons for the payment of municipal service fees and the manner in which monies raised from such municipal service are utilised;

(d) where the consumption of municipal services has to be measured, take reasonable steps to ensure that the consumption by individual users of municipal services is measured through accurate and verifiable metering systems;

(e) ensure that persons liable for payments receive regular and accurate statements that indicate the basis for calculating the amounts due;

(f) provide accessible mechanisms for those persons to query or verify statements and accounts and metered consumption;

(g) provide accessible mechanisms for dealing with complaints from such persons, together with prompt replies and corrective action by the Municipality which includes the declaring of disputes and procedures which allows for the dealing with such disputes;

(h) provide mechanisms to monitor the response time and efficiency in complying with sub-paragraph (g) above; and

(i) provide accessible pay points and other mechanisms for settling accounts or for making pre-payments for municipal services;

(9) **AND WHEREAS** and in terms of the provisions of section 96 of the Systems Act, the Municipality must collect all money which is due and payable to it subject to the provisions of the Systems Act and other applicable legislation and for this purpose must adopt, maintain and implement a Credit Control and Debt Collection Policy which complies with the provisions of the Systems Act and is consistent with the Rates and Tariff Policies of the Municipality;

NOW THEREFORE the Municipality has adopted this policy in compliance with the provisions of the above referred to sections and specifically the provisions of section 97 of the Systems Act, to be known as the "Credit Control and Debt Collection Policy" which provides the contents for this policy.

THE RUSTENBURG LOCAL MUNICIPALITY:

CREDIT CONTROL AND DEBT COLLECTION POLICY

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CHAPTER 1

INTRODUCTORY PROVISIONS

1. DEFINITIONS

In this policy, except where the context otherwise indicates or it is expressly stipulated otherwise, the following words and expressions shall have the respective meanings assigned to them hereunder and words or expressions to which a meaning has been assigned in terms of the provisions of the Systems Act and the Tariff Policy or By-Law or the Rates Policy or By-Law of the Municipality, will have a corresponding meaning assigned thereto in terms of such policies or by-laws. All headings are included for convenience only and shall not be used in the interpretation of any of the provisions of this policy.

NO.	WORD/EXPRESSION	DEFINITION
	"A"	
1.1	**"account"**	Means the account opened for a customer in the financial system of the Municipality and in respect of which an account number is allocated, and in context also refer and include the entries and activities and/or arrears reflected on the account, containing and reflecting the liability of the consumer for the payment of rates, tariffs, levies, fees and the consumption of municipal services, which includes charges in respect of the following: (a) electricity consumption; (b) water consumption; (c) refuse removal and disposal; (d) sewerage services and sewer availability fees; (e) interest; and (f) miscellaneous and sundry fees and collection charges.

1.2	**"arrears"**	Means any amount due, owing and payable in respect of rates, tariffs, levies, fees and for the consumption of municipal services in terms of this policy and includes *inter alia*: (a) the principal amount; (b) collection charges; (c) interest; (d) default charges; (e) connection and disconnection fees; (f) any other amount owed to the Municipality not referred to above; and which was not paid on or before the payment date.
	"B"	
1.3	**"billing"**	Means proper notification and invoicing of a statement to a customer of amounts levied for rates, tariffs, levies, fees and the consumption of municipal services including all other amounts and charges due in terms of this policy as well as the net accumulated balance of the account.
1.4	**"billing cycle"**	Means the time period in respect of which a customer is liable to effect payment to the Municipality for rates, tariffs, levies, fees and consumption of municipal services, being a monthly cycle in respect of the tariffs, levies, fees and consumption of municipal services, and either a monthly or an annual cycle in respect of rates, and which cycle ends on the payment date.
	"C"	
1.5	**"Chief Financial Officer"**	Means a person appointed by the Council and designated by the Municipal Manager of the Municipality to manage the financial administration of the Municipality and who remains directly

		accountable to the Municipal Manager as contemplated in terms of the provisions of section 80(2)(a) read with the provisions of section 1 and section 81 of the MFMA.
1.6	**"collection charges"**	Means all costs incurred by the Municipality during the process of recovering monies due and payable to it, or arrears, including the charges which may be recovered by the Municipality in terms of section 75A of the Systems Act and includes: (a) the cost of reminding a customer of monies due and payable or arrears; (b) the cost of the termination, disconnection, restriction and reinstatement of municipal services; (c) the cost of any notice rendered, sent or delivered; (d) all legal cost, including attorney and client cost incurred in the recovery of arrears; and (e) any commission and other expenses relating to the recovery of arrears payable by the Municipality to any person or service provider.
1.7	**"consumer"**	Means any person or entity consuming or receiving municipal services, and may include a customer or a tenant of a customer irrespective of whether such a person has concluded a service agreement with the Municipality, and may also include a person who illegally and unlawfully connects to the municipal services infrastructure or who illegally and unlawfully gains access to or usage of the municipal services or who consumes any municipal services unlawfully.
1.8	**"Council"**	Means the Municipal Council of the Municipality as referred to and constituted in terms of the provisions of section 157 of the Constitution.
1.9	**"credit control"**	Includes all the functions relating to the collection

		of monies owed to the Municipality by consumers. Credit control under this definition starts once an account is in arrears or any consumer connects to any service infrastructure or consumes any municipal service lawfully or unlawfully.
1.10	**"credit controller"**	Means a person appointed by the Municipality to manage *inter alia*, the financial and administration credit control and debt collection of the Municipality's debtors.
1.11	**"customer"**	Means the owner of the premises or in exceptional circumstances a tenant, and includes a person or entity liable to the Municipality for the payment of tariffs, levies, fees and municipal consumption charges in terms of a service agreement concluded with the Municipality, and may include a person who applied to the Municipality to become a Registered Indigent in terms of the Indigent Policy, and who is not the owner of the premises, but who is: (a) the child in control of a child-headed household where the residential property is registered in the name of the deceased parent or deceased parents of that child; or (b) the party to whom the residential property is awarded in the event of a divorce; or (c) where a deceased estate has not been wound up: (i) in the case of a deceased estate, in whose name the residential property is registered, any heir to whom the registered property has been bequeathed; or (ii) a surviving spouse, where the surviving spouse was married in community of property to the deceased, and where the

		residential property is registered in both spouses' names, and the surviving spouse is the sole heir; or (iii) a surviving spouse, who was married in community of property to the deceased, together with any other heirs, if any, where the residential property is registered in the name of that deceased; or (iv) in the case where a portion of a residential property is registered in the name of a deceased estate, the surviving registered owners together with the heirs to the deceased estate; and who simultaneously with the application for indigent support in terms of the Indigent Policy, applied for the provision of municipal services in terms of this policy to be granted an account and to conclude a service agreement with the Municipality, and whose application has been approved by the Municipality, and as such has concluded a service agreement with the Municipality.
1.12	**"customer management"**	Means focusing on the customer's needs in a responsive and proactive manner to encourage payment, thereby limiting the need for credit control.
"D"		
1.13	**"day(s)"**	Means a normal calendar day which include a Saturday, Sunday and public holidays.
1.14	**"debt collection"**	Means the functions relating to the collection of arrears and includes the restructuring of such debt, and procedures and mechanisms for the collection of all monies due and payable to the Municipality in terms of this policy, and in respect of rates, tariffs,

		levies, fees and municipal consumption charges for municipal services, in order to ensure financial sustainability and the uninterrupted delivery of municipal services in the interest of the community.
1.15	**"debtor"**	Means any person, including a customer or consumer, who has failed to make payment of a debt due, owing and payable to the Municipality on or before the payment date.
1.16	**"dispute"**	Means a dispute as contemplated in terms of the provisions of section 102(2) of the Systems Act.
	"E"	
1.17	**"equipment"**	Includes any building or other structure, pipe, pump, wire, cable, meter, engine, any apparatus, tools, device, connection system or network, service protection device, reticulation network or supply mains or any part of any of the aforegoing supplied or used in the supply, distribution or conveyance of municipal services or the measurement of consumption of such services, or any other accessories to any of the aforementioned.
1.18	**"exceptional circumstances"**	Means such circumstances which in the sole discretion of the Chief Financial Officer constitute an exception.
1.19	**"Executive Mayor"**	Means the Executive Mayor of the Municipality as elected in terms of section 55 of the Structures Act.
	"H""	
1.20	**"household"**	Means the total number of persons who permanently resides and occupy a single premise for residential purposes.
	"I"	
1.21	**"indigent support"**	Means the financial and other support, discounts, subsidies and assistance which the Municipality renders to Registered Indigents and households

		headed by Registered Indigents in terms of the Indigent Policy of the Municipality.
1.22	**"interest"**	Means the charge levied on arrears as referred to in the provisions of section 75A(1)(b) of the Systems Act and at the rate as resolved by the Council.
	"M"	
1.23	**"Mayoral Committee"**	Means the Mayoral Committee as envisaged in terms of the provision of section 60 of the Structures Act.
1.24	**"MFMA"**	Means the Local Government: Municipal Finance Management Act, Act 56 of 2003.
1.25	**"MPRA"**	Means the Local Government: Municipal Property Rates Act, Act 6 of 2004.
1.26	**"Municipality"**	Means the RUSTENBURG LOCAL MUNICIPALITY (also referred to as "RLM") a local government and legal entity with full legal capacity as contemplated in section 2 of the Systems Act read with the provisions of Chapter 7 of the Constitution and sections 12 and 14 of the Structures Act, with its main place of business and the offices of the Municipal Manager, as envisaged in terms of the provisions of section 115(3) of the Systems Act, at: Missionary Mpheni House, CNR NELSON MANDELA & BEYERS NAUDE STREET, RUSTENBURG, NORTH WEST PROVINCE, and may, depending on the context, include: (a) its successor in title; or (b) a functionary, employee or official exercising a delegated power or carrying out an instruction, in the event of any power being delegated as contemplated in terms of the provisions of section 59 of the Systems Act, or exercising any lawful act in the furtherance of the Municipality's duties, functions and powers; or

		(c) an authorised service provider fulfilling a responsibility assigned to it by the Municipality through a service delivery agreement.
1.27	**"Municipal Manager"**	Means the Municipal Manager of the Municipality appointed in terms of the provisions of section 54A of the Systems Act and as referred to in the definition of "Accounting Officer" in section 1 of the MFMA, and also referred to in section 60 of the MFMA, and includes a person acting as an Accounting Officer, or the person to whom the Accounting Officer has delegated his/her authority to act.
1.28	**"municipal services" or "services"**	Means a service that a Municipality provides or may provide in terms of its powers and functions to or for the benefit of the local community irrespective of whether: (a) such service is provided or to be provided by the Municipality through an internal mechanism contemplated in section 76 of the Systems Act or by engaging an external mechanism contemplated in section 76; or (b) fees, charges or tariffs are levied in respect of such service or not.
	"O"	
1.29	**"occupier"**	Means any person who occupies premises or part thereof, without taking cognisance of the title under which he or she occupies the premises.
1.30	**"official application form"**	Means the application form provided in Schedule 1 to this policy.
1.31	**"owner"**	Means: (a) the person in whose name the property is registered; (b) in the case where the person in whose name the property is registered, is insolvent or

		deceased, or is disqualified in terms of any legal position, the person who is responsible for administration or control of the property as curator, trustee, executor, administrator, legal manager, liquidator, usufructuary, servitude holder or any other duly authorised of appointed representative; (c) in the case where the Municipality or service provider is unable to establish the identity of such person, the person who is entitled to derive benefit from the property or any buildings thereon; (d) in the case of a lease agreement entered into for a period of 30 (thirty) years or longer, or for the natural life of the lessee or any other person mentioned in the lease, or is renewable from time to time at the will of the lessee indefinitely or for a period of periods which, together with the first period of the lease, amounts to 30 (thirty) years, the lessee or any other person to whom he has ceded his right, title and interest under the lease, or gratuitous successor to the lessee; (e) in relation to: (i) a piece of land delineated on a sectional title plan and which is registered in terms of the Sectional Title Act, Act 95 of 1986, without limiting it to the developer or body corporate in respect of the common property; (ii) a section as defined in the Sectional Title Act, Act 95 of 1986, the person in whose name that section is registered in terms of a "sectional title deed", including the lawfully appointed representative or agent of such person;

		(f) any legal entity including but not limited to: (i) a company registered in terms of the Companies Act, Act 61 of 1973, a trust inter vivos, trust mortis causa, a close corporation registered in terms of the Close Corporation Act, Act 69 of 1984 and any voluntary organisation; (ii) any provincial or national government department, or local authority; (iii) any Council or management body established in terms of any legal framework applicable to the Republic of South Africa; and (iv) any embassy or other foreign entity in whose name the property is registered; (g) in relation to property owned by the Municipality and which has been disposed of, but which has not been transferred to the person to whom it has been disposed of, from the date of the disposition concerned, such person; and (h) in relation to property owned by or under the control or management of the Municipality while held under a lease or any express or tacit extension thereof or under any other contract or under servitude or right analogous thereto, the person so holding the immovable property.
"P"		
1.32	**"payment date"**	Means the date by which any amount due, owing and payable should have been paid.
1.33	**"person"**	Means any natural or juristic person, local government body or like authority or an organ of state as defined in terms of section 239 of the

		Constitution, a company incorporated under any law, a body of persons whether incorporated or not, a statutory body, public utility body, voluntary association, club or trust.
1.34	**"prepayment meter"**	Means a meter whereby payment for municipal services is first made elsewhere and credit is transferred to such meters by means of a token or coded number or credit card or other means and such meter is programmed and dispenses pre-purchased municipal services as it is consumed by the consumer at a predetermined rate or charge.
1.35	**"prepayment measuring system"**	Means a meter and ancillary devices, approved by the Municipality designed to measure and allocate to a consumer the quantity of municipal services pre-purchased by the consumer.
1.36	**"premises"**	Means any property or any building or structure above or below ground levels on property and may include any vehicle, aircraft or vessel.
1.37	**"property"**	Means: (a) immovable property registered in the name of a person/owner including in the case of a sectional title scheme, a sectional title unit registered in the name of any person/ owner; (b) a right registered against immovable property in the name of a person excluding a mortgage bond registered against the property; (c) any piece of land, the external surface boundaries of which are delineated on: (i) a general plan or diagram registered in terms of the Land Survey Act, Act 9 of 1927 or in terms of the Deeds Registries Act, Act 47 of 1937 or; (ii) a sectional plan registered in terms of the Sectional Titles Act, Act 95 of 1986;

		which is situated within the area of the Municipality; (d) a land tenure right registered in the name of a person or granted to a person in terms of legislation; or (e) public service infrastructure.
	"R"	
1.38	**"rates"**	Means a municipal rate on property levied in terms of section 229(1)(a) of the Constitution and section 2(1) the MPRA.
1.39	**"Registered Indigent"**	Means a person who has applied to the Municipality in terms of the Indigent Policy to be registered as a Registered Indigent, whose application was approved by the Municipality, and who is indicated as a Registered Indigent on the Indigent Register as contemplated in the Indigent Policy of the Municipality.
	"S"	
1.40	**"service agreement"**	Means the written agreement concluded between the Municipality and a customer for the provision of municipal services to premises once the Municipality has approved the customers official application form for the rendering of such services to the customer and which contains the terms and conditions upon which the Municipality will render such services to the customer.
1.41	**"service provider"**	Means the Municipality as well as any external entity that provides municipal services to the consumer on behalf of the Municipality, pursuant to a service delivery agreement entered into with Municipality in terms of section 80 of the Systems Act, and may also include any authorised agent of the Municipality.
1.42	**"statement"**	Means the statement furnished to a customer

		reflecting the status of the account of the customer, or the liability of the consumer where such a consumer has no account, for the payment of rates, tariffs, levies, fees and the consumption of municipal services and which reflects the amount due to the Municipality by such customer/consumer in respect of the rates, tariffs, levies, fees and municipal services consumed and which includes charges in respect of the following: (a) electricity consumption; (b) water consumption; (c) refuse removal and disposal; (d) sewerage services and sewer availability fees; (e) interest; and (f) miscellaneous and sundry fees and collection charges.
1.43	**"Structures Act"**	Local Government: Municipal Structures Act, Act 117 of 1998.
1.44	**"Systems Act"**	Local Government: Municipal Systems Act, Act 32 of 2000.
	"T"	
1.45	**"tamper"**	Means any interference with, damage to, alteration of, by-passing of any connection to, or removal of any equipment and includes the consumption of or use of any municipal services not in accordance with this policy.
1.46	**"tariff policy"**	Means the Tariff Policy of the Municipality as envisaged in terms of the provisions of section 74 of the Systems Act.
1.47	**"Tariff Schedule"**	Means the Tariff Schedule as referred to in the Tariff Policy and approved by Council.
1.48	**"tenant"**	Means a person who is entitled to the use and enjoyment of premises for the payment of rent as a

		result of an agreement concluded with a person who has the right to extent such rights regarding the premises.
1.49	**"this policy"**	Means the Credit Control and Debt Collection Policy of the Municipality.

2. AIM AND PURPOSE

(1) This policy constitutes the policy of the Municipality as contemplated in terms of the provisions of section 96(b) of the Systems Act, read with the provisions of section 97 of the same act.

(2) This policy further provides for and gives effect to those matters set out in the provisions of section 95 of the Systems Act.

(3) The aim and purpose of this policy is to:

(a) ensure that all monies due and payable to the Municipality in respect of rates, tariffs, fees, levies, municipal services, surcharges on such fees, charges, tariffs, levies and interest which has accrued on any amounts due and payable in respect of the aforegoing and any collection charges in respect thereof, are collected promptly and efficiently;

(b) provide for credit control and debt collection procedures and mechanisms;

(c) provide relief for Registered Indigent account holders;

(d) provide for the setting of realistic targets consistent with generally recognised practices and collection ratios and the estimates of income as set out in the annual budget of the Municipality less the acceptable provision for bad debt as provided in Chapter 6 of this policy;

(e) provide for the levying of interest on arrears;

(f) provide for collection charges on the payment of any arrears;

(g) provide for the extension of time for the payment of arrears;

(h) provide for the dealing with disputes declared in terms of the provisions of section 102(2) of the Systems Act;

(i) provide for matters relating to the unauthorised consumption, theft and/or damages of or to equipment or municipal services;

(j) to provide for conditions relating to the supply of municipal services and the termination of municipal services or for restrictions on the provisions of municipal services when payments are in arrears;

(k) to provide for mechanism whereby statements or meter reading services may be queried or verified;

(l) to provide for mechanisms where irrecoverable debt is written off;

(m) to provide for penalties for non-compliance with the policy;

(n) to provide for incentives and disincentives in order to ensure cost effective debt collection; and

(o) to enable the Municipality to collect all budgeted income in order to fund its operational requirements in respect of service delivery to the community within its municipal area.

3. TITLE AND APPLICATION

(1) This policy is known as the Credit Control and Debt Collection Policy of the Rustenburg Local Municipality and is applicable to the municipal area of the Municipality.

(2) This policy revokes and replaces all previous policies, decisions and/or *ad hoc* paragraphs within any other policy, regarding the subject matter of this policy.

(3) This policy further applies to all monies due and payable to the Municipality for:

(a) rates levied in terms of the MPRA;

(b) fees, charges and tariffs levied in terms of section 75A of the Systems Act;

(c) the provision of municipal services by the Municipality, respective of whether such municipal service(s) is provided by the Municipality itself or on behalf of the Municipality through a service provider;

(d) interest which has or will accrue in respect of any arrears;

(e) collection charges; and/or

(f) municipal services provided through prepayment meters, as well as any fees, surcharges on fees and/or tariffs in respect thereof.

4. COMMENCEMENT AND VALIDITY

This policy shall come into full force and effect upon the acceptance hereof by the Council of the Municipality by resolution.

5. RESPONSIBLE AUTHORITY

(1) The responsible authority for the adoption and implementation of this policy is the Municipality and where applicable the Council of the Municipality.

(2) The Executive Mayor of the Municipality, in collaboration with his/her Mayoral Committee, as the supervisory authority in terms of the provisions of section 99 of the Systems Act, is responsible for and must:

(a) oversee and monitor the implementation and enforcement of this policy as well as the Credit Control and Debt Collection By-Law of the Municipality;

(b) oversee and monitor the performance of the Municipal Manager in implementing this policy and the Credit Control and Debt Collection By-Law of the Municipality;

(c) if and when necessary, evaluate or review this policy or the Credit Control and Debt Collection By-Law of the Municipality, in order to improve the efficiency of the credit and debt collection mechanisms, processes and/or procedures; and

(d) at such intervals as may be determined by the Council, report to a meeting of the Council on the execution of its supervisory duty.

(3) The Municipal Manager or any service provider, as the implementing authority in terms of the provisions of section 100 of the Systems Act, is responsible for and must:

(a) implement and enforce this policy and the Credit Control and Debt Collection By-Law of the Municipality;

(b) establish effective administrative mechanisms, processes and procedures in order to collect monies due and payable to the Municipality in accordance with this policy and the Credit Control and Debt Collection By-Law of the Municipality; and

(c) at such intervals as may be determined by the Council report the prescribed particulars to a meeting of the supervisory authority referred to in sub-paragraph (2) above.

6. GENERAL PRINCIPLES FOR CREDIT CONTROL AND DEBT COLLECTION

(1) The administrative integrity of the Municipality must be maintained in the implementation and enforcement of this policy.

(2) All customers must complete an official application form, formally requesting the Municipality to provide municipal services to such customers and to a specific premise. The rights and obligations of the customer and the Municipality are set out in the service application form and the service agreement, as well as the terms and conditions upon which the Municipality will provide the municipal services to the customer.

(3) Upon the approval of an application by the Municipality, the official application form will constitute a service agreement between the customer and the Municipality, which service agreement sets out the terms and conditions upon which the Municipality will provide the municipal services to such customer. The Municipal Manager may from time to time direct that a new service agreement be concluded with existing customers. The credit-worthiness and other information which the Municipality deems necessary in order to approve an application may be obtained and confirmed by the Municipality.

(4) A copy of the official application form, the terms and conditions upon which the Municipality will provide the municipal services and extracts of this policy and the relevant Credit Control and Debt Collection By-Law of the Municipality, must be handed to every customer upon request at such fees as may be prescribed by Municipality.

(5) The Municipality will render a statement to the customer and will endeavour to cause it to be accurate and understandable and to be delivered to an address indicated by the customer.

(6) The customer is entitled to reasonable access to pay points and to a variety of reliable payment methods.

(7) The customer is entitled to efficient, effective and reasonable responses to enquiries and the resolution of disputes.

(8) Enforcement of payment, collection of arrears and the termination or restriction of municipal services for non-payment must be prompt and consistent.

(9) Unauthorised consumption, connection and reconnection of municipal services, the tampering with or theft of meters, municipal service supply

equipment and the reticulation network and any fraudulent activity in connection with the provision of municipal services will lead to summary disconnections, penalties, loss of rights and criminal prosecution.

(10) Incentives and disincentives may be used as part of the debt collection procedures.

(11) The debt collection process must be cost-effective and efficient.

(12) The effectiveness of the implementation of this policy by the Municipality will be regularly and efficiently reported on and monitored.

(13) The official application forms will be used to, *inter alia*, identify the category of customers according to this policy, credit risk and to determine the relevant levels of municipal services and deposits required as well as the premises in respect of which these municipal services should be rendered.

(14) Targets for performance in both customer service and debt collection will be set and pursued, as well as remedies implemented for non-performance.

(15) Customers that meet the criteria of the Municipality set out in the Indigent Policy to be recognised as Registered Indigents must be identified and supported, but must take note that their status as Registered Indigents will be listed for credit rating and reporting purposes.

CHAPTER 2

DUTIES AND FUNCTIONS

7. DUTIES AND FUNCTIONS OF THE COUNCIL AND/OR MUNICIPALITY

(1) To approve a budget in terms of the applicable provisions of the MFMA, consistent with the Integrated Development Plan of the Municipality and having regards to the needs of communities, ratepayers and residents.

(2) To determine and impose rates, fees, charges and tariffs to finance the budget of the Municipality and to take reasonable steps to collect funds due to the Municipality.

(3) To facilitate sufficient funds to enable the Municipality to give access to basic municipal services to the poor.

(4) To provide for provision for bad debts, in line with the payment record of customers as reflected in the financial statements of the Municipality.

(5) To set an improvement target for debt collection, in line with acceptable accounting ratios and resources available to the Municipal Manager.

(6) To provide a reporting framework for customer care, credit control and debt collection.

(7) To consider and approve a by-law to give effect to this policy.

(8) To revise the budget should the targets of the Municipality for customer care and management, credit control and debt collection not be met.

(9) To take disciplinary and/or legal action against Councillors, officials and service providers who/which do not execute the policies and by-laws of the Municipality, or act improperly in terms of such policies and by-laws.

(10) To delegate the required authority to monitor and enforce this policy to the Executive Mayor, Municipal Manager and Chief Financial Officer of the Municipality, as may be required in terms of section 59 of the Systems Act.

(11) To ensure sufficient capacity within the Directorate: Finance, for the implementation of this policy by the Municipality or to appoint a service provider to execute certain functions in terms of this policy.

(12) To assist the Municipal Manager in the execution of his/her duties, if and when required.

(13) To provide funds for the training of staff.

(14) To monitor the performance of the Executive Mayor and the Mayoral Committee regarding their respective roles in credit control and debt collection, supervising the implementation and enforcement of this policy and the Credit Control and Debt Collection By-Law.

8. DUTIES AND FUNCTIONS OF COUNCILLORS AND EMPLOYEES OF THE MUNICIPALITY

(1) To hold regular ward meetings to discuss matters relating to debt collection and credit control.

(2) To adhere to and convey the policies of the Municipality to customers.

(3) To adhere to the Code of Conduct for Councillors as set out in Schedule 1, and the Code of Conduct for Municipal Staff Members as set out in Schedule 2 to the Municipal Systems Act.

(4) To give inputs regarding applications to be registered as a Registered Indigent and related matters.

(5) To treat all customers with dignity and respect at all times.

(6) To exercise their duties in a honest and transparent manner.

(7) To ensure the proper functioning of the ward committee system.

(8) To address any unacceptable level of indebtedness within his/her ward as advised from time to time by the Executive Mayor, and the Councillor concerned:

(a) must without delay convene a meeting of the ward committee and report the matter to the committee or meeting for discussion and advice; and

(b) make appropriate recommendations to the Executive Mayor.

9. DUTIES AND FUNCTIONS OF EXECUTIVE MAYOR

(1) To ensure that the budget of the Municipality, cash flow and targets for debt collection are met and enforced in terms of this policy.

(2) To monitor the performance of the Municipal Manager in the implementation and enforcement of this policy.

(3) To review and evaluate this policy and the Credit Control and Debt Collection By-Law of the Municipality in order to improve the efficiency of the customer care and management, credit control and debt collection procedures, mechanisms and processes of the Municipality.

(4) To report to the Council on the above referred to matters at intervals of 3 (three) months.

10. DUTIES AND FUNCTIONS OF THE MUNICIPAL MANAGER

(1) To implement a sustainable and proficient customer care management system.

(2) To implement this policy effectively and efficiently and to utilise the delegation system of the Municipality as provided for in terms of the provisions of section 59 of the Systems Act, to do so.

(3) To implement and maintain an appropriate accounting and credit control system.

(4) To bill customers by delivering statements.

(5) To demand payments of statements by not later than the payment date.

(6) To levy interest and collection fees on arrears.

(7) To appropriate payments received.

(8) To collect arrears.

(9) To provide different payment methods to customers and debtors.

(10) To determine, execute and enforce customer care and management and credit control and debt collection measures.

(11) To determine all relevant work procedures for, *inter alia*, public relations, arrangements, the dealing with disputes declared in terms of the provisions of section 102(2) of the Systems Act, the disconnection of services, summonses, attachments of assets, sales in execution, write-off of debts, sundry debtors and legal processes.

(12) To instruct the attorneys of the Municipality to proceed with legal processes.

(13) To set performance targets for staff.

(14) To determine control and performance procedures.

(15) To monitor and enforce the performance of contracts with service providers who render services to the Municipality pertaining to credit control and debt collection as envisaged in terms of the provisions of section 116(2) of the MFMA.

(16) To report to the Executive Mayor as required in terms of the provisions of section 100(c) of the Systems Act.

(17) To appoint staff to execute and enforce the provisions of this policy and the by-laws executed in terms of this policy.

11. DUTIES AND FUNCTIONS OF COMMUNITIES, RATEPAYERS AND RESIDENTS

(1) Members of the community, ratepayers and residents have the duty to comply with the provisions of sections 5(2) of the Systems Act.

(2) To pay rates, levies, fees, charges and duties levied by the Municipality on or before the payment date in respect of all services consumed.

(3) To obtain a duplicate statement at the help desk of the Municipality where a statement has not been furnished by the Municipality.

(4) To notify the Municipality when municipal services are no longer required at a property(ies), and of any address or contact detail changes of the consumer.

(5) To safeguard and maintain service meters in a readable condition and to notify the Municipality immediately in the event that any meter is no longer accurate or functioning correctly.

(6) To observe and comply with the mechanisms, processes and policies of the Municipality in exercising their rights.

(7) To allow municipal officials reasonable access to their premises or property to execute any required functions regarding the municipal services including the reading of meters measuring consumption.

(8) To comply with the by-laws and other legislation of the Council of the Municipality.

(9) To refrain from tampering with municipal services, equipment and/or property of the Municipality and not to consume any municipal services unlawfully.

(10) To comply with the obligations, duties, terms and conditions in terms of which the Municipality provides municipal services.

CHAPTER 3

PERFORMANCE EVALUATION AND REPORTING

12. TARGETS AND PERFORMANCE OBJECTIVES

The Council, in consultation with the Municipal Manager, must establish a mechanism to set targets for debt collection, customer care and management and administrative performance, evaluate performances and take corrective actions on a regular basis to enhance credit control and debt collection.

13. INCOME AND COLLECTION TARGETS

The Council must set targets for the reduction of unpaid amounts for rates, fees, charges, tariffs and the consumption of municipal services, the increase of payments, the collection of arrears and the effective administration of accounts for these charges and the collection of the amounts due in terms of such statements, on or before the payment date as set out in such statements.

14. CUSTOMER SERVICE TARGETS

The Municipality has identified the following customer-targets and the Municipality sets as its aim the compliance with these targets.

(1)	Response time to a consumer on queries and service complaints:	Provide a reference number and acknowledge receipt within 7 (seven) days.
(2)	Resolution of/or response to queries and service complaints:	14 (fourteen) days from acknowledgement of receipt as referred to above, to resolve and/or respond to queries and service complaints.
(3)	Dealing with a dispute duly declared in terms of section 102(2) of the Systems Act:	As per the various time frames stipulated in this policy.

(4)	Date of delivery of first statement to new customers:	By second billing cycle after date of conclusion of a services agreement.
(5)	Reconnection time for municipal services which have been disconnected or suspended:	Within 24 (twenty four) hours after payment/arrangement acceptable to the Municipality has been made.
(6)	Meter reading cycle:	Meters should be read on a monthly basis.
(7)	Applications to be recognised as Registered Indigents:	Within second billing cycle response for approval or disapproval, as well as provision of subsidy.
(8)	Debt turnover ratio:	45 (forty five) days.
(9)	Issuance of clearance amounts payable:	10 (ten) working days.
(10)	Issuance of clearance certificate following payment of clearance amount:	7 (seven) working days from actual payment at cashiers and EFT into Municipality bank account from the same bank as Municipality or 10 (ten) working days following EFT from a bank that is not the bank where the Municipality keep its primary bank account.

15. ADMINISTRATIVE PERFORMANCE

The Council of the Municipality must set targets for the collection of debt and the application of debt collection mechanisms, based on the following principles:

(1) Debt collection must be prompt, efficient and cost effective, based on the following principles:

(a) the cost of the collection should not exceed the capital debt amount and recoverable charges and interest;

(b) the cost of the collection must be recovered from the defaulting customer; and

(c) reasonable steps must be taken to limit the cost of debt collection to the Municipality provided that the limitation on costs for debt collection does not hamper the prompt and efficient collection of the debt.

(2) Queries and disputes must be promptly addressed and disposed of.

(3) The debt collection mechanisms, as provided for in this policy must be applied without favour, consistently and equally against all debtors.

16. REPORTING

(1) The Chief Financial Officer shall report monthly to the Municipal Manager in a suitable format to enable the Municipal Manager to report to the Executive Mayor, as supervisory authority in terms of the provisions of section 99 of the Systems Act, read with the provisions of section 100(c).

(2) The report contemplated in sub-paragraph (1) above must contain particulars on:

(a) debt collection and cash collection statistics, showing detailed debt collection information, high level debt recovery information (numbers of customers, number of enquires and disputes, arrangements for the payment of debt, the arrears showing the different stages of maturity of debt). Where possible, the statistics should be divided into the following categories: wards, business (commerce and industry), domestic, state, institutional and other such divisions as required by from time to time by the Municipal Manager; and

(b) performance on all areas against targets agreed to in this policy.

(3) If in the opinion of the Chief Financial Officer, the Municipality will not achieve cash receipt income equivalent of the income projected in the annual budget as approved by the Council, the Chief Financial Officer will report this (with

motivation), to the Municipal Manager who will, if he/she agrees with the Chief Financial Officer, immediately move for a revision of the budget according to realistically realisable income levels.

(4) The Executive Mayor, as supervisory authority, shall, at intervals of 3 (three) months, report to the Council in terms of the provisions of section 99(c) of the Systems Act.

CHAPTER 4

CUSTOMER CARE AND MANAGEMENT

17. CUSTOMER CARE AND MANAGEMENT PRINCIPLES

The Municipality must manage its interaction with its customers in a responsible and pro-active manner with the aim of enhancing the payments for rates, fees, charges, tariffs and the consumption of municipal services, the reduction of arrears and to create a positive and co-operative relationship between the customer or consumer and the Municipality, and where applicable, a service provider.

18. COMMUNICATION

(1) The Municipality must publish the annual budget of the Municipality in terms of the provisions of section 22 of the MFMA and regulation 18 of the Municipal Budget and Reporting Regulations which will include the rates, fees, charges and tariffs the Municipality intends to adopt and has in fact adopted.

(2) This policy must be available in English and be made available by general publication and on specific request, and must also be available for perusal at the offices of the Municipality. This policy is also a "budget related policy" as contemplated in terms of the provisions of section 17(3)(e), section 21(1)(a) and 21(1)(b) of the MFMA and regulation 7 of the Municipal Budget and Reporting Regulations.

(3) Ward Councillors will be required to hold regular ward meetings, at which customer care and debt collection issues must be given prominence.

(4) On approval of this policy, a comprehensive communication plan will be devised and implemented in order to inform customers of the provisions of this

policy in respect of incentives, payment terms and arrangements in conjunction with the ward committees.

19. PROVISION OF MUNICIPAL SERVICES TO CUSTOMERS, MUNICIPAL SERVICE AGREEMENT AND CUSTOMER REGISTRATION

(1) Within the limits of its resources, municipal services will be provided by the Municipality to consumers, who are the owners of the premises to which the municipal services are provided or relate or in exceptional circumstances a tenant, and who have applied by way of the official application form for such services to be provided to the said premises indicated on the application form (as per Schedule 1 to this policy) and whose application was, in the discretion of the Municipality, approved by the Municipality. The approval of the application by the Municipality will constitute a service agreement between the Municipality and the consumer, and constitute the opening of the account for the consumer. Once a consumer's application is approved, the consumer becomes a customer. The service agreement so concluded between the Municipality and the customer, together with the provisions of this policy and the applicable By-Laws of the Municipality shall in all respects govern the supply of the municipal services to the customer and the supply of the municipal services to the customer will at all times be subject to and provided in accordance with and upon the condition stipulated in the said agreement, policy and by-laws.

(2) The Municipality accepts that it has limited resources which in turn limit the nature and extent of municipal services that can be provided. The Municipality, having due regard to the Legislative Framework within which it operates, must endeavour to increase payments, reduce arrears and to extend the services it can provide. That said, the Municipality can only provide services within its ability and available resources.

(3) Notwithstanding the limitations as per clause 19(2), and in regards to clause 6 (4) of this policy, the Municipality shall endeavour to ensure that the accurate

capture and verification of Customer information that is captured on its systems and applications, which will assist the Municipality in achieving the following

(a) Customer will receive a statement at a valid address, as indicated by the customer and validated by the Municipality

(b) The successful serving of Notices and other correspondence will increase, thus improving the success of Credit Control

(c) Improve the Contactability rate of Customers that are in the Debt Collection process

(4) The Municipality is in the process of phasing out the practice of opening accounts and concluding service agreements with accounts opened and service agreements concluded in the past for persons that do not fall within the definition of "customer", as set out in this policy. Such accounts will be closed and phased out upon the termination of the service agreement to which the account relates. However, these accounts are still valid and persons with whom the Municipality concluded service agreements, and for whom the accounts were opened in the past, will have the rights extended in this policy to a customer, and such persons will for all intents and purposes be considered as "customers" in terms of this policy.

(5) No new accounts will be opened and no service agreements concluded by the Municipality with persons who do not qualify as a "customer", as defined in this policy. The Municipality however reserves the right to make an exception to this provision in this policy should a person who does not qualify as a "customer" in terms of this policy, satisfies the Municipality that there are exceptional circumstances requiring the status of "customer" to be extended to that person. A further exception to the afore referred to provision pertains to persons who apply to the Municipality to become a Registered Indigent, in terms of the Indigent Policy of the Municipality, for which applications the following conditions apply:

(a) the applicant for the indigent support must be:

(i) the holder of an account with the Municipality for the provision of municipal services to the premises referred to in sub-

paragraph (a) above, who has concluded a service agreement with the Municipality, as referred to above; or

(ii) in an instance where the applicant for the indigent support is not the holder of an account and has not concluded a service agreement with the Municipality, as required by sub-paragraph (i) above: the applicant must:

(aa) be the child in control of a child-headed household where the residential property is registered in the name of the deceased parent or deceased parents of that child; or

(bb) be the party to whom the residential property is awarded in the event of a divorce; or

(cc) be, where a deceased estate has not been wound up:

(aaa) in the case of a deceased estate, in whose name the residential property is registered, any heir to whom the registered property has been bequeathed; or

(bbb) a surviving spouse, where the surviving spouse was married in community of property to the deceased, and where the residential property is registered in both spouses' names, and the surviving spouse is the sole heir; or

(ccc) a surviving spouse, who was married in community of property to the deceased, together with any other heirs, if any, where the residential property is registered in the name of that deceased; or

(ddd) in the case where a portion of a residential property is registered in the name of a deceased estate, the surviving registered owners together with the heirs to the deceased estate;

(dd) submit, simultaneously with the application for indigent support in terms of the Indigent Policy, an application for the provision of municipal services as referred to above, applying to the Municipality to be granted an account and to conclude a service agreement with the Municipality; and

(b) the total household income of all the household occupants in the indigent household (a household headed by a Registered Indigent, as defined and referred to in the Indigent Policy of the Municipality) above the age of 18 (eighteen) years on the residential property, may not exceed the amount as determined by Council from time to time. ~~***This amount will be determined at the beginning of every financial year and will be applied for the duration of that particular financial year.***~~ Currently the income amount is deemed to be less or equal to the amount received by two sate pensioners as determined annually by the Minister of Finance; and

(c) the premises to which the municipal services are rendered (or to be rendered) or relate must be a "residential property", as classified in terms of the categories of properties in terms of the provisions of the Rates Policy and By-Law of the Municipality, and must be utilised solely for residential purposes, as well as situated within the municipal area of the Municipality; and

(d) the applicant may not be the registered owner of more than one immovable property nationally and internationally; and

(e) be a full-time occupant of the residential property or where the registered owner is unable to occupy the property due to no fault of such registered owner, the spouse or minor children may satisfy the occupancy requirement; and

(f) where applicable, must have a prepayment electricity meter, a water management device or a prepayment water meter installed.

(6) Any person who consumes or utilises any municipal services without entering into a service agreement with the Municipality and or who does not have an

account for such services, shall be liable for the rates, fees, charges and tariffs relating to such municipal services, as provided for in this policy and the relevant By-Laws of the Municipality to the Municipality as if such a person had an account and concluded a service agreement with the Municipality and as such will be considered as a customer.

(7) Where any premises and/or consumer is provided with municipal services or municipal services are consumed or utilised at the premises and/or by the consumer, it shall be deemed that a service agreement has been concluded between the Municipality and the consumer and/or owner of the premises on the terms prevailing at the time and the owner of the premises will be billed and be liable for payment of the fees, charges and tariffs relating to such municipal services.

(8) The municipal services will only be provided by the Municipality to a customer under and upon the following conditions:

(a) Where the services are services that a municipality can provide and to the extent that the ability and resources of the Municipality allow the provision of such services.

(b) On approval by the Municipality of the written application for the municipal services which has been made on the prescribed form attached hereto as Schedule 1.

(c) The information and documentation required by the Municipality being furnished to the Municipality to its satisfaction.

(d) The amount of the deposit as prescribed in terms of this policy being paid to the Municipality, and deposited as security, or any other acceptable security, in the sole discretion of the Municipality, having been furnished to the Municipality.

(e) The applicant is an owner as defined in this policy or a holder of an account as contemplated in this policy.

(f) If the customer is an existing customer of the Municipality and any amount in respect of any rates, tariffs, fees, levies, municipal services,

surcharges on such rates, fees, charges, tariffs, levies and interest which has accrued on any amounts due and payable in respect of the afore going and any collection charges in respect thereof, is in arrears, then:

(i) such arrears must be paid; or

(ii) an agreement for payment of the arrears in terms of this policy must have been entered into and payment in terms thereof must not be in arrears.

(g) The Municipality has verified through its billing system that the customer does not have an outstanding account in respect of any rates or municipal services relating to any other premises or accounts.

(9) The application form with which a customer applies to be provided with municipal services must at least contain the following information:

(a) confirmation by the customer that the customer is aware of and understands the contents of the form;

(b) acceptance by the customer of the provisions of the by-laws relating to the provision of the municipal services and acceptance of liability for the cost of the said services rendered until the service agreement is terminated or until such time as any arrears have been paid;

(c) name and full details of the customer;

(d) Any Unique Identifier such as but not limited to Identity Number or Passport Number with Date of Birth and Biometric Data (e) address and stand/ erf number of premises to or on which the municipal services are to be rendered;

(f) address where the statement must be sent;

(g) extent and source of income of the customer;

(h) name and address of the applicant's employer, where appropriate;

(i) the purpose for which the municipal services will be supplied;

(j) the date on which the customer requires provision of the municipal services;

(k) an undertaking by the customer:

(i) that the customer is liable for the costs of debt collection, including any administration fees, penalties for late payment, legal costs, interest, disconnection fees and reconnection fees; and

(ii) that any alleged non-receipt of a statement does not exempt the customer from the duty to enquire from the Municipality as to the outstanding debt on the statement and to make payment to the Municipality of the debt;

(l) the type of municipal services to be supplied to the customer.

(10) The municipality must take reasonable steps to validate and or verify the information as per 8(c-h) provided by the customer in the application form

(10) When a customer makes application to the Municipality for the provision of municipal services, the Municipality must inform the customer of the different levels of services available and the tariffs and/or charges associated with each level of service and, where applicable, different metering options.

(11) The Municipality must ensure that the registration of new and existing customers is efficiently performed in regard to the following:

(a) new customer registrations must be correctly administered with the fully completed application form being duly signed by the customer and upon approval by the Municipality, duly countersigned by the Municipality;

(b) these service agreements must be retained and be readily accessible to authorised persons and employees of the Municipality only;

(c) the employees of the Municipality with customer contact must endeavour to update personal records of customers whenever customers liaise with the Municipality.

(12) A customer may at any time apply to the Municipality, in writing, to alter the level of municipal services elected in terms of the service agreement entered into, provided that such services are available and that any costs and expenditure associated with altering the level of services will be payable by the customer.

(13) A customer shall be liable for the payment of prescribed tariffs, fees, levies, municipal services consumed and surcharges on such, fees, charges, tariffs, levies and interest which has accrued on arrears and any debt collection charges in respect thereof.

(14) If the Municipality declines an application for the provision of municipal services or is unable to render such municipal services on the date requested for the provision of such municipal services to commence, or is unable to render the municipal services, the Municipality will inform the customer of such refusal and/or inability, the reasons therefore and, if applicable, when the Municipality will be able to provide such municipal services.

(15) The Municipality may, if circumstances require, enter into a special service agreement for the provision of municipal services without requiring the customer to which such municipal services are to be rendered to submit an application form and upon different terms and conditions than those stipulated in the service agreement annexed hereto as Schedule 1, provided that such a special service agreement does not amount to unfair discrimination against customers of whom it is required to apply for the provision of municipal services as set out in Schedule 1, especially if the rendering of the municipal services warrants or requires the imposition of conditions not contained in the prescribed form.

(16) An application for the provision of municipal services for a period of less than one year shall be regarded as an application for a temporary supply of such services and shall be considered at the discretion of the Municipality, which may specify any special conditions to be satisfied in such case.

(17) When the application for the provision of municipal services relates to the supply of electricity, the application must be processed and if approved the municipal service of electricity must be available within the periods stipulated in NRS 047-1:2005, Edition 3, Electricity Supply Quality of Service.

(18) The Municipality may, if it deems necessary, require a third party to be bound jointly and severally as surety and co-principal debtor with the consumer for the payment of any prescribed levies, fees, charges and tariffs under these By-Laws.

(19) Municipal services shall be paid for by the consumer at the prescribed tariff or charge set out in the Tariff Policy of the Municipality and the accompanying Tariff Schedule thereto.

(20) If a customer uses a municipal service for a category or usage type other than that for which it is provided by the Municipality in terms of the service agreement with the customer, and as a consequence, is charged at a rate lower than the rate which should have been charged, the Municipality may make an adjustment of the amount charged in accordance with the rate which should have been charged and recover from the customer according to the tariffs and charges payable in accordance with such adjustment and may also review the amount of the deposit held in terms of this policy.

(21) If amendments to the prescribed tariff or charges formulated in terms of the Tariff Policy for municipal services provided, become operative on a date between measurements for the purpose of rendering a statement:

(a) it shall be deemed that the same quantity of municipal services was provided for in each period of twenty four hours during the interval between measurements;

(b) any prescribed tariff or charge shall be calculated on a pro rata basis in accordance with the tariff or charge that applied immediately before such amendment; and

(c) any fixed charge shall be calculated on a pro rata basis in accordance with the charge that applied immediately before such amendment and such amended change.

(22) Where municipal services used by a consumer are charged at different tariff rates, the consumption shall be metered separately for each rate.

20. DEPOSIT

(1) At the time when the consumer makes written application to the Municipality applying for the provision of municipal services by the Municipality to a property, as set out and regulated in terms of the this policy, the consumer shall upon the approval of the application become a customer and shall first pay to the Municipality the deposit as set out in this policy, read with the Tariff Schedule, before such municipal services will be provided by the Municipality.

(2) Subject to the contents of sub-paragraph (6) below, the amount of the deposit in respect of a municipal account of a customer is calculated as set out below, and if the amount cannot be calculated the amount as set out in the Tariff Schedule, which may vary according to different categories of consumers, debtors, service providers, services, service standards, geographical areas and other matters as long as the differentiation does not amount to unfair discrimination, and shall be determined by the Municipality in accordance with the Tariff Policy, this policy, any applicable by-laws of the Municipality and/or resolutions of the Council.

(3) The paying of a deposit is also required in the instance where the municipal services of water and electricity are provided by means of a prepayment meter system as provided in this policy.

(4) The deposit shall be used as security for payment of any service charges which are due or may become due to the Municipality arising out of the provision of municipal services, or the payment of any amount the customer may be liable for to the Municipality, or for any damage to equipment of the Municipality.

(5) The amount of the deposit payable by a customer shall be determined by the Municipality and will be set out in the provisions of the Tariff Policy and Tariff Schedule of the Municipality.

(6) In the case of Large Power Users (LPU) equal or greater than 500KVA, deposit for all existing customers will be managed on an ongoing basis in terms of the following principles:

(a) When a customer gets into arrears with the payment of his electricity accounts and the Municipality holds zero deposit, there will be an immediate review of his Consumer agreement and the required deposit will be raised on his account.

(b) When a customer gets into arrears with his account and the Municipality holds inadequate deposit, the deposit will only be reviewed once the threshold of the credit risk matric is breached.

(c) Where an existing customer with a good payment recorded applies for a substantial increase in his supply capacity or an additional point of delivery, additional deposit must be called for.

(7) (d) Customer has acceptable payment recorded and pays by Direct Debit or EFT, Customer has 7 (seven) days, from bill date, in which to pay monthly account. A 14 (fourteen) days' notice, from final payment date, is given in cases of default before termination of supply. The Municipality may implement the paying of deposits by either a minimum deposit payable in the amount

equal to twice the amount of the average monthly consumption pertaining to the property as calculated by the duly authorised municipal official, calculated for a period of 2 (two) months immediately preceding the payment of the deposit (if available), or in instances where it is not possible to calculate the amount of the deposit set out in the premise, prescribe a deposit amount for different categories of consumers, debtors, service providers, services, service standards and geographical areas, as determined annually by the Municipality, and set out in the Tariff Schedule of the Municipality.

(8) The Municipality may increase a deposit payable in respect of an arrear account as may be determined annually by the Council in terms of the Tariff Schedule of the Municipality.

(9) The deposit shall, after the disconnection of a customer service in terms of this policy by the Municipality, be automatically increased to an amount as determined annually by the Council in terms of its Tariff Schedule for disconnected accounts. The deposit shall be adjusted upwards in terms of this paragraph notwithstanding that the customer is also liable for a service reconnection fee. The Municipality may in case of disconnection of an unpaid arrear account, allocate the deposit to the arrear account and the new increased deposit must be paid before the municipal service is reconnected.

(10) The Municipality may also increase a deposit payable in respect of municipal services if the consumer uses the municipal service for a different usage type as for which the municipal services were provided for by the Municipality and as applied for.

(11) The Municipality may from time to time review the amount of the deposit in respect of any account and may increase or decrease the deposit, if such an adjustment is justifiable.

(12) The Municipality will not pay any interest to a customer on the deposit made by a customer and held by the Municipality.

(13) Upon the termination of the service agreement between the Municipality and a customer the deposit paid by a customer will be offset against any and all arrears or other outstanding amounts or balances owed to the Municipality. The balance of such a deposit will be refunded to the customer in terms of this policy.

(14) The different deposits provided for in terms of this paragraph will be reviewed annually both in terms of this policy and in terms of the Tariff Schedule. The Municipality shall maintain a register of deposits for this purpose. The total sum of deposits received shall constitute a short term liability in the books of account of the Municipality.

(15) The Municipality may require a customer to whom municipal services are provided, and who was not previously been required to pay a deposit, for whatever reason, to pay a deposit on request, within a specified period.

(16) A deposit shall be forfeited to the Municipality if it has not been claimed within 3 (three) years of the termination of the service agreement.

(16) The payment of a deposit shall not be regarded as being a payment or part payment of any accounts due for the supply of municipal services for the purposes of obtaining any discount provided for in the Tariff Policy.

(17) For the purposes of the implementation of the Indigent Policy of the Municipality and the rendering of indigent support to Registered Indigents, accounts will be opened for Registered Indigents without requiring the payment of any deposit. This arrangement will immediately terminate if the status of the Registered Indigent changes.

(18) Notwithstanding the provisions of this paragraph regarding the calculation of the amount of the deposit, the Municipality may in its sole discretion elect to increase the amount of the deposit if the consumer applying for an account, or the customer with an existing account is, or becomes a credit risk to the Municipality.

21. METERING

(1) The Municipality shall at the customer's cost, in the form of a direct charge or prescribed fee, or if and when the Municipality so decides at the Municipality's cost, provide, install and maintain appropriately rated metering equipment, installed at the point of delivery/metering, for measuring the municipal services delivered to a premises. The metering device shall be provided and installed by the Municipality and shall at all times remain the property of the Municipality irrespective of the manner in which it is attached or installed in or on the premises.

(2) The Municipality will endeavour, within its financial capabilities, to ensure accurate meter reading and/or measuring of consumption at fixed monthly intervals with the minimum delay between the connection of the municipal services and the first and subsequent billing, except in the case of prepayment meter system. The consumption in respect of the municipal services shall be determined by the reading of the appropriate meter or meters, and read at the determined monthly intervals except in instances where consumption shall be estimated in terms of this policy.

(3) Nothing contained in this policy shall be construed as imposing on the Municipality an obligation to cause any meter or measuring device installed by the Municipality on any premises to be measured or read at the end of a month or any other fixed period, and the Municipality may estimate the quantity of municipal services supplied over any period during the interval

between successive measurements of the meter and render a statement to a consumer for the quantity of service so estimated.

(4) For the purposes of determining the consumption of the municipal services by a consumer, having regard to the metering system, it will be deemed unless the contrary is proved, that:

(a) the consumption is represented by the difference between the measurements taken at the beginning and at the end of a given period;

(b) the measuring device or meter was accurate during such period;

(c) the readings and/or entries in the records of the Municipality were correctly made;

(d) provided that if municipal services are supplied or taken by a consumer without it passing through the meter, the estimate of the Municipality of the consumption of the service consumed, shall be deemed to be correct; and

(e) regarding electricity meters, a meter shall be conclusively presumed to be registering accurately if it satisfies the requirements prescribed in NRS 057 Part 3 – Electricity Metering: Minimum Requirements.

(5) In the following instances the Municipality will be allowed to utilise estimate consumption for billing purposes:

(a) if the Municipality is, for whatsoever reason and irrespective of whether it is due to the fault of the consumer, or the Municipality, not able to read any meter;

(b) if the meter is defective or becomes inaccurate or defective, and an adjustment is required to be made;

(c) where a consumer vacates premises and a final reading is not possible;

(d) where municipal services supplied by the Municipality to any premises is in any way taken by the consumer without such service passing

through any measuring device, for the period from the last previous reading of the meter until the date it is discovered that the municipal services are being used by the consumer without such services passing through the said meter;

(e) in the event of any unauthorised activity taking place pertaining to a measuring device or meter or municipal services as referred to in the provisions of this policy dealing with unauthorised activities, theft, fraud and tampering; and

(f) before a meter or measuring device is installed.

(6) An estimate, as referred to above, shall be based on any one of the following criteria, as the Municipality may decide, taking into account, where applicable and making allowance for seasonable or other variations which may affect the consumption of the municipal service:

(a) the average daily or monthly consumption (depending on the requirement of the estimate) of the municipal service to the premises during any 3 (three) days or months where meter readings and/or measurements were obtained, during an 18 (eighteen) month period prior to the date on which the estimate is required;

(b) the average daily or monthly consumption (depending on the requirement of the estimate) of the municipal service to the premises during any 3 (three) days or months where meter readings and/or measurements were obtained, during an 18 (eighteen) month period after the date on which the estimate is required;

(c) the average daily or monthly consumption (depending on the requirement of the estimate) of municipal services to premises or several premises, which are comparable in size, nature and use to the premises for which the estimate is required, during any 3 (three) days or months where meter readings and/or measurements were obtained, during an 18 (eighteen) month period prior to the date on which the estimate is required;

(d) the average daily or monthly consumption (depending on the requirement of the estimate) of the municipal service to premises or

several premises, which are comparable in size, nature and use to the premises for which the estimate is required during any 3 (three) days or months where meter readings and/or measurements were obtained, during an 18 (eighteen) month period after the date on which the estimate is required;

(e) in instances where a meter was found to be defective or incorrectly measuring, or tampered with to give an inaccurate reading of the quantity of municipal services, the percentage error or inaccuracy of the meter as determined;

(f) in instances were no meter or measuring device has been installed, the estimated consumption shall be based on the average consumption of the municipal service to the immediate area in which the premises are situated;

(g) any such consumption or other data in the possession of the Municipality which can assist the Municipality in arriving and making an estimate.

(7) In instances where a consumer is charged and/or liable toward the Municipality for the payment of municipal consumption charges based on estimated consumption as contemplated in this policy, the statement reflecting the estimated consumption will be adjusted to reflect actual consumption once the Municipality is able to obtain the actual reading of the meter concerned.

(8) Where the consumer requires a special reading, the Municipality must on receipt of a written notice from a consumer, of not less than 14 (fourteen) days notice and subject to the payment of the prescribed charge, measure the quantity of municipal service supplied to a consumer at a time or on a day other than that upon which it would normally be measured.

(9) A consumer is entitled to request verification of meter readings and accuracy within reason, but may be held liable for the cost thereof. This request must be made as a query in terms of the procedure prescribed in this policy.

(10) The Municipality will inform a customer when a meter replacement is to be made.

(11) The consumer shall at all times during the business hours between 8am and 5pm ensure that the Municipality has free and undisturbed access to metering equipment and the consumer shall accept any cost occasioned to permit such access including the cost of relocating any meter, if necessary.

(12) The following provisions will apply to the testing of meters:

(a) a meter shall be conclusively presumed to be registering accurately when it is tested and found to be within the limits of error as provided for in the applicable standard specifications for such a meter;

(b) the Municipality shall have the right to test its metering equipment. If it is established by test or otherwise that such metering equipment is defective or inaccurate, the Municipality shall:

(i) in the case of a conventional meter, adjust the statement rendered;

(ii) in the case of prepayment meters:

(aa) render a statement where the meter has been under-registering; or

(bb) issue a free token where the meter has been over-registering;

(c) the customer shall be entitled to have the metering equipment tested by the Municipality on payment of the prescribed fee and by way of lodging a query as provided for in this policy with the Municipality querying the accuracy of the measuring device or meter. If the metering equipment is found not to comply with the meter accuracy requirements, applicable to the relevant meter, an adjustment to the customer's account shall be made and the aforesaid fee shall be refunded;

(d) when a customer requires the accuracy of a measuring device or meter to be tested or verified the Municipality shall inform the customer of the prescribed range of accuracy applicable for the measuring device or meter as well as the cost implications, or estimated cost implications, occasioned by the testing or the measuring device or meter;

(e) a consumer is entitled, on giving the Municipality reasonable notice of the consumer's intention, to be present at the testing of any meter in which the consumer is interested;

(f) a customer shall have the right, at his own cost, to have the metering equipment tested by an accredited independent testing authority approved by the Municipality [and the result of such test shall be final and binding on both parties];

(g) meters shall be tested in the manner as provided for in the applicable standard specifications for the specific meter, or where the meter is a water meter, the meter must conform to the specifications as prescribed in terms of the Water Services Act, Act 108 of 1997 and where the measuring device or meter is:

(i) a meter to which regulations relating to water meters published under the Trade Metrology Act, Act 77 of 1973 are applicable, it will be deemed to be defective if, when tested in accordance with SABS Code 1529 Part 1, it is found to have a percentage error in over-registration or under-registration greater than that permitted for a meter in use in terms of that specification;

(ii) a meter of a size greater than 100mm diameter but not exceeding 800mm diameter to which the specification referred to sub-paragraph (12)(g)(i) is not applicable, it will be deemed to be defective, when tested in accordance with SABS Code 1529 Part 4-1998 if it is found to have a percentage error in over-registration or under-registration greater than permitted by a meter in terms of that specification;

(iii) a prepayment water measuring system, it shall be deemed to be defective if, when tested in accordance with SABS Code 1529 Part 9 – 2002, it is found to have a percentage error in over-registration or under- registration greater than that permitted in terms of that specification;

(h) the Municipality's finding as to the accuracy of a meter, after testing has been carried out, shall be final;

(i) the Municipality shall before removing a meter for testing take a reading of the meter and the current meter reading period shall be terminated at the time of the taking of such a reading;

(j) if after testing a meter the Municipality is satisfied that the meter is not registering correctly, it shall render the consumer an adjusted statement as referred to above;

(k) if the outcome of any test shows that a measuring device or meter is:

(i) within a prescribed range of accuracy, the consumer will be liable for the costs of such test and any other amounts outstanding. Such costs may be debited against the customer's account to which the measuring device or meter relates;

(ii) outside a prescribed range of accuracy, the Municipality will be liable for the costs of such test and the consumer must be informed of the amount of any credit to which the consumer is entitled;

(l) if the measuring device or meter if found to be defective, the Municipality must:

(i) repair the measuring device or meter or install another device which is in good working order, without charge to the customer, unless the costs thereof are recoverable from the customer due to the measuring device or meter being tampered with; and

(ii) determine the quantity of municipal service for which the customer will be charged in lieu of the quantity measured by

the defective measuring device or meter by making an estimate as provided for in this policy;

(m) any meter removed for testing by the Municipality must be retained intact and be available for inspection for a period of 3 (three) months after testing.

(13) The Municipality will allow readings of meters taken by consumers and submitted either telephonically, by fax or personally under the following conditions:

(a) provided the Municipality may obtain readings at any point in time to verify readings taken by the consumer, and in particular that the Municipality obtains any final reading should the consumer furnish the Municipality with a termination notice or move to another supply address;

(b) an audit reading during the normal reading cycles shall be obtained by the Municipality once every 6 (six) months;

(c) the Chief Financial Officer may, however cancel the voluntary reading convenience on any customer's account if the consumer fails to ensure that the audit reading referred to in above is obtained or should the consumer fail to render readings on 2 (two) consecutive occasions.

(14) The Municipality reserves the right to meter the supply of municipal services to shops and flats, tenement houses, sectional titles and similar buildings for the buildings as a whole or for individual units or for groups of units.

(15) The Municipality may require the installation at the customer's expense of a measuring device or meter to each dwelling unit, in separate occupancy, on any premises, for use in determining the quantity of municipal services supplied to each such unit provided that where fixed quantity delivery systems are used, a single measuring device may be used to supply more than one unit.

22. PRE-PAYMENT METER SYSTEM

The Municipality may avail the municipal services of electricity and water by means of a pre-payment metering system to which the following provisions apply:

(a) a customer may convert from a conventional meter to a pre-payment meter upon payment to the Municipality for the installation thereof and a deposit in an amount equal to the consumption of municipal services of such customer for the month preceding such installation;

(b) no pre-payment meter will be installed or activated by the Municipality where there is any outstanding amount due to the Municipality in respect of the account of a customer;

(c) customers whose supply of municipal services have been terminated or disconnected on at least 3 (three) occasions as a result of non-payment, are compelled to install a pre paid meter before any re-connection will be made;

(d) no refund of the amount for which the customer purchased prepaid municipal services (water and electricity) shall be given at the point of sale;

(e) when a customer vacates any premises where a pre-payment meter is installed, no refund for the credit remaining in the meter shall be made to the customer by the Municipality;

(f) the Municipality shall not be liable for the reinstatement of credit in a pre-payment meter lost due to tampering with, or the incorrect use or the abuse of, pre-payment meters and/or tokens;

(g) the Municipality may appoint vendors for the sale of credit for pre-payment meters and shall not guarantee the continued operation of any vendor services;

(h) ~~where a customer is indebted to the Municipality for municipal services consumed or for any other service supplied by the Municipality, including rates, or for any tariff, fees or charges previously raised against the customer in connection with any service rendered, the Municipality may deduct a percentage from the amount tendered to~~

~~purchase prepaid services to offset the amount owing to the Municipality, the deduction will be at a rate of 50/10 where 50% will be credited to the arrear account for services and 50% allocated for electricity/water prepaid purchases: and~~

(h) where a customer is indebted to the Municipality for municipal services consumed or for any other service supplied by the Municipality, including rates, or for any tariff, fees or charges previously raised against the customer in connection with any service rendered, the Municipality may deduct a percentage from the amount tendered to purchase prepaid services to offset the amount owing to the Municipality, the deduction will be at a rate of 90/10 where 90% will be credited to the arrear account for services and 10% allocated for electricity/water prepaid purchases:

(i) the provisions relating to Metering and the Limitation, Disconnection and Termination of the Municipal Services of Water and Electricity, as set out in this policy, apply *mutatis mutandis* to prepayment metering system.

23. STATEMENTS AND BILLING

(1) Customers who concluded a service agreement with the Municipality and/or who are liable to pay property rates to the Municipality, will receive a statement, at such applicable time in the billing cycle, which reflects the amounts due and payable to the Municipality for tariffs, fees, charges, the consumption of municipal services and/or property rates.

(2) The customer shall be liable for the payment of all rates, tariffs, fees, charges and the consumption of municipal services as levied and charged in terms of the prescribed Rates Policy, Tariff Policy, Tariff Schedule and applicable by-laws of the Municipality.

(3) The Municipality may, in addition to the charges levied for municipal services consumed or provided, levy a monthly fixed charge, annual fixed charge or once-off fixed charge in respect of the provision of municipal services in accordance with the Tariff Policy, Tariff Schedule and applicable by-laws of the Municipality.

(4) Where a fixed charge is levied as referred to above it shall be payable by every customer irrespective of whether such municipal services are used or accessed by the customer.

(5) A statement will be furnished in accordance with the applicable billing cycle and the due date for the payment of the statement will be stated on the statement.

(6) A statement will be furnished in accordance with the applicable billing cycle at the last recorded address of the customer with the Municipality.

(7) It is the responsibility of a customer to ensure that the postal and/or physical address of such customer, where such customer wishes to receive the statement, and other contact details of such customer are correct and up to date in respect of the records thereof with the Municipality. Any incorrect or outdated information does not excuse any customer from the duty and obligation to make payment to the Municipality of the amount due to the Municipality by such customer.

(8) It is the customer's responsibility to make enquiries and ensure timeous payments in the event of statements not being received and such receipt of

the statement is not a precondition to the duty and responsibility of a customer to effect payment thereof to the Municipality.

(9) Where a statement is not paid in full, any lesser amount tendered and accepted by the Municipality, shall not be deemed to be in full and final settlement of such statement and acceptance shall be without prejudice to any of the rights of the Municipality.

(10) Where any payment made to the Municipality by negotiable instrument and such negotiable instrument is subsequently dishonoured by a bank, the Municipality:

(a) may recover the average bank charges incurred relating to dishonoured negotiable instruments against the account of the customer;

(b) shall regard such an event as a default on payment and will be entitled to utilise debt collection mechanisms as provided in this policy and to levy the relevant costs thereof against the customer's account;

(c) may insist on cash payments for all future statements; and

(d) may hand such customer over to the legal representatives of the Municipality for further legal action.

(11) A customer is entitled to request a duplicate statement from the Municipality at the cost of such customer.

(12) The Municipality will endeavour to ensure:

(a) accurate monthly billing with the application of appropriate and correct prescribed rates, fees, levies, tariffs and service charges and other related amounts due and payable;

(b) the timeous dispatch of statements to all customers;

(c) adequate provision and efficient operation of pay facilities throughout the Municipality;

(d) arrangements with third party institutions to accept payments on behalf of the Municipality. The responsibility to ensure that payments are reflected on the account however remains vested with the customer;

(e) appropriate hours of business to facilitate account payments;

(f) credit timeously any payment against the correct customers account;

(g) to provide easily understandable statements this will contain the following information:

(i) the consumption or estimated consumption of municipal services as determined for the measuring or consumption period;

(ii) the measuring or consumption period for municipal services;

(iii) the amount due based on the measured or estimated consumption;

(iv) the amount due and payable for property rates levied, fees, levies, tariffs and charges for municipal services rendered or fixed in terms of this policy;

(v) the amount in arrears, if any, and a notification that the Municipality shall be entitled to limit, disconnect or terminate the municipal services of water and electricity should the account remain in arrears;

(vi) the interest payable on any arrears, and collection charges in so far as they may be relevant;

(vii) the due date for payment.

(13) The Municipality may, in the event of a customer being in arrears, convey the following information to the customer in any such manner as the Municipality deems appropriate, including incorporating same into the statement, that:

(a) the customer may conclude an agreement as provided for in this policy with the Municipality for payment of the arrears in instalments, at the Municipality;

(b) if no such agreement, as envisaged above, is entered into the Municipality will be entitled to limit, disconnect or terminate municipal services;

(c) legal action may be instituted against any customer for the recovery of any amount in arrears and the customer will be held liable for payment of the legal costs;

(d) the defaulting customer's name may be listed with a credit bureau or any other equivalent body as a defaulter;

(e) the account may be handed over to a debt collector or attorney for collection;

(f) proof of registration, as a Registered Indigent, in terms of the Municipality's Indigent Policy must be handed in before the due date; and

(g) the municipal services may be limited, disconnected or terminated should the arrears remain unpaid.

(14) An error or omission in any statement or the failure by the Municipality to render a statement does not relieve a customer of the obligation to pay any amount due and payable. A customer remains liable for the payment of all amounts whether a statement has been rendered or not. The onus shall be on the customer to satisfy himself/ herself that the statement rendered is in accordance with the prescribed rate, tariff, levy or charge as set out in the Tariff Policy, Tariff Schedule and by-laws of the Municipality.

(15) Payments of statements must be received on or before the due date at a Municipal pay-point by the close of business. In the case of any electronic payments or payments via agents, the money must be received in the Municipality's bank account on or before the due date and not later than close of business on the said date.

(16) If payment of a statement is received after the due date, a late payment charge or interest as may be prescribed must be paid by the customer to the Municipality.

(17) The Municipality may hold any amount paid by a customer which is in excess of an existing debt in credit for the customer in anticipation of future rates, fees, levies and charges that may become owing in the future.

(17) In addition to the notices referred to in this policy, customers with large service accounts may also be managed by telephonic and personal contact directly with them.

(18) Where a body corporate is responsible for the payment of any arrears to the Municipality in respect of a sectional title development, the liability of the body corporate shall be extended to the members thereof, jointly, unless a member can proof that the member has already paid he/she/it's portion of the debt directly to the Municipality.

(20) Payment/s or amounts received will be allocated by the Municipality, and irrespective of the description or allocation afforded thereto by the person effecting the payment, to the oldest debt first and thereafter to current charges in the following order:

(a) interest;

(b) administration costs;

(c) legal and credit control charges;

(d) any other charges by the Municipality;

(e) refuse;

(f) sewer;

(g) rates;

(h) water;

(i) electricity.

(21) The amount due and payable on an account constitutes a consolidated debt, and any payment made of an amount less that the total amount due, will be allocated in reduction of the consolidated debt in the order specified above.

(22) The municipality may in terms of section 102, of Municipal Systems Act

a) Consolidate any separate accounts of persons liable for payments to the Municipality

b) Credit a payment by such a person against any account of that person

(22) Where an account remains in arrears for more than 60 (sixty) days:

(a) the debtor's name may be listed with a credit bureau or any other equivalent body as a defaulter; and

(b) the arrears may be handed over to a debt collector or an attorney for the collection of the arrears and/or the institution of legal steps against the debtor.

(c) the Municipality must implement procedures for the removal of any adverse information such as a default or judgment as contemplated in the National Credit Amendment Act No 19 0f 2014 ("NCAA").

(23) Arrears of consumers who make no further use of, or has no further access to municipal services are considered inactive debtors who will automatically be handed over to a debt collector or an attorney for the collection of the arrears and/or the institution of legal steps against such a debtor, provided that:

(a) the amount owing on such an inactive account is more than R 500.00 (five hundred rand);

(b) if smaller than R500.00 (five hundred rand) then recovery of such amount due will be subject to consideration of the cost- benefit ratio and whether such action shall be taken will be in the sole discretion of the Chief Financial Officer of the Municipality.

(24) Any consumer who is in arrears will not be allowed to submit any building plans for approval, or any applications for rezoning, consents or approvals in terms of the Municipality's Land Use Management Scheme and the applicable legislation.

(25) All information relating to accounts, statements and billing of customers are not public information and may not be disclosed by the Municipality, other than as provided for in law or in terms of the policy.

