

44, Ceres, 6835 50 Voortrekker St/ Str, Ceres, 6835 Suid Afrika/ South Africa

** +27 23 316 1854 ** +27 23 316 1877

admin@witzenberg.gov.za www.witzenberg.gov.za

Kennis word hiermee gegee ingevolge
Artikel 29(2) van die Plaaslike Regering:
Munisipale Strukture Wet, 1998
(Wet 117 van 1998) soos gewysig, dat 'n
Gewone Raadsvergadering van die
Munisipaliteit Witzenberg gehou sal word
op Maandag, 31 Maart 2025 om
10:00 in die Stadsaal,
Voortrekkerstraat, Ceres.

Notice is hereby given in terms of Section 29(2) of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) as amended, that an **Ordinary Council meeting** of the Witzenberg Municipality will be held in the **Town Hall, Voortrekker Street, Ceres** on **Monday, 31 March 2025** at **10:00**.

Councillors and officials / Raadslede en amptenare						
Councillor TE Abrahams	Alderman K Adams	Councillor WJ Alexander				
(Executive Mayor)						
Councillor P Daniels	Councillor S de Bruin	Councillor GJ Franse				
Councillor JP Fredericks	Councillor AL Gili	Councillor GG Laban				
Councillor JS Mouton	Councillor MJ Ndaba	Councillor JF Nel (Executive Deputy Mayor)				
Councillor N Nogcinisa	Councillor N Phatsoane	Councillor KA Robyn				
Councillor J Rooi	Alderman HJ Smit	Alderman D Swart				
Councillor IL Swartz	Alderman JJ Visagie	Councillor K Yisa				
Councillor J Zalie						
Municipal Manager	Director: Finance	Deputy Director: Finance				
Acting Director: Technical Services	Director: Corporate Services					
Chief Internal Audit Executive	Manager: Projects and Performance	Acting Manager: Administration				
IDP Manager	Senior Manager: Legal Services	Manager: Communication and Marketing				
Intern: Administration						

FOR INFORMATION / TER INLIGTING

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Bella Vista Lib	rary	John Steyn Library	Rietvalle	Rietvallei Library	
Montana Wolseley	Library,	Wolseley Library	Tulbagh	Library	
Witzenville Tulbagh	Library,	Op-die-Berg Library	Prince Library	Alfred's	Hamlet

By e-mail				
Alderlady MC du Toit E-mail: marina@destraadt.co.za	Alderlady JT Phungula E-mail: thembisaphungula@gmail.com	Alderman JW Schuurman E-mail: jws1350@gmail.com		
Ceres Business Initiative Mr M de Villiers E-mail: manager@cerescbi.co.za				

ALDERLADY EM SIDEGO SPEAKER

24-03.25

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AGENDA

- 1. OPENING AND WELCOME / OPENING EN VERWELKOMING
- 2. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION
- 2.1 Consideration of application for leave of absence, if any Aansoeke om verlof tot afwesigheid, indien enige (3/1/2/1)

An Application for leave of absence form is attached as **annexure 2.1**.

NOTED

2.2 Confidentiality and Conflict of Interest Declaration Vertroulikheid en Botsing van Belange Verklaring (3/2/1)

The Confidentiality and Conflict of Interest Declaration is attached as **annexure 2.2**.

- 3. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED MEDEDELINGS, AANKONDIGINGS OF SAKE GEOPPER
- 3.1 Gratitude, Congratulations and Commiseration Waardering, Gelukwensinge en Meelewing (11/4/3)

Council's congratulations are conveyed to the following Councillors on their birthdays:

Councillor MJ Ndaba 3 March
 Councillor G Laban 19 March
 Councillor S de Bruin 30 March

NOTED.

- 3.2 Matters raised by the Speaker / Sake deur die Speaker geopper (09/1/1)
- 3.3 Matters raised by the Executive Mayor
 Sake deur die Uitvoerende Burgemeester geopper
 (09/1/1)
- 3.4 Matters raised by the Municipal Manager Sake deur die Munisipale Bestuurder geopper
- 4. MINUTES / NOTULES
- 4.1 Corrections to the minutes / Wysigings aan die notule (3/1/2/3)
- 4.2 Matters arising from the minutes (3/1/2/3)
- 4.3 Approval of minutes / Goedkeuring van notules (3/1/2/3)

The minutes of the Council meeting, held on 26 February 2025, are attached as **annexure 4.3**.

RECOMMENDED

that the minutes of the Council meeting, held on 26 February 2025, be approved and signed by the Speaker.

AANBEVEEL

dat die notule van die Raadsvergadering, gehou op 26 Februarie 2025, goedgekeur en deur die Speaker onderteken word.

4.4 Outstanding matters / Uitstaande sake (3/3/2)

Number	File reference	Heading, item no. and date	Directorate	Action	Progress	Target date
4.4.1	17/3/2	8.2.2 of 24-01-2024 Proposed position of waste transfer stations	Technical Services	That proposed positions of waste transfer stations at erf 8714, Bella Vista & Erf 1, PA Hamlet be held in abeyance for PPP.	Work-in- progress	End of March 2025
4.4.2	16/P	8.2.3 of 24-01-2024 Witzenberg Municipality: Local Integrated Transport Plan: 2022 until 2027	Technical Services	Matter be held in abeyance in order for MM to obtain all details and proof of PPP from CWDM.	Work-in- progress	End of March 2025

RECOMMENDED

that notice be taken of the outstanding matters.

AANBEVEEL

dat kennis geneem word van die uitstaande sake.

5. MOTIONS AND NOTICE OF SUGGESTIONS MOSIES EN KENNISGEWING VAN VOORSTELLE

6. INTERVIEWS WITH DELEGATIONS ONDERHOUDE MET AFVAARDIGINGS

None

NOTED

7. DELEGATED POWERS / GEDELEGEERDE BEVOEGDHEDE

7.1 Minutes: Committee meetings / Notules: Komiteevergaderings (03/3/2)

The minutes of the following meetings are attached:

- (a) Committee for Community Development, held on 27 November 2024: **Annexure 7.1(a)**.
- (b) Committee for Technical Services, held on 27 November 2024: **Annexure 7.1(b)**.
- (c) Executive Mayoral Committee, held on 23 January 2025: **Annexure 7.1(c)**.

RECOMMENDED

that notice be taken of the minutes of the Committee meetings and same be accepted.

AANBEVEEL

dat kennis geneem word van die notules van die Komiteevergaderings en genoemde aanvaar word.

8. RESERVED POWERS GERESERVEERDE BEVOEGDHEDE

8.1 Directorate Finance / Direktoraat Finansies

8.1.1 Finance: Draft Budget 2025/2026, Draft Review of IDP 2025/2026 and Draft Top Layer SDBIP 2025/2026 (5/1/1/24; 2/2/1 & 5/1/5/18)

The following memorandum, dated 14 March 2025, was received from the Director: Finance:

"1. Purpose

The purpose of this report is to table the Draft Budget 2025/2026, Draft Review of the IDP 2025/2026 and Draft Top Layer SDBIP 2025/2026 to the Executive Mayor and Council.

2. Legal framework

Section 16 - 18 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) stipulates as follows:

'Annual budgets

- 16. (1) The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.
 - (2) In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.
 - (3) Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years.'

'Contents of annual budgets and supporting documents

- 17. (1) An annual budget of a municipality must be a schedule in the prescribed format
 - (a) setting out realistically anticipated revenue for the budget year from each revenue source;
 - (b) appropriating expenditure for the budget year under the different votes of the municipality;
 - (c) setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year;

- (d) setting out
 - (i) estimated revenue and expenditure by vote for the current year; and
 - (ii) actual revenue and expenditure by vote for the financial year preceding the current year; and
- (e) a statement containing any other information required by section 215(3) of the Constitution or as may be prescribed.
- (2) An annual budget must generally be divided into a capital and an operating budget in accordance with international best practice, as may be prescribed.
- (3) When an annual budget is tabled in terms of Section 16(2), it must be accompanied by the following documents:
 - (a) draft resolutions -
 - (i) approving the budget of the municipality;
 - (ii) imposing any municipal tax and setting any municipal tariffs as may be required for the budget year;
 - (iii) approving the budgets for the relevant financial year of each municipal entity under the sole or shared control of the municipality; and
 - (iv) approving any other matter that may be prescribed;
 - (b) measurable performance objectives for each vote in the budget, taking into account the municipality's integrated development plan;
 - (c) a projection of cash flow for the budget year by revenue source, broken down per month;
 - (d) any proposed amendments to the municipality's integrated development plan following the annual review of the integrated development plan in terms of section 34 of the Municipal Systems Act;
 - (e) any proposed amendments to the budget-related policies of the municipality;
 - (f) particulars of the municipality's investments;
 - any prescribed budget information on municipal entities under the sole or shared control of the municipality;
 - (h) particulars of all proposed new municipal entities which the municipality intends to establish or in which the municipality intends to participate;
 - particulars of any proposed service delivery agreements, including material amendments to existing service delivery agreements;

- (j) particulars of any proposed allocations or grants by the municipality to
 - (i) other municipalities;
 - (ii) any municipal entities and other external mechanisms assisting the municipality in the exercise of its functions or powers;
 - (iii) any other organs of state;
 - (iv) any organisations or bodies referred to in Section 67(1);
- (k) the proposed cost to the municipality for the budget year of the salary, allowances and benefits of
 - (i) each political office-bearer of the municipality;
 - (ii) councillors of the municipality; and
 - (iii) the municipal manager, the chief financial officer, each senior manager of the municipality and any other official of the municipality at a remuneration package at least equal to that of a senior manager;
- (I) the proposed cost for the budget year to a municipal entity under the sole or shared control of the municipality of the salary, allowances and benefits of
 - (i) each member of the entity's board of directors; and
 - (ii) the chief executive officer and each senior manager of the entity; and
- (m) any other supporting documentation as may be prescribed.'

'Funding of expenditures

- 18. (1) An annual budget may only be funded from
 - (a) realistically anticipated revenues to be collected;
 - (b) cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
 - (c) borrowed funds, but only for the capital budget referred to in section 17 (2).
 - (2) Revenue projections in the budget must be realistic, taking into account
 - (a) projected revenue for the current year based on collection levels to date; and
 - (b) actual revenue collected in previous financial years.'

3. Tabling

The National Minister of Finance tabled the national budget on 12 March 2025 in parliament. The final budget circular from National Treasury is therefore still outstanding. The increase in ESKOM tariffs applicable to municipalities and the allowable increases in tariffs charged to municipal customers are normally included in the mentioned circular. Provincial Treasury still has to advise on the final allocations to municipalities from provincial departments. These allocations are also dependent on the national budget.

The following documents are attached:

- (a) Draft Top Layer SDBIP for 2025/2026: **Annexure 8.1.1(a)**.
- (b) Draft Review of IDP 2025/2026: **Annexure 8.1.1(b)**.
- (c) Draft Budget: 2025/2026 2027/2028: **Annexure 8.1.1(c)**.
- (d) Draft Budget Related Policies: 2025/2026: **Annexure 8.1.1(d)**.
- (e) Draft Budget Schedules: 2025/2026 2027/2028: **Annexure 8.1.1(e)**.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

- (a) that Council takes notice of the Draft Budget, the Draft Review of the IDP and the Draft Top Layer SDBIP of the Witzenberg Municipality for the financial year 2025/2026 and the indicative budget for the two years 2026/2027 and 2027/2028 that have been tabled by the Executive Mayor in Council.
- (b) that the documents be advertised and made available at all libraries and municipal offices of Council.
- (c) that public meetings be conducted as per the IDP Public Participation Programme.

8.1.2 Section 71 Monthly Budget Statement Report of the Directorate Finance: February 2025 (9/1/2/2)

The Section 71 Monthly Budget Statement Report of the Directorate Finance for February 2025 is attached as **annexure 8.1.2**.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

- (i) that notice be taken of the Section 71 Monthly Budget Statement Report of the Directorate Finance for February 2025.
- (ii) that the Section 71 Monthly Budget Statement Report of the Directorate Finance for February 2025 be referred to the Portfolio Committee for Corporate and Financial Services, the Performance, Risk and Audit Committee and the Municipal Public Accounts Committee to take notice or to advise Council if deemed necessary.

8.1.3 Finance: Irregular expenditure financial years 2022/2023 and 2023/2024 (9/1/2/2)

Report from Director: Finance, dated 3 December 2024:

"1. Purpose

The purpose of this report is to submit a report on irregular expenditure to Council for consideration.

2. Legal framework

In terms of Section 32(2)(b) of the Municipal Finance Management Act, irregular expenditure may only be written off by Council if, after an investigation by a Council committee, the irregular expenditure is certified as irrecoverable.

3. Background

The Preferential Procurement Regulations of 2017 clearly indicated that the 80/20 preference point system for acquisition of goods or services were only applicable to bids for Rand value equal to or above R30 000 and up to R50 million.

The Supreme Court of Appeal declared the entire Procurement Regulations of 2017 invalid on the basis that the content of the Regulations exceeded the Minister's power on what could permissibly be regulated on in terms of Section 5 of the Procurement Act and Section 217 of the Constitution.

The Preferential Procurement Regulations of 2022 were promulgated by the Minister of Finance on 4 November 2022 in Government Gazette no. 47452 and became effective on 16 January 2023.

The new regulations determine that the 80/20 preference point system for acquisition of goods or services with Rand value equal to or below R50 million for tender invitations. Quotation for procurement below R30 000 is included in the regulations definition of a tender.

Municipalities and the Western Cape Provincial Government worked closely on a new policy to be considered by each municipality and to ensure consistency in the legal and technical interpretation of the new legislation. The proposed draft policy was approved by the Witzenberg municipal Council before the implementation date and duly implemented by municipal officials.

During the 2022/2023 audit cycle, the office of the Auditor-general audited the implementation of the new legislation and had a different interpretation of the new legislation and concluded that for awards between R2 000 and R30 000, municipalities did not advertise the 80/20 points system and did not perform the calculation of points.

The AGSA issued a transversal finding to all municipalities whose interpretation of the legislation was not consistent with theirs, including Witzenberg Municipality, listing their interpretation of the new legislation and viewed the municipality's process as non-compliance with the new legislation and all awards as irregular expenditure.

To resolve the matter, the finding was escalated to the Provincial Treasury, which engaged with the leadership of the AGSA and the National Treasury on the matter. A proposed resolution was communicated within days of finalising the 2022/2023 audit outcome (due to be finalised before 30 November 2023).

This administrative process would not have changed the outcome of the award, i.e. the same bidders would have received the award, with or without the calculation of points.

This was the only outstanding audit matter to finalise the audit and prevented the office of the AGSA from issuing a clean audit for the 2022/2023 financial year. Management agreed to disclose the irregular expenditure and to update the PPPFA policy and its standard operating processes to implement the regulation to be aligned with the interpretation of the AGSA.

In January 2024, Council approved the revised SCM policy, and proposed changes to become effective from 1 February 2024. The AGSA audited the implementation of the changes and compliance with the legislation and SCM Policy and did not identify further irregular expenditure.

MFMA circular 68 titled "Unauthorised, Irregular, Fruitless and Wasteful Expenditure" stipulates the process to be followed when dealing with unauthorized, irregular, fruitless and wasteful expenditure. Section 32(2)(b), irregular expenditure may only be written off by Council if, after an investigation by a Council committee, the irregular expenditure is certified as irrecoverable.

Section 32(2)(b) of the MFMA provides the Council only with the power to consider and resolve on the expenditure. Municipal Councils are therefore advised to ensure that the wording of their Council resolutions is consistent with the wording in Section 32(2)(b) of the MFMA i.e. "Council hereby certify the expenditure as irrecoverable and resolve that it be written off or for recovery of the funds". Municipal Councils should note that its ability to resolve on the irregular expenditure is not dependent on National Treasury's decision in relation to the municipality's application for condonation in terms of Section 170 of the Municipal Finance Management Act. It is solely dependent on the investigation and recommendation from the Council committee.

Whatever the municipal Council resolves is sufficient for the municipality to adjust its annual financial statements from an accounting disclosure perspective. The treatment of expenditure associated with the non-compliance is therefore the responsibility of the Council.

Circular 68 from National Treasury dealing with Unauthorised, Irregular, Fruitless and Wasteful Expenditure is attached as **annexure 8.1.3**.

4. Deliberation

The following amounts are disclosed in note 42.1 to the annual financial statements as irregular:

2022/2023 financial year R5 437 362,00 2023/2024 financial year R5 891 802,00

The only reason for regarding the expenditure as irregular is that the 80/20 points system was not used in awarding quotations with values of between R2 000,00 and R30 000,00. No instances were identified were awards should have been made to another bidder."

The Executive Mayoral Committee resolved on 23 January 2025 to recommend to Council that the matter related to the irregular expenditure for the financial years 2022/2023 and 2023/2024 be referred to the Municipal Public Accounts Committee for investigation and report back to Council with recommendations.

Council unanimously resolved on 27 January 2025 that the matter related to the irregular expenditure for the financial years 2022/2023 and 2023/2024 be referred to the Municipal Public Accounts Committee for investigation and report back to Council with recommendations.

The Municipal Public Accounts Committee resolved on 20 March 2025 to recommend to Council:

- (a) that in terms of Section 32(2)(b) of the Municipal Finance Management Act, the Municipal Public Accounts Committee certifies that the expenditure is irrecoverable and resolves that it be written-off.
- (b) that Council did not suffer any loss and that no official should be held accountable.

RECOMMENDED

That the Municipal Public Accounts Committee recommends to Council:

- (a) that in terms of Section 32(2)(b) of the Municipal Finance Management Act, the Municipal Public Accounts Committee certifies that the expenditure is irrecoverable and resolves that it be written-off.
- (b) that Council did not suffer any loss and that no official should be held accountable.

8.2 Directorate Technical Services / Direktoraat Tegniese Dienste

8.2.1 Upgrading of gravel road that intersects with Vos Street opposite Faure Street, Ceres (16/4/4/2)

The following documents are attached:

- (a) Correspondence from Mr Dewald Muller: **Annexure 8.2.1(a)**.
- (b) Memorandum from Manager: Streets and Storm Water, dated 7 October 2024: **Annexure 8.2.1(b)**.

The Committee for Technical Services resolved on 27 November 2024 to recommend to the Executive Mayoral Committee and Council:

- (a) that Mr D Muller accesses Vos Street from his residence via the pedestrian access at his residence.
- (b) that the gravel road be routinely maintained, fixing the surface as and when required, on an ongoing basis.
- (c) that the paving of the gravel road that intersects with Vos Street opposite Faure Street, Ceres be considered by Council.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

- (a) that Mr D Muller accesses Vos Street from his residence via the pedestrian access at his residence.
- (b) that the gravel road be routinely maintained, fixing the surface as and when required, on an ongoing basis.
- (c) that the paving of the gravel road that intersects with Vos Street opposite Faure Street, Ceres be considered by Council.

8.2.2 Draft House Shop By-law (1/3/1/33)

Report from Municipal Manager, dated 17 February 2025:

"Purpose

To consider the Draft House Shop By-law, which will amend Council's current House Shop By-law and to take into consideration the proposal from the National Minister of COGTA to manage spaza/house shop by-laws within the jurisdictional area of the municipality.

Background

A National Disaster has been declared on spaza shops selling contaminated food and items of which the selling date has expired. Council discussed the by-law of COGTA at its Council meeting of December 2024 where it was resolved that Council's current by-law will be amended to incorporate some of the proposals that have been made by COGTA.

The Draft House Shop By-law, which presents some of the amendments made, is attached as **annexure 8.2.2**."

The Executive Mayoral Committee resolved on 24 February 2025 to recommend to Council that the item be workshopped and thereafter that Council considers the following recommendation:

- (a) That notice be taken of the tabled Draft House Shop By-law.
- (b) That a Public Participation Process be followed to obtain inputs and to refer the draft by-law back to Council for approval.

Council resolved on 26 February 2025 that the matter be held in abeyance.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council that the item be workshopped and thereafter that Council considers the following recommendation:

- (a) That notice be taken of the tabled Draft House Shop By-law.
- (b) That a Public Participation Process be followed to obtain inputs and to refer the draft by-law back to Council for approval.

8.2.3 Resubmission: Lease and operation of the material recovery facility (MRF) on erf 364/82, Ceres (17/3/2)

The following documents are attached:

- (a) Memorandum from Director: Technical Services, dated 13 March 2025: **Annexure 8.2.3(a)**.
- (b) Letter from Mr Pieter Swarts: **Annexure 8.2.3(b)**.
- (c) Advertisement in local newspaper: **Annexure 8.2.3(c)**.
- (d) Council resolution of 12 November 2024: **Annexure 8.2.3(d)**.

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Agenda: Council meeting 31 March 2025 Agenda: Raadsvergadering 31 Maart 2025

(e) Correspondence regarding Material Recovery Facility: **Annexure 8.2.3(e)**.

RECOMMENDED

For consideration.

8.3 Directorate Community Services / Direktoraat Gemeenskapsdienste

8.3.1 Draft By-law for Informal Traders (1/3/R)

Report from Manager: Local Economic Development:

"Currently Witzenberg Municipality is utilising the Street Trading By-law of 2002, which is outdated.

The LED Unit has completed a draft for the updated Draft By-law for Informal Traders. Inputs were requested from all relevant municipal departments and responses were considered. The Draft By-law for Informal Traders is attached as **annexure 8.3.1**."

The Executive Mayoral Committee resolved on 24 February 2025 to recommend to Council that the item be workshopped and thereafter that Council considers the following recommendation:

- (a) That notice be taken of the tabled Draft By-law for Informal Traders.
- (b) That a Public Participation Process be followed to obtain inputs and to refer the draft by-law back to Council for approval.

Council resolved on 26 February 2025 that the matter be held in abeyance.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council that the item be workshopped and thereafter that Council considers the following recommendation:

- (a) That notice be taken of the tabled Draft By-law for Informal Traders.
- (b) That a Public Participation Process be followed to obtain inputs and to refer the draft by-law back to Council for approval.

8.3.2 Witzenberg Investment Profile (9/1/2/4)

A memorandum from the Manager: Local Economic Development, dated 28 October 2024, is attached as **annexure 8.3.2**.

The Committee for Local Economic Development resolved on 21 November 2024 to recommend to the Executive Mayoral Committee and Council that the Committee for Local Economic Development and Tourism invests towards the development of a Witzenberg Investment Profile.

RECOMMENDED

that the Executive Mayoral Committee recommends to Council:

that the Witzenberg Investment Profile be supported.

8.3.3 Establishing of Local Drug Action Committee (LDAC) (12/1/2/11)

Council unanimously resolved on 21 June 2024:

- (a) that a Local Drug Action Committee be established and approved.
- (b) that the Local Drug Action Committee be established from representatives from the following institutions and organisations:
 - (i) Chairperson of Portfolio Committee for Community Development (as Chairperson).
 - (ii) Officials from government departments on local level.
 - (iii) SAPS nominated by local police station Commissioner.
 - (iv) Correctional Services nominated by Commissioner of Correctional Services in area.
 - (v) Representative from educational institute nominated by Executive Mayor.
 - (vi) Local health nominated by Executive Mayor.
 - (vii) Local business nominated by Executive Mayor.
 - (viii) Legal professional nominated by regional head of Department of Justice.
 - (ix) Representative of local traditional authority.

A memorandum from the Manager: Local Economic Development, dated 4 March 2025, is attached as **annexure 8.3.3**.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

that the elected Local Drug Action Committee members be approved and the Local Drug Action Committee be elected.

8.3.4 Proposed By-law: Municipal parks and open spaces (1/3/R)

Council unanimously resolved on 12 November 2024 that the matter in respect of the Proposed By-law: Municipal parks and open spaces be advertised for public comments and after that be referred back to Council for further consideration.

A memorandum from the Senior Manager: Legal Services, dated 17 March 2025, is attached as **annexure 8.3.4**.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

that the By-law for Municipal Parks and Open Spaces be adopted and published in the Government Gazette.

8.4 Directorate Corporate Services / Direktoraat Korporatiewe Dienste

8.4.1 By-law for the deployment of electronic communications infrastructure (16/4/P)

Council unanimously resolved on 12 November 2024:

- (a) that the draft By-law for the deployment of electronic communications infrastructure: Witzenberg Municipality be adopted.
- (b) that the draft By-law be advertised for public comments for at least 30 days.
- (c) that the proposals of the public be considered and incorporated as recommended by the Department Streets and Storm Water.
- (d) that the Municipal Manager as soon as possible after the closing date for public comments, submits a report to the Executive Mayoral Committee for a recommendation to Council.
- (e) that the Policy for work and the installation of services in the road reserve (Revision 2) be adopted.

A memorandum from the Senior Manager: Legal Services, dated 17 March 2025, is attached as **annexure 8.4.1**.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

that the By-law for the deployment of electronic communications infrastructure be adopted and published in the Government Gazette.

9. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA DRINGENDE SAKE NA AFSENDING VAN DIE AGENDA

10. FORMAL AND STATUTORY MATTERS FORMELE EN STATUTÊRE SAKE

10.1 Feedback on matters of outside bodies Terugvoering oor sake van buite-organisasies (3/R)

- 11. QUESTIONS and/or MATTERS RAISED by COUNCILLORS VRAE en/of SAKE DEUR RAADSLEDE GEOPPER
- 12. ADJOURNMENT / VERDAGING

2.1

Verwysing / Reference: 3/1/2/1/

MUNISIPALITEIT WITZENBERG MUNICIPALITY

AANSOEK OM VERLOF TOT AFWESIGHEID / APPLICATION FOR LEAVE OF ABSENCE (Moet by kantoor van Munisipale Bestuurder ingedien word voor aanvang van vergadering / Must be handed in at office of Municipal Manager before commencement of meeting)

RGADERING / WERKSWINKEL / FORUM ETING / WORKSHOP / FORUM	DATUM / DATE	
e vir afwesigheid / Reason for absence:		

Ref: 3/2/1



CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION

Council meeting, held on 31 March 2025

I, the undersigned, hereby declare:

- That as a Councillor and a participant of this meeting, I shall maintain strict confidentiality in respect of any
 information of a confidential nature to which I may become privy at meetings of the Witzenberg Council and shall
 only disclose such information as may become necessary or required for the proper performance of my duties
 and functions.
- That as a Councillor and a participant of this meeting, I shall declare any conflict of interest that may arise at every meeting and remove myself from any proceedings, in relation to that matter, giving rise to that conflict.

COUNCILLORS

Surname	Initials	Signature
Abrahams	TE	
Adams	К	
Alexander	WJ	
Daniels	P	
De Bruin	S	
Franse	GJ	
Fredericks	JP	
Gili	AL	

Surname	Initials	Signature
Laban	GG	o.gata.o
Laban		
Mouton	JS	
Ndaba	MJ	
Nel	JF	
Nogcinisa	N	
DI (N.	
Phatsoane	N	
Dobum	KA	
Robyn	I NA	
Rooi	J	
11001	J	
Sidego	EM	
- c.acgo		
Smit	HJ	
Swart	D	
Swartz	IL	
Vicesia	11	
Visagie	JJ	
Yisa	K	
i isa	'\	
Zalie	J	+
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MINUTES OF THE COUNCIL MEETING OF WITZENBERG MUNICIPALITY, HELD IN THE TOWN HALL, VOORTREKKER STREET, CERES ON WEDNESDAY, 26 FEBRUARY 2025 AT 10:00

PRESENT

Councillors

Alderlady EM Sidego (DA) (Speaker)

Councillor TE Abrahams (DA) (Executive Mayor)

Councillor JF Nel (ICOSA) (Executive Deputy Mayor)

Alderman K Adams (DA)

Councillor WJ Alexander (PA)

Councillor P Daniels (DA)

Councillor S de Bruin (DA)

Councillor GJ Franse (DA)

Councillor JP Fredericks (FF Plus)

Councillor GG Laban (Witzenberg Aksie)

Councillor JS Mouton (ANC)

Councillor MJ Ndaba (ANC)

Councillor N Nogcinisa (ANC)

Councillor N Phatsoane (ANC)

Councillor KA Robyn (GOOD)

Councillor J Rooi (Witzenberg Party)

Alderman HJ Smit (DA)

Alderman D Swart (DA)

Councillor IL Swartz (EFF)

Alderman JJ Visagie (DA)

Councillor J Zalie (ANC)

Officials

Mr D Nasson (Municipal Manager)

Mr HJ Kritzinger (Director: Finance)

Ms K Dingilizwe (Acting Director: Technical Services)

Mr M Mpeluza (Director: Corporate Services)

Ms N Oerson (Chief Internal Audit Executive)

Ms L Nieuwenhuis (Senior Manager: Legal Services)

Ms M Arendse-Smith (Acting Manager: Administration)

Mr J Pieterse (Senior ICT Officer)

Ms MJ Prins (Word Processor Operator)

1. OPENING AND WELCOME / OPENING EN VERWELKOMING

The Speaker welcomed everyone present and requested Councillor W Alexander to open the meeting with prayer.

NOTED

2. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION

2.1 Consideration of application for leave of absence, if any Aansoeke om verlof tot afwesigheid, indien enige (3/1/2/1)

- (a) An application for leave of absence from the meeting was received from Councillor A Gili.
- (b) An apology for absence from the meeting was received from the Deputy Director: Finance.

UNANIMOUSLY RESOLVED

- (a) that the application for leave of absence from the meeting, received from Councillor A Gili, be approved and accepted.
- (b) that notice be taken of the apology for absence from the meeting, received from the Deputy Director: Finance, and same be accepted.

EENPARIG BESLUIT

- (a) dat die aansoek om verlof tot afwesigheid van die vergadering, ontvang vanaf raadslid A Gili, goedgekeur en aanvaar word.
- (b) dat kennis geneem word van die verskoning vir afwesigheid van die vergadering, ontvang vanaf die Adjunk-Direkteur: Finansies, en genoemde aanvaar word.

2.2 Confidentiality and Conflict of Interest Declaration Vertroulikheid en Botsing van Belange Verklaring (3/2/1)

The Confidentiality and Conflict of Interest Declaration is attached as **annexure 2.2**.

No conflict of interest was declared.

NOTED

3. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED MEDEDELINGS, AANKONDIGINGS OF SAKE GEOPPER

3.1 Gratitude, Congratulations and Commiseration Waardering, Gelukwensinge en Meelewing (11/4/3)

Council's congratulations were conveyed by Councillor K Robyn to the following Councillors and spouses on their birthdays:

Ms N Ndaba 3 February
Alderlady E Sidego 16 February
Ms A Daniels 20 February
Alderman HJ Smit 25 February

Congratulations were also conveyed to the Executive Deputy Mayor, Councillor JF Nel, and his wife who celebrated their twentieth wedding anniversary, which took place in February 2025.

NOTED.

3.2 Matters raised by the Speaker / Sake deur die Speaker geopper (09/1/1)

The Speaker, Alderlady EM Sidego, conveyed the following to the meeting:

 That many loved ones have passed on since the last Council meeting, specifically one of our own officials, namely Mr Christo Titus. Councillor J Zalie lost his nephew in a recent tragic accident; Councillor N Phatsoane lost her grandchild; Councillor A Gili lost his brother and Ex-Councillor Lea Salmon has also passed on.

Condolences were conveyed to the family, friends and loved ones during their time of bereavement and a moment of silence was observed for all those who had gone before us.

• All the female Councillors of Council met during February as National SALGA requires a Women's Committee. Decisions made will be communicated and conveyed at the Lekgotla of the SALGA Women's Commission. It is also noted that a representative of the LGBTI community also attended the meeting and will be represented at the Women's committee. Council will be approached to establish a section 79 committee in this regard and SALGA will approach the MEC for the establishment of this committee.

Councillor I Swartz joined the meeting at 10:10.

- Ward Committees met and proposed a change in the Ward Committee Policy, which will be tabled at the next meeting.
- Tulbagh water crisis has been ongoing since December 2024 and the Executive Mayor will engage with the Tulbagh Community tonight.

NOTED.

3.3 Matters raised by the Executive Mayor Sake deur die Uitvoerende Burgemeester geopper (09/1/1)

The Executive Mayor conveyed the following to the meeting:

- The Executive Mayor is proud to share that after one (1) year and a few months, there is bigger unity within Council and MayCo and that the focus has shifted to service delivery and stability.
- Project Fix-It is an unknown concept and did not expect that it be successful. Thank you to officials and Councillors who walked the streets and noted what must be fixed. The Municipal Manager is busy with the execution phase of the project with the deadline of the end of March in mind. Assessments will be done thereafter before moving to phase 2. Councillors who were not part of phase 1, such as the proportional Councillors, will be included in phase 2 and it will include our own buildings and yards. Municipal Manager to commence with phase 2 as soon as possible.
- Much critism was received on social media about the Tulbagh water crisis. Meetings were, however, held yesterday and will be held again tonight with the Tulbagh Community.
- Witzenberg Municipality's social media presence is not up to standard and will be addressed in order to have meaningful engagements.
- The Vredebes learners transport matter is close to having a permanent solution, but the municipality is also awaiting that the Department's processes be finalised after which feedback will be provided to Council.
- Thank you to Law Enforcement for their efforts to maintian law and order through various operations as the boundaries of lawlessness must be pushed back.
- The Local Government summit was attended by the Executive Mayor in terms of the digitization of processes within the muncipality and we need to work towards that as we are lagging behind.
- Certificate of excellence received on Monday, 24 February 2024 related to EPWP Programs, which is a big achievement. In terms of the National EPWP Program, the Witzenberg Municipality might see an increase in workers. It is a big project and if accomplished, more than 100 youth can be employed.
- Councillors who have not completed their SASRIA forms are urged to do so and submit by midnight today.

- CANSA Relay is taking place this Saturday, 1 March 2025, at which the municipality will be honouring Christo Titus this year. Currently there are more than 60 officials partaking in the event and fundraising will also be done.
- The Debt collection Policy was workshopped yesterday and after listening to all inputs, valuable inputs were received, especially related to the concerns in the Op-die-Berg, Prince Alfred's Hamlet and Nduli areas.

Councillor K Robyn conveyed her unhappiness that all Coucillors were not involved in phase 1 of Project Fix-It as it looks like a total flop.

Councillor GG Laban noted that the Speaker of the house is responsible to ensure that all Councillors receive the necessary information and must therefore be more hands-on. If there are any operational activities, all Councillors must be informed and thereafter the Councillors can decide for themselves whether to participate or not.

NOTED.

3.4 Matters raised by the Municipal Manager Sake deur die Munisipale Bestuurder geopper

None

NOTED

- 4. MINUTES / NOTULES
- 4.1 Corrections to the minutes / Wysigings aan die notule (3/1/2/3)

None

NOTED

4.2 Matters arising from the minutes (3/1/2/3)

None

NOTED

4.3 Approval of minutes / Goedkeuring van notules (3/1/2/3)

The following minutes are attached:

- (a) Special Council meeting, held on 19 December 2024: **Annexure 4.3(a)**.
- (b) Council meeting, held on 27 January 2025: **Annexure 4.3(b)**.

UNANIMOUSLY RESOLVED

That the following minutes be approved and signed by the Speaker:

- (i) Special Council meeting, held on 19 December 2024.
- (ii) Council meeting, held on 27 January 2025.

4.4 Outstanding matters / Uitstaande sake (3/3/2)

Number	File reference	Heading, item no. and date	Directorate	Action	Progress	Target date
	17/3/2	8.2.2 of 24-01-2024 Proposed position of waste transfer stations	Technical Services	That proposed positions of waste transfer stations at erf 8714, Bella Vista & Erf 1, PA Hamlet be held in abeyance for PPP.	Work-in- progress	End of Feb. 2025

UNANIMOUSLY RESOLVED

that notice be taken of the outstanding matter.

5. MOTIONS AND NOTICE OF SUGGESTIONS MOSIES EN KENNISGEWING VAN VOORSTELLE

None

NOTED

6. INTERVIEWS WITH DELEGATIONS ONDERHOUDE MET AFVAARDIGINGS

None

NOTED

7. GEDELEGEERDE BEVOEGDHEDE / DELEGATED POWERS

7.1 Minutes: Committee meetings / Notules: Komiteevergaderings (03/3/2)

The minutes of the following meetings are attached:

- (a) Municipal Public Accounts Committee, held on 12 September 2024: **Annexure 7.1(a)**.
- (b) Performance, Risk and Audit Committee, held on 20 September 2024: **Annexure 7.1(b)**.
- (c) Committee for Corporate and Financial Services, held on 8 October 2024: **Annexure 7.1(c)**.
- (d) Executive Mayoral Committee, held on 4 November 2024: **Annexure 7.1(d)**.
- (e) Committee for Housing Matters, held on 29 November 2024: **Annexure 7.1(e)**.
- (f) Executive Mayoral Committee, held on 10 December 2024: **Annexure 7.1(f)**.
- (g) Municipal Public Accounts Committee, held on 13 December 2024: **Annexure 7.1(g)**.

UNANIMOUSLY RESOLVED

that notice be taken of the minutes of the Committee meetings and same be accepted.

8. GERESERVEERDE BEVOEGDHEDE / RESERVED POWERS

8.1 Direktoraat Finansies / Directorate Finance

8.1.1 Section 71 Monthly Budget Statement Report of the Directorate Finance: January 2025 (9/1/2/2)

The Section 71 Monthly Budget Statement Report of the Directorate Finance for January 2025 is attached as **annexure 8.1.1**.

The Executive Mayoral Committee resolved on 25 February 2025 to recommend to Council:

- (a) that notice be taken of the Section 71 Monthly Budget Statement Report of the Directorate Finance for January 2025.
- (b) that the Section 71 Monthly Budget Statement Report of the Directorate Finance for January 2025 be referred to the Portfolio Committee for Corporate and Financial Services, the Performance, Risk and Audit Committee and the Municipal Public Accounts Committee to take notice or to advise Council if deemed necessary.

UNANIMOUSLY RESOLVED

- (a) that notice be taken of the Section 71 Monthly Budget Statement Report of the Directorate Finance for January 2025.
- (b) that the Section 71 Monthly Budget Statement Report of the Directorate Finance for January 2025 be referred to the Portfolio Committee for Corporate and Financial Services, the Performance, Risk and Audit Committee and the Municipal Public Accounts Committee to take notice or to advise Council if deemed necessary.

8.1.2 Finance: Adjustment budget and SDBIP Top Layer 2024/2025 (5/1/1/23 & 5/1/5/17)

The following documents are attached:

- (a) Memorandum from Director: Finance, dated 14 February 2025: **Annexure 8.1.2(a)**.
- (b) Adjustment budget 2024/2025 to 2026/2027: **Annexure 8.1.2(b)**.
- (c) Budget schedules 2024/2025: **Annexure 8.1.2(c)**.
- (d) Proposed adjustments: SDBIP Top Layer 2024/2025: **Annexure 8.1.2(d)**.

The Executive Mayoral Committee resolved on 25 February 2025 to recommend to Council:

That the adjustment budget of Witzenberg Municipality for the financial year 2024/2025 as set out in the budget documents be approved:

- (i) Table B1 Budget summary.
- (ii) Table B2 Adjustments Budget Financial Performance (by standard classification).
- (iii) Table B3 Budgeted Financial performance (Revenue and Expenditure) by Vote.
- (iv) Table B4 Adjustments Budget Financial Performance (revenue by source); and
- (v) Table B5 Budgeted Capital Expenditure by Vote, standard classification and funding.

The Executive Mayor highlighted the importance of the Adjustment Budget is and that it is the responsibility of the Executive Mayor to table it. Attention was, however, drawn to the following:

- After a few delays, the funding for the Nduli library is available again and the process needs to be orchestrated for the project to be done.
- Disaster funds of R3 million was received to cover the expenses incurred after the damages suffered in the previous rainy season.

Councillor Laban noted the following:

- Whether the Skoonvlei sanitation infrastructure is part of the budget.
- The spending of R10 million on Nduli library is a big concern in light of the municipal accounts not being paid in the said area.
- Whether it is possible to employ more Law Enforcement and Traffic officials.

The Executive Mayor responded with the following:

- The vandalised swimming pool, library and sport field of Nduli is the end result of service delivery protests. The question remains whether we are doing justice to the youth by saying that their parents caused the damage and they must suffer the consequences thereof. The library is a centre of knowledge and we cannot punish the children and adults wanting to utilise the facilities and trust that all will accept the rebuilding of the facilities.
- The Skoonvlei property refers to the property distributed to the previously disadvantaged business owners. It was later discovered that the bulk services were not implemented as the funding was stopped by Department of Rural Development. In terms of the policy, the bulk services become the responsibility of the developer.

Councillor Ndaba noted his disappointment in Councillor GG Laban and emphasised that the ANC will always support initiatives that benefit Nduli.

Councillor Zalie mentioned that hopefully other wards, such as Pine Valley, Wolseley will also receive a library and swimming pool and that the vandalised sports grounds will also be repaired.

Councillor Phatsoane commended the Executive Mayor for his response to the Nduli matter and noted that Councillors must rejoice for the rebuilding of the Nduli library as it brings back the future and lobe of the children and that such a scenario can happen to anyone.

The Municipal Manager noted that the municipality is contributing R1 million and that the rest of the funding is covered by the insurance (SASRIA), Perdekraal Windfarm and MIG funding. It is all dedicated funds and cannot be utilised for anything else.

UNANIMOUSLY RESOLVED

- (a) That the adjustment budget of Witzenberg Municipality for the financial year 2024/2025 as set out in the budget documents be approved:
 - (i) Table B1 Budget summary.
 - (ii) Table B2 Adjustments Budget Financial Performance (by standard classification).
 - (iii) Table B3 Budgeted Financial performance (Revenue and Expenditure) by Vote.
 - (iv) Table B4 Adjustments Budget Financial Performance (revenue by source); and
 - (v) Table B5 Budgeted Capital Expenditure by Vote, standard classification and funding.
- (b) that the adjustments to the SDBIP Top Layer 2024/2025, as proposed by the Manager: Projects and Performance in his memorandum dated 17 February 2025, be approved.

8.1.3 PRAC Charter with effect from 9 January 2025 (5/14/4)

The Performance, Risk and Audit Committee Charter with effect from 9 January 2025 is attached as **annexure 8.1.3**.

The Performance, Risk and Audit Committee resolved on 17 January 2025:

- (a) that notice be taken of the Performance, Risk and Audit Committee Charter with effect from 9 January 2025 in terms of Section 166 of the Municipal Finance Management Act.
- (b) that the Performance, Risk and Audit Committee recommends to Council:

that notice be taken of the Performance, Risk and Audit Committee Charter with effect from 9 January 2025 and, after consideration, same be approved.

UNANIMOUSLY RESOLVED

that notice be taken of the Performance, Risk and Audit Committee Charter with effect from 9 January 2025 and, after consideration, same be approved.

8.1.4 Internal Audit Charter with effect from 9 January 2025 (5/14/2)

The Internal Audit Charter with effect from 9 January 2025 is attached as **annexure 8.1.4**.

The Performance, Risk and Audit Committee resolved on 17 January 2025:

- (a) that notice be taken of the Internal Audit Charter with effect from 9 January 2025 in terms of Section 166 of the Municipal Finance Management Act.
- (b) that the Performance, Risk and Audit Committee recommends to Council:

that notice be taken of the Internal Audit Charter with effect from 9 January 2025 and, after consideration, same be approved.

UNANIMOUSLY RESOLVED

that notice be taken of the Internal Audit Charter with effect from 9 January 2025 and, after consideration, same be approved.

8.1.5 Finance: Implementation of Debt collection and Credit control Policy (5/12/1/3)

A memorandum from the Director: Finance, dated 17 February 2025, is attached as **annexure 8.1.5**.

The Executive Mayoral Committee resolved on 25 February 2025 to recommend to Council, after the item was duly workshopped:

That the following additional credit control steps be implemented:

- (a) Cutting or blocking of electricity
 - (i) Amount equal to two months' debits are payable before restoring connection- (conventional meters).
 - (ii) Portion of electricity purchases to be set off against arrear debt. (Current Auxiliary 30 %).
 - (iii) That the Credit Control and Debt Collection Policy be amended to allow the auxiliary percentage to be increased to 60 % for accounts outstanding for more than six months, subject to a Public Participation Process being followed before implementation.

(b) Indigent households

- (i) Portion of electricity purchases to be set off against arrear debt. (Auxiliary 30 %).
- (ii) Indigent households be moved from conventional electricity to pre-paid electricity.
- (c) Legal collection process
 - (i) Section 129 Notice (in terms of National Credit Act).
 - (ii) Fourteen days later after Section 129 Notice, summons is compiled.
 - (iii) Clerk of the Court issues the summons.
 - (iv) Sheriff of the Court serves the summons on the defendant.
 - (v) Before any legal process in terms of property is undertaken, the matter must first be referred to Council for approval.

(d) Pre-payment water meters

- (i) Installation of pre-paid water meters if other debt collection measures are not successful.
- (ii) That the water consumption can be limited to a maximum of 300 litres per day (9 kilolitres per month).
- (iii) That the outstanding service debt of the consumer be written off as an incentive for accepting the pre-payment water meter.

Councillor W Alexander expressed his unhappiness about the potential impact of the sheriff coming to the people's residence with a summons where water meters were installed and that the municipality is using this as a credit control measure.

Councillor J Mouton raised concerns about the 60 % collection rate as it is extreme amidst the already struggling communities.

UNANIMOUSLY RESOLVED

That the following additional credit control steps be implemented:

- (a) Cutting or blocking of electricity
 - (i) Amount equal to two months' debits are payable before restoring connection- (conventional meters).
 - (ii) Portion of electricity purchases to be set off against arrear debt. (Current Auxiliary 30 %).
 - (iii) That the Credit Control and Debt Collection Policy be amended to allow the auxiliary percentage to be increased to 60 % for accounts outstanding for more than six months, subject to a Public Participation Process being followed before implementation.
- (b) Indigent households
 - (i) Portion of electricity purchases to be set off against arrear debt. (Auxiliary 30 %).
 - (ii) Indigent households be moved from conventional electricity to pre-paid electricity.
- (c) Legal collection process
 - (i) Section 129 Notice (in terms of National Credit Act).
 - (ii) Fourteen days later after Section 129 Notice, summons is compiled.
 - (iii) Clerk of the Court issues the summons.
 - (iv) Sheriff of the Court serves the summons on the defendant.
 - (v) Before any legal process in terms of property is undertaken, the matter must first be referred to Council for approval.

- (d) Pre-payment water meters
 - (i) Installation of pre-paid water meters if other debt collection measures are not successful.
 - (ii) That the water consumption can be limited to a maximum of 300 litres per day (9 kilolitres per month).
 - (iii) That the outstanding service debt of the consumer be written off as an incentive for accepting the pre-payment water meter.

8.1.6 Supply Chain Management: Disposal of movable assets, goods, material and equipment in terms of Section 14(4) of the Municipal Finance Management Act (6/1/P)

The following documents are attached:

- (a) Memorandum from Chief Financial Officer, dated 18 February 2025: **Annexure 8.1.6(a)**.
- (b) List of disposals: **Annexure 8.1.6(b)**.

The Executive Mayoral Committee resolved on 25 February 2025 to recommend to Council:

- (a) That the disposal of assets, goods, material and equipment, attached as annexure 8.1.6(b), be approved.
- (b) That the Supply Chain Management unit proceeds with the disposal of assets in accordance with paragraph 48(4) of Council's Supply Chain Management Policy.

UNANIMOUSLY RESOLVED

- (a) That the disposal of assets, goods, material and equipment, attached as annexure 8.1.6(b), be approved.
- (b) That the Supply Chain Management unit proceeds with the disposal of assets in accordance with paragraph 48(4) of Council's Supply Chain Management Policy.
- (c) that the auction be conducted within a period of three (3) months.

8.1.7 Finance: Possible adjustments to industrial effluent charge (5/12/1/3)

Memorandum from Director: Finance, dated 21 January 2025:

"1. Purpose

To consider the possible adjustment of the industrial effluent charge for the second quarter of 2024.

2. Legal framework

The business is allowed to dispose of industrial effluent in terms of the permit issued.

3. Background

The volumes of industrial effluent dumped into the municipal system increased over the last number of years due to increase in production and problems encountered with the industries' own treatment plants.

The total charges per financial year increased as follows:

Year	Annual charge
2021/2022	6,365,116
2022/2023	28,270,204
2023/2024	51,847,845

The above charges were determined by an external service provider based on the following:

Base rate (T.1) for first 36 260 kg COO dumped per calendar month:

Peak tariff (T.2) of 1.5 times the base tariff for every 1 kg COD dumped above 36 260 kg COD per calendar month up to maximum total monthly mass treatment of 90 000 kg COD:

On top of the Base and Peak Rates:

A penalty rate of 10 times the Base Rate calculated on day-to-day basis and independently the total mass treatment dumped per calendar month may be dumped for every 1 kg of COD above the maximum limit of 3 000 kilolitres or 3 000 kg COD per 24 hours for such period when this deposit exceeds the maximum limit though by the main: Civil Services would be allowed.

The peak tariff and penalty rate are implemented due to the effect of the industrial effluent on the waste water treatment works and the quality of the treated waste water.

If the plant cannot treat all the waste water received the municipality will discharge water that does not meet the requirements back into nature. The risk is that the municipality may lose it Green Drop status.

The abovementioned penalty rate has a large impact on the annual charges.

4. Discussion

To date the latest account has not been paid.

The customer requested that a discount be considered on condition that they use the saving to do some improvements to their treatment plant and possibly the municipal treatment plant."

The Executive Mayoral Committee resolved on 25 February 2025 to recommend to Council:

- (a) That consideration be given to amending the penalty of Ceres Fruit Processors for the 2023/2024 and 2024/2025 financial years to five (5) times the base rate.
- (b) That the By-law related to Industrial Effluent be amended to contain more levels and thereafter be tabled to Council for approval.

Councillor I Swartz requested that the municipality determine where the water of Bella Frutta goes to as the Bella Vista cemetery is regularly flooded.

The Municipal Manager informed the meeting that the water of Bella Frutta leads into the storm water system but that the matter of the flooded cemetery is being investigated as the water levels are relatively high. The municipality is in the process of appointing an expert to determine whether the underground water in the water table is high.

UNANIMOUSLY RESOLVED

- (a) that the penalty of Ceres Fruit Processors for the 2023/2024 and 2024/2025 financial years be amended to five (5) times the base rate.
- (b) that the By-law related to Industrial Effluent be amended to contain more levels and thereafter be tabled to Council for approval.

8.2 Direktoraat Tegniese Dienste / Directorate Technical Services

8.2.1 Lease of erf 23, Tulbagh to Tulbagh Recycling (7/1/4/1 & 17/19/1)

A memorandum from the Director: Technical Services, dated 24 May 2023, is attached as **annexure 8.2.1**.

The Executive Mayoral Committee resolved on 14 November 2023 that the matter in respect of the lease of erf 23, Tulbagh to Tulbagh Recycling be held in abeyance until the next meeting and that the Director: Technical Services determines whether other parties are interested.

Follow-up report from the Director: Technical Services, dated 15 February 2024:

"Background

The abovementioned item from the Executive Mayoral Committee meeting, held on 14 November 2023.

Discussion

Investigation into whether there are other parties interested, had the following outcome:

There were no parties that indicated an interest, but the following persons are enthusiastic and promote recycling in Tulbagh, on their respective platforms, i.e:

Charlotte Steyn – Care 4 Tulbagh Rev. Dawid Botha – Church / Community Leader

Recommendation

That further consideration be given to grant permission for the applicant to lease a portion of erf 23, Tulbagh to Tulbagh Recycling, as per the initial memorandum from the Director: Technical Services, dated 24 May 2023."

The Committee for Technical Services resolved on 9 April 2024 to recommend to the Executive Mayoral Committee and Council:

that a portion of erf 23, Tulbagh, as indicated on the attached report, be leased to Jan Lambert for a period of five years on the following conditions:

- (i) That a departure application be submitted by the tenant for the use of the property zoned as authority, for the purposes of a recycling facility.
- (ii) Lease will be "voetstoots", leased as it is.

- (iii) Security will be for the account of the lessee.
- (iv) Council to consider exemption of rental charges, on condition that we lease the building as it is, and that the lessee do all repair work to the building.
- (v) Public participation process to be followed. Advertise for public comment and/or objections.
- (vi) Should the second part of the premises not have an electrical installation, an electrical contractor should be appointed by the tenant to do the electrical installation and issue a Certificate of Compliance after the completion of electrical work.
- (vii) The applicant will be responsible for the costs of any electrical upgrading, including electrical installation if required.

The Executive Mayoral Committee unanimously resolved on 18 June 2024 to recommend to Council:

that a portion of erf 23, Tulbagh, as indicated on the attached report, be leased to Jan Lambert for a period of five years on the following conditions:

- (i) That a departure application be submitted by the tenant for the use of the property zoned as authority, for the purposes of a recycling facility.
- (ii) Lease will be "voetstoots", leased as it is.
- (iii) Security will be for the account of the lessee.
- (iv) Council to consider exemption of rental charges, on condition that we lease the building as it is, and that the lessee do all repair work to the building.
- (v) Public participation process to be followed. Advertise for public comment and/or objections.
- (vi) Should the second part of the premises not have an electrical installation, an electrical contractor should be appointed by the tenant to do the electrical installation and issue a Certificate of Compliance after the completion of electrical work.
- (vii) The applicant will be responsible for the costs of any electrical upgrading, including electrical installation if required.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that a portion of erf 23, Tulbagh, as indicated on the attached report, be leased to Jan Lambert for a period of five years on the following conditions:

- (i) That a departure application be submitted by the tenant for the use of the property zoned as authority, for the purposes of a recycling facility.
- (ii) Lease will be "voetstoots", leased as it is.
- (iii) Security will be for the account of the lessee.
- (iv) Council to consider exemption of rental charges, on condition that we lease the building as it is, and that the lessee do all repair work to the building.
- (v) Public participation process to be followed. Advertise for public comment and/or objections.
- (vi) Should the second part of the premises not have an electrical installation, an electrical contractor should be appointed by the tenant to do the electrical installation and issue a Certificate of Compliance after the completion of electrical work.
- (vii) The applicant will be responsible for the costs of any electrical upgrading, including electrical installation if required.

UNANIMOUSLY RESOLVED

That the matter related to the lease of erf 23, Tulbagh to Tulbagh Recycling be held in abeyance.

8.2.2 Draft House Shop By-law (1/3/1/33)

Report from Municipal Manager, dated 17 February 2025:

"Purpose

To consider the Draft House Shop By-law, which will amend Council's current House Shop By-law and to take into consideration the proposal from the National Minister of COGTA to manage spaza/house shop by-laws within the jurisdictional area of the municipality.

Background

A National Disaster has been declared on spaza shops selling contaminated food and items of which the selling date has expired. Council discussed the by-law of COGTA at its Council meeting of December 2024 where it was resolved that Council's current by-law will be amended to incorporate some of the proposals that have been made by COGTA.

The Draft House Shop By-law, which presents some of the amendments made, is attached as **annexure 8.2.2**."

The Executive Mayoral Committee resolved on 25 February 2025 to recommend to Council that the item be workshopped and thereafter that Council considers the following recommendation:

- (a) That notice be taken of the tabled Draft House Shop By-law.
- (b) That a Public Participation Process be followed to obtain inputs and to refer the draft by-law back to Council for approval.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council that the item be workshopped and thereafter that Council considers the following recommendation:

- (a) That notice be taken of the tabled Draft House Shop By-law.
- (b) That a Public Participation Process be followed to obtain inputs and to refer the draft by-law back to Council for approval.

UNANIMOUSLY RESOLVED

That the matter related to the Draft House Shop By-law be held in abeyance.

8.3 Direktoraat Gemeenskapsdienste / Directorate Community Services

8.3.1 Dilapidated building in Tulbagh cemetery: Approval to demolish (15/6/1/6)

A memorandum from the Manager: Environment and Amenities, dated 25 April 2024, is attached as **annexure 8.3.1**.

The Committee for Community Development resolved on 27 November 2024 to recommend to the Executive Mayoral Committee and Council that the memorial building at the Tulbagh graveyard, after consideration, be demolished.

Council unanimously resolved on 27 January 2025:

- (a) that the matter related to the dilapidated building in Tulbagh cemetery: Approval to demolish be held in abeyance.
- (b) that an inspection in loco be held prior to deciding on the matter.

The Executive Mayoral Committee resolved on 25 February 2025 to recommend to Council that, after consideration, the demolition of the dilapidated building in the Tulbagh cemetery be approved.

UNANIMOUSLY RESOLVED

that, after consideration, the demolition of the dilapidated building in the Tulbagh cemetery be approved.

8.3.2 Draft By-law for Informal Traders (1/3/R)

Report from Manager: Local Economic Development:

"Currently Witzenberg Municipality is utilising the Street Trading By-law of 2002, which is outdated.

The LED Unit has completed a draft for the updated Draft By-law for Informal Traders. Inputs were requested from all relevant municipal departments and responses were considered. The Draft By-law for Informal Traders is attached as **annexure 8.3.2**."

The Executive Mayoral Committee resolved on 25 February 2025 to recommend to Council that the item be workshopped and thereafter that Council considers the following recommendation:

- (a) That notice be taken of the tabled Draft By-law for Informal Traders.
- (b) That a Public Participation Process be followed to obtain inputs and to refer the draft by-law back to Council for approval.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council that the item be workshopped and thereafter that Council considers the following recommendation:

- (a) That notice be taken of the tabled Draft By-law for Informal Traders.
- (b) That a Public Participation Process be followed to obtain inputs and to refer the draft by-law back to Council for approval.

UNANIMOUSLY RESOLVED

that the matter related to the Draft By-law for Informal Traders be held in abeyance.

8.4 Direktoraat Korporatiewe Dienste / Directorate Corporate Services

8.4.1 Request to purchase a property for the purposes of residential as well as a kennel and training facility for dog handlers: Erf 787, Tulbagh (7/1/4/2)

The following documents are attached:

A memorandum from the Senior Manager: Legal Services, dated 19 April 2024 is attached as **annexure 8.4.1(a)**.

The Committee for Corporate and Financial Services resolved on 8 October 2024 that the matter in respect of the request to purchase a portion of erf 1352, Tulbagh be held in abeyance for a site inspection to be held.

A memorandum from the Manager: Legal Service, dated 18 November 2024, was tabled to the Committee for Corporate and Financial Services on 27 November 2024. The said memorandum is attached as **annexure 8.4.1(b)**.

The Committee for Corporate and Financial Services resolved on 27 November 2024 to recommend to the Executive Mayoral Committee and Council that erf 787, Tulbagh is most suited for the purposes of residential as well as a kennel and training facility for dog handlers.

The Executive Mayoral Committee resolved on 25 February 2025 to recommend to Council:

- (a) that erf 787, Tulbagh is most suited for the purposes of residential as well as a kennel and training facility for dog handlers.
- (b) that the municipal property located at erf 787, Tulbagh be alienated in favour of Mr E Meintjies.
- (c) that in terms of Section 14.2 of the Municipal Finance Management Act (Act 56 of 2003), erf 787, Tulbagh is not required for the provision of the minimum level of basic services.
- (d) that in terms of Section 14.2 of the Municipal Finance Management Act (Act 56 of 2003), erf 787, Tulbagh be sold at a market related price.
- (e) that the potential sale be advertised in the local newspaper for public comment and/or any objections.
- (f) that the Municipal Manager be mandated to sign all documentation to affect the transfer of the property to Mr E Meintjies.

UNANIMOUSLY RESOLVED

- (a) that erf 787, Tulbagh is most suited for the purposes of residential as well as a kennel and training facility for dog handlers.
- (b) that the municipal property located at erf 787, Tulbagh be alienated in favour of Mr E Meintjies.
- (c) that in terms of Section 14.2 of the Municipal Finance Management Act (Act 56 of 2003), erf 787, Tulbagh is not required for the provision of the minimum level of basic services.
- (d) that in terms of Section 14.2 of the Municipal Finance Management Act (Act 56 of 2003), erf 787, Tulbagh be sold at a market related price.
- (e) that the potential sale be advertised in the local newspaper for public comment and/or any objections.
- (f) that the Municipal Manager be mandated to sign all documentation to affect the transfer of the property to Mr E Meintjies.

8.4.2 Council's immovable property: Request to sell erf 935, Wolseley (7/1/4/2)

A memorandum from the Manager: Legal Services, dated 17 August 2022, is attached as **annexure 8.4.2**.

The Committee for Corporate and Financial Services resolved on 20 October 2022 that the matter in respect of Request to purchase erf 935, Wolseley be held in abeyance to obtain the inputs of the Ward Councillor, Councillor P Daniels.

The Municipal Manager informed the Committee for Corporate and Financial Services on 17 November 2022 that the Ward Councillor, Councillor P Daniels, had no objection to the purchase of erf 935, Wolseley and that a Public Participation Process will commence.

The Committee for Corporate and Financial Services resolved on 17 November 2022 to recommend to the Executive Mayoral Committee and Council:

- (a) that the municipal property located at erf 935, Wolseley, be alienated in favour of Wolfpack.
- (b) that in terms of Section 14.2 of the Municipal Finance Management Act (56 of 2003), erf 935, Wolseley is not required for the provision of a minimum level of basic services.

- (c) that in terms of Section 14.2 of the Municipal Finance Management Act (56 of 2003), erf 935, Wolseley be sold at a market related price.
- (d) that the potential sale be advertised in the local newspaper for public comment and / or any objections.
- (e) that the Municipal Manager be mandated to sign all documentation to effect the transfer of the property to Wolfpack.
- (f) that a Public Participation Process be followed and the matter then be tabled again to Council.

The Executive Mayoral Committee resolved on 25 February 2025 to recommend to Council:

- (a) that the municipal property located at erf 935, Wolseley, be alienated in favour of Wolfpack.
- (b) that in terms of Section 14.2 of the Municipal Finance Management Act (Act 56 of 2003), erf 935, Wolseley is not required for the provision of a minimum level of basic services.
- (c) that in terms of Section 14.2 of the Municipal Finance Management Act (Act 56 of 2003), erf 935, Wolseley be sold at a market related price.
- (d) that the potential sale be advertised in the local newspaper for public comment and / or any objections.
- (e) that the Municipal Manager be mandated to sign all documentation to effect the transfer of the property to Wolfpack.
- (f) that a Public Participation Process be followed and the matter then be tabled again to Council.
- (g) that the servitude in favour of the Witzenberg Municipality be registered for the area of the Witzenberg storm water canal.
- (h) that Wolfpack continues to provide access to municipal employees for official purposes of cleaning the storm water canal.

UNANIMOUSLY RESOLVED

- (a) that the municipal property located at erf 935, Wolseley, be alienated in favour of Wolfpack.
- (b) that in terms of Section 14.2 of the Municipal Finance Management Act (Act 56 of 2003), erf 935, Wolseley is not required for the provision of a minimum level of basic services.
- (c) that in terms of Section 14.2 of the Municipal Finance Management Act (Act 56 of 2003), erf 935, Wolseley be sold at a market related price.

- (d) that a Public Participation process be followed by advertising the potential sale in the local newspaper for public comment and / or any objections and that the matter only be tabled to Council if any objections are received.
- (e) that the Municipal Manager be mandated to sign all documentation to effect the transfer of the property to Wolfpack.
- (f) that the servitude in favour of the Witzenberg Municipality be registered for the area of the Witzenberg storm water canal.
- (g) that Wolfpack continues to provide access to municipal employees for official purposes of cleaning the storm water canal.

8.4.3 Alienation and subdivision of portion of erf 2622, Skoonvlei industrial area, Ceres (unregistered erf 10915 or erf 10916 or erf 10917) (7/1/4/2)

A report from the Senior Manager: Legal Services, dated 13 February 2025, is attached as **annexure 8.4.3**.

The Executive Mayoral Committee resolved on 25 February 2025 to recommend to Council:

- (a) that the municipal property, portion of erf 2622, Skoonvlei Industrial area, Ceres, be alienated in favour of Werner Pharo Electrical (Pty) Ltd.
- (b) that in terms of Section 14.2 of the Municipal Finance Management Act (Act 56 of 2003), the portion of erf 2622, Skoonvlei Industrial area, Ceres is not required for the provision of a minimum level of basic services.
- (c) that in terms of Section 14.2 of the Municipal Finance Management Act (Act 56 of 2003), portion of erf 2622, Skoonvlei Industrial area, Ceres, be sold at a market related price.
- (d) that the potential sale be advertised in the local newspaper for public comment and / or any objections.
- (e) that the Municipal Manager be mandated to sign all documentation to effect the transfer of the property to Werner Pharo Electrical (Pty) Ltd.
- (f) that a Public Participation Process be followed and the matter then be tabled again to Council.

UNANIMOUSLY RESOLVED

- (a) that the municipal property, portion of erf 2622 and the unregistered erf 10916, Skoonvlei Industrial area, Ceres, be alienated in favour of Werner Pharo Electrical (Pty) Ltd.
- (b) that in terms of Section 14.2 of the Municipal Finance Management Act (Act 56 of 2003), the portion of erf 2622 and the unregistered erf 10916, Skoonvlei Industrial area, Ceres are not required for the provision of a minimum level of basic services.
- (c) that the alienated land, portion of erf 2622 and the unregistered erf 10916, Skoonvlei Industrial area, Ceres, not be sold for a market related price, but at a selling price of R100-00 per square metre.
- (d) that a Public Participation process be followed by advertising the potential sale in the local newspaper for public comment and / or any objections and that the matter only be tabled to Council if any objections are received.
- (e) that the Municipal Manager be mandated to sign all documentation to effect the transfer of the property to Werner Pharo Electrical (Pty) Ltd.

8.4.4 Pigeon Society Clubhouse: Erf 496, Stamper Street, Wolseley (15/4/R)

Council unanimously resolved on 12 November 2024:

- (a) that Council's intention to lease the Pigeon Society Clubhouse on erf 496, Stamper Street, Wolseley be advertised in the local newspaper.
- (b) that the repair and maintenance of the asset will be for the cost of the successful lessee or tenant.
- (c) that the asset is not needed in terms of Section 14(2)(a) of the Municipal Finance Management Act (Act 56 of 2003) to provide in the minimum level of basic municipal services.

A report from the Senior Manager: Legal Services, dated 13 February 2025, is attached as **annexure 8.4.4**.

The Executive Mayoral Committee resolved on 25 February 2025 to recommend to Council:

That the Council resolution which reads:

"(a) that Council's intention to lease the Pigeon Society Clubhouse on erf 496, Stamper Street, Wolseley be advertised in the local newspaper.

(b) that the repair and maintenance of the asset will be for the cost of the successful lessee or tenant."

be rescinded to read as follows:

- "(a) that the property located at erf 496, Stamper Street, Wolseley be sold "voetstoots" to the public and that a Supply Chain process be followed.
- (b) that the asset is not needed in terms of Section 14(2)(a) of the Municipal Finance Management Act (Act 56 of 2003) to provide in the minimum level of basic municipal services.
- (c) that the potential bidder be informed of the report of the Building Control Officer in terms of the safety of the building."

UNANIMOUSLY RESOLVED

That the Council resolution which reads:

- "(a) that Council's intention to lease the Pigeon Society Clubhouse on erf 496, Stamper Street, Wolseley be advertised in the local newspaper."
- (b) that the repair and maintenance of the asset will be for the cost of the successful lessee or tenant."

be rescinded to read as follows:

- "(a) that the property located at erf 496, Stamper Street, Wolseley be sold "voetstoots" to the public and that a Supply Chain process be followed.
- (b) that the asset is not needed in terms of Section 14(2)(a) of the Municipal Finance Management Act (Act 56 of 2003) to provide in the minimum level of basic municipal services.
- (c) that the potential bidder be informed of the report of the Building Control Officer in terms of the safety of the building."

8.4.5 Performance, Risk and Audit Committee: Re-appointment of Mr J George (5/14/4)

A memorandum from the Chief Internal Audit Executive, dated 30 January 2025, is attached as **annexure 8.4.5**.

The Executive Mayoral Committee resolved on 25 February 2025 to recommend to Council that the appointment of Mr J George for a one-year term be approved.

UNANIMOUSLY RESOLVED

That the appointment of Mr J George for a one-year term be approved.

8.4.6 Appointment of new Performance, Risk and Audit Committee member (5/14/4)

The following documents are attached:

- (a) Long list: Appointment of PRAC members: **Annexure 8.4.6(a)**.
- (b) Memorandum from Chief Internal Audit Executive, dated 6 February 2025: **Annexure 8.4.6(b)**.

The Executive Mayoral Committee resolved on 25 February 2025 to recommend to Council that Adv. Nino-Lee Hendricks be appointed on the Performance, Risk and Audit Committee.

UNANIMOUSLY RESOLVED

that Adv. Nino-Lee Hendricks be appointed on the Performance, Risk and Audit Committee.

8.4.7 Tulbagh Feeding Scheme: Request to lease a portion of erf 1326, Tulbagh (7/1/4/1)

The following documents are attached:

- (a) Report from Senior Manager: Legal Services and Manager: Socio-Economic Development, dated 3 December 2024: **Annexure 8.4.7(a)**.
- (b) Report from Manager: Socio-Economic Development, dated 7 June 2024: **Annexure 8.4.7(b)**.
- (c) Proposal: Witzenville Park by Care4Tulbagh: **Annexure 8.4.7(c)**.

Council unanimously resolved on 12 December 2024 that the matter regarding the Tulbagh Feeding Scheme: Request to lease a portion of erf 1326, Tulbagh be held in abeyance until the next meeting.

Council unanimously resolved on 27 January 2025:

(a) that the matter related to the Tulbagh Feeding Scheme: Request to lease a portion of erf 1326, Tulbagh be held in abeyance.

- (b) that an inspection in loco be arranged prior to decision making.
- (c) that the portfolio Chairperson of the Committee for Corporate and Financial Services arrange a meeting and engage with the other soup kitchens in this regard.

The Executive Mayoral Committee resolved on 25 February 2025 to recommend to Council:

- (a) that one flank of the Community Hall be made available to the feeding scheme.
- (b) that the house at the back of the community hall will not be made available.
- (c) that an updated map be prepared and be made available for purposes of a food garden.
- (d) that clarity be obtained regarding ownership or representation of Food4Good and Pantry Partners.
- (e) that Food4Good enters into engagements with the current interested parties wanting to run a food garden in the area.
- (f) that preference be given to Food4Good and Pantry Partners and a further report be submitted to the Executive Mayoral Committee for other available land for a play park.
- (g) that the word "beggars" be removed from the document and be replaced with "food insecure residents/individuals".
- (h) that a clause be included in the contract stating that should there be no developments in the project within three (3) years, the property defaults back to the municipality.

UNANIMOUSLY RESOLVED

- (a) that one part of the Community Hall be made available to the feeding scheme.
- (b) that the house at the back of the community hall will not be made available.
- (c) that an updated map be prepared and be made available for purposes of a food garden.
- (d) that clarity be obtained regarding ownership or representation of Food4Good and Pantry Partners.
- (e) that Food4Good enters into engagements with the current interested parties wanting to run a food garden in the area.

- (f) that preference be given to Food4Good and Pantry Partners and a further report be submitted to the Executive Mayoral Committee for other available land for a play park.
- (g) that the word "beggars" be removed from the document and be replaced with "food insecure residents/individuals".
- (h) that a clause be included in the agreement stating that should there be no developments in the project within two (2) years, the property defaults back to the municipality.
- (i) that a lease agreement be signed for a period of three (3) years with a rental amount of R1 per year.
- (j) that a Public Participation process be followed by advertising the potential lease in the local newspaper for public comment and / or any objections and that the matter only be tabled to Council if any objections are received.

9. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA DRINGENDE SAKE NA AFSENDING VAN DIE AGENDA

9.1 Review of policy: Tools of Trade for Councillors (3/1/P)

The revised Tools of Trade for Councillors Policy (with proposed highlighted amendments) is attached as **annexure 9.1**.

UNANIMOUSLY RESOLVED

that the revised Tools of Trade for Councillors Policy be adopted.

10. FORMAL AND STATUTORY MATTERS FORMELE EN STATUTÊRE SAKE

10.1 Feedback on matters of outside bodies Terugvoering oor sake van buite-organisasies (3/R)

10.1.1 Report: Provincial Working Group on Governance and Intergovernmental Relations (12/1/1/11)

A report from Alderlady EM Sidego on the Provincial Working Group on Governance and Intergovernmental Relations, dated 13 February 2025, is attached as **annexure 10.1.1**.

The Speaker informed the meeting that Councillors are to submit their reports within three (3) days after attending workshops or meetings.

UNANIMOUSLY RESOLVED

that notice be taken of the report on the Provincial Working Group on Governance and Intergovernmental Relations, dated 13 February 2025.

11.	QUESTIONS and/or MATTERS RAISED by COUNCILLORS VRAE en/of SAKE DEUR RAADSLEDE GEOPPER	
	None	
	NOTED	
12.	ADJOURNMENT	
	The meeting adjourned at 12:20.	
Appro	oved on	with / without amendments

/M Arendse-Smith /MJ Prins

SPEAKER

ALDERLADY EM SIDEGO

MINUTES OF THE MEETING FOR THE COMMITTEE FOR COMMUNITY DEVELOPMENT OF THE WITZENBERG MUNICIPALITY, HELD IN THE TOWN HALL, VOORTREKKER STREET, CERES ON WEDNESDAY, 27 NOVEMBER 2024 AT 10:00

NOTULE VAN DIE VERGADERING VAN DIE KOMITEE VIR GEMEENSKAPSONTWIKKELING VAN DIE MUNISIPALITEIT WITZENBERG GEHOU OP WOENSDAG, 27 NOVEMBER 2024 OM 10:00 IN DIE STADSAAL, MUNISIPALE KANTORE, VOORTREKKERSTRAAT, CERES

PRESENT / TEENWOORDIG

Committee Members / Komiteelede

Councillor / Raadslid JF Nel (Executive Deputy Mayor) (Chairperson / Voorsitter) (ICOSA)

Alderman / Raadsheer JJ Visagie (DA)

Councillor / Raadslid / K Yisa (ANC)

Councillor / Raadslid / G Franse (DA)

Non- Committee members

Alderman K Adams (DA)

Officials / Amptenare/Amagosa

Mr / Mnr D Nasson (Municipal Manager / Munisipale: Bestuurder)

Ms / Me J Stuurman (Manager: Libraries / Bestuurder: Biblioteke)

Ms / Me A Lamprecht-Vertue (Manager: Disaster Management and Fire Services / Bestuurder: Rampbestuur en Brandweerdienste)

Ms / Me H Truter (Manager: Environment and Amenities / Bestuurder: Omgewing en Geriewe) Mr / Mnr R Africa (Acting Manager: Resorts and Swimming Pools / Waarnemende Bestuurder:

Oorde en Swembaddens)

Mr / Mnr R Fick (Manager Local Economic Development / Bestuurder: Plaaslike Ekonomiese Ontwikkeling)

Mr G Wessels (Manager: Administration / Bestuurder: Administrasie)

Minutes: Committee of Community Development: **Notule: Komitee vir Gemeenskapsontwikkeling:**

27 November 2024

1. **OPENING AND WELCOME / OPENING EN VERWELKOMING**

The chairperson welcomed everyone present and requested Councillor G Franse to open the meeting with a prayer.

NOTED / AANGETEKEN.

- 2. CONSIDERATION FOR ABSENCE OF LEAVE, IF ANY AND DECLARATION OF INTEREST / OORWEGING VAN AANSOEKE OM VERLOF TOT AFWESIGHEID, INDIEN ENIGE EN VERKLARING VAN BELANGE (3/1/2/1)
- Consideration of application for leave of absence, if any / Aansoeke om verlof 2.1 tot afwesigheid, indien enige (3/1/2/1)

None / Geen

NOTED / AANGETEKEN

2.2 Confidentiality and Conflict of Interest Declaration / Vertroulikheid en ` **Botsing van Belange Verklaring** (3/2/1)

None / Geen

NOTED / AANGETEKEN

3. **MINUTES / NOTULE** Minutes: Committee for Community Development: Notule: Komitee vir Gemeenskapsontwikkeling:

27 November 2024

3.1 MATTERS / CORRECTIONS FROM THE MINUTES AANGELEENTHEDE / REGSTELLINGS VAN DIE NOTULES (3/1/2/3)

(a) Councillor K Yisa enquired with regard to the status of the municipal building on erf 5965, Nduli, Ceres (Old Sizamela Créche) and the outcomes of an advertisement that the building can be leased.

Municipal Manager reported that an evaluation of the building is completed and awaiting the report to obtain a market related price. The supply chain process is ongoing wherafter the report wil be submitted to the Committee.

(b) Coucillor K Yisa enquired with regard to the status of various buildings in Nduli.

Municipal Manager repsponded that the process to demolish the following buildings are in process and report in this regard will be tabled to the Committee.

- (i) Municipal Councillors offices Nduli
- (ii) SAPS Building Nduli
- (iii) Building at back of Toll House, Mitchell's Pass and
- (iv) Building in Island Resport, Ceres.

NOTED / AANGETEKEN

3.2 APPROVAL OF MINUTES / GOEDKEURING VAN NOTULE / UKUPHUNYEZWA KWEMIZUZU (3/1/2/3)

The minutes of the meeting of the Committee for Community Development, held on 10 October 2024, are attached as **annexure 3.2**.

Die notule van die vergadering van die Komitee vir Gemeenskapsontwikkeling, gehou op 10 Oktober 2024, word ingebind as **bylae 3.2**.

RESOLVED

that the minutes of the meeting of the Committee for Community Development, held on 10 October 2024, be approved and signed by the Chairperson.

BESLUIT

dat die notule van die vergadering van die Komitee vir Gemeenskapsontwikkeling, gehou op 10 Oktober 2024, goedgekeur en deur die Voorsitter onderteken word. Minutes: Committee 64 Community Development: Notule: Komitee vir Gemeenskapsontwikkeling:

27 November 2024

4. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED BY THE CHAIRPERSON / VERKLARINGS, MEDEDELINGS OF SAKE INGEDIEN DEUR DIE VOORSITTER / INGXELO, ISIBHENGEZO OKANYE IMIBA ETHE YAPHAKANYISWA NGUSIHLALO

None / Geen

NOTED / AANGETEKEN

5. INTERVIEWS WITH DELEGATIONS / ONDERHOUDE MET AFGEVAARDIGDES / UDLIWANONDLEBE NEGQIZA

Manager: Administration informed the Committee that due to the postponement of the Committee meeting and the shorter notice thereof the outside representatives were not invited.

5.1 South African Police Services (SAPS) / Suid-Afrikaanse Polisiediens (SAPD) (17/07/1/R)

None / Geen

NOTED / AANGETEKEN

5.2 Community Services: The Haven Night Shelter: Monthly Reports for September and October 2024 / Gemeenskapsdienste: Die Haven Nagskuiling: Maandverslae vir September en Oktober 2024 (17/16/3/1)

The following monthly reports of the Haven Night Shelter are attached:

Die volgende maandverslae van die Haven Nagskuiling word ingebind:

(a) September 2024

Annexure / Bylae 5.2(a)

(b) October / Oktober 2024

Annexure / Bylae 5.2(b)

RESOLVED

that the Committee for Community Development, after consideration, takes notice of the content of the monthly reports of the Haven Night Shelter for September and October 2024 and same be accepted.

BESLUIT

dat die Komitee vir Gemeenskapsontwikkeling, na oorweging, kennis neem van die inhoud van die maandverslae van die Haven Nagskuiling vir September en Oktober 2024 en dat die verslae aanvaar word.

Minutes: Committee for Community Development: **Notule: Komitee vir Gemeenskapsontwikkeling:**

27 November 2024

6. **DELEGATED POWERS / GEDELEGEERDE BEVOEGDHEDE**

6.1 **Outstanding Matters / Uitstaande Sake** (3/3/2)

None / Geen

NOTED / AANGETEKEN

6.2 Monthly reports of the Section Socio-Economic Development for September and October 2024 / Maandverslae van die Afdeling Sosio-Ekonomiese Ontwikkeling vir September en Oktober 2024 (17/16/1/)

The following monthly reports of the Section Socio-Economic Development are attached:

Die volgende maandverslae van die Afdeling Sosio-Ekonomiese Ontwikkeling word ingebind:

(a) September 2024 October / Oktober 2024 (b)

Annexure / Bylae 6.2(a) Annexure / Bylae 6.2(b)

RESOLVED

that the Committee for Community Development, after consideration, takes notice of the content of the monthly reports of the Section Socio-Economic Development for September and October 2024 and same be accepted.

BESLUIT

dat die Komitee vir Gemeenskapsontwikkeling, na oorweging, kennis neem van die inhoud van die maandverslae van die Afdeling Sosio-Ekonomiese Ontwikkeling vir September en Oktober 2024 en dat die verslae aanvaar word.

Minutes: Committee for Community Development: **Notule: Komitee vir Gemeenskapsontwikkeling:**

27 November 2024

6.3 Monthly reports of the Section Libraries: September and October2024 / Maandverslae van die Afdeling Biblioteke vir September en Oktober 2024 (17/6/5)

The following monthly reports of the Section Libraries are attached:

Die volgende maandverslae van die Afdeling Biblioteke word ingebind:

(a) September 2024 Annexure / Bylae 6.3(a)

(b) October / Oktober 2024 Annexure / Bylae 6.3(b)

RESOLVED

that the Committee for Community Development, after consideration, takes notice of the content of the monthly report of the Section Amenities and Environment for September 2024 and same be accepted.

BESLUIT

dat die Komitee vir Gemeenskapsontwikkeling, na oorweging, kennis neem van die inhoud van die maandverslae van die Afdeling Biblioteke vir September en Oktober 2024 en dat die verslae aanvaar word.

Monthly report of the Section Amenities and Environment for September 2024 6.4 / Maandverslag van die Afdeling Geriewe en Omgewing vir September 2024 (17/5/2/)

The monthly report of the Section Amenities and Environment is attached as annexure 6.4.

Die maandverslag van die Afdeling Geriewe en Omgewing word ingebind as bylae 6.4.

RESOLVED

that the Committee for Community Development, after consideration, takes notice of the content of the monthly report of the Section Amenities and Environment for September 2024 and same be accepted.

BESLUIT

dat die Komitee vir Gemeenskapsontwikkeling, na oorweging, kennis neem van die inhoud van die maandverslag van die Afdeling Geriewe en Omgewing vir September 2024 en dat die verslag aanvaar word.

Minutes: Committee for Community Development: **Notule: Komitee vir Gemeenskapsontwikkeling:**

27 November 2024

6.5 Monthly reports of the Section Resorts and Swimming Pools for September and October 2024/ Maandverslae van die Afdeling Oorde en Swembaddens vir September en Oktober 2024 (17/10/4)

The following monthly reports of the Section Resorts and Swimming Pools are attached:

Die volgende maandverslae van die Afdeling Oorde en Swembaddens word ingebind:

(a) September 2024 Annexure / Bylae 6.5(a)

(b) October / Oktober 2024 Annexure / Bylae 6.5(b)

RESOLVED

that the Committee for Community Development, after consideration, takes notice of the content of the monthly reports of the Section Resorts and Swimming Pools for September and October 2024 and same be accepted.

BESLUIT

dat die Komitee vir Gemeenskapsontwikkeling, na oorweging, kennis neem van die inhoud van die maandverslae van die Afdeling Oorde en Swembaddens vir September en Oktober 2024 en dat die verslae aanvaar word.

Monthly reports: Section Disaster and Emergency Management and Fire 6.6 Services for September and October 2024/ Maandverslae: Afdeling Ramp- en Noodbestuur en Brandweerdienste vir September and October 2024 (17/7/2/)

The following monthly reports of the Section Disaster and Emergency Management and Fire Services are attached:

Die volgende maandverslae van die Afdeling Ramp- en Noodbestuur en Brandweerdienste word ingebind:

(a) September 2024 Annexure / Bylae 6.6(a)

October / Oktober 2024 (b)

Annexure / Bylae 6.6(b)

RESOLVED

that the Committee for Community Development, after consideration, takes notice of the content of the monthly reports of the Section Disaster and Emergency Management and Fire Services for September and October 2024 and same be accepted.

BESLUIT

dat die Komitee vir Gemeenskapsontwikkeling, na oorweging, kennis neem van die inhoud van die maandverslae van die Afdeling Ramp- en Noodbestuur en Brandweerdienste vir September en Oktober 2024 en dat die verslae aanvaar word.

Minutes: Committee & Community Development:
Notule: Komitee vir Gemeenskapsontwikkeling:
27 November 2024

6.7 Monthly report: Section Traffic Services for September and October 2024 / Maandverslag: Afdeling Verkeersdienste vir September 2024 (9/1/2/1)

The monthly report of the Section Traffic Services for September 2024 is attached as **annexure 6.7**.

Die maandverslag van die Afdeling Verkeersdienste vir September 2024 word ingebind as **bylae 6.4**.

RESOLVED

that the Committee for Community Development, after consideration, takes notice of the content of the monthly report of the Section Traffic Services for September 2024 and same be accepted.

BESLUIT

dat die Komitee vir Gemeenskapsontwikkeling, na oorweging, kennis neem van die inhoud van die maandverslag van die Afdeling Verkeersdienste vir September 2024 en dat die verslag aanvaar word.

6.8 Risk Management: Risk Management Report: Committee for Community Development / Risiko Bestuur Verslag: Komitee vir Gemeenskapsontwikkeling / Ulawulo lweNgozi/umngcipheko: Ingxelo yoLawulo lengozi umngcipheko: iKomiti yoPhuhliso loLuntu (9/1/2/2)

This is a quarterly report. / Hierdie is 'n kwartaallikse verslag.

None / Geen.

NOTED / AANGETEKEN

Minutes: Committee 69 Community Development: Notule: Komitee vir Gemeenskapsontwikkeling:

27 November 2024

7. RESERVED POWERS / GERESERVEERDE BEVOEGDHEDE

7.1 Prince Alfred's Hamlet: Hamlet Sports Club: Proposed Cooperation Agreement with Municipality in respect of operation of Sports Facilities / Prince Alfred's Hamlet: Hamlet Sportklub: Voorgestelde Samewerkingsooreenkoms met Munisipaliteit ten opsigte van bedryf van Sportfasiliteite (5/5/1)

Item 7.2 of the Committee for Community Development, held on 10 October 2024, refers.

A memorandum received from the Manager: Environment and Amenities, dated 25 April 2024, is attached as **annexure 7.1**.

'n Memorandum ontvang vanaf die Bestuurder: Omgewing en Geriewe, gedateer 25 April 2024, word aangeheg as **bylae 7.1**.

The Committee for Community Development resolved on 10 October 2024, that the matter in respect of Prince Alfred's Hamlet: Hamlet Sports Club: Proposed Cooperation Agreement with Municipality in respect of operation of Sports Facilities be held in abeyance to obtain more information.

RESOLVED

that the matter in respect of the Prince Alfred's Hamlet: Hamlet Sports Club be held in abeyance until the next meeting.

BESLUIT

dat die aangeleentheid ten opsigte van die Prince Alfred's Hamlet: Hamlet-sportklub oorstaan tot die volgende komitee vergadering word. **Minutes: Committee For Community Development: Notule: Komitee vir Gemeenskapsontwikkeling:**

27 November 2024

7.2 Memorial Wall: Tulbagh Cemetery: Approval to be allowed to demolish / Gedenkmuur: Tulbagh Begraafplaas: Goedkeuring om te mag sloop (15/6/1/6)

A memorandum received from the Manager: Environment and Amenities, dated 25 April 2024, is attached as **annexure 7.2**.

'n Memorandum ontvang vanaf die Bestuurder: Omgewing en Geriewe, gedateer 25 April 2024, word aangeheg as **bylae 7.2**.

The Municipal Manager requested that the administration change the title of the item to provide more clarity on the matter.

RESOLVED

To recommend to the Executive Mayoral Committee and Council:

that the Committe for Community Development recommend that the memorial building at the Tulbagh graveyard, after consideration, be demolished.

BESLUIT

om aan die Uitvoerende Burgemeesterskomitee en Raad aan te beveel:

dat die Komitee vir Gemeenskapsontwikkeling aanbeveel dat die gedenkgebou by die Tulbagh-begraafplaas, na oorweging, gesloop word.

7.3 Lighthouse Safe Haven Early Childhood Developmente (ECD) Centre (7/1/4/1)

A memorandum received from the Manager: Local Economic Development, dated 5 November 2024, is attached as **annexure 7.3**.

'n Memorandum ontvang vanaf die Bestuurder: Plaaslike Ekonomies Ontwikkeling, gedateer 5 November 2024, word aangeheg as **bylae 7.3**.

RESOLVED

to recommend to the Executive Mayoral Committee and Council:

that the Committee for Community Development recommend that the principal of the Lighthouse Safe Haven Early Childhood Development Centre, Tulbagh be notified that the municipality, after consideration, have no property available to accomodate the centre.

Minutes: Committee #61 Community Development:
Notule: Komitee vir Gemeenskapsontwikkeling:
27 November 2024

BESLUIT

om aan die Uitvoerende Burgemeesterskomitee en Raad aan te beveel:

dat die Komitee vir Gemeenskapsontwikkeling aanbeveel dat die hoof van die Lighthouse Safe Haven Early Childhood Development Centre, Tulbagh in kennis gestel word dat die munisipaliteit, na oorweging, geen eiendom beskikbaar het om die sentrum te akkommodeer nie.

8. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA / DRINGENDE SAKE INGEDIEN NA AFSENDING VAN DIE AGENDA / IMIBA ENGXAMISEKILEYO ITHE YAFAKWA EMVENI KWEENGXOXO EZIKWI-AGENDA

8.1 Sport Gala Event

Alderman J Visagie enquired with regard to the planned Sports Gala Event to be held during December 2024.

Municipal Manager responded that an advertisement to establish an Advisory Committee was placed in the Local news paper without significent interest. The Executive Mayor will follow another process of consulation to have a proper event.

9. ADJOURNMENT / VERDAGING

The meeting adjourned at 14:24 / Die vergdering verdaag om 14:24

Approved on 13 March 2025 without amendments.

COUNCILLOR / RAADSLID JF NEL CHAIRPERSON / VOORSITTER

/esl

MINUTES OF THE MEETING OF THE COMMITTEE FOR TECHNICAL SERVICES OF WITZENBERG MUNICIPALITY, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON WEDNESDAY, 27 NOVEMBER 2024 AT 10:00

PRESENT

Councillors

Alderman HJ Smit (DA) (Chairperson) Councillor JS Mouton (ANC) Alderman D Swart (DA)

Officials

Mr H Taljaard (Senior Manager: Town Planning and Building Control)

Mr E Lintnaar (Senior Manager: Streets and Storm Water)

Mr V Dyusha (Acting Senior Manager: Electro-Technical Services)

Mr O Gatyene (Manager: Fleet and Mechanical Workshop)

Mr C Titus (Committee Clerk)

1. OPENING AND WELCOME / OPENING EN VERWELKOMING

The Chairperson welcomed everyone present and requested the Senior Manager: Streets and Storm Water to open the meeting with prayer.

NOTED

2. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION

2.1 Consideration of application for leave of absence, if any Aansoeke om verlof tot afwesigheid, indien enige (3/1/2/1)

An application for leave of absence from the meeting was received from Councillor AL Gili.

Apologies for absence from the meeting were received from the Municipal Manager; Acting Director: Technical Services; Senior Manager: Solid Waste and Cleansing Services; Senior Manager: Water and Sewerage and Manager: Administration.

RESOLVED

(a) that the application for leave of absence from the meeting, received from Councillor AL Gili, be approved and accepted.

(b) that the apologies for absence from the meeting, received from the Municipal Manager; Acting Director: Technical Services; Senior Manager: Solid Waste and Cleansing Services; Senior Manager: Water and Sewerage and Manager: Administration be accepted.

2.2 Confidentiality and Conflict of Interest Declaration Vertroulikheid en Botsing van Belange Verklaring (3/2/1)

The Confidentiality and Conflict of Interest Declaration is attached as **annexure 2.2**.

No conflict of interest was declared.

NOTED

3. MINUTES / NOTULES

3.1 Corrections to the minutes / Wysigings aan die notule (3/1/2/3)

None / Geen

NOTED / AANGETEKEN

3.2 Matters arising from the minutes (3/1/2/3)

None / Geen

NOTED / AANGETEKEN

3.3 Approval of minutes / Goedkeuring van notules (3/1/2/3)

The minutes of the meeting of the Committee for Technical Services, held on 8 October 2024, are attached as **annexure 3.3**.

Die notule van die vergadering van die Komitee vir Tegniese Dienste, gehou op 8 Oktober 2024, word ingebind as **bylae 3.3**.

RESOLVED

that the minutes of the meeting of the Committee for Technical Services, held on 8 October 2024, be approved and signed by the Chairperson.

BESLUIT

dat die notule van die vergadering van die Komitee vir Tegniese Dienste, gehou op 8 Oktober 2024, goedgekeur en deur die Voorsitter onderteken word.

4. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED BY CHAIRPERSON / VERKLARINGS, MEDEDELINGS OF SAKE INGEDIEN DEUR DIE VOORSITTER

None / Geen

NOTED / AANGETEKEN

5. INTERVIEWS WITH DELEGATIONS / ONDERHOUDE MET AFGEVAARDIGDES

None

NOTED

6. GEDELEGEERDE BEVOEGDHEDE / DELEGATED POWERS

6.1 Risk Management Report (9/1/2/2)

This is a quarterly item on the agenda / Hierdie is 'n kwartaallikse item op die agenda.

NOTED / AANGETEKEN

6.2 Monthly reports of the Electrical Department: September and October 2024 Maandverslae van die Departement Elektrisiteit: September en Oktober 2024 (09/1/2/3)

The following monthly reports of the Electrical Department are attached:

Die volgende maandverslae van die Departement Elektrisiteit word ingebind:

(a) September 2024 Annexure / Bylae 6.2(a)
(b) October / Oktober 2024 Annexure / Bylae 6.2(b)

RESOLVED

that the Committee for Technical Services, after consideration, takes notice of the content of the monthly reports of the Electrical Department for September and October 2024 and that same be accepted.

BESLUIT

dat die Komitee vir Tegniese Dienste, na oorweging, kennis neem van die inhoud van die maandverslae van die Afdeling Elektrisiteit vir September en Oktober 2024 en dat die verslae aanvaar word.

6.3 Monthly reports of the Department Town Planning and Building Control: September and October 2024 Maandverslae van die Departement Stadsbeplanning en Boubeheer:

September en Oktober 2024 (9/1/2/3)

The following monthly reports of the Department Town Planning and Building Control are attached:

Die volgende maandverslae van die Departement Stadsbeplanning en Boubeheer word ingebind:

(a) September 2024 Annexure / Bylae 6.3(a)
(b) October / Oktober 2024 Annexure / Bylae 6.3(b)

RESOLVED

that the Committee for Technical Services, after consideration, takes notice of the content of the monthly reports of the Department Town Planning and Building Control for September and October 2024 and that same be accepted.

BESLUIT

dat die Komitee vir Tegniese Dienste, na oorweging, kennis neem van die inhoud van die maandverslae van die Departement Stadsbeplanning en Boubeheer vir September en Oktober 2024 en dat die verslae aanvaar word.

Monthly reports of the Department Water and Sewerage: September and October 2024 Maandverslae van die Departement Water en Riolering: September en Oktober 2024 (9/1/2/3)

The following monthly reports of the Department Water and Sewerage are attached:

Die volgende maandverslae van die Departement Water en Riolering word ingebind:

(a) September 2024 Annexure / Bylae 6.4(a)
(b) October / Oktober 2024 Annexure / Bylae 6.4(b)

RESOLVED

that the Committee for Technical Services, after consideration, takes notice of the content of the monthly reports of the Department Water and Sewerage for September and October 2024 and that same be accepted.

BESLUIT

dat die Komitee vir Tegniese Dienste, na oorweging, kennis neem van die inhoud van die maandverslae van die Departement Water en Riolering vir September en Oktober 2024 en dat die verslae aanvaar word.

6.5 Monthly reports of the Department Streets and Storm Water: September and October 2024

Maandverslae van die Departement Strate en Stormwater: September en Oktober 2024

(9/1/2/3)

The following monthly reports of the Department Streets and Storm Water are attached:

Die volgende maandverslae van die Departement Strate en Stormwater word ingebind:

(a) September 2024 Annexure / Bylae 6.5(a)
(b) October / Oktober 2024 Annexure / Bylae 6.5(b)

RESOLVED

that the Committee for Technical Services, after consideration, takes notice of the content of the monthly reports of the Department Streets and Storm Water for September and October 2024 and that same be accepted.

BESLUIT

dat die Komitee vir Tegniese Dienste, na oorweging, kennis neem van die inhoud van die maandverslae van die Departement Strate en Stormwater vir September en Oktober 2024 en dat die verslae aanvaar word.

6.6 Monthly reports of the Department Solid Waste and Cleansing Services: September and October 2024

Maandverslae van die Departement Vaste Afval- en Reinigingsdienste: September en Oktober 2024 (9/1/2/3)

The following monthly reports of the Department Solid Waste and Cleansing Services are attached:

Die volgende maandverslae van die Departement Vaste Afval- en Reinigingsdienste word ingebind:

(a) September 2024 Annexure / Bylae 6.6(a)
(b) October / Oktober 2024 Annexure / Bylae 6.6(b)

RESOLVED

that the Committee for Technical Services, after consideration, takes notice of the content of the monthly reports of the Department Solid Waste and Cleansing Services for September and October 2024 and that same be accepted.

BESLUIT

dat die Komitee vir Tegniese Dienste, na oorweging, kennis neem van die inhoud van die maandverslae van die Departement Vaste Afval en Reinigingsdienste vir September en Oktober 2024 en dat die verslae aanvaar word.

6.7 Monthly reports of the Department Fleet and Mechanical Workshop: September and October 2024

Maandverslae van die Departement Vloot en Meganiese Werkswinkel:

September on Oktober 2024

September en Oktober 2024 (9/1/2/3)

The following monthly reports of the Department Fleet and Mechanical Workshop are attached:

Die volgende maandverslae van die Departement Vloot en Meganiese Werkswinkel word ingebind:

(a) September 2024 Annexure / Bylae 6.7(a)
(b) October / Oktober 2024 Annexure / Bylae 6.7(b)

RESOLVED

that the Committee for Technical Services, after consideration, takes notice of the content of the monthly reports of the Department Fleet and Mechanical Workshop for September and October 2024 and that same be accepted.

BESLUIT

dat die Komitee vir Tegniese Dienste, na oorweging, kennis neem van die inhoud van die maandverslae van die Departement Vloot en Meganiese Werkswinkel vir September en Oktober 2024 en dat die verslae aanvaar word.

7. RESERVED POWERS / GERESERVEERDE BEVOEGDHEDE

7.1 Tulbagh conservation area: Establishment of Advisory Committee (12/1/2/13)

The Committee for Technical Services resolved on 14 March 2023 that the matter in respect of the Tulbagh conservation area: Establishment of Advisory Committee be held in abeyance until the next meeting pending a Public Participation Process.

The Committee requested that the matter be held in abeyance until the next meeting to obtain more information.

The Committee for Technical Services resolved on 21 September 2023:

- (a) that the matter in respect of the Tulbagh conservation area: Establishment of Advisory Committee be held in abeyance to obtain more information.
- (b) that the concerns of the Committee for Technical Services are noted.

The Senior Manager: Town Planning and Building Control informed the meeting regarding the following:

- that the Tulbagh conservation area: Establishment of Advisory Committee was advertised in the local newspaper.
- that three applications, which meet the required criteria, were received late for the inclusion of the agenda and therefore the Committee requested that the matter be held in abeyance.

The Committee for Technical Services resolved on 23 November 2023 and 13 February 2024 that the establishment of a Tulbagh Conservation Area Advisory Committee be held in abeyance until the next meeting.

An updated report from the Senior Manager: Town Planning and Building Control, dated 27 February 2024, is attached as **annexure 7.1**.

The Committee for Technical Services resolved on 8 October 2024 that the matter in respect of the establishment of an Advisory Committee for the Tulbagh conservation area be held in abeyance to obtain further information.

The following recommendation was tabled to the Committee for Technical Services:

That the Committee for Technical Services recommends to the Executive Mayoral Committee and Council:

- (a) that the establishment of a Tulbagh Conservation Area Advisory Committee be approved.
- (b) that the terms of reference of the Advisory Committee be approved.

- (c) That the Advisory Committee constitutes the following persons:
 - (i) Jayson Clark
 - (ii) Taariq Motala
 - (iii) Shurine van Niekerk
 - (iv) Jacques Steyn

RESOLVED

that the matter in respect of the establishment of an Advisory Committee for the Tulbagh conservation area be held in abeyance and referred back to the Senior Manager: Town Planning and Building Control for more information.

7.2 Upgrading of gravel road that intersects with Vos Street opposite Faure Street, Ceres (16/4/4/2)

The following documents are attached:

- (a) Correspondence from Mr Dewald Muller: **Annexure 7.2(a)**.
- (b) Memorandum from Manager: Streets and Storm Water, dated 7 October 2024: **Annexure 7.2(b)**.

RESOLVED

That the Committee for Technical Services recommends to the Executive Mayoral Committee and Council:

- (a) that Mr D Muller accesses Vos Street from his residence via the pedestrian access at his residence.
- (b) that the gravel road be routinely maintained, fixing the surface as and when required, on an ongoing basis.
- (c) that the paving of the gravel road that intersects with Vos Street opposite Faure Street, Ceres be considered by Council.

8. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA / DRINGENDE SAKE NA AFSENDING VAN DIE AGENDA

None / Geen

NOTED / AANGETEKEN

9. QUESTIONS / REMARKS RAISED BY COMMITTEE MEMBERS VRAE / OPMERKINGS GEOPPER DEUR KOMITEELEDE

Council unanimously resolved on 30 September 2024 that the matter in respect of Eselfontein Boerdery (Edms) Bpk: Take-over of the municipal medium voltage infrastructure be held in abeyance and that an independent market valuator for the municipal assets be appointed to determine the market value of the assets.

The Acting Senior Manager: Electro-Technical Services reported that an independent market valuator for the municipal assets was appointed to determine the market value of the assets and that a report will be tabled at the next Council meeting.

NOTED

10. ADJOURNMENT / VERDAGING

The meeting adjourned at 10:30.

Approved on 13 March 2025 without amendments.

ALDERMAN HJ SMIT CHAIRPERSON

/MJ Prins

MINUTES OF THE EXECUTIVE MAYORAL COMMITTEE MEETING OF WITZENBERG MUNICIPALITY, HELD IN THE TOWN HALL, VOORTREKKER STREET, CERES ON THURSDAY, 23 JANUARY 2025 AT 09:00

PRESENT

Executive Mayoral Committee

Councillor TE Abrahams (DA) (Executive Mayor)
Councillor JF Nel (ICOSA) (Executive Deputy Mayor)
Alderman K Adams (DA)
Councillor P Daniels (DA)
Councillor JP Fredericks (FF Plus)
Alderman HJ Smit (DA)

Councillors not on Executive Mayoral Committee

Alderlady EM Sidego (DA) (Speaker) (ex officio) Councillor J Rooi (Witzenberg Party) (Chairperson: MPAC) (ex officio)

Officials

Mr D Nasson (Municipal Manager) Mr HJ Kritzinger (Director: Finance)

Ms I Barnard (Acting Director: Corporate Services)

Ms N Oerson (Chief Internal Audit Executive)

Mr A Hofmeester (Manager: IDP)

Ms M Arendse-Smith (Acting Manager: Administration)

Mr J Pieterse (Senior ICT Officer)

1. OPENING AND WELCOME / OPENING EN VERWELKOMING

The Executive Mayor welcomed everyone and requested the Executive Deputy Mayor, Councillor J Nel, to open the meeting with a prayer.

NOTED

2. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION

2.1 Consideration of application for leave of absence, if any Aansoeke om verlof tot afwesigheid, indien enige (3/1/2/1)

Apologies for absence from the meeting were received from the Director: Corporate Services, who is on annual leave; Acting Director: Technical Services, who is on sick leave and the Deputy Director: Finance, who is on training.

An apology for absence from the meeting was also received from Mr M de Villiers of Ceres Business Initiative due to prior engagements.

Minutes: Executive Mayoral Committee meeting: 23 January 2025 Notule: Uitvoerende Burgemeesterskomitee vergadering: 23 January 2025

RESOLVED

that the apologies for absence from the meeting, received from the Director: Corporate Services, the Acting Director: Technical Services and the Deputy Director: Finance be accepted.

Alderlady E Sidego joined the meeting at 09:06.

2.2 Confidentiality and Conflict of Interest Declaration Vertroulikheid en Botsing van Belange Verklaring (3/2/1)

The Confidentiality and Conflict of Interest Declaration is attached as **annexure 2.2**.

No conflict of interest was declared.

NOTED

Councillor P Daniels joined the meeting at 09:08.

3. MINUTES / NOTULES

3.1 Corrections to the minutes / Regstelling van notule

The Director: Finance requested that item 2.1, which reads:

"Apologies for absence from the meeting were received from the Director: Corporate Services, who was attending a TASK meeting of SALGA and the Director: Finance who was attending a Municipal Managers' Forum meeting.

RESOLVED

that the apologies for absence from the meeting, received from the Director: Corporate Services (attending a TASK meeting of SALGA) and the Director: Finance (attending a Municipal Managers' Forum meeting) be accepted."

be amended to read as follows:

"Apologies for absence from the meeting were received from the Director: Corporate Services, who was attending a TASK meeting of SALGA and the Director: Finance who was attending a CFO Forum meeting.

RESOLVED

that the apologies for absence from the meeting, received from the Director: Corporate Services (attending a TASK meeting of SALGA) and the Director: Finance (attending a CFO Forum meeting) be accepted."

NOTED / AANGETEKEN

3.2 Matters arising from the minutes (3/1/2/3)

Presidential procurement to register spaza shops within 21 days

The Municipal Manager informed the meeting of the following:

- that the extended deadline for the registration of spaza shops is 15 February 2025 and that Witzenberg Municipality is in the process of compiling a By-law, which will be tabled to Council.
- Complaints were received about spaza shops being set up in Vredebes and the municipality commenced with an urgent application in this regard as the person is not registered. Feedback from the attorney regarding the costs of the application is pending at this stage.
- that only the owner of a property can operate a spaza shop. If the spaza shop belongs to a foreigner, the owner must still comply with the By-law, which states that the spaza shop must belong to the owner of the house.

The Executive Mayor noted that there is a 21 day registration period for spaza shops, therefore all actions in this regard were stopped. The process will continue after the grace period has expired and the Ward Councillors will be engaged during the process.

Tulbagh Feeding Scheme: Request to lease a portion of erf 1326, Tulbagh

It was noted that the Mayoral Committee wanted to delve into the matter as additional space was required.

The Executive Mayor advised that the Portfolio Chairperson of the Committee for Corporate and Financial Services engages with other soup kitchens and that a site visit be held before the matter can be dealt with.

Alderlady E Sidego informed the Executive Mayoral Committee that meetings with other soup kitchens were held and it appears there is great unhappiness. Workshops were also arranged by Cape Winelands District Municipality.

NOTED

3.3 Approval of minutes / Goedkeuring van notules (3/1/2/3)

The minutes of the Executive Mayoral Committee meeting, held on 10 December 2024, are attached as **annexure 3.3**.

Minutes: Executive Mayoral Committee meeting: 23 January 2025 Notule: Uitvoerende Burgemeesterskomitee vergadering: 23 January 2025

RESOLVED

that the minutes of the Executive Mayoral Committee meeting, held on 10 December 2024, as amended, be approved and signed by the Executive Mayor.

4. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED BY EXECUTIVE MAYOR
MEDEDELINGS, AANKONDIGINGS OF SAKE DEUR UITVOERENDE BURGEMEESTER GEOPPER
(9/1/1)

The Executive Mayor conveyed his well wishes to Councillors and Administration for a blessed, prosperous and productive 2025 and that it be a good year in terms of service delivery.

Further mention was made of the current challenges facing Administration due to serious health conditions of affected staff as well as vacant positions. Administration will thus receive the necessary support during this period.

NOTED

5. INTERVIEWS WITH DELEGATIONS / ONDERHOUDE MET AFVAARDIGINGS

None

NOTED

6. GEDELEGEERDE BEVOEGDHEDE / DELEGATED POWERS

None

NOTED

Minutes: Executive Mayoral Committee meeting: 23 January 2025 Notule: Uitvoerende Burgemeesterskomitee vergadering: 23 January 2025

7. RESERVED POWERS / GERESERVEERDE BEVOEGDHEDE

7.1 Directorate Finance / Direktoraat Finansies

7.1.1 Section 71 Monthly Budget Statement Reports of the Directorate Finance: November and December 2024 (9/1/2/2)

The following Section 71 Monthly Budget Statement Report of the Directorate Finance are attached:

(a) November 2024 **Annexure 7.1.1(a)**(b) December 2024 **Annexure 7.1.1(b)**

RESOLVED

That the Executive Mayoral Committee recommends to Council:

- (i) that notice be taken of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for November and December 2024.
- (ii) that the Section 71 Monthly Budget Statement Reports of the Directorate Finance for November and December 2024 be referred to the Portfolio Committee for Corporate and Financial Services, the Performance, Risk and Audit Committee and the Municipal Public Accounts Committee to take notice or to advise Council if deemed necessary.

7.1.2 Finance: Unauthorised expenditure relating to 2021/2022 financial year (9/1/2/2)

A report from the Director: Finance, dated 3 December 2024, is attached as **annexure 8.1.2**.

The Municipal Manager informed the meeting that Council had established an Ad hoc Committee to investigate unauthorised expenditure, who will in turn submit a report to Council in this regard.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

- (a) that notice be taken of the updated report relating to unauthorised expenditure.
- (b) that the matter related to the Unauthorised expenditure for the 2021/2022 financial year be referred to the Ad hoc Committee for investigation and report back to Council with recommendations.

7.1.3 Finance: Irregular expenditure financial years 2022/2023 and 2023/2024 (9/1/2/2)

Report from Director: Finance, dated 3 December 2024:

"1. Purpose

The purpose of this report is to submit a report on irregular expenditure to Council for consideration.

2. Legal framework

In terms of Section 32(2)(b) of the Municipal Finance Management Act, irregular expenditure may only be written off by Council if, after an investigation by a Council committee, the irregular expenditure is certified as irrecoverable.

3. Background

The Preferential Procurement Regulations of 2017 clearly indicated that the 80/20 preference point system for acquisition of goods or services were only applicable to bids for Rand value equal to or above R30 000 and up to R50 million.

The Supreme Court of Appeal declared the entire Procurement Regulations of 2017 invalid on the basis that the content of the Regulations exceeded the Minister's power on what could permissibly be regulated on in terms of Section 5 of the Procurement Act and Section 217 of the Constitution.

The Preferential Procurement Regulations of 2022 were promulgated by the Minister of Finance on 4 November 2022 in Government Gazette no. 47452 and became effective on 16 January 2023.

The new regulations determine that the 80/20 preference point system for acquisition of goods or services with Rand value equal to or below R50 million for tender invitations. Quotation for procurement below R30 000 is included in the regulations definition of a tender.

Municipalities and the Western Cape Provincial Government worked closely on a new policy to be considered by each municipality and to ensure consistency in the legal and technical interpretation of the new legislation. The proposed draft policy was approved by the Witzenberg municipal Council before the implementation date and duly implemented by municipal officials.

During the 2022/2023 audit cycle, the office of the Auditor-general audited the implementation of the new legislation and had a different interpretation of the new legislation and concluded that for awards between R2 000 and R30 000, municipalities did not advertise the 80/20 points system and did not perform the calculation of points. The AGSA issued a transversal finding to all municipalities whose interpretation of the legislation was not consistent with theirs, including Witzenberg Municipality, listing their interpretation of the new legislation and viewed the municipality's process as non-compliance with the new legislation and all awards as irregular expenditure.

To resolve the matter, the finding was escalated to the Provincial Treasury, which engaged with the leadership of the AGSA and the National Treasury on the matter. A proposed resolution was communicated within days of finalising the 2022/2023 audit outcome (due to be finalised before 30 November 2023).

This administrative process would not have changed the outcome of the award, i.e. the same bidders would have received the award, with or without the calculation of points.

This was the only outstanding audit matter to finalise the audit and prevented the office of the AGSA from issuing a clean audit for the 2022/2023 financial year. Management agreed to disclose the irregular expenditure and to update the PPPFA policy and its standard operating processes to implement the regulation to be aligned with the interpretation of the AGSA.

In January 2024 Council approved the revised SCM policy, and proposed changes to become effective from 1 February 2024. The AGSA audited the implementation of the changes and compliance with the legislation and SCM policy and did not identify further irregular expenditure.

MFMA circular 68 titled "Unauthorised, Irregular, Fruitless and Wasteful Expenditure" stipulates the process to be followed when dealing with unauthorized, irregular, fruitless and wasteful expenditure. Section 32(2)(b), irregular expenditure may only be written off by Council if, after an investigation by a Council committee, the irregular expenditure is certified as irrecoverable.

Section 32(2)(b) of the MFMA provides the Council only with the power to consider and resolve on the expenditure. Municipal Councils are therefore advised to ensure that the wording of their Council resolutions is consistent with the wording in Section 32(2)(b) of the MFMA i.e. "Council hereby certify the expenditure as irrecoverable and resolve that it be written off or for recovery of the funds". Municipal Councils should note that its ability to resolve on the irregular expenditure is not dependent on National Treasury's decision in relation to the municipality's application for condonation in terms of Section 170 of the Municipal Finance Management Act. It is solely dependent on the investigation and recommendation from the Council committee.

Whatever the municipal Council resolves is sufficient for the municipality to adjust its annual financial statements from an accounting disclosure perspective. The treatment of expenditure associated with the non-compliance is therefore the responsibility of the Council.

Circular 68 form National Treasury dealing with Unauthorised, Irregular, Fruitless and Wasteful Expenditure is attached as **annexure 7.1.3**.

4. Deliberation

The following amounts are disclosed in note 42.1 to the annual financial statements as irregular:

2022/2023 financial year R5 437 362,00 2023/2024 financial year R5 891 802,00

The only reason for regarding the expenditure as irregular is that the 80/20 points system was not used in awarding quotations with values of between R2 000,00 and R30 000,00. No instances were identified were awards should have been made to another bidder."

The Executive Mayor enquired whether the new criteria had negatively affected the business within the Witzenberg municipal area whereby the Director: Finance responded that it is a very rare occurrence.

The Municipal Manager informed the meeting of the following:

- that the bigger establishments are, however, negatively affected by the required criteria and as a result have withdrawn from the process.
- that the irregular expenditure as noted by the Auditor-general is not an irregular expenditure and does not fall within that category.

The Chairperson requested that training regarding the new requirements be provided to service providers to prevent it from becoming a trade barrier.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that the matter related to the irregular expenditure for the financial years 2022/2023 and 2023/2024 be referred to the Municipal Public Accounts Committee for investigation and report back to Council with recommendations.

7.1.4 Quarterly inventory count: Municipal stores, Drommedaris Street, Ceres: 28 November 2024 (6/1/1)

A report from the Manager: Supply Chain, dated 6 December 2024, is attached as **annexure 7.1.4**.

Alderman Adams enquired whether there is a count on the excess and redundant stock.

The Municipal Manager informed the meeting that there are processes in place for the scheduling of an auction. Further engagements will be held with the Finance Section in this regard to schedule an auction for items already written off for February 2025.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the stock count of 28 November 2024.

7.1.5 Mid-year Budget Statement and Performance Assessment (Section 72) Report 2024/2025: 1 July 2024 until 31 December 2024 (9/1/1 & 5/1/5/17)

Memorandum from Director: Finance, dated 16 January 2025:

"1. Purpose

The purpose of this report is to submit the mid-year budget and performance assessment for period 1 July 2024 to 31 December 2024 to Council, for consideration.

2. Legislature framework

In terms of Section 72 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003):

- '(1) The accounting officer of a municipality must by 25 January of each year
 - (a) Assess the performance of the municipality during the first half of the financial year
 - (b) Submit the report to the Mayor, National Treasury and Provincial Treasury.'

The mayor must, in terms of Section 54(1)(f) of the act submit the report to the Council by 31 January of each year.

3. Discussion

The Mid-year report for 1 July 2024 to 31 December 2024 is attached as **annexure 7.1.5**."

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RESOLVED

That the Executive Mayoral Committee recommends to Council:

- (a) that notice be taken of the Mid-year Budget Statement and Performance Assessment (Section 72 Report) for the period 1 July 2024 to 31 December 2024.
- (b) that the report supra (a) be referred to the Performance, Risk and Audit Committee and Municipal Public Accounts Committee to take notice or to advise Council if deemed necessary.

7.1.6 Quarterly Budget Statement [Section 52(d)] report: 2nd Quarter of 2024/2025 (1 October 2024 to 31 December 2024) (9/1/2/2)

Report from Director: Finance, dated 16 January 2025:

"1. Purpose

The purpose of this memorandum is to submit the Quarterly Budget Statement [Section 52(d)] report to Council for information.

2. Background

The required report in terms of Section 52(d) is attached as annexure **7.1.6**."

RESOLVED

That the Executive Mayoral Committee recommends to Council:

- (a) that notice be taken of the Quarterly Budget Statement [Section 52(d)] report for the 2nd Quarter of 2024/2025.
- (b) that the report supra (a) be referred to the Municipal Public Accounts Committee and Performance, Risk and Audit Committee to take notice or to advise Council if deemed necessary.

7.1.7 Finance: Possible adjustments to industrial effluent charge (5/12/1/3)

Memorandum from Director: Finance, dated 21 January 2025:

"1. Purpose

To consider the possible adjustment of the industrial effluent charge for the second quarter of 2024.

2. Legal framework

The business is allowed to dispose of industrial effluent in terms of the permit issued.

3. Background

The volumes of industrial effluent dumped into the municipal system increased over the last number of years due to increase in production and problems encountered with the industries' own treatment plants.

The total charges per financial year increased as follows:

Year	Annual charge
2021/2022	6,365,116
2022/2023	28,270,204
2023/2024	51,847,845

The above charges were determined by an external service provider based on the following:

Base rate (T.1) for first 36 260 kg COO dumped per calendar month:

Peak tariff (T.2) of 1.5 times the base tariff for every 1 kg COD dumped above 36 260 kg COD per calendar month up to maximum total monthly mass treatment of 90 000 kg COD:

On top of the Base and Peak Rates:

A penalty rate of 10 times the Base Rate calculated on day-to-day basis and independently the total mass treatment dumped per calendar month may be dumped for every 1 kg of COD above the maximum limit of 3 000 kilolitres or 3 000 kg COD per 24 hours for such period when this deposit exceeds the maximum limit though by the main: Civil Services would be allowed.

The peak tariff and penalty rate are implemented due to the effect of the industrial effluent on the waste water treatment works and the quality of the treated waste water. If the plant cannot treat all the waste water received the municipality will discharge water that does not meet the requirements back into nature. The risk is that the municipality may lose it Green Drop status.

The abovementioned penalty rate has a large impact on the annual charges.

4. Discussion

To date the latest account has not been paid.

The customer requested that a discount be considered on condition that they use the saving to do some improvements to their treatment plant and possibly the municipal treatment plant."

RESOLVED

That the matter related to the possible adjustments to industrial effluent charge be held in abeyance.

7.2 Directorate Technical Services / Direktoraat Tegniese Dienste

None

NOTED

7.3 Directorate Community Services / Direktoraat Gemeenskapsdienste

7.3.1 Dilapidated building in Tulbagh cemetery: Approval to demolish (15/6/1/6)

A memorandum from the Manager: Environment and Amenities, dated 25 April 2024, is attached as **annexure 7.3.1**.

The Committee for Community Development resolved on 27 November 2024 to recommend to the Executive Mayoral Committee and Council that the memorial building at the Tulbagh graveyard, after consideration, be demolished.

The Chairperson enquired whether the building could be converted into an ablution facility whereafter the Municipal Manager informed the meeting that complaints were received of the building attracting unsavoury characters.

Councillor J Rooi also mentioned that Councillors received criticism for graveyards not having ablution facilities and that the most recent incident was related to the Bella Vista graveyard.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

- (a) that the matter related to the dilapidated building in Tulbagh cemetery: Approval to demolish be held in abeyance.
- (b) that an inspection in loco be held prior to deciding on the matter.

7.3.2 Lighthouse Safe Haven Early Childhood Development (ECD) Centre (7/1/4/1)

A memorandum from the Manager: Local Economic Development, dated 5 November 2024, is attached as **annexure 7.3.2**.

The Committee for Community Development resolved on 27 November 2024 to recommend to the Executive Mayoral Committee and Council that the principal of the Lighthouse Safe Haven Early Childhood Development Centre, Tulbagh be notified that the municipality, after consideration, have no property available to accommodate the centre.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that, after consideration, the principal of the Lighthouse Safe Haven Early Childhood Development Centre, Tulbagh be notified that the municipality does not have any property available to accommodate the centre.

7.4 Directorate Corporate Services / Direktoraat Korporatiewe Dienste

7.4.1 Tulbagh Feeding Scheme: Request to lease a portion of erf 1326, Tulbagh (7/1/4/1)

The following documents are attached:

- (a) Report from Senior Manager: Legal Services and Manager: Socio--Economic Development, dated 3 December 2024: **Annexure 7.4.1(a)**.
- (b) Report from Manager: Socio-Economic Development, dated 7 June 2024: **Annexure 7.4.1(b)**.
- (c) Proposal: Witzenville Park by Care4Tulbagh: **Annexure 7.4.1(c)**.

Council unanimously resolved on 12 December 2024 that the matter regarding the Tulbagh Feeding Scheme: Request to lease a portion of erf 1326, Tulbagh be held in abeyance until the next meeting.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

- (a) that the matter related to the Tulbagh Feeding Scheme: Request to lease a portion of erf 1326, Tulbagh be held in abeyance.
- (b) that an inspection in loco be arranged prior to decision making.
- (c) that the portfolio Chairperson of the Committee for Corporate and Financial Services arrange a meeting and engage with the other soup kitchens in this regard.

7.4.2 Institutionalisation of Code for Ethical Leadership in Local Government (12/1/1/17)

The following documents are attached:

- (a) Circular 1/2024 from COGTA, 8 August 2024: **Annexure 7.4.2(a)**.
- (b) Code for Ethical Leadership in Local Government: **Annexure 7.4.2(b)**.

RESOLVED

The Executive Mayoral committee recommends to Council:

(a) that the matter related to the Institutionalisation of Code for Ethical Leadership in Local Government be accepted.

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- (b) that the Institutionalisation of Code for Ethical Leadership in Local Government be workshopped by Council.
- 8. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA DRINGENDE SAKE NA AFSENDING VAN DIE AGENDA

None

NOTED

- 9. FORMAL AND STATUTORY MATTERS FORMELE EN STATUTÊRE SAKE
- 10. EXECUTIVE MAYORAL COMMITTEE-in-COMMITTEE UITVOERENDE BURGEMEESTERSKOMITEE-in-KOMITEE

These items are dealt with in the confidential minutes.

Strategic Objective	Owner Department	Reporting Department	Ref	Key Performance Indicator	2023/24 Result	Mid-Yr result 2024/25	2025/26 Annual Target	1st Q Target	2nd Q Target	3rd Q Target	4th Q Target	2026/27 Target	2027/28 Target	2028/29 Target	2029/30 Target	Definitions
Sustainable provision & maintenance of basic infrastructure	Water & Sanitation	Water & Sanitation	WS1.11a	Number of new formal sewer connections meeting minimum standards	216	4	10	2	4	6	10	10	12	12	14	Total number of new sanitation connections to consumer units meeting basic standards (defined as connections to a flush toilet connected to the sewerage system or a septic tank or a VIP toilet) made by the municipality. (1) Number of new sewer connections to consumer units (Exclude informal settlements - WS1.11b)
Sustainable provision & maintenance of basic infrastructure	Water & Sanitation	Water & Sanitation	WS2.11a	Number of new formal water connections meeting minimum standards	183	7	10	2	4	6	10	10	12	12	14	Total number of new water connections to piped (tap) water made by the municipality. This is inclusive of piped (tap) water in the dwelling/institution or in the yard. (1) Number of new water connections to piped (tap) water. Excludes informal settlements - WS2.11b)
Sustainable provision & maintenance of basic infrastructure	Water & Sanitation	Water & Sanitation	WS4.1	Percentage of drinking water samples complying to SANS241.	100%	100%	98%	98%	98%	98%	98%	98%	98%	98%	98%	The percentage of water samples measured that comply with the SANS 241 requirements over a 12 month period for the defined parameters. See the SANS 241 requirements for a detailed breakdown of the various tests involved and the associated standard limits for application. ((1) Number of water sample tests that complied with SANS 241 requirements / (2) Total number of water sample tests undertaken).
Sustainable provision & maintenance of basic infrastructure	Electricity	Electricity	EE1.11a	Number of formal residential dwellings provided with a new connection to mains electricity supply by the municipality	541	7	8	2	4	6	8	10	10	10	10	Number of new formal residential supply points commissioned and energised by the municipality. (Excludes informal areas - EE1.11b)
Sustainable provision & maintenance of basic infrastructure	Solid Waste	Income	FinInc28	Number of formal residential properties for which refuse is removed once per week and which are billed for refuse removal as at period end.	11941	12045	12000	11900	11925	11950	12000	12050	12100	12150	12000	The objective of the KPI is to report on the number of residential properties that have access to the service according to the number of properties billed for the service on the SAMRAS financial system Proxy measure for National Key Performance Indicator.
Sustainable provision & maintenance of basic infrastructure	Water & Sanitation	Water & Sanitation	WS5.1	Percentage of non-revenue water (sum of un-billed authorised consumption such as informal settlements, recreational areas and apparent & real losses)	New	36%	39%	39%	39%	39%	39%	38%	38%	37%	37%	Non-revenue water is defined as the sum of unbilled authorized consumption, apparent losses (unbilled unauthorised consumption and meter inaccuracies) and real losses (from transmission mains, storage facilities, distribution mains or service connections). (((1)Number of Kilolitres Water Purchased or Purified - (2)Number of Kilolitres Water Sold) / (1)Number of Kilolitres Water Sold)
Sustainable provision & maintenance of basic infrastructure	Electricity	Electricity	EE4.4	Percentage total electricity losses	10%	18%	10%	11%	11%	11%	10%	10%	10%	10%	10%	Electricity losses have two components: technical and non- technical. Technical losses occur naturally and consist mainly of power dissipation in electricity system components such as transmission and distribution lines, transformers, and measurement systems. Non-technical losses are caused by actions external to the power system and consist primarily of electricity theft, faulty or inaccurate meters, and errors in accounting and record-keeping. Losses is a measure of unaccounted for energy. Thus non-payment is not included as losses. (((1) Electricity Purchases in kWh) - (2) Electricity sales in kWh)) / (1) Electricity Purchases in kWh)

Strategic Objective	Owner Department	Reporting Department	Ref	Key Performance Indicator	2023/24 Result	Mid-Yr result 2024/25	2025/26 Annual Target	1st Q Target	2nd Q Target	3rd Q Target	4th Q Target	2026/27 Target	2027/28 Target	2028/29 Target	2029/30 Target	Definitions
Sustainable provision & maintenance of basic infrastructure	Roads	Roads	TR6.12	Percentage of surfaced municipal road lanes which has been resurfaced and resealed	New		1%	0%	0%	1%	1%	1%	1%	2%	2%	The distance of surfaced municipal road lanes (class 3-5) in kilometres which has been resurfaced and resealed in relation to the total road lane length. A lane is part of a carriageway that is designated to be used by a single line of vehicles to control and guide drivers and reduce traffic conflicts. Lane widths may vary in width from 3.1m at their narrowest, to 5.5m lanes in higher-order mixed-usage streets. Total municipal road length is measured on a per lane basis, so a road that is four-lanes wide for 1 km has a total network length of 4kms for the purpose of this indicator. ((1) Kilometres of municipal road lanes resurfaced and resealed / (2) Kilometres of surfaced municipal road lanes)
Provide for the needs of informal settlements through improved services	Director Technical	Director Technical	TecDir2	Number of subsidised serviced sites developed.	No Target							130		50	50	A housing opportunity is incremental access to and or delivery of one of the following Housing products: Incremental Housing which provides a serviced site with or without tenure. A serviced site is being defined as a demarcated site with access to water & sanitation services located adjacent to a road.
Provide for the needs of informal settlements through improved services	Water & Sanitation	Water & Sanitation	WS1.11b	Number of new informal sewer connections meeting minimum standards	New		3	0	0	3	3	3	3	3	3	Total number of new sanitation connections to communal toilet facilities meeting basic sanitation standards made by the municipality. (2) Number of new sewer connections to communal toilet facilities. (only informal areas)
Provide for the needs of informal settlements through improved services	Water & Sanitation	Water & Sanitation	WS2.11b	Number of new informal water connections meeting minimum standards	New		3	0	0	3	3	3	3	3	3	Total number of new water connections to public/communal taps made by the municipality. (2) Number of new water connections to public/communal facilities. (only informal areas).
Provide for the needs of informal settlements through improved services	Electricity	Electricity	EE1.11b	Number of informal residential dwellings provided with a new connection to mains electricity supply by the municipality	New		5	1	2	3	5	7	10	12	15	Number of new informal residential supply points commissioned and energised by the municipality. Only informal areas.
Provide for the needs of informal settlements through improved services	Solid Waste	Solid Waste	TecRef31	Percentage of households in demarcated informal areas with access to a periodic solid waste removal or a skip for household waste.	100%	100%	95%	95%	95%	95%	95%	97%	97%	97%	97%	This indicator reflects the percentage of households in demarcated informal areas with access to a to a periodic solid waste removal or a skip for household waste. Access are being defined as households within 200m of a periodic waste pick-up route or skip for household waste. Certain skips may however have been vandalised or removed after provision. Excluding areas that was illegally occupied and not part of the municipalities planning initiatives. Proxy for National KPI.

Strategic Objective	Owner Department	Reporting Department	Ref	Key Performance Indicator	2023/24 Result	Mid-Yr result 2024/25	2025/26 Annual Target	1st Q Target	2nd Q Target	3rd Q Target	4th Q Target	2026/27 Target	2027/28 Target	2028/29 Target	2029/30 Target	Definitions
Support Institutional Transformation & Development	Human Resources	Financial Administration	CorpHR13	Percentage budget spent on implementation of Workplace Skills Plan.	97%	72%	96%	10%	35%	60%	96%	96%	96%	96%	96%	A Workplace Skills Plan is a document that outlines the planned education, training and development interventions for the organisation. Its purpose is to formally plan and allocate the budget for appropriate training interventions which will address the needs arising out of Local Governments' Skills Sector Plan, the municipality's strategic requirements as contained in the IDP and the individual departmental staffing strategies and individual employees' PDP's. The WSP shall also take into account the Employment Equity Plan, ensuring incorporation of relevant developmental equity interventions into the plan. Kpi measures percentage expenditure of vote allocated towards training needs as arise from WSP. Proxy for National KPI.
Support Institutional Transformation & Development	Human Resources	Human Resources	CorpHR12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality.	4	2	4 Reports	1	2	3	4	4 Reports	4 Reports	4 Reports	4 Reports	Quarterly reports on the percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan. Quarterly report submitted to Municipal Manager. Proxy for National Performance indicator.
Support Institutional Transformation & Development	Human Resources	Human Resources	GG1.21	Staff vacancy rate	New	13%	5%	5%	5%	5%	5%	5%	4%	4%	4%	The number of unfilled posts in the municipal organisational structure as a percentage of the total number of employee posts in the municipality's organisational structure. The unfilled posts are inclusive of temporary and contract positions that appear on the municipality's approved organisational structure. They are exclusive of unfunded vacant positions on the municipality's approved organisational structure. (((1) The number of budgeted employee posts on the approved organisational structure - (2) The number of actual employees in the municipality) / (1) The number of budgeted employee posts on the approved organisational structure)
Ensure financial viability.	Financial Administration	Financial Administration	FinFAdm10	Financial viability expressed as Debt- Coverage ratio	N/A	311	200	200	200	200	200	200	200	200	200	This indicator measures debt coverage as (total operating revenue – operating grants received) / debt service payments due within the year. This means the municipality is able to cover its debt service payments from operating revenue excluding grants number of times. Proxy for National KPI.
Ensure financial viability.	Financial Administration	Financial Administration	FinFAdm11	Financial viability expressed outstanding service debtors	90%	77%	60%	60%	60%	60%	60%	60%	60%	60%	60%	These indicator measure service debtors to revenue (total outstanding service debtors / revenue received for services). This means that a % of revenue in the SFP is still outstanding as at year end. Proxy for National KPI.
Ensure financial viability.	Income	Income	FM7.12	Collection rate ratio	90%	79%	93%	75%	88%	91%	93%	94%	95%	95%	96%	The ratio measures the revenue collection level of a municipality. It considers the level of increase or decrease of gross debtors relative to annual billed revenue. In addition, in order to determine the real collection rate bad debts written-off is taken into consideration. ((1) Gross Debtors Opening Balance + (2) Billed Revenue – (3) Gross Debtors Closing Balance - (4) Bad Debts Written Off) / (2) Billed Revenue

Strategic Objective	Owner Department	Reporting Department	Ref	Key Performance Indicator	2023/24 Result	Mid-Yr result 2024/25	2025/26 Annual Target	1st Q Target	2nd Q Target	3rd Q Target	4th Q Target	2026/27 Target	2027/28 Target	2028/29 Target	2029/30 Target	Definitions
Ensure financial viability.	Financial Administration	Financial Administration	FM3.11	Cash/Cost coverage ratio	New	2,8	3	3	3	3	3	3	3	3	3	The ratio tracks how long it can take the municipality to pay at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month. (((1)Cash and Cash Equivalents - (2) Unspent Conditional Grants - (3) Overdraft) + (4) Short Term Investment) / (5) Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)
Ensure financial viability.	Expenditure	Expenditure	FM4.31	Creditors payment period	New	17	40	30	30	30	40	40	40	40	40	This indicator reflects the average number of days taken for trade creditors to be paid. It is a useful indicator to measure the cash flow or liquidity position of a municipality. Total outstanding creditors is total amount owed (capital and operating expenditure) by the municipality. Section 65 of the MFMA prescribe municipalities to pay all monies owed within 30 days of receiving an invoice. ((1) Trade Creditors Outstanding / (2) Credit purchases (operating and capital) X (3) Number of days in the reporting year to date
Ensure financial viability.	Supply Chain	Supply Chain	LED3.31	Average number of days from the point of advertising to the letter of award per 80/20 procurement process	New	83	140	140	140	140	140	135	135	130	130	The average number of days from the point of advertising to the letter of award per 80/20 procurement process. An 80/20 procurement process refers to public procurement as per the terms of the Preferential Procurement Regulations in terms of the Preferential Procurement Policy Framework Act for bids where an 80/20 Broad-Based Black Economic Empowerment (B-BBEE) thresholds of between R30 000 and R50 million applies. This would apply to tenders awarded within the financial year, and where disputes to the outcome of the tender process were not raised. This does not apply to requests for quotations. (1) Sum of the number of days from the point of advertising a tender in terms of the 80/20 procurement process to the issuing of the letter of award/ (2) Total number of 80/20 tenders awarded as per the procurement process
Ensure financial viability.	Municipal Manager	Financial Administration	MM1	Percentage expenditure on the preventative-& corrective planned maintenance budget of the whole of the municipality.	95%	26%	98%	15%	40%	75%	98%	99%	99%	99%	99%	Percentage reflecting year to date spend / preventative- & corrective planned maintenance budget votes for the whole of the municipality. Maintenance as defined according to mSCOA and excludes emergency corrective maintenance.
Ensure financial viability.	Municipal Manager	Financial Administration	FM1.11	Total Capital Expenditure as a percentage of Total Capital Budget	93%	24%	95%	10%	40%	60%	95%	95%	96%	97%	97%	This indicator measures the extent to which budgeted capital expenditure has been spent during the financial year. Capital expenditure is all costs incurred by the municipality for acquiring, upgrading, and renewing assets such as property, equipment, plants, buildings, intangible assets, investment property or any other assets meeting the definition of assets in terms of GRAP. (1) Actual Capital Expenditure / (2) Budgeted Capital Expenditure

Strategic Objective	Owner Department	Reporting Department	Ref	Key Performance Indicator	2023/24 Result	Mid-Yr result 2024/25	2025/26 Annual Target	1st Q Target	2nd Q Target	3rd Q Target	4th Q Target	2026/27 Target	2027/28 Target	2028/29 Target	2029/30 Target	Definitions
strengthen relations with international- & intergovernmental partners as well as the local community through the creation of participative	IDP	IDP	MMIDP9	Number of IDP community engagements held.	14	7	14		7		14	14	14	14	14	Bi-annual community engagements as per IDP Process Plan held in each of the 7 towns.
strengthen relations with international- & intergovernmental partners as well as the local community through the creation of participative etructures	IDP	IDP	GG2.1	Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan)	New	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	The percentage of ward committees that are deemed to be 'functional' out of all wards in the municipality. Functional is defined as- they have an agreed annual ward committee action plan by end of Q1 of the year under review and had at least four quorate meetings in that year. ((1) Functional ward committees) / (2) Total number of wards)
Provide & maintain facilities that make citizens feel at home.		Fire & Disaster Management	FD1.11	Percentage compliance with the required attendance time for structural firefighting incidents	New	95%	90%	90%	90%	90%	90%	90%	92%	92%		Structural fire incidents are defined as incidents of fire outbreaks in habitable formal structures (buildings that have approved building plans) and habitable informal structures (informal residential dwellings where no approved building plans exist). The indicator measures the percentage of times that these incidents receive a response within the 14 minute standard. This measure of the attendance time is the difference between the time of call (the time an official call or notice is received at the official call or reporting centre) and the arrival time (refers to the time captured for the first arriving firefighting response unit regardless from where dispatched or regardless of order of dispatch). The indicator therefore measures the number of all incidents where the attendance time was 14 minutes or less as a percentage of all incidents. Attendance time is the difference between the time of call and the time of arrival of the first arriving firefighting response unit at the given address –s- Time Call Received by ECC personnel and equipment in minutes and seconds for the year (numerator) divided by the number of fire department responses in the same year (denominator). (1) Number of structural fire incidents where the attendance time was 14 minutes or less / (2) Total number of calls for structural fire incidents where the attendance time was 14 minutes or less /

Strategic Objective	Owner Department	Reporting Department	Ref	Key Performance Indicator	2023/24 Result	Mid-Yr result 2024/25	2025/26 Annual Target	1st Q Target	2nd Q Target	3rd Q Target	4th Q Target	2026/27 Target	2027/28 Target	2028/29 Target	2029/30 Target	Definitions
Provide & maintain facilities that make citizens feel at home.	Amenities & Environment	Amenities & Environment	HS3.5	Percentage utilisation rate of community halls	New							4%	4%	4%	4%	The percentage of available hours across all community halls that are booked in a year. ((1) Sum of hours booked across all community halls in the period of assessment / (2) Sum of available hours for all community halls in the period of assessment)
Provide & maintain facilities that make citizens feel at home.	Libraries	Libraries	HS3.6	Average number of library visits per library	New	6573	12000	3000	6000	9000	12000	12500	12500	13000	13000	The average number of library visits per library per year. This measures only municipality managed libraries. (1) Total number of library visits / (2) Count of municipal libraries
Provide & maintain facilities that make citizens feel at home.	Amenities & Environment	Amenities & Environment	HS3.7	Percentage of municipal cemetery plots available	New	41%	30%	36%	35%	32%	30%	25%	24%	22%	22%	The number of burial plots currently available within active, municipal-owned cemeteries as a percentage of the total amount of burial plots in all municipal-owned cemeteries. Municipalities may have different policies and approaches providing for available plots, including where 'stacking' or other provisions for burial are made. Based on the municipality's current policy provisions and used plots, the indicator measures what percentage of the total available cemetery capacity in active cemeteries is currently utilised. (1) Number of available municipal burial plots in active municipal cemeteries / (2) Total capacity of all burial plots in active municipal cemeteries
Support the poor & vulnerable through programmes & policy	Socio- Economic	Income	LED2.12	Percentage of the municipality's operating budget spent on indigent relief for free basic services	3%	2,8%	3,0%	4,0%	4,0%	3,0%	3,0%	5,0%	5,0%	4,5%	4,5%	The amount municipal operating budget expended on free basic services to indigent households (R-value) as a percentage of the total operating budget of the municipality for the period. Free Basic Services are understood in terms of water, sanitation, electricity and waste removal services only. ((1) R-value of operating budget expenditure on free basic services / (2) R-value of the total operating budget)
Support the poor & vulnerable through programmes & policy	Socio- Economic	Socio- Economic	LED1.21	Number of work opportunities created through Public Employment Programmes (incl. EPWP and other related employment programmes)	403	213	400	100	200	300	400	405	410	410	410	Simple count of the number of short-term work opportunities provided through the municipality by Public Employment Programmes such as Expanded Public Works Programme and other related infrastructure initiatives. The indicator tracks the number of unique work opportunities generated within the quarter, regardless of the duration. (1) Number of work opportunities provided by the municipality through the Expanded Public Works Programme + (2) the Number of work opportunities provided through other related infrastructure limitatives.
Support the poor & vulnerable through programmes & policy	Socio- Economic	Socio- Economic	ComSoc42	Number of engagements with target groups with the implementation of social development programmes.	32	14	20	5	10	15	20	22	23	23	24	The indicator refers to the number of engagements with target groups for the implementation social developmental programmes and /or initiatives .
Support the poor & vulnerable through programmes & policy	Human Settlements	Human Settlements	ComHS14	Number of housing opportunities provided per year.	150		110			50	110	80	80	80	80	A housing opportunity is incremental access to and or delivery of one of the following Housing products: Practically completed Subsidy Housing which provides a minimum 40m² house.

Strategic Objective	Owner Department	Reporting Department	Ref	Key Performance Indicator	2023/24 Result	Mid-Yr result 2024/25	2025/26 Annual Target	1st Q Target	2nd Q Target	3rd Q Target	4th Q Target	2026/27 Target	2027/28 Target	2028/29 Target	2029/30 Target	Definitions
Support the poor & vulnerable through programmes & policy	Human Settlements	Human Settlements	ComHS15	Number of Rental Stock transferred	5	5	10	2	4	6	10	40	50	50	50	Number of rental stock transferred to approved beneficiaries, using established criteria. Rental stock is being defined as subsidised houses constructed before 1994 (scheme houses) and leased by the municipality to identified and approved beneficiaries.
lattract investment	Socio- Economic	Socio- Economic		Quarterly report on the Small Business Entrepreneurs Development Programme.	4	2	4 Reports	1	2	3	4	4 Reports	4 Reports	4 Reports	4 Reports	Quarterly report on the Small Business Entrepreneurs Development Programme.
Create an enabling environment to attract investment & support local economy.	Socio- Economic	Socio- Economic	ComLed4	Implementation of action plans as identified in the Witzenberg LED Strategy.	New	draft	4 Reports	1	2	3	4	4 Reports	4 Reports	4 Reports	4 Reports	The LED Strategy has identified several action plans to be implemented aimed at achieving economic development objectives. Quarterly reports are to be submitted indicating action plans as per the LED strategy and progress on completion of action plans.
Create an enabling environment to attract investment & support local economy.	Socio- Economic	Socio- Economic	LED3.11	Average time taken to finalise business license applications	2	0,38	5 days	2	3	4	5	5	5	5		The indicator measures the average number of working days a business owner can expected to wait from the date of submission of a complete business licence application to the date of outcome of licensing decision from the municipality. Business license applications refer to those businesses applying in terms of the Businesses Act of 1991. A 'complete application' refers to the point at which all of the required administrative information has been supplied, allowing the municipality to proceed with the processing. A 'finalised' application refers to an application where the municipality has taken a decision to approve or deny the application. An application is consider finalised at the point of the decision, regardless of the time between the decision and the communication of the application outcome. (1) Sum of the total working days per business application finalised/ (2) Number of business applications finalised
Create an enabling environment to attract investment & support local economy.	Expenditure	Expenditure	LED1.11	Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area	New	16%	5%	5%	5%	5%	5%	6%	6%	7%	7%	This indicator measures the value of municipal operating expenditure that has been spent on payments to contracted organisations with a physical address within the municipal area as a percentage of the total operating expenditure on payments to all contracted organisations. Contracted service providers are inclusive of consultancy services, and refer to services rendered by any entity outside of the municipality secured through a public procurement process. (1) R-value of operating expenditure on contracted services within the municipal area / (2) Total municipal operating expenditure on contracted services



Integrated Development Plan

Draft Review 2025-2026 (2022- 2027)

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GLOSSARY

BBBEE Broad Based Black Economic Empowerment

BEE Black Economic Empowerment
CDWs Community Development Workers

CBD Central Business District
CDI City Development Index

CWDM Cape Winelands District Municipality

CAPEX Capital Expenditure
DM District Municipality

DWAF Department of Water Affairs and Forestry
DBSA Development Bank of Southern Africa
DTI Department of Trade and Industry

DPLG Department of Provincial and Local Government
DEAT Department of Environmental Affairs and Tourism

DLA Department of Land Affairs

DSDF District Spatial Development Framework

EE Employment Equity
EL External Loans

GDPR Gross Domestic Product Regional

GDP Gross Domestic Product

GCIS Government Communications and Information Systems

HDI Human Development Index

HR Human Resources

IDP Integrated Development Plan
IWMP Integrated Waste Management Plan

IS Information Systems

ICASA Independent Communications Authority of South Africa

IT Information Technology
JDA Joint District Approach
KPAS Key Performance Areas
KPIS Key Performance Indicators
LED Local Economic Development

MSA Municipal Systems Act

MSIG Municipal Systems Improvement Grant

MIG Municipal Infrastructure Grant

MAYCO Mayoral Committee

MTREF Medium Term Revenue Expenditure Framework

MPCC Multi-purpose Community Centre

NSDP National Spatial Development Framework

NGO's Non-governmental Organisation

OPEX Operational Expenditure
PPP Public Private Partnerships

PGDS Provincial Growth and Development Strategy

PMS Performance Management System
PTIP Public Transport Improvement Plan

Witzenberg Municipality Reviewed Integrated Development Plan 2024-2025

RDP Reconstruction and Development Programme

RED Door Real Economic Development Door
RSEP Regional Socio-Economic Programme
SDF Spatial Development Framework
SEDA Small Enterprise Development Agency

SDBIP Service Delivery Budget Implementation Plan

SCM Supply Chain Management

SMME Small, Micro and Medium Enterprise

SALGA South African Local Government Association

STR Small Town Regeneration

UISP Upgrade of Informal Settlements Programme
IUDF Integrated Urban Development Framework

VIP Vision Inspired Priorities

WCED Western Cape Education Department

1 EXECUTIVE SUMMARY



I thank you.

T Abrahams – Executive Mayor
Witzenberg Municipality Draft Review Integrated Development Plan 2025-2026

B. MUNICIPAL MANAGER FOREWORD T he IDP

David Nasson – Municipal Manager

2 INTRODUCTION

A. ABOUT THE IDP

I. EXECUTIVE SUMMARY

As Witzenberg Municipality we are proud to present this 1st Review of our 5th Generation IDP as developed and drafted in consultation with the people of Witzenberg, provincial government and sector departments, local business forums and civil society stakeholders.

The new five-year IDP sets out the vision and mission of the municipality and clearly defines the strategies and plans to deliver our objectives of infrastructure-led growth, sustainable human settlements, financial sustainability, LED, social development, strategic partnerships and international relationships.

The development of a credible IDP allows the municipality to engage in continuous planning, monitoring and evaluation of all the sector plans that form part of this IDP.

A thorough analysis of the spatial, economic and environmental issues in conjunction with the community, partners government and other stakeholders has highlighted two major issues that will influence our strategies and planning over the next five years. The increased growth of especially our more vulnerable population will be addressed through the implementation of social housing programmes such as Vredebes and the upgrade of the informal settlement in N'Duli. These projects bulk require major infrastructure upgrading that will take up the largest portion of our grant funding for the next five years. The analysis of our Agrieconomic environment has also indicated a

positive growth over the next five years and is it essential that the municipality provides sufficient bulk and network infrastructure to support investment and job creation opportunities. It is in this regard that we will work together with the Department of Rural Development and Land Reform as well as the Department of Agriculture to ensure the successful implementation of the Agri-Park.

Witzenberg has identified four key performance areas (KPAs) based on the objectives of local government as set out in Section 156 of the Constitution.

The KPA: Essential Services includes the objectives of sustainable provision and maintenance of basic services and provision for the needs of informal settlements. These objectives include programmes and projects that will especially focus on the provision of bulk infrastructure for housing projects. The provision of **bulk electricity by Eskom** has been identified as a major risk as existing Eskom bulk infrastructure currently cannot provide for the growth requirements of Witzenberg. Other programmes and projects include the development and implementation of a waste management strategy with the focus on decreasing waste through the implementation of a material recovery facility and drop-off points to replace the garden waste skips. This will be done with the support and cooperation of Witzenberg's twinning municipality, Essen, in Belgium. The ongoing drought in the Western Cape has also had an impact on Witzenberg and it is especially in **Tulbagh** where insufficient water storage capacity has resulted in the implementation of water restrictions. Funding has been allocated by the Department of Water Affairs for the construction of a storage dam over the next three years.

The key performance area of **Governance** includes the objectives of institutional development and transformation, financial viability and the strengthening of partnerships.

Financial Viability is essential towards a sustainable and developmental local government. We will especially focus on **debt management** to address non-payment, but will also continue to support our vulnerable communities through our **indigent and propoor policies**.

Our third key performance area of **Communal Services** includes the objective of providing and maintaining facilities and the environment. The Witzenberg mountains are the source of four of the Western Cape's major rivers and programmes. The focus will be on the **conservation of our natural environment**, the eradication of aliens in our rivers and ongoing

awareness programmes that will be implemented in conjunction with various role-players.

The Socio-Economic Support Services KPA focuses on the objectives to support the poor and to create an enabling environment to support the local economy. The construction of houses in Vredebes will improve the living conditions of those in informal settlements, overcrowded houses and structures in backyards. The Vredebes development will also make provision for "GAP" housing under the FLISP Programme of the Department of Human Settlements.

The continued support and implementation of the Agri-Park will create **opportunities for investment, job creation and land reform** as an enabling environment for local economic growth.

We also understand that this is merely a strategic document and that the major challenge will be implementing and realising our plans. The Council and administration commit to achieving the objectives as set out in this IDP and urge the people of Witzenberg to walk this exciting road with us towards improved livelihoods.

II. DEFINITION

Integrated Development Planning is the process through which the municipality prepares a

strategic developmental plan, which is the principal strategic instrument guiding all planning, management, investment, develop-ment and implementation decisions, taking into account input from all stakeholders.

The IDP crosses departmental divisions by linking the physical, social, institutional and economic components of planning and development with management and development structure. It also integrates and aligns planning in different spheres of government and therefore enforces and upholds the spirit of cooperative governance in the public sector.

The Constitution of the Republic of South Africa (1996) commits government to take reasonable measures, within its available resources, to ensure that all South Africans have access to adequate housing, healthcare, education, food, water and social security. Developmental local government can only be realised through integrated development planning and the compilation of a credible Integrated Development Plan (IDP).

III. LEGISLATION

Legal Framework for Integrated Development Planning

According to the Constitution of the Republic of South Africa, the local sphere of government is charged with the responsibility of implementing developmental local government as well as cooperative governance. The mandate to relate its management, budgeting and planning functions to its objectives gives a clear indication of the intended purposes of municipal integrated development planning, namely:

- Ensure sustainable provision of services
- Promote social and economic development
- Promote a safe and healthy environment
- Give priority to the basic needs of communities
- Encourage involvement of communities

The first piece of legislation drafted to reflect the responsibility of the local sphere of government to implement integrated development planning by means of the compilation of an IDP document, was the Local Government Transition Act (1993) as amended by the Local Government Transition

Second Amendment Act (1996). In this legislation the IDP was presented as the main planning instrument that guides all planning and decision-making process of the municipality.

The Local Government Transition Act was an interim piece of legislation applicable to the local sphere of government until the demarcation of municipalities was finalised, and the need then arose to enact legislation regulating integrated development planning on a more permanent basis.

In 2000 the Local Government: Municipal Systems Act 32 of 2000 (MSA) came into effect. Section 25(1) of the Act stipulates that each municipal council must, after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which:

- Links, integrates and coordinates plans and takes into account proposals for the development of the municipality;
- Aligns the resources and capacity of the municipality with the implementation of the plan;
- Forms the policy framework and general basis on which the annual budget must be based; and
- Is compatible with national and provincial development plans, and planning requirements binding on the municipality in terms of legislation.

The MSA is therefore the principal piece of legislation governing integrated development planning at municipal level. Municipalities are bound by it and must ensure its implementation. Other legislation and policy documents that contain reference to integrated development planning are:

- The Constitution of the Republic of South Africa Act 108 of 1996;
- Reconstruction and Development Programme (RDP);
- Growth, Employment and Redistribution Strategy (GEAR);
- Tourism Act 72 of 1993;
- Development Facilitation Act 67 of 1995;

- National Water Act 36 of 1997;
- Housing Act 107 of 1997;
- White Paper on Local Government of 1998;
- Local Government: Municipal Structures Act 117 of 1998;
- National Environmental Management Act 107 of 1998;
- National Land and Transportation Transition Act 22 of 2000;
- Disaster Management Act 52 of 2002;
- White Paper on National Civil Aviation Policy (2005); and
- The Local Government: Municipal Finance Management Act 56 of 2003.

A further piece of legislation which has a tremendous impact on the IDP is the Municipal Finance Management Act (MFMA). Due to the coming into effect of this Act, the revision of the IDPs must be aligned with the stipulations and timeframes as set out in this Act.

Section 35 of the MSA states explicitly that an integrated development plan adopted by municipal council is the principal strategic planning instrument which:

- Guides and informs all planning and development, and all decision making with regard to planning, management and development in the municipality;
- Binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality's IDP and national or provincial legislation, in which case such legislation prevails; and
- Binds all other persons to the extent that those parts of the IDP that impose duties or affect the rights of those persons have been passed as a by-law.

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.

IV. PROCESS

Developing the Integrated Development Plan

In compliance with the Municipal's Systems Act as amended, the IDP Review/ Amended and Budget Process Plan were adopted by full Council on 22 November 2021.

This IDP and Budget Process Plan inter alia seek to address the:

- Identification of areas requiring additional attention in terms of legislative requirements, proper planning processes and sound financial management;
- Inclusion of the most current Census and own statistical data;
- Consideration and review of any other relevant and new information;
- Addressing comments received from the various role-players;
- Shortcomings and weaknesses identified through self-assessment;
- Preparation and review of sector plans and its alignment with the IDP;
- Preparation and review of the Performance Management System (PMS);
- Update of the 5-year Financial Plan; and
- Preparation and finalisation of the annual Budget in terms of the relevant legislation.

The situational analysis process started in March 2024

All further actions in accordance with legislative and regulatory requirements, such as the final approval of the IDP, and the Medium Term Revenue and Expenditure Framework for the ensuing three year financial cycles, SDBIPs, the submission of all the relevant documentation to the appropriate authorities and the making public of these final documents will be executed.

Public Participation Process

Section 29 of the Municipal Systems Act, No 32 of 2000 states that –

- 29. (1) The process followed by a municipality to draft its integrated development plan, including its consideration and adoption of the draft plan, must –
- (b) through appropriate mechanisms, processes and procedures established in terms of Chapter 4, allow for—
- (i) the local community to be consulted on its development needs and priorities;
- (ii) the local community to participate in the drafting of the integrated development plan.

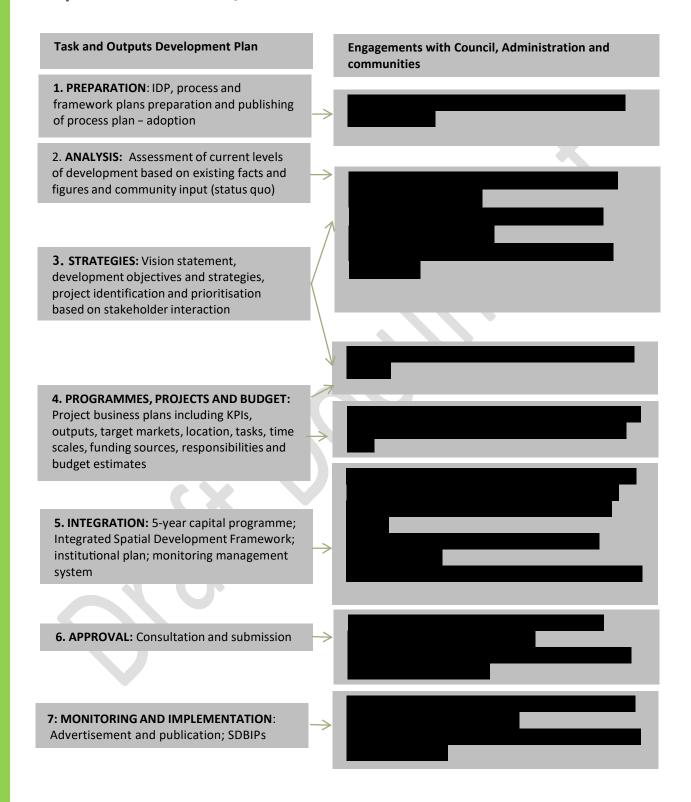
It provides an opportunity for all stakeholders with different needs and priorities to learn from each other and to negotiate and compromise around their viewpoints, leading to unification and consensus building.

The municipality adopted the 2023 – 2024 Reviewed/Amended IDP and Budget Process Plan on 28 August 2022. Amongst others, it includes appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, and other role-players in the IDP drafting process.

The diagram on the following page outlines the steps in developing the Amended Integrated Development Plan 2023 – 2024.

Public participation allows the municipality and the community to focus on itself, and develop a future-orientated vision and mission, proactively positioning itself and adapting and learning from an ever-changing environment

Steps and events 2024/2025



B. VISION, MISSION, OBJECTIVES

I. VISION AND MISSION

Our Vision

A municipality that cares for its community, creating growth and opportunities.

Our Mission

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

- Providing and maintaining affordable services
- Promoting social and economic development
- The effective and efficient use of available resources
- Effective stakeholder and community participation

Value System

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

We subscribe to the principles of Batho Pele

- Consultation Citizens should be consulted about service levels and quality when possible.
- Service standards Citizens must be made aware of what to expect in terms of the level and quality of services.
- Access Citizens should have equal access to the services to which they are entitled.
- Courtesy Citizens should be treated with courtesy and consideration.
- Information Citizens must receive full and accurate information about their services.
- Openness and transparency Citizens should be informed about government departments' operational budgets and management structures.
- Redress Citizens are entitled to an apology, explanation and remedial action if they are promised a standard of service that is not delivered.
- Value for money Public services should be provided economically and efficiently.

Update

II. STRATEGIC MAP

	WITZENBERG MUNICIPALITY: STRATEGIC MAP 2024/25						
Vision	Mission	M	Municipal KPA		e-determined Objectives		
nities.	The Witzenberg Municipality is committed to improve the quality of life of its community by: - Providing & maintaing affordable services - Promoting Social & Economic Development - The effective & efficient use of resources - Effective stakeholder & community participation.	1	Essential Services	1,1	Sustainable provision & maintenance of basic infrastructure		
and opportu				1,2	Provide for the needs of informal settlements through improved services		
growth			Governance	2,1	Support Institutional Transformation & Development		
nmunity, creating		2		2,2	Ensure financial viability.		
A municipality that cares for its community, creating growth and opportunities.				2,3	To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures.		
		3	Communal Services	3,1	Provide & maintain facilities that make citizens feel at home.		
			Cocio Ferrancia	4,1	Support the poor & vulnerable through programmes & policy		
		4	Socio-Economic Support Services	4,2	Create an enabling environment to attract investment & support local economy.		

III. SWOT ANALYSIS

	Strengths		Weaknesses
•	Pro-poor policies (e.g. indigent; procurement)	•	Financial limitations
	Close cooperation at management level		Town management
	Good dialogue with business and agricultural		Inadequate storm water systems in some areas
	sectors		Old asbestos water and sanitation networks
	Good water quality		Resealing and maintenance of roads
	Effective international relations		Garden refuse – Tulbagh, Wolseley and N'Duli
	IGR structures and forums		Law enforcement
	Budget control		Ageing infrastructure
	Natural environment	-	Centralisation/town management
	Location for certain opportunities		High water losses
	Good governance and good IGR		Lack of integration policies, silo operations
	Meeting constitutional obligations		Office space
	Visionary leadership		Slow turnaround time
	Low vacancy rate in organisational structure		Vulnerable IT (integration)
	Community engagements	_	vullerable if (liftegration)
	Opportunities		Threats
-	Tourism potential	•	Seasonal agriculture-based labour shrinks revenue
	Active ward committees and related activities		base
	Further international relations		Political volatility (fragile coalitions)
	IGR and cooperation on transversal	-	High level unemployment/economically inactive
	programmes		people
	Wolwekloof Learning Academy		Increasing TB and HIV/Aids prevalence
	EPWP for poverty reduction		Vandalism, theft of municipal assets and property
	Close working relationship with big business to		Legacy of decrepit infrastructure and insufficient
	enhance economic development		infrastructure replacement programme
	Performance management system to monitor	•	Uncontrolled habitation in informal settlements
	organisational performance not fully in place		Insufficient revenue base/lack of economic growth
	Pine forest		Equitable funding formula
	Recycling and composting		Insufficient land for graveyards
	Renewable energy		Substance abuse can become a threat
	Reduce water losses/unaccounted to		Farm eviction
	acceptable standards		Tulbagh roads
	Available natural resources to stimulate		Service delivery in informal settlements
	economic growth		Social ills – HIV and TB, crime, substance abuse
	Development of GIS		Unemployment
	Good communication and branding		Migration / influx control
	Marketing (internal and external)		Land availability
	Expand international relationships	-	Financial sustainability
	Upgrade infrastructure	-	Cost of services
	LED pilot projects	-	Sustainability of low-cost housing
	Land audit	-	Grant dependency
	Natural environment	-	Animal management
	Revenue enhancement	-	NERSA legislation – non-compliance / compliance
	Koekedouw Dam	-	ESKOM / load shedding – incapacity to increase for
	Rural wards – funding possibilities		demand from municipality
	Improvement of client services		1 1
	Real law enforcement		

IV. GOVERNMENT ALIGNMENT

Municipalities are encouraged and supported by both national and provincial government to develop realistic and credible IDPs that not only comply with relevant legislation but also—

- are owned by local leadership, municipal management and the community as the single strategic plan to direct resources within the municipality;
- 2. are driven by the management team and systems within the municipality with implementation regularly monitored during the year through the performance management system;

National Policy Directives

There is a clear hierarchical structure of national policy directives starting with the Medium Term Strategic Framework for 2019-2044 (MTSF). The plan focuses on the seven priorities and related interventions of the sixth

Medium-term Strategic Framework for 2019-2024 (MTSF)

The National Development Plan (NDP) 2030 2012 issued in set out long-term vision for the country and provides the programme through which South Africa can advance radical transformation economic through development planning. The Medium Term Strategic Framework (MTSF) 2014-2019 outlined the plan and outcomebased monitoring framework implementing the NDP during the country's fifth democratic administration. This MTSF 2019-2024 outlines the priorities to be implemented in the

- contain a long-term development strategy that can guide investment across the municipal area;
- provide an investment plan for national, provincial and local government and nongovernmental stakeholders to enhance and enable joint planning and resource alignment to improve service delivery to all stakeholders; and
- 5. include local area or ward plans to localise the strategy and implementation of the IDP.

administration of government, and the integrated monitoring framework focuses on monitoring outcomes, indicators and targets towards the achievement of the priorities.

sixth administration. It also outlines the priorities and interventions across South Africa's national development pillars.

The South African government development planning as a means to achieve national development goals. All three spheres of government conduct development planning: The MTSF reflects the NDP Five Year Implementation Plan and Integrated Monitoring Framework at a national level, the Provincial Growth and Development Strategies / Plans (PGDS/P) of all nine provinces, and will in 2020 incorporate the Integrated Development Plans (IDPs) at Metropolitan and District Municipality level to ensure effective service delivery.

NATIONAL DEVELOPMENT PLAN – VISION FOR 2030

The plan, adopted by Cabinet on 11 November 2011, helps us to chart a new path for our country.

It focuses on putting in place the things that people need to grasp opportunities such as education and public transport and to broaden the opportunities through economic growth, the availability of jobs and change the life chances of our youth that remain underdeveloped by our apartheid history. Everything in the plan is aimed at reducing poverty and inequality.

In summary the plan has the following objectives that must be achieved by 2030:

- 1. Create Jobs
- 2. Expand Infrastructure
- 3. Transform Urban and Rural Spaces
- 4. Education and Training
- 5. Provide Quality Healthcare
- 6. Build a Capable State
- 7. Fight Corruption Transformation and Unity



PROVINCIAL STRATEGIC PLAN (PSP) – 2019 - 2024

2025-2030 Plan available

AN OUTLINE OF THE VISION-INSPIRED PRIORITIES

1. SAFE AND COHESIVE COMMUNITIES

THE WESTERN CAPE IS A PLACE WHERE RESIDENTS AND VISITORS FEEL SAFE.

When people feel unsafe, it affects every area of their lives. For example, it prevents people from enjoying public spaces and travelling safely to work and discourages our businesses from growing and creating jobs. This is why safety is a theme in our other priorities, and every provincial department will contribute to a safer Province.

This priority focuses on improving law enforcement and addressing the root causes of violent crime, such as child abuse and unemployment.

2. GROWTH AND JOBS

AN ENABLING ENVIRONMENT FOR THE PRIVATE SECTOR AND MARKETS TO DRIVE GROWTH AND CREATE JOBS.

We want to make the Western Cape a place where businesses want to invest and from where businesses export their products. This means we must have excellent infrastructure, skilled workers, and companies that can compete with the best in the world. With this in place, more and more people in the Province will have jobs.

3. EMPOWERING PEOPLE

RESIDENTS OF THE WESTERN CAPE HAVE OPPORTUNITIES TO SHAPE THEIR LIVES AND THE LIVES OF OTHERS, TO ENSURE A MEANINGFUL AND DIGNIFIED LIFE.

We see a Western Cape where families are strong, our youth have the skills, knowledge, and personal character to succeed in the 21st Century world of technology and computers, and all of our people have access to excellent health services.

4. MOBILITY AND SPATIAL TRANSFORMATION

RESIDENTS LIVE IN WELL-CONNECTED, VIBRANT, AND SUSTAINABLE COMMUNITIES AND MOVE AROUND EFFICIENTLY ON SAFE, AFFORDABLE, LOW CARBON PUBLIC TRANSPORT.

We want to see a Western Cape where our people use safe, affordable, and green public transport and live in neighbourhoods that include different racial and income groups and are close to economic and social opportunities.

5. INNOVATION AND CULTURE

GOVERNMENT SERVICES ARE DELIVERED TO THE PEOPLE OF THE WESTERN CAPE IN AN ACCESSIBLE, INNOVATIVE, AND CITIZENCENTRIC WAY.

As your provincial government, we are constantly looking for ways to improve our services to you. We will assess our services regularly and try new things, and change what we are doing if we are not meeting your needs.

The Witzenberg Municipality, through its Integrated Development on, strives to align its priorities to those of provincial and national government, The following matrix provides the strategic alignment between the three sprease of government.

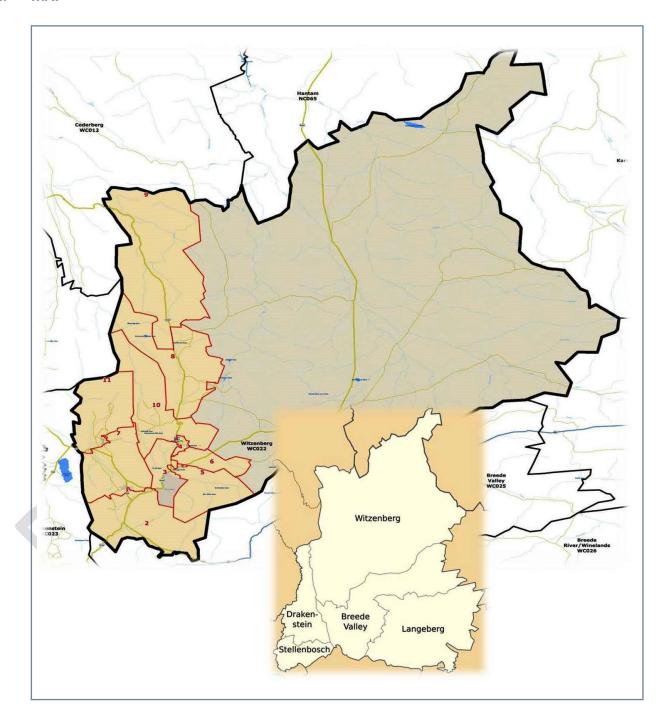
National Priorities (2020 – 2025)	Western Cape Vision-inspired Prorities (2019—2024)	Cape Winelands District Strategic Objectives	Witzenberg Strategic Objectives
5: Social cohesion & safe communities 2: Education, skills & health	1: Safe and Cohesive communities	SO 1: To create an environment and forge partnerships that ensure the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment	2.1 Support Institutional Transformation and Development. 3.1 Provide and maintain facilities that make citizens feel at home.
5: Social cohesion & safe communities	1: Safe and Cohesive communities 3: Empowering People 5: Innovation and Culture	SO 1: To create an environment and forge partnerships that ensure the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment.	4.1 Support the poor and vulnerable through programmes and policy
1: Economic transformation and job creation. 4: Spatial integration, human settlements & local government	4: Mobility and Spatial Transformation 2: Growth and Jobs	SO: 2 Managing a sustainable bulk services strategy and transport system which foster social and economic opportunities.	1.2 Create an enabling environment to attract investment and support local economy.
6: Capable, ethical and developmental state	5: Innovation and Culture	<u>SO 3:</u> To provide effective and efficient financial and strategic support services to the Cape Winelands District Municipality.	2.1 Support institutional transformation and development.
4: Spatial integration, human settlements & local government	4: Mobility and Spatial Transformation	SO: 2 Managing a sustainable bulk services strategy and transport system that foster social and economic opportunities.	4.2 Create an enabling environment to attract investment and support local economy.
5: Social cohesion & safe communities 2: Education, skills & health	1: Safe and Cohesive communities 3: Empowering People	SO 1: To create an environment and forge partnerships that ensure the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape	4.1 Support the poor and vulnerable through programmes and policy

National Priorities (2020 – 2025)	Western Cape Vision-inspired Priorities (2019 – 2024)	Cape Winelands District Strategic Objectives	Witzenberg Strategic Objectives
		Winelands District through economic, environmental and social infrastructure investment.	
5: Social cohesion & safe communities 2: Education, skills & health	1: Safe and Cohesive communities	SO 1: To create an environment and forge partnerships that ensure the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment.	1.1 Sustainable provision and maintenance of basic infrastructure 1.2 Provide for the needs of informal settlements through improved services.
6: Capable, ethical and developmental state	5: Innovation and Culture	<u>SO 3:</u> To provide effective and efficient financial and strategic support services to the Cape Winelands District Municipality.	2.2 Ensure financial viability 2.3 Maintain and strengthen relations with international and inter- governmental partners as well as the local community through the creation of participative structures.

3 SITUATIONAL ANALYSIS

A. SNAPSHOT

I. MAP

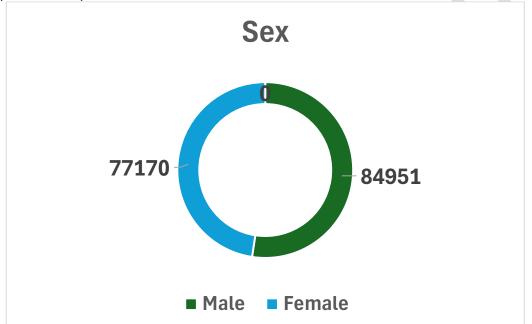


The Witzenberg Local Municipality (LM), founded in 2000, is classified as a Category B-municipality and is responsible for basic service provision to the demarcated municipal area that includes the towns of Ceres, Tulbagh, Prince Alfred's Hamlet, Wolseley and Op-die-Berg. The rural areas within the municipal boundary are Ceres Valley, Koue Bokkeveld, Achter-Witzenberg and the northern portion of the Breede River Valley area.

The climate in Witzenberg is known for its hot and dry summer days. Winds are seasonal and

generally north-westerly or south-easterly. The average annual rainfall in Ceres is about 1 088 mm and the average temperature range is 2,4°C to 29,9°C.

Located in the picturesque and fertile Breede Valley, Witzenberg is best known for its fruit and wine products. The region is also well-known for producing other agriculture-linked products such as olives and grain, as well as for producing beef and pork products. Horse and cattle stud farms are also found within the municipal area.



Source: Statistics South Africa Mid Year Population Estimates(MYPE)/Socio-Economic Profile 2024

Witzenberg population by gender:

Sex					
Name	Frequency	%			
Male	84951	47.6%			
Female	77170	52.4%			

Source: Source: Statistics South Africa Mid Year Population Estimates(MYPE)/Socio-Economic Profile 2024

Analysis of socio-economic profile

The municipal summary below provides a fair reflection of the socio-economic reality of the municipality. This profile uses data primarily sourced from Statistics South Africa, the Socio-Economic Profile, the Municipal Economic Review and Outlook compiled by Provincial Treasury and administrative data from sector departments. The data sourced from sector departments are the most recent available. The latest survey data available at municipal level from Statistics South Africa is from the 2016 Community Survey; comparisons are also made with the 2011 Census, and the 2024 Socio-Economic Profile produced by Western Cape Provincial Treasury.¹

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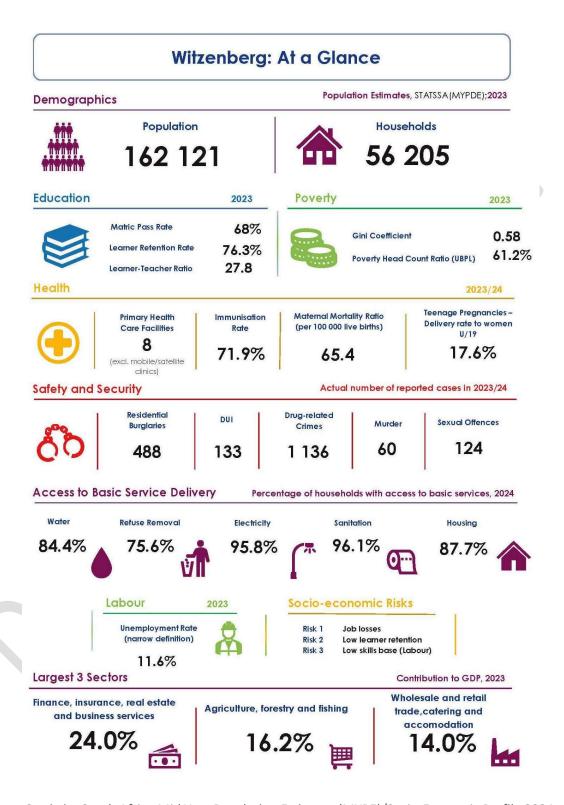
Witzenberg population by gender %

	1996	2001	2011	2016	2023
Male	39237	44454	59554	67912	84 951
Female	37149	44633	56392	62635	77 170
Total	76386	89087	115946	130548	162 121
Male %	51,4	49,9	51,4	52,0	52,4%
Female %	48,6	50,1	48,6	48,0	47,6%

Source: Statistics South Africa Mid Year Population Estimates(MYPE)/Socio-Economic Profile 2024

¹ Demographic information to be updated or confirmed following dispute resolution with StatsSA Data released.

1 SNAPSHOT: WITZENBERG AT A GLANCE



Source: Statistics South Africa Mid Year Population Estimates(MYPE)/Socio-Economic Profile 2024

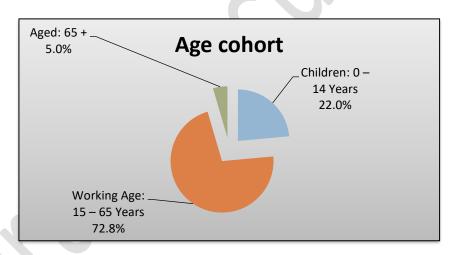
Municipal demographics

In 2022, the Witzenberg municipal area accommodated 16 per cent of the Cape Winelands' populace, with a population of 101 765 individuals. However, the Municipality raised concerns regarding undercounting of the Witzenberg population in the Census. The undercounting was evident when comparing the Mid year Population Estimates(MYPE) and Census 2022 figures. The undercounting of a population bears implications for the provisioning of municipal services and the requisite infrastructure.

As a result in 2024,the Witzenberg population has been revised and is estimated at 162 121 as per the Medium-Term Population estimates. The Municipal population is forecast to grow by 1.8

per cent between 2024 -2029 above the expected district growth.

This demographic trend holds significant socioeconomic implications for the region, influencing resource allocation, infrastructure development, and overall economic planning in the Cape Winelands. The mean household size is anticipated to persist at 2.9 individuals per household in 2023. This constancy in average household size is influenced by various contributing factors, encompassing lower fertility rates, an aging demographic, divorce rates, cultural norms pertaining to intergenerational co-residence, and socioeconomic variables influencing patterns in employment, education, and the housing market.



Witzenberg: Population age cohort, 2022

Source: Statistics South Africa Mid Year Population Estimates(MYPE)/Socio-Economic Profile 2024

The graphical representation also illustrates the demographic composition of the municipal area across distinct age cohorts. These categorizations are elucidated through a dependency ratio, elucidating the division between the workforce segment (age 15 - 64) at 72.8 per cent and those reliant on them, encompassing children (22.0 per cent) and senior citizens (5.0 per cent). This results into an improved dependency ratio of

37.2 per cent in 2024. The diminishing dependency ratio holds economic advantages, indicating a diminished burden on social systems and municipal services. This implies a smaller proportion of the Witzenberg populace is nonworking, thereby alleviating pressure on governmental support and the working demographic in sustaining the non-working segment of the population.

Basic education

Education serves as a transformative force capable of elevating a nation and cultivating a robust and efficient economy. Enhanced educational outcomes contribute to heightened productivity, facilitate employment acquisition, and play a pivotal role in fostering economic and social advancement. Beyond these direct impacts, education exerts indirect positive effects on health and life expectancy, thereby influencing the overall well-being of a municipal area. In the

Witzenberg municipal area, learner enrolment witnessed an increase from 18 705 in 2020 to 19 282 in 2023. This rise in enrolment underscores the importance of accommodating the educational needs of an expanding population, necessitating strategic planning and resource allocation to ensure continued access to quality education.

Lo	earner enrolmen	Learner	-teacher ratio	
Year	2020	2023	Average learner- teacher ratio (2020)	Average learner- teacher ratio (2023)
Witzenberg	18 705	19 282	27.8	27.8

Source: Statistics South Africa Mid Year Population Estimates(MYPE)/Socio-Economic Profile 2024

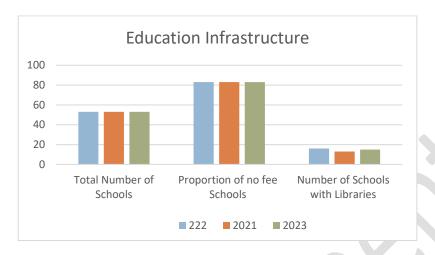
Learner retention, a key metric reflecting continued participation in the schooling system, has shown a positive trend in Witzenberg. The retention rate increased from 69.5 per cent in 2022 to 76.3 per cent in 2023. This upward trajectory signifies improved efficiency and quality within the schooling system. However, it is crucial to address the socio-economic conditions of learners and implement targeted retention strategies to equip them with essential skills for meaningful contributions to the country's economy.

The learner-teacher ratio is a critical indicator of a school's capacity to accommodate students effectively. In South African public schools, class sizes, though large by international standards, play a role in shaping learner outcomes. The Witzenberg municipal area exhibits a favourable learner-teacher ratio, standing at 27, 8 in 2023,

below the prescribed upper limits of 35:1-40:1. This lower ratio suggests the potential for higher-quality learning experiences and more personalized teaching, contributing to improved educational outcomes.

Education remains a vital avenue through which the state influences the economy. Policy decisions in the realm of education play a pivotal role in shaping individuals for future labor market engagement, directly impacting economic and poverty reduction endeavors. Although there is a positive trend in learner retention, Witzenberg's matric pass rate improved from 64.7 per cent in 2021 to 70.9 per cent in 2022 however, decreased to 68.0 per cent in 2023. This necessitates focused intervention strategies to maintain and improve matric pass rates in the municipal area.

Educational facilities



Source: Statistics South Africa Mid Year Population Estimates(MYPE)/Socio-Economic Profile 2024

As of 2023 the Witzenberg municipal area hosts a stable count of 53 public ordinary schools, a figure that has remained consistent in recent years. In adherence to the No-Fee Schools policy, which eliminates school fees in the poorest 40 per cent of schools nationally for Grade R to Grade 9 learners, the Witzenberg municipal area maintains a substantial proportion of no-fee schools. In 2023, this policy encompasses 84.9 per cent of schools within the municipal area. This demonstrates a concerted effort to alleviate financial barriers to education, as no-fee schools receive a greater portion of funding per learner from the national budget. This is instrumental in fostering approach inclusivity and ensuring that economic constraints do not hinder access to quality education, thereby promoting a more equitable and accessible educational landscape.

Of the 53 schools in the Witzenberg municipal area, 17 are currently equipped with libraries. The provision of library facilities in schools is instrumental in bridging academic disparities by affording students access to diverse sources of information. This accessibility is directly correlated with enhanced educational outcomes. The ongoing efforts to expand library infrastructure signify a commitment to fostering a knowledge-rich environment,

contributing to the intellectual development of students and promoting educational excellence within the municipal area.

The examination outcomes across various subjects in the Witzenberg municipal area present a nuanced picture of academic performance with potential socio-economic implications. Afrikaans and Mathematics literacy show higher numbers of learners passing these subjects in 2023. However, disparities become more pronounced in Mathematics, Physical Science and English with lower pass rates in 2023. This will potentially limit the learner prospects in certain vocations that will have an impact on critical skills that are necessary to drive economic growth in the Municipal area.

In summary, the subject-wise analysis underscores the importance of addressing disparities in academic performance, particularly in Mathematics Literacy, to ensure a more inclusive and adept workforce. Strengthening proficiency in key subjects can enhance overall educational outcomes, thereby positively influencing socio-economic development by equipping individuals with the skills necessary for diverse economic contributions.

Health

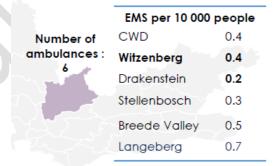
In 2022, the Witzenberg municipal area boasted 8 fixed primary healthcare clinics and 6 mobile/satellite clinics. Additionally, it houses 1 district hospital, 7 Antiretroviral Treatment (ART) sites, and 16 Tuberculosis (TB) clinics. This signifies a comprehensive healthcare infrastructure within the municipal area, constituting 17.9 per cent of the total healthcare facilities in the Cape Winelands

District. The allocation of resources to health facilities underscores the commitment to public health, contributing to the overall well-being of the population. However, a decrease in the number of patients receiving ART treatment raises concerns about sustained viral suppression, emphasizing the importance of continuous care in mitigating the transmission of HIV and managing healthcare costs.

8 Fixed PHC Facilities 6 Mobile Clinics 16 TB Clinics/ Treatment Sites 16 TB Clinics/ Treatment Sites 16 TB Clinics/ Treatment Sites

Source: Statistics South Africa Mid Year Population Estimates(MYPE)/Socio-Economic Profile 2024

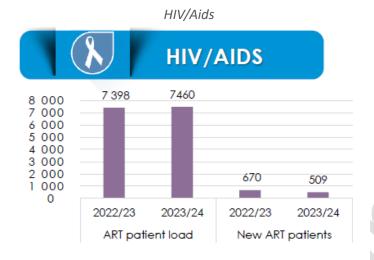
Emergency Medical Services



Source: Statistics South Africa Mid Year Population Estimates(MYPE)/Socio-Economic Profile 2024

With 0,4 ambulances per 10 000 people, the provision of operational ambulances in Witzenberg reflects a foundational aspect of emergency medical services. However, comprehensive coverage may require further

consideration, and the inclusion of private service providers is a factor to be weighed in optimizing emergency medical services within the municipal area.

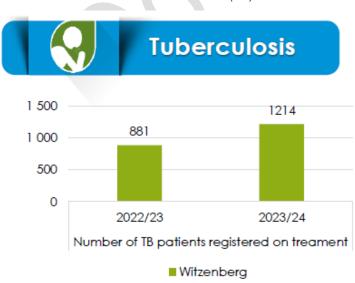


Statistics South Africa Mid Year Population Estimates(MYPE)/Socio-Economic Profile 2024

■ Witzenberg Municipality

The Witzenberg municipal area exhibits an increase in registered patients receiving ART. The registered patients receiving TB treatment also increased during the reported period. Continuous ART is vital not only for individual

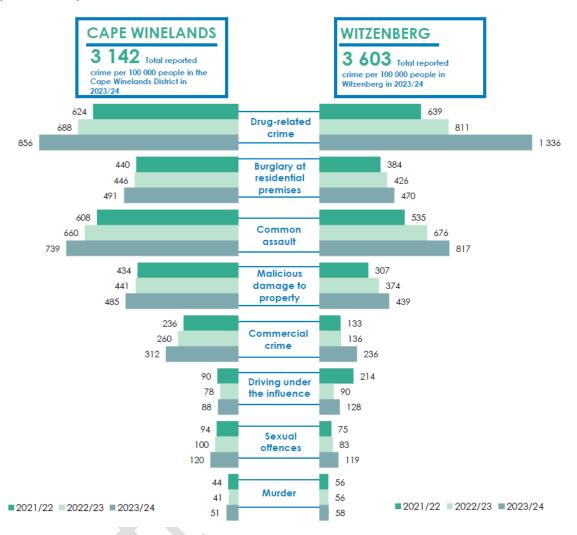
health but also for broader public health goals. The decrease in new patients receiving ART emphasizes the need for targeted interventions to ensure ongoing access to essential healthcare services....



Tuberculosis(TB)

Statistics South Africa Mid Year Population Estimates(MYPE)/Socio-Economic Profile 2024

Safety and Security



Source: Statistics South Africa Mid Year Population Estimates(MYPE)/Socio-Economic Profile 2024

Murder

The count of actual murders in the Witzenberg municipal area declined from 79 murders in 2022/23 to 60 murders in 2023/24, resulting in a downward momentum in the murder rate to 58

incidents per 100 000 people in the municipal area. However, despite the decline the rate is still above that of the district rate of 51 murders per 100 000 in 2023/24.

Sexual offences

Sexual offences, encompassing various acts such as rape, sex work, pornography, public indecency, and human trafficking, was recorded at 124 cases in 2023/24 an increase from 119 cases reported in 2022/23. The rate per 100 000 people in Witzenberg (119) is

almost on par with the the District rate of 120 per 100 000, emphasizing the local context within the broader South African context, where the issue of rape remains a significant concern..

Drug-related offences

Incidents related to illegal drugs is recorded at 1 387 cases in 2023/24 reflecting a substantial increase from 1 154 cases reported in 2022/23. With a rate of 1336 cases per 100

000 people in 2023/24, Witzenberg's rate surpasses that of the District (856) in 2023/24, indicating a localized challenge that necessitates attention.

Driving under the influence

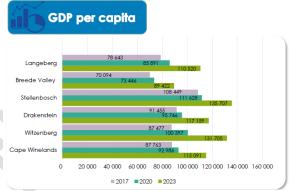
Instances of driving under the influence of alcohol or drugs also increased to 133 cases in 2023/24 when compared to 128 cases

Poverty

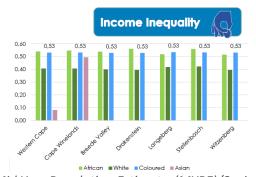
The GDPR per capita serves as a key metric in gauging economic output per individual, calculated by dividing the municipal area's total GDP by its population. An upturn in GDPR per capita occurs only when economic growth surpasses population growth. Witzenberg's GDPR per capita, standing at R131 705 in 2023 (current prices), positions

reported in 2022/23. These statistics underscore the importance of addressing impaired driving for public safety.

the municipal areas GDPR per capita above the Cape Winelands District of R115 091. This discrepancy underscores the need for targeted strategies to foster economic growth that outpaces demographic trends, thereby enhancing individual economic contributions within the municipal area.



Source: South Africa Mid Year Population Estimates(MYPE)/Socio-Economic Profile 2024 Income Inequality



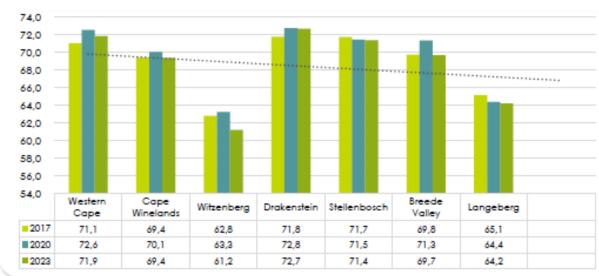
Source: South Africa Mid Year Population Estimates(MYPE)/Socio-Economic Profile 2024

South Africa contends with one of the world's highest levels of inequality, as measured by the Gini index, reflecting skewed income distribution and regional disparities. The Gini coefficient, ranging from 0 to 1, with 0 denoting complete equality and 1 indicating complete inequality, is a crucial measure of income disparity. The National Development Plan (NDP) seeks to reduce South Africa's Gini

coefficient from 0.7 in 2010 to 0.6 by 2030. Witzenberg Gini coefficient improved to 0.58 in 2023; accentuating the imperative to address disparities and foster more inclusive economic growth. In terms of racial inequality, the Colored and the Black African groups have higher inequalities when compared to the white racial group and Indians.

Poverty Line



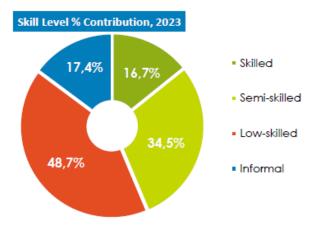


Source: South Africa Mid Year Population Estimates(MYPE)/Socio-Economic Profile 2024

The Upper Bound Poverty Line (UBPL) head count ratio gauges the per centage of the population unable to afford sufficient food and non-food items, underscoring the social ramifications of poverty. Poverty detrimentally impacts life expectancy, nutrition, educational attainment, and overall living conditions. The NDP aspires to eradicate poverty by 2030. In 2023, 61.2 per cent of Witzenberg's population fell below the UBPL, showcasing an

improvement from 2017 (62.8 per cent) and 2020 (63.3 per cent). Witzenberg stands out with the lowest proportion of individuals living in poverty compared to other municipalities in the District and falls below the District figure of 69.4 per cent recorded in 2023. This improvement highlights progress in addressing poverty within the municipal area and suggests the efficacy of targeted poverty alleviation efforts.

Labour Market Performance



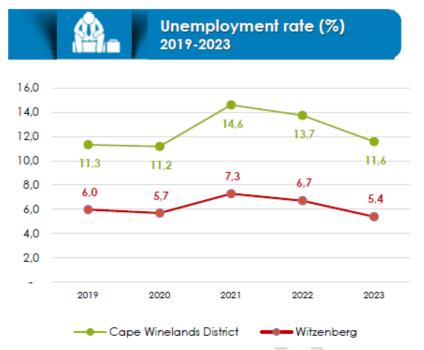
Source: South Africa Mid Year Population Estimates(MYPE)/Socio-Economic Profile 2024

Between 2023 and 2022, the total number of employed individuals increased by 3 888, with agriculture, forestry and fishing contributing more than 40.2 per cent of new jobs (1 556 jobs). This growth marked further progress in the journey to pre-COVID levels of economic performance. The positive trends in labour force participation (up by 3.8 percentage points) and labour absorption (4.8 percentage points) point to a decrease in both the economically inactive population and the unemployment rate (which fell by 1.3 percentage points in 2023).

While sectors such as finance, insurance, real estate, and business services contribute significantly to GDP, they provide relatively few jobs, with most of the employment concentrated in the agriculture sector. Agriculture, including the growing of pome fruits, stone fruits, and mixed farming, remains the key driver of employment. However, this

sector faces ongoing challenges, such as climate risks and vulnerability to market fluctuations.

The presence of manufacturing and processing sectors also highlights the importance of secondary industries, although contribution to job creation is more limited compared to agriculture. Public administration, particularly at the local and national government levels, plays a crucial role in employment. To achieve balanced and sustainable growth, Witzenberg must focus on increasing the productivity and resilience of its agricultural sector while also fostering growth in higher-value sectors like finance and manufacturing. By addressing these challenges and leveraging the strengths of both primary and secondary industries, Witzenberg can create a more diversified and robust economy that supports long-term job creation and inclusive growth.



Source: South Africa Mid Year Population Estimates (MYPE)/Socio-Economic Profile 2024

In 2023, the Witzenberg municipal area demonstrated resilience, recording the highest labor force participation rate at 91.2 per cent. Moreover, the labor force absorption rate experienced a notable increase from 87.4 per cent to 91.2 per cent in 2023.

In Witzenberg, FTE jobs are concentrated in the agriculture sector. There are over 14 000 jobs in the growing of pome fruits and stone fruits, 9 632 jobs in mixed farming, and 3 875 FTE jobs in the processing and preserving of fruits and vegetables. Other key agricultural activities include the growing of other tree and bush fruits and nuts (1 834 jobs) and the growing of vegetables, melons, roots, and tubers (1

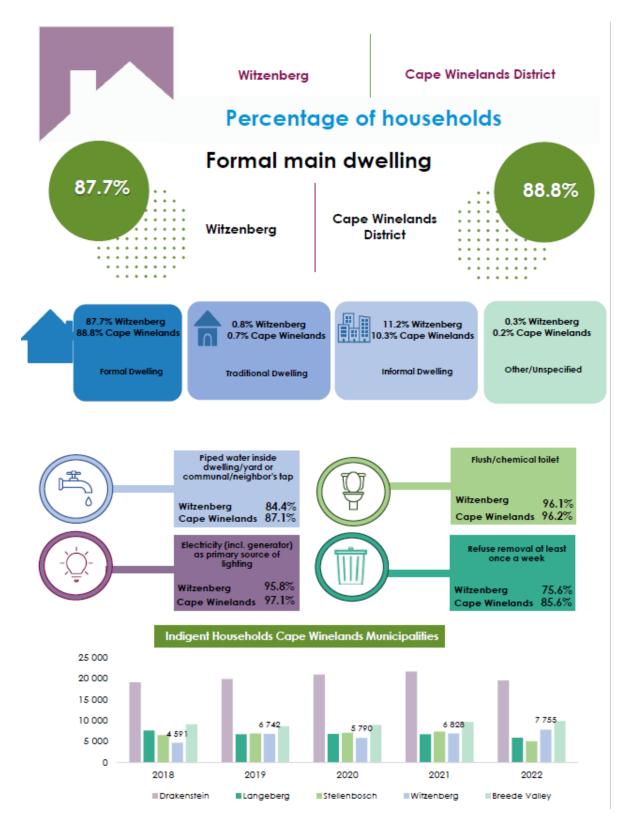
702 jobs). Public administration also plays a significant role in employment, with 1 125 jobs in local government and 378 jobs in national government.

Conversely, job losses were prominent in the growing of pome fruits and stone fruits (-709 jobs), the growing of other tree and bush fruits and nuts (-160 jobs), and retail sales (-86 jobs). Farmers have faced several challenges in recent years, including load shedding, which impacts irrigation systems and cold rooms, port congestion delaying timesensitive crops, and climate change, which has brought anomalies such as irregular rainfall, hail, and fires...

II. BASIC SERVICES ANALYSIS

The Constitution enshrines the right of every citizen to access adequate housing, necessitating the state's commitment to progressive realization through reasonable legislative and resource-based measures. This right extends beyond mere shelter to encompass essential services like potable

water, basic sanitation, safe energy, and refuse removal, ensuring a decent standard of living. This assessment examines the extent of fulfillment of this constitutional mandate, drawing on the latest information from Quantec Research for 2024..



Source: South Africa Mid Year Population Estimates(MYPE)/Socio-Economic Profile 2024

Housing

In the Witzenberg municipal area, 87.7 per cent have access to formal housing. The prevalence of informal dwellings in the municipal area, at 11.2 per cent, aligns closely with the District's rate of 10.3 per cent. Access to critical services exhibits notable levels, with piped water inside/within 200m of the dwelling at 84.4 per cent, electricity

access (for lighting) at 95.8 per cent, flush or chemical toilet access at 96.1 per cent, and regular refuse removal by the local authority at 75.6 per cent of households. These access levels surpass District averages for water and sanitation services, while falling below District averages for electricity and refuse removal.

Free Basic Services

Municipalities extend a package of free basic services to financially vulnerable households grappling with service payment challenges. In the Witzenberg municipal area, the number of households receiving free basic services has seen an increase between 2020 to 2023. Economic strain is anticipated to augment the demand for free basic services, given increased financial

pressures on households. The specificities of this trend depend on area-specific criteria and qualifying conditions. As economic conditions continue to evolve, monitoring and adapting policies for indigent households become imperative to ensure continued access to essential services.

Access to basic services for residential communities

The following tables indicate access to basic services with regard to each residential community in Witzenberg. The figures show the number of formal households (accounts) connected to a service delivery network as well as the number of households in informal

settlements with access to communal service points. The shortfall in housing units is derived from the Housing Waiting List information as contained in the audited 2022/23 Annual Report.

Basic service provision per ward/town (within urban edge).

Check Annual Report

Wards	Town		Nr. of A	*Informal	Housing		
vvalus	TOWIT	Water	Sanitation	Electricity	Refuse	Households	Waiting List
1,12	Nduli	1 438	1 358	2 382	1 346	1 122	1 506
3,5	Ceres	2 402	2 794	2 886	3 207		2 500
4,6	Bella Vista	2 686	2 637	2 668	2 580		2 300
4,1	Hamlet	1 394	1 368	ESKOM	1 362	242	1 202
9	Op-Die-Berg	546	477	ESKOM	621		850
7,11	Tulbagh	1 943	1 851	2 687	1 740	2 634	994
2,7	Wolseley	2 578	2 553	2 568	2 630	2 642	1 302
TO	TALS	12 987	13 038	13 191	13 486	6 640	8 354

^{*}Informal Households – nr of households in informal areas (excluding backyarders)

Top four service delivery priorities per ward/town.

Wards	Town	Priority Name & Detail	Progress During 2022/23
		Housing Project safety	Regular patrols at new housing developments
		Sports grounds needs to be restored/ upgraded	On-going vandalism & theft prohibits restoration
1,12	Nduli	Electrical theft needs to be clamped down	Illegal connections remain high priority to be addressed through newly developed Illegal electricity connection & theft strategy
		Taxi Violence	Public Transport Plan to address and continuous engagements with roleplayers.
		Weekends the Town Main Roads have too much traffic	Spatial Development Plan completed. In progress with precinct plan for R46 towards Nduli.
3,5	Ceres	Housing need	635 Serviced sites completed & top structures being developed at Vredebes
		Stray animal control getting out of hand	
		Provide Floodlights/solar at strategic areas	
		Walkways along main pedestrian routes to be upgraded	
	Bella Vista	Vandalizing of Municipal property	Increasing law enforcement & coordination with SAPS
4,6		Graveyard vandalism becoming big problem	
		Business hub/mini CBD for Bella Vista	In process to develop container park at Bella Vista / Skoonvlei industry.
		Clamp down on illegal dumping of refuse.	New Waste Management Policy
		Animal control in all areas	Increased law-enforcement
		Illegal occupation of land	Continued law enforcement and inspections
4,1	Hamlet	Xhosa medium school for PA Hamlet area	Conveyed to Provincial Government
		Business hub/mini CBD for P A Hamlet	
		Housing need	Development at Vredebes

Wards	Town	Priority Name & Detail	Progress During 2022/23
		Public transport	Negotiations needs to take place with Transport associations
9	Op-Die-Berg	Restoration and securing of Skurweberg Sports grounds	Sports Master Plan Dev
		Illegal shops and shebeens need to be closed	Continued law enforcement & inspections
		Speed calming still a problem	Increased law enforcement
		More ablution facilities needed in Chris Hani area, and ASLA Camp	Upgrade of Informal Settlements project underway for Chris Hani
7,11	Tulbagh	Informal households utilising storm water as a means to dump their grey water & waste water, which contaminates river. Storm water network in Tulbagh needs to be maintained regularly	Formal housing to be included in housing pipeline to alleviate problem.
		Heritage Sites needs to be safeguarded	
		Sewerage network in Chris Hani area needs to be maintained regularly	Periodic maintenance
		River Rehabilitation Programs	Negotiations needs to take place with illegal occupants on river banks
	Wolseley	Illegal occupation of land	Continued law enforcement and inspections
		Restoration and securing of Pine Valley Sports grounds	Sports Master Plan Dev
2,7		Develop programs to attract investors to the area, Banking Services	
		Back yard dwellers still a problem, housing need	Housing project planned for future, dependant on grant funding allocations.
		Illegal shops and shebeens need to be closed	Continued law enforcement and inspections

C SOCIO-ECONOMIC ANALYSIS (PROFILE)

Status of LED Strategy

The purpose of local economic development is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation.

The most prominent places in the WLM area are Tulbagh, Wolseley and Ceres, with Prince Alfred's Hamlet and Op-die-Berg two northern outposts. Activities around these settlements are essentially agriculture based, with the towns being "agricultural service centres", with some agri-processing related to wine, fruit, vegetables and other niche products. The region is also well-known for its fruit and wine products, as well as producing other agriculturally linked products such as olive and grain producing areas, beef and pork products. Horse and cattle stud farms are also found within the municipality.

The municipality has made tremendous progress in mobilising and harnessing the energies and expertise of the business sector in developing effective economic development strategies and programmes.

"To strategically partner with the private sector, other spheres of government and its agencies, development institutions and donor agencies and in concert develop sizable commercial projects which encompasses the imperatives of employment creation and broad-based black economic empowerment and contributing to the general expansion of the economic base of Witzenberg."

This has led to the creation of a relationship between Witzenberg Municipality and Ceres Business Initiative (CBI) who represents the major commercial farmers and businesses in Ceres and surrounding areas.

The other major economic driver in the area is the Tourism Sector and the municipality has undertaken a number of initiatives which should come to fruition over the next five years, including:

- 1. The Tourism Industry has recorded a very strong growth and has become an important element of the local economy. Key tourism activities include: wine tasting, 4x4 routes, hiking, game reserves, camping, horse riding, fishing, annual community festivals, snow in Ceres during the winter months, agricultural tourism attractions, fruit tours, San cave, museums and historic buildings.
- 2. Witzenberg Tourism caters for Cape Town and other Western Cape day and weekend tourists, as well as up-country seasonal tourists.
- 3. The strengthening and partnering with national, provincial and district municipality tourist initiatives.
- The finalisation and completion of the National Road Corridor through Witzenberg.
- 5. The finalisation and completion of the Ceres Golf Estate Project.
- 6. The strengthening of international twinning and partnership agreements (Belgium).
- 7. The expansion and promotion of the Epic Mountain Bike Tour.

The expansion and promotion of the 4x4 trails, hiking trails, wine and fruit tourist routes

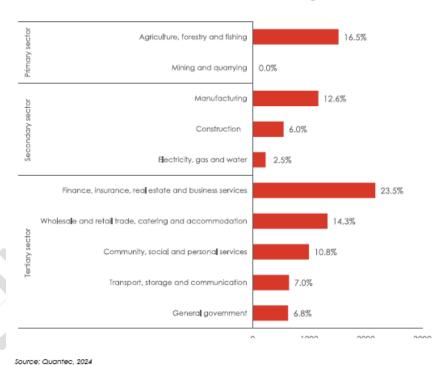
Growth in GDPR Performance and Employment

The Witzenberg municipal area is renowned for producing export-quality deciduous fruit, The municipal area encompasses five towns: Ceres, Tulbagh, Wolseley, Op die Berg, and Prince Alfred Hamlet. These towns provide goods and services for the local agricultural industry, with some agri-processing also taking place.

Ceres is known for its fruit orchards and is currently the country's largest producer of dessert peaches. It hosts the famous annual Ceres Cherry Festival. The Matroosberg mountains, often blanketed in snow during the winter months, attract many tourists to spend a day in and around Ceres.

Tulbagh is renowned for its historic Cape
Dutch architecture, showcasing beautifully
preserved buildings from the 18th and 19th
centuries. Wolseley, nestled in the fertile
Breede River Valley, is celebrated for its
tranquil atmosphere and vineyard vistas.
Prince Alfred Hamlet, a quaint farming town,
provides a serene retreat for those seeking
respite amid the Witzenberg municipal area's
natural splendour.

GDPR SECTORAL CONTRIBUTIONS IN CONSTANT 2015 PRICES, Witzenberg, 2023



Source: Municipal Economic Review Outlook – PT

The importance of economic diversity is evident when examining the drivers of Witzenberg's sectoral contributions to its economic performance in 2023. Witzenberg's economy grew by 1.7 per cent in GDPR in

2023, with contributions from a broad range of sectors.

The finance, insurance, real estate, and business services sector was the largest

contributor, adding 0.4 percentage points. This was followed by wholesale and retail trade, catering, and accommodation, which contributed 0.2 percentage points.

Manufacturing also made a notable contribution, adding 0.2 percentage points, while transport, storage, and communication contributed 0.1 percentage points.

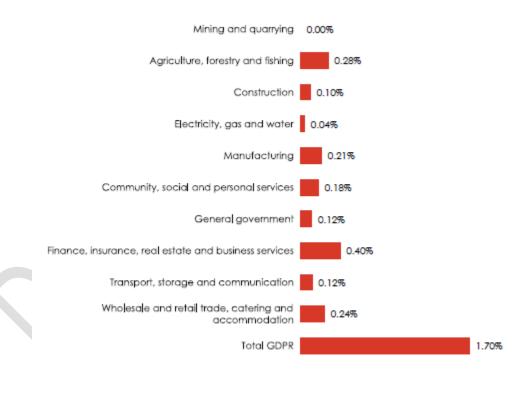
Community, social, and personal services added 0.2 percentage points, and general government contributed 0.1 percentage points.

Agriculture, forestry, and fishing contributed 0.3 percentage points to overall GDPR growth.

The construction sector added 0.1 percentage points, and electricity, gas, and water contributed 0.04 percentage points. Mining and quarrying had little impact on GDPR growth, contributing 0.0 percentage points. These diverse sectoral contributions highlight Witzenberg's relatively balanced economy, with services, manufacturing, and agriculture all playing vital roles in driving growth. The limited contribution from the mining and energy sectors points to areas for potential future development.

GDPR contribution and average growth rates per municipal area

SECTORAL CONTRIBUTION TO GDPR GROWTH (PERCENTAGE POINTS), Witzenberg, 2023



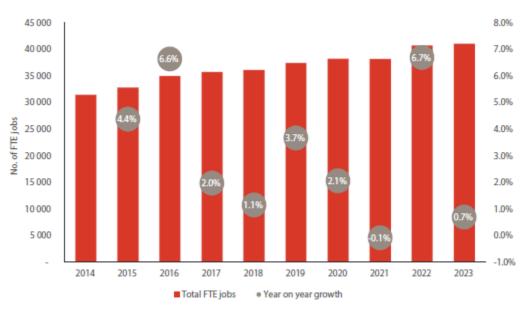
Source: Quantec, 2024

Source: Municipal Economic Review Outlook – PT

Between 2023 and 2022, the total number of employed individuals increased by 3 888, with agriculture, forestry and fishing contributing more than 40.2 per cent of new jobs (1 556 jobs). This growth marked further progress in the journey to pre-COVID levels of economic performance. The positive trends in labour force participation (up by 3.8 percentage points) and labour absorption (4.8 percentage points) point to a decrease in both the economically inactive population and the unemployment rate (which fell by 1.3 percentage points in 2023).

An analysis of the spatial tax data that assesses the jobs growth based on the number of establishments in a region shows a different view.26 This data reveals that Witzenberg only grew by 0.7 per cent of the total FTE in 2023, after being on an upward trajectory in 2022. The recent job losses seem to be the culmination of a loss of land due to excessive fires and flooding, coupled with dilapidated infrastructure and financial constraints. However, Witzenberg recorded just under 41 000 FTE jobs. Notably, the municipal area now has more jobs than the pre-COVID period.

FULL-TIME EQUIVALENT JOBS AND GROWTH, Witzenberg, 2014 - 202327



Source: Nell, A & Visagie, J. Spatial Tax Panel 2014 – 2023 (dataset). Version 3. National Treasury Cities Support Programme and Human Sciences Research Council (producer and distributor), 2024

In Witzenberg, FTE jobs are concentrated in the agriculture sector. There are over 14 000 jobs in the growing of pome fruits and stone fruits, 9 632 jobs in mixed farming, and 3 875 FTE jobs in the processing and preserving of fruits and vegetables. Other key agricultural activities include the growing of other tree and bush fruits and nuts (1 834 jobs) and the growing of vegetables, melons, roots, and tubers (1 702 jobs). Public administration also plays a significant role in employment, with 1

125 jobs in local government and 378 jobs in national government.

This concentration of employment in agriculture underscores its labour-intensive nature, while also highlighting the economic reliance on primary sector activities in Witzenberg. The government is also a notable employer, especially at the local and national government levels. The finance, insurance, real estate, and business services sectors,

despite contributing significantly to GDPR, do not provide as many jobs. Strategic investments to boost agricultural productivity, alongside fostering growth in higher-value sectors like finance and manufacturing, will be key to driving sustainable economic growth and job creation in Witzenberg.

TOP 10 SECTORS BY NUMBER OF FTE JOBS, Witzenberg, 2023

Occupation	No. of FTE jobs	Main Sector
Growing of pome fruits and stone fruits	14 613	Primary
Mixed farming	9 632	Primary
Processing and preserving of fruit and vegetables	3 875	Secondary
Growing of other tree and bush fruits and nuts	1 834	Primary
Growing of vegetables and melons, roots and tubers	1 702	Primary
General public administration at Local Government level	1 125	Tertiary
Growing of grapes	642	Primary
General public administration at National Government level	378	Tertiary
Plant propagation	358	Primary
Public order and safety activities at National Government level	356	Tertiary

Source: Nell, A & Visagie, J. Spatial Tax Panel 2014 – 2023 (dataset). Version 3. National Treasury Cities Support Programme and Human Sciences Research Council (producer and distributor), 2024

Between 2022 and 2023, the change in FTE jobs indicates that certain sectors are rebounding and creating jobs, while others are still experiencing job losses. A total of 1 325 jobs were created, with the majority in the primary sector, including mixed farming (367 jobs) and support activities for animal production, totalling 674 jobs. The secondary sector also saw an increase, with 477 jobs added in the processing and preserving of fruit and vegetables.

Household income

While the CWD saw an increase in taxpayer numbers, the average monthly taxable income data for 2021 and 2022 provides additional layers to the economic picture. The District's average monthly taxable income rose from R25 617 to R27 021, marking a 5.5 per cent inflation-related adjustment equal to R1 404 per month. This shows that more individuals were paying taxes and earning more on average. Drakenstein and Stellenbosch experienced significant increases, with Drakenstein's income

Conversely, job losses were prominent in the growing of pome fruits and stone fruits (-709 jobs), the growing of other tree and bush fruits and nuts (-160 jobs), and retail sales (-86 jobs). Farmers have faced several challenges in recent years, including load shedding, which impacts irrigation systems and cold rooms, port congestion delaying time-sensitive crops, and climate change, which has brought anomalies such as irregular rainfall, hail, and fires.

rising from R25 863 to R28 173 and Stellenbosch's from R33 643 to R36 304, reflecting strong economic performance in these areas. Breede Valley and Langeberg showed marginal increases, with Breede Valley's income growing from R20 443 to R20 877 and Langeberg's from R19 585 to R19 833. In contrast, Witzenberg experienced a decline in average monthly taxable income, dropping from R20 755 in 2021 to R19 896 in 2022, indicating economic challenges in that municipality.-

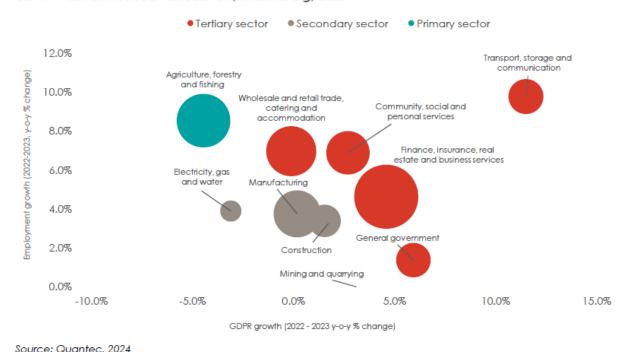
Ave	Average Monthly Taxable Income		
	2021	2022	
Cape Winelands District	R25 617	R27 021	
Breede Valley	R20 443	R20 877	
Drakenstein	R25 863	R28 173	
Langeberg	R19 585	R19 833	
Stellenbosch	R33 643	R36 304	
Witzenberg	R20 755	R19 896	

Source: Municipal Economic Review Outlook - PT

Employment per sector

Witzenberg GDPR and employment performance per sector, 2021

GDPR²⁸ PERFORMANCE PER SECTOR, Witzenberg, 2023



Source: Municipal Economic Review Outlook – PT

The analysis of Witzenberg's GDPR and employment performance paints a complex picture. While sectors such as finance, insurance, real estate, and business services contribute significantly to GDPR, they provide

relatively few jobs, with most of the employment concentrated in the agriculture sector. Agriculture, including the growing of pome fruits, stone fruits, and mixed farming, remains the key driver of employment.

However, this sector faces ongoing challenges, such as climate risks and vulnerability to market fluctuations.

The presence of manufacturing and processing sectors also highlights the importance of secondary industries, although their contribution to job creation is more limited compared to agriculture. Public administration, particularly at the local and national government levels, plays a crucial role in employment. To achieve balanced and

sustainable growth, Witzenberg must focus on increasing the productivity and resilience of its agricultural sector while also fostering growth in higher-value sectors like finance and manufacturing. By addressing these challenges and leveraging the strengths of both primary and secondary industries, Witzenberg can create a more diversified and robust economy that supports long-term job creation and inclusive growth..

V. SMALL, MICRO AND MEDIUM ENTERPRISES

Most current economic research data indicate that SMMEs play major role in creation of jobs at a local level. The Witzenberg SMME sector has been organised into an active business forum that meets regularly to develop new projects and shares business challenges. The municipality has organised a number of training sessions with this sector around mentoring and coaching, business skills, business plan writing, budgeting and financial planning etc. These programmes were organised through the Red Door, IDT, Seda, Provincial Economic Unit, DTI etc. These programmes will be expanded and specific attention will be given to the promotion of this sector through the municipal procurement supply chain.

Local contractors were capacitated with contractor development training, as well as Western Cape Department Supply Chain workshops, where they could also access information on SARS and the Construction Industry Development Board (CIDB). Mentoring projects for contractors are planned for the new financial year.

Arts and crafts entrepreneurs were capacitated with tourism awareness training and creativity workshops. Entrepreneurs were also connected with organisations in Cape Town such as the Cape Craft Development Institute (CCDI), where they were assisted with business services and product enhancement. Access to markets were provided to entrepreneurs by means of an arts and crafts expo and craft market.

A Tulbagh arts and crafts programme was also launched for youth in Tulbagh where training in products such as recycling, painting and mosaic were conducted by a local entrepreneur, thereby also empowering local artists to impart their skill. The youth were also connected with festivals where they could sell their products to tourists.

Tourism projects planned for the new financial year include increased efforts for entrepreneurs to access markets and business capacity building.

III.TOURISM

Witzenberg Municipality manages local tourism in the form of a service level agreement (SLA) with three local tourism organisations, which conduct marketing of the municipal area and local established businesses in order to draw investment and trade to the area.

Local businesses join as members of the local tourism authorities to participate in the marketing initiative. Membership holds businesses accountable to ethical norms and standards for the industry, and to a code of conduct. Tourism aims to market Witzenberg Municipality as an affordable holiday destination with activities for the entire family. Tourism liaises with district, provincial and national stakeholders to develop the Witzenberg brand through the attraction of tourists, awareness campaigns, roadshows, expos, events and festivals.

Tourism further aims to train and skill local entrepreneurs to meet tourism-related demands, and provide the requisite services and products necessary to promote local trade and economic development.

Their functions include:

Marketing the area, events and activities. Creating opportunities for transformation, niching, diversification and support of new stakeholders.

Ensuring that tourism development remains on trend.

Promotion and development of Accessible Tourism.

To enlist new members and plan for the growth of both operations and market.

As per our SLA with Witzenberg Tourism, which is an external entity to Witzenberg Municipality, we have the following strategic priorities:

Promotion of our towns as travel destinations and as film and photoshoot locations (with attractive scenes in farm and desert areas, mountains, snow, and skylines).

Promotion and protection of the local towns, events and the municipal brand.

Promotion of conservation and Green Tourism. Provision of statistical research and data outputs. Promotion of Agri-Tourism.

The growth and expansion of tourism.

Witzenberg Tourism runs educational packages with schools, front of house staff, and local stores to promote clientele service. The entity also sources courses such as first aid training, communication, administration and hospitality to help local businesses improve their output and skill levels.

Part of the municipality's agreement with Witzenberg Tourism is to expand the broad demographic of tourism to encompass culture, heritage, diversity and transformation. We aim to develop two new travel routes within Witzenberg to promote social cohesion as well as introduce formal trade to township and rural areas.

Witzenberg Tourism has produced tear-off maps which are distributed to points of sale with high traffic, providing location and contact details of local tourist attractions. They have also produced a joint brochure called the Witzenberg Meander, covering activities throughout the municipality. Tourism bureaus for Wolseley, Ceres and Tulbagh also created their own brochures with niche marketing of their sectors in conjunction with social media promotion through Facebook and websites. Witzenberg Tourism has been successful in marketing the destination to visitors within South Africa as an affordable and picturesque location for weddings, snow tourism, heritage tourism, agri-tourism, wine tourism, adventure tourism, cultural tourism, sports tourism and rural tourism. Witzenberg Tourism also conducts quarterly educational visits of the areas to tourism authorities outside of our borders as well as to journalists, media groups and bloggers, in order to review and publicise the activities and services offered in the area. A significant area of focus in the IDP for tourism is access to qualitative and quantitative research, specific to our area.

5 SPATIAL ANALYSIS

EXECUTIVE SUMMARY AND MAIN FOCUS OF THE WITZENBERG MSDF

The 2019 Witzenberg Municipal Spatial
Development Framework (MSDF) – once
approved by Council – will replace the current
MSDF prepared in 2012. The 2019 MSDF has
been prepared within the legislative and
regulatory framework set by the national
Spatial Planning and Land Use Management
Act (ACT 16 of 2013), provincial Land Use
Planning Act (2014), and Witzenberg
Municipality Land Use Planning By- Law, 2015.
It is also directed by a range of policy and
guideline documents prepared by different
spheres of government, including the Western
Cape Government Provincial Spatial
Development

Framework (2014) and the Witzenberg Municipality Integrated Development Plan (IDP) 2017-2022 (and annual reviews).

Based on analysis of existing patterns of spatial development within the municipal areas, and expected need for different activities to be accommodated over the planning period, the MSDF sets outline spatial policy, plans, proposals, guidelines, and implementation measures for Witzenberg Municipality as a whole and individual settlements within the Municipality.

In its direction, the MSDF has five specific foci:

1. The first is to maintain and protect the integrity, authenticity and accessibility of Witzenberg's natural environment and associated resources. Humanity depends on nature for physical and spiritual sustenance, livelihoods, and survival. Ecosystems provide numerous benefits or ecosystem services that underpin economic development and support human well- being. They include provisioning services such as food, freshwater, and fuel as well as an array of regulating services such as water purification, pollination, and climate regulation. Healthy ecosystems are a prerequisite to sustaining economic development and mitigating and adapting to

climate change. The plan provides for activities enabling access to nature in a manner which does not detract from the functionality and integrity of nature and farming areas and landscapes.

- 2. The second is to maintain and expand the Municipality's key regional and intraregional infrastructure. Appropriate infrastructure whether in the form of transport routes or municipal services is critical to support economic development, agriculture, and livelihoods.
- **3.** The third is to maintain and grow the agricultural assets within the Municipality. Agriculture remains the mainstay of the regional economy and require on-going support. In a spatial sense, this specifically requires protecting high-value agricultural land from urban development.

The opportunity also exists to diversify farm income in a manner which does not detract from the functionality and integrity of farming areas and landscapes, and to expand access to farming to smaller entrepreneurs and emerging farmers.

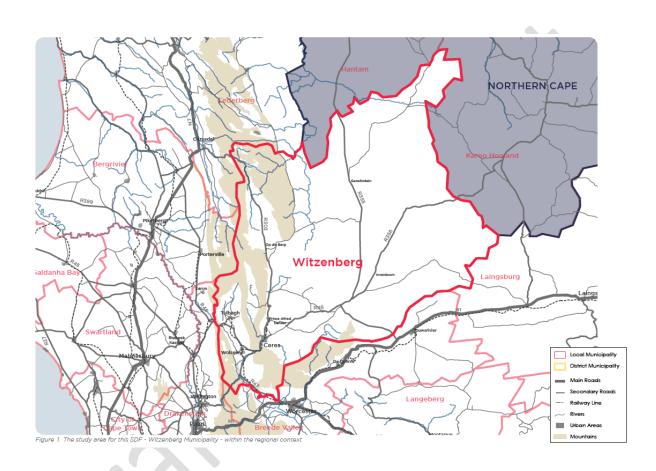
4. The fourth is to maintain and expand access to Witzenberg's unique sense of people and place.

Important is the recognition and maintenance of unique landscapes, and diverse expressions over time of peoples' interaction with the landscape. Also critical is the SPLUMA principle of "spatial justice"; implying that past spatial and other development imbalances must be redressed through improved access to and use of land, as well as the inclusion of persons and areas that were previously excluded, with an emphasis on informal settlements, and areas characterised by widespread poverty and deprivation.

5. The fifth is to maintain and expand opportunity associated with Witzenberg's key settlements. Settlements need to be managed and provide for expansion in a manner which enables efficiency in infrastructure provision, integration and compaction to enable better thresholds and more sustainable movement, and protection of surrounding assets of nature

and agriculture.

It is anticipated that a major review of the MSDF will occur every five years, in parallel with the municipal IDP. Improvements, amendments, and refinements to the MSDF can occur annually.



REGIONAL CONTEXT

Witzenberg Municipality is situated within the Cape Winelands District (CWD), the largest nonmetro district within the broader Western Cape Province economy, contributing 11,7 % towards provincial GDPR and 14.2 % to provincial employment (as per the 2015 statistics recorded in the IDP 2017-2022). CWD is also the biggest producer of stone fruit in the Province, and accounts for approximately 74% of all stone fruit production. The most economic functional areas for the production of stone fruits in this

region are the Ceres-Tulbagh area (40%) and the Montagu-Robertson area (39%). Most processors and storage facilities are located in these areas. Finished products are sent from these areas to Stellenbosch, Paarl and Wellington from where it is distributed to retailers. Most of the produce is directly exported (for example, the Du Toit Group exports to 50 countries).

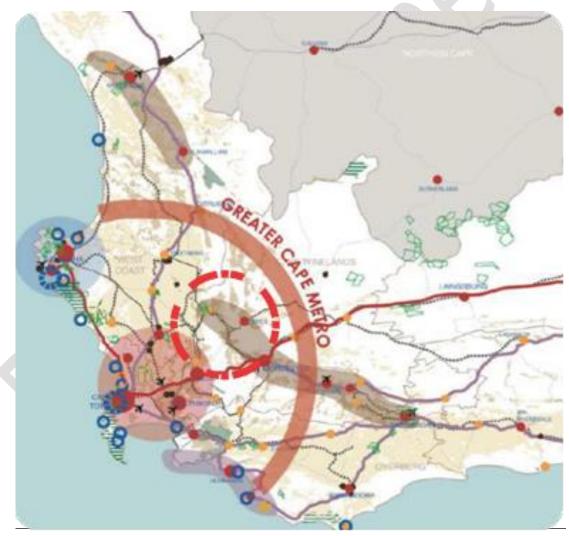
Witzenberg's importance as a functional region within the broader agricultural space economy and its role as a primary regional service center has been recognized through the identification of a possible Agri-park in Ceres. The area is also situated within one of the PSDF's identified Rural Development Corridors.

Ceres is strategically situated between the N1 and N7 national routes, forming part of the proposed regional road freight network as identified in the Greater Cape Metro and Greater Saldanha Regional Implementation frameworks.

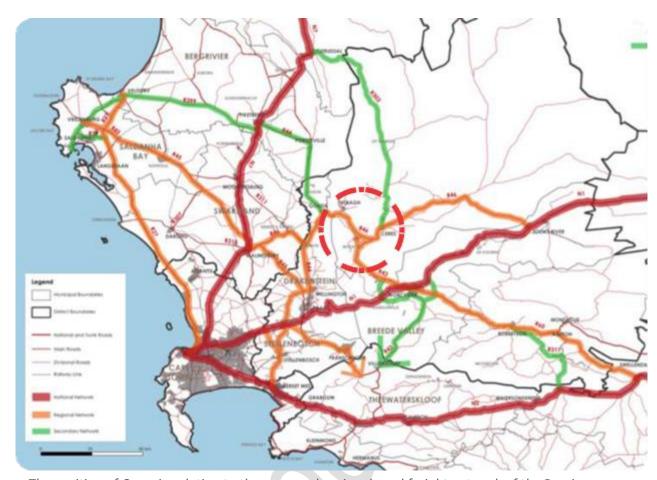
These networks aim to improve linkages from

Piketberg via Gouda/ Tulbagh through to Ceres and then linking into the N1 either via Worcester or Touwsriver, placing Ceres at the centre of the regional network.

In addition to WItzenberg's regional agricultural economic role, the area also hosts a high concentration of heritage resources, mountains, mountain passes and unique landscapes, as illustrated in Figure 21. Its position within the region as the primary gateway to the Warm and Koue Bokkeveld and Tanka Karoo also contributes to its strategic position and role in terms of tourism.



The position of Ceres and Tulbagh in relation to the GCM area and the PSDF Rural Development Corridors (GCM RSIF, 2017)



The position of Ceres in relation to the proposed regional road freight network of the Province (GS RSIF, 2018)

PLANS AND SETTLEMENT PROPOSALS

The sections below outline plans and written proposals for:

- Witzenberg Municipality as a whole.
- Individual settlements within Witzenberg
 Municipality.
- Guidelines for managing specific activities landscape-wide and within settlements.

It is important to remember that the plans constitute one type of planning instrument. Not all of the MSDF objectives or intent can be readily illustrated two dimensionally on a plan. Therefore, the plans are accompanied by descriptions of plan elements and associated

proposals. The plans should be read with the written information contained in the descriptions accompanying the plans as well as the policies and guidelines contained in the MSDF. Each settlement plan is introduced by a concept plan, an illustration of the core ideas related to spatial management and development of the settlement.

As indicated elsewhere in this document, spatial plans and proposals can seldomly be fully implemented without supportive actions in other functional areas or sectors. For example, it is doubtful whether the desired form of compact, diverse, inclusive, and walkable settlements will be achieved without parallel supportive initiatives to manage the unimpeded use of private vehicles. For this reason, the plan descriptions also include – where important – related non-spatial proposals.

Broadly – and aligned to the SPLUMA MSDF guidelines – the settlement plans entail three types of actions or initiatives:

- Protective actions things to be protected and maintained to achieve the vision and spatial concept.
- Change actions things that need to change, transformed, or enhanced to achieve the vision and spatial concept.
- New development actions new development or initiatives to be undertaken to achieve the vision and spatial concept.

Under these broad types of actions, strategic focus areas and settlement elements are dealt with; for example, protective actions will broadly relate to protecting elements of nature, agriculture, scenic landscapes, historically and culturally significant precincts and places, and so on.

WITZENBERG MUNICIPALITY AS A WHOLE

The overall plan for Witzenberg Municipality essentially comprises of:

 Landscape-wide Spatial Planning Categories

(SPCs) and associated land use guidelines.

- A settlement hierarchy and associated settlement development and management guidelines.
- Places of cultural and scenic significance.
- Municipal-wide infrastructure.

LANDSCAPE-WIDE SPATIAL PLANNING CATEGORIES

At the broadest level of municipal planning, desired land use patterns are reflected in the delineation of landscape-wide or municipal-wide Spatial Planning Categories (SPCs), namely

Core, Buffer, Agriculture and Settlement categories. The definition of SPCs is based on the Western Cape Biodiversity Spatial Plan, 2017 (WCBSP) which delineates the Western Cape's biodiversity network.

In general terms, the definition of SPCs is directed by the understanding that:

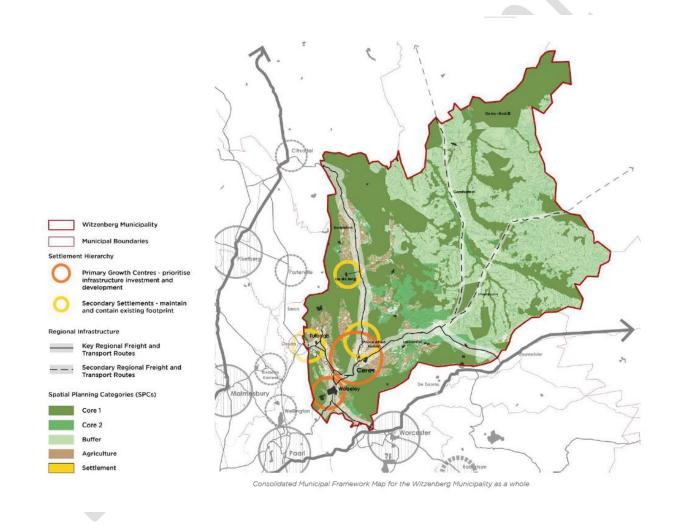
- The Western Cape's biological diversity underpins livelihoods, the Province's economy and the provision of ecosystem services. The spatial continuity and connectivity of the biodiversity network strengthens its resilience. Different categories of biodiversity areas indicated in the WCBSP Map and SPCs have specific management objectives, according to their biodiversity priority. In broad terms, the biodiversity priority areas need to be maintained in a healthy and functioning condition, whilst those that are less important for biodiversity can be used for a variety of other land uses.
- Cultivatable soils and mineral resources are non-renewable assets, important foundations of the Western Cape economy. As agricultural output is the basis of the Western Cape's rural economy and an important input to the urban economy, safeguarding the Province's agricultural resources, and productively using them without compromising biodiversity, heritage and scenic resources, remains a key challenge. There is limited suitable land available for extension of the Province's agricultural footprint, and water availability limits the use of cultivatable soils.
- Settlements of different sizes support critical livelihood opportunity and economic exchange. A key concern is to maintain and grow the efficient functioning of settlements while preventing encroachment into priority biodiversity, agricultural, scenic areas.

The landscape- wide SPCs for Witzenberg Municipality. The tables also list the names of key places which forms part of each SPC, what activities are broadly supported in each category, the activities not supported, and the overall desired form of development in each category.

The activities supported and overall desired form of development in each SPC is based on the guidelines contained in the Western Cape Land Use Planning Guidelines Rural, March 2019. For a fuller explanation of each SPC, the full Rural

Guidelines document should be consulted1.

The guidelines were prepared to establish norms and standards based on evidence and is aligned with international, national, and provincial policy related to the sustainable use of natural resources and agricultural land.



SPC	DESCRIPTION	KEY PLACES IN WITZENBERG	ACTIVITIES SUPPORTED	ACTIVITIES NO SUPPORTED	OVERALL DESIRED FORM OF DEVELOPMENT
Core 1	Areas that must be maintained in, or restored to, a natural state in order to sustain biodiversity patterns and processes and the functionality of ecosystem services.	Formal protected areas and Mountain Catchment Areas: Tankwa Karoo NP. Matroosberg MCA, Cederberg MCA, Kouebokkeveld MCA, Winterhoek MCA, Hawequas MCA. Private nature reserves. Areas designated by the WCBSP as CBA1.	Essentially Core areas are "no-go" areas from a development perspective. Human impact must be restricted to ensure that there is no further loss of natural habitat. Conservation management activities should be encouraged. Subject to stringent controls biodiversity-compatible land uses that may be accommodated include nonconsumptive low impact eco-tourism activities (e.g. hiking trails, bird and game watching, and visitor overnight accommodation); and harvesting of nature resources (e.g. wildflowers for medicinal, culinary or commercial use). Controlled livestock grazing and game farming must be informed by the habitat type, grazing potential and other site sensitivities. No further loss of natural habitat should occur and lower than standard stocking rates should be applied. Land consolidation	Mining or prospecting. Extensive or intensive grazing Conversion of natural habitat for cultivation or forestry. Large-scale eco-	Small low-density footprints, and temporary structures are preferre with units carefully dispersed or clustered to achieve least impact. The use of alternative porous materials and innovative eco-friendly design concepts are
Core 2	Areas in a degraded condition that must be rehabilitated in order to sustain blodiversity patterns and processes and the functionality of eco-system services. Includes areas that support the ecological functioning of critical biodiversity areas.	Areas designated by the WCBSP as CBA2 or ESA1. Lower slopes and foothills in Land van Waveren and Warm Bokkeveld. Degraded reaches of the Groot and Doring Rivers in the Ceres and Tankwa Karoo. Watercourses and their buffers in the Ceres and Tankwa Karoo.	As for Core I whilst allowing for a limited increase in scale of development in less sensitive areas (provided ecological processes are not disrupted). Where existing agricultural activities (e.g. extensive livestock or game farming) occur in Core 1 or Core 2 Areas, it needs to be subject to inter alia lower impact practices, lower than standard stocking rates, resting cycles wetland and riverbank protection, and avoiding areas containing red data species.	Extension of intensive or extensive agricul Mining or prospecting. Large-scale cultivation. Urban or industri development.	essential buildings or structures in Core Areas. Disturbed footprints should preferably be utilised.
	Large intact portions and remnants of natural or near natural vegetation not designated as Core Areas but in proximity to them.	Areas designated by the WCBSP as Other Natural Area, in proximity to or adjacent to Core Areas. Livestock farming areas in the Ceres and Tankwa Karoo.	Conservation activities as per Core 1 and 2 Areas, including sustainable consumptive or non-consumptive uses. Extensive agriculture such as game or livestock farming, subject to lower impact practices, sustainable stocking rates, rotational grazing cycles, protection of watercourses, and avoidance of areas containing species of conservation concern. Development (e.g. structures) in support of both tourism and biodiversity conservation in Core Areas. Extensive agriculture comprising extensive game and livestock farming, subject to inter alia lower impact practices, lower than standard stocking rates, resting cycles wetland and riverbank protection, and avoiding areas containing red data species.	Case-specific determination based on impact biodiversity.	Development should reinforce existing farm precincts and reflect similar vernacular in terms of scal form and design. In the absence of existing farmsteads, development should reflect compact and unobtrusive characteristics, conforming to loc vernacular in terms of scale, form and design. The design of all proposed development should embrace the spatial form, movement patterns, building design and conservation and ecology of the local area.
Landsca SPC	pe-wide Spatial Plannin DESCRIPTION	g Categories (continued) KEY PLACES IN	ACTIVITIES SUPPORTED	ACTIVITIES NOT	OVERALL DESIRED FORM OF
Buffer 2	Natural or near natural areas located in an agricultural matrix as the dominant land use.	WITZENBERG Areas designated by the WCBSP as ESA2 or Other Natural Area, located in an extensive or intensive agricultural matrix as the dominant land use. River corridors on cultivated land in the Warm and Koue Bokkeveld and Land van Waveren.	Activities and uses directly relating to the primary agricultural enterprise. Additional land uses to facilitate diversification and "value adding", including restaurant and venue facility, farmstall and farm store, home occupation; local product processing, and tourist and recreational facilities. Buffer 2 Areas within the "fringe" of settlements can accommodate space extensive uses not suited to location within the urban edge (e.g. regional sports and recreation facilities, tourist facilities); or associated with nuisance and buffer requirements (e.g. waste water treatment plants, cemeteries, solid waste disposal sites, airports, feedlots, quarries and mines, truck stops).	Case-specific determination based on impact on agriculture and biodiversity.	DEVELOPMENT Building development should reflect the style, scale, and form of the farmstead precinct or farm outpost, their building and setting. In the absence of existing farmsteads of farm outposts, development should be compact and unobtrusive, conforming to local vernacular in terms of scale, form and design.
Agriculture	Existing and potential intensive agricultural land where significant or complete loss of natural habitat and ecological functioning has taken place due to ploughing, hardening of surfaces, mining, cultivation, and so on.	Existing intensive agriculture including irrigated and dry land crop cultivation, primarily in the western parts of the municipal area.	Activities and uses directly related to the primary agricultural enterprise. Additional dwelling units to support rural tourism and diversify farm income, to a maximum of 1 additional non-alienable du per 10 ha and 5 per farm. Additional land uses to facilitate diversification and "value adding", including restaurant and venue facility, farmstall and farm store, home occupation; local product processing, and tourist and recreational facilities.	Large scale resorts. Tourist and recreation facilities.	Facilities for ancillary on-farm activities should be in scale with and reinforce the farmstead precinct, enhance the historic built fabric and respect conservation-worthy places (these could be natural areas or areas which are degraded but still provide ecological connectivity and/ or ecosystem services). Fragmentation of farm cadastral units should be prevented, and consent processes and spot zoning employed for managing land uses ancillary to or associated with agriculture.
		Ceres. Wolseley. Tulbagh. Prince Alfred Hamlet.	"Normal" activities associated with urban development.	New settlement formation that negatively impacts on municipal financial sustainability.	Development should: Retain the compact form of small settlements. Prevent settlement encroachmen into agricultural areas, scenic

Settlement Existing towns, villages and hamlets.

Maintain and enhance public spaces.

Reinforce the close relationship of settlements to the regional route structure. Integrate new development into the settlement structure. Respect socio-historical and cultural places.

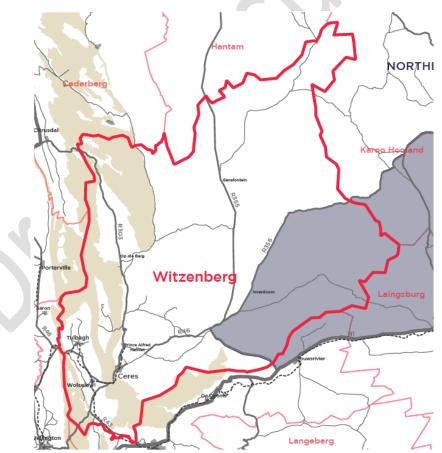
RENEWABLE ENERGY DEVELOPMENTCORRIDORS

The Strategic Environmental Assessment for Wind and Solar Photo-voltaic Energy in South Africa identified 8 Renewable Energy Development Zones (REDZs) in 2015 that are of strategic importance for large scale wind and solar photo- voltaic energy development including the roll-out of its supporting transmission and distribution infrastructure. New wind or PV projects located within one of the eight REDZ areas will now be subject to a Basic Assessment and not a full EIA process, as well as a shortened timeframe of 57 days for the processing of an Application for Environmental Authorisation.

The Council for Scientific and Industrial Research (CSIR) identified eight geographic REDZ's following a Strategic Environmental Assessment:

NAME	SIZE	PROVINCE
Overberg	5 263 km²	Western Cape
Komsberg	8 846 km²	Western Cape
Cookhouse	7 366 km²	Eastern Cape
Stormberg	12 041 km²	Eastern Cape
Kimberley	9 568 km²	Free State & Northern Cape
Vryburg	9 204 km²	North West
Upington	12 833 km²	Northern Cape
Springbok	15 214 km²	Northern Cape
Total	80 335 km²	

The Witzenberg Municipality forms part of the Komsberg REDZ. Any projects or renewable energy developments in the municipal area should preferably be located inside of this boundary, however, proposals for renewable energy developments outside of this boundary will be considered on a case by case basis based on its own merits.



The location of the Komsberg REDZ area within the Witzenberg Municipality

Financial information to be updated at the tabling of Final Budget, Ref: Draft Budget

6 FINANCIAL VIABILITY

Capability of the municipality to execute capital projects

The capital budget for the next financial year amounts to R 85 million of which R 20 million is from own revenue. The rest of the capital budget is financed from Grants and External loans. Only funded capital projects are included in the capital budget. The upgrade to the Tierhokskloof Bulk Pipeline, the upgrade of the Electrical Power Station, the upgrade of Streetlights, the Resealing of streets, the construction of the Tulbagh Reservoir as well the development and upgrade of Sport Facilities in Vredebes, Tulbagh and Wolseley are some of the key projects that will be undertaken during the new IDP phase.

Indigent support (including free basic services)

The equitable share allocation is utilized to fund the provision of free basic services to indigent households and informal areas.

The development of plots and building of RDP houses is a challenge to the financial viability and sustainability of Witzenberg Municipality as most of the beneficiaries will qualify for indigent support and will not contribute financially to the municipality, but will be entitled to municipal services.

In addition to the legislative R15 000 exempted valuation on a qualifying property, the first R135 000 of the municipal valuation of all residential properties are exempt from property rates.

Indigent households receive 50 kWh of electricity and 6 kilolitres of water per month while their basic charges for water refuse and sewerage are fully subsidised.

Indigents earning between R 5 000 to R 6 000 may qualify for 50% of benefits as indicated above

Indigent households with conventional electricity and/or water meters will be converted to prepaid meters to avoid over consumption, subject to affordability to the municipality.

Revenue enhancement and protection strategie

The revenue must be increased to ensure that Witzenberg Municipality can meet all the financial obligations and to improve service delivery. A policy providing for rebates on municipal services is available to new businesses/industries or extension of existing businesses/industries where new jobs are created.

New businesses and/or industries will not only increase the revenue base of the municipality, but will also assist in reducing unemployment — one of the largest challenges for Witzenberg Municipality.

Consumers with conventional water meters who do not pay their municipal accounts will be converted to prepaid meters to avoid increased outstanding debt in respect of water, subject to affordability to the municipality.

Municipal consumer debt position

The impairment provision for debtors have been emphasised by the office of the Auditor-General of South Africa.

The increase in the provision is due to:

Limited credit control procedures available in areas where Eskom is the service provider for electricity.

Limited application of the credit control procedures to indigent households.

Community resistance to the cutting of electricity in certain areas and the installation of water management devices. Assistance from the South African Police Service is needed.

Grants and subsidies

Grants and subsidies are used for their intended purposes as per the Division of Revenue Act and/or Provincial Gazettes. The

equitable share allocation is utilised to fund the provision of free basic services to indigent households and informal areas. Grants and subsidies are utilised to finance 53% of the capital budget over the 3 year budget period. Most of the capital expenditure financed from grants and subsidies are in respect of the provision of infrastructure.

Municipal Infrastructure Assets and Maintenance (Q&M)

The expenditure on repairs and maintenance needs to be increased. The limited revenue base of the municipality limits the amount of funding that can be earmarked for repairs and maintenance.

It is accepted that it is important to maintain municipal assets; therefore the funds available for repairs and maintenance are increases on an annual basis.

The implementation of MSCOA (Municipal Standard Chart of Accounts) regulations will improve the reporting on spending on repairs and maintenance.

Municipality's credit rating

No official credit rating has been performed, but the financial indicators show positive movement during the last four financial years.

The cost coverage ratio improved from 2.2 months to 3.4 months, indicating that the municipality's cash and cash equivalents can cover the operating expenditure for 3.4 months.

The current ratio slightly declined from 2.29:1 to 2.21:1 from 2022 to 2023, indicating that for every R1 owed in current liabilities, the municipality has R 2.21 in current assets

available. The ratio declined slightly but remains above the acceptable norm of 1:1. An Improved ratio will result in an increased ability of the municipality to settle its debt when it becomes due. A positive liquidity position can also result in better interest rates being obtained if new loans are sourced and can also provide confidence to companies that consider investing in the Witzenberg area.

Employee-related costs (including Councillor allowances)

The employee-related costs, including Councilor allowances, account for 28% of the operating expenditure over the medium term.

More vacant positions need to be filled to meet the demand of service delivery due to the growth of households that needs services. Any decrease in the mentioned ratio will impact negatively on service delivery.

The salary increase of permanent employees is negotiated nationally, limiting the municipality's influence over the annual salary increase. Councilors are remunerated in terms of national legislation as per annual Government Gazette publications.

Supply chain management (SCM)

Supply chain processes are followed in terms of the Municipal Supply Chain Regulations. Bids are awarded in term of the points scored according to the Preferential Procurement Policy Framework Act.

The new Preferential Procurement Regulations were recently implemented by the municipality whereby it enables the municipality to determine its own preference points allocation in terms of identified goals. The implementation of these regulations has the potential to improve local economic development.

7 DISASTER MANAGEMENT

Disaster Risk Management is not a sole responsibility that can be assigned to a municipal department. Instead, collective ownership of the principles of disaster risk management is essential if Witzenberg Municipality is to ensure the provision of sustainable service delivery. Whilst a response (as envisaged in the Disaster Management Act) is essential to ensure rapid relief and recovery from crisis, the elements of preparedness, planning and risk reduction are pivotal to success. This Plan is intended to be a working document that is expected to change as the contextual environment changes and will continually re-align to incorporate or make provisions for such changes.

A fully established and functioning Municipal Disaster Management Centre (DMC) is a key element of this plan. Therefore, the Witzenberg Municipality consults with and operates in close collaboration with the Cape Winelands District Disaster Management Centre. The completion of the Cape Winelands District-based Disaster Management Operating Centre in Worcester will serve the district's base needs.

In any event requiring DMOC activation, the primary role-players, i.e. disaster management representatives from both CWDM and the Witzenberg Municipality, the coordinator from SAPS, an EMS representative and any other sectorial representative are activated to these centres and coordinate all activities from this DMOC. Due to the regular occurrences of major events (e.g. floods) this DMOC is well established and functions effectively.

Institutional Arrangement

A Disaster Management Advisory Forum has been established which holds regular quarterly meeting to facilitate risk monitoring and knowledge sharing. It further ensures coordination of disaster risk reduction measures among stakeholders. The diagram below illustrates the various entities and departments that form part of the Disaster Management Advisory Forum.

Disaster Management Advisory Forum members for Witzenberg Local Municipality



Risk prioritisation table for Witzenberg Local Municipality

Hazard Exposure	Severity	Probability	Actions needed	
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Drought	Occasional	Moderate	Normal	Preparedness Planning
Earthquake	Occasional	Moderate	Normal	Preparedness Planning
Fire	Occasional	Insignificant	Unlikely	Risk Reduction interventions and
				Preparedness
Flood	Seldom	Insignificant	Unlikely	Preparedness Planning
Severe Storm	Seldom		Unlikely	Preparedness Planning
Tuberculosis	Continuous	Moderate	Normal	Risk Reduction interventions and
				Preparedness
HIV /AIDS	Continuous	Moderate	Normal	Risk Reduction interventions and
				Preparedness
Hazmat accidents	Seldom	Insignificant	Unlikely	Preparedness Planning
by road				
Air Pollution	Occasional	Insignificant	Unlikely	Preparedness Planning

CPUT: Community-based Risk Assessment

Numerous workshops were held in the Witzenberg Municipality, and a wide spectrum of communities and applicable role-players were involved during the information gathering sessions during the process (2008).

The results of the assessment, in tabular form, are as follows:

WITZENBERG MUNICIPALITY				
	LIKELY	NORMAL	UNLIKELY	
Floods	22	0	0	
Water management	21	1	0	
Hazardous loads	17	3	0	
Drought	16	4	0	
Electricity theft	14	5	0	
Economic vulnerability	11	10	1	
Veld fire	10	9	0	
Epidemics	9	10	0	
Road infrastructure	7	13	4	
Dangerous installations	4	16	2	
Rapid development	4	3	14	
Erosion	1	19	1	
Structural fire	0	20	0	
Bus accidents	0	18	3	
Earthquakes	0	6	15	
Nuclear spill-over	0	0	16	

The above list illustrates the types of disasters that pose the highest risk within the area of the Witzenberg Municipality and their possible effects. The communities at risk can be derived from the risk list, and are also shown in the risk assessment that was conducted for the area.

To form a more realistic profile, it would be necessary to combine the two profiles and

then indicate priorities – especially as some of the areas of risk identified are beyond the scope of municipal service delivery.

It will be seen from Disaster Management Risk reduction projects that common elements present in both are addressed.

It needs to be noted that the Cape Winelands District Municipality has initiated a further Risk Assessment Project, in conjunction with the University of Stellenbosch, with the focus on Ward Disaster Management Risk Assessment, i.e. the training of representatives in wards to empower them with the knowledge and skills

to perform the assessments. The US was appointed for the compilation of, and the setting of training for selected officials and ward representatives.

Risk Assessment

The following table can be used as a template to reflect risk assessment outcomes in the IDP:

Risk	Dept 1	Dept 2	Dept 3	Dept 4
Risk A: Fires	Fire Services	Housing	Provincial	
	Witzenberg		Social Services	
	and CWDM			
Risk B: Floods	Disaster	Engineering	Traffic	SAPS and EMS
	Management	Services	Services	
Risk C: Transportation	Provincial	Western Cape	Dept Health	
of dangerous goods (rail	Roads	Province	CWDM: Health	
and road)				

These main risks are taken from the risk assessment tables of both Africon and the community-based assessments, as they are the main commonalities derived from the specific risk assessments.

Disaster Risk Reduction Measures/Projects

Hazard	Preparedness Planning	Policies and Regulations	Education, Training and Awareness	Infrastructure Projects	Enforcement
Wildfire	A wildfire workgroup was established with the participation of various stakeholders to coordinate wildfire management and resource management.	Memorandums of Understanding (MoU) are in place with the various local municipalities for wildfire management and issuing permits for controlled burning.	Ongoing wildfire and disaster awareness campaigns in various areas targeting schools (learners and teachers).	Ongoing alien vegetation clearing in water catchment areas (CWDM).	N/A
	Developed wildfire response plans for the entire Cape Winelands District area.	controlled burning.	Ongoing wild-fire communication through various media platforms (CWDM).	Combined alien vegetation management and awareness (Cape Nature).	
	Risk Mapping for Wildfires.		Fire awareness programmes are conducted in schools, radio, communities and social media (Cape Nature).	Fuel load reduction (alien clearing and prescribed burning) on or adjacent to protected areas (Cape Nature).	
	District Wildfire Working Group members engage on an ongoing basis with landowners on risk mitigation for fires.	Provide comment and input to land use development applications on behalf of the Department of Environmental Affairs	Basic fire training is conducted internally with staff members to provide additional capacity for firefighting.	Firebreaks are being done in various areas in the CWDM- both strategic and tactical (WFPA).	

	Identification of hotspots, recording and populating fire trends and other relevant statistics.	and Planning (DEA &DP).	Ongoing training of members of the WFPA in wildfire fighting strategies and skills using accredited service providers. Training includes Incident Command System (ICS).	Fire breaks are developed on or next to Cape Nature's protected areas (Cape Nature).	
	Early Warning System in place for monitoring fire risk which is disseminated to relevant stakeholders.		Ongoing awareness campaigns at all schools and social media platforms (WFPA).		
Informal Settlement Fire	Establishment and installation of the Smoke Alarm Projects in high-risk areas namely Pine Valley in Wolseley, Chris Hani in Tulbagh and Nduli.	N/A	Ongoing awareness campaigns on informal settlement fires.	Phase 6: plans have been developed in terms of layout to improve access for emergency vehicles and will be able to install water taps and chemical	Enforcement: anti-land invasion policies
	Fire Safe Communities (Kluyties).		Established an informal settlement committee of the community members together with the municipality housing inspector to carry out an awareness campaign for safety issues and sanitation	toilets.	

			issues and prevent further sprawl.		
Riverine and Urban Flooding	The Joint Operations Centre (JOC) has been established with identified JOC members. These members assist with the timely dissemination of early warnings, and the activation of a JOC enables the coordination of multidisciplinary services and response to an escalating incident. Furthermore, the activation of JOC promotes a cohesive response and prevents the duplication of resources.	N/A	Hazard awareness campaigns are ongoing. The awareness campaigns are tailored to address the hazards our communities continue to grapple with. Thus, these awareness campaigns are carried out in schools, Early Childhood Development Centres (ECDCs) and local communities (namely old age homes and or shelters)	N/A	N/A
	Early Warnings are disseminated to all role-players via municipal social media. Compilation of flood response plan. Compilation of contingency plans promotes the		Door-to-door awareness Campaigns have been launched to raise community awareness about the water stressed areas within the municipal namely in Tulbagh.		

and the later of the second of	
establishment of a	
state of readiness prior to the occurrence of	
impending disasters. It	
further promotes	
effective coordination	
to ensure optimal	
resource use. More	
importantly,	
contingency plans	
promote disaster	
preparedness and	
rapid and effective	
disaster response and	
recovery capabilities.	
Furthermore, the	
contingency plans	
promote joint standard	
operational procedures	
with disaster	
management role-	
players	
Disaster Ready is a	
preparedness toolkit as	
it provides information	
pertaining to hazard	
information layers	
(namely mapping) as	
well as the	
identification of	
evacuation centres for	

adverse events such as flooding.		V	
Operational Planning for stormwater maintenance and the development of the River Management Plan.			

Fire Services Department

In terms of the Municipal Structures Act, B-Municipalities such as Witzenberg are responsible for all structural fires within their municipal area. The Cape Winelands District Municipality is currently assisting Witzenberg through an unofficial inter-governmental agreement to assist with this function. It is the objective of the municipality to incrementally over a five-year period establish a fire brigade service in terms of the firefighting functions and in accordance with SANS 10090: 2003. This will effectively mean the establishment of a 24-hour facility for the eastern area (Ceres, Nduli, Prince Alfred's

improve reaction time. The municipality has started with the extension of this function to the western area (Wolseley and Tulbagh) and the eastern area (Nduli). Full-time staff and Working on Fire firefighting personnel and equipment were relocated to Tulbagh and Nduli for these purposes. A Manager Fire Services and Disaster Management and a Station Officer for Fire Safety and Fire Operations were appointed. The recent consultations with stakeholders at Op-die-Berg highlighted that there is a need to appoint firefighters and allocate equipment and vehicles to this area.

Hamlet and Op-die-Berg) that will drastically

Risk reduction

Fire risks

Risk reduction in respect of fire risks is not really possible, although the enforcement of building plan codes takes place and all building plans are scrutinised for fire safety requirements. Mountain and veld fires, fires in informal structures and dwellings form the general basis of fires in accordance with fire statistics. The Planning for Fire Services is included in a Fire Protection Plan that is submitted annually for consideration and approval by the Witzenberg Municipal Council. It must be noted that municipalities need to do planning and evaluate budgetary priorities from the wards in accordance with national and provincial strategic objectives.

The Department of Cooperative Governance and Traditional Affairs (CoGTA) assesses the progress made by municipalities against five key performance areas (KPAs) and crosscutting interventions adopted in the Five-year Local Government Strategic Agenda. The five KPAs that form the basis of the assessments are:

- Municipal Transformation and Organisational Development;
- Basic Service Delivery;
- Local Economic Development (LED);

- Municipal Financial Viability and Management; and
- Good Governance and Public Participation.

These elements will become the basis of priority determination when evaluating priorities during the IDP process, project identification and compilation of a budget. This in effect implies that municipal performance will be measured in terms of these standards.

Section 152 of the Constitution of the Republic sets out clear requisites for local government in paragraph (d) "To promote a safe and healthy environment". As this forms the legal basis in terms of the Constitution, it can however not be totally ignored.

As disaster management is not a function allocated to one discipline, but to all disciplines in a local authority, it implies that the total budget must be evaluated for inclusion of Disaster Mitigation Projects. For instance, the provision of housing will be a disaster mitigation project as it implicates the reduction of informal structures. The provision and extension of electrical power in accordance with needs is a disaster mitigation project as it decreases the effects of dwellings

without power (e.g. dangers with open fires) with all its consequences.

Municipal Risk Assessment Relating to Load Shedding

Infrastructure affected by Load Shedding with possible consequences

Service at Risk	Primary Impacts		
Water	Non-provision of fresh water		
Sewerage	Failure to pump and treat sewerage		
	Pollution could be caused		
	Contamination could arise		
Transport/Traffic	Traffic disruptions		
	Congestion of critical intersections		
	Dysfunctional traffic lights		
	Capacity to transport fuel		
	Increased accidents		
Health	Disruption of Health Facilities		
	➤ Hospitals		
	Clinics and pharmacies		
	Support activities		
Emergency Services	Fire, Rescue and Emergency Medical Services		
	Disruption of emergency call taking		
	Disruption of communications		
	➤ Inability to co-ordinate resources		
Communications/	Disruption of telecommunications		
Telecommunications and	Disruption of mobile communications		
Information Technology	Shut down of IT systems		
	Disruption of public radio and TV		
	Disruptions of satellite networks		
	Late payment of accounts		
Commercial	Disruption of commercial enterprises		
Industrial	Disruption of operations at vital installations		
Financial	and National Key Points		
Markets	➤ Disruption of operations of Banks (ATM's and		
	credit card systems)		
	Non-functioning of commercial centres		
	 Non-functioning of cold storage facilities Non functioning of municipal pay points 		
	Non-functioning of municipal pay points		

Law Enforcement and	Increased Security Risk	
Security Services	Increased crime	
	Decrease in surveillance capacity in key areas	
	Public disorder	

Fuel Security	Disruption of operations with high fuel demand Inability of movement of municipal vehicles Inability of emergency response by emergency vehicles Inability to fill critical emergency generators Inability of fuel supplier to supply fuel to Municipality	
Funeral Homes	Inability to maintain cold staorage	
	Inadequad generator capacity	
	Inadequad fuel storage	

The Municipal departmental response teams will:

- > Represent their department at Municipal Joint Operation Centre at
- Witzenberg Fire, Rescue and Disaster Management Center. Determine nature and location of critical services affected.
- > Determine impact of incident on municipal service delivery areas.
- Identify energy priorities.

- Identify resources needed to stabilize the situation.
- Mobilize municipal structures and assets.
- Implement action plans for crucial services.
- Communication with key clients.
- Implementation business of continuity plans.
- Escalation of issues beyond planned capability to Municipal Joint Operation Centre.

Floods

The Witzenberg municipal area is prone to floods. Over the past decade, flooding occurred at least once a year. Due to the effects of global warming and climate change with resultant cut-off lows, is has become increasingly difficult to forecast or predict critical time periods and/or affected areas.

As stated in the Spatial Development Plan, the Planning and Development Section takes cognisance of the effects and do their planning accordingly in the face of undetermined or ambiguous flood lines in some areas.

Response and recovery

Due to the fact that flooding and other events occur frequently in this area, there is a good understanding of the different roles allocated to the different sectors during any event of disaster potential or consequences. This is

managed and coordinated by the immediate activation of a DMOC (Disaster Management Operational Centre, situated in Munnik Street in Ceres), in conjunction and cooperation with the Cape Winelands District Municipality.

Information management and communication is vital regarding all aspects of Disaster Management, especially in an age where the development of technological infrastructure is occurring at an immeasurable Uninterrupted service delivery and continuation of services are imperative aspects over the total sphere of Disaster Management, albeit recordkeeping, financial control, realtime logging of incidents and the effects and fiscal implications of all occurrences taking place in the management of a local authority.

Dissemination of information to governmental agencies, NGOs and other role-players in the all-encompassing era of electronic information sharing is of paramount importance to ensure that systems are compatible to prevent time losses and confusing information.

Training, education and awareness

In terms of reduction, apart from the normal first aid courses and such, the Cape Winelands District Municipality, in cooperation with the University of Stellenbosch, designed a training course in Ward Based Disaster Risk Assessment which commenced during August 2013. This course has as objective to train identified

Community Emergency Response Team (CERT)

The municipality embarked on this project that entailed performing a various tasks needed before, during and after fire emergencies and disasters, including public education programmes (community and schools), cutting fire breaks, data gathering, simple firefighting tasks, damage evaluation of structures, triage, first aid and assisting in the evacuation of residents. This freed highly trained professional responders for more technical tasks. A CERT team may self-

The two critical aspects regarding Information Technology in the Witzenberg are:

- The IT platform is being updated. Regarding this, short-term plans and budgets are in place. Acquisition processes for the upgrade/ replacement of infrastructure (soft- as well as hardware) as reflected in the three year budget is in place.
- The establishment of a DM recovery site: This is subject to the completion of the upgrade/replacement of infrastructure, thus of more medium and long-term implication. As with the previous aspect this is well reflected in the multi-year budget.

personnel and other persons to enable them to assist in Ward Based Disaster Risk Assessment which will serve to ensure that risk assessments per ward are carried out, risks addressed during ward meetings and tabled as such for consideration during the IDP and budgetary process.

activate (self-deploy) when their own community is affected by fire or disaster. A self-activated team will size-up the loss in their community and begin performing the skills they have learned to minimise further loss of life, property, and the environment. They will continue to respond safely until redirected or relieved by the fire and emergency services or professional responders on-scene.