(26) in terms of section 118 (3) of the Act, an amount due for municipal service fees, surcharge on fees , property rates and other municipal taxes , levies and duties is a charge upon the property in connection with which the amount is owing and enjoys preference over any mortgage bond registered against the property . Accordingly _

a) All municipal debts must be paid by the owner of such property without prejudice to any claim which the municipality may have against another person

b) The owner of such property shall be liable for charges incurred in connection with such property during his or her ownership and shall remain liable irrespective of the change of ownership;

c) The Municipality reserves the right to cancel a contract with the customer in default and register the owner of such property for services on the property; and

d) The municipality will not provide any services on the property until all municipal debts on the property have been paid in full or suitable arrangements have been made to pay such debts.

(27) Where the property is owned by more than one person, each owner shall jointly and severally liable, the one paying the other to be absolved , for all municipal debts charged on the property.

(28) Owners shall be held jointly and severally liable, the one paying the other to be absolved , with their tenants who are registered as customers for debts on their property, except for property rates.

(29) Refuse removal shall form part of the property debt payable by the owner of the property

(30) Directors of Companies , members of Close Corporations and Trustees shall sign personal surety ships with the Municipality when opening service accounts. If they are unable to sign the personal surety, they must pay a deposit equivalent to twice the usual deposit paid for opening accounts.

(31) the municipality may apply to the Companies and Intellectual Property Commission to re-register a deregistered company or close corporation for the purposes of recovering the amounts owed by that company or close corporation for all municipal debts which have accrued and shall recover the costs of registration from the directors or members accordingly

24. REFUNDS

(1) Any customer may apply in writing for a refund of a credit balance on an account of such customer, provided that no other account of such customer, or an account regarding any premises to which the account with the credit balance of such customer relates, is payable or in arrears.

(2) A written application for a refund should state the account number of the account on which the refund is requested, the amount of the refund, as well as the details of the bank account in which the refund should be deposited. The written application must be signed by the customer or the customer's authorised representative, in which instance the written application must be accompanied by a written power of attorney signed by the customer in terms of which the customer authorises the representative to apply for the refund on the customer's behalf.

(3) Refund applications will be considered, verified and processed by the Municipality in terms of its internal financial and accounting procedure.

(4) Refunds for an amount of less than R50.00 (fifty rand) will not be granted by the Municipality as the cost and administrative burden associated with effecting such refund is not administratively and cost effective to the Municipality.

(5) The manner in which the Municipality elects to affect the refund remains in the discretion of the Municipality and may include a refund by either electronic transfer or by the issue a cheque.

(6) A credit balance in respect of the account of a customer may be utilised to set off any arrears on any other account of such customer with the Municipality or any account regarding the premises to which the account with the credit balance of such customer relates, before the refund is effected.

(7) The Municipality is entitled to write back or appropriate any unclaimed money arising from a credit balance of a customer, if such amount is not claimed by such customer within a period of 3 (three) years from the date upon which it became due to the customer.

(8) The Municipality shall be entitled to utilise any sundry refundable deposit kept by the Municipality towards the payment of any arrears.

25. PAYMENT FACILITIES AND METHODS FOR PAYMENT

(1) The Municipality must operate and maintain suitable payment facilities which are accessible to all customers.

(2) Direct or electronic payments can be made into the bank account of the Municipality. The customer must state the account number allocated to the customer by the Municipality as the reference on the proof of payment and if payment is made in respect of more than 1 (one) account, the respective account numbers must be stated. It is and remains the duty of the customer, at the time of payment, to inform the Municipality of the details of the account(s) for which the customer affected a direct or an electronic payment into the bank account of the Municipality in order for the Municipality to be able to correctly assign the payment made by the customer.

(3) The Municipality may in terms of the provisions of section 103 of the Systems Act, with the consent of a customer, approach an employer to secure a debit or stop order arrangement to effect payments of the customer's account.

(4) The use of an agent by a customer to effect payment of the debt of such customer as well as the timeous payment of such debt to the Municipality is at the sole risk of the customer.

(5) Any direct deposits or electronic fund transfers of monies into the bank account of the Municipality, without the appropriate and correct reference details will be allocated in the books of the Municipality to a suspense account and it will remain the responsibility of the customer who made such deposit to ensure that the payment is allocated to the account of the customer.

~~(6) It will be within the sole discretion of the Municipality whether or not to accept a cheque as payment of any amount due.~~

(7) Municipal payment facilities will be maintained subject to acceptable levels of activity and having regard to the operational costs thereof.

(8) The Chief Financial Officer shall allocate payments made by the customers

according to the pre-determined priorities set out in this policy.

26. INCENTIVE SCHEMES

1. The Municipality may, in order to encourage prompt payment by customers and/or to reward regular payments made by customers or payments made by means of debit or stop orders or the full settlement of any arrangement for the paying off of debt in instalments, consider incentives to such customers from time to time and may enter into any arrangements available in law, including those provisions in section 103 of the Systems Act, and section 71 of NCA.

2. The Council may from time to time implement incentives to promote prompt payment of accounts by encouraging ratepayers /consumers who are in arrears in respect of the payment of their accounts to clear their outstanding debt within a reasonable period of time.

(a) The incentives offered in this policy may only be valid for a limited period of time, where after the Council may revert to normal sanctions to those customers who remain in default. The following incentive is offered when arrangement is made to settle debt outstanding.

(i) interest that remain unpaid in the outstanding balance will be granted written back when a once off payment/settlement is made within 30 days.

27. ENQUIRIES, DISPUTES AND SERVICE COMPLAINTS

(1) The Municipality will, within its administrative and financial ability, establish:

(a) a central office to deal with and address enquiries, disputes and/or service complaints received from customers;

(b) a centralised database dealing with enquiries, disputes and/or service complaints received from customers, in order to effectively address such enquiries, disputes and/or service complaints;

(c) appropriate training for employees of the Municipality dealing with the public to enhance communications and service delivery and to effect

the prompt and effective method for dealing with enquiries, disputes and/or service complaints; and

(d) a communication mechanism to provide feedback on the application of the policies on customer care and management, credit control and debt collection, enquiries, disputes and/or service complaints, or any other issues of concern to the Municipal Manager, Executive Mayor and/or Council.

(2) A consumer may lodge a query consisting of questioning the accuracy of a statement or questioning any aspect regarding the provision of municipal services, including the accuracy of a measuring device or meter.

(3) A consumer may lodge a service complaint consisting of a complaint regarding the manner in which the Municipality is delivering the municipal service or any complaint regarding any other aspect or attribute of the municipal service or any other public service rendered by the Municipality including the customer care and customer management of the Municipality.

(4) A consumer may lodge a dispute as contemplated in section 102(2) of the Systems Act concerning any specific amount claimed by the Municipality from that consumer.

28. QUERIES AND SERVICE COMPLAINTS

(1) A query or service complaint may be lodged with the Municipality by a consumer in writing and must be addressed to the office of the Chief Financial Officer or such official as designated by the Chief Financial Officer to deal with queries or service complaints. The query or service complaint must contain the account number of the municipal account to which the query or service complaint relates if applicable, if the details of the query or service complaint as well as the contact details and identity of the consumer lodging the query or service complaint.

(2) The office of the Chief Financial Officer shall register the query or service complaint, provide a reference number and acknowledgment of receipt to the consumer lodging the query or service complaint within 7 (seven) days from receipt of the query or service complaint, and register the query or service complaint and its reference number in a register kept for this purpose.

(3) The office of the Chief Financial Officer will commence dealing with the query or service complaint by first determining whether the query or service complaint must be dealt with by the office of the Chief Financial Officer, or whether it should rather be dealt with by the office of another responsible directorate more suitable to address the query or service complaint, in which instance the office of the Chief Financial Officer must immediately refer the query or the service complaint to such a directorate which directorate in turn must in writing acknowledge receipt of the query or service complaint and investigate the complaint.

(4) The Municipality, either the office of the Chief Financial Officer or the applicable directorate, must within 14 (fourteen) days from acknowledging receipt of the query or service complaint investigate the query or service complaint and inform the consumer who has lodged the query or service complaint of the outcome of the investigation in writing. The consumer must also be simultaneously informed of the consumer's right of appeal, as set out herein below. If the query or service complaint was not dealt with by the office of the Chief Financial Officer then the applicable directorate who dealt with the query or service complaint must also inform the office of the Chief Financial Officer of the outcome of the matter, in order to allow for the office of the Chief Financial Officer to record the fact that the matter was dealt with, in the register referred to above.

(5) Notwithstanding the lodging of a query or service complaint the consumer remains liable for the payment of the amount claimed by the Municipality in an instance where the query or service complaint pertains to an amount claimed by the Municipality or to make payment for municipal services in an instance

where the query or service complaint relates to a municipal service or other public service provided by the Municipality. If the outcome of a query or service complaint indicates that the Municipality claimed payment of an amount or part of the amount which is not due, the Municipality will effect the necessary adjustment to the account and provide the required credit.

(6) A consumer who is aggrieved by the outcome of a query or service complaint lodged by the consumer may appeal the outcome, to which appeal process the following provisions apply:

(a) an appeal must be made in writing, setting out the details of the query or service complaint initially lodged by the consumer, the outcome which was received pertaining thereto from the Municipality as well as the grounds of the appeal and the contact details and identity of the consumer lodging the appeal;

(b) an appeal must be lodged with the office of the Municipal Manager within 21 (twenty one) days after the consumer received the outcome of the query or service complaint from the Municipality;

(c) if the appeal relates to the testing of any measuring device or meter the Municipality may require the consumer to make payment of an amount as determined by the Municipality to effect the testing of the measuring device or meter prior to the Municipality proceeding to deal with the appeal. If the outcome of the appeal is in favour of the consumer who lodged the appeal then such amount shall be refunded;

(d) once the office of the Municipal Manager has received a properly noted appeal, the office of the Municipal Manager must within 7 (seven) days proceed to request the office of the Chief Financial Officer or the applicable directorate who dealt with the query or service complaint to which the appeal relates to provide a written report in response to the grounds of appeal, within 14 (fourteen) days from being requested to do so, setting out the reasons of the outcome of the query or service complaint. The Municipal Manager may request any party to provide further detail or information as required to assist in the consideration of the appeal or to clarify any issues;

(e) the Municipal Manager shall then within 14 (fourteen) days after having received the response of the office of Chief Financial Officer or the applicable directorate and any additional information requested, consider the appeal and inform the consumer who lodged the appeal of the outcome in writing;

(f) if the appeal relates to the testing of any measuring device or meter the following provisions will apply to the appeal process:

(i) the Municipal Manager shall consider the appeal within 14 (fourteen) days after having received the outcome of the test results of the tests conducted; and

(ii) the provisions relating to the testing of a measuring device or meter as set out in this policy will apply *mutatis mutandis*;

(g) the decision of the Municipal Manager is final;

(h) the Municipal Manager may condone the late lodging of an appeal or any other procedural irregularity pertaining to an appeal in a written notice expressly doing so.

29. SECTION 102(2) DISPUTES

A dispute declared by a consumer in terms of the provisions of section 102(2) of the Systems Act, must be declared and dealt with as follows:

(a) a consumer who wishes to declare a dispute in terms of the provisions of section 102(2) of the Systems Act, must declare such dispute in writing to the office of the Municipal Manager of the Municipality by means of a written declaration of the dispute, which writing must contain and set out the following:

(i) the account number to which the dispute relates;

(ii) the specific amount(s) to which the dispute relates;

(iii) a detailed description of the dispute and the grounds upon which and the reasons why the dispute is being declared together with any supporting documentation;

(iv) the redress requested by the consumer;

(v) the signature of the consumer who/which is the account holder of the account to which the dispute relates, or if the dispute is being declared by a person other than the holder of the account to which the dispute relates, a power of attorney by the holder of the account to which the dispute relates authorising the person who declares the dispute to do so, which must accompany the written declaration of the dispute;

(b) a consumer who declares a dispute will only be entitled to the protection afforded to the consumer in terms of the provisions of section 102(2) of the Systems Act, if the dispute is declared as provided in terms of this policy;

(c) upon receipt of the written declaration of the dispute, the office of the Municipal Manager will within 7 (seven) days after receipt of the written declaration of dispute, refer the dispute to the office of the Chief Financial Officer or any delegated official of the Municipality, who will investigate the dispute and within 14 (fourteen) days after having received the dispute, make a finding on the outcome thereof as to the redress, if any, to be afforded to the consumer who declared the dispute;

(d) the office of the Chief Financial Officer or any delegated person must communicate the finding to the office of the Municipal Manager within the above stated 14 (fourteen) days, who in turn must communicate the finding of the Chief Financial Officer or any delegated official to the consumer who declared the dispute, within 7 (seven) days after having received the finding of the Chief Financial Officer or any delegated official;

(e) a consumer who is aggrieved by the finding of the Chief Financial Officer or any delegated official may lodge an appeal against the finding of the Chief Financial Officer or any delegated official in accordance with the below stated provisions;

(f) an appeal lodged against the finding of the Chief Financial Officer or any delegated official on a dispute declared by a consumer, must:

(i) be lodged in writing to the office of the Municipal Manager and comply *mutatis mutandis* to the provisions of sub-paragraph (a) above;

(ii) be lodged within a period of 7 (seven) days after the date on which the finding of the Chief Financial Officer or any delegated official was dispatched to the consumer by the office of the Municipal Manager; and

(iii) be decided on by the Municipal Manager of the Municipality who may be advised by an attorney from the Panel of Attorneys of the Municipality, who must decide the outcome of the appeal and communicate the decision on the outcome of the appeal to the consumer who lodged the appeal within 14 (fourteen) days after the appeal has been received;

(g) the decision made by the Municipal Manager on an appeal lodged by the consumer who declared the appeal against the finding of the Chief Financial Officer or any delegated official , shall be final and binding on the parties and constitutes the disposal and end of the dispute declared in terms of section 102(2) of the Systems Act;

(h) where a dispute has been declared and such dispute has been dealt with as set out above, the subject matter of such a dispute is disposed of and the consumer who declared the dispute may not declare a further dispute on the subject decided matter, or any part thereof;

(i) the declaring of a section 102(2) dispute as contemplated above, does not excuse the consumer from paying, or suspend the obligation to pay the amount which forms the subject of the dispute, or any other amount due to the Municipality in terms of the statement containing the amount which forms the subject of the dispute;

(j) if the finding of the Chief Financial Officer or any delegated official or the Municipal Manager in the event of an appeal, is that an adjustment on an account is warranted to the benefit of the consumer who lodged the appeal, the relevant account will be credited accordingly.

30. GRANTING AN EXTENSION OF THE PERIOD IN WHICH TO MAKE PAYMENT OF AMOUNTS DUE IN TERMS OF AN ACCOUNT

(1) If a customer is not able to make payment to the Municipality of the amount due in terms of the statement of such a customer, on the due date of the said statement, the Municipality may, in its sole discretion and on receipt of a written application from the debtor, grant an extension of the period in terms of which payment of such statement must be made by the customer, on the following conditions:

(a) the customer shall apply in writing to the office of the Chief Financial Officer for an extension of the due date by which a debt reflected on a statement or portion thereof, must be paid to the Municipality;

(b) the written application referred to above must stipulate the account number of the customer, the reasons why the extension of the due date is required, details of the financial position of the customer as well as the contact details and identity of the customer;

(c) the written application must be received by the office of the Chief Financial Officer prior to the due date for payment of the amount due in terms of the statement;

(d) the office of the Chief Financial Officer will consider the application by the customer as soon as reasonably possible and inform the customer of whether or not the application was granted, wholly or in part, and also stipulate the date upon which payment of the amount as reflected in the statement must be made in lieu of the due date as indicated on the statement;

(e) ~~a customer may not apply for the extension of the due date on more than 3 (three) occasions over any period of 12 (twelve) months~~;

(f) no extension may be granted to any customer who is under administration in terms of the Magistrates Court Act, Act 32 of 1944 or who has an arrangement with the Municipality to pay off previous arrears in instalments or within an extended time or against whom debt collection measures have been implemented;

(g) an extension for payment granted by the Municipality in terms of this policy, is subject to the customer signing an acknowledgment of debt for the arrear amount(s) not paid to the Municipality on the due date as reflected on the statement.

(2) If the customer fails to make payment of the amount reflected in the statement, or such amount as indicated by the office of the Chief Financial Officer, on the date indicated by the office of the Chief Financial Officer, then the customer will be in arrears with such an amount and the provisions of this policy will apply and the customer will become a debtor.

31. ARRANGEMENTS TO PAY ARREARS IN CONSECUTIVE INSTALMENTS

(1) If a debtor is in arrears with the payment of an account to the Municipality, the Municipality may, in its sole discretion, enter into a written arrangement for the payment of the arrears, on the following conditions:

(a) only a debtor or a person authorised in writing on behalf of a juristic person which is the debtor, will be allowed to enter into and sign an agreement or arrangement for the payment of any arrears;

(b) the written agreement has to be signed on behalf of the Municipality by the duly authorised official;

(c) the debtor must acknowledge the fact that the arrears are due and payable and that the debtor will continue to make payment to the Municipality of the debtor's current account while simultaneously reducing the arrears in terms of the arrangement and must sign a separate acknowledgement of debt;

(d) any debtor who did not honour a previous arrangement or agreement will not be considered for a new agreement or arrangement unless exceptional circumstances exist;

(e) the debtor must agree that the arrears will be settled by making consecutive monthly instalment payments which must be maintained and any default will result in the whole outstanding amount becoming immediately due and payable and the municipal services, if applicable,

being limited or disconnected without further notice, upon the debtor's default;

(f) the Municipality in its sole discretion can elect to terminate the further levying of interest, either wholly or in part, on the arrears in the event of an arrangement being entered into. Should the debtor fail to honour the arrangement, any interest not levied, will immediately be levied at the prescribed rate retrospectively and the entire amount due as interest will also become immediately due and payable together with the balance of the arrears;

(g) the period over which as well as the monthly instalment which the debtor will be paying in terms of the arrangement to extinguish the arrears and interest, if any, will be agreed between the debtor and the Municipality with the proviso that if the amount for the instalments or the period is not acceptable to the Municipality, the Municipality may decline to enter into the arrangement, and the debtor will be held liable for the immediate payment of the arrears and interest;

(h) a debtor may be required to complete a debit order for the payment of the instalments payable in terms of the arrangement;

(i) no arrangement for the payment of arrears will be longer than a period of 18 (eighteen) months. The Municipality may on an individual basis allow a longer period than the aforementioned 18 (eighteen) months for the payment of arrears, if exceptional circumstances exist that in the opinion of the Municipality warrants such an extension;(2) The Municipality is entitled to require a debtor to comply with any or all of the following requirements in the event of an arrangement being granted:

(a) sign a consent to judgement and agreement containing the terms of the arrangement which may include terms in addition to those contained in this policy;

(b) provide a garnishee order/emolument order/stop order, if the debtor is employed;

(c) acknowledge liability of all costs including legal costs incurred; and

(d) prove levels of income and make reasonable payment of arrears based on the ability to pay.

(3) The Municipality, in exercising its discretion to conclude an arrangement with a debtor for the paying of arrears may also have regard to a debtor's:

(a) credit record;

(b) consumption of municipal services;

(c) level of the municipal service;

(d) whether previous arrangements to pay off arrears were entered into with the debtor and whether any were complied with; and

(e) any other relevant factors.

(4) A copy of the arrangement will be made available to the debtor.

(5) If a debtor fails to comply with an arrangement for the payment of arrears, the total of all outstanding amounts, including the arrears, any interest thereon, administration fees, costs incurred in taking relevant action, and penalties, including payment of a higher deposit, will be immediately due and payable and the Municipality will be entitled to limit or disconnect any municipal services being delivered to the said debtor, without further notice.

(6) The Municipality may at any time deviate from the arrangement guidelines provided in this policy, but only upon the written recommendation from the Chief Financial Officer to do so, which recommendation must be approved in writing by the Municipal Manager of the Municipality.

(7) In the event of debtor entering into an arrangement with the Municipality to pay the arrears off in a single instalment, the Municipality will write off interest on the arrears as at the date of the payment of the arrears.

32. CATEGORIES OF DEBTORS AND GUIDELINES FOR THE GRANTING OF EXTENSIONS OF DUE DATES FOR PAYMENT OR THE ENTERING INTO OF ARRANGEMENTS FOR THE PAYING OFF OF ARREARS

In exercising its discretion whether or not to grant and extension of the period in terms of which the customer may make payment of an account, or to enter into an arrangement for the paying off arrears in instalments or any other applicable action to be taken by the Municipality regarding customers whose accounts are in arrears, the Municipality may also take into account the following guidelines and norms applicable to different the different categories of debtors referred to below:

OWNERS OF RESIDENTIAL PROPERTY	
DEBT	**PAYMENT / ARRANGEMENT**
~~R0.00 to R1 000.00~~ *R3 001 to R6 000*	50% of the outstanding debt must be paid by the debtor immediately as a down payment, and the balance of the outstanding amount must be paid in consecutive equal monthly instalments within a period of ***6 (six)*** months or sooner.
~~R1001 to R3000~~ ***R6 001.00 to R10 000.00***	**30%** of the outstanding debt must be paid by the debtor immediately as a down payment, and the balance of the outstanding amount must be paid in consecutive equal monthly instalments within a period of ***6 (Six)*** months or sooner.
~~R3001 to R5000~~ *R10 001.00 to R40 000.00*	40% of the outstanding debt must be paid by the debtor immediately as down payment, and the balance of the outstanding amount must be paid in consecutive equal monthly instalments within a period of 12 (twelve) months or sooner.
R40 001.00 +	20% of the outstanding debt must be paid by the debtor immediately as a down payment, and the balance of the outstanding amount must be paid in consecutive equal monthly instalments within a period of 18 (eighteen) months or sooner.

For all arrangements above R100 000 the Municipal Manager and/or the Chief Financial Officer must give authorisation

OWNERS OF BUSINESSES, COMMERCIAL, INDUSTRIAL AND/OR MINING PROPERTY	
DEBT	**PAYMENT / ARRANGEMENT**
~~R0.00 – R8 000.00~~ R0 – R30 000	No arrangement is allowed for this amount and the full outstanding amount must be paid by the debtor.
~~R8 001.00 – R100 000.00~~ R30 001 – R150 000	50% of the outstanding debt together with the account for the month in which the arrangement is made must be paid by the debtor immediately as a down payment and the balance of the outstanding amount must be paid in consecutive equal monthly instalments within a period of 6 (six) months or sooner.
R150 001.00 – R500 000	30% of the outstanding debt together with the account for the month in which the arrangement is made must be paid by the debtor immediately as a down payment and the balance of the outstanding amount must be paid in monthly instalments within a period of 6 (six) months or sooner.
R500 001 +	25% of the outstanding debt together with the account for the month in which the arrangement is made must be paid by the debtor immediately as a down payment and the balance of the outstanding amount must be paid in monthly instalments within a period of 12 (twelve) months or sooner.

~~SPORTING BODIES AND CULTURAL INSTITUTIONS~~	
~~DEFAULT~~	~~PAYMENT / ARRANGEMENT~~
~~All debts:~~	~~50% of the outstanding debt together with the account for the month in which the arrangement is made must be paid by the debtor immediately as a down payment and the balance of the outstanding amount must be paid in consecutive equal monthly instalments within a period of 3 (three) months or sooner.~~

OWNERS OF PROPERTY USED FOR RELIGIOUS PURPOSES, PUBLIC BENEFIT ORGANISATIONS, WELFARE ORGANISATIONS, CHARITABLE INSTITUTIONS, ANIMAL WELFARE, MUSEUMS, LIBRARIES, ART GALLERIES AND BOTANICAL GARDENS, YOUTH DEVELOPMENT ORGANISATIONS AND/OR CULTURAL INSTITUTIONS AND EDUCATION	
DEFAULT	**PAYMENT / ARRANGEMENT**
~~R0 – R10 000~~	***No arrangement is allowed for this amount and the full outstanding amount must be paid by the debtor.***
R10 001 – R50 000	50% of the outstanding debt together with the account for the month in which the arrangement is made must be paid by the debtor immediately as a down payment and the balance of the outstanding amount must be paid in consecutive equal monthly instalments within a period of 12 (twelve) months or sooner.
~~All debts:~~ *R50 001 +*	20% of the outstanding debt together with the account for the month in which the arrangement is made must be paid by the debtor immediately as a down payment and the balance of the outstanding amount must be paid in consecutive equal monthly instalments within a period of 18 (eighteen) months or sooner.

~~RETIRED, DISABLED AND/OR REGISTERED INDIGENTS (AS REFERRED TO IN THIS POLICY)~~	
~~DEFAULT~~	~~PAYMENT / ARRANGEMENT~~
~~All debts:~~	~~A assessment must be made to determine the amount that can be afforded by such debtors for the outstanding debt plus the current amount and the recoverability thereof.~~
	~~An affordable arrangement must be negotiated and paid, together with the current amount, on a monthly basis before the due date.~~
	~~Arrangements for this category of debtor will be free of interest, should the payment arrangement be complied with strictly.~~
	~~Debtors, who qualify and become Registered Indigents, may~~

	~~apply to the Municipality to have their arrear payments written off, once only, during ownership/occupation of the property. Relief will be provided for persons who qualify therefor in terms of the provisions of the Indigent Policy of the Municipality.~~

DEBTORS UNDER ADMINISTRATION	
DEFAULT	**PAYMENT / ARRANGEMENT**
All debts:	The debt as at the date of the administration court order will be placed on hold, and collected in terms of the court order by the administrator's dividend.
	The administrator is to open a new account on behalf of the debtor, with a new deposit – No account is to be opened/operated in the debtor's name as the debtor is not entitled to accumulate debt (refer to the provisions of section 74S of the Magistrates Courts Act, Act 32 of 1944.
	As soon as the Municipality is informed about the status of the debtor being placed under administration, the debtor is to be placed on limited services levels. The customer will be compelled to install a prepaid electricity meter, should one not already be in place. The Municipality will be entitled to recover the cost of the basic services by means of purchases made on the prepaid meter.
	Should there be any default on the current account the supply of services is to be limited or disconnected and the debt incorporated into the administration for the collection of this debt.

COUNCILLORS AND EMPLOYEES OF THE MUNICIPALITY:	
DEFAULT	**PAYMENT / ARRANGEMENT**
All debts:	In accordance with the provisions item 12A of Schedule 1 of Systems Act, a Councillor may not be in arrears to the Municipality for rates and/or services charges for a period longer than 3 (three) months.

	In order to ensure timeous payment of Councillors' accounts, all Councillors may be subject to an automatic deduction instituted against the Councillor allowance payments, on a monthly basis.
	In accordance with the provisions of Item 10 of Schedule 2 of Systems Act, an employee of the Municipality may not be in arrears to the Municipality for rates and/or services charges for a period longer than 3 (three) months, and the Municipality may deduct any arrear amounts from the salary of such an employee after this period, which deduction may not exceed more than 25% of the gross salary of the employee.

CHAPTER 5

CREDIT CONTROL AND DEBT COLLECTION MEASURES AND OTHER INSTANCES FOR THE LIMITATION, DISCONNECTION OR TERMINATION OF MUNICIPAL SERVICES

33. DIFFERENT DEBT COLLECTION AND CREDIT CONTROL MEASURES

(1) The Municipality shall be entitled to utilise and implement any one or more of the following debt collection and credit control measures in respect of any arrears and as provided for in this policy:

(a) a notice of demand;

(b) the limitation, disconnection or termination of the municipal services of water and electricity;

(c) the raising of penalties and interest charges on arrears;

(d) the institution of debt collection procedures and legal proceedings to recover debt.

(2) As a result of the provisions of section 75A, as contained in Chapter 8 of the Systems Act, entitling a Municipality to levy and recover fees, charges or tariffs in respect of any function or service of the Municipality and to recover collection charges and interest on any outstanding amount, the institution of legal proceedings to recover debt shall not constitute a "debt collection and credit control measure" for the purpose of and as contemplated in the provisions of section 102(1), read with section 102(2) of the Systems Act, as the Municipality's right to levy and recover fees, charges or tariffs in respect of any function or service of the Municipality as well as collection charges and interest on any outstanding amount, is not a debt collection and credit control measure provided for in Chapter 9 of the Systems Act, but a statutory right of the Municipality provided for in Chapter 8.

34. NOTICE OF DEMAND

(1) When a consumer is in arrears the Municipality shall serve a notice of demand claiming payment of the arrears within 14 (fourteen) days from the date of the notice of demand, and informing the consumer of the Municipality's right to limit, disconnect or terminate the municipal services of water and electricity should the arrears remain unpaid.

(2) The failure to serve a notice of demand does not relieve a consumer from paying such arrears.

(3) The notice of demand must contain the following:

(a) the amount in arrears and any interest payable;

(b) that the consumer's name may be listed with a credit bureau or any other equivalent body as a defaulter;

(c) that the account may be handed over to a debt collector or attorney for collection and/or the institution of legal steps; and

(d) and that the Municipality has the right to limit, disconnect or terminate the municipal services of water and electricity should the arrears remain unpaid, or the consumer's actions allow the Municipality to limit, disconnect or terminate the municipal services, without further notice;

(e) that, in the event of the limitation or discontinuation of the water or electricity provision services, the consumer is afforded an opportunity to make representations to the Municipality as to why the Municipality should not proceed to limit or discontinue the water supply services to the consumer, which representation must be made by the consumer within 14 (fourteen) days from the date of the notice of demand.

(4) The right to be afforded reasonable notice of the Municipality's intention to limit or discontinue the water supply services to a consumer or to be afforded an

opportunity to make representations to the Municipality as to why the Municipality should not proceed to limit or discontinue the water or electricity supply services to the consumer as referred to above, shall not apply in instances where:

(a) other consumers would be prejudiced;

(b) there is an emergency situation;

(c) the consumer has interfered with a limited or discontinued service.

35. THE LIMITATION, DISCONNECTION OR TERMINATION OF THE MUNICIPAL SERVICES OF WATER AND ELECTRICITY

(1) The Municipality shall be entitled, subject to the 14 (fourteen) day notice period referred to above, to limit the municipal service of water, disconnect the municipal service of electricity or to terminate the provision of municipal services altogether, save for the provision of a limited supply of potable water, to a consumer, in the following instances:

(a) failure to pay arrears subsequent to a notice of demand being served;

(b) failure to rectify a breach of any of the provisions of this policy, or any other Policy, By-Law of the Municipality or statutory provision, after being notified of the said breach;

(c) failure to conclude or honour the terms and conditions of an arrangement to pay arrears in consecutive instalments;

(d) failure to comply with a condition of supply relating to any municipal service imposed by the Municipality;

(e) if there has been any unlawful obstruction of or interference with any equipment or services;

(f) if the consumer supplies or attempts to supply or "on sell" such municipal service to a person who is not entitled thereto or permits such service to continue;

(g) if the Municipality fails to obtain actual readings for a period of 3 (three) consecutive months and the consumer was notified in writing

by the Municipality to avail the readings but fails to respond within the prescribed time;

(h) the building on the premises to which services were provided has been demolished;

(i) at the written request of the consumer;

(j) if there has been a material abuse of the municipal services by the consumer;

(k) if the execution of necessary and/or required repairs or maintenance necessitates;

(l) in instances of emergencies where the provision of certain municipal services are not possible; and

(m) if there has been any unlawful connection, or any unauthorised activity relating to any municipal installations or services or the services are used for the conducting of a category of use other than that for which the consumer is registered.

(2) ~~The Municipality will, disconnect or terminate the municipal services of water and electricity on a Saturday, Sunday or a public holiday, except in exceptional circumstances, and the Municipality will restore or re-connect the municipal service on a Saturday, Sunday or public holiday where the arrears have not been paid in full, or made an arrangement with the Municipality for such payment as provided for in this policy before 12h00 on a working day immediately preceding a Saturday or public holiday~~.

(3) The costs of any limitation, disconnection or termination of municipal services and the restoration or re-connection thereof, including any interest thereon, administration fees, additional charges, costs incurred in taking relevant action and any penalties, including the payment of a higher deposit, payable in terms of this policy, will be payable by the consumer in full to the Municipality before any reconnection or restoration of the municipal services will take place.

(4) The Municipality shall have the right to limit, disconnect or terminate municipal services in accordance with this policy if there is any arrears and irrespective of whether payment has been made in full or in part for or towards the municipal service which has been limited, disconnected or terminated.

(5) Notwithstanding that a municipal service connection to an approved installation may have already been completed, the Municipality may at its absolute discretion, refuse to supply municipal services to that installation, until all arrears by the same consumer in respect of that or any other service connection, whether or not on the same premises, have been paid.

(6) An arrangement to pay arrears in consecutive instalments entered into after the municipal services was limited, disconnected or terminated, will not result in the municipal services being restored or reconnected until the arrears, any interest, administration fees, costs incurred in taking relevant action and any penalties, including payment of a higher deposit, are paid in full.

(7) The Municipality may without notice, limit, disconnect or terminate the provision of municipal services, including the supply of water and the supply of water and electricity services provided through pre-payment meters (which could include the restricting and/or allocation of credit purchases for pre payment meters) to any premises, and without prejudice any of the Municipality's rights, including the right to enter upon such premises and carry out, at the consumer's expense, such emergency work, as the Municipality may deem necessary and in the following circumstances:

(a) in an emergency where the Municipality considers it necessary as a matter of urgency to prevent any wastage of municipal services, unauthorised use of municipal services, damage to property, danger to life or pollution of municipal services, and national disaster or if sufficient municipal services are not available;

(b) where a consumer uses the municipal services for any purpose or deals with the supply of the municipal services in any manner which the Municipality has reasonable grounds for believing interferes in an

improper or unsafe manner or is found to interfere in an improper or unsafe manner with the efficient supply of the municipal services to any other consumer. Where the consumer causes or allows any other consumer to connect to the services supplied to him, the Municipality may limit, disconnect or terminate such municipal service but shall restore such service as soon as reasonably possible once the cause for the disconnection has been permanently remedied or removed;

(c) where a consumer causes a situation which is in the opinion of the Municipality constitutes a danger or potential danger to a person or property or a contravention of relevant legislation;

(d) where a consumer interferes with the supply to any other consumer;

(e) where there is a serious or grave risk to any person or property;

(f) for reasons of community safety or the safety of emergency personnel;

(g) where *prima facie* evidence exists of a consumer and/ or any person having tampered with or contravened the provisions of this policy the Municipality shall have the right to disconnect the supply of municipal services immediately and without prior notice to the consumer or premises where the contravention has taken place;

(h) if there has been material abuse of the municipal services;

(i) if the use of municipal services is creating unacceptable environmental damage or water pollution.

36. RECONNECTION OR REINSTATEMENT OF MUNICIPAL SERVICES

(1) The Municipality shall reconnect or reinstate municipal services limited, disconnected or terminated in terms of this policy, if:

(a) the arrears have been paid by the debtor, or an arrangement for the paying of the arrears in instalments has been concluded between the Municipality and the debtor; and

(b) the costs of any limitation, disconnection or termination of municipal services and the restoration or re-connection thereof, including any

interest administration fees, additional charges, costs incurred in taking relevant action and any penalties, including the payment of a higher deposit, payable in terms of this policy, have been paid by the debtor; and

(c) there are no other grounds to continue the limitation, disconnection or termination provided in this policy.

(2) The Municipality may when restoring or reinstating municipal services limited, disconnected or terminated as a result of non-payment or a breach of the terms of their policy, install or convert a conventional measuring device or meter with a prepayment metering system in order to execute credit control.

37. TERMINATION OF MUNICIPAL SERVICES BY CUSTOMER

If the customer is of the intention to terminate the services agreement with the Municipality or to terminate one or more of the municipal services being rendered to the customer, the customer shall give notice in writing, of not less than 7 (seven) days to the Municipality of this intention, by completing the relevant service discontinuation and account closure forms as prescribed by the Municipality requesting the Municipality to terminate the services agreement concluded with the Municipality and/or the provision of the municipal service(s). Until such time as the service agreement or municipal services have been terminated the customer remains liable for all and any charges, fees, tariffs, levies and the consumption charges of municipal services.

38. TERMINATION OF MUNICIPAL SERVICES AGREEMENT BY THE MUNICIPALITY

The Municipality may terminate the services agreement for the provision of a municipal services which the Municipality concluded with a customer, by notice in writing of not less than 30 (thirty) days:

(a) if the customer has not used the municipal service(s) during the preceding 6 (six) months and has not made arrangements to the satisfaction of the Municipality for the continuation of the relevant municipal service;

(b) if the Municipality has made an arrangement with another service provider to provide the municipal service concerned to the customer;

(c) the customer has vacated the premises to which the agreement concerned relates;

(d) if the customer has failed to comply with the provisions of this policy and the applicable by-laws and has failed to rectify such failure following notice to do so;

(e) the building on such premises has been demolished or declared unsafe for occupation;

(f) the customer has failed to pay the prescribed charges, fees, tariffs, levies, consumption charges or other amounts due to the Municipality.

39. TEMPORARY DISCONNECTION AND RECONNECTION

(1) The Municipality shall at the request of the customer and when reasonably possible, temporarily disconnect and reconnect the supply of municipal services for the consumer to effect an installation on the premises requiring the disconnection of the municipal services, upon payment of the prescribed fee for such disconnection and reconnection.

(2) The Municipality may temporarily disconnect or alter or move or change the supply of municipal services to any premises without notice, for the purpose of effecting repairs or carrying out tests or for any other legitimate purpose.

Regarding the temporary disconnection of the electricity supply, the Municipality will endeavour to give effect and implement to the provisions of NRS 047-1:2005 Edition 3 relating to planned disconnections.

40. LEVYING OF PENALTIES AND INTEREST CHARGES ON ARREARS

(1) The Municipality may in terms of section 75A of the Systems Act charge interest on arrears at the interest rate determined by the Council from time to time.

(2) Where any payment made to the Municipality is later dishonoured by the bank, the Municipality may levy such cost and administration fees against an account of the customer as approved from time to time by the Council and set out in the Tariff Schedule referred to in the Tariff Policy.

(3) All legal costs, including attorney and own client costs, incurred in the recovery of arrears shall be levied and recovered from the debtor.

(4) Where any action is taken by the Municipality in demanding payment from the debtor or reminding the debtor by means of telephone, fax, email, letter or otherwise, that the account of the said debtor is in arrears and that payments on the account are overdue, a penalty fee may be levied against the account of the debtor in the amount as set out in the Tariff Schedule of the Municipality.

(5) Where any municipal service is disconnected as a result of non-compliance with the provisions of this policy by the debtor, the Municipality shall be entitled to levy and recover the standard disconnection fee, as determined by the Municipality from time to time, from the debtor in terms of the Municipality's Tariff Schedule.

41. THE INSTITUTION OF DEBT COLLECTION PROCEDURES AND LEGAL PROCEEDINGS TO RECOVER DEBT

(1) Where an account remains in arrears for more than 60 (sixty) days: the debtor's name may be listed with a credit bureau or any other equivalent body

as a defaulter and the arrears may be handed over to a debt collector or an attorney for the collection of the arrears and/or the institution of legal steps against the debtor.

(2) The Chief Financial Officer must exercise strict control over this process and must require regular progress reports from attorneys, debt collectors and/or other parties concerned.

(3) The Municipality must ensure that the terms, conditions, duties and obligations of any service providers appointed by the Municipality to collect outstanding debts, are sufficiently documented in a service level agreement and the Chief Financial Officer must ensure that the terms and conditions of the service level agreement are complied.

(4) Once arrears have been handed to an attorney or other person for the collection of the arrears any further arrangements, agreements or communications must be made directly with such attorney or debt collector.

(5) In terms of the provisions of section 103 of the Systems Act the Municipality may:

(a) with the consent of the debtor, enter into an agreement with the employer of the debtor in order to deduct from the salary or wages of such debtor:

(i) any outstanding amounts due to the Municipality in terms of this policy; or

(ii) such regular monthly amounts as may be agreed and

(b) provide special incentives for:

(i) employers to enter into such agreements; and

(ii) debtors to consent to such agreements.

(6) Any and all collection and/or legal fees occasioned by the debt collection process are payable by the debtor concerned.

(7) In the event that the Municipality has listed a consumer with a Credit Bureau and the consumer has subsequently settled their obligation in terms of the listing, the Municipality shall inform the Credit Bureau within 7 (seven) days of such payment and request the removal of the listing

42. FULL AND FINAL SETTLEMENT

If a consumer tenders payment of an amount less than the amount that is due and payable to the Municipality or tenders payment of any arrears, and such payment is accepted by the Municipality, such payment will not be in full and final settlement of the amount due and payable or arrears, irrespective of the consumer indicating that such payment is in full and final settlement, unless it is part of a written agreement between the consumer and the Municipality in terms of which the Municipality expressly states that it is prepared to accept the payment in full and final settlement.

43. JOINT AND SEVERAL LIABILITY OF OWNERS, TENANTS AND OCCUPIERS

Notwithstanding any other provision in this policy, the owner, tenant or occupier of premises to which municipal services are provided, or in respect of which any levies, fees, charges or tariffs are imposed or levied, are jointly and severally liable for the payment of any consumption charges, levies, fees, charges or tariffs, despite any contractual obligation or arrangement to the contrary between any of the said parties, and irrespective of whether a municipal services agreement was concluded between the Municipality and such owner, tenant or occupier of the premises regarding the provision of the municipal services to which the consumption charges, levies, fees, charges or tariffs relate.

44. JOINT AND SEVERAL LIABILITY OF OWNERS, TENANTS AND OCCUPIERS FOR ARREARS REGARDING RATES

(1) In terms of section 28 of the MPRA the Municipality may recover arrears for rates in whole or in part from the owner, tenant or occupier of the property, despite any contractual obligation to the contrary on the tenant or occupier, subsequent to written notice to the tenant or occupier. The Municipality may recover these arrears only after the Municipality has served a written notice on the tenant or occupier.

(2) The amount the Municipality may recover from the tenant or occupier of a property in terms of sub-paragraph (1) is limited to the amount of the rent or other money due and payable, but not yet paid, by the tenant or occupier to the owner of the property.

(3) Any amount the Municipality recovers from the tenant or occupier of the property must be set off by the tenant or occupier against any money owed by the tenant or occupier of the owner.

(4) The tenant or occupier of a property must, on request by the Municipality, furnish the Municipality with a written statement specifying all payment to be made by the tenant or occupier to the owner of the property for rent or other money payable on the property during a period determined by the Municipality.

CHAPTER 6

CUSTOMER ASSISTANCE

45. RATE REBATE

Rate rebates will be granted as set out in the Rates Policy and By-Law of the Municipality.

46. FREE BASIC SERVICES

The Municipality will provide the free basic municipal services as set out in the Tariff Policy and By-Law of the Municipality. In the event that any municipal service is limited, disconnected or terminated in terms of this policy the free portion of such municipal services provided for in terms of this section and the Tariff Policy and By-Law, will also not be unlimited for as long as the municipal service remains limited, disconnected or terminated.

47. INDIGENT SUPPORT

The Municipality may extend indigent support to any consumer on application to the Municipality in the prescribed manner as set out in the Municipality's Indigent Policy.

CHAPTER 7

PROVISION FOR BAD AND IRRECOVERABLE DEBT

48. PROVISIONS FOR BAD DEBT

(1) The Municipality must ensure that there is an acceptable and sufficient provision for bad debt in the budget of the Municipality.

(2) The annual provision for bad debt shall be provided for as follows:

(a) 90% of all outstanding debts which are unpaid for a period of 90 (ninety) days or more, based on the estimated age analysis of the financial year end of which the financial statements are drawn up for; and

(b) 50% for 60 days based on the estimated age analysis of the financial year end of which the financial statements are drawn up for.

(3) Provision for bad debt is provided for in respect of the following services and amounts debited to customer accounts:

(a) rates;

(b) sewerage;

(c) water;

(d) electricity;

(e) refuse;

(f) basic electricity;

(g) basic water; and

(h) sundry debtors.

(4) The Chief Financial Officer must keep record of all provisions in accordance with general recognised accounting practices.

(5) The Chief Financial Officer must report to the Municipal Manager in a prescribed form and must review and adjust the provisions with the adjustment budget.

49. IRRECOVERABLE BAD DEBT AND WRITE OFFS

(1) The main purpose of writing off bad debts is to ensure:

(a) consistency in writing off bad debts;

(b) proper authorisation at appropriate levels for write offs;

(c) efficient and effective debt collection.

(2) Bad debts will be written off if the Municipality is satisfied that:

(a) recovery will cause undue hardship to the debtor or debtor's dependents;

(b) recovery is uneconomical or not cost effective;

(c) the provisions of all other policies of the Municipality, such as the Indigent Policy have been considered and where applicable applied;

(d) any debt collection and credit control measures implemented by the Municipality were exhausted and/or ineffective and/or not cost effective;

(e) a full report of all amounts to be written off is to be presented to the Council on a quarterly basis for approval;

(f) the write-off's in respect of the arrears of Registered Indigents will be undertaken in terms of the Indigent Policy of the Municipality;

(g) in the event of a claim against an insolvent estate, pursuing a claim against the estate bears the risk of a contribution or the prospect that no dividend will be received;

(h) a deceased estate has no liquid assets to cover the arrears following the final distribution of the estate or if the estate has not been reported

to the Master and there is no reasonable prospect of recovering the arrears from the Estate;

(i) the arrears have, in law, prescribed and the prescription of the debt has been claimed and relied on by the consumer;

(j) the debtor is untraceable or cannot be identified in order to proceed with further action;

(k) the debtor has emigrated leaving no assets of value and it is not cost effective to pursue the claim further;

(l) it is not possible to quantify or prove the arrears;

(m) a court has ruled that the claim is not recoverable;

(n) the arrears are due to an irreconcilable administrative error by the Municipality including any alterations not affected timeously in the Municipality's records or the levying of interest in an instance where the capital was not in arrears;

(o) such amount constitutes the remainder of arrears on which the Municipality accepted an offer made in full and final settlement of such arrears, which offer is not for the entire amount of the arrears, but which is accepted in writing by the Municipal Manager;

(p) arrears may be written off to bad debts where the Municipality:

(i) expropriates any property; or

(ii) purchases any property; or

(iii) undertakes any obligations to develop any property.

(3) Arrears may be written off as bad debts where a property has been forfeited to the State in terms of the Prevention of Organised Crime Act, Act 121 of 1998; or where the occupants have been evicted from Council, Provincial or State-owned premise;

(4) Where a customer has applied for and been awarded a grant due to the Registered Indigent status of such a customer in terms of the Indigent Policy of the Municipality. Such a write off by the Municipality will be allowed only

once for a specific customer and where such customer has lost his/her status as a Registered Indigent due to his/her financial recovery, such customer will immediately be subject to the provisions of this policy should the account again fall into arrears;

(5) Where an exemption has been granted in terms of the Rates Policy of the Municipality to a ratepayer from the payment of property rates, such ratepayer will with effect from the date of such exemption, have its arrears in respect of its account, if any, written off;

(6) Should any tampering with or bypassing of any measuring device or meter be discovered, any arrears written-off in terms hereof, will become payable with immediate effect and any other action as per any legislation or policy which applies to such tampering and/or bypassing will be instituted;

(7) Where a ratepayer's status, entitling it to an exemption in terms of the Rates Policy of the Municipality, changes so that the ratepayer is no longer entitled to an exemption, any arrears written off subsequent to the changing of the status of the ratepayer will be reversed and become due and payable again;

(8) Any request for the writing off of arrears for an amount above R1 000.00 (one thousand rand) must be made to the Council. Such a request must be made in writing and must be submitted to Council for approval together with documentation indicating the applicable account number, the debtors full details, full details of the premises concerned in respect of the arrears, the arrears as well as a motivation for the requested write-off referring to the grounds set out in this policy allowing for a write off in the particular circumstances. The request must be compiled and submitted to Council for approval by way of a resolution as an irrecoverable debt write off. Arrears of less than R1 000.00 (one thousand rand) may be written off by means of a written resolution from the Municipal Manager supported by a written report and recommendation from the Chief Financial Officer and the details regarding

the debtor and the arrears referred to above, must be included in the said report and recommendation.

(9) Notwithstanding the contents of the afore going paragraphs, the Municipality is under no obligation to write-off any particular debt and any approval of a write–off of arrears remains within the sole discretion of the Municipality.

(10) The Municipality is entitled to reverse any amount it has written-off upon it being discovered that a debtor has mislead (whether intentionally or negligently) the Municipality in terms of any information, documentation or representation made by such debtor in order to receive such write-off, in which event the Municipality is entitled to immediately effect the reversal of any write-off against the account of a debtor.

(11) The Municipality may write-back any amount previously written-off by it on behalf of a debtor where the account of such debtor, at any time, reflects a credit balance.

(12) Any write off of any arrears which was in error shall not bind the Municipality and be written back.

(13) The Municipality shall apply the terms of this policy fairly and consistently and in an open and transparent manner.

(14) Where a debt has in law prescribed and the consumer claims and relies on the extinguishing of the debt as the result of prescription of the debt, as envisaged in sub-paragraph (2)(i) above, the Municipal Manager has the delegated authority, which must be exercised in consultation with the Chief Financial Officer, to confirm that the debt has in fact prescribed and is accordingly written off. The Municipal Manager must report on all debts which have been written off as a result of the prescription thereof to Council.

CHAPTER 8

GENERAL PROVISIONS

50. RIGHT OF ACCESS OR ENTRY TO PROPERTY AND INSPECTION

(1) In terms of the provisions of section 101 of the Systems Act and section 41 of the MPRA, the Municipality must be given access to premises by the owner or occupier thereof or the customer or consumer of the municipal services thereon or thereto (cumulatively referred to hereafter as "person in control") at all reasonable hours, or in the event of an emergency at any time, in order to request information, carry out an inspection and examination, to read, inspect, install or repair any measuring device or meter or service connection for reticulation, or to limit, disconnect or terminate the provision of any municipal services, or to value the premises, or to execute any lawful act or conduct any lawful service, or to ensure compliance with any by-law of the Municipality or statute.

(2) Where, for whatever reason, access to a measuring device or meter or premises is not possible, the Municipality may:

(a) by written notice require the person in control to restore access at his/her own expense within a specified period; and

(b) where access to such a measuring device or meter or premises is required as a matter of urgency or in an emergency, the Municipality may without prior notice restore access to the measuring device, meter or premises and recover the costs in respect thereof from the person in control.

(3) A person in control who fails or refuses to provide access to the Municipality will be liable for the costs incurred by the Municipality, to gain access to the measuring device or meter or premises.

(4) If the Municipality considers it necessary, in order to enable the Municipality to perform any function properly and effectively in terms of this Policy, or any other policy or by-law of the Municipality, it may:

(a) by written notice require the person in control, at their own expense, to do specified work within a specified period;

(b) in the event of an emergency conduct the necessary work without any notice and cause the person in control to reimburse the Municipality for any expenses incurred in the execution of such work.

(5) If the work referred to above is carried out for the sole purpose of establishing whether a contravention of this policy has been committed and no such contravention has taken place the Municipality shall bear the expense and cost connected therewith.

(6) Any person representing the Municipality must on request provide his or her identification and allow the consumer to verity the authority of the representative with the Municipality.

51. UNAUTHORISED ACTIVITIES – THEFT, FRAUD AND TAMPERING

(1) Any person who is illegally connected to municipal services, tampers with measuring devices or meters, the reticulation network or any other equipment of the Municipality for the provision of municipal services, and/or any person who commits any unauthorised activity, theft of, or damage to any infrastructure or equipment of the Municipality (also referred to as an "unauthorised activity") will be prosecuted.

(2) No person shall in any manner, or for any reason whatsoever tamper with, interfere with, vandalise, fix advertising medium to, or deface any measuring device or meter or service connection or service protective device or supply mains or equipment of the Municipality, or illegally connect into the municipal services of any other consumer or the Municipality.

(3) The provision of municipal services to any premises, and/or consumer, will be terminated immediately upon the Municipality becoming aware of any unauthorised activity in respect thereof as contemplated in this policy.

(4) The Municipal Manager must implement a monitoring system in order to identify consumers who commit any unauthorised activity.

(5) The Municipality reserves the right to institute legal action, including the laying of criminal charges and/or to take any other legal action against any person who commits an unauthorised activity.

(6) The Municipality may reward any whistle blower who reports unauthorised activity to the Municipality.

(7) An owner of premises will be held liable and fined for any unauthorised activity committed by an occupier of such premises.

(8) In the event of any unauthorised activity, the Municipality shall have the right to recover an amount based on estimated consumption as provided for in this policy. The estimated consumption by the Municipality shall be prima facie evidence of the consumption in the event of any unauthorised activity.

(9) Where a person illegally reconnects the supply of a municipal service which was disconnected by the Municipality in accordance with this policy, then the consumer shall be liable for all charges for such municipal service consumed between the date of disconnection and the date the supply is found to be reconnected and any other charges raised in this regard.

(10) Notwithstanding any other rights that the Municipality may have in terms of this policy, the Municipality may, in the event of any unauthorised activity,

summarily terminate the supply of municipal services and may take any such steps as the Municipality may deem necessary to effect such termination, including, but not limited to the right to remove the measuring device or meter physically from the premises.

(11) Any contravention of this paragraph, whether intentional or negligent shall be sufficient to constitute an offence and unless the contrary is proved by the consumer, it shall be deemed that the contravention was due to an intentional act or omission of the person charged.

52. CLEARANCE CERTIFICATES

(1) In terms of the provisions of section 118 of the Systems Act a registrar of deeds may not register the transfer of property situated within the municipal area of the Municipality, except on production to such registrar of a prescribed certificate issued by the Municipality, which certifies that all amounts which became due in connection with such property for municipal service fees, surcharges on fees, property rates and other municipal taxes, levies and duties during the 2 (two) years preceding the date of application for such certificate, have been fully paid.

(2) if a clearance certificate is requested in terms of section 118 (1) of the Act, and payment is only made for two years preceding the date of application for the certificate , the balance of the debt shall remain as a charge against the property.

(3) The certificate shall be endorsed with the balance owing as a charge against the property in order to bring the same to the attention of the seller, buyer and conveyance. The onus is on the conveyance to advise his or her clients accordingly.

(4) The municipality may institute legal proceedings against the seller or purchaser of the property to recover the balance owed.

(5) The municipality reserves the right to follow any of the legal mechanisms available to it in order to recover the balance of the debt, including, lodging an urgent application to interdict the sale of the property until the debt is paid in full or an irrecoverable bank guarantee for the full outstanding debt, on date of registration of transfer has been furnished by the conveyance.

(6) Information and contact details of the purchaser provided on the revenue clearance certificate shall be used as details of the new owner (purchaser) for the purposes of billing for rates, services and consolidated accounts until the same has been changed by the purchaser.

(7) In the case of the transfer of immovable property by a trustee of an insolvent estate the provisions of this paragraph are subject to section 89 of the Insolvency Act, Act 24 of 1936.

(8) An amount due for municipal services, fees, surcharges on fees, property rates and other municipal rates, levies and duties provided for in this policy, is a charge upon the property and which amount enjoys preference, over any mortgage bond registered against the property from the date of registration of the transfer of the property into the name of the owner.

(9) If the owner of the property is not the person who has entered into a services agreement with the Municipality for the supply of municipal services to a property, the owner will become liable for the payment of the charges referred to in section 118(1)(b) of the Systems Act relating to the property, once the owner of the property applies for a clearance certificate in terms of section 118 of the System Act.

53. DAMAGE TO MUNICIPAL SERVICE INFRASTRUCTURE

(1) A consumer shall be liable for all and any costs to the Municipality arising from any damage to, or loss of any measuring device or meter or municipal service infrastructure relating to the provision of municipal services to premises, unless such damage is shown to have been occasioned by an Act of God or an act or omission of the Municipality, or caused by an abnormality in the supply of municipal services to the premises.

(2) In the event of any damage occurring to any measuring device or meter or municipal service infrastructure relating to the provision of municipal services to premises, the consumer shall report and inform the Municipality as soon as the consumer becomes aware of the damage.

54. REPORTING DEFAULTERS

(1) The Municipality may in its discretion report any person that is indebted to the Municipality, to any company or organisation that collates and retains information regarding defaulters.

(2) The information to be included in such report shall be the available personal information of the defaulter or in the event that the defaulter is a legal person, the statutory details of the legal entity including information pertaining to the responsible officer of such legal person.

55. PROCUREMENT OF GOODS AND SERVICES AND PAYMENTS IN TERMS OF CONTRACTS

(1) When submitting a tender for the provision or delivery of goods, each potential tenderer must prove to the satisfaction of the Municipality that all accounts for which the tenderer is liable, have been paid up to date and that all accounts for which each and every director, member, partner or trustees of the tenderer is liable have also been paid up to date.

(2) The municipality will at its sole discretion check whether all the municipal accounts are up to date, copies of all accounts sent to the tenderer and to each director, member, owner, partner, or trustees must be attached to the tender documents.

(3) Where a tenderer's place of business or business interests are outside the jurisdiction of the municipality a Revenue Clearance Certificate from the Municipality must be produced.

(4) Before awarding a tender, the municipal debts of the tenderer and each director , member , owner, partner or trustee of the tenderer must be paid in full.

(5) Where payments are due to a creditor in respect of goods or services provided to the Municipality or in terms of any contractual arrangement with the municipality may be set off against such payments.

(6) This policy applies to quotations, public tenders and tenders in terms of section 36 of the Supply chain management policy

56. NOTICE

(1) Any notice given by the Municipality in terms of this policy, the Credit Control and Debt Collection By-Law, the Tariff Policy and By-Law, the Rates Policy and By-Law, the Water By-Law, the Electricity By-Law or any other legislation shall, unless the contrary is proven by the person/entity to whom the notice was addressed, be regarded as having been served:

(a) when it has been delivered to that person personally;

(b) when it has been left at that person's place of residence or place of business or employment with a person apparently over the age of 16 (sixteen) years;

(c) when it has been posted by pre-paid registered or certified mail to that person's last known residential address or business address and an acknowledgment of the posting thereof from the postal service is obtained;

(d) when it has been served on that person's agent or representative in any of the manners provided for in this policy;

(e) when it has been posted in a conspicuous place on the premises to which the notice relates;

(f) when it has been faxed to that persons fax number and a confirmation of the successful sending of the fax is obtained;

(g) when it has been emailed to that persons email address and a confirmation of the successful sending of the email is obtained.

(2) In the case where compliance with a notice is required within a specified number of days, such period shall be deemed to commence on the date of service of the notice.

(3) When any notice or other document must be authorised or served on the owner, occupier or holder of any property or right in any property, it is sufficient if that person is described in the notice or other document as the owner, occupier or holder of the property or right in question, and it is not necessary to address that person by name.

(4) Any legal process is effectively and sufficiently served on the Municipality when it is delivered to the Municipal Manager or a person in attendance at the Municipal Manager's office.

(5) Any person on whom a notice is served shall, comply with its terms or when a time is specified, comply with the terms of the notice within the specified time.

57. NON LIABILITY OF THE MUNICIPALITY

The Municipality nor any employee, official, person, body, organisation or corporation acting on behalf of the Municipality shall be liable for any loss or damages of whatsoever nature howsoever arising whether, direct or consequential, suffered or sustained by any person as a result of or arising from the provision, limitation, disconnection or termination, interruption or any other abnormality arising from the supply of municipal services, or any act or omission done by the Municipality or any employee, official, person, body, organisation or corporation acting on behalf of the Municipality.

58. CODE OF ETHICS

(1) All the officials of the Municipality shall embrace the spirit of Batho Pele and treat all consumers and debtors with dignity and respect at all times.

(2) Employees of the Municipality shall execute their duties in terms of this policy in an honest and transparent manner whilst protecting the confidentiality of information of consumers and debtors in accordance with the provisions of the Promotion of Access to Information Act, Act 2 of 2000.

59. STAFF AND COUNCILLORS IN ARREARS

(1) Item 10 of schedule 2 of the Act (Code of Conduct for Municipal Staff Members) states that –

a. A staff member of the Municipality may not be in arrears to the municipality for rates and service charges for a period longer than three months; and

b. A municipality may deduct outstanding amounts from a staff member's salary after this period ; and

(2) The municipality shall liase with the relevant staff on repayment of their arrears

(3) No special treatment shall be afforded to staff members whose accounts are in arrears

(4) Any staff member who has breached the code will be dealt with in accordance with disciplinary procedures adopted by the municipality in terms of the Act

(5) Item 12 A schedule 1 of the Act states that a Councillor may not be in arrears to the municipality for rates and service for a period longer than three months

(6) The Municipal Manager shall liase with the Mayor and issue necessary salary deduction where appropriate for the councillors

60. AUTHENTICATION OF DOCUMENTS

Any document requiring authentication by the Municipality shall be sufficiently authenticated if signed by the Municipal Manager, or by a person duly authorised to do so, on behalf of the Municipality, by resolution of the Municipality and shall constitute prime facie proof of the authenticity, existence and contents of the document.

61. PRIMA FACIE EVIDENCE

In legal proceedings by, or on behalf of the Municipality, a certificate reflecting an amount due and owing to the Municipality, the identity of the debtor and any such other details as may be included in such a certificate and which is signed by the Municipal Manager, or by a person dully authorised to do so, on behalf of the Municipality, by resolution of the Municipality, shall subject to the provisions of section 3 of the Law of Evidence Amendment Act, Act 45 of 1988, upon its mere production constitute prima facie evidence of the contents of the certificate.

62. PROVISION OF INFORMATION

A consumer, debtor, owner, occupier or person within the area of supply of the Municipality must provide the Municipality with accurate information requested by the Municipality that is reasonably required by the Municipality for the implementation or enforcement of this policy.

63. AVAILABILITY OF POLICY AND BY-LAWS

(1) A copy of this policy and the Credit Control & Debt Collection By-Law of the Municipality shall be included in the Municipality's Municipal Code as required by the provisions of section 15 of the Systems Act.

(2) The Municipality shall take all required legal steps to inform consumers, debtors, owners and occupiers of the content of this policy.

(3) A copy of this policy and the Credit Control & Debt Collection By-Law of the Municipality shall be available for inspection at the offices of the Municipality at all reasonable times.

(4) A copy of this policy and the Credit Control & Debt Collection By-Law of the Municipality may be obtained from the Municipality against payment of an amount as determined by the Council.

64. BY-LAW TO GIVE EFFECT TO THIS POLICY

The Municipality shall adopt a by-law known as the Credit Control & Debt Collection By-Law to give effect to the implementation and enforcement of this policy.

RUSTENBURG LOCAL MUNICIPALITY

SCHEDULE 1: APPLICATION FOR MUNICIPAL SERVICES

PO Box _____ • Rustenburg • Tel: _____ (office hours) • Email: _____ •

• Cashier hours: 07:45 – 15:30 (Mondays to Fridays) • 07:45 – 12:00 (Saturdays) •

ACCOUNT NO.:													
RECEIPT NO.:													

**Mark if applicable with a "X"

Type of Application:	Domestic		Commercial / Industrial		Institutional	
Type of Customer:	Individual	CC	Partner	Pty (Ltd)	Lessee	Owner

Particulars of Applicant			
Name of corporate entity:			
Registration number of corporate entity:			
VAT Registration No.: (if applicable)			
Surname:		**Initials:**	
ID Number:			

Marital status:	Married	Unmarried	Single	Divorce	Widowed
If married – in / out of community of property:					

Occupation:			
Tel. No. (Home):		**Tel. No. (Work):**	
Cellphone No.:		**E-mail:**	

Details of spouse where married in community of property:			
Surname:		**Initials:**	
ID Number:			
Occupation:			
Tel. No. (Work):		**Cellphone No.:**	
E-mail:			

Address of Applicant:

(for purposes of statement delivery and physical address for the delivery of notices and documents)

RUSTENBURG LOCAL MUNICIPALITY

SCHEDULE 1: APPLICATION FOR MUNICIPAL SERVICES

Physical Address:			
		Postal Code:	
Postal Address:			
		Postal Code:	
Next of Kin: (family members)			
1. Name:		Tel. No.:	
Physical Address:			
2. Name:		Tel. No.:	
Physical Address:			
Employer's Details:	Name:		
Physical Address:			
Tel. No.:		Period in Service:	
Gross Monthly Income:			
Source of monthly income, if other than salary:			
Credit References: (Please provide at least 2 credit references)			
Name of Company:			
Physical Address:			
Account Number:		Tel. No.:	
Name of Company:			
Physical Address:			
Account Number:		Tel. No.:	
Particulars of Owner (if not Applicant)			
Name of corporate entity:			
Registration number of corporate entity:			
Surname:		Initials:	
ID Number:			

RUSTENBURG LOCAL MUNICIPALITY

SCHEDULE 1: APPLICATION FOR MUNICIPAL SERVICES

Occupation:				
Tel. No.:		Cellphone No.:		
Physical Address:				
		Postal Code:		
Property to which municipal services must be provided				
Suburb:				
Zone:		Stand No.:		
Street Name:		Street No.:		
Number of persons over the age of 18 years living on the property:				
Type of municipal services to be provided:				
Water Supply Services:	Communal Standpipe:			
	Yard Connection:			
	In-house Connection:			
	Other:			
Sanitation Services:	Night Soil Removal:			
	Water borne sewerage:			
	Other:			
Electricity:	Single:			
	3 Phase electricity:			
	Pre-paid:			
	Other:			
	Temporary supply:			
	Permanent supply:			
Refuse removal Services:				
Date on which provision of services should commence:				
Payment Details:	Deposit Amount Payable:	R		
Method of payment:	Cash	Cheque	EFT	Credit Card
If applicable: Other methods of payment:				

SCHEDULE 1: APPLICATION FOR MUNICIPAL SERVICES

Discontinuation of Services					
Address at which service is to be discontinued:					
Discontinue the following:	Electricity	Water	Sewerage	Refuse	
At the above address on this date:					
And refund deposit, less any amount owing to:					
With Bank Details:	**Bank:**		**Branch:**		
	Account No.:				

Conditions of Agreement
Certified copies of documents to be produced/submitted
1. Identification document must be produced. 2. In case of Tenant: (i) Copy of the Lease Agreement; OR (ii) A letter from the owner must be submitted. 3. In case of Close Corporation: (i) Ck2 Document submitted; (ii) Resolution submitted. 4. In case of a Company: (i) Company Articles of Incorporation submitted; (ii) Resolution submitted.
Definitions
The headings of the paragraphs in this Agreement are for the purpose of convenience and reference only and shall not be used in the interpretation of, nor modify, nor amplify, the terms of this Agreement, nor any paragraph thereof. **"Customer"** means the person indicated as "applicant" on the form page of this Agreement, irrespective of whether he/she/it or someone else actually consumed or use the service or not. **"Domicilium"** means the chosen address where notices must be delivered. **"Municipality"** means the Rustenburg Local Municipality. All other words shall bear the normal meaning of such word.
Authorisation

I guarantee that I am duly authorised by the Applicant to apply for the supply of this/these services and to sign the application form and this agreement. I hereby admit that I am liable, and hold myself bound to for the due and proper payment of any amounts due to the Municipality and which arises as a result of the supply and provision of the municipal services by the Municipality and the payment of the fees, charges and tariffs levied by the Municipality in relation to the said municipal services or the availability thereof, should it be found that I signed this agreement without proper authorisation.

Conditions for the supply and provision of municipal services

1. The supply and provision of and payment for the municipal service(s), fees, charges and tariffs levied by the Municipality shall be subject to and in accordance with the laws of SA, the By-laws of the Municipality and the Policies adopted from time to time by the Municipality, and which specifically govern or stand in relationship to the provision of the services.
2. I acknowledge that I/we have read and understand the contents of the relevant By-laws and Policies, which were available to me. The contents of the Credit Control and Debt Collection Policy and By-Law, the Tariff Policy and Tariff By-Law, the Rates Policy and Rates By-Law, Water Services By-Law and Electricity By-Law of the Municipality are herewith incorporated into this agreement by reference and the terms and conditions contained therein shall apply to the legal relationship between me and the Municipality.

Jurisdiction

Without prejudice to the rights of the Municipality, at its option, to institute proceedings in any other court having jurisdiction, the Municipality and the Customer hereby consent in terms of section 45 of the Magistrate Court Act, Act 32 of 1944, to the Municipality taking legal action for the enforcement of any rights under or arising from this agreement in a Magistrate Court, which has jurisdiction in respect of the Customer, in terms of section 28(1) of the Magistrates Court Act, notwithstanding the above will the parties have the right to approach the Supreme Court.

Payment for services

The Customer shall be liable for the payment of all and any municipal services consumed by the customer and/or delivered, supplied or rendered to the premises referred to in this agreement as well as the relevant and applicable fees, charges and tariffs levied by the Municipality regarding such services, before or on the date indicated on the monthly statement.

The Customer is also liable for the costs of debt collection, including any administration fees, penalties for late payment, legal costs, interest, disconnection fees and reconnection fees, if applicable.

The Customer agrees that the non-receipt of a statement does not exempt the Customer from the duty to enquire from the Municipality the outstanding debt on the account and to make payment to the

Municipality of the debt.

Direct payments

Direct payments for electronic payments can be made into the bank account of the Rustenburg Local Municipality: _____ Bank

Branch: _____

Account No.: _____

Branch Code: _____

In order to allow for the Municipality to process electronic payments, the Customer must state the municipal account number as reference with the deposit, and four (4) official business days must be allowed for processing.

Waiver

The Customer hereby expressly renounces the benefits of the non reason or profound cause of the existence of the debt, the cases where there is a element of bookkeeping or accounting calculation is involved, the revision of accounts, no value recorded and, if there is more than one debtor, the debtor is jointly or separately liable for the debt or the creditor obtains the right to first act against the guarantor before the main debtor is excused.

Domicilium

The Customer chooses as the address where notices must be delivered, the address indicated as street address on the front page of this agreement.

Change of address and/or information

The Customer expressly undertake to inform the Municipality within 3 (three) days after such occurrence:

1. or any change of any address indicated on the front page of this agreement;
2. of the change of any particulars or personal circumstances indicated on the front page of this agreement.

Discontinuation of service

The Customer specifically agrees to inform the Municipality immediately in writing when the service is

no longer required and specifically accept responsibility for the payment of services consumed as a result of any failure to inform the Council that the service is no longer required.

Indemnity

I hereby indemnify and hold harmless the Municipality or any employee, official, person, body, organisation or corporation acting on behalf of the Municipality from any liability of whatsoever nature for any loss or damages of whatsoever nature howsoever arising whether, direct or consequential, suffered or sustained, as a result of or arising from the provision, limitation, disconnection or termination, interruption or any other abnormality arising from the supply of municipal services, or any act or omission done by the Municipality or any employee, official, person, body, organisation or corporation acting on behalf of the Municipality.

Deposit

A deposit shall be forfeited to the Municipality if it has not been claimed within twelve (12) months or the termination of the service agreement.

I hereby confirm that I have read, know and understand the contents of this agreement and agree to be bound thereby.

_____ _____

APPLICANT MUNICIPALITY

_____ _____

DATE DATE

_____

SIGNATURE OF OWNER
(if not Applicant)

_____

DATE

RUSTENBURG LOCAL MUNICIPALITY

SCHEDULE 1: APPLICATION FOR MUNICIPAL SERVICES

FOR OFFICE USE ONLY				
Deposit paid:	Date:			
	Amount:			
	Receipt No.:			
Account Number:				
Commencement of date of service:				
Area Code:				
Meter reading on commencement of services:			Electricity:	
			Water:	

CREDIT CONTROL AND DEBT COLLECTION POLICY

POLICY REVIEW MANAGEMENT INFORMATION			
NAME & SURNAME	**DESIGNATION**	**SIGNATURE**	**DATE**
Louisa Mokotedi	Unit Manager Revenue Management		31/03/17
Paul Malatsi	Acting Chief Financial Officer		30/03/2017
Lucky Molotsane	Head Legal Unit		30/3/2017
Tshenolo Lefutswe	Acting Municipal Manager		30/3/2017

RUSTENBURG

LOCAL MUNICIPALITY

TARIFF POLICY

PREAMBLE

(1) **WHEREAS** in terms of the provisions of the Constitution of the Republic of South Africa, 1996 (hereinafter referred to as "the Constitution"), and section 75A(1) of the Local Government: Municipal Systems Act, Act 32 of 2000 (hereinafter referred to as "the Systems Act"), the Rustenburg Local Municipality (hereinafter referred to as "the Municipality"), is entitled to levy and recover fees, charges or tariffs in respect of any function or service of the Municipality;

(2) **AND WHEREAS** in terms of the provisions of section 74(1) of the Systems Act, and the provisions of section 62(1)(f)(i) of the Local Government: Municipal Finance Management Act, Act 56 of 2003 (hereinafter referred to as "the MFMA"), the Municipality must adopt a tariff policy on the levying of fees, charges or tariffs on municipal services provided by the Municipality itself or by way of service delivery agreements;

(3) **AND WHEREAS** this tariff policy reflects the principles referred to in terms of the provisions of section 74(2) of the Systems Act and addresses the matters referred to in terms of the provisions of section 74(3) of the same Act, as well as a schedule containing the municipal tariffs of the Municipality pertaining to the municipal services as set out in the tariff policy;

(4) **AND WHEREAS** the municipal tariffs, as set out in the schedule of municipal tariffs annexed to this tariff policy, must undergo annual revision and must be tabled together with the Multi-Year Annual Tabled Budget to the Council of the Municipality for consideration and approval thereof, subject to public participation and comments obtained, annually before the 31st of March of each year in terms of the provisions of section 17(3)(a)(ii) read with the provisions of section 22 of the MFMA;

(5) **AND WHEREAS** comments received from members of the public in terms of the public participation process in respect of the contents of the municipal tariffs have to be considered by the Municipality in terms of the provisions of section 23(1) of the MFMA, for the possible amendment thereof, annually in dealing with the annual financial budget before the 31st of May each year;

(6) **AND WHEREAS** the adopted municipal tariffs apply to the Multi-Year Annual Budget in respect of a specific year during which the income is based on such adopted municipal tariffs, read with the general tariff principles contained in the tariff policy;

(7) **AND WHEREAS** should any of the municipal tariffs or general principles contained in the schedule setting out the municipal tariffs or tariff policy be changed by a resolution of the Council of the Municipality, an Adjustment Budget must be prepared to reflect the consequent effect of such resolution;

NOW THEREFORE, the Municipality adopts this policy, that has been drafted in compliance with the provisions of section 74 of the Systems Act, and which must be read within the context of Chapter 4 of the MFMA, and in as far as required, supplemented and amplified by this chapter of the MFMA.

THE RUSTENBURG LOCAL MUNICIPALITY:

TARIFF POLICY

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CHAPTER 1

INTRODUCTORY PROVISIONS

1. DEFINITIONS

In this policy, except where the context otherwise indicates, or it is expressly stipulated otherwise, the following words and expressions shall have the respective meanings assigned to them hereunder, and words and expressions to which a meaning has been assigned in terms of the provisions of the Systems Act, the MFMA, the Credit Control & Debt Collection Policy and By-law, as well as the Indigent Policy of the Municipality, will have a corresponding meaning assigned thereto in terms of such policies or by-laws. All headings are included for convenience only and shall not be used in the interpretation of any of the provisions of this policy.

NO.	WORD/EXPRESSION	DEFINITION
	"A"	
1.1	**"Accounting Officer"**	Means the Municipal Manager appointed in terms of the provisions of section 60 of the MFMA.
1.2	**"annual budget"**	Means the budget approved by the Council of the Municipality for any particular financial year, and shall include any adjustments to such a budget.
1.3	**"annually"**	Means once every financial year.
	"B"	
1.4	**"basic municipal service"**	Means a municipal service necessary to ensure an acceptable and reasonable quality of life, which service, if not provided, would endanger public health or safety or the environment.
1.5	**"bulk electricity customer"**	Means a bulk customer whose electricity demand exceeds or is likely to exceed 55 kVA per month for an uninterrupted

		period of twelve months.
1.6	**"bulk consumer"**	Means a customer of electricity, water, sewerage or refuse removal services for commercial or industrial purposes.
	"C"	
1.7	**"Chief Financial Officer"**	Means a person designated in terms of the provisions of section 80(2)(a) of the MFMA.
1.8	**"Constitution"**	Means the Constitution of the Republic of South Africa, Act 108 of 1996.
1.9	**"consumer"**	Means a person or entity consuming or receiving municipal services, and may include a customer or a tenant of a customer irrespective of whether such a person has concluded a service agreement with the Municipality, and may also include a person who illegally and unlawfully connected to the municipal services infrastructure or who illegally and unlawfully gained access to or usage of the municipal services.
1.10	**"Consumer Price Index excluding mortgage bonds" or "CPIX"**	Means the CPIX as determined and gazetted from time to time by the South African Bureau of Statistics.
1.11	**"cost to be recovered"**	Means the cost reasonably associated with the rendering of a municipal service, including that the cost of purchasing or acquisition, the cost of processing, treatment or adoption of the product or service to be delivered or supplied, capital cost, operating cost, maintenance cost, replacement cost, administrative cost and support systems costs and interest and may include a determined over-recovery per unit consumed.
1.12	**"Council"**	Means the Municipal Council of the Municipality as referred to and constituted in terms of the provisions of section 157 of the Constitution.
1.13	**"Credit Control & Debt Collection Policy**	Means the Credit Control and Debt Collection Policy and By-laws as adopted by the Council of the Municipality.

	and By-laws"	
1.14	**"customer"**	Means the owner of the premises or in exceptional circumstances a tenant, and includes a person or entity liable to the Municipality for the payment of tariffs, levies, fees and municipal consumption charges in terms of a service agreement concluded with the Municipality, and may include a person who applied to the Municipality for indigent support in terms of the Indigent Policy, and who is not the owner of the premises, but who is: (a) the child in control of a child-headed household where the residential property is registered in the name of the deceased parent or deceased parents of that child; or (b) the party to whom the residential property is awarded in the event of a divorce; or (c) where a deceased estate has not been wound up: (i) in the case of a deceased estate, in whose name the residential property is registered, any heir to whom the registered property has been bequeathed; or (ii) a surviving spouse, where the surviving spouse was married in community of property to the deceased, and where the residential property is registered in both spouses' names, and the surviving spouse is the sole heir; or (iii) a surviving spouse, who was married in community of property to the deceased, together with any other heirs, if any, where the residential property is registered in the name of that deceased; or (iv) in the case where a portion of a residential property is registered in the name of a deceased estate, the surviving registered owners together with the heirs to the deceased estate; and who simultaneously with the application for indigent

		support in terms of the Indigent Policy, applied for the provision of municipal services in terms of the Credit Control & Debt Collection Policy and By-Law of the Municipality to be granted an account and to conclude a service agreement with the Municipality, and whose application has been approved by the Municipality, and as such has concluded a service agreement with the Municipality.
	"F"	
1.15	**"financial year"**	Means the period starting from 1 July in any year and ending on 30 June of the following year.
1.16	**"fixed costs"**	Means costs that do not vary with consumption or volume produced.
1.17	**"flat rates"**	Means the unit tariffs that are calculated by dividing the total cost by volume needed.
	"I"	
1.18	**"indigent household"**	Means a household headed by a Registered Indigent as defined and referred to in the Indigent Policy of the Municipality.
1.19	**"Indigent Policy"**	Means the Indigent Policy, adopted by the Council of the Municipality.
1.20	**"indigent support"**	Means the financial and other support, discounts, subsidies and assistance which the Municipality renders to Registered Indigents and households headed by Registered Indigents.
	"M"	
1.21	**"Mayor"**	Means, in terms of the provisions of section 1 of the MFMA, in relation to a municipality with an executive mayor, the councillor elected as the executive mayor of the municipality in terms of section 55 of the Structures Act.
1.22	**"major services"**	Represent the four municipal services (water, electricity, refuse removal and sewerage), instituted by the Municipality to fulfil the basic municipal services allocated to the Municipality in terms of the provisions of Section 84

		of the Structures Act, and are those services on which monthly service charges are levied per consumer's account.
1.23	**"minor services"**	Means those municipal services for which the Municipality annually approve tariffs and shall, when deemed appropriate by the Municipality, be subsidised by property rates and general revenues, particularly when tariffs will prove uneconomical when charged to cover the cost of the municipal service concerned, or when the tariff is designed purely to regulate rather than finance the use of the particular municipal service or amenity.
1.24	**"Municipal Finance Management Act" or "MFMA"**	Means the Local Government: Municipal Finance Management Act, Act 56 of 2003 and the regulations promulgated in terms of this act.
1.25	**"Municipality"**	Means the RUSTENBURG LOCAL MUNICIPALITY (also referred to as "RLM") a local government and legal entity with full legal capacity as contemplated in section 2 of the Systems Act read with the provisions of Chapter 7 of the Constitution and sections 12 and 14 of the Structures Act, with its main place of business and the offices of the Municipal Manager, as envisaged in terms of the provisions of section 115(3) of the Systems Act, at: Missionary Mpheni House, CNR NELSON MANDELA & BEYERS NAUDE STREET, RUSTENBURG, NORTH WEST PROVINCE, and may, depending on the context, include: (a) its successor in title; or (b) a functionary, employee or official exercising a delegated power or carrying out an instruction, in the event of any power being delegated as contemplated in terms of the provisions of section 59 of the Systems Act, or exercising any lawful act in the furtherance of the Municipality's duties, functions and powers; or (c) an authorised service provider fulfilling a responsibility assigned to it by the Municipality through a service delivery agreement.

1.26	**"Municipal Property Rates Act" or "MPRA"**	Means the Local Government: Property Rates Act, Act 6 of 2006 and promulgated Regulations in line with the Act.
1.27	**"municipal service" or "services"**	Means a service that a municipality in terms of its powers and functions provides or may provide to or for the benefit of the local community irrespective of whether – (a) such service is provided or to be provided by the Municipality through an internal mechanism contemplated in section 76 of the Systems Act or by engaging an external mechanism contemplated in section 76 of the Systems Act; and (b) fees, charges or tariffs are levied in respect of such service or not.
1.28	**"municipal tariff" / "tariff"**	Means a fee, charge or tariff for services which the Municipality may set for the provision of a municipal service to the local community, and includes a surcharge on such fee, charge or tariff.
	"N"	
1.29	**"non trading services"**	Services for which tariffs are not necessarily expected to cover the full cost of service provision. Any losses on the provision of these services are financed out of the income generated from trading services and assessment rates.
	"P"	
1.30	**"prepayment meter"**	Means a meter whereby payment for municipal services is first made elsewhere and credit is transferred to such meters by means of a token or coded number or credit card and such meter is programmed and dispenses municipal services as it is consumed by the consumer at a predetermined rate and/or charge.
	"R"	
1.31	**"rates"**	Means a municipal rate on property levied in terms of the provisions of section 229(1)(a) of the Constitution and section 2(1) of the MPRA.

1.32	**"Registered Indigent"**	Means a person, qualifying to be registered as an indigent in terms of the Indigent Policy of the Municipality, who has applied to the Municipality in terms of the Indigent Policy to be registered as a Registered Indigent, whose application was approved by the Municipality, and who is indicated as a Registered Indigent in the Indigent Register.
	"S"	
1.33	**"Structures Act"**	Means the Local Government: Municipal Structures Act, Act 117 of 1998 and promulgated regulations in line with the Act.
1.34	**"subsidised services"**	Means municipal services in respect of which the tariffs do not cover the costs of provision and in respect of which such costs are subsidised by property rates and the general revenue of the Municipality.
1.35	**"Systems Act"**	Means the Local Government Municipal Systems Act, Act 32 of 2000, as amended, by Act 44 of 2003 and any promulgated Regulations in line with the Act.
	"O"	
1.36	**"off-peak supply"**	Means an electricity supply on written request to a bulk customer which is supplied at times other than those of peak demand.
	"T"	
1.37	**"tariff policy" or "this policy"**	Means the Tariff Policy of the Municipality adopted in terms of the provisions of section 74(1) of the Systems Act.
1.38	**"Tariff Schedule"**	Means a schedule containing details pertaining to levels and application of the various tariffs as approved by the Council of the Municipality from time to time.
1.39	**"temporary customer"**	Means a customer of electricity, water, sewerage or refuse removal services for a temporary period for specific project or occasion.
1.40	**"total cost"**	Is the sum of all fixed and variable costs.
1.41	**"trading services"**	Services which can, in principle, run as separate

		businesses, because tariffs can in theory be set in such a way as to yield a trading surplus. A key feature of trading services is that they can be provided by private enterprises. Consumers receive a direct *quid pro quo* for tariffs paid. Water, sanitation, electricity and refuse removal are the most important trading services.
1.42	**"two-part tariffs"**	Are tariffs that are raised to cover the fixed and variable costs separately. The fixed costs are recovered by dividing the total fixed costs by the number of consumers per category and the variable costs are recovered by dividing the total variable costs by the volume consumed.
		"U"
1.43	**"units consumed"**	Means the number of units consumed of a particular service and is measured in terms of the units of measurement reflected in this policy.
		"V"
1.44	**"variable costs"**	Are costs that vary with consumption at volume produced.

2. ABBREVIATIONS

In this policy the following abbreviations will be used to signify the meaning or entity as indicated:

c/kWh	Cent per Kilowatt hour
CPIX	Consumer Price Index Excluding Interest Rates on Mortgage Bonds
IBT	Incline Block Tariff
Kl	Kilolitre (1 000 litres)
kVA	Kilovolt ampere
kWh	Kilowatt hour
MFMA	Local Government: Municipal Finance Management Act, Act 56 of 2003
MPRA	Local Government: Municipal Property Rates Act, Act 6 of 2006

NERSA	National Electricity Regulator of South Africa
R/kWh	Rand per Kilowatt hour

3. AIM AND PURPOSE

The aim and purpose of this policy is:

(a) to comply with the provisions of section 74 of the Systems Act and to guide and assist the Municipality to determine and levy tariffs for municipal services provided by the Municipality; and

(b) to prescribe guidelines and procedures for calculating tariffs and the manner in which the municipality should ensure public participation regarding same, and publish the tariffs once it has been adopted by the Council.

4. TITLE AND APPLICATION

(1) This policy is known as the Tariff Policy of the Municipality, and is applicable to the municipal area of the Municipality.

(2) This policy revokes all previous policies, decisions and/or *ad hoc* clauses within any other policy, regarding the subject matter of this policy.

(3) This policy further applies to all fees, charges or tariffs in respect of any municipal services provided by the Municipality.

5. COMMENCEMENT AND VALIDITY

This policy shall come into force and effect upon the acceptance hereof by the Council of the Municipality by resolution, as contemplated in terms of the provisions of section 24(2)(c)(v) of the MFMA.

6. RESPONSIBLE AUTHORITY

The responsible authority for the adoption, publication and implementation of this policy is the Municipality, and when applicable the Council of the Municipality.

CHAPTER 2

GENERAL PRINCIPLES

7. EMPOWERMENT TO LEVY AND RECOVER FEES, CHARGES OR TARIFFS

(1) The Municipality is empowered in terms of section 75A(1) of the Systems Act to:

(a) levy and recover fees, charges or tariffs in respect of any function or service of the Municipality; and

(b) recover collection charges and interest on any outstanding amount.

8. TARIFF PRINCIPLES

The Municipality shall apply the following tariff principles as set out in section 74(2) of the Systems Act, to the levying of fees, charges or tariffs for municipal services:

(a) all consumers of municipal services shall be treated equitably in the determination, calculation and application of tariffs;

(b) the amount individual consumers pay for municipal services will generally be in proportion to their use/consumption of municipal services or based on the availability of the municipal services;

(c) indigent households shall have access to at least basic municipal services through:

(i) tariffs that cover only operating and maintenance costs;

(ii) special tariffs or life line tariffs for low levels of use or consumption of municipal services of for basic levels of municipal services; or

(iii) any other direct or indirect method of subsidisation of tariffs for indigent households;

(d) tariffs will reflect the costs reasonably associated with rendering the municipal service, including the costs to be recovered;

(e) tariffs will be set at levels that facilitate the financial sustainability of the municipal service, taking into account subsidisation from sources other than the municipal services concerned;

(f) provision can be made in appropriate circumstances for a surcharge on the tariff for municipal services;

(g) provision can be made for the promotion of local economic development through special tariffs for categories of commercial and industrial consumer;

(h) the economical, efficient and effective use of resources, the recycling of waste, and other appropriate environmental objectives will be encouraged;

(i) the extent of subsidisation of tariffs for indigent households and other categories of consumers will be fully disclosed.

9. CATEGORIES OF CONSUMERS

(1) The Municipality shall differentiate between different categories of consumers, as provided in section 74(3) of the Systems Act, as long as the differentiation does not amount to unfair discrimination. Such differentiation shall at all times be reasonable and is as follows:

(a) Residential/Domestic;

(b) Business/Commercial;

(c) Industrial/Mining/Bulk Customers;

(d) Agricultural;

(e) Institutional;

(f) Rural;

(g) Municipal;

(h) State owned or organ of state owned properties;

(i) Education; and

(j) Special Category for specific consumers as may be determined by the Municipality from time to time.

(2) A continuous effort should be made to group together those consumers who have more or less the same access to a specific municipal service.

10. PROPORTIONING OF COSTS

(1) The Municipality must endeavour to render its municipal services cost effectively in order to ensure the best possible cost of municipal service delivery. The Municipality must further ensure that its fees, charges or tariffs shall be easily explainable and understood by all consumers affected by this policy.

(2) In the case of conventional metering systems for electricity and water, the Municipality shall properly meter the consumption as provided for in the Credit Control & Debt Collection Policy of the Municipality. The consumption charges levied on consumers shall be proportionate to the quantity of the municipal services which the consumer consumes, and subject to the provisions of the Credit Control & Debt Collection Policy of the Municipality. In addition, the Municipality shall be entitled to levy a monthly fixed charge for the municipal services concerned.

(3) In case of vacant stands, where the municipal services are available but not connected, the Municipality shall levy a monthly availability charge which is levied because of fixed costs such as the capital and maintenance costs and insurance on infrastructure available for connection to the Municipal services.

(4) The Municipality's tariffs for electricity service will be determined to ensure that those consumers who are mainly responsible for peak demand, and therefore for the incurring by the Municipality of the associated peak demand charges from Eskom, will have to bear the costs associated with these peak demand charges. The Municipality shall be entitled to install demand meters to measure the maximum demand such consumers place on the electrical infrastructure grid during certain periods. These consumers shall therefore pay the relevant demand charge, as well as consumption charge directly related to their actual consumption of electricity during the relevant metering period.

11. PRINCIPLES FOR LEVYING AVAILABILITY CHARGES

(1) The Municipality is entitled to levy certain fixed tariffs for the mere fact that the provision of municipal services are available to a property, premises or consumer. This tariff is unrelated to the use of the municipal service or the quantity of such service consumed, and is solely based on the availability of the municipal services.

(2) In establishing the tariff for the availability of the municipal services the Municipality shall consider the costs associated with the provision, future provision, maintenance and future maintenance, as well as any other relevant factors impacting on and affecting the cost to the Municipality for the availing and rendering of the municipal services to property, premises or consumers. In considering the costing of its four major municipal services (water, electricity, sewerage services and refuse removal), the Municipality shall take due cognisance of the high capital cost of establishing and expanding such municipal services, and the resultant high fixed costs, as opposed to variable costs of operating these municipal services.

(3) The Municipality must plan the management, maintenance and expansion of the municipal services carefully in order to ensure that both current and reasonably expected future demands are adequately catered for, and that demand levels which fluctuate significantly over shorter periods are also met. This may mean that municipal services operate at less than full capacity at various periods, and the cost of such surplus capacity must also be covered in the tariffs which are annually established to be levied monthly.

(4) Owners of vacant stands will have to bear and contribute to these costs(basic water, basic electricity) and are subject to such levy.

12. CREDIT CONTROL AND INDIGENT SUPPORT

(1) It is not possible to successfully compile the tariff structure without consideration of the provisions of the Credit Control & Debit Collection Policy of the Municipality and in the setting of tariffs the Municipality will take the provisions of the Credit Control & Debit Collection Policy of the Municipality into account.

(2) Income is provided for in the budget of the Municipality as if a 100% payment level will be maintained. It is therefore important to continuously ensure that consumers pay promptly for municipal services. Non payment has a direct effect in that provision for bad debt, in accordance with the current payment levels, must be provided for as expenditure in the budget. Adequate provision should be made on an annual basis for bad debt.

(3) However, it is a fact that there are consumers who are unable to pay for municipal services. The Municipality must therefore provide access to a minimum level of basic municipal services for all consumers in terms of this policy, which policy must be supplemented and amplified by the Indigent Policy of the Municipality. This will ensure the sustainable delivery of basic

municipal services to consumers who are Registered Indigents and who cannot pay for such basic municipal services.

(4) Free basic municipal services refer to those municipal services necessary to ensure an acceptable and reasonable quality of life and which municipal service, if not provided, could endanger public health or safety to the environment. It is one of the objects of the Municipality in terms of the provisions of the Constitution to provide same.

(5) The indigent support granted to Registered Indigents by the Municipality in terms of the Indigent Policy of the Municipality, must be based on budgetary allocations for a particular financial year and the tariffs determined for each financial year.

(6) Indigent support by the Municipality is restricted to qualifying indigent households with a combined income amount determined by the Municipality at the beginning of every financial year, available on application to Registered Indigents, and to be applicable for the duration of that particular financial year.

(7) The Municipality recognises the following categories of service charges to which indigent support may be applied:

(a) Electricity;

(b) Water;

(c) Refuse removal;

(d) Sewerage;

(e) Property rates; and

(f) Pauper burials.

CHAPTER 3

TARIFF TYPES AND METHODS OF CALCULATION

13. FEE, CHARGE OR TARIFF TYPE

(1) In setting the fees, charges or tariffs for municipal services, the Council of the Municipality must:

(a) accurately reflect costs to achieve economic efficiency;

(b) ensure equity and fairness between different types and categories of consumers;

(c) utilise appropriate metering and supporting technology; and

(d) be transparent.

(2) In determining the type of fee, charge or tariff applicable to the municipal service, the Council may make use of the following options, or a combination thereof:

(a) Single tariff:

This tariff shall consist of a fixed cost per unit consumed. All costs will therefore be recovered through unit charges at the level of break even consumption. Surpluses on trading services may be allowed subject to the approval of the Council.

(b) Two part tariff:

This tariff shall consist of two parts being the fixed cost per unit consumed and a monthly availability charge.

(c) Three part tariff:

This tariff shall consist of three parts being the fixed cost per unit consumed, a monthly availability charge as well as a capacity charge which relates to the capacity (breaker-capacity in the event of electricity) being avail to the consumer.

(d) Four part tariff:

This tariff shall consist of four parts being the fixed cost per unit consumed, a monthly availability charge, an access charge which relates to a fixed tariff levied for the capacity utilised or reserved and a demand charge which relates to the time when, and the extent of the demand for the municipal service is made.

(e) Inclining block tariff:

This tariff is based on consumption levels being categorised into blocks, the tariff being determined and increased as consumption levels increase. The first step in the tariffs will be calculated at break-even point. Subsequent steps will be calculated to yield profits and to discourage excessive use of the municipal services.

(f) Declining block tariff:

This tariff is the opposite of the inclining block tariff and decreases as consumption levels increase.

(g) Availability charges:

This tariff is payable based on the availability of the municipal services and irrespective of whether the municipal services are connected to a property, consumed or used. Once the Municipality provides a connection or the municipal services are consumed or used, the normal tariffs for the consumption will apply with the availability charge.

(h) Outside Municipal Area:

This tariff shall apply to consumers who do not reside within the municipal area of jurisdiction of the Municipality but are making use, on application to the Municipality, of certain municipal services.

(i) Special Tariffs:

This tariff shall be determined and approved by Council on application for specific developments and/or informal settlements

which may motivate or necessitate a special tariff, not provided for in the tariffs referred to above.

14. FACTORS TO BE CONSIDERED IN DETERMINATION OF A TARIFF

In determining a tariff the Municipality shall consider the following factors:

(1) Financial factors:

(a) The primary purpose of a tariff is to recover the costs ~~to be recovered~~ of a particular municipal service and to endeavour to avoid in as far as possible the cross subsidising of the municipal service.

(b) In order to determine the fees, charges or tariffs that must be charged for the supply of the four major municipal services (water, electricity, refuse removal and sewerage), the Municipality shall identify all the costs involved in the supply of the municipal service concerned (as costs to be recovered), including, the:

(i) cost of bulk purchases in the case of water and electricity;

(ii) distribution costs, including distribution losses in the case of water and electricity;

(iii) depreciation and finance charges;

(iv) maintenance of infrastructure and other fixed assets;

(v) cost of approved indigent support measures and cross subsidising of low consumption;

(vi) administration and municipal service costs, including:

(aa) service charges levied by other departments delivering support services;

(bb) general overheads;

(cc) contributions to the provisions for bad debts and obsolescence of stock; and

(dd) all other ordinary operating expenses associated with the municipal service concerned, including, in the case of the electricity service, the cost of providing street lighting in the municipal area of the Municipality;

(vii) intended surplus to be generated for the financial year, such surplus to be applied:

(aa) as an appropriation to capital reserves; and/or

(bb) generally in relief of rates.

(2) Socio-economic factors:

(a) The determination of tariffs ought to be based on sound, transparent and objective principles at all times. In order to fully understand the influence of the socio-economics factors the various consumer categories and forms of subsidisation need to be considered. Tariffs should also support local economic development initiatives aimed at maintaining and creating jobs or contribute to the economy of the municipal area.

(b) In addition to the different categories of consumers as set out above, the Municipality must also take care when determining tariffs to differentiate between the following categories of consumers:

(i) consumers who are incapable of making any contribution towards the consumption of municipal services and who require to be fully subsidised;

(ii) consumers who are able to afford a partial contribution and who require to be partially subsidised only; and

(iii) consumers who can afford the cost of the municipal services in total.

(c) In determining tariffs the Municipality must take into account the fact that the provision of municipal services must be subsidised in certain instances and that subsidies are mainly derived from the following two sources:

(i) Contributions from National Government:

National Government makes an annual contribution, according to a formula, which is primarily based on information obtained from Statistics South Africa by means of census surveys. If this contribution is judiciously utilised it may subsidise all indigent households who quality in terms of the Indigent Policy of the Municipality.

(ii) Contributions from own funds:

The Council can, if the contribution of National Government is insufficient, provide in its own operational budget for such support. Such action will in all probability result in increased tariffs for the other categories of consumers. Any such subsidy must be made known publicly by means of the prescribed process for the adoption of the budget of the Municipality.

(d) To make provision for subsidisation, the Municipality will annually determine as part of the budget process:

(i) free basic municipal services (within limits and guidelines) as determined by the Municipality from time to time;

(ii) discounted tariffs for consumers who qualify in terms of particular guidelines, for example to recover the actual operational costs of the service only; and

(iii) full tariff payable with a subsidy that is transferable from sources as mentioned above.

(3) Minimum service levels:

Minimum levels for the provision of municipal services shall be determined in order to ensure affordable tariffs.

(4) Levying of rates and the levying of fees, charges or tariffs:

The levying of rates and the levying of fees, charges or tariffs for municipal services should not be viewed separately, but jointly in order to determine the most affordable tariff that the consumers can pay in total. The basic costs of municipal services must first of all be recovered and then only can surpluses be introduced to determine the most affordable tariff for the consumer with due allowance for any contingencies regarding a particular municipal service.

15. CALCULATION OF TARIFFS FOR MINOR MUNICIPAL SERVICES

(1) The Municipality shall standardise fees, charges or tariffs for all minor municipal services within its area of jurisdiction.

(2) All tariffs for minor services shall be approved by the Council of the Municipality in each annual budget, and shall, when deemed appropriate by the Council, be subsidised by property rates and general revenues, particularly when the tariffs will prove uneconomical when charged to cover the cost of the municipal service concerned or when the cost cannot accurately be determined, or when the tariff is designed purely to regulate rather than finance the use of the particular municipal service or amenity.

(3) All tariffs for minor services over which the Municipality has full control shall annually be adjusted, at least in line with the prevailing CPIX unless there are compelling reasons why such adjustments should not be effected.

(4) The under mentioned tariffs for minor services shall be determined by the Municipality by using one of the following methods:

- actual cost, plus a surcharge;
- subsidising from the income of other municipal services;
- servicing as penalty/discouraging measure.

(a) Minor municipal services tariffs:

(i) cemetery fees;

(ii) housing rental;

(iii) library fees, being:

- membership fees;
- fines;
- lost books;
- lost membership cards;

(iv) rental for utilising municipal property and municipal sports grounds;

(v) lease of municipal property;

(vi) building plan fees;

(vii) advertisement sign fees;

(viii) plastic bag sales;

(ix) refuse bin sale;

(x) cleaning of overgrown stands;

(xi) connection fees for major municipal services;

(xii) photocopies and faxes;

(xiii) clearance certificate memoranda;

(xiv) pound fees;

(xv) cleansing of sewerage blockages;

(xvi) electricity or water disconnection and reconnection fees;

(xvii) the provision of information or copies of records from the Municipality 's records

16. SERVICE- AND EXPENDITURE CLASSIFICATION AND COSTS ELEMENTS

(1) Municipal service classification

The Chief Financial Officer of the Municipality shall, subject to the guidelines of National Treasury and the Council, make provision for the following classification of municipal services.

(a) Trading Services or Economic Services:

Typically the consumption of trading services or economic services is measurable and can be apportioned to an individual consumer or user. These services are managed in a business-like manner. The tariffs for these services are determined in such a way that a netted trading surplus (profit) is realised. This surplus (profit) is used to subsidise the tariffs of the non-trading services referred to below. The following municipal services are trading services:

(i) electricity provision;

(ii) water provision;

(iii) sewerage;

(iv) refuse removal.

(b) Non-Trading Services or Community Services:

Non-trading services or community services are those municipal services the consumption of which cannot be determined, or accurately be determined, nor apportioned, or accurately be proportioned to individual consumers, or even if the consumption or use can be determined and apportioned to a consumer or user, the cost therefore will be so high that same will not be recoverable from the consumer or user, and thus needs to be subsidised. The tariff is

determined based on the availing of the municipal service rather than the use of the particular municipal service, however, a charge may be payable for using the municipal service, but the tariff is much lower than the real cost of providing the municipal service. The following municipal services are non-trading or community services:

(i) aerodrome;

(ii) building control;

(iii) management and maintenance of cemeteries;

(iv) child care facilities;

(v) control of public nuisances;

(vi) cemeteries;

(vii) fire fighting and emergency assistance;

(viii) fixed billboards and display of advertisements in public places;

(ix) health and clinics;

(x) libraries and museums;

(xi) licensing and control of undertakings that sell food to the public;

(xii) licensing of dogs;

(xiii) local amenities;

(xiv) local sport facilities;

(xv) local tourism;

(xvi) operating and management of municipal parks and recreation;

(xvii) municipal planning;

(xviii) municipal public works, only in respect of the needs of municipalities in the discharge of their responsibilities and to

administer functions specially assigned to them under the Constitution, or any other law;

(xix) municipal roads;

(xx) pounds;

(xxi) public places;

(xxii) proclaimed roads;

(xxiii) storm water management system in built-up areas;

(xxiv) street lighting;

(xxv) street trading;

(xxvi) trading regulations;

(xxvii) traffic.

(2) Expenditure classification

(a) The classification of expenditures into various expenditure groups by the Municipality is as follows:

(i) Salaries, wages and allowances;

(ii) Bulk purchases;

(iii) General expenditure;

(iv) Collection cost;

(v) Contracted services;

(vi) Grants and subsidies paid;

(vii) Repairs and maintenance;

(viii) Depreciation on assets and interest expense;

(ix) Contribution to fixed assets;

(x) Contribution to provision for bad debts;

(xi) Contribution to reserves.

(b) Gross expenditure = total (i) to (xi) above;

(c) Net expenditure = gross less internal charges;

(d) Surplus/deficit = income less net expenditure.

(3) Cost elements

The Municipality will use the cost elements, as set out regarding each of the specific municipal services below, to calculate the tariffs of the different municipal services. The predominant cost elements being:

(a) Fixed costs:

Fixed costs that consist of the capital cost (depreciation on assets and interest on external loans), and any other costs of a permanent nature as determined by the Municipality from time to time.

(b) Variable costs:

Variable costs include all other expenditure that has reference to the municipal services.

(c) Total cost:

Total cost is equal to the fixed costs plus variable cost.

CHAPTER 4

STRUCTURES FOR CERTAIN MUNICIPAL SERVICES AND SUNDRY TARIFFS

17. REQUISITES

When determining a tariff, the Municipality must strive to reach a compromise between the following requisites:

(a) the requisite to reflect costs as accurately as possible in order to achieve cost effectiveness and an appropriate recovery from consumers;

(b) the requisite to ensure equality and fairness between categories of consumers;

(c) the requisite for a practically implementable tariff;

(d) the requisite to use appropriate metering and provisioning technology;

(e) the requisite for an understandable tariff; and

(f) the requisite that the tariff must be affordable.

18. ELECTRICITY

(1) General principles regarding the calculation of the tariff for electricity:

(a) The guidelines and policies issued by NERSA, from time to time, will form the basis of calculating the Municipality's tariffs for electricity.

(b) All tariff structures and tariffs must be approved by NERSA prior to application, determination and ultimate approval thereof by the Municipality and Council, as the case may be.

(c) The various categories of consumers shall be charged at the applicable tariffs, as set out in the Tariff Schedule and as approved by the Council of the Municipality in each annual budget.

(d) To calculate the tariff for electricity, the actual cost incurred in the supply of electricity to a consumer, has to be taken into consideration. The principle of an availability charge, as well as per unit tariff for electricity is determined by the cost elements. These cost elements consists of the following components, the application of which is always subject to the guidelines and policies of NERSA:

(i) Fixed costs:

It represents that portion of expenses that must be incurred irrespective of the fact whether or not any electricity has been sold. These costs must be recovered whether any electricity is consumed or not. These costs are therefore recovered by means of a fixed levy per period (normally as a monthly availability charge) in order to ensure that these fixed costs are covered.

(ii) Variable costs:

It relates to the physical provision of electricity according to consumption/demand and must be financed by means of a unit tariff which is payable per kWh/KVA electricity consumed.

(iii) Surplus:

The tariffs for these municipal services (normally Trading Services or Economical Services as referred to above) are determined in such a way that a netted trading surplus is realised.

(e) The following types of tariffs are applied and used in determining electricity tariffs, subject to the guidelines and policies of NERSA:

(i) Inclining block tariff (IBT) structure, as referred to above in Chapter 3 where a consumer's consumption is divided into

blocks and each subsequent block has a higher energy rate (c/kWh).

(ii) Single tariff energy (all costs expressed in a single c/kWh charge).

(iii) Three part tariff for Residential and Business consumers (consisting of an availability charge, a capacity charge and a variable charge related to metred kWh consumption):

(aa) Variable charge i.e. energy rate (c/kWh) consumed;

(bb) Monthly availability charge (R/month);

(cc) Capacity (ampere/breaker) charge (R/month).

(iv) Four part tariff for Industrial/Bulk consumers (consisting of a monthly availability charge, access charge, demand charge and a variable charge related to meter kWh consumption):

(aa) variable charge i.e. energy rate (c/kWh) consumed;

(bb) monthly availability charge (R/month);

(cc) access charge (R/kVA);

(dd) demand charge (R/kVA).

(v) Special tariff arrangements determined and approved by Council from time to time for specific developments and/or consumers and/or informal settlements.

(f) An availability charge will be charged to consumers and/or properties not connected to the electricity network, should it be available. This charge aims to recoup capital and maintenance costs of networks, as well as certain fixed administrative costs in respect of such properties. If the consumer connects and improve the property the debit will be adjusted pro-rata from the date of the connection and whether it is utilised or not.

(2) The amount of the tariffs so calculated will be set out and published in the Tariff Schedule, and shall be approved by the Council at the time of the approval of the annual budget of the Municipality.

19. WATER

(1) General principles regarding the calculation of the tariff for water:

(a) The Municipality shall align its fees, charges or tariffs with the prescribed norms and standards for tariffs to be regulated, from time to time, by the Minister of Water Affairs and Forestry and in terms of the provisions of section 10 of the Water Service Act, Act 108 of 1997.

(b) Tariffs for water shall be charged at the applicable tariff for various categories of consumers as set out in the Tariff Schedule and approved by the Council during the process of the adoption of the annual budget.

(c) Because water is a scarce national resource, the Municipality is committed to the prudent conservation of this resource. Tariff structures should therefore be aimed at the reduction of consumption of water, and to discourage excessive and wasteful usage.

(d) In principle, the amount that consumers pay for water services should be in proportion to their consumption of water services. Tariffs must be set at levels that facilitate the sustainability of the service.

(e) To calculate the tariff for water, the actual cost incurred in the supply of water to the consumer, has to be taken into consideration. The principle of an availability charge as well as a kilolitre tariff for water is determined by the basic cost structure.

(f) Similar to electricity, this cost elements for water consists of the following components:

(i) Fixed costs:

Representing that portion of expenses that must be incurred irrespective of the fact whether or not any water has been sold. These costs must be recovered whether any water is used or not.

(ii) Variable costs:

This component relates to the physical provision of water according to demand and must be financed by means of a unit tariff which is payable per kilolitre water consumed.

(iii) Profit taking:

The tariffs for these services are determined in such a way that a netted trading surplus is realised.

(g) The following tariff structures shall be applied and used for the determination of tariffs for water:

(i) Block tariff per unit consumed for consumers with pre-paid and conventional meters.

(ii) A fixed tariff per month for consumers with no meters, but who are connected to the water reticulation network.

(iii) An availability charge will be charged to consumers or properties not connected to the water network, should it be available. This charge aims to recoup capital and maintenance costs of networks, as well as certain fixed administrative costs in respect of such properties. If the consumer connects and improves the property the debit will be adjusted pro-rata from the date of the connection.

(iv) Special tariff arrangements determined and approved by Council from time to time for specific developments and/or consumers and/or informal settlements.

(h) To calculate the tariff for water the Municipality must also take into account the minimum standard for basic water supply services, as

prescribed in terms of regulation 3 of the Regulations Relating to Compulsory National Standards and Measures to Conserve Water, Published under Government Notice R509 in Government Gazette No 22355 of 8 June 2001 and promulgated in terms of the Water Service Act, Act 108 of 1997, which are as follows:

(i) the provision of appropriate education in respect of effective water use; and

(ii) a minimum quantity of potable water of 25 (twenty five) litres per person per day or 6 (six) kilolitres per household per month:

(aa) at a minimum flow rate of not less than 10 (ten) litres per minute;

(bb) within 200 (two hundred) metres of a household; and

(cc) with an effectiveness such that no consumer is without a supply for more than 7 (seven) full days in any year.

(2) The amount of the tariffs so calculated will be set out and published in the Tariff Schedule, and shall be approved by the Council at the time of the approval of the annual budget of the Municipality.

20. REFUSE REMOVAL

(1) General principles regarding the calculation of the refuse removal tariff:

(a) Refuse removal is an economic or trading service and tariff calculations should be based on the actual cost incurred in delivering the service plus a surplus.

(b) A consumer who chooses to do his/her own refuse removal will still be liable for paying the applicable refuse removal tariff on the basis of the availability of the service.

(c) The tariff levied by the Municipality shall be based on the category of property as determined in the valuation roll and/or the category of the consumer, or a combination of both.

(d) The following tariff structures shall be used for the determination of tariffs:

(i) Residential (domestic customers) – maximum of one removal per week.

(ii) Flats / Town Houses / Duet Houses – maximum of one removal per week.

(iii) Business / Commercial / Industrial (Non – Bulk) – maximum of two removals per week.

(iv) Business / Commercial / Industrial (Bulk) – Individual arrangements.

(v) Special tariff arrangements determined and approved by Council from time to time for specific developments and/or consumer and/or informal settlements.

(2) The amount of the tariffs so calculated will be set out and published in the Tariff Schedule, and shall be approved by the Council at the time of the approval of the annual budget of the Municipality.

21. SEWERAGE

(1) General principles regarding the calculation of the tariff for sewerage:

(a) Sewer service is an economic service and tariff calculations should be based on the actual cost incurred in delivering the service.

(b) The following tariff structures shall be used for the determination of tariffs:

(i) The tariff levied for sewer charges is based on the category of the property as per the provisions of the Tariff Policy of the Municipality and/or a rate linked to the consumption of water by the property.

(ii) Special tariff arrangements determined and approved by Council from time to time for specific developments and/or consumers and/or informal settlements.

(c) To calculate the tariff for sewerage the Municipality must also take into account the minimum standard for basic sanitation services, as prescribed in terms of regulation 2 of the Regulations Relating to Compulsory National Standards and Measures to Conserve Water, Published under Government Notice R509 in Government Gazette No 22355 of 8 June 2001 and promulgated in terms of the Water Service Act, Act 108 of 1997, which are as follows:

(i) the provision of appropriate health and hygiene education; and

(ii) a toilet which is safe, reliable, environmentally sound, easy to keep clean, provides privacy and protection against the weather, well ventilated, keeps smells to a minimum and prevents the entry and exit of flies and other disease-carrying pests.

(2) The amount of the tariffs so calculated will be set out and published in the Tariff Schedule, and shall be approved by the Council at the time of the approval of the annual budget of the Municipality.

22. PROPERTY RATES

(1) The rate levied by the Municipality will be a cent amount in the Rand based on the market value of the property and in accordance with the provisions of the Rates Policy and By-Law of the Municipality.

(2) In terms of the provisions of the MPRA the Municipality may levy different rates for different categories of rateable property. Differential rating among the various property categories will be done by way of setting different cent amount in the rand for each property category and by way of reductions and rebates as provided for in the Rates Policy and By-Law of the Municipality

(3) In terms of the provisions of section 17(1)(e) of the MFMA the Rates Policy and By-Law of the Municipality must be reviewed on annual basis and the reviewed policy tabled to Council for approval as part of the budget process.

(4) The various categories of ratepayers shall be charged at the applicable rates, as set out in the Tariff Schedule and as approved by the Council as part of each annual budget.

23. SUNDRY TARIFFS

(1) Various sundry tariffs are applied to recoup costs of sundry services to the public. All such tariffs are based on the actual cost of supply, but individual tariffs may be set at:

(a) subsidised levels;

(b) levels reflecting actual cost; or

(c) levels producing surpluses.

(2) The level at which the Municipality sets a sundry service tariff, takes into account factors such as:

(a) affordability;

(b) socio-economic circumstances;

(c) utilisation of amenities and resources;

(d) national and regional agreements and provisions; and

(e) any other factors influencing such decisions.

(3) Sundry tariffs and structures will be revised at least once a year, during the annual budget process.

24. INDIGENT SUPPORT

In terms of the Indigent Policy of the Municipality, the Municipality will provide indigent support to Registered Indigents. The qualification criteria, assistance procedures and the extent of the indigent support are all extensively dealt with in the Indigent Policy of the Municipality. The calculation of the subsidy and support to be provided to Registered Indigents is set out in **Schedule "A"** to this policy.

CHAPTER 5

MISCELLANEOUS PROVISIONS

25. THE CONTENTS OF THE TARIFF SCHEDULE

The Tariff Schedule may contain fees, charges or tariffs pertaining to matters which were not specifically dealt with or addressed in this policy, but which are calculated, established, determined, applied, levied or charged in terms of other legislation applicable to the Municipality, or in terms of other by-laws of the Municipality. Such fees, charges or tariffs are deemed to be levied or charged in terms of this policy and the general provisions contained in this policy regarding the levying or charging of fees, charges and tariffs apply *mutatis mutandis* thereto.

26. PUBLIC PARTICIPATION IN RELATION TO TARIFFS

(1) The purpose of publishing tariffs is to assist the Municipality to communicate transparent and understandable tariffs to the local community, and also to provide the opportunity to all members of the community to make comments on and inputs regarding the calculation and establishment of the said tariffs.

(2) In terms of the provisions of section 22 of the MFMA, the accounting officer of the Municipality must immediately after the annual budget is tabled in the Council, which may be no later than 90 (ninety) days before 1 July of each year, and in accordance with the provisions of chapter 4 of the Systems Act:

(a) make public the annual budget and the documents referred to in section 17(3) of the MFMA – such documents *inter alia* includes:

(i) the draft resolution imposing any municipal tax and setting any municipal tariffs as may be required for the budget year; and

(ii) any proposed amendments to the budget-related policies of the Municipality.

(b) invite the local community to submit representations in connection with the budget, which includes the tariffs as proposed by the Municipality for the next budget year.

(3) In terms of the provisions of section 21A of the Systems Act, all documents that must be made public by the Municipality, as referred to above, must be conveyed to the local community by:

(a) displaying the documents at the Municipality's head and satellite offices and libraries;

(b) displaying the documents on the Municipality's official website; and

(c) notify the local community of the place(s), including the website address, where detail particulars concerning the documents can be obtained.

(4) The Municipality shall also notify the local community in terms of the provisions of section 21 of the Systems Act of the abovementioned by publishing a notice in a newspaper, circulating in its area and determined by the Council as a newspaper of record. The said notice must:

(a) inform the local community that the annual budget is tabled in the Council;

(b) inform the local community that a copy of the annual budget is available for public inspection during office hours in the main administrative office of the Municipality and other specified places as determined by the Municipal Manager;

(c) invite the local community to submit written representations in connection with the budget, within 30 (thirty) days after the date on which the notice was displayed;

(d) inform the local community that any person who cannot write may come during office hours to the main administrative office of the Municipality or other specified places as determined by the Municipal Manager, where a staff member of the Municipality named in the invitation, will assist that person to transcribe that person's comments or representations; and

(e) inform the local community of the website address of the Municipality where detailed particulars concerning the budget documentation can be obtained.

(5) A copy of the above mentioned notice must also be displayed at the municipal offices and other specified places as determined by the Municipal Manger of the Municipality.

(6) The Municipality shall also, its resources permitting, seek, in terms of the provisions of section 21 of the Systems Act, to convey the information as contained in the notice, to the local community by means of radio broadcast covering the area of jurisdiction of the Municipality.

(7) In terms of the provisions of section 23 of the MFMA, the Council shall consider any views of the local community on the budget, as raised during the public participation process referred to above.

(8) Subsequent to the Council considering the views expressed by the community on the budget, the Council shall give the Mayor an opportunity to also respond to the submissions, and if necessary, to revise the budget and table amendments for consideration by the Council.

(9) The Council of the Municipality must at least 30 (thirty) days before the start of the budget year (i.e. 1 July of each year) consider approval of the annual budget.

(10) An annual budget must be approved by the Council, before the start of the budget year.

(11) An annual budget must be approved together with the adoption of resolutions as may be necessary, setting, *inter alia*, any municipal tariffs for the budget year, and approving any changes to the Municipality's budget-related policies. The municipal tariffs set will be contained in the Tariff Schedule.

(12) After the annual budget is approved by the adoption by the Council of the abovementioned resolutions with a supporting vote of a majority of its members, the Municipal Manager shall without delay:

(a) conspicuously display a copy of the resolution, imposing tax and setting any municipal tariffs as may be required for the budget year, for a period of at least 30 (thirty) days at the main administrative office of the Municipality, and at such other places within the area of jurisdiction of the Municipality to which the public has access as may be determined by the Municipal Manager;

(b) publish a notice, in a newspaper of general circulation within the area of jurisdiction of the Municipality, containing the following information:

(i) confirmation that the resolution, imposing municipal tax and setting any municipal tariffs as may be required for the budget year, has been passed by the Council;

(ii) that a copy of the abovementioned resolution is available for public inspection during office hours in the main

administrative office of the Municipality and other specified places as determined by the Municipal Manager; and

(iii) the date on which the levying of the fees, charges and tariffs will come into operation.

(c) seek to, its resources permitting, convey the information as contained in the notice, to the local community by means of radio broadcasts covering the area of jurisdiction of the Municipality.

27. REVISION AND PHASING IN OF FEES, CHARGES OR TARIFFS

(1) The Municipality must annually review the fees, charges or tariffs set out in the Tariff Schedule of the Municipality, which process will take place prior to the annual budget being tabled before the Council at the meeting of the Council to be held no later than 90 (ninety) days prior to the commencement of the financial year.

(2) Once the Council approved the fees, charges and tariffs at its meeting to be held no later than 30 (thirty) days prior to the commencement of the financial year, the Municipality may not, in terms of the provisions of section 28(6) of the MFMA, increase the fees, charges or tariffs during a financial year, except when required in terms of a financial recovery plan.

(3) Where the newly calculated fees, charges or tariffs differ substantially from the current tariffs, the Council may resolve to phase in the differences over a period of time.

(4) The Municipality may levy and charge the fees, charges and tariffs approved by Council when Council adopted the annual budget of the Municipality from the commencement of the financial year i.e. 1 July, unless Council has

resolved to phase the fees, charges and tariffs in over a period of time as referred to above.

28. REBATES

Rebates are allowed in accordance with the Tariff Schedule as determined by the Municipality annually and in terms of the Rates Policy and By-Law of the Municipality.

29. BY-LAWS

The principles contained in this policy will be given effect to and implemented by the Tariff By-Law of the Municipality, which By-Law shall be adopted in accordance with the provisions of section 13 of the Systems Act.

30. IMPLEMENTATION AND REVIEW OF THIS POLICY

(1) This policy shall be implemented once approved by Council as part of the budgetary policies of the Municipality, as referred to in the provisions of regulation 7 of the Municipal Budget & Reporting Regulations, 2008, and section 17(3)(e), section 21(1)(b)(ii)(bb), section 22(a)(i) and section 24(2)(c)(v) of the MFMA.

(2) In terms of the provisions of section 17(1)(e) of the MFMA this policy must be reviewed on annual basis and the reviewed policy tabled to Council for approval as part of the budget process.

31. AVAILABILITY OF POLICY AND BY-LAWS

(1) A copy of this policy and the Tariff By-Law of the Municipality shall be included in the Municipality's Municipal Code as required by the provisions of section 15 of the Systems Act.

(2) The Municipality shall take all required legal steps to inform consumers, debtors, owners and occupiers of the content of this policy.

(3) A copy of this policy and the Tariff By-Law of the Municipality shall be available for inspection at the offices of the Municipality at all reasonable times.

(4) A copy of this policy and the Tariff By-Law of the Municipality may be obtained from the Municipality against payment of an amount as determined by the Council.

32. SHORT TITLE

This policy shall be called the Tariff Policy of the Rustenburg Local Municipality.

SCHEDULE "A"

THE CALCULATION OF THE INDIGENT SUPPORT SUBSIDY

(a) Where the total gross monthly income does not exceed R3 500.00 (two state pensions) per indigent household per month (as set out in the Indigent Policy), the following services effected will be subsidised ~~as follows~~:

(i)	Refuse for one household:	~~R95.75~~;
(ii)	Sewerage for one household:	~~R98.88;~~
(iii)	Basic water charge for one household:	~~R50.03;~~
(iv)	Basic electricity charge for one household:	~~R235.32;~~
(v)	Water consumption (free 6 Kilo litres):	~~R111.90;~~
(vi)	Electricity consumption (free 50kWh):	~~R34.91;~~
	Sub Total:	~~R626.79;~~
	VAT @14%:	~~R87.75;~~
	Grand Total of Subsidy:	~~R714.54.~~

(b) All Registered Indigents, registered in terms of the provisions of the Indigent Policy of the Municipality, shall be fully subsidised for the payment of property rates. The subsidy shall not be more than the applicable rate for that year, and will be applied for the duration of that particular financial year.

TARIFF POLICY

POLICY REVIEW MANAGEMENT INFORMATION			
NAME & SURNAME	**DESIGNATION**	**SIGNATURE**	**DATE**
Thabiso Mkhwanazi	Section Manager Billing		30/03/2017
Paul Malatsi	Acting Chief Financial Officer		30/03/297
Lucky Molotsane	Head Legal Unit		30/3/2017
Tshenolo Lefutswe	Acting Municipal Manager		30/3/2017

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RUSTENBURG LOCAL MUNICIPALITY

DRAFT_ BORROWING FRAMEWORK POLICY AND GUIDELINES

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1. Purpose

(a) To establish a framework and guidelines for the borrowing of funds.

(b) To ensure compliance with statutory requirements and National Treasury borrowing regulations.

(c) To ensure that the funds are obtained at the lowest possible interest rates at minimum risk, within the parameters of authorised borrowings.

(d) To outline the appropriate actions of a prudent person standard in the context of managing overall debt.

(e) To maintain debt within specified limits and ensure adequate provision for the payment of debt and debt repayment **to** be sustainable.

2. Problem Statement

The Guidelines and Procedures have been written in compliance with relevant legislation, they offer certainty to the debt capital markets thereby ensuring a level of confidence in our municipal fiscal affairs. Consequently, the Municipality has access to a range of funding instruments for the provision of municipal infrastructure. Rustenburg Local Municipality ("Municipality"), in general, seeks to minimise its dependence on borrowings in order to curtail future revenue committed to debt servicing and redemption charges.

The Chief Financial Officer prudently manages interest rate, liquidity and credit risk exposures thereby obtaining the lowest possible interest rate for the Municipality's debt. The debt is taken on the most advantageous terms and conditions, taking cognisance of borrowing risk constraints, infrastructure needs and the borrowing limits determined by legislation. They also take into consideration the issues of the time value of money and to optimise the use of the term of the loan.

3. Legislation

The relevant legislation and regulations in terms of which borrowing decisions are governed are as follows:

- **Local Government: Municipal Finance Management Act 56 of 2003 (MFMA) (See Annexure A)**
- **Constitution of the Republic of South Africa Act 108 of 1996 (See Annexure B)**

- **Municipal Regulations on Debt Disclosure (Local Government: Municipal Finance Management Act, Chapter 6) Government Gazette no. 29966, 15 June 2007) effective from 01 July 2007 for a municipality or municipal entity (See Annexure C).**
- **Municipal Finance Management Act No. 56 of 2003 Circular No.71 (See Annexure D)**

Guidelines and Procedures

4. General Approach to Borrowing

4.1.1 The Municipality may incur long term debt for the purpose of:

(a) Capital expenditure on infrastructure, property, plant or equipment to be used for the purpose of achieving the objectives of local government or

(b) Re-financing existing long-term debt as permitted.

4.1.2 The Municipality will, in general, seek to minimise its dependence on borrowings in order to reduce future revenue committed to debt servicing and redemption charges.

4.1.2 Borrowings shall be made with care, skill, prudence and diligence.

4.1.2 The Municipality shall maintain the Gearing Ratio to be below 45% and Debt service cost to be between 6% and 8%, in line with the MFMA Circular No.71

4.1.2 The fixing of debt repayments is a crucial consideration in meeting the legal requirements of the Municipality, that of annually producing a balanced budget.

4.1.2 Whilst the period for each loan debt may vary from time to time according to the needs of the Municipality in conjunction with various Lenders, presently the typical debt repayment period for loans is between five to twenty years, closely matching the underlying asset lives serviced by the loans.

4.1.2 Cognisance is taken of the useful lives of the underlying assets to be financed by the debt, and, moreover, careful consideration is taken of the interest rates on the interest yield curve. Should it be established that it is cost effective to borrow the funds on a shorter term (as opposed to the life of the asset) as indicated by the interest yield curve, the loan will be negotiated to optimise the most favourable and cost effective benefit to the Municipality.

4.1.2 There are from time to time various options offered from Financial Institutions which need to be treated on their merits and which could result in slightly lower interest rates being offered.

4.1.2 The Municipality's external borrowings have been mainly sourced from financial institutions amongst others commercial banks and development finance institutions.

4.1.2 Any official involved in the securing of loans by the Municipality must, when interacting with a prospective Lenders or when preparing documentation for consideration by a prospective Investors disclose all relevant information that may be requested or that may be material to the decision of the prospective Lender or Investor.

4.1.2 Reasonable care must be taken to ensure the accuracy of any information disclosed. Whilst this is a standard and acceptable business practice, it is also in compliance with section 49 of the Municipal Finance Management Act.

4.1.2 The prospective lenders must be furnished with the following:

(a) Audited annual financial statements for the preceding three financial years

(b) The approved annual budget

(c) The Integrated Development Plan

(d) Repayment schedules pertaining to existing long term debt

4.1.2 The Municipal Finance Management Act provides that the Municipality may not guarantee any debt of any entity except on the following conditions:

(a) The guarantee must be within limits specified in the municipality's approved budget

(b) The entity is a Municipal entity under its sole control and such guarantee is authorised by the council

4.1.2 Any guaranteed debt must be reflected in the approved business plan of the entity and must be authorised by the Municipality in the same manner and subject to the same conditions applicable to any other borrowings.

4.1.2 Neither the National nor Provincial Government may guarantee the debt of any Municipality.

4.1.2 All loans must be in the name of the Municipality

5. Specific factors that must be considered when borrowing

Surplus funds and external long term debt are used to meet the objectives of the Integrated Development Plan (IDP) which include the service delivery programme, economic and social development and other demands of the changing and growing city.

5.1 The factors to be considered when borrowing are:

(a) Revenue generating ability of asset

(b) Type and extent of benefits to be obtained from the borrowing

(c) Length of time the benefits will be received

(d) Beneficiaries of the acquisition or development

(e) Impact of interest and redemption payments on both current and forecasted income

(f) Current and future capacity of the property tax base to pay for borrowings and the rate of growth of the property tax base

(g) Likely movements in interest rates for variable rate borrowings

(h) Other current and projected sources of funds

i) Competing demands for funds

(i) j) Timing of money market interest rate movements and the long term rates on the interest rate curve

5.2 After taking **a, b, c, d** above into account, the borrowing requirement will be determined by:

5.2.1 Obtaining the total capital budget value – as per IDP and MTERF.

5.2.1 Determining internal funding – the municipality from time to time, will use its surplus funds from operations to fund its capital programmes in order to reduce its reliance on external debt financing, thereby allowing it to borrow only funds from external sources when favourable market conditions prevail

5.2.1 Obtaining the figure for grants to be received – as allocated per national and provincial treasuries

5.2.1 Identifying cash shortages to be financed by external borrowings, after taking into account 5.2.2, and 5.2.3 above.

6. Types of Borrowings

Foreign borrowing is permitted in terms of section 47 of the Municipal Finance Management Act, whereby the debt is denominated in Rand and is not indexed to, or affected by, fluctuations in the value of the Rand against any foreign currency.

6.1 Short Term Borrowings

(a) The Municipal Finance Management Act provides that the Municipality may incur short term debt only when necessary to bridge shortfalls within a financial year during which the debt is incurred, in expectation of specific and realistic anticipated income to be received within that financial year; or capital needs within a financial year, to be repaid from specific funds to be received from enforceable allocations or long term debt commitments.

(b) In terms of the Municipal Finance Management Act, incur short term debt only if the Chief Financial Officer has made a prior written finding that the debt is either within prudential limits on short term debt as previously approved by Municipality, or is necessary due to an emergency that could not reasonably have been foreseen and cannot await Council approval.

(c) The Municipality must pay off short term debt within the same financial year and may not renew or refinance its short term debt.

(d) Examples of short-term debt are bank overdrafts and commercial paper bills

6.2 Long Term Borrowings

A Municipality may incur long-term debt only in accordance with and subject to any applicable provisions of MFMA, including section 19, and only for the purpose of–

(a) Capital expenditure on property, plant or equipment to be used for the purpose of achieving the objects of local government as set out in section 152 of the Constitution, including costs referred to in subsection (4) ; or

(b) Re-financing existing long-term debt subject to subsection (5).

Examples of long-term debt are as follows:

6.2.1 Annuity

(a) The loan amount, interest rate and repayment period offered by the financial institution are either fixed or variable.

(b) The calculation of the instalment payable on an annuity basis is simple and straightforward: the instalment of the loan can be repaid usually in equal six monthly instalments over the term of the loan.

6.2.1 Structured Finance Loans

(a) Structured finance is a service that generally involves highly complex financial transactions offered by many large financial institutions for companies with very unique financing needs.

(b) (It must be appreciated that before entering into any structured finance contract the Municipality, being a Statutory body, will carefully scrutinise all aspects of the structured finance loan agreement including seeking legal advice both from the Head: Legal and, where necessary, from Senior Legal Counsell to ensure that the Municipality is not participating in a structure which the South African Revenue Service may deem it to be one which leads to tax evasion.

(c) The Municipality will always adopt a prudent and carefully evaluated approach before entering into structured finance loan agreements

(d) The Municipality has not entered into any structured loan agreements recently, and in view of the tax implications under the present tax regime it is unlikely that it will enter into structured loan agreements in the near future. The loan amount, interest rate and repayment period offered by the financial institution are either fixed or variable. The calculation of the instalment payable on an annuity basis is simple and straightforward: the instalment of the loan can be repaid usually in equal six monthly instalments over the term of the loan.

6.2.1 Bonds

(e) A bond is an instrument used by Government, State-Owned Entity and Corporates to raise loan capital on the open market.

(f) Bond holders have the right to interest, usually paid on a semi-annual basis, and the repayment of the capital amount on maturity. The most critical variable factor in determining bond rates is the expected long term trend in inflation, in order to provide a return that equals inflation plus a risk premium.

(g) The higher the risk attached to a borrower, the higher will be the risk yield investors will demand.

(h) During its tenure, a bond will trade on the bond market at prevailing interest levels with bond prices inversely related to movements in interest rates.

7. Hedging

(a) Where the interest rate offered by the financial institution is on a variable basis, an Interest Rate Swap (IRS) may be taken out.

(b) An IRS agreement will need to be signed with the party agreeing to accept the variable rate and offer the fixed rate to the Municipality.

(c) An Interest Rate Swap Agreement must comply with the terms set out by the International Swap Dealers Association (ISDA).

8. Credit Rating

The Municipality has a Long-Term and Short-Term National Scale rating, which is reviewed on an annual basis. Currently the credit rating is being provided by Global Credit Rating (GCR).

9. Refinancing

(a) Section 46 of the Municipal Finance Management Act provides that the Municipality may refinance existing long term debt, if such refinancing is in accordance with the prescribed framework.

(b) The Municipality may borrow money for the purpose of re-financing existing long-term debt, provided that:

i. The existing long-term debt was lawfully incurred

ii. The re-financing does not extend the term of the debt beyond the useful life of the property, plant or equipment for which the money was originally borrowed

iii. The net present value of projected future payments (including principal and interest payments) after re-financing is less that the net present value of projected future payments before re-financing

iv. The discount rate used in projecting net present value referred to in the above paragraph and any assumptions in connection with the calculations must be reasonable and in accordance with criteria set out in a framework that may be prescribed.

(c) No loans will be prematurely redeemed unless there is a financial benefit to the Municipality.

10. Security

(a) The Municipal Finance Management Act provides that the Municipality may provide security for any of its debt obligations, including the giving of a lien, pledging, mortgaging or ceding an asset, or giving any other form of collateral.

(b) The Municipality may cede as security any category of revenue or rights of future revenue.

(c) Some Lenders may require the Municipality to agree to restrictions on debt that the Municipality may incur in future until the secured debt is settled.

11. Security

(a) Section 46 of the Municipal Finance Management Act stipulates that the Municipality may incur long-term debt only if a resolution of the Council, signed by the Mayor, has approved the debt agreement and the Accounting Officer has signed the agreement or other document which acknowledges the debt.

(b) At least 21 days prior to the meeting of the Council at which approval for the debt is to be considered:

i. The Municipality must make public an information statement setting out particulars of the proposed debt, including the amount of the proposed debt, the purposes for which the debt is to be incurred and particulars of any security to be provided; and

ii. (ii) Invite the Public, the National Treasury and Provincial Treasury to submit written comments or representations to the council in respect of the proposed debt.

(c) A copy of the information statement must be submitted to Council at least 21 days prior to the meeting to discuss the proposed loan, together with particulars of:

i. The essential repayment terms, including the anticipated debt repayment schedule; and

ii. (ii) The anticipated total cost in connection with such debt over the repayment period.

12. Provision for Redemption of Borrowings

(a) The Municipality may set up sinking funds to facilitate loan repayments, especially when the repayment is to be met by a bullet repayment on the maturity date of the loan.

(b) Such sinking funds may also be invested directly with the Lender's Bank.

(c) The maturity date and accumulated value of such investment must coincide with the maturity date and amount of the intended loan that is to be repaid.

(d) Use can also be made of guaranteed endowment policies to facilitate the payment on maturity date.

13. Non-Repayment of Borrowings

(a) The Municipality must honour all its borrowings obligations timeously as the failure to effect prompt payment will adversely affect the raising of future borrowings at favourable costs: failure even by one day, and even if only through

administrative oversight, will have severe repercussions, and may jeopardise the Municipality's favourable credit rating.

(b) In addition to the timeous repayment of the borrowings, the Municipality must adhere to the financial covenants stipulated in the loan agreements and the under mentioned are some examples of typical financial covenant requirements:

i. furnish the Lender with audited annual financial statements timeously

ii. long term credit rating not to decline below investment grade

iii. reporting of material changes in financial position of the Municipality

iv. Collection rates must not be less than a specified rate

v. Gearing, debt coverage and cost coverage ratios

14 Borrowing for Investment Purposes not Permitted

While in the past some Municipalities borrowed funds with the sole purpose of investing to earn a return their motive was clearly speculative and the cost of debt almost always more expensive than the return that the Municipality could derive by investing in permitted investments, consequently, as a principle, eThekwini Municipality does not borrow for investment purposes.

15. Other Borrowing Practices

Depending on economic conditions such as the shape of the interest yield curve, the Municipality may borrow in advance of its capital cash flow needs in a given financial year to take advantage of an inverse interest yield curve.

16. Reporting and Monitoring Requirements

Regular reporting mechanisms are in place in order to assess the performance of the borrowing portfolio and to ensure that the borrowings comply with policy objectives, guidelines, applicable laws and regulations.

17. Internal Controls

(a) The internal control procedure involves Internal Audit and Performance Management, and the Auditor General reviewing and testing the systems of the Finance Department on a regular basis.

(b) In order to prevent losses arising from fraud, misrepresentations, error, conflict of interest or imprudent action, a system of internal controls governs the administration and management of the portfolio.

(c) Controls deemed most important include:

(i) Control of collusion, separation of duties.

(ii) Custodial safekeeping of loan agreements and contracts.
(iii) Clear delegation of duties.
(iv) Checking and verification by senior officials of all transactions.
(v) Documentation of transactions and repayments.
(vi) Code of ethics and standards.
(vii) Procedure manuals.

(ii) Electronic Funds Transfer limits and a detailed procedure manual for the system.

18. National Treasury and Reporting Requirements

(a) Of the numerous returns submitted by the Municipality to National Treasury, one such report deals with the Municipality's external interest paid each month.

(b) Another return, prepared on a quarterly basis, requires the Municipality to itemise all its external borrowings for the quarter ended.

ANNEXURE A

LOCAL GOVERNMENT MUNICIPAL FINANCE MANAGEMENT ACT NO 56 OF 2003

CHAPTER 6 : DEBT

SHORT-TERM DEBT

45 (1) A municipality may incur short-term debt only in accordance with and subject to the provisions of this Act. A municipality may incur short-term debt only when necessary to bridge -

(a) shortfalls within a financial year during which the debt is incurred, in expectation of specific and realistic anticipated income to be received within that financial year; or

(b) capital needs within a financial year, to be repaid from specific funds to be received from enforceable allocations or long-term debt commitments.

A municipality may incur short term debt only if -

1) a resolution of the municipal council, signed by the mayor , has approved the debt agreement : and

2) the accounting officer has signed the agreement or other document which creates or acknowledges the debt .

(3) For the purpose of subsection (2) (a.) a municipal council may -

1) approve a short term debt individually ; or

2) approve an agreement with a lender for a short-term credit facility to be accessed as and when required , including a line of credit or bank overdraft facility , provided that -

(i) the credit limit must be specified in the resolution of the council ;

(ii) the terms of agreement , including the credit limit , may be changed only by a resolution of the council ; and

(iii) if the council approves a credit facility that is limited to emergency use , the accounting office must notify the council in writing as soon as practical of the amount , duration and any debt incurred in terms of such a credit facility , as well as options for repaying such debt.

(4) A municipality -

1) must pay off short-term debt within the financial year ; and

2) may not renew or refinance short-term debt , whether its own debt or that of any other entity, where such renewal or refinancing will have the effect of extending the short-term debt into a new financial year.

(a) No lender may wilfully extend credit to a municipality for the purpose of renewing or refinancing short-term debt that must be paid off in terms of subsection (4)(a).

2) if a lender wilfully extends credit to a municipality in contravention of paragraph (a), the municipality is not bound to repay the loan or interest on the loan .

(6) Subsection (5)(b) does not apply if the lender -

(a) relied in good faith on written representations of the municipality as to the purpose of the borrowing; and

did not know and had no reason to believe that the borrowing was for the purpose of renewing or refinancing short-term debt.

LONG-TERM DEBT

(1) A municipality may incur long-term debt only in accordance with and subject to

any applicable provisions of this Act, including section 19, and only for the purpose of–

(a) capital expenditure on property, plant or equipment to be used for the purpose of achieving the objects of local government as set out in section 152 of the Constitution, including costs referred to in subsection (4) ; or

(b) re-financing existing long-term debt subject to subsection (5).

2) A municipality may incur long-term debt only if –

(a) a resolution of the municipal council, signed by the mayor , has approved the debt agreement ; and

the accounting officer has signed the agreement or other document which creates or acknowledges the debt .

(3) A municipality may incur long-term debt only if the accounting officer of the municipality-

1) has in accordance with subsection 21A of the Municipal Systems Act–

(i) at least 21 days prior to the meeting of the council at which approval for the debt is to be considered, made public an information statement setting out particulars of the proposed debt, including the amount of the proposed debt, the purposes for which the debt is to be incurred and particulars of any security to be provided ;and

invited the public, the National Treasury and the relevant provincial treasury to submit written comments or representations to the council in respect of the proposed debt ; and

(b) has submitted a copy of the information statement to the municipal council at least 21 days prior to the meeting of the council, together with particulars of -

(i) the essential repayment terms, including the anticipated debt repayment schedule; and

(ii) the anticipated total cost in connection with such debt over the repayment period.

4) Capital expenditure contemplated in subsection (1)(a) may include -

1) financing costs, including -

capitalised interest for a reasonable initial period;

costs associated with security arrangements in accordance with

section 48;

(i) discounts and fees in connection with the financing;

fees for legal, financial, advisory, trustee, credit rating and other services directly connected to the financing; and

costs connected to the sale or placement of debt, and costs for printing and publication directly connected to the financing

(b) costs of professional services directly related to the capital expenditure; and

such other costs as may be prescribed.

A municipality may borrow money for the purpose of re-financing existing long-term

debt, provided -

(a) the existing long-term debt was lawfully incurred;

the re-financing does not extend the term of the debt beyond the useful life of the property, plant or equipment for which the money was originally borrowed;

the net present value of projected future payments (including principal and interest payments) after re-financing is less than the net present value of projected future payments before re-financing and

the discount rate used in projecting net present value referred to in paragraph (c), and any assumptions in connection with the calculations, must be reasonable and in accordance with criteria set out in a framework that may be prescribed.