Vehicles

Tulbagh	Ceres	Administrative
Toyota Hino Light pumper (6000Lt Water)	Isuzu Light pumper (3000Lt Water)	Nissan x Trail
Nissan Hard body (Hazmat, Rescue)	New Iveco Heavy pumper (6000Lt Water)	

Nissan Patrol Bakkie unit (500Lt Water)	

Personnel

Tulbagh	Ceres	Day Shift
Firemen X 2	Firemen X 1	Chief Fire Officer X1
Cadet Firemen X 1	Cadet Firemen X 2	Station Officer X 1

IV. AGRICULTURE IN THE WITZENBERG AREA

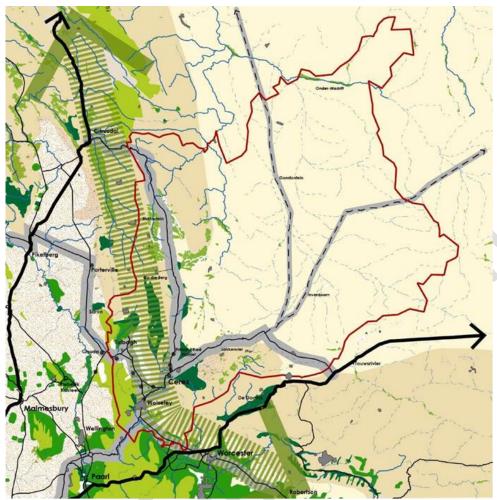
Focus: Protect food security while supporting sustainable diversification of the agricultural sector and encouraging more efficient methods and models.

Key Development Implications:

- Support private sector led institutional arrangements to enable joint planning and development of agriculture related activities.
- Avoid the subdivision of agricultural land or changes in land-use to minimise the loss of agricultural activities while also avoiding the creation of uneconomical agricultural units.
- Enable the diversification of farmer income through enabling complimentary uses on farms in a manner which does not

detract from the functionality and integrity of farming areas and landscapes.

- Develop incentives for smarter/ green agricultural practices and technologies.
- Make municipal commonages and land on the edges of settlements close to communities available for small/ emerging farmers and/or community gardens.
- Support alternative farming models such as the possibility of transforming unused and uncontaminated industrial land into community gardens.
- Support private initiatives to provide in the housing needs of agri-workers and the provision and management of associated social services.



Agricultural Concept for Witzenberg - showing key farming areas, production types and supporting infrastructure concentrated along the agricultural band along the western edge of the municipal area

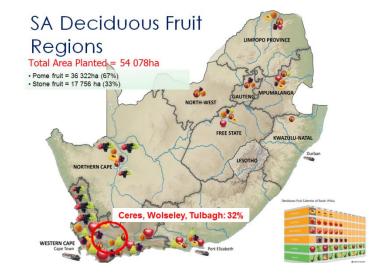
Deciduous fruit is the dominant product

1. Primary

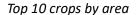
- i. Deciduous: Apples, Pears, Nectarines, Peaches, Plums, Apricots
- ii. Onions
- iii. Potatoes
- iv. Cattle and sheep
- v. Butternuts
- vi. Wheat
- vii. Forestry
- viii. Horses

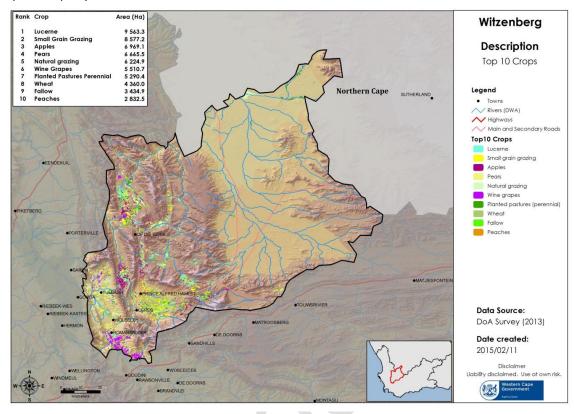
2. Secondary

- i. Cold storage
- ii. Packing houses
- iii. Concentrates and Puree
- iv. Single Strength Products
- v. Dried fruit products
- vi. Logistics
- vii. Agri Chemical
- viii. Agri Mechanical
- ix. Technical, admin and financial services



x. Plant material (nurseries)





DISTRICT DEVELOPMENT MODEL & JOINT DISTRICT AND METRO APPROACH

Cabinet adopted the District Development Model to build on the White Paper on Local Government (1998) which seeks to ensure that local government is capacitated and transformed to play a developmental role. The objectives are to:

- Coordinate a government response to challenges of poverty, unemployment and inequality particularly amongst women, youth and people living with disabilities;
- Ensure inclusivity by gender budgeting based on the needs and aspirations of our people and communities at a local level;
- Narrow the distance between people and government by strengthening the coordination role and capacities at the District and City levels;

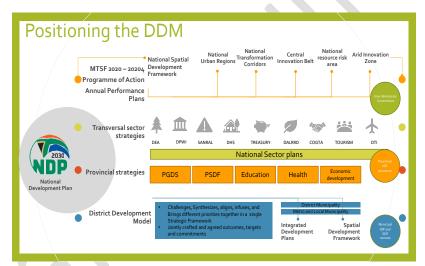
- Foster a practical intergovernmental relations mechanism to plan, budget and implement jointly to provide a coherent government for the people of the Republic (solve silos, duplication and fragmentation) maximise impact and align plans and resources at our disposal through the development of 'One District, One Plan and One Budget';
- Build government capacity to support municipalities;
- Strengthen monitoring and evaluation at district and local levels;
- Implement a balanced approach towards development between urban and rural areas; and
- Exercise oversight over budgets and projects in an accountable and transparent manner.

President Ramaphosa in his budget Speech 2019 identified that there has been a pattern of operating in silos which has led to a lack of coherence in planning and implementation and has made monitoring and oversight of government's programme difficult. He thus called for the rolling out of a new integrated district-based approach to address service delivery challenges, localised procurement and job creation, to promote and support local businesses and involve communities.

The DDM 'One Plan' is a long-term (25 to 30 year) strategic framework guiding investment, service delivery and development in relation to each of the district and metro spaces.

 The DDM is positioned in relation to the NDP, MTSF and NSDF to enhance the overall system by synergizing

- national, provincial and local priorities in relation to the district and metro spaces.
- The One Plans as contemplated in the DDM does not deal with the nonstrategic aspects that each of the existing plans may cover.
- Neither does it cover the full range of responsibilities that existing plans cover in relation to core powers and functions.
- They are IG strategic frameworks that make strategic sense of the available plans and synthesize or localize these plans in the context of the spatial and place making logic of the district and metropolitan spaces.



The Western Cape Government introduced the Joint District & Metro Approach in November 2018. As the JDMA was already institutionalized in the Province, the Provincial Cabinet endorsed the JDMA as a Western Cape approach towards the National District Development Model (DDM).

The JDMA is a geographical and team based, citizen focused approach with a Single District Plan to facilitate developmental initiatives and government services.

The Cape Winelands District (CWD) has followed the following comprehensive consultative approach to ensure the systematic institutionalisation of the JDA:

- One-on-one JDA introductory discussions between the JDA team leader and Municipal Managers and / or Senior Management Teams.
- A Joint District Approach (JDA)
 Coordination Interface Team between
 some national and provincial
 departments, the district and local
 municipalities was constituted which
 meet regularly to discuss matters related
 thereto.
- One-on-one discussions have been scheduled at political and administrative level between the District Municipality and Local Municipalities' Senior Management teams.

- The approach adopted to compile this profile was to agree on the aim of this profile: To provide an information source that at a glance highlights the challenges, what must be maintained and opportunities facing the Cape Winelands District; and
- Assist in informing catalytic or strategic projects for incorporation into the Joint District Approach Implementation Plan for this geographical area.

In view of the above, the following Strategic Priorities have been identified as of relevance to the Cape Winelands District JDA:

- Waste Management: Various Projects
- Community Safety Plan implemented
- District Urbanisation Management: Various Projects
- Develop and implement a District Plan to address Youth unemployment and related challenges
- Financial Sustainability
- Improving Resilience in terms of: Climate Change, Water Security and Electricity Security

- Working Group established to draft a Concept Paper on Data Governance (Beyond Profile 2020)
- IGR structures mapped and recommendations proposed for rationalisation
- JDA Communication Plan developed and implemented
- N1 De Doorns: Private Sector involvement in JDA

Project leaders have been constituted per priority area project identified. A core municipal and provincial team provides strategic direction and ensure that the interlinkages between the strategic priorities are managed.

The CWD JDA Implementation Plan is further underpinned by operational support plans; based on requests received following various engagements between the provincial departments and municipalities and that are not addressed on the Annual Performance Plans of provincial departments.

REGIONAL SOCIO-ECONOMIC PROGRAMME (RSEP) / VIOLENCE PREVENTION THROUGH URBAN UPGRADING (VPUU)

The Regional Socio-Economic Programme and Violence Prevention through Urban Upgrading Programme (RSEP/VPUU Programme) is an intergovernmental programme run in the Western Cape. The programme will comprise a variety of projects, driven by different roleplayers, including municipalities, provincial departments, the VPUU Not for Profit Company (VPUU NPC) and communities.

A core component of the programme is to promote learning and to mainstream lessons learnt, best practice and opportunities for replication in municipalities and towns.

The RSEP/VPUU Programme is about a capable state partnering with active citizens, communities and other stakeholders to plan and implement projects that improve quality of life. The majority of projects funded through the

programme will be local and precinct-based, and these will mainly be urban upgrading projects that involve the development of physical infrastructure.

Infrastructure projects are supported by social projects that focus on providing activities, programmes or facilities for specific groups or address social challenges within communities, such as early childhood development, education, safety, economic development or social cohesion. All of the projects will be identified at municipal level through a collaborative process involving many stakeholders.

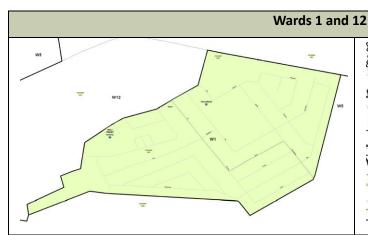
The scope of the actual work being undertaken under the RSEP/VPUU Programme operates at different scales and is grouped under eight streams. Under each of the streams, there are one or two overarching goals that indicate the

broad intentions of the work undertaken within that stream as well as a few objectives, which

indicate some of the steps that may be taken to achieve the goal(s).



B. IDP PUBLIC NEED ANALYSIS



Library services should be restored
Provide street/security lights in unsafe areas
More secure fencing at public facilities
Upgrading of older streetlights
Better dialogue in future with the youth
Water resources for small farmers
Policies must be communicated with the community
Safe "walk way" / bridge between N'Duli and
Vredebes

Ongoing programmes on speed control Combat erosion on sidewalks and streets (rehabilitation)

Community facilities need to be upgraded Rehabilitation of graveyard and fencing More prepaid electricity selling points Mobile Clinic Services – Tankwa Karroo Area Maintenance of roads

Satellite connectivity in rural areas, emergency and law enforcement connectivity

Resource farm watch

Information signage along gravel roads in Tankwa Karroo Area

Television and network connectivity in the Tankwa Karroo Area

Livestock Theft Unit to have more Programms in the Tankwa Karroo Area

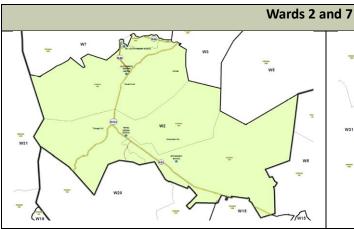
Skips programme needs to be sustained Sewer network needs to be improved Sports grounds needs to be restored/ upgraded

Electrical theft needs to be clamped down Mini CBD to be developed in N'Duli Implementation of recycling projects/ programmes

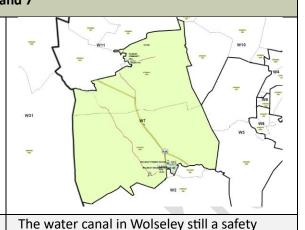
JOJO Tank subsidies from small farmers Rehabilitation of playgrounds and parks Development programmes for women and persons with disabilities Police station for N'Duli Hostel facilities for primary school children in Tankwa Karroo Area ABET facilities in the Rural Areas Substance abuse in rural farming areas Rest areas on rural roads, maintenance, district to stop cutting down trees District Municipality to rehabilitate rest areas along farming main routes Solar/renewable energy for farm houses Firefighting volunteers Water Security Programmes for

communities living in the Tankwa Karroo

Area



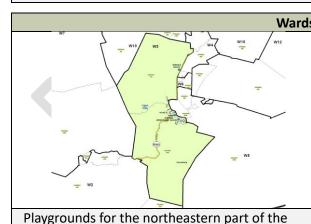
Pine Valley library and swimming pool Bathroom facilities in the graveyard areas Secure fencing at the graveyard Substance abuse escalating under scholars Illegal shebeens and off-sales Job creation programmes Back yard dwellers still a problem, housing need Foreigners' activities (illegal) still a problem Bathroom facilities at informal settlements Wolseley requires a fire station Neighbourhood watches in all areas RDP houses are being sold to foreigners Drop-off and pick-up points at die Bossie, as you enter Wolseley Communal and church plots at Kluitjieskraal Mobile library service for the Breederiver area



concern
A concern on the education levels of
Breederiver farming area, a need for training
programs for people in these rural areas
More Tourism programs to be rolled out
Building a playpark in Kluitjieskraal and Pine
Valley

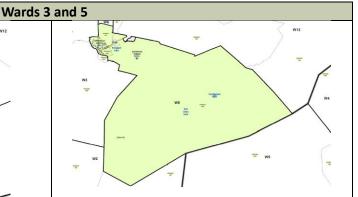
Taxi rank placements to be investigated Public bathroom facilities in the CBD The piece of land between Kluitjies Kraal and Pine Valley to be developed, or be made available for development e.g. food gardens, small scale farming ECD centers to be formalised

Skills development programs in the Agri sector



Homeless shelter

Rooikamp area
Animal control a big problem, dogs and stray
animals / problem has escalated
Better/more speed calming efforts
Street signage to be upgraded



Owen Street unsafe due to poor street lighting Owen Street walkway to be developed, as this has become a main taxi route, unsafe for pedestrians

Inspection/policing of shops, occupants use as accommodation

Mainmast light/ high-beam floodlights to be installed at parks and walk way areas

Gap housing developments

Free broadband and WiFi hotspots

Establishment of CPFs in all areas and more regular SAPS patrols/ high crime still a problem

Library in Lyell Street to be upgraded/ modernised

Recreational facilities similar to neighbouring municipalities

Sidewalks to be tarred or paved

Streetlights to be upgraded, streetlights that are lower than the trees, outdated

Community "Clean Green" programmes for the Rooikamp area

Solar emergency street and floodlights in the Rooikamp Areas

Heavy vehicles to be forced to use main routes Signage to prohibit heavy vehicles from using neighborhood streets Walkway to be developed from the nature reserve, past the pine forest

Homeless people problem getting out of hand Stormwater network a problem

Walkway and lights from Egoli to Albert Crescent behind houses

Railway line to be cleaned frequently, better

quality fence
Weekends the Town Main Roads have too
much traffic

Gambling taking place on street corners, SAPS need to act

Bathroom facilities needed in cemeteries Better lighting needed along walkway to the Hospital

Bus shelters for scholars on the outside rural roads

Some playparks to be converted to gym parks

Wards 4 and 6





Community hall for Phases 3, 4 and 5
Backyard dwellers still a problem – housing need
Sports facilities for Phases 3, 4 and 5
High dropout rate of scholars a problem
Business hub/mini CBD for Kliprug area
Better controlled refuse removal in Phases areas
Availability of church sites

Not all dwellings connected to main sewer line Ongoing speed control programmes

Animal control in all areas
Xhosa medium school for PA Hamlet area
More electrical selling points, even at Thusong
Business hub/mini CBD for Bella Vista
More prepaid electricity selling points
Bus and taxi shelters for scholars
Vandalization of Municipal property

Clamp down on illegal dumping of refuse Upgrade of Bella Vista Community Hall Sewer network a problem at graveyard Development of youth centre at one of municipal facilities

Land availability for small farmers
Off-ramp lanes at Bella Vista entrances

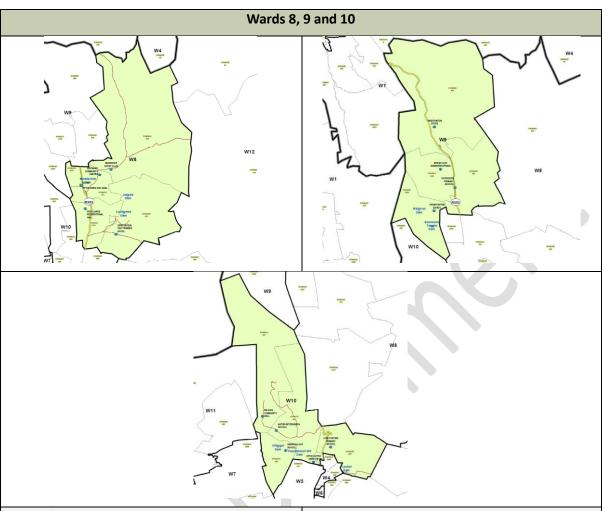
Gap housing developments

Major need for pavilions at sports grounds Need a walkway around Jakaranda, Vrede Street and Mooi Uitsig School

Bella Vista clinic too small

Thusong Centre open on Saturdays from 09:00 to 12:00

Walk way needed from Mooi Uitsig School to Vrede Street



Clinic for the Agter Witzenberg area Ambulance services still a problem SAPS service must be intensified Bus and taxi shelters along main routes Fire station for Op-die-Berg and also to service surrounding areas

Crime also escalating – CPF Sports grounds need secure fencing The location public ablutions facilities in the CBD area

Speed calming still a problem
Illegal house shops need to be regulated
Illegal shebeens need to be closed
Playgrounds and parks are unsafe
Business development support programmes
There are still streets that need tarring; Grond,
Bokveld Street, etc.

Upgrading of the R303 Gydo Pass Servicing of unserved erven

E-Centers needed

Tourism/ ecotourism to be promoted in the area

Bridge in Phase 5 to be repaired Christmas and holiday lights to be budgeted for Op-die-Berg

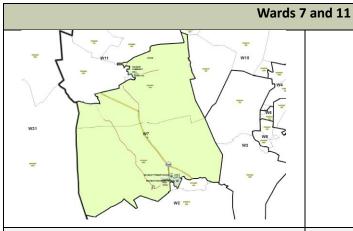
River rehabilitation programme to be sustained

No pavement curbs along main CBD routes Tarring of CBD open spaces and sidewalks Swimming pool needed for Op-die-Berg Subsidised water storage tanks for all houses Better quality street/security lights Investigation needed regarding trees in CBD area

Spotlights floodlights needed at walkway over the foot bridge

More municipal services to be rendered at Op Die Berg offices

Illegal hokkies to be marked/numbered



Replacement and maintenance of roads Substance abuse a problem in Tulbagh area Small-scale farmers need land for their animals

Animal control must be intensified Sector departments need to assist with the establishment of sports facilities in farming areas

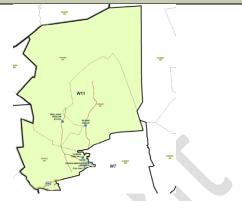
Water shortage a problem during summer months

Small business development opportunities Gap housing developments

Traffic Services for Tulbagh

Illegal house shops need to be regulated Upgrading of street lights

Parks and playgrounds to be upgraded
Better ablution facilities for schools on farms
Libraries to be open on Saturday mornings
Control the influx and illegal structures
Informal housing getting out of control
Development of vacant land/property



Illegal shebeens need to be closed Storm water network in Tulbagh needs to be maintained regularly

The use of local contractors for municipal work

Sewerage network in Chris Hani area needs to be maintained regularly

River rehabilitation programmes to be sustained

Development of Sports Facilities

Tourism campaigns to be developed to attract more tourists

Speed calming needed along main street walkway routs

Roll out of programs for people with disabilities

More ablution facilities needed in Chris Hani area, and ASLA Camp

Scholar road safety to be looked at, school road/street crossings; traffic signage to be put

4 KEY PERFORMANCE AREAS

Witzenberg Municipality has identified four key performance areas that group related functions and activities into focused units. Strategic objectives have been developed for each of the KPAs that are further broken down into programmes, projects and activities. Key performance indicators will indicate performance and progress on our strategic objectives over the five-year IDP term. Note that the KPAs do not relate to directorates as currently being used in the municipality.

KPA Essential Services include the following functions:

- Water Services
- Sanitation Services
- Roads and Storm water
- Transport Management
- Electrical Services
- Street lighting
- Solid waste management and collection

KPA Governance includes the following functions:

- Human Resources
- Administration
- Information Technology
- Marketing and Communication
- Internal Audit and Risk Management
- Performance Management
- Traffic and law enforcement
- Building Control
- Town Planning
- Financial administration
- Income
- Supply Chain Management
- Integrated Development Planning
- Legal and property management
- Council

KPA **Communal** includes the following functions:

- Environmental Management
- Open Spaces
- Air and noise pollution
- Trading regulations
- Amusement facilities
- Cemeteries







- Fencing
- Amenities
- Sport facilities
- Parks and Recreation

KPA **Socio-Economic Support** includes the following functions:

- Social Development
- Local Economic Development
- Indigent support
- Housing
- Job creation



Key performance area 1:

ESSENTIAL SERVICES

OBJECTIVE 1.1:

SUSTAINABLE PROVISION AND MAINTENANCE OF BASIC SERVICES

OBJECTIVE 1.2:

PROVIDE FOR THE NEEDS OF INFORMAL SETTLEMENTS THROUGH IMPROVED SERVICES



Key Performance Area 1

A. ESSENTIAL SERVICES

I. OBJECTIVE 1.1: SUSTAINABLE PROVISION AND MAINTENANCE OF BASIC SERVICES INFRASTRUCTURE

An important emphasis for the municipality is to ensure that basic services infrastructure is provided and upgraded to support areas of growth. The further maintenance of existing infrastructure will ensure the sustainable provision of services. This will happen by means of the following programmes:

■ PROGRAMME 1.1 (A): UPGRADING OF BULK RESOURCES AND INFRASTRUCTURE

Water Sources, storage and purification

The main resources for **Ceres** are the Koekedouw dam with a capacity of 17 million m³ of which the municipality is entitled to 10 million m³. Current usage is 3,9 million m³ p/a. At the current population growth rate of 2,67%, the current supply will be sufficient for the next 20 years, excluding supplementation from our boreholes. Emergency boreholes can supply 20% of our ADD. Water quality from Koekedouw is good and is only chlorinated before distribution.

Two reservoirs (3 and 5 Ml) serve as storage reservoirs to the distribution network of 114 km with four supply zones (Bella Vista, N'Duli, Ceres main supply zone and Ceres central PRV zone). The network includes a 2 X 2 Ml service reservoirs, a booster pump station to the pressure tower at Bella Vista (500kl) as well as a 750 kl and a 4,5 Ml service reservoir at N'Duli. All the bulk infrastructure for the planned housing projects have been completed and are in operation.

Moordenaarskloof and Tierkloof are the main resources for the supply of water to **Tulbagh** at present. Construction has been completed to provide an additional 1,2 x 10⁶ m³/a from the Klein Berg River. Additional boreholes were drilled adjacent to Nuwekloof pass but the yields are insufficient for supply to the town of Tulbagh.

Moordenaarskloof is evenly shared with two other users (SAPCO and Kruysvallei). The existing storage dam(Dorpsdam) arise insufficient and requires the implementation of water restrictions on an annual basis. Funding for the construction of the Waverenskroon dam has been approved from DWS, and the construction of the new Waverenskroon dam, pump station and rising main has been completed, and is fully operational.

The purification plant consists of five slow gravity sand filters as well as a chlorination system. Two reservoirs (800 kl and 1 Ml) serve as clear water storage reservoirs to the distribution network of 29 km with two pressure zones. The network includes a booster pump station to the pressure tower (500 kl). Funding for a new 3ML reservoir to the amount of R 19 198 715.00 has been approved, and construction will start in the 25/26 financial year, which should ensure sufficient storage capacity.

Wolseley receives its water supply from the Tierkloof weir. Purification consists of pressure filters and chlorination. The Ceres Road Reservoir (680 kl) and newly constructed 6 Ml Wolseley reservoir serve as storage reservoirs to the distribution network of 44 km with two pressure zones. The network includes a 4.5 Ml services

reservoir (Stamper Street Reservoir), which has been resealed to prevent losses, and a booster pump station. An additional pump station enables the transfer of irrigation water during periods of low flow from the Artois canal to this reservoir. The absence of a storage dam for Wolseley places the town at risk during periods of severe drought. The bulk supply line from the Tierkloof weir is at risk of collapsing due to age and is currently being replaced at a cost of R 23 073 146.00. this works will include the upgrade of the intake weir in Tierhokskloof.

Prince Alfred's Hamlet's water sources consist of the Wabooms River weir, a fountain, three boreholes as well as a link through the agricultural pipe network of the Koekedouw Dam. Due to the quality of the raw water, only chlorination is required. Four 500 kl reservoirs serve as storage reservoirs to the distribution network of 32 km with only one pressure zone.

Op-die-Berg has three water sources, a fountain and two boreholes. Due to the quality of the water, only chlorination is required. Three reservoirs as follows: 50kl, 60kl and 500kl serve as storage reservoirs to the distribution network of 6 km with only one pressure zone. A new 500kl reservoir has been completed at a cost of R 4 334 915.00, with completion in March 2024.. The absence of a storage dam places the town at risk during periods of severe drought.

Infrastructure Investment: Bul correct figures)	k Water (Note: Refer	to final approved/adj	iusted budget for
<u>Project Name</u>	<u>Area</u>	<u>Budget</u>	<u>Year</u>
New Reservoir	Tulbagh	R 7 200 000	2023/2025
New Reservoir	Tulbagh	R19 198 715.00	2025/2026
Tierhokskloof pipe line	Maladay	R 869 565	2022/2023
upgrade	Wolseley	R23 073 146.00	2024/2025

Waste water treatment works and pump stations

Sewage and industrial effluent are collected from consumers via a sewer system and treated at the **Ceres** wastewater treatment plant. The plant services the areas of Ceres, N'Duli, Bella Vista and Prince Alfred's Hamlet. The sewer system includes nine booster pump stations. A portion of the treated effluent is used for irrigation. The **Tulbagh** wastewater treatment plant was upgraded in 2015 and the system includes three booster pump stations. The Wolseley Wastewater treatment plant was upgraded in

22/23 when a new chlorine dosong facility was constructed. Currently the inlet works at the Wolsley WWTW are being upgraded at a cost of R 14 528 214.00. the scope of the works has been reduced due to funding constraints. The **Op-die-Berg** wastewater treatment plant serves approximately 75% of the consumers and the rest are serviced with septic tanks. Septic tanks are emptied by the municipality on request.

PLANT	SIZE (ML/DAY)	TECHNOLOGY	OPERATIONAL FLOW (% of design capacity)
CERES WWTW	8.5	Activated Sludge	82
ODB WWTW	0.308	Activated Sludge	86
WOLSELEY WWTW	3.6	Activated Sludge	25
TULBAGH WWTW	2.46	Activated Sludge	73

The effectiveness of the plants is measured through the quality of waste water discharge with all plants achieving targets in 2017/18. The Op-die-Berg plant requires an upgrade of

sandfilters as the quality of discharge decreases, especially during winter months due to insufficient evaporation.

Electricity bulk supply and substations

Witzenberg Municipality is the main provider of electrical services to the domestic and agricultural economy within its area of jurisdiction, whilst Ceres itself is synonymous with 'world-class fruit'.

Without a sufficient and sustainable electricity supply, this economy finds itself in dire straits. The hard-hitting facts are that Witzenberg Municipality is for all intents and purposes running at its Notified Maximum Demand (NMD) of 48,2 MVA (total). An increase of 2MVA in addition to the then 46,2MVA, was granted by Eskom in October 2024. Therefore making the new total NMD of 48,2MVA. However, the new NMD is still not sufficient to cater for the load demand of the municipality. The current Eskom backbone network does not permit any addition increase of this NMD until such time as their backbone network has been upgraded. The implications thereof are eight years and R250 million, meaning that 2030 is the earliest our NMD can be upgraded. Eskom however originally moved this date from 2022 to 2030 and more recently back to 2027. Time will however show when the upgrade really happens.

A conservative estimate of 2,5% growth per annum is that Witzenberg Municipality's load will be in excess of 50 MVA by then.

The realistic estimate however includes agriculture's own estimate for their industry alone to be 2,5% in addition to the natural growth of Witzenberg mentioned above. This then is a projected growth, realistically, of 5% per annum over the next ten years. By this estimate Witzenberg Municipality's load will be

90+ MVA by 2030. The reality however is that Eskom's inability to supply capacity has had a huge negative effect on the economy of Witzenberg. The intermittent load-shedding also adding to our woes.

The following initiatives were implemented to assist over the short term:

- The Witzenberg Municipality installed power factor correction equipment at the Ceres main electrical substation, which effectively provides us with an additional 1 Mva of electricity.
- Although Eskom cannot currently increase Witzenberg's NMD, applications for additional capacity as listed below were however submitted.
 - 5 MVA submitted in September 2019.
 - o and 1MVA submitted in July 2022.
- Council has approved procurement of 19.5 MWp of solar energy from Independent Power Producers (IPP's). A process to get Environmental Impact Assessment (EIA) approval is underway.

Over the short term (1-2 years), the above interventions will assist Witzenberg to provide in its customers' growing demand. Should Eskom not be in a position to complete the upgrade of their bulk electricity by 2030, the Witzenberg Municipality and its agricultural economy will be brought to its knees because of Eskom's inability to provide an increased Notified Maximum Demand.

On the municipal side Witzenberg has three main areas of supply with four Eskom intake points as follows:

- The Ceres electrical network receives its bulk electricity from Eskom via two 11kV bulk metering points at Eskom's Ceres Power Station (northwest of the urban area) and Bon Chretien (northeast of the urban area) substation, current NMD is 36,5 MVA.
- The Tulbagh electrical network receives its bulk electricity from Eskom via one 11kV bulk metering point at Eskom's Tulbagh substation, current NMD has been increased from 4,5 MVA to 6,5MVA.
- The Wolseley electrical network receives its bulk from Eskom via a single 11kV bulk metering point at Eskom's Wolseley substation, current NMD is 5,2 MVA.

It remains the duty of any municipality to pursue all avenues of revenue enhancement in order to ensure the provision of the full bouquet of services to all its residents in a sustainable manner. Electricity provision to the unelectrified rural areas of Witzenberg municipal area is a huge untapped resource that the municipality is unable to exploit due to the current Eskom NMD constraints. In terms of the municipality's NERSA approved distribution licence, the municipal supply area is:

"The municipal area of WITZENBERG. Customers being supplied by Eskom or any other Licensed Distributor at the date of commencement of this licence are excluded from this licence"

This implies that all un-electrified areas are considered 'green field' supply areas for the municipality and that Eskom is not allowed to supply electricity to these areas without the express permission of the municipality.

Load forecast

Below is a table depicting the current and immediate future growth.

	Ceres	Tulbagh	Wolseley
NMD	NMD of 36.5 MVA Highest registered maximum demand is 37.8MVA (Feb 24)	NMD of 6.5 MVA Highest registered maximum demand is 4.622MVA (Jan 24)	NMD of 5.2 MVA Highest registered maximum demand is 4.8 MVA (Mar 24)
Developments Proceeding	 Vredebes development (2850 RDP house units) 5.2MVA Bella Frutta 1MVA Golfing estate development (slow growth) 0.5MVA Erf 9602 Ceres Mall 1MVA [7.7MVA] 	Informal settlement growth 1MVA [1MVA]	Pine Valley 2H (120 Houses) 0.5MVA [0.5MVA]
Developments on "hold"	Belmont development 0.5MVA Kleinbegin (220 RDP housing units) 0.5MVA Mazoe (270 RDP housing units) 0.8MVA [1.8 MVA]	 Natural growth short term 0.5MVA Digby (315 housing units) 1MVA Waverenskroon (1350 housing unit / commercial 16 970m / Institutional 20 775 m / recreation 24 400m) 1.5MVA 	 Natural growth short term 0.5MVA VV4 1MVA(phased) Goedgevonden (269 units security/frail care) 1MVA
	Total 9.5MVA	Total 4 MVA	Total 3MVA

Proposed interventions

Eskom supplies the Ceres area with a 132 kV line that has, due to consistent growth in demand, reached its capacity in 2014. A moratorium on all

new demand is currently in place. Upgrading the existing supply will consist of four phases with an associated cost of R250 million.

Management of landfill sites

The provision and operation of landfill sites in the Witzenberg Municipality have reached critical proportions due to drastically increased operating costs and permit conditions of existing sites, available landfill space and increasingly strict legislation to adhere to.

The Ceres landfill site has been closed since 1999 as a permit was not issued due to the nature of soil conditions that could lead to underground water pollution. Rehabilitation is however still outstanding at a cost of R 4,2m.

The Prince Alfred's Hamlet site is the only operational landfill site. All waste for disposal is transported to this site. It accepts builders' rubble, garden waste and general waste. A hallow core concrete fence with lockable gate was installed in 2024. This addressed the challenge of unauthorized entry to the site, as access could now be effectively controlled. Since its installation, the numerous fires caused during the absence of access control, was no longer prevalent. Rehabilitation is however still outstanding at a cost of R71,2m.

Witzenberg Municipality is in the process of developing a long-term strategy for waste

The Op-die-Berg site needs to be closed in the near future due to high operating costs. Rehabilitation is however still outstanding at a cost of R10,5m

The Wolseley site is licensed for general waste, garden refuse and builders' rubble and have sufficient space up to 2026. The municipality was forced to close the site, after the adjacent informal community burnt down the offices and damaged equipment, and it is not foreseen that the site will be opened again in the near future. Rehabilitation is however still outstanding at a cost of R42m.

The Tulbagh site is no longer operational. A court order prevented the ongoing operation of the site. WLM lodged an appeal against the court order that called for inter alia, further onsite studies to be conducted. An appeal was lodged, which the MEC upheld. The Variation Waste Management Licence issued, was set aside. Rehabilitation costs amounts to R33m.

management as a whole. The strategy will be required to address the following issues:

Component	Activity	Description
Waste avoidance	Public awareness	The municipality developed and implemented a public awareness programme to promote waste avoidance and waste minimisation at source.
Waste collection	Optimise collection System	The municipality to optimise its waste collection resources.
Waste diversion	Recycling	The municipality should cooperate with the private recyclers in the municipal area instead of competing with them. Source-separated recyclables could be collected by the private recyclers after a competitive bidding process (tender). A wet MRF will be constructed at Ceres over the next 2 financial years. A waste drop off site is being constructed at Wolseley.

	Composting of green waste	The municipality should extend its current garden waste separation system to ban all garden waste from the domestic waste stream, thereby also capturing the fine garden waste (grass cuttings) for the composting process. A chipping and composting facility should be developed at the existing Prince Alfred's Hamlet garden waste site.
	Crushing of builder's rubble	Builder's rubble should be stored until a size stockpile is created to justify the mobilisation of a crusher. Such a storage area can spatially be provided at the centrally located proposed transfer facility or until then, at the Tulbagh landfill area.
	Food waste	The quantity of food waste in Witzenberg is too low to economically justify anaerobic digestion, but the food waste fraction could be composted with the garden waste. This would require source separation of food waste, but it is recommended that this activity be postponed until the composting of green waste has been successfully implemented. A zero waste to landfill pilot is currently being done at Tulbagh.
	Waste-to-energy	Witzenberg's waste volumes are too low to economically justify waste- to-energy technologies.
Waste disposal	Disposal at licensed landfill	Witzenberg Municipality has the option to either utilise the proposed new regional landfill near Worcester or to further develop the existing Tulbagh landfill. It is recommended that the regional initiative be supported because the transport cost would be the incentive to maximise the diversion of waste from landfill. A centrally located transfer facility should be established near Wolseley where the collected waste, after diversion technologies have been applied, would be transferred to long-haul vehicles.

Investigate usage of **regional landfill sites**. The development of a regional landfill site at Worcester is currently in process with the purpose to accommodate the municipalities of Witzenberg, Breede Valley (Worcester) and

Langeberg (Robertson, Ashton, Montagu). The operation of a regional site should see a decrease in operating costs, but transport costs should determine if such a shift would be viable

Witzenberg Municipality has a long-term twinning agreement with Essen Municipality in Belgium. As part of their Federal Government Programme, an application was approved for intellectual assistance and funding for the abovementioned strategy and related infrastructure such as the

material recovery facility. The project will further assist with the establishment of drop-off points (transfer stations) in all towns that would replace the existing skip system. Additional funding for the MRF and one drop-off was approved MIG and own funding.

Infrastructure Investment: Solid Waste (Note: Refer to final approved/adjusted budget for correct figures)				
Project Name	Area	Budget	Year	
Drop-offs and Transfer stations	Witzenberg	R 4 000 000	2025/26	
Bulk Waste containers	Witzenberg	R100 000	2025/26	

■ PROGRAMME 1.1 (B): UPGRADE AND MAINTENANCE OF NETWORK INFRASTRUCTURE

Water and sanitation networks

The Witzenberg urban area is serviced through 327 km of water networks and 216.2 km of sewer networks with pipes varying in diameter. All urban areas have access to a water connection point with the exception of the informal areas of Tulbagh, Wolseley and N'Duli, which are supplied with communal water points. All urban areas have access to a sewerage connection point with the exception of approximately 25% of the Opdie-Berg and Prince Alfred's Hamlet consumers that are not connected to a network but use septic tanks that are emptied on request. The informal areas are provided with communal toilets. Septic tanks are serviced by two sewerage

trucks over an area of 10,753 km² that entails mainly rural areas.

Normal maintenance and repair has increased drastically over the past couple of years due to the ageing of networks. A pipe replacement programme and upgrade of pump stations programme are being implemented and budgeted for on an annual basis. The increasing number of pipe breakages also has an influence on water losses, although water losses have decreased significantly over the past couple of years due to several interventions that were implemented.

Area	Budget	Year
Witzenberg	R 100 000	2023/2024
	R 750 000	2024/2025
Witzenberg	R 100 000	2023/2024
	R 750 000	2024/2025
Witzenberg	R 500 000	2024/2025
Witzenberg	R 250 000	2024/2025
	Witzenberg Witzenberg Witzenberg	Witzenberg R 100 000 R 750 000 Witzenberg R 100 000 R 750 000 Witzenberg R 500 000

Electrical networks

Ongoing maintenance of the network is essential to safeguard network reliability and sustainability and to ensure safe working conditions for employees and consumer safety. The negative impact of loadshedding on the electrical infrastructure can however never be emphasised enough. With its uptake in 2022, the municipality has witnessed a deep incline in cable theft, substation vandalism estimated to over R 2million and electrical fire damage to the PFC Control panels due to excessive switching as a result of loadshedding. The cable network of Ceres is considered sufficient to handle a reasonable capacity increase over the foreseeable short to medium term.

In the case of both Wolseley and Tulbagh, the cable capacity is 2,38 MVA, which is insufficient to handle the Notified Maximum Demand and the 35 mm cables should be replaced with 70 mm cables. Ageing infrastructure considered very outdated and even dangerous to operate are, e.g., oil circuit breakers which are estimated to be up to 50 years old and spares are not available. Old outdoor switchgear is susceptible to water ingress. Underway, is however a customer selfbuilt project with plans of upgrading the existing 2x 95mm Incomer cables at Wolseley Main Switching station to 185mm, increasing the cable capacity to 5MVA.

The Electrical Masterplan was reviewed in 2022/23. Witzenberg has developed a Small-scale Embedded Generation (SSEG) plan that supports the management of renewable energy production in the municipal jurisdiction. The municipality will continue with upgrading and installing street and public lighting to ensure a safe environment. However, continued cable theft and vandalism continue to pose a threat to the sustainable and safe provisioning of electricity and street lighting.

Illegal connections, especially in areas such as N'Duli and Pine Valley (Wolseley), pose a major threat in terms of electrical losses, loss of income and public safety if not properly addressed.

Although electricity losses are well managed at 10,5% annually it remains just above the 10% norm set by the Department of Energy, losses in areas such as N'Duli remain out of control, at times exceeding 85% mainly due to illegal connections with the result that only 15% of electricity supplied to the area is metered. Especially in die winter, the N'Duli associated network trips due to overload. This constant tripping obviously has a frustratingly detrimental effect on the consumers with legal connections.

Council has however, intensified efforts to bringing the electrical losses down through the Revenue Enhancement project, that is solely looking at disconnecting illegal connections.

Infrastructure Investment: E figures)	lectricity (Note: Refe	r to final approved/adj	usted budget for correct
Project Name	Area	Budget	Year
MV Substation Equipment	Witzenberg	R 920 000	2024/2025
Upgrade of LV network cables	Witzenberg	R380 000	2024/2025
MV Network Equipment	Witzenberg	R200 000	2024/2025
Upgrade of MV Cables	Witzenberg	R 500 000	2024/2025

Solid waste collection

All formal urban residential erven receive a weekly door-to-door waste collection service with a wheelie-bin system being implemented for business. The implementation of the wheelie-bin system was necessary to ensure business pays for the amount of waste generated, as it was problematic with the provision of black bags in the past. The system further encourages recycling as business will save on waste removal costs when waste is collected by private recycling companies. It also addresses the problem of black bags and waste in boxes being left on pavements for collection that created pollution and unsightly

streets. A new Compactor was procured in 2018/19 budget.

The minimisation of waste by private households is encouraged through public awareness and educational programmes. The strategic placement of large recycle bins at especially shopping centres and schools will be further expanded to support waste minimisation and recycling. The cost-effectiveness of recycling is still problematic as Witzenberg has low populations with limited volumes of waste generated. To increase the cost-effectiveness of the business, private companies have engaged with commercial

farmers and the agri-industry to collect waste to increase volumes.

Approximately 70 skips are distributed throughout towns for the **collection of garden refuse**. An additional skip truck was procured to alleviate backlogs, but illegal dumping, dumping of household waste in skips and overflowing skips still remain an immense challenge. The municipality appointed additional law enforcement officers in to assist with curbing of illegal dumping.

Witzenberg will further implement a waste management strategy as mentioned under Programme 1.1 Sustainable provision and maintenance of basic services infrastructure – Managing of landfill sites that will include the placement of drop-off points (transfer stations) to replace the skips. The first drop-off point in Wolseley is being constructed this financial year, drop off points will be strategically placed in all towns with permanent personnel. A thorough

public awareness campaign with ward committees and door-to-door visits by Waste Ambassadors-ensure public buy-in. The project is partly funded with the assistance of Essen Municipality in Belgium with whom Witzenberg has a long-term twinning agreement.

The volumes of garden waste generated by the public are however insufficient to cost-effectively implement a composting facility and it is foreseen that Witzenberg will enter a partnership with **local private composting companies**. The strategy will also seek to implement more cost-effective operational methods as it is expected that the establishment of new RDP housing projects will put more pressure on the existing workforce and vehicles. Over the past 15 years, residential households increased by approximately 30% and it is expected that the trend will continue over the next 10 years mainly due to the implementation of RDP housing projects. The existing workforce and vehicles will therefore have to be increased to ensure a sustainable service.

PROGRAMME 1.1 (C): TRANSPORT MANAGEMENT AND ROAD MAINTENANCE

Integrated Transport planning

The Witzenberg Local Integrated Transport Plan (LITP) 2022-2027 was prepared as part of the review of the Cape Winelands District (CWD) Integrated Transport Plan (DITP) for 2022 - 2027.

As per Section 36 of the National Land Transport Act (Act 5 of 2009) all Planning Authorities must prepare an Integrated Transport Plan (ITP) for their area for a five-year period. These ITPs need to be overhauled every five years and updated annually. The Integrated Transport Plans for the Cape Winelands District have been prepared to meet the minimum requirements for preparing an Integrated Transport Plan as published by the Department of Transport (Notice No 881, July 2016).

As part of the previous update of the Cape Winelands District Integrated Transport Plan (2014/15), the planning authorities for each of

the local municipalities were re-categorised. The Witzenberg Local Municipality (WLM), through the previous update process, was classified as a Level 3 Planning Authority, which requires that a Local Integrated Transport Plan be prepared.

This report comprises the 5-year review of the Witzenberg Local Integrated Transport Plan, as part of the review of the Cape Winelands District Integrated Transport Plan.

The Witzenberg Local Municipality have had two excellent documents completed for it in the recent past, namely the Roads Master Plan (March 2020) and the Operating Licence Strategy (August 2020). With the upgrade of the IDP (March 2022) and the Spatial Development Framework (April 2022) there was excellent recent information with which to compile this LITP to a very high standard.

The Roads Master Plan did not only provide the costing of required road projects and road maintenance actions, but also provided information of NMT projects and certain public transport projects.

The Witzenberg area has been experiencing urban development growth in the recent years. It is essential that all development planning be guided by a predetermined Roads Master Plan. The urban areas to be evaluated in the Roads Master Plan are Bella Vista, Ceres, Nduli, Opdie-Berg, Prince Alfred Hamlet, Tulbagh and Wolseley.

The Vision for Witzenberg LM Roads Master Plan was formulated to be "To provide a safe, reliable, effective and efficient road and transport system to serve the public of Witzenberg Municipality".

Due to the extent which the Roads Master Plan for Witzenberg must cover- with limited funding- the methodology would be to take information from existing sector plans and update only the information on which the capacity analysis of the roads will be based. This will ensure that all the road-related information is reported in one document where a more integrated approach is taken.

The District wide Road Asset Management System (RRAMS) 2019, has been implemented to assist in managing the road network. The purpose of the document is to assist the Witzenberg Local Municipality (LM) to develop and

implement a Road Asset Management Plan in order to maintain its road assets in a reasonably optimal manner.

The Plan indicated that the municipal road network is in good condition, 59% of road network being in a very good to good condition, 30% being in fair condition with 11% being poor and very poor. Out of the 204.8km of road, 91% is black top roads, 2% is block paved and 7% is gravel roads. The proposed maintenance cost over 2-3years is R42.4 mil.

Since the 2019 RAMMS plan the Municipality has spent approximately R45.5m on resealing and rehabilitation projects.

Five bridges and 3 major culverts were assessed as part of the RRAMS project. The maintenance cost of these structures without professional fees were estimated to be R1.59 mil.

The widening and strengthening of the existing Ceres Van Breda bridge project was successfully completed in June 2024, to the value of R66.7. The Van Breda Bridge is located in Ceres within the Witzenberg Municipality, Western Cape. It is on the main provincial R46 route through the town, and crosses the picturesque Dwars River. It is a strategically important route in the region, that carries major traffic, in particular large transport vehicles for the fruit industry which is a major employment provider in the area. The bridge has been upgraded to current standards, and operates efficiently to the economic benefit of the town and wider region, while still maintaining its landmark status.

Traffic counts were done on 108 intersections, of which six intersections operated with an approach lower than LOS D.

A formal request was sent to WCG to obtain accident data within the Witzenberg LM area to identify hazardous locations. The request was denied. Potentially dangerous intersections on Vos Street (R303) and Voortrekker Street (R46) were identified by others and further investigated.

Minibus taxis is the main source of public transport within Witzenberg LM, in the absence of a public bus service. There is a need to consolidate the various taxi ranks in Ceres. The site for the new taxi rank in Ceres has been identified and should be pursued within the short to medium term.

A host of new pedestrian walkways were identified as well as the required maintenance on existing facilities. In the town of Ceres, kerbs at pedestrian crossings must be dropped to improve universal access.

Precinct planning were previously done in Ceres and Tulbagh. A variety of projects were proposed to connect nodes with general beautifying of the area, improve vehicular, pedestrian and cycle movements. The proposed cost for Ceres was R56 mil and R7.2 mil for Tulbagh.

Pedestrian and cycle facilities should be a requirement up to Class 4 roads which are generally bus or taxi routes. Class 5 roads may however be fitted with walkways or cycling lanes, if it serves public land-uses like schools, hospitals or community buildings.

Freight routes and by-pass routes were identified by previous studies. The initial survey, planning and environmental approvals should be sought in the short to medium term.

Master Planning is key to provide long term steering of projects, with the SDF and IDP planning for a shorter term. Municipal Grants like MIG is key to the sustainability of municipal projects. Developer contributions should be used to augment the bulk infrastructure where required. Tariffs are not applicable to roads and transport.

The Witzenberg LM is geared to use and project manage consultants with internal staff concentrating on smaller capital projects and operational projects. Community Participation projects needs a champion within the municipality to drive it and the handling of labour related issues as they arise. It also requires full time supervision to guide low skilled labour.

Risk Management needs to be made part of the management processes. Officials in Witzenberg, like most others in the transportation field handle problems and challenges as it arises.

The provincial roads and some bridges were identified as critical assets.

The strategy for prioritising projects would be;

All maintenance and repair actions should happen over the short and medium term; All small to medium size capital projects should happen over the short and medium term; All project likely to fall outside of this scope should happen over the long term; The initial work for the long-term projects (survey, planning and environmental), should be done over the short to medium term;

It can be expected that projects will be shifted forward or backwards as priorities change. These priorities are often influenced by political influences as pressure mounts from communities. It could also be that co-funding becomes available or some developments are happening faster than expected.

The OLS document (August 2020) includes the following recommendations:

The Provincial Regulatory Entity maintains a database of all current Operating Licences. Municipalities do not currently have access to this database. Regular engagement between Municipalities and the PRE is necessary to discuss the outcome of Operating Licence applications. This will ensure that all parties are informed about the status of OLs applications. Regular surveys should be conducted to establish the current situation in terms of supply and demand, verify the vehicles currently in operation and identify vehicles operating without Operating Licences. NPR cameras at key point could be put up to collect data on an ongoing basis.

Surveys should be conducted during the picking season, when minibus taxis experience peak demand, and also during the off season. To avoid an oversupply of OLs, OLs should be issued based on the demand during the off season. During the picking season additional temporary licences could be issued to

supplement the existing operating licences and accommodate the increased demand.

A strategy should be developed to rationalise all existing OLs and manage the approval of OLs. Before issuing new OLs, the OLs of routes which are over supplied with public transport trips should be reassigned to routes which are undersupplied in terms of public transport trips. Operating Licences not brought into use within 90 days of approval or Operating Licences not used for a period longer than 180 days should be cancelled.

No new Operating Licences should be approved on routes where there is an oversupply of public transport trips.

Businesses should be made aware of the Operating Licence system and be encouraged to only use licenced vehicles for staff transport.

Vehicles without Operating Licences should be subject to law enforcement as a matter of course. Operators without OLs should be encouraged to apply for OLs on routes where a demand for additional trips has been identified. A regularly-updated database which provides easy access for enforcement of OLS information and route descriptions should be established. When considering the impact that a development will have on the transport network, Traffic Impact Assessments should investigate the number of public transport trips a development will generate and address the provision of public transport in the area. This will help the Planning Authority to identify new routes and possible OL requirements.

Stormwater Master Planning

The Witzenberg area has been experiencing urban development growth in the recent years. It is essential that all development planning be guided by a predetermined Stormwater Plan.

The Vision for Witzenberg LM Stormwater Plan was formulated to be "To provide a database for the Witzenberg Municipality where all stormwater data can be viewed, queried, stored, added, maintained and expanded.

The Stormwater Master Plans must identify upgrades to the existing stormwater system and propose new infrastructure in order to meet current and future infrastructure needs to accommodate growth. It must include a funding model and a programme for the implementation of all the projects identified and prioritized. It must evaluate the long-term viability of existing infrastructure to cope with expansion and augmentation."

The Witzenberg LED Strategy (2004) stated that flooding of stormwater pipes is common in winter as these pipes are not inspected for blockages in the summer as required. The Draft

Reviewed IDP 2019-2020 indicated that some areas within the Witzenberg Municipality have inadequate stormwater systems.

The existing stormwater infrastructure within Witzenberg is made up of 68.6 km of reticulation and 35.6 km of open channel.

The condition of the stormwater infrastructure was assessed based on blockage and structural integrity. 92% were found to be less than 25% blocked, 3% were found be partially blocked, and 5% were full of material (litter or debris). 46% of the structures were in a good condition, 39% were found to be in fair condition, and 15% were found to be in poor (damaged or broken) condition.

For the study area 28% of the Witzenberg PCSWMM model (existing minor system) require new stormwater infrastructure (upgrades, replacements and additional stormwater systems).

Pipe replacement and new minor systems for resolving the problem areas are proposed in

this report, together with preliminary cost estimates. Costs have been calculated for each conduit that requires upgrading or new infrastructure to increase the capacity of the existing stormwater network.

The total cost estimate for the installation and upgrading of the local minor stormwater network to either the 1:2 year and 1:5 year return period standard amounts to R180.8 million, excluding long-term upgrade proposals, and R190.2 million including long-term upgrade proposals.

The hydrological analyses have indicated that the future developments requires the inclusion of detention facilities in the modelling in order to reduce the estimated post-development flood peaks to the predevelopment flood peaks.

Where practically possible, developments should be required to accommodate the difference between the pre and post-development run-offs up to the 1:50 year flood, on the development. This will reduce major and

minor stormwater run-off and improve water quality.

The detention ponds modelled and proposed to be implemented to reduce the future peak floods within Witzenberg Municipal area. The high level cost estimate to construct these detention ponds amounts to R159.9 million. The bulk stormwater infrastructure required to connect the future developments to existing watercourses or the existing stormwater network amounts to R19.7 million. The proposed bulk stormwater

The main concern is that developments within Ceres and Wolseley are within the 1:50 Koekedow Flood lines.

Stormwater damage, with stormwater pipes of a major discharge outlet, was washed away as a result of abnormal rainfall experienced in June 2024. Relieve funds of R3.1m was made available by the National Disaster Management Centre for the repair work.

Infrastructure Investment: Roads & Storm water (Note: Refer to final approved/adjusted budget for correct figures)				
<u>Project Name</u> <u>Area</u> <u>Budget</u> <u>Year</u>				
Upgrade Van Breda bridge	Ceres	R 20 113 000	2023/2024	
Upgrade Van Breda bridge (Own funding)	Ceres	R 2 500 000	2023/2024	
Network Streets	Witzenberg	R 2 500 000	2024/2025	

II. OBJECTIVE 1.2: PROVIDE FOR THE NEEDS OF INFORMAL SETTLEMENTS THROUGH IMPROVED SERVICES

The Constitution of South Africa sets out in Section 152.1 the responsibilities of local government with the emphasis on the provision of services to communities in a sustainable manner. The provision of services to formal billed households is covered under the previous strategic objective.

The provision of services to informal settlements create another type of challenge as informal communities are usually made up of

the more vulnerable groupings with limited access to services, which usually consist of communal infrastructure.

It is for this reason that Witzenberg has identified informal settlements as one of its strategic objectives to ensure that the provision of services and upgrade of informal areas receive priority attention. This objective addresses the provision of services to existing informal settlements and the upgrade of

informal areas through the Department of Human Settlements programme for the development of serviced sites. The implementation of housing programmes such as RDP and FLISP is discussed under the Strategic Objective – "Support the poor and vulnerable through programmes and policy" as it relates to the construction of top structures.

PROGRAMME 1.2 (A): IMPLEMENTATION OF HUMAN SETTLEMENT PLAN (SERVICED SITES)

Serviced sites are funded by the Department of Human Settlements under the Upgrading of Informal Settlements Programme at approximately R70 000 per site. Services included are a water connection, toilet with washbasin and surfaced roads.

Electrical networks are funded by the Department of Energy. Serviced sites projects were recently completed at Prince Alfred's Hamlet (242 sites) and Pine Valley, Wolseley (158 sites). Although 605 serviced sites were completed in 2016/17 in Vredebes with a further 635 sites planned for 2018/19, these sites are earmarked for the construction of top structures. It is expected that serviced sites will be developed in the N'Duli informal settlement for beneficiaries who would not qualify for a housing subsidy at the Vredebes development.

At this stage the number of non-qualifiers is unknown as surveys are presently in process amongst the approximately 1133 families living in the N'Duli informal settlement. The N'duli housing project were planned to be implemented in 2021/22 to ensure alignment with the Vredebes construction of houses but due to the delay in construction on Vredebes the N'duli project could not start yet because of ESCOM's inability to provide electricity due capacity contrains on the grid. It is expected that some of the approved qualified beneficiaries in the N'Duli informal settlement will be accommodated at Vredebes. The informal areas in N'Duli are planned to be upgraded for top structures for those that qualify as well as serviced sites for the non-qualifiers.

Infrastructure Investment (Note: Refer to final approved/adjusted budget for correct figures)					
Project Name Area Budget Year					
Vredebes Access Collector	Ceres,	R 10 909 000	2022/2023		
Vicasas vales to litera	Vredebes	R 2 284 454	2023/2024		

The provision of serviced sites for non-qualifiers does create a problem as a number of the non-qualifiers are foreign citizens with the result that these can't be upgraded with top structures in the future. It is further experienced in areas such as Prince Alfred's Hamlet and Pine Valley where serviced sites were occupied in the past, that the sites are occupied by more than one family, in some cases as many as six families, which also hampers the upgrade to top structures as the additional families will have to be accommodated in a new project. A service provider was appointed by the DoHS so assist the municipality with the enumeration

of the informal settlements in Tulbagh and N'duli over the period 1 April 2019 to 31 March 2021.

PROGRAMME 1.2 (B): PROVISION AND MAINTENANCE OF COMMUNAL SERVICES

The informal areas of N'Duli, Pine Valley and Tulbagh are serviced with communal toilets and water points.

The table below gives an indication of the number households and services ratio:

informal nousenola with commul	nai services		
<u>Informal area</u>	<u>Households</u>	<u>Water points</u>	<u>Toilets</u>
N'Duli, Ceres	1147	25	14
Tulbagh	2926	107	165(including chemical toilets)
Pine Valley, Wolseley	3403	9	43 in total Only 15 in working condition

Note: The number of service points as at end of June 2024. Tulbagh service points include serviced sites occupied by more than one household.

The aforementioned informal areas have limited access to an electrical network. The main reason being that the Department of Energy does not fund electrical networks in informal areas. The upgrade of informal areas to serviced sites is however funded. The maintenance of the communal facilities is managed by the housing section. Due to limited capacity and on-going vandalism, facilities are not always in a working order with blockages resulting in sewer overflows that lead to unhygienic conditions. It remains one

of the biggest challenges for the Housing Department to provide education on the hygiene and usage of the public facilities. These conditions are further examples of the urgent need to upgrade the informal settlements. Refuse bags are distributed for weekly door-to-door collections. The system is not always effective with illegal dumping and littering ongoing. Skips are also placed at some areas with regular cleaning operations by the cleansing department.

PROGRAMME 1.2 (C): MANAGEMENT AND CONTROL OF INFORMAL SETTLEMENTS AND ILLEGAL OCCUPATION

The programme focuses on the management and control of informal settlements in relation to in-migration and unlawful occupation especially in the informal settlements of N'Duli, Tulbagh and Pine Valley (Wolseley). The growth of informal settlements is monitored through a bi-annual count by officials from the Housing Department. The demolishing of illegal structures through a legal process is however costly and time consuming. Capacity of law enforcers is limited and they have to work after hours and over weekends. Eight additional EPWP workers were utilised from 16 December 2018 to assist the housing officials and law enforcement to demolish illegal structures.

Two additional EPWP workers were appointed as from 1 April 2018 to assist with the cleaning of ASLA Camp p and these contract are still ongoing. However because of the constant growth of the settlement an additional 4 EPWP staff members were appointed in July 2022 to assist the daily cleaning of the toilets, streets and area around these settlements. 6 additional EPWP workers were appointed as from 1 June 2024 to assist with the cleaning of the ASLA Camp, and these contracts are still ongoing. However, because of the constant growth of the settlement an additional 14 EPWP workers were appointed in June 2024 to assist with the daily cleaning of the toilets,

streets and areas around these settlements, in total 20 EPWP workers are currently on contract for the whole informal area, of Chris Hani, ASLA Camp, Die Gaatjie and Kleinbegin.



Key Performance Area 2

GOVERNANCE

OBJECTIVE 2.1:

SUPPORT INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

OBJECTIVE 2.2:

ENSURE FINANCIAL VIABILITY

OBJECTIVE 2.3:

MAINTAIN AND STRENGTHEN RELATIONS WITH INTERNATIONAL – AND INTER-GOVERNMENTAL PARTNERS AS WELL AS THE LOCAL COMMUNITY





Key Performance Area 2

B. GOVERNANCE

I. OBJECTIVE 2.1 SUPPORT INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

PROGRAMME 2.1 (A) HUMAN RESOURCES MANAGEMENT AND DEVELOPMENT

The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function. There were 49 vacant positions at the end 2015/16, resulting in a vacancy rate of 5,7%. Measurements are to be put in place to ensure that vacant positions are filled as soon as possible for service delivery to continue.

Witzenberg has put in place a set of human resource (HR) management and development processes, including performance management, personal development plans and workplace skills planning, all of which guide staff training and development. These also deliver effective talent management by creating a 'fit for purpose' organisation that is service delivery-oriented.

Performance management

The TASK process needs to be completed as a matter of urgency with proper job descriptions for all positions on the approved organogram. Witzenberg will further start with the roll-out of operating procedures in certain departments with evaluation measures to ensure effective

personnel performance management. The latter will ensure more effective disciplinary action, and policies and measures will be put in place to ensure that disciplinary actions are timeously finalised.

Equity

The Employment Equity Act (1998), Chapter 3, Section 15 (1) states that affirmative action measures are measures designed to ensure that suitable qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a

designated employer. The national performance indicator also refers to: "Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan".

EE targets/Actual by racial classification

Development

Section 68(1) of the MSA states that a municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable

way. For this purpose the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

PROGRAMME 2.1 (B): LAW ENFORCEMENT AND TRAFFIC

Witzenberg aims to expand partnerships with communities, the private sector and other departments and spheres of government to improve safety and security. The aims of the Traffic Department Law Enforcement Department are as follows:

- Reduce road accident fatalities within the region and increase service delivery to all the towns within Witzenberg.
- Develop road safety initiatives and programmes aimed at educational institutions from primary to tertiary level.
- Ensure increased legal compliance to through enforcement of municipal by-laws and traffic regulations.
- Implement the Violence Prevention through Urban Upgrading (VPUU) programme
- Develop strategies to reduce road fatalities within Witzenberg

VPUU is a systemic approach to neighbourhood upgrades. It is a multilateral collaboration between Witzenberg, the Provincial Government and residents of a specific geographic area. VPUU aims to prevent violence in these areas and, consequently, to improve the quality of life of the residents. The goals include a general increase in the safety of the beneficiary population, upgrades neighbourhood facilities, and economic and community development.

We are acutely aware that the Traffic Department is understaffed, which impacts negatively on the department's ability to effectively deal with traffic violations within the municipal jurisdictional area. It is therefore critical that the law enforcement personnel (traffic component) be progressively expanded over the next five years. The traffic infrastructure also needs to be upgraded to comply with the provincial and national regulations and requirements. It is also envisaged to purchase new traffic vehicles over the IDP term in order to render the department competitive in combating traffic- related

offences. Responding to traffic-related offences as well as general law enforcement matters is not only a municipal traffic function, but also includes positive action from other law enforcement agencies. Intergovernmental relations will thus be strengthened to combat crime effectively within the Witzenberg area and to promote a proactive stance to public safety. It is further envisaged that a specialised traffic officers' component (fast response unit) be established that will lead the municipality's zero tolerance approach to speeding, reckless, negligent and drunk driving. Strategies will include specialised operations to apprehend offenders and start a name-and-shame campaign.

During October 2020 Witzenberg Municipality, together with the Department of Community Safety recruited seven peace officers to assist with the enforcement COVID 19 regulations, these learners are to be utilised on twelve month learner ship program assist the municipality render more effective and efficient by-law enforcement within Witzenberg. Coupled with the intended expansion of the fleet of traffic vehicles, the visibility and effectiveness of traffic services in all the responsible areas of Witzenberg, especially the outer towns, will improve due to this initiative.

The gradual implementation of the amended organogram will streamline the different work components and not only improve the level of service in all spheres of the department, but also present career opportunities.

During the course of the second and third quarter of the 2020 resources within the uniform component was strained mainly due to the COVID 19 Disaster Management Act and the enforcement of said regulations. Currently most of the services are decentralised to Ceres and needs to be expanded to the other towns within Witzenberg.

The intended expansion of the law enforcement component and the increased number of prosecutions, coupled with the possible impounding of items, pose a storage dilemma because at present there is no storage facility for impounded items. The long- term goal is to make available suitably secure storage facilities for such impoundments, which will in turn curb the present continuum of violations. For the period June 2020 until January 2021, 5 020 traffic cases, 40 arrest 58 vehicles were suspended by traffic officers. In addition for

same period Law Enforcement Officers issued 789 violations with 23 arrest.

The Witzenberg Traffic Department is gradually expanding its services and operations, within all the towns however a decentralised approach will enhance service delivery to the various communities. However, this can only be done with expert planning, coupled with experienced management and the availability of adequate resources and financial provision.

PROGRAMME 2.1 (C): SPATIAL AND TOWN PLANNING

The Spatial Planning and Land Use Management Act (Act 16 of 2013)(SPLUMA) brought about a new planning system which was implemented on 1 July 2015. The SPLUMA replaced the old 1985 Ordinance that was found to be unconstitutional. The most far-reaching changes are the following:

- Municipalities needed to regulate their own planning function within the legislative framework (SPLUMA) set by National Government. To this end the Witzenberg Land Use Planning By-Law was approved by Council and gazetted on 21 August 2015.
- Municipalities had to establish a Municipal Planning Tribunal (MPT) in order to determine land use and development applications. Witzenberg Council appointed the MPT members on 26 November 2015, consisting of 5 members; 3 internal and 2 external.
- Municipalities must adopt a single land use scheme within five years of implementation of the SPLUMA.
- The executive authority of the municipality is the appeal authority.
- Developments that will have an effect on provincial planning and agriculture will also need approval from the Provincial Department of Environmental Affairs and Development Planning.

Spatial Development Framework

Legislation requires that the Municipality adopt an SDF concurrently with the adoption of the IDP, which SDF must give spatial expression to the goals and objectives of the IDP.

Work commenced early in 2019 to review the SDF and Council approved the process plan on 31 July 2019.

Public engagements were held between 18 and 25 November 2019 at venues located in each of the towns. The draft SDF was also advertised in the press for public comment until 31 January 2020, and the Provincial Gazette with the closing date 30 March 2020.

Pursuant to section 13 of the Western Cape Land Use Planning Act, 2014 the draft SDF was presented to the Minister for comment on 4 February 2020. Comment was received from the Minister's Head of Department: Environmental Affairs and Development Planning on 5 February 2020.

On 27 May 2020 the final SDF was adopted by Council.

The MSDF has five specific focus areas.

The first is to maintain and protect the integrity, authenticity and accessibility of Witzenberg's natural environment and associated resources. The plan provides for activities enabling access to nature in a manner which does not detract from the functionality and integrity of nature and farming areas and landscapes.

The second is to maintain and expand the Municipality's key regional and intra-regional infrastructure. Appropriate infrastructure — whether in the form of transport routes or municipal services — is critical to support economic development, agriculture, and livelihoods.

The third is to maintain and grow the agricultural assets within the Municipality. Agriculture remains the mainstay of the regional economy and require on-going support. In a spatial sense, this specifically requires protecting high-value agricultural land from urban development. The opportunity also exists to diversify farm income in a manner which does not detract from the functionality and integrity of farming areas and landscapes, and to expand access to farming to smaller entrepreneurs and emerging farmers.

The fourth is to maintain and expand access to Witzenberg's unique sense of people and place. Important is the recognition and maintenance of unique landscapes, and diverse expressions over time of peoples' interaction with the landscape.

The fifth is to maintain and expand opportunity associated with Witzenberg's key settlements. Settlements need to be managed and provide for expansion in a manner which enables efficiency in infrastructure provision, integration and compaction to enable better thresholds and more sustainable movement, and protection of surrounding assets of nature and agriculture.

It is anticipated that a major review of the MSDF will occur every five years.

Land Use Management

Under the previous planning system, the municipality had three zoning schemes. The Spatial Planning and Land Use Management Act, 2013 stipulates in Section 24(1) that a municipality must adopt a single land use scheme for its entire municipal area within 5 years from the commencement of said Act.

Consequently, on 30 September 2020 Council adopted the Zoning Scheme By-law.

Land Use Management at Witzenberg focus on:

- Capacity of engineering services;
- Community facility needs;
- Demographic conditions;
- Transportation and road network master planning;
- Urban and rural problems;
- Visual form;
- Biodiversity and heritage resources;
- Environmental opportunities and constraints:
- Current land use;
- Housing market;
- Agricultural resources;
- Land availability;
- Growth potential;
- Existing and anticipated private and public development.

The SDF is the primary means by which the abovementioned land use management aspects are addressed and which provides appropriate guidance as necessary.

PROGRAMME 2.1 (D): ADMINISTRATION

The Administration Section aims to ensure good governance, administrative transparency and

openness. To promote clean and sound administration and to ensure access and

information in respect of Council resolutions, minutes, policies and by-laws. Witzenberg has

started to implement a paperless policy to reduce use of paper with Council agendas and minutes.

PROGRAMME 2.1 (E): FLEET MANAGEMENT

Witzenberg will develop a vehicle replacement policy that will entail the effective maintenance of vehicular resources and a well-planned replacement programme for ageing vehicle fleets spanning five, 10 and 15 years. Witzenberg is currently in the process of investigating the financial implications of long-term leasing. A vehicle tracking system will be implemented during to ensure effective monitoring and cost-effective usage of the municipal fleet.

PROGRAMME 2.1 (F): TRANSPARENT GOVERNMENT (OVERSIGHT)

According to Section 62(c) of the MFMA, the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control and internal audit operating in accordance with any prescribed norms and standards

Section 165 further states that a municipality must have an internal audit unit that advises the accounting officer and reports to the audit

committee on the implementation of the internal audit plan and matters relating to -

- internal audit and internal controls; accounting procedures and practices;
- risk and risk management and performance management;
- loss control; and compliance with this Act, the annual Division of Revenue Act and any other applicable legislation.

OVERSIGHT STRUCTURE NATIONAL ASSEMBLY Provincial and National Treasury Municipal Manager Administrative reporting Administrative reporting Internal Audit Unit

The Witzenberg Internal Audit unit must evaluate the adequacy and effectiveness of controls in responding to risks within the organisation's governance, operations and information systems regarding the:

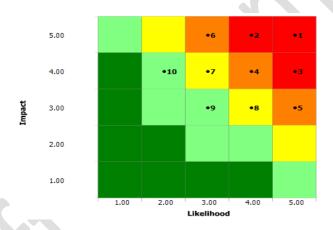
 reliability and integrity of financial and operational information

- effectiveness and efficiency of operations and programmes
- · safeguarding of assets; and
- compliance with laws, regulations, polices, procedures and contracts.

Internal Audit assists the organisation in maintaining effective controls (of which management is the custodian) by evaluating the effectiveness and efficiency and by promoting continuous improvement. A "fraud hotline" (0800 701 701) has been implemented and is communicated on a regular basis through newsletters.

Council takes an interest in **Risk Management** to the extent necessary to obtain assurance that properly established and functioning systems of risk management are in place to protect Witzenberg Municipality against significant risks. Council has to report to the community on the municipality's system of internal control. This provides comfort that the municipality is protected against significant risks to ensure the achievement of objectives as detailed in the Service Delivery and Budget Improvement Plan (SDBIP).

Inherent risk heat map for Witzenberg Municipality indicating the top major risks applicable.



Title	II	IL	IR	Pt
Major unplanned not disaster related interruptions to service deliver	5.0	5.0	25.0	1
Inadequate supply for electricity to meet existing and future	5.0	4.0	20.0	2
demands				
Un-recoverability of outstanding receivables	5.0	4.0	20.0	2
Uneconomical utilization of assets (Klipriver Park)	4.0	5.0	20.0	3
Poor growth in revenue base	4.0	5.0	20.0	3
Non-compliance to rehabilitate closed landfill site	4.0	5.0	20.0	3
Deteriorating electrical infrastructure	4.0	5.0	20.0	3
Deteriorating water and sanitation pipe infrastructure	4.0	5.0	20.0	3
Solid waste management ineffective	4.0	5.0	20.0	3
Inability to implement provincial approved budgeted housing projects	4.0	5.0	20.0	3
Increase in unaccounted water and electricity losses	4.0	5.0	20.0	3
Inability to create a safe environment for communities	4.0	5.0	20.0	3
Escalation in vulnerable households	4.0	5.0	20.0	3
Deteriorating road infrastructure	4.0	5.0	20.0	3
Community is dissatisfied with slow progress towards services	4.0	5.0	20.0	3
delivery				
Growth in informal settlements	4.0	5.0	20.0	3

II – Inherent Impact; IL – Inherent Likelihood; IR – Inherent Rating; RR – Residual Rating; Pt – Map Indicator.

PROGRAMME 2.1 (G): DISASTER MANAGEMENT AND FIREFIGHTING

2.1.1 Fire and Rescue Services

The CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA (ACT 108 OF 1996) establishes fire-fighting services as a Local Government matter. The FIRE BRIGADE SERVICES ACT (99 OF 1987) provides for the Witzenberg Municipality as a local authority to establish and maintain a fire brigade service for the following different purpose:

- Preventing the outbreak or spread of a fire;
- b. Fighting or extinguishing a fire;
- c. The protection of life or property against a fire or other threatening danger;
- d. The rescue of life or property from a fire or other danger;
- e. Subject to the provisions of the Health Act, 1977 (Act No. 63 of 1977), the rendering of an ambulance service as an integral part of the fire brigade service; or
- f. The performance of any other function connected with any of the matters referred to in paragraphs (a) to (e).

The Witzenberg Municipality therefore has the duty to perform the following firefighting functions:

- Coordination and regulation of local authority fire services, designated fire authorities and volunteer fire associations;
- Development of specialised fire services capacity to deal with specialised fire risks prevalent in the area such as veld fires, chemical incidents, informal settlement fires, etc.;
- Facilitation and coordination of the training and development of practitioners;
- Development and facilitation of the implementation of standardised municipal By-laws;
- Coordinate planning for the provision of fire safety and prevention;

- Development, support and implementation of community-based fire safety and Prevention programs;
- Preventing the outbreak and or spread of a fire;
- The provision of information, publicity, training, education and encouragement in respect of the steps to be taken to prevent fires and death or injury by fire;
- Conduct regular and random fire safety inspections;
- Provide advice on the means of escape from buildings and other property in case of fire;
- Fighting and extinguishing a fire; by making arrangements amongst others for having sufficient staff, equipment and vehicles at its disposal to deal with the fire risks in its area of jurisdiction;
- Provide for call taking and dispatching facilities to deal with incoming calls to report emergencies and summoning personnel and resources amongst others;
- Control and stabilisation of dangerous goods incidents;
- Protection of life and or property against fire or other related danger;
- Rescue of life and or property from fire or another form of entrapment;
- Rendering of an emergency medical care.
- Participation in special events planning;
- Provision of fire resilience training to fire practitioners and civil society at large;
- Conducting fire risk assessments;
- Provision of training and to fire services practitioners;

The SOUTH AFRICAN NATIONAL STANDARD for COMMUNITY PROTECTION AGAINST FIRE, SANS 10090:2018, is a measurement tool that indicates whether a fire service is meeting the minimum mandatory community fire protection standard, which in turn is indicative

of whether a fire authority is indeed contributing to the objects of local government. The Witzenberg Municipality Fire and Rescue Service is currently classified as a category 5(b) which mean that we meet the performance criteria for staff availability and appliance availability by only 35% to 45%.

2.1.2 Disaster Management Services

DISASTER MANAGEMENT ACT (57 OF 2005), Sections 52 and 53 require each municipality and municipal entity to prepare a Disaster Management Plan (DMP). The Witzenberg municipality has a legislated duty to:

- Establish a functional Disaster Management Centre.
- Appoint of a Head of Centre and suitably qualified persons.
- Responsible for the implementation and maintenance of an all-hazard, fullspectrum comprehensive disaster management programme, ensuring:
 - Prevention
 - Mitigation
 - Preparedness
 - Response.

- ➤ Rehabilitation and reconstruction
- Monitor progress with post-disaster recovery & rehabilitation.
- Serve as repository of and conduit for, disaster information.
- Be the advisory and consultative body on disaster issues.
- Make recommendations regarding DM funding.
- Make recommendations on legislation affecting DM.
- Promote the recruitment, training and participation of volunteers in DM.
- Promote disaster management capacity building, training and education throughout the republic, including in schools.
- Promote research into all aspects of disaster management.
- Liaise and coordinate its activities with other relevant DM Centres.

II. OBJECTIVE 2.2: ENSURE FINANCIAL VIABILITY

The objective is to ensure that Witzenberg Municipality is financially viable over the short term and sustainable over the long term, while tariff increases are kept as low as possible to ensure that tariffs are affordable to the community at large and competitive to ensure that new businesses and/or industries are attracted.

The development of plots and building of RDP houses are challenges to the financial viability and sustainability of Witzenberg Municipality as most of the beneficiaries will qualify for indigent support and will not contribute financially to the

municipality, but will be entitled to municipal services. The current workforce also needs to be extended to ensure service delivery to the new houses.

The maximum electricity demand of the Witzenberg Municipality reached the maximum supply by Eskom. Increased demand can only be supplied by Eskom in 2030. The lack of available electricity supply has a negative effect on economic growth, which also has an effect on the creation of work opportunities and the financial viability and sustainability of the municipality.

The collection rate of the municipality has decreased from 94% to 88%. This was primarily due to credit control measures not being implemented as a form of Covid-19 relief to the

community. It is expected that the collection rate will increase again as we have started to implement credit control measures and have thus estimated that the budgeted collection rate for the new financial year will reach 91%.

PROGRAMME 2.2 (A): INCOME AND DEBT MANAGEMENT

The revenue must be increased to ensure that Witzenberg Municipality can meet all its financial obligations and to improve service delivery. A policy providing for rebates on municipal services is available to new businesses/industries or extension of existing businesses/industries where new jobs are created.

New businesses and/or industries will not only increase the revenue base of the municipality but will also assist in reducing unemployment – one of the largest challenges for Witzenberg Municipality.

Witzenberg Municipality's revenue stream is modelled on a combination of past trends, forecasted economic and fiscal conditions. The revenue sources are monitored and determined to ensure sustainable medium-term to long-term cash flows.

Consumers are billed once a month for services rendered. In addition to the current practice of printing and mailing, technology will be utilised to implement an e-billing solution (Citizen Mobile Portal), using e-mail technology to make invoices more accessible and to encourage online transacting for citizens with internet access. Witzenberg will implement a Geospatial Information System to display billing information on maps to determine whether all users receive accounts and to easily view outstanding discrepancies.

The biggest problems exist in the towns of N'Duli, Prince Alfred's Hamlet and Op-die-Berg. The main reason being that effective debt collection through the cutting of electricity can't be implemented as Op-die-Berg and Prince Alfred's Hamlet are serviced by Eskom and in N'Duli illegal electricity connections can't be addressed due to safety issues of personnel.

PROGRAMME 2.2 (B): EXPENDITURE MANAGEMENT

The financial goal was to pay off the external longterm loans and to finance new infra-structure. The bulk of the loans were redeemed and the future interest and redemption burden has been reduced significantly. The salary budget was kept below 30% of total expenditure. Controls are in place to mitigate the possibility of unauthorised, irregular and fruitless and wasteful expenditure being incurred.

PROGRAMME 2.2 (C): SUPPLY CHAIN

Witzenberg Municipality is a large procurer of goods and services and as such it has enormous

buying power to support economic growth through procurement. The supply chain unit will be

revising their policies and procedures to ensure that goods and services are first secured locally. Unfortunately current legislation does not provide for any preference for local suppliers. The municipality will ensure that local SMMEs and local businesses are adequately empowered to provide these goods and services.

PROGRAMME 2.2 (D): MSCOA

The Municipal Standard Chart of Accounts (MSCOA) regulation was implemented from 1 July 2017. The tendency of National Treasury to move the goalpost makes it even more difficult to achieve compliance with the regulation.

III. OBJECTIVE 2.3: MAINTAIN AND STRENGTHEN RELATIONS WITH INTERNATIONAL AND INTER-GOVERNMENTAL PARTNERS AND THE LOCAL COMMUNITY

PROGRAMME 2.3 (A): COMMUNICATION AND MARKETING

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act 1996 and other statutory enactments all impose an obligation on local government communicators and require high levels of transparency, accountability, openness, participatory democracy and direct communication with the community to improve the lives of all.

Good customer care is of fundamental importance to government organisations due to their constant interaction with members of the public. All local government entities strive to uphold the following constitutional ideals towards the development of acceptable policy and legislative framework regarding service delivery in public service:

- Promoting and maintaining high standards of professional ethics.
- Providing service impartially, fairly, equitably and without bias.

- Utilising resources efficiently and effectively.
- Responding to people's needs; citizens are encouraged to participate in policy making.
- Rendering accountable, transparent, and development-oriented public administration.

The Witzenberg Municipality Communication Strategy is a vital document which illustrates the views of local residents regarding communication as well as their perceptions of the municipality. Many of the views expressed display dissatisfaction with aspects related to elements beyond the scope of local government, such as access to housing, employment opportunities, education and healthcare.

However, local government acts as the conduit to expedite issues of this nature to the correct government entities, while supporting and investing in various programmes aimed at skills development, youth development, social development and short-term temporary employment. Levels of literacy and education,

understanding of language, public apathy, knowledge of government processes and access to communication tools can also affect how the public formulates perceptions of local government A successful communication strategy therefore links local demographics to the municipality's programme for the year, and influences budgetary expenditure according to the needs of the public. The aims of Witzenberg Municipality's Marketing and Communication Department are:

- To integrate communication.
- To offer service that communicates commitment, loyalty and interest.
- To generate content that engages the public with openness and positivity.
- To become proactive with communication instead of reactive.

and can potentially hamper how local government communicates and assimilates information, especially within rural environs.

- To make ease of access to communication and relaying information easier for the public.
- To effectively engage with international stakeholders and clients.
- To perform oversight and development of tourism expenditure and activities to promote the various towns within the municipality.
- To manage operations for contact centre query management and emergency services relay.

Communication is managed in the following ways:

PROGRAMME 2.3 (B): INTEGRATED COMMUNICATION TECHNOLOGY

Witzenberg is in the process of developing an IT Governance Policy and will implement the following projects over the next five years:

Wide Area Network:

The establishment of a high speed backbone linking Ceres, Tulbagh, Wolseley and Op-die-Berg using AirFiber Micro towers. This will increase our network speed from 0,5 Mbps to 700Mbps which will greatly improve our footprint in these towns. Phase 1 is already completed. Phase 2 will be the upgrading of all client sites. Phase 3 configuration and qOs.

Disaster Recovery Site:

We have established a DR site at Traffic Services where we replicate from our live site. At the moment we are using virtualisation to replicate and synchronise our mission critical servers including our exchange, file, document servers. We are planning to increase these to include all servers. On completion of the WAN backbone, the movement of the site to Wolseley and the upgrading of the equipment to centralised storage. This project is critical as it would ensure business contingency during a disaster.

Citizen Mobile Portal:

We need to be able to provide all services to customers on a digital platform accessible via Mobile device or a PC/Laptop. This will include internet portals or mobile apps where users can access their accounts, perform payments, apply for services, fault reporting, procure prepaid services, refuse removal programmes, etc.

PROGRAMME 2.3 (C): BUILDING STRATEGIC PARTNERSHIPS

Witzenberg is committed to working closely with the provincial and national spheres of

government to put the needs of our community first. To achieve this, we engage with Provincial-

and National Government on various formal and informal platforms.

Witzenberg will formally engage Province and other municipalities through the Premier's Coordinating Forum at a political level, as well as by means of the IDP indabas and MTECH committees at an administrative level. Witzenberg is an active partner in the Consolidated Rural Development Programme (CRDP) with regular engagements with the Department of Rural development in this regard.

Witzenberg will continue with a long-term twinning agreement with Belgium Municipality, Essen.

Several projects relating to youth development and the environment were implemented successfully in the past. Current projects include a Flemish Programme on Youth development and upgrading of open spaces. A Federal Programme focusing on Waste Management was implemented in 2017/18.

The **Thusong Centre** is a decentralised government access hub available to the public, allowing easier access to government services such as Social Development, Home Affairs, etc., eliminating the need for clients to travel great distances to their closest office.

Being a public hub, this building experiences high volumes of public visitors, placing much pressure on the building. The government stakeholders making use of the building are tenants to the municipality and the rental generated is used to manage the overheads of the centre. As a result,

a frequent expenditure for this building is maintenance. There are also capital requirements at this site, as we need to reinforce the security of the building as well as look into the expansion of the centre to accommodate more offices for rental, and provide space in the form of a sports hall for training and conferencing, recreation, cultural or sports activities for the youth and the aged.

The staff at the site is appointed on a temporary basis and we require an administrator to be appointed on a permanent basis in order to address the needs of this facility.

Key Performance Area 3

COMMUNAL SERVICES

OBJECTIVE 3.1:

PROVIDE AND MAINTAIN FACILITIES AND AN ENVIRONMENT THAT MAKE CITIZENS FEEL AT HOME.











Key Performance Area 3

C. COMMUNAL SERVICES

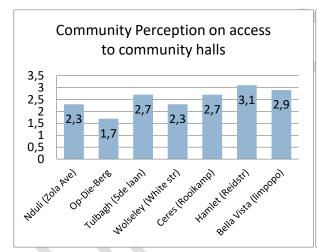
I. OBJECTIVE 3.1: PROVIDE AND MAINTAIN FACILITIES AND AN ENVIRONMENT THAT MAKE CITIZENS FEEL AT HOME

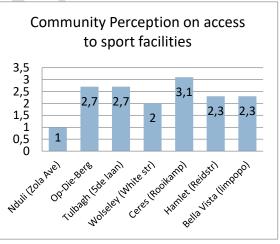
PROGRAMME 3.1 (A): UPGRADING AND MAINTENANCE OF FACILITIES

Backlogs in repairs and maintenance (reactive maintenance) will be addressed, and proactive maintenance programmes for ageing infrastructure (community facilities, cemeteries, park equipment, small plant and machinery) will be investigated and implemented to meet minimum maintenance standards. The municipality aims to maintain all 55 community parks to the set standards. A five-year budgeted maintenance for communal facilities will be developed with standard operating procedures to ensure a cost-effective management of facilities.

Witzenberg will continue partnerships with local sport forums and will continue with the establishment of new sport forums in all towns. The planning and development of sport facilities will be done accordingly the Sport Master Plan.

Witzenberg has implemented a community satisfaction survey for public facilities and amenities and achieved an overall score of a "fair" perception on facilities from the community. The survey is an important tool to determine perceptions across communities and where focus and attention are required.





Perception scores: 1-poor, 2- fair, 3-good, 4-very good, 5-excellent

To address the escalating city burial demand resulting from population growth and over capacity of existing **cemeteries**, an approximate total of 4 ha of land is required for new cemeteries. It is especially the areas of Ceres, Bella Vista, N'Duli and Op-die-Berg that are in urgent need. To address the escalating burial demand, Witzenberg will identify suitable land and establish new burial sites for the areas as

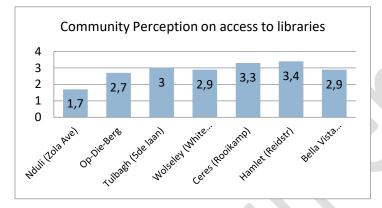
mentioned. Due to scarce suitable land, the possibility exists that a regional burial site might be developed for the greater Ceres area. The cemeteries of Wolseley and Tulbagh can be extended but proper fencing is required to cope with increasing vandalism and theft. Witzenberg will also implement an electronic booking system for burials.

Libraries are generally in a good state in terms of equipment with the exception of the John Steyn Library where urgent upgrading is required.

The libraries' core functions are primarily the:

dissemination of information

- collection building of local, indigenous and international material
- provision of reference services
- creating awareness campaigns through exhibitions
- preserving and maintaining assets



Perception scores: 1-poor, 2- fair, 3-good, 4-very good, 5-excellent

Library Services

The Constitution of the Republic of South Africa, Act 108 of 1996, Section 29(1), states that everyone has the right to education and information – including adult basic education and further education – which the State, through reasonable measures, must progressively make available and accessible. The Witzenberg Municipality's Library Service, in pursuit of this right, and in fulfilment of the

government's obligations under the Constitution to make information progressively available.

Libraries are an integral part of our society, providing access to educational, cultural, and recreational documents, programmes, and other types of resources. Various types of libraries and resource centres play a vital role in providing information, supporting formal and non-formal education, and promoting a culture of reading and learning. Robust library and information services offer a potent contribution to social reconstruction and development.

Building a responsive library system involves keeping abreast of scientific and technological advancement. The challenges and opportunities of the information age mean that high-quality education, training and lifelong learning is essential if the Municipality is to keep up with changes in the nature of knowledge as well as new methods to eliminate illiteracy.

Funding for libraries is received from the three spheres of government, namely, national government, provincial government, and local government. All three spares of government must realise that libraries are an essential component of any long-term strategy for culture, information provision, literacy, and education.

Motivation for funding of library building project

There are no library facilities in the Breë River Area and a facility will add value to the lives of the community and will also help to address the high illiteracy numbers of the municipality at large.

PROGRAMME 3.1 (B): ENVIRONMENTAL MANAGEMENT

The Witzenberg municipality is situated within the Cape Floristic region and is rich in biodiversity and associated ecosystem services. The livelihood of Witzenberg is totally dependent on its biodiversity and ecosystem services, which are essential to ensure sustainable socio-economic development and support human well-being. However, the municipality faces many environmental challenges, including rapid urbanization, limited resources (water, land, energy), and pollution of air, land, and freshwater ecosystems, including climate change-related risks like floods, drought, and wildfires. These challenges contribute to environmental degradation, social and economic issues, and health risks. The development of an integrated environmental strategy or framework to address complex environmental, social, and economic issues is essential to promote sustainability and sustainable development. The composition of an environmental steering committee, which includes internal and external stakeholders, will ensure good and effective governance. The Perdekraal East Wind Farm has entered into an agreement with the municipality and supports the Witzenberg Biodiversity Conservation and Climate Change program, which aims to secure resilience against the impacts of climate change by restoring biodiversity and protecting water resources within the Ceres Mountain Fynbos Nature Reserve. The Witzenberg Invasive Alien Species (IAS) Strategy provides a framework to allow the Witzenberg Local Municipality (WLM) to fulfill its responsibilities in successfully managing and controlling IAS on land under its jurisdiction. Invasive alien vegetation is controlled and managed according to the eradication, monitoring and control plans for the Ceres Mountain Fynbos Nature Reserve (CMFNR), Wolseley, Prince Alfred Hamlet, and Op-Die-Berg commonage. The main goal of the alien vegetation projects is to conserve water at mountain catchment areas, water source areas, and riverbanks, and to conserve and promote biodiversity in the Witzenberg area. The Ceres

Business Initiative (CBI) funds follow-up alien clearing and areas of low infestation projects in the CMFNR. The Environmental section is continuously liaising with national and international funders to support alien vegetation clearing projects in the Witzenberg area. Rivers in our urban areas are degrading due to illegal dumping, illegal water extractions, illegal land occupation, erosion, and agricultural and industrial activities. The loss of important freshwater ecosystems and erosion can also lead to flooding and biodiversity loss. The Ceres River Restoration Program (CRRP) is a three-year pilot project funded by WWF. The project aims to tackle the current negative impacts and challenges identified at the Dwars, Modder, and Titus rivers. The program aims to improve the integrity of the Dwars, Modder, and Titus river sections within the Ceres peri-urban areas by developing a collaborative understanding of the activities and impacts, as well as a shared level of responsibility to restore, protect, and conserve the water resources and ecological infrastructure upon which all local businesses and farmers depend. The municipality continuously facilitates environmental awareness and educational programs in collaboration with Cape Nature, the Breede-Olifants Catchment Management Agency, and SANBI in the Witzenberg area.

Climate Change

The municipal climate change response has been identified in the National Climate Change response plan (NCCRP) for inclusion into IDP planning (DEA, 2010). Municipalities, especially, play a vital role in addressing the country's social, economic and environmental needs. Local government is tasked with the provision of services in a sustainable and equitable manner which includes climate change resilience, the facilitation of socio and economic development and the promotion of a safe and healthy environment for all. Climate change and climate variability already have a direct impact on the ability of municipalities to meet these objectives.

Services that have a great impact on climate change within the WM is the Energy/Electricity, Town planning, Stormwater and roads, water and sanitation, waste management, human settlements, fire and disaster management, Environment, Parks & Amenities. LED & SD. The vision for Sustainable Energy Use in the Western Cape is for the province to have a "secure supply of quality, reliable, clean and safe energy, which delivers social, economic and environmental benefits to the Province's citizens, while also addressing the climate change challenges facing the region and the eradication of energy poverty" (White Paper for Sustainable Energy Use in the Western Cape, 2010)

The White Paper for Sustainable Energy Use in the Western Cape (2010) sets targets in respect of sustainable energy use for the province. It stipulates that 15% of electricity consumed in the Western Cape Province is to be sourced from renewable energy sources by 2014 – this has been measured against the 2006 Provincial consumption. The policy framework recognizes that in order to fulfil international commitments to sustainable development and climate change, the use of renewable energy as a source of electricity is to be promoted

The Western Cape Climate Change Strategy (2008) identified a number of possible likely stress factors in the period 2030 – 2045 that could affect the province:

- An increase in the annual average temperature of at least 1 °C by 2050 (the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report released in February this year shows an expected increase of between 3 and 5 °C by 2100);
- Possible increase in the frequency and intensity of extreme events;
- An increase in conditions conducive to wildfires (higher temperatures and increased wind velocity);
- Reduced rainfall in the western parts of the Western Cape;

- Decreased water resources:
- Reduced soil moisture from an increase in temperature coupled with a decrease in average precipitation; and,
- Temperature impacts on crop activities crop burn, drought, pests and microbes resulting in yield reductions, and loss of rural livelihoods. The goals and objectives of this strategy, with specific reference to energy is to reduce the Provincial carbon footprint by means of air quality management; household fuel replacement; cleaner fuels for transport; energy efficiency and renewable energy maximizing benefits through stimulating and subsidizing innovation in clean and renewable technologies.

The Western Cape is particularly vulnerable to climate change and the hotter drier conditions predicted for the Western Cape could have far reaching impacts. The Witzenberg Municipality's local economy is driven by agriculture and there is concern about the negative impacts of climate change on the agricultural sector which will in turn impact on the local economy. Although there is day to day evidence of what may be climate change (fruit not ripening at the right time, increased activity of baboons in residential areas), it is difficult to predict how climate change will affect the Witzenberg municipal area and the Municipality needs to put climate change mitigation and adaption plans in place.

Compliance with Environmental Legislation within our own organisation is critical if we are to retain the functionality and resilience of the natural systems that support the town.

The Witzenberg municipality, in partnership with Democracy Works Foundation, conducted a comprehensive Climate Change Needs Assessment and developed a Climate Change Response Plan. This plan offers a thorough evaluation of the region's vulnerabilities to climate change and outlines strategic measures to mitigate and adapt to these impacts. The assessment identifies key areas of concern, including increased temperatures, altered

precipitation patterns, and the heightened frequency and intensity of extreme weather events. The Climate Change Response Plan emphasizes the importance of building resilience in the community, protecting natural resources, and ensuring sustainable socio-economic development. Strategic measures include enhancing water conservation efforts, implementing green infrastructure projects, and raising public awareness about climate change.

Air quality

Principal functions of municipalities as per National Framework for AQM:

Air Quality is a function of all spheres of government, ranging from local, district, provincial and national government.

The setting of municipal standards for emissions from point, non-point or mobile sources in respect of identified substances or mixtures of substances in ambient air, which through ambient concentrations, bioaccumulation, deposition or in any other way present a threat to health, wellbeing or the environment in the municipality. Municipalities have to monitor ambient air quality and point, non-point and mobile source emissions. The second generation Air Quality Management Plan which was approved by Council on 30 September 2020 needs to be review in 2024. It is important to expand the plan parallel with economic growth and spatial development. The designated Air Quality Officer is member of the Provincial Air Quality Forum which meets on quarterly basis with the purpose of increasing knowledge regarding air quality issues as well as sharing experiences and lessons learned. In addition, the Air Quality Officer attended an Environmental Management Inspectorate training course which deals with the regulatory and enforcement aspects as described in the Environmental Act (NO 107 of 1998).

Air Quality have budgetary implications as air emission monitoring appliances in this field is expensive and needs to be budgeted for.

Work on the Air Quality By-law for the Municipality has been completed and needs to be approved by Council. The municipality is also in need of audio measuring equipment for the control of noise in its jurisdiction in terms of the Western Cape Noise Control Regulations PN200/2013. Monitoring of compliance in respect of offensive odors caused by any activity is essential for the compilation of an atmospheric impact report. An Emissions Inventory will form part of the reviewed Air Quality Management Plan.

Wellbeing of communities

The application and regulation of the requirements of Section 24 of the Constitution must be complied with to ensure an environment that is not harmful to any person's health or wellbeing. Offensive odours, noise and dust by means of the use of monitoring equipment should be prioritized. The municipality currently does not own any monitoring equipment, thus there is a need for obtaining measuring equipment to combat offences in this regard sufficiently and thereby secure the wellbeing and safety of all inhabitants.

Roaming animals

Roaming animals are still problematic in some residential areas and of great concern for the municipality. Despite of efforts to control the problems, there are still many challenges. The Municipality currently employs animal monitors in Ceres, Nduli, Tulbagh, PA Hamlet and Wolseley which brought some relief to a certain extent in combatting the problems. Witzenberg Municipality comprises of several informal settlements all of which are spread across the municipal area. Various concerns have been raised relating to animals and their presence within communities These problems varies from lack of land for grazing, keeping of too many

animals by emerging farmers, ability to feed their animals and the lack of supervising their animals.

Farm animals are a regular feature in most informal settlements. In most cases, owners either allow them to graze in grassy areas or cut grass to feed for their animals. Further problems of roaming animals occur after working hours when these animals go into the residential areas, entering private properties, destroying people's gardens and also creates unsafe situations for residents and vehicles. However, some animals such as cows, goats and pigs often roam freely between residential structures. This situation creates a number of risks for both human and animal health.

Parks and Urban Greening Program

Through 2022 Urban Forest Management Plan (UFMP) identified the issues and values that are crucial to the Witzenberg municipality (highlighting the central business district), describe a vision for the future of an urban forest, and provide approaches to achieve that vision. The Urban Forest Management Plan (UFMP) consists of several trees inventories (indigenous and common trees) from residential and municipality properties. Tree maintenance and planting needs have been identified. The plan extends beyond planting and pruning schedules to include a variety of long-term goals, strategies and priorities that address tree canopy in a comprehensive, systematic manner. It also requires that all tree works decisions have a focus on always retaining and protecting the current and future tree investments.

Vision

The vision is to establish urban forest that provides maximum benefit while sustaining a healthy, vital canopy over the residential and governmental zones and coexisting and adapting to the expanding development of the central business district.

Goal of The UFMP Include:

Develop, promote and maintain strong community involvement for the urban forest by

increasing awareness among municipality staff, local/ private landowners, and residents about the benefits and services provided by the urban forest and how to care for it.

Outcome: Passionate, knowledgeable staff, landowners and residents.

Strategic Plan

STRATEGIC GOALS, OBJECTIVES, ACTIONS

SG 1: Grow the Urban Forest Through New Planting to Maximize (the Social, Economic and Environmental) Benefits of Trees and Urban Greening. Address disparity between soft-scapes and hardscapes

and hardscapes.	
OBJECTIVE	ACTION (HOW)
Maximise sustainable planting of trees in order to increase percentage canopy	1 Encourage and educate through workshops on value and benefits of trees
cover	2 Revise 5-year tree planting plan focused on access to alternative water sources
	3 Propagate and procure high quality plant material in line with 5 Year Tree Demand Plan
	4 Establish a committed tree planting team for big tree planting at focal points and visible sites

SG2: Protect the urban forest from threats and loss by preserving the town's existing trees

1033 by preserving th	ne town a existing trees
OBJECTIVE	ACTION (HOW)
Develop and give input into guiding documents for Tree Protection	Review Tree Policy – conduct review workshops
	Give input into Tree Bylaw (Environmental Bylaw)
Recognize trees for their special contributions to the City's landscape	Invite nominations for Trees of Significance, implement higher level of protection and maintenance
Monitor and control diseases and pests	Develop strategies to combat diseases and pests

SG3: Manage, monitor, measure and maintain the urban forest to ensure sustainability

the urban lorest to	orest to ensure sustainability			
OBJECTIVE	ACTION (HOW)			
Maintain urban forest according to accepted best practice -	Revise the Tree Work Procedures (TWP)			
including skill and competency development of staff and service providers	Workshop TWP to ensure skilled and trained staff and to minimize tree loss through comprehensive maintenance of trees			
	Revise / develop specifications for external contractors (minimum technical requirements and service standards)			
	Enforce Tree Work Procedures			
Collect and use data to measure and monitor the urban forest	Tree Inventory through GIS mapping that contains data for each tree			
Totest	Procure and process Infrared Imagery to establish a baseline for urban forest canopy cover and to define canopy targets for future			
	Tree Planting Register maintained			

SG4: Secure Resources

OBJECTIVE	ACTION (HOW)					
Committed funding and resources for tree related programs and activities	Assess existing resources and identify gaps e.g. • Equipment / tools: mobile tankers, fixed tanks, pumps					
	 Identify key technical positions and motivate for appropriately skilled and trained staff Funding for special projects 					
	Ensure sufficient operating funding is available for tree maintenance					

SG5: Stakeholder Engagements and Awareness campaigns

OBJECTIVE	ACTION (HOW)
Source Urban Forest training and education opportunities	Identify specialized training needs and facilitate training
Experiential opportunities	Engage with groups to establish partnerships to transfer special skills and knowledge Utilize Nursery as training facility e.g. Bonsai training
Encourage participation in the planting, establishment and maintenance of trees	Community Gardens Participate in Friends Group initiatives where feasible
Participate in national, international awareness campaigns related to trees	Arbor Month Arbor City
Increase knowledge and engagement (residents, community groups, private sector, public agencies)	Establish External and Internal Reference Group/ Tree Committee Press and media releases Tree-Talk internal publication

Key Performance Area 4:

SOCIO-ECONOMIC SUPPORT SERVICES

OBJECTIVE 4.1:

SUPPORT THE POOR AND VULNERABLE THROUGH PROGRAMMES AND POLICY

OBJECTIVE 4.2:

CREATE AN ENABLING ENVIRONMENT TO SUPPORT LOCAL ECONOMY



Witzenberg Day for the Aged

Key Performance Area 4

D. SOCIO-ECONOMIC SUPPORT SERVICES

I. OBJECTIVE 4.1: SUPPORT THE POOR AND VULNERABLE THROUGH PROGRAMMES AND POLICY

PROGRAMME 4.1 (A): SOCIAL DEVELOPMENT PROGRAMMES

Witzenberg is committed to the development of its youth, and recognises the important part they play in society. Young people living in Witzenberg face a number of challenges on a daily basis: Not only are youth unemployment levels high, but substance abuse, particularly drug abuse, is on the increase. In order to facilitate youth development and support, Witzenberg will improve its capacity to deliver on its various programmes. The programme interventions supporting youth development are multifaceted, taking into account the many challenges facing the youth.

An Implementation protocol has been signed with Western Cape Department of Social Development for the implementation of projects and initiatives in the Witzenberg Municipal area. The Protocol aims to address gaps in social development in the Witzenberg Municipal area. The Implementation Protocol agreement declare the Municipality and the Department of Social Development's shared commitment to the following in the context of social and community development:

- Building strategic partnerships towards developing communities in the Witzenberg Municipal precinct
- Promotion of the ideals of integrated governance
- Integrated, sustainable and community centred policies and programmes
- Co-ordination of shared work areas, responsibilities, skills and capacity, resources and concerns
- The Witzenberg Municipality & Department of Social Development will support, within its available resources, the following initiatives, with a special focus on Gender Based

Violence (GBV) in building sustainable communities:

- Gender Based Violence
- Substance Abuse
- Disability Programmes
- HIV Programmes
- Early Childhood Development
- Homelessness
- Community Development
- Youth Development

A Joint District Approach (JDA) Social Cluster has been established that will aim to facilitate discussion around social development service delivery aspects in the various Municipal towns of Witzenberg. It will also aim to address developmental gaps in areas in order that a collaborative approach can be implemented, therefore strengthening initiatives across Government service delivery Departments and ensuring the majority of needs of the most vulnerable can be met. The JDA Social cluster meets quarterly and will be focussed on action and not duplication. The members of the Social cluster will encompass all relevant social development service delivery orientated government departments and related stakeholders.

The following major youth programmes will be implemented, in association with Government, private sector and public organisations:

 Skills development, including personal assessment, development plans and career pathing, entrepreneurial skills, income opportunity skills, technical training and computer skills development.

- Youth programmes with the focus on building physically, emotionally and spiritually healthy citizens who can contribute meaningfully to the community in a socio-economic context by means of nation-building programmes
- Facilitate the formation of Youth forums in all 5 towns, in order to mobolise youth to engage&plan with the Municipality in regards to youth programmes for targeted, sustainable impact
- Establishing partnerships with private, public and government sector to strengthen youth initiatives for bigger, collaborative impact
- Identifying youth recreational infrastructure needs and funding opportunities for implementation
- Capacity building in the fields of organisational development, leadership skills training, moral regeneration and train-the-trainer initiatives.
- Greater awareness of youth at risk, teenage pregnancy, HIV/Aids, substance abuse, the risks of gang involvement, etc.
- Getting youth involved in public participation processes
- Creating platforms for youth to engage around topical issues that affect them, so that they can take ownership and advocate for change, where necessary.
- Putting practical monitoring and evaluation mechanisms in place to ensure that programmes and interventions are relevant and that those doing youth work are held accountable.
- Innovative IT development solutions to facilitate access.
- Creating linkages between corporate entities and assessed youth with a view to possible permanent employment.
- Creating platforms and opportunities for the youth to grow in various art forms such as dancing, drama and craft skills
- Linking the youth with skills training opportunities such artisan related training

- Conducting youth dialoque with vulnerable youth about social challenges and inspiring them
- Creating opportunities for youth to showcase their arts and crafts talents

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Substance abuse is a priority area, given the high incidence of drug and alcohol abuse in Witzenberg. The substance abuse programme focuses on prevention, intervention, suppression and coordination services with other spheres of government It also include tackling the root cause of drug abuse and social dialogue regarding the impact that it have on society. The Municipality will also facilitate the establishment of a Local Drug Action Committee (LDAC). The LDAC will aim to bring stakeholders together to identify, plan and implement action plans that have sustainable outcomes in regards to drug abuse.

HIV is a reality in Witzenberg and thus the HIV programme focuses on awareness, early intervention and prevention, in association with Department of Health and other stakeholders. It include preventative actions, measures & discussions with the community.

Poverty alleviation requires a targeted effort to care for the marginalised and vulnerable in Witzenberg. Given the current economic environment of ever-higher unemployment and the increasing number of residents living below the poverty line, indigent programmes and other economic enabling measures require urgent attention. The main thrust of the programme is to facilitate the resources and conditions required to satisfy poor communities' physical, social and psychological needs. The current focus of the programme is to support food production and security through the establishment and maintenance of food gardens. Food gardens help improve household food security and people's nutritional status, and also offer an opportunity for a group of people to come together and produce food collectively.

People living with disabilities programme recognises the various challenges experienced by people with disabilities. Witzenberg focuses on awareness-raising initiatives concerning disability in order to break down the barriers and promote and foster social integration and opportunities for persons with disabilities. The programme interventions are aimed at empowering and promoting a fully inclusive society for persons with disabilities. Support to caregivers and parents of disabled children is another goal of this programme. Life skills, hand skills and social skills are some of the main areas of intervention for youth who are differently disabled. Disability access discussions will also be facilitated for municipal buildings and then also with the private sector. The Municipality plan to facilitate the formation of a persons with disability forum that will aim to create platform for multi-sectoral collaboration.

The **Gender programme** create an enabling environment that celebrates women rising above adversity, Witzenberg seeks to raise awareness of domestic and gender-based violence as well as the support services on offer to both women and men. The following programmes are provided in collaboration with numerous partner organisations:

- Women's Day events celebrating women rising above adversity
- Training to create greater awareness of domestic and gender-based violence
- Fatherhood training programmes, which entail the training and education of young men and fathers to improve gender relations and to facilitate prevention and early intervention in respect of domestic and gender-based violence

- Discussions regarding facilitating of establishment of safe house
- Awareness programme on domestic and gender-based violence during the 16 Days of Activism campaign

The **Protection of vulnerable children programme** is focused on coordinating services of all NGOs/FBOs and government departments in the field of working with children and their families.

- Awareness and prevention of child abuse and child neglect.
- Fire, water and road safety awareness campaigns in collaboration with the relevant stakeholders.
- Support and assistance to other departments/stakeholders working with children.
- Assistance with addressing the problem of children under 16 who are roaming around in towns under supervised

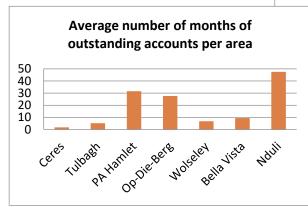
The **Early childhood development** (ECD) programme supports quality ECD services with a variety of development components, such as ECD training, expansion and awareness, as well as the construction of ECD facilities. This also includes supporting and strengthening the role and function of the Witzenberg ECD Forum.

Furthermore, discussions must occur between the various education roleplayers regarding the need for more Model C schools on primary and secondary level.

■ PROGRAMME 4.1 (B): INDIGENT SUPPORT

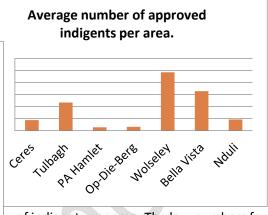
Witzenberg supports the poor through its Indigent Policy and subsidises municipal services to approved households with an income of R3 000 or less per month or R5 000 or less. The total subsidy

value per



month is approximately R1, 8m. The outstanding debt of indigents of around R20m remains a challenge as no credit control procedures are currently implemented against indigents.

The table below gives an indication of the number



of indigents per area. The low numbers for areas such as Prince Alfred's Hamlet, Op-

die-Berg and N'Duli are particularly clear. The main reason being the ineffectiveness of debt control measures as discussed under programme 2.2(a). The table above indicates the outstanding debt per area to show how it compares with the number of indigents per area.

PROGRAMME 4.1 (C): HOUSING PROGRAMME

One of the Witzenberg's biggest challenges relates to growing informality – the expansion of informal settlements and the rising number of households living in makeshift shelters in backyards. Witzenberg needs to ensure integrated sustainable human settlements and access to housing for those in need in an incremental manner.



Interventions will require significant additional capital investment, together with a fundamental reconsideration of how to deliver more opportunities to access housing in an incremental, more rapid and more integrated, sustainable manner. Key elements for successful urban restructuring include higher-density housing developments in well-located areas, major improvements in public transport to link fragmented places, and higher employment levels in townships and informal settlements.

The table below gives an indication of the number of people on the municipals housing waiting list. Although the statistics includes farm residents and people from informal settlements, it is expected that the need might be much higher. The total of people on the waiting list amounts to approximately 8 450 with the agricultural sector indicating that the need of farm dwellers to obtain houses could also amount to approximately 9 000.

There are approximately 17 000 residential consumers that receives services from the municipality and if the need indicated are to be accommodated all towns in the Witzenberg will

have to be doubled. Currently the existing resources and infrastructure are not available to accommodate such a growth and it is not expected that it would be able in the near to medium future.



Ceres/Bella GAP for all PA Op Die Vista Tulbagh Hamlet Berg Wolseley Nduli areas Series 1 2598 994 1220 864 1305 1525 1796

Witzenberg will implement the following projects over the next couple of years:

Project	2018/19				2019/20		2020/21			
	Sites	Houses	Funds	Sites	Sites Houses Funds			Houses	Funds	
Vredebes (2911)		30	R3.9 m		200 (IRDP)	R26 m		200 (IRDP)	R26 m	
					50 (FLIPS)	R3 m		50 (FLIPS <mark>)</mark>	R3 m	
						R12 m	200		R12m	
N'Duli (planning money only)	0	0							R558	

Dependant on the allocation of funding from Provincial Government.

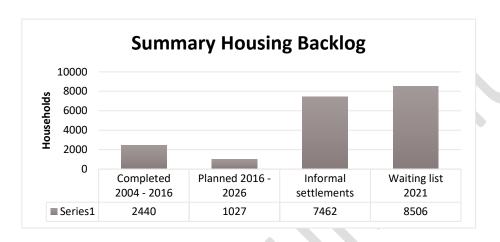
Gap (affordable) housing

The term 'gap housing' refers to houses that are provided to households earning between R3 501 and R22 000 per month, who are not provided for

by the private sector or the state. The number of people seeking homes in the R150 000 to R350 000 price range has been growing steadily

in the past years. The municipality recognises the critical importance of supplying houses within this price range for the proper functioning of the overall residential housing market. In this spirit, Witzenberg has undertaken the sale of serviced plots at reduced prices to enable buyers to build

their own homes on a piecemeal basis via access to short-term loans or with employer assistance. The table below gives an indication of progress made in terms of the provision of housing over the past couple of years and the planning for the future.

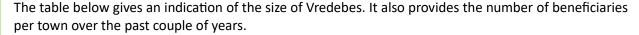


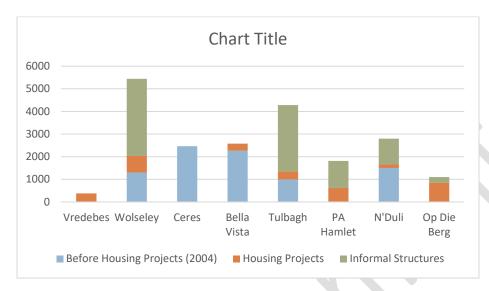
Resources and bulk infrastructure remains a major achieving planned challenge in targets. Witzenberg is in process of implementing the Bella Vista (307 units) and Vredebes (2 800 units) housing projects. Both these projects require significant bulk infrastructure upgrades. The Bella Vista project were completed in 2017 with the Vredebes project being developed over the next couple of years depending on the availability of funding to complete bulk infrastructure. Currently 379 top structures were completed until the end of June 2024 in Vredebes

All bulk water and sanitation infrastructure required was completed, with the construction of houses can start. The upgrading of the adjacent R44, bus routes, bulk stormwater, and link road however require in the access of R150m. It should also be noted that the project's electricity requirements are approximately 5MVA of which

Eskom cannot supply due to insufficient bulk capacity as discussed under Programme 1.1(a).

Witzenberg is committed to creating sustainable, integrated human settlements rather than merely providing low-cost housing. The Vredebes project when completed will have a significant influence on the municipal financial viability, service delivery, transport network and Ceres CBD. The Provincial Government will assist Witzenberg through the Regional Social and Economic Programme (RSEP) to develop an implementation plan for Vredebes to ensure an integrated and sustainable community. The main focus would be to ensure the buy-in of all sectors such as education, social and economic development, security, etc. and to align the construction of houses with the availability of social and technical infrastructure.





Rental stock disposal programme

During the 1980s, government initiated the discount benefit scheme to encourage tenants and sales debtors to acquire ownership of their saleable housing units. An asset management improvement programme will soon be finalised, which will enable Witzenberg to better manage and maintain its assets especially in terms of rental stock. To meet this need, Witzenberg will assess

the possible sale or transfer of rental stock to clearly identified beneficiaries according to prescripts of the National Housing Codes. This will allow for a sense of ownership for community members and support economic independence for beneficiaries. Approximately 240 of these rental units are earmarked for transfer to tenants over the next three years.

PROGRAMME 4.1 (D): JOB CREATION

The Expanded Public Works Programme(EPWP) is a national government programme that aims to provide social protection through the creation of jobs. The programme's mandate is "to contribute to development by providing work opportunities to poor and unemployed people in the labourintensive delivery of public and community assets and services". EPWP programmes in Witzenberg will complement existing municipal service delivery and will also aim to provide unemployed persons with experience in environmental cleaning initiatives. infrastructure maintenance projects, as well as social sector programmes. An existing operating procedure are regularly updated that would include the maintenance of an unemployed database for job

seekers to be utilised with EPWP recruitment. The Department of Public Works Conditional Grant will be utilised to complement service delivery in the municipality, such as assistance to youth, maintenance of parks, rivers and open spaces, neighbourhoods, the various CBD (Central Business District), as well as road & storm water maintenance. There is also a focus on maintenance projects where unemployed persons can grow in their skills and obtain experience. At the same time municipal infrastructure are being maintained on a regular basis. Workers on the programme can also benefit from training initiatives (where funding is available).

The Municipality will aim to prioritize persons with disabilities, youth and women.

II. OBJECTIVE 4.2: CREATE AN ENABLING ENVIRONMENT TO SUPPORT LOCAL ECONOMY

PROGRAMME 4.2 (A): LOCAL ECONOMIC DEVELOPMENT

Local Economic Development (LED) is concerned with promoting participation and local dialogue, as well as connecting people and their resources for better economic opportunities, job creation and a higher quality of life for both men and women.

LED is thus a participatory process and can be regarded as the process whereby the wealth in local communities is created not by government alone, but by the complement of private enterprise. These enterprises depend on favourable local business conditions to create prosperity, while the local governments have the key role of providing the enabling environment for businesses to succeed.

Witzenberg Municipality is committed to support local economic development not only through various Inter-governmental. The Witzenberg Local Economic Development Strategy is currently in its final stages of review. The implementation of the existing strategy is measured on a bi-annual basis.

Witzenberg Municipality will be supporting SMME developments through the following projects.

- 1.Small Business development
 - Facilitation of:
- Business training (entrepreneurship, business plans, marketing, financial management, customer service)
- Establishment of a Witzenberg Entrepreneurship Academy
- •SARS workshops (tax clearance, benefits for small business, business registration options)
- Contractor development (Construction & site compliancy)
- •International business capacity building missions

- Mentorship programmes
- •SMME email network establishment to distribute information and opportunities
- Business advice
- Business dialogue with small businesses in town to disseminate information, discuss challenges and tackle solutions together
- Liaison with small business forums
- Collaboration with Ceres Business Initiative
- 2) Linking entrepreneurs with funding opportunities by means of: information sharing, workshops& online application assistance:
- District Municipality, Provincial & National Government funding
- Corporate / Private (Company linked funding)
- 3) Linking clients with Supplier database registrations
- Municipal supplychain & Western Cape supplier database (assistance with completion of application forms)
- •Central supplier database (online registrations at local E-Centre's)
- Small business consultations
- Referrals to organisations or State Departments
- 4) Facilitating access to markets
- Small Business infrastructure (construction of business centres & market related infrastructure)
- •Small business expo's
- •Linkages with government department procurement opportunities
- •Linkages with tourism related opportunities at festivals
- •Linking local contractors with construction opportunities

- Procurement input during tender supplychain processes
- Linkages with local established businesses
- 5) Application & processing of informal trader permits & business licence registrations
- •Include an informal trader programme to provide training and support on a business level to informal traders
- Establishment of informal trader forum
- Assisting with red tape challenges/ blockages
- •Identifying new & better trading space
- 6) Providing SMME opportunities in new developments
- Assistance with expediting business applications for municipal land
- •Waste entrepreneurship interventions and capacity building
- Investigating possible land for business development

- •Development of a policy for film production companies for permits to enable, attract and to streamline applications
- •The development of a small business training academy
- •Creating flagship LED events such as Supplier & funding registration days where businesses can register for business services and apply for funding
- 7) Red tape reduction
- •Implementation of municipal wide case management system that aim to fast track business and public complaints, solutions and swift implementation
- Development of a Public Service Charter that will indicate the standards of service delivery that the various Municipal Departments are committing to

Tourism

Witzenberg Municipality has a service level agreement (SLA) with three local tourism associations that conduct marketing of the municipal area and local established businesses in order to draw investment and trade to the area. Local businesses join as members of the local tourism authorities to participate in the marketing initiative. Membership holds businesses accountable to ethical norms and standards for the industry, and to a code of conduct.

Their functions include:

- Marketing the area, events and activities.
- Creating opportunities for transformation, niching, diversification and support of new stakeholders.
- Ensuring that tourism development remains on trend.
- Promotion and development of Accessible Tourism.

Tourism aims to market Witzenberg Municipality as an affordable holiday destination with activities for the entire family. Tourism liaises with district, provincial and national stakeholders to develop the Witzenberg brand through attraction of tourists, awareness campaigns, roadshows, expos, events and festivals. Tourism further aims to train and skill local entrepreneurs to meet tourism-related demands, and provide the requisite services and products necessary to promote local trade and economic development.

To enlist new members and plan for the growth of both operations and market.

As per our SLA with Witzenberg Tourism, which is an external entity to Witzenberg Municipality, we have the following strategic priorities:

 Promotion of our towns as travel destinations and as film and photoshoot locations (with attractive scenes in farm and desert areas, mountains, snow, and skylines.)

- Promotion and protection of the local towns, events and the municipal brand.
- Promotion of conservation and Green Tourism. Provision of statistical research and data outputs.
- Promotion of Agri-Tourism.
- The growth and expansion of tourism.

Witzenberg Tourism runs educational packages with schools, front of house staff, and local stores to promote clientele service. The entity also sources courses such as first aid training, communication, administration and hospitality to help local businesses improve their output and skill levels.

Part of the municipality's agreement with Witzenberg Tourism is to expand the broad demographic of tourism to encompass culture, heritage, diversity and transformation. We aim to develop two new travel routes within Witzenberg to promote social cohesion as well as introduce formal trade to township and rural areas.

Witzenberg Tourism has produced tear-off maps which are distributed to points of sale with high traffic, providing location and contact details of local tourist attractions. They have also produced a joint brochure called the Witzenberg Meander, covering activities throughout the municipality.

Tourism bureaus for Wolseley, Ceres and Tulbagh also created their own brochures with niche marketing of their sectors in conjunction with social media promotion through Facebook and websites. Witzenberg Tourism has been successful in marketing the destination to visitors within South Africa as an affordable and picturesque location for weddings, snow tourism,

heritage tourism, agri-tourism, wine tourism, adventure tourism, cultural tourism, sports tourism and rural tourism.

Witzenberg Tourism also conducts quarterly educational visits of the areas to tourism authorities outside of our borders as well as to journalists, media groups and bloggers, in order to review and publicise the activities and services offered in the area. A significant area of focus in the IDP for tourism is access to qualitative and quantitative research, specific to our area.

Ceres Business Initiative

The Ceres Business Initiative was originally founded as the Ceres Chamber of Commerce in 1936. The institution represents various business and enterprise areas in the Witzenberg area. The Witzenberg Municipality has a good relation with the CBI and plays an important supporting role in achieving the following goals of CBI:

- Building bridges between the municipality & the business community.
- Ensure that the town is clean & safe
- Accomplish economic growth, create opportunities for entrepreneurs
- To consult with the municipality regarding service delivery.

CBI has initiated several opportunities for small and upcoming entrepreneurs with support from its members and other role-players.

PROGRAMME 4.2 (B): UTILISING MUNICIPAL AND PUBLIC PROPERTY TO SUPPORT ECONOMIC GROWTH AND SUSTAINABLE DEVELOPMENT

Witzenberg completed a land audit in 2009 indicating all municipal and public properties. These properties are categorised with the focus on underutilised properties. The land audit is updated regularly and an implementation plan was developed with annual implementation

targets. The purpose is mainly to sell or make available underutilised municipal property to leverage growth, support economic development and job creation with the focus on sustainable development especially in poor communities. Economic benefits include:

- small-business development through support initiatives stimulating local economic activity and possible job creation
- the creation of potential opportunity streams through mixed-use activities
- encouraging and enhancing entrepreneurship across various key sectors.

Witzenberg will, in conjunction with the Department of Rural Development and Land Reform and the Department of Agriculture, investigate the utilisation of commonage land as part of the Agri-Park development. The main purpose would be to grow the local economy, job creation and empowerment of the previously disadvantaged.

The investigation should give an indication of the preferred commodity as determined by soil conditions and available markets, but also water

availability and support by existing commercial farmers.

Large tracks of commonage has been identified as Critical Biodiversity Areas. These areas are however not managed and protected as it is being overgrazed and illegal dumping occurs in some areas.

It is therefore necessary to investigate if the land



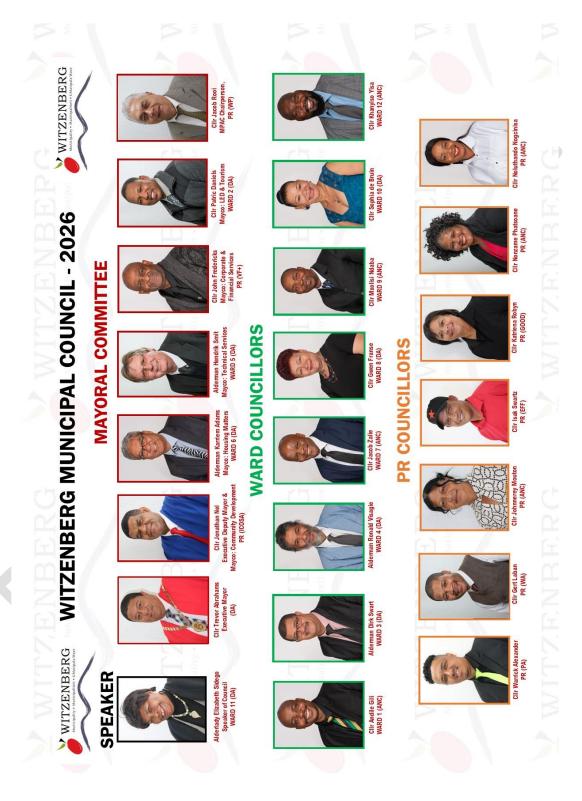
INTERNAL MONITORING AND REPORTING

Measuring of performance on Strategic Objectives is measured through the Service Delivery and Budget Implementation Plan as included in Chapter 7. The results are published in the Annual Report.

Departmental indicators are included in the Departmental SDBIP with monthly internal reporting to managers

5 MANAGEMENT AND GOVERNANCE

A. COUNCIL STRUCTURE



B. AUDIT COMMITTEE

Members of the Performance, Risk and Audit Committee					
Mr J George (Chairperson)	Ms Mohlekhu Constance Fagan				
2 Dickens Close, Somerset Park, Van der	Corner Trumali and Strand Road				
Stel, SOMERSET-WEST	Parmalat Park				
Cell: (062) 655-0455	STELLENBOSCH				
E-mail: jonathang@quantumadvisory.co.za	Cell: (082) 927-6548 / 22				
jonathang@quantamaavisory.co.za	Email: m.connie.fagan@gmail.com				
Ms Jacqueline Lapoorta	Mr Jacobus J Swarts				
17 Driebergen Street, Highbury	6 Bass Street, Soneike				
KUILSRIVER	KUILSRIVER				
Cell:	Cell:				
E-mail: jacquilap@gmail.com	E-mail: jacobus.swarts@enslins.co.za				

C. ESTABLISHMENT OF WARD COMMITTEES

Through the establishment process, it is intended that members of the community will understand the purpose and potential benefits of the Ward Committee System. Community members would also be in a better position to make informed decisions with regard to nominating and electing appropriate members of Ward Committees and be able to hold Ward Committees accountable once they are established.

For the months of February and March 2022 Witzenberg Municipality had an intensive mobilisation campaign on the process for the establishment of Ward Committees. On 30 March 2022 the nomination process closed.

The verifications on nominations were done, some candidates were only disqualified after

verifications were done. Candidates were disqualified if they were not registered voters, if they were nominated in the wrong voting district, if they were not nominated by a registered voter, if they were nominated by a voter that was not registered in the same voting district as the candidate, and if nominations were received after the deadline of 30 March 2022.

The election process was facilitated by contract workers who also did duty as contract workers for the Independent Electoral Committee (IEC) during the 2021 Local Government Elections. The elections in the different wards took place on 4, 5, 6 and 7 April 2022. The newly elected Ward Committee inauguration took place in May 2022.

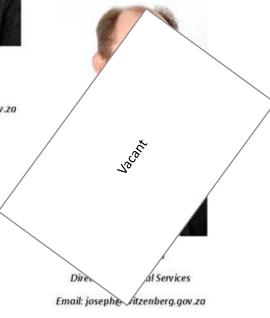
D. MACRO MANAGEMENT



Monwabisi Mpeluza
Director: Corporate Services
Email: monwabisi@witzenberg.gov.za



David Nasson Municipal Manager Email: david@witzenberg.gov.za





Cobus Kritzinger Director: Finance Email: cobus@witzenberg.gov.za

Directors Community Services vacant

6 STRATEGIC FINANCIAL OUTLOOK

Finance to update all information: refer Draft Budget

A. EXECUTIVE SUMMARY

The National Treasury projects real economic growth of 0.6 per cent in 2023. GDP growth is projected to average 1.6 per cent from 2024 to 2026 as the frequence of power cuts declines, lower inflation supports household consumption, and employment and credit extensions recover gradually.

The current economic challenges in the country place pressure on the ability of consumers to settle municipal accounts, therefore, municipal own revenue generation gets affected. The main risks to the economic outlook are weaker-than-expected growth, continued deterioration in the public finances and a failure to implement structural reforms. Electricity remains a binding constraint on economic recovery, with power interruptions expected to continue into 2024.

Population statistics suggest that the municipality has experienced a steep increase in population during the past 10 years.

The expansion of Informal settlements within the municipal area supports this argument and this places pressure on the municipality to provide basic services within these areas. The municipality is in the process of lodging a dispute to Statistics South Africa as it is of the opinion that the population figure is higher than the numbers published by Statistics South Africa.

The municipality's notional maximum demand (NMD) ceiling has also been reached and this is hampering its ability to attract investments to the municipal area. Continued talks are underway with Eskom to increase Witzenberg Municipality's NMD.

The aging electricity infrastructure has necessitated the municipality to budget for a substantial investment in the replacement of key components to ensure that standard of electricity service is maintained and that the local economy remains active.

The municipality followed a conservative approach for projecting revenue by keeping increases in tariffs to affordable levels.

The probability of a recession stands at 68% in February 2023, up from odds of 45% in January 2023, according to various news agencies, based on economist polls conducted in February 2023.

B. FINANCIAL STRATEGIC APPROACH

The 2024/25 MTREF process commenced with a technical analysis of previous years' performance outcomes, an assessment of the economic outlook, and consultation with various role-players. The process encompassed the following:

- Framework for and strategic direction of the budget provided by the MAYCO
- Long-term Financial Plan presentations to Council.
- Eskom's application for electricity tariff increases to the National Energy Regulator of South Africa (NERSA).

C. FINANCIAL MODELLING AND KEY PLANNING DRIVERS

The outcome of the LTFP modelling incorporated the assumptions outlined in the paragraphs below on which the 2024/25 MTREF was compiled. The principles applied to the MTREF in determining and maintaining an affordability envelope included:

- Higher increases to selected cost elements subjected to higher-than-average inflationary pressure, such as employee related costs and fuel cost
- The assumption of a 95% capital expenditure implementation rate;

- Credible collection rates based on collection achievements to date, and also incorporating anticipated improvements in selected revenue items;
- National and provincial allocations as per the 2024 Division of Revenue Act (DORA); and
- Province's 2024/25 MTREF allocations circular to municipalities.