A municipality's long-term debt must be consistent with its capital budget referred to in section 17(2).

CONDITIONS APPLYING TO BOTH SHORT-TERM AND LONG-TERM DEBT

A municipality may incur debt only if -

(a) the debt is denominated in Rand and is not indexed to, or affected by, fluctuations in the value the Rand against any foreign currency;

section 48 (3) has been complied with, if security is to be provided by the municipality

SECURITY

48. (1) A municipality may, by resolution of its council, provide security for -

(a) any of its debt obligations;

(b) any debt obligations of a municipal entity under its sole control; or

(c) contractual obligations of the municipality undertaken in connection with capital expenditure by other persons on property, plant or equipment to be used by the municipality or such other person for the purpose of achieving the objects of local government in terms of section 152 of the Constitution.

A municipality may in terms of subsection (1) provide any appropriate security including

by -

(a) giving a lien on, or pledging, mortgaging, ceding or otherwise hypothecating an asset or right, or giving any other form of collateral;

undertaking to effect payment directly from money or sources that may become available and to authorise the lender or investor direct access to such sources to ensure payment of the secured debt or performance of the secured obligations, but this form of security may not affect compliance with section 8 (2)

undertaking to deposit funds with the lender, investor or third party as security;

agreeing to specific payment mechanisms or procedures to ensure exclusive or dedicated payment to lenders or investors, including revenue intercepts, payments into dedicated accounts or other payment mechanisms or procedures;

ceding as security any category of revenue or rights for future revenue;

undertaking to have disputes resolved through mediation, arbitration or other dispute resolution mechanisms;

undertaking to retain revenues or specific charges, fees, tariffs or funds at a particular level or at a level sufficient to meet its financial obligations;

undertaking to make provision in its budgets for the payment of its financial obligations, including capital and interest;

agreeing to restrictions on debt that the municipality may incur in future until the secured debt is settled or or the secured obligations are met; and

(j) agreeing to such other arrangements as the municipality may consider necessary and prudent.

(3) A council resolution authorising the provision of security in terms of subsection (2)(a) -

1) must determine whether the asset or right with respect to which the security is provided, is necessary for providing the minimum level of basic municipal services; and

if so, must indicate the matter in which the availability of the asset or right for provision of that minimum level of basic municipal services will be protected.

(4) If the resolution has determined that the asset or right is necessary for providing the minimum level of basic municipal services, neither the party to whom the municipal security is provided, nor any successor or assignee of such party, may, in the event of a default by the municipality, deal with asset

or right in a manner that would preclude or impede the continuation of that minimum level of basic municipal services.

(5) A determination in terms of subsection (3) that an asset or right is not necessary for providing the minimum level of basic municipal services is binding on the municipality until the secured debt has been paid in full or the secured obligations have been performed in full, as the case may be.

DISCLOSURE

(1) Any person involved in the borrowing of money by a municipality must, when interacting with a prospective lender or when preparing documentation for consideration by a prospective investor -

disclose all information in that person's possession or within that person's knowledge that may be material to the decision of that prospective lender or investor; and

take reasonable care to ensure the accuracy of any information disclosed.

A lender or investor may rely on written representations of the municipality, if the lender or investor did not know and had no reason to believe that those representations were false or misleading.

MUNICIPAL GUARANTEES

50. A municipality may not issue any guarantee for any commitment or debt of any organ of state or person, except on the following conditions :

(a) The guarantee must be within limits specified in the municipality's approved budget:

a municipality may guarantee the debt of a municipal entity under its sole control only if the guarantee is authorised by the council in the same manner and subject to the same conditions applicable to a municipality in terms of this Chapter if it incurs debt

a municipality may guarantee the debt of a municipal entity under its shared control or of any other person, but only with the approval of the National Treasury, and then only if-

(i) the municipality creates, and maintains for the duration of the guarantee, a cash-backed reserve equal to its total potential financial exposure as a result of such guarantee; or

(ii) the municipality purchases and maintains in effect for the duration of the guarantee, a policy of insurance issued by a registered insurer, which covers the full amount of the municipality's potential financial exposure as a result of such guarantee.

NATIONAL AND PROVINCIAL GUARANTEES

51. Neither the national nor a provincial government may guarantee the debt of a municipality or municipal entity except to the extent that Chapter 8 of the Public/New Finance Management Act provides for such guarantees.

CHAPTER 8 : RESPONSIBILITIES OF MUNICIPAL OFFICERS

REPORTS AND REPORTABLE MATTERS

MONTHLY BUDGET STATEMENTS

71. (1) The accounting officer of a municipality must no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to end of that month

Actual revenue, per revenue source;

actual borrowing

actual expenditure, per vote

actual capital expenditure, per vote

the amount of any allocations received

BORROWING FRAMEWORK POLICY AND GUIDELINES

POLICY REVIEW MANAGEMENT INFORMATION			
NAME & SURNAME	**DESIGNATION**	**SIGNATURE**	**DATE**
Thabo Modisane	Acting Unit Manager FMS		30/03/17
Paul Malatsi	Acting Chief Financial Officer		30/03/2017
Lucky Molotsane	Head Legal Unit		30/3/2017
Tshenolo Lefutswe	Acting Municipal Manager		30/3/2017

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RUSTENBURG LOCAL MUNICIPALITY

DRAFT_FUNDING AND RESERVES

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1. INTRODUCTION

The purpose of this policy is to ensure that municipality maintains cost effective and efficient cash funding

To ensure that provisions and reserves are maintained at the sufficient required level to avoid future unfunded liabilities.

The policy is in line with the requirements of Section 8 of the Local Government: Municipal Budget and Reporting Regulation of 2009 (Government Gazette 32141 in order to monitor and sustain the municipality's financial management.

2. PURPOSE OF THE POLICY

2.1. The policy outlines the assumptions and methodology to be followed on estimating the following:

2.1.1. Anticipated revenue to be collected based on trading services to be billed and other revenue,

2.1.2. Provision for debt impairment based on the previous payment levels and past trends

2.1.3. Setting of cost reflective tariffs in relation to the consumers affordability

2.1.4. In line with the municipality's borrowing requirements

2.1.5. To ensure that funds are set aside monthly to fund reserves

3. GUIDING PRINCIPLES

3.1. The funds and reserve policy is based on the following principles:

3.1.1. Credibility

- The SDBIP be informed by the budget that is consistent with the IDP
- Financial viability of the municipality not to be compromised
- To ensure capability to spend funds allocated

3.1.2. Sustainability

- Ensure financial viability of the municipality
- Anticipated revenue to be collected and anticipated spending to be realistic

3.1.3. Responsiveness

- The budget to be responsive to the needs of the community
- Alignment of budget, LED Strategy with IDP to give effect to the provincial and national priorities
- The budget to respond to the municipal economic growth objectives and socio economic needs of the community.

3.1.4. Affordability

- Tariff setting to take into account local economic conditions and ability of consumers to pay in relation to the cost of rendering the services

4. BUDGET ASSUMPTIONS AND METHODOLOGY

4.1 Funding the Annual Budget

- An annual budget may be funded from realistically anticipated revenues to be collected
- From the cash-backed accumulated surpluses from previous years not committed for any other purpose

- Borrowed funds earmarked to only fund the capital budget.
- Anticipated grants allocated to the municipality as gazetted for in the Division of Revenue Act (DORA).

4.2. Capital Budget

Capital budget provides funding for the municipality's capital programmes based on the needs identified by the community and the municipal objectives as outlined in the Integrated Development Plan of the municipality.

4.2.1. Basis of calculation

- The Zero based method is used in preparing the annual capital budget, except in cases where a contractual commitment has been made that will span over more than one financial year.
- Provisions on the capital budget shall be limited to the available financial resources and affordability.
- The annual budget shall be based on realistically anticipated revenue.
- Funds to be available (liquid cash) prior to budgeting
- Loans/ borrowing to be taken prior or be available prior to budgeting and must be equal to the anticipated capital expenditure.
- The impact of the capital budget on current and future operating budgets in terms of financial charges to be incurred on external loans, depreciation of fixed assets, maintenance of fixed assets and any other operating expenditure to be incurred resulting directly from the capital expenditure, should be carefully analysed when the annual capital budget is being compiled.
- In addition, council shall consider the likely impact of such operational expenses-net of any revenues expected to be generated by such item-on future property rates and services tariffs.

4.2.2. Funding of the Capital Budget

The capital budget shall be funded from the following:

4.2.2.1. **Own Funding Sources**
- The Council shall establish a Cash Replacement Reserve (CRR) for capital renewal, replacement and acquisition.
- Such reserve shall be established from unappropriated cash-backed accumulated surpluses

4.2.2.2. Amounts appropriated as contributions in each annual or adjustment budget
4.2.2.3. Public contributions, donations or other grants
4.2.2.4. Grants and subsidies allocated in the annual Division of Revenue Act
4.2.2.5. Grants and subsidies allocated by provincial government
4.2.2.6. Net gains on sale of fixed assets in terms of the fixed assets management and accounting policy
4.2.2.7. External loans/borrowings
4.2.2.8. Any other financing source secured by the municipality

4.2.3 Guiding principles on capital budget funding

4.2.3.1 Government grants and subsidies:

- Only gazetted allocations or transfers as reflected in the Division of Revenue Act or allocations per provincial gazette may be used to fund projects

- Conditions of the specific grant as allocated per projects must be taken into consideration.

4.2.3.2. Public contributions or donations/grants

- Capital projects will only be included in the annual budget if funding is guaranteed by means of the following:

I. A signed service level agreement
II. A contract or written confirmation
III. Or any legally binding document

4.2.4. Borrowing requirements

4.2.4.1. The borrowing requirements are used as a basis for determining the affordability of external loans over the Medium term and expenditure Framework. The ratios to be considered when taking up new loans/borrowings include the following:

I. Long term credit rating of at least BBB
II. Interest cost to total expenditure not to exceed 9%
III. Long –term debt to revenue (excluding grants) not to exceed 50%
IV. Consumers payment rate of above 95%
V. Percentage of capital charges to operating expenditure of less than 15%

4.2.5. Cash-backed accumulated Reserves (CRR)

- Capital projects of a smaller nature such as office equipment, furniture, plant and equipment etc, shall be funded from own operating revenue of the same financial year.
- Capital projects to replace upgrade existing assets will be funded from CRR
- Infrastructure projects to service new developments and revenue received from sale of erven must be allocated to capital reserve for services
- Capital projects to upgrade bulk services will be allocated to the Capital Bulk Contributions Reserve for each services (electricity, water, sewerage)

4.3. Operating Budget

4.3.1. Basis of calculation

The operating budget provides funding to directorates for their medium term planned expenditure.

- The incremental approach is used in preparing the annual operating budget, except in cases where a contractual commitment has been made that would span over more than one financial year. In these instances the zero based method will be followed.
- The annual operating budget shall be based on realistically anticipated revenue to be collected, which should cater for total anticipated spending in accordance with Section 18 of MFMA no 26 2003
- NB: Amounts for provision of depreciation and debt impairment, although non-cash items are not to be used to "balance' the operating budget shortfalls.

4.3.2 Assumptions for various budget categories

The municipality categorizes services rendered to the community according to its revenue generating capabilities as follows:-

4.3.2.1 Trading services (services that should generate predetermined surpluses that can be used to fund other services rendered.

4.3.2.2 Economic services (services that should at least break-even, but do not necessarily generate any surplus to fund other services rendered by the municipality);

4.3.2.3 Rates and general (services that are funded by property rates, government grants or surpluses generated by the trading services).

4.3.3 Funding of the Operating Budget

The operating budget shall be financed from the following main sources of revenue:

4.3.3.1. Property rates

- Property rates levied according to the Municipal Property Rates Act and property rates policy based on the market values
- The budget is compiled using the latest approved Valuation Roll and any supplementary Valuation Roll, consistent with current and past trends
- Property rates tariffs are determined annually as part of the tariff setting process;
- Property rates rebates, exemptions and reductions are budgeted either as revenue foregone or as a grant as per the MFMA Budget circular 51 depending on the conditions thereof;

4.3.3.2. Service charges (electricity, refuse, sanitation, water)

- Projected revenue from service charges must be realistic based on current and past trends with expected growth considering the current economic conditions.
- The following conditions must be considered for each service:-

I. **Metered services comprising of electricity and water:-**
   - The consumption trends for the previous financial years
   - Envisaged water restrictions or load shedding where applicable
   - Actual revenue collected in previous financial years

II. **Refuse removal services**
   - The actual number of erven receiving service per category
   - Actual revenue collected in previous financial years

III. **Sewerage service**
   - The actual number of erven receiving the service per category
   - The consumption trends per category
   - The actual revenue collected in the previous financial years
   - Rebates, exemptions or reduction for service charges are budgeted either as revenue foregone or as a grant as per MFMA Budget Circular 51 depending on the conditions thereof;

4.3.3.3. Government grants and subsidies

- Revenue from government grants and subsidies shall be in line with allocations gazetted in the Division of revenue act and provincial gazettes.

4.3.3.4. Interest on investments

- Interest received from actual long-term and short-term investments shall be based on the amount reasonably expected to be earned on cash amounts available during the year according to the expected interest rate trends

4.3.3.5. Rental fees

- Revenue from rental of property shall be charged based on the percentage growth rate as determined by Financial services for a particular budget year

4.3.3.6. Fines

- Projected revenue for fines shall be charged in terms of the approved tariffs, considering the past trends calculated on the basis of actual receipts extrapolated over 12 months and expected growth for a particular budget year.

4.3.3.7. Other sundry revenue

- Other projected revenue is charged in terms of the approved sundry tariffs considering the past trends and expected growth for each category

4.3.3.8. Cash –backed accumulated surpluses from previous years not committed for any other purpose.

4.3.4. Guiding principles when compiling the operating budget

4.3.4.1. the annual budget must be cash backed

4.3.4.2. provision for bad debt must be the difference of the actual payment levels percentage

4.3.4.3. growth parameters must be realistic, taking into account current economic conditions

4.3.4.4. tariffs adjustments must be realistic, taking into consideration affordability, bulk purchases increases and future projected growth according to the approved Integrated Development Plan

4.3.4.5. the tariffs increases should be cost reflective and as far as possible be limited to inflation targeting per budget circulars

4.3.4.6. revenue from public contributions, donations or any other grants may only be included in the budget if the following documents are received:-

I. a signed service level agreement
II. a contract or written confirmation
III. o r any other legally binding document.

4.3.5. Expenditure Categories

The following assumptions are used when compiling the operating budget spending:-

4.3.5.1. Salaries, wages and allowances

- A detailed salary budget shall be compiled on an annual basis
- Salaries and allowances are calculated based on the percentage increase as per the collective agreement between organized labor and the employer for the particular period
- All funded positions are budgeted for in total
- An additional 2% shall be allocated for filling of new critical positions as per the approved structure
- The remuneration of political office bearers shall be based on the limitations and percentages as determined by the responsible National Minister
- As a guiding principle the salary budget should not exceed 35% of the annual operating budget.

4.3.5.2. Collection Costs

- Will include and not limited to costs attributed to the maintenance of the financial system used for the collection of outstanding amounts based on the service level agreement including commission.

4.3.5.3. Depreciation

- Depreciation shall be budgeted for according to the asset register and to limit the impact of the implementation of GRAP 17 a transfer shall be made from the accumulated surplus
- It shall be calculated at costs, using the straight line method, to allocate the depreciation cost to the residual values over the estimated useful lives of the assets

4.3.5.4. Interest on external borrowing

- It refers to interest and redemption that has to be repaid on external loans taken up by the municipality.
- The budget is determined by the repayments that the municipality is liable for, based on the loan agreement entered into with the other party.

4.3.5.5. Repairs and maintenance

- To ensure the health of the municipal asset base, sufficient provision must be made for the maintenance of the existing infrastructure assets based on affordable levels.
- Infrastructure maintenance costs shall be informed by the maintenance plan for each trading service

4.3.5.6. Bulk purchases

The expenditure on bulk purchases shall be determined using tariffs as stipulated by the Water boards, NERSA and any service provider from time to time.

4.3.5.7. Contributions to funds

Refers to the contributions made to provisions **(e.g. leave reserve funds)** on annual basis and is determined based on the actual expenditure in the previous year and any other factor that could have an effect

4.3.5.8. Internal charges

- These refer to inter departmental charges within the municipality.
- The performance of each line item is analysed where after the budget is based on the previous years' performance

4.3.5.9. Other expenditure

- Individual line items are to be revised annually when compiling the budget to ensure proper control over the expenditure
  - Increase for these line items shall be linked to the average inflation rate and macro-economic indicators unless a signed service level agreement stipulates otherwise.
  - As a guiding principle repairs and maintenance budget should constitute at least between 5% and 10% of the total operating budget based on the affordability levels
  - The maintenance budget percentage should increase annually be increased incrementally until the required targets are achieved.

4.3.5.10. Appropriations

It refers to the transfers to and from the capital replacement reserve to offset depreciation charges. Appropriations are determined on an annual basis.

5. DEBT MANAGEMENT

- Debt is manage in terms of the Council Credit Control Policy
- Provision for revenue that will not be collected shall be budgeted adequately as an expense and must be based on the projected annual nonpayment for services.

6. BORROWING MANAGEMENT

The borrowing requirements are based on the backlogs of the infrastructure needs taken into consideration the operational impact of any loans

7. CASH MANAGEMENT

- Cash availability shall be closely monitored to ensure a minimum cash days on hand of ninety (90) days for daily operations.
- Surplus cash not immediately required for operation purposes shall be invested in terms of the council's Investment Policy so as to maximize returns on the investments
- Municipality shall implement the inclining block tariffs and time of use tariffs

8. RESERVES

- To ensure that funding is readily available for future development and timeous replacement of aging infrastructure
- Municipality shall create dedicated reserves that are cash-backed all the time
- All reserves to be 'rein-fenced as internal reserves within the accumulated surplus, except for provisions as allowed by the General Recognised Accounting Practice (GRAP).
- The following are the recommended reserves to be re-in fenced and cash backed over a period of time:-

8.1. Capital Replacement Reserve

- The municipality shall establish the capital replacement reserve through contributions from the operating budget
- Once fully established, it shall provide internal funding for municipal capital replacement and renewal programme.
- The reserve shall be cash-backed all the time.

8.2. Bulk Capital Contributions Reserves

- This reserve shall supplement capital expenditure for the necessary expansion and upgrading of bulk infrastructure due to new developments
- Revenue generated through bulk services contributions shall be allocated to this reserve for each applicable service
- The reserve shall be cash-backed all the time

9. PROVISIONS

A provision is recognized when the municipality has a present obligation as a result of a past event and is probable, more likely than not, that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

9.1. Provisions shall be revised annually and those settled within the next twelve months are treated as current liabilities.

9.1.1. Leave Provision

10% of the leave provision shall be cash backed-as not all leave balances are to be redeemed for cash at once.

9.1.2. Landfill site rehabilitation Provision

This provision shall be cash-backed to ensure availability of cash for rehabilitation at closure.

9.1.3. Long Services Awards

5% of the long service leave provision shall be cash backed-as not all leave balances are to be redeemed for cash at once.

9.1.4. Post-Retirements Benefits

The provision for medical care benefits to qualifying retired employees shall be cash backed to ensure the availability of cash for the payment of medical aid payments

10. IMPLEMENTATION AND REVIEW OF POLICY

- This policy shall be implemented once approved by Council
- To be implemented with effect from the 1st July 2017
- Shall be reviewed on an annual basis and tabled with other budget related policies as part of the budget process when circumstances warrant that to ensure that it is in line with the municipality's strategic objectives and legislation

FUNDING AND RESERVES POLICY

POLICY REVIEW MANAGEMENT INFORMATION			
NAME & SURNAME	**DESIGNATION**	**SIGNATURE**	**DATE**
Thabo Modisane	Acting Unit Manager FMS		30/03/17
Paul Malatsi	Acting Chief Financial Officer		30/03/2017
Lucky Molotsane	Head Legal Unit		30/3/2017
Tshenolo Lefutswe	Acting Municipal Manager		30/3/2017

RUSTENBURG LOCAL MUNICIPALITY

Draft_SCM Policy

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POLICY REVIEW MANAGEMENT INFORMATION	
Contact Person	CFO:
Approval Authority	Rustenburg Local Municipal Council OR Mayoral Committee
Last date of approval (Phase 1) V7	31 May 2016
Review Date (Phase 2) V8	03 October 2016
Review Approval date	DD/MM/YYYY
Date of next review	DD/MM/YYYY

PREAMBLE

Section 111 of the Municipal Finance Management Act requires each Municipality and Municipal entity to adopt and implement a supply chain management policy, which gives effect to the requirements of the Act. In addition, the Preferential Procurement Policy Framework Act requires an Organ of State to determine its Preferential Procurement Policy and to implement it within the framework prescribed. This requirement is given effect in section 52 of this policy. The Rustenburg Local Municipality is further committed to combating fraud, corruption, favoritism and irregular practices in Supply Chain Management by blacklisting persons who have been found to have engaged in such practices. This is the draft Supply Chain Management Policy of Rustenburg Local Municipality.

PURPOSE

The purpose of this Policy is:

(a) to implement a Supply Chain Management system in accordance with Section 217 of the Constitution which is fair, equitable, transparent, competitive and cost effective;

(b) to provide for procedures and processes for the procuring of goods, services or works ;

(c) to provide for procedures and processes for the disposal of goods no longer needed ;

(d) to provide for procedures and processes for the selection of contractors to provide assistance in the provision of municipal services other than where Chapter 8 of the Municipal Systems Act applies ;

(e) to provide for provision of municipal services through a service delivery agreement with a natural or juristic person which is not an organ of state ;

(f) to ensure consistency with other applicable legislation and regulations thereto ;

(g) to give effect to the Preferential Procurement Policy objectives of the Municipality;

(h) to ensure optimal service delivery by facilitating effective and efficient procurement;

(i) to combat fraud, corruption favouritism and irregular practices in Supply Chain Management by blacklisting persons who have been found to have engaged in such practices;

(j) to create a Blacklisting Committee to implement the provisions of this policy;

(k) to specify guidelines to prevent the municipality from doing business with persons who abuse the Supply Chain Management system by engaging in unlawful and/or irregular practice(s);

(l) to specify guidelines that will prevent the municipality from doing business with persons who default on performance willfully or negligently;

(m) to develop uniform criteria and a fair process for blacklisting such persons;

(n) to discourage persons who are blacklisted from re-entering the procurement arena by setting up new business entities and by using the existing business entities to tender for the public sphere of work, during the period which they are blacklisted;

(o) to give the municipality power to deregister blacklisted persons from its suppliers database;

(p) to create a database of persons who are blacklisted and to publish the list on the municipality's website so as to expose and publicise the identity of the blacklisted person; and

(q) to deal with the conduct of officials who are found to have engaged in unlawful and/or irregular practices together with such persons, to be dealt with in terms of internal disciplinary procedure.

PROBLEM STATEMENT

The Municipality is committed in terms of the Constitution and its procurement policies to have a supply chain policy that is fair, equitable, transparent, competitive and cost effective and to combat irregular practices in the tendering process in order to acquire the best goods and services for the Municipality.

(1) Section 217 (1) of the Constitution provides that when an organ of state in the national, provincial or local sphere of government contracts for goods and services, it must do so in accordance with a system which is fair, equitable, transparent, competitive and cost-effective;

(2) Section 111 of the Municipal Finance Management Act requires every municipality to develop and implement a supply chain management policy in order to give effect to the provisions of the Act;

(3) The Preferential Procurement Policy Framework Act, 2000 (No. 5 of 2000) provides for the framework for a procurement policy which allows for categories of preference in the allocation of contracts, together with consideration of the provisions of the Broad-Based Black Economic Empowerment Act, 2003 (No. 53 of 2003);

(4) The Governments Preferential Procurement Policy objectives include increased usage of local resources; redressing the skewed employment and ownership though the BBBEE Act; the creation of job opportunities and poverty alleviation; stimulation of skills development and transferring of skills and fast-tracking the growth of and ensuring the sustainability of SMME's;

(5) In establishing the Supply Chain Management Unit Blacklisting Committee and applying its policy and guidelines, the Municipality will be in compliance with the requirements of the Municipal Finance Management Act and the Supply Chain Management Regulations; and

(6) In terms of the Supply Chain Management Regulation 11 (1) and (2), where a municipality procures goods and services otherwise than through its supply chain management system, it must make that fact public. The name of the supplier and the kind of goods or services procured must be made public.

1. Definitions

In this policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act, and:

"Accounting Officer" must mean the Municipality Manager, or Acting Municipality Manager, of the Rustenburg Local Municipality as per section 60 of the MFMA. In the case of Municipal Entities-Must mean the Chief Executive Officer or Acting Chief Executive Officer as per section 93 of the MFMA.

"Amendment" must mean a change made to the value of the contract beyond the contract authority and/or the duration of the contract beyond the contract authority and/or scope changes in the contract and/or contracting arrangements beyond the contracting allowances. An amendment may be a minor amendment or a major amendment;

"Appeal Authority" must mean an independent and impartial person appointed by the Accounting Officer in terms of Regulation 50 of the Local Government Municipal Supply Chain Regulations;

"Applicant" must mean a Department/Unit of the Rustenburg Local Municipality;

"Award" must mean the acceptance of a bid or proposal;

"B-BBEE" must mean broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

"B-BBEE Status Level of Contributor" must mean the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

"Blacklisting Authority" must mean the Blacklisting Committee;

"Blacklisting Period" must mean the period for which the blacklisted person is barred from participation in the procuring processes of the Municipality;

"Blacklisting" must mean the act of disqualifying a person or an entity from participating in or continuing to participate in the procurement process of the Rustenburg Local Municipality;

"Capital Assets" are all assets with a life cycle of greater than one year and above the capitalization threshold (where applicable). For example, this would include property, plant and equipment (infrastructure network, furniture, motor vehicles, computer equipment, etc.), intangible assets, and investment property.

"Chief Financial Officer" must mean the Director: BTO, or Acting CFO-Treasury, of the Rustenburg Local Municipality;

"Competitive bid" must mean a bid in terms of a competitive bidding process;

"Competitive bidding process" must mean a competitive bidding process referred to in paragraph 12 (1) (d) of this policy;

"Contingency" must mean an amount included in the contract authority to cover the cost of unforeseen circumstances and must be used in line with respective industry norms and standards. This percentage must be appropriately motivated and approved at contract approval stage via the Bid Specification Committee, or Bid Adjudication Committee(where appropriate);

"Contract" must means a legally binding agreement between the Municipality and the Contractor for the latter to provide goods, services, engineering and construction works, or professional services in return payment by the former;

"Contract Authority" must mean the total contract award value as approved, or supported, by the Bid Adjudication Committee. This is inclusive of escalations and the normal contingency allowance for variations under the general conditions of contract, and shall be taken from the amount approved at the Bid Specification Committee, or Bid Adjudication Committee;

"Contract Manager" must mean the delegated official to manage and oversee a contract;

"Contract Participation Goal (CPG)" must mean the value of work to be subcontracted to enterprises or businesses factored according to their level of HDI/PPG.

"Contract Period" must mean the duration of the contract as set out in the contract;

"Contractor" must mean any person, body, or legal entity that is under contract to the Municipality for the performance of the contract. A Tenderer whose tender has been accepted becomes a Contractor;

"Control" must mean the possession and exercise of legal authority and power to manage the assets, goodwill and daily operations of a business and the active and continuous exercise of appropriate managerial authority and power in determining the policies and directing the operations of the business;

"Day(s)" must mean, unless otherwise specified, calendar days. Days must be calculated by excluding the first day and including the last day;

"Delisting" must mean the removal of a person from the Rustenburg Local Municipality database of blacklisted persons after the period of blacklisting has expired;

"Disabled" must mean in respect of a natural person, a permanent impairment of a physical, intellectual, or sensory function which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being;

"Eligibility Documents" must mean:

(a) A valid Tax Clearance certificate or Tax Compliance Status with a PIN number issued by the South African Revenue Service and Municipal Fee Declarations and certificates certifying that the bidder has no undisputed commitments for municipal fees due to any municipality or overdue for a prescribed period;
(b) declarations by tenderers certifying the correctness of information and certifying validity of authority to act (Regulation 14 of the Preferential Procurement Policy Framework Act 5 of 2000);
(c) certificates declaring details of Private or business interests in terms of Regulation 46(e) of the Supply Chain Management Regulations;
(d) proof of registration with the CIDB (Construction Industry and Development Board), where applicable;

(e) proof of Registration of a Company, close Corporation, Co-operative or any other document requiring formal registration;

(f) any partnership agreement, or agreement of Joint Venture, Memorandum of Articles of A Company, Association Agreement or any other agreement establishing a business entity;

(g) a statement setting out details of work undertaken in the Government/public sector/ organs of state in the past five years, including particulars of persons who assessed the work and who can be contacted to verify completion/ non completion of the contract;

(h) audited financial statements where applicable, or books of account; and/ or

(i) any other document prescribed by law or specifically requested by the Rustenburg Municipality.

"Executive Director" must mean a partner in a partnership, a director of a company established in terms of the Companies Act, 1973 (Act 61 of 1973) and the new Companies Act. 2008 (No. 66 of 2008) or a member of a close corporation registered in terms of the Close Corporation Act, 1984 (No. 69 of 1984) who, jointly and severally with their other partners, co-directors or co-members, as the case may be, bears the risk of business and takes responsibility for the management and liabilities of the partnership, company, or close corporation;

"Exempted Micro Enterprise" must mean a bidder with an annual total revenue of R10 million or less (in terms of the Broad-Based Black Economic Empowerment Act);

"Final award" must mean in relation to bids or quotations submitted for a contract, means the final decision on which bid or quote to accept;

"Formal written price quotation" must mean quotations referred to in paragraph 12 (1) (c) of this policy and shall include any offer to purchase immovable property;

"Fronting" must mean claiming preference points, status or goals of any of the target groups listed in the Rustenburg Municipality's Targeted Procurement Policy and/or tendering documents where such claim is false;

"Goods" must mean both movable and immovable property and real rights therein;

"**Historically Disadvantaged Individual (HDI)**" must mean Blacks, Women, and Disabled Individuals and preference has been given to all these target groups who, due to the apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act no 110 of 1983) or the Constitution of the Republic of South Africa, 1993 (Act No 200 of 1993) (the Interim Constitution). Provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemednot to be an HDI.

"**Improper Practice**" must include, but not be limited to:

(a) fronting;
(b) misrepresentation on eligibility documents or Application forms or any other returnable document which contains information which will have a material bearing on the award;
(c) attempting to bribe or bribing an official by monetary or non-monetary inducement or attempt to influence an official directly or indirectly involved with the procurement process, in order obtain a tender or retain a tender or withdraw from a tender;
(d) deliberately omitting information, or misrepresenting information which could have a bearing on the award of a tender;
(e) committing of fraud or extortion in relation to the bidding process;
(f) obtaining information on the contents of other bids in the same tender which one would not ordinarily be entitled to in terms of the Promotion of Access to Information Act (PAIA) No. 2 of 2000, which information is in the possession and under the control of the Municipality;
(g) collusive tendering;
(h) Restrictive horizontal and vertical Practices as defined by the Competition Act, 1998 (No. 89 of 1998);
(i) committing an exclusionary act as defined by the Competition Act,1998 (No. 89 of 1998); and
(j) any other activity which is not specifically set out in this definition, but constitutes an unlawful or unfair/ improper business practice;

"**In the service of the state**" must mean:

(a) a member of any municipal council, any provincial legislature or the National Assembly of the National Council of Provinces;
(b) a member of the board of directors of any municipal entity;
(c) an official of any Municipality or Municipal entity;
(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act;
(e) a member of the accounting authority of any national or provincial public entity; and
(f) an employee of Parliament or a provincial legislature.

The Minister of Finance has specifically exempted non-executive board members of a Municipal entity from the prohibition for being in the service of the state but only in relation to supply chain awards by a municipal entity that they do not serve on.

An official or employee means a full time employee, and excludes any person employed on a part time basis or a person earning a stipend, provided that such person be verified and cleared in terms of conflicts of interest by the COI Task Team;

"Infrastructure" must mean:

(a) immovable assets which are acquired, constructed or which results from construction operations or

(b) movable assets which cannot function independently from purpose built immovable assets.

"Long term contract" must mean a contract with a duration period exceeding one year;

"List of accredited prospective providers" must mean the list of accredited prospective providers which a municipality or municipal entity must keep in terms of paragraph 14 of this policy;

"Local Content/Resources" must mean where preference points shall be allocated in terms of the location of the enterprise where applicable in the following order of preference: Rustenburg Municipality Area (RMA); North West (NW); South Africa (SA);

"Major Amendment" must mean an amendment to a contract which is not a minor amendment;

"Manufacturer" must mean a firm that operates or maintains a factory or establishment that produces on its premises materials or supplies required by the Prime Contractor for the performance of the Contract;

"Military Veteran": must mean any South African Citizen who-

(a) rendered military service to any military organisations, statutory and non statutory, which were involved on sides of South Africa's Liberation war from 1960 to 1994;

(b) served in the Union Defence Force before 1960;

(c) became a member of the new South African National Defense Force after 1994.

"Minor Amendment" must mean a change made to the value of the contract beyond the contract authority and where the change is up to 20% of the original contract authority for construction related goods, services and/or infrastructure projects. A change of only up to 15% of the original contract authority relating to goods and/or services is allowed to be considered a minor amendment";

"Municipality" must mean the Rustenburg Municipality or any municipal entity, whichever is applicable;

"Non-Performance" must mean default on a contract in the public sector by willfully or negligently:

(a) Failing to perform at all;
(b) Failing to complete work timeously without good reason;
(c) Delivering defective performance, i.e. poor workmanship or substandard materials;
(d) Being in breach of a material term of the contract;
(e) Failing to achieve a specified contract participation goal or performance target as set out in the tender document/s, and
(f) despite being given written notice to remedy non-performance.

"Other applicable legislation" must mean any other legislation applicable to municipal supply chain management, including, but not limited to:

(a) the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);
(b) the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003); and
(c) the Construction Industry Development Board Act, 2000 (Act No.38 of 2000);

"Owned" must means having all the customary incidents of ownership, including the right of disposition, and sharing all the risks and profits commensurate with the degree of ownership interests, as demonstrated by an examination of the substance, rather than the form of ownership arrangements;

"Preferred bidder" must mean the most responsive and recommended bidder but whose tender and award has not been confirmed"

"**Person"** must mean a person including a juristic person and tenderer, supplier, service provider, contractor and business entity must have a corresponding meaning;

"Prime Contractor" must mean a contractor who contracts with the Municipality as the principal or main contractor or as a joint venture partner to such contractors, to provide goods, services and works;

"Priority population group" must mean black individuals who fall into population groups that were not offered a franchise in the national elections before or after the introduction of the 1984 tri-cameral parliamentary system and only received a franchise during 1994".

"Project Authority" must mean the authority to incur expenditure on the project as budgeted for and approved by Council;

"Qualifying Small Enterprise" must mean any enterprise with annual total revenue of between R10 million and R50 million.

"Regulation" must mean the Local Government: Municipal Supply Chain Management Regulations promulgated under General Notice 868 of 2005 dated 31 May 2005, as amended from time to time;

"Reporting Officer" must mean a delegated official who monitors the performance of a contractor;

"Restrictive Horizontal Practice" must have the same meaning as set out in the Competitions Act 89 of 1998;

"Restrictive vertical Practice" must have the same meaning as set out in the Competitions Act 89 of 1998;

"Senior manager" must mean any official of the Rustenburg Municipality with the title Senior Manager, Deputy Head, Head, Deputy Municipality Manager, Municipality Manager, or who in either of these positions in an official acting capaMunicipality or the designated office which may supersede the title of "senior manager";

"Separation of Duties" must mean duties and powers as delegated to make decision as per the code of delegations and various sections of this policy document which empowers officials in different designations to make final decisions.

"Service Provider" must mean a contractor;

"Sole Supplier" must mean that there exist one service provider or supplier manufacturer in the market, with sole distribution rights and/or patent rights.

"SMMEs" must mean Small, Medium and Micro Enterprises as defined in the National Small Business Act 102 of 1996;

"Supplier" must mean a firm that:

(a) owns, operates or maintains a store, warehouse or other establishment in which materials or supplies are bought, kept in stock and regularly sold to the public in the usual course of business and

(b) engages as its principal business, and in its own name, in the purchase and sale of the products;

"The Act" must mean the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

"Treasury guidelines" must mean any guidelines on supply chain management issued by the Minister in terms of section 168 of the Act;

"Unsolicited Bid" must mean any proposal/concept received by an institution outside its normal procurement process that has not been a solicited bid (a submission that must be innovative, unique and provided by a sole supplier).

"Variation" must mean a change to a provision/s in a contract, excluding the changes referred to in amendments in the definition of this policy;

"Works" must mean engineering and construction works;

"Written or verbal quotations" must mean quotations referred to in paragraph 12(1)(b) of this policy; and

"Youth" must mean South African citizens between the ages of 18 and 35;

2. Supply chain management policy

(1) The Rustenburg Local Municipality resolves in terms of section 111 of the Act to have and implement a supply chain management policy that:

(a) gives effect to:

(i) Section 217 of the Constitution; and

(ii) Part 1 of Chapter 11 and other applicable provisions of the Act.

(b) is fair, equitable, transparent, competitive and cost effective;

(c) complies with:

(i) The regulatory framework prescribed in Chapter 2 of the Regulations; and

(ii) Any minimum norms and standards that may be prescribed in terms of section 168 of the Act.

(d) is consistent with other applicable legislation;

(e) does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and

(f) is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.

(2) The Municipality may not act otherwise than in accordance with this supply chain management policy when:

(a) procuring goods, services or works;

(b) disposing of goods no longer needed;

(c) selecting contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies; or

(d) in the case of a Municipality, selecting external mechanisms referred to in section 80 (1) (b) of the Municipal Systems Act for the provision of municipal services in circumstances contemplated in section 83 of that Act.

(3) Subparagraphs (1) and (2) of this policy do not apply in the circumstances described in section 110 (2) of the Act except where specifically provided otherwise in this policy.

3. Adoption and amendment of the supply chain management policy

(1) The Accounting Officer must:

(a) at least annually review the implementation of this policy, by way of a revised policy document and/or annual report on the implementation of the policy; and

(b) when the Accounting Officer considers it necessary, submit proposals for the amendment of this policy to the council.

(2) If the Accounting Officer submits a draft policy to the Council that differs from the model policy, the Accounting Officer must ensure that such draft policy complies with the Regulations. The Accounting Officer must report any deviation from the model policy to the National Treasury and the relevant provincial treasury.

(3) When amending this supply chain management policy the need for uniformity in supply chain practices, procedures and forms between organs of state in all spheres, particularly to promote accessibility of supply chain management systems for small businesses must be taken into account.

(4) The Accounting Officer of a municipality must in terms of section 62(1)(f)(iv) of the Act take all reasonable steps to ensure that the municipality has and implements this supply chain management policy.

(5) All MFMA Circulars issued by National Treasury from time-to-time are applicable within this policy where practical.

4. Delegation of supply chain management powers and duties

(1) The council hereby delegates such additional powers and duties to the Accounting Officer so as to enable the Accounting Officer:

(a) to discharge the supply chain management responsibilities conferred on Accounting Officers in terms of:

(i) chapter 8 or 10 of the Act; and
(ii) the supply chain management policy;

(b) to maximise administrative and operational efficiency in the implementation of the supply chain management policy;

(c) to enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of the supply chain management policy; and

(d) to comply with his or her responsibilities in terms of section 115 and other applicable provisions of the Act.

(2) Sections 79 and 106 of the Act apply to the subdelegation of powers and duties delegated to an Accounting Officer in terms of subparagraph (1) of this policy.

(3) The council or Accounting Officer may not delegate or sub-delegate any supply chain management powers or duties to a person who is not an official of the municipality or to a committee which is not exclusively composed of officials of the municipality; and

(4) This section (delegation of supply chain powers and duties) may not be read as permitting an official to whom the power to make final awards has been delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this policy.

5. Sub delegations

(1) The Accounting Officer may in terms of section 79 or 106 of the Act sub-delegate any supply chain management powers and duties, including those delegated to the Accounting Officer in terms of this policy, but any such sub-delegation must be consistent with subparagraph (2) and section 4 of this policy.

(2) The power to make a final award:

(a) above R10 million (VAT included) may not be sub-delegated by the Accounting Officer;

(b) not exceeding R10 million (VAT included), is sub-delegated only to the Bid Adjudication Committee

(c) not exceeding R200 000 (VAT included), may be sub-delegated in terms of the supply chain management code of delegations approved by the Accounting Officer

(3) An official or bid adjudication committee to which the power to make final awards has been sub-delegated in accordance with subparagraph (2) of this section must ensure that within five days of the end of each month a written report containing particulars of each final award made by such official or committee during that month is submitted to the official referred to in subparagraph (4) of this policy, including:

(a) the amount of the award;
(b) the name of the person to whom the award was made;
(c) the BEE status of the company; and
(d) the reason why the award was made to that person.

(4) A written report referred to in subparagraph (3) of this policy must be submitted to the Accounting Officer, and all contract awards with a value exceeding R100 000 (VAT included) must be captured on National Treasury's Contracts Database via the SCM Unit.

(5) Subparagraphs (3) and (4) of this policy do not apply to procurements out of petty cash.

(6) This paragraph may not be interpreted as permitting an official to whom the power to make final awards has been sub-delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this policy.

(7) No supply chain management decision making powers may be delegated to an advisor or consultant.

(8) All other delegations in terms of the supply chain management code of delegations as amended from time-to-time.

6. Oversight role of council

(1) The council must maintain oversight over the implementation of this supply chain management policy.

(2) For the purposes of such oversight the Accounting Officer must:

(i) Within 30 days of the end of each financial year, submit a report on the implementation of the supply chain management policy of the municipality and of any municipal entity under its sole or shared control, to the council of the municipality, and

(ii) Whenever there are serious and material problems in the implementation of the supply chain management policy, immediately submit a report to the council.

(3) The Accounting Officer must, within 10 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the mayor.

(4) The reports must be made public in accordance with section 21A of the Municipal Systems Act.

7. Supply chain management unit

(1) The Accounting Officer must establish a supply chain management unit to implement this supply chain management policy.

(2) The supply chain management unit must, where possible, operate under the direct supervision of the Chief Financial Officer or an official to whom this duty has been delegated in terms of section 82 of the Act.

(3) Wherever possible, all supply chain management functions and activities are to be performed by the supply chain management unit under the Supply Chain Management Unit Head.

8. Training of supply chain management officials

The training of officials involved in implementing the supply chain management policy shall be in accordance with any Treasury guidelines on supply chain management training.

9. Format of supply chain management

(1) This supply chain management policy prescribes that the following systems that must be in place:

(a) demand management;
(b) acquisition management;
(c) logistics management;
(d) disposal management;
(e) risk management; and
(f) performance management.

10. System of demand management

The aim of demand management is to ensure that the resources required to support the strategic and operational commitments are delivered at the right time, at the right price and at the right location, and that the quantity and quality satisfy the need of the Municipality.

(1) All Unit Heads must submit as part of the Budget Approval process a procurement plan containing all planned procurement. This procurement plan must be approved by the Unit Head or his/her delegate prior to its submission.

Furthermore, a central contracts register is to be maintained for all contracts within the municipality. Items will only be permitted onto the register if contained within an approved procurement plan. Emergencies are excluded, but must be added to the approved procurement plan within 30 days.

(2) Municipal Entities must submit the procurement plans referred to above within the same timeline.

(3) The relevant information must be furnished in the format contained in a standardized Procurement Plan Template to be issued by the Head: Supply Chain Management.

(4) The appropriate method of procurement of goods, services and engineering & construction works for all contracts greater than the quotation threshold shall be approved by the Bid Specification Committee.

Further, all contracts exceeding R10 million (VAT inclusive) must be accompanied by project-specific procurement and BEE strategies when presented to the Bid Specification Committee. These should be discussed and agreed between multi-disciplinary teams beforehand.

11. System of acquisition management

(1) An official or bid adjudication committee to which the power to make final awards has been sub-delegated must ensure that:

(a) goods and services are procured by the Municipality in accordance with authorised processes only;

(b) expenditure on goods and services is incurred in terms of an approved budget in terms of section 15 of the Act;

(c) the threshold values for the different procurement processes are complied with;

(d) bid documentation, evaluation and adjudication criteria, and general conditions of a contract, are in accordance with any applicable legislation; and

(e) any Treasury guidelines applicable on acquisition management are properly taken into account.

(2) When procuring goods or services in terms of Section 110(2) of the Act, the accounting officer must make public the fact that such goods or services are procured otherwise than through the Municipalities supply chain management system, including:

(a) the kind of goods or services; and

(b) the name of the supplier.

(3) In accordance with authority granted by the Director: MFMA Regulatory Oversight in the Chief Directorate: Municipal Finance Management Act Implementation Unit Office of the Accountant General **of the Department of National Treasury**, on 18 December 2015, and, notwithstanding anything contained in this Policy to the contrary, it shall not be necessary to comply with the provisions of Section 33(1) of the Act in respect of the proposed acquisition of long term leasehold rights over privately owned property, for municipal purposes (including office accommodation for Councillors) where:

a) In the case of office accommodation for Councillors, the duration of the lease contract does not extend beyond 5 years and the total rental payable for the duration of the lease period is R10 million (VAT included) or below; or

(b) In the case of leasehold rights for other municipal purposes extending beyond a thirty six month period-

(i) the lease contract stipulates that the Municipality shall have the right to review the lease at every three year interval to ensure a market related rental or to terminate if required; and

(ii) the total rental payable for the duration of the initial lease period is R10 million (VAT included) or below.

12. Range of procurement processes

(1) The procurement of goods and services through this policy can only be undertaken by way of:

(a) petty cash purchases, up to a transaction value of R500 (VAT included);

(b) written or verbal quotations for procurements of a transaction value up to R5 000 (VAT included), provided all verbal quotes are followed by a written confirmation for the successful bidder;

(c) formal written price quotations for procurements of a transaction value over R5 000 up to R200 000 (VAT included); and

(d) a competitive bidding process for:

(i) procurements above a transaction value of R200 000 (VAT included); and

(ii) the procurement of long term contracts.

(2) An electronic quotes management system is deemed to meet the SCM regulatory requirements.

(3) Goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of the policy. When determining transaction values, a requirement for goods or services consisting of different parts or items must as far as possible be treated and dealt with as a single transaction.

13. General preconditions for consideration of written quotations or bids

(1) A written quotation or bid may not be considered unless the provider who submitted the quotation or bid –

(a) has furnished that provider's:

(i) full name;

(ii) identification number or company or other registration number; and

(iii) tax reference number and VAT registration number, if any;

(iv) tax clearance or tax compliance status from the South African Revenue Service that the provider's tax matters are in order and

(b) has made the following declarations, where necessary:

(i) declaration of Interest (MBD4);

(ii) declaration for procurement above R10 million (all applicable taxes included) (MBD5);

(iii) preference points claim (MBD6.1);

(iv) declaration for local production and content (MBD6.2);

(v) declaration of bidder's past supply chain management practices (MBD8);

(vi) certificate of independent bid determination (MBD9);

(vii) declaration of municipal fees;

(viii) tax certificate requirements (MBD2)

14. Lists of accredited prospective providers

(1) The Accounting Officer must:

(a) keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements of the municipality through written or verbal quotations and formal written price quotations; and are in keeping with the National Treasury Centralized Supplier Database.

(b) at least once a year through newspapers commonly circulating locally, the website and any other appropriate ways, invite prospective providers of goods or services to apply for evaluation and listing as accredited prospective providers;

(c) specify the listing criteria for accredited prospective providers; and

(d) disallow the listing of any prospective provider whose name appears on the National Treasury databases as a person/company prohibited from doing business with the public sector, or who is prohibited in terms of section 44 of this policy, or is blacklisted/restricted in terms of this policy.

(2) The list must be updated at least quarterly to include any additional prospective providers and any new commodities or types of services. Prospective providers must be allowed to submit applications for listing at any time and must in the first instance be registered with the Centralized National Treasury Database.

(3) The list must be compiled per commodity and per type of service. Prospective providers are allowed to amend the list of commodity and type of service at any given point in time.

(4) No quotations may be solicited from any supplier/service provider/contractor who is not registered and verified by the National Treasury Central Supplier Database and by the appropriate branch on the Rustenburg Local Municipality Central Supplier Database, or is in a position to be so before the award.

(5) The function of implementation and management of the list of accredited prospective providers is delegated to the Head: Supply Chain Management or delegate.

15. Petty cash purchases

The conditions for the procurement of goods by means of petty cash purchases referred to in paragraph 12 (1) (a) of this policy are as per Rustenburg Local Municipality's Financial Regulations.

16. Written or verbal quotations

The conditions for the procurement of goods or services through written or verbal quotations are:

(a) quotations must be obtained from at least three different providers preferably from, but not limited to, providers whose names appear on the list of accredited prospective providers of the municipality or municipal entity, provided that if quotations are obtained from providers who are not listed, such providers must

meet the listing criteria in the supply chain management policy required by 14(1)(b) and (c) of this policy;

(b) to the extent feasible, providers must be requested to submit their quotations in writing;

(c) if it is not possible to obtain at least three quotations, the reasons must be recorded and reported quarterly to the Accounting Officer or another official designated by the Accounting Officer;

(d) the Accounting Officer must record the names of the potential providers requested to provide such quotations with their quoted prices; and

(e) that if a quotation was submitted verbally, the order may be placed only against written confirmation by the selected provider.

(f) an electronic quotes management system is deemed to meet the SCM regulatory requirements.

(g) Verbal quotations may not be sourced for procurement in excess R5 000 (VAT included).

17. Formal written price quotations

(1) The conditions for the procurement of goods or services through formal written price quotations are:

(a) quotations must be obtained in writing from at least three different providers whose names appear on the list of accredited prospective providers of the municipality or municipal entity;

(b) quotations may be obtained from providers who are not listed, provided that such providers meet the listing criteria in the supply chain management policy required by paragraph 14(1)(b) and (c);

(c) Head: Supply Chain Management and if further invitation for quotations is considered received quotations must remain unopened

(d) that the Accounting Officer must record the names of the potential providers and their written quotations.

(2) A designated official referred to in subparagraph (1)(c) must within three days of the end of each month report to the Chief Financial Officer on any approvals given during that month by that official in terms of that subparagraph.

(3) An electronic quotes management system is deemed to meet the SCM regulatory requirements. If it is not possible to obtain at least three quotations, the quotations must be re-advertised for a further period, after which the reasons must be recorded and approved by the Chief Financial Officer or an official designated by the Chief Financial Officer.

18. Procedures for procuring goods or services through written or verbal quotations and formal written price quotations

(1) The operational procedure for the procurement of goods or services through written or verbal quotations or formal written price quotations are:

(a) All requirements in excess of R30 000 (VAT included) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 17, be advertised for at least seven days on the website and an official notice board of the municipality or municipal entity;

(b) When using the list of accredited prospective providers the Accounting Officer must promote ongoing competition amongst providers, including by inviting providers to submit quotations on a rotation basis;

(c) Offers received must be evaluated on a competitive basis taking into account unconditional discounts;

(d) Offers below R30 000 (VAT included) must be awarded based on compliance to specifications and conditions of contract, ability and capability to deliver the goods or services and the lowest price;

(e) Acceptable offers above R30 000 (VAT included) are subjected the preference points system and must be awarded to the most responsive offer;

(f) The Accounting Officer must take all reasonable steps to ensure that the procurement of goods and services through written or verbal quotations or formal written price quotations is not abused;

(g) The Accounting Officer or Chief Financial Officer must on a monthly basis be notified in writing of all written or verbal quotations and formal written price quotations accepted by an official acting in terms of a sub-delegation, and;

(h) Municipal requirements of proper record keeping must always be maintained.

19. Competitive bidding process

(1) Goods or services above a transaction value of R200 000 (VAT included) and long term contracts may only be procured through a competitive bidding process, subject to paragraph 11(2) of this policy.

(2) For contracts in excess of three years, the requirements of section 33 of the Act must be complied with in full.

(3) As a general requirement for goods or services above an estimated transaction value of R200 000 (VAT included), may not deliberately be split into parts or items of lesser value merely for the sake of procuring the goods or services otherwise than through a competitive bidding process.

However, the unbundling of large projects, where appropriate, into smaller contracts to ensure that a spread of opportunities are made available to suppliers, service providers and construction contractors of various sizes is permitted, but only with the approval of the Bid Specification Committee.

20. Process for competitive bidding

(1) The procedure for the competitive bidding process is:

(a) the compilation of bidding documentation as detailed in paragraph 21;
(b) the public invitation of bids as detailed in paragraph 22;
(c) site meetings or briefing sessions, if applicable, as detailed in paragraph 22;
(d) the handling of bids submitted in response to public invitation as detailed in paragraph 23;
(e) the evaluation of bids as detailed in paragraph 28;
(f) the award of contracts as detailed in paragraph 29;
(g) the administration of contracts, which should include a written agreement between the municipality and the bidder after approval of the bid; and
(h) proper record keeping in that original and/or certified copies of documents are kept in a secure place for reference purposes.

21. Bid documentation for competitive bids

(1) The Bid documentation for a competitive bidding process must comply with the following criteria and:

(a) Take into account:

(i) the general conditions of contract;
(ii) any Treasury guidelines applicable on bid documentation; and
(iii) the requirements of the Construction Industry Development Board, in the case of a bid relating to construction, upgrading or refurbishment of buildings or infrastructure;

(b) include the preference points system to be used, contract participation goals, evaluation and adjudication criteria, including any criteria required by other applicable legislation;

(c) compel bidders to declare any conflict of interest they may have in the transaction for which the bid is submitted;

(d) if the value of the transaction is expected to exceed R10 million (VAT included), require bidders to furnish:

(i) If the bidder is required by law to prepare annual financial statements for auditing, their audited annual financial statements:

(a) for the past three years; or

(b) since their establishment if established during the past three years;

(ii) a certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 3 months;

(iii) particulars of any contracts awarded to the bidder by an organ of state during the past 5 years, including particulars of any material non-compliance or dispute concerning the execution of such contract;

(iv) a statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic; and

(e) stipulate that disputes must be settled by means of mutual consultation, mediation (with or without legal representation), adjudication, arbitration, or, when unsuccessful, in a South African court of law.

(f) Sureties or performance guarantees for the procurement of goods and services (including consultant services) will not generally be called for, but in exceptional circumstances, where required, will be in accordance with the limits set for construction works below. The performance guarantees required for construction works are as follows:

AMOUNT (Incl. VAT)	PERCENTAGE
Up to R1 000 000	Nil
R1 000 001 to R10 000 000	5%
Above R10 000 000	10%

In the event that a contractor is unable to raise the required surety, the Head: Supply Chain Management may allow such surety to be deducted in full or part from monies that are to become due to the contractor. This may take the form of deductions from the first three [3] payment certificates due to the contractor.

(g) The Rustenburg Municipality requires a percentage of the project costs for all construction projects to be set aside as retention. A 10% retention fee up to a maximum of 5% of the contract sum will be applied on all contracts. Half of the retention amount will be released on issue of the completion certificate for the contract. The balance of the retention will be released on the completion of the defects liability period of the contract. All contracts must include a penalty clause.

(h) For consultant services in respect of construction contracts, 10% retention is to be applied until the provision and acceptance of the final 'as-built' drawings.

22. Public invitation for competitive bids

(1) The procedure for the invitation of competitive bids is as follows:

(a) Any invitation to prospective providers to submit bids must be by means of a public advertisement in newspapers circulating locally, the website of the municipality or municipal entity or any other appropriate ways (which may include an advertisement in the Government Tender Bulletin); and

(b) the information contained in a public advertisement, must include:

(i) the closure date, time and venue for the submission of bids, which may not be less than 30 days in the case of transactions over R10 million (VAT included), or which are of a long term nature, or 14 days in any other case, from the date on which the advertisement is placed in a newspaper, subject to subparagraph (2) of this policy;

(ii) a statement that bids may only be submitted on the bid documentation provided by the municipality or municipal entity; and

(iii) the date, time and venue of any proposed site meetings or briefing sessions.

(2) The Accounting Officer may determine a closure date for the submission of bids which is less than the 30 or 14 days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process.

(3) Bids submitted must be sealed and appropriately labeled.

(4) Where bids are requested in electronic format, such bids must be supplemented by sealed hard copies.

23. Procedure for handling, opening and recording of bids

(1) The procedures for the handling, opening and recording of bids, are as follows:

(a) Bids

(i) must be opened only in public; and

(ii) must be opened at the same time and as soon as possible after the period for the submission of bids has expired.

(b) Any bidder or member of the public has the right to request that the names of the bidders who submitted bids in time must be read out and, if practical, also each bidder's total bidding price; and

(c) The Accounting Officer must:

(i) record in a register all bids received in time;

(ii) make the register available for public inspection; and

(iii) publish the entries in the register and the bid results a notice board or on the website.

24. Negotiations with preferred bidders

(1) The Accounting Officer may negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation:

(a) does not allow any preferred bidder a second or unfair opportunity;

(b) is not to the detriment of any other bidder; and

(c) does not lead to a higher price than the bid as submitted.

(2) Minutes of such negotiations must be kept for record purposes.

(3) The multi-disciplinary team undertaking the negotiations must include a representative from SCM Policy and Support Services. The SCM practitioner must preside over the negotiations

(4) Authority to negotiate price and any conditions of tender with preferred bidder(s) must be approved by the Bid Adjudication Committee and the outcome of the negotiations must be reported back to the Bid Adjudication Committee for final approval or support.

(5) Authority to negotiate price and any conditions of written or verbal quotations and formal written price quotations must be approved by an official who is sub-delegated in terms of supply chain management code of delegations approved by the accounting officer. The outcome of the negotiations must be reported back to the duly delegated official for final approval.

(6) The negotiations may include price and or final terms and conditions of tender, project plan and service level agreement.

(7) Discount offers or alternate offers must be considered for negotiation after the Bid Adjudication Committee has granted authority to consider any alternate or discount offers. Outcome of the negotiation together with the minutes of the negotiation meeting must be reported back to the Bid Adjudication Committee for final approval or support.

(8) Bid validity must be monitored and where applicable be extended by the Line Department at all times during the process of negotiations.

(9) The framework or terms of reference for negotiations shall be determined by the Bid Adjudication Committee.

25. Two-stage bidding process

(1) A two-stage bidding process is allowed for:

(a) large complex projects;
(b) projects where it may be undesirable to prepare complete detailed technical specifications; or

(c) long term projects with a duration period exceeding three years.

(2) In the first stage technical proposals on conceptual design or performance specifications should be invited, subject to technical as well as commercial clarifications and adjustments.

(3) In the second stage final technical proposals and priced bids should be invited.

(4) At each of the stages, proposal/bidding documents above the quotation threshold must be approved by the Bid Specification Committee.

26. Committee system for competitive bids

(1) The Accounting Officer is required to –

(a) Establish a committee system for competitive bids consisting of at least:

(i) a bid specification committee;
(ii) a bid evaluation committee; and
(iii) a bid adjudication committee;

(b) appoint the members of each committee, taking into account section 117 of the Act; and

(c) provide for an attendance or oversight process by a neutral or independent observer, appointed by the Accounting Officer, when this is appropriate for ensuring fairness and promoting transparency.

(2) The committee system must be consistent with:

(a) Paragraph 27, 28 and 29 of this policy; and

(b) any other applicable legislation.

(3) The Accounting Officer may apply the committee system to formal written price quotations.

27. Bid specification committee

(1) The bid specification committee must approve the compilation of the specifications for each public invitation for competitive bids, and where authority has been sought to invite bids, by the Municipality.

(2) Specifications:

(a) must be drafted in an unbiased manner to allow all potential suppliers to offer their goods or services;

(b) must take account of any accepted standards such as those issued by Standards South Africa, the International Standards Organisation, or an authority accredited or recognised by the South African National Accreditation System with which the equipment or material or workmanship should comply;

(c) where possible, be described in terms of performance required rather than in terms of descriptive characteristics for design;

(d) may not create trade barriers in contract requirements in the forms of specifications, plans, drawings, designs, testing and test methods, packaging, marking or labeling of conformity certification;

(e) may not make reference to any particular trade mark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the words "equivalent";

(f) must indicate each specific goal for which points may be awarded in terms of the points system set out in the Preferential Procurement Regulations; and

(g) must be in accordance with paragraph 22 of this policy.

(3) The bid specification committee must be composed of at least one supply chain management practitioner of the municipality or municipal entity.

(4) No person, advisor or corporate entity involved with the bid specification committee, or director of such a corporate entity, may bid for any resulting contracts.

(5) No item may be considered at the Bid Specification Committee unless the appropriate SCM compliance check process has been undertaken and the item has been cleared for acceptance onto the agenda.

(6) The appropriate method of procurement of goods, services and engineering & construction works for all contracts greater than the quotation threshold shall be approved by the Bid Specification Committee.

Further, all contracts exceeding R10 million (VAT inclusive) must be accompanied by project-specific procurement and BEE strategies when presented to the Bid Specification Committee. These should be discussed and agreed between multi-disciplinary teams beforehand, and where possible limit the number of awards to a singular company.

28. Bid Evaluation Committee

(1) The bid evaluation committee must:

(a) approve the evaluation of bids in accordance with:

(i) the specifications for a specific procurement; and

(ii) the points system set out in terms of paragraph 27(2)(f).

(b) Ensure that an appropriate assessment of eligible bidder's ability to execute the contract has been undertaken by the department presenting the item;

(c) Ensure that in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears;

(d) Ensure in respect of the recommended bidder, that their tax clearance certificate or Tax Compliance Status with a PIN number CIDB certificate and BBBEE certificates are in order.

(e) In bids where Consortia / Joint Ventures are involved, each party must submit a separate Tax Clearance Certificate or Tax Compliance Status with a PIN number..

(f) In instances where a Tax Clearance certificate or Tax Compliance Status with a PIN number is valid at the time of tender, but expires during the evaluation period, the preferred bidder must furnish the municipality within a period of twenty one (21) days as stipulated by the Bid Committees with a valid tax clearance certificate or Tax Compliance Status with a PIN number.

(g) A designated Line department shall communicate in writing with the preferred bidder about the applicability of the suspensive condition by latest the following day of the Bid Adjudications Committee meeting.

(h) The CIDB status must be valid and active at the time of consideration by Bid Evaluation Committee and before final award.

(i) When the BBBEE certificate is valid at the time of tender and then it expires during evaluation or the level contribution changes, then it is the level at the time of tender that shall be considered.

The MBD 6.1. document requires the bidder to fill in a claim for empowerment points. The BB-BEE certificate shall be taken as the substantiation of the claim and accordingly submission of a BB-BEE certificate is mandatory. If the bidder does not complete MBD 6.1 document in full but provides a valid BB-BEE certificate, the municipality must award preference points in line with the PPPFA.

(j) If a municipality is in possession of a bidders original tax clearance certificate or tax compliance status with a PIN number and B-BBEE certificate through the municipality's database, it is not necessary to obtain a new tax clearance certificate or tax compliance status with a PIN number or B-BBEE certificate each

time a price quotation or bid is submitted from that specific bidder. This provision may be applied only if at the closing date of the price quotation or bid falls within the expiry date of the tax clearance certificate or tax compliance status and B-BBEE certificate that is in municipality's possession. When ever this ruling is applied, cross-reference must be made to the original tax clearance certificate or tax compliance status and B-BBEE certificate for audit purposes.

(k) Health and Safety Plans must be submitted at the time of tender where applicable.

(l) Submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter.

(2) The bid evaluation committee composed of at least one supply chain management practitioner of the municipality or municipal entity.

(3) No item may be considered at the Bid Evaluation Committee unless the appropriate SCM compliance check process has been undertaken and the item has been cleared for acceptance onto the agenda unless otherwise approved by the Chairperson.

29. Bid Adjudication Committee

(1) The bid adjudication committee must:

(a) Consider the report and recommendations of the bid evaluation committee; and

(b) either:

(i) depending on its delegations, make a final award or a recommendation to the Accounting Officer to make the final award; or

(ii) make another recommendation to the Accounting Officer how to proceed with the relevant procurement.

(2) The bid adjudication committee must consist of at least four senior managers of the municipality that must include:

(a) The Chief Financial Officer or, another senior manager in the budget and treasury office reporting directly to the Chief Financial Officer and designated by the Chief Financial Officer; and

(b) At least one senior supply chain management practitioner who is an official of the municipality and must report direct to the Chief Financial Officer or official designated by the Head Supply Chain Management.

(c) A technical expert in the relevant field who is an official, if such an expert exists, and may when appropriate, appoint an external specialists advisor.

(3) The Accounting Officer must appoint the chairperson of the committee. If the chairperson is absent from a meeting, the members of the committee who are present must elect one of them to preside at the meeting.

(4) Neither a member of a bid evaluation committee, nor an advisor or person assisting the evaluation committee, may be a member of a bid adjudication committee.

(5) (a) If the bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee, the bid adjudication committee must prior to awarding the bid:

(i) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears; and

(ii) notify the Accounting Officer.

(b) The Accounting Officer may:

(i) after due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in paragraph 5(a); and

(ii) if the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.

(6) The Accounting Officer may at any stage of a bidding process, refer any recommendation made by the evaluation committee or the adjudication committee back to that committee for reconsideration of the recommendation.

(7) The Accounting Officer must comply with section 114 of the Act within 10 working days if the decision is to award to a bid other than that recommended.

(8) The bid adjudication committee must at all times adhere to the requirements of MFMA circular 34 from National Treasury.

(9) No item may be considered at the Bid Adjudication Committee unless the appropriate SCM compliance check has been undertaken and the item has been cleared for acceptance onto the agenda except where otherwise approved by the Chairperson.

(10) The municipality shall consider the holding period of the validity of BBBEE certificate and Tax clearance certificate or Tax compliance status with a PIN number to be at the close of tender.

i. The SCM practitioners of the municipality is expected to make all means possible to notify the bidder as soon as the award is made to furnish the municipality with required documents within the suspensive period of twenty one (21) days.
ii. If a bidder is in arrears with utilities and has an arrangement with the municipality to offset the arrears this arrangement is acceptable and the bidder may not be disqualified. The bidder must furnish the proof of agreement. This agreement must have been in place at the time of submission and cannot be *ex post facto*.

30. Procurement of banking services

(1) Banking services:

(a) must be procured through competitive bids;

(b) must be consistent with section 7 or 85 of the Act; and

(c) may not be for a period of more than five years at a time.

(2) The process for procuring a contract for banking services must commence at least nine months before the end of an existing contract.

(3) The closure date for the submission of bids may not be less than 60 days from the date on which the advertisement is placed in a newspaper in terms of paragraph 22(1). Bids must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990).

31. Procurement of IT related goods or services

(1) The Accounting Officer may request the State Information Technology Agency (SITA) to assist with the acquisition of IT related goods or services through a competitive bidding process.

(2) Both parties must enter into a written agreement to regulate the services rendered by, and the payments to be made to, SITA.

(3) The Accounting Officer must notify SITA together with a motivation of the IT needs if –

(a) The transaction value of IT related goods or services required in any financial year will exceed R50 million (VAT included); or

(b) The transaction value of a contract to be procured whether for one or more years exceeds R50 million (VAT included).

(4) If SITA comments on the submission and the municipality disagrees with such comments, the comments and the reasons for rejecting or not following such comments must be submitted to the council, the National Treasury, the relevant provincial treasury and the Auditor General.

(5) Any arrangement or agreement with SITA must be approved by the Bid Adjudication Committee.

32. Procurement of goods and services under contracts secured by other organs of state

(1) The Accounting Officer may procure goods or services under a contract secured by another organ of state, but only if:

(a) the contract has been secured by that other organ of state by means of a competitive bidding process applicable to that organ of state;

(b) there is no reason to believe that such contract was not validly procured;

(c) there are demonstrable discounts or benefits to do so; and

(d) that other organ of state and the provider have consented to such procurement in writing.

(2) Subparagraphs (1)(c) and (d) do not apply if –

(a) a municipal entity procures goods or services through a contract secured by its parent municipality; or

(b) a municipality procures goods or services through a contract secured by a municipal entity of which it is the parent municipality.

(3) Any procurement of goods and services under contracts secured by other organs of state must be approved by the Bid Adjudication Committee.

33. Procurement of goods necessitating special safety arrangements

(1) The acquisition and storage of goods in bulk (other than water) which necessitate special safety arrangements, including gasses and fuel, should be avoided where ever possible.

(2) Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership, cost advantages and environmental impact and must be approved by the Accounting Officer.

34. Proudly SA Campaign

Wherever possible, the Proudly SA Campaign should be supported to the extent that, all things being equal, preference is given to procuring local goods and services from:

(a) firstly –suppliers and businesses within the municipality

(b) secondly- suppliers and businesses within the relevant province; and

(c) thirdly – suppliers and businesses within the Republic of South Africa

In giving consideration to this paragraph, the requirements of the designated sectors for Local Production and Content as issued by the Department of Trade and Industry must be taken into account.

35. Appointment of consultants

(1) The Accounting Officer may procure consulting services provided that any Treasury guidelines in respect of consulting services are taken into account when such procurements are made.

(2) Consultancy services must be procured through competitive bids if:

(a) the value of the contract exceeds R200 000 (VAT included); or
(b) the duration period of the contract exceeds one year.

(3) In addition to any requirements prescribed by this policy for competitive bids, bidders must furnish particulars of:

(a) all consultancy services provided to an organ of state in the last five years; and
(b) any similar consultancy services provided to an organ of state in the last five years.

(4) The Accounting Officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, system or process designed or

devised, by a consultant in the course of the consultancy service is vested in the municipality.

(5) Conflict of Interest

i. A firm, which has been engaged by the accounting officer or authority to provide goods or works for a project and any of its affiliates, should be disqualified from providing consulting services for the same project. Similarly, a firm engaged to provide consulting services for the preparation or implementation of a project and any if its affiliates, should be disqualified from subsequently providing goods or works or services related to the initial assignment (other than a continuation of the firm's earlier consulting services as described below) for the same project, unless the various firms (consultants, contractors, or suppliers) are performing the contractors obligation under a turnkey or design-and-build contract.

ii. Consultants or any of its affiliates should not be hired for any assignment which, by its nature, may be in conflict with other assignment of the consultant. As an example, consultants engaged to prepare an engineering design for an infrastructure project should not be engaged to prepare an independent environmental assessment for the same project, and consultants assisting a client in the privatisation of public assets should not purchase, nor advise purchasers of such assets.

36. Deviation from, and ratification of minor breaches of, procurement processes

(1) The Accounting Officer may:

(a) dispense with the official procurement processes established by this policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only:

(i) in an emergency;

(ii) if such goods or services are produced or available from a single provider only;

(iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;

(iv) acquisition of animals for zoos and/or nature and game reserves; and

(v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes;

(vi) in instances where it relates to event specific procurement by municipal entities which renders it impractical or impossible to follow the official procurement processes.

(b) ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

(2) The Accounting Officer must record the reasons for any deviations in terms of subparagraphs (1)(a) and (b) of this policy and report them to the next meeting of the council and include as a note to the annual financial statements.

(3) The Bid Adjudication Committee is delegated authority to make final recommendations on award in terms of deviations to the Accounting Officer.

(4) The Chief Financial Officer, Head: SCM or appropriate senior official is delegated authority to make a final award on deviations below R200 000, but these are to be included in the reports in subparagraph (2) above, but on a quarterly basis.

(5) The Executive Committee shall consider if the criteria for a deviation, other than an emergency, have been met.

(6) In the case of emergencies greater than R200 000 (VAT included), where practicable, prior authority must be sought via the Accounting Officer to deviate from the official processes and the Chairperson of the relevant Committee shall be notified of such emergency situation. All emergency procurement must be formalised in a report to the

Accounting Officer within 1 working day, and to the next possible Executive Committee meeting.

(7) Emergency procurement should not be used to evade the use of standard procurement procedures:

(a) as a consequence of insufficient stock-levels for items that are used on a daily basis;

(b) as a result of working programmes not adequately planned for; or

(c) as a result of no or insufficient communication between warehouses and buying offices.

(8) The circumstances which may give rise to an emergency which may not have been foreseeable, or where it is impractical or impossible to follow official procurement processes or may have been the result of negligent conduct a motivation for the use of this section must show one or more of the following:

(a) the imminent threat to health, injury or death to persons;
(b) the imminent threat of damage to property, or suffering and death of livestock and animals;
(c)The unforeseeable interruption of essential services whose provision is within the municipal competency, including transportation and communication facilities or support services critical to the effective functioning of the Municipality as a whole;
(d) the imminent and or unforeseeable of serious damage occurring to the natural environment;
(e) the imminent threat and or damage of the municipal assets.

(9) The Municipality is still required to comply with Section 217(1) of the Constitution in the event of an emergency situation with specific reference to obtaining goods and services on the best possible terms.

(10) In an emergency situation, and where possible, at least three quotations must be obtained.

(11) The value of and duration of contracts which have been concluded as a result of the emergency situation must be in accordance with the goods and services required in order to address and/or remedy the immediate emergency. Any other goods and services which may be required subsequent to the emergency and relating to such emergency must wherever possible follow the normal tendering process and procedures.

(12) Procuring goods and services from sole supplier occur in instances where:-

(a) only one supplier manufactures or renders goods and services due to unique nature of the requirements;

(b) goods and services already in the municipality's value chain/employ are only supplied by an Original Equipment Manufacturer (OEM) or by a licensed agent thereof and there is a requirement for compatibility, continuity and alignment.

(c) the process for approved list of sole supplier(s) will be as follows:

(i) department requiring the use of sole supplier must issue a circular calling for the of sole supplier(s) who wish to be on the list or database of sole suppliers. SCM Unit shall manage and maintain the list of sole suppliers.

(ii) response to the circular must contain appropriate motivation in terms of constitutional pillars of fair, equitable, transparent, cost effective and competitive.

(iii) the response to the circular and compilation of the list of sole suppliers must be categorized, screened and supported by a relevant appointed team. In instances where there is no consensus among the team members such be escalated to Head: SCM for decision and support.

(iv) the supported list of sole suppliers be advertised for public comments and or objections.

(v) in instances where there are objections, such objections be referred to the Head SCM for decision and support.

(vi) the list of sole suppliers must be reviewed and reported annually to Head :SCM.

(vii) The report must outline how value for money will be achieved and managed.

(13) Unit or Department invoking the use of section 36 (1) (a) (v) must in all reports to BAC demonstrate that the use of this provision:-

(a) is not as a result of poor planning for it being impractical or impossible to follow the official procurement processes. Where there is a risk of poor planning or negligence proof that remedies and actions including disciplinary processes have been taken to avoid recurrence.

(b) has taken into account that it does not prejudice other potential tenderers and meets the requirements of section 217 of the Constitution of the Republic of South Africa.

(14) The respective Unit Head must sign off a report to BAC invoking section 36 (1) (a) (v) that is accepting full responsibility, accountability for the report and its contents.

37. Unsolicited bids

(1) In accordance with section 113 of the Act there is no obligation to consider unsolicited bids received outside a normal bidding process.

(2) The Accounting Officer may decide in terms of section 113(2) of the Act to consider an unsolicited bid, only if:

(a) the product or service offered in terms of the bid is a demonstrably or proven unique innovative concept;

(b) the product or service will be exceptionally beneficial to, or have exceptional cost advantages;

(c) the person who made the bid is the sole provider of the product or service; and

(d) the reasons for not going through the normal bidding processes are found to be sound by the Accounting Officer.

(3) If the Accounting Officer decides to consider an unsolicited bid that complies with subparagraph (2) of this policy, the decision must be made public in accordance with section 21A of the Municipal Systems Act, together with:

(a) reasons as to why the bid should not be open to other competitors;
(b) an explanation of the potential benefits if the unsolicited bid were accepted; and
(c) an invitation to the public or other potential suppliers to submit their comments within 30 days of the notice.

(4) All written comments received pursuant to subparagraph (3), including any responses from the unsolicited bidder, must be submitted to the National Treasury and the relevant provincial treasury for comment.

(5) The adjudication committee must consider the unsolicited bid and may award the bid or make a recommendation to the Accounting Officer, depending on its delegations.

(6) A meeting of the adjudication committee to consider an unsolicited bid must be open to the public.

(7) When considering the matter, the adjudication committee must take into account:

(a) any comments submitted by the public; and
(b) any written comments and recommendations of the National Treasury or the relevant provincial treasury.

(8) If any recommendations of the National Treasury or provincial treasury are rejected or not followed, the Accounting Officer must submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following those recommendations.

(9) Such submission must be made within seven days after the decision on the award of the unsolicited bid is taken, but no contract committing the municipality to the bid may be entered into or signed within 30 days of the submission.

38. Combating of abuse of supply chain management system

The Accounting Officer must establish measures for the combating of abuse of the supply chain management system as follows:

(1) The Accounting Officer must:

(a) take all reasonable steps to prevent abuse of the supply chain management system;

(b) investigate any allegations against an official or other role player of fraud, corruption, favoritism, unfair or irregular practices or failure to comply with this supply chain management policy, and when justified:

(i) take appropriate steps against such official or other role player; or

(ii) report any alleged criminal conduct to the South African Police Service.

(c) take all reasonable steps to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector and/or blacklisted by the Municipality;

(d) reject any bid from a bidder if any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the municipality, or to any other municipality or municipal entity, are in arrears for more than three months; or

(e) reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract;

(f) cancel a contract awarded to a person if:

(i) the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or

(ii) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person.

(iii) Cancellation or termination of contract must be subject to the provisions of Promotion of Administrative Justice Act 3 of 2000.

(iv) Cancellation or termination of contract must be approved by the Bid Adjudication Committee

(g) Reject the bid of any bidder if that bidder or any of its directors –

(i) has abused the supply chain management system of the municipality or has committed any improper conduct in relation to such system, and has been blacklisted in terms of this policy;

(ii) has been convicted for fraud or corruption during the past five years;

(iii) has willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years;

(iv) has been listed in the Register for Tender Defaulters In terms section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004); and

(vi) has been Blacklisted by the Municipality.

(h) Unit or Department that file for a non-award of contract must ensure that a process for competitive bidding system is finalized before a process for a new contract is initiated. Unit or Department must prepare a non-award report for Bid Evaluation Committee stating reason(s) for not pursuing with the procurement process.

(2) The Accounting Officer must inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of subparagraphs (1)(b)(ii), (e) or (f) of this policy.

39. Logistics management

Logistics management must provide for an effective system in order to provide for the setting of inventory levels, placing of orders, receiving and distribution of goods, stores and warehouse management, expediting orders, transport management, vendor performance, maintenance and contract administration.

(1) **General Logistics**

(a) Purchase orders:

(i) will be created for bids and quotations ;

(ii) will be captured on the appropriate financial management system exclusive of VAT; and

(iii) approvals will be systems based and shall be authorized by the SCM Unit only.

(2) Goods received will be captured on the appropriate financial management system via a "Goods Received Note" with reference to the relevant purchase order.

(3) The Treasury Department's Assets Section (for asset creation) and Insurance Section (for claims) will be informed of the purchase via the appropriate financial management system at the end of the procurement process and in terms of other applicable policies.

(4) Deliveries of goods may not exceed the order quantity. Short deliveries will keep the purchase order open until the balance of the order is received or cancelled.

(5) The acknowledgment of the receipt of goods and/ or services and/or works by the Municipality means that the Municipality acknowledges those goods and/ or services and/or works have been received and are in accordance with the quality and standard required.

(a) The acknowledgement by the Municipality also serves to confirm that payment for received goods and/or services and/or works can be effected.

(6) A designated official is required to monitor and expedite outstanding purchase orders.

(7) Reminder letters may be sent to contractors based on the reminder levels (days before delivery due date) that are set out in the purchase order.

(8) The Municipality's Fleet Management policy must be adhered to at all times.

(9) The performance monitoring of a contractor will be in accordance with the service provider performance management element of this policy.

(10) A contract manager:

(a) will be an designated official of the Municipality who will attend to the administration of the contract from inception thereof;

(b) will derive his/her duties and powers from the conditions of contract and any other applicable law;

(c) must be fair to the parties to the contract when required to make decisions or form an opinion in respect of the contract, whilst always acting in the best interests of the Municipality;

(d) ensure that all the necessary formalities in the signing up of the contract and/or issuing the purchase order(s) are adhered to;

(e) ensure that contracts related to the procurement of goods and/or services and/or works are captured on the appropriate financial management system;

(f) ensure that all original contract documentation is lodged with the Supply Chain Management Unit for record purposes;

(g) must where appropriate, authorise payments due in terms of the contract by processing payment certificates (if applicable), and ensuring that the necessary

Service Entry Sheets or Goods Received Notes are captured on the appropriate financial management system;

(h) manage amendments, variations and procedures in terms of the contract;

(i) administer disputes where necessary, in terms of this policy and the applicable Conditions of Contract;

(j) conduct a post contract review;

(k) maintain accurate and detailed records to create a audit trail;

(l) must act with care and diligence;

(m) must observe all accounting and legal requirements;

(n) must ensure that payments are processed within 30 calendar days, or 14 calendar days in the case of Exempted Micro Enterprises from the date of receipt of invoice.

(11) Departmental Heads shall be responsible for ensuring that contract managers:

(a) are assigned to all contracts within the Department Head's area of responsibility; and

(b) are adequately trained so that they can exercise the necessary level of responsibility in the performance of their duties.

(12) All Unit Heads must submit as part of the Budget Approval process a procurement plan containing all planned procurement. This procurement plan must be approved by the Unit Head or his/her delegate prior to its submission.

(13) A central contracts register is to be maintained for all contracts within the municipality. Items will only be permitted onto the register if contained within an approved procurement plan.

(14) Stock is valued on the weighted average/standard costing method per plant and is VAT exclusive. Input VAT is claimed upon purchase and output VAT is accounted for at the time of issue according to the accounting policy.

(15) Stock items must be systematically replenished using the re-order point planning strategy and open reservations must be taken into account during the replenishment run.

(16) Goods will be issued from stock with reference to reservations. Goods can be issued for consumption against internal orders, cost centres, projects and assets under construction.

(17) Purchase orders will be created, where applicable, with reference to replenishment requisitions in respect of term supply contracts for goods and:

(a) replenishment requisition approvals will be systems based.

(b) all replenishments will be effected via the Acquisition Management System.

(18) The registered stores function shall be decentralised but will operate under the jurisdiction of the Supply Chain Management Unit.

(a) The Supply Chain Management Unit must ensure proper financial and budgetary control; uphold the principle of effective administration, proper stock holding and control, product standardisation, quality of products and a high standard of service levels.

(19) Management of inventory must be in accordance with the Inventory Policy attached in this document as annexure 4 .

40. Disposal management

(1) The system of disposal management for the disposal or alienation of assets, including unserviceable, redundant or obsolete assets, subject to sections 14 and 90 of the Act, is as follows:

(2) The disposal or alienation of assets must:

(a) Be by one of the following methods:

(i) transferring the asset to another organ of state in terms of a provisions for the transfer of assets;

(ii) transferring the asset to another organ of state at market related value or, when appropriate, free of charge;

(iii) the alienation of the asset; or

(iv) destroying the asset, after taking into account re-cycling;

(b) Provided that:

(i) immovable property may be sold only through a competitive bidding process except when the public interest or the plight of the poor demands otherwise;

(ii) movable assets may be sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous;

(iii) in the case of the free disposal of computer equipment, the provincial department of education must first be approached to indicate within 30 days whether any of the local schools are interested in the equipment; and

(iv) in the case of the disposal of firearms, the National Conventional Arms Control Committee must have approved any sale or donation of firearms to any person or institution within or outside the Republic;

(c) Furthermore ensure that immovable property is alienated at market related values, except when the public interest or plight of the poor demands otherwise; and or

(i) Immovable property is let at market related rates except when the public interest or the plight of the poor demands otherwise; and

(ii) All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed.

(d) Ensure that where assets are traded in for other assets, the highest possible trade-in price is negotiated.

(e) In the event that a specialised plant item is disposed before it reaches the end of its projected life cycle and/or before the asset is fully depreciated which will normally occur when a higher capaMunicipality or specified product is available in the market and where demonstrated that such improvement will reduce the operating costs and improve productivity to the municipality, the following procedure shall apply in such an event:

(i) the Original Equipment Manufacturer (OEM) or the authorised agent shall provide the Municipality with official quotation to trade in the asset;

(ii) the Municipality shall obtain an additional quotation from an independent industry specialist that would provide a market value of the asset;

(iii) in the event of the offer received from the OEM or agent being lower than that of the industry specialist, the relevant Departmental and a Supply Chain official shall make representation to the OEM or the authorised agent with a view to them reviewing their offer to that of the industry specialist; and

(iv) a report shall be submitted to the Bid Adjudication Committee recommending the acceptance of an offer from an OEM or authorised agent to trade in an item of specialised plant on an improved model. Ensure that where assets are traded in for other assets, the highest possible trade-in price is negotiated.

(f) Disposal of land must be carried out in accordance with the municipality Land Affairs Policy as duly authorized and approved by Municipal Council. Approved Land Affairs Policy is attached and referenced as annexure B in this policy document.

41. Risk management

(1) The Accounting Officer must ensure an effective system of risk management for the identification, consideration and avoidance of potential risks in the supply chain management system.

(2) Risk management must include:

(a) the identification of risks on a case-by-case basis;

(b) the allocation of risks to the party best suited to manage such risks;

(c) acceptance of the cost of the risk where the cost of transferring the risk is greater than that of retaining it;

(d) the management of risks in a pro-active manner and the provision of adequate cover for residual risks; and

(e) the assignment of relative risks to the contracting parties through clear and unambiguous contract documentation.

42. Performance management

(1) The Accounting Officer must ensure an effective internal monitoring system in order to determine, on the basis of a retrospective analysis, whether the authorised supply chain management processes were followed and whether the desired objectives were achieved.

(2) Performance management shall accordingly be characterised by a monitoring process and retrospective analysis to determine whether:

(a) value for money has been attained;
(b) proper processes have been followed;
(c) desired objectives have been achieved;
(d) there is an opportunity to improve the process;
(e) suppliers have been assessed and what that assessment is; and

(f) if there has been deviation from procedures and, if so, what the reasons for that deviation are.

(3) The performance management system shall accordingly focus on, amongst others:

(a) achievement of goals;
(b) compliance to norms and standards;
(c) savings generated;
(d) cost variances per item;
(e) non-compliance with contractual conditions and requirements; and
(f) the cost efficiency of the procurement process itself.

(4) For all contracts, a close-out report is required on completion of the contract, which includes the points raised in subparagraphs (2) and (3) above.

(5) For all annual supply, period, or term contracts, the report to the Bid Specification Committee for the new or replacement contract, must include the points raised in subparagraphs (2) and (3) above as at a particular point in the contract it replaces.

(6) For monitoring performance on individual contracts see also the service provider performance management section of this policy.

43. Prohibition on awards to persons whose tax matters are not in order

(1) The Accounting Officer must ensure that, irrespective of the procurement process followed, no award above R30 000 is given to a person whose tax matters have not been declared by the South African Revenue Service to be in order.

(2) If a municipality / municipal entity is in possession of a supplier's original valid tax clearance certificate or Tax Compliance Status with a PIN number, it is not necessary to obtain a new tax clearance certificate or a TAX compliance status with a PIN number each time a price quotation or bid is submitted from that specific supplier. This provision may be applied only if the closing date of the price quotation or bid falls within the expiry date of the tax clearance certificate or a Tax compliance status with a PIN number that is in the municipality's / municipal entity's possession. Cross-reference must be made to the

original tax clearance certificate or Tax compliance status with a PIN number for audit purposes.

44. Prohibition on awards to persons in the service of the state

(1) The Accounting Officer must ensure that irrespective of the procurement process followed, no award may be given to a person in terms of this Policy:

(a) who is in the service of the state; or
(b) if that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or
(c) a person who is an advisor or consultant contracted with the municipality or municipal entity.

The municipality further reserves its rights to immediately cancel any contract if such conflicts are discovered after the award of a contract.

45. Awards to close family members of persons in the service of the state

(1) The notes to the annual financial statements must disclose particulars of any award of more than R2000 to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months, including:

(a) the name of that person;
(b) the capaMunicipality in which that person is in the service of the state; and
(c) the amount of the award.

46. Ethical standards

(1) A code of ethical standards is hereby established, in accordance with subparagraph (2), for officials and other role players in the supply chain management system in order to promote:

(a) mutual trust and respect; and

(b) an environment where business can be conducted with integrity and in a fair and reasonable manner.

(2) An official or other role player involved in the implementation of the supply chain management policy:

(a) must treat all providers and potential providers equitably;

(b) may not use his or her position for private gain or to improperly benefit another person;

(c) may not accept any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of that person, of a value more than R350;

(d) notwithstanding subparagraph (2)(c), must declare to the Accounting Officer details of any reward, gift, favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person;

(e) must declare to the Accounting Officer details of any private or business interest which that person, or any close family member, partner or associate, may have in any proposed procurement or disposal process of, or in any award of a contract by, the municipality;

(f) must immediately withdraw from participating in any manner whatsoever in a procurement or disposal process or in the award of a contract in which that person, or any close family member, partner or associate, has any private or business interest;

(g) must be scrupulous in his or her use of property belonging to the municipality or municipal entity;

(h) must assist the Accounting Officer in combating fraud, corruption, favouritism and unfair and irregular practices in the supply chain management system; and

(i) must report to the Accounting Officer any alleged irregular conduct in the supply chain management system which that person may become aware of, including:

(i) any alleged fraud, corruption, favouritism or unfair conduct;
(ii) any alleged contravention of paragraph 47(1) of this policy; or
(iii) any alleged breach of this code of ethical standards.

(3) Declarations in terms of subparagraphs (2)(d) and (e):

(a) must be recorded in a register which the Accounting Officer must keep for this purpose;

(b) by the Accounting Officer must be made to the mayor of the municipality who must ensure that such declarations are recorded in the register.

(4) The National Treasury's code of conduct must also be taken into account by supply chain management practitioners and other role players involved in supply chain management.

(5) The municipality adopts the National Treasury's code of conduct for supply chain management practitioners and other role players involved in supply chain management. When adopted, such code of conduct becomes binding on all officials and other role players involved in the implementation of the supply chain management policy of the municipality or municipal entity. A copy of the National Treasury code of conduct is available on the website www.treasury.gov.za/mfma located under "legislation".

(6) A breach of the code of conduct adopted by the municipality must be dealt with in accordance with Schedule 2 of the Systems Act.

47. Inducements, rewards, gifts and favors to municipalities or municipal entities, officials and other role players

(1) No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may either directly or through a representative or intermediary promise, offer or grant –

(a) any inducement or reward to the municipality for or in connection with the award of a contract; or

(b) any reward, gift, favor or hospitality to:

(i) any official; or

(ii) any other role player involved in the implementation of the supply chain management policy.

(2) The Accounting Officer must promptly report any alleged contravention of subparagraph (1) to the National Treasury for considering whether the offending person, and any representative or intermediary through which such person is alleged to have acted, should be listed in the National Treasury's database of persons prohibited from doing business with the public sector.

(3) Subparagraph (1) does not apply to gifts less than R350 in value.

48. Sponsorships

(1) The Accounting Officer must promptly disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted, whether directly or through a representative or intermediary, by any person who is:

(a) a provider or prospective provider of goods or services; or

(b) a recipient or prospective recipient of goods disposed or to be disposed.

49. Objections and complaints

Persons aggrieved by decisions or actions taken in the implementation of this supply chain management system, may lodge within 14 days of the decision or action, a written objection or complaint against the decision or action to the Municipality Manager.

50. Resolution of disputes, objections, complaints and queries

(1) The Accounting Officer must appoint an independent and impartial person, not directly involved in the supply chain management processes:

(a) to assist in the resolution of disputes between the Municipality and other persons regarding:

(i) any decisions or actions taken in the implementation of the supply chain management system; or

(ii) any matter arising from a contract awarded in the course of the supply chain management system; or

(b) to deal with objections, complaints or queries regarding any such decisions or actions or any matters arising from such contract.

(2) The Accounting Officer, or another official designated by the Accounting Officer, is responsible for assisting the appointed person to perform his or her functions effectively.

(3) The person appointed must:

(a) strive to resolve promptly all disputes, objections, complaints or queries received; and

(b) submit monthly reports to the Accounting Officer on all disputes, objections, complaints or queries received, attended to or resolved.

(4) A dispute, objection, complaint or query may be referred to the relevant provincial treasury if:

(a) the dispute, objection, complaint or query is not resolved within 60 days; or

(b) no response is forthcoming within 60 days.

(5) If the provincial treasury does not or cannot resolve the matter, the dispute, objection, complaint or query may be referred to the National Treasury for resolution.

(6) This paragraph must not be read as affecting a person's rights to approach a court at any time.

(7) Reports on appeals are to be included in the normal SCM monthly, quarterly and annual reports.

51. Contracts providing for compensation based on turnover

(1) If a service provider acts on behalf of a Municipality to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to the service provider is fixed as an agreed percentage of turnover for the service or the amount collected, the contract between the service provider and the Municipality must stipulate:

(a) a cap on the compensation payable to the service provider; and

(b) that such compensation must be performance based.

(2) The specifications for all such contracts must also be approved by the Bid Specification Committee.

52. Preferential Procurement

Provisions of this section take effect as from the 1st of April 2017.

All procurement of goods, services and works are to be in compliance with this policy.

The unit responsible for the management of this policy is the Supply Chain Management Unit.

(1) All DCM's and Unit Heads responsible for the procurement of goods, services and/or works are, however, responsible for compliance with this policy within their areas of control, and will be held accountable where transgressions to policy are encountered.

(2) The formulae for the 80/20 and 90/10 preference point system are as follows:

(a) the price in respect of bids (including quotations) with an estimated Rand value of greater than R30 000 and up to a Rand value of R50 000 000 (all applicable taxes included):

$$Ps = 80\left[1 - \frac{(Pt - Pmin)}{Pmin}\right]$$

(b) the price in respect of bids (including price quotations) with an estimated Rand value of greater than R50 000 000 (all applicable taxes included):

$$Ps = 90\left[1 - \frac{(Pt - Pmin)}{Pmin}\right]$$

Where :

Ps = Points scored for comparative price of the bid under consideration;

Pt = Comparative price the bid under consideration; and

Pmin = Comparative price of the lowest responsive bid.

(3) Cancellation of tenders

(a) An organ of state may, before the award of a tender, cancel a tender invitation if:-

(i) due to changed circumstances, there is no longer a need for the goods or services specified in the invitation

(ii) funds are no longer available to cover the total envisaged expenditure

(iii) no acceptable tender is received

(iv) there is material irregularity in the tender process.

(b) The decision to cancel a tender invitation in terms of subregulation (a) must be published in the same manner in which the original tender invitation was advertised.

(c) An organ of state may only with the prior approval of the relevant treasury cancel a tender invitation for the second time.

(d) If the tender estimate is close to the Rand value of a prescribed threshold than both 80/20 and 90/10 preference point system be stipulated in the tender document.

(4) Bidders will score up to 20 or 10 preference points for their B-BBEE status level of contribution as per the table below

B-BBEE Status of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

(5) All bidders will have to submit BEE rating certificates, issued by either verification agencies accredited by the South African Accreditation System (SANAS) or by registered auditors approved by the Independent Regulatory Board for Auditors (IRBA) or sworn affidavits in a case of Exempted Micro Enterprises or Qualifying Small Enterprise.

(6) Any enterprise with an annual Total Revenue of R 10 million or less qualifies as an Exempted Micro-Enterprise.

(7) Exempted Micro-Enterprises are deemed to have B-BBEE Status of "Level Four Contributor" having a B-BBEE procurement recognition of 100% in terms of the Codes of Good Practice..

(8) An Exempted Micro Enterprise (EME) with at least 51% black ownership qualifies as a Level 2 contributor with BBBEE level of 125% in terms of the Codes of Good Practice.,

(9) An Exempted Micro Enterprise with 100% black ownership qualifies as a Level 1 contributor with BBBEE level of 135% in terms of the Codes of Good Practice.

(10) An Exempted Micro Enterprise that is regarded as a specialized enterprise with at least 75% black beneficiaries qualifies as a Level 1 contributor with BBBEE level of 135% in terms of the Codes of Good Practice.

(11) An Exempted Micro Enterprise that is regarded as a specialized enterprise with at least 51% black beneficiaries qualifies as a Level 2 contributor with BBBEE level of 125% in terms of the Codes of Good Practice.

(12) A Qualifying Small Enterprise (QSE) with at least 51% black ownership qualifies as a Level 2 contributor.

(13) A QSE with 100% black ownership qualifies as a Level 1 contributor.

(14) A QSE that is regarded as a specialized enterprise with at least 51% black beneficiaries qualifies as a Level 2 contributor with BBBEE level of 125% in terms of the Codes of Good Practice.

(15) A QSE with less than 51% black ownership is required to submit a BBBEE level verification certificate issued by BBBEE verification professional.

(16) A Trust, consortium or joint venture:

(a) must submit a B-BBEE status level certificate in order to qualify for points;

(b) will qualify for points as an unincorporated entity provided, that they submit their consolidated scorecard is prepared for separate tender; and

(c) where no consolidated scorecard exists, the weighted average (in accordance with participation percentages) will be used and rounded off to the nearest status level.

(17) If a service is provided by only tertiary institutions, such services must be procured from the tertiary institutions identified by means of bidding process. Tertiary institutions must submit their B-BBEE status in terms of the B-BBEE Codes of Good Practice Specialized Scorecard.

(18) Gazetted Sector Codes supersede Generic Codes and they are legally binding and enforceable. The current list is as follows:

(1) Gazetted in terms of section 9 (1):

(a) Tourism;

(b) Construction;

(c)Forest;(d)Integrated Transport;

(e)Chartered Accountancy

(2) Gazetted in terms of Section 9 (5):

(a) Property

(b) Financial Services Charter

(c) ICT

(3) The following is submitted for consideration for gazette in terms of section 9 (5):

(a) AgriBEE Charter

(4) The following is Gazetted in terms of Section 12:

(a) MAC

And Where:

i) a gazette under Section 12 means that the Charter is merely a statement of intent by stakeholders;

ii) a gazette under Section 9 (5) means the Charter is gazetted for 60 days to give members of the public an opportunity to make comments and inputs;

iii) a gazette under Section 9 (1) means the Charter is legally binding and enforceable within the sector, and it supersedes the Generic Codes

(19) Sub-Contracting:

a) B-BBEE points must not be awarded to a tenderer who intends sub-contracting more than 25% of the value of the contract to an enterprise that does not qualify for at least the points that such contractor qualifies for, unless the intended sub-contractor is an EME who has the ability and capability to execute the contract.

b) A person awarded a contract may not sub-contract more than 25% of the value of the contract to an enterprise that does not have an equal or higher B-BBEE status level, unless the intended sub-contractor is an EME who has the ability and capability to execute the contract.

c) A person awarded a contract in relation to a designated sector may not sub contract in such a manner that the local production and content of the overall value of the contract is reduced to below the prescribed minimum threshold.

d) If feasible to subcontract for a contract above R30 million, an organ of state must apply subcontracting to advance designated groups.

e) If an organ of state applies subcontracting as contemplated in paragraph (d) above, the organ of state must advertise the tender with a specific tendering condition that the successful tenderer must subcontract a minimum of 30% of the value of the contract to-

(i) an EME or QSE which is at least 51% owned by black people;

(ii) an EME or QSE which is at least 51% owned by black people who are youth;

(iii) an EME or QSE which is at least 51% owned by black people who are women;

(iv) an EME or QSE which is at least 51% owned by black people with disabilities;

(v) an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships;

(vi) a co-operative which is at least 51% owned by black people;

(vii) an EME or QSE which is at least 51% owned by black people who are military veterans;

(viii) an EME or QSE.

(f) A person or entity awarded a contract may only enter into a subcontracting arrangement with the approval of the organ of state.

(20) In addition, the revised Regulations address the objectives of Industrial Policy Action Plan, especially those aimed at promoting the procurement of domestically produced goods and services.

(21) The Regulations empower the Department of Trade and Industry to designate specific industries of critical and / or strategic importance where such tenders should prescribe that only locally manufactured products will be considered or that only locally manufactured products with a prescribed minimum threshold for local content will be considered. The current list regarding designated sectors is as follows:

(a) Textile, clothing, leather and footwear;
(b) Buses (bus body);
(c) Steel power pylons;
(d) Canned / processed vegetables;
(e) Rail rolling stock;
(f) Set top boxes;
(g) Furniture; and
(h) Electrical and telecom cable products.
(i) Power pylons
(j) Pharmaceutical products
(k) Power and Telecom cables
(l) Solar water heaters (collectors and storage tanks/geysers)
(m) Valves products actuators
(n) Working vessels
(o) Residential electriMunicipality meters
(p) Steel conveyance pipes
(q) Powerline hardware and Structures

(r) Transformers

(22) The Bid Specification Committee shall set appropriate Local Economic Development targets in the form of Contract Participation Goals, set as performance criteria within contracts, where appropriate, for the following target groups:

(a) Priority population groups
(b) Women
(c) Youth
(d) Disabled
(e) Co-operatives
(f) Military Veterans

(23) In reference to clause 22 above, an organ of state can decide to apply pre-qualifying criteria to advance designated groups, that organ of state must advertise the tender with a specific tendering condition that only one or more of the following tenderers may respond-

(a) a tenderer having a stipulated minimum BBBEE status level contributor
(b) an EME or QSE
(c) a tenderer sub-contracting a minimum of 30% to –
    (i) an EME or QSE which is at least 51% owned by black people;
    (ii) an EME or QSE which is at least 51% owned by black people who are youth;
    (iii) an EME or QSE which is at least 51% owned by black people who are women;
    (iv) an EME or QSE which is at least 51% owned by black people with disabilities;
    (v) an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships;
    (vi) a co-operative which is at least 51% owned by black people;
    (vii) an EME or QSE which is at least 51% owned by black people who are military veterans;
    (viii) an EME or QSE.

(24) A tender that fails to meet any pre-qualifying criteria stipulated in the tender documents is an unacceptable tender.

(25) The preference points system is still to be used on the sale or letting of assets and in accordance with the disposals management section of this policy.

53. PERFORMANCE MONITORING OF SERVICE PROVIDERS

A municipal service can be provided by the Municipality by entering into a Service Delivery Agreement in terms of Section 76(b) of the Municipal System Act 32 of 2000 with an external service provider. The Municipality is responsible for monitoring and assessing the implementation of the agreement, including the performance of the service provider in accordance with section 41 of the Municipal Systems Act 32 of 2000.

The performance of service providers that have been selected to provide assistance in the provision of a municipal service, otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies, is required, by Section 116 of the Municipal Finance Management Act, to be monitored and reported on.

Section 53 of this policy apply to contracts that have been awarded or reviewed, before or after the adoption of this policy. Furthermore this policy applies to all tenders with a contract value greater than R10million VAT included.

The objectives of the Performance Monitoring of Service Providers is to:-

i. Ensure a high quality of service is maintained
ii. Detect underperformance early, thereby reducing the risks to projects
iii. Create mechanisms to improve performance where targets are not being achieved
iv. Provide data to municipal officials so that informed decisions can be made
v. Assist in government's developmental objectives in the form of structuring appropriate business
vi. support strategies/interventions to targeted enterprises
vii. Assess the suitability of a service provider for pre-qualification, selective tender lists or expressions of interest

While departments have mechanisms in place to monitor the work done by service providers, the following is the minimum standard set.

(1) All service providers or prospective service providers must be made aware of:
   (a) the requirement for the assessment and reporting of a service provider's performance;
   (b) the use of the service provider performance reports when evaluating service providers for registration, pre-qualification, selective tender list, expressions of interest or awarding of a contract; and
   (c) the exchange of information on service provider performance reports between government units and/or departments.

(2) The appointed service provider must be given the opportunity to discuss the performance criteria with the Implementing Department before commencement of the contract.

(3) Any changes to the performance criteria must be agreed to by the Municipality and the service provider.

(4) The decision to change a performance criteria after commencement of a contract is the responsibility of the Reporting Officer.

(5) These amendments must be signed by the service provider and the client and implementing department and attached to the contract or service delivery agreement.

(6) A service provider's performance must be assessed in the context of the project as a whole. The respective roles and obligations of the Municipality and service provider under the contract must be taken into account.

(7) The delegated official preparing or reviewing the performance of a service provider must consider whether satisfactory progress or completion of a project has been affected by any matters which are:
   (d) outside the service provider's control, or
   (e) the result of some action by the Municipality; and

(f) measure the service providers performance after taking into account subparagraphs (a) and (b).

(8) If there is evidence that the underperformance or non-performance of the service provider is due to factors caused by the Municipality then:

(a) there will be no penalization of the service provider

(b) the Accounting Officer, or delegated official, must take corrective action where necessary.

(9) The performance assessment reports will be made available to inter-departmental, inter-governmental departments and the CIDB (where applicable) only:

(a) on completion of a contract; and

(b) if there are no pending disputes.

(10) The Service Provider must be notified of the assessment.

(11) The Service Provider may respond on the assessment, in writing, and this must be filed with the assessment.

(12) The conditions of appointment set in the contract will determine what action will be taken against the service provider if underperformance or non-performance is detected.

(13) Appropriate key performance indicators for the contract must be set by the Municipality as a yardstick for measuring performance.

(14) Measurable targets must be set for each key performance indicator.

(15) The SMART principle as laid out in the Municipality's Organisational Performance Framework must be followed in developing key performance indicators. (Specific, Measurable, Achievable, Realistic, Time-framed)

(16) The management of the contract and the performance of the service provider must be reported quarterly to the Council of the Municipality in the format set by the SCM Unit.

(17) The performance information will be audited:

(a) as part of the Municipality's internal auditing process; and/or

(b) annually by the Auditor-General.

(18) The Municipality will endeavor to facilitate support interventions to service providers in the identified areas of underperformance.

(19) Service providers who have been identified as under-performing in identified areas must be informed of these support interventions.

(20) The support interventions may be:

(a) sponsored by the Municipality,
(b) subsidized by the Municipality; or
(c) paid for by the attending service provider.

(21) Records of support interventions and attendance registers must be signed by all parties and filed.

(22) The impact of the support interventions provided by the Municipality to the service provider must be monitored.

(23) The table below outlines the roles and responsibilities of municipal officials in the management of service provider performance.

ROLE	RESPONSIBILITY
Reporting Officer	• Line Departments • Monitor and assess work done or service provided as per the service delivery agreement or contract • Report on the performance of the service provider
Reviewing Officer	• Review the assessment made by the reporting officer
Supply Chain Management	• Manage the performance monitoring process • Report on contract management and service provider performance to council quarterly • Report to Council annually on the performance of service providers • Investigate and report on the impact of the interventions on areas of underperformance as part of the quarterly and

ROLE	RESPONSIBILITY
	annually report. • Review the policy and process annually. • Liaise with Business Support Unit on interventions for underperforming areas.
Accounting Officer: Delegated to Performance Management Unit	• Ensure that KPI's are included in the appropriate Individual Performance Plan of the Municipal Official • Review the policy and process annually. • Facilitate the quarterly and annual report to internal audit
Internal Audit	• Audit the performance information
Business Support Unit	• Facilitate support interventions to address the underperforming areas

(24) The requirements of this policy must be included in the contract of the service provider.

(25) The performance of the contractor under the contract or must be assessed monthly by the Reporting Officer.

(26) The assessment must be filed in the contract file or captured onto the database.

(27) The Reporting Officer must complete the Service Provider Assessment Form on the database at the end of each quarter and on completion or termination of the contract in the prescribed format.

(28) The Reviewing Officer must review the assessment on the database for each quarter.

(29) The quarterly assessment must be completed within 15 working days after the end of each quarter.

(30) The Reporting Officer must provide a copy of the assessment to the Service Provider at the end of each quarterly assessment period.

(31) Supply Chain Management Unit will review the quarterly Service Provider Assessments within 20 days after the end of each quarter. This process will include verification and may require a site visit.

54. Green procurement

(1) Ecoprocurement, or green procurement, is procurement that takes into account environmental criteria when goods and services are purchased, so that the related environmental impact is minimised.

(2) Ecoprocurement aims to:

(a) encourage a decrease in energy and resource use;

(b) promote environmental best practice in terms of waste minimisation and management, water and energy efficiency and conservation, pollution reduction and socio-economic development; and

(c) encourage suppliers to change their behaviour and to provide for environmental issues in the design, manufacture and disposal of their products.

The development of ecoprocurement as part of the Rustenburg Municipality SCM policy is supported.

(3) In order to further develop an ecoprocurement policy, a steering committee will be constituted that will work with the relevant stakeholders to identify and prioritise products/services for which specific environmental selection criteria will be developed.

(4) The environmental criteria for the different products/services will become integrated into Supply Chain Management processes as they become adopted.

(5) Training and communication will be undertaken with the relevant stakeholders to ensure their understanding of the specifications and how these translate into the adjudication of tender submissions.

(6) The questionnaire overleaf is an example of environmental criteria that may be considered for materials management suppliers.

Sample Green Procurement questionnaire:

Manufacturing Phase		Allowed for in Specification
(i) Can recycled materials been used in the product? If the proportion of content made up by recycled materials is known, capture this information.	Y/N (% content of product)	Y/N
(ii) Can the manufacturer take steps to avoid and minimise the generation of waste in the production of the goods?	List actions taken	Y/N
(iii) Can the manufacturer taken steps to minimise the use of energy in the production of the goods?	List actions taken	Y/N
(iv) Can the manufacturer taken steps to minimise the emissions of air pollutants in the production of the goods?	List actions taken	Y/N
(v) Does the manufacturer use any hazardous substances in the product?	Y/N If Y, list hazardous substances used	Y/N
Use Phase		
(vi) Can the product be reused (e.g. able to accept refills of ink)?	Y/N Detail how it could be reused.	Y/N
(vii) Does the product have an Energy Star rating? Is the product energy efficient?	Y/N Supplier to compare energy efficiency with other similar products.	Y/N
(viii) Does the product come with a supplier guarantee of quality? (ix) Does the product come with a maintenance plan?	Y/N Y/N	Y/N
Disposal Phase		
(x) Can the product be recycled?	Y/N	Y/N
(xi) Has the supplier provided information on how he plans to dispose of the product? (xii) Has he considered environmentally friendly options?	Y/N List disposal options	Y/N
(xiii) Where hazardous substances are used, has the supplier detailed how he plans to dispose of the product?	Y/N List disposal options	Y/N

55. Amendments to contracts – MFMA Section 116(3)

(1) This section is applicable to all contracts and Circular 62 and Section 116(3) of the Act must be complied with in respect of amendments to contracts.

Section 116(3) of the Act states:

"A contract or agreement procured through the supply chain management policy of the municipality or municipal entity may be amended by the parties, but only after-

(a) The reasons for the proposed amendment have been tabled in the council of the municipality or, in the case of a municipal entity, in the council of its parent

(b) The local community-

(i) has been given reasonable notice of the intention to amend the contract or agreement; and

(ii) has been invited to submit representations to the municipality or municipal entity"

The Policy and Process for Major Amendments to Contracts:

(2) Step 1 of the process is for the Line Department to submit to their respective mayoral Committee requesting the use of section 116, and report to be submitted to SCM, Treasury, Legal and Accounting Officer for signature prior to tabling at Mayoral Committee. One approved by the Mayoral Committee the report must be presented to full Council for adoption. The contents of the report must contain:

(i) proof that the contract or agreement procured was through the supply chain management policy;

(ii) proof that there a written contract in place;

(iii) proof that the contract been monitored on a monthly basis in terms of Section 116(2)(b) of the Act;

(iv) proof that the contract been reported on in terms of Section 116(2)(d) of the Act;

(v) proof and motivation that the reasons for the proposed amendments are valid

(vi) proof that draft for MAYORAL COMMITTEE has appropriate content;

(vii) draft advert for the proposed amendments in terms of Section 116(3)(b)(i)&(ii) of the MFMA.

(3) There must be a consideration of Section 33 of the MFMA for contracts exceeding three years.

(4) Step 2 of the process is the submission of a Report to Bid Adjudication Committee recommending approval of Major Amendments to a Contract

(a) The contents of the report must contain:

(i) proof that Steps 1 for Major Amendments have been followed, together with associated documentation; and

(ii) results of advertising in terms of Section 116(3)(b)(i)&(ii) of the MFMA, and the results thereof showing representations received and the materiality and impact of these representations.

(b) Consideration must be made of Section 33 of the MFMA for contracts exceeding three years.

(c) Where the contract authority exceeds R10 million, or is a long-term contract, then final authority rests with the Accounting Officer.

The Policy and Process for Minor Amendments to Contracts

(1) Step 1 is the submission of a Report to the Bid Adjudication Committee recommending approval of Minor Amendments to a Contract

(a) The contents of the Report must contain:

(i) proof that the contract was procured through the supply chain management policy;

(ii) proof that there is a written contract in place;

(iii) proof that the contract been monitored on a monthly basis in terms of Section 116(2)(b) of the Act;

(iv) proof that the contract been reported on in terms of Section 116(2)(d) of the Act;

(v) proof and motivation that the reasons for the proposed amendments are valid and do not exceed the thresholds for minor amendments.

(b) Consideration must be made of Section 33 of the MFMA for contracts exceeding three years.

(c) Minor amendments can only be considered if the total amended value does not exceed 20% of its original contract authority for construction related goods, services and/or infrastructure projects and 15% for all other goods and/or services of the original value of the contract.

(d) Where the contract authority exceeds R10 million, or is a long-term contract, then final authority rests with the Accounting Officer.

(2) Step 2 of the process is the submission of a Report to Council on the Minor Amendments to contracts, including reasons for the amendments.

(a) The report to be included as a separate annexure in the standard monthly reports on tender awards made, which are produced by the Head: SCM.

(b) The Unit Heads overseeing the projects have the responsibility of ensuring that all applicable information is made available to SCM to adequately prepare these reports.

56. Blacklisting

Application of Policy to Blacklisted Persons

(1) Any blacklisting imposed on any person by the Blacklisting Committee will, at the discretion of the Municipality, also be applicable to any partner, manager, director or any other person who wholly or partly exercised, exercises or may exercise control over the business entity.

(2) If blacklisted persons attempt to re-organise themselves into new business entities, such new business entities will be precluded from tendering for work put out to tender by Rustenburg Municipality.

(3) The onus is on the blacklisted person to advise their business associates that they have been blacklisted.

(4) The Blacklisting Committee, may at its discretion, blacklist such entity that may have a business relationship with the blacklisted person, depending on the level of compliMunicipality involved.

(5) Grounds for Blacklisting

The following are grounds for blacklisting, including but not limited to:-

(a) committing an irregular practice/s as defined;

(b) failing to achieve a specified goal as stipulated in the tender document in terms of Regulation 15(1) of the Preferential Procurement Regulations;

(c) committing any offence as set out in Section 12 and 13 of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004;

(d) persistent non-performance as defined, and as monitored in terms of the Performance Management Policy of the Municipality; and

(e) a conviction in respect of criminal related activity, by a competent Court of Law, for which the sentence is a term of imprisonment of not less than 6 months.

(6) Procedures

(a) a Department within the Rustenburg Municipality or a Municipal Entity of the Rustenburg Municipality must be regarded as the Applicant.

(b) all external complaints must be lodged with the Rustenburg Municipality Municipality Integrity and Investigation Unit.

(7) The Application

(a) the Applicant must apply on the prescribed forms which can be collected from the duly authorised department;

(b) the application form must make provision for the reasons for the application, which if not stated must render the application null and void and such application must not be considered; and

(c) the Applicant's application must be signed by the Head of that Department.

(8) Application Processes

(1) in the case of Applications for Blacklisting pertaining to construction or works, and where non-performance (excluding failure to achieve specified goals) is claimed, the application is to be accompanied by proof that the contractor has been advised in writing of his non-performance and been given an opportunity to remedy his non-performance. A certificate issued by a registered Engineer or an internal report from a suitably qualified official confirming the non-performance must also be lodged;

(2) a final demand must be issued by the Accounting Office or duly authorised official requesting the contractor to perform not later than 14 days from the Notice;

(3) in the case of applications in respect of contracts, other than contracts mentioned in (4)(a), and applications alleging failure to achieve specified goals, a copy of all Notices served on the Contractor to perform must be attached to the Application; and

(4) the completed application form must be lodged with the authorised department.

(9) Notification

(a) the Blacklisting Committee must send out a notice to the person against whom the application is made.

(b) the notice must be sent by registered post or delivered by hand to the person concerned.

(c) the notice must set out the following:

(i) that an application for blacklisting of the respondent has been received by the Blacklisting Committee;

(ii) the basis of the blacklisting application, including any supporting documentation available at the time of writing;

(iii) that the respondent has a right to make written representations opposing the application for blacklisting against them furnishing reasons as to why he/she should not be blacklisted;

(iv) the time period within which the respondent is to respond in terms of subsection (c), must be at least 14 calendar days from the date of delivery of the notice; and

(v) the place for the delivery of the response.

(10) Response

(a) The Respondent must be expected in his response to indicate:

(i) whether or not he admits or denies the allegations; and

(ii) the reasons for denial, if applicable, and the reasons why he should not be blacklisted.

(b) The Respondent may attach supporting documentation to his or her response.

(11) Decision

(a) The Blacklisting Committee must make its determination based on the application and response received.

(12) Factors

(a) If the Blacklisting Committee is satisfied that there are grounds to blacklist a person, the blacklisting committee must decide on the blacklisting period based on the merits of each matter.

(b) The Blacklisting Committee may take into account the following:

(i) the seriousness of the offence;

(ii) previous similar conduct in bidding processes with Rustenburg Municipality; other municipalities, other government departments or organs of state;

(iii) the hardship and/or inconvenience that has been occasioned by the persons conduct; and

(iv) other remedies which the Municipality may invoke.

(13) Notification of Decision

(a) The Blacklisting Committee must advise the parties of its decision in writing within 5 days of the decision being made, by enclosing together with such notice, a copy of the Decision and reasons.

(b) The notification must contain the following information:

(i) the decision of the Blacklisting Committee;

(ii) the effective date of the blacklisting and the date of expiration of the blacklisting;

(iii) the reasons for the decision; and

(iv) that the respondent has a right to request a review of the decision taken by the blacklisting authority to the appropriate Municipal committee.

(14) Register of Blacklisted Persons

(a) The Supply Chain Management Unit must keep a register of all blacklisted persons.

(b) The Register of Blacklisted Persons must be made available on the Municipality's website and updated on a monthly basis.

(c) The National Treasury must be sent updated copies of the Blacklisting Register of the municipality on a monthly basis.

(15) Uplifting of sanction

(a) The Blacklisting Committee, may amend or uplift any blacklisting which is imposed on a person if it is shown that there has been a material change in the circumstances giving rise to the decision to blacklist or where the decision was based on a material error.

(b) An application for the uplifting of the blacklisting must be made by the blacklisted person.

(c) An application for uplifting may only be made after the blacklisted person has been blacklisted for at least two years from the effective date of the decision unless it can be shown that a material error occurred in the decision making process of the Blacklisting Committee.

(d) If an application to uplift a blacklisting is refused, the applicant is precluded from bringing a further application for a period of two years from the date of the refusal.

(16) Onus

The onus is on the blacklisted person to ensure they are removed from the Rustenburg 's Municipality Website once the blacklisting period has expired or where the sanction is uplifted.

(17) Evaluation and review

The Supply Chain Management Unit must together with the Accounting Officer undertake to evaluate and review this policy as least once a year, and recommend amendments to be made as they are deemed to be necessary. All amendments to this policy must be approved by the Council prior to the amendments being made.

57. Municipality contracting with another organ of state – MFMA Section 110

(1) To ensure consistency in application and the appropriate controls are in place, however, it is required that all such approvals be made via the Bid Adjudication Committee, or authorised delegate. The Bid Adjudication Committee, or the authorised delegate, are to deal with approvals in order to ensure consistency in application of this paragraph and to ensure that the appropriate controls are in place.

(2) In addition to the ,the list of Public Institutions, listed in PFMA Schedule 1, 2, 3A, 3B, 3C and 3D, as at 30 September 2011 will be applicable to this policy, as detailed in Annexure A.

58. Special Deviations from SCM Policy

Certain procurements are to be treated as special deviations from the SCM process. This covers areas previously treated as 'Finance Payments' and the approved list is included as per the table below.

It is still necessary, however, to ensure effective controls. Therefore, prior approval must be sought from the CFO, Head: SCM or designated official. Without evidence of such prior approval payments will not be authorized and be treated as irregular expenditure.

Quarterly reports are to be produced for the Accounting Officer on expenditure incurred, and/or to be incurred through a central register to be maintained by the SCM Unit.

No.	Special Deviations	Remarks	Authority
1	**Seminars and Conferences**	Staff members attending function relating to their field of expertise and continued professional development.	International to be approved by Municipality Manager. Others by delegated official.
2	**IT Software Licences**	Licences for approved Software	Requires prior authority from both Head: SCM and CIO.
3	**Subscriptions - Newspapers, magazines etc**	Newspaper and magazine requirements for libraries and departments.	By delegated official.
4	**Advertising and Marketing**	**All Advertising and Marketing is done via the Communications Unit**	**DCM Governance & International Relations or Head Communications or Delegated Official. ***A report must be approved by MAYORAL COMMITTEE**
5	**Special Events**	**Co-Ordinating normal and special events is done via the Communications Unit**	**Municipality Manager, DCM Governance & International Relations or Head Communications or Delegated Official. ***A report must be approved by MAYORAL COMMITTEE**
6	**Sponsorship and Partnering**	**Co-Ordinating all forms of Sponsorship and Partnering is done via the Communications Unit. This is in addition to Section 48 of this policy.**	**Municipality Manager, DCM Governance & International Relations or Head Communications or Delegated Official. ***A report must be approved by MAYORAL COMMITTEE**
7	**Hire of Venue**	**Staff members making use of specific venues relating to their field of Operations that involves the Communications Unit.**	**Municipality Manager, DCM Governance & International Relations or Head Communications or Delegated Official. ***A report must be approved by MAYORAL COMMITTEE**

NB:
Prior approval must be sought from the CFO, Head: SCM or designated official, ***including Head Communications, were applicable****. Without evidence of such prior approval payments will not be authorized and be treated as irregular expenditure.*

Quarterly reports are to be produced for the Accounting Officer on expenditure incurred, and/or to be incurred through a central register to be maintained by the SCM Unit

59. Tender Validity

(1) The bid offer(s) received at the close of tender are to be accepted within the period of tender validity as stipulated in the bid document.

(2) In an event, where, the evaluation of bids received are not concluded within the validity period, the municipality must arrange to extend period of validity to all bidders before expiry date.

(3) Prior approval for the extension of bid validity period must be sought from Head: SCM or designated official.

(4) In an event, where, validity period of the bids received have expired with no extension of the period of tender validity being arranged with all bidders before the expiry of the validity period, then the tender is null and void and of no force and effect.

PFMA Schedule 1, 2, 3A, 3B, 3C and 3D, as at 30 September 2011

SCHEDULE 1

CONSTITUTIONAL INSTITUTIONS

1. The Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities
2. The Commission on Gender Equality
3. The Financial and Fiscal Commission
4. The Independent Communications Authority of South Africa
5. The Independent Electoral Commission
6. The Municipal Demarcation Board
7. The Pan South African Language Board
8. The Public Protector of South Africa
9. The South African Human Rights Commission

SCHEDULE 2

MAJOR PUBLIC ENTITIES

1. Air Traffic and Navigation Services Company Limited
2. Airports Company of South Africa Limited
3. Alexkor Limited
4. Armaments Corporation of South Africa Limited
5. Broadband Infrastructure Company (Pty) Ltd
6. CEF (Pty) Ltd
7. DENEL (Pty) Ltd
8. Development Bank of Southern Africa
9. ESKOM
10. Independent Development Trust
11. Industrial Development Corporation of South Africa Limited

12. Land and Agricultural Development Bank of South Africa
13. South African Airways (Pty) Limited
14. South African Broadcasting Corporation Limited
15. South African Express (Pty) Limited
16. South African Forestry Company Limited
17. South African Nuclear Energy Corporation Limited
18. South African Post Office Limited
19. Telkom SA Limited
20. Trans-Caledon Tunnel Authority
21. Transnet Limited

All subsidiaries of the above major public entities

SCHEDULE 3

OTHER PUBLIC ENTITIES

Part A: National Public Entities

1. Accounting Standards Board
2. Africa Institute of South Africa
3. African Renaissance and International Cooperation Fund
4. Agricultural Research Council
5. Agricultural Sector Education and Training Authority
6. Artscape
7. Banking Sector Education and Training Authority
8. Boxing South Africa
9. Brand SA
10. Breede River Catchment Management Agency
11. Castle Control Board
12. Chemical Industries Education and Training Authority
13. Commission for Conciliation Mediation & Arbitration
14. Community Schemes Ombud Service
15. Companies and Intellectual Property Commission
16. Companies Tribunal
17. Compensation Fund, including Reserve Fund

18. Competition Commission
19. Competition Tribunal
20. Construction Education and Training Authority
21. Construction Industry Development Board
22. Council for Geoscience
23. Council for Medical Schemes
24. Council for the Built Environment
25. Council on Higher Education
26. Cross-Border Road Transport Agency
27. Culture, Arts, Tourism, Hospitality and Sports Education and Training Authority
28. Die Afrikaanse Taal Museum
29. Ditsong: Museums of South Africa
30. EDI Holdings (Pty) Ltd
31. Education Labour Relations Council
32. Education, Training and Development Practices SETA
33. Energy and Water Sector Education and Training Authority
34. Estate Agency Affairs Board
35. Fibre Processing Manufacturing Sector Education and Training Authority
36. Film and Publication Board
37. Financial and Accounting Services SETA
38. Financial Intelligence Centre
39. Financial Services Board
40. Food and Beverages Manufacturing Industry
41. Freedom Park Trust
42. Health and Welfare Sector Education and Training Authority
43. Housing Development Agency
44. Human Sciences Research Council
45. Independent Regulatory Board for Auditors
46. Ingonyama Trust Board
47. Inkomati Catchment Management Agency
48. Insurance Sector Education and Training Authority
49. International Trade Administration Commission

50. iSimangaliso Wetland Park
51. Iziko Museums of Cape Town
52. KwaZulu-Natal Museum
53. Legal Aid South Africa
54. Local Government Education and Training Authority
55. Luthuli Museum
56. Manufacturing, Engineering and Related Services Education and Training Authority
57. Marine Living Resources Fund
58. Market Theatre Foundation
59. Media Development Diversity Agency
60. Media, Information and Communication Technologies Sector Education and Training Authority
61. Medical Research Council of South Africa
62. Mine Health and Safety Council
63. Mining Qualifications Authority
64. Municipal Infrastructure Investment Unit
65. National Agricultural Marketing Council
66. National Arts Council of South Africa
67. National Consumer Commission
68. National Consumer Tribunal
69. National Credit Regulator
70. National Development Agency
71. National Economic Development and Labour Council
72. National Electronic Media Institute of South Africa
73. National Empowerment Fund
74. National Energy Regulator of South Africa
75. National Film and Video Foundation of South Africa
76. National Gambling Board of South Africa
77. National Health Laboratory Service
78. National Heritage Council of South Africa
79. National Home Builders Registration Council

80. National Housing Finance Corporation Limited
81. National Library of South Africa
82. National Lotteries Board
83. National Metrology Institute of South Africa
84. National Museum, Bloemfontein
85. National Nuclear Regulator
86. National Regulator for Compulsory Specifications
87. National Research Foundation
88. National Student Financial Aid Scheme
89. National Urban Reconstruction and Housing Agency
90. National Youth Development Agency
91. Nelson Mandela National Museum
92. Office of the Ombud for Financial Service Providers
93. Office of the Pension Funds Adjudicator
94. Performing Arts Council of the Free State
95. Perishable Products Export Control Board
96. Ports Regulator of South Africa
97. Private Security Industry Regulatory Authority
98. Productivity SA
99. Public Service Sector Education and Training Authority
100. Quality Council for Trades and Occupations
101. Railway Safety Regulator
102. Road Accident Fund
103. Road Traffic Infringement Agency
104. Road Traffic Management Corporation
105. Robben Island Museum
106. Rural Housing Loan Fund
107. Safety and Security Education and Training Authority
108. Servcon Housing Solutions (Pty) Ltd
109. Services Sector Education and Training Authority
110. Small Enterprise Development Agency
111. Social Housing Foundation

112. South African Civil Aviation Authority
113. South African Council for Educators
114. South African Diamond and Precious Metals Regulator
115. South African Heritage Resources Agency
116. South African Library for the Blind
117. South African Local Government Association
118. South African Maritime Safety Authority
119. South African National Accreditation System
120. South African National Biodiversity Institute
121. South African National Energy Development Institute
122. South African National Parks
123. South African National Space Agency
124. South African Qualifications Authority
125. South African Revenue Service
126. South African Social Security Agency
127. South African Tourism
128. South African Weather Service
129. Special Investigation Unit
130. State Information Technology Agency
131. Technology Innovation Agency
132. The Co-operatives Banks Development Agency
133. The National English Literary Museum
134. The National Radioactive Waste Disposal Institute
135. The National Skills Fund
136. The Playhouse Company
137. The Social Housing Regulatory Authority
138. The South African Institute for Drug-free Sport
139. The South African National Roads Agency Limited
140. The South African State Theatre
141. Thubelisha Homes
142. Transport Education and Training Authority

143. uMalusi Council for Quality Assurance in General and Further Education and Training
144. uMsunduzi Museum
145. Unemployment Insurance Fund
146. Universal Service and Access Agency of South Africa
147. Universal Service and Access Fund
148. Urban Transport Fund
149. War Museum of the Boer Republics
150. Water Research Commission
151. Wholesale and Retail Sector Education and Training Authority
152. William Humphreys Art Gallery
153. Windybrow Theatre

All subsidiaries of the above national public entities

Part B: National Government Business Enterprises

1. Amatola Water Board
2. Bloem Water
3. Botshelo Water
4. Bushbuckridge Water Board
5. Council for Mineral Technology
6. Council for Scientific and Industrial Research
7. Export Credit Insurance Corporation of South Africa Limited
8. Inala Farms (Pty) Ltd
9. Khula Enterprises Finance Limited
10. Lepelle Northern Water
11. Magalies Water
12. Mhlathuze Water
13. Namaqua Water Board
14. Ncera Farms (Pty) Ltd
15. Onderstepoort Biological Products Limited
16. Overberg Water
17. Passenger Rail Agency of South Africa

18. Pelladrift Water Board
19. Public Investment Corporation Limited
20. Rand Water
21. SA Bureau of Standards
22. Sasria Limited
23. Sedibeng Water
24. Sentech Limited
25. State Diamond Trader
26. Umgeni Water

All subsidiaries of the above national government business enterprises

Part C: Provincial Public Entities

EASTERN CAPE

1. Eastern Cape Appropriate Technology Unit
2. Eastern Cape Arts Council
3. Eastern Cape Gambling and Betting Board
4. Eastern Cape Liquor Board
5. Eastern Cape Parks and Tourism Agency
6. Eastern Cape Rural Development Agency
7. Eastern Cape Socio-Economic Consultative Council
8. Eastern Cape Youth Commission

FREE STATE

1. Free State Gambling and Liquor Authority
2. Free State Investment Promotion Agency
3. Free State Tourism Authority
4. Phakisa Major Sport and Development Corporation

GAUTENG

1. Blue IQ Investment Holdings (Pty) Ltd
2. Gauteng Economic Development Agency

3. Gauteng Enterprise Propeller
4. Gauteng Gambling Board
5. Gauteng Partnership Fund
6. Gauteng Tourism Authority
7. Gautrain Management Agency
8. XHASA ATC Agency

KWA-ZULU NATAL

1. Agri-Business Development Agency
2. Amafa AkwaZulu Natali
3. Dube TradePort Corporation
4. Ezemvelo KwaZulu-Natal Wildlife
5. KwaZulu-Natal Gambling Board
6. KwaZulu-Natal Gaming and Betting Board
7. KwaZulu-Natal House of Traditional Leaders
8. KwaZulu-Natal Liquor Authority
9. KwaZulu-Natal Provincial Planning and Development Commission
10. KwaZulu-Natal Tourism Authority
11. Natal Sharks Board
12. Royal Household Trust
13. Trade and Investment KwaZulu-Natal
14. uMsekeli Municipal Support Services

LIMPOPO

1. Limpopo Appeal Tribunals
2. Limpopo Development Tribunals
3. Limpopo Economic Development Agency
4. Limpopo Gambling Board
5. Limpopo Housing Board
6. Limpopo Liquor Board
7. Limpopo Local Business Centres
8. Limpopo Panel of Mediators

9. Limpopo Planning Commission
10. Limpopo Roads Agency
11. Limpopo Tourism and Parks Board

MPUMALANGA

1. Mpumalanga Gambling Board
2. Mpumalanga Regional Training Trust
3. Mpumalanga Tourism and Parks Board

NORTHERN CAPE

1. Kalahari Kid Corporation
2. Northern Cape Economic Development, Trade and Investment Promotion Agency
3. Northern Cape Gambling Board
4. Northern Cape Liquor Board
5. Northern Cape Tourism Authority

NORTH WEST

1. Invest North West
2. Mmabana Arts, Culture and Sport Foundation
3. North West Eastern Region Entrepreneurial Support Centre
4. North West Gambling Board
5. North West Housing Corporation
6. North West Parks and Tourism Board
7. North West Provincial Aids Council
8. North West Provincial Arts and Culture Council
9. North West Provincial Heritage Resources Authority
10. North West Youth Development Trust

WESTERN CAPE

1. Destination Marketing Organisation
2. Western Cape Commissioner for the Environment

3. Western Cape Cultural Commission
4. Western Cape Gambling and Racing Board
5. Western Cape Investments and Trade Promotion Agency
6. Western Cape Language Committee
7. Western Cape Liquor Authority
8. Western Cape Nature Conservation Board
9. Western Cape Provincial Development Council

All subsidiaries of any of the above provincial public entities

Part D: Provincial Government Business Enterprises

EASTERN CAPE

1. East London Industrial Development Zone Corporation
2. Eastern Cape Development Corporation
3. Mayibuye Transport Corporation

FREE STATE

1. Free State Development Corporation

KWA-ZULU NATAL

1. Cowslip Investments (Pty) Ltd
2. Ithala Development Finance Corporation
3. Mjindi Farming (Pty) Ltd
4. Mpendle-Ntambanana Agricultural Company (Pty) Ltd
5. Richards Bay Industrial Development Zone

LIMPOPO

1. Gateway Airport Authority Limited
2. Limpopo Development Corporation

MPUMALANGA

1. Mpumalanga Agricultural Development Corporation

2. Mpumalanga Economic Growth Agency
3. Mpumalanga Housing Finance Company

NORTH WEST

1. Mafikeng Industrial Development Zone (Pty) Ltd
2. North West Development Corporation
3. Northwest Transport Investments (Pty) Ltd

WESTERN CAPE

1. Casidra (Pty) Ltd

All subsidiaries of any of the above provincial government enterprises

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PREAMBLE

Section 111 of the Municipal Finance Management Act 56 of 2003 requires each Municipality and Municipal entity to adopt and implement a supply chain management policy, which gives effect to the requirements of the Act.

Section 39 of the Rustenburg Municipality Supply Chain Management Policy makes provision for an effective system in order to provide for the setting of inventory levels, placing of orders, receiving and distribution of goods, stores and warehouse management, expediting orders, transport management, vendor performance and contract administration. The registered inventory management function is decentralised within Rustenburg Municipality but operates under the jurisdiction of the Supply Chain Management Unit. The potential for maladministration, misuse and theft of inventory is recognised. Recent audit findings identified loopholes in the consistency of inventory control across the council. This policy will seek to mitigate and inventory (stock) management related risks posed to Rustenburg Municipality.

PURPOSE

(1) To specify guidelines that Rustenburg Municipality staff must follow in the management and control of inventory (stock) items in accordance with all legislation and policies.
(2) To ensure that inventory (stock) items are procured as prescribed within the SCM Policy.
(3) To regulate the control and management of inventory (stock) items so that supply risk to Rustenburg Municipality is minimized.

PROBLEM STATEMENT

(1) There are no guidelines for Rustenburg Municipal staff to follow for the management and control of inventory (stock) items which reinforce inventory management best practice. This resulted in a rise in stock outs; back orders and poor lead time management which have impacted on service delivery.

(2) The legal requirement for the Inventory Management Policy derives from

Legislation

(a) Section 217 (1) of The South African Constitution (1996) provides that when an organ of state in the national, provincial or local sphere of government contracts for goods and services, it must do so in accordance with a system which is fair, equitable, transparent, competitive and cost-effective;

Regulation

(b) Section 39 of the Supply Chain Management Policy for Rustenburg Municipality (2016) provides for an effective system in order to provide for the setting of inventory levels, placing of orders, receiving and distribution of goods, stores and warehouse management, expediting orders, transport management, vendor performance, maintenance and contract administration.

(3) In the formulation of this policy there was consultation with Rustenburg Municipality's departments (e.g. Water and Sanitation, Rustenburg Local Municipality), This policy must be read in conjunction with:

- The *Supply Chain Management Policy for Rustenburg Municipality* for the procurement of all inventory (stock) items;
- The *Information Management Unit's general Archiving and Retention Policy.*

ACRONYMS AND DEFINITIONS (*see Annexure 2)*

POLICY

Institutional responsibility

(1) The accounting officer of Rustenburg Municipality shall :

a) take full responsibility and ensure that there are proper control systems exist for inventory (stock) items.
b) ensure that preventative mechanisms are in place to eliminate theft, losses, wastage and misuse.
c) ensure that inventory (stock) items levels are at optimum and economic levels; and
d) ensure that processes (whether manual or electronic) and procedures are in place for effective, efficient, economical and transparent use of inventory.

Management of Inventory

(1) The Supply Chain Management Unit is responsible for the management of stock items, ensuring proper administration of all stores.
(2) Inventory must be reviewed and routine reconciliations of stock counts and records performed.

Recording of Inventory

(1) All inventory items, including a description of each item, must be recorded in an inventory register, attached hereto as an Annexure A.
(2) In order to maintain updated and complete inventory records, all movement of inventory items must be recorded in the inventory register without delay.
(3) The inventory register must be printed monthly and the hard copy filed in chronological order to maintain a proper audit trail.
(4) Re-order and optimum inventory levels must be documented on the inventory record once they have been determined.
(5) Inventory may be purchased once the predetermined stock level is reached or when a request is received for an item, which is out of stock.

Receipt of Inventory

(1) The quantity and quality of the goods received from suppliers must be according to specifications.
(2) The invoice must match the supplier name and order number, and the VAT number, where applicable, must be clearly marked on the supplier delivery note and invoice.
(3) The stores controller must ensure that-

a) all delivery notes are signed;

b) all incorrect delivery items are rejected and clearly identified on both copies of the delivery note; and
c) the supplier signs all amendments.

(4) All inventory must be received by the completion of a goods received note and processed on the financial management system.

Issuing of Inventory

(1) Only the stores controller is authorised to issue goods from the storeroom;
(2) Stock items may only be issued in terms of the authorised departmental stock requisition form, attached hereto as Annexure B.
(3) The departmental requisition form must be signed by the responsible manager or delegated official.
(4) The requisition form must be ruled off immediately below the last item to prevent items being added after the requisition is authorised.
(5) The stores controller must verify that the inventory items ordered match the requisition form.
(6) The identified official authorised to submit the departmental requisition form and receive the goods must acknowledge receipt of the stock items in writing; and
(7) Stock items must be issued and used for official purposes only.

Storage of Inventory

(1) Stock items must be stored in a secured, exclusive use area, under lock and key, with limited authorised access only, and the responsibility for the custody of the storeroom keys must allocated by the responsible manager or delegated authority to the stores controller, in writing, who is accountable for its use.
(2) All stock items must be stored separately with proper segregation of items.
(3) Stock items must be clearly labeled for easy identification, with stock bin cards identifying each individual item and aiding in the physical verification of the items, provided that the details include the following:

a) catalogue number;
b) item description;
c) unit of measurer;
d) unit of issue;
e) quantity received;
f) quantity issued;
g) re-order level or quantity; and catalogue number;
h) closing stock.

(4) Due diligence and care must be exercised to prevent damage of, or deterioration of stock items.
(5) Due regard must be given to any safety standards, which may apply to the storage of certain stock items.
(6) Steps must be taken to ensure the safe custody of stock items, including precautions against fire, loss or theft.
(7) Whenever a change in the stores Controller occurs, an inventory count must be conducted.

Inventory Count

(1) Stock item must be counted quarterly, to be in line with the interim financial statements' requirements, in addition to the financial year end stock count.

(2) The inventory manager must set a date in advance and notify the responsible officials, together with the stock count instructions.
(3) No stock may be received or issued during the stock count process.
(4) All stock requisitions for the financial year end must be issued well in advance to facilitate the year end stock count.
(5) The stock count must be completed and the relevant reports submitted by the 30th June of each financial year, whereafter stock will only be issued from the first working day of the new financial year.
(6) A comparison must be made between the stock register, bin cards and the physical stock items, and any discrepancies between the physical stock and the stock records must be investigated and reported to the Chief Financial Officer or delegated authority in writing, for the write-off of any stock losses, or the write-up of surpluses, as may be applicable, in terms of the Municipal Finance Management Act (Act 56 of 2003).
(7) A certified stock count report must be submitted to the Senior Manager: Corporate Procurement (SCM) detailing the following:

a) a description, quantity and value of the stock;
b) no movement stock;
c) slow moving stock; and
d) disposal of stock

Obsolete Inventory
(1) The Chief Financial Officer or delegated authority may approve the write-off of stock if he or she is satisfied that-

a) the stock has expired and is redundant;
b) the stock is of a specialised nature and has become out-dated due to the introduction of better and more effective products;
c) the stock cannot be used for the purpose for which it was originally intended; or
d) the stock has been damaged and is rendered useless.

(2) All items disposed of must be updated in the stock records for the purposes of proper management and control.

General
(1) The Inventory Manager and Stores Controller must be appointed in writing.
(2) A stores catalogue must be maintained and updated as required.
(3) Where a contract exists, purchases must be made against the contract, including government transversal contracts.
(4) Where no contract exists, and it's a non-stock item, a purchase requisition must be forwarded to the Purchasing Section of the Supply Chain Management Unit for the invitation of quotations and purchasing of items.
(5) Stock will be retained for frequently used items and critical items that have long lead times.

PROCEDURES AND PROCECESSES
(1) The latest adopted version of this policy document must be available on the iThekunet.
(2) The procedures are described in Annexure 2.

POLICY EVALUATION AND REVIEW
(1) The Inventory Policy will be reviewed annually
(2) To monitor inventory (stock) management operations against adherence to this policy, pragmatic approaches for each policy statement are described in Annexure 3.