D. ECONOMIC OUTLOOK/EXTERNAL FACTORS

The sluggish growth experienced in the South African economy is aggravated by the constraints in electricity supply, the increase in living cost, the increase in transportation cost and an increase in delivering basic services. The municipality is not immune to global

E. NATIONAL AND PROVINCIAL INFLUENCES

Conditional grant funding targets delivery of national government's service delivery priorities. It is imperative that Witzenberg Municipality understands and complies with the conditions stipulated in the Division of Revenue Act (DoRA) in order to access this funding. The equitable share constitutes unconditional funding, and is designed to fund the provision of free basic services to disadvantaged communities.

The municipality has recently challenged the population figure published by STATSSA as it is of the opinion that the said figure is substantially higher. The population figure has a direct impact on the municipality's equitable share allocation which is used to provide free basic services to the most vulnerable portion of the population.

F. EXPENDITURE ANALYSIS – A THREE-YEAR PREVIEW

III. GENERAL INFLATION OUTLOOK AND ITS IMPACT ON MUNICIPAL ACTIVITIES

The MFMA Budget Circular for 2022/2023 indicates the following inflation forecasts:

2024/2025 4.9% 2025/2026 4,6% 2026/2027 4,6%

IV. INTEREST RATES FOR BORROWING AND INVESTMENT OF FUNDS

Changes in interest rates will not affect the budget over the medium term as the interest rates on most of the existing loans are fixed. The interest and redemption expenses will decrease as loans are being redeemed.

V. COLLECTION RATE FOR REVENUE SERVICES

The collection rate for revenue service will be under more pressure due to the weak economic outlook. Prepaid water meters

will be installed to reduce the provision for impairment of water debtors.

VI. SALARY, WAGES AND RELATED STAFF EXPENSES

The increase in employee-related costs is expected to be more than the inflation forecast. A 2,5% notch increase will increase the employee-related costs even further. The job descriptions of all employees are in the

process of being re-evaluated – the outcome of the evaluations is still unknown, but it is expected that the salaries of some employees will increase.

VIII. REPAIRS AND MAINTENANCE

Higher-than-inflation repairs and maintenance provision is made in the budget to attain nationally benchmarked levels,

thereby ensuring and enhancing the preservation of Witzenberg Municipality assets.

IX. DEPRECIATION

Depreciation charges will increase on an annual basis due to new assets being added

to the asset register through the capital budget.

G. REVENUE ANALYSIS – A THREE-YEAR PREVIEW

X. GROWTH OR DECLINE IN MUNICIPAL TAX BASE

The revenue base is not growing enough to support the rising cost of service delivery. Most of the economic development in Witzenberg occurs in the rural areas where the municipality is not the service provider.

The Skoonvlei area is being developed as an industrial area with assistance from Rural Development to attract industries to the town areas and to create job opportunities.

XI. MAJOR TARIFFS AND CHARGES: ECONOMIC AND TRADING SERVICES

Witzenberg Municipality strives to keep tariff increases below inflation. The threeyear indicative tariffs are determined for major services to illustrate the financial effect of medium-term operational and investment plans.

XII. PROPERTY RATES

Property rates revenue is used to finance municipal functions other than economic and trade services. Property rates revenue is subsidised by the surpluses from economic and trade services. Property rates tariffs are therefore increased with more than the inflation forecasts. A new valuation roll was

implemented from 1 July 2023. The limitations on property rates tariffs of Agricultural Property, Public Service Infrastructure and Public Benefit Organisation Property has a negative effect on the possible rates revenue.

H. IMPACT OF NATIONAL, PROVINCIAL AND LOCAL POLICIES ON OPERATING REVENUE

XIII. 2024 DORA

Allocations and grants to Witzenberg Municipality are included in the DoRA.

The equitable share allocation is utilised to fund the provision of free basic services to indigent households. The Municipal Infrastructure Grant is mainly allocated to the provision of bulk service infrastructure to new low cost housing projects.

The Regional Bulk Infrastructure Grant is earmarked for Bulk Water Storage for the Tulbagh area.

XIV. MAJOR PARAMETERS

The following table summarizes the major parameters applied to the operating budget:

Description	Budget year	Budget year +1	Budget year +2
	2024/2025	2025/2026	2026/2027
СРІ	4.9%	4.6%	4.6%
Collection rate	92%	92%	92%
Tariff Increases:			
Rates	8%	8%	8%
Electricity - Residential	10.8%	10.8%	10.8%
Electricity - Business	10.8%	10.8%	10.8%
Water consumption - Residential	5%	5%	5%
Water consumption - Business	5%	5%	5%
Sewerage	5%	5%	5%
Refuse removal	5%	5%	5%
Equitable share allocation	R 146 mil	R 157 mil	R 170 mil
Total grant allocations	R 241 mil	R 237 mil	R 236 mil

Finance to update all information: refer Draft Budget

I. CAPITAL INVESTMENT FRAMEWORK

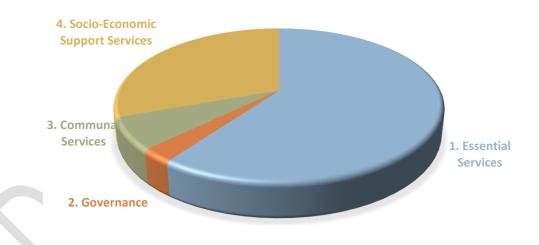
The past couple of financial years, capital investment was dominated bγ infrastructure projects linked to especially the Vredebes subsidized housing project. Most of the required bulk infrastructure has been completed and construction of houses and servicing of sites has commenced. The construction of Top Structures is currently underway. It must be noted that due to a policy change from the National Department of Housing, the focus will be more on serviced sites. With regards to housing, 529 sites at Vredebes were completed with the purpose to accommodate the informal settlement at Nduli. Major projects mainly include the upgrade of the Wolseley Waste Water Treatment Works,

construction of additional reservoir at Tulbagh, upgrade of bulk water supply line (Tierhokskloof) to Wolseley and upgrade of the Ceres Electrical substation.

In terms of the Witzenberg Strategic Map, the bulk of the funding is allocated to the key performance area of Essential Services with the strategic objectives related to the provision of services receiving most of the capital funding as indicated in the graphs below.

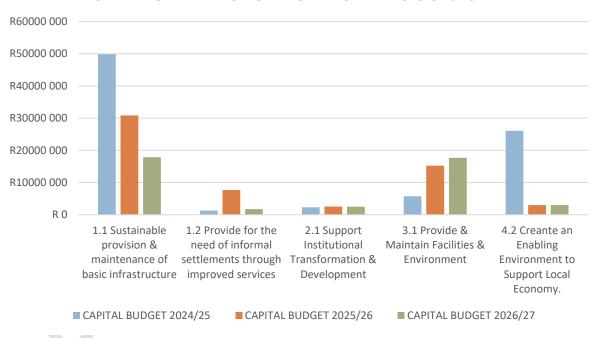
NOTE: PLEASE REFER TO APPROVED BUDGET AND ADJUSTED BUDGET FOR UPDATED FIGURES IN TABLES BELOW.

CAPITAL BUDGET AS PER KEY PERFORMANCE AREA



KEY PERFORMANCE AREA	STRATEGIC OBJECTIVE	CAPITAL BUDGET 2024/25	CAPITAL BUDGET 2025/26	CAPITAL BUDGET 2026/27	
Essential Services	1.1 Sustainable provision & maintenance of basic infrastructure	R82 018 125	R37 424 351	R18 596 957	
Governance	Support Institutional Transformation & Development	R 1 046 435	R 1 080 000	R 735 000	
Governance	2.2 Ensure financial viability.	R -	R -	R -	
Governance	2.3 To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures.	R -	R -	R -	
Communal Services	3.1 Provide & maintain facilities that make citizens feel at home.	R 2300000	R20 966 288	R23 779 629	
Socio-Economic Support Services	4.1 Support the poor & vulnerable through programmes & policy	R -	R -	R -	
Socio-Economic Support Services	Create an enabling environment to attract investment & support local economy.	R -	R -	R -	
TOTAL		R85 364 560	R59 470 639	R43 111 586	

3-YEAR CAPITAL BUDGET AS PER STRATEGIC OBJECTIVE



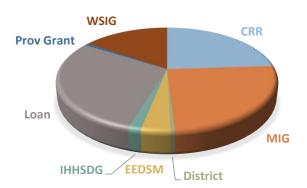
Funding Sources

The Capital Budget is funded by the following sources:

Funding Source Name		Institution	Purpose
Capital Replacement Reserve	CRR	Municipality	Mainly upgrading and equipment
Integrated Housing and Human Settlements Development Grant	IHHSDG	Dept. of Human Settlements	Capital funding for internal social housing developments' infrastructure networks as well as related bulk infrastructure. Funding for top structures (houses) is included in the operational budget.
Municipal Infrastructure Grant	MIG	Dept. of Cooperative Governance	Infrastructure that supports the poor, mainly bulk infrastructure related to social housing projects.
Regional Bulk Infrastructure Grant	RBIG	Dept. of Water Affairs	Bulk water and sanitation related projects.
Integrated National Electrification Programme	INEP	Dept. of Energy	Electrical networks for social housing projects.
Regional Socio-Economic Programme	RSEP	Provincial Government	Socio-economic upgrading – non- motorised transport – walkways.
Twinning agreement with Essen, Belgium	Belgium	Belgium Federal Government	Support in implementation of Waste Management Strategy
CWDM	District	Cape Winelands District Municipality	Identified projects. Non-motorised Transport such as walkways & pavements
Provincial Government	Prov Grant	Western Cape Provincial Government	Various Grant related to upgrading of main roads (bridges), fire fighting vehicles, libraries
Water Services Improvement Grant	WSIG	Department of Water and Sanitation	Upgrade to Waste Water Treatment Works
Loans	Loans	Financial Institution	Landfill Site Fencing & Transfer/Drop-off Facilities
Energy Efficiency Demand Side Management	EEDSM	Department of Energy	Reduce electricity consumption by optimizing their use of energy. For example, replacing conventional streetlights with LED streetlights.

The graph below gives an indication of the contribution value of the different funding sources to the capital budget:

2024/25 CAPITAL FUNDING SOURCES



Finance to update all information: refer Draft Budget

Detailed long-term Capital Budget

The following tables show the individual budgeted projects as allocated per ward (note that outer years are indicative and only for planning purposes).

KEY PERFORMANCE AREA: 1. ESSENTIAL SERVICES

Strategic Objective: 1.1 Sustainable provision and maintenance of basic

infrastructure

Department	Description	Funding Source	Ward	Budget 2024_2025	Budget 2025_2026	Budget 2026_2027	Budget 2027_2028	Budget 2028_2029
Electricity Administration	MV Substation Equipment	CRR	All	500 000	1 630 000	1 400 000	1 400 000	1 400 000
Electricity Administration	Upgrade on electrical network renewable energy	CRR	All				1 000 000	1 000 000
Electricity Administration	Upgrade of LV Network Cables	CRR	All	500 000	500 000	400 000	400 000	400 000
Electricity Administration	MV Network Equipment	CRR	All	500 000	1 000 000	1 000 000	1 000 000	1 000 000
Electricity Administration	Upgrade of MV Cables	CRR	All	500 000	1 500 000	1 400 000	1 400 000	1 400 000
Electricity Administration	Tools & Equipment	CRR	All	150 000	250 000	200 000	200 000	200 000
Electricity Administration	Electrical Network Refurbishment	CRR	All	500 000	1 000 000	1 000 000		
Roads	Network streets	CRR	All	5 000 000	4 000 000	5 000 000	5 000 000	5 000 000
Roads	Tools & Equipment	CRR	All	50 000			150 000	150 000
Roads	Wolseley rehabilitation roads	MIG	2,7		9 457 280	6 188 325		
Sewerage	Aerator replacement programme	CRR	All	500 000			500 000	500 000
Sewerage	Refurbishment WWTW	CRR	All	750 000			750 000	750 000
Sewerage	Sewer Pumps-replacement	CRR	All	250 000			250 000	250 000
Sewerage	Sewer Network Replacement	CRR	All	750 000	1 000 000		750 000	750 000
Sewerage	Security upgrades	CRR	All	600 000			600 000	600 000
Sewerage	Plant & Equipment	CRR	All					150 000
Sewerage	Upgrade WWTW Wolseley	WSIG	2,7	13 043 478				
Sewerage	Upgrade WWTW Wolseley (Own Contribution)	CRR	7				4 000 000	2 000 000
Sewerage	Upgrade Shandstr sewer, Tulbagh	CRR	7,11				3 000 000	

Department	Description	Funding Source	Ward	Budget 2024_2025	Budget 2025_2026	Budget 2026_2027	Budget 2027_2028	Budget 2028_2029
Solid Waste Disposal	Bulk waste container bins	CRR	3,5	100 000	100 000	100 000		
Solid Waste Removal	Drop-offs Transfer stations	CRR	All	100 000			2 000 000	4 000 000
Storm Water	Network - Storm Water Upgrading	CRR	All	450 000			500 000	500 000
Water Distribution	Infrastructure Management System	CRR	All	200 000			200 000	200 000
Water Distribution	Plant & Equipment	CRR	All	50 000			50 000	50 000
Water Distribution	Security upgrades	CRR	All	500 000	500 000	200 000	500 000	500 000
Water Distribution	Network- Water Pipes & Valve Replacement	CRR	All	750 000	1 000 000	1 000 000	1 500 000	1 500 000
Water Distribution	Tulbagh Reservoir	MIG	7,11		7 052 214			
Water Distribution	Tierhokskloof bulk pipeline	MIG	2,7	18 762 992				
Water Distribution	Tierhokskloof bulk pipeline (own contribution)	CRR	2,7	2 502 386				
Water Distribution	Nduli: Upgrade & replace water pipe line along R46	MIG	5	2 587 964	860 831			
Water Distribution	Nduli: Upgrade & replace water pipe line along R47	CRR	5	252 174	1 000 000			

Strategic Objective: 1.2 Provide for the needs of Informal Settlements through improved services

Department	Description		Ward	Budget 2024 2025	Budget 2025 2026	Budget 2026 2027	Budget 2027 2028	Budget 2028 2029
Electricity Administration	Electrical Network Housing Project	INEP	All	_	573 913	518 261		
Roads	Nduli 188 Serviced sites	IHHSDG	1,12	1 332 174	1 779 783	307 174		
Sewerage	Nduli 188 Serviced sites	IHHSDG	1,12		1 779 783	307 174		
Sewerage	Tulbagh bulk sewer lowcost housing	MIG	7,11				372 379	18 975 832
Storm Water	Nduli 188 Serviced sites	IHHSDG	1,12		1 779 783	307 174		
Water Distribution	Nduli 188 Serviced sites	IHHSDG	1,12		1 779 783	307 174		

KEY PERFORMANCE AREA: 2. GOVERNANCE

Strategic Objective: 2.1 Support Institutional Transformation and Development

Directorate	Department	Description	Funding Source	Ward	Budget 2024_2025	Budget 2025_2026	Budget 2026_2027	Budget 2027_2028	Budget 2028_2029
Corporate	Administrative & Corporate Su	Council chambers Furniture & Equipment	CRR	All		500 000			
Corporate	Dir Comm	Office Equipment	CRR	All	30 000	30 000	30 000	30 000	30 000
Corporate	Dir Corp	Office Equipment	CRR	All	30 000	30 000	30 000	30 000	30 000
Corporate	Dir Fin	Office Equipment	CRR	All	30 000	30 000	30 000	30 000	30 000
Corporate	Dir Tech	Office Equipment (Director)	CRR	All	30 000	30 000	30 000	30 000	30 000
Technical	Fleet Management	Vehicle Replacement Program	CRR	All	1 000 000	1 000 000	2 000 000	2 000 000	3 000 000
Technical	Fleet Management	Vehicle Replacement Program	Belgium	All		300 000			
Technical	Fleet Management	Tools & Equipment	CRR	All	50 000		50 000	50 000	80 000
Technical	Fleet Management	Workshop Building Upgrade	CRR	3	300 000	300 000			
Corporate	Human Resources	Electronic overtime system	CRR	All	80 000				
Corporate	Information Technology	IT Equipment	CRR	All	350 000	300 000	300 000	350 000	350 000
Municipal Manage	Municipal Manager	Office Equipment	CRR	All	30 000	30 000	30 000	30 000	30 000
Municipal Manage	Municipal Manager	PMU IT Equipment	MIG	All	66 435				
Technical	Town Planning & Building Con	Filing Cabinets	CRR	All	200 000				
Technical	Town Planning & Building Con	Building Regulations Upgrades	CRR	All	100 000				

Strategic Objective: 2.2 Ensure Financial Stability & 2.3 Maintain and Strengthen Relations

Directorate	Department	Description	Funding Source	Ward	Budget 2024 2025	Budget 2025 2026	Budget 2026 2027	Budget 2027 2028	Budget 2028 2029
Finance	Finance	Furniture & equipment	CRR	All	1014_1010	2020_2020	1010_1011	LULI_LULU	200 000
Corporate	Communication	Access Control - Furniture and Equipment	CRR	All	100 000	100 000	250 000		
Corporate	Communication	Signage & Billboards	CRR	All				200 000	200 000
Corporate	Communication	Camera equipment	CRR	All		30 000	35 000		

KEY PERFORMANCE AREA: 3. COMMUNAL SERVICES

Strategic Objective: 3.1 Provide and Maintain Facilities and Environment that make citizens feel at home

Department	Description	Funding Source	Ward	Budget 2024_2025	Budget 2025_2026	Budget 2026_2027	Budget 2027_2028	Budget 2028_2029
Cemeteries	Expanding of Cemetery	CRR	All	100 000			200 000	
Community Halls & Facilities	Townhalls Equipment	CRR	All				50 000	150 000
Community Parks	Chainsaws	CRR	All	50 000	120 000		120 000	100 000
Community Parks	Brushcutters	CRR	All	50 000	100 000		100 000	80 000
Community Parks	Irrigation equipment for parks	CRR	All		200 000		100 000	100 000
Community Parks	Landscaping of parks	CRR	All		200 000		100 000	100 000
Community Parks	Plant & Equipment Parks & Recreation	CRR	All		300 000	200 000	50 000	50 000
Community Parks	Tools & equipment	CRR	All					100 000
Electricity Streetlights	Upgrade of Streetlights	CRR	All	50 000	210 000	100 000	150 000	150 000
Electricity Streetlights	Upgrading streetlights & lighting	EEDSM	All	3 043 478	3 478 261			
Environment	Air Quality Equipment	CRR	All				150 000	
Fire Fighting & Protection	Capex Fire Fighting Equipment	CRR	All	350 000	150 000		150 000	150 000
Fire Fighting & Protection	Rescue equipment	Prov Grant	All		350 000			
Libraries	Library Nduli	CRR	1,12	1 000 000				
Roads	Rehabilitation Loverslane Bridge, Ceres	CRR	3,5				3 500 000	
Roads	NMT Sidewalks Ceres	CRR	3,5	50 000				
Roads	NMT Sidewalks Ceres	District	3,5	434 783				
Roads	Traffic Calming	CRR	All	200 000	50 000		150 000	150 000
Roads	Tulbagh Taxi Rank (Ph1)	CRR	7,11	100 000				

Department	Description	Funding Source	Ward	Budget 2024_2025	Budget 2025_2026	Budget 2026_2027	Budget 2027_2028	Budget 2028_2029
Sport Grounds & Stadiums	Containers 3x3m	CRR	All	100 000				100 000
Sport Grounds & Stadiums	Vredebes sportsgrounds	MIG	5			17 391 304	12 000 000	12 000 000
Sport Grounds & Stadiums	Tulbagh sports facilities upgrade	MIG	7,11		3 651 541			
Sport Grounds & Stadiums	Tulbagh sports facilities upgrade	CRR	7,11		1 127 963			
Sport Grounds & Stadiums	Wolseley sports facilities upgrade	MIG	2,7		2 203 351			
Sport Grounds & Stadiums	Wolseley sports facilities upgrade	CRR	2,7		2 576 153			
Sport Grounds & Stadiums	Kliprug sportfield change rooms	CRR	4				2 500 000	
Sport Grounds & Stadiums	Sportsground development	CRR	All		200 000			250 000
Sport Grounds & Stadiums	Resurface netball courts	CRR	All					250 000
Sport Grounds & Stadiums	Equipment	CRR	All					50 000
Sport Grounds & Stadiums	Op-Die-Berg New sportfacilities	MIG	8				2 500 000	2 500 000
Swimming Pools	Swimming Pool Nduli	CRR	1,12		30 000			
Traffic	Office Upgrades And Addition Of Firearm Safe	CRR	All	200 000	300 000			
Water Distribution	Grey Water System	CRR	All					1 500 000

KEY PERFORMANCE AREA: 4. SOCIO-ECONOMIC SUPPORT SERVICES

Strategic Objective: 4.1 Support the poor and vulnerable through programmes and policies

Strategic Objective: 4.2 Create an enabling environment to support local economy

Department	Description		Ward	Budget 2024_2025	Budget 2025_2026	Budget 2026_2027	Budget 2027_2028	Budget 2028_2029
Electricity Administration	Upgrade Power Station	Loan	3,5	25 000 000				
Electricity Administration	Municipal Energy Resilience	Prov Grant	All	608 696				
Resorts	Chalet Furniture	CRR	3	450 000			200 000	
Roads	Rehabilitation Cillierstr, Ceres	CRR	3,5		3 000 000	3 000 000		

Province to provide updated information, intime for Final Document

Provincial Investment

Below is a table - Summary of Planned and Funded Provincial Infrastructure Projects & Programmes in the Witzenberg Municipality for the MTEF period 2024/25 – 2026/27.

Sector	No of	V	Grand Total				
	Projects	Infrastructure Transfers - Capital	Maintenance and Repairs	Non- Infrastructure	Rehabilitation, Renovations & Refurbishment	Upgrading and Additions	
CapeNature	1	0	0	0	0	4000	4000
Health	7	0	0	15276	49392	246	64914
Human Settlements	5	90320	0	0	0	0	90320
Transport	4	0	121867	0	453200	0	575067
Grand Total	17	90320	121867	15276	502592	4246	734301

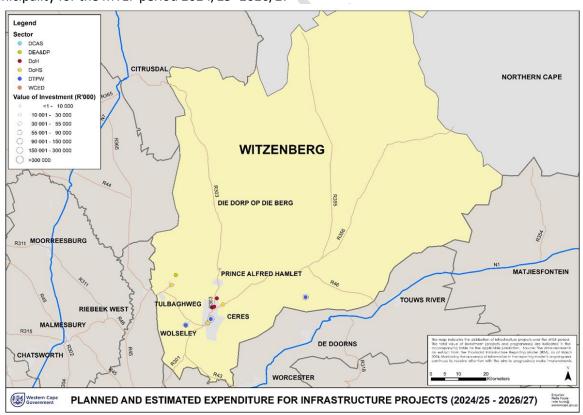
Summary: Infrastructure Projects in Witzenberg MunicipalitySource: Western Cape Government:

List of Provincial Infrastructure Investment Projects in the Witzenberg Municipality for the MTEF period 2024/25 – 2026/27

Department	Sector	Project no.	Project / Programme Name	Source of Funding	Nature of investment	Delivery mechanism	Total Project Cost	Total Expenditure	Main appropriation	Main appropriation	Main appropriation	Total MTEF
								to date from previous years	(24/25)	(25/26)	(26/27)	
Department of Infrastructure (DoI)	Transport	C1116.1 PRMG	C1116.1 Reseal Wolseley - Ceres - Touwsrivier 86km	Provincial Roads Maintenance Grant	Rehabilitation, Renovations & Refurbishment	Individual Project	120 000 000	27 234 000	54 200 000	2 000 000	0	56 200 000
Department of Infrastructure (DoI)	Transport	C1216	C1216 Reseal/rehab Ceres-Opdie Berg- Citrusdal		Rehabilitation, Renovations & Refurbishment	Individual Project	538 000 000	9 683 000	142 000 000	0	55 000 000	197 000 000
Department of Infrastructure (DoI)	Transport	C1216 PRMG	C1216 Reseal/rehab Ceres-Opdie Berg- Citrusdal	Provincial Roads Maintenance Grant	Rehabilitation, Renovations & Refurbishment	Individual Project	380 000 000	0	70 000 000	130 000 000	0	200 000 000
Department of Health & Wellness (DoH&W)	Health	CH810210	Ceres - Ceres CDC - HT - Enabling work for Hospital OPD	Health Facility Revitalisation Grant	Non- Infrastructure	Individual Project	2 501 000	855 514	800 000	1 701 000	0	2 501 000
Department of Health & Wellness (DoH&W)	Health	CH810254	Ceres - Bella Vista Clinic - HT - General maintenance (Alpha)	Health Facility Revitalisation Grant	Non- Infrastructure	Individual Project	1 400 000	1 122 916	0	500 000	0	500 000
Department of Health & Wellness (DoH&W)	Health	CH830120	Ceres - Ceres Hospital - HT - Hospital and Nurses Home Repairs and Renovation	Health Facility Revitalisation Grant	Non- Infrastructure	Individual Project	2 000 000	0	475 000	900 000	900 000	2 275 000
Department of Health & Wellness (DoH&W)	Health	CI830114	Ceres - Ceres Hospital - New Acute Psychiatric Ward	Health Facility Revitalisation Grant	Upgrading and Additions	Individual Project	6 441 001	5 759 259	246 000	0	0	246 000
Department of Health & Wellness (DoH&W)	Health	CI830120	Ceres - Ceres Hospital - Hospital and nurses home repairs and renovation	Health Facility Revitalisation Grant	Rehabilitation, Renovations & Refurbishment	Individual Project	41 091 000	3 222 023	2 053 000	15 096 000	2 747 000	19 896 000
Department of Health & Wellness (DoH&W)	Health	HCH810020	Ceres - Ceres CDC - HT - Enabling work and rehabilitation	Health Facility Revitalisation Grant	Non- Infrastructure	Individual Project	10 000 000	0	950 000	7 600 000	1 450 000	10 000 000
Department of Health & Wellness (DoH&W)	Health	HCI810020	Ceres - Ceres CDC - Enabling work and rehabilitation	Health Facility Revitalisation Grant	Rehabilitation, Renovations & Refurbishment	Individual Project	48 000 000	834 374	28 000 000	1 496 000	0	29 496 000

Department	Sector	Project no.	Project / Programme Name	Source of Funding	Nature of investment	Delivery mechanism	Total Project Cost	Total Expenditure to date from previous years	Main appropriation (24/25)	Main appropriation (25/26)	Main appropriation (26/27)	Total MTEF
Department of Infrastructure (DoI)	Human Settlements	Vredebes (3022	Ceres Vredebes (3022 services and 2163 units) (150 transfers)		Infrastructure Transfers - Capital	Individual Project	73 000 000	0	25 000 000	25 400 000	21 000 000	71 400 000
Department of Infrastructure (DoI)	Human Settlements	ISUPG Tulbagh (500)	Tulbagh (500)	Informal Settlements Upgrading Partnership Grant	Infrastructure Transfers - Capital	Individual Project	4 400 000	0	0	1 147 000	1 413 000	2 560 000
Department of Infrastructure (DoI)	Transport	Routine Maintenance CW DM	Routine Maintenance CW DM	Equitable Share	Maintenance and Repairs	Packaged with Sub- Contracts	700 000 000	457 260 000	0	32 727 000	89 140 000	121 867 000
Department of Infrastructure (DoI)	Human Settlements	W17020020/2	Tulbagh IBS - Chris Hani & Die Gaatjie (1000) UISP	Informal Settlements Upgrading Partnership Grant	Infrastructure Transfers - Capital	Individual Project	3 000 000	0	1 000 000	0	0	1 000 000
Department of Infrastructure (DoI)	Human Settlements		ISSP Ceres Nduli Infills ESS (188 sites) UISP	Informal Settlements Upgrading Partnership Grant	Infrastructure Transfers - Capital	Individual Project	13 000 000	0	532 000	7 040 000	0	7 572 000
Department of Infrastructure (DoI)	Human Settlements		Witzenberg Municipality: Solar Geysers Vredebes (2024/5 354)	Other	Infrastructure Transfers - Capital	Individual Project	7 788 000	0	7 788 000	0	0	7 788 000
Department of Environmental Affairs & development Planning (DEA&DP)	CapeNature	WOLWE 24- 25	Wolwekloof: Ablution and tourism visitor centre upgrade	Equitable Share	Upgrading and Additions	Individual Project	4 000 000	0	4 000 000	0	0	4 000 000
GRAND TOTAL							1 954 621 001	505 971 086	337 044 000	225 607 000	171 650 000	734 301 000

Map showing the spatial distribution of Provincial infrastructure investment projects in the Witzenberg Municipality for the MTEF period 2024/25 -2026/27



7 PERFORMANCE MONITORING AND EVALUATION

The Municipal Systems Act requires that the IDP be reviewed every five years in line with municipal elections, with an annual review of the budget and progress. A Performance Management Policy Framework has been approved by the Council.

The IDP is considered as the five-year strategic plan for the municipality and therefore provides an outline of Witzenberg Municipality's vision, mission, objectives, and operational and service delivery indicators that are realistic and attainable.

The Municipal Finance Management Act 56 of 2003 (MFMA) and National Treasury MFMA Circular No. 13 requires that municipalities prepare a service delivery budget implementation plan (SDBIP) indicating how the budget and the strategic objectives of Council as included in the IDP will be implemented. The SDBIP is prepared in terms of Section 53(1)(c)(ii) of the Municipal Finance Management (MFMA), National Treasury MFMA Circular No. 13 and the Budgeting and Reporting Regulations.

The SDBIP serves as a "contract" between the administration, council, and community; expressing the goals and objectives set by the council as quantifiable outcomes that can be implemented by the administration in the applicable financial year. It provides the link between the mayor, the council (executive) and the administration, and facilitates the process for holding management accountable for performance. It is therefore a management, implementation and monitoring tool that will assist the mayor, councilors, municipal manager, senior managers, and community to monitor the municipality's performance on a quarterly basis. The SDBIP will ensure that appropriate information is circulated internally and externally for purposes of monitoring the implementation of the budget, the execution of projects, the performance of senior management and the achievement of the strategic objectives set by council.

The SDBIP sets in-year information, such as quarterly service delivery and monthly budget targets, and links each service delivery output to the budget of the municipality, thus providing credible management information and a detailed plan for how the municipality will provide such services with the inputs and financial resources that will be utilized.

The SDBIP will determine the performance agreements of the municipal manager and senior managers, including the outputs and deadlines for which they will be held responsible. Expenditure information (for capital projects and services) per municipal ward is provided so that each output can be broken down per ward, where it is possible to support ward councilors to provide feedback to their communities on progress with service delivery.

Reporting on achievements is done through a midyear report and combined in the Annual Performance report included in the Annual Report.

Implementation of MFMA Circular 88 indicators is still in pilot phase and attached as annexure.

The tables below indicate the following (Note: refer to approved SDBIP for final indicators & targets):

- Strategic Map Strategic Objectives and linkage to Key Performance Areas.
- Five-year Scorecard Key Performance Indicators with targets linked to the Strategic Objectives
- Definitions of Key Performance Indicators

A. STRATEGIC MAP

	WITZENBERG MUNICIPALITY:	STR	ATEGIC MAF	2024	!/25
Vision	Mission	М	unicipal KPA		e-determined Objectives
nities.		1	Essential Services	1,1	Sustainable provision & maintenance of basic infrastructure
and opportu				1,2	Provide for the needs of informal settlements through improved services
growth				2,1	Support Institutional Transformation & Development
nmunity, creating	The Witzenberg Municipality is committed to improve the quality of life of its community by: - Providing & maintaing affordable services - Promoting Social & Economic Development	2	Governance	2,2	Ensure financial viability.
A municipality that cares for its community, creating growth and opportunities.	- The effective & efficient use of resources - Effective stakeholder & community participation.			2,3	To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures.
unicipal		3	Communal Services	3,1	Provide & maintain facilities that make citizens feel at home.
Αm			Code Formania	4,1	Support the poor & vulnerable through programmes & policy
		4	Socio-Economic Support Services	4,2	Create an enabling environment to attract investment & support local economy.

B. 5 YEAR SCORECARD

KEY PERFORMANCE AREA: 1. ESSENTIAL SERVICES

Strategic Objective: 1.1 Sustainable provision and maintenance of basic infrastructure

Department	Ref	Key Performance Indicator	Baseline 2022/23	Target 2024/25	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2025/26	Target 2026/27	Target 2027/28	Target 2028/29	Definitions
Director Technical	TecDir1	Percentage expenditure on the preventative- & corrective planned maintenance budget of the Technical Department	99%	98%	15%	40%	75%	98%	98%	99%	99%	99%	Percentage reflecting year to date spend /preventative- & corrective planned maintenance budget votes of technical department. Maintenance as defined according to mSCOA and excludes emergency corrective maintenance.
Director Technical	TecDir3	% Expenditure on Capital Budget by Technical Directorate	88%	95%	10%	40%	60%	95%	95%	96%	96%	97%	Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget of the technical directorate. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.
Water & Sanitation		Number of new formal sewer connections meeting minimum standards	New	10	2	4	6	10	10	12	12	14	The total number of new formal residential sewer connections (defined as connections to a flush toilet connected to the sewerage system or a septic tank on a registered erf). Excludes connections at informal settlements. Proxy measure for National Key Performance Indicator.
Water & Sanitation		Number of new formal water connections meeting minimum standards	New	10	2	4	6	10	10	12	12	14	Total number of new formal residential water connections meeting minimum standards. Exclude connections at informal settlements. Proxy measure for National Key Performance Indicator.
Water & Sanitation		Percentage of drinking water samples complying to SANS241.	100%	98%	98%	98%	98%	98%	98%	98%	98%	98%	The percentage of water samples measured that comply with the SANS 241 requirements over a 12 month period for the defined parameters. See the SANS 241 requirements for a detailed breakdown of the various tests involved and the associated standard limits for application.
Electricity	EE1.11a	Number of formal residential dwellings provided with a new connection to mains electricity supply by the municipality	New	8	2	4	6	8	10	10	10	10	Number of new formal residential supply points commissioned and energised by the municipality. (Excludes informal areas) Proxy measure for National Key Performance Indicator.
Income	FinInc28	Number of formal residential properties for which refuse is removed once per week and which are billed for refuse removal as at period end.	13 485	11 873	11 873	11 873	11 873	11 873	11 900	11 910	11 920	11 930	The objective of the KPI is to report on the number of residential properties that have access to the service according to the number of properties billed for the service on the SAMRAS financial system Proxy measure for National Key Performance Indicator.

Department	Ref	Key Performance Indicator	Reporting Directorate	Baseline 2022/23	Target 2024/25	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2025/26	Target 2026/27	Target 2027/28	Target 2028/29	Definitions
Water & Sanitation	WS5.1	Percentage of non-revenue water (sum of un- billed authorised consumption such as informal settlements, recreational areas and apparent & real losses)	Technical	New	40%	40%	40%	40%	40%	39%	38%	38%	37%	Non-revenue water is defined as the sum of unbilled authorized consumption, apparent losses (unbilled unauthorised consumption and meter inaccuracies) and real losses (from transmission mains, storage facilities, distribution mains or service connections).
Electricity	EE4.4	Percentage total electricity losses	Technical	10,7%	10,0%	11,0%	10,8%	10,5%	10,0%	10%	10%	10%	10%	Electricity losses have two components: technical and non-technical. Technical losses occur naturally and consist mainly of power dissipation in electricity system components such as transmission and distribution lines, transformers, and measurement systems. Non-technical losses are caused by actions external to the power system and consist primarily of electricity theft, faulty or inaccurate melters, and errors in accounting and record-keeping. Losses is a measure of unaccounted for energy. Thus non-payment is not included as losses.
Roads		Percentage of surfaced municipal road lanes which has been resurfaced and resealed	Technical	New	1%	0,0%	0,0%	0,5%	1,0%	1,0%	1,0%	1,5%	1,5%	The distance of surfaced municipal road lanes (class 3-5) in kilometres which has been resurfaced and resealed in relation to the total road lane length. A lane is part of a carriageway that is designated to be used by a single line of vehicles to control and guide drivers and reduce traffic conflicts. Lane widths may vary in width from 3.1 m at their narrowest, to 5.5m lanes in higher-order mixed-usage streets. Total municipal road length is measured on a per lane basis, so a road that is four-lanes wide for 1 km has a total network length of 4kms for the purpose of this indicator.

Strategic Objective: 1.2 Provide for the needs of Informal Settlements through improved services

Department	Ref	Key Performance Indicator	Reporting Directorate	Baseline 2022/23	Target 2024/25	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2025/26	Target 2026/27	Target 2027/28	Target 2028/29	Definitions
Director Technical	TecDir2	Number of subsidised serviced sites developed.	Technical	0		et set as develop d for in 2024/25				130		50	50	A housing opportunity is incremental access to and or delivery of one of the following Housing products: incremental Housing which provides a serviced site with or without tenure. A serviced site is being defined as a demarcated site with access to water & sanitation services located adjacent to a road.
Water & Sanitation	(Cir88)	Number of new informal sewer connections meeting minimum standards	Technical	New	2	0	0	2	2	2	2	2	2	The total number of new informal sewer connections (defined as connections to a flush toilet connected to the sewerage system or a septic tank or a VIP toilet) made by the municipality at informal settlements. This is inclusive of new sewer connections to communal facilities and chemical toilets that meet basic sanitation standards. Only residential. Proxy measure for National Key Performance Indicator.
Water & Sanitation	W/S2 11h	Number of new informal water connections meeting minimum standards	Technical	New	2	0	0	2	2	2	2	2	2	Total number of new informal water connections meeting minimum standards (supply of water is Piped (tap) water inside dwelling, Piped (tap) water inside yard, and/or community stand: by the municipality. This is inclusive of new water connections to communal facilities that meet minimum standards. Only informal settlements. Proxy measure for National Key Performance Indicator.

Department	Ref	Key Performance Indicator	Baseline 2022/23	Target 2024/25	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2025/26	Target 2026/27	Target 2027/28	Target 2028/29	Definitions
Electricity	EE1.11b	Number of informal residential dwellings provided with a new connection to mains electricity supply by the municipality	New	20	5	10	15	20	20	20	20	20	Number of new informal residential supply points commissioned and energised by the municipality. Only informal areas. Proxy measure for National Key Performance Indicator.
Solid Waste	TecRef31	Percentage of households in demarcated informal areas with access to a periodic solid waste removal or a skip for household waste.	100%	95%	95%	95%	95%	95%	97%	97%	97%	97%	This indicator reflects the percentage of households in demarcated informal areas with access to a to a periodic solid waste removal or a skip for household waste. Access are being defined as households within 200m of a periodic waste pick-up route or skip for household waste. Certain skips may however have been vandalised or removed after provision. Excluding areas that was illegally occupied and not part of the municipalities planning initiatives. Proxy for National KPI.

KEY PERFORMANCE AREA: 2. GOVERNANCE

Strategic Objective: 2.1 Support Institutional Transformation and Development

Department	Ref	Key Performance Indicator	Baseline 2022/23	Target 2024/25	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2025/26	Target 2026/27	Target 2027/28	Target 2028/29	Definitions
Human Resources	CorpHR13	Percentage budget spent on implementation of Workplace Skills Plan.	82%	96%	10%	35%	60%	96%	96%	96%	96%	96%	A Workplace Skills Plan is a document that outlines the planned education, training and development interventions for the organisation. Its purpose is to formally plan and allocate the budget for appropriate training interventions which will address the needs arising out of Local Governments' Skills Sector Plan, the municipality's strategic requirements as contained in the IDP and the individual departmental staffing strategies and individual employees' PDP's. The WSP shall also take into account the Employment Equity Plan, ensuring incorporation of relevant developmental equity interventions into the plan. Kpi measures percentage expenditure of vote allocated towards training needs as arise from WSP. Proxy for National KPI.
Human Resources	CorpHR12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality.	4	4 Reports	1	1	1	1	4 Reports	4 Reports	4 Reports	4 Reports	Quarterly reports on the percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan. Quarterly report submitted to Municipal Manager. Proxy for National Performance Indicator.
Human Resources	GG1.21	Staff vacancy rate	New	5%	5%	5%	5%	5%	5%	4%	4%	4%	The number of unfilled posts in the municipal organisational structure as a percentage of the total number of employee posts in the municipality's organisational structure. The unfilled posts are inclusive of temporary and contract positions that appear on the municipality's approved organisational structure. They are exclusive of unfunded vacant positions on the municipality's approved organisational structure. The number of employee posts that make up the organisational structure approved by the council of the municipality. This is inclusive of temporary and contract workers on the approved organisational structure. It is exclusive of unfunded vacant posts. It is exclusive of Expanded Public Works Programme and short-term appointments that do not reflect on the municipality's approved organisational structure.

Strategic Objective: 2.2 Ensure Financial Viability

Department	Ref	Key Performance Indicator	Baseline 2022/23	Target 2024/25	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2025/26	Target 2026/27	Target 2027/28	Target 2028/29	Definitions
Financial Administration	FinFAdm1 0	Financial viability expressed as Debt-Coverage ratio	1163	450	450	450	450	450	450	450	450	450	This indicator measures debt coverage as (total operating revenue – operating grants received) / debt service payments due within the year. This means the municipality is able to cover its debt service payments from operating revenue excluding grants number of times. Proxy for National KPI.
Financial Administration	FinFAdm9	Financial viability expressed as Cost-Coverage ratio	4,97	2,8	2,8	2,8	2,8	2,8	2,8	2,8	2,8	2,8	This indicator measures: (available cash + investments) / monthly fixed operating expenditure. This indicates that with the available cash the municipality is able to pay its fixed operating expenditure for certain amount of months. Proxy for National KPI.
Financial Administration	FinFAdm1 1	Financial viability expressed outstanding service debtors	84%	60%	60%	60%	60%	60%	60%	60%	60%	60%	These indicator measure service debtors to revenue (total outstanding service debtors / revenue received for services). This means that a % of revenue in the SFP is still outstanding as at year end. Proxy for National KPI.
Financial Administration	FM2.1	Percentage of total operating revenue to finance total debt (Total Debt (Borrowing) / Total operating revenue)	New	0%				0%	2%	2%	2%	2%	The purpose of the indicator is to provide assurance that sufficient revenue will be generated to repay Liabilities. Alternatively, it assesses the municipality's affordability of the total borrowings. Formula: (1) Debt (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / ((2) Total Operating Revenue - (3) Operating Conditional Grant) Section 71
Income	FM7.12	Collection rate ratio	93%	93%	93%	93%	93%	93%	94%	94%	95%	95%	The ratio measures the revenue collection level of a municipality. It considers the level of increase or decrease of gross debtors relative to annual billed revenue. In addition, in order to determine the real collection rate bad debts written-off is taken into consideration Formula: ((1) Gross Debtors Opening Balance + (2) Billed Revenue – (3) Gross Debtors Closing Balance - (4) Bad Debts Written Off) / (2) Billed Revenue Circular 71
Financial Administration	FM7.2	Percentage of Revenue Growth excluding capital grants	New	6%				6%	6%	6%	6%	6%	This Ratio measures the overall Revenue Growth excluding Capital Grants. In addition, this ratio will assist in determining if the increase in Expenditure will be funded by the increased Revenue Base or by some other means. Formula ((1) Total Revenue Excluding Capital Grants (current year) - (2) Total Revenue Excluding Capital Grants(previous year)/ (2) Total Revenue Excluding Capital Grants (previous year) Circular 71
Financial Administration	FM1.14	Service Charges and Property Rates Revenue as a percentage of Service Charges and Property Rates Revenue Budget	New	98%	31%	45%	75%	98%	98%	98%	98%	98%	The ratio measures the extent of actual Service Charges and Property Rates Revenue generated in relation to budgeted Service Charges and Property Rates Revenue during the financial year. Service Charges includes revenue generated from sale of water, electricity, refuse and sanitation. Property rates includes revenue generated from rates and taxes charged on properties. Formula: ((1) Actual Service Charges Revenue + (2) Actual Property Rates Revenue) / (3) Budgeted Service Charges and Property Rates Revenue Section 71

Department	Ref	Key Performance Indicator	Baseline 2022/23	Target 2024/25	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2025/26	Target 2026/27	Target 2027/28	Target 2028/29	Definitions
Financial Administration	FM3.11	Cash/Cost coverage ratio	New	3	3	3	3	3	3	3	3	3	The ratio indicates the municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month. Formula: (((1)Cash and Cash Equivalents - (2) Unspent Conditional Grants - (3) Overdraft) + (4) Short Term Investment) (5) Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets) Section 71
Financial Administration	FM4.11	Irregular, Fruitless and Wasteful, Unauthorised Expenditure as a percentage of Total Operating Expenditure	New	0%				0%	0%	0%	0%	0%	The indicator measures the extent to which the municipality has incurred irregular, fruitless and wasteful and unauthorised expenditure. Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Irregular expenditure is incurred by the municipality in contravention of a requirement of the law. Unauthorized expenditure includes overspending of the total amount appropriated in the approved budget. Formula: ((1)Irregular + (2) Fruitless and Wasteful + (3) Unauthorised Expenditure) / (4) Total Operating Expenditure Circular 71
Financial Administration	FM4.2	Percentage of total operating expenditure on remuneration	New	30%				30%	30%	30%	30%	30%	The indicator measures the extent of remuneration costs to total operating expenditure. To control this indicator, an organisational review needs to be performed to address duplications and inefficiencies. The municipality needs to implement a proper remuneration policy and performance management system. Remuneration includes employee related costs (permanent and short term contracts) and remuneration for councillors. Formula: Remuneration ((1)Employee Related Costs + (2) Councillors' Remuneration) / (3) Total Operating Expenditure Circular 71
Expenditure	FM4.31	Creditors payment period	New	30	30	30	30	30	30	30	30	30	This indicator reflects the average number of days taken for trade creditors to be paid. It is a useful indicator to measure the cash flow or liquidity position of a municipality. Total outstanding creditors is total amount owed (capital and operating expenditure) by the municipality. Section 65 of the MFMA clearly prescribe municipalities to pay all monies owed within 30 days of receiving an invoice. Formula: ((1) Trade Creditors Outstanding / (2) Credit purchases (operating and capital) X (3) Number of days in the reporting year to date ((1) Trade Creditors Outstanding / (2) Credit purchases (operating and capital) X (3) Number of days in the reporting year to date MFMA Section 65, Circular 71
Financial Administration	FM5.21	Percentage of total capital expenditure on renewal/upgrading of existing assets	New	37%				37%	38%	38%	39%	39%	This indicator measures the extent to which the municipality prioritise or protect its existing infrastructure assets. Renewal/Upgrading of Existing Assets refers to costs incurred in relation to refurbishment, rehabilitation or reconstruction of assets to return its desired service levels. It is also referred to as restoration of the service potential of the asset. Formula: (1) Total costs of Renewal and Upgrading of Existing Assets / (2) Total Capital Expenditure MBRR

Department	Ref	Key Performance Indicator	Baseline 2022/23	Target 2024/25	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2025/26	Target 2026/27	Target 2027/28	Target 2028/29	Definitions
Financial Administration	FM5.2	Percentage change of renewal/upgrading of existing Assets	New	61%				61%	62%	62%	63%	63%	This indicator measures the year-on-year percentage change of assets renewal / upgrading. It also assess whether the municipality has improved its investment towards asset renewal as required. Renewal/Upgrading of Existing Assets refers to costs incurred in relation to refurbishment, rehabilitation or reconstruction of assets to return its desired service levels. It is also referred to as restoration of the service potential of the asset. Formula: ((1) Total costs of Renewal and Upgrading of Existing Assets (current year) - (2) Total costs of Renewal and Upgrading of Existing Assets (previous year))/ ((2) Total costs of Renewal and Upgrading of Existing Assets (previous year))
Supply Chain	LED3.31	Average number of days from the point of advertising to the letter of award per 80/20 procurement process	New	150	150	150	150	150	145	145	140	140	The average number of days from the point of advertising to the letter of award per 80/20 procurement process. An 80/20 procurement process refers to public procurement as per the terms of the Preferential Procurement Regulations in terms of the Preferential Procurement Policy Framework Act for bids where an 80/20 Broad-Based Black Economic Empowerment (B-BBEE) thresholds of between R30 000 and R50 million applies. This would apply to tenders awarded within the financial year, and where disputes to the outcome of the tender process were not raised. This does not apply to requests for quotations. Formula: (1) Sum of the number of days from the point of advertising a tender in terms of the 80/20 procurement process to the issuing of the letter of award/ (2) Total number of 80/20 tenders awarded as per the procurement process
Financial Administration	MM1	Percentage expenditure on the preventative-& corrective planned maintenance budget of the whole of the municipality.	99%	98%	15%	40%	75%	98%	99%	99%	99%	99%	Percentage reflecting year to date spend /preventative- & corrective planned maintenance budget votes for the whole of the municipality. Maintenance as defined according to mSCOA and excludes emergency corrective maintenance.
Financial Administration	FM1.11	Total Capital Expenditure as a percentage of Total Capital Budget	87%	95%	10%	40%	60%	95%	95%	96%	97%	97%	This indicator measures the extent to which budgeted capital expenditure has been spent during the financial year. Capital expenditure is all costs incurred by the municipality to acquire, upgrade, and renew physical assets such as property, plants, buildings, technology, or equipment. Formula (1) Actual Capital Expenditure / (2) Budgeted Capital Expenditure Section 71

Strategic Objective: 2.3 To maintain and strengthen relations with international- & inter- governmental partners as well as the local community through the creation of participative structures.

Department	Ref	Key Performance Indicator	Baseline 2022/23	Target 2024/25	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2025/26	Target 2026/27	Target 2027/28	Target 2028/29	Definitions
IDP	MMIDP9	Number of IDP community engagements held.	14	14		7		14	14	14	14	14	Bi-annual community engagements as per IDP Process Plan held in each of the 7 towns.
IDP	GG2.1	Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan)	New	100%	100%	100%	100%	100%	100%	100%	100%	100%	The percentage of ward committees that are deemed to be 'functional' out of all wards in the municipality. Functional is defined as- they have an agreed annual ward committee action plan by end of Q1 of the year under review and had at least four quorate meetings in that year. Formula: ((1) Functional ward committees) / (2) Total number of wards)
IDP	GG2.11	Percentage of ward committees with 6 or more ward committee members (excluding the ward councillor)	New	100%	100%	100%	100%	100%	100%	100%	100%	100%	The percentage of ward committees that had 6 or more members, excluding the ward councillor, as a proportion of the total number of wards at the last day of the reporting period. Formula: ((1) The number of ward committees with 6 or more members) / (2) Total number of wards)
Socio-Economic	LLOMSOC49	Number of meetings with inter-governmental partners.	12	12	3	6	9	12	12	12	12	12	Number of Inter-Governmental meetings attended.

KEY PERFORMANCE AREA:

3. COMMUNAL SERVICES

Strategic Objective: 3.1 Provide and Maintain Facilities and Environment that make citizens feel at home

Department	Ref	Key Performance Indicator	Baseline 2022/23	Target 2024/25	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2025/26	Target 2026/27	Target 2027/28	Target 2028/29	Definitions
Amenities & Environment	ComAm34	Analysis report on customer satisfaction questionnaires on community facilities.	1	1 Report				1 Report	1 Report	1 Report	1 Report	1 Report	This indicator measures the submission of an analysis report on a community survey on community perception and satisfaction in respect of the access to and maintenance of certain community facilities. The survey include at least the provision of questionnaires at certain facilities for customers to complete.

Department	Ref	Key Performance Indicator	Baseline 2022/23	Target 2024/25	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2025/26	Target 2026/27	Target 2027/28	Target 2028/29	Definitions
Fire & Disaster Management		Percentage compliance with the required attendance time for structural firefighting incidents	New	90%	90%	90%	90%	90%	90%	92%	92%	93%	Structural fire incidents are defined as incidents of fire outbreaks in habitable formal structures (buildings that have approved building plans) and habitable informal structures (informal residential dwellings where no approved building plans exist). The indicator measures the percentage of times that these incidents receive a response within the 14 minute standard. This measure of the attendance time is the difference between the time of call (the time an official call or notice is received at the official call or reporting centre) and the arrival time (refers to the time captured for the first arriving firefighting response unit regardless from where dispatched or regardless of order of dispatch). The indicator therefore measures the number of all incidents where the attendance time was 14 minutes or less as a percentage of all incidents
Amenities & Environment	HS3.5	Percentage utilisation rate of community halls	New	4%	4%	4%	4%	4%	4%	4%	4%	?	The percentage of available hours across all community halls that are booked in a year. Where booking data is not kept, the available hours should still be captured in the denominator in order to incentivise booking systems to be put in place. In the absence of standards, a hall is considered available for 12 hours per day for the calendar year. Where a community hall has multiple rooms available, the main hall or largest hall can be used as the basis for calculation. Formula: ((1) Sum of hours booked across all community halls in the period of assessment / (2) Sum of available hours for all community halls in the period of assessment).
Libraries	HS3.6	Average number of library visits per library	New	12000	3000	6000	9000	12000	12500	12500	13000	13000	The average number of library visits per library per year. This measures only municipality managed libraries. Formula: (1) Total number of library visits / (2) Count of municipal libraries
Cemeteries	HS3.7	Percentage of municipal cemetery plots available	New	27%	27%	27%	27%	27%	25%	24%	22%	22%	The number of burial plots currently available within active, municipal-owned cemeteries as a percentage of the total amount of burial plots in all municipal-owned cemeteries. Municipalities may have different policies and approaches providing for available plots, including where 'stacking' or other provisions for burial are made. Based on the municipality's current policy provisions and used plots, the indicator measures what percentage of the total available cemetery capacity in active cemeteries is currently utilised.
Director Community	ComDir2	Percentage expenditure on Capital Budget by Community Directorate	83%	95%	10%	40%	60%	95%	95%	96%	96%	97%	Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget of the community directorate. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.

KEY PERFORMANCE AREA:

4. SOCIO-ECONOMIC SUPPORT SERVICES

Strategic Objective: 4.1 Support the poor & vulnerable through programmes & policy

Department	Ref	Key Performance Indicator	Baseline 2022/23	Target 2024/25	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2025/26	Target 2026/27	Target 2027/28	Target 2028/29	Definitions
Income	ComSoc41	Number of account holders subsidised through the municipality's Indigent Policy	3205	4500	4500	4500	4500	4500	4400	4300	4300	4300	Refers to the number of account holders subsidised through the municipality's Indigent Policy as at the end of reporting period. If result is less than target it is viewed as positive indicating less reliance on subsidies.
Income		Percentage of the municipality's operating budget spent on indigent relief for free basic services	New	5,0%	1,0%	2,0%	3,0%	5,0%	5,0%	5,0%	4,5%	4,5%	The amount municipal operating budget expended on free basic services to indigent households (R-value) as a percentage of the total operating budget of the municipality for the period. Free Basic Services are understood in terms of water, sanitation, electricity and waste removal services only.
Socio-Economic	LED1.21	Number of work opportunities created through Public Employment Programmes (incl. EPWP and other related employment programmes)	New	400	100	200	300	400	405	410	410	410	Simple count of the number of short-term work opportunities provided through the municipality by Public Employment Programmes such as Expanded Public Works Programme and other related infrastructure initiatives. EPWP is a nationwide programme covering all spheres of government and SOEs. EPWP projects employ workers on a temporary or ongoing basis with government, contractors, or other non-governmental organisations under the Ministerial Conditions of Employment for the EPWP or learnership employment conditions. The indicator tracks the number of unique work opportunities generated within the quarter, regardless of the duration.
Socio-Economic	ComSoc 42	Number of engagements with target groups with the implementation of social development programmes.	29	20	5	10	15	20	22	23	23	24	The indicator refers to the number of engagements with target groups for the implementation social developmental programmes and /or initiatives .
Human Settlements	ComHS14	Number of housing opportunities provided per year.	No target	No Target					80	80	80	80	A housing opportunity is incremental access to and or delivery of one of the following Housing products: Practically completed Subsidy Housing which provides a minimum 40m² house.
Human Settlements	ComHS15	Number of Rental Stock transferred	22	30	5	10	20	30	40	50	50	50	Number of rental stock transferred to approved beneficiaries, using established criteria. Rental stock is being defined as subsidised houses constructed before 1994 (scheme houses) and leased by the municipality to identified and approved beneficiaries.

Strategic Objective: 4.2 Create an enabling environment to support local economy

Department	Ref	Key Performance Indicator	Baseline 2022/23	Target 2024/25	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2025/26	Target 2026/27	Target 2027/28	Target 2028/29	Definitions
Socio-Economic	ComLed19	Bi-annual report on investment incentives implemented.	New	2 Reports		1		1	2 Reports	2 Reports	2 Reports	2 Reports	Bi-annual report on investment incentives implemented.
Socio-Economic	ComLed20	Quarterly report on the Small Business Entrepreneurs Development Programme.	4	4 Reports	1	1	1	1	4 Reports	4 Reports	4 Reports	4 Reports	Quarterly report on the Small Business Entrepreneurs Development Programme.
Socio-Economic	ComLed4	Review of the Witzenberg Local Economic Development Strategy.	4	1 Reviewed Strategy		Analysis Phase	Draft revision & Public Inputs	Draft submitted to Council for approval	Measure mplementation of action plans	Measure implementation of action plans	Measure implementatio n of action plans	Measure implementatio n of action plans	Review of LED strategy, public participation and submission of draft to Council for approval. Measure implementation of action plans in following years.
Socio-Economic	LED3.11	Average time taken to finalise business license applications	New	5 days	2	3	4	5	5	5	5	5	The indicator measures the average number of working days a business owner can expected to wait from the date of submission of a complete business licence application to the date of outcome of licensing decision from the municipality. Business license applications refer to those businesses registering to operate and do business within the municipal area. A 'complete application' refers to the point at which all of the required administrative information has been supplied, allowing the municipality to proceed with the processing. A 'finalised' application refers to an application where the municipality has taken a decision to approve or deny the application. An application is consider finalised at the point of the decision, regardless of the time between the decision and the communication of the application outcome.
Socio-Economic	LED3.12	Average time taken to finalise informal trading permits	New	7	4	5	6	7	7	7	7	7	The indicator measures the average amount of time (taken in days) to finalise informal trading permits within a municipality from the point of complete application to the point of adjudication. An informal trading permit is a permission provided by the municipality to small scale businesses with limited trading intentions to operate under certain conditions, usually in terms of a bylaw, policy or plan governing informal trading in the municipality. Formula: (1) Sum of the number of days from the time of complete application for each informal trading permit to the time of adjudication/ (2) Number of completed informal trading permit applications finalised
Supply Chain	LED1.11	Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area	New	5%	5%	5%	5%	5%	6%	6%	7%	7%	This indicator measures the value of municipal operating expenditure that has been spent on payments to contracted organisations with a physical address within the municipal area as a percentage of the total operating expenditure on payments to all contracted organisations. Contracted services are inclusive of consultancy services, and refer to services rendered by any entity outside of the municipality secured through a public procurement process. The indicator only pertains to services for which there is a contractual agreement (or equivalent) for services the municipality has procured through a supply chain process. If the municipality has procured the services of its own entities, that would fall within the first data element of the indicator. Formula: (1) R-value of operating expenditure on contracted services within the municipal area / (2) Total municipal operating expenditure on contracted services.

8 LIST OF STATUTORY, STRATEGIC AND OPERATIONAL PLANS

Operational Strategies and Sector Plans (See Annexures)

SECTOR PLAN	STATUS	ADOPTED DATE
INTEGRATED DEVELOPMENT PLAN 2022-2027	Adopted	
SPATIAL DEVELOPMENT FRAMEWORK	Adopted	
LOCAL ECONOMIC DEVELOPMENT PLAN	Adopted	
FINANCIAL PLAN	Adopted	
DISASTER MANAGEMENT PLAN	Adopted	
WATER SERVICES DEVELOPMENT PLAN	Adopted	
AIR QUALITY MANAGEMENT	Adopted	
INTEGRATED TRANSPORT AND ROADS PLAN	Adopted	
ELECTRICITY / ENERGY MASTER PLAN	Adopted	
HOUSING PIPELINE	Adopted	
HUMAN SETTLEMENT PLAN	Adopted	
INTEGRATED WASTE MANAGEMENT PLAN	Adopted	
COMMUNICATIONS STRATEGY	Adopted	
IDP PROCESS PLAN	Adopted	
PUBLIC PARTICIPATION PROCESS PLAN	1 st Draft	
ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM	Adopted	

9 ADDENDUMS AND ANNEXURES

ADDENDUMS AND ANNEXURES	STATUS	ADOPTED DATE
MFMA CIRCULAR 88: WITZENBERG MUNICIPALITY NATIONAL INDICATORS & QUESTIONS		
WITZENBERG CAPITAL EXPENDITURE FRAMEWORK		

10 BIBLIOGRAPHY

- Witzenberg Municipality Institutional Analysis
 - 1. Du Toit Mr Pieter Du toit
 - 2. Department of Health Ceres Hospital
 - 3. South African Police Services Ceres Cluster
 - 4. Department of Education Mr Sarel Brown
 - 5. Directorate Technical Services
 - i. Water and Sanitation
 - ii. Streets and Storm water
 - iii. Town Planning
 - iv. Solid waste
 - 6. Directorate Community Services
 - i. Human Settlements
 - ii. Environmental Services and Amenities
 - iii. Fire and Disaster Management
 - 7. Directorate Corporate Services
 - i. Information and Communications Technology
 - ii. Marketing and Communications
 - iii. Traffic Services
 - iv. Human Resources
 - 8. Directorate Finance
- Department of Local Government
- Provincial Treasury
- Department of Agriculture
- Department of Environmental Affairs and Development Planning
- Cape Winelands District Municipality
- Cooperative Governance and Traditional Affairs(CoGTA)
- South African Local Government Association (SALGA)
- Municipal Systems Act (No. 32 of 2000)
- Municipal Finance Management Act (No.56 of 2003)
- Municipal Structures Amendment Act (No.33 of 2000)



DRAFT BUDGET FOR

2025/2026 - 2027/2028

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1 Glossary

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

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

AFS – Annual Financial Statements

Budget – The financial plan of a municipality.

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

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

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

CFO - Chief Financial Officer / Director: Finance

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

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

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

GDFI - Gross Domestic Fixed Investment

GFS – Government Finance Statistics. An internationally recognised classification systemthat facilitates comparisons between municipalities.

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

IDP - Integrated Development Plan. The main strategic planning document of amunicipality.

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

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

MIG – Municipal Infrastructure Grant

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

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

NT – National Treasury

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

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

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

RBIG - Regional Bulk Infrastructure Grant

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

SCM – Supply Chain Management.

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

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

TMA – Total Municipal Account

Unauthorised expenditure – Generally, **s**pending without, or more than, anapproved budget.

Virement - A transfer of budget.

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

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

WM – Witzenberg Municipality

2 Mayors Report

Speaker

Aldermen

Deputy Executive Mayor

Members of the Mayoral Committee

Councillors

Representatives of Provincial Government

Municipal Manager

Directors and officials

It is my privilege to present to you the budget for the 2025/2026 financial year as well as the 2026/2027 to 2027/2028 medium term revenue and expenditure framework.

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

The collection rate of the municipality has declined from 90% to 88%. This is still below the National Treasury norm of 95%. We believe that the collection rate will rise again as we have started to implement credit control measures and have thus estimated that the budgeted collection rate for the new financial year will reach 90%. The collection rate is under pressure as no new business or expansions of current businesses cannot be allowed due to the inability of Eskom to increase the electricity supply to the municipal area. The ongoing load shedding have a negative effect on the financial sustainability of businesses, which are the main sources of job creation in the municipal area. We experience an alarming decrease in electricity sales that can only be attributed to load shedding

The inability to implement credit control measures in the Eskom supply areas Op-Die-Berg & Prince Alfred's Hamlet is of great concern. National revenue sources such as the Equitable Share is decreasing, and this will urge the municipality to explore other potential sources of income.

It is estimated that 18 415 households receive basic services from the municipality. Of these households an estimated 6 632 lives in informal areas where services need to be delivered, these

households are not billed for services. The current indigent register has 3 127 households listed. The remainder of 8 656 households are billed for services. A recovery rate of 90% indicate that a maximum of 7 790 of the 18 415 households pay for the services delivered by the municipality.

It will be of utmost importance that we collectively strive to always ensure that we receive value for money on every rand spent from the municipal coffers. We must ensure radical constitutional economic growth to expand billable services. It must also be noted that Capital expenditure funded from our own resources and expenditure on repairs and maintenance is very limited due to a limited to no increase in cash and cash equivalents over the past 3 year.

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

Community Relief Initiatives

The following financial relief to the community was introduced in previous and the current budgets. These reliefs have contributed tremendously to the economic upliftment of the citizens of our valley. We continuously strive to increase these packages of financial relief but are constraint by the limited financial resources to implement the necessary relief to all citizens. We have so far implemented the below:

- The Indigent policy's qualifying criteria has been amended to only include the income
- of the property owner or account holder and his or her spouse.
- Households earning less than R5 000 rand qualify for the indigent subsidy.
- Households earning between R5 000 and R6 000 rand may qualify for a rebate equal to 50% of the normal indigent subsidy.
- A pensioner's rebate in terms of Property Rates.
- A general exemption of on the first R150 000 of residential property as previous.

The capital budget.

The capital budget for the next financial year amounts to R 77 million of which R 20 million is from own revenue. The rest of the capital budget is financed from Grants of R 40 million and a proposed external loan of R16.5 million.

As can be seen from the above mentioned, the municipality is reliant on Grants to fund its capital

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expenditure. That said we are thankful for the Grants allocated to Witzenberg Municipality.

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

The operating budget

The operating revenue budget for next year amounts to R 999 million of which R 767 million is from own revenue. The rest of the operating budget is financed from Grants.

Tariff implications of the annual budget

Electricity:

It is estimated that the average increase in electricity tariffs will be 10.8%. This increase is dependent on NERSA guidelines and approval that will only be available after the tabling of the budget. The tariffs have been calculated based on the cost of supply study approved by Council. The effect of the study will be implemented over a three-year period.

Water:

The water consumption tariff increase will be \pm 5% for all consumers.

Rates:

The increase of Property Rates Revenue will be 8%. The following ratios will be applicable:

Sanitation:

The increase of Sanitation Tariffs will be 5%.

Refuse removal:

The average tariff increase for Refuse Removal Tariffs will be 5%.

Tabling:

Honourable Speaker, I hereby table the annual budget, budget related policies, tariffs and the reviewed Integrated Development Plan.

COUNCILLOR T ABRAHAMS EXECUTIVE MAYOR

3 Draft Resolutions

- (a) That the annual budget of Witzenberg Municipality for the financial year 2024/2025; and indicative for the two projected years 2025/2026 and 2026/2027, as set out in the schedules contained in Section 4, be approved:
 - (i) Table A2: Budgeted Financial Performance (expenditure by standard classification).
 - (ii) Table A3: Budgeted Financial Performance (expenditure by municipal vote).
 - (iii) Table A4: Budgeted Financial Performance (revenue by source).
 - (iv) Table A5: Budgeted Capital Expenditure for both multi-year and single year by vote, standard classification and funding.
- (b) Property rates reflected in Annexure 8.1.8(c) and any other municipal tax reflected in Annexure 8.1.8(c) are imposed for the budget year 2024/2025.
- (c) Tariffs and charges reflected in Annexure 8.1.8(c) are approved for the budget year 2024/2025.
- (d) The measurable performance objectives for revenue from each source reflected in Table A4 Budgeted Financial Performance (revenue and expenditure) are approved for the budget year 2024/2025.
- (e) The measurable performance objectives for each vote reflected in SA8 are approved for the budget year 2024/2025.
- (f) That the new amended budget related policies be approved with implementationas from 1 July 2024:
 - (i) Tariff Policy

- (ii) Property Rates Policy
- (iii) Credit Control and Debt Collection Policy.
- (iv) Cash Management and Investment Policy
- (v) Consumer Payment Incentive Policy.
- (vi) Municipal Supply Chain Management Policy.
- (vii) SCM Policy for infrastructure Procurement.
- (viii) Preferential Procurement Policy.
- (ix) Petty Cash Policy
- (x) Indigent Policy
- (xi) Budget Policy
- (xii) Budget Virement Policy
- (xiii) Asset Management Policy
- (xiv) Funding and Reserves Policy
- (xv) Cellular telephone and data card policy
- (xvi) Borrowing Policy
- (xvii) Long Term Financial Plan Policy
- (xviii) Transport, Travel and Subsistence Allowance
- (xix) Post-Employment Medical Aid Contributions
- (xx) Infrastructure Investment Policy
- (xviiv) Cost Containment Policy
- (g) That the reviewed Integrated Development Plan be approved
- (h) That Council takes cognisance of the budget circulars issued by National Treasury and Provincial Treasury. (Only for noting)
- (i) That Council takes cognisance of the Top Layer SDBIP

4 Executive Summary

Economic outlook

The National Treasury estimates real economic growth of 0.6 per cent in 2023. This is a decrease from growth of 0.8 per cent projected in the 2023 MTBPS due to weaker than expected outcomes in the third quarter of 2023, resulting in downward revisions to household spending growth and spending on gross fixed investment. GDP growth is projected to average 1.6 per cent from 2024 to 2026 as the frequence of power cuts declines, lower inflation supports household consumption, and employment and credit extensions recover gradually.

Headline inflation is projected to moderate from 6 per cent in 2023 to 4.9 per cent in 2024 and 4.6 per cent in 2025 and 2026 as food and fuel inflation continue to decline. In 2023 food inflation slowed less than expected due to power cuts and rand depreciation, keeping imported food costs high.

The current economic challenges in the country place pressure on the ability of consumers to settle municipal accounts, therefore municipal own revenue generation gets affected.

The municipality's notional maximum demand (NMD) ceiling has also been reached and this is hampering its ability to attract investments to the municipal area. Continued talks are underway with Eskom to increase Witzenberg Municipality's NMD.

Population statistics suggest that the municipality has experienced a steep increase in population during the past 10 years. The expansion of Informal settlements within the municipal area supports this argument and this places pressure on the municipality to provide basic services within these areas. The municipality is in the process of lodging a dispute to STATSSA as it is of the opinion that the population figure is higher than the numbers published by STATSSA.

As a result of the above-mentioned challenges, the municipality followed a conservative approach for projecting revenue and expenditure.

Past performance

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

Budget Summary

The Municipality's 2024/2025 budget amounts to R 1 072 million, represented by a Capital Budget of R 76.7 million and an Operating Budget of R 996 million.

The total 2024/2025 budget (operating and capital) will be financed from own income R 759 million, Government Grants R 240 million. Debt Impairment is estimated at R62 million.

Revenue / tariff increases

- The increase of Property Rates Revenue will be ± 8%.
- The increase of Water Consumption Tariffs will be ± 5%
- o The increase of Sanitation Tariffs will be 5%.
- The average tariff increase for Refuse Removal Tariffs will be 5%.
- The tariff increase for Electricity Tariffs will be 11.32%

Expenditure category increases

The budgeted increase in expenditure categories are as follows:

Expenditure by Type	2023/2024	2024/2025	Increase
	R'000	R'000	R'000
Employee related costs	233 565	251 944	8%
Job Creation	10 284	8 024	-22%
Post Employment Provisions	21 221	19 919	-6%
Remuneration of councilors	11 988	12 313	3%
Depreciation & asset impairment	54 369	54 219	0%
Bulk purchases	360 544	375 258	4%
Debt Impairment	64 475	62 260	-3%
Repairs & Maintenance	31 756	34 076	7%
Operational Projects	8 058	9 924	23%
General Expenses	62 297	66 973	8%
Vehicle Expenditure	17 013	18 659	10%
Housing Top Structures	30 000	34 320	14%
Other Contracted Services	43 271	48 193	11%
TOTAL	948 840	996 082	5%

The increase in salary expenditure in based on an expected increase of 4.9% CPI as well as the notch increase of 2.5% for qualifying employees The municipality is awaiting the new wage agreement, and this may have material impact on the budget. The municipality has also limited the budget for Overtime & Standby expenditure and expenditure on these items will be closely monitored.

It is estimated that the increase in bulk purchases will be 11.32%.

The financing of capital expenditure from own funds (CRR) totals R 35 million. This amount is earmarked to address specific infrastructural capital investment aligned to IDP focus areas. This level is considered to be affordable over the MTREF 3-year period.

Capital investment funding from Capital Grants represents a significant portion (38%) of the Municipality's Capital Budget in 2025/2026 and consist mainly of the Municipal Infrastructure Grant (MIG) & Energy Efficiency and Demand Side Management Grant

The 2025/2026 Budget was compiled in terms of the Municipal Budget and Reporting Regulations and a phased-in process will be followed to include all information regarding the tables and supporting documentation.

Financial position and MTREF strategy

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

Integrated Development Plan & Priorities

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

Effect of the annual budget

The annual budget for 2025/2026 to 2027/2028 is disclosed in detail in 'Section 4: Annual budget tables' and in 'Annexure 2: Supporting budget tables'. Each of the summarised sections below is discussed in more detail later in this document.

Financial performance

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

Revenue by source	2023/2024	2024/2025	Increase
	R'000	R'000	R'000
Property Rates			
Service Charges: Electricity			
Service Charges: Water			
Service Charges: Wastewater			
Service Charges: Waste Management			
Indigent Rebate			
Other Revenue			
Transfers and Subsidies			
TOTAL			

The National, Provincial and District Context

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

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

NATIONAL ALLOCATIONS	2025/2026	2026/2027	2027/2028					
	R'000	R'000	R'000					
UNCONDITIONAL GRANTS								
EQUITABLE SHARE	156 647	166 360	173 883					
CONDITIONAL GRANTS INFE	NFRASTRUCTURE							
MIG	26 770	28 783	29 951					
INEP		596	624					
ENERGY EFFICIENT GRANT	4 000		4 616					
WSIG								
CONDITIONAL GRANTS SPE	CIFIC PURPO	SE ALLOCA	TIONS					
LG FMG	1 700	1 800	1 900					
EPWP	2 272							
NATIONAL GRANTS TOTAL	191 389	197 539	210 974					

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

PROVINCIAL ALLOCATIONS	2025/2026	2026/2027	2027/2028							
	R'000	R'000	R'000							
DEPARTMENT OF HUMAN SETTLEMENTS										
Informal Settlement Upgrading Partnership Grant	2 147									
DEPARTMENT OF ENVIRONMENTAL	AFFAIRS AND	DEVELOPME	ENT PLANNING							
Regional socio-economic project/violence prevention through urban upgrading	1 000									
DEPARTMENT OF Infrastructure										
Maintenance of proclaimed roads	130	11 091	3 408							
Title Deeds Restoration Grant	530									
DEPARTMENT OF CULTURAL AFFAIR	RS AND SPOR	T								
Library Services	6 604									
Library services: Municipal Replacement Funding	4 444									
Development of Sport & Recreation Facilities	957									
DEPARTMENT OF LOCAL GOVERNM	ENT									
Thusong Centre	150	300	300							
Community Development Worker Operational Support Grant	132	132	132							
Fire Service Capacity Building Grant	1 000									
PROVINCIALTREASURY		_								
PROVINCIAL GRAND TOTAL	17 094	11 523	3 840							

Budget-related policies

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

Annual budget Tables

- AI Budget Summary
- A2 Budgeted Financial Performance by standard classification.
- A3 Budgeted Financial Performance by municipal vote.

A4 Budgeted Financial Performance
 A5 Budgeted capital Expenditure by vote and Funding
 A6 Budgeted Financial Position
 A7 Budgeted Cash Flows
 A8 Cash backed reserves/accumulated surplus reconciliation.
 A9 Asset Management
 A10 Basic service delivery measurement

Annual budget Supporting Tables

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

SA23: Salaries, Allowances and Benefits (political office bearers/councillors/senior managers)

SA24: Summary of Personnel Numbers

SA25: Budgeted Monthly Revenue and Expenditure

SA26: Budgeted Monthly Revenue and Expenditure (Municipal Vote)

SA27: Budgeted Monthly Revenue and Expenditure (Standard Classification)

SA28: Budgeted Monthly Capital Expenditure (Municipal Vote)

SA29: Budgeted Monthly Capital Expenditure (Standard Classification)

SA30: Budgeted Monthly Cash Flow

SA31: Entities not required

SA32: List of External Mechanisms

SA33: Contracts having Future Budgetary Implications

SA34a: Capital Expenditure on New Assets by Asset Class

SA34b: Capital Expenditure on the Renewal of Existing Assets by Asset Class

SA34c: Repairs and Maintenance Expenditure by Asset Class

SA34d: Depreciation by Assets Class

SA35: Future Financial Implications of the Capital Budget

SA36: Detail Capital Budget

SA37: Projects Delayed from Previous Financial Years

Budget Circulars – only attached for information.

5 Overview of the Budget Process

5.1 Political oversight of the budget process

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

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

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

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

5.2 Schedule of Key Deadlines relating to budget and IDP process [MFMA s 21(1) (b)]

The IDP and Budget time schedule of the 2025/2026 budget cycle was adopted by Council during August 2024, 10 months before the start of the budget year in compliance with legislative directives.

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

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

5.3 Process used to integrate the review of the IDP and preparation of the Budget

Updating the IDP and Budget is an evolving and re-iterative process over a 10-month period. The initial parallel process commenced with the consultative process of the IDP in 2023 and the update of the MTREF to determine the affordability and sustainability framework at the same time.

5.4 Process for consultation with each group of stakeholders

Immediately after the tabling of the budget, a legislative consultative process will be followed to obtain inputs on the IDP & Budget from the relevant stakeholders.

5.5 Stakeholders involved in consultations

The tabled budget will be provided to National Treasury and Provincial Treasury in March/April 2025 for their consideration in line with S23 of the MFMA.

5.6 Process and media used to provide information on the Budget to the community.

The Municipality's consultation process on its draft IDP and budget will be published in the relevant media during April/May 2025, requesting input from various stakeholders.

5.7 Methods employed to make the Budget document available (including websites)

In compliance with the Municipal Finance Management Act and the Municipal Systems Act with regards to the advertising of Budget Documents (including the Tariffs, Fees and Charges for 2025/2026), advertisements will be placed in the media. The information relating to budget documentation will be displayed at the notice boards in the municipal offices as well as libraries.

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

6 IDP Overview and Amendments

VISION

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

MISSION

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

Providing and maintaining afford services.

- Promoting Social and Economic Development
- The effective and efficient use of available resources
- Effective Stakeholder and Community participation

VALUE SYSTEM

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

Alignment with Provincial and National Government

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

All these feed into and influence the Integrated Development Plan.

Witzenberg Municipality Budget Priorities (Key Performance areas)

The Municipality's 2025/2026 to 2027/2028 integrated development plan focuses on four strategic focus areas. The concrete objectives for each strategic focus area have been outlined and elaborated on. These objectives will be used to further develop key performance indicators against which performance implementation monitoring andreporting will be done. The corporate scorecard outlines these indicators and targets.

The four focus areas are:

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

7 Measurable performance objectives and indicators

(a) <u>KEY FINANCIAL INDICATORS AND RATIOS</u>

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

(b) MEASURABLE PERFORMANCE OBJECTIVES

Information regarding revenue is provided as follows:

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

Revenue for each source- Table A4 Budgeted Financial Performance (revenue and expenditure)

Provision of free basic services:

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

DESCRIPTION	2025-2026	2026-2027	2027-2028
	R'000	R'000	R'000
Property rates	3 339	3 539	3 752
Water	3 975	4 032	4 092
Sanitation	11 750	12 455	13 202
Electricity	5 311	5 985	6 745
Refuse	9 331	9 891	10 484
Total	33 706	35 902	38 275

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

(ii) Level of service to be provided.

The first R 150 000 of the municipal valuation of property in Town areas are exempt from property rates.

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

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

There is budgeted for 3 500 households that will receive 50 kWh electricity per month as well as 6 kilolitre water per month. Provision has also been made for households earning between R3000 and R5000 which may qualify for 50% of the indigent subsidy.

An estimated further 6 632 households in informal areas receive all services excluding electricity free of charge.

8 Overview of Budget Related Policies and Amendments

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

Budget Policy

Tariff Policy

Property Rates Policy

Credit Control and Debt Collection Policy

Cash Management and Investment Policy

Consumer Payment Incentive Policy

Petty Cash Policy

Indigent Policy

Budget Virement Policy

Asset Management Policy

Funding and Reserves Policy

Borrowing Policy

Cellular the phone and data card policy

Municipal Supply Chain Management Policy

Preferential Procurement Policy

Long Term Financial Plan Policy

Transport- travel- and subsistence allowance Policy

Post-Employment Medical Aid Contribution Policy

Infrastructure Investment Policy

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

The budget related policies were reviewed by management. The amendments recommended are explained below: 290

BUDGET POLICY

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

TARIFF POLICY

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

It is recommended that a paragraph be added to provide that new rates and tariffs approved during the budget cycle is applicable to all debits raised after 1 July of the relevant year, regardless of the time off consumption.

PROPERTY RATES POLICY

A new Rates Policy is included in the budget documentation to give effect to the amendments of the Municipal Property Rates Act (No 6 of 2004) and to provide for rates to be levied in terms of the new general valuation.

The policy guides the annual setting of property rates.

It is recommended that the section on exceptions be amended to be better defined.

CREDIT CONTROL AND DEBT COLLECTION POLICY

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

It recommended that the Auxiliary percentage deduction from the electricity prepaid services be progressively amended to foster a culture of payment of service prevent the increase in outstanding debt

CASH MANAGEMENT AND INVESTMENT POLICY

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

It is recommended that section be replaced with the following:

Witzenberg Municipality shall invest only with investees having a short term grade rating of A1 (S&P) / F1 (Fitch) / P-1 (Moody's) or better, and A (Fitch & S&P) / A2 (Moody's) or better, long term, from a nationally or internationally recognised credit rating agency.

Should the investee's credit rating be downgraded as a result of the sovereign rating being

CONSUMER PAYMENT INCENTIVE POLICY

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

Amendments recommended:

Verified debt as at 30 June 2024 to be "parked" and written-off in instalments as the conditions are met. Verified debt accrued after 1st July 2024 to be dealt with via an acknowledgement of debt and arrangement for payment by the participant.

PETTY CASH POLICY

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

It is recommended to amend the policy to include additional expenditure items such as fruit baskets, Data, Airtime, Batteries, Official photos, parking fees and cost involved with the registration of vehicles.

INDIGENT POLICY

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

No amendments

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

It is recommended that the accounting officer can approve adjustment to projects linked to the SDBIP to enhance service delivery and other operational requirements.

ASSET MANAGEMENT POLICY

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

FUNDING AND RESERVE POLICY

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

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

No amendments are recommended.

BORROWING POLICY

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

No amendments are recommended.

CELLULAR TELEPHONE AND DATA CARD POLICY

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

It is recommended that the benefits in terms of the policy be updated to be market related.

Section 111 of the MFMA requires each Municipality and municipal entity to adopt and implement a supply chain management policy, which gives effect to the requirements of the Act. The Municipality's Supply Chain Management Policy was approved by Council. No amendments are recommended.

PREFERENTIAL PROCUREMENT POLICY

The purpose of this policy is to provide for categories of preference in awarding of bids and to provide for the advancement of persons or categories of persons disadvantaged by unfair discrimination.

It is recommended that the definition of local businesses be redefined.

LONG TERM FINANCIAL PLAN POLICY

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

No amendments are recommended.

TRAVEL MANAGEMENT POLICY

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

It is recommended that the benefits in terms of the policy be updated to be market related.

POST-EMPLOYMENT MEDICAL AID CONTRIBUTION POLICY

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

No amendments recommended.

INFRASTRUCTURE INVESTMENT POLICY

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

No amendments are recommended.

9 Overview of Budget Related B2/94 aws and Amendments

No amendments to any By-Laws are recommended.

10 Overview of Budget Assumptions

Expenditure

Salaries and Allowances

Provision has been made for a 4.4 % increase in salaries plus an additional notch increase (2.5%) for qualifying employees.

Provision has been made for a 4.5% increase in councillor allowances, the councillor allowances is subject to approval by the National Minister.

General expenditure

It is assumed that costs for services will increase in line with the CPIX. The current oil price is a concern, and it is expected that the fuel price hikes will have a substantial effect on expenditure. It is also assumed that the capital projects for 2024/2025 will be completed during the financial year as there were budgeted for the depreciation of such projects asper general recognized accounting practice (GRAP). Depreciation on new capital expenditure is calculated at a varying rate ranging between 3 and 100 years depending on the nature of the asset.

Repairs and Maintenance

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

Capital costs.

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

Bulk Purchases

It is assumed that electricity tariffs of Exten will increase by 11.32 % as from 1 July 2025,

as per initial guideline by NERSA. The NERSA Tariff Guidelines for municipalities has not been received but it is envisaged that the bulk cost increase will be adjusted to 11.32 % for the final budget for consideration.

Income

<u>Households</u>

It is assumed that the total households in the municipal area (the tax base) will stay stable during the financial year. The construction of Top Structures in the Vredebes Housing Development is currently underway, and it is expected that the estimated completion of some of these top structures will be reached during the new budget year.

Collection rate for municipal services

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

In accordance with relevant legislation and national directives, the estimated revenue recovery rates are based on realistic and sustainable trends. The Municipality's collection rate is set at an average of 92%. Adequate provision is made for non-recovery.

The collection rate of 92% is attributable to:

- Inability to apply credit control measures in Eskom areas such as Prince Alfred Hamlet and Op-Die-Berg.
- Inability to implement Smart Water Meters to prevent excessive usage of water and enabling consumers to manage their water consumption effectively.
- General socio-economic conditions such as unemployment, low economic growth, inflation, etc.

Grants

It is assumed that the National and Provincial grants as per Division of Revenue Act (DORA) which has been included in the budget will be received during the 2024/2025 financial year.

<u>Indigents</u> 296

It is assumed that the total number of indigents will remain stable during the budget year, ranging within the bandwidth of 3 000-3 500 indigent households. The municipality urges the communities of Prince Alfred Hamlet & Op-Die-Berg to apply for Indigency to enable the municipality to plan more effectively.

Efficiencies and cost containment measures

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

11 Overview of Budget Funding

<u>Summary</u>

The operating budget for 2024/2025 will be financed as follows:

	2023/2024	2024/2025	Increase
	R'000	R'000	R'000
Charged for electricity, water, refuse and sewerage	530 572	558 016	5%
Property Rates	105 352	113 495	8%
Provincial and National Operating Grants	185 336	195 169	5%
Sundry charges / Other	88 613	96 784	9%
Total Operating Revenue excl. Capital Transfers	909 873	963 464	6%

The capital budget for 2024/2025 to 2026/2027 will be financed as follows:

	2024/2025	2025/2026	2026/2027
	R'000	R'000	R'000
Own Funds (Capital Replacement Reserves)	20 359	21 720	18 685
Grants	39 880	34 177	22 850
Borrowing	16 518	-	-
Total Capital Budget	76 757	55 897	41 535

Reserves

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

The way that the budget is funded will ensure that the municipality will be sustainable on the short term. The full effect of huge increases in electricity tariffs may on the long run impact negatively on the sustainability of the municipality. This is a huge concern for the municipality and the municipality has no control over the increases approved by NERSA. In addition, one of the greatest risks facing the municipality is the inability to promote local economic development due to Eskom's inability to increase the Notional Maximum Demand.

Impact on rates and tariffs

The way that the budget is funded will ensure that, except for electricity, refuse removal and water tariffs, service tariff increases will be \pm 5%. Property rates revenue will increase with \pm 8%. The municipality has no control over the increases of electricity tariffs and the proposed municipal tariff of 10.8% increase in electricity tariffs is subjected to NERSA approval.

Property valuations, rates, tariffs and other charges

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

Collection Rate

Income levels for service charges and rates for the budget year were based on the following revised collection rates:

Rates	91.0%
Electricity	98.0%
Water	65.0%
Sanitation	80.0%
Refuse	65.0%

Planned savings and efficiencies.

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

- Overtime
- Standby
- Operational Cost

- Contracted Services
- Materials & Supplies

Contributions and donations received.

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

Planned proceeds of sale of assets

The municipality envisage no sale of fixed property during the 2024/2025 financial year.

Planned use of previous year's cash backed accumulated surplus

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

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

No new loans proposed.

12 Expenditure on allocations and grant programs

Particulars of budgeted allocations and grants

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

13 Allocations or grants made by the Municipality.

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

14 Councillor allowances and employee benefits

Costs to Municipality:

Councillors' allowances - Budgeted amounts

Position	2024/2025 R
Speaker (1)	881 418
Executive Mayor (1)	1 061 110
Deputy Executive Mayor (1)	779 846
Executive Committee (4)	3 306 808
Chairperson MPAC (1)	779 846
Other councillors (15)	5 230 080
TOTAL	12 108 151

Senior Managers (Including performance bonus provision) (budgeted amount)

	R
299	2 054 844
	299

All other staff	268 605 877
TOTAL Senior Management	9 893 600
Chief Financial Officer	1 959 689
Director: Technical Services	1 959 689
Director: Community Services	1 959 689
Director: Corporate Services	1 959 689

Number of Councillors: 23

Number of Senior Managers employed: 3

(Vacancies: Director Community Services and Director Technical Services)

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

15 Monthly targets for revenue, expenditure and cash flow

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

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

16 Capital spending detail.

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

17 List of significant amendments from Tabled to Final Budget

To be confirmed on tabling of final budget

18 Legislation compliance status

Witzenberg Municipality complies in general with legislation applicable with municipalities.

19 Municipal Manager's quality certification

Quality Certificate

I, Mr D Nasson, Municipal Manager of Witzenberg Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the budget and supporting documentations are consistent with the Integrated Development Plan of the municipality.

Print name Mr D NASSON

Municipal Manager of WITZENBERG MUNICIPALITY.

Signature:

Date:



A municipality that cares for its community, creating growth and opportunity!

Budget Related Policies 2024/2025



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BUDGET POLICY

Date of implementation 01 July 2010

Adopted by Council 15/06/2010

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1. **DEFINITIONS**

"Accounting Officer"

(a) means the Municipal Manager;

"Allocation", means

- (a) a municipality's share of the local government's equitable share referred to in section 214(I) (a) of the Constitution;
- (b) an allocation of money to a municipality in terms of section 214(1) (c) of the Constitution;
- (c) an allocation of money to a municipality in terms of a provincial budget; or
- (d) any other allocation of money to a municipality by an organ of state, including by another municipality, otherwise than in compliance with a commercial or other business transaction;

"Annual Division of Revenue Act" means the Act of Parliament, which must be enacted annually in terms of section 214 (1) of the Constitution;

"Approved budget," means an annual budget.

- (a) approved by a municipal council in terms of section 24 of the MFMA, 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 section 3 of the municipal property rates Act;
- (c) the credit control and debt collection policy, which the municipality must adopt in terms of section 96 of the Municipal Systems Act;
- (d) the cash management and investment policy which the municipality must adopt in terms of section 13(2) of the Act;
- (e) a borrowing policy which must comply with Chapter 6 of the Act;
- (f) a funding and reserves policy;
- (g) a policy related to the long-term financial plan;
- (h) the supply chain management policy which the municipality is required o adopt in terms of section 111 of the Act;
- (i) any policies dealing with the management and disposal of assets;
- (j) any policies dealing with infrastructure investment and capital projects, including -
 - (i) the policy governing the planning and approval of capital projects; and
 - (ii) the policy on developer contributions for property developments;

- (k) the indigents policy of the municipality;
- (I) any policies related to the provision of free basic services;
- (m) any policies related to budget implementation and monitoring including -
 - (i) a policy dealing with the shifting of funds within votes;
 - (ii) a policy dealing with unforeseen and unavoidable expenditure; and
 - (iii) policies dealing with management and oversight;
- (n) any policies related to the managing electricity and water including -
 - (i) a policy related to the management of losses; and
 - (ii) a policy to promote conservation and efficiency;
- (o) any polices related to personnel including polices on overtime, vacancies and temporary staff;
- (p) any policies dealing with municipal entities, including -
 - (i) the service delivery agreement; and
 - (ii) the dividend preference of the municipality; and
- (q) any other budget-related or financial management policies of the municipality.

"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, includes an instruction or request to perform or to assist in performing the duty;

"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 instalment purchase contract or hire purchase arrangement under which a municipality undertakes to repay a long-term debt over a period of time;

"fruitless and wasteful expenditure" means expenditure that was made in vain and would have been avoided had reasonable care been exercised;

"irregular expenditure", means

- (a) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in Accordance with, a requirement of the MFMA 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 "unauthorised 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 dematerialised 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;

"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(I)(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(I) (c) of the MFMA;

"standards of generally recognised accounting practice", means an accounting practice complying with standards applicable to municipalities or municipal entities as determined by the Accounting Standards Board

"unauthorised expenditure", means any expenditure incurred by a municipality otherwise than in accordance with section 15 or 11(3) of the MFMA, and includes

- (a) overspending of the total amount appropriated in the municipality's approved budget;
- (b) overspending of the total amount appropriated for a vote in the approved budget;
- (c) expenditure from a vote unrelated to the department or functional area covered by the vote;
- (d) expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;
- (e) spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of "allocation" otherwise than in accordance with any conditions of the allocation; or
- (f) a grant by the municipality otherwise than in accordance with the MFMA;

"vote" means

- (a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and
- (b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

[&]quot;short-term debt" means debt repayable over a period not exceeding one year;

[&]quot;virement" means transfer of funds between functions / votes

2. INTRODUCTION

In terms of the Municipal Finance Management Act, No. 56 of 2003, Chapter 4 on Municipal Budgets, subsection (16), states that the council of a municipality must for each financial year approve an annual budget for the municipality before the commencement of that financial year. According to subsection (2) of the Act concerned, to comply with subsection (1), the executive mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year. This policy must be read, analysed, explained, interpreted, implemented, and understood against this legislative background. The budget plays a critical role to realise diverse community needs. Central to this, the formulation of a municipality budget must consider the government's macro-economic and fiscal policy fundamentals. In brief, the conceptualisation and the operationalisation of the budget must be located within the national government's policy framework.

3. OBJECTIVE

The objective of the budget policy is to set out:

- The principles which the municipality will follow in preparing each medium term revenue and expenditure framework budget,
- The responsibilities of the executive mayor, the accounting officer, the chief financial officer and other senior managers in compiling the budget
- To establish and maintain procedures to ensure adherence to Witzenberg Municipality's IDP review and budget processes.

4. BUDGETING PRINCIPLES

- The municipality shall not budget for a cash deficit and should also ensure that revenue projections in the budget are realistic considering actual collection levels.
- Expenses may only be incurred in terms of the approved annual budget (or adjustments budget) and within the limits of the amounts appropriated for each vote in the approved budget.
- Witzenberg Municipality shall prepare three-year budget (medium term revenue and expenditure framework (MTREF)) and that be reviewed annually and approved by Council.
- The MTREF budget must always be within the framework of the Municipal Integrated Development Plan.

5. BUDGET PREPARATION PROCESS

5.1. Formulation of the budget

- (a) The Accounting Officer with the assistance of the Chief Financial Officer, Manager Financial Administration and the Manager IDP shall draft the IDP process plan as well as the budget timetable for the municipality including municipal entities for the ensuing financial year.
- (b) The executive mayor shall table the IDP process plan as well as the budget timetable to Council not later than 31 August of each year for approval (10 months before the start of the next budget year).

- (c) IDP process plan as well as the budget timetable shall indicate the key deadlines for the review of the IDP as well as the preparation of the medium-term revenue and expenditure framework budget and the revision of the annual budget. Such target dates shall follow the prescriptions of the Municipal Finance Management Act, Municipal Budget and reporting regulations as well as the guidelines set by National Treasury.
- (d) The Executive Mayor shall convene a strategic workshop in September/October with the mayoral committee and senior managers in order to determine the IDP priorities which will form the basis for the preparation of the MTREF budget taking into account the financial and political pressures facing the municipality. The executive mayor shall table the IDP priorities with the draft budget to Council.
- (e) The Executive Mayor shall table the draft IDP and MTREF budget to council by 31 March of each year (90 days before the start of the new budget year) together with the draft resolutions and budget related policies.
- (f) The Chief Financial Officer and senior managers undertake the technical preparation of the budget.
- (g) The budget must be in the prescribed format by National Treasury, and must be divided into capital and operating budget.
- (h) The budget must reflect the realistically expected revenues by major source for the budget year concerned.
- (i) The expenses reflected in the budget must be divided into items.
- The budget must contain the information related to the two financial years following the financial year to which the budget relates, as well as the estimated revenues and expenses for the current year and the two prior year actual revenue and expenditures.

5.2. Public participation process

Immediately after the draft annual budget has been tabled, the municipality must convene hearings on the draft budget in April and invite the public, stakeholder organisations, to make representation at the council hearings and to submit comments in response to the draft budget.

5.3. Approval of the budget

- (a) Council shall consider the next medium term expenditure framework budget for approval not later than 31 May (30 days before the start of the budget year).
- (b) The council resolution must contain budget policies and performance measures be adopted.
- (c) Should the municipality fail to approve the budget before the start of the budget year, the executive mayor must inform the MEC for Finance that the budget has not been approved.
- (d) The budget tabled to Council for approval shall include the following supporting documents:
 - draft resolutions approving the budget;
 - ii. and levying property rates, other taxes and tariffs for the financial year concerned;
 - iii. measurable performance objectives for each budget vote, taking into account the municipality's IDP;
 - iv. the projected cash flows for the financial year by revenue sources and expenditure votes;
 - v. any proposed amendments to the IDP;
 - vi. any proposed amendments to the budget-related policies:
 - vii. the cost to the municipality of the salaries, allowances and other benefits of its political office bearers and other councillors, the accounting officer, the chief financial officer, and other senior managers;
 - viii. particulars of any proposed allocations or grants to other municipalities, municipal entities, external mechanisms assisting the municipality in service delivery, other organs of state, and organisations such as Non-Governmental Organisations, welfare institutions and so on;
 - ix. particulars of the municipality's investments; and

x. various information in regard to municipal entities under the shared or sole control of the municipality

5.4. Publication of the budget

- (a) Within 14 days after the draft annual budget has been tabled, the Director must post the budget and other budget-related documentation onto the municipal website so that it is accessible to the public.
- (b) The Chief Financial Officer must within 14 days after the draft annual budget is tabled:
 - (i) submit the approved budget in both printed and electronic formats to the National Treasury, the Provincial Treasury as well as post it on the municipal website.
 - (ii) ensure that a newspaper advertisement is placed that the draft budget is available at the Municipal offices and available for comments.

5.5. Service Delivery and Budget Implementation Plan (SDBIP)

- (a) The Executive mayor must approve the Service Delivery and Budget Implementation Plan not later than 28 days after the approval of the Budget by Council.
- (b) The SDBIP 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

6. CAPITAL BUDGET

- (a) Expenditure of a project shall be included in the capital budget if it meets the asset definition i.e. if it results in an asset being acquired or created and has a useful life in excess of one year.
- (b) The capital budget shall distinguish between replacement and new assets.
- (c) A municipality may spend money on a capital project only if the money for the project has been appropriated in the capital budget.
- (d) The envisaged sources of funding for the capital budget must be properly considered and the Council must be satisfied that this funding is available and has not been committed for other purposes.
- (e) Before approving a capital project, the Council must consider:
 - (i) the projected cost of the project over all the ensuing financial years until the project becomes operational,
 - ii. future operational costs and any revenues, which may arise in respect of such project, including the likely future impact on operating budget (i.e. on property rates and service tariffs).
- (f) Before approving the capital budget, the council shall consider:
 - (i) the impact on the present and future operating budgets of the municipality in relation to finance charges to be incurred on external loans,
 - (ii) depreciation of fixed assets,
 - (iii) maintenance of fixed assets, and
 - (iv) any other ordinary operational expenses associated with any item on such capital budget.
- (g) Council shall approve the annual or adjustment capital budget only if it has been properly cash funded.
- (h) The capital expenditure shall be funded from the following sources:

(i) Revenue or Surplus

• If any project is to be financed from revenue this financing must be included in the cash budget to raise sufficient cash for the expenditure.

• If the project is to be financed from surplus there must be sufficient cash available at time of execution of the project.

(ii) External loans

- External loans can be raised only if it is linked to the financing of an asset;
- A capital project to be financed from an external loan can only be included in the budget if the loan has been secured or if can be reasonably assumed as being secured:
- The loan redemption period should not exceed the estimated life span of the asset. If this happens the interest payable on the excess redemption period shall be declared as fruitless expenditure;
- Interest payable on external loans shall be included as a cost in the operating budget;
- Finance charges relating to such loans shall be charged to or apportioned only between the departments or votes to which the projects relate.

Capital Replacement Reserve (CRR)

- Council shall establish a CRR for the purpose of financing capital projects and the acquisition of assets. Such reserve shall be established from the following sources of revenue:
 - inappropriate cash-backed surpluses to the extent that such surpluses are not required for operational purposes;
 - o interest on the investments of the CRR, appropriated in terms of the investments policy;
 - o additional amounts appropriated as contributions in each annual or adjustments budget; and
 - o interact on investments of unutilised grants;
 - o only VAT claimed back on grants and subsidies; and
 - Sale of land and profit or loss on the sale of assets.
- Before any asset can be financed from the CRR the financing must be available within the reserve and available as cash as this fund must be cash backed;
- If there is insufficient cash available to fund the CRR this reserve fund must then be adjusted to equal
 the available cash:
- Transfers to the CRR must be budgeted for in the cash budget

Grant Funding

- Non capital expenditure funded from grants
 - o must be budgeted for as part of the revenue budget;
 - Expenditure must be reimbursed from the funding creditor and transferred to the operating and must be budgeted for as such.
 - Capital expenditure must be budgeted for in the capital budget;
- Grant funding does not need to be cash backed but cash should be secured before spending can take place.
- All unutilized grants received must be ring fenced and cash backed by means of an investment.

7. OPERATING BUDGET

- (a) The municipality shall budget in each annual and adjustments budget for the contribution to:
 - (i) provision for accrued leave entitlements equal to 100% of the accrued leave
 - (ii) entitlement of officials as at 30 June of each financial year,
 - (iii) provision for the impairment of debtors taking into account prior year, current year improvements and future improvement in debt collection percentages.
 - (iv) provision for the obsolescence and deterioration of stock in accordance with its stores management policy
 - (v) Depreciation and finance charges shall be charged to or apportioned only between the departments or votes to which the projects relate.
 - (vi) At least 5% of the operating budget component of each annual and adjustments budget shall be set aside for maintenance.
- (b) When considering the draft annual budget, council shall consider the impact, which the proposed increases in rates and service tariffs will have on the monthly municipal accounts of households.
- (c) The impact of such increases shall be assessed on the basis of a fair sample of randomly selected accounts.
- (d) The operating budget shall reflect the impact of the capital component on:
 - depreciation charges
 - repairs and maintenance expenses
 - interest payable on external borrowings.
 - other operating expenses.
- (e) The chief financial officer shall ensure that the cost of indigent relief is separately reflected in the appropriate votes.

8. FUNDING OF CAPITAL AND OPERATING BUDGET

- (a) The budget may be financed only from:
 - (i) realistically expected revenues, based on current and previous collection levels.
 - (ii) cash-backed funds available from previous surpluses where such funds are not required for other purposes; and
 - (iii) borrowed funds in respect of the capital budget only.

9. UNSPENT FUNDS / ROLL OVER OF BUDGET

- (a) 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, but except for funds relating to capital expenditure.
- (b) Only unspent grant (if the conditions for such grant funding allows that) or loan funded capital budget may be rolled over to the next budget year
- (c) Conditions of the grant fund shall be considered in applying for such roll over of funds
- (d) Application for roll over 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.
- (e) No funding for projects funded from the Capital Replacement Reserve shall be rolled over to the next budget year except in cases where a commitment has been made at least 30 days (31 May each year) prior the end of that particular financial year.
- (f) No unspent operating budget shall be rolled over to the next budget year

10. BUDGET TRANSFERS AND VIREMENTS

Budget transfers and virements are dealt with in terms of the council's Budget Virement Policy.

11. ADJUSTMENT BUDGET

Each adjustments budget shall reflect realistic excess, however nominal, of current revenues over expenses.

- (a) The chief financial officer shall ensure that the adjustments budgets comply with the requirements of the National Treasury reflect the budget priorities determined by the executive mayor, are aligned with the IDP, and comply with all budget-related policies, and shall make recommendations to the executive mayor on the revision of the IDP and the budget-related policies where these are indicated.
- (b) Council may revise its annual budget by means of an adjustments budget in terms of section 28 of the MFMA and according to the timelines of the Municipal Budget and reporting regulations section 23.
- (c) The Accounting Officer must promptly adjust its budgeted revenues and expenses if a material undercollection of revenues arises or is apparent.
- (d) The Accounting Officer shall appropriate additional revenues, which have become available but only to revise or accelerate spending programmes already budgeted for or any areas of critical importance identified by Council.
- (e) The Council shall in such adjustments budget, and within the prescribed framework, confirm unforeseen and unavoidable expenses on the recommendation of the Executive Mayor.
- (f) An adjustments budget must contain all of the following:
 - (i) an explanation of how the adjustments affect the approved annual budget;
 - (ii) appropriate motivations for material adjustments; and
 - (iii) an explanation of the impact of any increased spending on the current and future annual budgets.
- (g) Any inappropriate surplus from previous financial years, even if fully cash-backed, shall not be used to balance any adjustments budget, but shall be appropriated to the municipality's capital replacement reserve.
- (h) Municipal taxes and tariffs may not be increased during a financial year except if required in terms of a financial recovery plan.
- (i) Unauthorised expenses may be authorised in an adjustments budget.
- (j) In regard to unforeseen and unavoidable expenditure, the following apply:
 - (i) the Executive mayor may authorise such expenses in an emergency or other exceptional circumstances in terms of Section 29 of the MFMA;
 - (ii) the authorized amount may not exceed 4 % of the approved own revenue included in the annual budget in respect of such unforeseen and unavoidable expenses.
 - (iii) these expenses must be reported by the Executive mayor to the next Council meeting;
 - (iv) the expenses must be appropriated in an adjustments budget; and
 - (v) Council must pass the adjustments budget within sixty days after the expenses were incurred.
- (k) New Projects may not be added during the financial year unless it falls within the ambit of unforeseen and unavoidable expenditure and/or an additional allocation received

- (I) Funds for SDBIP projects or items may not be removed from the budget without the approval of the Municipal Manager, through a virement process unless:1
 - the necessity thereof is because of funds that is no longer available or
 - a significant reduction in the collection rate substantiates and justifies the removal and
 - performance agreements have been amended prior to the removal thereof.

12. BUDGET IMPLEMENTATION

12.1 Monitoring

- (a) The accounting officer with the assistance of the chief financial officer and other senior managers is responsible for the implementation of the budget, and must take reasonable steps to ensure that:
 - funds are spent in accordance with the budget.
 - expenses are reduced if expected revenues are less than projected; and
 - revenues and expenses are properly monitored.
- (b) The Accounting officer with the assistance of the chief financial officer must prepare any adjustments budget when such budget is necessary and submit it to the Executive mayor for consideration and tabling to Council.
- (c) The Accounting officer must report in writing to the Council any impending shortfalls in the annual revenue budget, as well as any impending overspending, together with the steps taken to prevent or rectify these problems.

12.2 Reporting

12.2.1 Monthly budget statements

(a) The accounting officer with the assistance of the chief financial officer must, not later than ten working days after the end of each calendar month, submit to the Executive mayor and Provincial and National Treasury a report in the prescribed format on the state of the municipality's budget for such calendar month, as well as on the state of the budget cumulatively for the financial year to date.

This report must reflect the following:

- (i) actual revenues per source, compared with budgeted revenues;
- (ii) actual expenses per vote, compared with budgeted expenses.
- (iii) actual capital expenditure per vote, compared with budgeted expenses.
- (iv) actual borrowings, compared with the borrowings envisaged to fund the capital budget;
- (v) the rand value of allocations received, compared with the budgeted amount.
- (vi) actual expenses against allocations, but excluding expenses in respect of the equitable share;
- (vii) explanations of any material variances between the actual revenues and expenses as indicated above and the projected revenues by source and expenses by vote as set out in the service delivery and budget implementation plan.
- (viii) the remedial or corrective steps to be taken to ensure that the relevant projections remain within the approved or revised budget; and
- (ix) projections of the revenues and expenses for the remainder of the financial year, together with an indication of how and where the original projections have been revised.
- (b) The report to the National Treasury must be both in electronic format and in a signed written document.

12.2.2 Quarterly Reports

(a) The Executive mayor must submit to Council within thirty days of the end of each quarter a report on the implementation of the budget and the financial situation of the municipality.

¹ Recommended for adjustment March 2024

12.2.3 Mid-year budget and performance assessment

- (a) The Accounting officer must assess the budgetary performance of the municipality for the first half of the financial year, considering all the monthly budget reports for the first six months, the service delivery performance of the municipality as against the service delivery targets and performance indicators which were set in the service delivery and budget implementation plan.
- (b) The Accounting officer must then submit a report on such assessment to the Executive mayor by 25 January each year and to Council, Provincial Treasury and National Treasury by 31 January each year.
- (c) The Accounting officer may in such report make recommendations after considering the recommendation of the Chief Financial Officer for adjusting the annual budget and for revising the projections of revenues and expenses set out in the service delivery and budget implementation plan.

13. CONCLUSION

The Director Corporate Services must place on the municipality's official website the following:

- the annual and adjustments budgets and all budget-related documents;
- all budget-related policies;
- the integrated development plan
- the annual report;
- all performance agreements;
- all service delivery agreements;
- all long-term borrowing contracts;
- all quarterly and mid-year reports submitted the Council on the implementation of the budget and the financial state of affairs of the municipality.



TARIFF POLICY

Date of implementation: 1 July 2010

Reviewed and amendments by Council on:
20/04/2011
31/05/2012
29/05/2013
28/05/2014
30/05/2017
30/05/2019
25/05/2020
26/05/2021
30/05/2022
30/05/2023

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1. Introduction

Every Municipality is responsible for the drafting and annual revision of a tariffs policy within the framework provided by the Municipal Systems Act (Act 32 of 2000 as amended).

2. Purpose

The purpose of the policy is to ensure that:

- o the provisions of section 74 of the Municipal Systems Act (Act 32 of 2000 as amended) are complied with;
- o a properly documented policy is in place to determine how the tariffs of the Witzenberg Municipality are to be determined; and
- o the tariffs are realistic and affordable.

3. Principles

The determination of tariffs should in all instances be based on sound economic principles. The Council's input is to ensure that the tariffs policy be reviewed and modified during the annual budgetary process.

3.1 Basic principles

The following principles, in addition to those enunciated in section 74 Municipal Systems Act (Act 32 of 2000 as amended), were considered:

- Equalisation within the shortest possible time
- Affordability of service
- Discouragement of wastage through pricing mechanisms
- Ensuring adequate cash flow
- o Simple and understandable structure
- o Justifiable structure
- o Transparent structure

3.2 The Municipal account

The accounts for property rates and services charges may not be viewed in isolation. They must be approached collectively in order to determine the most affordable amount to be paid by different clients as a total account.

3.3 Credit control

It is not possible to successfully calculate a tariffs structure without considering the provisions of an effective credit control system. Similarly, a credit control system cannot function without a sound tariffs policy drafted in support of the problems of indigent persons.

3.4 Costs of the provision of services and the calculation of tariffs

Tariffs must be capable of recovering the costs of the provision of a service. If a service should be run at a loss, there will by necessity have to be cross-subsidising from other services. It is therefore imperative that the tariffs for each service be accurately calculated and that the correct tariffs structure is accepted and implemented.

3.5 Socio-economic factors

As a result of non-payment, local authorities are experiencing problems with their cash flow. One of the most important reasons for non-payment is the failure of tariffs structures to make proper allowance for the socio-economic circumstances of the communities involved. The implementation of pre-paid electricity, as well as "free" water and electricity, partially address this problem.

Clients have been divided into the following categories:

- o Clients unable to make any contribution towards the provision of services and who have to be subsidised fully.
- o Clients who can afford a partial contribution and who need only to be subsidised partially.
- o Users who can fully afford the services.

It is important to identify these categories and to plan the tariffs structures accordingly. The subsidies are derived from two sources, namely:

- O Contributions by the State The State determine the extent of these contributions from year to year and may increase or lower the contribution, while the needs of the local authority increase annually.
- o Contributions from Municipal funds These funds must be budgeted for.

Services may also be subsidised from a combination of the aforementioned funds.

The tariffs structure has been compiled in the following manner in order to make provision for subsidising:

- Fully subsidised in terms of the Indigent policy;
- o Full tariff payable.

3.6 Equalisation of principles

In order to accomplish the total legalisation of tariffs, the tariffs must as far as possible be standardised throughout the whole municipality. Unique circumstances of a particular town will, however, play a role in preventing the tariffs from being 100% identical throughout. The principles for the determination of the tariffs should however, never vary.

3.7 Phasing in of new tariffs structures

Time is needed for the phasing in of any new structure. In practice this will mean that different towns will be subjected to different tariff increases during the period of phasing in.

3.8 Profit-taking

The following goals for profit-taking are applicable within Witzenberg.

o Electricity - Profit of 15%
o Water - Profit of 15%
o Sewerage - Profit of 0,5%
o Refuse removal - Profit of 0,5%

3.9 Basic and Availability charges

Tariffs are set in a manner that will ensure sustainability of the service. Therefore, basic services charges and service availability charges are levied on every site whether the service is utilized or not. The aim is to recover all fixed costs and a portion of the variable cost of the relevant service.

The Chief financial officer is delegated to exclude a site from availability charges if it is not possible to develop the site due to its size being less than the minimum size in terms of town planning regulations and the plot cannot be improved.¹

3.10 Effective date of new rates and tariffs

New rates and tariffs approved during the budget cycle is applicable to all debits raised after 1 July of the relevant year, regardless of the time off consumption.²

4. Tariffs structure

4.1 Electricity

The following directions of the NER were considered during the drafting of the electricity tariffs structure:

- Tariffs must be economically sustainable.
- Clients must be given a choice of tariffs.
- The tariffs should be based on the costs of delivery, while also complying with the guidelines laid down in NRS 058.
- The tariffs must be transparent and the level of cross-subsidising must be known.
- The tariffs must be comparable with the tariffs of neighbouring suppliers
- The tariffs must be conveniently administered and must reflect the standard of service provision.

NERSA suggested five categories of tariffs to form the basis of the tariffs structure.

Name of Tariff	Tariff Components			
	Minimum levy (Rand/client/ month)	Energy levy (Cent/ kWh)	Duration of use of energy tariff (Cent/ kWh)	Demand tariff (Rand/KVA)
Singular energy tariff		√		
Dual tariff	√	√		
Dual time of consumption tariff	√		√	
Tripartite tariff	√	√		
Tripartite time of consumption tariff	√		√	V

The structuring of the tariffs structure for the provision of electricity, with due consideration of the NER directions, is based on the following principles:

• Structure is divided into client groups;

¹ Included – November 2022

² Recommended for inclusion – March 2024

- A costing structure is allocated to each client group;
- Five tariffs structures and components were used as per the NER's directions;
- Profit-taking of the existing tariffs in the new structure;
- Phasing in of existing tariffs into new structure.

4.1.1 Client groups

The tariffs structure is divided into the following client groups:

- Residential clients
- Commercial clients
- Industrial clients
- Rural clients
- Large-scale clients

The classification of the client is left up to the client himself, and will largely be determined by the client's own needs.

Street lights and sports bodies are identified as a special group.

4.1.2 Tariffs structures

The following tariffs are used:

Availability tariff

This tariff is levied on all vacant premises with the potential of being linked to the municipal services.3

The availability tariff is levied monthly or part thereof, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

Singular energy tariff

This structure is only available to clients who are residential, street lights or sports bodies. The tariff is based on the quantity kwh consumed. Provision is made for the following varying sizes of connections:

- Pre-paid meters up to 1 X 40A
- Single phase
- Three-phase

It is up to the client to decide which connection meets his particular requirements. Depending on the consumption of kWh, the client should decide whether a single-phased tariffs structure will suit his requirements better than a dual tariffs structure. The cut-off point is approximately 1 000kwh consumption.

<u>Dual tariff</u>

This tariffs structure is available for commercial, rural and residential clients. The tariff consists of a minimum component and an energy component.

The minimum levy is a levy per month, or portion thereof, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

The energy component is based on the kWh consumed from one reading to the next.

³ Amended by council on 28 May 2014

Two sizes of residential connections are provided:

- single phase
- three phase.

For the commercial client a distinction is made between single and three-phase supplies as well as between the following sizes per phase:

20A 40A 60A 80A 100A 150A 200A

250A

Rural clients are divided into smaller than 25KVA, larger than 25KVA but smaller than 50KVA and larger than 50KVA to a maximum of 100KVA. The energy tariff is divided into two tariffs, i.e. fewer than 1000 units and more than 1000 units during a period measured from one reading to the next.

Tripartite tariff

This tariffs structure is available to commercial, industrial, rural and large-scale clients.

As with the dual structure, the levies are based on a minimum as well as an energy levy. Additionally, however, a demand levy is imposed, based on the client's maximum demand during the previous month.

Within the groups, a distinction is made between:

Bigger than 1MVA high tension Smaller than 1MVA high tension Low tension

Tripartite tariff for time of use

This tariffs structure is exactly the same as the tripartite tariff. It is also available to the same groups of clients. The only difference is that the time of consumption is linked to the tariff. The client has to apply for this tariff, usually following a thorough examination by him.

4.2 Water

4.2.1 Client groups

Recovery of the costs of the water service is not based only on consumption and the type of client, but also on the extent to which the client has access to the service and what the service must provide for, as well as the actual consumption. The principle of equity is taken into account when the client groups are classified.

Clients are classified in accordance with the size of their connections to the main supply. By classifying the client in accordance with the size of the connection, a more equitable basis for contributions towards costs is obtained than when a tariff is simply allocated to a certain type of consumer. In this way, cross-subsidising is largely eliminated.

2.2 Tariffs structures

The following tariffs structures will be in existence:

- Availability levy on all vacant premises within the town areas linked to the water network.
- Minimum levies for every size of connection with distinction being made between the following sizes:

Size of connections	Factor
Vacant premises	1.64
0-25mm	1.00
26-50mm	11.45
51-80mm	28.92
81-100mm	45.78
101-150mm	102.41
Client consuming > 20 000 kl./per month	2228.92
Un-metered connections	3.37

The consumption tariff is a block tariff, with the client able to choose between block A and B:

• Block A

Consumption	Factor
0-6	0.32
7-30	0.92
31-60	0.92
61-300	0.92
Above 300	3.19

• Block B

Consumption	Factor
0-300	1.00
301-1000	1.00
1001-8000	0.97
Above 8000	0.97

• Block C (Only for consumers with consumption of over 20 000 kilolitres per month)

Consumption	Factor
0-20 000	0
Above 20 000	0.31

• Block D (Only municipal consumption)

Consumption	Factor
Above 0	0.26

The block tariffs should encourage consumption, but discourage abuse, with Block A for residential clients and Block B for commercial clients. The choice nevertheless remains the client's. The third block is clients with consumption of over 20 000 kilolitres per month.

The above factors will be phased out as the water demand is growing in relation to the water supply.⁴

Pre-paid water tariff – This tariff is calculated together with the other tariffs with a factor of 0.85.

⁴ Amended by Council resolution 30/05/2017

 Municipal tariff – A departmental tariff based on the size of the connection is levied together with a consumption tariff. The departmental levy is aimed at the mere recovery of maintenance and running costs. In calculating this, loan costs, administrative levies, provision for bad debts and profit-taking are not considered.

The availability and minimum levies are levied monthly or part thereof, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

If a client on Block A consumption is higher than 300 kl of water per meter reading cycle, then that client may apply for relief if the client can proof that leakage existed. The relief application will be considered based on the following criteria:

- (a) Usage portion of the client indicated that the clients' consumption prior to the leakage was less than 300kl and
- (b) Proof can be provided of the cost of repair of the leakage.

The account will be adjusted as follow:

A = Usage during period of meter reading (can be more than one period)

B = 300

C = Tariff of Block A for consumption (61 - 300)

Formula: A – B X C

If a client's consumption increased due to a leakage, an average consumption can be charged for a period not exceeding 3 months on submission of proof that the leakage existed and was subsequently repaired.

That the authority for the approval of the relief be assigned to the Manager: Income or Chief Financial Officer.5

Clients are entitled to one claim in a financial year for relief for high water accounts caused by leaking pipes and fittings. Any additional applications can only be approved by the Chief Financial Officer.⁶

4.2.3 Calculation of tariffs during water restrictions

Council determine water saving tariffs with the annual budget and tariff approval process. Provision is made for moderate and extreme restrictions.

4.3 Refuse removal

No distinction is made between fixed and variable costs in the costing structure of refuse removal.

The total costs are divided amongst the clients in relation to the municipal valuation of residential property.

All other consumers are billed according to the size and number of wheelie bins removed.

⁷Where more than one dwelling unit or business unit, as defined in the Council's zoning scheme regulations, is situated on a premises (such as a semi-detached dwelling or a block of flats etc.) each such a dwelling unit or each business unit shall for the purpose considered to be a consumer. This will be measured by the number of electricity connections, unless the combined connections are less than 60 Amps single phase, when it will be regarded as only one consumer. Dwelling or business unit is defined as a formal structure with a building plan. That discretion for possible exemption be given to the Accounting Officer regarding this paragraph to evaluate on a case by case basis.

⁵ Amended by Council resolution 27/8/2014

⁶ Amended by Council resolution 30/05/2017

⁷ Amended by Council resolution on 30/05/2022

4.3.1 Client groups

The following client groups are distinguished:

- Non Residential Clients with one removal per week
- ♦ Non Residential Clients with two removals per week
- Non Residential Clients with three removals per week
- Residential Clients with one removal per week

4.3.2 Tariffs structure

A minimum tariff equal to one removal per week is levied on all commercial and industrial clients, irrespective of whether the service is utilised or not.

All levies are levied monthly or part thereof, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

Non Residential Clients are compelled to use wheelie bins for refuse removal purposes. The minimum monthly charge will be equal to the charge for a 240L Wheelie Bin.

4.4 Sewerage

Different types of services provided by the Municipality are in existence in respect of sewerage. These include a water-closet system and a suction-drain system, primarily in Prince Alfred's Hamlet.

4.4.1 Costs structure and client groups

In order to determine a basis for the equitable sharing of costs, each client group's share in the costing structure should be considered.

Potential dumping is used as the fairest method. The client is levied in accordance with his dumping potential. This is determined by the size of the water connection to the property. The client with a bigger connection has the ability to dump more water into the sewerage system. The quantity of water used is not taken into account.

As sewage sludge is based on the flow of water, the costs are largely incurred in respect of the dumping into the sewage works and the treatment of the substances.

The following categories are distinguished:

<20mm water connection 21-50mm water connection 80mm water connection 100mm water connection

150> water connection

A special category was created for Qbiqua Prison.

⁸Where more than one dwelling unit or business unit, as defined in the Council's zoning scheme regulations, is situated on a premises (such as a semi-detached dwelling or a block of flats etc.) each such a dwelling unit or each business unit shall for the purpose considered to be a consumer. This will be measured by the number of electricity connections, unless the combined connections are less than 60 Amps single phase, when it will be

⁸ Amended by Council resolution on 30/05/2022

regarded as only one consumer. Dwelling or business unit is defined as a formal structure with a building plan. That discretion for possible exemption be given to the Accounting Officer regarding this paragraph to evaluate on a case by case basis.

4.4.2 Water-closet system

For the purposes of classification where one connection is in place but more than one usage is separately operated on the premises, each separate usage is regarded as a connection in accordance with the classification under which such usage would normally be connected, but not bigger than the connection that serves the premises. Examples of these are flats, shopping centres where sub-letting takes place and a residential house with a separate flat.

All levies are a monthly levy, or part thereof, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

A monthly availability levy is imposed on vacant premises where the possibility exists for the connection of a water-closet system to the main sewerage system. The availability tariff will not be less than 35% of the tariff applicable to normal residential plots, this percentage can be increased during the budget processes.

4.4.3 Suction-drain system

The suction-drain system is based on usage. Seepage systems which are never sucked make no contribution towards the costs of the service, although the service must still be provided. Fixed costs are accordingly recovered by consumer's tariffs and not by a fixed levy.

The suction-drain service structure entails the following:

- ◆ Availability levies are recovered monthly from all built-up properties in Prince Alfred's Hamlet.
- ◆ Variable costs which recover vehicle and personnel costs, are levied per suction service provided.
- ◆ A distinction is made between areas inside and outside the town area.

Based on vehicle costs, a kilometre tariff is recovered from clients outside the town area.

All levies, with the exception of the kilometre tariff and suction-drain service tariff, are imposed monthly or pro rata on both water-closet and suction-drain services, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

4.5 Property rates

The general valuation roll for Witzenberg will come into effect on 1 July 2023.9 The Municipality has at its disposal a rates policy which addresses the following:

- ◆ Criteria for differentiated property rates categories
- Differentiated tariffs

The purpose of property rates is to recover costs that cannot be redeemed by tariff-recovering services or direct revenue.

⁹ Amended by Council resolution 30/05/2023.

5. Sundry Tariffs

The principles expounded for tariff construction, are also applicable to diverse tariffs.

5.1 Resorts

The full costs of the resorts must be recovered by the tariffs so that they place no further burden on the inhabitants of Witzenberg, while at the same time the utilisation of the resorts should be encouraged. The costs of the swimming baths within the resorts form part of the resorts' costs.

The following tariff groups are distinguished:

- Chalets or houses
- Caravan sites
- Semi-permanent camping sites
- Day visitors'/motor vehicles
- Renting of conference facilities and halls

A distinction is also made in respect of seasons and the following seasons are defined:

High season

The period of 26 days during the December and January school holidays. Exact dates are determined from year to year

And

The four days coinciding with the Easter weekend during March or April.

In-season

From the commencement of the Western Cape's school holidays during September until the end of April, excluding the high seasons indicated above.

Off-season

All other days, excluding high season and in-season.

A further distinction exists between weekends and weekdays in the event of high season and in-season. No such distinction exists during the off-season.

The following rebates will be given:

- (a) Rebate of 25 % for bookings during weekdays except in school holidays of the Western Cape;
- (b) Pensioners qualifies for a rebate of 50 % in off-season;
- (c) Students accompanied by parents receives 12 % discount on day visit tariffs;
- (d) 50 % rebate for bookings of conference facilities where 5 or more chalets or houses are booked and occupied.

The Director: Community Services may use his/her discretion in terms of the delegation of powers to grant rebates other than stipulated above based on occupation rate and tourism potential.

5.2 Tariffs for halls

Tariffs are levied for the use of municipal halls (e.g. Community halls).

5.2.1 Tariff

All halls must be graded in accordance with their size, condition and available facilities, in the following grades:

A-grade = 100% B-grade = 75% C-grade = 50%

The tariffs are determined on the basis of economical and equitable rent and are calculated as follows:

- Costs of personnel and equipment utilised from time to time during use of the hall and preparations and tidying-up activities, to be calculated on the same basis for each property.
- Letting of property, which will vary per grouping (e.g. eating utensils, etc.).
- Categories of functions.

5.2.2 Deposits

Sufficient deposits must be obtained for each letting to cover not only the Municipality's costs, but also to provide for breakage.

5.2.3 Letting periods

Letting is to be divided into morning, afternoon and evening sessions while preparation and tidying up are also provided. This division is retained and is defined as follows:

- o Morning session from 08:00 13:00, including preparation and tidying up
- o Afternoon session from 13:00 18:00, including preparation and tidying up.
- o Evening session from 18:00 24:00, including preparation and tidying up.
- A pro-rata contribution must be paid, in addition to the letting fee, for every hour or portion there of falling outside those indicated above.

5.2.4 Free of Charge

The Library Halls may be provided free of charge to the following organisations:

- Youth
- Charity
- Community
- Sport
- Education
- Government and
- Local management meetings of political parties

Community halls may be provided free of charge twice a quarter per party which are represented in the Council, which may be used for political meetings with the community. The political party must however give notice in omitting to the Accounting Officer.

The provision is subject to the availability of the facility and will be dealt with accordingly to priority of application based on time of receipt of the application.

5.3 Fees for Cemeteries

Cemetery fees are based on the following:

- Value of land
- Costs of preparing grave
- Maintenance in future
- Costs of digging and closing up of grave (should the family not do so)
- A premium on the sale of the grave to a non-inhabitant of Witzenberg.

As only one costing centre is used, the costs for the preparation of a grave must be the same at all cemeteries. Exceptions, however, may be made in relation to ground formation in respect of the digging of the grave. In order to provide for those who cannot afford the full tariff, a subsidy is to be calculated that is based on specific criteria, and be included in the Municipality's indigent policy.

5.4 Other Deposits

The municipality may levy a deposit as a security to cover possible damages, losses.

After all internal procedures has been exhausted, all unclaimed deposits older than 36 months, will be recognized as Sundry Revenue in the books of the municipality. A listing of all moneys recognized as revenue must be kept for future reference and audit purposes.

5.5 Other

The other diverse tariffs must, wherever possible, be determined on actual costs plus a percentage.

6. Rebates (To be phased out)¹⁰

The Municipality provides rebates to people or organisations that assist with economic growth within Witzenberg by the creation of new structures or by additions to existing buildings and the creation of job opportunities.

The person or organisation who wants to apply for the rebate must do so that the application speaks to the criteria extent and conditions as stipulated below:

6.1 Criteria

The person or organisation must create new or extent building and create new job opportunities. The investor must apply for the rebate and provide at least the following information in writing:

- Total cost of building plan
- Total number of jobs created after completion of building phase
- Number of Directors
- Number of Directors classified as historically disadvantaged individuals HDI

¹⁰ Phasing out approved by Council 26/05/2021

TARIFF POLICY

The criteria and weights for evaluating the application are as follow:

Criteria	Points
Improvement value of Buildings extended	60
Job opportunities	30
HDI points based on Directors	10

The allocation of points will be as follow:

Improvement value of extension

1 Point for every R80,000.00 of value added

Job opportunities

2 Points for every permanent new job opportunity created, and

1 Point for every seasonal job opportunity created

HDI points

The percentage of the number of HDI directors is used as a basis to allocate a point out of 10.

The applicant must score at least 50 points to qualify for a rebate. The applicant must be prepared that an audit be performed at any stage during the period when the rebates are allocated. If at any stage it is found the applicant do not meet the requirements, then the rebate will be stopped immediately.

6.2 Extent

Two categories of rebates exist. A minimum of 75 points must be obtained to qualify for a category A rebate.

The rebate will be for a period of 5 years and will be as follow:

	Rebate A	Rebate B
	Percentage rebate	Percentage rebate
Year 1	25 %	15 %
Year 2	20 %	12 %
Year 3	15 %	9 %
Year 4	10 %	6 %
Year 5	5 %	3 %

The rebate will be applicable on all service charges as well as property rates.

The rebate will only be applicable on the additional services account of the applicant to the original account.¹¹

7 Rebates (From 1 July 2021)¹²

The Municipality provides rebates to people or organisations that assist with economic growth within Witzenberg by the creation of new structures or by additions to existing buildings and the creation of local job opportunities.