EFFECTIVE DATE

(1) This policy comes into effect on date of signature hereof by the Accounting Officer.

ANNEXURE 2.1
PROCEDURES
Receiving of Stock

(1) Management ensures that a suitable receiving area is provided to:
   a) provide delivery access to suppliers;
   b) allow for efficient offloading;
   c) protect goods from the elements;
   d) ensures security of the goods awaiting inspection or binning; and
   e) management also ensures that competent trained and experienced personnel are appointed to operate the Receiving function.

Receiving Goods

(1) Verification of delivery address and order status:
(2) The receiver refers to the supplier's delivery documentation to verify that delivery is to the correct address.
(3) The receiver checks the purchase order details to confirm that the delivery is correct

Consignments delivered to stores

(1)The receiver arranges for the offloading of the goods and verifies that the description and Quantities are in accordance with provisions of the order, and that there is no damage to the consignment.
(2)The receiver signs or endorses the delivery documentation and records details in a register after all relevant documentation have been scrutinized and materials have been physically inspected
(3)The receiver processes the receipt transaction on same day to record deliveries on the JDE System either into unrestricted, quality inspection.
All discrepancies in quantities, quality and delivery dates are treated in accordance with the provisions of this procedure.

Receiving consignments delivered directly to users or collected by users

(1) Users should forward the relevant receiving documentation with signature, unique order Number and any endorsement to the receiving function within one working day of any delivery directly to the stores receiving function.
(2) All materials must as far as possible be delivered to stores function for Quality Inspection and to verify documentation and processing of it on the system.
(3) All discrepancies in quantities, quality and delivery dates are treated in accordance with the provisions of this procedure
(4) The transaction should be processed to record deliveries on the system when the details of the consignment arrive at receiving; and all receiving documentation should be forwarded to the accounts payables.

Receiving consignments collected from suppliers by Stores

(1) The person responsible for collecting the goods identifies himself to the supplier and verifies the details of the items against the order note.
(2) Any discrepancies that cannot be resolved are noted on the delivery documentation before being signed by the supplier and the person responsible for collecting the goods.
(3) When the consignment arrives at receiving, the receiver verifies the description and quantities against the delivery documentation

(4) The transaction is processed to record deliveries on the system and all receiving documentation forwarded to the stores function for reconciliation purposes.
(5) All discrepancies in quantities and quality are treated in accordance with the provisions of this procedure.

Receiving stock returned by Users (MRS- Material Returned to Stores)
(1) A Material Return to Stock (MRS) must accompany all materials returned to stores.
(2) The receiver ensures that the outward quality of the items received is acceptable. (3) The receiver must certify the serviceability of the item on the MRS sheet prior to acceptance into the store and the passing of a credit.
(4) To record returns on the system, a reversal transaction is processed, the documentation must be processed on JDE System

Receiving Stock Transfers
(1) The receiver verifies that the description, quantity and quality are in accordance with the Transfer documentation.
(2) Transfer documentation is being used for Inter Stores Transfers duly arranged and approved by authorized delegated authority.
(3) The original must be presented to the Issuing Store.
(4) A copy of the original document that references the Issuing Transaction will accompany material to receiving Store and record their receiving OT System document number on the copy document.

Receiving of Non-Stock and Assets in Stores
(1)The procedures for the receiving of non-stock items is the same as for stock items.
(3) The receiver ensures that the user signs the goods on collection and that the signed receipts is processed for payment.
(4) For assets, the business units' assets controller must also be informed to ensure that the assets register is updated.

Receiving early deliveries
(1) The receiver must refer all early deliveries to the materials planner (or the users for non-Items stock) for decision whether the consignment should be received or not,
depending on the decision, such consignments are received or returned in accordance with provisions of this procedure.

Receiving late deliveries
(1) For late deliveries, the receiver must verify that the order still exists on the system and if order still exists the consignment should be received in accordance with the provisions of the receiving procedure.
(2) If the order does not exist on the system, the matter must be referred to the Buying department for a decision whether the consignment should be received or not, depending on the decision, such consignments are received or returned in accordance with the Provisions of this procedure (To enable receipt of the order, the buyer must create a new order On the system).

Receiving Partial Deliveries
(1) Partial deliveries are received in accordance with the provisions of this procedure however,
(2) Receiver must ensure that the delivery correct quantity received is captured

Receiving Material when System is Unavailable

(1) The consignment is then received using the prescribed documentation in accordance with the Provisions of this procedure, and
(2) The relevant receiving transactions should be processed immediately when the system becomes available.
(3) If no official purchase order number is referenced on documentation then the materials must be Returned to the Supplier via the delivery note.

Returning of incorrect, damaged or defective materials to Suppliers

(1) Where incorrect, damaged or defective items have been delivered, the receiving documentation is endorsed to reflect the actual quantities received, the quantity returned and the reason why it is being returned (Quality Inspector signature Imperative if applicable to Quality Inspection).
(2) The Transaction should be processed in the system reflecting the quantity accepted and the quantity returned.
(3) All receiving documentation should be forwarded to the Accounts Payable for reconciliation purposes and the Buying Department is capturing in the system.
(4) A Goods Returned / Delivery Note should be completed to serve as proof that the goods have been returned to the supplier.

Receiving of consignment stock (Fuel and Oil)

(1) When fuel is delivered must first take dip readings for all tanks and must ensure that the fuel Tanker reading is set to Zero.
(2) The fuel attendant or designated person must ensure that the fuel is offloaded into the correct tanks.
(3) Delivery note must be signed by the designated person or fuel attendant and forward it to the Storekeeper for processing

Receiving of Over Supplies / Deliveries

(1) Procurement should ensure that limits are determined where applicable and entered onto the System for the acceptance of over-deliveries.
(2) Over-deliveries within present limits should be received in accordance with the provisions of this procedure.
(3) The actual quantity received should be entered into the system when the transaction is processed and all receiving documentation should be forwarded to Accounts Payable
(4) Where the over-delivery is outside the limits determined by procurement the receiver should refer the matter to the Stores Controller or use for a decision whether the over-delivered quantity should be received or not.
(5) If the decision is to accept the over-delivered quantity, the consignment should be received in accordance with the provisions of this procedure. (To enable receipt, the buyer should modify the over-delivery limit for the specific order.)
(6) If the decision is to return the over-delivered quantity, the delivery documentation should be endorsed to reflect the quantity of goods returned.
(7) A Goods Returned / Delivery Note should be completed to serve as proof that the goods have been returned to the supplier.
(8) The goods should then be returned to the supplier.

Receiving of Short Deliveries

(1) A short delivery is when the quantity on the delivery documentation disagrees with the actual quantity tendered for delivery.
(2) The receiver receives all short deliveries in accordance with the provisions of this procedure.
(3) The received documentation should be endorsed to reflect the actual quantities received and processed for payment.

Quality Inspection
(1) The receiver should inspect the outward condition of all items received. Inventory items.
(2) Not requiring quality inspection and items that have been passed by an inspection authority prior to delivery should be moved to the awaiting binning area.
(3) Where specialist inspections are required, the receiver must inform the users or person responsible for the inspection and segregate the goods awaiting inspection.
(4) An approved list of Delegated Signing authorities and Specimen signatures of all Quality Inspectors must be reviewed and updated yearly.

Preparation for Binning
(1) The receiver arranges for all received items to be moved to the awaiting binning area together with the documentation indicating the bin locations.
(2) Non-Stock items should be moved to a separate area and the relevant use requested to collect, for items not binned or collected within 1 working day after quality inspection has been done the relevant binning personnel or users should be urged to remove the material.

Issuing of Stock Required by Users
General Requirements
(1) Management shall ensure that a suitable issuing area is provided at every stores location to:
a) Provide for efficient issuing of goods to end users
b) Ensure security of the goods;
c) Control physical access
d) Control documentation
e) Accommodate goods marshalling
f) Authorize JDE access
g) Control system on Contingency goods issues process

(2) Management shall ensure that competent trained and experienced personnel are appointed to operate the issuing function.

Picking Slip
(1) A picking slip shall be generated by the system at least once a day and printed on a dedicated printer in the issue control area.
(2) The person responsible for the issuing section sorts the slip/ requisition in order of priority.
(3) The information on the slip/ requisition is evaluated to ensure completeness.
(5) For incomplete or partial slip/requisition, the issuing department will reject the document slip/ requisition

Picking of Stock
(1) The issuing Storekeeper refers to the pick slip/requisition to locate the item to be picked.

(2) During picking, attention shall be given to the bin/row location, the item number, the short description and the unit of measure code to ensure that the correct quantity of the correct item is picked.
(3) The actual quantity picked is recorded on the pick slip in words and filled by the issuing storekeeper.
(4) Where inadequate stock is available from the bin due to inaccurate stock records or damaged stock, the picker shall inform the stores controller function of the stock inaccuracy and they shall prompt the Material Planner/ MRP controller to take the appropriate replenishment action appropriate action and investigation to be done by storekeeper via physical inventory process
(5) The goods shall be moved to the counter area where the issuing storekeeper shall check whether the correct quantity of the item has been picked.

Issuing of Stock to Users
(1) The issuer shall request the user to identify him/her and shall refer to the "Recipient" or "text field" provided for information on the document to confirm that the goods are issued to the correct user or delegate.
(2) The use shall verify that the correct quantity of the correct item is issued and shall sign the "Received By" field, including his/her unique number.
(3) The pick slip/requisition shall be forwarded to the stores admin for reconciliation purposes.
(4) Documents shall be processed immediately after picking of material.

Transferring stock between Business Units
(1) Receive transfer document from requesting store.
(2) Check authorization of document and that all relevant details have been entered, before issuing goods.
(3) Write only that quantity which has been issued in the issue column.
(4) Double check all goods issued to ensure that the quantity and item numbers are correct.
(5) Obtain the name, signature and date from the recipient of the goods on the original and copies of the transfer document.
(6) Ensure that the quantity issued agree with the quantities entered onto the computer by the requesting store
(7) Amend quantities (if applicable) before updating the stock on the computer system.
(8) The original document must be filed in the store for record purposes.

Document Control
(1) An acceptable filing system in accordance with our procedures shall be in place. (2) Filing shall be done according to document numbers.
(3) Queries shall be handled by the Chief Storekeeper.
(4) Unresolved queries shall be referred to the Chief Storekeeper.
(5) Documents must be kept for 5 years.

Handling, Storage and Control of Stock
General Requirement
Provision of Resources
(1) Senior Manager should ensure that suitable qualified and experienced personnel are appointed to attend to the effective and efficient handling and binning of stock and to maintain stock accuracy, security and safety standards.

Provision of Storage Facilities (Storekeeper)

(1) Storekeeper should ensure that suitable storage facilities and racking are provided to:
a) protect items against the elements (weather);
b) ensure security of the goods by exercising strict access control;
c) preserve and protect sensitive items such as electronic components, rubber products, flammable liquids and chemicals, and
d) to accommodate easy access and retrieval of goods and commodities.

Provision of Handling Equipment (Storekeeper)
(1) Storekeeper should ensure that suitable handling equipment is available for the different types of materials stocked and that such equipment is properly maintained and only operated by property trained and, where required, accredited personnel.

Manual Material Handling
(1) Employees should be well trained in safe handling techniques of the materials.
(2) Back, arm and should strains and wounds, fractures, or bruises to hands or feet are common injuries.
(3) Common causes of these injuries include improper lifting posture, carrying too heavy load, incorrect gripping, slips and falls etc.

Mechanical Material Handling
(1) Lifting Machines and lifting tackle the OHSACT stipulates that every lifting machine with a lifting capaMunicipality of 75kg or more shall only be operated by an operator specifically trained for and who is in possession of a certificate of training issued by an approved organization for this purpose by the Chief Inspector.
(2) Employees who are not in possession of this certificate should under no circumstances operate such machines.

Hand Signals
(1) Only officially appointed employees who have been trained and authorized
Basic rigging as described in the OHSACT are allowed to give hand signals.

Wire, Chain and Nylon slings and Fittings
(1) Only trained and authorized employees should only perform slinging.
Such slings should be cared for as described in the OHSACT.

Maintaining Safety Standards and Housekeeping-
(1) Storekeeper should ensure that the safety Act and any specific SCN Standards are adhered to at all times and ensuring that any hazardous substances are delivered complete with their MSDS.

Binning Of Stock (Receiving Section)
(1) The Binner collects items from the awaiting binning area and refers to the documentation indicating their bin/storage location and should update a bin/storage location field on JDE.
(2) The Binner should ensure that protective packaging has not been damaged, where provided for preservation.
(3) Where protective packaging has been damaged or has not been provided, the Binner must refer the problem to the person responsible for the receiving function for the necessary corrective action.

(4) Items should be binned and stored in such a way that they are easily accessible and countable, that those items that have been stored for the longest period will be issued first, and that safety standards are maintained.
(5) Specific care should be taken that items are not damaged during handling or binning.
(6) The person responsible for receiving must ensure that hazardous substances received are supplied with a MSDS sheet.

Preservation of Stock (Storekeeper)
(1) The Storekeeper should arrange for a regular visual inspection of the stock to identify any deterioration, or situations that can lead to deterioration.
(2) Where problems are identified, corrective action should be taken on an rgent basis.
(3) The Storekeeper should dispose items that have been damaged to the extent that they cannot be utilized, or where the shelf life has expired.

Handling of Returnable Containers (Receiving Section)
(1) Receiving should be responsible for the implementation of a business unit procedure for the handling of returnable containers.

Storage Conditions for Hazardous Materials
(1) Certain stock materials need special storage conditions.
(2) These areas must be clearly demarcated and managed.
(3) Where required Compliance certificates must be clearly displayed on the doors of the storage areas.
Pictorial Markings
(1) Various self-explanatory pictorial markings can be found on some holders containing material.
(2) It is of paramount importance that stores should adhere to the pictorial markings at all times, as this illustrates the safe handling / storage proposals from vendors e.g. store upright, fragile and keep dry etc.

Stock Verification and Stock Checking
Stock Verification

Inventory Manager
(1) Plans at the beginning of each financial year, after the computer has been updated with the recalculated ABC classification, the scheduled physical counts for the year on the basis of at least:
a) A Items = 4 times a year
b) B Items = once a year
c) C Items = once a year

Verifier
(1) Requests on a regular basis Inventory Count list in accordance with the planned scheduled of items to be counted.
(2) Counts the stock physically and enters all unprocessed document details onto the Count Lists.
(3) Captures the relevant details into the computer.
(4) Recount all items where a discrepancy exists.
(5) Re-capture the physical stock quantity should a miscount / reconciliation be revealed.
(6) Produces via the computer a Discrepancy Report should a discrepancy persist.

(7) Investigates the discrepancy to its fullest extent and should the error not be found, forwards the Discrepancy Report to the Materials Manager.
(8) Reports at the end of each month the actual counts against the planned counts.

Manager
(1) Considers the extent of the discrepancy and if of an insignificant value, signs off discrepancy report and obtains approval of the Director Finance.
(2) Investigate the discrepancy should such discrepancy have a significant value or should there be any doubt as to the reason for the discrepancy.
(3) Report any alleged or suspected malpractice to the Director Finance who should report details to the Executive Director: Corporate Services for the consideration at the Multi Disciplinary Team meeting.
(4) Adjust stock record on the computer.
(5) Ensures that all inventory count lists, discrepancy reports and stock adjustment reports are matched and filed.
(6) Review on a monthly basis all physical counts in comparison with planned counts.

Perpetual Stock Check
Storekeepers
(1) Requests on a monthly basis a computer report which reflects the transactions of a specific store during any day or number of days during the preceding or any particular month.
(2) Reports at the end of each month to the Materials Manager/ Stores Controller the actual counts achieved against the planned counts.
(3) Request a Verifier to verify and update the computer should a discrepancy be found to be significant.

Verification of Input Documents
Manager/ Stores Controller
(1) Request on a monthly basis a computer report which reflects the transactions of a specific store during any day or number of days during the preceding or any particular month.
(2) Arrange for an authorized official to perform an independent check of the transactions against the original copies of the document numbers as recorded.
(3) Ensure that the check has been performed by the official who must sign the report.
(4) Counter signs the report and arranges for filing thereof.
Writing-Off Stock Items
General
(1) "DEAD" and 'EXCESS Stock is reviewed on a regular basis and any obsolete / redundant / Surplus stock is written off provided that adequate funds are available in the budget and no alternative use may be found for the goods in question.

Manager / Respective Authorized Official
(1) Prepare annual write-off budget at the beginning of the financial year end.
(2) Revise on a regular basis in conjunction with the users the "dead" and "excess" stock listings.
(3) Prepare Write-Off Schedule (Proposed).
(4) Obtain write-off authorization from the Director of Finance.
(5) Update the computer with relevant information.
(6) Match the Write-Off Schedule (Proposed) with the Schedule of Items Written Off.

(7) Distributes copies of Schedule of Items Written Off to:
a) Stores Controller
b) Disposal Supervisor.

Stores Official
(1) Removes goods from racks as per Schedule of Items Written-Off and sends to Disposals Section against "X" Delivery Note or for reclamation against MRS if applicable.

Disposals Supervisor
(1) Receives and checks goods against Schedule of Items Written Off for disposal.

Responsibility
(1)The Materials Manager/ Stores Controller is responsible for ensuring that all goods written off are in fact removed from the racks and sent to the respective areas as indicated for disposal.

Introducing an Item into Stock
User
(1) Completes "Application For New Stock Items" form with all the required information. Obtains necessary authorities and forwards to the Stores Controller.

Stores Personnel
(1) Allocates item/commodity number.
(2) Forwards to Purchasing Department.
(3) Advises the user upon receipt of the goods so that he/she can start drawing the stock.

Purchasing Department
(1) Reviews requests.
(2) Ascertains whether items are stocked by other Service Units, where applicable.
(3) Forwards to appointed personnel for capturing onto computer.
(4) Checks Item Master Audit Trail Report against original input document for accuracy of data captured.
(4) Forwards a copy of the application for new stock item to user.
(5) Files completed documents in commodity maintenance file.

Establishing Inventory Categories
Supply Chain Manager
(1) Determines the "ABC" classification for each item based on the computer generated ABC Report and uses discretion in respect of items which are to be phased out or new items with an expected high usage value.
(2) Determines strategic inventory based on input from appropriate Service Unit personnel.

(3) Reassesses "ABC" and "Strategic" items as follows:
a) ABC Groups : Annually
b) Strategic Item : At least every two years
c) Individual Commodities : As the need arises

Tyres – Retread / Repair / Scrap / Claim

General

(1) Tyres in need of retread/repair or scrapping are identified by the Tyre Technician and forwarded to the Storekeeper under cover of the Tyre-Off Report.

Tyre Technician

(1) Assesses the condition of each tyre and decides upon action to be taken.
(2) Prepares and authorizes Tyre-Off Report in duplicate and records the action required.
(3) Forward original copy of the Tyre-Off Report and the tyre to the Storekeeper.
(4) Files second copy of the Tyre-Off Report in numerical sequence.

Storekeeper – Retreads

(1) Reconciles tyres received to Tyre-Off Report and manually records details in Tyre-off Report register.
(2) Complete Tyre Retread/Repair Advice in triplicate (2 + 1 fast copy in pre-numbered book form).
(3) Cross references Tyre-Off Report on the tyre retread/repair advice.
(4) Arrange for collection of tyres by supplier and hands supplier original copy of Tyre Retread/Repair Advice after having obtained signature for upliftment.
(5) Retains second copy of Tyre Retread/Repair Advice with Tyre-Off Reports.
(6) Receive retread tyres from supplier and sign Delivery Note/Invoice.
(7) Matches tyres received against Delivery Note/Invoice and second copy of Tyre Retread/Repair Advice.
(7) Inserts stock codes on Delivery Note/Invoice.
(8) Prepare tyre schedule (in duplicate) and forward original to Purchasing for purchase creation and files second in date sequence.
(9) Perform receipt function and bins tyres in accordance with Policies and Procedures (Receiving Material).
(10)Cross references order number and Delivery Note/invoice details on Retread Advice (second copy) and attaches same to fast copy in book.
(11) Attaches original copy of Tyre-Off Report to Delivery Note/Invoice and gold and forwards to Accounts Section for payment processing.

Storekeeper – Repair

(1) Performs functions as per Storekeeper Retreads (in respect of repairs).
(2) Completes Emergency Order/Non Stock Requisition/Service Order in favour of supplier to cover repair cost in accordance with Policies and procedures (Emergency Order System).
(3) Makes out costing transfer reflecting DBDSS account numbers in duplicate.
(4) Makes out Material Returned to Stores (MRS) in triplicate (2 + 1 Fast) reflecting tyre repair account number details.
(5) Captures MRS and bins tyres.
(6) Cross references order number and Delivery Note/Invoice details on Retread/Repair Advice (second copy) and attaches same to Fast copy in book.
(7) Attaches costing transfer, original copy of MRS, Delivery Note/Invoice and original copy of Tyre-Off Report to gold copy of order and forwards to Account Section for payment processing.
(8) Attaches second copy of MRS and Costing Transfer to green copy of Emergency Order and files in order number sequence.

Storekeeper – Scrap Tyres

(1) Receives scrap tyres from tyre technician together with original copy of Tyre-off Report which clearly states scrap.
(2) Completes Goods for Disposal (GFD) document
(3) Arranges for upliftment of scrap tyres by supplier after ensuring that side walls are cut to prevent re-use.
(4) Prepares Gate pass/Delivery note in duplicate/triplicate.
(5) Obtains signature from supplier on GFD and Gate pass/Delivery Note to supplier.
(6) Attaches original copy of Tyre –Off Report to first copy of GFD document and files the GFD in numerical sequence.
(7) Receives gate pass/delivery note from Gate Controller and files with fast copy.

Storekeeper – Claims
(1) Completes tyre claim in triplicate
(2) Forwards tyre under claim to supplier together with original copy of tyre claim form after obtaining signature for uplifted tyre.
(3) Attaches original copy of Tyre-Off Report to second copy of tyre claim form and files in tyre claim form number sequence.
(4) Records on second copy of Tyre Claim form details in respect of Claim Acceptance (Credit Note Number, Value, etc) / Rejection.
(5) Attaches Credit Note to Claim Form and forwards to Account Payable.
(6) Performs follow up function on outstanding claims weekly.
(7) Takes appropriate action dependant on supplier notification received in terms of point 4 of the Storekeeper Claims functions above.

Senior Storekeeper
(1) Performs periodic random checks to ensure controls are in place in respect of scrap tyres.
(2) Signs and dates GFD as proof of the above check.

Tyre Store: Issuing & Receiving Tyres Sent For Retread or Repair
General
(1) Tyres in need of retread/repair or scrapping are identified by the tyre technician Scrapped tyres are recorded on the scrap tyre report and covered by a Goods for Disposals document.
(2) Tyres in need of repair/retread are recorded on the tyre of slip and sent to the vendor by Storekeeper.

Tyre Technician
(1) Send tyres in need of retread or repair to the storekeeper together with the tyre off slip.

Storekeeper
(1) Receives tyres with the tyre off slips and completes tyre retread/repair advice in triplicate.
(2) Cross references tyre off slips to tyre retread/repair advice.
(3) Arrange collection of tyres by vendor and hands original copy of advise after having obtained signature for uplifted foods.
(4) Receive retread/repair tyres from vendor and sign delivery note.
(5) Prepare tyre schedule for purchase order creation.
    a) Perform receipt function.
    b) File documents

(6)Prepare scrap report and document for Disposals Section ensuring cross reference of tyre retread/repair advise to goods for Disposal document.

SCM POLICY

POLICY REVIEW MANAGEMENT INFORMATION			
NAME & SURNAME	**DESIGNATION**	**SIGNATURE**	**DATE**
Patrick Masumbuka	Acting Unit Manager SCM		30/03/2017
Paul Malatsi	Acting Chief Financial Officer		30/03/2017
Lucky Molotsane	Head Legal Unit		30/03/2017
Tshenolo Lefutswe	Acting Municipal Manager		30/3/2017

C8

RUSTENBURG LOCAL MUNICIPALITY

TRAVELLING AND SUBSISTANCE ALLOWANCE POLICY

RUSTENBURG LOCAL MUNICIPALITY

POLICY: TRAVELLING AND SUBSISTANCE ALLOWANCE AND ATTENDANCE OF CONFERENCE, WORKSHOPS AND MEETINGS FOR EMPLOYEES AND COUNCILLORS

1. INTRODUCTION

To ensure the proper administration of all regulations regarding travelling and subsistence for employees, full-time and part time Councilors as well as their attendance of conferences, workshops and meetings, the formulation and upkeeping of a comprehensive policy is essential.

2. DEFINITIONS

"delegate"	Include any Employee who is delegated by the Council to attend seminars and congress, or who is delegated by the Municipal Manager to attend meetings, workshops and work outside the municipal area. Any Councilor nominated by the Council and / or Executive Mayor as representative on public bodies and delegated to attend meetings, congresses and some other functions.
"official transport"	vehicles of the Rustenburg Local Municipality, regarded as suitable by the Municipal Manager for the circumstances and trip to be undertaken.
"per night"	when staying overnight.

3. AIM OF THE TRAVELLING AND SUBSISTANCE ALLOWANCE AND ATTENDANCE OF CONFERENCES, WORKSHOPS AND MEETINGS POLICY FOR EMPLOYEES.

The aim of the policy is to create an organized and effective framework to enable Employees and Councilors to attend official business of the Council, and to cover reasonable expenses therefore, by paying the relevant travelling- and subsistence allowances, within specifically approved stipulations.

4. SPECIFICATION OF THE POLICY

By formulating a policy for travelling and subsistence allowances, and the attendance of conferences, workshops and meetings for Employees and Councilors, the Council aims at the following targets:

4.1 To establish a fixed base for the travelling and subsistence arrangements of employees.
4.2 To accommodate the unique travelling and subsistence needs of employees.
4.3 To lay down a policy on the usage of all official vehicles as well as vehicles in terms of the transport allowance scheme for purposes as stated in this policy.
4.4 To establish a fixed framework for the attendance of official meeting, congresses, seminars, external training sessions and workshops outside the jurisdictional area of the Rustenburg Local Municipality.

5. UP KEEP OF POLICY

Adjustments to the policy shall take place under the following circumstances:

5.1 Should the Council's approach to the policy change.
5.2 Should new legislation by means of laws, ordinances and / or regulations require adjustments to the policy.
5.3 When adjustments to the inflation rate necessitate adjustments to the tariffs, which should be considered annually with income-/expenditure budget.

6. ATTENDANCE OF CONGRESSES, SEMINARS AND WORKSHOPS

6.1 Attached is a list of the Associations and Institutes, which congresses and seminars are attended by delegates of the Council, as will be amended in accordance with guidelines from SALGA and in addition the Executive Mayor may be invited from time to time to become a member of other institutions, organizations, etc

6.2 Delegates

6.2.1 Municipal Manager

Although the Municipal Manager has to attend certain congresses/seminars either officially or as a member, he may also attend other congresses/seminars, and should indicate during the budget-meeting which congresses /seminars he intends to attend, for approval by the Council.

6.2.2 Councilors

The general provision for Councilors, individual Directors must provide on their budgets for Councilors in their Directorates, to attend specific conferences, seminars, workshops and meetings, relevant to the duties of each Directorate, on a separate vote number.

After the delegates have been assigned, Councilors may, due to unique personal circumstances, change assignments. In such cases, the Municipal Manager and the Executive Mayor shall be informed of the change.

6.2.3 Functionaries

The Municipal Manager and Political Head and Director concerned shall resolve on the employee delegation to attend a specific congress / seminar and that the functionaries be rotated to enhance capacity building.

6.2.4 Executive members of Institutes

It may occur that employees are selected to serve on the Executive Committees of Institutions. As this is a special privilege for the employee concerned, and the public image of the Council is extended at the same time, such an employee will, regardless of his salary level, also be delegated to attend a specific congress/ seminar, provided that he is not already a Director of a Directorate or functionary, subject thereto that any employee delegation is limited to two employees is limited to two employees (including the Director of the Directorate).

Employees who are elected on the executive committees of institutes should be free to attend the meetings of the institute concerned, provided that travelling and subsistence allowance and special leave with remuneration be limited to one institute only.

6.2.5 SALGA North West Workgroups

In case where Employees and Councilors serve on any advisory / technical committee of SALGA, permission is granted to attend one- or more than one day workshops, or advisory / technical committee meetings,provided that such delegations be limited to two persons.

7. SUBSISTENCE TO EMPLOYEES AND COUNCILORS

7.1 If an Employee or Counciloris delegated to attend a seminar/meeting- or have to work outside the area of the Rustenburg
Local Municipality, the subsistence as in 7.1.2.1 is payable, subject to the conditions as specified below:

7.1.1Seminars/meetings and work outside the municipal area

a. All invitations shall be judged to determine usefulness to the Council, and accreditation by SALGA to Local Government.

b. Employees must be delegated by the Director concerned to attend seminars.

c. Councilors must be delegated by the Executive Mayor or Council to attend meetings, congresses, seminars and other functions, and if delegated by the Executive Mayor, a report shall be submitted to Council afterwards.

d. The Managers in the executive offices of the Council are authorized to approve applications of Councilors for a one day visit or stay overnight where official meetings are scheduled for two consecutive days and the circumstances are of such nature that they have to stay overnight.

e. The Municipal Manager is authorized to approve for Councilors to stay overnight for a period of more than two consecutive days, provided that such applications are accompanied by Financial Comments from BTO confirming availability of funds.

f. Employees must be delegated by the Municipal Manager to attend workshops, meetings and also work outside the municipal area, as follows:

g. Where work has to be done outside the municipal area, excluding the following: Inspections during working hours, work with regard to the electricity supply network, water supply network or work done on property of the Council, health inspections at dairies and dairy-farms, fire- and ambulance services and duties of the Driver / Security Officer of the Executive Mayor, for trips outside the area of Rustenburg Local Municipality, as done with the scope of the daily operational duties.

7.1.2(a) The Director is authorized to approve applications of officials to stay overnight where meetings are scheduled for two consecutive days and the circumstances are of such nature that they have to stay overnight, provided that such applications are accompanied by Financial Comments from BTO confirming availability of funds.

7.1.2(b) The Municipal Manager is authorized to approve for officials to stay overnight for a period of more than two consecutive days, provided that such applications are accompanied by Financial Comments from BTO confirming availability of funds.

7.1.2.1 When staying overnight for seminars/meetings:

a. If it is approved for a delegate to sleep over, an allowance of R196.00 per night (for no booked accommodation) shall be payable, if the delegate does not use hotel accommodation. If hotel accommodation is used (booked accommodation), the actual cost of the accommodation will be payable, to a maximum of R 1 300.00/night (inclusive of dinner, breakfast and parking). The delegate shall submit an inclusive quotation, as provided by the hotel, to the Budget and Treasury Office and the cheque will be made payable to the hotel.

Council may only approve accommodation that exceed R1300

- during peak holiday periods

- when South Africa is hosting an event in the country or in a particular geographical area that results in an abnormal increase in the number of local and/or international guests in the country or in that particularly geographical area.

In the event where the available accommodation is more expensive, the Municipal Manager, in consultation with the Executive Mayor, should reconsider a higher amount.

b. Incidental costs that are in line with SARS determination shall be payable to a delegate where the delegate is absent from his /her usual place of residence.

c. If a delegate has supper while staying overnight when attending a congress, seminar, meeting, course or workshop, the voucher for the meal may be claimed to the maximum of SARS determination, on condition that delegates submit documentary proof of actual expenditure.

d. Overnight accommodation must be limited to instances where the distance by road exceeds 500 kilometers to and from the destination (return journey).

e. For purposes of calculating the starting time of the proceedings of a congress or meeting, the meeting of the delegate shall be seen as part of the congress- or meeting-procedure.

f. For calculation of the travelling –time, the forward journey is considered to take place on the day of the commencement of the proceedings. If however, the availability of petrol, the normal estimated travelling time (also of employees from remote areas), the additional time for booking-in at accommodation, parking, plus time for registration at the congress or meeting, should necessitate departure from home before 06:00, the Municipal Manager shall take these aspects into account and may approve earlier departure, authorizing the trip to start on such days or days as deemed necessary by the Municipal Manager, with due consideration of 7.1.2.1(h).

g. In case of return-trips, 18:00 is taken to be a reasonable time to be back home, taking into account the available of transport to the home of the delegate concerned, at the said time, with due consideration of 7.1.2.1(h).

h. The Municipal Manager may grant approval to delegates from remote areas to stay over in Rustenburg the night prior to departure at 06:00, or the night of arrival back in Rustenburg at 18:00, if transport from- and to their homes are not available.

i. Secure parking at hotels, parking garages as well as Toll-fees will be reimbursed over and above the incidental costs payable per day, provided that documentary proof of the actual expenditure is submitted.

7.1.2.2 When staying overnight for work outside municipal area

a. When a delegate/ employee has to stay overnight when involved in Council work outside the municipal area and sleeping facilities are available for free, incidental costs as per SARS determination per day or part of a day is payable.

b. When an employee has to stay overnight when involved in Council work outside municipal area and sleeping facilities for free are not available, an amount as determined in 7.1.2.3 shall be applicable.

7.1.2.3 When staying overnight for courses or training:

a. If it is approved for an employee to sleep over, an allowance in accordance with the actual expenditure shall be payable provided that R500.00 per night not be exceeded.

b. Incidental costs that are in line with SARS determination shall be payable to a delegate where the delegate is absent from his /her usual place of residence.

c. If an employee has supper while staying overnight when attending a course or workshop, the voucher for the meal may be claimed to the maximum of SARS determination, on condition that delegate submit documentary proof of actual expenditure.

d. Overnight accommodation must be limited to instances where the distance by road exceeds 500 kilometers to and from the destination (return journey).

e. Incidental costs that are in line with SARS determination shall be payable to a delegate sent for training, if they are accommodated where no meals are supplied over week-ends. Should all meals be provided with the accommodation, no incidental costs will be payable.

f. Secure parking at hotels, parking garages as well as Toll-fees will be reimbursed over and above over and above the incidental costs payable per day, provided that documentary proof of the actual expenditure is submitted.

7.1.2.4 When not staying overnight

a. Any delegate who attend a one-day congress, seminar, course, meeting or workshop outside the area of the Rustenburg Local Municipality, (except those mentioned in paragraph 7.1.2.4 (c) and (d), or is outside the area of the Rustenburg Local Municipality for work purposes (except those mentioned in paragraph 7.1.1 (d) and 8.2), may claim his/her incidental costs per day.

b. The purpose of the incidental costs is only to compensate employees who are not at their office or workplace during their normal lunch break.

c. In respect of meetings, ad hoc visits, etc. in terms of which a delegate has been instructed by SALGA and other institutions on its behalf, they shall be responsible for such travelling and subsistence allowance, according to their policy.

d. Where an organization other than the Council pays a sitting allowance, no day allowance as determined in clause 7.1.2.4 (a) supra, will be payable.

7.1.3 Applicants invited to attend interviews

7.1.3.1 Incidental costs is payable to applicants from outside the jurisdictional area of the Rustenburg Local Municipality. If it is necessary to stay overnight due to certain circumstances, the Municipal Manager may approve an amount of R 500.00 per person per night.

7.1.3.2 Should applicants attend interviews for posts in Rustenburg on invitation, an amount equal to the AA-tariffs as amended from time to time to a maximum engine capacity of 3000 cm^3 shall be payable, for running costs.

7.1.3.3 If proof of toll paid is submitted, the amount will be refunded.

7.1.3.4 An amount of the AA – tariff of a leaded running cost for a vehicle with engine capacity of 1800cm^3 - 2000 cm^3 shall be payable to interviewees.

8. TRAVELLING ALLOWANCE PAYABLE TO EMPLOYEES/ COUNCILORS OF THE COUNCIL

8.1 If employees or councilors are delegated or if they pay visits outside the municipal area, the following travelling allowance
is payable, subject to the conditions as stated below:

a. If official transport is provided, the petrol, oil and other specific costs of the official vehicle concerned will be refunded, subject thereto that the necessary documentation is submitted.

b. If an employee or councilor uses a private vehicle, excluding a transport allowance scheme vehicle, compensation will be refunded in accordance with the AA-tables, as amended from time to time, and applicable on an annual distance of 30 000 km for fixed costs, and a maximum engine capacity of 3 000 cc, for running costs.

(i) **Fixed cost:**

An amount per kilometer, as indicated on the AA-tables for vehicles that travel an annual distance of 30 000 km, based on the purchase price of the vehicle used (Refer to Auto Dealers Digest), to a maximum amount of 100% of the employee's annual salary, plus

(ii) Running cost per kilometer, based on the engine cubic capacity of the vehicle concerned, with a maximum of 3 000 cm^3, as indicated in the AA-tables, as may be amended from time to time.

c. If a transport allowance scheme vehicle is used, the running cost is payable in accordance with the AA-tables, as may be amended from time to time, as follows:

Engine capacity of the vehicle concerned, to a maximum engine capacity of 3 000 cc.

d. If travelling by train, the price of a first class train ticket is payable.

e. If travelling by air, when economic class is not available a business class ticket may be bought, subject to it being approved b the Municipal Manager beforehand. Travelling cost to the nearest airport in accordance with this resolution as stipulated by the Municipal Manager, also including parking fees, bus tickets between the airport and accommodation, as well as freight, if necessary, in regard of which satisfactory written proof shall be submitted, is payable. No connection or transfer flights from Sun City to Johannesburg International Airport will be considered.

f. If travelling by luxury bus, the cost of a return-ticket is payable.

g. If proof of toll paid, as well as parking fees are submitted, the amount will be refunded.

The following reservations are applicable to the above-mentioned conditions:

8.2 Notwithstanding any stipulation included in the Policy, trips outside the area of the Rustenburg Local Municipality shall be considered as trips within municipal area in the following instances:

If work is being done in regard of:

a. The rural electricity network, within the supply-area of the Council.

b. Water supply network within the supply-area of the Council and the Bospoort Water-Scheme.

c. Any other property of the Council within the areas as mentioned in (a) and (b) above.

d. Inspection of dairies and dairy- farms.

e. Duties of the Driver / Security Officer of the Mayor for trips outside the area of the Rustenburg Local Municipality.

f. Fire and Ambulance Services.

9. <u>Accountability</u>

9.1 If any employee or councilor is delegated to attend a seminar/meeting/workshop and has received the necessary allowances and is prevented from attending, due to whatever circumstances, after the matter has been assessed, all monies shall be paid back immediately. Failing this, the monies shall be deducted from the monthly salary of the employee or councilor concerned. If this is not done, discipline will proceed, after the matter has been assessed. This expenditure will be classified as fruitless expenditure.

9.2 Delegates / representatives to any conference, workshop or meeting must ensure that they arrive on time and attend until the conclusion of such event, failing which the Council will take the necessary steps to recover all expenses incurred by an association, or by the Council, to enable such delegate / representative

to attend, provided that such delegate / representative be afforded the opportunity to submit reasons for not being able to be present from commencement to conclusion of such an event.

10. VISIT ABROAD

10.1 Applications for official trips abroad are handled in terms of the attached guidelines of the Department of Foreign Affairs for Local Government Officials, as provided by SALGA and guidelines from the Office of the MEC (circular attached).

10.2 Incidental Costs during visits abroad will be in line with the SARS determination, or as recommended by SALGA, whichever is greater.

11. USE OF OFFICIAL VEHICLES

This part of the policy deals mainly with the use of official vehicles outside the municipal area, but when applying this paragraph, the stipulations as stated in paragraph 8.2 shall be taken into account as well.

11.1 Outside trips undertaken by employees participating in the Transport Scheme.

A Transport Allowance Scheme vehicle must be used, and the employee concerned must be compensated in accordance with paragraph 8.1 (c), regardless of the approved fixed kilometers per month applicable to the position.

11.2 Outside trips undertaken by employees other than those mentioned in paragraph 11.1.

11.2.1 If employees other than those mentioned in paragraph 11.1 undertake trips outside the municipal area, official transport shall be used.

11.2.2 If no official is available, employees making use of their private vehicles shall be compensated in accordance with paragraph 8.1 (b).

12. HIRING OF VEHICLES AND FLIGHTS

Should an employee have to attend a seminar/congress/meeting as a delegate of the Council, and travels by air, train or bus to the destination, a vehicle may be hired from an acknowledged vehicle hire company for official journeys regarding the seminar/congress/meeting, subject to the following conditions:

a. The cylinder capacity of the vehicle may not exceed 1 600cm^3.

b. If there are more than four delegates, two vehicles or a microbus may be hired.

c. If a microbus is hired, the cylinder capacity may exceed 1 600 cm^3.

d. Delegates may use the hired vehicle for private journeys in the vicinity of the seminar. A log sheet shall be kept for all journeys with the hired vehicle. Private journeys exceeding the free kilometers/day as provided by the hiring company, will be for the account of the delegate hiring the vehicle.

e. Economy class tickets may only be purchased for flights of 5 hours or less.

f. The Municipal Manager may approve business class travel for employees with disabilities or for those with special needs.

g. All accounts for hire vehicles shall be certified as correct by the delegate hiring the vehicle before submitting it to the Budget and Treasury Office.

h. Arrangements which cannot be accommodated by this paragraph (Hiring of Vehicles) can be authorized by the Municipal Manager.

13. RESPONSIBILITY OF THE MUNICIPAL MANAGER

The Municipal Manager accepts responsibility to apply travel and subsistence arrangements and the attendance of Conferences, Workshops and meetings in terms of the stipulations of the policy.

14. RESPONSIBILITY OF THE DIRECTORS

The Directors and Managers in the Executive Offices recognize and accept the responsibility to see to it that recommendations to the Municipal Manager around travel and subsistence arrangements and the attendance of Conferences, Workshops and Meetings shall comply with all stipulations of this policy.

15. FORMS

15.1 General travel and subsistence arrangements

When applying for travel and subsistence allowances and arrangements, the attached form shall be completed in full, for visits outside the Municipal area. For visits within the Municipal area with an official vehicle, the specific attached form (Application for use of an Official Vehicle) shall be completed in full.

16. CONTROL MEASURES

16.1 Approval of journeys undertaken in terms of this policy, is as follows:

16.1.1 Congress / Seminars / Meetings / Work

Municipal Manager and Officials

Delegates to be determined by means of this policy.

16.1.2 Journeys outside the municipal area:

The Director is authorized to approve applications of officials to stay overnight where meetings are scheduled for two consecutive days and the circumstances are of such nature that they have to stay overnight , provided that such applications are accompanied by Financial Comments from BTO confirming availability of funds.

The Municipal Manager is authorized to approve for officials to stay overnight for a period of more than two consecutive days, provided that such applications are accompanied by Financial Comments from BTO confirming availability of funds.
The Managers in the executive offices of the Council are authorized to approve applications of Councilors for a one day visit or stay overnight where official meetings are scheduled for two consecutive days and the circumstances are of such nature that they have to stay overnight.

16.1.2.2 Other Officials

Applications for journeys outside the municipal area for day visits only to be approved by the applicable Director or Managers in the Executive Offices subject to availability of funds.

16.2Availability of Funds

Directors and Managers in the Executive Offices shall see to it that sufficient funds be provided annually for the purpose of this policy. Where there are insufficient funds due to unforeseen circumstances, a veriment or adjustment should be done, in order to make funds available.

17. RESPONSIBILITY FOR THE UP KEEP POLICY

The responsibility for the administrative up keep of the policy is as follows:

Adjustments to tariffs:	Director: Finance
Other adjustments:	Director: Corporate Support Services

RUSTENBUG LOCAL MUNICIPALITY
LIST OF ASSOCIATIONS AND INSTITUTES

The following associations and institutes qualify for delegations from the Council to attend their Congress, Seminars and Annual General Meetings:

Directorate: Corporate Support Services
The South African Institute for Local Government Management.
Southern African Institute of Management Services.
Institute of Municipal Personnel Practitioners of South Africa.
National Occupational and Safety Association.

Director: Public Safety
Institute of Traffic Officers of Southern Africa.
South African Fire Services Institute.
South African Institute of License Officers.
Emergency and Disaster Management Association of Southern Africa.
North West Traffic Control Coordination Committee (Provincial).
Crime Prevention and Liaison Committee.
Working Group on the Road Transport Quality System (National).
National Traffic Control Coordinating Committee.
S.A. Road Federation.

Directorate: Infrastructure Development and Management
Institute of Municipal Engineers of Southern Africa.
Institute of Civil Engineers.
Institute of Solid Water Management.
Water Institute of South Africa.
Association of Municipal Electricity Undertakings (Southern Africa).
South African National Committee on Illumination.

Directorate: Community Development
Institute of Environmental Health.
South African Institute for Librarian and Information Science.
IMASA.
IERM (Institute of Environmental and Recreation Management).
South African Horticultural Affiliated Services Association.
South African Landscaping Institution.
South African Nursery Association.
Interior Plants capers Association.
Fertilizer Society of South Africa.
SAIEH (South African Institute of Environmental Health, Inclusive of 12 Professional Boards).
HPCSA (Health Professions Council of South Africa).
South African Nursing Council (Individual membership affiliation).

Directorate: Planning and Development
Institute of Environment and Recreation Management.
South African Institute of Town and Regional Planners.

Directorate: Finance
Institute of Municipal Finance Officers.

IMFO	(Institute of Municipal Finance Officers)
SARPA	(SA Revenue Protection Association).
SALGA	(Provincial and National).
GOVERNMENT	(All Provincial and National Government Departments related to Local Government Activities).
USER GROUP	(Workgroup w.r.t. Supplier of Financial system).

General
SALGA NORTH WEST
Technical Committees of SALAGA North-West.

SALGA
Bargaining Council.
Intergovernmental Management Forum which is established in terms of section 41 of the Constitution.

Office of the Municipal Manager.
Institute of the Internal Auditors (IIA).

TRAVELLING AND SUBSISTANCE POLICY

POLICY REVIEW MANAGEMENT INFORMATION			
NAME & SURNAME	**DESIGNATION**	**SIGNATURE**	**DATE**
Thabo Modisane	Acting Unit Manager FMS		30/03/17
Paul Malatsi	Acting Chief Financial Officer		30/03/2017
Lucky Molotsane	Head Legal Unit		30/3/2017
Tshenolo Lefutswe	Acting Municipal Manager		30/3/2017

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RUSTENBURG LOCAL MUNICIPALITY

Budget Policy

RUSTENBURG LOCAL MUNICIPALITY
Budget Policy

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DEFINITIONS

"Allocation", means-
(a) a municipality's share of the local government's equitable share referred to in section 214(1) (a) of the Constitution;
(b) an allocation of money to a municipality in terms of section 214(1) (c) of the Constitution;
(c) an allocation of money to a municipality in terms of a provincial budget; or
(d) any other allocation of money to a municipality by an organ of state, including by another municipality, otherwise than in compliance with a commercial or other business transaction;

"aggregated expense and aggregated revenue ", means- the total income and/or expense which has been adjusted to remove distorting factors which are generally contra entries and are ad hoc, once off. or outside of the control of the Municipality. These include but are not limited to Xstrata's electricity, housing, internal charges, 'below the line' items, the 2010 stadium and other relevant ad hoc items.

"Annual Division of Revenue Act" means the Act of Parliament, which must be enacted annually in terms of section 214 (1) of the Constitution;

"Approved budget," means an annual budget-
(a) approved by a municipal council, or
(b) includes such an annual budget as revised by an adjustments budget in terms of section 28 of the MFMA;

"Basic Municipal Service" means a municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety or the environment;

"Budget-related Policy" means a policy of a municipality affecting or affected by the annual budget of the municipality, including-
(a) the tariffs policy, which the municipality must adopt in terms of section 74 of the Municipal Systems Act;
(b) the rates policy which the municipality must adopt in terms of legislation regulating municipal property rates; or
(c) the credit control and debt collection policy, which the municipality must adopt in terms of section 96 of the Municipal Systems Act;

"Budget transfer" means transfer of funding within a function / vote.

"Budget Year" means the financial year of the municipality for which an annual budget is to be approved in terms of section 16(1) of the MFMA;

"chief financial officer" means a person designated in terms of section 80(2) (a) of the MFMA;

"councillor" means a member of a municipal council;

"creditor", means a person to whom money is owed by the municipality;

"current year" means the financial year, which has already commenced, but not yet ended;

"delegation", in relation to a duty or power, includes an instruction or request to perform or to assist in performing the duty and which must be in writing;

"financial recovery plan" means a plan prepared in terms of section 141 of the MFMA

"financial statements", means statements consisting of at least-
(a) a statement of financial position;
(b) a statement of financial performance;
(c) a cash-flow statement;
(d) any other statements that may be prescribed; and
(e) any notes to these statements;

"financial year" means a twelve months period commencing on 1 July and ending on 30 June each year

"financing agreement" includes any loan agreement, lease, and installment purchase contract or hire purchase arrangement under which a municipality undertakes to repay a long-term debt over a period of time;

"fruitless and wasteful expenditure" means expenditure that was made in vain and would have been avoided had reasonable care been exercised;

"irregular expenditure", means-
(a) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the MFMA Act, and which has not been condoned in terms of section 170 of the MFMA;
(b) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the Municipal Systems Act, and which has not been condoned in terms of that Act;
(c) expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Public Office-Bearers Act, 1998 (Act No. 20 of 1998); or
(d) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality or entity or any of the municipality's by-laws giving effect to such policy, and which has not been condoned in terms of such policy or by-law, but excludes expenditure by a municipality which falls within the definition of "unauthorized expenditure";

"investment", in relation to funds of a municipality, means-
(a) the placing on deposit of funds of a municipality with a financial institution; or
(b) the acquisition of assets with funds of a municipality not immediately required, with the primary aim of preserving those funds;

"lender", means a person who provides debt finance to a municipality;

"local community" has the meaning assigned to it in section 1 of the Municipal Systems Act;

"Municipal Structures Act" means the Local Government; Municipal Structures Act, 1998 (Act No. 117 of 1998);

"Municipal Systems Act" means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

"long-term debt" means debt repayable over a period exceeding one year;

"executive mayor" means the councillor elected as the executive mayor of the municipality in terms of section 55 of the Municipal Structures Act;

"municipal council" or "council" means the council of a municipality referred to in section 18 of the Municipal Structures Act;

"municipal debt instrument" means any note, bond, debenture or other evidence of indebtedness issued by a municipality, including dematerialized or electronic evidence of indebtedness intended to be used in trade;

"municipal entity" has the meaning assigned to it in section 1 of the Municipal Systems Act (refer to the MSA for definition);

"municipality"-
(a) when referred to as a corporate body, means a municipality as described in section 2 of the Municipal Systems Act; or
(b) when referred to as a geographic area, means a municipal area determined in terms of the Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998);

"accounting officer" means a person appointed in terms of section 82(I) (a) or (b) of the Municipal Structures Act;

"municipal service" has the meaning assigned to it in section 1 of the Municipal Systems Act (refer to the MSA for definition);

"municipal tariff" means a tariff for services which a municipality may set for the provision of a service to the local community, and includes a surcharge on such tariff;

"municipal tax" means property rates or other taxes, levies or duties that a municipality may impose.

"National Treasury" means the National Treasury established by section 5 of the Public Finance Management Act;

"official", means-
(a) an employee of a municipality or municipal entity;
(b) a person seconded to a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity; or
(c) a person contracted by a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity otherwise than as an employee;

"operating capital"- means
the cash funds required to cater for at least two months operating capital requirements and includes payment of creditors and provision for timing differences in payment of major electricity accounts

"overspending"-
(a) means causing the operational or capital expenditure incurred by the municipality during a financial year to exceed the total amount appropriated in that year's budget for its operational or capital expenditure, as the case may be;
(b) in relation to a vote, means causing expenditure under the vote to exceed the amount appropriated for that vote; or
(c) in relation to expenditure under section 26 of the MFMA, means causing expenditure under that section to exceed the limits allowed in subsection (5) of this section;

"past financial year" means the financial year preceding the current year; "quarter" means any

of the following periods in a financial year:

(a) 1 July to 30 September;
(b) 1 October to 31 December;
(c) 1 January to 31 March; or
(d) 1 April to 30 June;

"service delivery and budget implementation plan" means a detailed plan approved by the executive mayor of a municipality in terms of section 53(l)(c)(ii) of the MFMA for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate-
(a) projections for each month of-
(i) revenue to be collected, by source; and
(ii) operational and capital expenditure, by vote;
(b) service delivery targets and performance indicators for each quarter; and
(c) any other matters that may be prescribed, and includes any revisions of such plan by the executive mayor in terms of section 54(l) (c) of the MFMA;

"short-term debt" means debt repayable over a period not exceeding one year;

"standards of generally recognized accounting practice," means an accounting practice complying with standards applicable to municipalities or municipal entities as determined by the Accounting Standards Board

"unauthorized expenditure", means any expenditure incurred by a municipality otherwise than in accordance with section 15 or 11(3) of the MFMA, and includes-

(a) overspending of the total amount appropriated in the municipality's approved budget;
(b) overspending of the total amount appropriated for a vote in the approved budget;
(c) expenditure from a vote unrelated to the department or functional area covered by the vote;
(d) expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;
(e) spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of "allocation" otherwise than in accordance with any conditions of the allocation; or
(f) a grant by the municipality otherwise than in accordance with the MFMA;

"budget transfer" means the transfer of funds between line items within a vote of the operating budget

"vote" means-
(a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different directorates or functional areas of the municipality; and
(b) which specifies the total amount that is appropriated for the purposes of the directorate or functional area concerned.
"same category of expenditure" means –
(a) having the same item number or description e.g." item number 044 or general expenses"

1. PURPOSE OF THE POLICY

The purpose of this policy is to promote sound and sustainable management budgeting in terms of the Municipal Financial Management Act (MFMA), S160 (6) of the Constitution and S 11(3) (h), (m) of Municipal Structures Act (MSA).

The municipality derives its legislative and executive authority to prepare, approve and implement the budget from S11 (3) (h) and (i) of the MSA, which includes the imposing and recovery of rates, taxes, levies, duties, service fees and surcharges on fees

2. BUDGET PRINCIPLES AND PREPARATION

2.1. Appropriate of Funds for Expenditure

The municipality may only incur expenditure in terms of an approval budget and within the limits of the amounts appropriated for the different votes in an approved budget, except where otherwise provided for in the MFMA and supporting regulations.

2.2. Funded Budget

Each annual and adjustments budget shall reflect a surplus and be fully funded, realistic, credible, viable and implementable.

Any unappropriated surplus from previous financial years shall be appropriated, as far as it is not required to finance the operating capital or for other operational purposes, to the municipality's Capital Replacement Reserve (CRR).

Any impending deficit shall be rectified in an adjustments budget. If a deficit arises at the end of a financial year the deficit will immediately be rectified in the adjustments budget for the ensuing financial year, and not offset against any unappropriated surplus carried forward from preceding financial years.

2.3. Budget Guidelines

The Chief Financial Officer shall prepare Budget Guidelines within the timeframe of the Budget/IDP Time schedule which contain the principles, objectives and strategies for the forthcoming budget. These will take cognizance of prevailing economic factors and guidelines issued by National and Provincial Government.

The Budget Guidelines give general direction to the budget process, indicate affordable budget growth and envisaged tariff increases. Within these principles the guidelines will provide the maximum incremental increase for each vote which must be used as the basis of preparation of the budget.

2.4. Budget Allocation and Submission by Directorates

The allocation of budget by the Director must be within the strategic direction of Council and the reviewed IDP and SDBIP.

The budget guidelines provide the allowable budgetary increment for each vote. The Director has the discretion to allocate budget to line-items within the vote, except where the chief financial officer determines provision must be made in terms of the municipality's approved policies, and contractual and statutory commitments. For example, salaries, depreciation charges, finance charges, insurance costs, skills development levies and administrative charges.

The Director shall justify the budget allocation for each vote and line-item. In motivating the allocations the director will provide appropriate quarterly performance indicators and service delivery targets. Such indicators and targets shall be prepared with the approval of the municipal manager and the mayor.

Each Director must submit their budget within the budgetary guidelines. Submission of budgets which exceed the maximum incremental increase and/or do not provide appropriate evidence of funding for capital projects will not be considered as a submission of the directorate's budget.

2.5. SDBIP and Cash Flow Projections

The SDBIP submitted from each directorate shall include the following components:

i. Monthly projections of revenue to be collected for each source
ii. Monthly projections of expenditure (operating and capital) and revenue for each vote
iii. Quarterly projections of service delivery targets and performance indicators for each vote
iv. Ward information for expenditure and service delivery
V. Detailed capital works plan broken down by ward over three years

Each directorate shall provide a monthly cash flow projection for the by line item level for the operating budget and individually for each capital item. These cash flow projections will be consolidated into the SDBIP.

Draft SDBIP's will be submitted each May to coincide with final budget approval.

2.6. Depreciation and Finance Charges

Depreciation expenses shall be provided for in the operating budget. The cash surplus generated from depreciation expenses on fixed assets financed from external borrowings shall be transferred to the investments created to redeem such borrowing. The cash surplus generated by non-loan funded assets will be transferred to the Capital Replacement Reserve.

Depreciation and finance charges shall be charged to or apportioned between the directorates or votes to which the projects relate.

Depreciation and finance charges together shall not exceed 15% of the aggregate expenses in the operating budget of each annual or adjustments budget.

2.7. Impact of Increases on Rates and Tariffs

When considering the annual budget, council will take into account the impact of proposed increases in rates and service tariffs on the monthly accounts of households. The impact of increases will be assessed on a fair sample of randomly selected accounts. The Council will endeavour to limit the average additional impact of an increase to the consumer price index.

If an increase above the consumer price index for a major tariff can be justified, the relevant director will release a press statement prior to budget consultation.

2.8. Aggregate Rate Revenue

The municipality shall strive to maintain the revenue from property rates at not less than 25% of the aggregated revenues.

2.9. Labour Budget

The budget for salaries, allowances and salaries-related benefits shall be separately prepared, and not exceed 30% of the aggregate expenses of the operating budget of the annual or adjustments budget. In applying this principle the remuneration of political office bearers and other councilors will be excluded from this percentage. Salaries are included in allowable increment limit of each vote.

3. OPERATING BUDGET

3.1. Provision for Accrued Leave

The municipality shall establish and maintain a provision for accrued leave entitlements equal to 100% of the accrued leave entitlement of officials as at 30 June of each financial year, and budget appropriately for contributions to the provision in each annual budget.

3.2. Provision for Bad Debts

The municipality shall establish and maintain a provision for bad debts in accordance with its rates and tariffs policies and realistic collection rates, and

budget appropriately for contributions to the provision in each annual budget and review in the adjustments budget.

3.3. Interest Earned

Interest earned on the municipality's investments shall be budgeted for in the revenue budget and an expense provided for transfer to the accumulated reserve based on the opening investment balance.

3.4. Provision for Maintenance of Fixed Assets

In each annual and adjustments budget there shall be adequate provision for the maintenance of fixed assets in accordance with the fixed asset management and accounting policy. At least 5% of the aggregated expense of each budget shall be set aside for maintenance. This amount includes salary and vehicle costs.

4. CAPITAL BUDGET

4.1. Capital Budget Preparation

Every Director in consultation with the Chief Financial Officer will prepare a draft Capital Budget in respect of the ensuing financial year and a draft Capital Programme for the following two financial years based on the following principles:-

- Year Two of the current Capital Budget shall become Year 1 of the next year's Budget and Year Three of the current Capital Programme shall become Year Two
- New projects may enter the Capital Budget in Year 3.

No capital project will be accepted for inclusion into the budget unless it is accompanied by the projected cost covering all financial years until the project is operational, future operational costs and revenue and cash flow for the project. For a new project to be considered as part of the budget it must be fully motivated and accompanied by a complete project appraisal.

The Capital Budget and Capital Programme shall

(a) indicate separately projects which are -
- committed projects;
- related to maintaining existing services/ infrastructure; o financed by grants and subsidies; and o other projects

(b) include the following in connection with new projects:-

- full motivations, including details of their impact on the operating budget. These projects must be accompanied by a complete project appraisal and life cycle costing.

- a monthly cash flow projection for the first full financial year of a project. The cash flow must differentiate between external payments and internal work performed.

- The status of the project in the Integrated Development Plan and motivation as to how the Integrated Development Plan will be supported.

- Evidence of secured funding for grant projects

(c) indicate projects that have been deleted from the previous programme and the reasons for deletion.

The tabled capital budget of the annual or adjustments budget will be properly balanced in that proposed capital expenses must be matched by funding which is realistic and from secured sources. Grant funded projects can only be included year 1 of the budget if the grant funding and the project's meeting of grant conditions has been confirmed in writing by the granting body.

Before approving a capital project, the Council must consider:

- the projected cost of the project over all the ensuing financial years until the project becomes operational,

- the future operational costs and any revenues, which may arise in respect of such project, including the likely future impact on the operating budget (i.e. on property rates and service tariffs).

Before approving the capital budget of the annual or adjustments budget, the council shall consider the impact on the present and future operating budgets of the municipality in relation to finance charges to be incurred on external loans, depreciation of fixed assets, maintenance of fixed assets, and other ordinary operational expenses associated with any item on the capital budget.

Significant delays and under spend in implementation of the capital budget will result in reallocation of that budget as part of the adjustments budget.

4.2. Capital Replacement Reserve

The council shall maintain a Capital Replacement Reserve (CRR) for the purpose of financing capital projects and acquisition and replacement of assets. The CRR must be cash backed and before any asset can be budgeted for from the CRR financing must be available within the reserve. If there is insufficient cash in the CRR, transfers must be budgeted for and adjusted.

The reserve shall be established from the following sources of revenue:

- Unappropriated cash-backed surpluses to the extent that such surpluses are not required for operational purposes;
- Interest on the investments of the CRR appropriated;
- Profit on sale of land
- royalties
- Further amounts appropriated as contributions in each annual or adjustments budget; and
- Net gains on the sale of fixed assets in terms of the fixed asset management and accounting policy.

5. BUDGET ADJUSTMENTS

5.1. Adjustments Budget

The Executive Mayor may table an adjustments budget where:

- There is material under collection of revenue
- To appropriate additional revenue that has become available but only to revise or accelerate spending on programmes already budgeted for
- To authorise unforeseeable and unavoidable expenditure supported by appropriate documentation in relation to the Exemption Report which is approved by the Mayor, Municipal Manager and Chief Financial Officer
- To authorise utilisation of projected savings between votes
- To authorise spending of unspent funds as at previous year within legislative prescripts.
- Budget adjustment of conditional grants funds to purposes within that specified in the relevant conditional grant framework can be done administratively and there must be a confirmation in writing from the relevant granter.
- Budget adjustment of transport can be done administratively to and from different directorates / department. All the request must come from The Director Technical Services and Infrastructure and the final approval of the budget must be done by the Chief Financial Officer.

All recommendations for budget adjustments must contain the financial comment by the Chief Financial Officer prior to consideration by the Mayoral Committee and Council.

Only Council may approve an adjustments budget.

5.2. Veriment Process

Budget transfers refer to movement of budget funds between line items within a vote

All budget transfer proposals must be:

- completed on the appropriate documentation and forwarded to Budget Office for checking and implementation
- the effect of the budget transfer in the next two budget years should be indicated
- signed by the Director responsible for the vote
- approved in line with Council's System of Delegation <*Council resolution to accompany approval of policy*>.

Approval of budget transfers in the Operating Budget:

- are recommended by the Director for final approval by the Chief Financial Officer

Expenditure may only be committed or incurred after final approval.

The allowable percentage, number and amount of budget transfers per vote and per directorate will be reported to the Management on a monthly basis.

Projected cash flows in the SDBIP must be adjusted in line with budget transfers.

The following restrictions apply to budget transfers:

- Veriment should not be permitted in relation to the revenue side of the budget;
- Veriment between votes should be permitted where the proposed shifts in funding facilitate sound risk and financial management;
- Veriment from the Capital Budget to the operating budget should not be permitted;
- Veriment towards personnel expenditure should not be permitted;

- Veriment to or from the following items should not be permitted : Bulk purchases, debt impairment, interest charged, depreciation, grants to individuals, revenue foregone, insurance and VAT;
- Veriment should not result in adding new projects to the Capital Budget;
- Veriment of conditional grants funds to purposes outside of that specified in the relevant conditional grant framework must not be permitted;
- Veriment must be allowed within the same directorate .
- Veriment on capital project for the same group of assets must be allowed (e.g. Fleet).

- There should be prudent limits on the amount of funds that may be moved to and from votes and sub-votes. Veriment is limited to 5% of the aggregated expenditure per annum ;
- **The limitation of 5% should be on the approved total of the same expenditure category within the same vote. (vote being the directorate).**

- No (veriment may be made where it would result in over expenditure of a line item

- If the budget transfer relates to an increase in the work force establishment, then the required approval processes and Council's existing recruitment policies and procedures will apply.

- **Virement** from the following categories can only be undertaken by the Chief Financial Officer, and) it must be within the relevant vote:
  - Salaries and allowances
  - **No virement should be allowed on protective clothing, shift allowance, temporary workers and overtime.**
  - Depreciation
  - Capital Costs (Interest and Redemption)
  - Appropriations
  - Contributions to Funds
  - Administration Costs
  - Municipal Rates and Services (Rates, Water, Electricity, Refuse and Sewerage)
  - Bulk services

- An approved veriment does not give expenditure authority, and expenditure resulting from approved veriment is subject to the supply chain management policy of Council

- Veriment may not be made across votes

6. UNSPENT FUNDS / ROLL OVER OF BUDGET

The appropriation of funds in an annual or adjustments budget will lapse to the extent that they are unspent by the end of the relevant budget year, except for funds relating to capital expenditure appropriated in terms of S 19 of the MFMA that are committed to identifiable projects.

Unspent conditional grants may be rolled over to the next financial year only if National Treasury has confirmed in writing whether or not the municipality may retain as a rollover any unspent funds because they are committed to identifiable projects. Conditions of the grant fund shall be taken into account in applying and approving rollover of funds.

Application for rollover of funds shall be forwarded to the budget office by the 15th of April each year to be included in next year's budget for adoption by Council in May. When applying to rollover the unspent funds, the directorates must supply Budget Office with the following information:-

- Details of each of the projects to which funds are committed;
- A progress report on the state of the implementation of each projects;
- The amount of funds committed to each project, and the conditional allocation from which the funds come from; and
- An indication of the time-period within which the funds are to be spent.

Requests for rollover of funds after 15 April will not be considered.

The budget for the current financial year will be reduced by the amount of the rollover required for the next financial year. Only existing projects can be rolled over and no new projects can be created.

There can be no rollover of operating budget. Any operational grants that are anticipated to be unspent at year end should be provided for in the new budget at the time of preparation.

Minor adjustments to the rolled over budget (to a maximum of 10% per project) shall be done during the first budget adjustment in the new financial year after taking into account revised expenditure up to the end of the previous financial year.

BUDGET POLICY

POLICY REVIEW MANAGEMENT INFORMATION			
NAME & SURNAME	**DESIGNATION**	**SIGNATURE**	**DATE**
Vivian Mdhluli	Unit Manager Financial Control		30/03/2017
Paul Malatsi	Acting Chief Financial Officer		30/03/2017
Lucky Molotsane	Head Legal Unit		30/3/2017
Tshenolo Lefutswe	Acting Municipal Manager		30/3/2017

RUSTENBURG

LOCAL MUNICIPALITY

RATES POLICY

PREAMBLE

(1) **WHEREAS** the Constitution of the Republic of South Africa, 1996,and the Local Government: Municipal Property Rates Act, Act 6 of 2004, as amended by the provisions of the Local Government: Municipal Property Rates Amendment Act, Act 29 of 2014 (hereinafter referred to as "the MPRA"), empowers the Rustenburg Local Municipality (hereinafter referred to as "the Municipality") to impose rates on property;

(2) **AND WHEREAS** in terms of section 4(1)(c) of the Local Government: Municipal Systems Act, Act 32 of 2000 (hereinafter referred to as "the Systems Act"), the Municipalitymay, *inter alia*, levy rates on property to finance the operational expenditure of the Municipality;

(3) **AND WHEREAS** in terms of section 62(1)(f)(ii) of the Local Government: Municipal Finance Management Act, Act 56 of 2003 (hereinafter referred to as "the MFMA"), the Municipal Manager of the Municipality appointed in terms of section 82 of the Local Government: Municipal Structures Act, Act 117 of 1998 (hereinafter referred to as "the Structures Act"), must, in his capacity as the accounting officer of the Municipality, ensure that the Municipality has and implements a rates policy;

(4) **AND WHEREAS** the Municipality:

(a) must, in terms of section 3(1) of the MPRA, adopt a policy consistent with the MPRA on the levying of rates on rateable property within the municipal area of the Municipality;

(b) must, in terms of section 6(1) of the MPRA, adopt by-laws to give effect to the implementation of its rates policy;

(c) must, in terms of section 5(1) of the MPRA, annually review, and may, if necessary, amend this policy. Proposals for reviewing this policy must be considered by the Municipality in conjunction with its annual operating budget; and

(d) may, in terms of section 22 of the MPRA, levy an additional rate on property in a special rating area and, in doing so, may differentiate between different categories of property;

(5) **NOW THEREFORE**, this policy has been drafted in compliance with the provisions of sections 3(1) and 6(1) of the MPRA, and must be read within the context of the MPRA, and in as far as required, supplemented and amplified by the MPRA.

THE RUSTENBURG LOCAL MUNICIPALITY:

RATES POLICY

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CHAPTER 1

INTRODUCTORY PROVISIONS

1. DEFINITIONS

In this policy, except where the context otherwise indicates, or it is expressly stipulated otherwise, the following words and expressions shall have the respective meanings assigned to them hereunder, and words or expressions to which a meaning has been assigned in terms of the provisions of section 1 of the MPRA will have the meaning assigned thereto by the said act.All headings are included for convenience only and shall not be used in the interpretation of any of the provisions of this policy.

NO.	WORD/EXPRESSION	DEFINITION
	"A"	
1.1	**"account"**	Means the account furnished to anowner by the Municipality once the owner becomes liable for the payment of rates and which reflects the amount due to the Municipality by such owner in respect of the rates, and depending on the context may also refer to an "account" as defined in terms of the provisions of the Credit Control & Debt Collection Policy and By-Law of the Municipality.
1.2	**"agent"**	In relation to property, means a person appointed by the owner of such property: (a) to receive rental or other payments in respect of the property on behalf of the owner; (b) to make payments in respect of the property on behalf of the owner.
1.3	**"agricultural / farming**	Means property which is bona fide being used for

	property"	agricultural and/or farming purposes, but excludes any portion thereof that is used commercially for the hospitality of guests and excludes the use of the property for the purpose of eco-tourism or for the trading in or hunting of game.
1.4	**"agricultural/ farming purposes"**	Means the conducting of predominantly bona fide agricultural and/or farming activities on a property, excluding the use of the property for eco-tourism or for the trading in or hunting of game.
"C"		
1.5	**"certificate of occupancy"**	Means the certificate of occupancy issued by the Municipality in terms of the provisions of section 14 of the National Building Regulations and Building Standards Act, Act 103 of 1977.
1.6	**"consent use"**	Means the purpose for which land may lawfully be used and on which buildings may be erected and used only with the consent of the Municipality.
1.7	**"Council"**	Means the Municipal Council of the Municipality as referred to and constituted in terms of the provisions of section 157 of the Constitution.
1.8	**"current monthly rates"**	Means the rate levied on a property in the month immediately preceding the month in which application for a rebate has been made, where such application is required in terms of this policy, and in all other events, the month preceding the month in which the rebate will come into operation.
"E"		
1.9	**"exemption"**	In relation to the payment of a rate, means an exemption granted by the Municipality in terms of the provisions of section 15 of the MPRA.
"F"		

1.10	**"financial year"**	Means the period commencing on the 1st day of July in any calendar year and ending on the 30th day of June of the following calendar year.
	"I"	
1.11	**"Income Tax Act"**	Means the Income Tax Act, Act 58 of 1962.
1.12	**"indigent support"**	Means the financial and other support, discounts, subsidies and assistance which the Municipality renders to Registered Indigents and households headed by Registered Indigents.
	"L"	
1.13	**"Land Use Management Scheme"**	Means the Land Use Management Scheme adopted by the Council in terms of the provisions of the Town Planning and Townships Ordinance, Ordinance 15 of 1986.
1.14	**"low cost residential property"**	Means a property which was obtained by the owner thereof, being the beneficiary of a subsidy availed to such owner in terms of the Housing Subsidy System, as provided for in the Housing Code, 2009, read with the provisions of the Housing Act, Act 107 of 1997.
	"M"	
1.15	**"MFMA"**	Means the Local Government: Municipal Finance Management Act, Act 56 of 2003.
1.16	**"MPRA"**	Means the Local Government: Municipal Property Rates Act, Act 6 of 20042004 as amended by Local Government: Municipal Property Rates Amendment Act, Act 29 of 2014.
1.17	**"MPRA Rate Ratio Regulations"**	Means the Municipal Property Rates Act: Regulations on the Rate Ratio between Residential and Non-Residential Properties promulgated in terms of the provisions of section 83 of the MPRA and published

		in GN R195 in GG 33016 of 12 March 2010.
1.18	**"Municipality"**	Means the RUSTENBURG LOCAL MUNICIPALITY (also referred to as the "RLM"), a local government and legal entity with full legal capacity as contemplated in section 2 of the Systems Act, read with the provisions of Chapter 7 of the Constitution of the Republic of South Africa and sections 12 and 14 of the Local Government: Municipal Structures Act, Act 117 of 1998, with its main place of business and the offices of the Municipal Manager, as envisaged in terms of the provisions of section 115(3) of the Systems Act, at the Missionary Mpheni House, CNR NELSON MANDELA & BEYERS NAUDE STREET, RUSTENBURG, NORTH WEST PROVINCE, and includes: (a) its successor in title; or (b) a functionary exercising a delegated power or carrying out an instruction, in the event of any power being delegated as contemplated in terms of the provisions of section 59 of the Systems Act; or (c) an authorised service provider fulfilling a responsibility assigned to it by the Municipality through a service delivery agreement.
1.19	**"municipal property"**	Means property owned by, vested in or under the control and management of the Municipality.
"N"		
1.20	**"non-residential property"**	Means all properties (including all undeveloped properties) other than those defined as "residential property".
"P"		

1.21	**"Public benefit organization property"**	Means property owned by public benefit organizations and used for any specified public benefit activity listed in item 1 (welfare and humanitarian), item 2 (health care), item 4 (education and development) of part 1 of the Ninth Schedule to the Income Tax Act; and social housing.
1.22	**"public service infrastructure"**	Means public service infrastructure as defined in the Municipal Property Rates Act, Act 6 of 2004.
	"R"	
1.23	**"rateable property" and "property"**	Means property on which the Municipality may in terms of the provisions of sections 1, 2 and 7 of the MPRA levy a rate, excluding property fully excluded from the levying of rates in terms of the provisions of section 17 of the MPRA and including a) immovable property registered in the name of a person, including, in the case of a sectional title scheme, sectional title unit registered in the name of a person; b) a right registered against immovable property in the name of a person, excluding a mortgage bond registered against property; c) a land tenure right registered in the name of person of granted to a person in terms of legislation, or d) public service infrastructure.
1.24	**"ratepayer"**	Means any owner of rateable property as well as any owner of rateable property held under sectional title, situate within the municipal area of the Municipality.
1.25	**"rates"**	Means a municipal rate on property levied in terms of section 229(1)(a) of the Constitution and section 2(1) of the MPRA.
1.26	**"rebate"**	Means a discount granted in terms of the provisions of section 15 of the MPRA on the amount of the rate

		payable on the property.
1.27	**"reduction"**	Means the lowering in terms of the provisions of section 15 of the MPRA of the amount for which the property was valued and the rating at that lower amount.
1.28	**"Registered Indigent"**	Means a person who has applied to the Municipality in terms of the Indigent Policy of the Municipality to be registered as a Registered Indigent, whose application was approved by the Municipality, and who is indicated as a Registered Indigent on the Indigent Register, as contemplated in terms of the Indigent Policy of the Municipality
1.29	**"residential property"**	Means property which is: (a) used predominantly (60% or more) for residential purposes, with not more than 2 (two) dwelling units per property, and includes any adjoining property registered in the name of the same owner and used together with such residential property as if it were one property (any such grouping shall be regarded as one residential property for rate rebate or valuation reduction purposes); or (b) a unit registered in terms of the Sectional Titles Act, used predominantly (60% or more) for residential purposes, and includes any unit in the same sectional title scheme registered in the name of the same owner which is used together with the residential unit as if it were one property, for example a garage or domestic worker's quarters (any such grouping shall be regarded as one residential property for rate rebate or valuation reduction purposes and for clearance

		application purposes); or (c) owned by a share-block company and used predominantly (60% or more) for residential purposes; or (d) a retirement scheme or life right scheme used predominantly (60% or more) for residential purposes; or (e) a residence used for residential purposes situated on property used for or related to educational purposes; (f) vacant land zoned for residential use; but excludes hostels, old age homes, guesthouses and any vacant land, not zoned as "residential", irrespective of its zoning or intended usage.
	"S"	
1.30	**"school"**	Means a school as defined in terms of the South African Schools Act, Act 84 of 1996 and include both a private and a public school.
1.31	**"Sectional Titles Act"**	Means the Sectional Titles Act, Act 95 of 1986.
1.32	**"Social housing"**	Means property registered in the name of the institution accredited in terms of the Social Housing Act 16 of 2008 which provides or intends to provide rental of co-operative housing options for households with a gross monthly household income less than the maximum housing subsidy income limit. Such property owners must also be registered with the South African Revenue Services as a Public Benefit Organization in terms of Section 30 of the Income Tax Act of 1962, read with Ninth Schedule to the Act.

1.33	**"State"**	In so far as it relates to property owned and used by the State, means property owned and used by the National Government and North West Provincial Government for the provision of community type services, including but not limited to police stations, hospitals. All other property owned and utilised by the State will be classified in accordance with its zoning i.e. business for offices, residential for housing schemes etc.
1.34	**"Structures Act"**	Means the Local Government: Municipal Structures Act, Act 117 of 1998.
1.35	**"Systems Act"**	Means the Local Government: Municipal Systems Act, Act 32 of 2000.
	"T"	
1.36	**"technical and other colleges"**	Means a public college and a private college as contemplated in the Further Education and Training Colleges Act, Act 16 of 2006.
1.37	**"the/this policy"**	Means the Property Rates Policy of the Municipality as adopted by the Municipality in terms of the provisions of section 3(1) of the MPRA.
1.38	**"threshold"**	Means the amount, determined from time to time by the Municipality during its annual budget process referred to in section 12(2) of the MPRA, to be deducted from the market value of residential properties, resulting in rates to be determined on the balance of the market value of such properties only.
	"V"	
1.39	**"vacant land"**	Means a property without any improvements thereto.
1.40	**"valuation roll"**	Means a valuation roll prepared in terms of the provisions of section 30 of the MPRA or a

		supplementary valuation roll prepared in terms of the provisions of section 78 of the MPRA.
	"Z"	
1.41	"zoning"	Means the purpose for which land may lawfully be used or on which buildings may be erected or used, or both, as contained in the applicable Land Use Management Scheme, or any revision or amendment thereof, and "zoned" has a corresponding meaning, provided that where a property carries multiple zoning rights, the categorisation of such property will be in accordance with the highest rating category.

2. AIM AND PURPOSE

(1) This policy constitutes the policy as contemplated in terms of the provisions of section 3(1) of the MPRA and the aim and purpose of this policyis as set out in the provisions of section 3(3) of the MPRA.

(2) The aim of this policy is to:

(a) ensure that all owners of rateable property are informed about their liability for rates;

(b) specify relief measures for ratepayers who may qualify for relief or partial relief in respect of the payment of rates through exemptions, reductions and rebates as contemplated in terms of the provisions of section 15 of the MPRA;

(c) empower the Municipality to specify a threshold at which rating in respect of residential properties may commence as provided for in terms of the provisions of section 15(1)(a) of the MPRA, which it is authorised to do;

(d) set out the criteria to be applied by the Municipality when it:

(i) increases rates; and

(ii) levies differential rates on different categories of property;

(e) provide for categories of public benefit organisations, approved in terms of the provisions of section 30(1) of the Income Tax Act, Act 58 of 1962 (hereinafter referred to as "the Income Tax Act"), which are ratepayers, and who may apply to the Municipality for relief from rates;

(f) recognise the State, organs of state and the owners of public service infrastructure as property owners;

(g) encourage the development of property;

(h) ensure that all persons liable for rates are treated equitably as required by the MPRA; and

(i) provide that any rebate is to benefit the owner in occupation of the property.

3. TITLE AND APPLICATION

(1) This policy is known as the Rates Policy of the Rustenburg Local Municipality.

(2) This policy revokes all previous policies, decisions and/or *ad hoc* clauses within any other policy, regarding the subject matter of this policy.

4. COMMENCEMENT AND VALIDITY

This policy shall come into force and effect on the first implementation of the general valuation roll to be prepared by the Municipality in terms of the provisions of section 30, read with section 31 of the MPRA. This policy shall form part of the Municipality's

budget related policies when such budget is tabled in the Council of the Municipality in terms of the provisions of section 16(2) of the MFMA for approval, in order to allow for the Council of the Municipality to consider and approve this policyin terms of the provisions of section 24(1) of the MFMA. Once this policy is approved by the Council, the general valuation roll to be compiled by the Municipality will be compiled taking account of the principles and provisions of this policy in as far as *inter alia* the different categories of properties and special rating areas are concerned.

5. RESPONSIBLE AUTHORITY

The responsible authority for the adoption, publication and implementation of this policy is the Municipality, and where applicable the Council of the Municipality.

CHAPTER 2

RATING PRINCIPLES AND CATEGORIES OF PROPERTY

6. OPERATIONAL BACKGROUND AND PRINCIPLES

(1) This policy has been prepared to ensure equitable treatment by the Municipality in the levying of rates on property owners, including owners under sectional title as contemplated in terms of the Sectional Titles Act, as well as any other person who may become liable for the payment of rates based on the guiding principles of equity, affordability, poverty alleviation, social and economic development, financial sustainability and cost efficiency.

(2) This policy must be read in conjunction with the provisions of the Land Use Management Scheme and the Town Planning and Townships Ordinance 15 of

1986, and any other applicable legislation, including, but not limited to, the MFMA, the Systems Act, andany legislation which replaces any of the aforementioned acts or ordinance.

(3) The Municipality is required by the terms of section 16(1) of the MFMA, read with section 24(1) of the MFMA, to approve an annual operating budget prior to the commencement of every financial year. The income from rates must be used to finance in full or in part, the annual operating expenditure of the Municipality as reflected in such budget.

(4) As provided in the MPRA, the Municipality has elected to differentiate between various categories of property and property owners. Some categories of property and categories of owners are granted relief from rates. The Municipality does, however, not grant relief from rates in respect of payments for rates to any category of owners or properties on an individual basis, other than by way of an exemption, rebate or reduction provided for in this policy.

(5) Rates are levied in accordance with the provisions of the MPRA as a cent-in-the-rand based on the property value determined for a property as contained in the valuation roll and supplementary valuation roll.

7. ANNUAL OPERATING BUDGET

(1) Rates and rate ratios shall be levied and established as part of the approved annual budget of the Municipality and shall remain valid and in force and effect until amended, changed or varied by the Council.

(2) In terms of the provisions of section 28(6) of the MFMA a municipal tax may not be increased during a financial year, except when required in terms of a financial recovery plan.

(3) The Municipality must consider the levying of rates annually during the budget process as contemplated in section 12(2) of the MPRA.

(4) Rate increases must be used to finance the increase in operating costs of the municipal services and facilities of the Municipality.

(5) In determining the level of increases in rates, the criteria to be applied may include the following:

(a) the inflation rate as indicated by the consumer price index, excluding mortgage bonds;

(b) the financing of increased operating expenditure in the budget of the Municipality;

(c) the financing of additional maintenance expenditure included in the operating budget of the Municipality;

(d) the financing of additional depreciation charges included in the operating budget of the Municipality;

(e) the additional cost of servicing debt included in the operating budget of the Municipality;

(f) the augmentation of any revenue shortfall;

(g) the financing from the annual operating budget of expenditure related to anything the Municipality is lawfully empowered to do for which provision has to be made in the budget; (h) the taking into

consideration of the medium term budget growth factors as determined by National Treasury;

(h) the valuation roll; and

(i) any other relevant factor.

(6) Also in determining the level of increases in rates and in order to assist the Municipality in dealing with the criteria as set out above, the Municipality will make reference to the following classifications:

(a) Services:

(i) trading services (as referred to in the Tariff Policy);

(ii) non-trading services (as referred to in the Tariff Policy).

(b) Expenditure:

(i) salaries, wages and allowances;

(ii) bulk purchases;

(iii) general expenditure;

(iv) repairs and maintenance;

(v) capital charges;

(vi) contribution to fixed assets;

(vii) contribution to funds;

(aa) bad debts;

(bb) working capital; and

(cc) statutory funds;

(viii) contribution to reserves;

(ix) gross expenditure [(i) to (viii)];

(x) less charge-out (inter-departmental charge-outs);

(xi) nett expenditure [(ix) less (x)];

(xii) income; and

(xiii) surplus/deficit [difference between (xi) and (xii)].

(c) Cost centres (to which the costs associated with rendering the service can be allocated):

(i) by department;

(ii) by section/service; and

(iii) by division/service.

(7) Differential rates may be levied in terms of the provisions of section 8 of the MPRA according to the permitted use or, where applicable, the actual use of the property concerned.

(8) In addition to the criteria specified above, the following criteria may be taken into account in determining whether a differential rate should be applied:

(a) the need to promote economic development;

(b) any administrative advantages in applying a differential rate; and

(c) the need to alleviate the rates burden on the owners of any particular category of property specified in this policy.

(9) Rates are levied in accordance with the MPRA as an amount in the Rand based on the market value of all rateable property as reflected in the valuation roll and any supplementary valuation roll, as contemplated in terms of Chapters 6 and 8 of the MPRA, respectively.

8. CATEGORIES OF PROPERTY FOR LEVYING OF DIFFERENTIAL RATES

(1) The Municipality may levy different rates for different categories of rateable property, provided that the maximum ratio to the rate on residential property which may be imposed on agricultural/farming property, public service infrastructure property and public benefit organisation property may not exceed the ratio as published in terms of the MPRA Rate Ratio Regulations.

(2) All rateable property will be classified within a specific category and will be rated upon the said classification, which will be in accordance with the permitted use thereof, unless otherwise stated in this policy.

(3) For purposes of levying different rates based on the permitted use of properties in terms of the provisions of section 8(1)(b) of the MPRA, read with sections 3(3)(b) and 3(3)(c) of the MPRA, the following categories of property are determined, as well as the main criteria to be used in order to determine the category of the property:

(a) (i) Residential property:

The criteria set out in the definition of "residential property" in terms of paragraph 1 of this policy applies *mutatis mutandis* as being the criteria to determine this category of property, and this category may also be sub-categorised to make provision for "Residential 1" or "Residential 2" to "Residential 4" land uses being executed on the property.

(ii) Vacant residential property:

Refers to property which is zoned as "residential" in terms of the Land Use Management Scheme, but which is unimproved and vacant land.

(b) Business and commercial property:

(i) Commercial Property

Refers to property on which the activity of buying, selling or trading in goods and/or services occurs, but excludes a property that forms part of the multi-purpose category, as referred to in sub-paragraph (3)(k) below. It includes any office or other accommodation on the same property, the use of which is incidental to the business, but excludes the business of mining. It further includes (and may include such sub-categories for) hostels, old age homes, guesthouses, bed and breakfast establishments and any vacant land which is being used for storage or parking in line with the zoning of such property.

(ii) Vacant Business

It includes a sub-category for vacant land zoned for business or commercial purposes in terms of the Land Use Management Scheme.

(c) Industrial Property

(i) Industrial developed property:

Refers to property on which a trade or manufacturing, production assembling or the processing of finished or partially finished products from raw materials or fabricated parts occurs on such a large scale which involves significant capital and labour resources and may also include a sub-category for vacant land zoned for industrial purposes in terms of the Land Use Management Scheme.

(ii) Industrial Vacant

It includes a sub-category for vacant land zoned for industrial purposes in terms of the Land Use Management Scheme.

(d) Mining property:

Refers to property used for mining purposes or purposes incidental to mining operations and including any building, other immovable structures and infrastructure above the surface required for purposes of mining and may also include a sub-category for vacant land zoned for mining purposes or purposes incidental to mining operations in terms of the Land Use Management Scheme, but excludes mining rights or a mining permit as defined in the Mineral & Petroleum Resources Development Act, Act 28 of 2002.

(e) Public service infrastructure property and private service infrastructure property:

Refers to property utilised to accommodate publicly or privately controlled infrastructure of the following kinds (sub categories):

(i) national, provincial, municipal public roads or private roads;

(ii) water or sewer pipes, ducts or other conduits, dams, water supply reservoirs, water treatment plants or water or sewage pumps forming part of a water, waste water or sewer network serving the public;

(iii) power stations, power sub-stations or power lines forming part of an electricity network;

(iv) railway lines forming part of a national railway network;

(v) communication towers, masts, exchanges or lines forming part of a communication network;

(vi) runways or aprons at the municipal airport of the Municipality;

(vii) any other publicly controlled infrastructure as may be prescribed;

(viii) rights of way, easements or servitudes in connection with infrastructure mentioned in sub-paragraphs (3)(e)(i) to (3)(e)(viii) above;

(ix) private owned towns; or

(x) private open spaces;

but with the exemption that the public service infrastructure property referred to in paragraphs (a), (b), (e), (g) and (h) of the definition of "public service infrastructure", as contained in section 1 of the MPRA, may not be rated in terms of section 17(1)(aA) to the extent set out in the sliding-scale contained in section 93A(2) of the MPRA.

(f) Municipal properties:

Refers to property owned by, vested in or under the control and management of the Municipality and will consist of the following 2 (two) sub-categories:

(i) Municipal property: not rateable:

The following types of property owned by, vested in or under the control and management of the Municipality are not rateable:

(aa) public service infrastructure owned by the Municipality, including those referred to in sub-paragraph(3)(e) above;

(bb) waste-dump sites;

(cc) municipal burial grounds and adjacent public open space within the burial ground precinct;

(dd) property used for the provision of public parks and zoned as public open space and includes undeveloped municipal property which is for the purposes of this policy deemed to be public open space;

(ee) property used for culture, sporting and recreational facilities other than property subject to a registered

lease in terms of the Formalities in respect of Leases of Land Act, Act 18 of 1969, in which case the area subject to the lease shall be separately rated; and

(ff) municipal housing schemes.

(ii) Municipal property: rateable:

The following types of property owned by, vested in or under the control and management of the Municipality are rateable:

(aa) property leased to third parties in terms of a lease registered in terms of the Formalities In Respect of Leases of Land Act, Act 18 of 1969. Where property owned by the Municipality is leased to a third party, the rating thereof shall be the prevailing rating applied to the principle property; and

(bb) municipal property used for purposes other than those specified in sub-paragraph(f)(i) above.

(g) Agricultural/farming property:

Property in this category is limited to agricultural/farming property zoned as agricultural/farming and used for bona fide agricultural purposes with the property owner deriving his principal source of income from the produce of the land on such property, but excludes any portion thereof that is used commercially for the hospitality of guests and excludes the use of the property for the purpose of eco-tourism or for the trading in or hunting of game. Agricultural/farming property not used for bona fide agricultural/farming purposes shall be rated according to the actual use thereof which include agricultural/farming property utilised commercially for the hospitality of guests, and/or eco-tourism or for the trading in or hunting of game. This category may be sub-categorised to provide for "Agricultural Residential", "Agricultural Business", "Agricultural Industrial", "Agricultural Game Farming", and may also include a sub-

category for vacant land zoned for agriculture or agricultural purposes in terms of the Land Use Management Scheme.

(h) State-owned or organ of state-owned property (also referred to as "Government Property"):

(i) property owned by the state or an organ of state is rateable and will be categorised according to the zoning or use of the property; and

(ii) if property owned by the state or an organ of state is zoned or used for residential purposes, the rates must, after presentation of a certificate of occupancy, be levied in terms of the residential tariff. The rebate afforded to state owned properties of organ of state owned properties does not apply to properties zoned or used for residential purposes as the rebate relating to residential properties already applies to such properties.

(i) Smallholdings used for:

(i) bona fide agricultural/farming purposes:

refers to a smallholding used predominantly (60% or more) for bona fide agricultural/farming purposes.

(ii) residential purposes:

refers to a smallholding used for residential purposes only.

(iii) mixed use:

refers to a smallholding used predominantly for residential purposes but has significant portions of the property devoted to purposes that fall within other categories of property, but excludes hostels, old age homes, guesthouses, bed and breakfast establishments, and any vacant land irrespective of its zoning or intended usage.

(iv) industrial purposes:

refers to a smallholding used for industrial purposes.

(v) business and commercial purposes:

refers to a smallholding which is used for business and commercial purposes.

(vi) any other purpose than those specified above:

such smallholdings will be categorised in terms of any of the property categories referred to in this policy which is in accordance with its predominant use.

(j) Protected areas:

Refers to property which receives protection because of its recognised natural, ecological and/or cultural values.

(k) Property used for Multiple Purposes: Residential

I. This category comprises of properties with multiple zonings , one of which is residential

II Where the property is actually used predominantly (i.e.51% or more of the area of the building) for residential purposes; the entire property will be rated according to the residential rate.

III To qualify for the residential rate the owner must submit the declaration duly certified by a registered town planner or architect that the property is being used predominantly for residential purposes as envisaged in (ii) ABOVE

IV If the dominant use is not residential but some other permitted use, the rate applicable to the predominant use shall apply.

(l) Multipurpose Business

Where a property's zoning allows for more than one permitted use and where the use of the property is used dominantly (fifty plus one per cent)for business and commercial purposes the entire property will be rated in accordance with the business rate

(i) this category comprises of property with multiple zonings , one of which is business/ commercial purposes

(ii) where the property is actually used predominantly (i.e. 51% or more of the area of the building) for business/ commercial purposes, the entire property will be rated in accordance with the business rate

(iii) if the dominant use is not business/ commercial but some other permitted use, the rate applicable to the predominant use will apply.

(k) Property used for Multiple Purposes:

Refers to a property which is used for more than one purpose and such property will be rated in accordance with the highest tariff applicable to the permitted use thereof.

(l) Educational:

Refers to property owned by educational institutions which are registered with the South African Revenue Services in terms of the provisions of section 30 of the Income Tax Act and which provide education and development services as contemplated in terms of Part 1, section 4 of the Ninth Schedule to that Act and may include sub categories such as "private school" and "crèche".

(m) Public benefit organisation property:

Refers to property owned by a public benefit organisation and used for public benefit activities as listed in Part 1 of the Ninth Schedule to the Income Tax Act.

(n) Property used for religious purposes:

Refers to property registered in the name of and used solely as a place of public worship by a religious community, including an official residence registered in the name of such community which is occupied by an office–bearer of such community who officiates at services at that place of public worship.

General

Any property not falling within the ambit of category (a) to (n) that is zoned and used for different purposed other than what is covered in category (a) t0 (n) shall be deemed to be business and commercial for the purpose of levying a rate. This will also include ; any zoning that is not covered in category (a) to (n).

(4) In determining the category of a property referred to in sub-paragraph (3) above, the Municipality will take into consideration the following criteria, or a combination thereof:

(a) the actual dominant use of the property concerned;

(b) conditions for township establishment and land use rights pertaining to the property;

(c) the geographical area in which the property is situated;

(d) the nature and extent of the improvements on the property.

(5) In order to ensure certainty and consistency in the application of the criteria mentioned in sub-paragraph (4) above, the Municipality will endeavour to apply the above criteria uniformly and in order of priority as follows:

(a) properties must firstly be categorised in accordance with its permitted land use in terms of the Land Use Management Scheme;

(b) in addition to the land use of a property, the actual dominant use of a property may also be used to categorise, or to narrow or confirm the category of such property. An inspection of the property concerned may be undertaken in order to obtain such information;

(c) where the dominant and permitted use of a property differ, the actual dominant use will supersede the permitted use; and

(d) the geographical area where a property is situated, as well as the nature and extent of any improvements made to such property, may also be considered to categorise the property.

(6) Property used for multiple purposes must be categorised and rated in accordance with the provisions of section 9 of the MPRA.

(7) Property which is used in conflict to its zoning will be rated at the tariff applicable to properties used for business and commercial purposes.

(8) Any property not falling within the ambit of the categories referred to above, shall be deemed to be business and commercial for the purposes of levying a rate.

CHAPTER 3

DIFFERENTIAL RATING, EXEMPTIONS, REDUCTIONS AND REBATES

9. DIFFERENTIAL RATING

(1) The Municipality will apply a differential rating system based on the different property categories set out in paragraph8 above, by means of a set rate to be applied to each category of property, provided that the maximum ratio to the rate on residential property which may be imposed on agricultural/farming property, public service infrastructure property and public benefit organisation property may not exceed the ratio as published in terms of the MPRA Rate Ratio Regulations.

(2) The criteria for the implementation of the differential rating system on different categories of properties will be according to:

(a) the nature and use of the property;

(b) the sensitivity to rating of the category of property;

(c) the extent of municipal services and infrastructure available to the property;

(d) the nature and extent of reductions and rebates applicable to the owners of the category of property;

(e) the promotion of social and economic development; and

(f) whether the property is being used for the use permitted for the property by the provisions of the Land Use Management Scheme of the Municipality.

10. CATEGORIES OF PROPERTY OWNERS FOR PURPOSES OF EXEMPTIONS, REDUCTIONS AND REBATES AND THE CRITERIA FOR EXEMPTIONS, REDUCTIONS AND REBATES

The municipality will not levy a rate on the first part of the value up R 100 000,00 of the market value as per the Valuation Roll:

- on the first R 15000 on the basis set out in section17 (1)(h) of the MPRA; and
- on the balance of the market value up to R 85 000 in terms of section 15 of the MPRA in respect of residential properties , provided that the Council from time to time during its annual budget process contemplated in section 12 (2) of the Act determine . as threshold , the amount to be deducted from the market value of the residential properties as a result of which rates will only be determined on the balance of the market value of such properties after deduction of the threshold amount.

For purposes of exemptions, reductions and rebates from the payment of a rate levied on the different categories of property as contemplated in terms of the provisions of section 15(1) of the MPRA, the following categories of property owners and the criteria to be applied for the granting of exemptions, reductions and rebates to these categories of property owners are determined:

(1) Exemptions:

The following properties are either exempted from paying rates, or the owners thereof may apply to the Municipality to be exempted from the paying of rates as indicated below:

(a) An owner of residential property:

(i) low cost residential properties used for residential purposes are only fully exempted if the owner of such a property is a

Registered Indigent in terms of the Municipality'sIndigent Policy receiving indigent support. This is an important part of the Indigent Policy of the Municipality which is aimed primarily at alleviating poverty;

(ii) all residential properties with a market value of less than the amount annually determined by the Municipality in the Tariff Policy are exempted from paying rates. The impermissible rates contemplated in terms of section 17(1)(h) of the MPRA are included in the amount referred to above as annually determined by the Municipality;

(iii) owners of residential properties earning an income below certain thresholds as determined and as set out in the Tariff Schedule as referred to in the Tariff Policy and By-Law of the Municipality.

(b) Property owned by the Municipality:

The Municipality is exempted from paying rates in respect of the property referred to in sub-paragraph 8(3)(f)(i) above.

(c) Property owned by Public Benefit Organisations:

The following Public Benefit Organisations **may apply** in writing to the Municipality (as per **"Schedule F"**) for an exemption from paying rates on property, provided a true and certified copy of a tax exemption certificate which has been issued by the South African Revenue Services as contemplated in Part 1 of the Ninth Schedule of the Income Tax Act is submitted together with such application:

(i) State or Organ of State owned Health Care Institutions:

State owned or Organ of State owned property used solely for health care institution purposes, provided that any and all profits from the use of such property are used entirely for the benefit of such health care institution.

(ii) Welfare Institutions:

Property used exclusively as an orphanage, non-profit retirement village, old age home or benevolent institution, including workshops used by the residents, laundry or cafeteria facilities, provided that any profits from the use of the property are used entirely for the benefit of the institution and/or to charitable purposes within the Municipality.

(iii) Educational Institutions:

Property owned by a non-profit educational institution, registered as such in terms of the applicable legislation.

(iv) Charitable Institutions:

Property owned by a non-profit institution or organisation, which performs charitable work.

(v) Sporting Bodies:

Property owned by an organisation which main purpose is to use such property for sporting purposes on a non-professional and non-profitable basis.

(vi) Cultural Institutions:

Property owned by an institution declared to be subject to the provisions of the Cultural Institutions Act, Act 119 of 1998.

(vii) Museums, Libraries, Art Galleries and Botanical Gardens:

Museums, Libraries, Art Galleries and/or Botanical Gardens, operated on a non-profit basis and open to the public.

(viii) Youth Development Organisations:

Property owned and used by an institution or organisation for the provision of youth leadership or a youth development programme on a non-profit basis.

(ix) Animal Welfare:

Property owned and used by an institution or organisation with the exclusive aim to protect birds, reptiles and/or animals on a non-profit basis.

(d) Property used for Religious purposes:

A Property used for Religious purposes as referred to in sub-paragraph 8(3)(n) above, is exempted from the payment of rates as per the provisions of section 17(1)(i) of the MPRA.

(e) Registered Indigents:

All Registered Indigents, registered in terms of the provisions of the Indigent Policy of the Municipality, shall be fully subsidised for the payment of property rates, as referred to in sub-paragraph (1)(a)(i) above as part of the indigent support such a person receives from the

Municipality.The subsidy shall not be more than the applicable rate for that year, and will be applied for the duration of that particular financial year.

(f)Social Housing

Refers to property registered in the name of an institution accredited in terms of the Social Housing Act 16 of 2008 which provides or intends to provide rental of co-operative housing options for households with a gross monthly household income less than the maximum housing subsidy income limit. Such property owners may qualify to be rated at the same rate as public benefit organizations in terms of the MPRA, i.e. at a ratio of 1:0.25. Properties where the gross monthly household income exceeds the aforementioned income limit or any other non residential properties of such institution will not qualify in terms of this paragraph.

If the usage of a property changes during the financial year, the rebate applicable will be reduced pro rata for the balance of the financial year.

All accounts of the applicant must be up to date or arrangements must be made to pay any outstanding balances before any rebate will be granted.

(2) An exemption from the payment of rates will only qualify to be considered for exemption by the Municipality subject to the following conditions:

(a) on application, which application must be addressed in writing to the Municipality in the prescribed manner (as per **Schedule "F"**);

(b) a true and certified copy of atax exemption certificate issued by the South African Revenue Service must be submitted together withthe application;

(c) the Municipal Manager or the person to whom the authority to approve an application for an exemption has been delegated, must consider and approve or dismiss the application;

(d) in considering the application for an exemption the Municipality may request any such further and/or additional information and/or documentation as it deems necessary in order to consider such application;

(e) the application must be submitted to the Municipality before the end of **April preceding the start of the new municipal financial year (i.e. 1 July) for which such exemption is sought**; and

(f) the Municipality reserves the right to refuse any exemption if the details provided in the application are incomplete, incorrect or false.

(3) Reductions:

(a) The Municipality will consider reductions from rates payable by owners of property on an *ad hoc* basis, in any of the following circumstances:

(i) partial or total destruction of a property and/or improvements on such property; and

(ii) in the event of a disaster, as defined in terms of the provisions of the Disaster Management Act, Act 57 of 2002, directly or indirectly affects the property.

(b) A reduction from rates payable by owners of property will only be granted by the Municipality subject to the following conditions:

(i) the owner of a property in respect of which a reduction is applied for must apply in writing to the Municipality for such

reduction, and the onus will rest on such applicant to prove to the satisfaction of the Municipality that such property has been totally or partially destroyed or affected by a disaster as contemplated in sub-paragraph (3)(a)(i) and (ii) above. Such owner will further have to indicate to which extent the property can still be used and the impact on the value of the property;

(ii) the percentage of the reduction granted and the period for which the reduction will be granted, if any, is solely within the discretion of the Municipality;

(iii) the Municipal Manager or the person to whom this authority to approve an application for a reduction has been delegated, must consider and approve or dismiss the application; and

(iv) in considering the application for a reduction the Municipality may request any such further and/or additional information and/or documentation as it deems necessary in order to consider such application.

(4) Rebates:

The Municipality will consider rebates from rates payable on certain categories of property and/or for certain categories owners of property, on the following basis:

(4A) Categories of property:

(a) Business, Commercial and Industrial property:

(i) The Municipality may grant rebates to a person or enterprise who or which is the owner of rateable property and which promotes local, social and

economic development within its municipal area, as outlined in **Schedule "A"**. In establishing the extent of the rebate, the following criteria will be used:

(aa) job creation within the municipal area;

(bb) social upliftment of the local community; and

(cc) establishment of infrastructure for the benefit of the local community.

(ii) A rebate as set out in the Tariff Schedule as referred to in the Tariff Policy of the Municipality, if any, may be granted on application to the Municipality as prescribed and set out in **Schedule "D"**, provided such application is submitted before the end of April preceding the financial year for which the rebate is applied for;

(iii) the Municipal Manager or the person to whom the authority to approve this application for a rebate has been delegated, must consider and approve or dismiss the application;

(iv) in determining the annual rebate the Municipality will take into consideration all relevant and applicable circumstances; and

(v) in considering the application for a rebate the Municipality may request any such further and/or additional information and/or documentation as it deems necessary in order to consider such application.

(b) State-owned or Organ of State-owned property:

The State or an Organ of State will receive a rebate on rates applicable to State-owned or Organ of State-owned property, as

determined in **Schedule "A"**,in the event of thefull payment of the rates before 30 September of the applicable financial year. This rebate does not apply to State-owned or Organ of State-owned property zoned or used for residential purposes.

(c) Agricultural/farming property:

(i) the owners of agricultural/farming property may be granted a rebate subject to such owner providing the Municipality with the prescribed information as set out in **Schedule "C"** and in the format provided in **Schedule "C"**;

(ii) the prescribed information provided in the format of **Schedule "C"**, must be submitted to the Municipality before the end of April, preceding the financial for which the rebate is applied for;

(iii) rebates may be granted by utilizing the criteria as set out and referred to in paragraphs 3.1 to 3.2 of **Schedule "A"**.

(d) Public Service Infrastructure Property:

A rebate of 30% as mandated by the provisions of section 17(1)(a) of the MPRA will be granted by the Municipality for Public Service Infrastructure property as they provide essential municipal services to the local community.

(4B) Categories of owners:

(a) Retired and/or Disabled Persons Rate Rebate:

Retired and/or disabled persons qualify for special rebates according to their monthly household income as referred to and set out in paragraph 3.3 of **Schedule "A"**. To qualify for this rebate a property owner must comply with the following requirements:

(i) occupies the property as his/her normal and only residence;

(ii) be at least 60 years of age or have been awarded a disability pension from the Department of Social Development or other approved pension funds;

(iii) be in receipt of a total monthly household income from any and all sources (including income of spouses of owner) as set out in paragraph 3.3 of **Schedule "A"**;

(iv) not be the owner of more than one property;

(v) provided that where the owner is unable to occupy the property due to no fault of his/her own, the spouse or minor children may satisfy the occupancy requirement;

(vi) property owners must apply to the Municipality for the rebate on the prescribed application form as set out in **Schedule "E"** and provide such documents as required therein;

(vii) this application must be submitted to the Municipality before the end of September preceding the start of the new financial year of the Municipality for which the rebate is applied for;

(viii) the Municipal Manager or the person to whom the authority to approve the application for a rebate has been delegated, must consider and approve or dismiss the application;

(ix) in considering the application for a rebate the Municipality may request any such further and/or additional information and/or documentation as it deems necessary in order to consider such application;

(x) the Municipality reserves the right to refuse rebates if the details supplied in the application form are incomplete, incorrect or false; and

(xi) the extent of the rebate is set out in paragraph 3.3 of **Schedule "A"**.

(5) Persons or entities, who are in terms of the provisions of this policy entitled to apply for and receive an exemption, reduction or rebate from the payment of a rate levied, must apply annually and in the prescribed manner for such an exemption, reduction or rebate, and any such exemption, reduction or rebate approved will only be valid and applicable for 1 (one) financial year, and for so long as the person or entity continue to meet all of the circumstances and conditions that entitled the exemption, reduction or rebate to be granted, whereafter the approved exemption, reduction or rebate will lapse. If eligible, the person or entity who or which is desirous to obtain an exemption, reduction or rebate for the next financial year, must proceed to apply for such an exemption, reduction or rebate in the prescribed manner. Exemptions, reductions and rebates shall only be valid and applicable when granted and where the applicant meets the criteria therefor.

(6) A reduction, exemption or rebate granted to an applicant who does not qualify may be removed at any time.

(7) Any person or entity receiving any exemption, rebate or reduction shall immediately notify the municipal manager of the Municipality, in writing, if the

circumstances or conditions which entitled the Municipality to grant the exemption, rebate or reduction, change or ceases to exist.

11. COST TO THE MUNICIPALITY DUE TO EXEMPTIONS, REDUCTIONS, REBATES, EXCLUSIONS, PHASING-IN AND THE BENEFIT THEREOF TO THE LOCAL COMMUNITY

(1) The Municipal Manager must ensure that all exemptions, reductions, rebates and the phasing-in of certain rates, as contemplated in terms of the provisions of sections 15 and 21 of the MPRA, are appropriately disclosed in the annual operating budget, annual financial statements and annual report of the Municipality and that such exemptions, reductions, rebates and phasing-in of certain rates are clearly indicated on the rate account which is submitted to every respective property owner liable to pay rates to the Municipality.

(2) The Municipal Manager must also disclose all costs in respect of such exemptions, reductions, rebates and/or phasing-in of rates, as provided in **Schedule "B"**.

(3) The benefit in respect of and the reasons and criteria for the granting of certain exemptions, reductions, rebates and/or phasing-in of certain rates to the various property owners includes, but is not limited to:

(a) the promotion of local economic development which includes the promotion of business investments within the municipal area of the Municipality;

(b) job creation for the local community;

(c) the promotion of service delivery by *inter alia* farmers;

(d) poverty alleviation of indigent individuals;

(e) social and moral development, including assistance to religious institutions, sporting bodies, educational institutions and/or other non-governmental organisations which promote health and/or other benefits to the local community; and

(f) improved local economic growth.

CHAPTER 4
GENERAL PROVISIONS

12. SPECIAL RATING AREAS

(1) The Municipality may, if and when it deems necessary, by means of a Council resolution determine special rating areas in consultation with the relevant communities as provided for in terms of the provisions of section 22 of the MPRA.

(2) The following matters shall be attended to in consultation with the property owners within the area where the Municipality considers to impose such special rating area:

(a) the proposed boundaries of the special rating area;

(b) statistical data in respect of the area concerned and any such further information as may be required by the property owners who owns property within the proposed special rating area;

(c) information in respect of the proposed improvements and/or upgrades, clearly indicating the estimated costs of each respective improvement and/or upgrade;

(d) the proposed financing of the improvements and/or upgrades;

(e) the priority of improvements and/or upgrades, if applicable;

(f) the socio economic factors of the relevant property owners concerned;

(g) the different categories of property;

(h) the amount of the proposed special rating;

(i) the details regarding the implementation of the special rating;

(j) the additional income which will be generated by means of the special rating; and

(k) the precise manner in terms of which the Municipality will utilize the additional income so generated.

(3) A committee of property owners who own property within the proposed special rating area, consisting of 6 (six) property owners must be established in order to advise and consult the Municipality with regard to such proposed special rating area. This committee will be elected by the inhabitants within the proposed special rating area concerned, who must be at least 18 (eighteen) years of age. The election of the committee will commence under the guidance of the Municipal Manager. The committee will serve in an advisory capacity only and will have no executive powers.

(4) The consent required from the property owners who own property within the proposed special rating area, must be obtained in writing or by means of a formal voting process under the auspices of the Municipal Manager. The majority vote is regarded as 50% plus 1 (one), of the property owners concerned. Each property owner, being the receiver of the monthly account for the municipal rate, will have 1 (one) vote each.

(5) In determining the special additional rates the Municipality shall differentiate between different categories as referred to in paragraph 8 above.

(6) The additional rates levied must be utilized for the purpose of improving or upgrading the specific area only and not for any other purpose.

(7) The Municipality shall establish separate accounting and other record-keeping systems, compliant with GAMAP/GRAP, for the identified area and the property owners concerned shall be kept informed of progress with projects and financial implications on an annual basis.

(8) Council may approve a rebate, reduction or exception in a determined amount and for a determinable period to a specific property owner to set off or reduce any amounts payable by the Municipality to the property owner whether under a services agreement or otherwise.

13. RATE INCREASES

(1) In terms of the provisions of section 17(3)(a)(ii) of the MFMA and section 24(2)(c)(i) of the MFMA, read with section 28(6) of the MFMA, the Municipality may only consider the increase of rates annually during the drafting and adoption of its annual budget.

(2) Income derived from the increasing of rates must be used by the Municipality to finance any increase in operating costs of subsidized municipal services and/or any increase in the rendering of municipal services to the local community.

(3) The following annual adjustments may be considered and/or made in respect of subsidized municipal services and/or the rendering of municipal services to the local community:

(a) salary and/or wage increases as agreed with the South African Local Government Bargaining Council;

(b) salary increases of managers directly accountable to the Municipal Managers in terms of the provisions of section 56 of the Systems Act;

(c) inflation adjustments in respect of general expenditure, repairs, maintenance and/or contributions to statutory funds, and

(d) additional depreciation costs, interest on and/or reduction of loans associated with the assets obtained by the Municipality during the previous financial year.

(4) Extraordinary expenditure in respect of community municipal services which was not expected or budgeted for, may be financed byan increase of property rates.

(5) The Municipality must take into consideration the ability of ratepayers to afford any proposed increase of rates prior to implementing any increase of property rates.

(6) Any and all increases of property rates must be communicated to the local community in terms of paragraph14 of this policy and the applicable provisions of the MFMA.

14. NOTIFICATION OF RATES

(1) In terms of the provisions of section 16(2) of the MFMA, read with the provisions of section 22 of the MFMA, the public must be informed of the rates on property which the Municipality intends to levy in the next financial year as contained in the Municipality's annual budget. The public then may submit representations regarding the contents of the said annual budget in terms of the provisions of section 22(a) (ii) of the MFMA.

(2) Once the Council has, considered, in terms of the provisions of section 24(1) of the MFMA, amongst others, the representations by the public, the Council may

proceed to approve the annual budget, and once it has done so the Municipality shall have levied the rate as contained in the annual budget as contemplated in terms of the provisions of section 24(2)(c)(i) of the MFMA.

(3) The Municipality must give notice to the local community of the rates levied on property in accordance with the provisions of section 14 of the MPRA, which in turn requires that the resolution levying the rates on property be promulgated by publishing the resolution levying the rates in the Provincial Gazette and within 60 (sixty) days after the passing of the resolution levying the rates:

(a) in terms of the provisions of section 14(3)(a) and (b) of the MPRA, whenever a Municipality passes a resolution as referred to in sub-paragraph (3) above, the Municipal Manger must, within 60 (sixty) days after the passing of the resolution levying the rates::

(i) Conspicuously display the resolution for a period of at least 30 (thirty) days:

(aa) at the Municipality's head and satellite offices and libraries; and

(bb) if the Municipality has an official website or a website available to it as envisaged in section 21B of the Systems Act, on that website; and

(ii) advertise in the media a notice stating that:

(aa) a resolution levying a rate on property has been passed by the Council; and

(bb) the resolution is available at the Municipality's head and satellite offices and libraries for public inspection during office hours and, if the Municipality has an official website or a website available to it, that the resolution is also available on that website.

(4) The resolution levying the rates must contain the date on which the resolution was passed, differentiate between categories of properties and reflect the cent amount in the rand rate for each category of property.

15. PAYMENT OF RATES

(1) A ratepayer has the option to pay the rates for which such ratepayer is liable to the Municipality in one annual instalment on or before the end of September of a given year, or to pay such rates on a monthly basis on or before the last day of the month.

(2) If the owner of rateable property wishes to opt for the payment of rates annually in one instalment, such owner must notify the Municipal Manager in writing of such election and the owner will then become liable to the Municipality to pay the rates on an annual basis, and full payment of the rates to be received by no later than the last day of September.

(3) Interest on arrear rates will be levied and payable as set out in terms of the provisions of section 75A(1)(b) of the Systems Act, read with section 97(1)(e) of the Systems Act and the applicable provisions of the Credit Control & Debt Collection Policy and by-laws of the Municipality.

(4) If the owner of rateable property fails, neglects or refuses to pay such rates which is owing and due to the Municipality, the Municipality must recover such rates in accordance with the provisions of its Credit Control and Debt Collection Policy and by-laws of the Municipality, read with the provisions of Chapter 9 of the Systems Act.

(5) Arrear rates may be recovered from any tenants or occupiers of a rateable property or their agent as set out in terms of the provisions of sections 28 and 29 of the MPRA.

16. PAYMENT OF RATES ON PROPERTY IN SECTIONAL TITLE SCHEMES

(1) Rates on property in respect of a sectional title scheme, shall be levied on the individual sectional title units in the scheme and not on the property as a whole.

(2) The rate levied on a sectional title unit is payable and must be recovered from the owner of such unit and no rates in respect of any such unit may be recovered from the established body corporate of the scheme.

(3) The provisions of sub-paragraph (2) above do not exempt a body corporate of a sectional title scheme from the payment of rates on a sectional title unit in respect of which such body corporate is the owner.

(4) A body corporate which controls a sectional title scheme may not apportion and collect rates contemplated in terms of the MPRA from the owners of the sectional title units in such scheme.

(5) The common area of the property in sectional title schemes, shall be proportionally divided and included into each sectional title unit and these proportioned common area shall be payable by the owners of the specific sectional title units.

17. ACCOUNTS TO BE FURNISHED

(1) The Municipality must furnish every owner of rateable property liable for the payment of such rates with a written account therefore, which account must provide:

(a) the amount due for such rates;

(b) the date upon or before which the rates are payable;

(c) the manner in terms of which the rates was calculated;

(d) the municipal value of the property for which the account was furnished; and

(e) the percentage or amount of any applicable exemptions, reductions and/or rebates.

(2) An owner of rateable property who/which is liable for the payment of such rates remains liable for the payment thereof, irrespective of whether or not such owner received an account furnished by the Municipality therefor.

(3) An owner contemplated in sub-paragraph (2) above, must enquire and attempt to obtain such account from the Municipality for the payment thereof and is responsible for enquiring and ascertaining from the Municipality, monthly and timeously, the amount due to the Municipality should no account be received.

(4) Where a rateable property is owned by 2 (two) or more owners, the Municipality may recover the applicable property rate therefore from anyone of the owners in order to reduce its administrative costs and in terms of the provisions of section 24(2)(a) of the MPRA.

(5) The Municipality and the ratepayer have the rights in respect of accounts, as set out in terms of the provisions of section 102 of the Systems Act and the provisions of the Credit Control & Debt Collection Policy and by-laws of the Municipality dealing with accounts.

18. FREQUENCY OF VALUATION

(1) The Municipality must prepare a new valuation roll at least every 5 (five) financial years, and reserves the right to extend the validity of the valuation roll to 7 (seven) financial years in terms of the provisions of section 32(2)(b) of the MPRA.

(2) Supplementary valuations will be done on a continuous basis to ensure that the valuation roll is properly updated, as provided for in terms of the provisions of section 78 of the MPRA.

19. COMMUNITY PARTICIPATION

This policy may only be adopted once the Municipality has followed a process of community participation, in accordance with the provisions set out in Chapter 4 of the Systems Act and section 4(2) of the MPRA, and the Municipality must further take all comments and representations received as a result of the community participation process into account when it considers the adoption of this policy.

20. REGISTER OF PROPERTY

The Municipality must compile, maintain and display a register of properties in accordance with the provisions of section 23 of the MPRA.

21. CERTIFICATE OF OCCUPANCY

(1) Prior to a residential property being eligible for a rebate, a certificate of occupancy must have been issued in respect thereof, by the Municipality.

(2) The onus of obtaining a certificate of occupancy rests with the owner of a property.

22. ILLEGAL USE OF PROPERTY

(1) If a property is used for a use, other than that permitted for the property by the applicable provisions of the Land Use Management Scheme (also referred to as the "illegal use of the property"), the Municipality will be entitled to levy on the property concerned the highest tariff provided for in the differential rate categories of the Municipality.

(2) (a) The owner of property contemplated in sub-paragraph(1) above then bears the onus of satisfying the Municipality that the illegal use of the property has ceased and may request in writing from the Municipality to proceed to reinstate the levying of rates against the property as per the valuation roll;

(b) such a request in writing by the owner of the property must be accompanied by an affidavit by the owner of the property, confirming that the illegal use of the property has been ceased and that the property is being used for the use allowed for the property in terms of the provisions of the Land Use Management Scheme;

(c) the Municipality shall consider the request and if the cessation of illegal use of the property is verified and if the request is approved, the Municipality will reinstate the levying of rates against the property as per the valuation roll.

23. INSPECTION OF AND OBJECTIONS TO ENTRIES INTO THE VALUATION ROLL OF THE MUNICIPALITY

(1) Once the Municipality has given notice in terms of the provisions of section 49 of the MPRA that the valuation roll is open for public inspection, any person may within such period stated in section 49(1)(a) of the MPRA, in terms of the provisions of section 50(1) of the MPRA:

(a) inspect the roll during office hours;

(b) upon payment of a reasonable fee request the Municipality during office hours to provide an extract from the roll; and

(c) may lodge an objection with the Municipal Manager against any matter reflected in, or omitted from the roll.

(2) An objection as contemplated in sub-paragraph (1)(c) above, must be in relation to a specific individual property and not against the valuation roll as a whole.

(3) The lodging of an objection does not defer liability for the payment of rates beyond the date determined therefore.

(4) All objections received shall be dealt with in the manner prescribed in terms of the provisions of section 51 to section 54 of the MPRA.

24. BY-LAWS TO GIVE EFFECT TO RATES POLICY

The Municipality must adopt by-laws to give effect to the implementation of this policy.

25. POLICY REVIEW

This policy must be reviewed annually by the Council of the Municipality as prescribed in terms of the provisions of section 5 of the MPRA.

SCHEDULE "A" – REBATE ON RATES

NO.	CATEGORY / DESCRIPTION	APPLICABLE REBATE
1.	Exemptions:	
1.1	Residential	R [redacted](The first R15 000.00 of the market value of a property assigned in the valuation roll or supplementary valuation roll is statutorily exempted from the levying of rates as per the provisions of section 17(1)(h) of the MPRA)
2.	Reductions:	
2.1	Partial or total destruction of a property and/or improvements on such property	25%
2.2	in the event of a disaster, as defined in terms of the provisions of the Disaster Management Act, Act 57 of 2002, directly or indirectly affects the property	50%
3.	Rebates:	
	State owned or Organ of State owned properties (excluding properties zoned or used for residential purposes)	__%
	Residential Properties	__%
	Public schools	__%

	Private schools	25%
	Public Service Infrastructure	___% (but not less than 30% in terms of the provisions of section 17(1)(a) of the MPRA)
3.1	**Agricultural/Farming Land:**	
3.1.1	The extent of the municipal services provided to agricultural/farming property:	
	No municipal roads next to property	__%
	No municipal sewerage to the property	__%
	No municipal electricity to the property	__%
	No water supply to the property by the Municipality	__%
	No refuse removal provided by the Municipality	__%
3.1.2	The contribution of the farming/agriculture property to the local economy: A rebate may be granted to the owner of agricultural/farming property which contributes substantially to job creation, and the salaries/wages of farm workers are reasonable, e.g. if they meet minimum standards set by Government or if they are in line with the sector's average. In this regard the criteria are as follows and should be substantiated by the information provided in **Schedule "C"**:	
	Salaries/wages of farm workers meet minimum standards.	__%
3.1.3.	Rebates may be granted after submission of proof by the owner, as per **Schedule "C"**, to the extent to which agriculture assists in meeting service delivery and development obligations of the Municipality and contribution to the social and economic welfare of farm workers:	
	If the owner is providing permanent residential property to the farm workers and such property is registered in the name of such farm workers.	__%

	If such residential properties are provided with potable water.	__%
	If the owner has provided electricity to the residential properties of his farm workers.	__%
	If the owner is availing his land/buildings to be used for the purposes of a cemetery, education and/or recreational purposes of the farm workers and their dependants and the nearby community in general.	__%
3.2.	**Farming, Business, Commercial and Industrial:**	
3.2.1.	Contribution to job creation:	
	1 to 10 workers:	__%
	11 to 50 workers	__%
	51 workers or more	__%
3.2.2.	Social upliftment of the local community: (specify criteria and extent in order to calculate percentage of rebate)	
		__ %
3.2.3.	Establishment of infrastructure for the benefit of the local community: (specify criteria and extent in order to calculate percentage of rebate)	
		__%
3.3.	**Retired and/or disabled persons on residential property only:**	
	Owner with a gross monthly income from R 0 – R2 500.00	__%
	Owner with a gross monthly income from R2 501.00 – R3 500.00	__%
	Owner with a gross monthly income from R3 501 – R5 000.00	__%

SCHEDULE "B"

THE COSTS ASSOCIATED WITH EXEMPTIONS, REDUCTIONS, REBATES, EXCLUSIONS AND PHASING IN OF RATES

FINANCIAL YEAR

NO.	COST ITEM	AMOUNT
1.	**Exemptions:**	
1.1	Residential Property	R
1.2	Property owned by the Municipality	R
1.3	Property owned by Public Benefit Organisations:	R
1.3.1	State or Organ of State Healthcare Institutions	R
1.3.2	Welfare Institutions	R
1.3.3	Educational Institutions	R
1.3.4	Charitable Institutions	R
1.3.5	Sporting Bodies	R
1.3.6	Cultural Institutions	R
1.3.7	Museums, Libraries, Art Galleries and Botanical Gardens	R
1.3.8	Youth Development Organisations	R
1.3.9	Animal Welfare	R
1.3.10	Property used for Religious Purposes	R
1.3.11	Registered Indigents	R
2.	**Reductions:**	
2.1	Partial or Total Destruction of a property	R
2.2	Properties affected by Disaster	R
3.	**Rebates:**	
3.1	Categories of Property:	R
3.1.1	Business, Commercial and Industrial property	R

3.1.2	State-owned or Organ of State-owned property (excl residential properties)	R
3.1.3	Agricultural/farming property	R
3.1.4	Public Service Infrastructure property	R
3.2	**Categories of Owners of Property:**	**R**
3.2.1	Retired and/or Disabled persons	R
	TOTAL COST:	**R**

SCHEDULE "C"

APPLICATION TO BE RATED AS AGRICULTURAL/FARMING PROPERTY

USED FOR AGRICULTURAL/FARMING PURPOSES

FINANCIAL YEAR

Complete the following in full and return by hand to the offices of the Municipality, at the Missionary Mpheni House, CNR NELSON MANDELA & BEYERS NAUDE STREET, RUSTENBURG, NORTH WEST PROVINCE, or by post to P.O. Box __, Rustenburg, ____. Only applications with the original commissioner's oath stamp and duly commissioned will be accepted i.e. no copies or faxed application will be considered. Please note that the onus lies with the applicant to confirm that the Municipality has received his/her application.

Farm / Erf No.:		**Portion No.:**	
Farm Name:			

If you have previously been granted a bona fide farmers rebate and an inspection was carried out on your property, kindly provide the certificate number which was issued to you.													
Municipal Account Number:													
Registered Owner of Property:													
(full names)													
Physical Address of Owner:													
Postal Address of Owner:													
Telephone No.:	**Home:**						**Work:**						
	Cell:						**Fax:**						
E-mail Address:													

Is any portion of the property used for any purpose other than agriculture? (e.g. business, mining, eco-tourism, trading in or hunting game)

Mark with a 'X'

YES	NO

IF YES, DESCRIBE: _____

_____

_____

_____

LAND USE ANALYSIS

Number of boreholes	
Output – Litres / Hour	
Dams capacity	

Is the property exposed to a river?			
Yes		No	

Type of Farming (mark with a 'X')	Cash Crop	Citrus	Soft Fruit	Poultry	Livestock	Pasture	Grazing	Dairy
Other (please specify)								

LAND INFORMATION	EXTENT
Arable – Dry	
Arable – Irrigation	
Pasture – Dry	
Pasture – Irrigation	
Grazing – Veld	
Cash Crop	
Home site and farmyard	
Other (specify)	

LIVE STOCK INFORMATION	NUMBER OF LIVESTOCK
Cattle	
Sheep	
Poultry	
Goats	
Pigs	
Other (specify)	

Building No.	Description	Size M^2	Condition	Is the building functional

I the undersigned, _____ **(first name and surname printed)** in my capacity as _____ do hereby declare under oath that:

(1) the contents of this application and affidavit are within my personal knowledge, save where the contrary appears from the context hereof or is expressly stated otherwise, and are both true and correct;

(2) the above property complies with all the above mentioned conditions for an agricultural/farming property in terms of the Municipal Property Rates Act, Act 6 of 2004 and the Municipality's Rates Policy;

(3) I authorise that the Municipality may inspect the property at any reasonable time during the financial year to confirm the compliance with the conditions of the rebate. Where access is denied, the rebate may be withheld, or withdrawn, if already effective;

(4) I confirm that I have completed this application in full and am aware of the fact that if I have not, that my application cannot be processed until such time that I have done so;

(5) I undertake to notify the Municipality immediately should any change occur in the use of the property of the conditions conferring a rates rebate in terms of the Municipal Property Rates Act, Act 6 of 2004, the Municipal Systems Act, Act 32 of 2000 and the Rates Policy of the Municipality; and

(6) I further acknowledge that should it transpire that any information was knowingly/unlawfully/incorrectly recorded/supplied by me herein or otherwise, the Municipality has the right to withdraw any rebate granted and recover such rebate. The Municipality will raise interest on such accounts where such rebates were fraudulently obtained, and reserve the right to take further action against any person(s) who applied false information.

I further confirm under oath that:

(DELETE WHERE NOT APPLICABLE)

(1) I/The owner of the above referred to property **conducts / do not conduct***bona fide* farming activities on the property and I/the owner derive more than 50% of my/his/her/its income from the *bona fide* farming activities conducted on the property;

(2) I/The owner **avails / do not avails** land/buildings for cemetery, residential, educational and recreational purposes for the farm workers and their dependants and the nearby community in general, of which the details are as follows:

_____

_____

_____;

(3) The residential units on the above property **are / are not** provided with potable water;

(4) The residential units on the above property **are / are not** utilised for residential purposes by the farm workers employed on the above property;

(5) The residential units on the above property **have / have not** been provided with electricity;

(6) The residential units on the above property **are / are not** permanent residential property and **have / have not** been registered in the name of the farm workers employed on the above property;

(7) The salaries/wages of farm workers employed on the above property **meet / do not meet**the prescribed minimum standards in terms of the applicable labour legislation;

(8) I/The owner **contributes / do not contribute** to the social upliftment of the local community, of which the details are as follows:

_____

_____

_____;

(9) I/The owner **established / did not establish** infrastructure on the above property for the benefit of the local community, of which the details are as follows:

_____

_____

_____;

(10) I/The owner is registered as a bona fide farmer with SARS, and the last tax assessment is attached hereto as proof;

_____ _____

SIGNATURE OF AUTHORISED PERSON ON BEHALF OF APPLICANT

DATE

Signed and sworn before me at _____ on this the _____ day of _____ 20___, the deponent having acknowledged that he/she knows and understands the contents of this declaration and that he/she has no objection to the taking of the prescribed oath and that he/she considers it binding on his/her conscience. I certify that the provisions of Regulation R.1258 of 21 July 1972 have been complied with.

_____ _____

COMMISSIONER OF OATHS FULL NAMES

SIGNATURE

COMMISSIONER OF OATH'S STAMP

SCHEDULE "D"

APPLICATION FOR A RATE REBATE BY A PERSON OR ENTERPRISE WHO OR WHICH IS THE OWNER OF RATEABLE PROPERTY AND WHO OR WHICH PROMOTES LOCAL, SOCIAL AND ECONOMIC DEVELOPMENT

FINANCIAL YEAR

Complete the following in full and return by hand to the offices of the Municipality,atMissionary MpheniHouse, c/o NELSON MANDELA & BEYERS NAUDE STREET, RUSTENBURG, NORTH WEST PROVINCE or send by post to P.O. Box __, Rustenburg, ___. Only applications with the original commissioner's oath stamp and duly commissioned will be accepted i.e. no copies or faxed application will be considered. Please note that the onus lies with the applicant to confirm that the Municipality has received his/her application.

Erf:		**Portion No.:**		**Suburb:**	
Name of Enterprise:					
Registration No. of Enterprise:					
Municipal Account Number:					
Registered Owner of Property: (full names or organisation name)					
Usage (purpose for which the property is used):					
Physical Address of Enterprise:					
Postal Address of Enterprise:					
Telephone No.:	**Home:**		**Work:**		
	Cell:		**Fax:**		
E-mail Address:					

The following documentation must be attached:

- the business plan of the enterprise indicating how the local, social and economic development objectives of the Municipality is met;
- a continuation plan issued by the directors/members of the enterprise and certified by the auditors of the enterprise stating that the objectives have been met in the first year after establishment and in which manner the enterprise will continue to meet the objectives;
- a true and certified copy of the documents of establishment of the enterprise, e.g. Trust Deed, Memorandum of Articles of Association, constitution or any other written confirmation or document under which or officially confirming that the organisation was established;
- a resolution by the enterprise, authorising the signee to apply for this rebate on behalf of the enterprise;
- a true and certified copy of the authorised person's identity document; and
- a true and certified copy of the most recent approved and signed audited financial statements.

I the undersigned _____ **(first name and surname printed)** in my capacity as _____, and duly authorised representative of the Applicant do hereby declare under oath that:

(1) the contents of this application/affidavit are within my personal knowledge, save where the contrary appears from the context hereof or is expressly stated otherwise, and are both true and correct;

(2) I give permission that the Municipality may inspect the property at any reasonable time during the financial year to confirm the compliance with the conditions of the rebate. Where access is denied, the rebate may be withheld, or withdrawn, if already effective;

(3) I confirm that I have completed this application in full and am aware of the fact that if I have not, that my application cannot be processed until such time that I have done so;

(4) I undertake to notify the Municipality immediately should any change occur in the use of the property of the conditions conferring a rates rebate in terms of the Municipal Property Rates Act, Act 6 of 2004, the Municipal Systems Act, Act 32 of 2000 and the Rates Policy of the Municipality;

(5) I further acknowledge that should it transpire that any information was knowingly/unlawfully/incorrectly recorded/supplied by me, the Municipality has the right to withdraw

any rebate granted and recover such rebate. The Municipality will raise interest on such accounts where such rebates were fraudulently obtained, and reserve the right to take further action against any person(s) who applied false information;

(6) I confirm that the enterprise promotes local, social and economic development within the municipal area of the Municipality in the following manner:

_____

_____

_____

_____

(7) I confirm that the enterprise creates jobs within the municipal area, in the following manner:

_____

_____

_____

_____

(8) I confirm that the enterprise is involved and contributes to social upliftment of the local community, in the following manner:

_____

_____

_____

_____

(9) I confirm that the enterprise established the following infrastructure for the benefit of the local community:

_____

_____

_____

_____

_____ _____

SIGNATURE OF AUTHORISED PERSON ON BEHALF OF APPLICANT **DATE**

Signed and sworn before me at _____ on this the _____ day of _____ 20___, the deponent having acknowledged that he/she knows and understands the contents of this declaration and that he/she has no objection to the taking of the prescribed oath and that he/she considers it binding on his/her conscience. I certify that the provisions of Regulation R.1258 of 21 July 1972 have been complied with.

_____ _____

COMMISSIONER OF OATHS FULL NAMES **SIGNATURE**

COMMISSIONER OF OATH'S STAMP

SCHEDULE "E"

APPLICATION FOR A PENSIONER'S AND/OR DISABLE PERSON'S PROPERTY RATES REBATE

FINANCIAL YEAR

To qualify for a pensioners and/or disabled person's property rates rebate, a retired and/or disabled property owner must:

(a) be a natural person;

(b) the property must be categorised as residential;

(c) be the owner of the property on the 1st of July of the year which is being applied for;

(d) occupy the property as his or her normal residence or where the owner is unable to occupy the property due to no fault of his/her own, the spouse/partner or minor children may satisfy the occupancy requirement;

(e) be a pensioner i.e. be at least 60 years of age on 1 July of the financial year concerned; or if the owner turns 60 during the year the rebate will be granted on a pro rata basis from the date on which the applicant turned 60; ***or***

be a disabled person, i.e. be in receipt of disability grant/pension and submit proof of the nature of the disability e.g. letter from doctor, with the application.

(f) be in receipt of a total gross annual income from all sources, excluding medical aid contributions received, child support / grant ***but including*** the income of the spouse/partner of the owner and ***all*** persons normally residing on that property, not exceeding R72 000.00 per annum (R6000.00 per month);

(g) not be in receipt of indigent support;

in addition:

(h) an usufructuary will be regarded as the owner;

(i) the owner will only qualify for one rebate per year, in other words the percentage rebate granted will remain in effect for the year, it will not be amended on an *ad hoc* basis should the household's financial circumstances change during the year; and

(j) applications will only be considered if there are no outstanding balances on any of the owner's municipal accounts. If there are outstanding balances, the application will only be considered after arrangements have been made at the Municipality, to pay the outstanding amounts. Furthermore,

the owner must ensure that he/she continues to pay the rates account in full until the rebate is granted, as no interest or monies due will be reversed.

This application must be accompanied by the following documents:

- original certified copy of bar-coded identity document; (owner and spouse/partner)
- pension statements (of owner and spouse/partner), last 3 months bank statements from **all bank, investment and retirement annuity accounts of owner and spouse/partner**, and proof of gross salary of any other persons living on the property (not just rental received). All documents provided must clearly state who it relate – documents which do not reflect person's name or ID number on will not be considered;
- a certified affidavit declaring any assistance (financially or otherwise) from any other sources including any assistance from family members. (Assistance received from family members will not however be included in the calculation of household income);
- provide a certified affidavit to explain ***all***once-off monies received e.g. gifts, donations, pension payouts (e.g. on retirement), all bonuses, refunds, cash deposits, etc.; and
- in the case of usufructuary – a certified copy of the legal documents granting the usufruct such rights.

Please note:	**The Municipality can request any other document it deems necessary to substantiate the application.**

Kindly complete the following in FULL and return by hand to the Rustenburg Local Municipality, at the Missionary Mpheni House, c/o NELSON MANDELA & BEYERS NAUDE STREET, RUSTENBURG, NORTH WEST PROVINCE or send by post to P.O. Box __, Rustenburg, ___. Only applications with the original commissioner's oath stamp will be accepted i.e. no copies or faxed applications will be considered.

Erf/Unit No.:		Suburb/Sectional Title Name:	
Municipal Account No.:			
Registered Owner of Property:			
(full names)			

Physical Address of Owner:				
Postal Address of Owner:				
Telephone No.:	**Home:**		**Work:**	
	Cell:		**Fax:**	
E-mail Address:				

Gross Income Details	GROSS INCOME – SELF (Annual)	GROSS INCOME – SPOUSE/PARTNER (Annual)
Income from employer:		
Pension:		
Annuity:		
Interest on savings:		
Rentals:		
Financial assistance – from children etc.:		
Other: (please specify)		
TOTAL		

Occupants (Full Names)	Relationship	Age	Gross Income (Annual)

I the undersigned _____ (first name and surname printed) in my capacity as _____ of _____

(in the event of this application being completed by a person other than the applicant, by reasons of the fact that the applicant is not able to complete this application him/herself, then the person

completing this application must state his/her full details and address, as well as the capacity in which he/she is representing or assisting the applicant)do hereby declare under oath:

(1) that the contents of this application/affidavit are within my personal knowledge, save where the contrary appears from the context hereof or is expressly stated otherwise, and are both true and correct;

(2) I confirm that the above property complies with all the abovementioned conditions for a pensioner's and/or disabled person's rebate in terms of the Municipal Property Rates Act, Act 6 of 2004 and the Municipality's Rates Policy;

(3) that I give permission that the Municipality may inspect the above property at any reasonable time during the financial year to confirm the compliance with the conditions of the rebate. Where access is denied, the rebate may be withheld, or withdrawn, if already effective;

(4) I did provide all the required documentation as stipulated on page 1 and2 of this application;

(5) I have completed this application in full and am aware of the fact that if I have not, that my application cannot be processed until such time that I have done so;

(6) I undertake to notify the Municipality immediately should any change occur in the use of the property of the conditions conferring a rates rebate in terms of the Municipal Systems Act, Act 32 of 2000 and the Rates Policy of the Municipality; and

(7) I further acknowledge that should it transpire that any information was knowingly/unlawfully/incorrectly recorded/supplied by me, the Municipality has the right to withdraw any rebate granted and recover such rebate. The Municipality will raise interest on such accounts where such rebates were fraudulently obtained, and reserve the right to take further action against any person(s) who applied false information.

_____ _____

SIGNATURE OF APPLICANT OR AUTHORISED PERSON ON BEHALF OF APPLICANT

DATE

Signed and sworn before me at _____ on this the _____ day of _____ 20___, the deponent having acknowledged that he/she knows and understands the contents of this declaration and that he/she has no objection to the taking of the prescribed oath and that he/she

considers it binding on his/her conscience. I certify that the provisions of Regulation R.1258 of 21 July 1972 have been complied with.

COMMISSIONER OF OATHS FULL NAMES **SIGNATURE**

COMMISSIONER OF OATH'S STAMP

SCHEDULE "F"

APPLICATION FOR EXEMPTION FROM PROPERTY RATES AS CONTEMPLATED IN PARAGRAPH 10 OF THE MUNICIPALITY'S RATES POLICY FOR OWNERS OF RESIDENTIAL PROPERTIES AND PUBLIC BENEFIT ORGANISATIONS

FINANCIAL YEAR

This application form is used for owners of residential properties and Public Benefit Organisations applying for exemptions in terms of the provisions of paragraph 10 of the Rates Policy of the Municipality.

Applications for exemptions by Public Benefit Organisations must be accompanied by a letter from the SARS confirming that the organisations qualifies for exemption in terms of the Section 30 Income Tax Act, 1962, read with the Ninth Schedule to that Act.

All residential property owners and public benefit organisations seeking an exemption must submit either a letter from their auditors, or annual financial statements, or payslips, or salary advice confirming that the applicant qualifies for an exemption.