The person or organisation who wants to apply for the rebate must do so that the application speaks to the criteria extent and conditions as stipulated below:

7.1 Criteria

¹¹ Amended by Council 25/05/2020

¹² New paragraph approved by council 26/05/2021

The person or organisation must create new or extent building and create new local job opportunities. The investor must apply for the rebate and provide at least the following information in writing:

- Total cost of planned new buildings
- Total number of local jobs created after completion of building phase
- Number of Directors
- Number of Directors classified as historically disadvantaged individuals HDI

The criteria and weights for evaluating the application are as follow:

Criteria	Points
Improvement value of Buildings extended	60
Job opportunities	30
HDI points based on Directors	10

The allocation of points will be as follow:

Improvement value of extension

1 Point for every R100,000.00 of value added

Job opportunities

- 2 Points for every permanent new job opportunity created, and
- 1 Point for every seasonal job opportunity created

HDI points

The percentage of the number of HDI directors is used as a basis to allocate a point out of 10. (e.g. if 60% of directors are HDI 6 points will be allocated.

Cancelation of Rebate

The applicant must be prepared that an audit be performed at any stage during the period when the rebates are allocated. If at any stage it is found the applicant do not meet the requirements, then the rebate will be stopped immediately.

If it is found that false information was submitted the rebate will be stopped immediately and all rebates already credited to the municipal account will be cancelled.

7.2 Extent

Two categories of rebates exist. A minimum of 75 points must be obtained to qualify for a category A rebate. A minimum of 50 points must be obtained to qualify for a category B rebate

The rebate will be for a period of 5 years and will be as follow:

	Rebate A	Rebate B	
	Percentage rebate	Percentage rebate	
Year 1	75 %	50 %	
Year 2	60 %	40 %	
Year 3	45 %	30 %	
Year 4	30 %	20 %	
Year 5	15 %	10 %	

The rebate will be applicable to property rates only.

The rebate will only be applicable on the rates payable on the additions to the buildings.

The chief financial officer will calculate the property value that qualify for the rebate based on the previous valuations when a new general valuation is implemented.

7. Conclusion

In drafting any tariffs policy, the principles enunciated above must be applied in order to determine the equity of the tariff. However, irrespective of the fairness or equity of the tariff, huge problems will be encountered with maintaining and continuing a service if the tariff is not affordable to a large portion of the clients.



PROPERTY RATES POLICY

FORMULATED IN TERMS OF SECTION 3 OF THE LOCAL GOVERNMENT: MUNICIPAL PROPERTY RATES ACT, NO. 6 OF 2004

Date of Implementation: 01 July 2023

OUR VISION: "A MUNICIPALITY THAT CARES FOR ITS COMMUNIY, CREATING GROWTH AND OPPORTUNITIES"

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1. INTRODUCTION

Municipalities need a reliable source of revenue to provide basic services and perform their functions. Property rates are an important source of general revenue for municipalities. Revenue from property rates is used to fund services that benefit the community as a whole as opposed to individual households. These include installing and maintaining streets, roads, sidewalks, lighting, and storm drainage facilities; operating parks, recreational facilities and cemeteries. Property rates revenue is also used to fund municipal administration, such as computer equipment and stationery, and costs of governance, such as council and community meetings, which facilitate community participation on issues of Integrated Development Plans (IDPs) and municipal budgets.

Municipal property rates are set, collected, and used locally. National and provincial governments do not have the power to levy rates, nor do they share in the revenue collected. Revenue from property rates is spent within a municipality, where the local community has a voice in decisions on how the revenue is spent as part of the IDPs and budget processes, which municipalities invite communities to input prior municipal council adoption of the budget.

2. LEGISLATIVE CONTEXT

- 2.1 This policy is mandated by Section 3 of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) (MPRA) as amended, which specifically provides that a municipality must adopt a Rates Policy.
- 2.2 In terms of Section 229 of the Constitution of the Republic of South Africa, 1996 (No.108 of 1996), a municipality may impose rates on property.
- 2.3 In terms of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) as amended a municipality in accordance with-
 - Section 2(1), may levy a rate on property in its area; and
 - Section 2(3), must exercise its power to levy a rate on property subject to-
 - Section 229 and any other applicable provisions of the Constitution.
- 2.4 In terms of Section 4 (1) (c) of the Local Government: Municipal Systems Act, 2000 (No. 32 of 2000), the municipality has the right to finance the affairs of the municipality by imposing, *inter alias*, rates on property.

2.5 In terms of Section 62(1)(f)(ii) of the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003) the municipal manager must ensure that the municipality has and implements a rates policy.

3. DEFINITIONS

- 3.1. **Act** means the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) as amended.
- 3.2. **Municipality** means the municipal council for the municipal area of Witzenberg.
- 3.3. **Pensioners** mean natural persons 60 years old or older.
- 3.4. **All other terms** are used within the context of the definitions contained in the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) as amended.
- **3.5.** "Agricultural property" means property that is used primarily for agricultural purposes and excludes any portion thereof that is used commercially for the hospitality of guests and excludes the use of the property for the purpose of ecotourism or for the trading in or hunting of game.
- **3.6.** "Agricultural purposes" means a property that is used for agricultural activities and the business of which must be registered with the South African Revenue Service (SARS).
- 3.7. "Mining property" means a property used for mining operations.;
- 3.8. **"Multiple purposes",** in relation to a property, means the use of a property for more than one purpose.
- 3.9. **"Public Benefit Organisation property"** As defined in the Regulations on the rate ratio between the residential and non-residential categories of property.
 - (Property owned by public benefit organisations and used for any specified public benefit activity listed in item 1 (welfare and humanitarian), item 2 (health care), and item 4 (education and development) of part 1 of the Ninth Schedule to the Income Tax Act.)
- 3.10. "Public Service Infrastructure" means publicly controlled infrastructure of the following kinds:
 - 3.10.1. national, provincial or other public roads on which goods, services or labour move across a municipal boundary.
 - 3.10.2. water or sewer pipes, ducts or other conduits, dams and water supply reservoirs, water treatment plants or water pumps forming part of a water or sewer scheme serving the public.

- 3.10.3. power stations, power substations or power lines forming part of an electricity scheme serving the public.
- 3.10.4. gas or liquid fuel plants or refineries or pipelines for gas or liquid fuels, forming part of a scheme for transporting such fuels.
- 3.10.5. railway lines forming part of a national railway system.
- 3.10.6. communication towers, masts, exchanges, or lines forming part of a communications system serving the public.
- 3.10.7. runways or aprons at national or provincial airports.
- 3.10.8. breakwaters, sea walls, channels, basin, quay walls, jetties, roads, railway or infrastructure used for the provision of water, lights, power, sewerage or similar services of ports, or navigational aids comprising light houses, radio navigational aids, buoys, beacons or any other device or system used to assist the safe and efficient navigation of vessels.
- 3.10.9. any other publicly controlled infrastructure as may be prescribed.
- 3.10.10. or rights of way, easements, or servitudes in connection with infrastructure mentioned in paragraphs (a) to (i); provided that (a), (b), (e), (g) and (h) may not be rated.
- 3.11. "Public service purposes", means a property owned and used by an organ of state as hospitals or clinics, schools, pre-schools, early childhood development centres or further education and training colleges, national and provincial libraries and archives, police stations, correctional facilities; courts of law; and
- 3.12. **"Residential property"** means a property whose primary use or permitted use is residential.
- 3.13. **"Exemption"**, in relation to the payment of a rate, means an exemption granted by a municipality.
- 3.14. "**Rebate**", in relation to a rate payable on a property, means a discount granted on the amount of the rate payable on the property.

4. POLICY PRINCIPLES

- 4.1. Rates are levied in accordance with the Act as an amount in the rand based on the market value of all rateable property contained in the municipality's valuation roll and supplementary valuation roll.
- 4.2. As allowed for in the Act, the municipality has chosen to differentiate between various categories of property and categories of owners of property. Some categories of property and categories of owners are granted relief from rates. The municipality however does not grant relief in respect of payments for rates to any category of owners or properties, or to owners of properties on an

individual basis, other than by way of an exemption, rebate or reduction provided for in this policy.

- 4.3. There would be no phasing in of rates based on the new valuation roll, except as prescribed by legislation.
- 4.4. The rates policy for the municipality is based on the following principles:

4.4.1. Equity

The municipality will treat all ratepayers with similar properties the same.

4.4.2. Affordability

The ability of a person to pay rates will be considered by the municipality. In dealing with the poor/indigent ratepayers the municipality will provide relief measures through exemptions, reductions, or rebates.

4.4.3. Sustainability

Rating of property will be implemented in a way that:

- 4.4.4. it supports sustainable local government by providing a stable and buoyant revenue source within the discretionary control of the municipality; and
- 4.4.5. supports local social economic development policy of the municipality.

4.4.6. Cost efficiency

Rates will be based on the value of all rateable property and the amount required by the municipality to balance the operating budget after taking into account profits generated on trading (water, electricity) and economic (refuse removal, sewerage removal) services and the amounts required to finance exemptions, rebates, reductions and phasing-in of rates as approved by the municipality from time to time.

5. SCOPE OF THE POLICY

This policy document guides the annual setting (or revision) of property rates. It does not make specific property rates proposals. Details pertaining to the applications of the various property rates are published in the Provincial Gazette and the municipality's schedule of tariffs, which must be read in conjunction with this policy.

6. APPLICATION OF THE POLICY

In imposing the rate in the rand for each annual operating budget component, the municipality shall grant exemptions, rebates and reductions to the categories of properties and categories of owners as allowed for in this policy document.

7. CATEGORIES OF PROPERTY

The municipality has determined categories of rateable properties based on the following criteria:

- 7.1. Use of the property
- 7.2. The permitted use of the property
- 7.3. The combination of (a) and (b)
- 7.4. For properties used for multiple purposes, the Municipality may apply the category of multiple use. For such properties the Municipal Valuer as appointed by the Municipality, will apportion a value to each distinct use of said property and apply the appropriate category for billing at the applicable rate.
- 7.5. Categories of property for the municipality include-
 - 7.5.1. residential properties
 - 7.5.2. industrial properties
 - 7.5.3. business and commercial properties
 - 7.5.4. agricultural properties
 - 7.5.5. mining properties
 - 7.5.6. properties owned by an organ of state and used for public service purposes.
 - 7.5.7. public service infrastructure properties
 - 7.5.8. properties owned by public benefit organisations and used for specified public benefit activities.
 - 7.5.9. properties used for multiple purposes, subject to Section 9;
 - 7.5.10. vacant Land or
 - 7.5.11. any other category of property as may be determined by the Minister, with the concurrence of the Minister of Finance, by notice in the Gazette.

8. CATEGORIES OF OWNERS

- 8.1. For the purposes of determining a property's category, the use of the property will be applied.
- 8.2. For properties used for multiple purposes, the Municipality may apply the category of multiple use. For such properties the Municipal Valuer as appointed by the Municipality, will apportion a value to each distinct use of said property and apply the appropriate category for billing at the applicable rate.

Item	Category (of the property)	Purpose/use
(a)	Residential	means a property in respect of which the primary use is for residential purposes without derogating from section 9 of the MPRA.
(b)	Industrial	means a property that is used for the purpose described as the branch of trade or manufacturing, production assembling or processing of finished or partially finished products from raw materials or fabricated part, typically via a high-volume production process and on so large scale that capital and labour are significantly involved.
(c)	Business and Commercial	means a property that is used for the purpose described as the activity of buying, selling or trade in goods or services and includes any office or other buildings on the same erf, the use of which is incidental to such business. This definition excludes the business of mining and agriculture activities
(d)	Agricultural	means property that is used primarily for agricultural purposes but, without derogating from section 9, excludes any portion thereof that is used commercially for the hospitality of guests, and excludes the use of [a] the property for the purpose of eco-tourism or for the trading in or hunting of game;";
(e)	Mining	means a property used for mining operations as defined in the Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002);
(f)	Public Service Purposes	means property owned and used by an organ of state as— (a) hospitals or clinics; (b) schools, pre-schools, early childhood development centres or further education and training colleges; (c) national and provincial libraries and archives; (d) police stations; (e) correctional facilities; or (f) courts of law,
(g)	Public Service Infrastructure	

		(c) power stations, power substations or power lines forming part of an electricity scheme serving the public. (d) gas or liquid fuel plants or refineries or pipelines for gas or liquid fuels, forming part of a scheme for transporting such fuels. (e) railway lines forming part of a national railway system. (f) communication towers, masts, exchanges or lines forming part of a communications system serving the public. (g) runways aprons and the air traffic control unit at national or provincial airports, including the vacant land known as the obstacle free zone surrounding these, which must be vacant for the air navigation purposes. (h) breakwaters, sea walls, channels, basins, quay walls, jetties, roads, railway or infrastructure used for the provision of water, lights, power, sewerage or similar services of ports, or navigational aids comprising lighthouses, radio navigational aids, buoys, beacons or any other device or system used to assist the safe and efficient navigation of vessels. (i) any other publicly controlled infrastructure as may be prescribed; or (j) a right registered against immovable property in connection with infrastructure mentioned in paragraphs (a) to (i);
(h)	Public Benefit Organisation use for specific activities	"means an activity listed in 1 (welfare and humanitarian) and item 2 (health care) and item 4 (education and development) as part 1 of the Ninth schedule of the Income Act
(1)	Multiple Use	in relation to a property means a property that is used for more than one purpose as described in paragraph 7.1 of this Policy and Section 9 of the MPRA and where each distinct purpose is categorised separately and rated accordingly
(k)	Vacant	means a property without any buildings or structures, where no immovable improvements have been erected and irrespective of its permitted or intended use.

9. RATES RATIOS TO BE APPLIED

The rates ratio in relation to residential properties to be applied on non-residential properties is set in the table below:

Categories	Ratio in relation to residential Property
Residential Property:	
Bona Fide residential	1:1
Business / Commercial property:	1:2.75
Industrial Property	1:2.75
Agricultural Properties:	
Bona Fide Agricultural	1:0.25
Other Agricultural Properties	1:2.75
Public Service Purposes	1:2.75
Vacant Land	1:2.75
Public Service Infrastructure	1:2.75
Public Benefit Organisations	1:0.25
Building clauses	1:2.75

10. EXEMPTIONS

The following categories of property are exempted from rates:

10.1. Municipal properties

Municipal-owned properties as stated in Section 7 (2) (a) (i) of the MPRA will be excluded from paying property rates.

10.2. Public Service Infrastructure

The following public service infrastructure will be excluded from paying property rates:

- 10.2.1. national, provincial or other public roads on which goods, services or labour move across a municipal boundary.
- 10.2.2. water or sewer pipes, ducts or other conduits, dams, water supply reservoirs, water treatment plants or water pumps forming part of a water or sewer scheme serving the public.
- 10.2.3. railway lines forming part of a national railway system.
- 10.2.4. runways aprons and the air traffic control unit at national or provincial airports, including the vacant land known as the obstacle free zone surrounding these. which must be vacant for the air navigation purposes.
- 10.2.5. breakwaters, sea walls, channels, basins, quay walls, jetties, roads, railway or infrastructure used for the provision of water, lights, power, sewerage or similar services of ports, or navigational aids comprising lighthouses, radio navigational aids, buoys, beacons or any other device or system used to assist the safe and efficient navigation of vessels.
- 10.2.6. the first 30% of the market value of other public service infrastructure.

10.3. Public Benefit Organisations

The Municipality will apply the rate ratio as set out in the MPRA to public benefit organisations.

The following Public Benefit Organisations may apply for the exemption of property rates subject to producing a tax exemption certificate issued by the South African Revenue Services (SARS) as contemplated in Part 1 of the Ninth Schedule of the Income Tax Act, 1962 (No 58 of 1962):

Welfare organisations

Properties owned by not for gain institutions or public benefit organisations and are solely use for the benefit of the institution and or for charitable purposes and performs welfare and humanitarian work as contemplated by part 1 of the ninth Schedule of the Income Tax Act (Act 58 of 1962). Council may grant a rebate of 100% in the case of Inst. 2 uses and 50% in the case of Inst. 3 users.

Animal welfare

Property owned or used by institutions/organisations whose exclusive aim is to protect birds, reptiles and animals on a not-for-gain basis.

10.4. Public Worship

In terms of section 17(i) of the MPRA, the council do not levy a rate on the property registered in the name of and used primarily as a place of public worship by a religious community, including one official residence registered in the name of that community which is occupied by an office bearer of that community who officiates at services at that place of worship.

(The exclusion lapses if not used for the purposes as indicated above.)

10.5. Protected Areas

Protected areas as per Section 17(1) (e) of the MPRA.

10.6. Land reform beneficiary.

A property belonging to a land reform beneficiary or his or her heirs, dependants or spouse provided that this exclusion lapses—

- (i) ten years from the date on which such beneficiary's title was registered in the office of the Registrar of Deeds; or
- (ii) upon alienation of the property by the land reform beneficiary or his or her heirs, dependants, or spouse.
- 10.7. Exemptions will be subject to the following conditions:
 - 10.7.1. all applications must be addressed in writing to the municipality;

- 10.7.2. a SARS tax exemption certificate must be attached to all applications;10.7.3. the municipal manager or his/her nominee must approve all
 - applications;
- 10.7.4. applications must reach the municipality before the end of October preceding the start of the new municipal financial year for which relief is sought; and
- 10.7.5. the municipality retains the right to refuse exemptions if the details supplied in the application form were incomplete, incorrect, or false.

11. REDUCTIONS IN THE MUNICIPAL VALUATION

A reduction in the municipal valuation as contemplated in section 15(1)(b) of the Act will be granted where the value of a property is affected by-

- 11.1. a disaster within the meaning of the Disaster Management Act, 2002 (Act No. 57 of 2002); or
- 11.2. any other serious adverse social or economic conditions
- 11.3. The reduction will be in relation to the certificate issued for this purpose by the municipal valuer.
- 11.4. All categories of owners can apply for a reduction in the rates payable as described above

12. REBATES

The municipality may grant rebates to rateable enterprises that promote local, social, and economic development in its area of jurisdiction, based on its Local, Social and Economic Development Policy and as included in the council tariff policy.

Rebates will be granted once an application was received and approved by the municipal manager or his/her delegate.

12.1. Historical or heritage properties

No rebates are granted other than residential rebates if appropriate.

12.2. Cemeteries.

Privately owned cemeteries received a rebate of 50% and must exclusively be used for the purpose of a cemetery.

12.3. Residential Properties.

The Municipality will not levy a rate on the first value up to R 150 000 of the market value as per the Valuation Roll of Residential Properties, as follows:

- 12.3.1. on the first R15 000 on the basis set out in Section 17(1)(h) of the MPRA; and
- 12.3.2. on the balance of the market value up to R135 000 in respect of residential properties, as an important part of the Councils indigent relief measures aimed primarily at alleviating poverty amongst those persons owning low-value properties.

12.4. Pensioners

- 12.4.1. Pensioners may qualify for a rebate of 50% on residential property in terms of councils' policy.
- 12.4.2. Only the primary property of the owner will qualify for the 50% rebate.
- 12.4.3. Only persons 60 years and older will qualify for the 50% rebate.
- 12.4.4. Rebates will be granted once an application was received and approved by the municipal manager or his/her delegate.

13. RATES INCREASES

The municipality will consider increasing rates annually during the budget process in terms of the guidelines issued by National Treasury from time to time.

Rate increases will be used to finance the increase in operating costs of community and subsidised services.

14. PAYMENT OF RATES

- 14.1. Liability for and payment of rates is governed by the MPRA and the Municipality's Credit Control and Debt Collection Policy and By-Laws as well as any other applicable legislation.
- 14.2. Ratepayers may choose, not later than 31 August in any financial year, or such later date in such financial year as may be determined by the municipal manager or his/her nominee, between paying rates annually in one instalment on or before 30 September or in twelve equal instalments on or before the 15th day of the month following on the month in which it becomes payable.

- 14.3. An owner is liable for payment of a rate whether that person has received a written account. The furnishing of accounts for rates in terms of this section is subject to section 102 of the Municipal Systems Act.
- 14.4. A rate levied by a municipality on a sectional title unit is payable by the owner of the unit.
- 14.5. Interest on arrears rates, whether payable on or before 30 September or in equal monthly instalments, shall be calculated in accordance with the provisions of the credit control, debt collection and indigent policy of the municipality.
- 14.6. If a property owner, who is responsible for the payment of property rates in terms of this policy, fails to pay such rates in the prescribed manner, it will be recovered from him/her in accordance with the provisions of the Credit Control, Debt Collection, and indigent policy of the Municipality.
- 14.7. Arrears rates shall be recovered from tenants, occupiers, and agents of the owner, in terms of section 28 and 29 of the Act.
- 14.8. Where the rates levied on a particular property have been incorrectly determined, whether because of an error or omission on the part of the municipality or false information provided by the property owner concerned or a contravention of the permitted use to which the property concerned may be put, the rates payable shall be appropriately adjusted for the period extending from the date on which the error or omission is detected back to the date on which rates were first levied in terms of the current valuation roll.
- 14.9. In addition, where the error occurred because of false information provided by the property owner or because of a contravention of the permitted use of the property concerned, interest on the unpaid portion of the adjusted rates payable shall be levied at the maximum rate permitted by prevailing legislation.

15. CLEARANCE CERTIFICATES

- 15.1. Are issued in terms of Section 118 (1) (a) of the Local Government: Municipal Systems Act, 2000, Act No. 32 of 2000, and will be valid for a period of 60 days from the date it has been issued.
- 15.2. Are issued within 7 working days after receipt of the applicable fees and receipt of the clearance application form.
- 15.3. Are issued when all amounts due in connection with that property for municipal fees, surcharges, property rates and other municipal taxes, levies and duties have been fully paid.
- 15.4. The Municipality requires a payment in advance equal to two months' payments in respect rates for the financial year and two months' average consumption of all relevant services prior to the issuing of such a clearance certificate to allow

- for any consumption that may take place during the time taken for the transfer to go through.
- 15.5. The administration is allowed to issue a clearance certificate in the name of the buyer (as registered owner) in the instance of simultaneous transfers.
- 15.6. If an amount liable for rates and services in respect of a property is outstanding and the property needs to be transferred, a rates clearance certificate will only be issued upon payment of the current account and after completion of an agreement by the new owner for any municipal services in arrears, subject to Council's Credit Control and Debt Collecting Policy in respect of the following transfers:
 - 15.6.1. Transfer of a property from the Municipality to the new owner.
 - 15.6.2. Transfer of a property from one spouse to the other.
 - 15.6.3. Transfer of a property from the owner (parent) to a child.

16. REGULAR REVIEW PROCESSES

The rates policy will be reviewed on an annual basis to ensure that it complies with the Municipality's strategic objectives and with legislation.

17. SHORT TITLE

This policy is the Property Rates Policy of the Witzenberg Municipality.

18. ENFORCEMENT/IMPLEMENTATION

This policy has been approved by the Municipality and came into effect from 1 July 2023 and replace the previous property rates policy.



CREDIT CONTROL & DEBT COLLECTION POLICY

OUR VISION: "A MUNICIPALITY THAT CARES FOR ITS COMMUNIY, CREATING GROWTH AND OPPORTUNITIES"

Date of implementation: 01 July 2008

Latest review and updates by Council on 30/05/2019

Reviewed and amended by Council 29/05/2019 Reviewed and amended by Council 28/05/2014 Reviewed by Council 29/05/2013 Reviewed by Council 31/05/2012 Reviewed by Council 28/09/2011 Reviewed by Council 20/04/2011 Reviewed by Council 15/06/2010 Council 28/05/2009 Item 8.1.2 Council 04/08/2008

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PREAMBLE

WHEREAS Section 152 (1) (b) of the Constitution of the Republic of South Africa Act 108 of 1996 (*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;

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;

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.

AND WHEREAS Section 4 (1) (c) of the Local Government: Municipal Systems Act 33 of 2000 (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;

AND WHEREAS Section 5 (1) (g), read with subsection (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 indigent debtors, pay promptly for services fees, surcharges on fees, other taxes, levies and duties imposed by the municipality;

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, of the costs involved and the persons in charge;

AND WHEREAS Chapter 9, Sections 95, 96, 97, 98, 99 and 100, of the Systems Act provides for Customer Care Management, Debt Collection responsibility of the Municipality, contents of the policy, by-laws that give effect to the policy, Supervisory authority and Implementing authority.

The Witzenberg Municipal Council, at its meeting of 28May 2008adopts this policy to be known as: The Witzenberg Municipality Credit Control and Debt Collection Policy". This policy replaces that policy in its entirety.

1. **DEFINITIONS**

In this policy, unless the context indicates otherwise, the word or expression has the following meaning:

- 1.1 "Accounting Officer" The Municipal Manager appointed in terms of Section 82(1) (a) or (b) of the Municipal Structures Act, 1998 (Act No. 117 of 1998);
- 1.2 **"Actual consumption**" means the measured consumption of a consumer of a municipal service during a specified period;
- 1.3 "Arrangements" means a formal agreement entered into between the Council and a debtor where specific repayment parameters are agreed to.
- 1.4. "Arrears "mean any amount due, owing and payable by a customer in respect of a municipal account not paid on the due date:
- 1.5. "Average consumption" means the deemed consumption of a customer of a municipal service a specific period, which consumption is calculated by adding the recorded monthly average consumption and the current actual consumption and dividing the total by 2;
- 1.6. **"Bank guarantee"** refers to an undertaking by a registered financial institution whereby it guarantees a specified maximum amount to be paid if the principal debtor (the consumer) fails to pay;
- 1.7. "Calculated amounts" refers to the amounts calculated by the Chief Financial Officer, in consultation with the relevant technical departments, to be due to the Council by a consumer in respect of the supply of the applicable municipal services for any period during which the exact quantity of the supply cannot be determined accurately for reasons beyond the control of the Chief Financial Officer. This shall normally be based on the average consumption figures, if available, for the service rendered to the customer or, failing the availability of such data, on the average consumption figures applicable to one or more properties of similar size and nature in the area in which the customer resides or carries on business;
- 1.8. "Charges" refers to charges incurred by the municipality to collect arrears;
- 1.9. "Chief Financial Officer" refers to the person so designated in terms of Section 75(2)(a) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) or any person duly authorised to act on behalf of such person and shall have the same meaning as Strategic Executive Manager: Finance or City Treasurer;
- 1.10. "Consolidated account" refers to one combined account for all municipal services, housing rents and instalments, rates and basic charges payable, and" consolidated bill" has a corresponding meaning;

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- 1.11. " Consumer" means a customer;
- 1.12 "Conventional electricity and water meters means "electricity and/or water meters, as the case may be, which are used to determine the supply of electricity and water and which are normally read on a monthly or other fixed interval basis;
- 1.13 "Council" refers to The Witzenberg Municipality and its successors in law and includes the Council of that municipality or its Executive Committee or any other body acting by virtue of any power delegated to it in terms of legislation, as well as any official to whom the Executive Committee has delegated any powers and duties with regard to this policy;
- 1.14 "Councillor" refers to any member of a municipal council;
- 1.15 "Credit Control "refers to all functions relating to the collection of monies owed by customers and users of municipal services.
- 1.16 "Customer" refers to any occupier of any premises to which Council has agreed to supply or is actually supplying services, or if there is no occupier, then the owner of the premises and includes any debtor of the municipality;
- 1.17 "Defaulter" refers to any customer owing the municipality money in respect of rates and / or service or sundry charges; not paid on the due date as stipulated on the account or on the agreement. The owner will be held responsible for occupiers / tenants, arrear accounts, for water, electricity and any other service or sundry accounts:
- 1.18 "Deposit" refers to a minimum sum of money specified by the Chief Financial Officer and payable by the consumer to the Municipality prior to occupation of the property or prior to the date on which services to the property are required:
- 1.19 "Due date" in the absence of any express agreement in relation thereto between the Council and the customer, refers to the date stipulated on the account and determined from time to time as the last date on which the account must be paid;
- 1.20 **"Equipment"** refers to any building or other structure, pipe, pump, wire, cable, meter, engine or any accessories;
- 1.21 **"Estimated** "consumption arises when no actual reading can be taken and is equivalent to the existing average consumption;

- 1.22 "Existing" customers refer to the customers who have already entered into an agreement for the supply of municipal services;
- 1.23 "Financial year" refers to the period starting from 1 July in a year to 30 June the next year;
- 1.24 "Fees" refers to expenses incurred by the municipality to collect arrears;
- 1.25 "Implementing Authority" means the Municipal Manager or his nominee, acting in terms of Section 100 of the Local Government Municipal Systems Act, 2000 (Act No. 32 of 2000);
- 1.26 "Interest" is a charge levied with the same legal priority as service fees and calculated at a rate determined by Council from time to time on all arrear monies;
- 1.27 "Meter" audits refer to an investigation to verify the correctness of the consumption and supply of electricity and water;
- 1.28 "Municipality" when referred to as:
 - (a) a corporate body, means a municipality as described in Section 2 of the Municipal Systems Act, 2000 (Act No. 32 of 2000);
 - (b) A geographic area means a municipal area determined in terms of the Local Government Municipal Demarcation Act, 1998 (Act No. 27 of 1998).
- 1.29 "Municipal Manager" means the person appointed as Municipal Manager in terms of Section 82 of the Local Government Municipal Structures Act, 1998, (Act No. 117 of 1998) and includes any person acting in that position or to whom authority has been delegated;
- 1.30 **"Municipal services** "refers to any services provided by the municipality or any authorised and contracted service provider, available or applied for, or provision made for any service, for which it is entitled to charge a fee or formulate a tariff, payable by a customer or user, thereof;
- 1.31 "Normal office hours" means the hours when the Chief Financial Officer's offices are open to the public from Mondays to Fridays, excluding public holidays, Saturdays and Sundays;
- 1.32 "Official" refers to an employee of The Witzenberg Municipality
- 1.33 "Occupier" means any person, who occupies any property or part thereof, without regard to the title under which he or she occupies the property,

1.34 "Owner" means:

- (a) The person in who from time to time is vested the legal title to premises, which title is registered at the Deeds Office:
- (b) In a case where the person in whom the legal title is vested is insolvent or deceased, or is under any form of legal disability whatsoever, the person in whom the administration of and control of such premises is vested as curator, trustee, executor, administrator, judicial manager, liquidator or other legal representative;
- (c) In a case where the Council is unable to determine the identity of such person, a person who is entitled to the benefit of such premises with a building thereon;
- (d) In the case of premises for which a lease of 30 years or more has been entered into, the lessee thereof;
- (e) In relation to
 - A piece of land delineated on a sectional plan registered in terms of the Sectional Titles Act 1986, (Act 95 of 1986), and without restricting the above the developer or the body corporate in respect of the common property; or
 - ii. A section, as defined in such Act, the person in whose name such a section is registered under a sectional title deed and includes the lawfully appointed agent of such a person;
- (f) Any legal person including but not limited to
 - A company registered in terms of the Companies Act, 1973 (Act 61 of 1973), a Trust, a Closed Corporation registered in terms of the Closed Corporations Act, 1984 (Act 69 of 1984) and a voluntary association;
 - ii. Any department of State;
 - iii. Any Council or Board established in terms of any legislation applicable to the Republic of South Africa;
 - iv. Any Embassy or other foreign entity;
- 1.35 "Premises" includes any piece of land, the external surface boundaries of which are delineated on-
 - (a) A general plan or diagram registered in terms of the Land Survey Act, 1927 (9 of 1927), or in terms of the Deed Registry Act, 1937 (47 of 1937); or
 - (b) A sectional plan registered in terms of the Sectional Titles Act, 1986 (95 of 1986), which is situated within the area of jurisdiction of the Council;

- 1.36 "Rates" refers to property rates on property situated in the municipal area, any other tax, duty or levy imposed by the municipality;
- 1.37 "Service agreement" refers to an agreement for the consumption of electricity and/or water and other services as determined from time to time:
- 1.38 "Terminated account" refers to:
 - (a) the final account for services after the customer has left the premises, whether or not the customer has given notice to terminate the supply of service; OR
 - (b) the final account for services if the customer has contravened the service provisions of this policy and attendant municipal bylaws;
- 1.39 "Variable flow-restricting device" refers to a device that is coupled to the water connection that allows the water supply to be restricted or closed;
- 1.40 "Visitation fee" refers to the fee charged for attendance and/or disconnection/reconnection of an electricity/water supply when the supply has been disconnected due to non-payment and/or tampering, or where access to disconnect/restrict has not been gained, which fee shall be
- 1.41 "Voluntary garnishee order/emoluments order" refers to a court order for the deduction of an amount of money from the salary or other income of a customer.

2. INTRODUCTION

- 2.1. The Council cannot develop the local economy and provide acceptable services to its residents unless it receives payment, in full, of all bills raised for the services that it provides.
- 2.2. The municipality must develop, maintain and implement a credit control and debt collection policy that is consistent and complies with the relevant legislation.
- 2.3. In regard to payments expected from registered indigents and Council tariffs, this policy is to be read in conjunction with The Witzenberg Municipality Indigent Policy and The Witzenberg Municipal Tariff Policy.

3. OBJECTIVES

The objectives of the Credit Control and Debt Collection Policy are:

- 3.1 To define a framework within which the municipality can develop an effective procedure to bill and collect its revenues.
- 3.2 To ensure that all monies due and payable to the municipality are collected and used to deliver municipal services in the best interests of the community, residents and ratepayers and in a financially sustainable manner as prescribed by the Municipal Systems Act, 2000 (Act No. 32 of 2000), and other applicable legislation;
- 3.3 To maintain and implement a credit control and debt collection policy, which is consistent and complies with Section 97 of the Municipal Systems Act, 2000 (Act No. 32 of 2000).
- 3.4 To ensure that the municipality develops credit control procedures and mechanisms that are considered to be consistent, fair and effective to all its consumers.

4. UNDERLYING PRINCIPLES OF THIS POLICY

- 4.1 The administrative integrity of the municipality must be maintained at all times. The democratically elected councillors are responsible for policymaking, while it is the responsibility of the Councillors, Municipal Manager and all staff to ensure the execution of these policies.
- 4.2 This policy shall take effect and be enforceable from the date of approval thereof by Council.
- 4.3 The collection process must be cost-effective and enforcement of payment for services rendered must be prompt, consistent and effective.
- 4.4 Unauthorised consumption, connection and reconnection, the tampering with or theft of meters, service supply equipment and the reticulation network and any fraudulent activity in connection with the provision of municipal services will lead to disconnections and/or restrictions, penalties, loss of rights and criminal prosecutions.
- 4.5 All Witzenberg Municipality employees shall:
 - 4.5.1 Embrace the principles of Batho Pele and treat all debtors with dignity and respect at all times
 - 4.5.2 Employees shall execute their duties in an honest and transparent manner whilst protecting the confidentiality of information in accordance with the Access to Information Act.

5. ROLE AND RESPONSIBILITY OF MUNICIPAL MANAGER

- 5.1 In terms of Section 100 of the Municipal Systems Act, 2000 (Act No. 32 of 2000), the Municipal Manager is responsible for implementing the credit control and debt collection policy. In line with this, the Municipal Manager is to perform the following:
- 5.2 install and maintain appropriate accounting system.
- 5.3 bill customers.
- 5.4 demand payment on due dates.
- 5.5 raise penalties and interest for defaulters.
- 5.6 appropriate payments received.

- 5.7 collect outstanding debt.
- 5.8 provide different/alternate payment methods.
- 5.9 determine credit control and debt collection measures.
- 5.10 determine all relevant work procedures for, inter alias, public relations, arrangements, disconnection/reconnection of services, summonses, attachments of assets, sales in execution, write-off of debts, sundry debtors and legal processes.
- 5.11 instruct attorneys to proceed with the legal process (i.e. attachment and sale in execution of assets, emolument attachment orders, etc.).
- 5.12 appoint staff to execute Council's policy and by-laws.
- 5.13 determine internal control procedures.
- 5.14 monitor contracts with service providers in connection with credit control and debt collection.
- 5.15 The Municipal Manager may delegate these responsibilities to the Chief Financial Officer. However, this delegation does not absolve the Municipal Manager from being held accountable for implementing this policy.
- 5.16 The Municipal Manager is to report monthly to the Executive Committee, and quarterly to the Council, on the actions taken in terms of this policy, and on the payment levels for the periods concerned.
- 5.17 Although the Municipal Manager is held accountable for implementing this policy, it is the responsibility of all officials of the municipality to promote and support this credit control and debt collection policy.

6 ROLE AND RESPONSIBILITY OF COUNCILLORS

- 6.1 To approve budgets consistent with the needs of communities, ratepayers and residents.
- 6.2 To impose rates and taxes and to determine service charges, fees and penalties to finance the budget.
- 6.3 To facilitate sufficient funds to give access to basic services for the poor.
- 6.4 To provide for a bad debt provision, in line with the payment record of the community, ratepayers and residents, as reflected in the financial statements of the municipality.
- To, together with the Chief Financial Officer, set an annual improvement target for debt collection (refer Section9), in line with acceptable accounting ratios and the ability and performance of any appointed external service providers.
- 6.6 To approve a reporting framework for credit control and debt collection.
- 6.7 To consider and approve by-laws to give effect to the Council's policy.
- 6.8 To revise the budget should Council's targets for credit control and debt collection is not met.
- 6.9 To take disciplinary and/or legal action against Councillors, officials and agents who do not execute Council policies and by-laws, or act improperly in terms of such policies.
- 6.10 To approve a list of suitably qualified service providers that will act on behalf of Council in all collection and legal matters relating to debt collection.
- 6.11 To provide sufficient capacity in the Municipality's Budget and Treasury Office for credit control and debt collection or, alternatively, to appoint service providers or debt collection agents to assist with the credit control and debt collection procedures.
- 6.12 To assist the Municipal Manager in the execution of his duties, if and when required.
- 6.13 To provide funds for the training of staff in connection with credit control and debt collection.
- 6.14 In terms of Section 99 of the Municipal Systems Act, 2000 (Act No. 32 of 2000), the Executive Committee, is to monitor and supervise the application of this policy, and is to report to Council on the extent and success of the municipality's credit control actions.

6.15 In order to maintain the credibility of the municipality in the implementation of the present policy, Councillors, by adopting this policy, pledge that their own accounts will at no stage fall into arrears.

7. DUTIES AND FUNCTIONS OF WARD COUNCILORS

- 7.1 To adhere to and convey Council policies to residents and ratepayers.
- 7.2 To adhere to the Code of Conduct for Councillors.
- 7.3 The ward committees will act in terms of roles and functions as approved by Council.
- 7.4 The ward committees are encouraged to actively promote this policy, and to ensure, at the same time, that the municipality's customer service is of a standard acceptable to the community.

8. <u>DUTIES AND FUNCTIONS OF COMMUNITIES, RATEPAYERS AND RESIDENTS</u>

- 8.1 To fulfil certain responsibilities, as brought about by the privilege and or right to use and enjoy public facilities and municipal services.
- 8.2 To pay service fees, rates on property and other taxes, levies and duties imposed by the municipality on or before the due date for payment.
- 8.3 To observe the mechanisms and processes of the municipality in exercising their rights.
- 8.4 To allow municipal officials access to their property to execute municipal functions.
- 8.5 To comply with the by-laws and other legislation of the municipality.
- 8.6 To refrain from tampering with municipal services and property.

9. EXPECTED DEBTOR PAYMENT LEVELS

- 9.1 The municipality is to aim at ensuring that payment levels (i.e. the percentage level of income received from debtors) for the present and future financial years, in respect of all amounts due to the municipality, exclusive of the balance of the monthly accounts payable by registered indigents, are maintained at an annual average of at least 96%.
- 9.2 The long-term target is a debtor turnover ratio of 30 days, that is, debtors are expected to pay for services on average within one month of receiving accounts.

10. AREA OF APPLICATION

- 10.1 This policy shall apply and be enforceable throughout the entire area of jurisdiction of The Witzenberg Municipality
- 10.2 The Council reserves the right to differentiate between different categories of consumers, debtors, services or service standards when applying this policy. The Council will, on application of this policy, avoid discrimination as forbidden by the Constitution unless it is established that the discrimination is fair as allowed by the Constitution.

11 APPLICATION FOR SERVICES AND SERVICE AGREEMENTS

- 11.1 Before being provided with electricity, water and/or other customer services, and prior to taking occupation of premises, every customer shall enter into a service agreement with the Council in which, inter alias, the customer agrees that the electricity, water and/or other services, supplied by either Prepaid or Credit meter systems, may be used for credit control purposes to collect arrears in respect of all outstanding debt.
- 11.2 All consumers wishing to utilise municipal services must apply to enter into a service agreement.
- 11.3 The service agreement will be entered into prior to the provision of services and prior to the consumer taking occupation of the premises.

- 11.4 A new service agreement will only be entered into once all amounts owed by a consumer on other debtor accounts are settled in full.
- 11.5 A new service agreement will only be entered into on a property, once all outstanding amounts owed on the property are settled in full. The owner of the property shall have the responsibility to ensure that all debts incurred after are fully paid by the tenant in order to mitigate the non-provision of services to tenants/residents after the date mentioned above.
- 11.6 Paragraph 11.5 is not applicable to outstanding accounts in respect of houses allocated by the housing committee.¹
- 11.7 Where municipal services are used/consumed or made use of, and the owner, tenant, or occupants of a property, have not entered into nor completed an agreement for such services, the owner responsible for the payment of rates on the property will be billed for the metered consumption and all municipal service charges applicable to the property.
- 11.8 The service agreement shall indicate that transfer of a property may not be registered until the municipality issues a clearance certificate which reflects that all amounts due in connection with that property for municipal service fees, property rates and other municipal taxes, levies and duties have been fully paid. The outstanding monies include accounts relating to tenants who may have left the property of the seller.
- 11.9 Application forms are available at the municipal offices and the application process must occur at least ten (10) working days prior to taking occupation of the premises. This will ensure that services are available when occupation is taken. Failure to adhere to the timeframe may result in customers not having the services available when occupation is taken.
- 11 .10 The Municipality will render the first account after the first meter reading cycle following the date of signing the service agreement or as soon as is administratively possible.
- 11.11 Consumers who illegally consume services without a valid service agreement will be subject to disconnection and/or removal of the service and may have charges laid against them for theft and fraud.

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¹ Amended by Council on 28 May 2014

11.12 The service agreement shall set out the conditions under which the services are provided and shall require the signatories thereto to accept the contents of the municipality's credit control and debt collection policy, as well as the provisions of the Municipal Systems Act, 2000 (Act No. 32 of 2000).

(a) An undertaking by customers:

- That the electricity, water and/or other services supplied by either the Prepaid or Credit meter systems, may be used for credit control purposes to collect arrears in respect of all outstanding debt and shall include rates if the customer is the owner of the property;
- That they are liable for the costs of collection, including any administration fees, penalties for late payment, legal costs, interest, disconnection fees and reconnection fees, and
- That any alleged non-receipt of an account does not affect the customers' liability for the account, nor stop the credit control process;

(b) An undertaking by Council:

- That it will deliver accounts to customers by Post Office delivery and emails
- That if customers do not receive an account and have accordingly requested one, a statement will be supplied to them.
- 11.13 Where a signatory is not the owner of the property to which the services are to be provided, a letter from the owner indicating that the signatory is the lawful occupant of the property and where a lessor/lessee arrangement exists between the parties, a copy of such agreement shall be attached to the service agreement.
- 11.14 Where a consumer has failed to enter into a service agreement with the Council, water and/or electricity shall be restricted or disconnected, as the circumstances may require, until such time as a service agreement has been entered into and the applicable deposits have been paid. In such circumstances, the consumer will be held liable for any calculated amounts.

12 DEPOSITS AND GUARANTEES

- 12.1 Every customer is to pay a deposit on application for the provision of municipal services before the municipality renders any service to the property. Deposits are payable when new customers sign service agreements and when existing customers move to a new supply address. All deposits shall be paid at least 5 (days) days prior to occupation of the property or prior to the date on which the services are required. Failure to comply with this clause may result in a delay in the connection of services and the Council shall not be liable for any loss or prejudice suffered by a customer as a result thereof.²
- 12.2 Subject to the provisions of clauses 12.3, 12.4 and 12.5 hereunder, the calculation for deposits shall be based on two months' consumption of metered services together with any charges for other municipal services, or a minimum amount specified by the Chief Financial Officer from time to time. Also refer to 6.3.4 of the tariff listing
- 12.3 In the case of Housing Projects an amount of R500.00 is payable for deposit. To be reviewed by the Chief Financial Officer from time to time. In determining the deposit described in Section 12.2, the Chief Financial Officer may differentiate between areas to give cognisance to differences in service standards and usage.
- 12.4 The Chief Financial Officer may re-assess customer deposits for new domestic, commercial and industrial customers three months after the initial deposit date and may, as a result of this reassessment, require an additional deposit from the customer.
- 12.5 The Chief Financial Officer may review deposits annually and, in the case of a customer's service being disconnected or restricted as a result of non-payment or tampering, may increase the deposit. Should the deposit be increased as a result of this review the customer must immediately make payment of the increased amount in line with the instruction from the Chief Financial Officer.
- 12.6 The outcome of the review contemplated in clause 12.5 shall be communicated to the customer in the event of any variation in the deposit arrangements being required.
- 12.7 Should a customer's services be disconnected twice during any twelvemonth period due to non-payment, the customer's deposit shall be adjusted the following month to conform to Clause 12.5.
- 12.8 Not applicable no current guarantees
- 12.9 The municipality will pay no interest on deposits³

² Amended by Council on 28 May 2014.

³ Amended and reviewed by Council on 30 May 2019

13 ACCESS TO PROPERTY TO READ METERS

- 13.1 In terms of Section 101 of the Municipal Systems Act, 2000 (Act No. 32 of2000), the occupier, owner or tenant of a property is to allow municipal officials or the municipality's authorised service providers access to read meters, install or repair meters as well as to, discontinue or restrict the provision of a service. The official is to have the proper authorisation and can only request access during reasonable hours.
- 13.2 If the municipality is unable to read any meter on any property because the meter has been rendered inaccessible, the municipality shall estimate the consumption of the service concerned and thereafter bill the accountholder for the monetary value of such estimated consumption.
- 13.3 In the event that the Council continues to be unsuccessful in obtaining access to the property and, therefore, is unable to obtain an accurate meter reading, the Chief Financial Officer or his authorised representative may disconnect the supply of services.

13.4 Voluntary readings:

- These will be permitted provided the municipality obtains any final reading should the consumer move to another supply address.
- Consumers may be liable for a fee to cover the costs of obtaining a reading if no advance warning is given and special arrangements are required to obtain a reading.
- The Municipality is entitled to make suitable adjustments to the readings should a consumer fail to ensure that a final reading is obtained.
- An audit reading during the normal reading cycles must be obtained at least once every <u>6 months</u>. If a
 special audit reading becomes necessary, this will be done at the cost of the consumer.
- The consumer may elect to supply voluntary readings subject to compliance with these rules. The Chief Financial Officer may, however, cancel the voluntary reading convenience if the consumer fails to render readings on two or more consecutive occasions.

14 ACCOUNTS, BILLING AND PAYMENT

- 14.1 The Council shall produce and post one consolidated monthly bill to consumers for services supplied or available (inter alias, electricity, water, refuse and sewerage charges) and for rates levied on property within the municipal area unless, for whatever reason, the rates account has not been consolidated with the services account in which case separate monthly accounts will be posted. These accounts will be produced in accordance with meter reading cycles at regular intervals or as prescribed by law.
- 14.2 The account/invoice will reflect the following details:
 - Consumer name;
 - Consumer account number;
 - Consumer postal address;
 - Address details to which the services have been supplied;
 - o The consumption or estimated consumption for each metered service within a specified period;
 - The applicable service tariff;
 - The monthly amount due on property rates and the total annual amount due;
 - The valuation of the property;
 - The amount due on any other service charges;
 - The total amount due and payable;
 - The amount in arrears, if any;
 - The final date for payment (due date);
 - The method, name and location of any municipal offices and authorised agents where payments may be made, and
 - A notification that failure to settle the total amount due by due date will result in termination or restriction of services.

- 14.3 The Council shall undertake to post the consolidated account to the customer address, in South Africa, as specified by each customer. However, non-receipt of an account does not negate the responsibility of the customer to pay the amount owing by due date nor prevent interest charges and debt collection procedures. In the event of non-receipt of an account, the onus rests on the account holder to obtain a free copy of the most recent account, before the due date.
- 14.4 The consumer shall, in writing, notify the Council of any change of address, including an e-mail address, and contact details. Notwithstanding the fact that a consumer has not received an account as a result of his failing to notify the Council of his change of address or due to delays on the part of external service providers, the customer is nevertheless liable for payment of such account. Any change of address only becomes effective when the notification of the change is received and acknowledged by the Council.
- 14.5 Accounts must be paid in full on or before the due date as indicated on the account. Failure to comply with this section shall result in debt collection action (as contained in Section 27 of this policy) being instituted against the customer. Interest on arrears, at the rate determined from time to time by the Council or, in the absence of any determination, as prescribed by law, will accrue after due date if the account remains unpaid irrespective of the reason for non-payment (refer Section 18).
- 14.6 Bulk consumers may at the discretion of Council be notified of their unpaid accounts prior to the commencement of the debt collection process.
- 14.7 Payments for accounts must be received at a Municipal pay-point by close of business on or before the due date. In the case of any electronic payments the money must be received in the municipal bank account no later than the close of business on the due date. In the case of monies paid to agents, the money must be deposited with the agent prior to the close of business on due date and proof thereof may be required to validate any claims.
- 14.8 The following methods of payment and payment points can be used: Debit order payments, which forms are available from the municipal cash offices;
 - Cash payments can be made at the municipality's cash offices, any South African Post Office and their agencies, ABSA and Easy Pay Outlets e.g. Pick & Pay, Checkers, etc.
 - Electronic banking payments directly into the municipality's account;

- 14.9 The consumer acknowledges that any agent used for transmitting payments to the Municipality is at the risk and cost of the consumer. In addition, the consumer must take into account the transfer time of the particular agent.
- 14.10 All payments and/or part-payments received by the Municipality shall be allocated to services in the manner as contained in Section 20.

15. <u>METERING OF CONSUMABLE SERVICES</u>

- 15.1 The municipality may introduce various metering equipment for the measurement of service consumption and customers may be encouraged to convert to a system preferred by the municipality.
- 15.2 Customers who default (fail to pay by the due date) may be required by the municipality to convert to another metering system.
- 15.3 Meters (credit) will be read in monthly cycles, at regular intervals or as prescribed by Council. Should circumstances prevent such a reading, the Municipality is entitled to continue with the procedure as laid down in Section 13 of this policy.
- 15.4 A consumer is responsible to ensure access to metering equipment and will be liable for any cost incurred to ensure access (such as relocating or disconnecting the meter) if satisfactory access is not possible.
- 15.5 Routine or special maintenance of metering equipment will be communicated to the consumer prior to being undertaken in order to establish a suitable time to perform such maintenance.

16. VALUATION OF PROPERTIES

- All properties within the boundaries of the Witzenberg Municipality are to be valued in terms of the legislation applicable to the valuation of properties for the purpose of levying property rates.
- 16.2 If the Municipality has not yet included such valuation for the purpose of levying rates, the Municipal Valuer shall conduct a valuation of the relevant property for purposes of a supplementary valuation

17. PROPERTY RATES

- 17.1 In terms of the Council Rates Policy, and in accordance with the tariff of Charges Schedule, Property Rates will be raised annually in July of each year, charged on a monthly basis and will be reflected on the consumers monthly bill.
- 17.2 All Property Rates not paid by due date will, in addition to any procedures as prescribed by law, be subject to credit control and debt collection procedures as stipulated in this policy.
- An owner may apply to have his/her property rates be charged monthly. In which the due date for application is set at 30th June of each year.⁴
- 17.4 If in default it will reversed to yearly and the total annual rates amount become payable.

18. <u>INTEREST ON ARREARS AND OTHER PENALTY CHARGES</u>

- 18.1 Interest shall be charged for a full month on all arrear amounts at the percentage determined by Council irrespective of when payment is made.
- 18.2 For purposes of determining arrear amounts, all amounts that are unpaid after due date, excluding interest, penalty charges previously raised including collection charges and Value Added Taxation, shall be taken into account.
- 18.3 The Chief Financial Officer will be entitled to raise the following charges/fees in addition to the interest charge contemplated in clause 18.1:
 - charges for disconnection or restriction of services
 - o charges for reconnection or reinstatement of services
 - o charges for notices of default and other correspondence
 - o penalty charges for illegal reconnections
 - Reconnection fee to be paid for both prepaid and conventional meters

⁴ Updated 04/08/2008 Special Council meeting

- Charges / Fees on all legal proceedings⁶
- 18.4 Other than those penalty charges prescribed by legislation, the value of each of these charges will be determined on an annual basis by Council when considering its annual budget and shall be contained in the Witzenberg Municipality Tariff Register.

19. AGREEMENTS AND ARRANGEMENTS FOR PAYMENT OF ARREARACCOUNTS

- 19.1 The Chief Financial Officer is authorised to enter into agreements with customers in arrears with their accounts and to grant customers extensions of time for settlement of the amounts due to Council. No arrangement for the payment of debt in instalments may be entered into with a tenant without the consent of the property owner.⁷
- 19.2 Where a customer in arrears is a business or commercial concern, a minimum of 50% of the total overdue amount, as an initial payment, shall be paid, and the balance of the account shall be paid in equal instalments over a maximum period of twelve months. Any future monthly current accounts shall be paid on or before the due dates for the month in question. In respect of business or commercial consumers who are in arrears, interest will be raised in terms of Section 18 of this policy.

In exceptional circumstances, The Accounting Officer and Chief Financial Officer can deviate from the general rule above provided that:

- The current account is paid in full
- A written agreement is entered into that provides for the down payment of the arrears amount in monthly instalments.
- 19.3 Where a customer in arrears is a domestic consumer the following processes will be follows:
 - i) When the customer account include outstanding debt, the customer payment incentive policy as approved by Council may apply; and
 - ii) In the case of all other debt, the current account, as an initial payment, shall be paid, and the balance of the account shall be paid in equal instalments over a maximum period of forty-eight [48] months.
 - iii) In exceptional circumstances, The Accounting Officer and Chief Financial Officer can deviate from the general rule in (ii) above provided that:
 - The current account is paid in full
 - A written agreement is entered into that provides for the down payment of the arrears amount in monthly instalments.
 - iv) A customer can make a maximum of 2 arrangements within a financial year of the Municipality.8

⁶ Amended by Council on 28 May 2014

⁷ Amended by council on 28 May 2014

⁸Updated 28/05/2009

Any future monthly accounts shall be paid on or before the due date. Consumers, who honour their agreements and arrangements to pay, will not be charged interest from the date of the agreement on municipal service arrears, with the exception of property rates in arrears where statutory provisions may apply. Should they default on their credit extension for whatever reason, interest shall be raised from the date of default on the full outstanding debt in terms of Section 18 of this policy."

- 19.4 A consumer may be required to complete a debit order for the payment of arrears in terms of the agreement.
- 19.5 Should a customer breach the arrangement in any way, the balance of the arrear account, together with the balance of interest outstanding on the account, shall immediately become due and payable to the municipality.
- 19.6 A customer who fails to comply with any credit arrangement shall not be permitted to enter into any further arrangement or extension of time for payment and shall have his services terminated, however a customer who brings his credit arrangement up to date by an immediate payment shall have his services reconnected as soon as is practically possible.
- 19.7 A customer who fails to comply with any arrangement of debt shall have his service agreement terminated, services disconnected/restricted, and/or his deposit adjusted with an amount of R500 to cover a part of the arrear debt.
- 19.8 Only debtors with positive proof of identity or an authorised agent with a Power of Attorney shall be permitted to enter into an Acknowledgment of Debt agreement with the Council. If the arear account is in the name of a tenant, the owner of the property, have to give written consent to the Municipality to enter in to Acknowledgement of Debt agreement with his /her tenant.
- 19.9 Where a debtor is a close corporation, trust, or a company, the person who signs an acknowledgment of debt on behalf of such close corporation, trust or company, shall produce written proof that he is authorised to sign such acknowledgment on behalf of all members and/or directors of the close corporation, trust, or the company.
- 19.10 An Acknowledgment of Debt agreement shall contain all arrangements for paying off arrear accounts, which may include interest. One copy of the agreement shall be handed to the customer and another filed with the Chief Financial Officer.
- 19.11 In instances where a customer is employed, the municipality may obtain a voluntary garnishee order or emoluments attachment order.

- 19.12 Where any debt has arisen as a result of the Council having applied an incorrect charge and/or tariff, the consumer may arrange to pay the debt over a maximum period equivalent to the period over which the incorrect charge was applied or over twelve months, whichever is the shorter.
- 19.13 The Director Finance and Deputy Director Finance may deviate from the policy in special circumstances.9

20. ALLOCATION OF PAYMENTS AND PART-PAYMENTS

- 20.1 Receipt of the total outstanding monies will be allocated to the credit of the account in full.
- 20.2 A customer shall not be entitled to allocate any payment made to any portion of the total debt due to the Council.

21 <u>DISHONOURED QUES/DEBIT ORDERS</u>

- 21.1 Refusal by banks to honour payments by debit order is regarded as non- payment, upon which the relevant debtor is subject to credit control measures.
- 21.2 The Council shall, at the earliest opportunity, be entitled to disconnect or restrict, as the case may be, the electricity and/or water supply of a customer who has offered a cheque or debit order as payment for municipal services if such cheque or debit order is returned or dishonoured by the financial institution on which it is drawn as a result of a lack of funds or for any other reason.
- 21.3 A customer tendering a debit order referred to in Clause 21 .2 shall be liable for all administration charges and bank fees as determined by Council as a result of such transaction.
- 21 .4 Should a dishonoured debit order be received, the customer may be contacted telephonically with the request that a cash deposit equal in amount to that of the dishonoured cheque be made into the municipality's account within 24 hours.
- 21.5 Should any attempt to contact the customer fail, then the municipality shall immediately discontinue the supply of services to the premises.
- 21.6 In the event of the customer not having sufficient funds to settle the outstanding debt, the Municipality may open a case of fraud with the South African Police Service.
- 21.7 Dishonoured cheques are to be kept on file and will only be given to account holders on request if the account is paid up to date after the reversal of the dishonoured payment.

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⁹ Include 30 May 2019.

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21.8 A customer who has offered three dishonoured debit order payments in any 12 month period will not be allowed to make further payments by cheque for a period of at least one year, although a bank guaranteed cheque may be accepted by the Chief Financial Officer.

22. QUERIES IN RESPECT OF ACCOUNTS

- 22.1 The enquiries counter at the municipality's service centres can be contacted for all account queries.
- 22.2 An enquiry clerk stationed at the municipality's service centres shall be available to assist consumers with account balance queries as well as the opening and closing of accounts.
- 22.3 Any resident or consumer who may feel aggrieved concerning his/her account may address a written grievance / appeal to the Chief Financial Officer.
- 22.4 The municipality endeavours to investigate any query and give feedback within fourteen working days of the receipt of the query.
- Any query in respect of the amount due and payable on the consolidated bill must be lodged, in writing, at the municipality within 10 days of the consolidated bill date in order that it may be investigated. Should the query not be lodged within 10 days, the municipality cannot be bound to the provisions of clause 22.4.
- 22.6 A customer who has lodged an enquiry is not relieved of the responsibility to maintain regular payment on his account. In the event of an accountholder reasonably querying any item or items on the monthly municipal account, no action shall be taken against the accountholder provided the accountholder has paid, by due date, an amount equal to the monthly average monetary value of the three most recent un-queried accounts in respect of the service under query, as well as all un-queried balances on such account, and, provided further that, such query is made in writing by the accountholder or is recorded in writing by the Chief Financial Officer or his designate on behalf of the accountholder within 10 days of the consolidated bill date.
- 22.7 If a customer has received a response to a query but is still not convinced that the account is correct, the customer will still be liable for the full outstanding amount and will be subject to credit control action.

23. UNRESOLVED CUSTOMER QUERIES

- 23.1 Should a query remain unresolved after 14 working days have passed from the date the query was lodged, the customer is to notify the Section Head of the relevant section who will follow up and resolve the query.
- 23.2 Should the Section Head, as a result of the complexity of the case, be unable to resolve the query, it is to be referred to the Consolidated Billing Manager for resolution.

24. <u>DISCONNECTIONS/RESTRICTIONS OF SERVICE</u>

- 24.1 The Council shall disconnect/restrict services to consumers whose consolidated accounts remain unpaid after due date.
- 24.2 The municipality shall, prior to disconnection and/or restriction of services, not be obliged to issue any final demand notices or other reminders to customers whose accounts are unpaid after due date.
- 24.3 The municipal account shall reflect a warning message that shall be deemed to be proper and sufficient notice to the customer that his services may be disconnected or restricted unless payment is received on or before due date.
- 24.4 In the event that full payment of the consolidated account, including any accumulated arrears, is not received by close of business on due date, the electricity supply and thereafter the water supply may be disconnected/restricted, unless a formal arrangement for an extension of payment, in terms of Section 19, has been approved by the Chief Financial Officer or his authorised representative.
- Even though a customer may have concluded satisfactory credit arrangements in terms of Section 19, the Council is not obliged to effect a reconnection of services on the day that payment is received or the agreement has been signed, but will, unless unable to do so because of circumstances beyond the control of the municipality, endeavour to do so within three (3) working days in terms of Section 26 read in conjunction with Section 25.
- 24.6 Where a customer's services are disconnected, or where access to disconnect services has not been obtained, the customer shall be charged a visitation fee, as determined by the Council, which shall be paid prior to the services being reconnected.

- 24.7 Where a customer's account and/or service agreement has been terminated or is in arrears and no credit arrangement has been entered into,
 - the Council may, at the customer's cost, proceed to collect such amount as is outstanding and due in terms of the procedures for debt collection contained in Section 27 of this policy.
- 24.8 Where a customer or owner's account is in arrears and no credit arrangement for the settlement of any outstanding debt has been entered into, and, whether the services to the property have been disconnected *I* restricted or no the Council may, regardless of whether the service agreement is terminated or not, implement the procedures for debt collection as set out in Section 27 of this policy, if such action is deemed by the Chief Financial Officer to be in the best interests of the Council.
- 24.9 Should the Chief Financial Officer be of the opinion that the termination of services, in respect of which the account is in arrear, could result in the endangerment of the life of any person, the Chief Financial Officer may appropriately restrict rather than terminate the services in question.

If a household is classified as an indigent household in terms of section 6.1 of the Assistance to the poor policy, as amended, then the following will be applicable with regard to disconnection/restriction of services:

(i) Prepaid electricity may be blocked for purchases if the other services are in arrears; and 10

24. 10 Changing meters of defaulters¹¹

- i) The water meters of defaulters can be replaced with water management meters, and the consumption can be limited to a minimum of 200 litres per day (6 kilolitres per month);
- (ii) The electricity meters of defaulters can be replaced with split prepaid meters;
- (iii) The cost of the replacement meters will be borne by the consumer who can pay the cost in three monthly instalments. If the consumer defaults on the payment for the meters, the electricity supply will be blocked and/or the water consumption will be limited to 200 litres per day (6 kilolitres per month).
- (iv) The cost of the replacement meters will be borne by the municipality for approved indigent customers.

¹⁰Updated 31/05/2012 Council meeting

¹¹Updated Council 28/09/2011

(v) The cost of the replacement meters will be borne by the municipality if the consumer defaulted by at least three occasions within a financial year. (The cost borne by the municipality will be limited to the meter and installation cost of the meter.)¹²

25. RECONNECTION/REINSTATEMENT OF TERMINATED/RESTRICTED SERVICES

- 25.1 Services which have been terminated or restricted shall be reconnected or reinstated by the municipality only when all the following conditions have been met:
 - on such account; and an acceptable arrangement has been entered on the arrears older than 30 days with the municipality, including the interest raised on such account; or a query, as contemplated in Section 22, has been resolved and arrangements for payment as approved by the Chief Financial Officer have been concluded; a revised/existing service agreement has been entered into/reinstated with the municipality, as contemplated in Section 11 of this policy; and
 - a suitable cash deposit, as determined by the Chief Financial Officer in terms of Section 12, has been paid to the municipality.

26. PROCEDURE FOR DEBT COLLECTION AND WRITE OFF

Where consumer accounts are in arrears, the Chief Financial Officer is authorised to institute the following procedures with the intention of proceeding until the debt is collected or written off:

- 26.1 Immediately after due date, disconnect and/or restrict all water and/or electricity services for all overdue amounts relating to rates, service charges or any charges for services rendered by the municipality in terms of the procedures laid down in Section 24 of this policy;
- 26.2 Thirty days after the due date:
 - Tracing action may be authorized and instituted if the whereabouts of the debtor is unknown.
- 26.3 Sixty days (or any earlier period if the Chief Financial Officer deems that it is in the best interest of the Council) after the due date, and where an account rendered to a customer remains outstanding, the following action may be taken:

¹² Paragraph 24.10 (iv) & (v) added by council 30/05/2022

- o All arrear amounts shall be handed over to the Council's internal or external debt collection agents.
- The collection agents will then make use of normal debt collection procedures including a call centre approach and legal processes to collect the amounts owed to Council
- If necessary, the sale in execution of such property to recover arrear property rates and service charges will be instituted irrespective if the accountholder is also the owner of the property).
- o All legal expenses incurred by the municipality shall be for the account of the accountholder in default¹³.
- 26.4 The Chief Financial Officer may insist that a consumer, who is utilising a credit meter, convert from that credit metered supply to a prepayment supply. The cost of such a conversion is to be borne by the consumer.
- 26.5 The Chief Financial Officer may allocate up to thirty (30) percent of any payment for prepayment services to arrear debt.
- 26.6 The Chief Financial Officer may order that emolument attachment or garnishee orders be instituted on debtors' salaries.
- 26.7 The Chief Financial Officer may/must withhold rates clearance certificates in terms of Section 118 of the Municipal Systems Act, 2000 (Act No. 32 of 2000) and Section 30 of this policy.
- 26.8 The Chief Financial Officer may/must withhold payments of grants-in-aid to consumers whose accounts are in arrears.
- 26.9 The Chief Financial Officer may/must withhold payment to suppliers whose accounts are in arrears in terms of the Supply Chain Management policy.
- 26.10 The Chief Financial Officer may withhold/reject the approval of building plans relating to improvements on properties if there are arrears on that property.
- 26.11 Whenever all the legal avenues and procedures listed above have been exhausted, or it becomes uneconomical to proceed further, the arrear amounts should be classified as irrecoverable and should be written off.
- 26.12 The Chief Financial Officer, may forward a report to Council for the writing off of consumer, if such debts may be irrecoverable.

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¹³Updated 20/04/2011

- 26.13 The Executive Committee, in terms of its delegated authority, may authorize the writing off of the debts wherein after a report will be forwarded to full Council for ratification.
- 26.14 The Chief Financial Officer shall as soon as possible after 30 June each year, or more regularly if requested by Council to do so, present to the Council a report indicating the amount of the arrears that have been written off during the financial year, together with the reasons for the write off.
- 26.15 The Chief Financial Officer may write off debts to the value of R1000.00 per individual if he is satisfied that:
 - All reasonable steps have been taken to recover the debt and the debt is considered to be irrecoverable, or
 - He/she is convinced that recovery of the debt would be uneconomical.
- 26.16 The Chief Financial Officer may approve the write off of debt outstanding for more than three years, excluding property rates, on condition that all the other debt is paid immediately in full.¹⁵
- Any debtors whose amounts are written off may be listed with the Credit Bureau and may not be permitted to enter into future service contracts with the Council.
- 26.18 Industrial consumers can qualify for an early payment rebate of one percent if their account is paid in full within 15 days after the month during which the services were consumed.¹⁶
- 26.19 A collection fee of up to 5% of the amount collected on behalf of the municipality may be paid to employers that deduct municipal accounts from their employees.¹⁷
- 26.20 If a household is classified as an indigent household in terms of section 6.1 of the Assistance to the poor policy, as amended, then the Chief Financial Officer must prior to implementation of sections 26.2 and 26.3 determine whether the debt would be uneconomical to recover as set out in section 26.15.18
- 26.21 That rental debt when the municipality is the lessor be referred to the Housing Committee for a decision regarding the arrear debt where the unit is to be assigned to another lessee. Where the Housing Committee's decision is to write-off the debt that this first be approved by the Municipal Council before implementation. ¹⁹

¹⁵ Amended by Council on 28 May 2014

¹⁶ Amended by Council on 28 May 2014

¹⁷ Amended by Council on 28 May 2014

¹⁸ Updated 04/08/2008 Special Council meeting

¹⁹ Amended by Council on 30 May 2019

27 ILLEGAL TAMPERING AND/OR THEFT OF SERVICES

The Municipality does not condone theft and fraud of municipal services and will monitor the service networks for signs of tampering or irregularities. Furthermore,

- 27.1 Water and electricity metering and connection equipment remain the property of the municipality and anyone involved in instances of tampering, damaging or theft thereof will be liable for criminal prosecution.
- 27.2 With regard to electricity services, if tampering of any nature or theft of such services is identified, the electricity supply to the property may be discontinued by the removal of the meter and the cable and the water supply may be restricted. In addition, the customer's service agreement with the Council may be cancelled and the customer's deposit may be offset against any amounts owed to the Council.
- 27.3 If the restricted water supply is tampered with or any variable flow-restricting device removed, the water supply may be discontinued, the service connection removed and the customer's service agreement with the Council may be cancelled. The customer's deposit may be offset against any amounts owed to the Council.
- 27.4 Once Council becomes aware that any terminated or restricted service has been irregularly reconnected or reinstated, the necessary action to remedy the situation will be implemented which could include the Municipal Manager reporting such action to the South African Police Service.
- 27.5 All outstanding amounts including, all metered consumption since the date of the illegal reconnection, or the estimated consumption, if a reliable meter reading is not possible, shall be paid in full together with the required deposit, before any reconnection/reinstatement, and new services agreement are considered.
- 27.6 If found that any person (natural or juristic) are illegally connected or reconnected to municipal services, or that he/she fiddled with any meter, reticulation network or any other supply equipment, or delivered any unlawful service associated with the provision of municipal services, or stole or damaged any municipal property, he/she shall be prosecuted and/or held liable for fines, as determined by the magistrate.²⁰

However, the receipt of payment will not necessarily impact on nor prejudice any legal or criminal proceedings against the customer.

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²⁰ Amended by Council on 30 May 2019

28 UNOCCUPIED PREMISES

- 28.1 When a consumer terminates a consumption account and no new owner registers, the property is deemed to be unoccupied.
- 28.2 Whenever water and/or electricity consumption is recorded at a property that is deemed to be unoccupied effort will be made to establish the identity of the person responsible for that consumption, failing which an appropriate bill will be raised and forwarded to the owner of the property for payment. Should payment not be received then the registered owner of the property is liable for the services consumed.

29. CLEARANCE CERTIFICATES

- 29.1 Before any property can be transferred from one owner to another, all amounts owing to the municipality on the property must be settled. Only after settlement, will the Municipality issue a certificate stating that all outstanding debts have been settled. No property transfer can take place without such a certificate.
- 29.2 The Municipality requires a payment in advance equal to two²¹ months average consumption of all relevant services prior to the issuing of such a clearance certificate in order to allow for any consumption that may take place during the time taken for the transfer to go through.
- 29.3 The Municipality shall, wherever possible, issue a clearance certificate within ten working days of such request once all outstanding debts and administration fees have been paid in full.
- 29.4 The above provisions do not apply in the case of transfers from National Government, Provincial Government or another municipality of residential property where the provisions of Section 118 of the Municipal Systems Act are applicable.

30. MUNICIPAL STAFF

30.1 Any member of staff of the Council and any Councillor may not be in arrears with the Council for rates and/or service charges for a period longer than three months, and the Council will deduct any outstanding amounts from the salary or allowance of such member of staff or Councillor after this period, in accordance with item 10 of Schedule 2 of the Municipal Systems Act, 2000 (Act No. 32 of 2000).

²¹ Updated 04/08/2008 Special Council meeting

- 30.2 Staff arrangements made to pay off debt will be adjusted yearly equal to the percentage salary increase.
- 30.3 Salary deductions will be made from yearly bonuses & performance bonuses to be set off against any arrears or outstanding amount.
- 30.4 Any back pay, promotions, overtime & standby are first use to reduce arrears of staff.
- 30.5 Staff members that made arrangements to pay off debt must complete a salary deduction form and this deduction may not be stopped until debt has been paid in full.
- 30.6 If a staff member is sixty (60) days in arrears and has made no arrangement to pay off the outstanding amount, deduct full amount from salary.

31. REPORTING AND PERFORMANCE MANAGEMENT

- 31.1 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 Committee as supervisory authority in terms of Section 99 of the Municipal Systems Act, 2000 (Act No.32 of 2000), read with section 100(c).
- 31.2 If, in the opinion of the Chief Financial Officer, Council will not achieve cash receipt income equivalent to the income projected in the annual budget as approved by Council, the Chief Financial Officer will report this with motivation to the Municipal Manager who will immediately move for a revision of the budget according to realistically realisable income levels.
- 31.3 The Executive Committee shall, at intervals of 3 months, report to Council as contemplated in Section 99(c) of the Municipal Systems Act.

32. <u>DEFINITION OF IRRECOVERABLE DEBT</u>

Debt will only be considered as irrecoverable if it complies with the following criteria:

(a) All reasonable notifications and cost effective legal avenues have been exhausted to recover specific outstanding amount, or

- (b) Any amount equal to or less than R500.00, or as determined by Council from time to time, will be considered too small, after having followed basic checks, to warrant further endeavours to collect it, or
- (c) The cost to recover debt does not warrant further action, or
- (d) The debtor is untraceable or cannot be identified so as to proceed with further action, or
 - (i) the debtor has immigrated leaving no assets of value to cost effectively recover Council's claim, or
- (e) It is not possible to prove debt outstanding, or
 - (i) a court has ruled that the claim is not recoverable, or
 - (ii) the outstanding amount is due to an irrecoverable administrative error by the Municipality, or
- (f) All arrears will be written off to bad debts where water consumers have had their water leaks repaired, provide the necessary proof and for a period of six months from the date of repair
 - (i) Pay their water & sewer bill above the free portion on or before the due date, and
 - (ii) Maintain their water consumption within affordable levels.

33. COMMUNICATION OF POLICY TO CONSUMERS

- 33.1 The municipality will, at its own cost, publish the Credit Control and Debt Collection Policy in the local media.

 The Chief Financial Officer operating under delegated authority will publish the policy on whatever basis is to the Council's best advantage. A copy of the policy will be posted on the municipality's website and hardcopies will be made available on request at the service centres. Any amendments may be communicated on the website and in a newsletter from time to time.
- 33.2 Councillors must, from time to time, address ward committees on the contents of the policy and any amendments thereto.

34. BY-LAWS TO BE ADOPTED

34.1 By-laws shall be adopted to give effect to the Council's credit control and debt collection policy.

- 34.2 The by-laws are to comply with the requirements of the Municipal Systems Act, 2000 (Act No. 32 of 2000), the Water Services Act, 1997 (Act No. 108 of 1997), the Electricity Act, 1987 (Act No. 41 of 1987) and the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).
- 34.3 The by-laws deal severely with defaulters, and their application requires a considerable degree of commitment from the Municipal Manager and his or her administration, as well as from the municipality's political structures. For the by-laws to ensure the avoidance of financial misfortunes for the municipality, and to lead to sustained financial stability, their application will have to receive the constant attention of all the municipality's key role-players and decision makers. If the by-laws are not constantly and consistently applied, from month to month and from year-to-year, the municipality's political and administrative credibility will be severely impaired, and it may not be able to ensure financial sustainability in the long run.
- 34.4 Although the by-laws envisage even the termination of basic services for defaulting accountholders this will not in itself, no matter how harsh it may seem to those councillors and officials who are disposed to greater leniency, prevent the accumulation of arrears. The monthly billing for property rates, sewerage charges and refuse removal fees will continue in respect of defaulting accountholders, even though their consumption of electricity and water may have been terminated or restricted. The termination or restriction of services must therefore be seen merely as a vital first step in the credit control programme, and the commitment by the municipality to follow up such actions with the full force of the law at the municipality's disposal is an essential further step if the accumulation of debts is to be meaningfully curtailed.

35 DECEASED ESTATES

Deceased Estates need to be registered at the Master of the High Court if, the Value of the property exceeds the amount of R250 000 if less it may be registered at the Local Court, Legal Aid

- S.A.(LASA) can be contacted to assist in this regardThe accounts of deceased estates may be transferred into
 the names of relatives as determined by the executor of the deceased estate, to allow for the continuation of
 service delivery to the relevant property on the following conditions: review
- The historical debt remains a claim against the deceased estate; review
- The executor of the deceased estate together with the new account holder must enter into an agreement with Witzenberg municipality for the payment of the historical debt;
- The normal service deposit is payable by the new account holder
- If the property is let out, the service deposit is payable without any exceptions;

 A clearance certificate in terms of section 118 of the municipal systems act may be issued by Witzenberg municipality on condition that the executor of the deceased estate provides the municipality with a guarantee that the outstanding debt will be paid on transfer; review

In the instance of a child-headed household the account must remain in the name of the deceased estate, but the estate will qualify for indigent support, if the other criteria for an indigent household are met.

36. ENFORCEMENT OF OTHER LEGISLATION

- 36.1 In addition to the credit control and debt collection provisions contained in this policy and the published by-laws relating hereto, the Council may enforce any other rights or exercise any power conferred upon it by the Municipal Systems Act, 2000 (No. 32 of 2000), the Water Services Act, 1997 (Act No. 108 of 1997), the Property Rates Act, 2004 (Act No. 6 of 2004) and the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).
- In the event of an inconsistency between the provisions of these and any other by-laws, the provisions of these by-laws shall prevail.

37. CUSTOMERS ASSISTANCE

Water Leaks Rebates

A customer will qualify for a water leak rebate if:

- the leak occurred and was not easily discernible from above ground;
- the leak had been repaired after detection;
- the customer had only applied for one rebate in a 24-month cycle;
- a certificate from a registered plumber, or a sworn affidavit from any other person who has repaired the leak, and must reach the Chief Financial Officer within 30 working days of the repair, and contain the following details:
 - the date on which the leak was repaired;
 - confirmation that the leak was not discernible from above ground;
- The adjustment will be calculated based on the difference between the greater of the average consumption (KI) for the previous year's corresponding periods
- or three months' average usage after the leakage has been fixed and the consumption of period of the leakage for a maximum period of three years. The rebate will be limited to a maximum period of 3 months

38 COMMENCEMENT DATE

This policy as amended takes effect as from the 01 July 2019.



CASH MANAGEMENT AND INVESTMENT POLICY

Date of implementation: 01 July 2008

Reviewed Council 15/06/2010 Council 28/05/2009 Special Council Meeting 13/11/2008 Item 5.4

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CASH MANAGEMENT AND INVESTMENT POLICY

APPENDIX A

PREAMBLE

Whereas section 13 of the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003) determines that a municipality must introduce an appropriate, prudent and effective cash management and investment arrangement;

and whereas a bank, in accordance with the provisions of section 13 of the Act, has to disclose details regarding a municipalities' investments;

and whereas councillors and officials, as trustees of public funds have an obligation to ensure that cash resources are managed as effectively, efficiently and economically as possible;

now therefore the Witzenberg Municipality adopt the cash and investment management policy set out in this document.

1. DEFINITIONS

"Act" means the local government Municipal Finance Management Act, 2003 (Act no. 56 of 2003)

"Council" means the Municipal Council of Witzenberg Municipality

"Gazette" means the Government Gazette

"Investee" means an institution or counterparty with which an investment is placed, or its agent.

"Investment" means an amount of funds deposited in deposit taking institutions registered in terms of the Bank's Act, 1990 (Act 94 of 1990) on which interest is earned or received.

"Internal investment manager" means the official appointed or acting as the Manager: Financial administration of Witzenberg Municipality.

2. LEGAL FRAMEWORK

- a) Legislation local government: Municipal Finance Management Act 56 of 2003 (As amended)
- b) Treasury regulations in terms of Section 13(1) of the Act (As amended).

3. OBJECTIVES

- a) To maximize returns from authorized investments, consistent with the secondary objective of minimizing risk
- b) To ensure compliance with all legislation governing the investment of funds.
- c) To maintain adequate liquidity to meet cash flow needs
- d) It is Council's responsibility as a trustee of the community's revenue, to ensure that all money that is not immediately required be invested in order to safeguard the funds, meet the liquidity needs of the municipality and to optimise the funds available to the municipality. Council must further ensure that cash resources are effectively and efficiently managed.¹
- e) To ensure diversification of permitted investment.
- f) To ensure complaints regarding revenue management as contemplated in Sect 64(d), 64(f) and 64(h) of the Act
- g) The ensure complaints regarding Sect 10 and 11 of the Act

4. CASH MANAGEMENT POLICY

4.1. General Policy

It is recognised that from time to time, Council has cash flow surpluses and borrowing requirements due to daily receipts and payments. Council maintains a daily cash position summary and a yearly cash flow projection is prepared during the annual planning process and is updated monthly. This determines Council's borrowing requirements and surpluses for investment. Cash invested "outside" the bank account is covered by section 4 of this policy.

4.2. Bank Accounts

Council operates one primary bank account for its day to day operational activity requirements. All monies due to Council and due by Council emanating from Council activities must pass through this primary account.

4.2.1 Cheque Management

Cheques are printed in batch format. To prevent the removing of cheques, cheques are delivered in sealed boxes where strict control is exercised over the numerical sequence of cheques on the expenditure system by means of a cheque register.

4.2.2 Delegation/Rights

The incumbents of the following post are authorized to sign cheques on behalf of Council

¹ Recommended for amendment March 2024

4.2.3 Cheques

A-Signatories: Director: Financial Services/Chief Financial Officer

Deputy Director: Finance

Manager: Financial Administration

Manager Income Manager: Supply Chain

B-Signatories: Accountant Assets & Budgets

Accountant Credit Control

Accountant Debtors Accountant Expenditure

Each payment needs to be signed by at least two A-signatories, or one A-signatory and one B signatory.

4.2.4 Electronic Funds Transfer (EFT)

Authorisation same as cheques above

4.3 Bank Overdraft

4.3.1 Barring the fact that Council has an approved overdraft facility with its primary banker for possible unanticipated short-term cash flow shortfall, its general policy is to avoid going into overdraft.

Short-term debt is incurred based on expected income and must be repaid within the same financial year. (Section 45 of the MFMA)

- 4.3.2 Council set the credit limit for the bank overdraft facility at R6, 000, 000 (six million rand).
- 4.3.3 The terms of the agreement for the bank overdraft facility, including the credit limit, may be changed only by a resolution of council.
- 4.3.4 Any overdrawn bank account at any date must be reported without avail to Council supported by reasons therefore.
- 4.3.5 Any short term facility that requires review must first be approved by the Accounting Officer.

4.4 Cash collection

4.4.1 Controlled, secured and prompt cash collection

- All cashier banking batches and or shifts must be closed at least on a daily basis;
- b) Each cashier banking batch must be closed and deposit in the primary bank account separately;
- All forms, categories or types of money receipted must be quoted in the form or type received, for example cheques as cheques and cash as cash;
- A cashier must count the money he/she receipted, record the outcome on the cash-up sheet per category, then report to the senior responsible for the closing of the banking batches;
- e) No cashier may have access to the closing bank batch facility of the financial system;
- The senior verifies whether the amounts are correct and send the cashier back if necessary, otherwise closed the banking batch;
- g) The cashier in the presence of the senior put the money in the cash bags; seal it and lock it away in his/her fault for collection;
- h) All closed banking batches must be deposited and received by the bank within 72 hours;
- I) An independent service provider will collect all bags; quote the seal serial number and issue a receipt for the money bags;
- The service provider must ensure that the bank check the seals, verify the seal number and sign for the money bag; and
- k) All shortages must be paid in by the cashier and all surpluses must be receipted in an item number open for this purpose.

4.4.2 Availability of receipting points

- a) Cash receipting points will be available in Wolseley, Tulbagh, Ceres, Prince Alfred Hamlet and Op-Die-Berg at municipal offices;
- The normal office hours are Monday to Thursday 08h30 till 15h30 and Friday 08h30 till 14h30;
- c) The Municipality makes use of prepaid electricity sales points in all the suburbs where the Municipality is the approved electricity supplier, these points is open at least from 07h00 till 20h00; and
- d) The Municipality also make use of third party payments for example Easy pay and Pay a- Bill.

4.4.3 Electronic payments directly into bank account

Electronic payments directly into the bank account are allowed provided that the client use his/her debtors account number as reference or booking number or traffic fine number.

4.4.4 Receipt of money by post

- All mail of the Municipality is opened by an official responsible for Archives in the presence of a cashier responsible for collecting the mail received payments;
- All monies (cash, cheques and postal orders) are recorded in a register signed by the mail received payments;
- c) This cashier will then capture the received payments on the financial system; records the receipting number with the date of the receipt and sign the register;
- d) When a cheque is post-dated, it is written in a post-dated cheque register and then kept in a safe until the valid date and then it is captured; and
- e) The senior responsible for the cashiers must verify at least once a week that all payment received via mail is receipted and that all post-dated payments has been captured.

4.4.5 Unallocated Deposits to be recognized as revenue

Unallocated Deposits refers to those monies paid into the municipality's bank account without any traceable reference.

After all internal procedures has been exhausted, all unallocated deposits older than 12 months, will be recognized as Sundry Revenue in the books of the municipality. A listing of all moneys recognized as revenue must be kept for future reference and audit purposes.

4.5 Management of cash flow:

The Chief Financial Officer shall maintain a cash flow system, and ensure that funds not immediately required are invested as required. All Departments or Directorates shall in this regard furnish the Chief Financial Officer with their respective cash flow needs on a monthly basis, clearly indicating possible future dates of payments, as well as any possible inflow of cash from other sources of finance arranged by Departments themselves. ²

² Recommended for amendment by council March 2024

5. INVESTMENT POLICY

5.1 General Policy

Generally, Council will invest surplus funds with deposit taking institutions registered in terms of the Bank's Act, 1990 (Act 94 of 1990) for terms not exceeding one year in anticipation of cash flow expectations. From time to time, with prior Executive Mayoral Committee approval, investments can exceed 1 [one] year nd be made at other institutions/instruments as approved in the National Treasury regulations from time to time.

5.2 Application

- 5.2.1 This policy applies to all investments made by the Witzenberg Municipality or its duly appointed investment manager.
- 5.2.2 In addition, all investments must be in accordance with the Municipal Investment Regulations. Where there is a conflict between this policy and the Municipal Investment Regulation, the Municipal Investment Regulations will supersede this policy.
- 5.2.3 This policy does not apply to -
 - (a) a pension or provident fund registered in terms of the Pension Funds Act 24 of 1956, or any subsequent legislation; or
 - (b) in respect of trust money administered by a municipality where a trust deed prescribes how the trust money is to be invested.

5.2.4 Investments dominated in foreign currencies prohibited

Council may make an investment only if the investment is dominated in Rand and is not indexed to, or affected by, fluctuations in value of the Rand against foreign currency.

5.3 Diversification

- 5.3.1 Council will only make investments with approved institutions which have an A rating as per Appendix A.
- 5.3.2 Not more than 30% of available funds will be placed with a single institution. This does not apply to funds to section 5.4 of this policy. ³
- 5.3.3 Council must regularly monitor its investment portfolio and when appropriate liquidate an investment that no longer has the minimum acceptable credit rating as specified in 4.4.1 above.

5.4 Cash at Bank

When funds are held in a current account, it is a good business practice to operate a call account. The overriding principle is that the municipality may opt to transfer surplus funds, not immediately required, to a call deposit account. ⁴

5.5 Investment Managers

5.5.1 External Investment Managers

The municipality may as and when the need arise approach an external A-graded investment manager to administer the investment portfolio on its behalf. The external investment manager will be appointed in terms of SCM policy and service level agreement will govern the functions and responsibility of the service provider. All investments made by the external investment manager on behalf of the Council of Witzenberg must be made within the ambit of this policy and with National Treasury's investment Regulations.

³ Recommended for amendment March 2024

⁴ Recommended for amendment March 2024

5.5.2 Internal Investment Manager.

All investments made by the internal investment manager shall be in accordance with section 4.4 of this policy.

5.6 INTERNAL CONTROLS OVER INVESTMENTS

5.6.1 **Delegations**

In terms of section 79 of the Act, the Accounting Officer has delegated to the Director: Finance (CFO), in writing, his duty under section 65(2)(h) to manage the councils available working capital effectively and economically in terms of the prescribed cash management and investment framework. The CFO has sub delegated this duty to the Manager Financial Administration.

5.6.2 Concluding deals

Written mandates, signed by the Manager Financial Administration and the CFO, shall be issued to all investees with whom the Council of Witzenberg invests funds setting out the following:

- 5.6.2.1 Authorised dealers: name and particulars of the Councils officials who are authorised to transact investments deals with the investees;
- 5.6.2.2 Authorised signatories: name and particulars of the Councils officials who are authorised to sign written confirmations or any other correspondence in respect of investments transactions.
- 5.6.2.3 A dealing sheet, signed by an authorised dealer, shall be prepared in all instances for each individual investment, detailing the quotations received and the recommended investee. The Manager Financial Administration, together with any one of the authorised signatories referred to above, shall be authorised to approve the transaction.

A written confirmation of the terms of each investment transaction shall be prepared, and signed off by the Manager Financial Administration and the CFO.

5.7 Ownership

- 5.7.1 All investments must be made in the name of the Council of Witzenberg Municipality.
- 5.7.2 Written proof of investments made must obtained from the institution where the investment is made and must be kept on file.
- 5.7.3 Council may not borrow money for the purposes of investment.

6. DUE CARE

In dealing with financial institutions, the following ethical principles must be observed:

- The Chief Financial Officer and all staff in his/her directorate shall not accede to any influence by or interference from Councillors, investment agents, institutions or any other outsiders.
- 6.2 Under no circumstances may inducements to invest be accepted;
- 6.3 Interest rates quoted by one institution must not be disclosed to another institution; and
- The business ethics of any controlling body of which the relevant financial institution is a member must be observed by such institution or body at all times.

CASH MANAGEMENT AND INVESTMENT POLICY

- 6.5 Investments must be made with such judgement and care, under prevailing circumstances like a person of prudence, discretion and intelligence would exercise.
- 6.6 Investment may not be made for speculation but must be a genuine investment; and
- 6.7 Investments must in the first instance be made with the primary regards being to the probable safety of the investment, in the second instance to the liquidity needs of the municipality and lastly to the probable income derived from the investment.

7. PERFORMANCE MEASUREMENT

Measuring the effectiveness of Council's treasury activities is achieved through a mixture of subjective measures. The predominant subjective measure is the overall quality of treasury management information. The Chief Financial Officer has rimary responsibility for determining this overall quality. Objective measures include: -

- **7.1** Adherence to policy.
- 7.2 Timely receipt of interest income.

8. REPORTING

8.1 Reports

REPORT NAME	FREQUENCY	PREPARED BY	RECIPIENT
Bank Balance	Report Daily	Senior Clerk Bank Reconciliations	Manager: Financial administration
Investments	Monthly within 10 working days of the end of the month. As part of section 71 of MFMA report	Accountant	Manager: Financial administration, Chief Finance Officer and Council

8.2 Monthly reports

Monthly reports 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

9. ANNUAL REVIEW OF POLICY

This policy on investments will be reviewed annually or earlier if so required by legislation. Any changes to the investment policy must be adopted by council and be consistent with the Act and any National Treasury regulations.

10. EFFECTIVE DATE

The effective date of this amended policy shall be 1 July 2010.

APPENDIX B

APPROVED INSTITUTIONS

Banking Institution	Short-term	Long-term
ABSA Bank Ltd		AAA
Development Bank of SA		AAA
First Rand Bank Ltd		AA+
Sanlam Capital Markets Ltd		A
Imperial Bank Ltd		A+
Investec Bank Ltd		A+
Land and Agricultural Bank of SA		AA-
Nedbank Ltd		AA-
Standard Bank of South Africa Ltd		AA+

1. Long-term ratings

AAA- Obligations which have the highest rating assigned by Fitch IBCA on its nation rating scale for that country. This rating is automatically assigned to all obligations issued or guaranteed by the sovereign state. Capacity for timely repayment of principal and interest is extremely strong, relative to other obligors in the same country.

AA- Obligations for which capacity for timely repayment of principal and interest is very strong relative to other obligors in the same country. The risk attached to these obligations differs only slightly from the country's highest rated debt.

A- Obligations for which capacity for timely repayment of principal and interest is strong relative to other obligors in the same country. However, adverse changes in business economic or financial conditions are more likely to affect the capacity for timely repayment than for obligations in higher rated categories.



CONSUMER PAYMENT INCENTIVE POLICY (CPIP)

Date of implementation 01/07/2009

Reviewed and amended by Council on 15/06/2010

Reviewed and amended by Council on 20/04/2011

Reviewed and amended by Council on 31/05/2012

Reviewed and amended by Council on 29/05/2013

Reviewed and amended by Council on 28/05/2014

Reviewed and amended by Council on 27/05/2015

Reviewed and amended by Council on 18/05/2016

Reviewed and amended by Council on 30/05/2017

Reviewed and amended by Council on 29/05/2018

Reviewed and amended by Council on 30/05/2019

Reviewed and amended by Council on 27/05/2020

Reviewed and amended by Council on 26/05/2021

Reviewed and amended by Council on 30/05/2022

Reviewed and amended by Council on 30/05/2023

1. BACKGROUND

The Credit Control and Debt Collection Bylaws were reviewed and adopted by Council on the 28 May 2008. The purpose of the policy is to encourage the residents of Witzenberg to pay for services and also to promote the culture of payment amongst its citizens. The policy also aims to promote the Municipal Systems Act 32 of 2000, Sec 97(F) which relates to the extension of time for payment of services. The main focus of the policy is to institute incentive schemes to encourage prompt payment of debtor accounts.

2. OBJECTIVE OF THE SCHEME

To outline the parameters, criteria and procedures within which identified debts of participants to the scheme is written-off in exchange for prompt and timeous payment of future accounts rendered by the Municipality.

3. INCENTIVE DEFINED

3.1 Benefits derived by a participant to scheme

- One tenth of verified debt to be written-off every six months until debt is written-off in totality upon the participant fully complying with the conditions of the scheme.
- Assist consumers in improving the status of their municipal account in two ways, namely
 the decreasing of their existing debt through write-off and assisting them in ensuring
 that their current accounts do not deteriorate to a similar state.
- Registered Indigents must ensure that their monthly accounts are up-to-date if consumption has been more than the subsidy provided.
- The Incentive Policy is applicable only on debt relating to Service Charges excluding charges on Property Rates.

3.2 Benefit to Council

- Promotes sustainable and reliable revenue for the Council for future years.
- Creates amongst consumers the awareness and principle of paying for services consumed.
- Limits the financial burden of bad debt on the municipal council in future years.

4. CONDITIONS APPLICABLE TO THE SCHEME

- 4.1 Participant to promptly and timorously pay six (6) consecutive months' account rendered. The account must be paid before or on due date.
- 4.2 Participant to honour the acknowledgement of debt agreement entered into for the debt not identified for write-off, failing which it invalidates the application on the Incentive Policy.

5. WHO MAY APPLY

- 5.1 Only domestic consumers and educational schools and Hostels service accounts (Rates excluded) that have active accounts at date of application.
- Only consumers that have outstanding debts as at the 30th June 2022 and the said debt or portion thereof is at date of application still outstanding.¹

6. WHO MAY NOT APPLY

- 6.1 Registered indigent consumers.
- 6.2 Commercial and Industrial consumers.
- 6.3 Government Departments, which includes schools and Parastatals.
- 6.4 Consumers utilising domestic premises to operate businesses.

7. METHOD OF COMMUNICATION ON THE SCHEME

- 7.1 The incentive scheme will be advertised in different mediums newspapers, road shows and through the monthly statements.
- 7.2 A consumer must then complete an application form.
- 7.3 A reconciliation of the account will then be performed to verify whether the applicant qualifies.

8. THE PROCEDURE APPLICABLE

- 8.1 Verified debt as at 30th June 2022² to be "parked" and written-off in instalments as the conditions are met.
- 8.2 Verified debt accrued after 1st July 20223 to be dealt with via an acknowledgement of debt and arrangement for payment by the participant.
- 8.3 Incentive to be applied with effect from the 1st July 2010 retrospectively and upon approval.

¹ Adjusted annually

² Adjusted annually

³ Adjusted annually

9. INCENTIVE CALCULATION

One tenth of applicable debt to be written-off upon the participant promptly and timorously paying six (6) consecutive months account rendered in addition to the acknowledgement of debt accrued after 1st July 2022.⁴

Example

(a)	Verified outstanding debt as at the 30th June 2022 amounts to	R5 000-00
(b)	Incentive portion written off each quarter 1/10th of debt as per (a)	R 500-00
(c)	Verified outstanding debt for the period accrued after 1st July 202	22 R2 400-00
(d)	Monthly accounts rendered to be paid timeously.	
(e)	Acknowledgement of debt agreement (2400/36)	R66-67 per month

Incentive calculation

- The R5 000-00 is "parked thereby targeting it for write-off."
- An agreement is entered into for the R2 400 at R66-67 per month (2400/36)
 - For every six (6) consecutive months that the participants' current account and the arrangement of (66-67) must be paid up, an amount of R500-00 will be written-off from the "parked debt".

10. PARTICIPANTS TO THE SCHEME THAT DEFAULT

- 10.1 Participants, who default will not automatically be removed from the scheme, however their participation will be automatically suspended by the financial system that Council is using should they be in default for by two months or more.
- The participants, in order to be reinstated on the Incentive Policy, must pay all outstanding amounts from the last account which was paid.
- 10.3 The incentive portion will only be affected if the participant has fully complied with the said conditions referred to in Section 4 of this scheme.
- 10.4 Participants who default on a regular basis will at management's discretion be removed from the scheme and normal credit control actions in terms of the bylaws will be instituted.

⁴ Adjusted annually



PETTY CASH POLICY

Date of implementation: 01 July 2010

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1. INTRODUCTION

The management of expenditure of the municipality in an effective and controlled manner is the responsibility of the Accounting Officer of the municipality. Therefore, the following petty cash policy is adopted by the Witzenberg Municipality.

2. OBJECTIVES

To comply with regulatory framework in terms of the relevant legislation.

3. REGULATORY FRAMEWORK

- a) The Municipal Finance Management Act (56 of 2003)
- b) The Municipal Supply Chain Management Regulations of 2005
- c) The Municipal Supply Chain Management Policy

4. RESPONSIBILITY AND ACCOUNTABILITY

The key responsibilities in terms of the MFMA (Section 65) are:

- (1) The accounting officer of a municipality is responsible for the management of the expenditure of the municipality.
- (2) The accounting officer must for the purpose of subsection (1) take all reasonable steps to ensure—
 - (a) that the municipality has and maintains an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal, and payment of funds.
 - (b) that the municipality has and maintains a management, accounting, and information system which—
 - (i) recognises expenditure when it is incurred.
 - (ii) accounts for creditors of the municipality; and
 - (iii) accounts for payments made by the municipality.
 - (c) that the municipality has and maintains a system of internal control in respect of creditors and payments.
 - (d) that payments by the municipality are made—
 - (i) directly to the person to whom it is due unless agreed otherwise for reasons as may be prescribed; and
 - (ii) Electronically or by way of non-transferable cheques, if cash payments and payments by way of cash cheques may be made for exceptional reasons only, and only up to a prescribed limit.

The Municipal Manager hereby delegates authority to the Chief Financial Officer.

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Petty Cash Policy

5. PETTY CASH PURCHASES

Petty cash requests will be made to the designated Petty cash officer in writing. The applicant must ensure that the items requested must be approved Petty Cash items. Petty cash officers will be held accountable for the safeguarding of petty cash.

- (a) Petty cash is strictly restricted to cash purchases:
 - i. up to a transaction value of R2 000.00 (VAT included)
- (b) Approved list of Petty cash purchases are as follows:
 - i. Condolences, well wish cards, bouquets, and flowers/fruit baskets not exceeding a value of R500 (to be approved by Municipal Manager or relevant Director).¹
 - ii. Keys for offices; Courier services; Postage; Data; Airtime; Batteries; Official photos.²
 - iii. Temporary vehicle licensing and public driver permits, and cost involved with the registration of vehicles.³
 - iv. Tollgate and parking fees when an employee is driving with an official vehicle registered in the name of the Municipality.⁴
 - v. Refunds (Library book fees);
 - vi. Refreshments and catering only if approved by Municipal Manager.
 - vii. Purchases are not split over two or more cash purchase claims.
 - viii. Purchase other than that specified in (i) to (vi) above, may be approved by the CFO in exceptional cases where it is impractical or impossible to follow the official procurement processes:
 - 1. No approved store items may be purchased by means of a petty cash transaction.
 - 2. No fixed asset may be purchased by means of a petty cash transaction.
 - 3. No travel and subsistence claims or disbursements may be paid via petty cash.

(c) Petty cash Receipts

- i. Receipts must be provided immediate when petty cash has been issued to the purchaser and goods has been paid and received.
- ii. Failure to provide receipts, the receiver of petty cash automatically gives permission that the petty cash can be recovered from their monthly salary in a once off amount.

6. MAXIMUM AMOUNT OF PETTY CASH PER MONTH

Petty cash will only be held in Ceres. The maximum float may not exceed R5 000.00 at any point in time. The maximum amounts of petty cash purchases are limited to R10 000.00 per month.

7. REPORTING

¹ Recommended for adjustment March 2024

² Recommended for adjustment March 2024

³ Recommended for adjustment March 2024

⁴ Recommended for adjustment March 2024

410 Petty Cash Policy

A monthly reconciliation report must be provided within 5 working days after month end to the chief financial officer, including:

- (a) The total amount of petty cash purchases for that month: and
- (b) Receipts and appropriate documents for each purchase.



INDIGENT POLICY

OUR VISION

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

OUR MISSION

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

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

Amended by Council 30/05/2023.
Amended by Council 28/03/2023.
Reviewed by Council 30 May 2022
Reviewed by Council September 2021
Reviewed by Council 27/05/2020
Reviewed by Council 30/05/2019
Reviewed by Council 30/05/2017
Reviewed by Council 38/05/2016
Reviewed by Council 28/09/2011
Adopted by Council 15/06/2010

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1. INTRODUCTION

Witzenberg acknowledges the fact that priority must be given to the basic needs of the community and that the social and economic development of the community is assisted in an effort to provide access to the basic level of service in terms of the Constitution of South Africa, Sect 152 (1) (b) and 153 (b).

In an effort to make basic services accessible to the poor and to contribute to poverty alleviation program of National Government, the Council will allocate funds to assist the Poor. This policy, the Indigent Policy, is the tool to ensure that eventually the poor is in the safety net and are protected from measures to deny them access to the basic services. It is however acknowledged that the assistance will only be possible with the assistance of National Governments Fiscal support.

2. AIM

To ensure a sound and sustainable manner to provide affordable basic services to the Poor by means of assisting them financially within the legal framework of the powers and functions of the Municipality in order to improve the livelihood, in an effort to creating a prosperous Municipality free of poverty.

3. OBJECT OF THE POLICY

The object of this policy is to:

- Ensure a transparent, accountable and sustainable manner to assist the poor to access of basic services as defined later in the policy;
- Ensure a sustainable manner to assist the poor with the graveyard costs, transfer duties and to change the municipal accounts in the cases of death, legal separation, divorce, etc. when necessary; and to
- Ensure that a fair portion of the equitable share, as provided by National Government, is utilized as a contribution to poverty alleviation.

4. LEGAL FRAMEWORK

The legal framework within to provide basic services, are in terms the Constitution of South Africa:

- Sect 152 (1) (b) provision of services in sustainable manner,
- Sect 153 (b) participation in national and provincial programs, and
- Sect 156 powers and functions to be performed by the municipalities.

Section 74(2)(c) of the Systems Act, Act 32 of 2000 deals with the ability of the municipality to make provision for the provision of access to at least basic services for the poor households. Sect 118 of the same Act provides the powers to the Municipality to issue clearance certificates and to hold back those of owners who are in arrears.

It is also seen that Sect 151(1) (b) of the Constitution, read with Section 74(2) (c) of the systems act provides enough powers to the Municipality to subsidize the poor with regard to other tariffs as well as to ensure that the household can maintain access to basic services when the head of the household should pass away.

5. DEFINITIONS

In this policy the under mentioned means, unless the context indicates otherwise-

"Bond expenditure" – Monthly interest and redemption payments on a bond registered in the name of the head of the family, or his or her spouse on condition that the applicant(s) occupies the house.¹

"Household" a family unit consisting of a head of the family, and his or her spouse.2

"Indigent household" a household that complies with the criteria as determined in section 6 of this policy.

"Income" All sources of income of a head of the family, and his or her spouse³, for example salaries, allowances, pensions, rental and business income not limiting it to the examples mentioned, excluding state child support grants, care dependency grants, foster care grants or maintenance support.⁴

"Spouse" includes husband, wife or living partner, including traditional marriages.5

6. CRITERIA

Assistance is provided to households that meet the criteria as set out in 6.1, to old age homes that meet the criteria as set out in 6.2 and to schemes aimed at providing housing for the less privileged elderly as set out in 6.3.

- 6.1. The qualification criteria for urban households in order to receive assistance are as follow:
- 6.1.1. The head of the household must be a South African citizen;
- 6.1.2. An application on the prescribe form, fully completed with the required information and signed, must be provided;
- 6.1.3. The household, except in the case of rural households, must receive an account from the Municipality of Witzenberg;
- 6.1.3.1. If the municipal account is not in the name of the people residing in the house the following procedures may be followed:
- 6.1.3.1.1. An indigent application process to determine whether the household qualifies for benefits if they qualify then:
- 6.1.3.1.1.1. A letter from the owner, or the executer of the estate, if applicable, authorising the municipality to open a service account in the name of the person residing in the house;
- 6.1.3.1.1.2. If the owner has died and an executer has not been appointed, all the children of the deceased must give permission with an affidavit that the account can be opened in the specific person's name;
- 6.1.3.1.1.3. In the case of municipal property, the housing committee will determine the lessee.
- 6.1.3.1.2. In exceptional circumstances the municipal manager can authorise the opening of an account in the name of the person residing on the premises. (When it is not possible to obtain approval from the owner/s or heir/s to open an account in the name of the people residing in the house)
- 6.1.3.1.3. The municipal manager is delegated to write off the old debt on the property if the property is transferred into the name of the beneficiary within 24 months after the approval of the indigent application.⁶

¹ Amended by Council 28/03/2023.

² Amended by Council 30/05/2019.

³ Amended by Council 30/05/2019.

⁴ Amended by Council 28/09/2011.

⁵ Amended by Council 30/05/2019.

⁶ Paragraph 6.1.3.1 Amended by Council Sept 2021

- 6.1.4. No member of the household, except in the case of rural households which resides on the farm where he/she works and is not the owner, may own a fixed property other that the site on which the household resides; and
- 6.1.5. The household joint gross income may not exceed the level of R 6,000.00⁷ per month. The average monthly income for seasonal workers may be calculated by multiplying the monthly income with the number of months the person normally works and dividing the answer by 12. The monthly income for weekly wages may be calculated by multiplying the weekly wage by 4.3.8
 - 6.1.5.1. The household income as per paragraph 6.1.5 may be reduced with the monthly bond expenditure.9
- 6.1.6. Two individual government pension (old age or disability) that exceeds the threshold as per 7.1 may qualify for the 100% benefit if it is the only household income.¹⁰
- 6.1.7. The municipal manager may approve a household as indigent in exceptional circumstances. 11
- 6.1.8. As a pre-requisite the municipality will install water demand management meters free of charge at indigent properties as a prerequisite to be registered as an indigent and all water leaks on the property will be repaired by the municipality at the cost of the municipality.¹²
- 6.1.9. No applicants who have a mobile shop in their erven (whether they are the owner or operator of the shop or not) is eligible for any Indigent benefit;¹³
- 6.1.10. No Indigent application will be approved if any illegal trading is conducted on the property;¹⁴
- 6.1.11. Where there is a business operated by the main account holder or their spouse/ life partner, an affidavit must be accompanied stating that the income (profit) from the business is not more than the thresholds of the Indigent (100% or 50%) subsidy. Where discretion regarding this matter is needed, the application is to be referred to the Municipal Manager or Director Community for approval.¹⁵
- 6.1.12. ¹⁶
- 6.2. The qualification criteria for old age homes in order to receive assistance are as follow:
- 6.2.1. More 50% of the residence within the old age home must receive less than R 5,000¹⁷ per month income; and
- 6.2.2. An application on the prescribe form, fully completed with the required information and signed, must be provided.
- 6.3. People residing in approved schemes aimed at providing housing for the less privileged elderly will qualify automatically for the full indigent benefit.:
- 6.3.1. Maple Park
- 6.3.2. Moredou

⁷ Recommended for adjustment March 2024

⁸ Recommended for amendment Sept 2021.

⁹ Amended by Council 28/03/2023.

¹⁰ Amended by Council 30/05/2019, Amended by Council Sept 2021

¹¹ Amended by Council 30/05/2017.

¹² Amended by Council 27/05/2020.

¹³ Amended by Council Sept 2021

¹⁴ Amended by Council Sept 2021

¹⁵ Amended by Council Sept 2021

¹⁶ Removed by Council 30 Mei 2022

¹⁷ Recommended for adjustment March 2024

- 6.3.3. Hamlet Selfsorg oord.
- 6.3.4. Other schemes approved by council.¹⁸

7. BENEFITS

All benefits are awarded in the form of free use consumption tickets or as a subsidy on the municipal account.

The following benefits are available for:

7.1. Households with a joint monthly gross income less bond cost, not exceeding R 5,000.19

7.1.1 Property rates

In terms of the Property Rates Act, Act 6 of 2004, section 17(h) all residential sites are exempt from the first R 15,000 of the market value on property. As additional subsidy the Municipality will increase this level to R135 000 by means of a subsidy in the form a credit on the municipal account. This subsidy will be equal to the smallest of R 135 000 market value or the total valuation of property.²⁰

7.1.2 Electricity

A subsidy equal to the amount charged for the first 50 kWh consumed per month.

7.1.3 Water

A subsidy equal to the amount charged for the first 6 kilolitres consumption per month as well as 100% subsidy on the basic charge for water, where the Municipality is the service providers.

7.1.4 Sanitation

A subsidy equal to 100% of the amount charged for the service per month where the Municipality is the service provider.

7.1.5 Refuse removal

A subsidy equal to 100% of the amount charged for the service per month where the Municipality is the service provider.

7.1.6 House rental

A subsidy equal to 100% of the amount charged in the case of municipal sub economical rental stock as house rental per month.

7.1.7 Graveyard costs

A subsidy equal to 100% of the amount charged for graveyard cost. The subsidy can be in terms of every deceased member of the household and minor dependents.

7.1.8 Transfer costs

7.1.8.1. A subsidy equal to 100% of the amount charged for transferring the municipal services accounts as a result of death of the head of the household. In the event of separation or divorce, the person who is residing at

¹⁸ Amended by Council Sept 2021

¹⁹ Recommended for adjustment March 2024

²⁰ Amended May 2023

this plot, qualifies for the subsidy on transfer costs. This household is also exempt from making a consumer deposit or to increase the existing deposit.

- 7.1.8.2. A subsidy equal to 100%, but limited to R 5000.00²¹ of the costs of an attorney to transfer the property into the spouse name, as a result of death of the head of the household whilst approved as an Indigent household and the current, registration is not in both parties' name registered in the deeds office. The appointment of the attorney is entirely the prerogative of the Municipality.
- 7.2. Households with a joint monthly gross income less bond cost, between R 5,000 and R 6,000.²²

7.2.1. Property rates

In terms of the Property Rates Act, Act 6 of 2004, section 17(h) all residential sites are exempt from the first R 15,000 of the market value on property. As additional subsidy the Municipality will increase this level to R135 000 by means of a subsidy in the form a credit on the municipal account. This subsidy will be equal to the smallest of R 135 000 market value or the total valuation of property.²³

7.2.2. Electricity

A subsidy equal to 100% of the amount charged for the first 25 kWh consumed per month, where the Municipality is the service provider.

7.2.3. Water

A subsidy equal to 100% of the amount charged for the first 3 kilolitres consumption per month as well as 50% subsidy on the basic charge for water, where the Municipality is the service provider.

7.2.4. Sanitation

A subsidy equal to 50% of the amount charged for the service per month where the Municipality is the service provider.

7.2.5. Refuse removal

A subsidy equal to 50% of the amount charged for the service per month where the Municipality is the service provider.

7.2.6. House rental

A subsidy equal to 50% of the amount charged in the case of municipal sub economical rental stock as house rental per month

7.2.7. Graveyard costs

A subsidy equal to 50% of the amount charged for graveyard cost. The subsidy can be in terms of every deceased member of the household and minor dependents.

7.2.8. Transfer costs

7.2.8.1. A subsidy equal to 50% of the amount charged for transferring the municipal services accounts as a result of death of the head of the household. In the event of separation or divorce, the person who is residing at

²¹ Amended by Council Sept 2021

²² Recommended for adjustment March 2024

²³ Recommended for adjustment March 2024

this plot, qualifies for the subsidy on transfer costs. This household is also exempt from making a consumer deposit or to increase the existing deposit.

- 7.2.8.2. A subsidy equal to 50%, but limited to R 5000.00²⁴ of the costs of an attorney to transfer the property into the spouse name, as a result of death of the head of the household whilst approved as an Indigent household and the current registration is not in both parties name registered in the deeds office. The appointment of the attorney is entirely the prerogative of the Municipality.
- 7.3. The rebates in terms of sections 7.2.2', 7.2.3, 7.2.4, 7.2.5 and 7.2.6 is subject to the payment of the municipal account by the applicant. The accounts will be monitored on regular intervals and if it is found that the applicant failed to pay the monthly account, the rebates may be stopped.
- 7.4. Old age Homes
- 7.4.1. Electricity

A subsidy equal to 10% of the amount charged for the service per month

7.4.2. Water

A subsidy equal to 81.2% of the amount charged for the service per month

7.4.3. Sanitation

A subsidy equal to 59% of the amount charged for the service per month.

7.4.4. Refuse removal

A subsidy equal to 33% of the amount charged for the service per month.

- 7.5. The municipal manger is delegated to write off all outstanding debt on indigent accounts as at 30 September 2021 and all outstanding debt of new approvals as a once off benefit.²⁵
- 7.6. If an applicant failed to pay the monthly account, 30% of prepaid electricity purchases may be utilised as payment on the municipal account.²⁶

8. RESTRICTIONS / LIMITATIONS ON INDIGENT RELIEVE: 27

- 8.1. The water meters of indigents who consumed in excess of 6 kilolitre water per month and do not pay regularly for the excess can be replaced with water management meters, and the consumption can be limited to a minimum of 200 litres per day (6 kilolitres per month);
- 8.2. The electricity meters of indigents who consumed in excess of 50 kWh units of electricity per month and do not pay regularly for the excess can be replaced with split prepaid meters and the connection can be limited to a minimum of 40 Amps;²⁸
- 8.3. The cost of the replacement meters will be borne by the municipality.

9. ADMINISTRATIVE PROCEDURES

²⁴ Amended by Council Sept 2021

²⁵ Amended by Council Sept 2021

²⁶ Amended by Council Sept 2021

²⁷ Amended council 28/09/2011

²⁸ Amended by Council Sept 2021

9.1. Organizational Structure

The organizational structure dealing with assistance to the poor is split in decision making and execution.

The decision making component will consist of the elected councillors in the Finance Committee, with the execution unit being the advisors of the committee.

Responsibilities of the Committee:

This committee will ensure that recommendations be made with regard to:

- Policy changes;
- Monitoring of the assistance provided; and
- Serve as the dispute handling committee.

The execution portion will be dealt with by the Social and Economic Development unit of Witzenberg Municipality.

Responsibilities of the unit will include at least:

- Assist households with applications;
- Consider applications according to criteria
- Approve applications;
- Ensure implementation of approved applications;
- Keep administrative record of all applications,
- · Assist in reconciling information with the financial system; and
- Prepare monitoring reports.

9.2. Application Procedure – First/new applications

- 9.2.1. The head of the household, if not the municipal account holder supported by the municipal account holder, must apply for the subsidy in person. The onus to apply is placed on the head of household.
- 9.2.2. The application must be on the prescribe application form. Attached as Annexure 12.1.2.
- 9.2.3. The application form must at least include the following documents:
- 9.2.3.1. Copy of the latest municipal accounts, where applicable:
- 9.2.3.2. Copy of the head of the household identification document and in the case of not the account holder the account holder documentation;
- 9.2.3.3. Copy of the deceased identification and death certificate documents, where applicable;
- 9.2.3.4. Proof of income, certified by employer as a true reflection, if applicable;
- 9.2.3.5. Copy of the pension card, UIF card, or interest certificate, etc., if applicable;
- 9.2.3.6. An affidavit that certifies that the information provided is the truth and nothing but the truth. (Attached as Annexure 12.1.3)
- 9.2.3.7. Copy of the last three months' bank statements when required; and
- 9.2.3.8. Additional information such as tax information or other information may be requested as mandatory for the indigent application process.²⁹
- 9.2.4. The municipality acknowledged the fact that support must be offered in order to ensure access to the subsidy. For this purpose, a unit is in tack to assist the poor. All applications must be lodged at this unit, called the Social & Economic Development unit of Witzenberg Municipality.

²⁹ Amended by Council September 2021

- 9.2.5. The Municipality reserves the right that an official of the unit may visit the household residing place in order to establish or confirm the information provided.
- 9.2.6. The Municipality reserves the right to verify information received by means of ITC checks.³⁰
- 9.2.7. The Municipality undertakes to remind the household, ±two months prior to expiry of the approval, of the expiry. The non-receiving of the notice in the form of a house visit, letter or via the municipal account will not place the responsibility on the Municipality to ensure re-application.
- 9.2.8. Elderly people and or people with medical conditions may apply for house visits for application purposes.³¹
- 9.2.9. No credit control measures will be implemented for a period of two months from date of application, to allow for the follow up and consideration of the application.³²

9.3. RENEWAL PROCEDURE³³

- 9.3.1. For renewal purposes the application procedure may be replaced by an affidavit stating:
- 9.3.1.1. There have been no changes in the income of the household;
- 9.3.1.2. The households' income is still below the monthly thresholds as per the municipal indigent policy;
- 9.3.1.3. That the person making the affidavit acknowledge that it is a criminal offence to make a false declaration.
- 9.3.2. Where the applicant(s) are 60 years and older and their application has been approved they only need to provide proof of living for the renewal of their benefits.³⁴

9.4. Measurement and duration of applications for approval

- 9.4.1. Measurement whether the application qualify in terms of the criteria as set in section 6 is based on the information as on the date of the application. The municipality reserves the right to lodge their own investigation in order to ensure compliance with the criteria.
- 9.4.2. An approved application is valid for a period of twelve months.
- 9.4.3. If an applicant's financial position changes and it is of a permanent nature the applicant must inform the Municipality of the change. If the change affects the household in such a manner that it no longer meet the criteria as set in section 6 the approval will automatically stop.
- 9.4.4. The onus rest with the applicant to inform the Municipality of any such changes.
- 9.4.5. The approval will stop automatically two months after the head of the household passed away. If the household left behind is still financially in the same position the subsidy must be transferred to the new head of the household. The onus to apply is placed on the new head of the household.
- 9.4.6. Where the applicant is deceased the surviving next of kin (husband/wife/child/grandchild) have to apply as the new head of the household.³⁵
- 9.4.7. The applicant must:³⁶
 - indicate that the owner is deceased:

³⁰ Amended by Council 30/05/2019

³¹ Amended by Council Sept 2021

³² Paragraph 9.2.9 Amended by Council Sept 2021

³³ Paragraph 11 Amended by Council Sept 2021

 $^{34\,}$ Paragraph $9.3.2\,$ Added by Council $30\,$ May $2022\,$

 $^{35\ \}mathsf{Paragraph}\ 9.3.6$ included by council 27/05/2020

³⁶ Paragraph 9.3.7 included by council 27/05/2020

- attached an affidavit (declaration) that he or she is the person to whom the house has been allocated to in the estate;
- If there is no estate, all surviving next of kind have to give consent to the applicant to occupy the estate property.

10. Disputes

Any dispute based on the administrative process or approval of an application will be dealt with by the Finance Committee. The Committee may call the applicant to put their dispute in words or ask the applicant to put it in writing. The Social and Welfare unit must be afforded to provide the committee with documentary proof of the process followed and or reasons for the decision made. The committee may not include in their decision any deviation of this policy.

11. TERMINATION OF INDIGENT SUPPORT³⁷

Indigent Support will be terminated under the following circumstances:

- 11.1. Death of account-holder:
- 11.2. Upon sale of the property;
- 11.3. When circumstances in the indigent household have improved in terms of a gross income exceeding the limit:
- 11.4. If the applicant is found to have furnished false information regarding indigent status;
- 11.5. If the household head owns a business or 38 a second property or there is a business operated in the property:
- 11.6. If it is determined during a visit that the household does not meet the requirements any longer.³⁹
- 11.7. If there is any illegal trading on the property.⁴⁰

12. COMMENCEMENT DATE

This amended policy takes effect when approved by Council.

³⁷ Paragraph 10 included by council 27/05/2020

³⁸ Amended by Council Sept 2021

³⁹ Amended by Council Sept 2021

⁴⁰ Amended by Council Sept 2021



BUDGET VIREMENT POLICY

Date of implementation 01 July 2010

Reviewed by Council 31/05/2012 Council 15/06/2010

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- 1. Definitions
- 2. Abbreviations
- 3. Objective
- 4. Financial Responsibility
- 5. Transfer/ Virement Restrictions
- 7. Transfer / Virement Procedure

Annexure "A" Vote Classification

Annexure "B" Item Classification

1. Definitions

"Accounting officer" The municipal manager of a municipality is the accounting officer of the municipality in terms of section 60 of the MFMA

"Approved budget" means an annual budget approved by a municipal council.

"Budget-related policy" means a policy of a municipality affecting or affected by the annual budget of the municipality as defined in the Budget Policy of the Council

"Chief financial officer" means a person designated in terms of the MFMA who performs such budgeting, and other duties as may in terms of section 79 of the MFMA be delegated by the accounting officer to the chief financial officer.

"Deputy Chief financial officer" Deputy Director: Finance

"Capital Budget" This is the estimated amount for capital items in a given fiscal period. Capital items are fixed assets such as facilities and equipment, the cost of which is normally written off over a number of fiscal periods

"Council" means the council of a municipality referred to in section 18 of the Municipal Structures Act.

"Financial year" means a 12-month year ending on 30 June.

"Line Item" an appropriation that is itemized on a separate line in a budget adopted with the idea of greater control over expenditures [See annexure "B" for current item structure]

"Operating Budget" The Town's financial plan, which outlines proposed expenditures for the coming financial year and estimates the revenues used to finance them.

"Ring Fenced" an exclusive combination of line items grouped for specific purposes for instance salaries and wages.

"Service delivery and budget implementation plan" means a detailed plan approved by the mayor of a municipality in terms of section 53(1) (c) (ii) for implementing the municipality's delivery of municipal services and its annual budget.

"Virement" is the process of transferring an approved budget allocation from one vote to another, with the approval of the Municipal Manager. To enable budget managers to amend budgets in the light of experience or to reflect anticipated changes.

"Vote" means one of the main segments into which a budget of a municipality is divided for the appropriation of funds for the different departments or functional areas of the municipality; and which specifies the total amount that is appropriated for the purposes of the department or functional area concerned. [See annexure "A" for current Vote structure]

"Budget transfer" means the transfer of an approved budget allocation from one operating or capital line item to another within a vote, with the approval of the relevant senior manager.

¹Updated 31/05/2012 Council meeting

2. Abbreviations

- 2.1. **CFO** Chief Financial Officer
- 2.2. **Deputy CFO:** Deputy Chief Financial Officer
- 2.3. **IDP** Integrated Development Plan
- 2.4. MFMA Municipal Finance Management Act No. 56 of 2003
- 2.5. **SDBIP** -Service delivery and budget implementation plan
- 2.6. **CM** Council Minute/'s

3. Objective

To allow limited flexibility in the use of budgeted funds to enable management to act on occasions such as disasters, unforeseen expenditure or savings, etc. as they arise to accelerate service delivery in a financially responsible manner.

4. Financial Responsibilities

- 4.1 Strict budgetary control must be maintained throughout the financial year in order that potential overspends and / or income under-recovery within individual vote departments is identified at the earliest possible opportunity. (Section 100 MFMA)
- 4.2 The Chief Financial Officer has a statutory duty to ensure that adequate policies and procedures are in place to ensure an effective system of financial control. The budget virement process is one of these controls. (Section 27(4) MFMA)
- 4.3 It is the responsibility of each manager or head of a department or activity to which funds are allotted, to plan and conduct assigned operations so as not to expend more funds than budgeted. In addition, they have the responsibility to identify and report any irregular or fruitless and wasteful expenditure in terms of the MFMA sections 78 and 102.

5. Virement Restrictions

- 5.1 No funds may be viremented between votes without consent of both vote holders and the Municipal Manager.
- 5.2 Virements may not exceed a maximum annual limit of 5 % per vote from which the virement originates.
- 5.3 A virement may not create new policy, significantly vary current policy, or alter the approved outcomes / outputs as approved in the IDP for the current or subsequent years.
- 5.4 No virement may commit the Municipality to increase recurrent expenditure, which commits the Council's resources in the following financial year, without the prior approval of the Mayoral Committee.

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- No funds may be transferred between line items without approval of the vote holder authorization, in other words the senior Manager's approval.
- 5.6 Budget may not be transferred from Support service (interdepartmental) costs, Capital financing, Depreciation, Contributions, Grant Expenditure, Insurance and Income Foregone.
- 5.7 Budget may only be transferred from or t0 employee related costs if approved by the CFO.
- 5.8 Transfers Virements in capital budget allocations are only permitted within specified action plans and not across funding sources without the written approval of the CFO and the Municipal Manager and must in addition have comparable asset lifespan classifications.
- 5.9 No virements are permitted in the first three months or the final month of the financial year without the express agreement of the CFO or the Deputy CFO.
- An approved virement/transfer does not give expenditure authority and all expenditure resulting from approved virements must still be subject to the supply chain management policy of Council as periodically reviewed.
- 5.11 Virements/transfers may not be made between Expenditure and Income.
- 5.12 No virements/transfers are allowed in terms of income line items.
- 5.13 No virement/transfers are allowed from capital budget to the operating budget
- 5.14 Virements/transfers should not result in new projects on the capital budget without the written approval of the CFO and the Municipal Manager
- 5.15 Virements/transfers of conditional grant funds to a purpose outside than specified in the relevant conditional grant framework are not permitted.
- 5.16 Virements / Transfers to Travelling and Accommodation and Entertainment line items are only permitted with the approval of the CFO and Municipal Manager
- 5.17. Virements / Transfers from Repairs & Maintenance Projects are only permitted with the approval of the CFO and Municipal Manager
- 5.18 Virements / Transfers from Specific Operational Typical Work streams Projects are only permitted with the approval of the CFO and Municipal Manager
- 5.19 No virements be permitted from projects allocated to specific regions/areas1
- 5.20 No virements be permitted from projects used to measure performance in terms of the SDBIP²
- 5.21 No virements be permitted for Funds allocated as grants to individuals (e.g. bursaries)³

Appendix A Classification be repealed and replaced with the updated Municipal Votes as disclosed in the Budget Schedules⁴

Appendix B Classification be repealed and replaced with the MSCOA line items⁵

6. Virement Procedure

¹ Added by council 30/05/2022

² Added by council 30/05/2022

³ Added by council 30/05/2022

⁴ Added by council 30/05/2022

⁵ Added by council 30/05/2022

- 6.1 All virement/transfer proposals must be completed on the appropriate documentation and forwarded to the relevant Finance Officer for checking and implementation.
- 6.2 All virements must be signed by the Initiator, Vote Holder, Municipal Manager and the official responsible for budgets.
- 6.3 All transfers must be signed by the Initiator, Vote holder, the official responsible to process the proposals and a Line Manager within Finance.
- 6.4 The form must be completed for all Budget Transfers, virements as well as transfers.
- Virements/transfers in excess of R 50,000 require the approval of the Deputy CFO and Virements / Transfers in excess of R 200,000 require the approval of the Chief Financial Officer⁵
- All documentation must be in order and approved before any expenditure can be committed or incurred. (Section 79 MFMA)
- 6.7 The Municipal Manager will report to the Mayor on a quarterly basis on those virements that have taken place during that quarter.

APPENDIX A WITZENBERGMUNICIPALITY

GFS CLASSIFICATION, COST CENTRE & VOTE STRUCTURE (To Be Replaced)

GFS Classification	Cost centers	Municipal Votes	Vote Holder (Responsible Sec 57 Appointment)	Support Vote Holder (Responsible Line Manager)
Budget & Treasury Office	Property rates	Financial Services	Director: Financial Services	Manager: Income
Budget & Treasury Office	Treasury: Administration	Financial Services	Director: Financial Services	Manager: Financial Administration
Budget & Treasury Office	Treasury: Debtors	Financial Services	Director: Financial Services	Manager: Income
Budget & Treasury Office	Treasury: Credit control	Financial Services	Director: Financial Services	Manager: Income
Budget & Treasury Office	Treasury: Supply Chain	Financial Services	Director: Financial Services	Manager: Supply Chain
Community & Social Services	Cemeteries	Community Services	Director: Community Services	Manager: Amenities & Environment
Community & Social Services	Library services	Community Services	Director: Community Services	Manager: Amenities & Environment
Community & Social Services	Community Halls & Facilities	Community Services	Director: Community Services	Manager: Amenities & Environment
Community & Social Services	Thusong Centre	Community Services	Director: Community Services	Manager: Amenities & Environment
Community & Social Services	Social & Welfare services	Community Services	Director: Community Services	Manager: Social and Economic services
Corporate Services	Control centre	Corporate Services	Director: Community Services	Manager: Protection Services
Corporate Services	Property maintenance	Corporate Services	Director: Community Services	Manager: Amenities & Environment
Corporate Services	Administration	Corporate Services	Director: Corporate Services	Manager: Administration
Corporate Services	Property administration	Corporate Services	Director: Corporate Services	Unknown
Corporate Services	Information Technology	Corporate Services	Director: Corporate Services	Manager: Administration
Corporate Services	Human resources	Corporate Services	Director: Corporate Services	Manager: Human Resources
Corporate Services	Tourism	Corporate Services	Director: Corporate Services	Manager: Communications
Corporate Services	Administration	Corporate Services	Director: Corporate Services	Manager: Administration
Corporate Services	Mechanical Workshop	Corporate Services	Director: Technical Services	Head: Electro Technical Services
Corporate Services	Marketing & Communications	Corporate Services	Director: Corporate Services	Manager: Communications
Electricity	Electricity: Administration	Technical Services	Director: Technical Services	Head: Electro Technical Services
Electricity	Electricity: Client Services	Technical Services	Director: Technical Services	Head: Electro Technical Services
Electricity	Electricity: Generation	Technical Services	Director: Technical Services	Head: Electro Technical Services
Electricity	Electricity: Distribution	Technical Services	Director: Technical Services	Head: Electro Technical Services
Environmental Protection	Environmental Protection	Community Services	Director: Community Services	Manager: Amenities & Environment
Executive & Council	Municipal Manager	Municipal Manager	Municipal Manager	Manager: IDP

APPENDIX A WITZENBERGMUNICIPALITY

GFS CLASSIFICATION, COST CENTRE & VOTE STRUCTURE

GFS CLASSIFICATION, COST CENTRE & VOTE STRUCTURE Vote Holder					
GFS Classification	Cost centers	Municipal Votes	(Responsible Sec 57 Appointment)	Support Vote Holder (Responsible Line Manager)	
Executive & Council	Council cost	Corporate Services	Director: Corporate Services	Manager: Administration	
Executive & Council	Town secretary	Corporate Services	Director: Corporate Services	Manager: Administration	
Executive & Council	Chief Executive's	Corporate Services	Municipal Manager	Manager: IDP	
Housing	Housing: Administration	Community Services	Director: Community Services	Manager: Housing	
Housing	Housing: Construction	Community Services	Director: Community Services	Manager: Housing	
Housing	Housing: Maintenance	Community Services	Director: Community Services	Manager: Housing	
Planning & Development	Licensing & regulation	Community Services	Director: Community Services	Manager: Amenities & Environment	
Planning & Development	Local Economic Development	Community Services	Director: Community Services	Manager: Social and Economical services	
Planning & Development	Integrated Development Planning	Municipal Manager	Municipal Manager	Manager: IDP	
Planning & Development	Building Control	Technical Services	Director: Technical Services	Manager: Planning & Projects	
Planning & Development	Town Planning	Technical Services	Director: Technical Services	Manager: Planning & Projects	
Planning & Development	Project Management	Municipal Manager	Director: Technical Services	Manager: Planning & Projects	
Planning & Development	Performance Management	Municipal Manager	Director: Technical Services	Manager: Planning & Projects	
Public Safety	Electricity: Street Lights	Technical Services	Director: Technical Services	Head: Electro Technical Services	
Public Safety	Fire Protection	Community Services	Director: Community Services	Manager: Protection Services	
Public Safety	Police & Traffic	Community Services	Director: Community Services	Manager: Protection Services	
Public Safety	Disaster management	Community Services	Director: Community Services	Manager: Protection Services	
Road Transport	Vehicle Licensing & Testing	Community Services	Director: Community Services	Manager: Protection Services	
Road Transport	Roads	Technical Services	Director: Technical Services	Manager: Roads & Storm water	
Sport and Recreation	Pine forest: Administration	Technical Services	Director: Community Services	Manager: Resorts & swimming pools	
Sport and Recreation	Pine forest: Security services	Community Services	Director: Community Services	Manager: Resorts & swimming pools	
Sport and Recreation	Pine forest: Semi permanent units	Community Services	Director: Community Services	Manager: Resorts & swimming pools	
Sport and Recreation	Pine forest: Cleaning services	Community Services	Director: Community Services	Manager: Resorts & swimming pools	
Sport and Recreation	Pine forest: Swimming pools	Community Services	Director: Community Services	Manager: Resorts & swimming pools	
Sport and Recreation	Klipriver park: Administration	Community Services	Director: Community Services	Manager: Resorts & swimming pools	
Sport and Recreation	Klipriver park: Cleaning services	Community Services	Director: Community Services	Manager: Resorts & swimming pools	
Sport and Recreation	Klipriver park: Swimming pool	Community Services	Director: Community Services	Manager: Resorts & swimming pools	
Sport and Recreation	Parks	Community Services	Director: Community Services	Manager: Amenities & Environment	
Sport and Recreation	Sport grounds	Community Services	Director: Community Services	Manager: Amenities & Environment	
Sport and Recreation	Swimming pools	Community Services	Director: Community Services	Manager: Resorts & swimming pools	
Waste Management	Public Toilets	Technical Services	Director: Technical Services	Manager: Solid Waste	
Waste Management	Solid Waste - Dumping Site	Technical Services	Director: Technical Services	Manager: Solid Waste	
Waste Management	Solid Waste - Garden	Technical Services	Director: Technical Services	Manager: Solid Waste	
Waste Management	Solid Waste - Removal	Technical Services	Director: Technical Services	Manager: Solid Waste	
Waste Water Management	Sewerage	Technical Services	Director: Technical Services	Manager: Water & Sewerage	
Waste Water Management	Storm water Management	Technical Services	Director: Technical Services	Manager: Roads & Storm water	
Water	Water Storage	Technical Services	Director: Technical Services	Manager: Water & Sewerage	
Water	Water Distribution	Technical Services	Director: Technical Services	Manager: Water & Sewerage	
·	•	•		<u> </u>	

Appendix B

Description	Classification	Budget Transfer to	Budget Transfer from
Bad Debts Written Off	Bad Debts Written Off	No	No
Decommissioning, Restoration and Similar Liability	Operational Cost	Yes	Yes
Business and Advisory: Organisational	Contracted Services	Yes	Yes
Outsourced Services: Catering Services	Contracted Services	Yes	Yes
Outsourced Services: Cleaning Services	Contracted Services	Yes	Yes
Outsourced Services: Security Services	Contracted Services	Yes	Yes
Business and Advisory: Accounting and Auditing	Contracted Services	Yes	Yes
Business and Advisory: Business and Financial Manag	Contracted Services	Yes	Yes
Business and Advisory: Human Resources	Contracted Services	Yes	Yes
Business and Advisory: Research and Advisory	Contracted Services	Yes	Yes
Business and Advisory: Forensic Investigators	Contracted Services	Yes	Yes
Business and Advisory: Actuaries	Contracted Services	Yes	Yes
Infrastructure and Planning: Geodetic, Control and	Contracted Services	Yes	Yes
Contractors: Catering Services	Contracted Services	Yes	Yes
Contractors: Maintenance of Buildings and Facilitie	Contracted Services	Yes	Yes
Contractors: Maintenance of Unspecified Assets	Contracted Services	Yes	Yes
Licences and Rights: Computer Software and Applicat	Depreciation and	No	No
	Amortisation		
Depreciation:Computer Equipment	Depreciation and Amortisation	No	No
Depreciation:Furniture and Office Equipment	Depreciation and Amortisation	No	No
Electrical Infrastructure:MV Networks	Depreciation and Amortisation	No	No
Depreciation: Machinery and Equipment	Depreciation and Amortisation	No	No
Depreciation:Transport Assets	Depreciation and Amortisation	No	No
Information and Communication Infrastructure:Data	Depreciation and Amortisation	No	No
Depreciation:Other Assets	Depreciation and Amortisation	No	No
Operational Buildings:Municipal Offices	Depreciation and Amortisation	No	No
Salaries, Wages and Allowances:Basic Salary and Wa	Employee Related Cost	Yes*	Yes*
Salaries, Wages and Allowances:Bonuses	Employee Related Cost	Yes*	Yes*
Allowances:Accommodation, Travel and Incidental	Employee Related Cost	Yes*	Yes*
Allowances:Cellular and Telephone	Employee Related Cost	Yes*	Yes*
Housing Benefits and Incidental:Housing Benefits	Employee Related Cost	Yes*	Yes*
Housing Benefits and Incidental:Rental Subsidy	Employee Related Cost	Yes*	Yes*
Allowances:Travel or Motor Vehicle	Employee Related Cost	Yes*	Yes*
Service Related Benefits: Acting and Post Related A	Employee Related Cost	Yes*	Yes*
Service Related Benefits:Standby Allowance	Employee Related Cost	Yes*	Yes*
Overtime:Non Structured	Employee Related Cost	Yes*	Yes*
Overtime:Night Shift	Employee Related Cost	Yes*	Yes*
Social Contributions:Bargaining Council	Employee Related Cost	Yes*	Yes*
Social Contributions:Group Life Insurance	Employee Related Cost	Yes*	Yes*
Social Contributions:Medical	Employee Related Cost	Yes*	Yes*
Social Contributions:Pension	Employee Related Cost	Yes*	Yes*
Social Contributions:Unemployment Insurance	Employee Related Cost	Yes*	Yes*

Interest Paid:Bank Overdraft	Interest, Dividends and Rent	No	No
	0		
Borrowings:Annuity Loans	Interest, Dividends and Rent o	No	No
Interest Paid:Discounting of Financial Instruments	Interest, Dividends and Rent	No	No
Interest Paid:Finance Leases	Interest, Dividends and Rent	No	No
Interest Paid:Overdue Accounts	Interest, Dividends and Rent	No	No
Interest Paid:Overpayments of Interest due to Quer	Interest, Dividends and Rent	No	No
Interest Paid:Deposits	Interest, Dividends and Rent	No	No
Consumables:Standard Rated	Inventory Consumed	Yes	Yes
Inventory Consumed:Materials and Supplies	Inventory Consumed	Yes	Yes
Inventory Consumed:Housing Stock	Inventory Consumed	Yes	Yes
Inventory Consumed:Land	Inventory Consumed	Yes	Yes
Operating Leases:Transport Assets	Operating Leases	Yes	Yes
Advertising, Publicity and Marketing:Corporate and	Operational Cost	Yes	Yes
Operational Cost:External Audit Fees	Operational Cost	Yes	Yes
Bank Charges, Facility and Card Fees:Bank Accounts	Operational Cost	Yes	Yes
Bank Charges, Facility and Card Fees:Third Parties	Operational Cost	Yes	Yes
Bank Charges, Facility and Card Fees:Investments	Operational Cost	Yes	Yes
Bank Charges, Facility and Card Fees: Lease Payment	Operational Cost	Yes	Yes
	· ·		
Bank Charges, Facility and Card Fees:Long and Shor	Operational Cost	Yes	Yes
Operational Cost:Courier and Delivery Services	Operational Cost	Yes	Yes
Communication:Cellular Expenditure	Operational Cost	Yes	Yes
Communication:Licences (Radio and Television)	Operational Cost	Yes	Yes
Communication:Postage/Stamps/Franking Machines	Operational Cost	Yes	Yes
Communication:Radio and TV Transmissions	Operational Cost	Yes	Yes
Communication:Telephone, Fax, Telegraph and Telex	Operational Cost	Yes	Yes
External Computer Service:Information Services	Operational Cost	Yes	Yes
External Computer Service:Mainframe Time	Operational Cost	Yes	Yes
External Computer Service:Remote Server Access	Operational Cost	Yes	Yes
External Computer Service:Recovery Centre Hosting	Operational Cost	Yes	Yes
External Computer Service:Software Licences	Operational Cost	Yes	Yes
External Computer Service:Specialised Computer Ser	Operational Cost	Yes	Yes
External Computer Service:System Adviser	Operational Cost	Yes	Yes
External Computer Service:System Development	Operational Cost	Yes	Yes
Insurance Underwriting:Claims paid to Third Partie	Operational Cost	Yes	Yes
Insurance Underwriting:Insurance Brokers Fees	Operational Cost	Yes	Yes
Insurance Underwriting:Insurance Claims	Operational Cost	Yes	Yes
Insurance Underwriting:Excess Payments	Operational Cost	Yes	Yes
Insurance Underwriting:Premiums	Operational Cost	Yes	Yes
Operational Cost:Learnerships and Internships	Operational Cost	Yes	Yes
Registration Fees:Professional and Regulatory Bodi	Operational Cost	Yes	Yes
Seminars, Conferences, Workshops and Events:Nation	Operational Cost	Yes	Yes
Operational Cost:Travel Agency and Visa's	Operational Cost	Yes	Yes
Operational Cost:Printing, Publications and Books	Operational Cost	Yes	Yes
Operational Cost:Professional Bodies, Membership a	Operational Cost	Yes	Yes
Operational Cost: Professional Bodies, Membership a	Operational Cost	Yes	Yes
Operational Cost:Resettlement Cost Operational Cost:Road Worthy Test	Operational Cost	Yes	Yes
Operational Cost:Road Worthy Test Operational Cost:Toll Gate Fees	Operational Cost		
Operational Cost. Foil Gate Fees	Operational Cost	Yes	Yes

Transport Provided as Part of Departmental Activit	Operational Cost	Yes	Yes
Domestic:Accommodation	Operational Cost	Yes	Yes
Domestic:Daily Allowance	Operational Cost	Yes	Yes
Domestic:Food and Beverage (Served)	Operational Cost	Yes	Yes
Domestic:Incidental Cost	Operational Cost	Yes	Yes
Transport without Operator:Car Rental	Operational Cost	Yes	Yes
Transport without Operator:Own Transport	Operational Cost	Yes	Yes
Transport with Operator:Other Transport Provider	Operational Cost	Yes	Yes
Public Transport:Air Transport	Operational Cost	Yes	Yes
Public Transport:Railway Transport	Operational Cost	Yes	Yes
Public Transport:Road Transport	Operational Cost	Yes	Yes
Operational Cost:Uniform and Protective Clothing	Operational Cost	Yes	Yes
Operational Cost:Workmen's Compensation Fund	Operational Cost	Yes	Yes
Operational Cost:Hire Charges	Operational Cost	Yes	Yes
Fines and Penalties:Road Traffic and Other Fines	Operational Cost	Yes	Yes
Other Transfers (Cash):Bursaries (Non-Employee)	Transfers and Subsidies	No	No
Default	Default	No	No
Surplus / Deficit:Transfer to Accumulated Surplus	Surplus / Deficit	No	No
Business and Advisory:Quality Control	Contracted Services	Yes	Yes
Business and Advisory:Valuer	Contracted Services	Yes	Yes
Contractors:Tracing Agents and Debt Collectors	Contracted Services	Yes	Yes
Advertising, Publicity and Marketing:Customer/Clie	Operational Cost	Yes	Yes
Operational Cost:Cash Discount	Operational Cost	Yes	Yes
Cleaning Services:Car Valet and Washing Services	Operational Cost	Yes	Yes
Operational Cost:Deeds	Operational Cost	Yes	Yes
Licences:Motor Vehicle Licence and Registrations	Operational Cost	Yes	Yes
Operational Cost:Wet Fuel	Operational Cost	Yes	Yes
Electricity:ESKOM	Bulk Purchases	Yes	No
Outsourced Services:Meter Management	Contracted Services	Yes	Yes
Connection/Dis-connection:Electricity	Contracted Services	Yes	Yes
Commission:Third Party Vendors	Operational Cost	Yes	Yes
Communication:SMS Bulk Message Service	Operational Cost	Yes	Yes
Operational Cost:Municipal Services	Operational Cost	Yes	Yes
Outsourced Services:Hygiene Services	Contracted Services	Yes	Yes
Contractors:Auctioneers	Contracted Services	Yes	Yes
Contractors:Pest Control and Fumigation	Contracted Services	Yes	Yes
Community Facilities:Centres	Depreciation and	No	No
•	Amortisation		140
Advertising, Publicity and Marketing: Auctions	Operational Cost	Yes	Yes
Advertising, Publicity and Marketing:Bursaries (No	Operational Cost	Yes	Yes
Advertising, Publicity and Marketing:Tenders	Operational Cost	Yes	Yes
Operational Cost:Search Fees	Operational Cost	Yes	Yes
Contractors:Plants, Flowers and Other Decorations	Contracted Services	Yes	Yes
Allowance:Housing Benefits	Employee Related Cost	Yes*	Yes*
Allowance:Non-pensionable	Employee Related Cost	Yes*	Yes*
Salaries and Allowances:Basic Salary	Employee Related Cost	Yes*	Yes*
Salaries and Allowances:Bonuses	Employee Related Cost	Yes*	Yes*
Allowance:Cellular and Telephone	Employee Related Cost	Yes*	Yes*
Allowance:Housing Benefits	Employee Related Cost	Yes*	Yes*
Allowance:Travel or Motor Vehicle	Employee Related Cost	Yes*	Yes*

Allowance:Accommodation, Travel and Incidental	Employee Related Cost	Yes*	Yes*
Social Contributions:Medical	Employee Related Cost	Yes*	Yes*
Social Contributions:Pension	Employee Related Cost	Yes*	Yes*
Social Contributions:Unemployment Insurance	Employee Related Cost	Yes*	Yes*
Social Contributions:Bargaining Council	Employee Related Cost	Yes*	Yes*
Entertainment:Senior Management	Operational Cost	Yes	Yes
Operational Cost:Office Decorations	Operational Cost	Yes	Yes
Operational Cost:Skills Development Fund Levy	Operational Cost	Yes	Yes
Operational Cost:Entrance Fees	Operational Cost	Yes	Yes
Outsourced Services:Burial Services	Contracted Services	Yes	Yes
Community Facilities:Cemeteries/Crematoria	Depreciation and Amortisation	No	No
Consumables:Zero Rated	Inventory Consumed	Yes	Yes
Outsourced Services:Illegal Dumping	Contracted Services	Yes	Yes
Outsourced Services:Personnel and Labour	Contracted Services	Yes	Yes
Business and Advisory:Medical Examinations	Contracted Services	Yes	Yes
Legal Cost:Legal Advice and Litigation	Contracted Services	Yes	Yes
Contractors:Management of Informal Settlements	Contracted Services	Yes	Yes
Operating Leases:Investment Properties	Operating Leases	Yes	Yes
Housing Support:Project Linked Support (Housing)	Transfers and Subsidies	No	No
Contractors:Gardening Services	Contracted Services	Yes	Yes
Contractors:Stage and Sound Crew	Contracted Services	Yes	Yes
Sanitation Infrastructure:Waste Water Treatment Wo	Depreciation and Amortisation	No	No
Sanitation Infrastructure:Toilet Facilities	Depreciation and Amortisation	No	No
Community Facilities:Libraries	Depreciation and Amortisation	No	No
Advertising, Publicity and Marketing:Gifts and Pro	Operational Cost	Yes	Yes
Outsourced Services:Clearing and Grass Cutting Ser	Contracted Services	Yes	Yes
Outsourced Services:Fire Services	Contracted Services	Yes	Yes
Contractors:Maintenance of Equipment	Contracted Services	Yes	Yes
Community Facilities:Fire/Ambulance Stations	Depreciation and Amortisation	No	No
Interest, Dividends and Rent on Land:Rent on Land	Interest, Dividends and Rent o	No	No
Contractors:Chipping	Contracted Services	Yes	Yes
Sport and Recreation Facilities:Outdoor Facilities	Depreciation and Amortisation	No	No
Advertising, Publicity and Marketing:Signs	Operational Cost	Yes	Yes
Cleaning Services:Laundry Services	Operational Cost	Yes	Yes
Contractors:Gas	Contracted Services	Yes	Yes
Community Facilities:Halls	Depreciation and Amortisation	No	No
Community Facilities: Public Ablution Facilities	Depreciation and Amortisation	No	No
Outsourced Services:Alien Vegetation Control	Contracted Services	Yes	Yes
Outsourced Services:Animal Care	Contracted Services	Yes	Yes
Outsourced Services: Veterinary Services	Contracted Services	Yes	Yes
Business and Advisory:Quality Control	Contracted Services	Yes	Yes
Contractors:Stream Cleaning and Ditching	Contracted Services	Yes	Yes
Contribution to Provisions:Alien Vegetation	Operational Cost	Yes	Yes
Transport Provided as Part of Departmental Activit	Operational Cost	Yes	Yes
Outsourced Services:Litter Picking and Street Clea	Contracted Services	Yes	Yes
Contractors:Forestry	Contracted Services	Yes	Yes

Roads Infrastructure:Roads	Depreciation and Amortisation	No	No
Community Facilities:Public Open Space	Depreciation and Amortisation	No	No
Operational Buildings:Workshops	Depreciation and Amortisation	No	No
Outsourced Services:Traffic Fines Management	Contracted Services	Yes	Yes
Outsourced Services:Drivers Licence Cards	Contracted Services	Yes	Yes
Legal Cost:Issue of Summons	Contracted Services	Yes	Yes
Contractors:Traffic and Street Lights	Contracted Services	Yes	Yes
Contractors:Transportation	Contracted Services	Yes	Yes
Depreciation:Roads Infrastructure	Depreciation and Amortisation	No	No
Operational Cost:Firearm Handling Fees	Operational Cost	Yes	Yes
Outsourced Services:Transport Services	Contracted Services	Yes	Yes
Engineering:Structural	Contracted Services	Yes	Yes
Contractors:Event Promoters	Contracted Services	Yes	Yes
Operational Cost:Indigent Relief	Operational Cost	Yes	Yes
Operating Leases:Land	Operating Leases	Yes	Yes
Business and Advisory:Research and Advisory	Contracted Services	Yes	Yes
Contractors: Exhibit Installations	Contracted Services	Yes	Yes
Community Facilities:Markets	Depreciation and Amortisation	No	No
Salaries and Allowances:Basic Salary	Employee Related Cost	Yes*	Yes*
Salaries and Allowances:Bonuses	Employee Related Cost	Yes*	Yes*
Allowance:Travel or Motor Vehicle	Employee Related Cost	Yes*	Yes*
Allowance:Accommodation, Travel and Incidental	Employee Related Cost	Yes*	Yes*
Social Contributions:Medical	Employee Related Cost	Yes*	Yes*
Social Contributions:Pension	Employee Related Cost	Yes*	Yes*
Social Contributions:Unemployment Insurance	Employee Related Cost	Yes*	Yes*
Social Contributions:Bargaining Council	Employee Related Cost	Yes*	Yes*
Outsourced Services:Removal of Structures and Ille	Contracted Services	Yes	Yes
Outsourced Services:Translators, Scribes and Edito	Contracted Services	Yes	Yes
Operational Cost:Storage of Files (Archiving)	Operational Cost	Yes	Yes
Operational Cost:Remuneration to Section 79 Commit	Operational Cost	Yes	Yes
Social Assistance:Social Relief	Transfers and Subsidies	No	No
Licences and Rights:Water Rights	Depreciation and	No	No
Communication:Telephone Installation	Amortisation Operational Cost	Yes	Voc
•	•		Yes
External Computer Service: Data Lines	Operational Cost	Yes	Yes
External Computer Service:Internet Charge	Operational Cost	Yes	Yes
External Computer Service:Network Extensions	Operational Cost	Yes	Yes
External Computer Service:Wireless Network	Operational Cost	Yes	Yes
Outsourced Services: Medical Services [Medical Heal	Contracted Services	Yes	Yes
Business and Advisory:Occupational Health and Safe	Contracted Services	Yes	Yes
Business and Advisory:Organisational	Contracted Services	Yes	Yes
Business and Advisory:Qualification Verification	Contracted Services	Yes	Yes
Contractors:Employee Wellness	Contracted Services	Yes	Yes
Service Related Benefits:Long Service Award	Employee Related Cost	Yes*	Yes*
Service Related Benefits:Leave Pay	Employee Related Cost	Yes*	Yes*
Medical:Current Service Cost	Employee Related Cost	Yes*	Yes*
Medical:Interest Cost	Employee Related Cost	Yes*	Yes*
Medical:Past Service Cost	Employee Related Cost	Yes*	Yes*

Medical:Effect of asset recognition ceiling	Employee Related Cost	Yes*	Yes*
Medical:Expected return on Plan Assets/Reimburseme	Employee Related Cost	Yes*	Yes*
Medical:Curtailment and Settlement	Employee Related Cost	Yes*	Yes*
Medical:Defined Contribution Fund Expenses	Employee Related Cost	Yes*	Yes*
Pension:Current Service Cost	Employee Related Cost	Yes*	Yes*
Pension:Interest Cost	Employee Related Cost	Yes*	Yes*
Pension:Past Service Cost	Employee Related Cost	Yes*	Yes*
Pension:Effect of asset recognition ceiling	Employee Related Cost	Yes*	Yes*
Pension:Expected return on Plan Assets/Reimburseme	Employee Related Cost	Yes*	Yes*
Pension:Curtailment and Settlement	Employee Related Cost	Yes*	Yes*
Pension:Defined Contribution Fund Expenses	Employee Related Cost	Yes*	Yes*
Other Benefits:Leave Gratuity	Employee Related Cost	Yes*	Yes*
Other Benefits:Long Term Service Awards	Employee Related Cost	Yes*	Yes*
Interest Paid:Interest costs non-current Provision	Interest, Dividends and Rent o	No	No
Operational Cost:Achievements and Awards	Operational Cost	Yes	Yes
Advertising, Publicity and Marketing:Staff Recruit	Operational Cost	Yes	Yes
Operational Cost:Full Time Union Representative	Operational Cost	Yes	Yes
Operational Cost:Management Fee	Operational Cost	Yes	Yes
Operational Cost:Rewards Incentives	Operational Cost	Yes	Yes
Revenue Generating:Improved Properties	Depreciation and	No	No
Revenue Generating:Unimproved Properties	Amortisation Depreciation and Amortisation	No	No
Non-revenue Generating:Improved Properties	Depreciation and Amortisation	No	No
Non-revenue Generating:Unimproved Properties	Depreciation and Amortisation	No	No
Allowances and Service Related Benefits:Out of poc	Remuneration of Councillors	No	No
Allowances and Service Related Benefits:Travelling	Remuneration of Councillors	No	No
Allowances and Service Related Benefits:Basic Sala	Remuneration of Councillors	No	No
Allowances and Service Related Benefits:Cell phone	Remuneration of Councillors	No	No
Social Contributions:Pension Fund Contributions	Remuneration of Councillors	No	No
Allowances and Service Related Benefits:Out of poc	Remuneration of Councillors	No	No
Allowances and Service Related Benefits:Travelling	Remuneration of Councillors	No	No
Allowances and Service Related Benefits:Basic Sala	Remuneration of Councillors	No	No
Allowances and Service Related Benefits:Cell phone	Remuneration of Councillors	No	No
Allowances and Service Related Benefits:Housing Al	Remuneration of Councillors	No	No
Social Contributions:Pension Fund Contributions	Remuneration of Councillors	No	No
Allowances and Service Related Benefits:Out of poc	Remuneration of Councillors	No	No
Allowances and Service Related Benefits:Travelling	Remuneration of Councillors	No	No
Allowances and Service Related Benefits:Basic Sala	Remuneration of Councillors	No	No
Allowances and Service Related Benefits:Cell phone	Remuneration of Councillors	No	No
Social Contributions:Pension Fund Contributions	Remuneration of Councillors	No	No
Allowances and Service Related Benefits:Out of poc	Remuneration of Councillors	No	No
Allowances and Service Related Benefits:Travelling	Remuneration of Councillors	No	No
Allowances and Service Related Benefits:Basic Sala	Remuneration of Councillors	No	No
Allowances and Service Related Benefits:Cell phone	Remuneration of Councillors	No	No
Social Contributions:Pension Fund Contributions	Remuneration of Councillors	No	No
Social Contributions:Medial Aid Benefits	Remuneration of Councillors	No	No
Allowances and Service Related Benefits:Out of poc	Remuneration of Councillors	No	No
Allowances and Service Related Benefits:Travelling	Remuneration of Councillors	No	No

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Allowances and Service Related Benefits:Basic Sala	Remuneration of Councillors	No	No
Allowances and Service Related Benefits:Cell phone	Remuneration of Councillors	No	No
Social Contributions:Pension Fund Contributions	Remuneration of Councillors	No	No
Social Contributions:Medial Aid Benefits	Remuneration of Councillors	No	No
Entertainment:Executive Mayor	Operational Cost	Yes	Yes
Entertainment:Total for All Other Councillors	Operational Cost	Yes	Yes
Operational Cost:Remuneration to Ward Committees	Operational Cost	Yes	Yes
Non-profit institutions:Tourism	Transfers and Subsidies	No	No
Salaries and Allowances:Basic Salary	Employee Related Cost	Yes*	Yes*
Salaries and Allowances:Bonuses	Employee Related Cost	Yes*	Yes*
Allowance:Cellular and Telephone	Employee Related Cost	Yes*	Yes*
Allowance:Travel or Motor Vehicle	Employee Related Cost	Yes*	Yes*
Social Contributions:Pension	Employee Related Cost	Yes*	Yes*
Social Contributions:Unemployment Insurance	Employee Related Cost	Yes*	Yes*
Social Contributions:Bargaining Council	Employee Related Cost	Yes*	Yes*
Contractors:Photographer	Contracted Services	Yes	Yes
Advertising, Publicity and Marketing:Municipal New	Operational Cost	Yes	Yes
Communication:Satellite Signals	Operational Cost	Yes	Yes
Operational Cost:Signage	Operational Cost	Yes	Yes
Infrastructure and Planning:Geoinformatic Services	Contracted Services	Yes	Yes
External Computer Service:GPS Licence Fees	Operational Cost	Yes	Yes
Outsourced Services:Electrical	Contracted Services	Yes	Yes
Engineering:Electrical	Contracted Services	Yes	Yes
Contractors:Removal of Hazardous Waste	Contracted Services	Yes	Yes
Electrical Infrastructure:HV Substations	Depreciation and	No	No
Floatsian Lafragatus at 197 Coultable a Chatian	Amortisation	NI-	N-
Electrical Infrastructure:HV Switching Station	Depreciation and Amortisation	No	No
Electrical Infrastructure:HV Transmission Conducto	Depreciation and Amortisation	No	No
Electrical Infrastructure:MV Substations	Depreciation and Amortisation	No	No
Electrical Infrastructure:MV Switching Stations	Depreciation and Amortisation	No	No
Electrical Infrastructure:LV Networks	Depreciation and	No	No
Electrical Infrastructure:Capital Spares	Amortisation Depreciation and	No	No
	Amortisation		
Operational Cost:Electricity Compliance Certificat	Operational Cost	Yes	Yes
Operational Cost:Environmental Levy	Operational Cost	Yes	Yes
Other Transfers Public Corporations:ESKOM	Transfers and Subsidies	No	No
Operational Cost:Vehicle Tracking	Operational Cost	Yes	Yes
Operational Cost:Warrantees and Guarantees	Operational Cost	Yes	Yes
Outsourced Services:Sewerage Services	Contracted Services	Yes	Yes
Engineering:Civil	Contracted Services	Yes	Yes
Contractors:Sewerage Services	Contracted Services	Yes	Yes
Water Supply Infrastructure: Distribution	Depreciation and Amortisation	No	No
Sanitation Infrastructure:Pump Station	Depreciation and Amortisation	No	No
Sanitation Infrastructure:Reticulation	Depreciation and Amortisation	No	No
Sanitation Infrastructure:Outfall Sewers	Depreciation and Amortisation	No	No
Storm water Infrastructure:Drainage Collection	Depreciation and Amortisation	No	No
Storm water Infrastructure:Storm Water Conveyance	Depreciation and	No	No

	Amortisation		
Infrastructure and Planning:Architectural	Contracted Services	Yes	Yes
Storm water Infrastructure: Attenuation	Depreciation and	No	No
Roads Infrastructure:Road Structures	Amortisation Depreciation and Amortisation	No	No
Roads Infrastructure:Road Furniture	Depreciation and Amortisation	No	No
Community Facilities:Airports	Depreciation and Amortisation	No	No
Solid Waste Infrastructure:Landfill Sites	Depreciation and Amortisation	No	No
Solid Waste Infrastructure: Waste Transfer Stations	Depreciation and Amortisation	No	No
Solid Waste Infrastructure:Waste Processing Facili	Depreciation and Amortisation	No	No
Solid Waste Infrastructure:Waste Drop-off Points	Depreciation and Amortisation	No	No
Solid Waste Infrastructure:Waste Separation Facili	Depreciation and Amortisation	No	No
Solid Waste Infrastructure: Electricity Generating	Depreciation and Amortisation	No	No
Decommissioning, Restoration and Similar Liabiliti	Operational Cost	Yes	Yes
Business and Advisory:Project Management	Contracted Services	Yes	Yes
Water Supply Infrastructure:Dams and Weirs	Depreciation and Amortisation	No	No
Water Supply Infrastructure:Boreholes	Depreciation and Amortisation	No	No
Water Supply Infrastructure:Reservoirs	Depreciation and Amortisation	No	No
Water Supply Infrastructure:Pump Stations	Depreciation and Amortisation	No	No
Water Supply Infrastructure: Water Treatment Works	Depreciation and Amortisation	No	No
Operational Cost:Levies Paid - Water Resource Mana	Operational Cost	Yes	Yes
Contractors:Bore Waterhole Drilling	Contracted Services	Yes	Yes
Water Supply Infrastructure:Bulk Mains	Depreciation and Amortisation	No	No
Water Supply Infrastructure: Distribution Points	Depreciation and Amortisation	No	No
Water Supply Infrastructure:PRV Stations	Depreciation and Amortisation	No	No
Inventory Consumed:Water	Inventory Consumed	Yes	Yes
Communication:Telemetric Systems	Operational Cost	Yes	Yes
Salaries and Allowances:Basic Salary	Employee Related Cost	Yes*	Yes*
Salaries and Allowances:Bonuses	Employee Related Cost	Yes*	Yes*
Allowance:Travel or Motor Vehicle	Employee Related Cost	Yes*	Yes*
Allowance:Accommodation, Travel and Incidental	Employee Related Cost	Yes*	Yes*
Social Contributions:Unemployment Insurance	Employee Related Cost	Yes*	Yes*
Social Contributions:Bargaining Council	Employee Related Cost	Yes*	Yes*
CERES BUSINESS INITIATIVE	Transfers and Subsidies	No	No
Salaries and Allowances:Basic Salary	Employee Related Cost	Yes*	Yes*
Salaries and Allowances:Bonuses	Employee Related Cost	Yes*	Yes*
Allowance:Cellular and Telephone	Employee Related Cost	Yes*	Yes*
Allowance:Travel or Motor Vehicle	Employee Related Cost	Yes*	Yes*
Allowance:Accommodation, Travel and Incidental	Employee Related Cost	Yes*	Yes*
Social Contributions:Medical	Employee Related Cost	Yes*	Yes*
Social Contributions:Pension	Employee Related Cost	Yes*	Yes*
Social Contributions:Unemployment Insurance	Employee Related Cost	Yes*	Yes*
Social Contributions:Bargaining Council	Employee Related Cost	Yes*	Yes*

Operational Cost	Yes	Yes
Operational Cost	Yes	Yes
Transfers and Subsidies	No	No
Transfers and Subsidies	No	No
Transfers and Subsidies	No	No
Transfers and Subsidies	No	No
Transfers and Subsidies	No	No
Transfers and Subsidies	No	No
Transfers and Subsidies	No	No
Contracted Services	Yes	Yes
Contracted Services	Yes	Yes
	Operational Cost Transfers and Subsidies	Operational Cost Operat



ASSET MANAGEMENT POLICY

Date of Implementation: 01 July 2010

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1. INTRODUCTION

This policy for the management of assets has been designed to assist management and officials of the Witzenberg Municipality with the description of management procedures for Property, Plant and Equipment, Investment Property, Agricultural Assets and Intangible Assets. It also should assist with the capacity to differentiate between activities, which are acceptable in terms of general authorization, supervisory responsibilities and limits of authority to the management of assets and functions of the organisation.

This policy will provide certainty with respect to the handling of asset management procedures undertaken within the organization and will ensure that management and employees understand their respective responsibilities and duties.

For the purpose of this policy, assets exclude inventory and monetary assets such as debtors.

This policy replaces all asset management procedures/instructions and memoranda that have been previously issued.

Failure to comply with this policy will result in the institution of disciplinary procedures in terms of the stipulated human resource policies and procedures of Witzenberg Municipality.

2. OBJECTIVE

The objective of this policy is to ensure that assets of the Municipality are properly managed and accounted for by:

- The accurate recording of essential asset information;
- The accurate recording of asset movements;
- Exercising strict physical controls over all assets;
- Treating the assets correctly in the Municipality's financial statements;
- Providing accurate and meaningful management information;
- Compliance with the Council's accounting policies and Generally Recognised Accounting Practices;
- Adequate insuring of assets;
- Maintenance of Council's assets;
- Ensuring that managers are aware of their responsibilities with regard to the assets; and
- Setting out the standards of management, recording and internal controls so as to safeguard the assets against inappropriate utilisation or loss.

3. STATUTORY FRAMEWORK

The statutory framework for this policy is:

- The Constitution of the Republic of South Africa, Act 108 of 1996;
- Local Government: Municipal Structures Act, No 117 of 1998;
- Local Government: Municipal Systems Act, No 32 of 2000;

- Local Government: Municipal Finance Management Act, No. 56 of 2003;
- Regulation No. 31346 of 2008;
- Municipal Supply Chain Management Regulations No. 27636;
- Generally Recognised Accounting Practice.

4. ACCOUNTING STANDARDS

This document constitutes a policy statement and shall not take precedence over the standards specified by the Accounting Standards Board. The relevant accounting standards include:

- GRAP 1 Presentation of Financial Statements;
- GRAP 13 Leases;
- GRAP 16 Investment Property;
- GRAP 17 Property, Plant and Equipment;
- GRAP 100 Non current Assets Held for Sale and Discontinued Operations;
- GRAP 101 Agricultural;
- GRAP 102 Intangible Assets; and
- IAS 36 Impairment of Assets

Other relevant accounting standards are:

- GRAP 12 on Inventories
- GRAP 11 on Construction Contracts

5. **DEFINITIONS**

Every effort has been made to use definitions established through legislation, standards of accounting and other guidance on asset management.

"Accounting Officer" means the municipal manager appointed in terms of Section 82 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) and being the head of administration and accounting officer in terms of Section 60 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000).

"Agricultural Activity" is the management by an entity of the biological transformation of biological assets for sale, into agricultural produce, or into additional biological assets.

"Active market" is a market in which all the following conditions exist:

- The item traded within the market are homogeneous;
- Willing buyer and seller can normally be found at any time; and
- Prices are available to the public.

"Amortisation" is the systematic allocation of the depreciable amount of an intangible asset over its useful life.

[&]quot;Agricultural Produce" is the harvested product of the entity's biological assets.

- "Assets" are resources controlled by the municipality as a result of past events and from which future economic benefit or service potential are expected to flow. However for the purpose of this policy exclude inventory and other monetary assets.
- "Asset categories" are the six main asset categories defined as follows:
- "Asset Life-Cycle" is the cycle of activities that an asset goes through including planning, design, initial acquisition and/or construction, cycle of operation and maintenance and capital renewal and finally disposal.
- "Asset Manager" is any official who has been delegated responsibility and accountability for the control, usage, physical and financial management of the municipality's assets in accordance with the entity's standards, policies, procedures and relevant guidelines.
- "Asset Register" is a record of information on each asset that supports the effective financial and technical management of the assets, and meets statutory requirements.
- "Biological Asset" is a living animal or plant.
- "Biological Transformation" comprises the processes of growth, degeneration, production and procreation that cause qualitative or quantitative changes to a biological asset.
- "Carrying amount" is the amount at which an asset is recognized after deducting any accumulated depreciation and accumulated impairment losses.
- "Chief Financial Officer" means an officer of a municipality designated by the municipal manager to be administratively in charge of the budgetary and treasury functions.
- "Class of property, plant and equipment" means a grouping of assets of a similar nature or function in a municipality's operations, which is shown as a single item for the purpose of disclosure in the financial statements.
- "Commercial service" means a service other than a municipal service
- (a) rendered by a private sector party or organ of state to or for a municipality or municipal entity on a commercial basis; and
- (b) which is procured by the municipality or municipal entity through its supply chain management policy.
- "Community Assets" are defined as any asset that contributes to the community's well-being. Examples are parks, libraries and fire stations.
- "Cost" is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or where applicable, the amount attributed to that asset when initially

recognized in accordance with the specific requirements of Standards of GRAP.

- "Depreciation" is the systematic allocation of the depreciable amount of an asset over its useful life.
- "Depreciable Amount" is the cost of an asset, or other amount substituted for cost in the financial statements, less its residual value.
- "Depreciated replacement cost", in relation to a capital asset, means an amount equivalent to the cost to replace the capital asset on the date of transfer adjusted by a deemed depreciated cost at the date of the transfer taking into account the age and condition of the asset.
- "Disposal", in relation to a capital asset, includes -
- (a) the demolition, dismantling or destruction of the capital asset; or
- (b) any other process applied to a capital asset which results in loss of ownership of the capital asset otherwise than by way of transfer of ownership.
- **"Disposal management system"** means the system contemplated in regulation 40 of the Municipal Supply Chain Management Regulations, published by General Notice No. 868 of 2005.
- **"Enhancements / Rehabilitation"** is an improvement or augmentation of an existing asset beyond its original recognized service potential for example useful life, capacity, quality and functionality.
- "Fair Value" is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.
- "GRAP" is Standards of Generally Recognised Accounting Practice
- "Head of department / senior manager" means a manager referred to in section 56 of the Municipal Systems Act.
- "Heritage Assets" are defined as culturally significant resources. Examples are works of art, historical buildings and statues.
- "Historical cost" means the original purchase price or cost of acquisition of the capital asset at the time the asset was acquired
- An "**impairment loss**" of a cash generating asset is the amount by which the carrying amount of an asset exceeds its recoverable amount.
- An "**impairment loss**" of non-cash generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount.
- "Infrastructure assets" are defined as any asset that is part of a network of similar assets. Examples are roads, water reticulation schemes, sewerage

purification and trunk mains, transport terminals and car parks.

- "Intangible assets" are identifiable non-monetary assets without physical substance.
- "Investment Properties" are defined as property (land or a building-or part of a building-or both) held (by the owner or by lessee under a finance lease) to earn rentals or for capital appreciation or both, rather than for:
- (a) use in the production and supply of goods or services or for administrative purposes; or
- (b) sale in the ordinary course of business.
- "Municipality" means the Witzenberg Municipality.
- "Other Assets" are defined as assets utilized in normal operations. Examples are plant and equipment, motor vehicles and furniture and fittings.
- "Property, Plant and Equipment" (PPE) are tangible assets that:
- are held by a municipality for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and
- are expected to be used during more than one period.
- "Realisable value" means the amount of cash or cash equivalents that could currently be obtained by transferring the capital asset, less the estimated cost of completion and the estimated costs necessary to make the transfer.
- "Recoverable Amount" is the amount that the municipality expects to recover from the future use of an asset, including its residual value on disposal.
- "Recoverable service amount" is the higher of a non-cash-generating asset's fair value less costs to sell and its future value in use.
- "Residual Value" of an asset is the estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and condition expected at the end of its useful life.
- "Right to use, control or manage" means a right to use, control or manage the capital asset for a period exceeding one calendar month without ceding legal ownership in the asset. In other words, where the granting of such rights do not amount to the transfer or permanent disposal of the asset, for example when a right is acquired through a leasing, letting or hiring out arrangement.
- **"Senior Manager"** is a manager referred to Section 57 of the Municipal Systems Act (MSA) being someone reporting directly to the municipal manager.
- "Service provider" -

- (a) in relation to a municipal service, means a private sector party or organ of state appointed by a municipality in terms of Chapter 8 of the Municipal Systems Act to perform a municipal service in accordance with that Act; or
- (b) in relation to a commercial service, means a private sector party or organ of state appointed in terms of the supply chain management policy of a municipality or municipal entity to render a commercial service to or for the municipality or entity as an independent contractor.
- "Supply chain management policy" means the supply chain management policy which a municipality or municipal entity is required to have in terms of Chapter 11 of the Act.
- "The Act" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003).
- "Transfer", in relation to a capital or subsidiary asset, means transfer of ownership in the asset as a result of a sale or other transaction.

"Useful Life" - is either:

- the period of the time over which an asset is expected to be used by the municipality, or
- the number of production or similar units expected to be obtained from the asset by the municipality.

6. BACKGROUND

The utilization and management of property, plant and equipment, investment property, intangible assets and agricultural assets is the prime mechanism by which the Municipality can fulfil its constitutional mandates for:-

- Delivery of sustainable services;
- Social and economic development;
- Promoting safe and healthy environments; and
- Fulfilling the basic needs to the community.

As trustees on behalf of the local community, the Municipality has a legislative and moral obligation to ensure it implements policies to safeguard the monetary value and future service provision invested in assets.

The policy for the management of assets deals with the Municipal rules required to ensure the enforcement of appropriate stewardship of assets. Stewardship has two components being the:-

- Financial administration by the Chief Financial Officer; and
- Physical administration by the relevant managers.

Statutory provisions are being implemented to protect public property against arbitrary and inappropriate management or disposals by local government.

Accounting standards have been approved by the Accounting Standards Board to

ensure the appropriate financial treatment for property, plant and equipment, investment property, intangible assets and agricultural assets. The requirements of these new accounting standards include:-

- The compilation of asset registers covering all assets controlled by the Municipality.
- Accounting treatment for the acquisition, disposal, recording and depreciation/amortisation of assets.
- The standards to which financial records must be maintained to comply with the new accounting standards.

7. DELEGATION OF POWERS

This policy should be applied with due observance of the Municipality's policy with regard to delegated powers. Such delegations refer to delegations between the Municipal Manager and other responsible officials as well as between the Council and the Executive Mayor and the Council and the Municipal Manager. All delegations in terms of this policy must be recorded in writing.

In accordance with the Local Government: Municipal Finance Management Act (Act 56 of 2003) (MFMA), the Municipal Manager is the accounting officer of the Municipality and therefore all designated officials are accountable to him/her. The Municipal Manager is therefore accountable for all transactions entered into by his/her designates.

The overall responsibility of asset management lies with the Municipal Manager. However, the day to day handling of assets should be the responsibility of all officials in terms of delegated authority reduced in writing.

8. **RESPONSIBILITY**

Municipal Manager

The Municipal Manager is responsible for the management of the assets of the Municipality, including the safeguarding and the maintenance of those assets. He/she must ensure that:-

- The Municipality has and maintains a management, accounting and information system that accounts for the assets of the Municipality.
- The Municipality's assets are valued in accordance with standards of Generally Recognized Accounting Practice (GRAP).
- The Municipality has and maintains a system of internal control of assets, including an asset register.
- Senior managers and their teams comply with this policy.

Chief Financial Officer

The Chief Financial Officer is responsible to the Municipal Manager to ensure that

the financial investment in the Municipality's assets is safeguarded and maintained. He/she may delegate or otherwise assign responsibility for performing these functions but he/she will remain accountable for ensuring that these activities are performed. He/she must ensure that:-

- Appropriate systems of financial management and internal control are established and carried out diligently.
- The financial and other resources of the Municipality assigned to him/her are utilized effectively, efficiently, economically and transparently.
- Any unauthorized, irregular or fruitless or wasteful expenditure, and losses resulting from criminal or negligent conduct, are prevented.
- The systems, processes and registers required to substantiate the financial values of the Municipality's assets are maintained to standards sufficient to satisfy the requirements of effective management.
- Financial processes are established and maintained to ensure the Municipality's financial resources are optimally utilized through appropriate asset plan, budgeting, purchasing, maintenance and disposal decisions.
- The Municipal Manager is appropriately advised on the exercise of powers and duties pertaining to the financial administration of assets.
- The senior managers and senior management teams are appropriately advised on the exercise of their powers and duties pertaining to the financial administration of assets.

Senior Managers

The Senior Managers must ensure that:-

- Appropriate systems of physical management and control are established and carried out for assets in their area of responsibility.
- The Municipal resources assigned to them are utilized effectively, efficiently, economically and transparently.
- Any unauthorized, irregular or fruitless or wasteful utilization and losses resulting from criminal or negligent conduct are prevented.
- Their management systems and controls can provide an accurate, reliable and up to date account of assets under their control.
- They are able to justify that their plans, budgets, purchasing, maintenance and disposal decisions for assets optimally achieve the Municipality's strategic objectives.

The senior managers may delegate or otherwise assign responsibility for performing these functions but they will remain accountable for ensuring that these activities are performed.

Each senior manager should report to the Municipal Manager on issues that will significantly impede the item of asset capabilities to provide the required level of service or economic benefit.

The responsibility for the physical control of assets rests with the relevant senior manager to whom the responsibility was delegated to in terms of section 79 of the Municipal Finance Management Act, No 56 of 2003.

Each senior manager shall ensure that assets entrusted to him / her are adequately maintained, properly used and insured and ensure that section 78 of the Municipal Finance Management Act, No 56 of 2003, is adhered to.

No amendments, deletions or additions to the asset register shall be made other than by the Asset Manager or by an official acting as the Asset Manager and must be authorized by the Chief Financial Officer.

Upon the resignation / retirement of an employee, the applicable senior manager must inform the Chief Financial Officer and Corporate Service Department in writing that the asset items entrusted to that employee to execute his / her duties are in good order and returned. When necessary the applicable senior manager must inform the Corporate Services Department of any losses and the value of such losses. The ultimate responsibility of any losses lies with the relevant senior manager.

9. ASSET REGISTER

The asset register shall be maintained in the format determined by the Chief Financial Officer, which format shall comply with the requirements of generally recognised accounting practice (GRAP) and any other accounting requirements which may be prescribed.

The asset register shall reflect the following information:

- a brief but meaningful description of each asset
- the date on which the asset was acquired or brought into use
- the location of the asset
- the responsible senior manager and department(s) or vote(s) within which the assets will be used
- the title deed number, in the case of property
- the stand number, in the case of property
- where applicable, the identification number
- the measurement based used (Cost or Fair Value)
- the original useful live
- the revised useful live
- the residual value
- the original cost, or the revalued amount or the fair value if no costs are available
- the (last) revaluation date of the assets subject to revaluation
- the revalued value of such assets
- · who did the (last) revaluation
- accumulated depreciation to date
- the depreciation charge for the current financial year
- the carrying value of the asset
- the method and rate of depreciation

- impairment losses incurred during the financial year (and the reversal of such losses, where applicable)
- method of calculating recoverable amount (when impairment test are required in terms of GRAP)
- increases or the decreases resulting from revaluations (if applicable)
- the source of financing
- condition of the asset
- the current insurance arrangements
- whether the asset is required to perform basic municipal services
- whether the asset has been used to secure any debt, and if so the nature and duration of such
- security arrangements
- · the date on which the asset is disposed of
- the disposal price
- the date on which the asset is retired from use, if not disposed of.

All heads of department under whose control any asset falls shall promptly provide the Chief Financial Officer in writing with any information required to compile the asset register, and shall promptly advise the Chief Financial Officer in writing of any material change which may occur in respect of such information.

An asset shall be capitalised, that is, recorded in the asset register, as soon as it is acquired. If the asset is constructed over a period of time, it shall be recorded as work-in-progress until it is available for use, where after it shall be appropriately capitalised as a fixed asset. An asset shall remain in the asset register for as long as it is in physical existence.

The Asset Manager must ensure that reconciliations are performed on a monthly basis between the general ledger values and the asset values and to be submitted to the Chief Financial Officer.

The Chief Financial Officer must check and authorize the reconciliations as correct.

Depreciation methods and rates used must be approved by the Chief Financial Officer.

The asset manager should allocate depreciation rates and methods to each asset class, and ensure that depreciation calculations are correctly applied and posted in the general ledger.

10. CLASSIFICATION OF ASSETS

In compliance with the requirements of the National Treasury, the Chief Financial Officer shall ensure that all assets are classified under the following headings in the Fixed Assets Register, and Heads of Departments shall in writing provide the Chief Financial Officer with such information or assistance as is required to compile a proper classification:

10.1 Property, Plant and Equipment

- Land (not held as investment assets).
- Infrastructure assets (assets which are part of a network of similar assets).
- Community assets (assets contributing to the general well-being of the community).
- Heritage assets (culturally significant assets).
- Other assets (ordinary operational assets).
- Housing (rental stock or housing stock not held for capital gain).

Save for land and buildings other assets shall be classified under the following headings:

- Computer equipment;
- Office equipment;
- Furniture and fittings;
- Radio Equipment;
- Plant and machinery;
- Motor Vehicles; and
- Emergency Equipment.

10.2 Investment Property

Investment assets (resources held for capital or operational gain and which are not used by the Municipality). Properties occupied by the Municipality, Councillors or officials are classified as owner-occupied property and are therefore not classed as investment property

Investment properties will be treated in accordance with GRAP 16 and will separately be classified in the Statement of Financial Position. Investment properties will not be depreciated but will annually be revalued.

10.3 Intangible Assets

Intangible assets are identifiable non-monetary assets without physical substance.

Intangible assets will be treated in accordance with GRAP 102 and will separately be classified in the Statement of Financial Position. Intangible assets shall be valued at cost less any accumulated amortization and any impairment losses.

10.4 Agricultural Assets

Agricultural Assets will be treated in accordance with GRAP 101 and will separately be classified in the Statement of Financial Position,

10.5 Assets Treated as Inventory

Any land or buildings owned or acquired by the municipality with the intention of selling such property in the ordinary course of business, or any land or buildings owned or acquired by the municipality with the intention of developing such property for the purpose of selling it in the ordinary course of business, shall be accounted for as inventory, and not included in either property, plant and equipment or investment property in the municipality's statement of position.

Such inventories shall, however, be recorded in the asset register in the same manner as other fixed assets, but a separate section of the asset register shall be maintained for this purpose.

The Chief Financial Officer shall use the classifications indicated in the Annexure on estimated lives of assets, as a guideline and in the case of an item of assets not appearing in the Annexure shall use the classification applicable to the asset most closely comparable in the Annexure.

11. CAPITALISATION CRITERIA

PPE and Intangible Assets

All assets may only be acquired in terms of council's Supply Chain Management Policy and in terms of the budgetary provisions. The responsibility for the purchase of assets would be delegated in terms of council's Delegation Framework and Supply Chain Management Policy. Depending on the cost of the asset to be purchased the following procedure for purchasing an asset must be followed:

- Senior managers shall at all times ensures that there are enough funds in their departmental budgets before requesting approval to any requisition to purchase an asset;
- Senior managers shall ensure that the correct vote and expenditure line item are used and recorded on the requisition requesting approval to purchase an asset.
- Tenders or quotations as required in terms of council's Supply Chain Management policy should be obtained and where required submitted to council's tender committee for approval;
- The tender committee resolution of the approved tender or recommended quotation should be attached to the requisition signed by the relevant head of department;
- The order would then be generated by the Budget and Treasury department;
- Once delivered the asset must be labelled / bar-coded by the Budget and Treasury department before such asset is put into use;
- The senior manager should endorse receipt of the asset on the invoice and forwarded it for payment to the Budget and Treasury department; and
- The Budget and Treasury department would then generate payment.

The completion of any immovable asset by or under control of every head of department should promptly be declared to the Chief Financial Officer in writing stating the full details required for recording in the assets register.

All PPE and intangible assets shall be carried in the asset register, and appropriately recorded in the annual financial statements, at their original cost or fair value less any accumulated depreciation or amortisation in the case of intangible assets.

The original cost of an item of PPE or intangible assets may include:

- Cost price;
- Financing costs (MFMA section 46(4));
- Import tax;
- Non-claimable purchase tax; and
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When payment for an item of PPE or intangible assets is deferred beyond normal credit terms, its cost is the cash price equivalent. The difference between this amount and the total payments is recognized as an interest expense over the period of credit.

When an item of PPE is acquired to be exchanged or partly exchanged for a dissimilar item of PPE or other asset, the cost of such item is measured at the fair value of the asset received, which is equivalent to the fair value of the asset given up adjusted by the amount of any cash or cash equivalents paid additional. For the purpose hereof, "fair value" shall be determined by the council with due regard to the definition ascribed to fair value in paragraph 2 hereof.

The only exceptions to this rule shall be revalued items of PPE (see part 7.9 below) and heritage assets in respect of which no depreciation is recorded in the fixed asset register.

Subsequent expenditure relating to an asset that has already been capitalized, should only be added to the carrying amount of the asset when it is probable that future economic benefits or potential service delivery, in excess of the originally assessed standard of performance of the existing asset, will flow to the municipality.

Investment Property

An investment property shall be measured initially at its cost. Transaction costs shall be included in the initial measurement. The cost of purchased investment property includes all directly attributable expenditure (professional fees for legal services, property transfer taxes and other transaction costs).

When payment for an investment property is deferred beyond normal credit terms, its cost is the cash price equivalent. The difference between this amount and the total payments is recognized as an interest expense over the period of credit. When investment property is acquired to be exchanged or partly exchanged for a dissimilar investment property or other asset, the cost of such item is measured at the fair value of the asset received, which is equivalent to the fair value of the asset given up adjusted by the amount of any cash or cash equivalents paid additional. For the purpose hereof, "fair value" shall be determined by the council with due regard to the definition ascribed to fair value in paragraph 2 hereof.

After initial recognition investment property will be measured at fair value. A gain or loss arising from a change in fair value shall be recognized as a profit or loss in the Statement of Financial Performance in the period in which it arises. The fair value of investment property shall reflect market conditions at reporting date.

In terms of GRAP 16 transfers to and from investment property shall be made when there is a change in use:

- (a) Commencement of owner-occupation, for a transfer from investment property to owner-occupied property;
- (b) Commencement of development with a view to sale, for a transfer from investment property to inventories;
- (c) End of owner-occupation, for a transfer from owner-occupied property to investment property; or
- (d) Commencement of an operating lease to another party, for a transfer from inventories to investment property.

When an investment property is transferred to inventory or owner-occupied property, the property's deemed cost is the fair value of the property at the date of the change in use.

For a transfer from inventories to investment property, that will be carried at fair value, any difference between the fair value of the property at that date and its previous carrying amount shall be recognized in the Statement of Financial Performance.

Reinstatement, Maintenance and Other Expenses

Only expenses incurred in the enhancement of an asset (in the form of improved or increased services or benefits flowing from the use of such asset) or in the material extension of the useful operating life of an asset shall be capitalised.

Expenses incurred in the maintenance or reinstatement of an asset shall be considered as operating expenses incurred in ensuring that the useful operating life of the asset concerned is attained, and shall not be capitalised, irrespective of the quantum of the expenses concerned.

Expenses, which are reasonably ancillary to the bringing into operation of an asset, may be capitalised as part of such asset. Such expenses may include but need not be limited to import duties, forward cover costs, transportation costs, and installation, assembly and communication costs.

Intangible Assets

Assets that meet the criteria of GRAP 102 (Intangible Assets) shall be recognized as Intangible Assets at cost.

Heritage Assets

If no original costs or fair values are available in the case of one or more or all heritage assets, the Chief Financial Officer may, if it is believed that the determination of a fair value for the assets in question will be a laborious or expensive undertaking, record such asset or assets in the fixed asset register without an indication of the costs or fair value concerned.

For Statement of Financial Position purposes, the existence of such heritage assets shall be disclosed by means of an appropriate note.

Donated Assets

Where an asset is donated to the municipality, or an asset is acquired by means of an exchange of assets between the municipality and one or more other parties, the asset concerned shall be recorded in the asset register at its fair value, as determined by the Chief Financial Officer.

12. DEPRECIATION

Depreciation of PPE

All PPE, except land and heritage assets, shall be depreciated – or amortised in the case of intangible assets.

Depreciation may be defined as the monetary quantification of the extent to which PPE is used or consumed in the provision of economic benefits or the delivery of services.

Depreciation shall generally take the form of an expense both calculated and debited on a annual basis against the appropriate line item in the department or vote in which the item of PPE is used or consumed.

However, depreciation shall initially be calculated from the day following the day in which an item of PPE is acquired or – in the case of construction works and plant and machinery – the day following the day in which the item is brought into use, until the end of the year concerned. Thereafter, depreciation charges shall be calculated annually.

Each Head of Department, acting in consultation with the Chief Financial Officer, shall ensure that reasonable budgetary provision is made annually for the depreciation of all applicable PPE controlled or used by the department in question or expected to be so controlled or used during the ensuing financial year.

The procedures to be followed in accounting and budgeting for the amortisation of intangible assets shall be identical to those applying to the depreciation of other PPE.

Rate of Depreciation and Amortisation

The Chief Financial Officer shall assign a useful operating life to each depreciable item of PPE recorded on the Municipality's asset register. In determining such a useful life the Chief Financial Officer shall use to the useful lives set out in the annexure to this document as a guideline.

In the case of an item of PPE which is not listed in this annexure, the Chief Financial Officer shall determine a useful operating life, if necessary in consultation with the Head of Department who shall control or use the item in question, and shall be guided in determining such useful life by the likely pattern in which the item's economic benefits or service potential will be consumed.

The procedures to be followed in accounting and budgeting for the amortisation of intangible assets shall be identical to those applying to the depreciation of other PPE.

Method of Depreciation

The Chief Financial Officer shall allocate the depreciable amount of all depreciable PPE and intangible on a systematic basis over its useful life.

The residual value and useful life of an asset shall be reviewed at least at each reporting date and, if expectations differ from previous estimates, the changes shall be accounted for as a change in accounting estimate in accordance with GRAP 3.

13. AMENDMENT OF ASSET LIVES AND DIMINUTION IN THE VALUE OF PPE

Only the Chief Financial Officer may amend the useful operating life assigned to any PPE, and when any material amendment occurs the Chief Financial Officer shall inform the Council of such amendment.

The Chief Financial Officer shall amend the useful operating life assigned to any item of PPE if it becomes known that such item has been materially impaired or improperly maintained to such an extent that its useful operating life will not be attained, or any other event has occurred which materially affects the pattern in which the item's economic benefits or service potential will be consumed.

If the value of an item of PPE or intangible assets has been diminished to such an extent that it has no or a negligible further useful operating life or value such item shall be fully depreciated or eradicated in the financial year in which such diminution in value occurs.

Similarly, if an item of PPE has been lost, stolen or damaged beyond repair, it shall be fully depreciated in the financial year in which such event occurs, and if the item has physically ceased to exist, it shall be written off in the asset register.

In all of the foregoing instances, the additional depreciation expenses shall be debited to the department or vote controlling or using the item of PPE or intangible asset in question.

If any of the foregoing events arises in the case of a normally non-depreciable item of PPE, and such item has been capitalised at a value other than a purely nominal value, such item shall be partially or fully depreciated, as the case may be, as though it were an ordinary depreciable item of PPE, and the department or vote controlling or using the item in question shall bear the full depreciation expenses concerned.

Additional depreciation not budgeted for as a result of unforeseeable or unavoidable circumstances must be provided for in an adjustments budget and, if such circumstances arises close to the end of the financial year and there will not be time for Council to consider the adjustments before the end of the financial year, may in advance be approved by the Mayor in terms of Section 29 of the MFMA, provided that any other provisions of the MFMA be complied with.

14. IMPAIRMENT OF ASSETS

The accounting treatment relating to impairment losses is outlined in IAS37.

The carrying amount of an item or a group of identical items of property, plant and equipment should be reviewed periodically in order to assess whether or not the recoverable amount has declined below the carrying amount.

When such a decline has occurred, the carrying amount should be reduced to the recoverable amount. The amount of the reduction should be recognised as an expense immediately, unless it reverses a previous revaluation in which case it should be charged to the Revaluation Reserve.

The recoverable amount of individual assets, or groups of identical assets, is determined separately and the carrying amount reduced to the recoverable amount on an individual asset, or group of identical assets, basis. However, there may be circumstances when it may not be possible to assess the recoverable amount of an asset on this basis, for example when all of the plant and equipment in a sewerage purification works is used for the same purpose. In such circumstances, the carrying amount of each of the related assets is reduced in proportion to the overall decline in recoverable amount of the smallest grouping of assets for which it is possible to make an assessment of the recoverable amount.

The following may be indicators that an asset is impaired:

- The asset has been damaged.
- The asset has become technologically obsolete.
- The asset remains idle for a considerable period either prior to it being put into use or during its useful life.
- Land is purchased at market value and is to be utilized for subsidized housing developments, where the subsidy is less than the purchase price.

The following steps will have to be performed regularly during the year to account for impairment losses:

- Departments will identify and inform the Chief Financial Officer of assets that:
 - o Are in a state of damage at year end.
 - o Are technologically obsolete at year end. .
 - o Have remained idle for a considerable period either prior to them being put into use at year end or during their useful life.
 - o Are subject to impairment losses because the subsidies to be received in exchange for assets are less than the carrying amounts.
- The recoverable amounts of these assets need to be determined by calculating the net selling price per asset as defined above.
- The impairment loss per asset is the difference between the net selling price and the carrying value of the asset.
- The impairment loss needs to be accounted for by identifying the relevant funding source.

15. REVALUATION OF ITEMS OF PPE

All land and buildings recorded in the Municipality's asset register shall be revalued when the Council is of the opinion that economic conditions have had a substantial impact on the on the value of land and buildings within the municipal area. Under such circumstances a sworn valuer will be appointed to perform a valuation of all land and buildings.

The Chief Financial Officer shall adjust the carrying value of the land and buildings concerned to reflect in each instance the value of the items as recorded in the valuation roll, provided the Chief Financial Officer is satisfied that such value reflects the fair value of the land and buildings concerned.

The Chief Financial Officer shall also, where applicable, create a revaluation reserve for each such item equal to the difference between the value as recorded in the valuation roll and the carrying value of the item before the adjustment in question.

The buildings concerned shall thereafter be depreciated on the basis of its revalued amount, over its remaining useful operating life, and such increased depreciation expenses shall be budgeted for and debited against the appropriate line item in the department or vote controlling or using the buildings in question.

The Chief Financial Officer shall ensure that an amount equal to the difference between the new (enhanced) annual depreciation expense and the depreciation expenses determined in respect of such buildings before the revaluation in question is transferred each year from the revaluation reserve to the Municipality's appropriation account. An adjustment of the aggregate transfer shall be made at the end of each financial year, if necessary.

If the amount recorded by the valuer is less than the carrying value of the item of

land or buildings recorded in the asset register, the Chief Financial Officer shall adjust the carrying value of such item by increasing the accumulated depreciation of the item in question by an amount sufficient to adjust the carrying value to the value as recorded by the valuer. such additional depreciation expenses shall form a charge, in the first instance, against the balance in any revaluation reserve previously created for such item, and to the extent that such balance is insufficient to bear the charge concerned, an immediate additional charge against the department or vote controlling or using the item of land or building in question

Revalued land and buildings shall be carried in the asset register, and recorded in the annual financial statements, at their revalued amount, less accumulated depreciation (in the case of buildings).

16. ACQUISITION OF ASSETS

Pre-acquisition Planning

Before a capital project is included in the budget for approval, the Chief Financial Officer must demonstrate that he/she has considered the following:

- The projected cost over all the financial years until the project is operational;
- The future operational costs and revenue on the project, including the tax and tariff implications;
- The financial sustainability of the project over its use full life including revenue generation and subsidisation requirements;
- The physical and financial stewardship of that asset through all stages of its life including acquisition, installation, maintenance, operations, disposal and rehabilitation;
- The inclusion of the capital project in the Integrated Development Plan and future budgets; and
- Alternatives to the capital purchase.

The heads of department are accountable to ensure that the Chief Financial Officer receives all reasonable assistance, guidance and explanation to enable him to achieve his planning requirements.

Approval to Acquire Property, Plant and Equipment

Money can only be spent on a project if:

- The money has been appropriated in an approved Capital Budget;
- The project, including the total cost has been approved by the Council;
- The Chief Financial Officer confirms that funding is available for that specific project; and
- Any contract that will impose financial obligations beyond two years after the budget year is appropriately disclosed.
- The Supply Chain Management Policy is adhered to.

Authorization for the acquisition of assets should be as per this municipality's delegation of authority and payment for assets shall be in accordance with financial policies and regulations of this Municipality.

Funding of Capital Projects

Within the Municipality's on-going financial, legislative or administrative capacity, the Chief Financial Officer must establish and maintain the funding strategies that optimise the municipality's ability to achieve its strategic objectives as stated in the Integrated Development Plan. The acquisition of assets may not be funded over a period longer than the useful life of that asset.

17. PURCHASE OR HIRE OF IMMOVABLE PROPERTY

The municipality may acquire by purchase, or by hire, immovable property withinor outside the municipal boundary provided it complies with the requirements of the MFMA and the Supply Chain Management policy and subject to the following:

- The cost of the purchase or hire had been budgeted for; and
- The intention to buy or hire the immovable property had been advertised for public comment.
- After consideration of any public comments/objections the Council will:
 - o In the case of the following paragraph complies with the requirements of that paragraph; and
 - o In the case of all other immovable property, finally resolve to continue with the purchase or hire and apply the supply chain management processes
- The Council will not continue with the purchase or hire of any immovable property where:
 - The price is in excess of the market value thereof as assessed by an appraiser; or
 - o The rental which, when calculated per annum in the case of:
 - Immovable property hired for agricultural purposes, exceeds six present; and
 - Immovable property hired for any other purpose, exceed twelve present of the market value of the property, as assessed by an appraiser.

The Council may accept a gift or conveyance of immovable property either for the municipality or in trust for charitable or other public purposes not connected with public worship, and hold the same in such trust or for such purpose as may be declared by such donors and may administer, utilize and improve such property.

The trustees of any immovable property held in trust for any township village of settlement which has become a municipality or part of a municipality may transfer such property to the Council, subject to any special trusts in their deeds of title and upon conditions not at variance therewith.

18. GUIDELINE PROCEDURES FOR ADDITIONS TO ASSETS

The Asset Manager must ensure all additions to assets are in accordance with an approved Capital Budget. Additions must be updated on a monthly basis in the Municipality's Asset Register. All additions must be approved by the Chief Financial Officer.

19. FUNDING OF PPE AND RESERVES

The purchase of assets may be funded from the raising of external loans, leases, government- and public contributions, the Capital Replacement Reserve and surplus cash.

The Chief Financial Officer shall ensure that in respect of all assets financed from grants or subsidies or contributions received from other spheres of government or from the public at large, as well as in respect of assets donated to the Municipality, a government grants reserve or public contribution reserve for future depreciation is created equal in value to the capitalised value of each item of asset in question.

The Chief Financial Officer shall thereafter ensure that in the case of depreciable PPE an amount equal to the annual depreciation expenses of the items concerned are transferred each year from such reserve to the Municipality's accumulated surplus.

20. ALIENATION OF ASSETS

In compliance with the principles and prescriptions of the Municipal Finance Management Act, the transfer of ownership of any item of PPE shall be fair, equitable, transparent, competitive and consistent with the municipality's supply chain management policy and the Municipal Asset Transfer Regulations

Every head of department shall report in writing to the Chief Financial Officer on 30 April of each financial year on all assets controlled or used by the department concerned which such head of department wishes to alienate by public auction or public tender.

The Chief Financial Officer shall thereafter consolidate the requests received from the various departments, and shall promptly report such consolidated information to the council or the municipal manager of the municipality, as the case may be, recommending the process of alienation to be adopted. The council shall delegate to the municipal manager the authority to approve the alienation of any moveable asset with a carrying value less than R200 000 (two hundred thousand rand). The council shall ensure that the alienation of any asset with a carrying value equal to or in excess of R200 000 (two hundred thousand rand) takes place in compliance with Section 14 of the Municipal Finance Management Act, 2004.

In terms of Section 14 of the Municipal Finance Management Act, 2004 the Municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of assets needed to provide the minimum level of basic municipal services.

The Municipality may transfer ownership or otherwise dispose of assets other than one contemplated above, but only after the Council, in a meeting open to the public:-

- has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services; and
- has considered the fair market value of the item and the economic and community value to be received in exchange for the asset;
- That a public participation process be held before council's assets can be alienated.

The decision that a specific asset is not needed to provide the minimum level of basic municipal services, may not be subsequently reversed by the Municipality after that asset has been sold, transferred or otherwise disposed of.

Once the assets are alienated, the Chief Financial Officer shall treat the disposal of the items in terms of GRAP and amend the relevant records of the asset register. If the proceeds of the alienation are less than the carrying value recorded in the asset register, such difference shall be recognised as a loss in the Statement of Financial Performance of the department or vote concerned.

If the proceeds of the alienation, on the other hand, are more than the carrying value of the asset concerned, the difference shall be recognised as a gain in the Statement of Financial Performance of the department or vote concerned.

All gains realised on the alienation of assets shall be appropriated annually to the municipality's Capital Replacement Reserve (except in the cases outlined below), and all losses on the alienation of fixed assets shall remain as expenses on the Statement of Financial Performance of the department or vote concerned.

If, however, both gains and losses arise in any one financial year in respect of the alienation of the assets of any department or vote, only the net gain (if any) on the alienation of such assets shall be appropriated to the Capital Replacement Reserve.

Transfer of assets to other municipalities, municipal entities (whether or not under the municipality's sole or partial control) or other organs of state shall take place in accordance with the Municipal Asset Transfer Regulations.

21. GUIDELINE PROCEDURES FOR THE DISPOSAL OF ASSETS

The Senior Manager must submit a motivation for the disposal of an asset under his/her control to the Chief Financial Officer.

The Chief Financial Officer must authorize, by signature the motivation and submit the motivation to the Accounting Officer for his/her approval.

Before computer equipment is disposed the Chief Financial Officer must consult the IT section.

All combined motivations must be submitted to the Asset Manager to update the asset register of the municipality and the book of accounts regarding the sale.

The following information should be update in the asset register:

- Reason for disposal;
- Information relating to the buyer;
- · Individual requesting disposal;
- · Cost, book value and proposed selling price of the asset;
- Date of sale;
- Method of payment;
- · Receipt number; and
- The relevant asset information

22. OTHER WRITE-OFFS OF PPE

An item of PPE, even though fully depreciated, shall be written off when it can no longer be used, in consultation with the Head of Department controlling or using the item concerned.

Every Head of Department shall report to the Chief Financial Officer on 31 October and 30 April of each financial year on any item of PPE which such Head of Department wishes to have written off, stating in full the reason for such recommendation.

The Chief Financial Officer shall consolidate all such reports, and shall promptly notify the Council on the PPE to be written off.

The only reasons for writing off PPE, other than the alienation of such item of PPE, shall be the loss, theft, and destruction or material impairment of the PPE in question.

If an item of PPE must be written off as a result of an occurrence out of the control of the municipality, such as malicious damage, theft or destruction, the municipal manager must determine whether a third party or an employee was involved in the loss and take all reasonable steps to recover such loss, including reporting the incident to the South African Police Services and the Auditor General, the insurance as well as institute disciplinary steps against any employee who might have been involved in such incident.

In every instance where a not fully depreciated item of PPE is written off, the Chief Financial Officer shall immediately debit to such department or vote, as additional depreciation expenses, the full carrying value of the item concerned.

23. MANAGEMENT AND OPERATION OF ASSETS

Accountability to manage assets

Each Senior Manager is accountable to ensure that Municipal resources assigned to them are utilized effectively, efficiently, economically and transparently. This will include:

- Developing appropriate management systems, procedures, processes and controls for managing assets;
- o Providing accurate, reliable and up to date account of assets under their control; and
- o The development and motivation of relevant strategic asset management plans and operational budgets that optimally achieve the Municipality's strategic objectives.

Contents of a strategic management plan

Senior Managers need to manage assets under their control to provide the required level of service or economic benefit at the lowest possible long-term cost. To achieve this, the Senior Manager will need to develop strategic asset management plans that cover:-

- o Alignment with the Integrated Development Plan;
- o Operational guidelines;
- o Performance monitoring:
- o Maintenance programs;
- o Renewal, refurbishment and replacement plans;
- o Disposal and Rehabilitation plans;
- o Operational, financial and capital support requirements, and
- o Risk mitigation plans including insurance strategies

The operational budgets are the short to medium term plan for implementing this strategic asset management plan.

Reporting of Emerging Issues

Each Functional Manager should report to the Municipal Manager on issues that will significantly impede the item of asset capabilities to provide the required level of service or economic benefit.

Verification of Assets

The Municipality shall at least once during every financial year undertake on a

date as determined by the Chief Financial Officer a comprehensive verification of all moveable assets controlled or used by all the departments of the Municipality.

Every Head of Department shall promptly and fully report in writing to the Chief Financial Officer, in the format determined by the Chief Financial Officer, all relevant results of such verification, provided that each such item of asset verification shall be undertaken and completed during 30 June of each financial year, and that the resultant report shall be submitted to the Chief Financial Officer not later than 30 June of the year in question.

Movement of Assets

Every Head of Department shall promptly and fully report in writing to the Chief Financial Officer, in the format determined by the Chief Financial Officer, all transfers from its original location of assets (including minor assets items) within 5 working days after transfer of such item.

24. MAINTENANCE

Maintenance Plans

Every Head of Department shall ensure that a maintenance plan in respect of every new infrastructure asset with a value of R100 000 (one hundred thousand rand) or more is promptly prepared and submitted to the Council for approval.

If so directed by the Municipal Manager, the maintenance plan shall be submitted to the Council prior to any approval being granted for the acquisition or construction of the infrastructure asset concerned.

The Head of Department controlling or using the infrastructure asset in question, shall annually report to the Council, not later than in July or the earliest Council meeting thereafter, of the extent to which the relevant maintenance plan has been complied with, and of the likely effect which any non-compliance may have on the useful operating life of the item concerned.

Deferred Maintenance

If there is material variation between the actual maintenance expenses incurred and the expenses reasonably envisaged in the approved maintenance plan for any infrastructure asset, the Chief Financial Officer shall disclose the extent of and possible implications of such deferred maintenance in an appropriate note to the annual financial statements. Such note shall also indicate any plans which the Council has approved in order to redress such deferral of the maintenance requirements concerned.

If no such plans have been formulated or are likely to be implemented, the Chief Financial Officer shall re-determine the useful operating life of the fixed asset in question, if necessary in consultation with the Head of Department controlling or using such item, and shall recalculate the increased annual depreciation expenses accordingly.

General Maintenance of Assets

Every Head of Department shall be directly responsible for ensuring that all assets are properly maintained and in a manner which will ensure that such item attain their useful operating lives.

25. REPLACEMENT STRATEGY

The Municipal Manager, in consultation with the Chief Financial Officer and other Heads of Departments, shall formulate norms and standards for the replacement of all normal operational assets. Such norms and standards shall be incorporated in a formal strategy, which shall be submitted to the Council for approval. This strategy shall cover the replacement of motor vehicles, furniture and fittings, computer equipment, and any other appropriate operational items.

Such strategy shall also provide for the replacement of assets which are required for service delivery but which have become uneconomical to maintain.

26. TRANSFER OF ASSETS

When assets are transferred to other Government Departments or municipalities, a document with specific authorization should be attached to the asset to ensure the validity of the transfer.

The document should also include:

- Asset description;
- Cost of the asset;
- Date of acquisition;
- · Unique asset number;
- Effective date of transfer:
- · Quantity; and
- Authorization by both transferor and transferee.

The asset manager must then effect the transactions in the book of accounts of the municipality on the day the asset is transferred to the transferee.

27. PHYSICAL SECURITY OF ASSETS

Every Senior Manager shall be directly responsible for the physical safekeeping of any asset controlled or used by their department.

In exercising this responsibility, every Senior Manager shall adhere to directives issued by the Chief Financial Officer with regard to the control and safekeeping of the municipality's assets.

All assets should be kept in a secure location, maintained regularly, insured against theft or destruction, utilized economically and efficiently.

When it is suspect that an employee abuses assets, this fact should be reported to the Chief Financial Officer within 48 hours. Such an employee should be subject to the disciplinary procedures as described in terms of the Standard

Conditions of Service.

All items of Property, Plant and Equipment lost, stolen or damage must be reported to the Chief Financial Officer within 48 hours after discovery for further investigation and reporting required by the Municipal Finance Management Act No. 56 of 2003.

28. INSURANCE OF ASSETS

The Accounting Officer must ensure that all movable assets are insured at least against fire and theft, and municipal buildings and infrastructure are insured at least against fire and allied perils.

The Accounting Officer shall recommend, after consultation with the Chief Financial Officer, the basis of insurance cover to be applied: either the carrying value or the replacement value of the assets. Such a recommendation shall take due cognizance of the budgetary resources of the municipality.

Any theft, loss or damage to an asset should immediately be reported to council's insurance brokers by the relevant head of department under whose responsibility the asset falls. A copy of the insurance claim submitted should be forwarded to the Chief Financial Officer. All insurance claims must be recorded in an insurance register and all outstanding insurance claims reported on a monthly basis to the Chief Financial Officer. It is the responsibility of the relevant head of department to ensure that all documents / information for the completion of the claim is forwarded to council's insurance brokers and that copies thereof is forwarded to the Chief Financial Officer. The head of department should in writing request the replacement of the asset which can only be authorized, if sufficient provision for the replacement of the asset is on the capital budget, by the Municipal Manager after consultation with the Chief Financial Officer. If sufficient provision is not on the capital budget the asset can only be replaced if provision for the replacement is made on an Adjustments budget. In the case where an asset must be replaced as an emergency measure, the Mayor may authorise such expenditure, subject to compliance with Section 29 of the MFMA.

Third-party (insurance) pay-outs must be treated as revenue when the amount is certain and may not be offset against the cost of replacing the item. The carrying value of items lost, stolen or damaged beyond repair must be treated as impairment against the relevant department or vote. The full cost of the replacement item must then be capitalised.

If the municipality operates a self-insurance reserve, the Chief Financial Officer shall annually determine the premiums payable by the departments or votes after having received a list of the assets and insurable values of all relevant assets from the heads of departments concerned.

The municipal manager shall recommend to the council of the municipality, after consulting with the Chief Financial Officer, the basis of the insurance to be applied to each type of asset: either the carrying value or the replacement value of the assets concerned. Such recommendation shall take due cognisance of the

budgetary resources of the municipality.

The Chief Financial Officer shall annually submit a report to the council of the municipality on any reinsurance cover which it is deemed necessary to procure for the municipality's self-insurance reserve.

29. SHORT TITLE

This policy shall be called the Asset Management Policy of the **Witzenberg Municipality.**

APPENDIX A

	ASSET		ASSET
	LIFE		LIFE
INFRASTRUCTRE ASSETS		<u>INFRASTRUCTRE ASSETS</u>	
ELECTRICITY:		GAS:	
Power stations	30	Meters	20
Cooling towers	30	Main supply	20
Transformer kiosks	30	Storage tanks	20
Meters	20	Supply and reticulation networks	20
Load control equipment	20	SEWERAGE:	
Switchgear Switchgear and antique antique and antique and antique			20
Supply and reticulation networks	20	Sewer mains	20
Main supply	20	Outflow sewers	20
DOADO:		Sewerage purification works	20
ROADS:	45	Sewerage pumps	15
Motorways	15	Sludge machines	15
Other roads	10	DEDECTRAIN MALLO:	
Traffic islands	10 20	PEDESTRAIN MALLS:	20
Traffic lights	25	Footways	20 20
Street lights		Kerbing	
Overhead bridges	30	Paving	20
Storm water drains	20	AIDDODTC.	20
Bridges, subways and culverts Car parks	30 20	AIRPORTS:	20
Bus terminals		Taxiways	
bus terminais	20	Runways	20 20
		Aprons Airport and radio beacons	20
			20
WATER		SECURITY	
Meters	15	Fencing	3
Mains	20	Security systems	5
Rights	20	Access control systems	5
Supply and reticulation networks	20		
Reservoirs and storage tanks	20		
COMMUNITY ASSETS		COMMUNITY ASSETS	
RECREATIONAL FACILITIES		BUILDINGS	
	20	Ambulance stations	20
Bowling greens Tennis courts	20		30
		Aquariums	
Swimming pools	20	Beach developments	30
Golf courses	20	Care centres'	30
Jukskei pitches	20	Cemeteries	30
Outdoor sport facilities	20	Civic theatres and community	30
		centres'	
Organ	20	Clinics and hospitals	30
Lakes and dams	20	Game reserves and rest camps	30
Fountains	20	Stadiums and indoor sports	30
Flood lights	20	Museums and galleries	30
· · · · · · · · · · · · · · · · ·	 - -	Parks and public conveniences	30
		Recreational centres' and zoo	30
		1 1 Coreational Certifies and 200	30
OTHER ACCETS		OTHER ACCETS	
<u>OTHER ASSETS</u>		OTHER ASSETS	

SCHEDULE OF EXPECTED U	ASSET		ASSET
	LIFE		LIFE
BUILDINGS		EMERGENCY EQUIPMENT	
Abattoirs	30	Other fire fighting equipment	15
Asphalt plant	30	Ambulances 5	
Cable stations	30	Fire hoses	5
Caravan Parks	30	Emergency lights	5
Bioscope	30		
Compacting stations	30	MOTOR VEHICLES	
Hostels for public / tourists	30	Fire engines	20
Hostels for employees	30	Buses	15
Housing schemes	30	Motor vehicles	5-7
Kilns	30	Motorcycles	3
Laboratories	30	Trucks and light delivery vehicles	5-7
Markets	30		
Nurseries	30	AIRCRAFT	15
Office buildings	30		
Old age homes	30	WATERCRAFT	15
Quarries	30		
Tip sites	30	PLANT AND EQUIPMENT	
Training centres	30	Graders	10-15
Transport facilities	30	Tractors	10-15
Workshops and depots	30	Mechanical horses	10-15
		Farm equipment	5
OFFICE EQUIPMENT		Lawn mowers	2
Computer hardware	5	Compressors	5
Computer software	3-5	Laboratory equipment	5
Office machines	3-5	Radio equipment	5
Air conditioners	5-7	Firearms	5
FURNITURE AND FITTINGS		General	5
Chairs	7-10	Cable cars	15
Tables and desks	7-10	Irrigation systems	15
Cabinets and cupboards	7-10	Cremators	15
Sundry	7-10	Lathes	15
•		Machining equipment	15
BINS AND CONTAINERS		Conveyors	15
Household refuse bins 5 Feeders		15	
Bulk refuse containers	10	Tippers	15
		Pulverising mills	15



Date of implementation: 01 July 2010

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	Municipal Manager
Signature:	Date:
Approved:	This policy was approved by the Municipal Council on 15 June 2010.
Summary:	This document describes the Funding and Reserves Policy that will be applicable to the municipality, detailed.
Date:	15 June 2010
Version:	Final

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FUNDING AND RESERVE POLICY

1. INTRODUCTION AND OBJECTIVE

The Council sets as objective a long term financially sustainable municipality with acceptable levels of service delivery to the community.

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

2. SECTION A: FUNDING POLICY

2.1 <u>LEGISLATIVE REQUIREMENTS</u>

In terms of Sections 18 and 19 of the Municipal Finance Management Act (Act No 56 of 2003) (MFMA), an annual budget may only be funded from:

- Realistically anticipated revenues to be collected;
- Cash backed accumulated funds from previous years' surpluses not committed for other purposes. and
- Borrowed funds, but only for capital projects.

Furthermore, spending on a capital project may only be commenced once the funding sources have been considered, are available and have not been committed for other purposes.

The requirements of the MFMA are therefore clear in that the budget must be cash – funded i.e. cash receipts inclusive of prior cash surpluses must equal or be more than cash paid.

In determining whether the budget is actually cash funded and in addition ensuring long term financial sustainability, the municipality will use analytical processes, including those specified by National Treasury from time to time.

2.2 STANDARD OF CARE

Each functionary in the budgeting and accounting process must do so with judgment and care, under the prevailing circumstances, as a person of prudence, discretion and intelligence would exercise to the management of his or her own finances with the primary objective of ensuring that the objectives of this policy are achieved.

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2.3 **STATEMENT OF INTENT**

The municipality will not pass a budget which is not cash – funded or where any of the indicators as listed in this document are negative, unless acceptable reasons can be provided for non-compliance, provided that the requirements of the MFMA must at all times be adhered to.

2.4 CASH MANAGEMENT

Cash must be managed in terms of the municipality's Cash Management and Investment Policy.

2.5 DEBT MANAGEMENT

Debt must be managed in terms of the municipality's Debt Management Policy, together with any requirements in this policy.

2.6 FUNDING THE OPERATING BUDGET

2.6.1 INTRODUCTION

The municipality's objective is that the user of municipal resources must pay for such usage in the period it occurs.

The municipality however, recognises the plight of the poor, and in line with national and provincial objectives, the municipality commits itself to subsidised services to the poor. This will necessitate cross subsidisation in tariffs to be calculated in the budget process.

2.6.2 GENERAL PRINCIPLE WHEN COMPILING THE OPERATING BUDGET

The following specific principles apply when compiling the budget:

- a) The budget must be cash funded, i.e. revenue and expenditure projections must be realistic and the provision for impairment of receivables must be calculated on proven recovery rates;
- b) Growth parameters must be realistic and be based on historic patterns adjusted for current reliable information;
- c) Tariff adjustments must be fair, taking into consideration general inflation indicators as well as the geographic region's ability to pay;
- d) Revenue from Government Grants and Subsides must be in accordance with the amounts promulgated in the Division of Revenue Act, proven

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provincial transfers and any possible transfers to or from other municipalities.

For the purpose of the Cash flow budget any National or Provincial grants that have been re-appropriated for roll-over purposes must be excluded from the calculation as it must be included in changes in Cash and Cash Equivalents and Payables.

Furthermore, in the budget the total grants recognised as revenue must equal the total expected expenditure from grants, inclusive of capital expenditure and VAT as per directive given in MFMA circular 48.

- e) Projected revenue from services charges must be reflected as net (all billing less revenue foregone, which is free basic services, discounts and rebates).
- f) Projected revenue from property rates must include all rates to be levied, but rebates and discounts must be budgeted for as either revenue foregone or a grant, as per directive in MFMA Budget Circular 51, depending on the conditions of the exemption, rebate or reduction.

For the purpose of the Cash flow Budget all rebates and discounts must be deducted from the projected revenue.

- g) Only changes in fair values related to cash may be included in the cash flow budget. Changes to unamortised discount must be included in the Operating Budget but excluded in the cash flow budget.
- h) Employee related costs include contributions to non-current and current employee benefits. It is acknowledged that the non-current benefits' requirements are well above the initial cash capabilities of the municipality, and it is therefore determined that provision for the short term portion of employee benefits, as well as an operating surplus calculated at 5% of the prior year balance of the long—term benefits, be included in the operating budget, in order to build sufficient cash for these requirements. The cash portion of the employee benefits must be accounted for in an "Employee Benefits Reserve".
- i) Depreciation must be fully budgeted for in the operating budget.

In order to ensure a sufficient accumulation of cash for the replacement of Property, Plant and Equipment and Intangible Assets, the amount of depreciation on assets funded from own sources, excluding assets funded from grants, public contributions and external loans must be reflected as a surplus on the cash flow budget.

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j) Contributions to provisions (non-current and current) do not form part of the cash flow. It is however, necessary to provide for an increase in cash resources in order to comply with the conditions of the provision at the time when it is needed.

It is therefore a requirement that the contribution to current provisions, as well as 20% of the prior year balance of the non current provision, is budgeted as cash surpluses until the necessary funding level is obtained.

2.7 FUNDING THE CAPITAL BUDGET

2.7.1 INTRODUCTION

The municipality's objective is to maintain, through proper maintenance and replacement measures, existing levels of service and to improve and implement services which are neglected or non – existent.

In order to achieve this objective the municipality must annually, within financial means, budget for the replacement of redundant assets as well as new assets.

2.7.2 FUNDING SOURCES FOR CAPITAL EXPENDITURE

The capital budget can be funded by way of own contributions, grants, public contributions as well as external loans.

Own Contributions

The capital budget financed from own contributions must primarily be funded from the Capital Replacement Reserve.

Notwithstanding the above the capital budget or portions thereof may also be funded from surplus cash. The allocations of the funding sources from own contributions are determined during the budget process.

Contributions to the Capital Replacement Reserve (CRR)

All proceeds from the sale of redundant property plant and equipment, and the VAT portion of capital grants that represents own income must be transferred to the CRR.

Funds must be transferred to the CRR in the budget process to ensure that sufficient funds are available in the reserve to finance the capital expenditure from own contributions.

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Grants (Including Public Contributions)

Grants for capital expenditure have become a common practice, especially in order to extend service delivery to previously disadvantaged areas. While such grants are welcomed, care should also be taken that unusual grant funding does not place an unreasonable burden on the residents for future maintenance costs which may be higher than their ability to pay.

It is therefore determined that the accounting officer must evaluate the long term effect of unusual capital grants on future tariffs, and if deemed necessary, report on such to Council.

It is furthermore determined that the depreciation charges on assets financed from grants and donations must not have a negative effect on tariffs charged to the users of such assets. The Accounting Officer must put such accounting measures in place to comply with this requirement, to a reasonable extent.

External Loans

The municipality may only raise loans in accordance with its Debt Management Policy.

The Accounting Officer must also put such accounting measures in place to ensure that no unspent portions of loans are utilised for operating purposes.

For budgeting purposes any difference between proposed capital spending from loans and proposed loans raised must be included in the cash surplus for the year.

2.8 FUNDING COMPLIANCE MEASUREMENT

2.8.1 INTRODUCTION

The municipality wants to ensure that the budget or adjustments budget complies with the requirements of the MFMA and this policy. For this purpose a set of indicators must be used as part of the budget process and be submitted with the budget. These indicators include all the indicators as recommended by National Treasury as well as reconciliations according to this policy. Any additional indicators recommended by National Treasury in future must also be taken into account, as well as any additional reconciliation items as either determined by the Council or the Accounting Officer.

If any of the indicators are negative during the compilation or approval process of the budget, the budget may not be approved until all the indicators provide a positive return, unless any negative indicators can be reasonably explained and

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future budget projections address the turn-around of these indicators to within acceptable levels.

2.8.2 CASH AND CASH EQUIVALENTS AND INVESTMENTS

A positive Cash and Cash Equivalents position throughout the year is crucial. In addition, the forecasted cash position at year-end must at least be the amount as calculated in the Reconciliation of Cash Requirements as determined by this policy and attached to this policy as Appendix "A".

2.8.3 CASH PLUS INVESTMENTS LESS APPLICATION OF FUNDS

The overall cash position of the municipality must be sufficient to include:

- unspent conditional grants;
- unspent conditional public contributions;
- unspent borrowings;
- vat due to SARS;
- secured investments;
- the cash portion of statutory funds such as the Housing Development Fund;
- other working capital requirements; and
- In addition, it must be sufficient to back reserves as approved by the municipality and the portions of provisions as indicated below:
 - o Current portion of Rehabilitation of landfill sites
 - o Current portion of Post-retirement benefits
 - Current portion of Long service provisions
 - o Current portion of Ex-gratia pension provisions
 - o 20% of staff leave
 - o 100% of performance bonuses
 - o 100% of staff bonuses
 - o 100% of any other employee benefits

2.8.4 <u>MONTHLY AVERAGE PAYMENT COVERED BY CASH AND CASH</u> EQUIVALENTS ("CASH COVERAGE")

This indicator shows the level of risk should the municipality experience financial stress.

2.8.5 SURPLUS/DEFICIT EXCLUDING DEPRECIATION OFFSETS

It is almost certain that the operating budget, which includes depreciation charges on assets funded by grants and public contributions, as well as on revalued assets, will result in a deficit.

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As determined elsewhere in this policy it is not the intention that the users of the assets funded from grants, public contributions and revaluations must be burdened with tariff increases to provide for such depreciation charges. In order to ensure a "balanced" budget but excluding such depreciation charges, the depreciation charges may be offset against the net surplus / deficit.

Should the budget result in a deficit after the offsetting, the budget will be deemed unfunded and must be revised.

2.8.6 PROPERTY RATES/SERVICE CHARGE REVENUE PERCENTAGE INCREASE LESS MACRO INFLATION TARGET

The intention of this indicator is to ensure that tariff increases are in line with macro economic targets, but also to ensure that revenue increases for the expected growth in the geographic area is realistically calculated.

The formula to be used is as follows:

	DESCRIPTION	PROPERTY RATES	SERVICE CHARGES	TOTAL
Α	Revenue of budget year	R XX	R XX	R XX
В	Less: Revenue of prior year	R XX	R XX	R XX
С	=Revenue increase/decrease	R XX	R XX	R XX
D	% Increase/(Decrease)	C/B %	C/B %	C/B %
E	Less: Upper limit of macro Inflation target	%	%	%
F	=Growth in excess of inflation target	%	%	%
G	Less: Expected growth %	%	%	%
Н	=Increase attributed to tariff Increase above macro inflation target	%	%	%

In the event that the percentage in (h) above is greater than zero, a proper motivation must accompany the budget at submission, or the budget must be revised.

2.8.7 CASH COLLECTION % RATE

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The object of the indicator is to establish whether the projected cash to be collected is realistic and complies with section 18 of the MFMA.

The collection rate for calculating the provision for impairment of receivables must be based on past and present experience. Past experience refers to the collection rates of the prior years and present experience refers to the collection rate of the current financial year as from 1 July.

It is not permissible to project a collection rate higher than the rate currently being obtained, even if the municipality recently approved a debt collection policy or implemented additional debt collection measures. Any improvement in collection rates during the budget year may be appropriated in an Adjustment Budget.

2.8.8 <u>DEBT IMPAIRMENT EXPENSE AS A PERCENTAGE OF BILLABLE</u> REVENUE

This indicator provides information whether the contribution to the provision for impairment of receivables is adequate. In theory it should be equal to the difference between 100% and the cash collection rate, but other factors such as past performance might have an influence on it. Any difference, however, must be motivated in the budget report.

2.8.9 CAPITAL PAYMENTS AS A PERCENTAGE OF CAPITAL EXPENDITURE

This indicator provides information as to the timing for payments on capital projects and utilising allowed payment terms.

2.8.10 BORROWING AS A PERCENTAGE OF CAPITAL EXPENDITURE (EXCLUDING GRANTS AND CONTRIBUTIONS)

This indicator provides information as to compliance with the MFMA in determining borrowing needs. The Accounting Officer must ensure compliance with the Municipality's Debt Management Policy.

2.8.11 GRANTS REVENUE AS A PERCENTAGE OF GRANTS AVAILABLE

The percentage should never be less than 100% and the recognition of expected unspent grants at the current year-end as revenue in the next financial year must be substantiated in a report.

2.8.12 CONSUMER DEBTORS CHANGE (CURRENT AND NON - CURRENT)

The object of the indicator is to determine whether budgeted reductions in outstanding debtors are realistic.

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An unacceptable high increase in either current— or non— current debtors' balances should be investigated and acted upon.

2.8.13 REPAIRS AND MAINTENANCE EXPENDITURE LEVEL

It is of utmost importance that the municipality's Property Plant and Equipment be maintained properly, in order to ensure sustainable service delivery. The budget should allocate sufficient resources to maintain assets and care should be exercised not to allow a declining maintenance program in order to fund other less important expenditure requirements.

Similarly, if the maintenance requirements become excessive, it could indicate that a capital renewal strategy should be implemented or reviewed.

As a general benchmark the maintenance budget should be between 4% and 8% of the value of assets.

2.8.14 ASSET RENEWAL/REHABILITATION EXPENDITURE LEVEL

This indicator supports further the indicator for repairs and maintenance.

The Accounting Officer must, as part of the capital budget, indicate whether each project is a new asset or a replacement/renewal asset in order to determine whether the renewal program is sufficient or needs revision.

2.8.15 FINANCIAL PERFORMANCE BUDGET

Although it is not a legal requirement that the financial performance budget should balance, it only makes management sense that it should balance.

A number of line-items influence the net result of the financial performance budget. It includes capital grant revenue, depreciation charges including those where assets were funded from grants and public contributions, unamortised discounts and gains/losses on the disposal of Property Plant and Equipment. These items need to be taken into consideration in order to establish if the operating budget is realistic and credible.

2.8.16 FINANCIAL POSITION BUDGET

This indicator provides an overall view of the projected financial position over the periods of the Medium Term Expenditure framework, including movements in inventory and payables.

2.8.17 CASH FLOW BUDGET

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A positive cash flow is a good indicator of a balanced budget, as well as the ability of the municipality to meet its future commitments.

The cash flow budget, however, does not include those items such as contributions to the provisions described elsewhere in this policy, the effect of depreciation charges etc, and care must be taken not to let a projected positive cash inflow lead to additional expenditure requests, without taking the requirements of those items into consideration.

3. SECTION B: RESERVES POLICY

3.1 INTRODUCTION

Fund accounting historically formed a huge part of municipal finance in the IMFO standards.

Since the municipality changed to General Recognised Accounting Practices (GRAP), fund accounting is no more allowed.

The municipality, however, recognises the importance of providing to the municipality itself, as well as its creditors, financiers, staff, and general public a measure of protection for future losses, as well as providing the necessary cash resources for future capital replacements and other current and non-current liabilities.

This policy aims to provide for such measure of protection by creating certain reserves.

3.2 LEGAL REQUIREMENTS

There are no specific legal requirements for the creation of reserves, except for the Housing Development Fund. The GRAP Standards itself also do not provide for reserves.

However, the GRAP "Framework for the Preparation and Presentation of Financial Statements" states in paragraph 91 that such reserves may be created, but "Fund Accounting" is not allowed and any such reserves must be a "legal" reserve, i.e. created by law or Council Resolution.

3.3 TYPES OF RESERVES

Reserves can be classified into two main categories being "cash funded reserves" and "non – cash funded reserves".

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3.3.1 CASH FUNDED RESERVES

In order to provide for sufficient cash resources for future expenditure, the municipality hereby approves the establishment of the following reserves:

(a) Capital Replacement Reserve (CRR)

The CRR is to be utilised for future capital expenditure from own funds and may not be used for maintenance—or other operating expenditure.

The CRR must be cash-backed and the Accounting Officer is hereby delegated to determine the contribution to the CRR during the compilation of the annual financial statements.

(b) Employee benefits reserve

The aim of the reserve is to ensure sufficient cash resources are available for the future payment of employee benefits.

The contributions to the reserve must be made in accordance with the directives set in this Funding Policy.

(c) Non-current provisions reserve

The aim of this reserve is to ensure sufficient cash resources are available for the future payment of non – current provisions.

The contributions to the reserve must be made in accordance with the directives set in this Funding Policy.

(d) Valuation reserve

The aim of this reserve is to ensure sufficient cash resources are available to undertake a General Valuation as per the Municipal Property Rates Act.

The contribution to this reserve should be approximately 25% of the anticipated cost of the General Valuation and the Accounting Officer is hereby delegated to determine this amount annually during the compilation of the annual financial statements.

(e) Other statutory reserves

It may be necessary to create reserves prescribed by law, such as the Housing Development Fund. The Accounting Officer must create such reserves according to the directives in the relevant laws.

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3.3.2 NON - CASH FUNDED RESERVES

It might be necessary to create non – cash funded reserves for a variety of reasons, including GRAP requirements. The Accounting Officer must create any reserves prescribed by the accounting standards, such as the Revaluation Reserve, if required.

The Accounting Officer is hereby delegated and may also in the discretion of the Accounting Officer, create reserves for future depreciation offsetting, in the absence of a standard similar to IAS 20.

3.4 **ACCOUNTING FOR RESERVES**

3.4.1 REVALUATION RESERVE

The accounting for the Revaluation Reserve must be done in accordance with the requirements of GRAP 17.

3.4.2 OTHER RESERVES

The accounting for all other reserves must be processed through the Statement of Financial Performance. The required transfer to or from the reserves must be processed in the Statement of Net Assets to or from the accumulated surplus.

It is a condition of GRAP and this policy that no transactions may be directly appropriated against these reserves.

4. SECTION C: REVIEW OF THE POLICY

This Funding and Reserves Policy is the only policy of the municipality and replaces any past policies in this regard. Any revision of the policy must be approved by the Municipal Council.

Whenever the Minister of Finance or the National Treasury or the Auditor – General requests changes to the policy by way of legislation, changes to GRAP or otherwise, it must be reviewed and submitted for consideration by the Council on an annual basis. Such submission must be accompanied with a full description of the reasons for the change to the policy.

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APPENDIX A

RECONCILIATION OF CASH REQUIREMENTS

Cash flow from operating activities	R XX
Add : Depreciation from own funds	R XX
Add : Current provisions balance	R XX
Add : Current employee benefits balance	R XX
Add: Unspent conditional grants	RXX
Add: Unspent public contributions	R XX
Add: Unspent borrowings	R XX
Add: VAT due to SARS	R XX
Add : Secured investments	R XX
Add : Cash portion of Statutory Reserves	R XX
Add: Working Capital Requirements	R XX
= Minimum Cash Surplus Requirements for the year	R XX



BORROWING POLICY

Date of implementation 01 July 2013

BORROWING POLICY

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1. PURPOSE

- 1.1. To provide the Municipality with a borrowing framework policy.
- 1.2. Set out the objectives, policies, statutory requirements as well as guidelines for the borrowing of funds.

2. OBJECTIVES

- 2.1. The objectives of the policy are to:
- 2.2. enable the municipality to exercise their obligation to ensure sufficient cash resources to implement capital programme in the most cost effective manner;
- 2.3. ensure compliance with the relevant legal and statutory requirements relating to Municipal borrowing;
- 2.4. govern the taking up of short-term and long-term debt according to the legislative framework
- 2.5. manage interest rate and credit risk exposure
- 2.6. maintain debt with specified limits and ensure adequate provision for the repayment of debt and
- 2.7. To maintain financial sustainability.

3. SCOPE OF THIS POLICY

- 3.1. The primary goal in the borrowing of funds is to ensure that the funds are obtained at the lowest possible interest rates at minimum risk, within the parameters of authorized borrowings.
- 3.2. This policy shall apply the Council, Mayoral Committee, all Portfolio Committees, Accounting Officer, Strategic Executive Directors and all staff of the municipality. It is, however, specifically applicable to the council and all officials who have a formal, administrative duty to deal with capital projects and programmes of the municipality and the management of the budget.

4. BORROWING ETHICS

- 4.1. In dealing with financial institutions, the following ethical principles must be adhered to:
- 4.2. The Chief Financial Officer shall not accede to any influence by or interference from councillors, borrowing institutions or any outsiders.
- 4.3. Under no circumstances may inducements to borrow be accepted.

5. LEGISLATION

- 5.1. The legislative framework governing borrowings are:
 - 5.1.1. Local Government Municipal Finance Management Act, Act 56 of 2003; and
 - 5.1.2. Local Government Municipal Regulations and Debt Disclosure, Regulation R492, published under Government Gazette 29966, 15 June 2007.

6. COMPULSORY DISCLOSURE WHEN INCURRING MUNICIPAL DEBT

- 6.1. The Municipal Regulations on Debt Disclosure has been promulgated (Government Gazette no. 29966, 15 June 2007) and has been effective from 01 July 2007 for a municipality or municipal entity. Refer to Annexure A2, Municipal Finance Management Act: Municipal Regulations on Debt Disclosure.
- 6.2. The implementation of the regulations will help to strengthen the level of confidence in municipal fiscal affairs and enable the capital markets to effectively participate by providing access to a range of competitive funding instruments for the provision of municipal infrastructure and other capital development in accordance with section 46 of the Municipal Finance Management Act
- 6.3. In the case of short-term debt it must be disclosed whether the debt is to bridge:
 - 6.3.1. Shortfalls within a financial year during which the debt is incurred, in expectation or specific and realistic anticipated revenue to be received with that financial year; or
 - 6.3.2. Capital needs within a financial year, to be repaid from specific funds to be received from enforceable allocation or long-term debt commitments.
- 6.4. In the case of long-term debt, whether the purposes of the debt is for:
- 6.5. Capital expenditure on property, plant or equipment to be used for the purpose of achieving the objectives of local government, subject to section 46(4) of the Act.
- 6.6. Refinancing of existing long-term debt, subject to section 46(5) of the Act.

7. PROCESS

The process as required by the Act is as follows:

7.1. Short-term debt

- 7.1.1. A municipality may incur short-term debt only if:
 - 7.1.1.1. A resolution of the municipal council, signed by the executive mayor, has approved the debt agreement; and
 - 7.1.1.2. The accounting officer has signed the agreement or other document which creates or acknowledges the debt.
- 7.1.2. A short term debt transaction may be:
 - 7.1.2.1. approve individually; or
 - 7.1.2.2. approve an agreement with a lender for short-term credit facility to be accessed as and when required, including a line of credit or bank overdraft facility, provided that:
- 7.1.3. the credit limit must be specified in the resolution of the council;
- 7.1.4. in terms of the agreement, including the credit limit, may be changed only by a resolution of the council; and
- 7.1.5. if the council approves a credit facility that is limited to emergency use, the accounting officer must notify the council in writing as soon as practical of the

amount, duration and cost of any debt incurred in terms of such a credit facility, as well as options for repaying such debt.

7.1.6. A municipality:

- 7.1.6.1. Must pay off short-term debt within the financial year; and
- 7.1.6.2. 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.
- 7.1.6.3. 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 7.1.6.2
- 7.1.6.4. If a lender wilfully extends credit to a municipality in contravention of paragraph 7.1.6.3, the municipality is not bound to repay the loan or interest on the loan.
- 7.1.6.5. Subsection 7.1.6.1 does not apply if the lender:
 - 7.1.6.5.1. Relied in good faith on written representations of the municipality as to the purpose of the borrowing; and
 - 7.1.6.5.2. 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

7.2. Long-term debt

- 7.2.1. A municipality may incur long-term debt only if:
 - 7.2.1.1. A resolution of the municipal council, signed by the executive mayor, has approved the debt agreement; and
 - 7.2.1.2. The accounting officer has signed the agreement or other document which creates or acknowledges the debt.
- 7.2.2. A municipality may incur long-term debt only if the accounting officer of the municipality:
 - 7.2.2.1. has, in accordance with section 21A of the Municipal Systems Act:
 - 7.2.2.2. at least twenty one (21) days prior to the meeting 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
 - 7.2.2.3. 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
 - 7.2.2.4. has submitted a copy of the information statement to the municipal council at least twenty one (21) days prior to the meeting of the council, together with particulars of:
 - 7.2.2.4.1. the essential repayment terms, including the anticipated debt repayment schedule; and
 - 7.2.2.4.2. The anticipated total cost in connection with such debt over the repayment period.

- 7.2.3. Capital expenditure contemplated in 5.3(a) may include:
 - 7.2.3.1. Financing costs, including:
 - 7.2.3.1.1. capitalized interest for a reasonable initial period;
 - 7.2.3.1.2. Costs associated with security arrangements in accordance with section 48 of the Act;
 - 7.2.3.1.3. discounts and fees in connection with the financing:
 - 7.2.3.1.4. fees for legal, financial, advisory, trustee, credit rating and other services directly connected to the financing; and
 - 7.2.3.1.5. Costs connected to the sale or placement of debt, and costs for printing and publication directly connected to the financing.
 - 7.2.3.1.6. Costs of professional services directly related to the capital expenditure; and
 - 7.2.3.1.7. Such other costs as may be prescribed.
- 7.2.4. A municipality may borrow money for the purpose of refinancing existing long-term debt, provided that:
 - 7.2.4.1. the existing long-term debt was lawfully incurred;
 - 7.2.4.2. the refinancing 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
 - 7.2.4.3. the net present value of projected future payments (including principal and interest payments) after refinancing is less than the net present value of projected future payments before refinancing; and
 - 7.2.4.4. 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.
- 7.2.5. A municipality's long-term debt must be consistent with its capital budget referred to in section 17(2) of the Act.

8. CONDITIONS

Witzenberg Municipality may incur debt only if:

- 8.1. 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; and
- 8.2. section 48(3) of the Act has been complied with, if security is to be provided by the municipality.

9. SECURITIES

- 9.1. Witzenberg Municipality may by resolution of its council provide security for:
 - 9.1.1. any of its debt obligations; and
 - 9.1.2. contractual obligations of the municipality undertaken in connection with capital expenditure by the persons on property, plant or equipment to be used by the

municipality or such other person for the purpose of achieving the objectives of local government in terms of section 152 of the Constitution.

- 9.2. Appropriate security is contemplated in section 48(2) of the Act.
- 9.3. Other additional conditions to be complied with are contemplated in section 48(3) to (5) of the Act.

10. DISCLOSURE

The Municipality must, when interacting with a prospective Lender or when preparing documentation for consideration by a prospective Investor, disclose all relevant information that may be requested or that may be material to the decision of the prospective Lender or Investor. 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.

11. GUARANTEES

- 11.1. The Municipal Finance Management Act provides that the Municipality may not guarantee any debt of any entity unless the entity is a Municipal entity under its sole ownership control. The debt must be reflected in the approved business plan of the entity. The guarantee must be authorized by the Municipality. This must be done in the same manner and subject to the same conditions applicable to any other borrowings. Neither the National nor Provincial Government may guarantee the debt of any Municipality.
- 11.2. Witzenberg Municipality may not issue any guarantee for any commitment or debt of any organ of state or person, except on the following condition:
- 11.3. The guarantee must be within limits specified in the municipality's approved budget.
- 11.4. Neither the national nor a provincial government may guarantee the debt of a municipality except to the extent that chapter 8 of the Public Finance Management Act provides for such guarantees

12. SUBMISSION OF DOCUMENTS

When entering into discussion with a prospective lender with a view to incur short-term or long-term debt, the following information must be made available to the prospective lender.

- 12.1. audited financial statements for the preceding three (3) financial years with audited outcomes;
- 12.2. approved annual budget;
- 12.3. the municipal integrated development plan;
- 12.4. Repayment schedules pertaining to existing short-term or long-term debt.

13. NOTIFICATION TO NATIONAL TREASURY

All information prescribed in the act must be provided to National Treasury with respect to a long-term debt proposal.

Information to be provided with respect to a long-term debt proposal

	Details	MFMA
A	A copy of the <i>information statement</i> required by section 46(3), containing particulars of the proposed borrowing (debt) instrument.	46(3)(a)(i)
В	If not already incorporated in the <i>information statement</i> , the following information should be provided separately (note QBMR = Quarterly Borrowing Monitoring Return to NT, see over page for further information):	
	amount of debt to be raised through borrowing or other means purposes for which the borrowing (debt) is to be incurred interest rate(s) applicable (state whether fixed or variable etc) planned start and end date (term of instrument) detailed repayment schedule for the duration of the borrowing (debt) (showing dates and all payments of principal and interest, etc) total estimated cost of the borrowing (debt) over the repayment period type of instrument (select from QBMR) security to be provided (select from QBMR) and provide details source of loan funds (select from QBMR)	46(3)(b)(i) and (ii)
С	A schedule of consultation undertaken, including: date(s) when the <i>information statement</i> was made public details of meetings, media adverts and other methods used to consult on the proposed long-term borrowing (debt)	46(3)(a)(i), (ii)
D	A copy of the approved budget, and relevant documentation supporting the budget, highlighting the asset(s) to be funded by the proposed borrowing (debt) and the revenue to be received. It must be demonstrated that the proposed borrowing (debt) is consistent with the IDP, the capital budget and the revenue is shown accordingly.	46(6) 17(2) 19
Е	If the borrowing (debt) is for the purpose of refinancing existing long-term borrowing (debt), the following information: description of the asset(s) for which the original loan was required the useful remaining life of the asset(s) the net present value of the asset(s), including the discount rate used	46(5)

	and any assumptions in the calculations the net present value of projected future payments before refinancing, including the discount rate and assumptions used. the net present value of projected future payments after refinancing, including the discount rate and assumptions used.	
F	What source of funding will be used to repay the loan? Please specify the revenue stream(s) and whether this is existing revenue, or new revenue.	19(1)(d)
G	Schedule of <u>all</u> long-term borrowing (debt) obligations in the format of the QBMR showing principal and interest payments for the life of <u>all</u> <u>loans</u> and any associated investments set up as sinking funds etc.	
Н	A copy of the council/board of directors' resolution approving the borrowing (debt) instrument should be forwarded once approved.	

14. FINANCIAL AFFAIRS OF THE MUNICIPALITY

- 14.1. The following information concerning the financial situation and financial management of the municipality must be disclosed:
 - 14.1.1. schedule of all long-term debt obligations stating principal and interest payments for the life of all loans and any security provided to secure such debt:
 - 14.1.2. the amount of any short-term debt outstanding;
 - 14.1.3. the revenue of the municipality for the preceding three (3) financial years stated separately:
 - 14.1.4. Government grants and public donations;
 - 14.1.5. Revenue from rates and service charges and other revenue sources
 - 14.1.6. what source of funding will be used to repay the loan;
 - 14.1.7. details of any default by the municipality on outstanding or repaid debt during the preceding three (3) years;
 - 14.1.8. the reserves of the municipality;
 - 14.1.9. a summary of financial policies and practices; and
 - 14.1.10. The latest credit rating obtained.

15. INTEREST RATE RISK

- 15.1. As a general principle when interest rates are expected to decrease, it is advisable that a floating rate be negotiated in order to take advantage of the lower interest rates in future. If interest rates are expected to increase, it is advisable to obtain a fixed rate so that the benefits of the current low interest rate are maintained.
- 15.2. The interest risk must be limited in so far as possible. The policy directive is to negotiate fixed interest rates for all long-term borrowings. This will ensure stability

of the repayments and reduce the risk for high rates and tariff increases as a result of interest rate hikes in the market.

15.3. Variable rates should be considered for short-term debt only.

16. LIMITATIONS

To ensure a financial viable municipality the following ratios are used to determine the municipal gearing ability to borrow:

- 16.1. Long-term credit rating of BBB;
- 16.2. Interest cost to total expenditure to not exceed 8%;
- 16.3. Long-term debt to revenue (excluding grants) not be exceed 50%;
- 16.4. Payment rate mature above 95%; and
- 16.5. Percentage of capital charges to operating expenditure less than 18%.

17. PROHIBITED BORROWING PRACTICES

Witzenberg Municipality shall not borrow for investment purposes, with the sole purpose of investing to earn a return. The cost of debt is almost always more expensive than the return that the Municipality can derive by investing in permitted investments. Foreign Borrowing is permitted in terms of section 47 of the Municipal Finance Management Act, whereby the debt must be denominated in Rand and is not indexed to, or affected by, fluctuations in the value of the Rand against any foreign currency.

18. IMPLEMENTATION AND REVIEW

- 18.1. The Accounting Officer shall be responsible for the implementation and administration of this policy with the assistance of the Strategic Executive Director for Financial Services Department once approved by Council. All future borrowings must be considered in accordance with this policy read with MFMA and Local Government Municipal Regulations and Debt Disclosure, Regulation R492, published under Government Gazette 29966, 15 June 2007 and other directives and guidelines issued by National Treasury.
- 18.2. In terms of section 17(1) (e) of the Municipal Finance Management Act, 2003 this policy shall be reviewed on annual basis to ensure that it complies with changes in applicable legislation and regulation and the reviewed policy tabled to Council for approval as part of the budget process.
- 18.3. This policy must be read together with the Budget and Funding and Reserves Policies; Local Government Municipal Finance Management Act, Act 56 of 2003; and Local Government Municipal Budget and Reporting Regulation, Regulation 393, published under Government Gazette 32141, 17 April 2009.



CELLULAR TELEPHONE AND DATA CARD POLICY

Date of implementation 01 July 2013

CELLULAR TELEPHONE AND DATA CARD POLICY

1. Purpose

The purpose of this policy is to determine guidelines for the:

- Management of cellular telephones
- Acquisition of cellular telephones
- Acquisition of data cards
- Management of data cards

2. General

- 2.1 It is recognised that cellular telephones are useful communications tools is in many cases essential for Municipal officials to carry out their duties. To this end this policy shall regulate the provision of a cellular telephone and/or data cards for officials in the Witzenberg Municipality.
- 2.2 All applications for cellular telephones and/or data cards shall require the approval of the Municipal Manager.
- 2.3 In considering the granting of a cellular phone and/or data card, the Municipal Manager shall take into account all of the following: -
- 2.3.1 Operational responsibility of the applicant.
- 2.3.2 Availability of funds.
- 2.3.3 Time spent outside of the office by the official.
- 2.3.4 The need for constant and immediate contact of the official.
- 2.3.5 Improvement in efficiency of the official.
- 2.3.6 Need for immediate contact with councillors and the public.
- 2.3.7 Safety of officials.

3 **General Controls**

- 3.1 An annual review shall be carried out by the Municipal Manager to determine the continued need for all cellular telephones and/or data cards.
- 3.2 If it is determined that an official no longer qualify for a cellular telephone and/or data card, he/she must be advised in writing of the decision with at least a two months' notice period.

4 <u>Limit of allowances</u>

4.1 The allowable all-inclusive expenditure for cellular telephones, tablets and/or data cards will be limited to the following maximum monthly amounts excluding VAT.

Positions ¹	Contract by municipality	Allowance to employee
Municipal Manager	3 000	5 000
Directors	3 000	5 000
T Level 18	900	1 200
T Level 14 - 17	700	1 000
Other Approved Employee's	350	500
Data Allowance	350	500
Tablets MM & Directors	1 550	2 600

¹ Amendment proposed

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- Page | 2
- 4.2 The municipal manager can in exceptional cases and on justifiable grounds on written application by a person whose cell phone expenditure is above the maximum monthly limit set above, determine in writing a higher limit for that specific month.
- 4.3 Any account in excess of the allowable maximum amounts as stated in paragraph 4.1 or the higher limit in paragraph 4.2 above, will be deducted from the relevant employee's salary as soon as possible.
- Where no written determination by the municipal manager in terms of paragraph 4.2 is received on or before the 10th of the month, any account in excess of the allowable maximum amounts as stated in paragraph 4.1 will be deducted from the relevant employee's salary as soon as possible.
- 4.5 Before any cellular telephone and/or data card is handed over to an employee he or she must sign the relevant authority that any excess can be deducted from his or her salary.
- 4.6 The municipal manager can adjust these amounts annually subject to budgetary provisions.
- 4.7 All employees that qualify for the cellular phone, tablet and data card allowance will receive the allowance and not a municipal funded cellular phone or data card. All employees' receiving this allowance must ensure that the item for which the allowance is received is in working condition and has the necessary airtime/data to perform their functions.
- 4.8 The local government regulations on appointment and conditions of employment of senior managers in terms of the Local Government: Municipal Systems Act, 2000 (act no. 32 of 2000) section 40 determines that a senior manager is entitled to compensation for the use of a mobile telephone and data card for official purposes in accordance with the relevant policy of the municipality.²
- 4.9 The municipal manager and directors shall receive the above allowances and have the option to use municipal contracts, on condition that the cost of the contract be deducted from their respective allowances/salaries.³

5 Additional charges

5.1 All additional charges including but not limited to the following will be for the account of the user:

Content charges Subscriptions Cellular phone data charges

6 <u>Cellular telephones, tablets and Data Card Allowance</u>

- The municipal manager may approve that a monthly allowance not exceeding the limits as per paragraph 4.1 be paid to employees that qualify for the use of cellular telephones or data cards.
- 6.2 Employees that elect the allowance option must provide a cellular phone and/or data card to be used for official business and may not use municipal cellular telephones and/or data cards.
- Proof that the cellular phone and/or data card is available for official use must be provided on request. If the required proof cannot be provided the allowance will be stopped with immediate effect.
- The municipality will only pay the allowance to the user; all cost in excess of the allowance will be for the account of the user.
- 6.5 The allowance will be paid together with the employees' monthly salary.

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² Included 29 May 2018

³ Recommended for inclusion

The recipient of the allowance will be responsible for the payment of income tax on the allowance, which will be deducted from the employee's salary.

7 Management and control of cellular telephones and data card needs

- 7.1 A register of all cellular telephones and data cards and service agreements must be maintained by the Administration department.
- 7.2 All cellular telephones and data cards will be obtained on a rental agreement.
- 7.3 The agreement for a cellular phone must be conducted in the Municipalities name.
- 7.4 The agreement for a data card must be conducted in the Municipalities name.
- 7.5 No cellular telephones or data cards will be upgraded for improved models before the contract has expired, unless indicated to the contrary by the service provider or on recommendation by the relevant director or head of department.
- 7.6 After lapse of the agreement, the cellular phone or data card becomes the property of the employee.
- 7.7 If the relevant employee leaves the employment of the municipality before the agreement lapse, the cellular phone and/or data cards with the relevant SIM cards must be handed in at the administration department who must ensure that it is in working condition and that it is the correct SIM cards.
- 7.8 The cellular phone number is the property of the Witzenberg municipality and cannot be transferred to employees.

8 Insurance

- 8.1 All reasonable care must be taken to protect the equipment from damage, destruction or loss and any proof of negligence shall be dealt with within the context of Council's disciplinary code.
- 8.2 The Excess payment on insurance claims will be for the account of the user of the cellular phone or data card.

9 ICT policies

9.1 Users of data cards acknowledge that all other ICT policies adopted by Witzenberg Municipality are applicable on the usage of the data cards.

10 Promotional Items and or Gift Vouchers

- Any promotional items and or gift vouchers received with a cellular phone and or data contract will be the property of the municipality and not of the employee.
- The only exception to the above is tablets that can be used by the employee for official purposes for the duration of the rental agreement, where after it will become the property of the employee.

11 Procurement

- 11.1 The administration of the procurement process will be done by the Administration section.
- 11.2 The procurement of cellular telephones and data cards will be done by the Supply Chain Unit.



Reviewed by Council 24/01/2024.

Reviewed by Council 30/03/2022.

Reviewed by Council 26/05/2021.

Reviewed by Council 30/05/2017.

Reviewed by Council 18/05/2016.

Reviewed by Council 28/05/2015.

Reviewed by Council 27/05/2014.

Adopted by Council 29/05/2013.

LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003

Proposed date for adoption: 1 April 2013

Council resolves in terms of section 111 of the Local Government Municipal Finance Management Act (No. 56 of 2003), to adopt the following proposal as the Supply Chain Management Policy of the municipality.

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Annexure A

Annexure B

1. Definition - 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" - means the municipal official referred to in section 60 of the Act

"BBBEE" means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act.

"BBBEE Status Level of Contributor" means the BBBEE status of an entity in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act. ¹

"Bid" means a written offer in a prescribed or stipulated form in response to an invitation by the municipality for the provision of goods, services or construction works through price quotations, advertised competitive bidding processes or proposals.

"Bidder" means any person submitting a competitive bid or a quotation.

"Black designated groups" has the meaning assigned to it in the codes of good practice issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act. ²

"Black people" has the meaning assigned to it in section 1 of the Broad-Based Black Economic Empowerment Act. ³

"Broad-Based Black Economic Empowerment Act" means the Broad-Based Black Economic Empowerment Act, 53 of 2003 and Codes of Good Practice pertaining thereto.

"Chief Financial Officer or CFO" means a person designated in terms of section 80(2) (a) of the Act.

"CIDBA regulations" means any regulations issued in terms of the Construction Industry Development Board Act, 2000 (Act No. 38 of 2000);

"Class deviation" means a deviation from the normal procurement process for goods and services anticipated to be procured more than once in a financial year but exclude procurement made in an emergency situation.

"Community Based Vendor" means a supplier of goods, services and/or construction works who resides in the Witzenberg municipal area or has its principal business activities in the Witzenberg municipal area, who meets the criteria for community-based vendor as determined by the Municipal Council from time to time, and who is registered as such on the municipality's supplier database.

¹ Amended by council 30 May 2017

² Amended by council 30 May 2017

³ Amended by council 30 May 2017

"Competitive bidding process" means a competitive bidding process referred to in paragraph 21 of this Policy;⁴

"Competitive bid" means a bid in terms of a competitive bidding process;

"Consultant/ consulting engineer" means a person or entity providing advisory services to the municipality which amongst others include consulting firms, management firms, procurement agents, inspection agents, auditors, other multinational organisations, investment and merchant banks, universities, research agencies, government agencies, non-governmental organisations (NGOs) and individuals.

"Contract" means the agreement, which is concluded when the municipality accepts, in writing, a competitive bid or quotation submitted by a supplier.

"Contract manager" refers to an internal official assigned to ensure the effective administration of the contract.

"Day(s)" means calendar days unless the context indicates otherwise.

"Disposal" in relation to capital assets means -

- (a) The demolition, dismantling or destruction of the capital asset; or
- (b) Any other process applied to a capital asset which results in loss of ownership of the capital asset otherwise than by way of transfer of ownership.

"Exempted Micro Enterprise" means an exempted micro enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act. ⁶

"Final award", in relation to bids or quotations submitted for a contract, means the final decision on which bid, or quote was accepted.

"Formal written price quotation" means a written or electronic offer to the municipality in response to an invitation to submit a quotation as referred to in paragraph 19 of this Policy;

"Green procurement" means the procurement of environmentally friendly products and services;⁷

"Head of Department" means a Senior Manager as defined in the Municipal Finance Management Act, 2003 (Act no.56 of 2003) and who is responsible for a vote as assigned by the Accounting Officer.

"Individual deviation" means a deviation from the normal procurement process as set out in this policy that affect only one contract / procurement award made in circumstances where it is impractical to follow the normal procurement process and in an emergency.

"In the service of the state" means to be -

- (a) A member of
 - (i) Any municipal council.

⁴ Amended by council 30 May 2017

⁶ Amended by council 30 May 2017

⁷ Amended by council 30 May 2017

- (ii) Any provincial legislature; or
- (iii) The National Assembly or the National Council of Provinces.
- (b) A member of the board of directors of any municipal entity.
- (c) An official of any municipality or municipal entity.
- (d) An employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Municipal Finance Management Act, 2003 (Act No.56 of 2003); and Public Finance Management Act, 1999 (Act No. 1 of 1999)
- (e) A member of the accounting authority of any national or provincial public entity; or
- (f) An employee of Parliament or a provincial legislature.
- "Joint Venture or Consortium" means an association of persons formed for the purpose of combining their expertise, property, capital, efforts, skill, and knowledge in an activity for the execution of a contract or contracts. The Joint Venture must be formalised by agreement between the parties.
- "Line manager" means a manager reporting directly to a senior manager and who is responsible for a cost centre as assigned by the relevant senior manager.
- "Long term contract" means a contract with a duration period exceeding one year and does not have the same meaning as contracts of a long-term nature referred to in paragraph 24(1)(e) of this policy;8
- **"Long term nature contract"** means a contract as defined by section 33(1) of the Municipal Finance Management Act imposing financial obligations on the Municipality beyond the first three years covered in the approved annual budget; ⁹
- "List of accredited prospective providers" means the list of accredited prospective providers which the municipality must keep in terms of paragraph 16 of this policy; 10
- "Municipality" means Witzenberg Municipality or any person(s) or committee delegated with the authority to act on its behalf.
- "Other applicable legislation" means any other legislation applicable to municipal supply chain management, including
 - (a) the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000), as amended.
 - (b) The Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003), as amended.
 - (c) The Construction Industry Development Board Act, 2000 (Act No.38 of 2000), as amended; and
 - (d) The Preferential Procurement Regulations, as amended¹¹
 - (e) The Local Government: Municipal Systems Act;¹²

⁸ Amended by council 30 May 2017

⁹ Amended by council 30 May 2017

¹⁰ Amended by council 30 May 2017

¹¹ Amended by council 30 May 2017

¹² Amended by council 30 May 2017

- (f) The Competition Act; and 13
 - (g) The Promotion of Administrative Justice Act. 14

"Policy" means this Supply Chain Management Policy as amended from time to time by Council.

"Targeted Labour" means those individuals employed by a contractor, or sub- contractor, in the performance of a contract, who are defined in the contract as the target group, and who permanently reside in the municipal area.

"Tender' referred to in the Preferential Procurement Regulations as amended, has the same meaning as "bid" as defined in this policy¹⁵

"Treasury guidelines" means any guidelines on supply chain management issued by the Minister in terms of section 168 of the Act.

"The Act" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

"The Regulations" means the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations published by Government Notice 868 of 2005.

2. Policy statement and objectives

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.