THE FOLLOWING DOCUMENTATION MUST BE ATTACHED, DEPENDING ON AND WHERE APPLICABLE TO OWNERS OF RESIDENTIAL PROPERTIES OR PUBLIC BENEFIT ORGANISATIONS:

1. A true and certified copy of the constitution, trust deed, memorandum of articles of association, or any other written instrument under which the organisation was established.
2. A true and certified copy of the tax exemption certificate issued for the organisation by the South African Revenue Service, as contemplated in Part 1 of the Ninth Schedule of the Income Tax Act, Act 58 of 1962.
3. A resolution by the organisation, authorising the signee to apply for this exemption, on behalf of the organisation.
4. A true and certified copy of the authorised person's or owner's Identity Document.
5. A true and certified copy of the most recent, approved and signed audited financial statements, salary advice, or pay slip.

The effective date of the rebate will be the date when the Municipality approves the application, irrespective of whether the property qualified for exemption in terms of its use prior to that date.

Kindly complete the following in FULL and return by hand to the Municipality, at the Missionary Mpheni House, c/o NELSON MANDELA & BEYERS NAUDE STREET, RUSTENBURG, NORTH WEST PROVINCE or send by post to P.O. Box __, Rustenburg, ___. Only applications with the original commissioner's oath stamp will be accepted i.e. no copies or faxed applications will be considered.

Erf:		**Portion No.:**		**Suburb:**	
Municipal Account Number:					
Registered Owner of Property: (full names or organisation name)					
Physical Address of Owner / Organisation:					
Postal Address of Owner / Organisation:					
Total monthly income of owner (if exemption is for owner of residential property):					
Telephone No.:	**Home:**		**Work:**		
	Cell:		**Fax:**		
E-mail Address:					

I confirm that I herewith, in terms of the provisions of paragraph 10 of the Rates Policy of the Municipality apply for an exemption from the payment of property rates for residential properties (as contemplated in paragraph 10(1)(a)(iii) of the Rates Policy) // for a Public Benefit Organization (delete which is not applicable).

I the undersigned _____ **(first name and surname printed)** in my capacity as owner / _____, (fill in or delete which is not applicable) and duly authorised by the Applicant to apply for this exemption on behalf of the Applicant, do hereby declare under oath

(1) that the contents of this application/affidavit are within my personal knowledge, save where the contrary appears from the context hereof or is expressly stated otherwise, and are both true and correct;

(2) that the above property complies with all the abovementioned conditions for a Public Benefit Organisation and not-to-gain institutions exemption, in terms of the Municipal Property Rates Act, Act 6 of 2004 and the Municipality's Rates Policy, if applicable;

(3) that I give permission that the Municipality may inspect the above property at any reasonable time during the financial year to confirm the compliance with the conditions of the rebate. Where access is denied, the rebate may be withheld, or withdrawn, if already effective;

(4) I confirm that I will provide all the required documentation as stipulated on page 1 of this application;

(5) I have completed this application in full and am aware of the fact that if I have not, that my application cannot be processed until such time that I have done so;

(6) I undertake to notify the Municipality immediately should any change occur in my income or the use of the property of the conditions conferring a rates rebate in terms of the Municipal Property Rates Act, Act 6 of 2004, the Municipal Systems Act, Act 32 of 2000 and the Rates Policy of the Municipality; and

(7) I further acknowledge that should it transpire that any information was knowingly/unlawfully/incorrectly recorded/supplied by me, the Municipality has the right to withdraw any exemption granted and recover such exemption. The Municipality will raise interest on such accounts where such exemptions were fraudulently obtained, and reserve the right to take further action against any person(s) who applied false information.

_____ _____

SIGNATURE OF OWNER / AUTHORISED PERSON ON BEHALF OF APPLICANT (DELETE WHICH IS NOT APPLICABLE)

DATE

Signed and sworn before me at _____ on this the _____ day of _____ 20___, the deponent having acknowledged that he/she knows and understands the contents of this declaration and that he/she has no objection to the taking of the prescribed oath and that he/she considers it binding on his/her conscience. I certify that the provisions of Regulation R.1258 of 21 July 1972 have been complied with.

COMMISSIONER OF OATHS FULL NAMES

SIGNATURE

COMMISSIONER OF OATH'S STAMP

RATES POLICY

POLICY REVIEW MANAGEMENT INFORMATION			
NAME & SURNAME	**DESIGNATION**	**SIGNATURE**	**DATE**
Thabiso Mkhwanazi	Section Manager Billing		30/03/2017
Paul Malatsi	Acting Chief Financial Officer		30/03/2017
Lucky Molotsane	Head Legal Unit		30/3/2017
Tshenolo Lefutswe	Acting Municipal Manager		30/3/2017

RUSTENBURG

LOCAL MUNICIPALITY

CASH MANAGEMENT AND INVESTMENT POLICY

PREAMBLE

WHEREAS section 13 of the Local Government: Municipal Finance Management Act, Act 56 of 2003 (hereinafter referred to as "the MFMA") determines that the Rustenburg Local Municipality (hereafter "the Municipality") must within the prescribed legislative framework:

(a) conduct their cash management and investments; and

(b) invest money not immediately required.

AND WHEREAS in terms of section 13(2) of the MFMA, the Municipality must establish an appropriate and effective Cash Management and Investment Policy in accordance with the prescribed framework.

AND WHEREAS Councillors and officials as trustees of public funds, have an obligation to ensure that cash resources are managed as effectively, efficiently and economically as possible.

AND WHEREAS all investments made by the Municipality must be in accordance with the Local Government: Municipal Finance Management Act, Municipal Investment Regulations (hereafter "the Regulations") promulgated in terms of the MFMA and in accordance with the Cash Management and Investment Policy of the Municipality.

NOW THEREFORE the Municipality adopts the following Cash Management and Investment Policy in compliance with the provisions of the MFMA and Regulations and to be known as the Cash Management and Investment Policy (hereafter "this policy").

THE RUSTENBURG LOCAL MUNICIPALITY

CASH MANAGEMENT & INVESTMENT POLICY

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1. DEFINITIONS

(1) In this policy, except where the context otherwise indicates, or it is expressly stipulated otherwise, the following words and expressions shall have the respective meanings assigned to them hereunder, and words and expressions to which a meaning has been assigned in terms of the provisions of the MFMA, Systems Act and Regulations, will have a corresponding meaning assigned thereto in terms of the said act. All headings are included for convenience only and shall not be used in the interpretation of any of the provisions of this policy.

NO.	WORD/EXPRESSION	DEFINITION
	"A"	
1.1	**"Accounting Officer"**	Means the Municipal Manager appointed in terms of section 60 of the MFMA.
1.2	**"accrued interest"**	Means interest income that has been earned but not yet paid in cash.
	"C"	
1.3	**"Chief Financial Officer"**	Means a person designated in terms of section 80(2)(a) of the MFMA.
1.4	**"Council"**	Means the municipal council of the Municipality as referred to and constituted in terms of the provisions of section 157 of the Constitution of the Republic of South Africa.
1.5	**"credit rating"**	Means a financial indicator to determine credit worthiness to be considered potential lender or investor.
	"I"	
1.6	**"investee"**	Means an institution with which an investment is placed, or its agent.

1.7	**"investment"**	Means in relation to funds of the Municipality: (a) the placing on deposit of funds of a municipality with a financial institution; or (b) the acquisition of assets with funds of a municipality not immediately required with the primary aim of preserving those funds.
1.8	**"investment manager"**	Means a natural person or legal entity that is a portfolio manager registered in terms of the Financial Markets Control Act, Act 55 of 1989 and Stock Exchanges Control Act, Act 1 of 1985, contracted by a municipality or municipal entity to: (a) advise it on investments; (b) manage investments on its behalf; or (c) advise it on investments and management investments on its behalf.
"L"		
1.9	**"liquidity"**	Means the ease with which an asset can be turned into cash and the certainty of the value it will fetch.
1.10	**"long term investment"**	Means an investment that matures in more than 1 (one) year, generally made over a period of 5 (five) years or more.
"M"		
1.11	**"market value"**	Means the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.
1.12	**"Mayor"**	Means, in terms of the provisions of section 1 of the MFMA, in relation to a municipality with an executive mayor, the councillor elected as the executive mayor of the municipality in terms of section 55 of the Structures Act.

1.13	**"Municipal Finance Management Act" or "MFMA"**	Means the Local Government: Municipal Finance Management Act, Act 56 of 2003.
1.14	**"Municipality"**	Means the RUSTENBURG LOCAL MUNICIPALITY a local government and legal entity with full legal capacity as contemplated in section 2 of the Systems Act read with the provisions of Chapter 7 of the Constitution and sections 12 and 14 of the Structures Act, with its main place of business and the offices of the Municipal Manager, as envisaged in terms of the provisions of section 115(3) of the Systems Act, at: Missionary Mpheni House, CNR NELSON MANDELA & BEYERS NAUDE STREET, RUSTENBURG, NORTH WEST PROVINCE, and may, depending on the context, include: (a) its successor in title; or (b) a functionary, employee or official exercising a delegated power or carrying out an instruction, in the event of any power being delegated as contemplated in terms of the provisions of section 59 of the Systems Act, or exercising any lawful act in the furtherance of the Municipality's duties, functions and powers; or (c) an authorised service provider fulfilling a responsibility assigned to it by the Municipality through a service delivery agreement.
1.15	**"Municipal Manager"**	Means the Municipal Manager and Accounting Officer of the Municipality appointed in terms of the provisions of section 54A of the Systems Act and as referred to in the definition of "Accounting Officer" in section 1 of the MFMA, and also

		referred to in section 60 of the MFMA, and includes a person acting as an Accounting Officer, or the person to whom the Accounting Officer has delegated his/her authority to act.
	"R"	
1.16	**"Regulation"**	Means the Local Government: Municipal Finance Management Act, Municipal Investment Regulations, promulgated in terms of the MFMA and published in Government Gazette No 27431 of 1 April 2005 under Government Notice R.308.
	"S"	
1.17	**"Short term Investment"**	Means an investment with a maturity date of less than 1 (one) year.
1.18	**"Structures Act"**	Means the Local Government: Municipal Structures Act, Act 117 of 1998.
1.19	**"Systems Act"**	Means the Local Government: Municipal Systems Act, Act 32 of 2000.
	"T"	
1.20	**"the/this policy"**	Means the Cash Management and Investment Policy of the Municipality as adopted by the Municipality in terms of section 13(2) of the MFMA.
1.21	**"Trust money"**	Means money held in trust on behalf of third parties in a trust contemplated in terms of section 12 of the MFMA.

2. INTRODUCTION

(1) As trustee of public funds, the Council has an obligation to ensure that all investments are made by the Municipality in the most efficient and effective manner.

(2) Money invested must be for the benefit of the whole of the community and must be governed by the principle objective to maximise returns from authorised investments, consistent with the secondary objective of minimising risk.

3. LEGISLATIVE CONTEXT

(1) This policy is established in terms of section 13(1) and section 13(2) of the MFMA which requires that the Municipality establish an appropriate and effective Cash Management and Investment Policy within which the Municipality must:

(a) conduct its cash management and investments; and

(b) invest money not immediately required in accordance with any framework which may be prescribed by law.

(2) In addition, the Regulations set out the framework within which all municipalities shall conduct their cash management and investment. The said regulations are annexed to this policy as **Annexure "A"**.

(3) This policy is consistent with the MFMA, the aforementioned gazetted framework and section 60(2) of the Systems Act.

(4) The Municipality shall at all times manage its banking accounts and investments, as well as implement this policy in compliance with the provisions of and the prescriptions made by the Minister of Finance in terms of the MFMA.

4. ADOPTION AND COMMENCEMENT OF THIS POLICY

(1) The Municipality shall adopt this policy which is consistent with the provisions of paragraph 3 above.

(2) All investments made by the Municipality or an investment manager on behalf of the Municipality must be in accordance with this policy and with any investment regulations promulgated by National Government.

(3) The effective date of this policy or any amendments thereto shall be the date of its adoption by Council.

5. PURPOSE OF THIS POLICY

The purpose of this policy is to secure the sound and sustainable management of the Municipality's surplus cash and investments.

6. SCOPE OF THIS POLICY

(1) This policy prescribes the manner in which the Municipality must conduct its cash management and investments. This policy further prescribes the obligations and the accountability of the Municipality as a trustee of public funds, and that cash resources are managed as effectively as possible by ensuring that such funds are invested with great care.

(2) This policy aims through effective cash flow management, having regard to legislative provisions, at gaining the highest possible return without undue risk to the investment during those periods when funds are not required.

(3) The policy governs the investment of money not immediately required by the Municipality for the defrayment of expenditure.

(4) This policy applies to all new and existing investments made by:

(a) the Municipality;

(b) all investment managers acting on behalf of the Municipality in making or managing investments.

(5) This policy does not apply to trust moneys administered by the Municipality where it is prescribed in the trust deed how the trust money is to be invested.

7. OBJECTIVES OF THIS POLICY

(1) To ensure compliance with the relevant legal and statutory requirements relating to cash management and investments.

(2) To ensure that investment of surplus funds of the Municipality forms part of the financial system of the Municipality.

(3) To create consistency in that the same procedure is followed in respect of each investment so as to conform to the requirements of transparency, equitability and fairness. In each case the preservation and safety of investments is a primary aim.

(4) To promote and ensure the need for investment diversification of the Municipality's investment portfolio across acceptable investees permitted types of investments and investment maturities.

(5) To ensure the liquidity needs of the Municipality are duly discounted and provided for.

(6) To ensure timeous reporting of the investment portfolio as required by the MFMA and in accordance with the Generally Recognised Accounting Practice (GRAP) and as required by the National Treasury.

(7) To establish a minimum acceptable credit rating and requirements for investments including:

(a) a list of approved investment types that may be made, subject to the provisions of this policy; and

(b) a list of approved institutions where or through which investments may be made, subject to the provision of this policy.

(8) To provide measures for ensuring implementation of this policy and internal control over, investment made as well as procedures for reporting on and monitoring of all investments made procedure for benchmarking and performance evaluation.

(9) To provide the assignment of roles and functions, any delegation of decision-making powers including the conditions for the use of investment managers, and their liability in the event of non-compliance with the provisions of this policy.

(10) To provide the procedures for the annual review of this policy.

8. PERMITTED INVESTMENT TYPES

(1) The Municipality shall only invest funds in any of the following investment types as set out and referred to in regulation 6 of the Regulations, being:

(a) securities issued by the National Government;

(b) listed corporate bonds with an investment grade rating from a nationally or internationally recognised credit rating agency;

(c) deposits with banks registered in terms of the Banks Act, Act 94 of 1990;

(d) deposits with the Public Investment Commissioners as contemplated by the Public Investment Commissioners Act, Act 45 of 1984;

(e) deposits with the Corporation for Public Deposits as contemplated by the Corporation for Public Deposits Act, Act 46 of 1984;

(f) banker's acceptance certificates or negotiable certificates of deposits of banks registered in terms of the Banks Act, Act 94 of 1990;

(g) guaranteed endowment policies with the intention of establishing a sinking fund;

(h) repurchase agreements with banks registered in terms of the Banks Act, Act 94 of 1990;

(i) municipal bonds issued by another municipality; and

(j) any other investment type as the Minister of Finance may identify by regulation in terms of section 168 of the MFMA, in consultation with the Financial Services Board.

9. PROHIBITED INVESTMENTS

(1) The Municipality shall not be permitted to make the following investments:

(a) investments in listed or unlisted shares or unit trusts;

(b) investments in stand alone or derivative instruments;

(c) investments denominated in, or linked to, foreign currencies;

(d) investments in market linked endowment policies.

(2) The Municipality shall not borrow funds for the purposes of investing, as stated in terms of the Borrowing Policy of the Municipality.

(3) Any investment in capital or money market instruments shall be held until maturity. The Municipality shall not buy or sell these instruments, to speculate with a view to making capital profits.

10. STANDARD OF CARE

(1) The Municipality must take all reasonable and prudent steps consistent with, and according to the provisions of this policy to ensure that it places its investments with credit-worthy institutions. The international rating given should be used to evaluate the creditworthiness of financial institutions.

(2) The investment shall be made with the judgement and care, under the prevailing circumstances, which a person of prudence, discretion and intelligence would exercise in the management of his/her own affairs, not for speculation, but for investment, and with primary regard to:

(a) the safety of its capital;

(b) the liquidity needs of the Municipality; and

(c) the probable income or return derived from the investment.

11. DELEGATION OF INVESTMENT PORTFOLIO MANAGEMENT

(1) The authority to make investments and fulfil all functions related herein is in terms of section 59 of the Systems Act delegated by the Council to the Chief Financial Officer who will exercise his/her power, function and duty to make investments on behalf of the Municipality within a policy framework determined by the Minister of Finance and in accordance with the provisions contained within this policy. This power may not be sub-delegated.

(2) The Chief Financial Officer shall make invitation and selection of competitive bids or offers from a list of approved institutions to make short-term investments as and when necessary.

(3) The Chief Financial Officer shall invite bids or offers from a list of approved institutions, in accordance with the applicable provisions of the Supply Chain Management Policy of the Municipality, and make investments in consultation with the Municipal Manager in respect of the long-term investment of funds.

12. REPORTING AND MONITORING

(1) The Accounting Officer, assisted by the Chief Financial Officer, shall in terms of section 71 of MFMA submit, on a monthly basis, a report describing in accordance with Generally Recognised Accounting Practice (GRAP) the investment portfolio of the Municipality as at the end of the month and such report shall contain at least the following particulars:

(a) the market value of each investment as at the beginning of the reporting period;

(b) any changes to the investment portfolio during the reporting period;

(c) the market value of each investment as at the end of the reporting period;

(d) applicable interest rates; and

(e) fully accrued interest or yield for the reporting period.

(2) There shall at all times be transparency, equitability, fairness and accountability in respect of every investment made and of the Municipality's investment portfolio. In this regard, details of all investment must form part of the monthly financial report by the Accounting Officer to the Mayor and the provincial treasury.

(3) There shall at all times be regular reporting mechanisms in place in order to assess the performance of the investment portfolio and to ensure that the investments comply with policy objectives, guidelines, applicable laws and regulations.

(4) The following investment reports shall be prepared:

(a) For the Chief Financial Officer:

(i) a daily summary of current investments for all Investees;

(ii) a detailed schedule of investment capital and interest maturing on the current day;

(iii) a daily summarised schedule of future maturities for all investments;

(iv) a monthly reconciliation of all interest accrued and interest received;

(v) each month, the weighted average actual return earned on investments for the month, together with a comparison to the previous 3, 6, 9 and 12 months, shall be calculated on a nominal annual compounded monthly basis and benchmarked against rates of return offered by other institutions.

(b) For the Mayor:

A monthly investment portfolio report (in accordance with the Generally Recognised Accounting Practice) to be submitted to the Mayor by the Accounting Officer, within 10 (ten) working days of the end of each month, as part of the section 71 report required in terms of the MFMA, detailing:

(i) the market value of each investment as at the beginning of the reporting period;

(ii) any changes in the investment portfolio during the reporting period;

(iii) the market value of each investment as at the end of the reporting period; and

(iv) fully accrued interest and yield for the reporting period.

(c) For Council:

(i) the Accounting Officer must table a quarterly report to Council within 30 (thirty) days after the end of each quarter on the cash withdrawals from the Municipality's bank account for investment purposes.

(d) For the Auditor-General:

(i) all investees shall, within 30 (thirty) days after the end of the financial year, notify the Auditor-General, in writing, of all investments held by them for and on behalf of the Municipality during that year, including the opening and closing balances of that investment in that financial year; and promptly disclose information regarding the investment when so requested by the National Treasury or the Auditor General;

(ii) within 90 (ninety) days after opening up any new bank account, the Municipality shall notify the Auditor-General and the provincial treasury of the name, type and number of any new bank account opened by the Municipality; and annually before the start of a financial year, the name of each bank account where the Municipality holds a bank account, and the type and number of the account.

(iii) all banks, where the Municipality, at the end of a financial year holds a bank account or held a bank account at any time during a financial year, must –

a) within 30 days after the end of that financial year notify the Auditor-General in writing of such bank account including –

(i) the type and number of the account; and

(ii) the opening and closing balances of that bank account in that financial year; and

b) promptly disclose information regarding the account when so requested by the National Treasury or the Auditor-General.

13. DIVERSIFICATION

No more than 50% of the total investment portfolio may be invested with a single institution, except with the prior authorisation of Council.

14. COMPETITIVE SELECTION PROCESS AND INVITATION FOR QUOTATION

(1) No investments may be made without obtaining quotations from at least 3 (three) institutions or investees permitted in terms of this policy, for the terms for which the investment is to be placed.

(2) The selection of an investee for any investment shall be a competitive process in terms of the Supply Chain Management Policy of the Municipality.

(3) In the event of one or more of the investees offering a more beneficial rate for an alternative term, the other investees who previously quoted or invited to quote shall be approached for their rates on the alternative term.

(4) Written confirmation of the terms of the investments shall be prepared and signed with the investee in all cases.

(5) Save where other considerations or factors as provided in this policy apply the best rate offered shall secure the investment.

15. CONTROL OVER INVESTMENT(S)

(1) Proper records should be kept of all investment made. At the very least the following facts should be indicated for each investment: the institution, the funds, the interest rate and the maturity date.

(2) Interest correctly calculated should be received timeously together with any distributable capital.

(3) Investment documents and certificates shall be kept in a locked and fire-resistant safe.

(4) The Chief Financial Officer is responsible for ensuring that the invested funds are reasonably secure and should there be a measure of risk, such risk must be rated realistically.

(5) All investment made must be in the name of the Municipality and recorded as such by the Investee.

(6) The responsibility and the risk arising from any investment vests in the Municipality.

16. INVESTEE LIMITS

(1) Maximum investment levels shall be set for each approved Investee and these limits shall not be exceeded at the time of making the investment.

(2) The investment limit per deposit taking institution shall be calculated using the balance sheet figures obtained from the individual Investee's Reserve Bank DI900 return and taking into account:

(a) 5% of total equity divided by total assets multiplied by total deposits;

(b) the ratio of the individual limits per Investee, calculated above, as a percentage of the total limits, shall then be applied daily to the actual funds invested and available for investment. In this way a daily investment limit, as per the calculated ratio, shall be determined per Investee for any given level of total actual investments.

(3) Investee limits and ratios based on the above formulae shall be revised annually or as required upon the addition or deletion of an institution to or from the list of approved deposit taking Investees.

(4) The Municipality shall only invest with Investees having, as applicable, an investment grade rating of A.1 or better for short term investments and an A or better rating for long term investments from a nationally or internally recognised credit rating agency.

(5) The Municipality shall ensure that it places its investments only with credit-worthy Investees. The credit worthiness of every Investee shall be monitored throughout the year on an ongoing basis.

(6) Any additions to or deletions from the list of approved Investees or any changes to the investment limits assigned to each Investee shall be approved by the Chief Financial Officer in consultation with the Accounting Officer.

17. ELECTRONIC FUNDS TRANSFER

(1) Investments shall be made by electronic transfer.

(2) Strict segregation of duties shall be maintained in respect of the creator of the payment and the payment authoriser.

(3) Investment payments shall be authorised by the Chief Financial Officer.

18. EFFECTIVE CASH MANAGEMENT

(1) In order to ensure adequate and efficient cash management of the Municipality, the Chief Financial Officer must establish and implement at all times a cash management plan and reports which entails at least the following:

(a) daily cash flow reporting shall be prepared as follows:

(i) a summary of the preceding day, and month date, closing bank account and investment balances, cash receipts, payments and inter-bank transfers;

(ii) a detailed schedule of investment capital and interest maturing on the current day;

(iii) a summarised schedule of daily investment maturities for all existing investments;

(iv) a summary of daily cash receipts and payments, actual against forecast for the month to date; and

(v) a daily projection of cash receipts and payments through to the end of the current month;

(b) monthly reporting showing:

(i) comparisons of actual cash flow with forecast, current month and year to date;

(ii) an explanation of any variances in sub-paragraph (i) above;

(iii) updating the estimates on a monthly basis and in reporting provides comments or explanations regarding any significant cash flow deviation in any calendar month;

(iv) a summarised monthly projected cash flow over the next 12 (twelve) months;

(v) an analysis of actual year to date cash receipts and payments and projected cash flows for the remaining months of the current financial year to be submitted to National Treasury; and

(vi) the cash backing of statutory funds and reserves balances at the end of the month;

(c) every quarter preparing a revised detailed cash flow projection for the next 12 (twelve) months;

(d) regular reports indicating, when and for what periods and amounts surplus revenues may be invested, when and for what amounts investments will have to be liquidated, and when, if applicable, either long-term or short-term debt must be incurred; and

(e) preparing annually

(i) the annual estimates for the budget year of the municipality's cash flows per revenue sources divided into calendar months;

(ii) the annual cash flow budget for the new financial year.

(2) The Chief Financial Officer shall ensure regular and effective cash flow monitoring and forecasting which is essential for determining the timing and size of cash surpluses and deficits affecting investment decisions.

(3) The balance on the Municipality's current account shall be maintained at the minimum required level taking into account the day to day cash and expenditure requirements of the Municipality. Surplus cash shall be immediately invested in order to maximise interest earnings.

19. CASH COLLECTIONS

(1) All monies due to the Municipality must be collected as soon as possible and banked in a controlled and secure manner, on a daily basis as cash left in the safe can pose a security risk, necessitate additional insurance coverage and does not earn any interest.

(2) All cash shortages should be paid for immediately and banked to the municipal bank account the next business day.

(3) All surpluses should be recorded and banked to the municipal bank account and will be forfeited if not claimed after 3 years.

(4) Special deposits should be arranged for the larger amounts received to make sure that these are banked on the same day that they are received.

(5) It is essential that all amounts owed to the Municipality be levied by way of a debit and be dealt with in accordance with the Credit Control & Debt Collection Policy of the Municipality.

(6) Adequate cash receipting points shall be made available to the public in all areas to facilitate prompt payment of accounts. Every effort should be made to encourage consumers to pay directly, or via third party agents, into the Municipality's bank account by electronic means.

(7) The Municipality shall review the debt collection performance regularly comparing monies presently owed to the Municipality in relation to the total

income as well as a comparison to previous financial years in order to determine whether the debt collection is deteriorating or improving. Debt collection and credit control must be executed in terms of the provisions of the Credit Control & Debt Collection Policy of the Municipality

(8) The Chief Financial Officer shall regularly assess the daily available cash in the main bank account in order to determine the need for making daily call investments or making investment payments or withdrawals, whereas long-term investments need to be based on projections further into the future.

20. PETTY CASH

(1) The Chief Financial Officer will determine by way of written petty cash procedures the maximum amount and the nature of the petty cash disbursements, as well as managing the allocation of all petty cash floats.

(2) Payments by means of petty cash may be used internally, by officials of the Municipality for the purpose of acquiring goods and services that are small in nature and amount and may be required on an urgent basis.

(3) The provisions of the Supply Chain Management Policy of the Municipality concerning the acquiring of goods and services by way of petty cash, must be adhered to at all times.

21. PAYMENT TO SUPPLIERS

(1) The Accounting Officer, assisted by the Chief Financial Officer, shall establish written creditors' payment procedures in terms section 65(2) of the MFMA in order to ensure that the Municipality maintains an effective system

of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds.

(2) The Chief Financial Officer shall ensure that all tenders and quotations invited by and contracts entered into by the Municipality stipulate payment terms favourable to the Municipality, that is, payment to fall due not sooner than the conclusion of the month following the month in which a particular service is rendered to or goods are received by the Municipality.

(3) Suppliers shall be paid in accordance with the service level agreements concluded with such suppliers and the provisions of the Supply Chain Management Policy of the Municipality. The number of electronic batch payment runs shall be minimised and shall be done in a structured scheduled manner in order to facilitate efficient cash flow management.

(4) The Chief Financial Officer shall ensure that the Municipality optimises financial incentive opportunities arising from effecting earlier payments.

(5) In order to ensure continuous effective control of cash, any special payments to creditors shall only be made with the express approval of the Chief Financial Officer who shall be satisfied that there are compelling reasons for making such payments prior to the normal month end or other regular processing.

22. INVESTMENTS ETHICS AND PRINCIPLES

(1) The Chief Financial Officer shall be responsible for investing the surplus revenues of the Municipality, and shall manage such investments in consultation with the Accounting Officer, as the case may be, and in

compliance with any policy directives formulated by Council and the prescriptions made by the Minister of Finance.

(2) Under no circumstances may any staff member be subjected to coercive measures of any description.

(3) No member of staff may accept any gift other than something that is so small (monetary value not exceeding R350.00 (Three hundred and fifty rand)) that it cannot possibly be seen as anything but a sign of goodwill, regardless of whether such gift influences such staff member in his/her work or is intended to do so. Excessive gifts and hospitality must be refused and avoided.

(4) The Chief Financial Officer must record and report all cases to the Accounting Officer where there is a contravention of this policy.

(5) No investment shall be made with an institution where the degree of risk is perceived to be higher than the average risk associated with investment institutions.

(6) No employee or councillor of the Municipality or their family may under any circumstances whatsoever on his/her own behalf or on behalf of any other person whether directly or indirectly, stipulate, claim or receive any consideration of whatever nature in connection with an investment made. This shall be confirmed annually by all Investees to the Auditor-General.

(7) No fee, commission or other reward may be paid or given, directly or indirectly, to a councillor or official of the Municipality, or to a spouse or close family member of such councillor or official, in respect of any investment made by the Municipality. This shall be confirmed annually by all Investees to the Auditor-General.

(8) All investments must be made without internal or external interference whether such interference comes from individual officials, councillors, agents, Investees or any other external body.

(9) The Municipality shall review its investments regularly and liquidate any investment that no longer has the minimum acceptable rating as specified.

(10) The Municipality must take all reasonable and prudent steps, consistent with the standard of care provided for in this policy to diversify its investment portfolio across institutions, types of investment and investment maturities. In this case it should be noted that a group of financial institutions would be treated as individual institutions.

(11) Investments made by or on behalf of the Municipality must:

(a) be made while maintaining a strict code of ethics and standards;

(b) be a genuine investment and not an investment made for speculation.

23. CONFIDENTIALITY

(1) Interest or investment rates shall not be divulged or disclosed to another institution or Investee.

(2) The Municipality's cash position and its future projected cash flows shall not be discussed with or disclosed to any Investee.

24. GENERAL INVESTMENT PRACTICE

(1) General principles:

(a) After determining whether cash is available for investment and fixing the maximum term of investment, the Chief Financial Officer shall consider the way in which the investment is to be made in conjunction with the Accounting Officer. Because rates can vary according to money market perceptions with regard to the term of investment, quotations for fixed deposits should be requested telephonically for a period within the limitations of the maximum term. All telephonic quotations must be recorded on a schedule and the accepted quotation must be confirmed in writing before the actual investment is made. The same procedure must be followed before re-investment is made with the same institution;

(b) Where a fixed deposit is made with an institution at a lower rate than the other quotations, reasons must be recorded by the Chief Financial Officer and reported to the Mayor as part of monthly financial report by the Accounting Officer.

(2) Payment of commission:

(a) The financial institution where a fixed deposit is made must issue a certificate with regard to each investment at the time when the investment is made, in which it states that the financial institution has not or will not pay any commission and has not or will not grant any other benefit for obtaining such investment to any employee or councillor of the Municipality or their family or an agent or any other such person, or to any person nominated by such agent or such other person, except where the Municipality has decided, in terms of duly authorising legislation, to appoint an agent, consultant or such other person, and the fee commission has been decided and approved by the Mayor before any investment is made with such a financial institution;

(b) In the case of long-term securities at insurance companies, any payment of commission to any agent, consultant or any other

person, must be clearly stated on the application form and approved by the Mayor in terms of duly authorising legislation and shall not exceed industry norms, before any investment is made;

(c) If any fee, commission or other reward is paid to an Investment Manager in respect of an investment made by the Municipality, both the Investee and the Investment Manager must declare such payment to the Council by way of certificate disclosing full details of the payment.

(3) "Call Deposits" and "Fixed Deposits" shorter than 12 (twelve) months:

(a) Quotations shall be solicited from a minimum of 3 (three) financial institutions bearing in mind the limits of the term for which it is intended to invest the funds. Should one of the institutions offer a better rate for a term, other than the term initially requested by the Municipality, the other institutions that were approached shall also be asked for quote a rate for the same term;

(b) It is acceptable to ask for quotations telephonically, as rates can generally change on a regular daily basis and time is a determining factor when an investment is made;

(c) The person responsible for requesting quotations from institutions should record the name of the institution, the name of the person who gave the telephonic quotation and the relevant terms and rates, and other facts such as whether the interest is payable on a monthly basis or on a maturity date. Written confirmation of the telephonic quotation accepted shall be given before the investment is made;

(d) Once the required number of quotations has been obtained, a decision shall be taken regarding the best terms offered and the institution with which the funds are going to be invested. The best offer is normally accepted, with thorough consideration of investment principles. No attempts may be made to make institutions compete with each other as far as their rates and terms are concerned. If institutions have been asked for a quotation with regard to a specific

package, the institution has to be told to offer their best rate in their quotation. The institution shall be informed that, once the quotation has been given, no further bargaining or discussions would be entered into in that regard;

(e) The above mentioned procedure should be followed regardless of whether the money is to be invested in a fixed deposit or on a call basis;

(f) The Municipality shall ensure that the investment document received is the genuine document, issued by an approved institution. The investment capital should be paid over only to the institution with which it is to be invested, and not to any agent;

(g) The Chief Financial Officer should seek professional advice whenever there is a degree of uncertainty regarding investment opportunities that are required to be evaluated.

25. USE OF INVESTMENT MANAGERS

(1) The Municipality may employ an Investment Manager to:

(a) advise it on its investments; and/or

(b) manage specific investments on its behalf.

(2) The appointment of an Investment Manager shall be in accordance with the Municipality's Supply Chain Management Policy. No employee, councillor or official of the Municipality or any family member of any of the aforegoing may be appointed as Investment Manager.

(3) All investments made by an investment manager on behalf of the Municipality shall be in accordance with this policy and the Regulations.

(4) Where any investment fee, commission or any other amount is paid by the Investee to the Investment Manager in respect of the Municipality's investments, both the Investee and the investment manager shall declare such payment to Council by way of a certificate disclosing the full details of the payment. Such amount shall not exceed industry norms.

(5) Investment Managers found guilty of non-compliance with this policy, as well as the Regulations, shall be liable for any loss or penalty suffered by the Municipality.

26. ACCOUNTING FOR INVESTMENTS

The Municipality's investments shall be accounted for as held to maturity (HTM) financial investments in accordance with the Municipality's approved accounting policies. The investments shall be measured as at balance sheet date at the amortised cost, using the effective interest rate method, less any write off for impairment or non collectability.

27. EXISTING INVESTMENTS

Nothing in this policy compels the Municipality to liquidate an investment which existed when the Regulations took effect merely because such investment does not meet the provisions of those regulations.

28. INVESTMENT DENOMINATED IN FOREIGN CURRENCY PROHIBITED

The Municipality may make an investment only if the investment is denominated in South African Rand and is not indexed to, or affected by, fluctuations in the value of the rand against any foreign currency.

29. ANNUAL REVIEW OF THIS POLICY

(1) This policy will be reviewed annually or earlier if so required by legislation.

(2) Any changes to this policy must be adopted by Council and be consistent with the MFMA and the Regulations.

ANNEXURE "A"

GOVERNMENT GAZETTE, 1 APRIL 2005

GOVERNMENT NOTICES

NATIONAL TREASURY Notice No. R. 308 dated 1 April 2005 in Gazette No. 27431

LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT 2003 MUNICIPAL INVESTMENT REGULATIONS

The Minister of Finance, acting with the concurrence of the Minister for Provincial and Local Government, has in terms of Section 168, read with Section 13 and 99 (2)(g), of the Local Government : Municipal Finance Management Act, Act 56 of 2003, made the regulations as set out in the Schedule.

SCHEDULE

1. Definitions

In these regulations, unless the context indicates otherwise, a word or expression to which a meaning has been assigned in the Act, has the same meaning, and:

(1) **"Act"** means the Local Government: Municipal Finance Management Act, Act 56 of 2003;

(2) **"Investee"** means an institution with which an investment is placed, or its agent;

(3) **"Investment Manager"** means a natural person or legal entity that is a portfolio manager registered in terms of the Financial Markets Control Act, Act 55 of 1989 and Stock Exchanges Control Act, Act 1 of 1985, contracted by a municipality or municipal entity to:

(a) advise it on investments;

(b) manage investments on its behalf; or

(c) advise it on investments and manage investments on its behalf.

(4) **"trust money"** means money held in trust on behalf of third parties in a trust contemplated in terms of Section 12 of the Act.

2. Application

(1) These regulations apply to:

(a) all municipalities;

(b) all municipal entities; and

(c) all Investment Managers acting on behalf of, or assisting, a municipality or municipal entity in making or managing investments.

(2) These regulations do not apply:

(a) to a pension or provident fund registered in terms of the Pension Funds Act, Act 24 of 1956, or any subsequent legislation; or

(b) in respect of trust money administered by a municipality or municipal entity where a trust deed prescribes how the trust money is to be invested.

(3) Municipal pension or provident funds which do not comply with sub-regulation (2)(a) are exempted from these regulations until 30 June 2005.

(4) The Accounting Officer of a municipality and municipal entity must provide the National Treasury with details of all pension or provident funds that do

not comply with sub-regulation (2)(a) within 30 (thirty) days of promulgation of these regulations.

3. Adoption of Investment Policies

(1) The investment policy to be established by a municipality in terms of Section 13(2) of the Act, must be:

(a) adopted by the Council of the municipality; and

(b) consistent with the Act and these regulations.

(2) The board of Directors of a municipal entity must adopt an investment policy for the entity consistent with the Act and these regulations.

(3) All investments made by a municipality or municipal entity, or by an Investment Manager on behalf of a municipality or municipal entity, must be in accordance with the investment policy of the municipality or entity and these regulations.

4. Core elements of Investment Policies

(1) The investment policy of a municipality or municipal entity must:

(a) be in writing;

(b) give effect to these regulations; and

(c) set out:

(i) the scope of the policy;

(ii) the objectives of the policy, with due regard to the provisions of these regulations relating to:

(aa) the preservation and safety of investments as the primary aim;

(bb) the need for investment diversification; and

(cc) the liquidity needs of the municipality or municipal entity;

(iii) a minimum acceptable credit rating for investments, including :-

(aa) a list of approved investment types that may be made, subject to regulation 6;

(bb) a list of approved institutions where or through which investments may be made, subject to regulation 10;

(iv) procedures for the invitation and selection of competitive bids or offers in accordance with Part 1 of Chapter 11 of the Act;

(v) measures for ensuring implementation of the policy and internal control over investments made;

(vi) procedures for reporting on and monitoring of all investments made, subject to regulation 9;

(vii) procedures for benchmarking and performance evaluation;

(viii) the assignment of roles and functions, including any delegation of decision-making powers;

(ix) if Investment Managers are to be used, conditions for their use, including their liability in the event of non-compliance with the policy or these regulations; and

(x) procedures for the annual review of the policy.

5. Standard of Care to be exercised when making Investments

Investments by a municipality or municipal entity, or by an Investment Manager on behalf of a municipality or entity:

(a) must be made with such judgment and care, under the prevailing circumstances, as a person of prudence, discretion and intelligence would exercise in the management of that person's own affairs;

(b) may not be made for speculation but must be a genuine investment; and

(c) must in the first instance be made with primary regard being to the probable safety of the investment, in the second instance to the liquidity needs of the municipality or municipal entity and lastly to the probable income derived from the investment.

6. Permitted Investments

A municipality or municipal entity may invest funds only in any of the following investment types:

(a) securities issued by the national government;

(b) listed corporate bonds with an investment grade rating from a nationally or internationally recognised credit rating agency;

(c) deposits with banks registered in terms of the Banks Act, Act 94 of 1990;

(d) deposits with the Public Investment Commissioners as contemplated by the Public Investment Commissioners Act, Act 45 of 1984;

(e) deposits with the Corporation for Public Deposits as contemplated by the Corporation for Public Deposits Act, Act 46 of 1984;

(f) banker's acceptance certificates or negotiable certificates of deposit of banks registered in terms of the Banks Act, 1990;

(g) guaranteed endowment policies with the intention of establishing a sinking fund;

(h) repurchase agreements with banks registered in terms of the Banks Act, 1990;

(i) municipal bonds issued by a municipality; and

(j) any other investment type as the Minister may identify by regulation in terms of section 168 of the Act, in consultation with the Financial Services Board.

7. Investments denominated in foreign currencies prohibited

A municipality or municipal entity may make an investment only if the investment is denominated in Rand and is not indexed to, or affected by, fluctuations in the value of the Rand against any foreign currency.

8. Payment of Commission

(1) No fee, commission or other reward may be paid to a councillor or official of a municipality or to a director or official of a municipal entity or to a spouse or close family member of such councillor, director or official in respect of any investment made or referred by a municipality or municipal entity.

(2) If an Investee pays any fee, commission or other reward to an Investment Manager in respect of any investment made by a municipality or municipal entity, both the Investee and the Investment Manager must declare such payment to the Council of the municipality or the board of directors of the municipal entity by way of a certificate disclosing full details of the payment.

9. Reporting requirements

(1) The accounting officer of a municipality or municipal entity must within 10 working days of the end of each month, as part of the Section 71 report

required by the Act, submit to the Mayor of the municipality or the board of directors of the municipal entity a report describing in accordance with generally recognised accounting practice the investment portfolio of that municipality or municipal entity as at the end of the month.

(2) The report referred to in sub regulation (1) above must set out at least:

(a) the market value of each investment as at the beginning of the reporting period;

(b) any changes to the investment portfolio during the reporting period;

(c) the market value of each investment as at the end of the reporting period; and

(d) fully accrued interest and yield for the reporting period.

10. Credit Requirements

(1) A municipality or municipal entity must take all reasonable and prudent steps consistent with its investment policy and according to the standard of care set out in regulation 5, to ensure that it places its investments with credit worthy institutions.

(2) A municipality or municipal entity must :-

(a) regularly monitor its investment portfolio; and

(b) when appropriate liquidate an investment that no longer has the minimum acceptable credit rating as specified in its investment policy.

11. Portfolio Diversification

A municipality or municipal entity must take all reasonable and prudent steps, consistent with its investment policy and according to the standard of care prescribed in regulation 5, to diversify its investment portfolio across institutions, types of investment and investment maturities.

12. Miscellaneous Provisions

(1) The responsibility and risk arising from any investment transaction vests in the relevant municipality or municipal entity.

(2) All investments made by a municipality or municipal entity must be in the name of that municipality or municipal entity.

(3) A municipality or municipal entity may not borrow money for the purpose of investment.

13. Existing Investments

Nothing in these regulations compels a municipality or municipal entity to liquidate an investment which existed when these regulations took effect merely because such investment does not comply with a provision of these regulations.

14. Commencement

These regulations take effect on 1 April 2005.

ANNEXURE "B"

LIST OF CURRENTLY APPROVED INVESTEES

A. Deposit taking institutions

ABSA Bank

FirstRand Bank

Investec Bank

Nedbank

Standard Bank

Public Investment Commissioners

Corporation for Public Deposits

B. Corporate bond issuers

None currently approved.

C. Municipal bond issuers

None currently approved.

D. Endowment policy issuers

E. National Government / Parastatals

RSA fixed income stock.

Eskom fixed income stock

CASH MANAGEMENT AND INVESTMENT POLICY

POLICY REVIEW MANAGEMENT INFORMATION			
NAME & SURNAME	**DESIGNATION**	**SIGNATURE**	**DATE**
Thabo Modisane	Acting Unit Manager FMS		30/03/17
Paul Malatsi	Acting Chief Financial Officer		30/03/2017
Lucky Molotsane	Head Legal Unit		30/3/2017
Tshenolo Lefutswe	Acting Municipal Manager		30/3/2017

RUSTENBURG LOCAL MUNICIPALITY



REWARDS, GIFTS AND FAVOUR POLICY

REWARDS, GIFTS AND FAVOURS POLICY

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REWARDS, GIFTS AND FAVOURS POLICY

PART 1 OBJECTIVE

To set out in clear terms the rules that apply to offers of a reward, gift or favours from persons having or proposing to have a contractual relationship with the municipality and the responsibilities of councillors and staff members in this regard. The Code of Conduct and Rewards, Gifts and Favours Policy is aimed at ensuring that councillors and staff members conduct themselves so that their good faith and integrity should not be open to question.

PART 2 GENERAL PRINCIPLES

Councillors and staff members will appreciate that receipt of hospitality or acceptance of gifts is, in law, no different from the receipt of monies.

To resolve any doubts about the wisdom of accepting rewards, gifts and favours whether or not such is intended (or might be thought to be intended) to influence councillors or staff member's actions, where there is an offer of hospitality or gifts from persons having of proposing to have contractual relationship with the municipality, then the proper course of action for councillors and staff members is:

a) To consider acceptance of any such offer only where the councillor or staff member regards it as normal and reasonable. "Normal and reasonable" is defined for this purpose as no more than the municipality would be prepared to offer in equivalent circumstances. The council will provide guidance as to what may be considered appropriate and councillors and staff members should not exceed such guidance without the specific and written authority of the Executive Mayor or Municipal Manager.

b) Councillors and staff members must ensure that any rewards, gifts and favours not of a level or amount which would lead to the public perception that the individual might be influenced. Councillors and staff members should ask themselves the question "how would acceptance of the reward, gift or favour be perceived by an objective member of the public" and check the answer by seeking an independent view from within the organization's governance and management structure.

c) If there is doubt as to the propriety of acceptance, the councillor or staff member should decline the offer of a reward, gift or favour.

As a matter of law, it does not matter if the gift, reward or favour is given to or received by the councillor or staff member before or after a contract is awarded or other favour shown. **However, the timing of any acceptance of the reward, gift or favour is important, as demonstrating a possible connection between the acceptance and the grant of a contract. No reward, gift or favour should be accepted from a tenderer in the period between invitation to tender and acceptance by the municipality, nor, so**

far as is practicable, in the immediate period before invitations to tender are requested or the immediate period after the grant of a contract. To an extend, a period foreseeable which can be directly linked to the awarding of that particular contract.

Schedule 1 and 2 of the Municipal Systems Act No. 32 of 2000 contains the code of conduct for councillors and municipal staff members respectively.

SCHEDULE 1 SECTION 9 STATES:

1. A councillor may not request, solicit or accept any reward, gift or favour for:

   a) Voting or not voting in a particular manner on any matter before the municipal council or before a committee of which that councillor is a member;
   b) Persuading the council or any committee in regard to the exercise of any power, function or duty;
   c) Making a representation to the council or any committee of the council; or
   d) Disclosing privileged or confidential information.

SCHEDULE 2 SECTION 8 STATES:

1. A staff member of the municipality may not request, solicit or accept any reward or gift in favour for:

   a) Persuading the council of the municipality, or any structure or functionary of the council, with regard to the exercise of any power or the performance of any duty;
   b) Making a representation to the council, or any structure or functionary of the council;
   c) Disclosing any privileged or confidential information; or
   d) Doing or not doing anything within that staff member's powers or duties.

2. As staff member must without delay report to superior official or to the speaker of the council any offer which, if accepted by the staff member, would constitute a breach of (1).

The code of conduct prohibits any councillor or staff member from "soliciting" any gift benefit or reward for example by asking or hinting or making innuendo to that effect, whether directly or indirectly in the workplace or elsewhere through the agency of a colleague, friend or relative.

Within reason, the distribution of company specific items shall not be classified as gifts, favours or rewards. However, this indulgence should not be extended to tenderers, persons with whom there are legal disputes or any person in an adversarial or doubtful relationship with the municipality.

PART 3 VALUE OF REWARDS, GIFTS AND FAVOURS (Normal and Reasonable)

Councillors and staff members are required to report and register rewards, gifts and favours above a prescribed value which is determined by council from time to time.

PART 4 REGISTER OF REWARDS, GIFTS AND FAVOURS

An electronic register will be kept and maintained in the office of the Municipal Manager and Internal Audit should review the register periodically. A gift declaration Form (ANNEXURE A) shall be completed by councillors and staff members who have received a rewards, gift or favour which exceeds the approved value. Each declaration submitted will be allocated a serial number by the municipal manager for reference purposes.

PART 5 RESPONSIBILITY OF COUNCILLORS AND STAFF MEMBERS TO DECLARE REWARDS, GIFTS AND FAVOURS

It is the responsibility of councillors and staff members to declare all rewards, gifts and or favours which exceed the value determined by council.

PART 6 AUTHORITY TO ACCEPT REWARDS, GIFTS OR FAVOURS

Staff Members

The responsibility of granting authority to staff members to accept rewards, gifts or favours rests with the Municipal Manager.

Councillors

The responsibility of granting authority to councillors to accept rewards, gifts or favours rests with the Executive Mayor.

PART 7 ACCOUNTABILITY

The Municipal Manager shall provide details of all rewards, gifts and favours received by councillors and staff members and authorized by the Executive Mayor or Municipal Manager to the Audit Committee and Mayoral Committee on a quarterly basis.

PART 8 ENFORCEMENT

Municipal Councillors or staff members who accept rewards, gifts or favours without declaring them in breach of the code of conduct will be dealt with in terms of the disciplinary procedures of the municipality.

ANNEXURE A

RUSTENBURG MUNICIPALITY

DECLARATION OF REWARD, GIFT OR FAVOUR FOR GIFT REGISTER

Register Number: _____	Date: _____/_____/_____

Details of Sponsor (Contributor)

Company Name	
Name of Company Representative	
Service Provided	
Relationship	
Service Period	

Details of Recipient

Name	
Branch / Department	
Staff Number	

Details of Reward, Gift or Favour Received

No.	Description	Approx. Monetary Value

Have any rewards gifts or favours been received from this company before? (Mark with "X")	Yes		No	

If yes, please provide a description of this gift (s):

Executive Mayor/Municipal Manager Approval (FOR OFFICE USE ONLY)

The above gift is: (Mark with "X")	
	To be returned to supplier with a letter of thanks
	To be enjoyed by the councillor or official, above
	To be enjoyed by the branch / department under management supervision

Comments

Municipal Manager / Executive Mayor: _____

(Signature)

Date: _____/_____/_____

REWARDS, GIFTS AND FAVOUR POLICY

POLICY REVIEW MANAGEMENT INFORMATION			
NAME & SURNAME	**DESIGNATION**	**SIGNATURE**	**DATE**
Patrick Masumbuka	Acting Unit Manager SCM		30/03/2017
Paul Malatsi	Acting Chief Financial Officer		30/03/2017
Lucky Molotsane	Head Legal Unit		30/3/2017
Tshenolo Lefutswe	Acting Municipal Manager		30/3/2017

RUSTENBURG LOCAL MUNICIPALITY



PROSED_FRAMEWORK FOR ACCELERATING ECONOMIC EMPOWERMENT AND TRANSFORMATION

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12. Sectorial Incubation Programmes 11

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1. INTRODUCTION

The Constitution of the Republic of South Africa Chapter 7 Clause 152, mandates a municipality (Local Government) interlia to:

a) *ensure the provision of services to communities in a sustainable manner;*
b) *promote social and economic development; and*
c) *encourage the involvement of communities and community organisations in the matters of local government.*

Services can only be sustainably provided if there is a balance of the environmental, social and economic well-being of the communities. It is therefore imperative for the municipality to facilitate and ignite economic development of its communities through policies, supply chain management, job opportunities, infrastructure development and other developmental initiatives.

Clause 153 of the Constitution states that "*the municipality must participate in national and provincial development programmes*". This includes all programmes including economic empowerment programmes that the National and Provincial Government might initiate. The objective of this clause is to ensure seamless and an integrated approach to social and economic development in the Local Government space. The Municipal Systems Act requirement of an Integrated Development Plan (IDP) further enhances the spirit of developmental integration within the municipal environment. It therefore means the activities of the various spheres of government and state organs should be integrate spatially, economically and the impact or benefits to the community must be understood by all. Ideally, the economic empowerment initiatives by each organ of state must be harmonised with the initiatives of other organs of state.

1.1 Economic Empowerment

Various legislations encourages the municipality directly or impliedly to support, prioritise and grow **black owned SMMEs** particularly those owned by **the Youth, Women, disabled people** and ensure their effective participation in the economic mainstreams. In Rustenburg Local Municipality, a proposed number of developmental initiatives will be undertaken in the 2017/2018 financial year with a key focus on the following initiativel.

Development initiatives;

- Development of sectors of an industry, e.g. Small business, women owned business and local industry development.
- Development of sub-contractors to Prime Contractors.
- Development of management capacity of small businesses
- Local Economic Development
- Job Creation
- Poverty Alleviation
- Community-based developments

In these form/methods SMME's can be brought into the mainstream through Contractor participation Goals (CPG), joint venture, consortiums, EPWP programme and sectorial incubation programmes.

The empowerment initiative must operate within the auspices of;

- Section 217 of the Constitution
- Municipal Finance Management Act
- Preferential Procurement Policy Framework
- Broad-Based Black Economic Empowerment Act
- BEE Codes of Good Practice, Codes of good Practice and Scorecard.

2. PURPOSE OF THIS FRAMEWORK

The purpose of this framework document is to provide guidance to municipal officials and other state organs operating within the Rustenburg Local Municipal environment on how to effectively, fairly and transparently contribute to the economic empowerment of communities through developmental initiatives.

The framework seeks to provide channels of communication and reporting, forms of community economic empowerment, activity integration, ways of accessing opportunities, targeted groups and areas for potential partnerships or joint ventures.

3. BACKGROUND

The level of unemployment in Rustenburg Local Municipality is relatively high with most youth being unemployed. The National and Provincial governments have all highlighted poverty as a challenge that needs to be eradicated through job creation and small business enterprise development. Infrastructure development is one fundamental pillar identified to boost economic growth.

In the past three years, there has been growing concern about lack of tangible economic empowerment of communities within Rustenburg Local Municipality. Of major concern is that residents are not economically benefitting from infrastructure development projects that are being undertaken in their wards.

The municipality has a number of initiatives that seek to create opportunities for the local people and includes EPWP programs. However, these programs have not found their footprint in a structured manner in most infrastructure projects due to lack of knowledge and guidance on how this could be done. This document seeks to provide simplified

guidelines for dealing and ensuring economic empowerment of local communities through projects executed by the municipality

Through this initiative the municipality prioritises job creation, small business support and community empowerment as one of economic development thrust in the next five years. The high rate of unemployment within the municipality is worrying especially the youth, disabled and women.

The following challenges were identified within Rustenburg Local Municipal Area (EMA) as;

- Need for Poverty alleviation
- Rate of Service delivery
- Availability of Skills and competencies
- Barriers to entry
- Capacity limitations
- Collusion
- Slow pace of economic transformation

4. POLICY SUPPORT

Economic Empowerment/Transformation is part of a broader Transformation Framework that needs to be adopted by the Municipality.

This framework is in line with PPPFA Regulations gazette on 20 January 2017.

A new SCM Procurement Bill is also being prepared currently and this may also impact on the proposals in this presentation.

The five elements of the BBBEE are to be taken into account when driving the empowerment initiative, these being;

- Ownership.
- Management Control.
- Skills Development.
- Enterprise and Supplier Development.
- Socio-Economic Development

5. EMPOWERMENT STRATEGIES

The empowerment strategies shall be curved within the following broad principles:

a) Every project with a contract value above R30 million shall set aside 30% of the project for CPG. This will be stipulates as a condition of tender as outlined in clause 5.4 of this document.

b) Projects that are between R5million and R30million must stipulate that 30% of the project value will be allocated to sub-contractors. This will not be a condition of tender but a requirement and if companies fail to meet this requirement penalties will be incurred.

c) Subcontractors or service providers shall be selected from the Wards where the service or project is being undertaken. If the project is traversing a number of Wards, opportunities shall be granted to all subcontractors in the benefiting Wards at the beginning of the project irrespective of the project timelines.

d) In cases where there are no suitable contractors to do the job in a Ward, the main contractor or service provider shall select sub-contractors from the relevant Wards under the emerging contractor program to be implemented by the municipality or any such database of service providers kept by the municipality. However, should there be no subcontractors from the relevant wards, sub-contractors will be selected from boundaries within Rustenburg Local Municipality.

e) The main contractor/service provider is expected to provide training to the subcontractors. The training and coaching shall enable the subcontractor to apply for higher CIDB grading after the completion of the project or register with the appropriate professional or monitoring body.

f) Nominated Subcontractors

The municipality may provide nominated subcontractors to the main contractor or service provider at the tender stage who shall take full professional responsibility for the workmanship quality of the subcontractors he/she chooses. The subcontractor shall be selected from a database created for small ward contractors and service providers and/or Emerging Contractors database

g) Database

The Supply Chain Management Unit shall keep a database for ward-based contractors or service providers and shall be renewed once a year through adverts in the local media, notice boards of municipal offices and internet. The Ward Councillors maybe be alerted of advert so that they can disseminate the information about the tenders to the communities. Other State Organs may use this database.

h) Integration

The planned and actual economic empowerment of communities of all organs or state or role players working within the Rustenburg Local Municipality shall report to the Supply Chain Management Unit for integration and information sharing thereof

i) Communication

All communication regarding community empowerment initiatives shall be done through the municipality through the LED Office in partnership with SCM where upon he/she shall act swiftly to assist the third party. Communication by any Organ of State to individual community members or individual groups shall be avoided.

6. UNBUNDLING STRATEGIES

Unbundling of programs or projects afford a wide range of participation opportunities to the full spectrum of targeted groups or enterprises. This can range, from those operating as labour only contractors to those operating as prime contractors or suppliers.

The use of Targeted Procurement enables contracts to be unbundled in a number of ways, viz.:

- by procuring works or services in the smallest practicable quantities
- by obligating prime contractors or service providers to engage targeted enterprises in the performance of their contracts in terms of resource specifications
- by requiring joint venture formation between large businesses and targeted enterprises (known as Structured Joint Venture); and
- by providing third party management support to enterprises which are not capable of operating as prime contractors (known as Development Contracts);
- by encouraging venture capital providers to assist small business enterprise;
- by requiring manufacturers to have some of their components of their products manufactured and procured from small business enterprise from within Rustenburg Local.

7. SUPPORT TARGET GROUPS

Having initiatives that support and sustain entities that are owned by PPG's in particular Youth, Women, disabled, Military Veterans etc.

The proposed SCM Policy states that Rustenburg Local Municipality can implement a procurement process which incorporates;

(a) categories of preference in the allocation of contracts; and

(b) the protection or advancement of persons, or categories of persons, disadvantaged by unfair discrimination

These programmes and initiatives include, amongst other things, the following;

- EPWP Construction Contractor Incubator/Development Program
- CPG's with area/ward based panels of contractors
- Joint Ventures and Consortiums
- Designated Sub-Contracting & Contractor/Supplier Development for Categories/Programmes with monopolistic and/or under-represented Service Providers
- Skilled and unskilled labour (Demarcated within Wards)
- Sectorial Incubation Programmes
- Co-operatives

8. EPWP CONSTRUCTION CONTRACTOR DEVELOPMENT/INCUBATOR PROGRAMMES

- Expressions of interest to register service providers for 36 months. This shall be done on a yearly basis
- Aim is to target labour intensive programmes
- Categories EPWP services e.g. bricklayers, construction, sidewalks etc.

In line with the Council approved EPWP Policy, and targets in the Performance Plans of Directors, Line Departments are to identify projects that are labour intensive that will form part of EPWP Contractor Development Programme.

The other spheres of government or State Organs operating in the municipality may also use the database of EPWP contractors or service providers developed and managed by the Municipality.

Unbundling of big projects and identifying opportunities and areas/ scope of works that can be carried out by emerging contractors and excising those from the main assignment shall be the norm.

The EPWP policy needs to be refreshed in order to address the current gaps as per 5.4

9. CPG's AND SUB-CONTRACTING

The revised regulations require organs of state to identify tenders, where it is feasible, to sub-contract a minimum of 30% of the value of the contract for contracts above R30 million.

The tenderer must sub-contract a minimum of 30% of the value of the contract to-

(a) an EME or QSE;
(b) an EME or QSE which is at least 51% owned by black people;
(c) an EME or QSE which is at least 51% owned by black people who are youth;
(d) an EME or QSE which is at least 51% owned by black people who are women;
(e) an EME or QSE which is at least 51% owned by black people with disabilities;
(f) an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships;
(g) a cooperative which is at least 51% owned by black people;
(h) an EME or QSE which is at least 51% owned by black people who are military veterans; or
(i) more than one of the categories referred to in paragraphs (a) to (h).

Any bidder not meeting this requirement will be considered non-responsive & accordingly the bid will be disqualified

The municipality should be the one informing main contractors which CPG's are to be utilised through consultation with relevant stakeholders. The following tools are to be utilised;

- Accredited database for various categories of services
- Accredited service providers within demarcated wards

This registration of these service providers will assist in identifying service providers that are currently undertaking work with Rustenburg Local Municipality and those that have been given opportunities within the financial year.

10. JOINT VENTURE AND CONSORTIUM

Joint venture is "an association of firms of which at least one of the partners is an emerging partner for which purpose they combine their expertise, property, capital, efforts, skills and knowledge to execute a contract". For South African emerging contractors this must entail empowerment through capacity building based on democratic, participatory, and development strategies.

Joint venture agreements that must clearly define;

- Shareholding %.
- Terms and conditions
- Skills transfer
- Allocation and or distribution as per the scope of work

11. Designated Sub-Contracting & Contractor/Supplier Development for Categories/Programmes with monopolistic and/or under-represented Service Providers

Where there are areas/programs/sectors with monopolistic and/or under or poor representation the following shall be established

- incubation programs with panels of designated subcontractors

The designated sub-contractors on the panel are contracted directly to Rustenburg Local Municipality through an Incubation programme. This will be applicable in the following instances

- Sole or limited service providers

Accredited sectorial service providers e.g Muvo cards only supplied by Standard Bank, Nashua photocopies supplied only by Kopano, Mercedes sole supplier of parts for buses, Soft-drinks only supplied by ABI

12. Sectorial Incubation Programmes

The sectorial incubation programme is to counter monopolistic practices in particular sectorial areas.

- This programme must be undertaken over 36 months
- Accredited register of service providers
- Skills transfer programme

It will be incumbent upon the municipality or organs of state to ensure that the (would be) designated sub-contractors meet the industry norms and conventions and are compliant with the applicable prescripts.

Under no circumstances will the prescribed and applicable standards be compromised on the altar of this programme.

13. Skilled and unskilled labour (Demarcated within Wards)

Consultation must take place within each Ward before the start of a project to identify Skilled and unskilled labour to be utilised for the project through;

- Register of unemployed persons in each area

Ward structures in consultation with Project Managers to facilitate process on a rotational basis. The Tender document shall be specify that 100% unskilled labour and 50 % skilled labour shall be sourced from the Local Community

14. Co-operatives

Procedures will be put in place to deal with Co-operatives and to identify further projects.

- Co-op will be appointed through an expression of interest in the following sectors;
- Grass cutting
- Cleaning of municipal buildings
- Cleaning of streams / storm water

15. Suggested measures to support and grow SMME's in particular Youth, Women, disabled

- Availability of credit facilities & financing
- The need for technical & managerial training especially through mentorship
- Allocating projects exclusively to the target groups to aid the transit of emerging to fully fledged contractors

- Monitoring contractors to ensure that only responsible target groups are selected
- Having more targeted projects

16. AREAS OF IMPROVEMENT

- Simplification in bid submission requirements
- Broadening of participation base of small suppliers
- Waiving of bid requirements
- Contractor registration / prequalification systems
- Procurement documentation
- Monitoring & reporting on empowerment initiatives
- Quality management & assurance
- Dispute mechanisms

17. PARTNERSHIP AGREEMENTS

In order for all the above empowerment initiative to work it requires partnership between Supply Chain Management, Business Support, (LED) Skills development and respective Line Departments through undertaking the following;

- Identification of Project that must have CPG's as part of their empowerment initiatives
- Analysis of their spend areas to identify programmes/projects that must have designated sub-contracting as part of their empowerment initiatives.
- Compulsory specifications for Skills Development and other Socio-Economic objectives are utilised where applicable.

18. WAY FORWARD

This methodology requires a measurable component to enable the amount of participation by the target group to be quantified. Therefore the municipality must provide;

- A level playing field for all tenderers, socio-economic deliverables and related specifications must be clearly and precisely defined.
- The key elements associated with socio-economic objects must accordingly:
  - Define what constitutes each target group;
  - Set goals (targets), measurable in monetary terms, which can be met by engaging the target groups in the pursuit of predetermined socio-economic / development objectives;

- Provide for the measurement of key indicators to ensure that goals may be quantified and audited during the performance of the contract; and
- Set out of the manner in which goals can be achieved, as well as what and how penalties will be applied in the event that a contractor fails to meet his contractual obligations.

- Unit Directors to ensure that they have EPWP Policy related targets in their IPP's and those of relevant staff
- To review budget, identify and unpack their projects (current, soon to be awarded and to be advertised) to incorporate the dimensions of Empowerment as outlined
- To submit all Specifications with Empowerment methodology failing which items will be returned.
- To Report to SCM on the planned Empowerment initiatives for projects (current, soon to be awarded and to be advertised)
- Stakeholder engagement, internal and external

Current standards available as SANAS documents to address socio-economic objectives

1) **Targeting of affirmable business enterprise**
2) **Structured Joint Venture (Affirmable Partners)**
3) **Structured Joint Venture (Targeted Partners)**
4) **Targeting of local resources**
5) **Engagement of targeted labour**
6) **Targeting of affirmable professional service providers**

PROPOSED FRAMEWORK FOR ACCELERATING ECONOMIC EMPOWERMENT AND TRANSFORMATION

POLICY REVIEW MANAGEMENT INFORMATION			
NAME & SURNAME	DESIGNATION	SIGNATURE	DATE
Patrick Masumbuka	Acting Unit Manager SCM		30/03/2017
Paul Malatsi	Acting Chief Financial Officer		30/03/2017
Lucky Molotsane	Head Legal Unit		30/3/2017
Tshenolo Lefutswe	Acting Municipal Manager		30/3/2017

RUSTENBURG LOCAL MUNICIPALITY

MUNICIPAL BEREAVEMENT POLICY FOR COUNCILLORS

1. PREAMBLE

In terms of Section 156(5) of the Constitution and Section 8 (2) of Municipal System Act 2000, the Council has the right to exercise any power concerning a matter reasonably necessary for, or incidental to, the effective performance of its functions.

This civic funeral is a funeral in honour of the deceased Councilor which is arranged by and held under the name of the Council. The family of the deceased Councilor has the choice of having a civic funeral or not.

2. AIMS AND OBJECTIVES

2.1 To provide a framework for management of bereavement processes for a deceased municipal Councillor;
2.2 To make provision for establishment of a sustainable mechanism for provision of support to the family of the deceased Councillor;
2.3 To promote good fellowship during the time of need to the bereaved family
2.4 To provide assistance to bereaved families in the event of death of a Councillor

2.1 DEFINTIONS

In this policy, unless the context indicates otherwise –

2.1.1" Councillor "means a member of municipal council of Rustenburg Local Municipality;

2.1.2 "Council "or "municipal council" means a municipal council referred to in section 157 of the Constitution;

2.1.3 "Bereavement Committee" means a committee constituted and established by the Council;

2.1.4 "Family member "means any individual related by blood or affinity whose close association with the Councillor is equivalent of a family member.

3. SCOPE OF THE APPLICATION OF THIS POLICY

3.1 This policy will apply to the current Councillors who pass away during their term of office.

3.2 Provisions of this Policy will be binding to the Council, Councilors and Management of the Municipality;

3.3 Application of this policy shall not be applicable to Employees of the Municipality, spouses and children of serving Councillors of the Municipality.

4. PRINCIPLES UNDERPINNING THIS POLICY

4.1 This policy is designed to be used as a tool for comforting or consoling the bereaved family of the deceased Councilor;

4.2 This policy is designed to enhance contents of our social culture in respect of mourning '

4.3 This policy strives to promote the principle of equality and it is intended not to discriminate directly or indirectly against anyone on one or more grounds, including race, gender, marital status, ethnic or social origin, colour, sexual orientation, age, disability, religion, conscience, belie, culture, language and birth;

4.4 The funeral benefits that are provided in this policy are privileges accorded to the deceased Councilor and as result this should not be construed as a right of entitlement to the funeral benefit;

4.5 This is the official policy that governs the privileges to which deceased Councillors are entitled in the event of death;

5. PROCEDURE

5.1 Any Councilor or member of the family of the deceased Councilor should notify the Speaker and the Single whip of the death of the councilor. The Speaker, Single Whip, Executive Mayor and the Municipal Manager may delegate Councilors and Senior Officials to consult with the deceased family in preparation of the funeral.

5.2 That a special meeting of Council shall be arranged upon the death of the Councilor to allow parties represented in the Council to express condolences to the next of kin.

5.3 During the Special Council meeting a brief life history of the deceased shall be presented by the Executive Mayor;

5.4 The deceased councilor chair should be draped in black and where possible the enlarged photograph and a bouquet of flowers or a wreath be placed on the table of the deceased in the council chamber

5.5 The family of the deceased and specific guests should be invited to the special meeting and a special seating should be arranged for the deceased family in the council chamber.

5.6 The Speaker, the Single Whip and the Executive Mayor in consultation with the Municipal Manager are authorized to make all necessary arrangements for the funeral in order to give effect to the provisions of this Policy.

5.7 The Council shall establish a bereavement committee which shall consist of not more than five (5) Councilors and not more than five (5) municipal officials. This committee shall be chaired by a Councilor.

6. FINANCIAL CONTRIBUTION BY THE COUNCIL

6.1 The Council shall bear all the costs to be incurred in the running of the civic bereavement to the maximum amount of R 50 000.00 (Fifty- Thousand Rand). Prior to payment of all the bereavement expenses, the claimant should first submit a valid invoice (s) or receipts or quotation to the Chief Financial Officer. Payment for the funeral claims should be timeously made before the funeral or cremation. Compliance with the provisions of Municipal Finance Management Act and or Regulations is a requirement.

7. ARRANGEMENT OF THE MEMORIAL SERVICE

7.1 The Municipality shall arrange a memorial service for paying the last tribute to the deceased Councilor;

7.2 Such memorial service shall be arranged in consultation with the family of the deceased Councilor; In the case of political memorial service, the arrangement shall be decided by the Speaker in consultation with the Executive Mayor and the Municipal Manager

7.3 The Preacher of the family choice or the municipality choice shall be arranged at no cost to the municipality;

7.4 The memorial service shall be held at a suitable venue chosen by the family and the municipality;

7.5. The refreshments may be arranged only for the family members and special guests at the memorial service;

8. FUNERAL ATTENDANCE ARRANGEMENTS CREMATION SERVICES

8.1 At the discretion of the family, the family service may take place at the home of the deceased councilor or hall or at the church. Family or friends or members of the political party may be pall bearers and the members of Public Safety officers shall lead the procession.

8.2 At the discretion of the family, the funeral service programme may be facilitated by the programme director chosen by the family

8.3 Depending on the wishes of the family, the deceased may either be cremated or buried.

9. IMPLEMENTATION DATE

This policy shall come into full force and effect upon the acceptance hereof by the Council of the Municipality by resolution.

10. ADMINISTRATIVE UPKEEP OF THE POLICY

The Directorate Corporate Support shall be the custodian of this policy and shall be responsible to review this policy on annual basis or if the need arises, whichever comes first.

REVISION HISTORY

DATE OF REVISION: _____

REASON FOR CHANGE: _____

EFFECTIVE DATE: _____

DATE OF COUNCIL APPROVAL: _____

COUNCIL RESOLUTION NO----------