The objectives of this Policy are:

- to give effect to section 217 of the Constitution of the Republic of South Africa by implementing a system that is fair, equitable, transparent, competitive and cost effective.
- to comply with all applicable provisions of the Municipal Finance Management Act including the Municipal Supply Chain Management Regulations published under GN868 in Government Gazette 27636 30 May 2005 and any National Treasury Guidelines issued in terms of the MFMA: regulations pertaining thereto, including:
 - the Preferential Procurement Policy Framework Act.
 - the Broad-Based Black Economic Empowerment Act.
 - the Construction Industry Development Board Act.

¹³ Amended by council 30 May 2017

¹⁴ Amended by council 30 May 2017

¹⁵ Amended by council 30 May 2017

- the Local Government: Municipal Systems Act; and
- the Promotion of Administrative Justice Act.
- the Competition Act.¹⁷

CHAPTER 1

IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

3. Supply chain management policy

- (1) All officials and other role players in the supply chain management system of the municipality must implement this Policy in a way that
 - (a) Gives effect to -
 - (i) Section 217 of the Constitution; and
 - (ii) Part 1 of Chapter 11 and other applicable provisions of the Act.
 - (b) is fair, equitable, transparent, competitive, and cost effective; (c) Complies with
 - (i) The Regulations; and
 - (ii) Any minimum norms and standards that may be prescribed in terms of section 168 of the Act.
 - (d) is consistent with other applicable legislation.
 - (e) does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and
 - (f) is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.
- (2) This Policy applies when the municipality (a) Procures goods or services.
 - (b) Disposes of goods no longer needed.
 - (c) Selects contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies; and
 - (d) Selects external mechanisms referred to in section 80 (1) (b) of the Municipal Systems Act for the provision of municipal services in circumstances contemplated in section 83 of that Act.
 - (e) the procurement of goods and services under a contract secured by that other organ of state, provided that the relevant supplier has agreed to such procurement.
- (3) This Policy, except where provided otherwise, does not apply in respect of the procurement of goods and services contemplated in section 110(2) of the Act, including
 - (a) Water from the Department of Water Affairs or a public entity, another municipality, or a municipal entity; and
 - (b) Electricity from Eskom or another public entity, another municipality, or a municipal entity.

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¹⁷ Amended by council 30 May 2017

4. Amendment of the supply chain management policy

- (1) The accounting officer must
 - (a) at least annually review the implementation of this Policy; and
 - (b) When the accounting officer considers it necessary, submit proposals for the amendment of this Policy to the Council.
- (2) If the accounting officer submits proposed amendments to the Council that differs from the model policy issued by the National Treasury, the accounting officer must
 - (a) Ensure that such proposed amendments comply with the Regulations; and
 - (b) Report any deviation from the model policy to the National Treasury and the relevant provincial treasury.
- (3) When amending this supply chain management policy, the need for uniformity in supply chain practices, procedures, and forms between organs of state in all spheres, particularly to promote accessibility of supply chain management systems for small businesses must be taken into account.

5. Delegation of supply chain management powers and duties

- (1) The council hereby delegates all powers and duties to the accounting officer which are necessary to enable the accounting officer
 - (a) To discharge the supply chain management responsibilities conferred on accounting officers in terms of
 - (i) Chapter 8 or 10 of the Act; and
 - (ii) This Policy.
 - (b) to maximize administrative and operational efficiency in the implementation of this Policy.
 - (c) to enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism, and unfair and irregular practices in the implementation of this Policy; and
 - (d) To comply with his or her responsibilities in terms of section 115 and other applicable provisions of the Act.
- (2) Sections 79 and 106 of the Act apply to the sub delegation of powers and duties delegated to an accounting officer in terms of subparagraph (1).
- (3) The accounting officer may not sub delegate any supply chain management powers or duties to a person who is not an official of the municipality or to a committee which is not exclusively composed of officials of the municipality.
- (4) This paragraph may not be read as permitting an official to whom the power to make final awards has been delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 35-37 of this Policy.

6. Sub delegations

- (1) The accounting officer may in terms of section 79 or 106 of the Act sub delegate any supply chain management powers and duties, including those delegated to the accounting officer in terms of this Policy, but any such sub delegation must be consistent with subparagraph (2) of this paragraph and paragraph 4 of this Policy.
- (2) The power to make a final award
 - (a) Above R 10 million (VAT included) may not be sub delegated by the accounting officer.
 - (b) Above R2 million (VAT included), but not exceeding R10 million

(VAT included), may be sub delegated but only to -

- (i) The chief financial officer.
- (ii) A bid adjudication committee of which the Chief Financial Officer is a member / Chairperson.
- (c) Not exceeding R2 million (VAT included) may be sub delegated but only to
 - (i) The chief financial officer.
 - (ii) A senior manager.
 - (iii) A manager directly accountable to the chief financial officer or a senior manager; or
 - (iv) A bid adjudication committee.
- (3) An official or bid adjudication committee to which the power to make final awards has been sub delegated in accordance with subparagraph 5(2) must within five days of the end of each month submit to the official referred to in subparagraph 5(4) a written report containing particulars of each final award made by such official or committee during that month, including—
 - (a) The amount of the award.
 - (b) The name of the person to whom the award was made; and
 - (c) The reason why the award was made to that person.
- (4) A written report referred to in subparagraph 5(3) must be submitted (a) To the accounting officer, in the case of an award by
 - (i) The chief financial officer.
 - (ii) A bid adjudication committee of which the chief financial officer; or
 - (b) To the chief financial officer or his delegate responsible for the relevant bid, in the case of an award by
 - (i) A manager referred to in subparagraph 5 (2) (c) (ii); or
 - (ii) A bid adjudication committee of which the chief financial officer is a member.
- (5) Subparagraphs 5(3) and 5(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/ consulting engineer.

7 Oversight role of council

- (1) The Council reserves its right to maintain oversight over the implementation of this Policy.
- (2) For the purposes of such oversight the accounting officer must
 - (a) within 30 days of the end of each financial year, submit a report on the implementation of this Policy and the supply chain management policy of any municipal entity under the sole or shared control of the municipality, to the council of the municipality; and
 - (b) Whenever there are serious and material problems in the implementation of this Policy, immediately submit a report.
- (3) The Supply Chain Manager must, within 4 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the Chief Financial Officer, of which he must submit it within 3 days to the Accounting Officer. The Accounting Officer must within 3 days after receiving the report submit it to the mayor.
- (4) The reports must be made public in accordance with section 21A of the Municipal Systems Act.

8. Supply chain management unit

- (1) Witzenberg Municipality has established a supply chain management unit to implement this policy.
- (2) The supply chain management unit operates under the direct supervision of the chief financial officer whom this duty has been delegated in terms of section 82 of the Act.

9 Training of supply chain management officials

(1) The training of officials involved in implementing this Policy should be in accordance with any Treasury guidelines on supply chain management training.

CHAPTER 2

SUPPLY CHAIN MANAGEMENT SYSTEM

10. Format of supply chain management system

This Policy provides systems for -

- (1) Demand management.
- (2) Acquisition management.
- (3) Logistics management.

- (4) Disposal management.
- (5) Risk management; and
- (6) Performance management.

11. Communication with the municipality

(1) All correspondence with regards to this policy shall be addressed to the Manager: Supply Chain Management.

Part 1: Demand management

12. System of demand management

- (1) The accounting officer has established and implemented an appropriate demand management system to ensure that the resources required by the municipality support its operational commitments and its strategic goals outlined in the Integrated Development Plan.
- (2) The demand management system -
 - (a) include timely planning and management processes to ensure that all goods and services required by the municipality are quantified, budgeted for and timely and effectively delivered at the right locations and at the critical delivery dates, and are of the appropriate quality and quantity at a fair cost.
 - (b) consider any benefits of economies of scale that may be derived in the case of acquisitions of a repetitive nature; and
 - (c) Provide for the compilation of the required specifications to ensure that its needs are met.
 - (d) undertake appropriate industry analysis and research to ensure that innovations and technological benefits are maximized.
 - (e) provide efficient and effective provisioning and procurement systems and practices to enable the municipality to deliver the required quantity and quality of services to the communities.
 - (f) establish uniform procedures, documents and contracts and the implementation of sound systems of control and accountability.
 - (g) establish a professional supply chain management system which results in continuing improvement in affordability and value for money, based on total cost of ownership and quality of procurement as competition amongst suppliers is enhanced.
- (3) Green procurement must be incorporated as far as reasonable possible, for all specifications of goods, services and construction works.
- (4) In the development of bid specifications, innovative mechanisms should be explored to render the service or product more resource and energy efficient.

Part 2: Acquisition management

13 System of acquisition management

- (1) The objectives of this acquisition management system are to ensure:
 - (a) that goods and services, including construction works and consultant services are procured by the municipality only in accordance with the authorised procedures incorporated herein.

- (b) that expenditure on goods and services, including construction works and consultant services is incurred in terms of an approved budget; and
- (c) that the threshold values of the different procurement procedures are complied with.
- (d) that bid documentation, evaluation and adjudication criteria, and general conditions of contract are in accordance with the requirements of relevant legislation including, the Preferential Procurement Policy Framework Act, and any conditions of the Construction Industry Development Board Act; and
- (e) that procurement guidelines issued by the National Treasury are considered.
- (2) When procuring goods or services contemplated in 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 municipality's supply chain management system, including -
 - (a) The kind of goods or services; and
 - (b) The name of the supplier.
- (3) Unless otherwise indicated in the bid documents, the municipality shall not be liable for any expenses incurred in the preparation and / or submission of a bid or quotation.
- (4) Bid documentation may state that alternative bids can be submitted provided that a bid is in accordance with the bid documents is also submitted.
- (5) An alternative bid shall be submitted on a separate complete set of bid documents and shall be clearly marked "Alternative Bid" to distinguish it from the main bid offer referred to above.
- (6) Bid documentation shall state that the municipality will not be bound to consider alternative bids.
- (7) The Manager Supply Chain management may extend the bid closing date if circumstances justify the action, provided that the closing date may not be extended unless a notice is published in the same newspapers as the original advertisement prior to the original bid closing date.
- (8) The notice referred to in paragraph 13 (7) must also be posted on the municipal notice boards, the municipal website and a notice must be sent to all bidders

14. Range of procurement processes

- (1) Goods and services may only be procured by way of 18
 - (a) One written price quotation up to a transaction value of R 2,000 (VAT included).
 - (b) Petty cash purchases up to a transaction value of R 2,000 (VAT included) for items specified in the Petty Cash policy.
 - (d) Three formal written price quotations for procurements of a transaction

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¹⁸ Amended January 2024

value over R 2,000 up to R300,000 (VAT included); and

- (e) A competitive bidding process for-
 - (i) Procurements above a transaction value of R300 000 (VAT included); and
 - (ii) The procurement of long-term contracts.
- (2) The accounting officer may, in writing lower, but not increase, the different threshold values specified in subparagraph 14(1).
- (3) For quotations (up to R 30 000) bidders are required to be registered on the municipality's supplier database or Central Supplier database (CSD) prior to the acceptance of their quotation in respect of the goods or services required.¹⁹
- (4) 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.

15. 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) registration number in terms of section 18(1) of the Construction Industry Development Board Act, 2000 (Act No.38 of 2000), should the provider quote or bid to undertake, carry out or complete any construction works or portion thereof.
 - (b) Has provided the municipality with an original and valid tax clearance from the South African Revenue Services confirming that the provider's tax matters are in order; and
 - (c) Has indicated -
 - (I) Whether he or she is in the service of the state or has been in the service of the state in the previous twelve months.
 - (ii) if the bidder is not a natural person, whether any of its directors, managers, principal shareholders, or stakeholder is in the service of the state, or has been in the service of the state in the previous twelve months; or
 - (iii) Whether a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to in subparagraph (ii) is in the service of the state, or has been in the service of the state in the previous twelve months.
 - (iv) On their supplier database application form if the supplier or person is in the service of the state, that such declaration be deemed as sufficient and that the responsibility rests on the

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¹⁹ Amended February 2023

- supplier to notify the supply chain management unit of any changes hereto.
- (v) Has completed, signed, and submitted a certificate of independent bid determination with their bid or quotation.
- (2) Laws of the Republic of South Africa shall govern contracts arising from the acceptance of bids and quotations.
- (3) Where the acquisition in question is likely to involve an imported component which will be subject to foreign exchange rate adjustments, the bid documentation must specify that the contractor take out a forward exchange contract to fix the Rand based price as soon as possible after the award.

16 Lists of accredited prospective providers

- (1) The accounting officer must
 - (a) keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements through formal written price quotations and
 - (b) at least twice 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.
 - (d) disallow the listing of any prospective supplier on the municipality's supplier database who do not comply with the accreditation requirements i.e. listing criteria and based on standards, set by any relevant control bodies that govern or regulate the category of service or industry.
 - (e) disallow the listing of any prospective provider whose name appears on the National Treasury's List of Restricted Suppliers and/or Registered for Tender Defaulters and/or a person or business prohibited from doing business with the public sector.
- (2) The list must be updated at least quarterly to include any additional prospective providers and any new commodities or types of services. Prospective providers must be allowed to submit applications for listing at any time.
- (3) The list must be compiled per commodity and per type of service.
- (4) The accounting officer may use the Central Supplier Database hosted by National Treasury for procurement.²⁰

17 Petty cash purchases

Petty cash purchases must be done according to the Petty Cash policy. The conditions for the procurement of goods by means of petty cash purchases referred to in paragraph 14 (1) (b) of this Policy, are as follows—

(a) The Accounting Officer may delegate the responsibility for petty cash to an official directly or indirectly reporting to the CFO.

²⁰ Amended by council 30 May 2017

- (b) No item that is an approved stores item might be purchase by means of a petty cash transaction.
- (c) No fixed asset of whatever value may be purchase through petty cash.
- (d) The nature of petty cash transactions that can be processed as petty cash transactions are listed in paragraph 5 of the Petty Cash policy.
- (e) The Council will determine annually the maximum amount of petty cash expenditure per month as referred to in paragraph 6 of the petty cash policy.
- (f) A monthly reconciliation report must be provided to the chief financial officer, within five days of the end of each month containing particulars of each final award made by an official during that month, including:
 - (i) The total amount of petty cash purchases for that month; and
 - (ii) Receipts and appropriate documents for each purchase.

18 Formal written price quotations

- (1) The conditions for the procurement of goods or services through formal written price quotations are as follows:
 - (a) Quotations must be obtained in writing from at least three different providers whose names appear on the list of accredited prospective providers of the municipality.
 - (b) Quotations may be obtained from providers who are not listed, provided that such providers meet the listing criteria; ²²
 - (c) if it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the chief financial officer or an official designated by the chief financial officer, and
 - (d) The Chief Financial Officer must record the names of the potential providers and their written quotations.
- (2) A designated official referred to in subparagraph 19 (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.

19 Procedures for procuring goods or services through formal written price quotations.

- (1) The procedure for the procurement of goods or services through formal written price quotations are as follows:
 - (a) When using the list of accredited prospective providers, the accounting officer must promote on-going competition amongst providers by inviting providers to submit quotations on a rotation basis.
 - (b) all requirements more than R30 000 (VAT included) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 19, be advertised for at least seven days on the website and official notice boards of the municipality.
 - (c) Offers received must be evaluated on a comparative basis taking into account unconditional discounts.
 - (d) the accounting officer or chief financial officer must on a monthly basis be notified in writing of all formal written price quotations accepted by an official acting in terms of a sub delegation.
 - (e) 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 and services and lowest price.
 - (f) Acceptable offers, which are subject to the preference points system (PPPFA; Preferential Procurement Regulations as amended and this

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²² Amended by council 30 May 2017

policy), must be awarded to the bidder who scored the highest points;²³ (g) Comply with all requirements for proper record keeping.

20 Competitive bids²⁴

- (1) Goods or services above a transaction value of R300 000 (VAT included) and long-term contracts may only be procured through a competitive bidding process, subject to paragraph 13(2) of this Policy.
- (2) No requirement for goods or services above an estimated transaction value of R300 000 (VAT included), may deliberately be split into parts or items of lesser value merely for the sake of procuring the goods or services otherwise than through a competitive bidding process.
- (3) The accounting officer may split unduly large quantities of work into smaller contracts (units) to provide opportunities for emerging entrepreneurs and make it manageable. This may only be done when it is technically, logistically, and financially feasible.

21 Process for competitive bidding

- (1) The procedures for the following stages of a competitive bidding process are as follows:
 - (a) Compilation of bidding documentation as detailed in paragraph 23
 - (b) Public invitation of bids as detailed in paragraph 24.
 - (c) Site meetings or bid clarification meetings as detailed in paragraph 25.
 - (d) Handling of bids submitted in response to public invitation as detailed in paragraph 27.
 - (e) Evaluation of bids as detailed in paragraph 36.
 - (f) Award of contracts as detailed in paragraph 37.
 - (g) Administration of contracts After approval of a bid, the accounting officer and the bidder must enter into a written agreement.
 - (h) Proper record keeping -
 - (i) Original / legal copies of written contracts agreements should be kept in a secure place for reference purposes.

22 Bid documentation for competitive bids.

- (1) The criteria to which bid documentation for a competitive bidding process must
 - (a) Consider -
 - (i) The general conditions of contract and any special conditions of contract, if specified.
 - (ii) Any Treasury guidelines on bid documentation; and
 - (iii) The requirements of the Construction Industry Development Board, in the case of a bid relating to construction, upgrading or refurbishment of buildings or infrastructure.
 - (iv) And clearly indicate the terms and conditions of contract specifications, criteria for evaluation and adjudication procedures to be followed where applicable and include if and where site meetings/ bid clarification meetings are compulsory.

²³ Amended by council 30 May 2017

²⁴ Amended January 2024

- (b) include the preference points system to be used, goals as contemplated in the PPPFA; Preferential Procurement Regulations as amended and this policy;²⁵
- (c) Compel bidders to declare any conflict of interest they may have in the transaction for which the bid is submitted.
- (d) Provide for an appropriate contract and / or delivery period.
- (e) stipulate if the value of the transaction is expected to exceed R10 million (VAT included), require bidders to furnish—²⁶
 - (i) If the bidder is required by law to prepare annual financial statements for auditing, their audited annual financial statements
 - (aa) for the past three years; or
 - (bb) since their establishment if established during the past three years.
 - (ii) a certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days.
 - (iii) Particulars of any contracts awarded to the bidder by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract.
 - (iv) a statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic; and
- (f) Stipulate that disputes must be settled by means of mutual consultation, mediation (with or without legal representation), or, when unsuccessful, in a South African court of law.
- (g) Not be aimed at hampering competition, but rather to ensure fair, equitable, transparent, competitive and cost-effective bidding, as well as the protection or advancement of persons or categories of persons.

23 Public invitations for competitive bids

- (1) The procedure for the invitation of competitive bids is as follows:
 - (a) On completion of the bid specification process the municipality shall publicly invite bids.
 - (b) Any invitation to prospective providers to submit bids must be by means of a public advertisement in newspapers commonly circulating locally, the website of the municipality or any other appropriate ways (which may include an advertisement in the Government Tender Bulletin).
 - (b) The notice may require a payment of a non-refundable bid fee by bidders who require bid documents. The bid documentation fee shall be determined by the accounting officer from time to time.
 - (d) The information contained in a public advertisement, must indicate -
 - (i) The title of the proposed bid.
 - (ii) The bid number.

^{1) &}lt;sup>25</sup> Amended by council 30 May 2017

²⁶ Amended by Council 26 May 2021

- (iii) The date, time, and location of any site meeting/ bid clarification meeting and whether such meetings are compulsory.
- (iv) Whether functionality is required.
- (v) The place where the bid documentation is available for collection and the times between which bid documents may be collected.
- (vi) The bid documentation fee.
- (vii) The place where bids must be submitted.
- (viii) The closing date and time for submission of bids; and
- (ix) The required CIDB contractor grading for construction work, if applicable.
- (e) The closure date for the submission of bids, which may not be less than 30 days in the case of transactions over R4 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 22(2) of this policy.
- (f) A statement that bids may only be submitted on the bid documentation provided by the municipality, must be included.
- (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 must clearly indicate the bid number and bid title on the outside of the envelope for which the bid is being submitted.²⁷
- (4) Details of all prospective bidders who have been issued with bid documents must be recorded by the Supply Chain Management Unit and shall remain confidential for the duration of the bid period. Details of prospective bidders must, wherever possible, include the full name of the person drawing documents, the name of the company for whom the bid documents are, a contact person, a contact telephone, a fax number, and a postal and email address.
- (5) A bidder that did not pay the prescribed bid document fee, will be disqualified from the bidding process.
- (6) The municipality may require bidders to submit section(s) of their bid in electronic format, but only after the bid closing date. If the electronic copy differs from the original hard copy, the original hard copy will be binding.

24. Site meetings/ bid clarification meetings

(1) Site meetings/ bid clarification meetings will, in general, not be compulsory. In

²⁷ Amended by council 30 May 2017

exceptional circumstances however, a site meeting/ bid clarification meeting may be made compulsory with the approval of the relevant director.

- (2) If site meetings/ bid clarification meetings are to be held, full details must be included in the bid notice and the bid document, including whether or not the site meeting/ bid clarification meeting is compulsory.
- (3) Where site meetings/ bid clarification meetings are made compulsory, the date for the site meetings/ bid clarification meeting shall be not less than 7 (seven) days after the bid has been advertised.
- (4) Site meetings/ bid clarification meeting will be chaired by a duly authorised representative from the Supply Chain Management Unit. The relevant line manager responsible for a specific bid or the duly appointed consulting engineering firm employee must be present at the site meetings/ bid clarification meeting to provide technical information and to answer technical related questions that might arise from the prospective bidders.
- (5) The chairperson of the site meeting/ clarification meeting must explain the way how the site meetings/ bid clarification will be conducted and must exclude prospective bidders that arrive after the meeting has been opened.
- (6) Prospective bidders present at the site meetings/ bid clarification meeting, will be required to confirm their attendance by signing the attendance register as provided by the Supply Chain Management Unit.
- (7) In instances where bid documentation provides for an attendance certificate, such a certificate must be signed by the representative of the Supply Chain Management Unit who was present at the site meetings/ bid clarification meeting and submitted with the bid document.
- (8) If at a site meetings/ bid clarification meeting, any additional information is provided or clarification of vague points is given, such additional information or clarification must be conveyed to all bidders in writing within a time frame as determined by the municipality, but not later than 7 (seven) days before the bid closing date.
- (9) Drawings and other supplements to bid documents may be provided to prospective bidders at the site meetings/ bid clarification meeting.
- (10) A bidder who failed to attend a compulsory site meeting/ bid clarification meeting will be disqualified from the bidding process.

25. Submission of bids

(1) Bids must be submitted before the closing time, at the address and in accordance with the directives in the bid documents.

- (2) Each bid must be in writing using non-erasable ink and must be submitted on the official Form of Bid/Offer issued with the bid documents.
- (3) The bid must be submitted in a separate sealed envelope with the name and address of the bidder, the bid number and title, the bid box number (where applicable), and the closing date indicated on the envelope. The envelope may not contain documents relating to any bid other than that shown on the envelope. Only sealed bids will be accepted.
- (4) The onus shall be on the bidder to place the sealed envelope in the official, marked and locked bid box provided for this purpose, at the designated venue, not later than the closing date and time specified in the bid notice.
- (5) No bids forwarded by telegram, facsimile or similar apparatus shall be considered.
- (6) A bid is late if it is not placed in the relevant bid box by the closing time and date of such bid.
- (7) A late bid shall not be admitted for consideration and shall be returned unopened (where feasible) to the bidder with the reason for the return thereof endorsed on the envelope.

Procedure for handling, opening, and recording of competitive bids and formal written price quotations more than R 30 000²⁸

- (1) The procedures for the handling, opening, and recording of **competitive** bids and formal written price quotations more than R 30 000, are as follows:²⁹
 - (a) At least two officials, of whom one must be the delegated Supply Chain Management representative, must always, administer the opening of bids.
 - (b) At the specified closing time on the closing date the applicable bid box shall be closed.
 - (c) The bid box shall be opened in public as soon as practical after the closing time of the bid.
 - (d) Immediately after the opening of the bid box, all bids that are clearly marked shall be opened.
 - (e) The Supply Chain Management representative as delegated, shall read out the name of the bidder, if practical the bid amount, the BBBEE status level contribution of each bidder and the bid opening register will be made available for public inspection and published on the municipality's website.³⁰
 - (f) 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.

²⁸ Amended by council 30 May 2017

²⁹ Amended by council 30 May 2017

³⁰ Amended by council 30 May 2017 – Recommended for adjustment February 2023

- (g) No information, except the provisions in subparagraph (e), relating to the bid should be disclosed to bidders or other persons until the successful bidder is notified of the award; and
- (h) The Supply Chain Management representative that is delegated to open the bids must
 - (i) stamp the bid document with the official municipal stamp together with the two signatories administering the bid opening
 - (ii) record in a register all bids received in time.
 - (iii) sign the register as well as the official assisting at the bid opening.
 - (iv) Make the register available for public inspection; and
 - (v) Publish the entries in the register and the bid results on the website.
 - (vi) No councillor may be present at the opening of bids.
- (2) Bids shall be invalid, and shall be endorsed and recorded as such in the bid opening record by the responsible official to open the bid, in the following instances:
 - (a) If the bid is not sealed.
 - (b) if the bid, including the bid price amount, where applicable is not submitted on the official Form of Bid/Offer.
 - (c) if the bid is not completed in non-erasable ink.
 - (d) if the Form of Bid/Offer is signed, but the name of the bidder is not stated, or is indecipherable; or
 - (e) if in a two-envelope system is followed, the bidder fails to submit both a technical proposal and a separate sealed financial offer/bid.
- (3) A bid will not be invalidated if the amount in words and the amount in figures do not correspond, in which case the amount in words shall be read out at the bid opening and shall be deemed to be the bid amount.
- (4) The Manager Supply Chain Management may, in compliance with paragraph 63 of this policy, provide a reasonable opportunity to a bidder who made an innocent error and/ or omission in his/ her bid document, to correct the innocent error and/ or omission, provided that such opportunity will not unduly prejudice any of the other bidders.
- (5) Bidders shall be afforded no longer than 48 hours from time of notification to correct such innocent errors and/ or omissions. If no response is received from such bidders at the deadline, the bid may be invalidated.
- (6) When bids are declared invalid at the bid opening, the bid sum of such bids shall not be read out. However, the name of the bidder and the reason for the bid having been declared invalid shall be announced.
- 27 Procedure for the opening of bids where a two-envelope system is followed.

- (1) If a two-envelope system is followed, only the technical proposal will be opened at the bid opening.
- (2) The unopened envelope containing the financial proposal shall be stamped and endorsed with the opening official's signature and be retained by him/her for safekeeping.
- (3) When required the financial offers/bids corresponding to responsive technical proposals, shall be opened by the opening officials in accordance with paragraph 27 (1) (a)
- (4) All bidders who submitted responsive technical proposals must be invited to attend the opening of the financial offers/bids.
- (5) Envelopes containing financial offers/bids corresponding to non- responsive technical proposals shall be returned unopened along with the notification of the decision of the Bid Adjudication Committee in this regard.

28 Communication with bidders before bid closing

- (1) The Manager Supply Chain Management may, if necessary, communicate with bidders prior to bids closing.
- (2) Such communication shall be in the form of a notice issued to all bidders by the Manager Supply Chain Management by either e-mail, facsimile, or registered post as may be appropriate. A copy of the notice together with a transmission verification report/proof of posting shall be kept for record purposes. Notices should be issued at least one week prior to the bid closing date, where possible, except in terms of paragraph 13 (7).
- (3) Notwithstanding a request for acknowledgement of receipt of any notice issued, the bidder will be deemed to have received such notice if the procedures in paragraph 29 (2) have been complied with.

29 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.

30 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' subject to section 33 of the Act.
- (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) A two-envelope system differs from a two-stage (prequalification) bidding process in that a technical proposal and the financial offer are submitted in separate envelopes at the same place and time. The financial offers will only be opened once the technical proposals have been evaluated.

31 Validity periods

- (1) The period for which bids are to remain valid and binding must be indicated in the bid documents.
- (2) The validity period is calculated from the bid closure date and bids shall remain in force and binding until the end of the final day of that period.
- (3) This period of validity may be extended by the Manager: Supply Chain Management, provided that the original validity period has not expired, and that all bidders are given an opportunity to extend such period. Any such extension shall be agreed to by a bidder in writing.
- (4) Bidders who fail to respond to such a request before the validity of their bid expires, or who decline such a request shall not be considered further in the bid evaluation process.
- (5) In the event that an appeal is received, the validity period is deemed to be extended until finalisation of the appeal.

32. Samples

- (1) Bid documents may require samples that must be submitted.
- (2) Where samples are called for in the bid documents, samples (marked with the bid and item number as well as the bidder's name and address) shall be delivered separately (to the bid) to the Supply Chain Management representative mentioned in the bid document before or after the bid closing date.
- (3) A register will be kept by the Supply Chain Management representative of samples received from prospective bidders. An acknowledgement of receipt shall be issued to the prospective bidder as proof of delivery.
- (4) Bids may not be included in parcels containing samples.
- (5) If samples are not submitted as required in the bid documents, then the bid concerned must be declared non-responsive.
- (6) Samples shall be supplied by a bidder at his/her own expense and risk.

- (7) If a bid is accepted for the supply of goods according to a sample submitted by the bidder, that sample will become the contract sample. All goods/materials supplied shall comply in all respects to that contract sample. If not, it might be deemed as a breach in contract.
- (8) The municipality reserves the right not to return the contract sample and may dispose of it at its own discretion.

33. Committee system for competitive bids

- (1) A committee system for competitive bids is hereby established, consisting of the following committees for procurement or cluster of procurements as the accounting officer may determine:
 - (a) A bid specification committee; (b) A bid evaluation committee; and
 - (c) A bid adjudication committee.
- (2) The accounting officer appoints the members of each committee, considering section 117 of the Act; and
- (3) A neutral or independent observer, appointed by the accounting officer, must attend, or oversee a committee when this is appropriate for ensuring fairness and promoting transparency.
- (4) The committee system must be consistent with (a) Paragraph 35, 36 and 37 of this Policy; and (b) Any other applicable legislation.
- (5) The accounting officer may apply the committee system to formal written price quotations.

34. Bid specification committees

- (1) A bid specification committee must compile the specifications for procurement of goods or services 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) Must, where possible, be described in terms of performance required rather than in terms of descriptive characteristics for design.
 - (d) may not create trade barriers in contract requirements in the forms of specifications, plans, drawings, designs, testing and test methods, packaging, marking, or labelling of conformity certification.
 - (e) may not make reference to any particular trademark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the word "equivalent".
 - (f) must indicate the preference points system to be utilised as set out in the PPPFA; Preferential Procurement Regulations as amended and this

policy; and³¹

- (g) Must be approved by the relevant director prior to publication of the invitation for bids in terms of paragraph 24 of this Policy.³²
- (3) A bid specification committee must be composed of one or more officials of the municipality preferably the manager responsible for the function involved, and may, when appropriate, include external specialist advisors.
- (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.

35. Bid evaluation committees

- (1) A bid evaluation committee must
 - (a) Evaluate bids in accordance with -
 - (i) the specifications for a specific procurement; and
 - (ii) The points system set out in terms of the Preferential Procurement Policy Framework Act.
 - (b) Evaluate each bidder's ability to execute the contract.
 - (c) Check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears,
 - (d) Submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter.
- (2) A bid evaluation committee must as far as possible be composed of- (a) Officials from departments requiring the goods or services; and
 - (b) At least one supply chain management practitioner of the municipality.
- (3) The accounting officer may sub-delegate its power in terms of paragraph 63 of this policy to the bid evaluation committee.

36. Bid adjudication committees

- (1) A bid adjudication committee must
 - (a) Consider the report and recommendations of the bid evaluation committee; and
 - (b) Either -
 - Depending on its delegations, make a final award or a recommendation to the accounting officer to make the final award; or
 - (ii) Make another recommendation to the accounting officer how to proceed with the relevant procurement.
- (2) A bid adjudication committee must consist of at least four senior Managers of the municipality which must include
 - (a) The Chief Financial Officer or, if the chief financial officer is not

³¹ Amended by council 30 May 2017

³² Amended by council 30 May 2017

- available, another manager in the budget and treasury office reporting directly to the chief financial officer and designated by the chief financial officer.
- (b) at least one senior supply chain management practitioner who is an official of the municipality or the municipal entity; and
- (c) a technical expert in the relevant field who is a director of the municipality or municipal entity, if the municipality or municipal entity has such an expert
- (3) A quorum is of 50 % plus 1, with the Chief Financial Officer or, if the chief financial officer is not available, another manager in the budget and treasury office reporting directly to the chief financial officer and designated by the chief financial officer being, at all times one of the quorum-forming members:
- (4) The accounting officer may appoint the CFO as 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 and will be documented in the minutes.
- (5) 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.
- (6) 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
 - (a) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears, and;
 - (b) Notify the accounting officer. (c) The accounting officer may -
 - After due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in paragraph (a)-(b); 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.
- (7) 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.
- (8) The accounting officer must comply with section 114 of the Act within 10 working days
- (9) If the Bid Adjudication Committee or other delegated official has resolved that a bid be accepted, the successful and unsuccessful bidders shall be notified in writing of this decision
- (10) Every notification of decision shall be sent via fax or sent via electronic mail to the address chosen by the bidder, with a copy of proof of transmission kept for record purposes, or shall be delivered by hand, in which case acknowledgement of receipt must be signed and dated on a copy of such

notification and kept for record purposes.³³

- (11) Members of the bid specification committee, bid evaluation committee and technical advisors may attend the bid adjudication committee to provide clarity, but has no decision-making rights pertaining to the award.
- (12) The accounting officer may sub-delegate its power in terms of paragraph 63 of this policy to the bid evaluation committee, the bid adjudication committee, and the Manager Supply Chain Management.

37. Procurement of banking services

- A contract for banking services
 - (a) Must be procured through competitive bids.
 - (b) Must be consistent with section 7 or 85 of the Act; and
 - (c) May not be for a period of more than five years at a time.
- (2) The process for procuring a contract for banking services must commence at least nine months before the end of an existing contract.
- (3) The closure date for the submission of bids may not be less than 60 Days from the date on which the advertisement is placed in a newspaper in terms of paragraph 22(1). Bids must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990).

38. 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 disagree with such comments, the comments, and the reasons for rejecting or not following such comments must be submitted to the council, the National Treasury, the relevant provincial treasury and the Auditor General.

39. Procurement of goods and services under contracts secured by other

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³³ Recommended for adjustment February 2023

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.

40. Procurement of goods necessitating special safety arrangements

- (1) The acquisition and storage of goods in bulk (other than water), which necessitate special safety arrangements, including gasses and fuel, should be avoided wherever possible.
- (2) Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership, cost advantages and environmental impact and must be approved by the accounting officer.

41. Proudly SA Campaign/Local content

(1) The municipality supports the Proudly SA Campaign to the extent that, all things being equal, preference is given to procuring local goods and services.

42. 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 R300 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;
 - (b) Any similar consultancy services provided to an organ of state in the last five years.

(4) The accounting officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the municipality.

43. 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 procure any required goods or services through any convenient process, which may include direct negotiations and through the process set out in this paragraph provided that the municipality shall adhere to fair, equitable, transparent, competitive and cost-effective, procurements to the maximum extent practicable.
 - (b) Dispense with the official procurement processes established by this Policy 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; or
 - v. In any other exceptional case where it is impractical or impossible to follow the official procurement processes; and
 - (c) 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) In compliance with the provisions of paragraph 44(1) the municipality implements individual and class deviations.
- (3) Individual Deviations

The accounting officer may decide to consider an individual deviation only if -

- (a) In an emergency
- (b) In any other exceptional case where it is impractical or impossible to follow the official procurement processes; and the goods or services are anticipated to be used only once during the financial year.
- (4) The conditions warranting procurement in an emergency dispensation should include, where time of the essence, the existence of one or more of the following:
 - (a) the possibility of human injury or death.
 - (b) the prevalence of human suffering or deprivation of rights.
 - (c) the possibility of damage to property or suffering and death of livestock and animals.
 - (d) the interruption of essential services, including transportation and communication facilities or support services critical to the effective functioning of the municipality as a whole.
 - (e) the possibility of serious damage occurring to the natural environment.
 - (f) the possibility that failure to take necessary action may result in the municipality not

being able to render an essential community service; and (g) the possibility that the security of the state could be compromised.

- (5) The accounting officer must be satisfied that the prevailing situation as indicated in (a)-(g) above is of such a scale and nature that it could not readily be alleviated by interim measures in order to allow time for normal bid, at least three quote procurement process or a class deviation.
- (6) Where possible, in an emergency situation, three quotes in accordance with general acquisition management principles should be obtained and a report submitted to the Municipal Manager for approval. However, where time is of the essence, the emergency shall be immediately addressed, and the process formalised in a report to the Municipal Manager as soon as possible thereafter.
- (7) System of class deviations:
 - (a) The accounting officer may decide to consider a class deviation, only if -
 - (i) Such goods or services are produced or available from a single provider.
 - (ii) For the acquisition of special works of art or historical objects where specifications are difficult to compile.
 - (iii) Acquisition of animals for zoos and/or nature and game reserves; or
 - (iv) In any other exceptional case where it is impractical or impossible to follow the official procurement processes and a contract for goods or services are likely to be awarded more than once in the financial year to the same supplier.
- (8) Where possible, in considering a class deviation in terms of paragraph 44(7), three quotes in accordance with general acquisition management principles should be obtained and a report submitted to the Municipal Manager for approval.
 - (9) If the accounting officer decides to consider a class deviation in terms of paragraph 44 (7) (i)-(iv), other than in paragraph 44(8) the decision must be made public in accordance with section 21A of the Municipal Systems Act, together with
 - a) Reasons as to why the procurement is done through a class deviation and why it is not open to other competitors; and
 - (c) An invitation to the public or other potential suppliers to submit their comments within 14 days of the notice.
- (10) The bid adjudication committee must consider the class deviation and make a recommendation to the accounting officer
- (11) A meeting of the adjudication committee to consider a class deviation may be open to the public.
- (12) When considering the class deviation, the adjudication committee must take into account
 - (a) Any comments submitted by the public or suppliers.
 - (b) The indicative market prices of the goods or services.
 - (c) The duration or planned times of when the service or goods are needed.
 - (d) he proposed circumstances, conditions, or limitations for the of use of the class deviation; and
 - (e) The reasons for deviating from the normal procurement process in

compliance with paragraph 44

- (13) The accounting officer must record the reasons for any deviations in terms of this policy and report them to the next meeting of the council and include it as a note to the annual financial statements.
- (14) Paragraph 44 (13) of this policy does not apply to the procurement of goods and services contemplated in paragraph 13(2) of this policy.

44. 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 45(2) of this policy, the decision must be made public in accordance with section 21A of the Municipal Systems Act, together with
 - (a) Reasons as to why the bid should not be open to other competitors; (b) An explanation of the potential benefits if the unsolicited bid were accepted; and
 - (c) An invitation to the public or other potential suppliers to submit their comments within 30 days of the notice.
- (4) The accounting officer must submit all written comments received pursuant to subparagraph (3), including any responses from the unsolicited bidder, 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.

45. Combating of abuse of supply chain management system

- (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, favouritism, unfair or irregular practices or failure to comply with this Policy, and when justified
 - (i) Take appropriate steps against such official or other role player; or
 - (ii) Report any alleged criminal conduct to the South African Police Service.
 - (c) Check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector.
 - (d) Reject any bid from a bidder-
 - 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
 - (ii) Who during the last five years has failed to perform satisfactorily on a previous contract with the municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory.
 - (e) Reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract.
 - (f) Cancel a contract awarded to a person if -
 - (i) The person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or
 - (ii) An official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person; and
 - (g) Reject the bid of any bidder if that bidder or any of its directors
 - i. Has abused the supply chain management system of the municipality or has committed any improper conduct in relation to such system.
 - (ii) Has been convicted for fraud or corruption during the past five

years.

- (iii) has wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
- (iv) Has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- (2) The accounting officer must inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of paragraphs 46 (1) (b) (i)-(ii) of this policy.

Part 3: Logistics, Contract, Disposal, Risk and Performance Management

46. 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) The accounting officer must establish and implement an effective system of logistics management, which must include –

(a) Placing of orders:

- (i) Purchase orders will be created with reference to requisitions where the supply source is either bids or quotations.
- (ii) All purchase orders will be captured on the municipality's financial system

(b) Receiving of goods:

- (i) Goods received must be captured on the municipality's financial system via a goods receive note with reference to the relevant purchase order number.
- (ii) 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 when the order is cancelled.

(c) Expediting orders:

- (i) The purchasing expeditor will be required to monitor and expedite the transport of goods and outstanding purchase orders.
- (ii) Reminder letters can be communicated automatically to vendors based on the reminder levels (days before delivery due date) that are set in the bid or quotation.

(d) Stores / warehouse management

- i. Stock is valued at the weighted average costing method per item and is VAT exclusive.
- ii. Regular monitoring of spending patterns on types or classes of goods must be performed, where practical.

- iii. Each item must have a unique stock item number.
- iv. A formal stock count must be done on a quarterly basis and any surpluses, deficits, losses, damaged stock and obsolete stock must be reported by the Manager Supply Chain Management to Council.
- v. Each stock item must have a minimum, maximum and re-order level which must be captured on the financial system.
- vi. Stock items must be systematically replenished using the re- order point as per the financial system.
- vii. Goods in transit must be taken into account during the replenishment of stock.
- viii. Stock levels must be revisited on an annual basis
- ix. The financial system must indicate lead times for stock items x. Before payment is approved, certification by the Storekeeper that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract.
- xi. The Storekeeper must ensure appropriate standards of internal control and warehouse management are adhered to, to ensure that goods placed in stores are secure, safe and only used for the purpose for which they were purchased.
- xii. The Storekeeper must perform regular spot-checking of stock items to ensure that the items are on the correct shelving space and that the physical quantities correspond with the quantities as per the financial system. Any differences found must be reported to the Manager Supply Chain Management.
- xiii. Items listed as stock, may not be procured outside of the stock system.
- xiv. Where user departments require higher quantities of stock, a demand forecast must be provided to the Storekeeper in advance, taking lead time into consideration, to enable the Storekeeper to procure the requested quantities on time.

47. Contract management

- 1) Contract administration includes all administrative duties associated with a contract that has arisen through the acquisition/procurement processes described in this policy.
- 2) All contracts must be administered by a contract manager, who will be an internal official assigned to ensure the effective administration of the contract.
- 3) The contract manager will typically be the internal project manager assigned to the project as a whole but may also be a cost centre owner or other responsible official.

- 4) A contract manager must be assigned to each contract and, where possible, should be involved from the earliest stages of the acquisition process.
- 5) The contract manager's duties and powers shall be governed by the conditions of contract and the general law.
- 6) In administering a contract, the contract manager will be required to form opinions and make decisions which, while in the Witzenberg Municipality's best interests, must be fair to all parties concerned.
- 7) Directors shall be responsible for ensuring that contract managers are: (a) assigned to all contracts within the Director's area of responsibility; and
 - (b) adequately trained so that they can exercise the necessary level of responsibility in the performance of their duties.
- 8) The contract manager must:
 - (a) ensure that all the necessary formalities in signing up the contract and/or issuing the purchase order(s) are adhered to.
 - (b) ensure that purchase orders are captured on the municipality's financial system in the form in accordance with the pricing schedule.
 - (c) ensure that all original contract documentation is lodged with Archives for record purposes.
 - (d) monitor on a monthly basis the performance of the service provider order to ensure that all of the terms and conditions of the contract are met.
 - (e) regularly report to the accounting officer on the management of the contract and the performance of the service provider.
 - (f) conduct contract risk assessments for contracts longer than 3 months as stated in paragraph 50 (4) and 50 (5).
 - (g) where necessary, take appropriate action where a service provider is underperforming or is in default or breach of the contract and to report such failures promptly to the accounting officer.
 - (h) 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 lodged with the Finance Department for capturing on the municipality's financial system.
 - contract variation or change procedures are approved by the accounting officer in writing which must be in line with the applicable general conditions of contract and this policy.
 - (j) administer disputes, in consultation with the Supply Chain Management Unit, in terms of this policy and the applicable conditions of contract.
 - (k) conduct, as appropriate, post contract reviews.

- (I) maintain adequate records (paper and/or electronic) in sufficient detail on an appropriate contract file to provide an audit trail.
- (m) act with care and diligence and observe all accounting and legal requirements.
- (n) inform the Asset Management section of the location of newly procured assets for asset register and insurance purposes; and
- (o) provide contract information to the Supply Chain Management Unit, as determined by the unit, after a contract has ended.

48. Disposal management

- (1) Subject to the provisions of the Municipal Asset Transfer Regulations:
 - (a) moveable 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 to the municipality.
 - (b) immovable property may be sold only at market related prices except when the public interest or the plight of the poor demands otherwise.
 - (c) 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.
 - (d) in the case of firearms, the National Conventional Arms Control Committee must approve any sale or donation of firearms to any person within or outside the Republic.
 - (e) where assets are traded in for other assets, the highest possible trade in price is negotiated
- (2) The criteria for the disposal or letting of assets, including unserviceable, redundant, or obsolete assets, subject to sections 14 and 90 of the Act; are as follows:
 - (A) A municipality may not transfer ownership as a result of sale or other transaction or otherwise permanently dispose of a capital asset needed to provide the minimum level of basic municipal services.
 - (B) A municipality may transfer ownership or otherwise dispose of capital asset other than one contemplated in subsection (1), but only after the municipal council, in a meeting open to the public-
 - (a) has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services; and
 - (b) has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset
- (3) Immovable property may only be let at market related rates except when the public interest or the plight of the poor demands otherwise and provided that all charges, rates, tariffs, scales of fees or other charges relating to the letting of immoveable property are annually reviewed.

- (a) Except for compliance with paragraph 49(3) above, this policy shall not apply to the letting of immovable property unless decide otherwise by council.
- (4) Assets may be disposed of by -
 - (i) Transferring the asset to another organ of state in terms of a provision of the Act enabling the transfer of assets.
 - (ii) Transferring the asset to another organ of state at market related value or, when appropriate, free of charge.
 - (iii) Selling the asset; or
 - (iv) Destroying the asset.

49. Risk management

- (1) The accounting officer has established and implemented an effective system of risk management for the identification, consideration and avoidance of potential risks in the supply chain management system.
- (2) Risk management include
 - (a) The early and systematic identification of risks on a case-by-case basis.
 - (b) The allocation and acceptance 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.
- (3) Due care must be taken in the bid administration and management process to minimise the risks of:
 - (a) litigation by unsatisfied service providers
 - (b) misinterpretation of municipal needs
 - (c) overstatement or understatement of municipal needs
 - (d) selecting or delivery of inappropriate goods and services
 - (e) poor value for money
 - (f) appointing inappropriate suppliers
 - (g) unethical conduct of suppliers and other official involved in the supply chain management process
 - (h) uneconomical, uncompetitive, and inequitable procurement
- (4) To give effect to paragraph 3 above, the municipality will identify risk inherent to a particular bid
 - (a) Risks may be identified for all bids during the specification stage of the bid process.
 - (b) Risks identified in (i) above may cover the entire life cycle of a contract from initiation to completion of the goods/services
 - (c) For contracts with a life cycle in excess of 3 months, the risks

- may be reviewed at least monthly by the contract manager as referred to in paragraph 48(1)(e)(iii)
- (d) The contract manager in conducting the review of the bid risks during the life cycle of the contract may add new or emerging risks when identified
- (5) A risk table may be included at specification stage for each bid that may set out:
 - (a) Risk description
 - (b) Background to the risk
 - (c) Impact
 - (d) Likelihood
 - (e) Inherent risk
 - (f) Current controls
 - (g) Perceived control effectiveness
 - (h) Residual risk
 - (i) Risk owner
 - (j) Actions to improve management of the risk
 - (k) Time scale
- (6) The risk rating methodology will be in accordance with the Witzenberg Municipality's risk management policy.
- (7) The Evaluation and Adjudication Committee may review risks of bids received against the predetermined risk as identified at the bid specification stage and may in conducting the review of the bid add new or emerging risks and mitigating strategies when identified.
- (8) At the briefing session with the successful bidder in terms of paragraph 66 of this policy:
 - (a) Risks identified during the Bid specification, bid evaluation, and bid adjudication process that pertains to the contract for goods or services may be disclosed to the successful bidder to improve mitigating factors.
 - (b) New and emerging risks identified may be added
 - (c) Risks identified by the successful bidder may be added to the contract risks if agreed to by the municipality.

50. Performance management

- (1) The accounting officer must establish and implement an 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 objectives of this Policy were achieved.
- (2) The quarterly report and annual report on the implementation of this policy, the monitoring of the service delivery and budget implementation plan (SDBIP) and the Annual Report may be used as tools to perform a retrospective analysis of supply chain management processes.

(3) Vendor performance

- (a) Each project manager shall monitor the supplier's compliance and performance to the set of specifications.
- (b) If the supplier fails to perform in accordance with the specification requirements, the project manager must report such failure to the supplier in writing immediately upon becoming aware of such non-compliance for them to correct the situation.
- (c) The above information will be kept and made available for future evaluation purposes, contract negotiations and regular feedback to vendors.
- (d) If vendors fail to deliver in terms of paragraph 23 (1) (a) of the General conditions of contract, the municipality reserves the right to make use of remedies at its disposal in terms of applicable law.

Part 4: Other matters

51. Prohibition on awards to persons whose tax matters are not in order

- (1) No award above R15 000 (including VAT) may be made in terms of this policy to a person whose tax matters have not been declared by South African Revenue Service to be in order.³⁵
- (2) Before making an award to a person the accounting officer must first check with SARS whether that person's tax matters are in order.
- (3) If SARS does not respond within 7 days such person's tax matters may for purposes of subparagraph (1) be presumed to be in order.
- (4) It is the supplier's responsibility to provide the municipality with a valid and original tax clearance certificate.

52. Prohibition on awards to persons in the service of the state

- (1) Irrespective of the procurement process followed, no award may be made to a person in terms of this Policy
 - (a) Who is in the service of the state.
 - (b) If that person is not a natural person, of which any director,
 manager, principal 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 with the purpose of assisting the municipality with the defining of requirements, drafting of specifications or the evaluation of the bids.
- (2) Persons and business must declare their interest as stated in 53(1)(a)-(c) of this policy when completing their supplier database application forms and bid documents. Failure to do so may lead to disqualification.
- (3) The municipality may utilise mechanisms at its disposal to determine whether a person is in the service of the state.

³⁵ Amended by council 30 May 2017

53. Awards to close family members of persons in the service of the state

- (1) The municipality does not encourage the awarding of contract by employees in decision-making positions to close family members or friends. To this extent the municipality requires all employees to make full disclosures of businesses owned by close family members and/ or friends and it is further expected that such individuals must not directly or indirectly be involved in the awarding of such business
- (2) The accounting officer must ensure that the notes to the annual financial statements 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 capacity in which that person is in the service of the state; and
 - (c) The amount of the award.

54. Ethical standards

- (1) A code of ethical standards as set out in the "National Treasury's code of conduct for supply chain management practitioners" is hereby established for officials and other role players in the supply chain management system of the municipality in order to promote –
 - (a) mutual trust and respect; and
 - (b) An environment where business can be conducted with integrity and in a fair and reasonable manner.
- (2) A breach of the code of ethics must be dealt with as follows -
 - (a) in the case of an employee, in terms of the disciplinary procedures of the municipality envisaged in section 67(1)(h) of the Municipal Systems Act.
 - (b) In the case a role player who is not an employee, through other appropriate means in recognition of the severity of the breach.
 - (c) In all cases, financial misconduct must be dealt with in terms of chapter 15 of the Act.

55. Inducements, rewards, gifts and favours to municipalities, officials, 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, favour, or hospitality to
 - (i) Any official; or
 - (ii) Any other role player involved in the implementation of this Policy.

- (2) The accounting officer must promptly report any alleged contravention of subparagraph 55 (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 55 (1) does not apply to gifts less than R350 in value.

56. 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.

57. Objections and complaints

(1) Persons aggrieved by decisions or actions taken in the implementation of this supply chain management system, may lodge within 14 days of the decision or action, a written objection or complaint against the decision or action.

58. 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.

59. 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
 - (i) That such compensation must be performance based.

60. Compliance with Ethical standards

(1) In order to create an environment where business can be conducted with integrity and in a fair and reasonable manner, this Policy will strive to ensure that the accounting officer and all representatives of the Witzenberg Municipality involved in supply chain management activities shall act with integrity and in accordance with the highest ethical standards. All supply chain management representatives shall adhere to the code of conduct of municipal staff contained in schedule 2 of the Systems Act, the code of conduct for supply chain management practitioners and other role players (annexure A to this policy) and the Ethical code of suppliers (annexure B to this policy).

61. Handling of proprietary information

- (1) All information designed and prepared for the municipality is deemed as proprietary. No such information may be distributed, modified or customised for third parties without the written permission of the accounting officer.
- (2) All supplier information shall be treated as confidential
- (3) In appropriate instances, the municipality may require security clearance and confidentiality agreements to be entered into with suppliers.

62. Non-compliance with peremptory requirements of bids

(1) The accounting officer is empowered to condone non-compliance with peremptory requirements of bids in cases where the condonation is not incompatible with public interest and promote the values of fairness, competitiveness and cost-effectiveness which are listed in Section 217 of the Constitution.

63. Right of Appeal

(1) In terms of Section 62 of the Municipal Systems Act (Act 32 of 2000 as amended), a person whose rights are affected by a decision taken by the municipality, in terms

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of a delegated authority, in the implementation of its supply chain management system, may appeal against that decision by giving 1 notice of the appeal and reasons to the Municipal Manager within 14 days of the date of receipt of the notification of the decision.³⁶

Bid documents must state that any appeal in terms of paragraph 64 must be submitted to the Municipal Manager, and must contain the following:

- (a) reasons and/or grounds for the appeal;
- (b) the way in which the appellants' rights have been affected; and
- (c) the remedy sought by the appellant.
- (2) The Municipal manager shall establish an appropriate appeal authority in terms of section 62 of the Systems Act, to consider appeals received in terms of paragraph 64(1) above
- (3) The appeal authority must consider the appeal, and confirm, vary, or revoke the decision, but no such variation or revocation of a decision may detract from any rights that may have accrued as a result of the decision

64. Unsuccessful bidder debriefing

- (1) The unsuccessful bidder debriefing service is offered by the municipality to unsuccessful bidders upon request.
- (2) During the debriefing unsuccessful bidders can find out how their proposal scored against required criteria and obtain comments from the evaluation team on their bid.
- (3) The debriefing should be a positive and constructive experience that explains how bidders can improve future submissions.
- (4) The debriefing an opportunity for unsuccessful bidders to:
 - (a) Learn more about the procurement and evaluation process in an informal setting.
 - (b) Find out how their proposal scored against the required criteria. (c) Hear the overall comments from the evaluation team on your bid. (d) Gather information on how future submissions may be improved.
- (5) The debriefing is not part of the Supply Chain complaint or appeal process in terms of paragraph 58 or 64 of this policy.
- (6) The debriefing is not legal proceeding, and no legal representation is permitted at the debriefing.
- (7) At the debriefing session the unsuccessful bid is not compared to other bids, nor will information be provided to the unsuccessful bidder about other bids.
- (8) In scheduling bidders' debriefings session upon the request of the unsuccessful bidder, the municipality must:
 - (a) Confirm the date and time of the debriefing session in writing; (b) Conduct separate debriefings with each vendor.
 - (c) Ensure that proper minutes are kept of each debriefing session.

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³⁶ Amended by Council 26 May 2021

- (d) Retain all correspondence and documentation relevant to the debriefing session as part of the procurement documentation.
- (9) In conducting bidder's debriefings, the municipality may:
 - (a) Provide a general overview of the evaluation process set out in the bid documents.
 - (b) Discuss the strengths and weaknesses of the bidder's submission in relation to the specific evaluation criteria and the bidders evaluated score.
 - (c) Provide suggestions on how the supplier may improve future submission.
 - (d) Address specific questions and issues raised by the supplier in relation to their submission.

65. Successful bidder briefing

- (1) The notification to the successful bidder in terms of paragraph 37(8) may require of the successful bidder to attend a compulsory briefing session with the municipality before commencement of the contract at no cost to the municipality.
- (2) The purpose of the briefing session is to:
 - (a) Introduce the municipal contract manager allocated to the specific contract in terms of paragraph 48 and to meet the successful bidders' contract manager.
 - (b) Examine and analyse the bid document and contractual conditions to ensure that specific expectations of the municipality and the obligations of the successful bidder are well understood.
 - (c) Discuss the strengths and weaknesses of the bidder's submission in relation to the specific evaluation criteria and the bidders evaluated score.
 - (d) Communicate and document the anticipated contract risks and challenges as perceived by both the municipality and the successful bidders.
 - (e) To develop mitigating strategies to address and mitigate the contract risk and challenges; and
 - (f) Communicate the contract administration process as stated in paragraph 48 of this policy.
 - (g) Formally sign the bid contract
- (3) At least the following persons must attend the briefing session: (a) The municipal contract manager
 - (b) The authorised municipal supply chain official
 - (c) The successful bidders authorised contract signatory
 - (d) The successful bidders contract manager
- (4) The notification to the successful bidder refers to in paragraph 66(1) must state the date, time, and place of the briefing session in writing.
 - (a) Proper minutes must be kept of each briefing session.
 - (b) All correspondence and documentation in relation to the briefing session must be maintained as part of the procurement documentation.

66. Acceptance of offers

- (1) At the invitation of bids, or quotations.
 - (a) the municipality is not obliged to accept the lowest or any offer.

- (b) The municipality may, where an offer relates to more than one item, accept such offer in respect of or any specific item or items.
- (c) The municipality may accept any offer notwithstanding the fact that the offer does not comply with the bid invitation in respect of which the offer has been made subject to the conditions of paragraph 63 of this policy.

67 Cancellation of tenders³⁸

- (1) Tender invitations may, before the award be cancelled if.
 - (a) due to changed circumstances, there is no longer a need for the goods or services specified in the invitation.
 - (b) funds are no longer available to cover the total envisaged expenditure.
 - (c) no acceptable tender is received; or
 - (d) there is a material irregularity in the tender process.
 - e) If an automatic extension clause is not included in a bidding document, the following will be applicable to the Extension of Validity period
 - i) Extensions must be done prior to the expiry date of the bid validity period.
 - ii) When validity lapses the contractual obligation that the bidder accepted on signing the relevant bid documentation falls away, therefore when a bid expires there is nothing to extend.
 - iii) It cannot be evaluated further, and it must be cancelled and readvertised.
- (2) The decision to cancel a tender invitation in terms paragraph 68 (1) must be published in the same manner in which the original tender invitation was advertised

69. Commencement

This Policy takes effect on 1 July 2017

Paragraph 68 will be effective retrospectively from 16 January 2023

Where the content of this policy is in contradiction of laws and regulations, the latter will take preference.³⁹

³⁸ Included February 2023

³⁹ Included March 2022.

ANNEXURE A

WITZENBERG MUNICIPALITY

CODE OF CONDUCT FOR SUPPLY CHAIN MANAGEMENT PRACTITIONERS AND OTHER ROLE PLAYERS

The purpose of this Code of Conduct is to promote mutual trust and respect and an environment where business can be conducted with integrity and in a fair and reasonable manner.

1. General Principles

The municipality commits itself to a policy of fair dealing and integrity in the conducting of its business. Officials and other role players involved in supply chain management (SCM) are in a position of trust, implying a duty to act in the public interest. Officials and other role players should not perform their duties to unlawfully gain any form of compensation, payment or gratuities from any person, or provider/contractor for themselves, their family or their friends.

Officials and other role players involved in SCM should ensure that they perform their duties efficiently, effectively and with integrity, in accordance with the relevant legislation, policies and guidelines. They should ensure that public resources are administered responsibly.

Officials and other role players involved in SCM should be fair and impartial in the performance of their functions. They should at no time afford any undue preferential treatment to any group or individual or unfairly discriminate against any group or individual. They should not abuse the power and authority vested in them.

2. Conflict of interest

An official or other role player involved with supply chain management – (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) 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, 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 declare any business, commercial and financial interests or activities undertaken for financial gain that may raise a possible conflict of interest.
- (h) should not place him/herself under any financial or other obligation to outside individuals or organizations that might seek to influence them in the performance of their official duties; and

(i) Should not take improper advantage of their previous office after leaving their official position.

3. Accountability

Practitioners are accountable for their decisions and actions to the public. Practitioners should use public property scrupulously.

Only accounting officers or their delegates have the authority to commit the municipality to any transaction for the procurement of goods and / or services.

All transactions conducted by a practitioner should be recorded and accounted for in an appropriate accounting system. Practitioners should not make any false or misleading entries into such a system for any reason whatsoever.

Practitioners must assist the accounting officer in combating fraud, corruption, favouritism and unfair and irregular practices in the supply chain management system.

Practitioners 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 the policy on inducements, rewards, gifts and favours to municipalities or municipal entities, officials, or other role players; and
- (iii) Any alleged breach of this code of conduct.

Any declarations made must be recorded in a register which the accounting officer must keep for this purpose. Any declarations made by the accounting officer must be made to the mayor who must ensure that such declaration is recorded in the register.

4. Openness

Practitioners should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only if it is in the public interest to do so.

5. Confidentiality

Any information that is the property of the municipality or its providers should be protected at all times. No information regarding any bid / contract / bidder / contractor may be revealed if such an action will infringe on the relevant bidder's / contractors' personal rights.

Matters of confidential nature in the possession of officials and other role players involved in SCM should be kept confidential unless legislation, the performance of duty or the provision of law requires otherwise. Such restrictions also apply to officials and other role players involved in SCM after separation from service.

6. Bid Specification / Evaluation / Adjudication Committees

Bid specification, evaluation and adjudication committees should implement supply chain management on behalf of the municipality in an honest, fair, impartial, transparent, costeffective, and accountable manner. Bid evaluation / adjudication committees should be familiar with and adhere to the prescribed legislation, directives, and procedures in respect of supply chain management in order to perform effectively and efficiently.

All members of bid adjudication committees should be cleared by the accounting officer at the level of "CONFIDENTIAL" and should be required to declare their financial interest annually. No person should-

- (i) Interfere with the supply chain management system of the municipality; or
- (ii) Amend or tamper with any price quotation / bid after its submission.

7. Combative Practices

Combative practices are unethical and illegal and should be avoided at all costs. They include but are not limited to:

- (i) Suggestions to fictitious lower quotations.
- (ii) Reference to non-existent competition.
- (iii) Exploiting errors in price quotations / bids.
- (iv) Soliciting price quotations / bids from bidders / contractors whose names appear on the Register for Tender Defaulters.

ANNEXURE B

Witzenberg Municipality's Supply Chain Management: Supplier's Code of Conduct

The purpose of this Code of Conduct is to promote mutual trust and respect and an environment where business can be conducted with integrity and in a fair and reasonable manner.

WM is committed to high standards of business ethics and integrity as reflected in this WM Code of Conduct. WM expects all its suppliers to adhere to similar good working standards and business ethics. The Supplier is expected to comply with the requirements set out in this WM Supplier Code of Conduct. In addition, WM and the Supplier may agree on further standards in supply agreements.

1. Human Rights

This Bill of Rights, as enshrined in Constitution Act 108 of 1996, is a cornerstone of democracy in South Africa. It enshrines the rights of all people in our country and affirms the democratic values of human dignity, equality, and freedom. The Constitution obliges municipalities to respect, protect, promote, and fulfil the rights in the Bill of rights. To this end, when service providers provide services to and on behalf of the WM they are also obliged to respect, protect, promote and fulfil the rights in the Bill of rights insofar as it is relevant to their business.

In accordance with the aforementioned ethics and standards, WM require the following business practices from Suppliers:

 To not unfairly discriminate directly or indirectly against anyone on one or more grounds, including race, gender, sex, pregnancy, marital status, ethnic or social origin, colour, sexual orientation, age, disability, religion, conscience, belief, culture, language and birth.

- To respect the right of everyone to inherent dignity and the right to have their dignity respected and protected.
- To respect the right of every person not to be subjected to slavery, servitude or forced labour.
- o To respect everyone's right to freedom of conscience, religion, thought, belief and opinion.

2. Fair Labour Conditions and Child Labour

The Supplier will ensure fair labour conditions. In particular, the supplier will:

- refrain from employment discrimination based on gender, colour, ethnicity, religion, disability, union membership, political affiliation or sexual orientation.
- respect the rights of employees to freely associate and bargain collectively.
- comply with all applicable laws on employment and in particular the Basic Conditions of Employment Act 75 of 1997 and the Labour Relations Act 66 of 1995.
- not use any forced or compulsory labour or involuntary prison labour and give all employees the choice to leave their employment freely upon reasonable notice.
- compensate employees fairly and adhere to the Basic Conditions of Employment Act 75 of 1997, sector specific minimum wages and / or collective agreements and where these do not exist, compensate employees so they can at the least meet their basic needs; and
- The Supplier will protect children from exploitative labour practices and they will not require or permit children to perform work or provide services that
 - o is inappropriate for a person of that child's age; or
 - place at risk the child's well-being, education, physical or mental health or spiritual, moral, or social development.

3. Occupational Health and Safety

The Supplier will strive to provide a safe and healthy workplace for all its employees and strive to adhere to the requirements of Occupational Health and Safety Act 85 of 1993.

4. Environmental Responsibility

The Supplier is committed to environmental protection and will conduct its business in an environmentally sensitive way.

5. Business Ethics

The Supplier will conduct its business in an ethical manner in accordance with all applicable rules and regulations. In particular, the Supplier will

- refrain from any and all forms of extortion and bribery.
- adhere to anti-trust and other competition laws, e.g. not participating in price fixing or bid-rigging; and
- disclose to WM information about any principal shareholder, directors in the service of the state.
- The Supplier will protect all confidential information provided by WM and its

respective business partners.

6. Conflict of Interest

The Supplier must disclose to WM information about conflict of interest of any WM employee, or close family member of an employee that have an interest in any of the Supplier's business.

Suppliers must not use their position for private gain or to improperly benefit any person or company.

Suppliers must not offer any reward, gift, favour, hospitality, or other benefit directly or indirectly, including to any close family member, partner, or associate of a WM employee, irrespective of the value of the gift, reward, favour, hospitality or benefit.

Suppliers must declare to the accounting officer of WM details of any private or business interest which an employee of WM, or any close family member, partner or associate, may have in any proposed procurement or disposal process, or in any award of a contract by WM.

Suppliers must not place WM employees under any financial or other obligation that might seek to influence WM employees in the performance of their official duties; and

Suppliers must not take improper advantage of previous WM employees to unfairly benefit the supplier by using the information or knowledge of previous employees of WM after leaving office.

7. Business Continuity Planning

The Supplier shall maintain appropriate insurance and or policies to mitigate exposures to business risk, business threats, terrorism, crime, pandemics, natural disasters and related major accident exposures.

8. Procurement by Supplier

WM expects the Supplier to obtain confirmation from each of its sub-suppliers providing goods or services directly or indirectly to WM that the sub-supplier acts in compliance with this WM Supplier Code of Conduct.



Preferential Procurement Policy

Date of Approval by Council	10 March 2023
Implementation date	10 March 2023
Amended by Council	24 January 2024

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1. Definitions

- 1.1 In this Policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Act or the Regulations shall bear the meaning so assigned –
 - 1.1.1 **"Acceptable Tender"** means any tender which, in all respects, complies with the specification and conditions of tender as set out in tender document.
 - 1.1.2 "**Act**" means the Preferential Procurement Policy Framework Act, Act No. 5 of 2000 as amended.
 - 1.1.3 **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
 - 1.1.4 **"B-BBEE status level of contributor"** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act:
 - 1.1.5 **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, Act No. 53 of 2003 as amended;
 - 1.1.6 "district municipal area" means the Cape Winelands District Municipal Area.
 - 1.1.7 "EME" means an exempted micro enterprise in terms of a code of good practice on black economic empowerment issued in terms of section9(1) of the Broad-Based Black Economic Empowerment Act.
 - 1.1.8 **"highest acceptable tender"** means a tender that complies with all specifications and conditions of tender and that has the highest price compared to other tenders:
 - 1.1.9 "Historically disadvantaged individual (HDI)" means a South African citizen
 - (1) 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); and / or
 - (2) who is a female; and / or
 - (3) who has a disability:

Provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be an HDI.

- 1.1.10 "locality" means the suppliers and/or service providers that has its place of business within the municipal area, or the district area where the municipality is located or the province where the municipality is located.
- 1.1.11 "lowest acceptable tender" means a tender that complies with all specifications and conditions of tender and that has lowest price compared to other tenders;
- 1.1.12 "municipal area" means within the jurisdiction of Witzenberg Municipality;
- 1.1.13 "Municipality" refer to Witzenberg Municipality;
- 1.1.14 **"Policy"** means the Preferential Procurement Policy of Witzenberg Municipality.

1.1.15 "proof of B-BBEE status level of contributor" means

- 1.1.15.1 The B-BBEE status level certificate issued by an authorised body or person.
 - 1.1.15.2 A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice; or
- 1.1.15.3 Any other requirement prescribed in terms of the Broad-Based Black Economic Empowerment Act.

1.1.16 "proof of locality" means a -

- 1.1.16.1 municipal account in the name of the tenderer not older than 90 days.
- 1.1.16.2 lease agreement where the tenderer is the lessee; or
- 1.1.16.3 an affidavit in cases where the tenderer is not a municipal account holder or is not a lessee to a lease agreement confirming the registered address of the tenderer.
- 1.1.16.4 the street address as per the quotation provided.¹
- 1.1.17 "province" means the Western Cape Province;
- 1.1.18 **"price"** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- 1.1.19 **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of the tender invitation;
- 1.1.20 **"Regulations"** means the Preferential Procurement Regulations, 2022 as issued by the Minister of Finance
- 1.1.21 "**specific goals**" means specific goals as contemplated in section 2(1)(d) of the Act which may include contracting with persons, or categories of persons,

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¹ Recommended for inclusion March 2024

historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994;

- 1.1.22 "tender" means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation that includes formal written price quotations, competitive bids and deviations from the official procurement processes as defined;
- 1.1.23 "tender for income-generating contracts" means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions.

2. Application of the policy

- (1) This policy applies to all procurement of goods and services by the municipality with a value of R2,000 and above.²
- (2) This policy does not apply to public auctions or any other sale or lease of assets where it is not practical to apply a system of preference.
- (3) This policy must be applied concurrently with other legislative prescripts and other policies that regulates the procurement of goods and services by the municipality.

3. Objective of the policy

- (1) The purpose of this policy is to:
 - (a) Provide for categories of preference in awarding of bids;
 - (b) Provide for the advancement of persons or categories of persons disadvantaged by unfair discrimination; and
 - (c) Clarify the mechanisms how the above items in paragraph 3.1 (a) and (b) will be implemented.

4. Identification of preference point system

- (1) The tender documents must stipulate
 - (a) the preference point system applicable; and
 - (b) any specific goal as envisaged in section 2(1)(d) and (e) of the Act.
- (2) If it is unclear whether the 80/20 or 90/10 preference point system applies, the tender documents must state/stipulate that in the case of
 - (a) an invitation for tender for income generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system: or
 - (b) any other invitation for tender that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system.

5. Specific goals

- (1) Specific goals must be measurable, quantifiable, and monitored for compliance.
- (2) A maximum of 20 points on the 80/20 preference points system or 10 points on the 90/10 preference points system will be allocated for specific goals as contemplated in the Act for the acquisition of goods and services and income generating contracts. These goals are as follows:

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² Amended by Council 24/01/2024.

- B-BBEE that is inclusive of contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender or disability; and
- (b) locality of enterprises in the municipal area, district municipal area or province that promotes implementing the programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994 the preference point system.
- (3) Regarding paragraph 5(2) of this Policy, 50% of the 20 points on the 80/20 preference points system and 50% of the 10 points on the 90/10 preference points system, will be allocated to promote B-BBEE in terms of the following scorecard:

No	B-BBEE status level of contributor	Number of points on 80/20 points system	Number of points on 90/10 points system
1	Level 1 contributor	10	5
2	Level 2 contributor	9	4.5
3	Level 3 contributor	6	3
4	Level 4 contributor	5	2.5
5	Level 5 contributor	4	2
6	Level 6 contributor	3	1.5
7	Level 7 contributor	2	1
8	Level 8 contributor	1	0.5
9	Non-compliant contributor	0	0

(4) The following points for specific goals per procurement process based on the 80/20 preference point system will be applied:

No	Procurement Process	Procurement ranges (inclusive of all applicable taxes)	Maximum points for Broad- Based Black Economic Empowerment (B- BBEE)	enterprises within	Maximum points for enterprises within Cape Winelands District region	within the
1	Formal written price and competitive tendering	R2 000 =	10	10	5	2

(5) The following points for specific goals per procurement process based on the 90/10 preference point system will be applied:

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³ Amended by Council 24/01/2024.

No	Procurement Process	Procurement ranges (inclusive of all applicable taxes)	Maximum Points for Broad- Based Black E c o n o m i c Empowerment (B- BBEE)	enterprises within Witzenberg	Maximum points for enterprises within Cape Winelands District region	within the
1	Competitive tendering	Above R50 million	5	5	2.5	1

- (6) The total number of points allocated towards specific goals must always add up to 20 points on the 80/20 preference points system or 10 points on the 90/10 preference points system.
- (7) A tenderer that is located outside the Western Cape Province will score 0 points for locality.

6. 80/20 preference point system for acquisition of goods or services with Rand value equal to or below R50 million

(1) The following formula must be used to calculate the points out of 80 for price in respect of an invitation for a tender with a Rand value equal to or below R50 million, inclusive of all applicable taxes:

$$P_{S} = 80 \left(1 - \frac{Pt - P \min}{P \min} \right)$$

Where -

Ps = Points scored for price of tender under consideration.

Pt = Price of tender under consideration; and

Pmin = Price of lowest acceptable tender

- (2) A maximum of 20 points may be awarded to a tenderer for the specific goals as provided for under paragraph 3 of this Policy.
- (3) The points scored for the specific goal(s) must be added to the points scored for the price and the total must be rounded off to the nearest two decimal places.
- (4) Subject to section 2(1)(f) of the Act, the contract must be awarded to the tendering scoring the highest points.
- (5) A tenderer must submit proof of its B-BBEE status level of contributor to claim points for B-BBEE.

- (6) A tenderer failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE may not be disqualified but will only score 0 points for B-BBEE.
- (7) A tenderer must submit proof of locality to claiming point(s) for locality.
- (8) A tenderer failing to submit proof of locality may not be disqualified but will only score 0 points for locality.
- (9) A tenderer that scores 0 points for B-BBEE and/or 0 points for locality must be scored for price only.
- (10) The points scored for the specific goals must be added to the points scored for price and the total must be rounded off to the nearest two decimals.
- (11) Subject to section 2(1)(f) of the Act, the contract must be awarded to the tenderer scoring the highest points.

7. 90/10 preference point system for acquisition of goods and services with Rand value above R50 million

(1) The following formula must be used to calculate the points out of 90 for price in respect of an invitation for a tender with a Rand value above R50 million, inclusive of all applicable taxes:

$$Ps = 90 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where -

Ps = Points scored for price of tender under consideration.

Pt = Price of tender under consideration; and

Pmin = Price of lowest acceptable tender

- (2) A maximum of 10 points may be awarded to a tenderer for the specific goals as provided for under paragraph 3 of this Policy.
- (3) The points scored for the specific goal must be added to the points scored for the price and the total must be rounded off to the nearest two decimal places.
- (4) Subject to section 2(1)(f) of the Act, the contract must be awarded to the tendering scoring the highest points.
- (5) A tenderer must submit proof of its B-BBEE status level of contributor to claim points for B-BBEE.

- (6) A tenderer failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE may not be disqualified but will only score 0 points for B-BBEE.
- (7) A tenderer must submit proof of locality to claiming point(s) for locality.
- (8) A tenderer failing to submit proof of locality may not be disqualified but will only score 0 points for locality.
- (9) A tenderer that scores 0 points for B-BBEE and/or 0 points for locality must be scored for price only.
- (10) The points scored for the specific goals must be added to the points scored for price and the total must be rounded off to the nearest two decimals.
- (11) Subject to section 2(1)(f) of the Act, the contract must be awarded to the tenderer scoring the highest points.

8. 80/20 preference point system for tenders to generate income or to dispose of or lease assets with Rand value equal to or below R50 million

(1) The following formula must be used to calculate the points out of 80 for price in respect of an invitation for a tender for income-generating contracts with a Rand value equal to or below R50 million, inclusive of all applicable taxes:

$$Ps = 80\left(1 + \frac{Pt - Pmax}{Pmax}\right)$$

Where -

Ps = Points scored for price of tender under consideration.

Pt = Price of tender under consideration; and

Pmax = Price of highest acceptable tender

- (2) A maximum of 20 points may be awarded to a tenderer for the specific goals as provided for under paragraph 3 of this Policy.
- (3) The points scored for the specific goal must be added to the points scored for the price and the total must be rounded off to the nearest two decimal places.
- (4) Subject to section 2(1)(f) of the Act, the contract must be awarded to the tendering scoring the highest points.
- (5) A tenderer must submit proof of its B-BBEE status level of contributor to claim points for B-BBEE.

- (6) A tenderer failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE may not be disqualified but will only score 0 points for B-BBEE.
- (7) A tenderer must submit proof of locality to claim point(s) for locality.
- (8) A tenderer failing to submit proof of locality may not be disqualified but will only score 0 points for locality.
- (9) A tenderer that scores 0 points for B-BBEE and/or 0 points for locality must be scored for price only.
- (10) The points scored for the specific goals must be added to the points scored for price and the total must be rounded off to the nearest two decimals.
- (11) Subject to section 2(1)(f) of the Act, the contract must be awarded to the tenderer scoring the highest points.
- 9. 90/10 preference point system for tenders to generate income or to dispose of or lease assets with Rand value above R50 million
 - (1) The following formula must be used to calculate the points out of 90 for price in respect of an invitation for a tender for income-generating contracts with a Rand value above R50 million, inclusive of all applicable taxes:

$$Ps = 90\left(1 + \frac{Pt - Pmax}{Pmax}\right)$$

Where -

Ps = Points scored for price of tender under consideration.

Pt = Price of tender under consideration; and

Pmax = Price of highest acceptable tender

- (2) A maximum of 10 points may be awarded to a tenderer for the specific goals as provided for under paragraph 3 of this Policy.
- (3) The points scored for the specific goal must be added to the points scored for the price and the total must be rounded off to the nearest two decimal places.
- (4) Subject to section 2(1)(f) of the Act, the contract must be awarded to the tendering scoring the highest points.
- (5) A tenderer must submit proof of its B-BBEE status level of contributor to claim points for B-BBEE.

- (6) A tenderer failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE may not be disqualified but will only score 0 points for B-BBEE.
- (7) A tenderer must submit proof of locality to claiming point(s) for locality.
- (8) A tenderer failing to submit proof of locality may not be disqualified but will only score 0 points for locality.
- (9) A tenderer that scores 0 points for B-BBEE and/or 0 points for locality must be scored for price only.
- (10) The points scored for the specific goals must be added to the points scored for price and the total must be rounded off to the nearest two decimals.
- (11) Subject to section 2(1)(f) of the Act, the contract must be awarded to the tenderer scoring the highest points.

10. Criteria for breaking deadlock in scoring

- (1) If two or more tenderers score an equal total number of points, the contract must be awarded to the tenderer that scored the highest points for specific goals.
- (2) If two or more tenderers score equal total points in all respects, the award must be decided by the drawing of lots.

11. Oversight role of Council

For oversight, the Accounting Officer must within 30 days of the end of each financial year, submit a report on the implementation of this Policy to the Council.

12. Short title

This Policy is called the Preferential Procurement Policy of Witzenberg Municipality.



LONG-TERM FINANCIAL PLAN POLICY

Date of implementation 01 July 2013

LONG-TERM FINANCIAL PLAN POLICY

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1. DEFINITIONS AND ABBREVIATIONS

- "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;
- "BSC" means Budget Steering Committee, a committee established to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the MFMA;
- "budget-related policy" means a policy of a municipality affecting or affected by the annual budget of the municipality, including
 - the tariffs policy which the municipality must adopt in terms of section 74 of the Municipal Systems Act;
 - the rates policy which the municipality must adopt in terms of legislation regulating municipal property rates; or
 - the credit control and debt collection policy which the municipality must adopt in terms of section 96 of the Municipal Systems Act;
- "IDP" means the Integrated Development Plan;
- "LTFP" means Long Term Financial Plan;
- "long-term debt" means debt repayable over a period exceeding one year;
- "MBRR" means the Municipal Budget and Reporting Regulations;
- "MFMA" means the Municipal Finance Management Act No 56 of 2003;
- "MTREF" means Medium Term Revenue and Expenditure Framework, as prescribed by the MFMA. It sets out indicative revenue and projected expenditure for the budget year, plus two outer financial years;
- "Municipality" means Witzenberg Municipality;
- "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.
- "Short Term" refers to a period up to 3 (three) years
- "Medium Term" refers to a period between 3 (three) and 5 (five) years
- "Long Term" refers to any period longer than 5 (five) years

2. INTRODUCTION

- 2.1. The Local Government: Municipal Finance Management Act No 56 of 2003 (hereafter MFMA) has instituted various financial reform measures. Sound financial management practices have been identified as essential to the long-term sustainability of municipalities. In this regard the MFMA necessitates that municipality's must have a policy related the Long Term Financial Plan (hereafter LTFP).
- 2.2. A municipality's financial plan integrates the financial relationships of various revenue and expenditure streams to give effect to the Integrated Development Plan (hereafter IDP). It provides guidance for the development of current budgets and assesses financial impacts on outer years' budgets by incorporating capital expenditure outcomes, operating expenditure trends, optimal asset management plans and the consequential impact on rates, tariffs and other service charges.
- 2.3. The Municipality has developed a financial model that aims to determine the appropriate mix of parameters and assumptions within which the municipality should operate to facilitate budgets which are affordable and sustainable at least 10 years into the future. In addition, it identifies the consequential financial impact of planned capital projects on the municipality's operational budget.

3. PROBLEM STATEMENT

3.1. Preceding the inception of the MFMA municipal budgets usually catered for immediate demands with little or no view to future needs or the future consequences of particular decisions. This poor planning practice fragmented the sustainability of municipal budgets.

4. PURPOSE

4.1. The policy aims to ensure that all long-term financial planning is based on a structured and consistent methodology thereby ensuring long-term financial affordability and sustainability.

5. GUIDING PRINCIPLES

- 5.1. The policy is based on the following principles:-
 - 5.1.1. Future financial sustainability;
 - 5.1.2. Optimal collection of revenue, taking into consideration the socio economic environment;
 - 5.1.3. Optimal utilisation of grant funding;
 - 5.1.4. Continuous improvement and expansion in service delivery framework, and
 - 5.1.5. Prudent financial strategies.

6. ROLE PLAYERS AND STAKEHOLDERS

The following role players will ensure that the LTFP is implemented in accordance with the prescribed legislative requirements and Council processes.

6.1. Budget Office

- 6.1.1. Responsible for the preparation and the compilation of the LTFP;
- 6.1.2. Responsible for overall oversight;
- 6.1.3. Present long term financial plan outcome to the Budget Steering Committee;
- 6.1.4. Review Policy and Strategy, in consultation with relevant stakeholders, to ensure maximum compliance in terms of legislation.

6.2. Directorates and Departments

- 6.2.1. Responsible for providing reasons on past performance outcomes
- 6.2.2. Responsible for providing information to Budget Office to update the financial plan;
- 6.2.3. Required to identify revenue and expenditure plans for both operating and capital budgets for at least 3 years.
- 6.2.4. Required to make recommendations on future service delivery matters.

6.3. Budget Steering Committee

- 6.3.1. Responsible for providing strategic quidance on matters relevant to the long term financial plan
- 6.3.2. Responsible for endorsing the projected MTREF assumptions and parameters contemplated by the LTFP.

7. REGULATORY CONTEXT

- 7.1. Section 17 (3) of the MFMA states that "when an annual budget is tabled it must be accompanied by amongst other "any proposed amendments to the budget-related policies of the municipality".
- 7.2. Section 21 of the MFMA states that the mayor of a municipality must at least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for, amongst other:
 - (i) The preparation, tabling and approval of the annual budget;
 - (ii) the annual review of—
 - (aa) the integrated development plan in terms of section 34 of the Municipal Systems Act; and
 - (bb) the budget-related policies;
 - (ii) The tabling and adoption of any amendments to the IDP and the budget-related policies; and
 - (iii) any consultative processes forming part of the processes referred to in subparagraphs (i), (ii) and (iii).
- 7.3. Section 7 (1) of the Local Government: Municipal Finance Management Act, 2003, Municipal Budget and Reporting Regulations, 2009 (hereafter MBRR) states that:

"the Municipal Manager of a municipality must prepare, or take all reasonable steps to ensure the preparation of budget-related policies of the municipality, or any or any necessary amendments to such policies, in accordance with the legislation applicable to those policies for tabling in the municipal council by the applicable deadline specified by the mayor in terms of section 21 (1) (b) of the MFMA".

- 7.4. Section 7 (1) reference (1) of the MBRR, further states that "as defined in section 1 of the MFMA. Policies that affect or are affected by the annual budget of a municipality include "(g) A policy related to the long term financial plan".
- 7.5. Section 4 (1) of the MBRR states "that the mayor of a municipality must establish a budget steering committee to provide technical assistance to the mayor in discharging the responsibilities set out in section 53 of the MFMA".
- 7.6. Section 26 (h) of the Local Government: Municipal Systems Act 32 of 2000 (hereafter the MSA) states that "An Integrated Development Plan must reflect a financial plan, which must include a budget projection for at least the next three years".

8. POLICY DIRECTIVE DETAILS

- 8.1. Financial strategies
 - 8.1.1. An intrinsic feature of the LTFP is to give effect to the Municipality's financial strategies. These strategies include:
 - 8.1.1.1. Increasing funding for asset maintenance and renewal;
 - 8.1.1.2. Continuous improvement to the financial position;
 - 8.1.1.3. Ensuring affordable debt levels to fund the capital budget;
 - 8.1.1.4. Maintaining fair, equitable and affordable rates and tariff increase;
 - 8.1.1.5. Maintaining or improving basic municipal services;
 - 8.1.1.6. Achieving and maintaining a breakeven/surplus Operating budget; and
 - 8.1.1.7. Ensuring full cost recovery for the provision of internal services.
- 8.2. Non financial strategies
 - 8.2.1. The LTFP is a key component for achieving the goals listed in the IDP of the Municipality. The LTFP must consider the following non financial strategics strategies:
 - 8.2.1.1. The Municipality's Strategic Focus Areas;
 - 8.2.1.2. Infrastructure led growth strategies; and
 - 8.2.1.3. The Municipality's Spatial Development Framework.
- 8.3. Preparation of the LTFP
 - 8.3.1. The LTFP process should commence by latest June of each year.
 - 8.3.2. The LTFP should consider the fiscal overview by reviewing past financial performance, projection of long-term financial outlook and financing and funding arrangements. The following matters should be considered annually:
 - 8.3.2.1. Revising the long-term financial plan for events that may have impacted during the recent past;

- 8.3.2.2. Assessing the outcomes and achievements of the past few years financial performance as per the audited financial statements;
- 8.3.2.3. Reviewing the financial objective and assumptions;
- 8.3.2.4. Reviewing the past and summarise long term financial outlook;
- 8.3.2.5. Assess the current overall financial position and liquidity situation;
- 8.3.2.6. Identify any financial challenges and constraints;
- 8.3.2.7. Identifying strategies to deal with the challenges, and to maintain financial viability and capacity to sustain services;
- 8.3.2.8. Identify overall funding mix and implications for own revenue and external funding; and
- 8.3.2.9. Assess compliance with the MFMA and other relevant legislation etc.
- 8.3.3. The LTFP is prepared in an uncertain environment it is therefore required to make certain assumptions on the following internal and external factors:
 - 8.3.3.1. Reviewing the external factors (population migration, employment, health, development of businesses, and new residential areas, etc.);
 - 8.3.3.2. General inflation outlook and its impact on the municipal activities;
 - 8.3.3.3. Credit rating outlook;
 - 8.3.3.4. Interest rates for borrowing and investment of funds;
 - 8.3.3.5. Rates, tariffs, charges and timing of revenue collection;
 - 8.3.3.6. Growth or decline in tax base of the municipality;
 - 8.3.3.7. Collection rates for each revenue source;
 - 8.3.3.8. Price movements on specifics e.g. bulk purchases of water and electricity, fuel etc.;
 - 8.3.3.9. Average salary increases;
 - 8.3.3.10. Industrial relations climate, reorganisation and capacity building;
 - 8.3.3.11. Trends in population and households (growth, decline, stable);
 - 8.3.3.12. Changing demand characteristics (demand for services);
 - 8.3.3.13. Trends in demand for free or subsidised basic services;
 - 8.3.3.14. Impact of national, provincial and local policies;
 - 8.3.3.15. Ability of the municipality to spend and deliver on the programmes; and
 - 8.3.3.16. Implications of restructuring and other major events into the future.
- 8.3.4. Intergovernmental fiscal transfers/allocations from National and Provincial government play a pivotal role in the finances of the Municipality. The following unconditional transfers/allocations must be considered, as a minimum, when projecting the budget:
 - 8.3.4.1. Local Government Equitable Share;
 - 8.3.4.2. Grants related to the provision of Provincial government functions.
- 8.4. The Municipality's LTFP model and scenario planning
 - 8.4.1. The Municipality financial model gives effect to the LTFP. It enables the forecasting of the operating and capital budgets for at least 10 years into the future. The model embodies National Treasury's budget preparation guidelines, drawing on assumptions and parameters to forecast the operating budget.
 - 8.4.2. Strategic initiatives should be prioritised and quantified to be included in the financial model.
 - 8.4.3. The financial forecasting model must be updated using the fiscal overview, assumption and intergovernmental fiscal transfers/allocations information to identify immediate opportunities and/or risks.
 - 8.4.4. The medium and long-term financial viability should be evaluated.
 - 8.4.5. Reiterative scenario planning should be executed to ensure optimum use of resources to cater for strategic initiatives.
 - 8.4.6. To identify the optimum balance between revenue collection and municipal spending the following should be taken into account:
 - 8.4.6.1. The impact each scenario has on the financial sustainability and affordability of the Municipality;
 - 8.4.6.2. Whether scenarios are realistic in terms of revenue projections;
 - 8.4.6.3. Potential revenue enhancement strategies which may have a long-term impact on the revenue base of the Municipality;
 - 8.4.6.4. Potential cost saving mechanisms related to strategic initiatives; and
 - 8.4.6.5. The impact of infrastructure investments and maintenance programs on future revenue streams.
 - 8.4.7. Presentations on scenarios should be presented to the BSC as may be requested.
 - 8.4.8. BSC should endorse the final MTREF scenario inclusive of assumptions and parameters annually by latest January.

- 8.5. The annual updated LTFP should identify the following:
 - 8.5.1. Assumptions and parameters to be used to compile the Operating and Capital budgets over the next MTREF;
 - 8.5.2. Future Operating revenue and expenditure projections based on assumptions and parameters;
 - 8.5.3. Future affordability of projected Capital Plans
 - 8.5.4. The level of infrastructure development required to achieve the
 - 8.5.5. Municipal priorities, within the funding restrictions; and
 - 8.5.6. External funding requirements in respect of long term debt.

8.6. Implementation of the LTFP

- 8.6.1. The annual updated LTFP should provide the parameters and assumptions for the compilation of the operating and capital budgets for the next MTREF.
- 8.6.2. This information should be provided to the Operating and Capital budget departments by latest January of each year.

9. EVALUATION AND REVIEW

- 9.1. This policy shall be implemented once approved by Council.
- 9.2. In terms of section 17(1) (e) of the MFMA this policy must be reviewed on an annual basis
- 9.3. Changes in financial strategy, non financial strategic strategies and legislation must be taken into account for future amendments to this policy.
- 9.4. Any amendments must be tabled to Council for approval as part of the budget process.



TRANSPORT- TRAVEL- AND SUBSISTENCE ALLOWANCE POLICY

TRANSPORT- TRAVEL- AND SUBSISTENCE ALLOWANCE FOR COUNCILLORS AND EMPLOYEES OF WITZENBERG MUNICIPALITY

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

1. Glossary

"accommodation allowance"	an amount payable to a Councillor or an employee for expenses incurred in respect of overnight accommodation, meals and incidental costs (e.g. refreshments). This allowance is intended for unusual circumstances which fall outside of the employee's or Councillor's normal daily course.
"incidental costs"	private telephone calls, refreshments, service charges and gratuities.
"meals"	breakfast and /or lunch and /or dinner.
"miscellaneous expenses"	laundering, bus fares, taxi fares, parking- & toll fees, and expenses not specified.
"representative"	A Councillor or an employee who is duly authorised to represent the Municipality in terms of the delegated powers of the Council.
"senior manager"	an employee appointed in terms of Section 56 of the Municipal Systems Act (Act no. 32 of 2000).

2. Transport Allowance

2.1. Councillors

An travelling allowance of not more than 25% of the annual total remuneration package of a councillor concerned as determined in terms of Remuneration Of Public Office Bearers Act of 1998 may be included as part of the total package of the councillor.

2.2. Municipal Manager and Senior Managers

The Municipal Manager and Senior Managers shall be required to utilise their own motor vehicle when they is required to travel for purposes relating to their employment and may therefore structure their total cost of employment to provide for a car allowance for tax purposes.

2.3. Other qualifying employees: Fixed Travelling Allowance Scheme (Perk scheme)

All applications for a Transport Allowance shall require the approval of the Municipal Manager. The monthly transport allowance of other qualifying employees will be determined according to their task levels:

T LEVEL	New Transport Allowance	Current Transport Allowance
T 14	R 9,000	R 8,330
T 15	R 10,000	R 8.330
T 16	R 11,000	R 8,330 – 10,925 Higher amounts – personal to incumbent.
T 17+	R 12,000	R 8.330

The monthly allowance will increase with 50% of the annual salary increase as agreed upon by the Bargaining Council from 1 July 2017.

2.4. Essential User Transport Allowance¹

3. Travelling expenses

3.1. In the consideration of expenditure the most practical and economical mode of transport must be used, after all the factors have been considered by the Municipal Manager or his/her nominee, provided that such consideration does not exceed whatever is listed hereunder.

3.2. Airfares

Economy class airfares shall be paid plus vehicle rental in the Class A category. In cases of emergency and where no booking for economy class or a Class A vehicle is available, the Municipal Manager or his nominee may authorise that Business Class or any other vehicle class tariffs may be paid.

3.3. Travelling expenses

Travelling expenses shall only be paid to a representative or in the case of an employee where he/she uses private transport to undertake a trip on behalf of the Municipality.

Every trip by an employee must have the prior authorisation of the employee's senior manager.

3.3.1. Reimbursement of travelling expenses to destinations outside of the Municipality's jurisdictional area, shall be payable to employees who participate in the Fixed Travelling Allowance Scheme (Perk scheme) as per kilometres measured from the employee's location or place of residence, whichever is the shortest. The tariff per kilometre is R 2.00.

The running cost will increase with 50% of the annual salary increase as agreed upon by the Bargaining Council from 1 July 2017.

- 3.3.2. Reimbursement of travelling expenses to destinations outside of the Municipality's jurisdictional area, shall be payable to Employees who participate in the **Essential User Transportation Scheme** as per kilometres measured from the employee's location or place of residence, whichever is the shortest. The tariff per kilometre will is according to the running cost of the scheme.
- 3.3.3. Employees who are not part of any Transportation Scheme shall be reimbursed for actual kilometres travelled from their place of residence or from his/her location during office hours in accordance with Section 8(1)(b) of the Income Tax Act and in conjunction with the prescribed tariffs per kilometre for employees not travelling more than 8 000 kilometres per annum.
- 3.3.4. Travelling expense reimbursements for Councillors, the Municipal Manager and other senior managers shall be dealt with as follows:
 - 3.3.4.1. Destinations outside of the Municipality's area of jurisdiction:

Councillors, the Municipal Manager and other senior managers (section 56 appointments) shall be reimbursed for the actual kilometres travelled in accordance with the tariffs of the Department of Transport.

3.3.4.2. Destinations within the Municipality's area of jurisdiction:

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¹ Removed 30/05/2022

- 3.3.4.2.1. The Municipal Manager and other senior managers (section 56 appointments) shall receive reimbursement for actual kilometres travelled within the Municipality's area of jurisdiction, in terms of section 39 of the Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers, in accordance with the tariffs of the Department of Transport.²
- 3.3.4.2.2. Councillors shall be reimbursed in accordance with the Act on Public Office Bearers subject to the business kilometre limits as stipulated in the Act
- 3.3.4.2.3. Where a councillor wishes to claim for kilometres travelled over and above the limit as stipulated in the Act referred to in (b) supra, such claim must be accompanied by a travel log of all the kilometres travelled. This travel log should at least include a starting- and finishing kilometre reading per trip, as well as defining the purpose of the trip. The reimbursement for the kilometres travelled over and above the limit, shall be paid in accordance with the tariffs of the Department of Transport.
- 3.3.5. A person who elects to make use of private transport to attend a meeting, congress or seminar, and where the travelling costs would be more than airfare, shall be paid the cash equivalent of an Economy Class air ticket based on a seven (7) day advance booking, with the proviso that the subsistence costs shall only be paid for a period not longer than would have been applicable in the case of air travel.
- 3.3.6. Where at all possible, more than one (1) person shall make use of the same vehicular transport, and only the owner or the driver of the vehicle is entitled to claim the applicable travelling allowance as defined in 3.3.1 to 3.3.5. Every endeavour should be made to utilize the mode of transport that is the most economical.
- 3.3.7. Where an employee who participates in the Essential User Transportation Scheme or the Fixed Travelling Allowance Scheme travels to the very same destination as Councillors or other employees, then such Councillors and employees shall endeavour to travel with the employee who is in receipt of the said travelling allowance.
- 3.3.8. Where an employee will be travelling beyond a radius of 200 kilometres from his location or place of residence, he may claim an advance payment equal to the estimated kilometres multiplied by the applicable tariff. Upon return to his location, the employee shall submit a final claim so that the adjustment between the advance payment and the actual claim can be settled once-off.

4. Subsistence Costs

The accommodation allowance is divided into two categories, namely overnight allowance and day allowance.

4.1. Overnight allowance

An overnight allowance shall be paid to a representative who travels to a destination outside of the municipal area for a period of 24 hours or longer or any portion thereof after the first 24 hours.

A distinction is made between travelling within and travelling outside of the boundaries of the Republic of South Africa.

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² Amended 30/05/2022

The following are the limits in respect of allowances and actual expenditure:

4.1.1. Accommodation

- 4.1.1.1. Accommodation expenses, both within as well as outside of the boundaries of South Africa:
- 4.1.1.2. The actual expenditure in respect of accommodation shall be paid by the Municipality, provided that this expenditure does not exceed the day tariff as determined by Council during its budget process.
- 4.1.1.3. Only the actual expense incurred by the representative shall be paid. In the event where the representative is accompanied by his/her spouse, the representative shall be responsible for the difference between the single tariff and the double tariff of the relevant institution.
- 4.1.1.4. The costs for the representative's spouse as referred to in 4.1.1.2 must be paid to the Municipality in advance if such costs have to be paid in together with that of the representative.
- 4.1.1.5. Where the tariff as mentioned in 4.1.1.1 is exceeded, the prior approval of the Municipal Manager or his nominee has to be obtained.

4.1.2. Meals and incidental expenses within the boundaries of the Republic of South Africa:

4.1.2.1. The allowance payable shall be equal to the "Meals and Incidental Costs"-tariff as determined and amended by the South African Revenue Services in terms of Section 8(1)(c) of the Income Tax Act, and is deemed non-taxable. The allowance paid shall be deemed as the actual expenditure by the representative.

Actual expenditure incurred for meals excluding alcoholic refreshment may be claimed provided that this expenditure does not exceed the day tariff as determined by Council during its budget process.

- 4.1.2.2. In the event where all the meals are included with the accommodation and/or supplied during the conference, meeting or seminar, the tariff for incidental expenses will apply. This tariff is equal to the tariff defined as "Only Incidental Expenses" as determined and amended by the South African Revenue Services in accordance with Section 8(1)(c) of the Income Tax Act, and is deemed non-taxable.
- 4.1.2.3. In the event where certain meals are included with the accommodation or supplied during the conference, meeting or seminar, the accommodation allowance shall be reduced proportionately as follows:

The difference between the tariffs as determined in 2.1.2.1 and 2.1.2.2 shall be divided into three equal parts and shall be reduced by the number of meals provided, irrespective of whether the representative made use of the meals or not, plus the tariff as referred to in 2.1.2.2.

4.1.2.4. In the event where the purpose of the expense is to facilitate training, all tariffs payable in terms of 2.1.2.1, 2.1.2.2 and 2.1.2.3 may be claimed in advance with the prior approval of an authorised official within the Human Resources Section.

4.1.2.5. In the event where the representative is unable to make use of the meals provided due to religious convictions or allergies, the reimbursement for alternative meals shall be dealt with on an ad hoc basis, with the authorization of the Municipal Manager or his nominee.

4.1.3. Meals and incidental expenses outside of the boundaries of the Republic of South Africa:

- 4.1.3.1. The maximum tariff payable shall be equal to the tariff defined as "Meals and Incidental Costs in the Republic" as determined and amended by the South African Revenue Services in terms of Section 8(1)(c) of the Income Tax Act, and is deemed non-taxable.
- 4.1.3.2. The payment of the tariff shall be deemed as actual expenditure by the representative, for which no formal proof of expenditure is required, and is payable irrespective of whether meals were provided or not.
- 4.1.3.3. The tariff payable in terms of 2.1.3.1 may be claimed in advance with the prior approval of the Municipal Manager. In the case of the Municipal manager the prior approval must be given by the Executive Mayor.
- 4.1.3.4. In the event where all the meals are included with the accommodation and/or supplied during the conference, meeting or seminar, the tariff for incidental expenses is payable subject to paragraph 2.1.3.8.
- 4.1.3.5. This tariff is equal to the tariff defined as "Only Incidental Expenses" as determined and amended by the South African Revenue Services in accordance with Section 8(1)(c) of the Income Tax Act, and is deemed non-taxable.
- 4.1.3.6. In the event where certain meals are included with the accommodation or supplied during the conference, meeting or seminar, the accommodation allowance shall be reduced proportionately as follows:
- 4.1.3.7. The difference between the tariff defined as "Only Incidental Expenses" and the tariff known as "Meals and Incidental Costs" shall be divided into three equal parts and shall be reduced by the number of meals provided, irrespective of whether the representative made use of the meals or not.
- 4.1.3.8. Incidental expenses is only due where the recipient is obliged to spend at least one night away from his or her usual place of residence.

4.1.4. Miscellaneous Expenses:

- 4.1.4.1. The actual expenditure in respect of laundry (excluding dry cleaning), bus fares and taxi fares, parking fees and toll fees, shall be paid by the Municipality upon proof of payment, both within as well as outside of the boundaries of the Republic of South Africa, and the expenditure shall be linked to the exchange rate, where applicable.
- 4.1.4.2. Communication Expenses:
- 4.1.4.2.1. All expenses incurred within the Republic's boundaries, shall be dealt with in terms of the Cell Phone Policy, as amended.
- 4.1.4.2.2. The cost of any calls made or received by the representative outside of the boundaries of the Republic, shall be paid at the actual cost of all official calls.

5. Reimbursement for applicants who attend interviews.

5.1. Accommodation expenses

5.1.1. The actual cost of the accommodation, including the cost of meals, as arranged by the Municipality.

5.2. Travelling expenses

- 5.2.1. Travelling expenses shall be dealt with according to the guideline in paragraph 3.1, and in the event of the applicant making use of private transport, the tariff per actual kilometres travelled will apply, as outlined in paragraph 3.3.3. Where a hired vehicle is used to transport the applicant from the airport, the actual cost of a hired vehicle with the engine capacity of 1300cc to 1500cc shall be paid.
- 5.2.2. Where the applicant has to make use of air travel to attend an interview, the actual cost as defined in par 3.2 shall be paid.
- 5.2.3. Travelling expenses shall be paid only for applicants who reside within the boundaries of the Republic of South Africa.

6. Claims

For a claim to be processed for payment, the following documentary proof must be handed in to the Directorate: Finance:

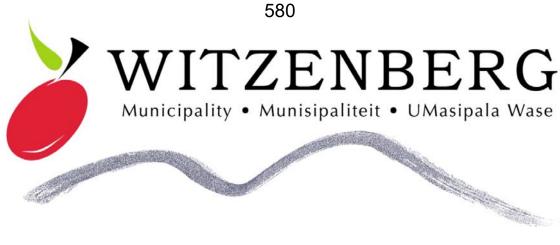
- 6.1. In the case of an employee, the representative's attendance must be authorised by the Municipal Manager or his nominee in terms of the delegation of authority.
- 6.2. In the case of a senior manager, his/her attendance must be authorised by the Municipal Manager.
- 6.3. In the case of Councillors or the Municipal Manager, their attendance must be authorised by the Executive Mayor, in consultation with the Municipal Manager.
- 6.4. In the case of the Executive Mayor, his/her attendance must be authorised by the Municipal Manager.
- 6.5. A properly completed official claim form (attached as annexure 6.5) must be handed in, having been signed by an official who is duly authorised to approve expenses.
- 6.6. Supporting documentation in the form of invoices for overnight allowances in terms of miscellaneous expenses and communication expenses. (the latter being applicable only to overseas trips).
- 6.7. All claims to be processed must be handed in to the Directorate: Finance not later than 10 working days after the journey has been undertaken or a longer period approved by the Director Finance.

7. Commencement date

The implementation date of this policy be affective from 1 July 2016 irrespective the date of approval.

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POST-EMPLOYMENT MEDICAL AID CONTRIBUTION POLICY

Reviewed by Council 30/05/2017

Adopted by Council 26/07/2016

POST-EMPLOYMENT MEDICAL AID CONTRIBUTION POLICY

1. Purpose

The purpose of this policy is to determine guidelines for the:

- 1.1 Management of contributions to medical aids, post-employment.
- 1.2 Determine whether an employee is entitled to the post-employment medical aid benefit.

2. **Definitions**

- **2.1** Approved medical aid: A medical aid approved by the Bargaining Council.
- **2.2** Bargaining Council: The South African Local Government Bargaining Council.
- **2.3 Medical disability:** Employees not able to continue with employment due to medical reasons with proof from medical practitioners.
- **2.4 Normal retirement age:** The retirement age for the purpose of this policy is set at 60 years.¹
- 2.5 **Qualifying dependants:** Legally married spouse and dependent children below the age of 21.

3. Object of the policy

To ensure a transparent, accountable and sustainable manner to assist qualifying employees access of post-employment health care benefits.

4. Qualifying employees

- 4.1 An employee retiring at normal retirement age, with at least 10 years' service and who was a member of an approved medical aid for at least the last 5 years before retirement.
- 4.2 An employee retiring within 5 years of normal retirement age, with at least 20 years' service, and who was a member of an approved medical aid for at least the last 5 years before retirement.
- 4.3 An employee leaving employment due to health reasons with at least 5 years' service and who was a member of an approved medical aid for at least the last year before retirement.
- 4.4 An employee not capable to continue employment due to injury on duty and who was a member of an approved medical aid for at least the last year before medical retirement.
- 4.5 An employee who did not have a medical condition that resulted in the medical boarding at date of appointment.
- 4.6 An employee retiring at normal retirement age who was in the employment of the municipality at the date of implementation of this policy and who was a

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¹ Amended by Council 30/05/2017

member of an approved medical aid for at least the last 5 years before retirement.

- 4.7 The qualifying dependants of an employee if the employee passed while in service and the employee and his qualifying dependants were members of an approved medical aid.²
- 4.8 The qualifying dependants of an employee will be entitled to the benefits even after the passing of the employee after retirement. ³

5. <u>Limit of benefit</u>

The benefit will be limited to the smaller of:

- 5.1 The maximum amount applicable to in-service members as agreed on at the Bargaining Council.
- 5.2 70 % of the total contribution payable to an approved medical aid scheme in respect of the employee and his/her qualifying dependants.

6. Payment of benefit

- The municipality will only be responsible to pay the employer's contribution over to the relevant medical aid. The employee must make his/her own arrangements to pay his/her contribution to the medical aid.
- 6.2 If the employee fails to pay his/her contribution to the medical aid the contribution payable by the municipality can be stopped.

7. Cancellation of benefit

The benefit in terms of this policy may be terminated:

- 7.1 If the beneficiary is still economically active (Employed by another entity or self-employed.)
- 7.2 If the beneficiary is in arrears for three months or longer with his contribution to the medical aid.
- 7.3 The Municipal Manager may consider the continuation of the benefit on receipt of a motivated application.

8. <u>Transitional arrangements</u>

- 8.1 Existing beneficiaries of the post-employment medical scheme will retain their current benefit until 31 December 2017 when they can choose more affordable options from their medical schemes.
- 8.2 The future benefit of existing beneficiaries whose current benefit is more than the benefit as per paragraph 5.1 will receive the larger of the current benefit and the benefit as per paragraph 5.1, but limited to the amount as per paragraph 5.2.

² Amended by Council 30/05/2017

³ Amended by Council 30/05/2017



WITZENBERG MUNICIPALITY

CAPITAL INFRASTRUCTURE INVESTMENT POLICY

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1. DEFINITIONS

"Asset" means a tangible or intangible resource capable of ownership.

"Capital Asset" means:-

- (a) Any immovable asset such as land, property or buildings; or
- (b) Any moveable asset that can be used continuously or repeatedly for more than one year in the production or supply of goods or services, for rental to others or for administrative purposes, and from which future economic or social economic benefit can be derived, such as plant, machinery and equipment.
- "Capital Expenditure (CAPEX)" means expenditure used to create new assets or to increase the capacity of existing assets.
- "Carrying Value" means the Cost less Accumulated Depreciation of an Asset.
- "Infrastructure Assets" includes all core assets which are integral to the delivery of municipal services, including water supply, sanitation, road transport and storm water drainage, solid waste removal, electricity supply, and community facilities. In terms of GRAP, it includes all immovable Property, Plant and Equipment (PPE), as well as specific immovable assets such as vehicles that are directly used in the delivery of the service (such as waste removal trucks). It excludes intangible assets (such as licenses, software, etc.) and current assets (ones with a life less than 12 months, such as consumables).
- "Infrastructure Asset Management Plan (IAM)" means a plan developed for the management of Infrastructure Assets with the aim of providing specified levels of service in a cost-effective manner, now and in the future. Multi-disciplinary management techniques (including technical and financial) are combined to determine the aggregated asset life-cycle needs. A significant component of the plan is a long-term cash-flow.
- "Infrastructure Asset Management Policy" means a formal statement adopted by Council that indicates the municipality's policy objective, the policy principles, and how these will be pursued (including the establishment of an IAM Team, and aligned systems and planning).
- "Infrastructure Asset Management Strategy" means a document that defines key IAM processes and targets including the definition of Consumer Groups and Service Catchments; Service Performance Standards and targets that accommodate the municipality's vision of future growth and demand; interaction and coordination measures; AMS functionality and data standards; risk management processes; IAM practice improvement processes; a funding and prioritisation strategy; and allocation of responsibility for implementation.
- "Operation" relates to running the service e.g. record keeping, accounting, monitoring, complaints and repairs.
- "Maintenance" means the actions required for an asset to achieve its expected useful life and ensuring that the asset functions efficiently for the whole of its Expected Useful Life. Maintenance can be planned or unplanned. Planned Maintenance includes measures to prevent known failure modes and can be time or condition-based. Repairs are a form of unplanned maintenance to restore an asset to its previous condition after failure or damage. Expenses on maintenance are considered operational expenditure.

2. INTRODUCTION

- 2.1 This policy aims to describe the process through which the Municipality can initiate projects of a capital nature. It ultimately aims to serve as a principal instrument to steer the budget for Infrastructure and Capital projects in the Municipality around a particular agreeable and sustainable developmental path.
- 2.2 This policy is mandated by section 8 of the Local Government: Municipal Budget and Reporting Regulations.

3. PURPOSE

- 3.1 This policy sets out the process and methodology for capital investment of any nature, regardless of the funding source. The following investments of a capital infrastructure nature fall within the ambit of this policy:
 - 3.1.1 New building construction or acquisitions;
 - 3.1.2 Extensions to existing buildings;
 - 3.1.3 Upgrades to accommodation and housing, other than those projects relating to low cost housing;
 - 3.1.4 Land acquisitions;
 - 3.1.5 All major capital works, as covered within the Asset Maintenance / Life-Cycle Management Policy;
 - 3.1.6 All infrastructure developments; and
 - 3.1.7 Information and communication infrastructure renewals and/or upgrades;

4. GUIDING PRINCIPLES

- 4.1. The Capital Infrastructure Investment Policy is based on the following principles:-
 - 4.1.1 Need as identified within the IDP, underpinned by the Municipal Capital Investment Program and National Spatial Development Perspective;
 - 4.1.2 Necessity to fulfil the service delivery mandate as identified within the Asset Maintenance / Life-Cycle Management Policy; and
 - 4.1.3 Affordability.

5. NEW CAPITAL INFRASTRUCTURE INVESTMENT

- 5.1 New infrastructure development may only be entered into if:-
 - 5.1.1 The project is in line with the Municipality's IDP;
 - 5.1.2 Funding has been secured through either internal or external funding mechanisms and has been approved in the Municipality's Capital Budget; and
 - 5.1.3 A detailed life-cycle funding plan has been developed, supported and integrated into the Asset Maintenance / Life –Cycle Management Policy;
- 5.2. All new infrastructure investments will be subject to:-
 - 5.2.1 Needs analysis based on:-
 - Šervice delivery sustainability;
 - ii. Consumer growth projections which are in line with the National and Regional Spatial Development Growth Perspectives; and
 - iii. National, Regional and Municipal strategic directives.
 - 5.2.2 Strategic project plan, including:-

- i. A holistic overview of the direct benefits, risks and impact of the intended project;
- ii. An assessment on the impact of current Infrastructure;
- iii. A service delivery framework relevant to the project;
- iv. A cost assessment, detailing the capital and maintenance cost projections for the entire lifecycle; and
- v. A funding model, detailing the financing source and associated cost, if any, as well as any revenue projections associated with the project.
- 5.2.3 Outcome of stakeholder consultation, including:
 - i. Environmental impact studies; and
 - ii. Feedback from community participation process, with specific focus on:-
 - Rights and entitlements of members of the community; and
 - impact on quality of life.
- 5.2.4 Implementation model, detailing:
 - i. Relevant skills base and source of skills required for implementation; and
 - ii. Specific timeframes for each activity throughout the project lifecycle (cradle to grave approach).

6. REFURBISHMENT AND SIGNIFICANT INFRASTRUCTURE MAINTENANCE PROJECTS

- 6.1 All Capital Infrastructure refurbishment and significant maintenance projects may only be entered into if:
 - 6.1.1 The project is in line with the Municipality's IDP or emergency maintenance framework;
 - 6.1.2 Funding has been secured through either internal or external funding mechanisms and has been approved in the Municipality's Capital Budget; and
 - 6.1.3 A detailed life-cycle funding plan has been developed, supported and integrated into the Asset Maintenance / Life –Cycle Management Policy.
- 6.2 All refurbishments and significant infrastructure maintenance projects will be subject to:-
 - 6.2.1 Needs analysis based on:
 - i. Service delivery sustainability; and
 - ii. Asset redundancy and failure assessment of the asset under scrutiny.
 - 6.2.2 Strategic project plan, including:-
 - i. A holistic overview of the direct benefits, risks and impact of the intended refurbishment project;
 - ii. An assessment on the potential impact of unavailability of the asset during the refurbishment process, including redundancy measures;
 - iii. A service delivery framework relevant to the project;
 - iv. A cost assessment, detailing the capital and maintenance cost projections for the entire life-cycle; and
 - v. A funding model, detailing the financing source and associated cost, if any, as well as any revenue projections associated with the project.
 - 6.2.3 Outcome of stakeholder consultation, including:
 - i. Environmental impact studies; and
 - ii. Feedback from community participation process, with specific focus on;
 - Rights and entitlements of members of the community; and
 - Impact on quality of life;
 - 6.2.4 Implementation model, detailing:
 - i. Relevant skills base and source of skills required for implementation; and
 - Specific timeframes for each activity throughout the project lifecycle (cradle to grave approach).

7. FUNDING OF CAPITAL INFRASTRUCTURE INVESTMENTS

- 7.1 All new Capital Infrastructure Investments may be funded from:-
 - 7.1.1 Cash backed accumulated surpluses;
 - 7.1.2 Borrowings;
 - 7.1.3 Government grants and subsidies;
 - 7.1.4 Public donations and contributions;
 - 7.1.5 PPP initiatives in line with the MFMA PPE regulations; and
 - 7.1.6 Operating Revenue.
- 7.2 All refurbishment and significant infrastructure maintenance projects may be funded from:-
 - 7.2.1 Cash backed accumulated surpluses;
 - 7.2.2 Borrowings in respect of refurbishment;
 - 7.2.3 Government grants and subsidies in accordance with their relevant conditions; and
 - 7.2.4 Operating Revenue.

8. INFRASTRUCTURE BUDGETING

- 8.1 The on-going renewal of Infrastructure Assets should be approximately 1.0 % of the Carrying Value of the Assets.
- 8.2 On-going Repairs and Maintenance of Infrastructure Assets should be at the very least 2.0 % of the Carrying Value of the Assets.

9. IMPLEMENTATION & REVIEW OF THIS POLICY

- 9.1 This policy shall be implemented once approved by Council.
- 9.2 In terms of section 17(1)(e) of the MFMA this policy must be reviewed on a regular basis as deemed necessary and the reviewed policy tabled to Council for approval as part of the budget process.

DRAFT MUNICIPAL COST CONTAINMENT POLICY



July 2019

MUNICIPAL COST CONTAINMENT POLICY LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, No 56 of 2003 Date of adoption: 1 July 2019

The Council of the Witzenberg Municipality resolves in terms of section 168 (1) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), to adopt the Municipal Cost Containment Regulations (*Government Gazette* No. 42514) as the Cost Containment Policy of the municipality:

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1. **DEFINITIONS**

In the policy a word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act, unless the context indicates otherwise, and-

"Act" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

"consultant" means a professional person, individual, partnership, corporation, or a company appointed to provide technical and specialist advice or to assist with a design and implementation of projects or to assist a municipality or municipal entity to perform its functions to achieve the objects of local government in terms of section 152 of the Constitution;

"cost containment" means measures implemented to curtail spending in terms of the policy; and

"credit card" means a card issued by a financial services provider, which creates a revolving account and grants a line of credit to the cardholder.

2. OBJECT OF POLICY

The object of this policy is to ensure that resources of a municipality are used effectively, efficiently and economically by implementing cost containment measures.

3. APPLICATION OF POLICY

This Policy applies to all officials and political office bearers in the municipality.

4. COST CONTAINMENT

The municipality must develop and implement a cost containment policy which must-

- (a) be adopted by council as part of its budget related policies; and
- (b) be consistent with the Act and the Cost Containment Regulation

5. USE OF CONSULTANTS

The use and appointment of consultants will be in line with the cost regulations and Council's policy on municipal supply chain.

6. VEHICLES USED FOR POLITICAL OFFICE-BEARERS

- (1) The threshold limit for vehicle purchases relating to official use by political office-bearers must not exceed R700 000 or 70% (VAT inclusive) of the total annual remuneration package for the different grades of municipalities, as defined in the Public Office Bearers Act and the notices issued in terms thereof by the Minister of Cooperative Governance and Traditional Affairs, whichever is lower.
- (2) The procurement of vehicles in sub-regulation (1) must be undertaken using the national government transversal contract mechanism, unless it may be procured at a lower cost through other procurement mechanisms.
- (3) Before deciding to procure a vehicle as contemplated in sub-regulation (2), the accounting officer or delegated official must provide the council with information relating to the following criteria which must be considered-
 - (a) status of current vehicles;

- (b) affordability of options including whether to procure a vehicle as compared to rental or hire thereof, provided that the most cost effective option is followed and the cost is equivalent to or lower than that contemplated in sub-regulation (1):
- (c) extent of service delivery backlogs;
- (d) terrain for effective usage of the vehicle; and
- (e) any other policy of council.
- (4) If the rental referred to in sub-regulation (3) is preferred, the accounting officer must review the costs incurred regularly to ensure that value for money is obtained.
- (5) Regardless of their usage, vehicles for official use by political office bearers may only be replaced after completion of 120 000 kilometres.
- (6) Notwithstanding sub-regulation (5), a municipality or municipal entity may replace a vehicle for official use by political office bearers before the completion of 120 000km only in instances where the vehicle has a serious mechanical problem and is in a poor condition and subject to obtaining a detailed mechanical report by the vehicle manufacturer or approved dealer.
- (7) The utilisation of municipal vehicles for official purposes is contained in the Fleet Management Policy.

7. TRAVEL AND SUBSISTENCE

The Municipal policy on travel and Subsistence will be applicable. The hiring of private vehicles, as refer to in the cost containment policy will not be allowed.

8. DOMESTIC ACCOMMODATION

Accommodation arrangements will only be approved if the return trip undertaken by any official and or Councillor, for official purposes is more than 500km. All bookings will be made as prescribe by the cost containment regulations.

9. CREDIT AND DEBIT CARDS

- (1) The use of any credit and debit card for municipal activities are forbidden.
- (2) Where officials or political office bearers incur expenditure in relation to official municipal activities, such officials or political officer bearers must use their personal credit cards or cash or arrangements made by the municipality, and request reimbursement in accordance with the written approved Travel and Subsistence Policy and processes.

10. SPONSORSHIPS, EVENTS AND CATERING

- (1) The municipality may not incur catering expenses for meetings which are only attended by persons in the employ of the municipality, unless the prior written approval of the accounting officer is obtained.
- (2) The accounting officer may incur catering expenses for the hosting of meetings, conferences, workshops, courses, forums, recruitment interviews, and proceedings of council that exceed five hours.
- (3) Entertainment allowances of qualifying officials may not exceed two thousand rand per person per financial year, unless approved otherwise by the accounting officer.

- (4) The municipality may not incur expenses on alcoholic beverages unless the municipality recovers the cost from the sale of such beverages.
- (5) The accounting officer must ensure that social events, team building exercises, year-end functions, sporting events and budget vote dinners are not financed from the municipality or the municipal entity's budgets or by any suppliers or sponsors.
- (6) The municipality may not incur expenditure on corporate branded items like clothing or goods for personal use of officials, other than uniforms, office supplies and tools of trade unless costs related thereto are recovered from affected officials or is an integral part of the business model.
- (7) The accounting officer may incur expenditure not exceeding the limits for petty cash usage to host farewell functions in recognition of officials who retire after serving the municipality for ten or more years or retire on grounds of ill health.

11. COMMUNICATION

- (1) The municipality may, as far as possible, advertise municipal related events on its website instead of advertising in magazines or newspapers.
- (2) The accounting officer must ensure that allowances to officials for private calls and data costs are limited to an amount as determined by the accounting officer.
- (3) Newspapers and other related publications must be discontinued on expiry of existing contracts or supply orders, unless required for professional purposes and where unavailable in electronic format.
- (4) The municipality may participate in the transversal term contract arranged by the National Treasury for the acquisition of mobile communication services.

12. **CONFERENCES, MEETINGS AND STUDY TOURS** (HR Manager to ensure if such policies and procedures exist)

- (1) The accounting officer must establish policies and procedures to manage applications to attend conferences or events hosted by professional bodies or non-governmental institutions held within and outside the borders of South Africa taking into account their merits and benefits, costs and available alternatives.
- (2) When considering applications from officials or political office bearers to attend conferences or events within and outside the borders of South Africa, an accounting officer or mayor as the case may be, must take the following into account-
 - (a) the official's or political office bearer's role and responsibilities and the anticipated benefits of the conference or event;
 - (b) whether the conference or event addresses relevant concerns of the institution;
 - (c) the appropriate number of officials or political office bearers, not exceeding three, attending the conference or event; and
 - (d) the availability of funds to meet expenses related to the conference or event.
- (3) An accounting officer may consider appropriate benchmark costs with other professional bodies or regulatory bodies prior to granting approval for an official to attend a conference or event within and outside the borders of South Africa.
- (4) The benchmark costs referred to in sub-regulation (3) may not exceed an amount

as determined from time to time by the National Treasury through a notice.

- (5) The amount referred to in sub-regulation (4) excludes costs related to travel, accommodation and related expenses, but includes-
 - (a) conference or event registration expenses; and
 - (b) any other expense incurred in relation to the conference or event.
- (6) When considering costs for conferences or events these may not include items such as laptops, tablets and other similar tokens that are built into the price of such conferences or events.
- (7) The accounting officer of a municipality or municipal entity must ensure that meetings and planning sessions that entail the use of municipal funds are, as far as may be practically possible, held in-house.
- (8) Municipal or provincial office facilities must be utilised for conference, meetings, strategic planning sessions, *inter alia*, where an appropriate venue exists within the municipal jurisdiction.
- (9) The accounting officer must grant the approval for officials and in the case of political office bearers and the accounting officer, the mayor, as contemplated in sub-regulation (2).
- (10) The municipality must, where applicable, take advantage of early registration discounts by granting the required approvals to attend the conference, event or study tour, in advance.

13. OTHER RELATED EXPENDITURE ITEMS

- (1) All commodities, services and products covered by a transversal contract concluded by the National Treasury must be considered before approaching the market, to benefit from savings where lower prices or rates have been negotiated.
- (2) Municipal resources may not be used to fund elections, campaign activities, including the provision of food, clothing, printing of agendas and brochures and other inducements as part of, or during election periods or to fund any activities of any political party at any time.
- (3) Expenditure on tools of trade for political office bearers must be limited to the upper limits as approved and published by the Cabinet member responsible for local government in terms of the Remuneration of Public Office Bearers Act, 1998.
- (4) The municipality must avoid expenditure on elaborate and expensive office furniture.
- (5) The municipality may only use the services of the South African Police Service to conduct periodical or quarterly security threat assessments of political office bearers and key officials and a report must be submitted to the speaker's office.
- (6) The municipality may consider providing additional time-off in lieu of payment for overtime worked. Planned overtime must be submitted to the relevant manager for consideration on a monthly basis. A motivation for all unplanned overtime must be submitted to the relevant manager. (Refer to Overtime Policy)
- (7) A municipality must ensure that due process is followed when suspending or dismissing officials to avoid unnecessary litigation costs. (Refer to Disciplinary Policy)

14. ENFORCEMENT PROCEDURES

Failure to implement or comply with this policy may result in any official of the municipality, political office bearer or director of the board that authorised or incurred any expenditure contrary to this policy being held liable for financial misconduct or a financial offence in the case of political office bearers as defined in Chapter 15 of the Act read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014.

15. DISCLOSURES OF COST CONTAINMENT MEASURES

- (1) The disclosure of cost containment measures applied by the municipality must be included in the municipal in-year budget reports and annual costs savings disclosed in the annual report.
- (2) The measures implemented and aggregate amounts saved per quarter, together with the regular reports on reprioritisation of cost savings and on the implementation of the cost containment measures must be submitted to the Municipal Council for review and resolution. The municipal council can refer such reports to an appropriate Council Committee for further recommendations and actions.
- (3) The reports referred to in sub-regulation (2) must be copied to the National Treasury and the relevant provincial treasury within seven calendar days after the report is submitted to municipal council.

16. SHORT TITLE AND COMMENCEMENT

The Municipality Cost Containment policy is in line with the Municipal Cost Containment Regulations published in the Government Gazette 42514 of 7 June 2019 and take effect on 1 July 2019.



Monthly Budget Statement Report Section 71 for February 2025

Financial data is in respect of the period 1 July 2024 to 28 February 2025

Glossary

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

Allocations - Money received from Provincial or National Government or other municipalities.

AFS – Annual Financial Statements

Budget – The financial plan of a municipality.

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

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

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

CFO – Chief Financial Officer / Director: Finance

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

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

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

GDFI - Gross Domestic Fixed Investment

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

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

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

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

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

Glossary (Continued)

MIG – Municipal Infrastructure Grant

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

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

NT - National Treasury

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

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

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

RBIG – Regional Bulk Infrastructure Grant

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

SCM – Supply Chain Management.

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

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

TMA - Total Municipal Account

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

Virement – A transfer of budget.

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

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

WM – Witzenberg Municipality

Legal requirements

2.3 Monthly budget statements

In terms of Section 71 of the MFMA the accounting officer must prepare monthly budget statements that comply with this section. This section read as follows:

- **"71.** (1) The accounting officer of a municipality must by 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 the end of that month:
 - (a) Actual revenue, per revenue source;
 - (b) actual borrowings;
 - (c) actual expenditure, per vote;
 - (d) actual capital expenditure, per vote;
 - (e) the amount of any allocations received;
 - (f) actual expenditure on those allocations, excluding expenditure on—
 - (i) its share of the local government equitable share; and
 - (ii) allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
 - (g) when necessary, an explanation of-
 - (i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
 - (ii) any material variances from the service delivery and budget implementation plan; and
 - (iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.
- (2) The statement must include—
 - (a) a projection of the relevant municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections; and
 - (b) the prescribed information relating to the state of the budget of each municipal entity as provided to the municipality in terms of section 87(10).
- (3) The amounts reflected in the statement must in each case be compared with the corresponding amounts budgeted for in the municipality's approved budget.
- (4) The statement to the provincial treasury must be in the format of a signed document and in electronic format.
- (5) The accounting officer of a municipality which has received an allocation referred to in subsection (1)(e) during any particular month must, by no later than 10 working days after

2.3 Maandelikse begroting state

In terme van Artikel 71 van die MFMA die rekenpligtige beampte moet 'n maandelikse begroting state wat voldoen aan hierdie artikel. Hierdie artikel lees soos volg:

- "71. (1) Die rekenpligtige beampte van 'n munisipaliteit moet nie later as 10 werk dae na die einde van elke maand aan die burgemeester van die munisipaliteit en die betrokke Provinsiale Tesourie 1 verklaring in die voorgeskrewe formaat oor die toestand van die munisipaliteit se begroting wat die volgende besonderhede vir die maand en vir die finansiële jaar tot die einde van die maand:
 - (a) werklike inkomste per bron van inkomste;
 - (b) werklike lenings;
 - (c) die werklike uitgawes per stem;
 - (d) die werklike kapitaalbesteding, per stem;
 - (e) die bedrag van enige toekennings ontvang;
 - (f) die werklike uitgawes op daardie toekennings, uitgesluit besteding op
 - (i) sy deel van die plaaslike regering billike deel;
 - (ii) toekennings vrygestel is by die jaarlikse Verdeling van Inkomste van die nakoming van hierdie paragraaf, en
 - (g) wanneer dit nodig is, 'n verduideliking van-
 - (i) enige wesenlike afwykings van die munisipaliteit se geprojekteerde inkomste deur die bron, en van die munisipaliteit se uitgawe projeksies per stem;
 - (ii) enige wesenlike afwykings van die dienslewering en begrotings implementeringsplan;
 - (iii) enige remediërende of korrektiewe stappe geneem is of geneem word om te verseker dat die geprojekteerde inkomste en uitgawes in die munisipaliteit se goedgekeurde begroting bly.
- (2) Die staat moet die volgende insluit-
- (a) 'n projeksie van die betrokke munisipaliteit se inkomste en uitgawes vir die res van die finansiële jaar, en enige wysigings van die aanvanklike projeksies, en (b) die voorgeskrewe inligting met betrekking tot die toestand van die begroting van elke munisipale entiteit wat aan die munisipaliteit in terme van artikel 87 (10).
- (3) die bedrae wat in die verklaring moet in elke geval in vergelyking met die ooreenstemmende bedrae begroot vir die munisipaliteit se goedgekeurde begroting.
- (4) Die verklaring aan die provinsiale tesourie moet in die formaat van 'n getekende dokument en in elektroniese formaat.
- (5) Die rekenpligtige beampte van 'n munisipaliteit wat 'n toekenning bedoel in subartikel (1)(e) gedurende 'n bepaalde maand ontvang het, moet nie later nie as 10 werksdae na die

the end of that month, submit that part of the statement reflecting the particulars referred to in subsection (1)(e) and (f) to the national or provincial organ of state or municipality which transferred the allocation.

- (6) The provincial treasury must by no later than 22 working days after the end of each month submit to the National Treasury a consolidated statement in the prescribed format on the state of the municipalities' budgets, per municipality and per municipal entity.
- (7) The provincial treasury must, within 30 days after the end of each quarter, make public as may be prescribed, a consolidated statement in the prescribed format on the state of municipalities' budgets per municipality and per municipal entity. The MEC for finance must submit such consolidated statement to the provincial legislature no later than 45 days after the end of each quarter."

- einde van die maand, moet daardie deel van die verklaring wat die besonderhede bedoel in subartikel (1)(e) en (f) om die nasionale of provinsiale orgaan van die staat of munisipaliteit wat die toekenning oorgedra
- (6) Die Provinsiale Tesourie moet nie later nie as 22 werksdae na die einde van elke maand aan die Nasionale Tesourie 'n gekonsolideerde staat in die voorgeskrewe formaat oor die stand van die munisipaliteite se begrotings, per munisipaliteit en per munisipale entiteit.
- (7) Die Provinsiale Tesourie moet, binne 30 dae na die einde van elke kwartaal, openbaar te maak as wat voorgeskryf mag word, 'n gekonsolideerde staat in die voorgeskrewe formaat oor die stand van munisipaliteite se begrotings per munisipaliteit en per munisipale entiteit. Die LUR vir finansies moet so 'n gekonsolideerde staat nie later nie as 45 dae na die einde van elke kwartaal aan die provinsiale wetgewer dien."

A MAYOR'S REPORT

Credit control for various reasons remains a challenge for the municipality.

The monthly billing was also done as scheduled and during this process 20 577 accounts amounting to R48.2 million was printed and distributed to consumers. The prepaid electricity sales amounted to R6.8 million in comparison to sales of R6.7 million for the same month during the prior financial year.

The indigent cost to the municipality for the month amounts to R 2.424 million in comparison to the prior month figure of R2.468 million

The accumulated debtor's collection target for the year is 94%, and the actual accumulated year to date debtor's collection is 75% in comparison to a rate of 86% for the same month in the previous year.

As an additional credit control mechanism the auxiliary of 30% was implemented from 20 December 2023. For February 2025 an amount of R318 508 was recovered on this basis.

The municipality issued orders to the value of R22.3 million of which R74 thousand was in terms of deviations.

The municipality currently has R113 million in its primary bank account and R72 million in investments. The bank balance at the end of the previous month was R87.5 million with R117 million in investments.

The calculated cost coverage ratio of the municipality as at the end of February 2025 is 2,34 months.

B RECOMMENDATION

It is recommended that council take cognisance of the monthly financial report and supporting documents of February 2025.

C EXECUTIVE SUMMARY

The following tables provides a summary of the financial information:

A BURGEMEESTERS VERSLAG

Kredietbeheer bly 'n uitdaging vir die munisipaliteit as gevolg van verskillende redes.

Die maandelikse rekeninge is ook gehef soos geskeduleer en tydens hierdie proses is 20 577 rekeninge ten bedrae van R48.2 miljoen gedruk en aan verbruikers versprei. Die voorafbetaalde elektrisiteit verkope beloop R6.8 miljoen en was R6.7 miljoen vir dieselfde maand gedurende die vorige finansiele iaar.

Die deernis subsidies vir die maand beloop R 2.424 miljoen in vergelyking met die vorige maand syfer van R2.468 miljoen.

Die opgehoopte debiteure verhaling se teiken vir die jaar is 94%, en die werklike jaar tot op datum invordering is 75% in vergelyking met 86% vir dieselfde maand in die vorige finansiele jaar.

As 'n addisionele kredietbeheer meganisme is 'n aftrekking van 30% op alle voorafbetaalde kragaankope ten opsigte van agterstallige skuld vanaf 20 Desember 2023 geimplementeer. Vir die maand van Februarie 2025 is 'n bedrag van R318 508 op hierdie wyse ingevorder.

Bestellings ter waarde van R22.3 miljoen uitgereik, waarvan R74 duisend ten opsigte van afwykings is.

Die munisipaliteit het R113 miljoen in die primêre bankrekening met R72 miljoen in beleggings. Die bankbalans aan die einde van die vorige maand was R87.5 miljoen met R117 miljoen in beleggings.

Die berekende koste dekking verhouding van die munisipaliteit soos aan die einde van Februarie 2025 is 2,34 maande.

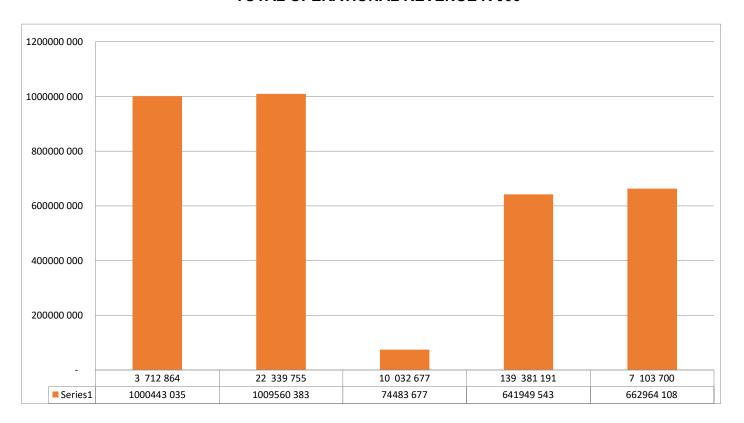
B AANBEVELING

Dit word aanbeveel dat die raad kennis neem van die finansiële maandverslag en ondersteunende dokumente vir Februarie 2025.

C OPSOMMING

Die volgende tabelle voorsien n opsomming van die finansiele inligting:

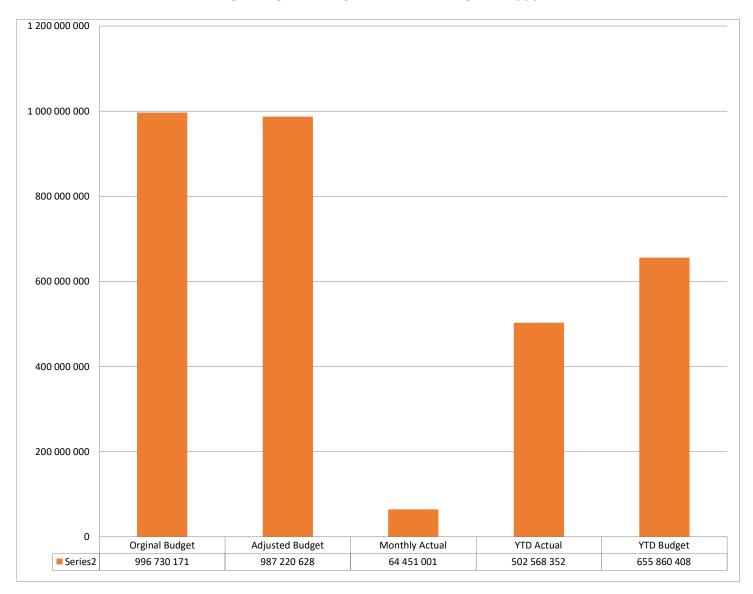
TOTAL OPERATIONAL REVENUE R'000



For the period 1 July 2024 to 28 February 2025, 63.59% of the budgeted operational revenue was raised.

Vir die periode 1 Julie 2024 tot 28 February 2025, is 63.59% van die begrote operasionele inkomste gehef.

TOTAL OPERATIONAL EXPENDITURE R'000



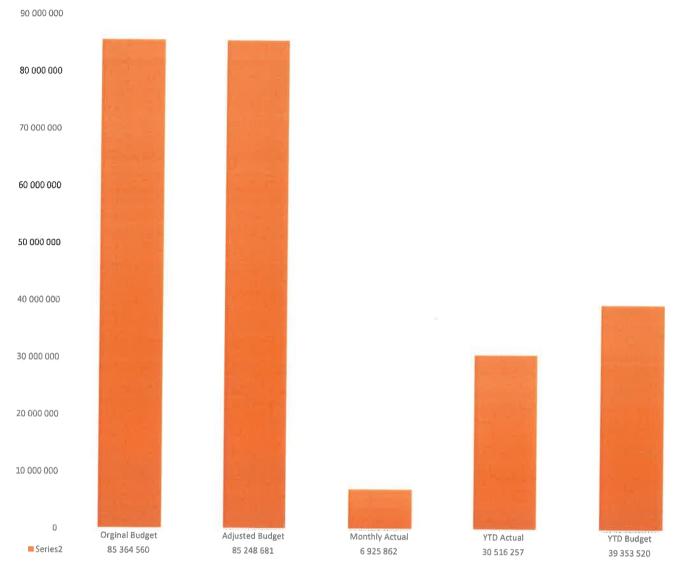
For the period 1 July 2024 to 28 February 2025, 50.91% of the budgeted operational expenditure was incurred.

Please refer to Supporting Table SC1 for explanations regarding expendiure variances.

Vir die periode 1 Julie 2024 tot 28 Februarie 2025, is 50.91% van die begrote operasionele uitgawes aangegaan.

Verwys asb na "Supporting Table SC1" vir stawende redes met betrekking tot spandering afwykings.

CAPITAL EXPENDITURE R'000



For the period 1 July 2024 to 28 February 2025, 35.80% of the budgeted capital expenditure was incurred.

Please refer to Supporting Table SC1 for explanations regarding expenditure variances.

Vir die periode 1 Julie 2024 tot 28 Februarie 2025, is 35.80% van die begrote kapitale uitgawes aangegaan.

Verwys asb na "Supporting Table SC1" vir stawende redes met betrekking tot spandering afwykings.

COUNCILLOR TE ABRAHAMS EXECUTIVE MAYOR

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Description	2023/24				Budget Ye	ar 2024/25			
D. 4b d -	Audited	Original	Adjusted	Monthly		YearTD	VTD Vi	VTD Vi	Full Year
R thousands	Outcome	Budget	Budget	Actual	YearTD Actual	Budget	YTD Variance	YTD Variance	Forecast
Financial Performance	1		-			_		%	
Property rates	101,317	113,495	113,495	5,711	84,471	75,664	8,807	12%	113,49
Service charges	528,792	565,288	565,288	58,431	364,671	376,858	(12,187)	-3%	565,28
Investment revenue	22,019	22,444	22,444	1,321	13,161	14,963	(1,802)	-12%	22,44
Transfers and subsidies - Operational	179,020	196,213	181,896	1,149	119,266	121,002	(1,736)	-1%	181,89
Other own revenue	93,594	67,446	89,109	7,871	60,381	55,008	5,373	10%	89,10
Total Revenue (excluding capital transfers and contributions)	924,741	964,887	972,233	74,484	641,950	643,495	(1,545)	-0%	972,23
Employee costs	242,378	277,558	279,445	21,919	183,426	186,297	(2,871)	-2%	279,44
Remuneration of Councillors	11,447	12,311	12,311	782	7,911	8,207	(297)	-4%	12,31
Depreciation and amortisation	34,241	54,219	54,219	(21)		36,146	(36,146)	-100%	54,21
Interest	5,299	10,233	10,233	(2.1)	_	6,822	(6,822)	-100%	10,23
Inventory consumed and bulk purchases	347,330	401,186	400,392	26,924	214,679	266,528	(51,849)	-19%	400,39
Transfers and subsidies	36,338	37,116	34,339	78	14,483	21,955	(7,471)	-34%	34,33
Other expenditure	189,554	204,107	196,282	14,769	82,069	129,906	(47,836)	-34%	196,28
	866,587			64,451	502,568			-37 %	
Total Expenditure		996,730	987,221	,		655,860	(153,292)		987,22
Surplus/(Deficit)	58,154	(31,844)	(14,988)	10,033	139,381	(12,365)	151,747	-1227%	(14,98
Transfers and subsidies - capital (monetary allocations)	36,536	35,557	37,328	_	_	19,469	(19,469)	-100%	37,32
Transfers and subsidies - capital (in-kind)			_	_	_		-		
Surplus/(Deficit) after capital transfers & contributions	94,691	3,713	22,340	10,033	139,381	7,104	132,277	1862%	22,34
Share of surplus/ (deficit) of associate	-	-	-	_	-	-	_		-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	94,691	3,713	22,340	10,033	139,381	7,104	132,277	1862%	22,34
Capital expenditure & funds sources									
Capital expenditure	86,610	85,365	85,249	6,926	30,516	39,354	(8,837)	-22%	85,24
Capital transfers recognised	37,926	39,880	41,519	5,808	16,483	22,191	(5,708)	-26%	41,5
Borrowing	1,460	25,000	10,000	_	555	_	555		10,00
Internally generated funds	43,815	20,485	33,730	1,118	13,479	17,162	(3,684)	-21%	33,73
Total sources of capital funds	83,202	85,365	85,249	6,926	30,516	39,354	(8,837)	-22%	85,24
Financial position									
Total current assets	380,735	362,903	411,932		468,585				411,93
Total non current assets	1,101,462	1,138,148	1,177,602		1,121,541				1,177,60
Total current liabilities	138,002	186,734	129,607		214,441				129,60
Total non current liabilities	129,006	181,358	175,392		132,976				175,39
Community wealth/Equity	1,221,231	1,132,959	1,284,082		1,242,709				1,284,08
Cash flows									
Net cash from (used) operating	36,411	74,112	87,341	(8,766)	33,209	40,913	7,705	19%	948,4
Net cash from (used) investing	(76,243)	(85,365)	(85,339)	(7,875)		39,414	74,339	189%	85,3
Net cash from (used) financing	275	25,000	25,000	90	274	12,500	12,226	98%	25,00
Cash/cash equivalents at the month/year end	187,245	231,342	214,248	-	185,793	280,071	94,279	34%	1,246,0
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis	, , .					,, = j e	,		
Total By Income Source	70,870	253	6,665	6,721	5,946	12,084	69,566	245,464	417,5
Creditors Age Analysis	70,570	200	3,300	5,721	3,540	12,504	33,300	210,104	, , ,
Total Creditors	343	_	_	_	_	_	_	_	3
TOTAL CTOUNTOIS	040	_	_	_		_	1	_	J

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Description		2023/24					Budget Year 2	2024/25		
•	Ref	Audited	Original	Adjusted	Monthly		YearTD	YTD	YTD	Full Year
R thousands		Outcome	Budget	Budget	Actual	YearTD Actual	Budget	Variance	Variance	Forecast
Revenue - Functional									%	
Governance and administration		150,655	153,789	160,225	8,965	106,479	102,459	4,020	4%	160,22
Executive and council		28	31	31	3	22	21	1	5%	3
Finance and administration		150,628	153,758	160,194	8,962	106,457	102,438	4,019	4%	160,194
Internal audit		, _	· _		_		· _	_		· _
Community and public safety		221,762	218,327	218,787	3,824	148,318	145,834	2,484	2%	218,78
Community and social services		149.009	158,917	158,917	934	118,109	105,944	12,164	11%	158,91
Sport and recreation		9,728	7,820	7,820	620	5,347	5,214	133	3%	7,820
Public safety		24,388	16,654	16,690	2,252	16,175	11,103	5,073	46%	16,690
Housing		38,637	34,936	35,360	18	8,687	23,573	(14,886)	-63%	35,360
Health		-		-	-	-		(, 555)	0070	-
Economic and environmental services		21,432	4,338	3,143	990	2,351	2.095	256	12%	3,143
Planning and development		4,663	3,016	3,016	990	2,324	2,011	313	16%	3,010
Road transport		15,837	1,311	116	_	27	77	(50)	-65%	116
Environmental protection		932	11	11	_		7	(7)	-100%	1.
Trading services		567,329	623,849	627,266	60,701	384,696	412,484	(27,787)	-7%	627,266
Energy sources		373,511	430.868	430,868	32,794	237,523	287,245	(49,723)	-17%	430,868
Water management		66.833	95,225	95.490	5,580	41.010	59.896	(18,887)	-32%	95.490
Waste water management		83,087	56,602	59,497	18,892	78,388	37,735	40,654	108%	59,497
Waste management		43,898	41,154	41,411	3,435	27,775	27,607	168	1%	41,41
Other	4	100	139	139	4	106	93	13	14%	139
Total Revenue - Functional	2	961,278	1,000,443	1,009,560	74,484	641,950	662,964	(21,015)	-3%	1,009,560
Total Revenue - Lanctional		301,270	1,000,440	1,003,000	1 4,404	041,300	002,304	(21,010)	-070	1,003,000
Expenditure - Functional										
Governance and administration		117,071	161,917	165,570	10,346	94,911	109,440	(14,528)	-13%	165,570
Executive and council		29,071	32,064	34,019	2,315	22,860	21,741	1,119	5%	34,019
Finance and administration		83,998	124,776	126,473	7,734	69,676	84,313	(14,638)	-17%	126,473
Internal audit		4,002	5,078	5,078	298	2,376	3,385	(1,010)	-30%	5,078
Community and public safety		151,016	176,506	172,304	10,042	88,914	114,365	(25,450)	-22%	172,304
Community and social services		31,449	36,104	36,396	2,411	19,832	23,930	(4,098)	-17%	36,396
Sport and recreation		38,015	42,561	43,247	3,491	23,700	28,681	(4,981)	-17%	43,247
Public safety		42,724	56,942	55,840	3,629	28,522	37,206	(8,684)	-23%	55,840
Housing		38,829	40,899	36,821	511	16,860	24,547	(7,688)	-31%	36,82
Health		30,029	40,033	30,021	311	10,000	24,547	(1,000)	-31/6	30,02
Economic and environmental services		39,351		45,014	2 572	20,446	29,398	(8,951)	-30%	45,014
		13,433	51,243 16,351	45,014 16,443	2,573 1,254	9,965	10,962	(8,951) (997)	-30% -9%	45,014 16,443
Planning and development			,		,	9,965	,			
Road transport		23,305 2,613	29,657 5,235	23,569	1,116 203	1,437	15,501 2,934	(6,457)	-42% -51%	23,569 5,00
Environmental protection				5,001		,	,	(1,497)		,
Trading services		558,047	606,005	603,294	41,489	297,547	401,966	(104,419)	-26%	603,29
Energy sources		368,738	428,398	428,330	27,354	223,642	285,553	(61,911)	-22%	428,330
Water management		68,556	55,909	55,506	5,777	25,962	36,975	(11,013)	-30%	55,50
Waste water management		59,365	45,046	42,990	3,289	18,976	28,592	(9,616)	-34%	42,99
Waste management		61,387	76,652	76,467	5,069	28,967	50,845	(21,878)	-43%	76,46
Other		1,102	1,059	1,039		750	692	58	8%	1,03
Total Expenditure - Functional	3	866,587	996,730	987,221	64,451	502,568	655,860	(153,292)	-23%	987,22
Surplus/ (Deficit) for the year		94,691	3,713	22,340	10,033	139,381	7,104	132,277	1862%	22,34

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WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (functional classification) -

Description		2023/24				Budget Ye	ear 2024/25			
R thousands	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Revenue - Functional	1								%	
Municipal governance and administration		150,655	153,789	160,225	8,965	106,479	102,459	4,020	4%	160,225
Executive and council		28	31	31	3	22	21	1	0	31
Mayor and Council		28	31	31	3	22	21	1	0	31
Finance and administration		150,628	153,758	160,194	8,962	106,457	102,438	4,019	0	160,194
Administrative and Corporate Support		0	11	11	-	0	7	(7)	(0)	11
Finance		150,152	152,985	159,421	8,945	106,295	101,922	4,373	0	159,421
Human Resources		418	671	671	_	98	448	(350)	(0)	671
Marketing, Customer Relations, Publicity and Media		_	5	5	_	_	4	(4)	(0)	5
Supply Chain Management		57	86	86	17	64	57	7	0	86
Community and public safety		221,762	218,327	218,787	3,824	148,318	145,834	2,484	0	218,787
Community and social services		149,009	158,917	158,917	934	118,109	105,944	12,164	0	158,917
Aged Care		139,162	147,397	147,397	72	109,970	98,265	11,706	0	147,397
Cemeteries, Funeral Parlours and Crematoriums		142	266	266	11	162	178	(15)	(0)	266
Community Halls and Facilities		314	543	543	21	207	362	(155)	(0)	543
Libraries and Archives		9,390	10,710	10,710	831	7,769	7,140	629	0	10,710
Sport and recreation		9,728	7,820	7,820	620	5,347	5,214	133	0	7,820
Recreational Facilities		6,539	7,682	7,682	604	5,267	5,121	145	0	7,682
Sports Grounds and Stadiums		3,189	139	139	15	80	92	(12)	(0)	139
Public safety		24,388	16,654	16,690	2,252	16,175	11,103	5,073	O	16,690
Civil Defence		151	-	· -	-	. –	· –	´ –		· -
Fire Fighting and Protection		2,215	8	8	0	12	5	7	0	8
Police Forces, Traffic and Street Parking Control		22,023	16,646	16,682	2,252	16,164	11,097	5,066	0	16,682
Housing	-	38,637	34,936	35,360	18	8,687	23,573	(14,886)	(0)	35,360
Housing		38,637	34,936	35,360	18	8,687	23,573	(14,886)	(0)	35,360
Economic and environmental services	-	21,432	4,338	3,143	990	2,351	2.095	256	0	3,143
Planning and development		4,663	3,016	3,016	990	2,324	2,011	313	0	3,016
Economic Development/Planning		1,883	105	105	_	_	70	(70)	(0)	105
Town Planning, Building Regulations and		1,783	1,911	1,911	990	2,324	1,274	1,050	0	1,911
Project Management Unit		997	1.000	1,000	_	_	667	(667)	(0)	1,000
Road transport		15,837	1,311	116	_	27	77	(50)	(0)	116
Roads		15,837	1,311	116	_	27	77	(50)		116
Environmental protection	-	932	11	11	_	_	7	(7)	(0)	11
Biodiversity and Landscape		932	11	11	_	_	7	(7)	(0)	11
Trading services		567,329	623,849	627,266	60,701	384,696	412,484	(27,787)	(0)	627.266
Energy sources	-	373,511	430,868	430,868	32,794	237,523	287,245	(49,723)		430,868
Electricity		373,511	430.868	430.868	32,794	237.523	287,245	(49.723)	(0)	430.868
Water management		66,833	95,225	95,490	5,580	41,010	59,896	(18,887)	(0)	95,490
Water Distribution		62,297	82,182	82,447	5,580	41,010	51,201	(10,191)	(0)	82,447
Water Storage		4,536	13,043	13,043	-	-1,010	8,696	(8,696)	(0)	13,043
Waste water management		83,087	56,602	59,497	18,892	78,388	37,735	40,654	0	59,497
Sewerage		83,087	56,602	56,719	18,892	78,388	37,735	40,654	0	56,719
Sewerage Storm Water Management		30,007	50,002	2,778	10,032	70,000	07,700	-0,004		2,778
Waste management		43,898	41,154	41,411	3,435	27,775	27,607	168	0	41,411

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Description		2023/24				Budget Ye	ear 2024/25			
R thousands	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Solid Waste Disposal (Landfill Sites)		-		257	-	-	171	(171)	(0)	257
Solid Waste Removal		43,898	41,154	41,154	3,435	27,775	27,436	340	0	41,154
Other		100	139	139	4	106	93	13	0	139
Licensing and Regulation		100	139	139	4	106	93	13	0	139
Total Revenue - Functional	2	961,278	1,000,443	1,009,560	74,484	641,950	662,964	(21,015)	(0)	1,009,560
Expenditure - Functional										
Municipal governance and administration		117,071	161,917	165,570	10,346	94,911	109,440	(14,528)	(0)	165,570
Executive and council		29,071	32,064	34,019	2,315	22,860	21,741	1,119	0	34,019
Mayor and Council		18,064	19,101	19,057	1,325	10,631	12,704	(2,073)	(0)	19,057
Municipal Manager, Town Secretary and Chief		11,007	12,962	14,962	990	12,229	9,037	3,192	O O	14,962
Finance and administration		83,998	124,776	126,473	7,734	69,676	84,313	(14,638)	(0)	126,473
Administrative and Corporate Support		13,420	15,255	15,138	854	8,038	10,092	(2,054)	(0)	15,138
Asset Management		223	271	273	23	240	182	` 59 [°]) o	273
Finance		21,892	46,823	49,182	2,826	24,949	32,788	(7,838)	(0)	49,182
Fleet Management		4,351	4,221	4,221	326	2,634	2,814	(180)		4,221
Human Resources		22,114	30,941	31,037	2,100	19,591	20,689	(1,098)		31,037
Information Technology		4,553	5,493	5,481	187	2,971	3,654	(683)	(0)	5,481
Legal Services		2,311	3,254	3,254	169	1,315	2,169	(855)	(0)	3,254
Marketing, Customer Relations, Publicity and Media		4,125	4,980	4,965	320	3,021	3,310	(289)	(0)	4,965
Property Services		1,766	1,506	1,506	68	399	1,004	(605)	(0)	1,506
Supply Chain Management		8,444	10,268	9,933	830	6,186	6,622	(436)	(0)	9,933
Valuation Service		798	1,763	1,483	31	330	989	(659)		1,483
Internal audit		4,002	5,078	5,078	298	2,376	3,385	(1,010)		5,078
Governance Function		4.002	5.078	5.078	298	2,376	3.385	(1,010)		5.078
Community and public safety		151,016	176,506	172,304	10,042	88,914	114,365	(25,450)		172,304
Community and social services		31,449	36.104	36.396	2,411	19.832	23,930	(4,098)		36,396
Aged Care		8,100	7,179	7,240	450	4,130	4,493	(363)		7,240
Cemeteries. Funeral Parlours and Crematoriums		3,773	4,783	4,504	338	2,886	3,003	(117)	(0)	4,504
		3,773	4,783	99	1	18	5,003	(48)	(0)	4,304
Child Care Facilities		7.650	9,675	10,186	670	4,964	6,791	(1,827)	(0)	10,186
Community Halls and Facilities		13	76	76	- 670	4,904	51	(48)	(0)	76
Disaster Management		13	2	2	_	2	1	(40)	(0)	70
Education		11.823	14,289	14,289	952	7,833	9.526	(1,693)		14,289
Libraries and Archives Sport and recreation	-	38,015	42,561	43,247	3,491	23,700	28,681	(1,693) (4,981)	(/	43,247
'		11,558	14,625	43,247 15,408	830	7,102	10,121	(3,020)	, , ,	43,247 15,408
Community Parks (including Nurseries)		17,568	18,350	18,285	1,735	11,969	12,190	(3,020)	\ /	18,285
Recreational Facilities			9,585	9,554	927	4,629		` ,	(0)	9,554
Sports Grounds and Stadiums		8,888			3.629		6,369	(1,740)	\ /	
Public safety		42,724	56,942	55,840	- ,	28,522	37,206	(8,684)	· ' /	55,840
Fire Fighting and Protection		10,643	12,931	12,941	803	6,762	8,627	(1,865)		12,941
Police Forces, Traffic and Street Parking Control		32,081	44,011	42,899	2,826	21,761	28,579	(6,818)	\ /	42,899
Housing		38,829	40,899	36,821	511	16,860	24,547	(7,688)		36,82
Housing		38,811	40,844	36,766	511	16,840	24,511	(7,671)	\ /	36,766
Informal Settlements		18	55	55	0	20	37	(17)		55
Economic and environmental services		39,351	51,243	45,014	2,573	20,446	29,398	(8,951)	(0)	45,01

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Description		2023/24				Budget Ye	ear 2024/25			
R thousands	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Planning and development		13,433	16,351	16,443	1,254	9,965	10,962	(997)	(0)	16,443
Corporate Wide Strategic Planning (IDPs, LEDs)		2,847	3,639	3,591	231	1,736	2,394	(658)		3,591
Economic Development/Planning		1,922	2,624	2,771	219	1,548	1,847	(299)	(0)	2,771
Town Planning, Building Regulations and		5,768	6,699	6,693	552	4,675	4,462	213	0	6,693
Project Management Unit		2,896	3,389	3,389	252	2,006	2,259	(254)	(0)	3,389
Road transport		23,305	29,657	23,569	1,116	9,044	15,501	(6,457)		23,569
Roads		23,305	29,657	23,569	1,116	9,044	15,501	(6,457)		23,569
Environmental protection		2,613	5,235	5,001	203	1,437	2,934	(1,497)		5,001
Biodiversity and Landscape		2,598	5,036	4,802	203	1,437	2,801	(1,364)		4,802
Pollution Control		15	199	199	_	_	133	(133)		199
Trading services		558,047	606,005	603,294	41,489	297,547	401,966	(104,419)		603,294
Energy sources		368,738	428,398	428,330	27,354	223,642	285,553	(61,911)		428,330
Electricity		364,073	423,090	423,279	27,250	222,857	282,186	(59,329)		423,279
Street Lighting and Signal Systems		4,665	5,308	5,051	104	785	3,368	(2,583)		5,051
Water management		68,556	55,909	55,506	5,777	25,962	36,975	(11,013)		55,506
Water Treatment		224	251	251	18	150	167	(17)	(0)	251
Water Distribution		65,432	51,504	50,771	5,709	23,464	33,818	(10,354)	(0)	50,771
Water Storage		2,901	4,155	4,485	50	2,347	2,990	(643)		4,485
Waste water management		59,365	45,046	42,990	3,289	18,976	28,592	(9,616)		42,990
Public Toilets		1,621	1,842	1,844	142	1,192	1,229	(38)	(0)	1,844
Sewerage		51,283	34,367	33,742	2,800	14,716	22,427	(7,711)		33,742
Storm Water Management		6,457	8,822	7,390	346	3,067	4,926	(1,860)		7,390
Waste Water Treatment		3	15	15	0	1	10	(9)		15
Waste management		61,387	76,652	76,467	5,069	28,967	50,845	(21,878)	(0)	76,467
Solid Waste Disposal (Landfill Sites)		6,987	32,050	31,776	195	2,860	21,184	(18,324)		31,776
Solid Waste Removal		54,372	44,521	44,610	4,871	26,080	29,607	(3,526)		44,610
Street Cleaning		28	82	82	3	26	54	(28)	(0)	82
Other		1,102	1,059	1,039	-	750	692	58	0	1,039
Licensing and Regulation		4	58	38	_	_	26	(26)	(0)	38
Tourism		1,098	1,000	1,000	_	750	667	83	0	1,000
Total Expenditure - Functional	3	866,587	996,730	987,221	64,451	502,568	655,860	(153,292)	(0)	987,221
Surplus/ (Deficit) for the year		94,691	3,713	22,340	10,033	139,381	7,104	132,277	0	22,340

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WC022 - M08 - MONTHLY SEC 10 1 REPORT - FEBRUARY 2025

WC022 Witzenberg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) -

Vote Description		2023/24				Budget Year 2	024/25			
·	Ref	Audited	Original	Adjusted	Monthly	VTD A-4I	YearTD	YTD	YTD	Full Year
	Rei	Outcome	Budget	Budget	Actual	YearTD Actual	Budget	Variance	Variance	Forecast
R thousands			_	_			_		%	
Revenue by Vote	1									
Vote 1 - Financial Services		147,595	149,934	156,370	8,735	104,472	99,888	4,584	4.6%	156,370
Vote 2 - Community Services		202,772	201,946	202,370	1,603	132,437	134,913	(2,476)	-1.8%	202,370
Vote 3 - Corporate Services		22,619	17,495	17,531	2,255	16,283	11,664	4,619	39.6%	17,531
Vote 4 - Technical Services		586,545	629,366	631,587	61,850	388,331	415,364	(27,033)	-6.5%	631,587
Vote 5 - Municipal Manager		1,746	1,702	1,702	40	426	1,135	(709)	-62.4%	1,702
Total Revenue by Vote	2	961,278	1,000,443	1,009,560	74,484	641,950	662,964	(21,015)	-3.2%	1,009,560
Expenditure by Vote	1									
Vote 1 - Financial Services		31,157	61,135	60,571	3,747	33,200	40,381	(7,180)	-17.8%	60,571
Vote 2 - Community Services		124,415	141,841	138,646	7,748	70,518	91,547	(21,029)	-23.0%	138,646
Vote 3 - Corporate Services		98,508	124,911	123,706	7,879	70,862	82,448	(11,586)	-14.1%	123,706
Vote 4 - Technical Services		595,423	649,300	642,836	43,696	316,613	428,116	(111,503)	-26.0%	642,836
Vote 5 - Municipal Manager		15,442	19,542	21,461	1,381	11,376	13,369	(1,993)	-14.9%	21,461
Total Expenditure by Vote	2	864,945	996,730	987,221	64,451	502,568	655,860	(153,292)	-23.4%	987,221
Surplus/ (Deficit) for the year	2	96,333	3,713	22,340	10,033	139,381	7,104	132,277	1862.1%	22,340

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WC022 Witzenberg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A -

Vote Description	Ref	2023/24				Budget Ye	ar 2024/25		T	
R thousand		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
		Gutoome	Duaget	Daagot					%	1 0100001
Revenue by Vote Vote 1 - Financial Services	1	147,595	149,934	156,370	8,735	104,472	99,888	4,584	5%	156,370
1.2 - Income		101,042	114,101	114,101	5,755	84,458	76,067	8,391	11%	114,101
1.3 - Financial Administrastion		46,497	35,464	41,899	2,963	19,952	23,575	(3,622)	-15%	41,899
1.4 - Credit Control		(1)	284	284	-	(2)	189	(192)	-101%	284
1.5 - Supply Chain & Expenditure		57	86	86	17	64	57	7	13%	86
Vote 2 - Community Services		202,772	201,946	202,370	1,603	132,437	134,913	(2,476)	-2%	202,370
2.2 - Cemetries		142	266	266	11	162	178	(15)	-9%	266
2.3 - Housing 2.4 - Libraries		38,863 9,487	35,029 10,947	35,453 10,947	33 839	8,809 7,834	23,635 7,298	(14,826) 536	-63% 7%	35,453 10,947
2.5 - Resorts & Swimmng Pools		6,539	7,682	7,682	604	5,267	5,121	145	3%	7,682
2.6 - Social Services		139,162	147,397	147,397	72	109,970	98,265	11,706	12%	147,397
2.7 - Fire Services & Disaster Management		2,215	8	8	0	12	5	7	138%	8
2.8 - Environment & Licencing		1,032	150	150	4	106	100	5	5%	150
2.9 - Community Halls and Amenities		3,449	362	362	40	277	241	36	15%	362
2.10 - Local Economic Development		1,883	105	105	-	-	70	(70)	-100%	105
Vote 3 - Corporate Services		22,619	17,495	17,531	2,255	16,283	11,664	4,619	40%	17,531
3.2 - Human Resources		418	671	671	-	98	448	(350)	-78%	671
3.3 - Administration		0	11	11	-	0	7	(7)	-100%	11
3.5 - Marketing & Communication		_	130	5 130	_	-	4 87	(4)	-100% 100%	5 130
3.6 - Thusong Centre 3.7 - Traffic and Protection Services		22,174	130 16,646	130 16,682	2,252	16,164	11,097	(87) 5,066	-100% 46%	130 16,682
3.7 - Traffic and Protection Services 3.9 - Council Cost		22,174	31	31	2,252	10,104	21	3,000	46% 5%	31
Vote 4 - Technical Services		586,545	629,366	631,587	61,850	388,331	415,364	(27,033)	-7%	631,587
4.2 - Electro Technical Services		375,252	433,104	433,104	32,974	238,928	288,736	(49,808)	-17%	433,104
4.3 - Water Storage & Distribution		66,833	95,225	95,490	5,580	41,010	59,896	(18,887)	-32%	95,490
4.4 - Waste Water Management		83,087	56,985	57,102	18,892	78,388	37,990	40,399	106%	57,102
4.5 - Waste Management		43,854	41,081	41,338	3,423	27,721	27,559	162	1%	41,338
4.6 - Roads		15,837	1,311	116	-	27	77	(50)	-65%	116
4.7 - Storm Water Management		_	-	2,778	-	-	-	_		2,778
4.8 - Town Planning & Building Control		1,682	1,660	1,660	982	2,257	1,106	1,151	104%	1,660
Vote 5 - Municipal Manager		1,746	1,702	1,702	40	426	1,135	(709)	-62%	1,702
5.2 - Performance & Project Management		997	1,000	1,000	-	-	667	(667)	-100%	1,000
5.3 - Property & Legal Services		749	702	702	40	426	468	(42)	-9%	702
Total Revenue by Vote	2	961,278	1,000,443	1,009,560	74,484	641,950	662,964	(21,015)	-3%	1,009,560
Expenditure by Vote	1							_		
Vote 1 - Financial Services		31,157	61,135	60,571	3,747	33,200	40,381	(7,180)	-18%	60,571
1.1 - Direcrtor: Finance		2,296	2,033	2,033	230	3,107	1,355	1,752	129%	2,033
1.2 - Income		(3,796)	18,980	18,758	644	4,172	12,506	(8,333)	-67%	18,758
1.3 - Financial Administrastion 1.4 - Credit Control		13,227 10,841	17,127 12,593	17,120 12,593	1,092 933	12,293 7,252	11,413 8,396	880 (1,143)	8% -14%	17,120 12,593
1.5 - Supply Chain & Expenditure		8,589	10,401	10,067	848	6,375	6,711	(336)	-14 //	10,067
Vote 2 - Community Services		124,415	141,841	138,646	7,748	70,518	91,547	(21,029)	-23%	138,646
2.1 - Director: Community Services		551	1,564	1,566	46	366	1,044	(678)	-65%	1,566
2.2 - Cemetries		3,771	4,775	4,496	334	2,888	2,998	(110)	-4%	4,496
2.3 - Housing		39,236	40,899	36,821	557	16,905	24,547	(7,642)	-31%	36,821
2.4 - Libraries		14,594	17,487	17,527	1,229	9,594	11,685	(2,090)	-18%	17,527
2.5 - Resorts & Swimmng Pools		14,771	15,153	15,047	1,457	10,208	10,032	177	2%	15,047
2.6 - Social Services		8,045	6,999	7,122	451	4,122	4,415	(293)	-7%	7,122
2.7 - Fire Services & Disaster Management		10,656	13,007	13,017	803	6,764	8,678	(1,914)	-22%	13,017
2.8 - Environment & Licencing		2,566	5,210	4,956	203	1,429	2,904	(1,474)	-51%	4,956
2.9 - Community Halls and Amenities		28,158	33,843	35,105	2,450	16,668	23,253	(6,585)	-28%	35,105
2.10 - Local Economic Development Vote 3 - Corporate Services		2,066 98,508	2,906 124,911	2,989 123,706	219 7,879	1,574 70,862	1,992 82,448	(419) (11,586)	-21% -14%	2,989 123,706
3.1 - Director: Corporate Services		2,314	2,568	2,568	185	3,538	1,712	1,826	107%	2,568
3.2 - Human Resources		22,194	30,941	31,037	2,106	19,651	20,689	(1,038)	-5%	31,037
3.3 - Administration		13,465	15,891	15,773	876	8,103	10,515	(2,413)	-23%	15,773
3.4 - Information Technology		4,553	5,473	5,461	187	2,971	3,641	(669)	-18%	5,461
3.5 - Marketing & Communication		4,125	5,000	4,985	320	3,021	3,324	(303)	-9%	4,985
3.6 - Thusong Centre		616	926	926	54	436	617	(181)	-29%	926
3.7 - Traffic and Protection Services		32,081	44,011	42,899	2,826	21,761	28,579	(6,818)	-24%	42,899
3.8 - Tourism		1,098	1,000	1,000	-	750	667	83	12%	1,000
3.9 - Council Cost		18,064	19,101	19,057	1,325	10,631	12,704	(2,073)	-16%	19,057
Vote 4 - Technical Services		595,423	649,300	642,836	43,696	316,613	428,116	(111,503)	-26%	642,836
4.1 - Director: Technical Services		2,502	2,772	2,803	100	1,298	1,869	(571)	-31%	2,803
4.2 - Electro Technical Services		363,641	423,621	423,554	26,645	219,558	282,369	(62,811)	-22%	423,554
4.3 - Water Storage & Distribution		68,556	56,326	55,924	5,777	25,962	37,253	(11,292)	-30%	55,924
4.4 - Waste Water Management		55,903 61,387	38,686	38,061	3,506	18,795	25,306	(6,511)	-26% -43%	38,061 76,467
4.5 - Waste Management 4.6 - Roads		61,387 23,305	76,652 29,657	76,467 23,569	5,069 1,116	28,967 9,044	50,845 15,501	(21,878) (6,457)	-43% -42%	76,467 23,569
4.7 - Storm Water Management		8,388	8,822	9,700	463	4,489	6,467	(1,978)	-42%	9,700
4.8 - Town Planning & Building Control		5,768	6,699	6,693	552	4,409	4,462	213	5%	6,693
4.9 - Public Toilets		1,621	1,842	1,844	142	1,192	1,229	(38)	-3%	1,844
4.10 - Mechanical Workshop		4,351	4,221	4,221	326	2,634	2,814	(180)	-6%	4,221
Vote 5 - Municipal Manager		15,442	19,542	21,461	1,381	11,376	13,369	(1,993)	-15%	21,461
5.1 - Municipal Manager		3,385	4,058	6,025	431	3,941	3,078	863	28%	6,025
5.2 - Performance & Project Management		2,896	3,389	3,389	252	2,006	2,259	(254)	-11%	3,389
5.3 - Property & Legal Services		2,311	3,379	3,379	169	1,318	2,252	(934)	-41%	3,379
5.4 - Internal Audit		4,002	5,078	5,078	298	2,376	3,385	(1,010)		5,078
	1 1	2,847	3,639	3,591	231	1,736	2,394	(658)		3,591

Prepared by : **SAMRAS** Date : 12**6**3/2**1**25 15:28



WC022 - M08 - MONTHLY SEC 12 1 REPORT - FEBRUARY 2025

Vote Description	Ref	2023/24				Budget Ye	ar 2024/25			
R thousand		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
									%	
Total Expenditure by Vote	2	864,945	996,730	987,221	64,451	502,568	655,860	(153,292)	(0)	987,221
								-		
Surplus/ (Deficit) for the year	2	96,333	3,713	22,340	10,033	139,381	7,104	132,277	0	22,340

Prepared by : **SAMRAS** Date : 12**632**25 15:28



WC022 - M08 - MONTHLY SEC 61371 REPORT - FEBRUARY 2025

WC022 Witzenberg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) -

Description		2023/24				Budget Year	2024/25			
Description	Ref	Audited	Original	Adjusted	Monthly	_ augot . cu.	YearTD	YTD	YTD	Full Year
R thousands		Outcome	Budget	Budget	Actual	YearTD Actual	Budget	Variance	Variance	Forecast
Revenue									%	
Exchange Revenue		606,675	629,318	640,001	64,083	417,242	426,668	(9,426)	-2%	640,001
Service charges - Electricity		371,022	431,223	431,223	32,705	236,988	287,482	(50,494)	-18%	431,223
Service charges - Water		48,337	49,359	49,359	4,792	33,619	32,906	713	2%	49,359
Service charges - Waste Water Management		75,250	50,932	50,932	18,016	70,479	33,955	36,525	108%	50,932
Service charges - Waste management		34,183	33,774	33,774	2,918	23,584	22,516	1,069	5%	33,774
Sale of Goods and Rendering of Services		14,484	5,536	16,219	364	11,350	10,813	537	5%	16,219
Agency services		4,739	4,684	4,684	333	3,379	3,123	256	8%	4,684
Interest		_	11	11	-	-	7	(7)	-100%	11
Interest earned from Receivables		28,557	23,549	23,549	2,178	19,622	15,699	3,922	25%	23,549
Interest earned from Current and Non Current Assets		22,019	22,444	22,444	1,321	13,161	14,963	(1,802)	-12%	22,444
Rent on Land		_	27	27	_	_	18	(18)	-100%	27
Rental from Fixed Assets		5,038	6,015	6,015	533	3,576	4,010	(434)	-11%	6,015
Operational Revenue		3,046	1,764	1,764	922	1,483	1,176	307	26%	1,764
Non-Exchange Revenue		318,067	335,568	332,231	10,401	224,708	216,827	7,881	4%	332,231
Property rates		101,317	113,495	113,495	5,711	84,471	75,664	8,807	12%	113,495
Surcharges and Taxes		9,122	5,501	10,360	945	3,091	6,590	(3,499)	-53%	10,360
Fines, penalties and forfeits		20,634	11,254	11,254	1,840	12,144	7,503	4,641	62%	11,254
Licence and permits		1,183	2,444	2,444	82	705	1,629	(924)	-57%	2,444
Transfer and subsidies - Operational		179,020	196,213	181,896	1,149	119,266	121,002	(1,736)	-1%	181,896
Interest		4,091	3,566	3,566	402	3,272	2,377	894	38%	3,566
Operational Revenue		2,991	3,095	3,095	272	1,760	2,063	(303)	-15%	3,095
Gains on disposal of Assets		(291)	-	6,121		,, .	_,000	- (000)	.070	6.121
Total Revenue (excluding capital transfers and contributions)		924,741	964,887	972,233	74,484	641,950	643,495	(1,545)	0%	972,233
Expenditure By Type		024,141	004,001	012,200	14,404	041,000	0-10,100	(1,040)	0,0	012,200
Employee related costs		242,378	277,558	279,445	21,919	183,426	186,297	(2,871)	-2%	279,445
Remuneration of councillors		11,447	12,311	12,311	782	7,911	8,207	(297)	-4%	12,311
Bulk purchases - electricity		324,086	375,258	375,258	24,833	200,095	250,172	(50,077)	-20%	375,258
Inventory consumed		23,245	25,929	25,134	2,091	14,584	16,356	(1,772)	-11%	25,134
Debt impairment		(75,887)	62,758	62,758	_	14,553	41,838	(27,285)	-65%	62,758
Depreciation and amortisation		34,241	54,219	54,219	(21)	- 1,555	36,146	(36,146)	-100%	54,219
Interest		5,299	10,233	10,233	(= .)	_	6,822	(6,822)	-100%	10,233
Contracted services		55,684	75,234	67,941	4,183	27,059	44,368	(17,310)	-39%	67,941
Transfers and subsidies		36,338	37,116	34,339	78	14,483	21,955	(7,471)	-34%	34,339
Irrecoverable debts written off		159,168	2,131	2,131	7,347	7,381	1,421	5,961	420%	2,131
Operational costs		49,897	60,487	59,955	3,239	33,076	39,947	(6,871)	-17%	59,955
Losses on Disposal of Assets		688	-	-		-	-	(5,571)		-
Other Losses		4	3.497	3,497	_	_	2,331	(2,331)	-100%	3,497
Total Expenditure		866,587	996,730	987,221	64,451	502,568	655,860	(153,292)	-23%	987,221
Surplus/(Deficit)		58,154	(31,844)	(14,988)	10,033	139,381	(12,365)	151,747	(0)	(14,988
Transfers and subsidies - capital (monetary allocations)		36,536	35,557	37,328	.0,500	-	19,469	(19,469)	(0)	37,328
Surplus/(Deficit) after capital transfers & contributions		94,691	3,713	22,340	10,033	139,381	7,104	(10,700)	(0)	22,340
Surplus/(Deficit) after income tax		94,691	3,713	22,340	10,033	139,381	7,104			22,340
Surplus/(Deficit) atter income tax Surplus/(Deficit) attributable to municipality		94,691	3,713	22,340	10,033	139,381	7,104			22,340
Surplus/ (Deficit) for the year		94,691	3,713	22,340	10,033	139,381	7,104			22,340

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WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) -

		2023/24				Budget Year 2				
Vote Description	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
R thousands	1								%	
Multi-Year expenditure appropriation	2									
Vote 1 - Financial Services		3,366	100	200	88	88	133	(45)	-34%	200
Vote 2 - Community Services		881	350	850	5	24	233	(209)	-90%	850
Vote 4 - Technical Services		32,776	18,937	23,386	1,572	7,249	12,905	(5,657)	-44%	23,386
Vote 5 - Municipal Manager		_	66	56	_	56	_	56		56
Total Capital Multi-year expenditure	4,7	37,023	19,453	24,493	1,665	7,418	13,272	(5,854)	-44%	24,493
Single Year expenditure appropriation	2									
Vote 1 - Financial Services		530	30	30	0	1	20	(19)	-93%	30
Vote 2 - Community Services		5,550	1,780	1,691	79	734	1,127	(393)	-35%	1,691
Vote 3 - Corporate Services		1,712	760	3,889	34	359	780	(421)	-54%	3,889
Vote 4 - Technical Services		41,795	63,311	55,028	5,148	22,004	24,135	(2,130)	-9%	55,028
Vote 5 - Municipal Manager		_	30	30	_		20	(20)	-100%	30
Total Capital single-year expenditure	4	49,587	65,911	60,669	5,261	23,098	26,081	(2,983)	-11%	60,669
Total Capital Expenditure	3	86,610	85,365	85,162	6,926	30,516	39,354	(8,837)	-22%	85,162
Capital Expenditure - Functional Classification										
Governance and administration		9,033	2,196	7,686	404	878	1,379	(501)	-36%	7,686
Executive and council		124	2,196	273	15	142	1,379		-1%	273
			-					(2)		
Finance and administration		8,908	1,980	7,413	390	736	1,235	(499)	-40%	7,413
Community and public safety		6,252	2,300	2,711	84	753	1,474	(721)	-49%	2,711
Community and social services		58	1,100	1,000	-	496	667	(170)	-26%	1,000
Sport and recreation		3,224	650	1,161	79	232	441	(209)	-47%	1,161
Public safety		2,838	550	550	5	24	367	(342)	-93%	550
Housing		132	-	-	-	-	-	-		-
Economic and environmental services		32,934	7,367	10,546	381	9,073	6,939	2,134	31%	10,546
Planning and development		828	200	200	-	133	100	33	33%	200
Road transport		32,107	7,167	10,346	381	8,941	6,839	2,102	31%	10,346
Trading services		38,390	73,501	64,306	6,056	19,812	29,561	(9,749)	-33%	64,306
Energy sources		9,959	31,352	16,509	248	1,900	4,239	(2,339)	-55%	16,509
Water management		10,426	25,606	26,053	4,428	10,995	13,211	(2,216)	-17%	26,053
Waste water management		4,669	16,343	20,734	1,380	6,439	11,504	(5,065)	-44%	20,734
Waste management		13,337	200	1,011	-,,,,,,	478	607	(129)	-21%	1,011
Total Capital Expenditure - Functional Classification	3	86,610	85,365	85,249	6,926	30,516	39,354	(8,837)	-22%	85,249
Funded by:										
National Government		21,847	37,504	40,252	5,808	16,483	21,346	(4,864)	-23%	40,252
Provincial Government		14,214	1,941	832	5,000	10,403	555	(555)	-100%	832
District Municipality		1.644	435	435	_	-	290	(290)	-100%	435
		1,044	435	435	-	-	290	(290)	-100%	435
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,										
Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ		222	-	-	-	-	-	-		-
Institutions)										
Transfers recognised - capital		37,926	39,880	41,519	5,808	16,483	22,191	(5,708)	-26%	41,519
Borrowing	6	1,460	25,000	10,000	-	555	-	555		10,000
Internally generated funds		43,815	20,485	33,730	1,118	13,479	17,162	(3,684)	-21%	33,730
Total Capital Funding	7	83,202	85,365	85,249	6,926	30,516	39,354	(8,837)	-22%	85,249

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WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - A -

Vote Description	Ref	2023/24				Budget Ye	ear 2024/25			
		Audited	Original	Adjusted						Full Year
R thousand		Outcome	Budget	Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Forecast
Capital expenditure - Municipal Vote			- uugut						%	
Expenditure of multi-year capital appropriation	1									
Vote 1 - Financial Services		3,366	100	200	88	88	133	(45)	-34%	200
1.1 - Direcrtor: Finance		-	100	200	88	88	133	(45)	-34%	200
1.3 - Financial Administrastion		3,366	-	_	_	_	_			_
Vote 2 - Community Services		881	350	850	5	24	233	(209)	-90%	850
2.7 - Fire Services & Disaster Management		881	350	350	5	24	233	(209)	-90%	350
2.9 - Community Halls and Amenities		-	-	500	_	_	_	` - `		500
Vote 4 - Technical Services		32,776	18,937	23,386	1,572	7,249	12,905	(5,657)	-44%	23,386
4.2 - Electro Technical Services		6,693	5,593	5,750	191	1,283	3,733	(2,450)	-66%	5,750
4.3 - Water Storage & Distribution		2,857	200	500	-	_	133	(133)	-100%	500
4.4 - Waste Water Management		3,407	13,043	13,905	1,380	5,688	8,803	(3,115)	-35%	13,905
4.5 - Waste Management		1,685	100	453	_	277	235	42	18%	453
4.6 - Roads		18,133	_	_	_	_	_	_		_
4.7 - Storm Water Management		_	_	2,778	_	_	_	_		2,778
Vote 5 - Municipal Manager		-	66	56	-	56	-	56		56
5.2 - Performance & Project Management		-	66	56	-	56	_	56		56
Total multi-year capital expenditure		37,023	19,453	24,493	1,665	7,418	13,272	(5,854)	-44%	24,493
Capital expenditure - Municipal Vote								-		
Expenditue of single-year capital appropriation	1									
Vote 1 - Financial Services		530	30	30	0	1	20	(19)	-93%	30
1.1 - Direcrtor: Finance		_	30	30	0	1	20	(19)	-93%	30
1.3 - Financial Administrastion		530	_		_	_	_	_		_
Vote 2 - Community Services		5,550	1,780	1,691	79	734	1,127	(393)	-35%	1,691
2.1 - Director: Community Services		94	30	30	(0)	6	20	(14)	-71%	30
2.2 - Cemetries		_	100		_		_	_ ′		_
2.3 - Housing		132	_	_	_	_	_	_		_
2.4 - Libraries		58	1,000	1,000	_	496	667	(170)	-26%	1,000
2.5 - Resorts & Swimmng Pools		-	450	450	22	78	300	(222)	-74%	450
2.7 - Fire Services & Disaster Management		1,190	_	-		_	_	(222)		-
2.8 - Environment & Licencing		24	_	_	_	_	_	_		_
2.9 - Community Halls and Amenities		3,224	200	211	57	154	141	13	9%	211
2.10 - Local Economic Development		828	_		_	_	_	_	0,0	
Vote 3 - Corporate Services		1,712	760	3,889	34	359	780	(421)	-54%	3,889
3.1 - Director: Corporate Services		233	30	96	15	78	64	14	22%	96
3.2 - Human Resources		331	80	363	-	-	242	(242)	-100%	363
3.3 - Administration		-	-	2,720	_	_		(242)	10070	2,720
3.4 - Information Technology		270	350	410	18	232	273	(41)	-15%	410
3.5 - Marketing & Communication		110	100	100	1	48	67	(19)	-28%	100
3.7 - Traffic and Protection Services		767	200	200		40	133	(133)	-100%	200
Vote 4 - Technical Services		41,795	63,311	55,028	5,148	22,004	24,135	(2,130)	-9%	55,028
4.1 - Director: Technical Services		21	30	30,020	3,140	22,004	24,133	(2,130)	-100%	33,028
4.2 - Electro Technical Services		3,266	25,759	10,759	57	617	506	111	22%	10,759
4.3 - Water Storage & Distribution		7,544	25,406	25,553	4,428	10,995	13,078	(2,083)	-16%	25,553
4.4 - Waste Water Management		1.262	2,850	3,600	4,420	750	2,400	(1,650)	-69%	3,600
4.5 - Waste Management		11,652	100	558		201	372	(1,030)	-46%	558
4.6 - Roads		13,973	7,167	10,259	381	8,941	6,839	2,102	31%	10,259
4.7 - Storm Water Management		13,973	450	450	301	0,341	300	(300)	-100%	450
4.8 - Town Planning & Building Control		_	200	200	_	133	100	33	33%	200
4.0 - Nechanical Workshop		4,076	1,350	3,620	282	368	520	(152)	-29%	3,620
Vote 5 - Municipal Manager		4,076	30	3,020		300	20	(20)	-29% -100%	3,620
5.1 - Municipal Manager		_	30	30	_	_	20	(20)	-100%	30
Total single-year capital expenditure		49,587	65,911	60,669	5,261	23,098	26,081	(2,983)	-100%	60,669
								-		
Total Capital Expenditure		86,610	85,365	85,162	6,926	30,516	39,354	(8,837)	(0)	85,162

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WC022 Witzenberg - Table C6 Monthly Budget Statement - Financial Position -

Description		2023/24		Budget Ye	ear 2024/25	
R thousands	Ref	Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
<u>ASSETS</u>	1					
Current assets						
Cash and cash equivalents		187,245	227,306	210,224	188,877	210,224
Trade and other receivables from exchange transactions		123,373	68,636	126,324	69,634	126,324
Receivables from non-exchange transactions		31,639	49,234	40,088	48,332	40,088
Current portion of non-current receivables		-	_	-	_	-
Inventory		27,362	9,181	28,754	19,395	28,754
VAT		-	6,836	5,302	139,302	5,302
Other current assets		11,117	1,709	1,239	3,045	1,239
Total current assets		380,735	362,903	411,932	468,585	411,932
Non current assets						
Investments		_	-	-	-	-
Investment property		41,680	40,610	38,799	41,678	38,799
Property, plant and equipment		1,057,490	1,094,459	1,136,761	1,076,954	1,136,761
Biological assets		_	_	_	_	_
Living and non-living resources		_	_	_	_	_
Heritage assets		550	550	550	550	550
Intangible assets		1,741	2,529	1,493	2,360	1,493
Trade and other receivables from exchange transactions		_	_	_	_	_
Non-current receivables from non-exchange transactions		_	_	_	_	_
Other non-current assets		_	_	-	_	_
Total non current assets		1,101,462	1,138,148	1,177,602	1,121,541	1,177,602
TOTAL ASSETS		1,482,197	1,501,051	1,589,534	1,590,126	1,589,534
LIABILITIES						
Current liabilities						
Bank overdraft		_	_	-	_	_
Financial liabilities		59	(3,330)	(3,447)	36	(3,447)
Consumer deposits		9,742	12,158	9,739	14,005	9,739
Trade and other payables from exchange transactions		85,555	110,941	81,537	(26,702)	81,537
Trade and other payables from non-exchange transactions		(5,360)	3,129	9,773	76,545	9,773
Provision		32,720	45,567	36,837	24,328	36,837
VAT		15,287	18,269	(4,831)	·	(4,831)
Other current liabilities		, _	_	` _ '		
Total current liabilities		138,002	186,734	129,607	214,441	129,607
Non current liabilities			·			,
Financial liabilities		1,220	25,645	27,546	490	27,546
Provision		67,264	77,712	77,693	58.838	77,693
Long term portion of trade payables			_	· _		· _
Other non-current liabilities		60,522	78,001	70,154	73,649	70,154
Total non current liabilities		129,006	181,358	175,392	132,976	175,392
TOTAL LIABILITIES		267,008	368,091	305,000	347,417	305,000
NET ASSETS	2	1,215,189	1,132,959	1,284,535	1,242,709	1,284,535
COMMUNITY WEALTH/EQUITY		, ,, ,,	, , , , , ,	, , , , , , , , , , , , , , , , , , , ,	, , , , ,	, - ,
Accumulated Surplus/(Deficit)		1,210,065	1,120,420	1,272,915	1,266,070	1,272,915
Reserves and funds		11,166	12,540	11,166	(23,362)	11,166
Other		,.50	.2,510	,.50	(20,002)	,
TOTAL COMMUNITY WEALTH/EQUITY	2	1,221,231	1,132,959	1,284,082	1,242,709	1,284,082

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WC022 Witzenberg - Table C7 Monthly Budget Statement - Cash Flow -

Description		2023/24				Budget Year 2				
D. 41	Ref	Audited	Original	Adjusted	Monthly	YearTD Actual	YearTD	YTD	YTD	Full Year
R thousands		Outcome	Budget	Budget	Actual	rearid Actual	Budget	Variance	Variance	Forecast
CASH FLOW FROM OPERATING ACTIVITIES	1								%	
Receipts										
Property rates		102,509	103,281	103,281	4,355	76,566	68,854	7,712	11%	103,28
Service charges		494,505	602,900	602,900	31,493	285,176	401,933	(116,757)	-29%	602,90
Other revenue		-	17,029	17,029	916	7,632	11,353	(3,721)	-33%	17,02
Transfers and Subsidies - Operational		134,848	194,392	196,865	467	149,692	127,454	22,239	17%	196,86
Transfers and Subsidies - Capital		36,488	46,362	57,118	257	12,457	26,377	(13,920)	-53%	57,11
Interest		48,344	49,570	49,570	3,115	11,838	31,224	(19,385)	-62%	49,57
Dividends		_	-	_	-	_	-	`		_
Payments										
Suppliers and employees		(780,152)	(939,422)	(939,422)	(49,292)	(508,728)	(626,281)	(117,553)	19%	(78,28
Interest		(132)	- 1	- '	· - ·	(0)		0	0%	
Transfers and Subsidies			-	_	(78)	(1,424)	-	1,424	0%	_
NET CASH FROM/(USED) OPERATING ACTIVITIES		36,411	74,112	87,341	(8,766)	33,209	40,913	7,705	19%	948,47
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	_		_
Decrease (increase) in non-current receivables		-	_	-	-	-	-	_		_
Decrease (increase) in non-current investments		-	_	-	-	_	_	-		_
Payments										
Capital assets		(76,243)	(85,365)	(85,339)	(7,875)	(34,926)	39,414	74,339	189%	85,33
NET CASH FROM/(USED) INVESTING ACTIVITIES		(76,243)	(85,365)	(85,339)	(7,875)	(34,926)	39,414	74,339	189%	85,33
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	_	-	-	-	-	_		_
Borrowing long term/refinancing		-	25,000	25,000	-	-	12,500	(12,500)	-100%	25,00
Increase (decrease) in consumer deposits		275	-	-	90	274	-	274	0%	_
Payments										
Repayment of borrowing		-	_	-	-	_	-	-		_
NET CASH FROM/(USED) FINANCING ACTIVITIES		275	25,000	25,000	90	274	12,500	12,226	98%	25,00
NET INCREASE/ (DECREASE) IN CASH HELD		(39,557)	13,748	27,003	(16,551)		92,827			1,058,81
Cash/cash equivalents at beginning:		226,802	217,594	187,245		187,235	187,245			187,23
Cash/cash equivalents at month/year end:		187,245	231,342	214,248		185,793	280,071			1,246,05

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WC022 Witzenberg - Supporting Table SC1 Material variance explanations -

1 <u>F</u>	Description	Vd-	December 1111 11	Demodfol or come (f. 1)
1 <u>F</u>	· I	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
5	R thousands Revenue			
	Service charges - Electricity	(50.404)	Peak of the High Demand Season for Electricity Usage is July-August. Current	y within Low Coason for Electricity Usago
				y within Low Season for Electricity Osage.
	Service charges - Water		Immaterial Variance	
	Service charges - Waste Water Management		Industrial Effluent recognised	
	Service charges - Waste management		Immaterial Variance	
	Sale of Goods and Rendering of Services		Immaterial Variance	
	Agency services		Immaterial Variance	
	nterest	٠,	Immaterial Variance	
	Interest earned from Receivables		Interest levied on outstanding service accounts.	
ľ	nterest earned from Current and Non Current A	(1,802)	Remaining investments to mature during March to June 2025.	
Γ	Dividends	-		
F	Rent on Land	(18)	Immaterial Variance	
F	Rental from Fixed Assets	(434)	Immaterial Variance	
ı	Licence and permits	`-′		
	Operational Revenue	307	Immaterial Variance	
	Non-Exchange Revenue	001	initiational variation	
	Property rates	8 807	Year to date budget (calculated based on months passed) does not take into a	count annual hilling during, July 2024
	Surcharges and Taxes		Revenue to be recognised in respect of grant funded projects.	l
	Fines, penalties and forfeits		No Service provider in place.	
			Ino Service provider in piace. Immaterial Variance	
	Licence and permits	(-)		
	Transfer and subsidies - Operational		Third tranche of Equitable Share to be received in March 2025.	
	Interest	894	Immaterial Variance	
	Fuel Levy	_		
	Operational Revenue	(303)	Immaterial Variance	
(Gains on disposal of Assets	-		
(Other Gains	-		
Г	Discontinued Operations	_		
2 E	Expenditure By Type			
F	Employee related costs	(2.871)	Primarily due to the filling of vacancies	
	Remuneration of councillors		Immaterial Variance	
	Bulk purchases - electricity		Currently within Low Season for Electricity Usage.	
	Inventory consumed		Less inventory procured and consumed than expected.	
	Debt impairment		Adjustment to Debt Impairment Provision to be processed during March 2024.	
	Depreciation and amortisation			
	•		Depreciation run performed annually at year end.	
	Interest		Finance charges related to Landfil Sites recognised on an annual basis.	. ,
	Contracted services		Dependant on the Roll Out of Contracts for Electrical, Road, Water & Sewer Manager 19 (1997)	aintenance
7	Transfers and subsidies	(7,471)	Dealys in expenditure in respect of Housing Top Structures.	
			Transfer payments expected to increase when new educational year	
			commences - financial aid to be provided to performing learners/students	
	rrecoverable debts written off		Debt written off during February 2025	
	Operational costs	(6,871)	Low expenditure experienced for operational cost items.	
L	Losses on Disposal of Assets	_		
(Other Losses	(2,331)	Fair value adjustments in terms of Actuarial Assessments processed at year er	nd.
3 (Capital Expenditure			
	Total Capital Expenditure	(8.837)	Longer than anticipated planning phase in respect of major capital projects.	
		(=,===)	g	
4 F	Financial Position			
: <u> </u>				
1				
	Orah Flaur			
5 <u>(</u>	Cash Flow			
5 <u>C</u>	Cash Flow			
5 <u>(</u>	<u>Cash Flow</u>			
5 <u>(</u>	<u>Cash Flow</u>			
5 <u>(</u>	Cash Flow			
	Cash Flow Measureable performance			
6 <u>N</u>	Measureable performance			
6 <u>N</u>				
6 <u>N</u>	Measureable performance			
6 <u>N</u>	Measureable performance			
6 <u>N</u>	Measureable performance			

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WC022 Witzenberg - Supporting Table SC2 Monthly Budget Statement - performance indicators -

			2023/24			ear 2024/25	
Description of financial indicator	Basis of calculation	Ref	Audited	Original	Adjusted	YearTD Actual	Full Year
			Outcome	Budget	Budget	Tour TD 7 totaur	Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.6%	6.5%	6.5%	0.0%	6.5%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		1.7%	29.3%	11.7%	1.8%	11.7%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		12.0%	16.4%	11.5%	3.8%	11.5%
Gearing L iquidity	Long Term Borrowing/ Funds & Reserves		10.9%	204.5%	246.7%	-2.1%	246.7%
crycusty Current Ratio Liquidity Ratio Revenue Management	Current assets/current liabilities Monetary Assets/Current Liabilities	1	275.9% 135.7%	194.3% 121.7%	317.8% 162.2%	218.5% 88.1%	317.8% 162.2%
Annual Debtors Collection Rate Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing		40.00/	40.404	4= 00/	40.00	4= 00/
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue Debtors > 12 Mths Recovered/Total Debtors >		18.0%	12.4%	17.2%	18.9%	17.2%
ongstanding Debtors Recovered	12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
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%
Funding of Provisions Percentage Of Provisions Not Funded Other Indicators	Unfunded Provisions/Total Provisions						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2	11.0%	0.0%	0.0%	0.0%	0.0%
Nater Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2	10.3%	0.0%	0.0%	0.0%	0.0%
Employee costs	Employee costs/Total Revenue - capital revenue		26.2%	28.8%	28.7%	28.6%	28.7%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		2.5%	3.3%	2.4%	1.7%	2.4%
nterest & Depreciation	I&D/Total Revenue - capital revenue		4.3%	6.7%	6.6%	0.0%	6.6%
DP regulation financial viability indicators Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
i. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
ii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		2.5 Months			2.3 Months	

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WC022 Witzenberg - Supporting Table SC3 Monthly Budget Statement - aged debtors -

Description							Budget	Year 2024/25					
R thousands	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	10,877	48	1.774	2,079	1,904	1,650	9,353	60,766	88,451	75,752	_	_
Trade and Other Receivables from Exchange Transactions - Electricity	1300	26,265	52	1,072	878	573	540	2,577	9,852	41,809	14,421	_	_
Receivables from Non-exchange Transactions - Property Rates	1400	6,802	17	795	893	664	6,773	2,644	32,144	50,731	43,118	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	24,640	49	1,435	1,301	1,261	1,220	43,319	40,179	113,404	87,280	_	_
Receivables from Exchange Transactions - Waste Management	1600	7,555	45	1,321	1,261	1,213	1,192	6,051	37,255	55,894	46,972	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	144	2	14	13	13	13	71	864	1,134	974	-	-
Interest on Arrear Debtor Accounts	1810	1,222	29	191	249	275	659	5,358	62,823	70,806	69,365	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	(6,635)	13	64	45	42	38	194	1,580	(4,660)	1,899	-	-
Total By Income Source	2000	70,870	253	6,665	6,721	5,946	12,084	69,566	245,464	417,569	339,780	-	-
2023/24 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	1,670	_	364	286	291	621	1,135	7,989	12,355	10,321	-	-
Commercial	2300	40,877	2	1,172	1,427	597	3,374	42,443	29,288	119,181	77,129		-
Households	2400	27,803	251	4,927	4,796	4,849	7,180	24,774	197,014	271,594	238,613		-
Other	2500	520	0	203	212	209	909	1,214	11,173	14,439	13,717	_	-
Total By Customer Group	2600	70.870	253	6.665	6.721	5.946	12.084	69.566	245.464	417.569	339,780	_	_

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WC022 Witzenberg - Supporting Table SC4 Monthly Budget Statement - aged creditors -

Description	NT				Bu	dget Year 2024	/25				Prior year totals
Description	Code	0 -	31 -		61 91 -	121 -	151 -	181 Days -	Over 1	Total	for chart (same
R thousands	Code	30 Days	60 Days	90 Days	120 Days	150 Days	180 Days	1 Year	Year		period)
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	_	_	-	-	-	-
VAT (output less input)	0400	-	-	-	-	_	_	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	_	_	-	-	-	-
Loan repayments	0600	-	-	-	-	_	_	-	-	-	-
Trade Creditors	0700	343	-	-	-	_	_	-	_	343	-
Auditor General	0800	-	_	_	_	_	_	-	_	_	-
Other	0900	-	-	-	-	-	-	-	-	_	-
Total By Customer Type	1000	343	_	_	ı	-	-	_	-	343	-

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WC022 Witzenberg - Supporting Table SC5 Monthly Budget Statement - investment portfolio -

WC022 Witzenberg - Supporting Table SC5 Mon	, -	anger other	Type of	Capital	Variable or	1		Commission	Expiry date of	Opening	Interest to be	Partial /	Investment	Closing
Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Investment	Guarantee (Yes/ No)	Fixed interest rate	Interest Rate	Commission Paid (Rands)	Recipient	investment		realised	Premature Withdrawal (4)	Top Up	Balance
R thousands		Yrs/Months												
<u>Municipality</u>														
ABSA Bank Ltd		7 Months	Call Investment		Yes	Yes	No	No	17/02/2025	47,253	198	(47,452)	-	(0)
First National Bank		3 Months	Call Investment		Yes	Yes	No	No	22/10/2024	(0)	-		-	(0)
Nedbank Ltd		4 Months	Call Investment		Yes	Yes	No	No	22/11/2024	-	-		-	-
Standard Bank of SA Ltd		4 Months	Call Investment		Yes	Yes	No	No	22/11/2024		-		-	
ABSA Bank Ltd		3 Months	Call Investment		Yes	Yes	No	No	10/03/2025	24,295	156		-	24,451
Nedbank Ltd		3 Months	Call Investment		Yes	Yes	No	No	10/03/2025	24,286	151		-	24,437
First National Bank		3 Months	Call Investment	Yes	Yes	Yes	No	No	10/03/2025	24,258	152		-	24,409
•		-								-	-		-	-
-		-								-	-		-	-
•		-								-	-		-	-
Municipality sub-total										120,092	657		-	73,297
Entities														
-		-	-						-	-	-		_	_
-		_	_						-	_	_		_	_
-		-	-						-	-	-		-	_
-		_	_						-	_	_		_	_
-		-	-						-	-	-		-	_
-		-	-						-	-	-		-	-
-		-	-						-	-	-		-	_
-		-	-						-	-	-		-	-
-		-	-						-	-	-		-	-
•		-	-						-	-	-		-	-
Entities sub-total										-	-		-	-
TOTAL INVESTMENTS AND INTEREST	2									120.092	657		_	73,297

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WC022 Witzenberg - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts -

		2023/24				Budget Year 2				
Description	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
R thousands RECEIPTS:	1,2								%	
RECEIP 13:	1,2									
Operating Transfers and Grants										
National Government:		4,797	3,159	3,576	417	3,109	1,580	1,530	96.8%	3,576
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		3,247	1,559	1,559	_	1.092	780	313	40.1%	1.559
Local Government Financial Management Grant [Schedule 5B]		1,550	1,600	1,600	_	1,600	800	800	100.0%	1,600
Municipal Disaster Grant [Schedule 5B]		_	_	417	417	417	_	417	100.070	41
Provincial Government:		34,087	45,527	47,583	0	15,677	28,737	(13,060)	-45.4%	47,583
OPEX PROV LIBRARY		_	10,683	10,683	_	3,560	5,342	(1,782)	-33.4%	10,683
OPEX PROV CDW		132	132	132	_	132	66	66	100.0%	13:
OPEX PROV THUSONG		-	150	150	0	0	_	0	100.070	150
OPEX PROV MUN ACC AND CAP BUILDING		245	249	249	_	249	_	249		24
OPEX PROV FIN MAN SUPPORT		_	243	243	_	150		150		
Specify (Add grant description)		250	150	250		150	167	(167)	-100.0%	250
OPEX PROV HOUSING IHHSDG		230	25,000	23,264	_	_	15,509	(15,509)	-100.0%	23,264
Specify (Add grant description)		33,460	23,000	23,204	_	11,585	13,309	11,585	-100.0%	23,20
Specify (Add grant description) Specify (Add grant description)		33,400	1,375	1,375	_	11,303	_	11,303		1,37
Specify (Add grant description) Specify (Add grant description)		_	7,788	11,480	_	_	7,653	(7,653)	100.00/	11,48
District Municipality:		150	,	11,400		36	7,000	36	-100.0%	11,400
OPEX DISTRICT SAFETY PLAN			-	-	-	36		36		_
		- 150	-	_	-	30	_	30		_
Specify (Add grant description)		2,763	-	-		2,792		2.792		
Other grant providers:			-		-	,		316		
Foreign Government and International Organisations		680	-	-	-	316	-	2.476		-
Private Enterprises	5	2,083 41,797	48,686	51,159	417	2,476 21,614	30,316	(8,703)	-28.7%	51,159
Total Operating Transfers and Grants	3	41,797	40,000	51,159	417	21,014	30,310	(0,703)	-20.1%	31,138
Capital Transfers and Grants										
National Government:		25,209	40,630	43,825	3,195	23,771	20,315	3,456	17.0%	43,825
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		900	_	_	· -	-	-	_		
Municipal Infrastructure Grant [Schedule 5B]		24,309	25,630	25,630	_	12,576	12,815	(239)	-1.9%	25,630
Water Services Infrastructure Grant [Schedule 5B]		_	15,000	15,000	_	8,000	7,500	500	6.7%	15,000
Municipal Disaster Relief Grant		_	_	3,195	3,195	3,195	_	3,195		3,19
Provincial Government:		16,559	2,232	9,793	257	957	6,062	(5,105)	-84.2%	9,79
Specify (Add grant description)		200	_	_	-	_	_			_
CAPEX PROV FIRE		1,658	_	_	_	_	_	_		_
Specify (Add grant description)		· _	1,532	_	_	_	_	_		_
CAPEX PROV INFORMAL SETTLEMENT UPGRADING		_	700	700	_	700	_	700		70
CAPEX PROV RSEP		_	_	257	257	257	171	86	50.0%	25
CAPEX PROV MAIN ROADS		14,702	_	8,836	_	-	5,891	(5,891)	-100.0%	8,830
District Municipality:		672	_	-	_	_		(0,00.)	. 55.570	-
CAPEX DISTRICT		600	_	_	_	_	_	_		-
CAPEX DISTRICT TRAFFIC SAFETY PROJECT		72	_	_	_	_	_	_		_
Other grant providers:		-	_	_	_	_	_	_		_
Total Capital Transfers and Grants	5	42,440	42,862	53,618	3,452	24,728	26,377	(1,649)	-6.3%	53,618

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		2023/24				Budget Year 2	024/25			
Description	Ref	Audited	Original	Adjusted	Monthly	YearTD Actual	YearTD	YTD	YTD	Full Year
R thousands		Outcome	Budget	Budget	Actual		Budget	Variance	Variance %	Forecast
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	84,237	91,548	104,777	3,869	46,342	56,693	(10,352)	-18.3%	104,777

SOLVEM CONSULTING (PTY) LTD

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WC022 Witzenberg - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure -

		2023/24				Budget Year 20)24/25			
Description	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
thousands									%	
<u>XPENDITURE</u>										
North Comment of the										
perating expenditure of Transfers and Grants			(4 000)				(0.000)		005.40/	
National Government:		5,911	(4,029)	(4,446)	357		(2,686)	5,516	-205.4%	(4,4
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		3,364	(1,559)	(1,559)	72	,	(1,039)	2,600	-250.2%	(1,5
Local Government Financial Management Grant [Schedule 5B]		1,550	(1,470)	(1,470)	285	1,269	(980)	2,249	-229.5%	(1,4
Municipal Disaster Grant [Schedule 5B]				(417)	-	-		_		(4
Municipal Infrastructure Grant [Schedule 5B]		997	(1,000)	(1,000)	-	-	(667)	667	-100.0%	(1,0
Provincial Government:		39,584	(46,426)	(46,928)	826	10,245	(31,285)	41,530	-132.7%	(46,9
OPEX PROV TITLE DEEDS RESTORATION		568	-	-	-	-	_	_		
OPEX PROV LIBRARY		-	(10,683)	(10,683)	826	,	(7,122)	8,801	-123.6%	(10,6
OPEX PROV CDW		71	(262)	(262)	-	45	(175)	220	-125.8%	(2
OPEX PROV THUSONG		-	(130)	(130)	_	-	(87)	87	-100.0%	(1
OPEX PROV MUN ACC AND CAP BUILDING		196	(858)	(858)	_	-	(572)	572	-100.0%	(8
OPEX PROV WATER RESILIENCE		500	-	-	_	-	-	_		
Specify (Add grant description)		295	(172)	(250)	-	-	(167)	167	-100.0%	(2
OPEX PROV HOUSING IHHSDG		-	(1,532)	(23,264)	-	-	(15,509)	15,509	-100.0%	(23,2
Specify (Add grant description)		37,954	(32,788)	- 1	_	8,521	_ `	8,521		· · · · · ·
Specify (Add grant description)		_	- 1	(11,480)	_	_	(7,653)	7,653	-100.0%	(11,48
District Municipality:		-	-	(36)	_	-	-	-		(;
OPEX DISTRICT SAFETY PLAN		-	-	(36)	-	_	-	_		(3
Other grant providers:		2,767	(205)	(205)	-	-	(137)		-100.0%	(20
Foreign Government and International Organisations		1,793	(205)	(205)	_	-	(137)	137	-100.0%	(20
Private Enterprises		974	-	-	-	-	-	-		-
otal operating expenditure of Transfers and Grants:		48,262	(50,660)	(51,614)	1,183	13,075	(34,107)	47,183	-138.3%	(51,61
National Government:		23,296	(39,630)	(42,790)	1,054	1.867	(22,833)	24,700	-108.2%	(42,79
Municipal Infrastructure Grant [Schedule 5B]		23,296	,	(24,595)	789	,	(12,833)	14,296		(24,5)
			(24,630)			,	(12,033)	14,290	-111.4%	
Municipal Disaster Recovery Grant [Schedule 4B] Water Services Infrastructure Grant [Schedule 5B]		-	(15 000)	(3,195) (15,000)	-	403	(10,000)	10,403	404.00/	(3,1
Provincial Government:		- 15,229	(15,000)		265 (143)		(10,000) (171)		-104.0%	(15,0
			(1,375)	(257)		_	(171)	171	-100.0%	(2
Specify (Add grant description)		200	(470)	-	-	-	-	_		
CAPEX PROVIDENCE OF THE CAPEX PROVIDE OF THE CAPEX PROVIDENCE OF THE CAPEX PROVIDENCE OF THE CAPEX PRO		4 075	(179)	-	-	-	-	_		
CAPEX PROVIDENCE PRINCIPLING PRINCIPLING		1,675	-	-	-	-	-	_		
CAPEX PROVIDED SHEDDING RELIEF		475	-	- (257)	-	-	- (4-4)			10
CAPEX PROV RSEP		-	-	(257)	_	-	(171)	171	-100.0%	(2
CAPEX PROV MAIN ROADS		12,879	(1,196)	-	(143)			- (07)		
District Municipality:		1,851	100	100		-	67	(67)	-100.0%	1
CAPEX DISTRICT		500	100	100	-	-	67	(67)	-100.0%	1
		1,200	_	_	_	_	_	_		
Specify (Add grant description)		,								
Specify (Add grant description) CAPEX DISTRICT TRAFFIC SAFETY PROJECT CAPEX DISTRICT SECURITY CAMERAS		142	-	-	_	-	-	_		

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Date: 12/62/2025 15:28

WC022 - M08 - MONTHLY SEC 626 1 REPORT - FEBRUARY 2025

		2023/24				Budget Year 2	024/25			
Description	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
R thousands									%	
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		88,638	(91,565)	(94,561)	2,094	14,942	(57,045)	71,987	-126.2%	(94,561)



Prepared by : **SAMRAS**

WC022 - M08 - MONTHLY SEC 771 REPORT - FEBRUARY 2025

WC022 Witzenberg - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers -

	_	<u> </u>				
Description	Ref		Bu	dget Year 2024/25		
Description	Kei	Approved	Monthly Actual	YearTD Actual	YTD Variance	YTD
		Rollover 2023/24	,			Variance
R thousands						%
<u>EXPENDITURE</u>						
Operating expenditure of Approved Roll-overs						
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		-	1	_	_	

Prepared by : **SAMRAS** Date : 12.6227025 15:28



WC022 Witzenberg - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits -

	1	2023/24				Budget Year 2	024/25			
Summary of Employee and Councillor remuneration	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
R thousands	1	А	В	С					%	D
Councillors (Political Office Bearers plus Other)	<u> </u>	,	J							
Basic Salaries and Wages		9,007	9,658	9,658	582	6,352	6,439	(87)	-1%	9,658
Pension and UIF Contributions		1,339	1,422	1,422	117	897	948	(51)	-5%	1,422
Medical Aid Contributions		54	86	86	-	- 057	57	(57)	-100%	86
Motor Vehicle Allowance		-	0	0		_	-	(01)	10070	0
Cellphone Allowance		1,048	1,146	1,146	83	662	764	(102)	-13%	1,146
Other benefits and allowances		1,040	1,140	1,140	_	- 002	704	(102)	1070	1,140
Sub Total - Councillors		11,447	12,311	12,311	782	7,911	8,207	(297)	-4%	12,311
% increase	4	11,741	7.5%	7.5%	702	1,011	0,201	(201)	470	7.5%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		4,082	4,395	4,395	4,532	6,759	2,930	3,829	131%	4,395
Pension and UIF Contributions		358	404	404	40	267	269	(2)	-1%	404
Medical Aid Contributions		32	9	9		_	6	(6)	-100%	g
Performance Bonus		803	890	890	90	633	594	40	7%	890
Motor Vehicle Allowance		1,316	1,115	1,115	75	733	743	(10)	-1%	1,115
Cellphone Allowance		365	332	332	23	217	221	(5)	-2%	332
Housing Allowances		33	57	57			38	(38)	-100%	57
Other benefits and allowances		45	61	61	0	1	41	(40)	-98%	61
Sub Total - Senior Managers of Municipality		7,034	7,265	7,265	4,761	8,610	4,843	3,767	78%	7,265
% increase	4	,,,,,,	3.3%	3.3%	.,. • .	5,5.5	.,0.10	5,101	1070	3.3%
Other Municipal Staff										
Basic Salaries and Wages		141,863	157,900	159,720	8,614	103,786	106,480	(2,694)	-3%	159,720
Pension and UIF Contributions		23,199	26,552	26,602	2,061	16,450	17,735	(1,285)	-7%	26,602
Medical Aid Contributions		9,802	11,093	11,093	916	6,952	7,395	(443)	-6%	11,093
Overtime		23,267	27,792	27,808	1,977	16,282	18,538	(2,256)	-12%	27,808
Performance Bonus		10,640	12,510	12,510	959	7,825	8,340	(516)	-6%	12,510
Motor Vehicle Allowance		6,758	7,751	7,751	627	5,230	5,167	62	1%	7,751
Cellphone Allowance		690	1,018	1,018	64	525	679	(154)	-23%	1,018
Housing Allowances		1,166	1,427	1,427	97	798	951	(153)	-16%	1,427
Other benefits and allowances		6,819	7,829	7,829	848	5,313	5,219	94	2%	7,829
Payments in lieu of leave		2,522	3,754	3,754	-	3,686	2,503	1,183	47%	3,754
Long service awards		913	1,015	1,015	90	719	677	42	6%	1,015
Post-retirement benefit obligations	2	7,706	11,653	11,653	907	7,252	7,769	(516)	-7%	11,653
Sub Total - Other Municipal Staff		235,345	270,293	272,180	17,158	174,816	181,454	(6,638)	-4%	272,180
% increase	4	,	14.8%	15.7%		,				15.7%
Total Parent Municipality		253,826	289,869	291,756	22,701	191,336	194,504	(3,168)	-2%	291,756
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Sub Total - Executive members Board	2	_	_	-	_	_	_	-		_
% increase	4									
Senior Managers of Entities										
Sub Total - Senior Managers of Entities		_	_	-	_	_	_	-		-
% increase	4									
Other Staff of Entities										
Sub Total - Other Staff of Entities		_	-	1	-	-	-	-		-
% increase	4									
Total Municipal Entities	_L	_	_	-	-	-	-	-		
OTAL SALARY, ALLOWANCES & BENEFITS		253,826	289,869	291,756	22,701	191,336	194,504	(3,168)	-2%	291,756
0/ 1	- 4		14.2%	14.9%						14.9%
% increase Total Managers and Staff	4	242,378	277,558	279,445	21,919	183,426	186,297	(2,871)	-2%	279,445

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WC022 Witzenberg - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts -

Description	Ref						Budget Ye	ar 2024/25						2024/25 Mediun	n Term Revenue Framework	e & Expenditure
		July	August	September	October	November	December	January	February	March	April	May	June	Budget Year	Budget Year	Budget Year
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	2024/25	+1 2025/26	+2 2026/27
Cash Receipts By Source										•	-	•	•			
Property rates		6,736	13,751	8,139	25,750	5,745	4,108	7,982	4,355	8,607	8,607	8,607	895	103,281	108,881	115,270
Service charges - electricity revenue		33,478	35,134	34,797	29,483	21,039	17,851	22,840	24,724	40,600	40,600	40,600	146,057	487,205	535,527	588,111
Service charges - water revenue		3,044	3,009	4,585	3,001	2,681	2,536	3,818	3,048	3,133	3,133	3,133	2,479	37,600	42,392	44,386
Service charges - Waste Water Management		1,951	4,835	1,652	2,145	1,847	1,610	2,511	1,488	4,355	4,355	4,355	21,154	52,256	51,942	56,286
Service charges - Waste Mangement		2,175	2,402	2,030	2,639	2,103	1,801	2,961	1,965	2,153	2,153	2,153	1,302	25,839	27,059	30,515
Rental of facilities and equipment		146	239	274	567	254	267	456	421	0	0	0	(2,619)	5	6	6
Interest earned - external investments		998	1,293	758	1,164	3,012	716	777	3,115	5,656	2,921	2,921	22,662	45,994	47,793	49,683
Interest earned - outstanding debtors		-	_	_	_	5	_	_	-	298	298	298	2,678	3,577	3,756	3,944
Fines, penalties and forfeits		93	117	67	123	87	201	115	85	372	372	372	2,465	4,469	4,693	4,928
Licences and permits		136	162	53	98	84	99	85	82	213	213	213	1,119	2,558	2,685	2,820
Agency services		272	490	280	581	339	580	452	328	381	381	381	105	4,570	4,799	5,039
Transfers and Subsidies - Operational		71,099	6,955	132	5,073	7,401	47,653	10,911	467	15,481	15,058	15,058	1,575	196,865	196,992	205,715
Other revenue		190	405	222	483	684	475	1,267	267	452	452	452	77	5,426	5,698	5,982
Cash Receipts by Source		120,319	68,792	52,987	71,107	45,281	77,897	54,176	40,346	81,703	78,545	78,545	199,948	969,645	1,032,223	1,112,684
Other Cash Flows by Source					•				·				· _			
Transfers and subsidies - capital (monetary allocations) (National /		5,000	1,000	_	-	3,700	1,750	750	257	10,915	758	758	32,230	57,118	39,556	30,727
Short term loans				_	_	· -		_	_	´ _	_	_	20,988	20,988	(4,012)	(4,012)
Increase (decrease) in consumer deposits		31	40	55	53	15	27	(37)	90	_	_	_	(274)	_		
Total Cash Receipts by Source		125,350	69,832	53,042	71,159	48,996	79,674	54,888	40,694	92,618	79,303	79,303	252,892	1,047,751	1,067,767	1,139,399
Cash Payments by Type		,		Ì				-								
Employee related costs		18,868	19,295	22,545	20,494	31,950	23,066	24,455	21,582	39,424	39,424	39,424	172,565	473,093	492,706	518,694
Remuneration of councillors		951	951	951	931	1,401	972	972	782	· -	_	_	(7,911)		_	_
Bulk purchases - Electricity		44,039	54,856	48,261	26,754	23,730	24,223	23,460	28,558	35,922	35,922	35,922	49,420	431,067	485,812	547,510
Acquisitions - water & other inventory		3,341	776	1,694	1,558	1,822	2,030	1,690	964	2,000	2,000	2,000	4,125	24,000	25,200	26,460
Contracted services		4,220	9,240	3,223	3,079	3,652	5,017	12,999	4,643	939	939	939	(37,626)	11,263	11,358	11,500
Transfers and subsidies - other		91	340	144	111	78	267	316	78	_	_	_	(1,424)	_	_	_
Other expenditure		10,266	6,701	4,805	6,317	6,210	4,881	3,273	3,173	_	_	_	(45,627)	_	_	_
Cash Payments by Type		81,776	92,158	81,622	59,245	68,843	60,455	67,165	59,780	78,285	78,285	78,285	133,523	939,422	1,015,076	1,104,164
Other Cash Flows/Payments by Type		,		,	*		,	,	ŕ	*	,	,		,		
Capital assets		1,940	348	5,715	4,872	8,562	3,435	2,179	7,875	-	-	_	(34,926)	_	-	-
Other Cash Flows/Payments		(11,882)	(13,239)	(9,334)	1,092	(3,592)	(13,091)	(434)	(10,410)	_	_	_	60,891	_	_	_
Total Cash Payments by Type		71,834	79,267	78,003	65,209	73,813	50,799	68,910	57,245	78,285	78,285	78,285	159,488	939,422	1,015,076	1,104,164
NET INCREASE/(DECREASE) IN CASH HELD		53,516	(9,435)	(24,961)	5,950	(24,816)	28,875	(14,022)	(16,551)	14,333	1,018	1,018	93,404	108,329	52,691	35,236
Cash/cash equivalents at the month/year beginning:		187,235	240,752	231,317	206,356	212,307	187,490	216,365	202,344	185,793	200,126	201,143	202,161	187,235	295,565	348,255
Cash/cash equivalents at the month/year end:		240,752	231,317	206,356	212,307	187,490	216,365	202,344	185,793	200,126	201,143	202,161	295,565	295,565	348,255	383,491

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WC022 - M08 - MONTHLY SEC 17 1 REPORT - FEBRUARY 2025

WC022 Witzenberg - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget -

		2023/24				E	Budget Year 202	24/25		
Description	Ref	Audited	Original	Adjusted	Monthly	YearTD Actual	YearTD	YTD	YTD	Full Year
		Outcome	Budget	Budget	Actual	Teal ID Actual	Budget	Variance	Variance	Forecast
R thousands	1								%	
Revenue										
Exchange Revenue										

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WC022 - M08 - MONTHLY SEC 43171 REPORT - FEBRUARY 2025

WC022 Witzenberg - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget -

		2023/24				Budget Year 20	24/25			
Description	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
R thousands									%	
Revenue By Municipal Entity										
nsert name of municipal entity		-	-	-	-	-	-	_		
		-	-	-	-	-	-	-		
		-	-	-	-	-	-	-		
		-	-	-	-	-	-	-		
		-	-	-	-	-	-	-		
		-	-	-	-	-	-	-		
		-	-	-	-	-	-	-		
		-	-	-	-	-	-	-		
		-	-	-	-	-	-	_		
Fatal Oneration Davenue	1	-	-	-	-	-	-	-		
Total Operating Revenue		-	-	-	-	-	-	-		
Expenditure By Municipal Entity										
nsert name of municipal entity		_	_	_	_	_	_	_		
nsert name of municipal entity		_	_	_	_	_	_	_		
		_	_	_	_	_	_	_		
		_	_	_	_	_	_	_		
		_	_	_	_	_	_	_		
		_	_	_	_	_	_	_		
		_	_	_	_	_	_	_		
		_	_	_	_	_	_	_		
		_	_	_	_	_	_	_		
		_	-	-	_	_	_	_		
Total Operating Expenditure	2	-	ı	-	-	-	-	-		
Surplus/ (Deficit) for the yr/period		-	-	-	-	-	-	-		
Capital Expenditure By Municipal Entity										
nsert name of municipal entity		-	-	-	-	-	-	-		
		-	-	-	-	-	-	-		
		-	-	-	-	-	-	-		
		-	-	-	-	-	-	_		
		_	-	-	-	-	-	-		
		_	-	-	-	-	-	_		
		_	-	-	-	-	-	_		
		_	-	-	_	-	-	_		
		-	-	-	-	-	-	_		
Total Capital Expenditure	3	-	-	-		-		_		

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WC022 - M08 - MONTHLY SEC 12 REPORT - FEBRUARY 2025

WC022 Witzenberg - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend -

	2023/24		-		Budget Year 2	024/25			
Month	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	% spend of Original Budget
R thousands								%	
Monthly expenditure performance trend									
July	216	3,004	3,423	742	742	3,423	2,680	78.3%	1%
August	5,739	3,004	3,423	346	1,088	6,845	5,757	84.1%	1%
September	4,059	15,284	9,409	5,004	6,092	16,254	10,162	62.5%	7%
October	5,014	3,004	3,423	5,140	11,233	19,677	8,444	42.9%	13%
November	7,537	3,004	3,423	7,521	18,754	23,099	4,346	18.8%	22%
December	6,153	15,384	9,409	2,984	21,737	32,508	10,771	33.1%	25%
January	1,226	3,004	3,423	1,853	23,590	35,931	12,341	34.3%	28%
February	4,783	3,004	3,423	6,926	30,516	39,354	8,837	22.5%	36%
March	6,810	15,284	9,409	-	30,516	48,763	18,246	37.4%	36%
April	4,180	3,004	3,423	_	30,516	52,185	21,669	41.5%	36%
May	14,828	3,004	3,423	_	30,516	55,608	25,091	45.1%	36%
June	26,064	15,384	29,641	-	30,516	85,249	54,732	64.2%	36%
Total Capital expenditure	86,610	85,365	85,249	30,516					

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WC022 Witzenberg - Supporting Table SC13a Mo	nthly	Budget State	ement - capit	ai expenditu	re on new as	sets by asset Budget Year 2				
Description	Ref	Audited	Original	Adjusted	Monthly		YearTD	YTD	YTD	Full Year
-		Outcome	Budget	Budget	Actual	YearTD Actual	Budget	Variance	Variance	Forecast
R thousands	1								%	
Capital expenditure on new assets by Asset Class/Sub-class										
<u>Infrastructure</u>		21,321	22,898	23,405	4,428	11,199	11,392	(193)	-1.7%	23,405
Roads Infrastructure		-	1,532	200	-	-	133	(133)	-100.0%	200
Roads		-	1,332	-	_	-	-	-		-
Road Structures		-	200	200	-	-	133	(133)	-100.0%	200
Storm water Infrastructure Electrical Infrastructure		1,037	_			_	-	-		
MV Networks		1,037	_	_	_	_	_	_		_
Water Supply Infrastructure		10,095	21,265	21,789	4,428	10,560	10,782	(222)	-2.1%	21,789
Dams and Weirs		2,857	-	-	-	-	-	-		_
Boreholes		_	-	223	-	-	149	(149)	-100.0%	223
Reservoirs Bulk Mains		4,991	24 265	- 01 FGF	4 429	10.560	10 633	(73)	0.70/	21,565
Sanitation Infrastructure		2,246 837	21,265	21,565 862	4,428	10,560 162	10,633 108	(73) 54	-0.7% 50.0%	862
Reticulation		-	-	700	_	-	-	-	30.0 /6	700
Toilet Facilities		837	-	162	-	162	108	54	50.0%	162
Solid Waste Infrastructure		9,352	100	554	-	478	369	109	29.5%	554
Landfill Sites		4,301	_	201	-	201	134	67	50.0%	201
Waste Drop-off Points		1,685	100	353	-	277	235	42	17.8%	353
Waste Separation Facilities Rail Infrastructure		3,366	-	-	-	-	_	-		- 1
Coastal Infrastructure		_	_	_	_	_	_	_		_
Information and Communication Infrastructure		_	_	_	_	_	-	-		-
Community Assets		58	1,000	1,000	ı	496	667	(170)	-25.5%	1,000
Community Facilities		58	1,000	1,000	-	496 496	667	(170)	-25.5%	1,000 1,000
Libraries Sport and Recreation Facilities		58 -	1,000	1,000	-	490	667	(170)	-25.5%	1,000
Heritage assets		_	_	_	_	_	_	_		-
Investment properties		-	_	-	-	-	-	-		1
Revenue Generating		-	_	_	-	-	-	-		_
Non-revenue Generating Other assets		- 748	_	2,720		-	-	-		2,720
Operational Buildings		616		2,720		_		_		2,720
Municipal Offices		_	_	2,720	_	-	_	-		2,720
Training Centres		616	-	-	-	-	-	-		_
Housing		132	-	-	-	-	-	-		-
Social Housing		132	-	-	-	-	-	-		-
Biological or Cultivated Assets		_	_	_	_	_	_	_		_
<u> </u>										
Intangible Assets		331	80	363	ı	-	242	(242)	-100.0%	363
Licences and Rights		331	80	363	-	-	242	(242)	-100.0%	363
Computer Software and Applications		331	80	363	-	-	242	(242)	-100.0%	363
Computer Equipment		932	350	410	18	232	273	(41)	-15.0%	410
Computer Equipment		932	350	410	18	232	273	(41)	-15.0%	410
Tree to								(,	. 5.0 /0	
Furniture and Office Equipment		701	516	573	16	322	311	12	3.7%	573
Furniture and Office Equipment		701	516	573	16	322	311	12	3.7%	573
Machinery and Equipment		6,097	950	1,099	118	561	666	(105)	15 70/	1,099
Machinery and Equipment Machinery and Equipment		6,097	950	1,099	118	561	666	(105)	-15.7% -15.7%	1,099
		0,001		.,000	.10			(.50)	10.1 /0	.,000
Transport Assets		12,395	1,000	3,270	-	47	287	(240)	-83.6%	3,270
Transport Assets		12,395	1,000	3,270	-	47	287	(240)	-83.6%	3,270
Land										
<u>Land</u>		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Living resources		_	_	_	_	_	_	_		_
Mature		_	_		_		_	_		_
Immature		-	_	_	_	-	_	_		-
Total Capital Expenditure on new assets	1	42,583	26,794	32,839	4,581	12,859	13,838	979	7.1%	32,839

Prepared by : **SAMRAS** Date : 12**632**25 15:28



WC022 - M08 - MONTHLY SEC 17 REPORT - FEBRUARY 2025

WC022 Witzenberg - Supporting Table SC13b Mor	thly Bu	dget Stateme	ent - capital e	xpenditure (on renewal			et class -		
		2023/24				Budget Year 20	24/25			
Description	Ref	Audited	Original	Adjusted	Monthly	v	YearTD	YTD	YTD	Full Year
		Outcome	Budget	Budget	Actual	YearTD Actual	Budget	Variance	Variance	Forecast
R thousands	1								%	
Capital expenditure on renewal of existing assets by Asset Cla	iss/Sub-c	lass_								
Information at the second		45.000	0.500	46 400	204	0.045	0.400	500	E 00/	40 400
Infrastructure Roads Infrastructure		15,836 13,473	8,500 5,000	16,483 9,454	381 381	9,645 8,895	9,136 6,303	509 2,592	5.6%	16,483 9,454
Roads Illiastructure Roads		13,473	5,000	9,454	381	8,895	6,303	2,592	41.1% 41.1%	9,454
Storm water Infrastructure		13,473	5,000	2.778	J01	0,093	0,303	2,392	41.1%	2,778
Storm water Conveyance		_	-	2,778	_	_		_		2,778
Electrical Infrastructure		1,000	500	500	_	_	333	(333)	-100.0%	500
MV Networks		1,000	500	500	_	_	333	(333)		500
Water Supply Infrastructure		1,000	750	750	_	_	500	(500)		750
Distribution		100	750	750	_	_	500	(500)		750
Sanitation Infrastructure		1,262	2,250	3,000	-	750	2,000	(1,250)		3,000
Reticulation		1,262	1,000	1,000	_	750	667	(667)	-62.5% -100.0%	1,000
Waste Water Treatment Works		1,202	1,250	2,000	_	750	1,334	(583)		2,000
Solid Waste Infrastructure		_	1,230	2,000	_	730	1,334	(303)	-43.1%	2,000
Rail Infrastructure		_	_	-	_	_	_	_		_
Coastal Infrastructure		_	-	-	_	_	_	_		_
Information and Communication Infrastructure		_	_	_	_	_	_	_		_
		_	-	-	-	-	_	_		-
Community Assets	-	_ 1	450	450	22	78	300	(222)	-74.1%	450
Community Facilities		_ 1	-	-		-	_	-	1-1170	
Sport and Recreation Facilities		_	450	450	22	78	300	(222)	-74.1%	450
Outdoor Facilities		_	450	450	22		300	(222)	-74.1%	450
Heritage assets		_	-	-	_	-	-	(===/	74.170	-
								-		
Investment properties		-	-	-	_	-	_	-		_
Revenue Generating		-	-	_	_	-	_	-		_
Non-revenue Generating		_	_	-	_	_	_	-		_
Other assets		-	-	-	_	_	_	-		_
Operational Buildings		_	_	_	_	_	_	-		_
Housing		_	-	-	_	-	_	_		_
-										
Biological or Cultivated Assets		-	-	-	-	-	-	-		-
Intangible Assets		-	-	-	_	-	-	-		-
Licences and Rights		-	-	-	-	-	-	-		-
Computer Equipment		-	-	-	-	-	-	-		-
Furniture and Office Equipment		-	-	-		-	-	-		-
Machinery and Equipment		-	-	-	_	-	-	-		-
<u>Transport Assets</u>			-	-	_	-	-	-		_
<u>Land</u>		-	-	-	-	-	-	-	-	
Zania Marina and Nan historical Assistant										
Zoo's, Marine and Non-biological Animals		-	-	-	-	-		-		
Listen managemen										
Living resources		-	-	-	-	-	-	_		_
Mature		-	-	-	-	-	-	_		-
Immature	4	45.000	-	40.000	-	0.722	0.426	- (206)	0.007	40.000
Total Capital Expenditure on renewal of existing assets	1	15,836	8,950	16,933	403	9,723	9,436	(286)	-3.0%	16,933

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WC022 Witzenberg - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class -

WC022 Witzenberg - Supporting Table SC13c Mo		2023/24				Budget Year 20				
Description	Ref	Audited	Original	Adjusted	Monthly	YearTD Actual	YearTD	YTD	YTD	Full Year
R thousands	1	Outcome	Budget	Budget	Actual	Tour 15 7 totaur	Budget	Variance	Variance %	Forecast
Repairs and maintenance expenditure by Asset Class/Sub-c	lass								/0	
Infrastructure		18,827	25,463	16,789	1,406	8,561	10,951	(2,390)	-21.8%	16,789
Roads Infrastructure Roads		7,971 6,817	13,159 11,976	6,948 5,799	378 378	2,610 1,978	4,487 3,721	(1,878) (1,744)	-41.8%	6,948 5,799
Road Furniture		1,154	1,183	1,149	-	632	766	(1,744)	-46.9% -17.5%	1,149
Storm water Infrastructure		322	1,535	238	_	14	130	(116)	-89.5%	238
Storm water Conveyance		322	1,535	238	-	14	130	(116)	-89.5%	238
Electrical Infrastructure		1,564	2,358	2,276	-	776	1,517	(742)	-48.9%	2,276
HV Substations		-	15	, -	-	_	, -	\ _ '		´ -
MV Substations		770	1,028	995	-	93	664	(571)	-86.0%	995
MV Switching Stations		-	0	-	-	-	-	- 1		-
MV Networks		395	723	711	-	148	474	(326)	-68.7%	711
LV Networks		399	592	570	-	534	380	155	40.7%	570
Water Supply Infrastructure		2,648	2,860	2,720	696	2,260	1,813	447	24.6%	2,720
Dams and Weirs		1,308	1,286	1,745	429	1,722	1,163	558	48.0%	1,745
Boreholes		380	398	298	56	56	198	(142)	-71.7%	298
Pump Stations		56	59	59	22	40	39	1	1.6%	59
Water Treatment Works		307	118	118	48	118	79 67	39	50.0%	118
Bulk Mains Distribution		363 111	520 350	100 400	43 98	99 225	67 267	33 (42)	48.9% -15.7%	100 400
Distribution Distribution Points		124	130	400	98	223	207	(42)	-13.1%	400
Sanitation Infrastructure		6,322	5,551	4,607	332	2,902	3,003	(101)	-3.4%	4,607
Reticulation		2,857	2,960	2,571	148	1,814	1,646	168	10.2%	2,571
Waste Water Treatment Works		3,368	2,464	1,909	183	1,031	1,272	(241)	-18.9%	1,909
Toilet Facilities		97	127	127	2	56	85	(28)	-33.5%	127
Solid Waste Infrastructure		-	-	-	-	-	-	- '		-
Rail Infrastructure		-	-	-	-	-	-	-		-
Coastal Infrastructure		-	-	-	-	-	_	-		_
Information and Communication Infrastructure		-	-	-	-	-	-	-		-
0		000	4 400	004	40	254	656	(205)	40.50/	004
Community Assets Community Facilities		600 449	1,103 680	984 687	19	351 272	458	(305) (186)	-46.5% -40.6%	984 687
Halls		137	200	180	6	80	120	(40)	-33.7%	180
Crèches		106	151	151	_	51	100	(49)	-49.1%	151
Libraries		25	31	31	_	3	21	(18)	-86.3%	31
Cemeteries/Crematoria		106	185	158	2	109	106	3	2.9%	158
Public Ablution Facilities		_	32	32	_	-	22	(22)	-100.0%	32
Markets		74	81	135	11	30	90	(60)	-66.6%	135
Sport and Recreation Facilities		151	423	297	-	79	198	(119)	-60.0%	297
Indoor Facilities		75	155	79	-	77	53	24	45.9%	79
Outdoor Facilities		77	268	218	-	2	145	(143)	-98.5%	218
Heritage assets		-	-	-		-	-	-		_
Investment properties		_	_	_	_	_	_	_		_
Revenue Generating			_					_		_
Non-revenue Generating		_	_	_	_	_	_	_		_
Other assets		708	821	793	50	337	528	(191)	-36.2%	793
Operational Buildings		335	559	531	30	158	354	(196)	-55.4%	531
Municipal Offices		335	559	531	30	158	354	(196)	-55.4%	531
Housing		373	262	262	20	180	175	5	2.8%	262
Social Housing		373	262	262	20	180	175	5	2.8%	262
L										
Biological or Cultivated Assets		_	-	-	-	-	-	-		-
Interwible Access										
Intangible Assets Licenses and Pights		-	<u>-</u>	-	<u>-</u>	-		_		-
Licences and Rights		-	-	-	-	-	_	_		_
Computer Equipment	\vdash	122	182	172	(1)	72	115	(42)	-36.9%	172
Computer Equipment		122	182	172	(1)		115	(42)	-36.9%	172
			.02	2	(1)	, =	. 10	(.2)	00.070	,,,_
Furniture and Office Equipment		1	61	35	2	3	23	(20)	-87.1%	35
Furniture and Office Equipment		1	61	35	2	3	23	(20)	-87.1%	35
· ·								`		
Machinery and Equipment		163	314	314	7	32	210	(178)	-84.9%	314
Machinery and Equipment		163	314	314	7	32	210	(178)	-84.9%	314
L		_	_	_					_	
Transport Assets		2,912	3,439	3,834	175	1,741	2,556	(815)	-31.9%	3,834
Transport Assets		2,912	3,439	3,834	175	1,741	2,556	(815)	-31.9%	3,834
l and										
Land		-	-	-		-		_		_
Zoo's, Marine and Non-biological Animals		_	_	_	_	_	_	_		_
200 o, marino ana real-biological Amiliais		_	-	-		-	<u>-</u>	_		-
Living resources		_	_	_	_	_	_	_		_
Mature		_	_	_	_	_	_	_		_
Immature		-	-	-	-	_	_	_		_
Total Repairs and Maintenance Expenditure	1	23,334	31,384	22,922	1,657	11,098	15,039	3,941	26.2%	22,922

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R thousands Depreciation by Asset Class/Sub-class Infrastructure Roads Infrastructure Roads Road Furniture Storm water Infrastructure Drainage Collection Storm water Conveyance Attenuation Electrical Infrastructure HV Substations HV Switching Station HV Transmission Conductors MV Switching Stations MV Networks LV Networks LV Networks LV Networks Capital Spares Water Supply Infrastructure Dams and Weirs Boreholes Reservoirs Pump Stations Water Treatment Works Bulk Mains Distribution	Ref	23,499 6,188 6,188 - 2,432 2,432 - 3,813 3,357 457 - 6,066	38,394 4,758 558 2,100 2,100 2,091 507 1,077 507 3,912 474 474 474 474 474 474 474 474 474 47	38,394 4,758 558 2,100 2,100 2,091 507 1,077 507 3,912 474 474 474 474 474 474 591	Monthly Actual	YearTD Actual	25,596 3,172 372 1,400 1,400 1,394 338 718 338 2,608 316 316	(25,596) (3,172) (372) (1,400) (1,400) (1,394) (338) (718) (338) (2,608) (316)	-100.0% -100.0% -100.0% -100.0% -100.0% -100.0% -100.0% -100.0% -100.0% -100.0%	38,394 4,756 558 2,100 2,100 2,09 5007 1,077 500 3,912
Infrastructure Roads Infrastructure Roads Road Structures Road Structures Road Furniture Storm water Infrastructure Drainage Collection Storm water Conveyance Attenuation Electrical Infrastructure HV Substations HV Switching Station HV Transmission Conductors MV Substations MV Switching Stations MV Networks LV Networks LV Networks Capital Spares Water Supply Infrastructure Dams and Weirs Boreholes Reservoirs Pump Stations Water Treatment Works Bulk Mains	1	23,499 6,188 6,188 2,432 2,432 - 3,813 3,357 457	38,394 4,758 558 2,100 2,100 2,091 507 1,077 507 3,912 474 474 474 474 474 474 474 474	38,394 4,758 558 2,100 2,100 2,091 507 1,077 507 3,912 474 474 474 474	-	-	25,596 3,172 372 1,400 1,400 1,394 338 718 338 2,608 316	(25,596) (3,172) (372) (1,400) (1,400) (1,394) (338) (718) (338) (2,608) (316)	% -100.0% -100.0% -100.0% -100.0% -100.0% -100.0% -100.0% -100.0% -100.0% -100.0%	38,39 4,75; 55; 2,10; 2,10; 2,09 50; 1,07; 50;
Roads Infrastructure Roads Road Structures Road Curniture Storm water Infrastructure Drainage Collection Storm water Conveyance Attenuation Electrical Infrastructure HV Substations HV Switching Station HV Transmission Conductors MV Substations MV Switching Stations MV Networks LV Networks LV Networks Capital Spares Water Supply Infrastructure Dams and Weirs Boreholes Reservoirs Pump Stations Water Treatment Works Bulk Mains		6,188 6,188 - - 2,432 2,432 - - 3,813 - - - - 3,357 457	4,758 558 2,100 2,100 2,091 507 1,077 507 3,912 474 474 474 474 474 474 474 474	4,758 558 2,100 2,100 2,091 507 1,077 507 3,912 474 474 474 474 474	-	-	3,172 372 1,400 1,400 1,394 338 718 338 2,608	(3,172) (372) (1,400) (1,400) (1,394) (338) (718) (338) (2,608) (316)	-100.0% -100.0% -100.0% -100.0% -100.0% -100.0% -100.0% -100.0%	4,75 55 2,10 2,10 2,09 50 1,07
Roads Infrastructure Roads Road Structures Road Furniture Storm water Infrastructure Drainage Collection Storm water Conveyance Attenuation Electrical Infrastructure HV Substations HV Transmission Conductors MV Substations MV Switching Stations MV Switching Stations MV Networks LV Networks LV Networks Capital Spares Water Supply Infrastructure Dams and Weirs Boreholes Reservoirs Pump Stations Water Treatment Works Bulk Mains		6,188 6,188 - - 2,432 2,432 - - 3,813 - - - - 3,357 457	4,758 558 2,100 2,100 2,091 507 1,077 507 3,912 474 474 474 474 474 474 474 474	4,758 558 2,100 2,100 2,091 507 1,077 507 3,912 474 474 474 474 474	-	-	3,172 372 1,400 1,400 1,394 338 718 338 2,608	(3,172) (372) (1,400) (1,400) (1,394) (338) (718) (338) (2,608) (316)	-100.0% -100.0% -100.0% -100.0% -100.0% -100.0% -100.0% -100.0%	4,75: 55: 2,10: 2,10: 2,09 50: 1,07: 50:
Roads Infrastructure Roads Road Structures Road Furniture Storm water Infrastructure Drainage Collection Storm water Conveyance Attenuation Electrical Infrastructure HV Substations HV Transmission Conductors MV Substations MV Switching Stations MV Switching Stations MV Networks LV Networks LV Networks Capital Spares Water Supply Infrastructure Dams and Weirs Boreholes Reservoirs Pump Stations Water Treatment Works Bulk Mains		6,188 6,188 - - 2,432 2,432 - - 3,813 - - - - 3,357 457	4,758 558 2,100 2,100 2,091 507 1,077 507 3,912 474 474 474 474 474 474 474 474	4,758 558 2,100 2,100 2,091 507 1,077 507 3,912 474 474 474 474 474	-	-	3,172 372 1,400 1,400 1,394 338 718 338 2,608	(3,172) (372) (1,400) (1,400) (1,394) (338) (718) (338) (2,608) (316)	-100.0% -100.0% -100.0% -100.0% -100.0% -100.0% -100.0% -100.0%	4,758 558 2,100 2,100 2,09 500 1,070 500
Roads Road Structures Road Furniture Storm water Infrastructure Drainage Collection Storm water Conveyance Attenuation Electrical Infrastructure HV Substations HV Switching Station HV Transmission Conductors MV Substations 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		6,188 - - 2,432 2,432 - 3,813 - - - 3,357 457	558 2,100 2,100 2,091 507 1,077 507 3,912 474 474 474 474 474 474 474 474	558 2,100 2,100 2,091 507 1,077 507 3,912 474 474 474 474	-	-	372 1,400 1,400 1,394 338 718 338 2,608 316	(372) (1,400) (1,400) (1,394) (338) (718) (338) (2,608) (316)	-100.0% -100.0% -100.0% -100.0% -100.0% -100.0% -100.0%	558 2,100 2,100 2,09 500 1,070 500
Road Structures Road Furniture Storm water Infrastructure Drainage Collection Storm water Conveyance Attenuation Electrical Infrastructure HV Substations HV Switching Station HV Transmission Conductors MV Substations MV Switching Stations MV Networks LV Networks LV Networks Capital Spares Water Supply Infrastructure Dams and Weirs Boreholes Reservoirs Pump Stations Water Treatment Works Bulk Mains		2,432 2,432 2,432 - 3,813 - - - - - 3,357 457	2,100 2,100 2,091 507 1,077 507 3,912 474 474 474 474 474 591 474	2,100 2,100 2,091 507 1,077 507 3,912 474 474 474 474	-	-	1,400 1,400 1,394 338 718 338 2,608 316	(1,400) (1,400) (1,394) (338) (718) (338) (2,608) (316)	-100.0% -100.0% -100.0% -100.0% -100.0% -100.0%	2,100 2,100 2,09 507 1,077 507
Road Furniture Storm water Infrastructure Drainage Collection Storm water Conveyance Attenuation Electrical Infrastructure HV Substations HV Switching Station HV Transmission Conductors MV Substations MV Switching Stations MV Networks LV Networks LV Networks Capital Spares Water Supply Infrastructure Dams and Weirs Boreholes Reservoirs Pump Stations Water Treatment Works Bulk Mains		2,432 - - 3,813 - - - - - - 3,357 457	2,100 2,091 507 1,077 507 3,912 474 474 474 474 474 474 474 591 474	2,100 2,091 507 1,077 507 3,912 474 474 474 474	- - - - -	- - - - -	1,400 1,394 338 718 338 2,608 316	(1,400) (1,394) (338) (718) (338) (2,608) (316)	-100.0% -100.0% -100.0% -100.0% -100.0%	2,100 2,09 507 1,077 507
Drainage Collection Storm water Conveyance Attenuation Electrical Infrastructure HV Substations HV Switching Station HV Transmission Conductors MV Switching Stations MV Switching Stations MV Networks LV Networks LV Networks Capital Spares Water Supply Infrastructure Dams and Weirs Boreholes Reservoirs Pump Stations Water Treatment Works Bulk Mains		2,432 - - 3,813 - - - - - - 3,357 457	507 1,077 507 3,912 474 474 474 474 474 591	507 1,077 507 3,912 474 474 474 474 474	- - - - -	- - - - -	338 718 338 2,608 316	(338) (718) (338) (2,608) (316)	-100.0% -100.0% -100.0% -100.0%	507 1,077 507
Storm water Conveyance Attenuation Electrical Infrastructure 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		3,813 - - - - - - 3,357 457	1,077 507 3,912 474 474 474 474 474 591	1,077 507 3,912 474 474 474 474 474	- - - - -	- - - -	718 338 2,608 316	(718) (338) (2,608) (316)	-100.0% -100.0% -100.0%	1,077 507
Attenuation Electrical Infrastructure HV Substations HV Switching Station HV Transmission Conductors MV Substations MV Switching Stations MV Networks LV Networks LV Networks Capital Spares Water Supply Infrastructure Dams and Weirs Boreholes Reservoirs Pump Stations Water Treatment Works Bulk Mains		- - - - - 3,357 457	507 3,912 474 474 474 474 474 591 474	507 3,912 474 474 474 474 474	- - - - -	- - - -	338 2,608 316	(338) (2,608) (316)	-100.0% -100.0%	507
Electrical Infrastructure 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		- - - - - 3,357 457	3,912 474 474 474 474 474 591 474	3,912 474 474 474 474 474	- - - -	- - -	2,608 316	(2,608) (316)	-100.0%	
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		- - - - - 3,357 457	474 474 474 474 474 591 474	474 474 474 474 474	- - -	-	316	(316)		3.91
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		- - 3,357 457	474 474 474 474 591 474	474 474 474 474	- -	-				
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		- - 3,357 457 -	474 474 474 591 474	474 474 474	-		316		-100.0%	47
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		- 3,357 457 -	474 474 591 474	474 474				(316)	-100.0%	47
MV Switching Stations MV Networks LV Networks Capital Spares Water Supply Infrastructure Dams and Weirs Boreholes Reservoirs Pump Stations Water Treatment Works Bulk Mains		3,357 457 –	474 591 474	474		-	316 316	(316) (316)	-100.0%	47 47
MV Networks LV Networks Capital Spares Water Supply Infrastructure Dams and Weirs Boreholes Reservoirs Pump Stations Water Treatment Works Bulk Mains		457 -	591 474		_	_	316	(316)	-100.0% -100.0%	47-
LV Networks Capital Spares Water Supply Infrastructure Dams and Weirs Boreholes Reservoirs Pump Stations Water Treatment Works Bulk Mains		457 -	474		_		394	(394)	-100.0%	59
Capital Spares Water Supply Infrastructure Dams and Weirs Boreholes Reservoirs Pump Stations Water Treatment Works Bulk Mains		-		474	_	_	316	(316)	-100.0%	47
Water Supply Infrastructure Dams and Weirs Boreholes Reservoirs Pump Stations Water Treatment Works Bulk Mains		6,066	4/4	474	_	_	316	(316)	-100.0%	47
Dams and Weirs Boreholes Reservoirs Pump Stations Water Treatment Works Bulk Mains		5,000	5,434	5,434	_	_	3,623	(3,623)	-100.0%	5,43
Boreholes Reservoirs Pump Stations Water Treatment Works Bulk Mains			407	407	_	_	271	(271)	-100.0%	40
Reservoirs Pump Stations Water Treatment Works Bulk Mains		68	407	407	_	_	271	(271)	-100.0%	40
Pump Stations Water Treatment Works Bulk Mains		873	407	407	_	_	271	(271)	-100.0%	40
Water Treatment Works Bulk Mains		439	407	407	-	_	271	(271)	-100.0%	40
Bulk Mains	1 1	_	407	407	_	_	271	(271)	-100.0%	40
Distribution		-	100	100	_	-	67	(67)	-100.0%	10
		4,686	1,100	1,100	-	-	733	(733)	-100.0%	1,10
Distribution Points		-	1,100	1,100	-	-	733	(733)	-100.0%	1,10
PRV Stations		-	1,100	1,100	-	-	733	(733)	-100.0%	1,10
Sanitation Infrastructure		4,512	5,559	5,559	-	-	3,706	(3,706)	-100.0%	5,55
Pump Station		137	100	100	-	-	67	(67)	-100.0%	10
Reticulation		137	1,200	1,200	-	-	800	(800)	-100.0%	1,20
Waste Water Treatment Works		4,130	1,200	1,200	-	-	800	(800)	-100.0%	1,20
Outfall Sewers		-	1,200	1,200	-	-	800	(800)	-100.0%	1,20
Toilet Facilities		_	1,859	1,859	-	-	1,239	(1,239)	-100.0%	1,85
Capital Spares		108	-	-	-	-	-	- (44.000)		-
Solid Waste Infrastructure		334	16,640	16,640	-	-	11,093	(11,093)	-100.0%	16,640
Landfill Sites		302	15,000	15,000	-	-	10,000	(10,000)	-100.0%	15,000
Waste Transfer Stations		-	328	328	-	-	219	(219)	-100.0%	328
Waste Processing Facilities		-	328	328	-	-	219	(219)	-100.0%	328
Waste Drop-off Points		31	328 328	328	-	-	219	(219)	-100.0%	328 328
Waste Separation Facilities Electricity Generation Facilities		-	328	328 328	-	-	219 219	(219) (219)	-100.0%	32
Rail Infrastructure		-	520	J20 _	_	-	219	(219)	-100.0%	32
Coastal Infrastructure			_	_	_	_	_	_		_
Information and Communication Infrastructure		153	_	_	_	_	_	_		
Data Centres		153	-	-	_	_	_	_		_
Community Assets		2,940	3,527	3,527	-	-	2,351	(2,351)		3,52
Community Facilities		1,014	2,079	2,079	-	-	1,386	(1,386)	-100.0%	2,079
Halls Controls		200	1,422	1,422	-	-	948	(948)	-100.0%	1,42
Centres Fire/Ambulance Stations		299 12	_	-	_	-	_	_		_
Libraries		199	385	385	_	_	257	(257)	-100.0%	38
Cemeteries/Crematoria		5	13	13	_	_	8	(8)	-100.0%	1
Public Open Space		7	260	260	_	_	173	(173)	-100.0%	26
Public Ablution Facilities		408	_	_	_	_	-	(1.0)	100.070	_
Markets		83	_	_	_	_	_	_		-
Airports		1	_	_	_	_	_	_		_
Sport and Recreation Facilities		1,926	1,448	1,448	-	-	965	(965)	-100.0%	1,44
Outdoor Facilities		1,926	1,448	1,448	-	-	965	(965)	-100.0%	1,44
Heritage assets		´-	· –		-	-	-	`- ´		· -
nyootmont proportion		409	742	742			495	(495)	100.00/	74
nvestment properties Revenue Generating		409	371	371	<u>-</u>	-	247	(247)	-100.0% -100.0%	37
Improved Property		_	185	185	_	_	124	(124)		18
Unimproved Property		_	185	185	_	_	124	(124)		18
Non-revenue Generating		409	371	371	-	-	247	(247)	-100.0%	37
Improved Property		409	185	185	-	-	124	(124)	-100.0%	18
Unimproved Property		_	185	185	_	_	124	(124)		18
Other assets		1,653	_	_	-	-	-	′		_
Operational Buildings		1,653	-	-	-	-	-	-		_
Municipal Offices		1,604	-	-	-	-	-	-		-
Workshops		49	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Rinlogical or Cultivated Assets							_			
Biological or Cultivated Assets		-	-	-	_	_		_		

Prepared by : **SAMRAS** Date : 12**632**5 15:28



WC022 - M08 - MONTHLY SEC **637**71 REPORT - FEBRUARY 2025

		2023/24				Budget Year 2	024/25			
Description	Ref	Audited	Original	Adjusted	Monthly	YearTD Actual	YearTD	YTD	YTD	Full Year
		Outcome	Budget	Budget	Actual	Teal ID Actual	Budget	Variance	Variance	Forecast
R thousands	1								%	
Intangible Assets		12	128	128	(21)	-	85	(85)	-100.0%	128
Licences and Rights		12	128	128	(21)	-	85	(85)	-100.0%	128
Water Rights		-	17	17	-	-	11	(11)	-100.0%	17
Computer Software and Applications		12	111	111	(21)	-	74	(74)	-100.0%	111
Computer Equipment		669	2,373	2,373	1	-	1,582	(1,582)		2,373
Computer Equipment		669	2,373	2,373	-	-	1,582	(1,582)	-100.0%	2,373
Furniture and Office Equipment		834	630	630	-	_	420	(420)	-100.0%	630
Furniture and Office Equipment		834	630	630	1	-	420	(420)	-100.0%	630
Machinery and Equipment		2,221	1,505	1,505	_	_	1,003	(1,003)	-100.0%	1,505
Machinery and Equipment		2,221	1,505	1,505	_	_	1,003	(1,003)		1,505
madilinary and Equipment		2,221	1,000	1,000			1,000	(1,000)	100.070	1,000
Transport Assets		2,005	6,921	6,921	-	_	4,614	(4,614)		6,921
Transport Assets		2,005	6,921	6,921	1	-	4,614	(4,614)	-100.0%	6,921
<u>Land</u>		_	_	_	_	_	_	_		_
Zoo's, Marine and Non-biological Animals		_	ı	1	1	_	_	_		_
Living resources		-	_	_	_	_	_	-		_
Mature		-	_	_	-	-	_	-		_
Immature		_	_	_	ı	-	_	_		-
Total Depreciation	1	34,241	54,219	54,219	(21)	-	36,146	36,146	100.0%	54,219

Prepared by : **SAMRAS** Date : 12.632025 15:28



WC022 Witzenberg - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class -

.		2023/24				Budget Year 20				
Description	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
R thousands Capital expenditure on upgrading of existing assets by As	1	o/Sub alasa							%	
Capital experiorure on upgrauling of existing assets by Ass	et Clas	SS/Sub-class								
Infrastructure		24,326	48,721	33,757	1,572	7,545	15,266	(7,721)	-50.6%	33,757
Roads Infrastructure		18,633	585	572	-	-	323	(323)	-100.0%	572
Roads		_	100	87	_	_	_	_		87
Road Structures		18,633	485	485	_	_	323	(323)	-100.0%	485
Storm water Infrastructure		-	450	450	_	-	300	(300)	-100.0%	450
Storm water Conveyance		-	450	450	_	_	300	(300)	-100.0%	450
Electrical Infrastructure		5,693	30,702	15,859	191	1,838	3,806	(1,968)	-51.7%	15,859
HV Substations		1,373	25,000	10,000	_	555	_	555	*****	10,000
MV Substations		1,500	500	920	_	679	613	66	10.7%	920
MV Networks		1,820	1,609	1,309	191	191	872	(681)	-78.1%	1,30
LV Networks		1,000	3,593	3,630	_	413	2,320	(1,907)	-82.2%	3,630
Water Supply Infrastructure			3,340	3,233	_	180	1,742	(1,562)	-89.7%	3,233
Water Treatment Works		_	500	500	-	-	333	(333)	-100.0%	500
Distribution		_	2,840	2,733	_	180	1,408	(1,228)	-87.2%	2,733
Sanitation Infrastructure		-	13,643	13,643	1,380	5,527	9,096	(3,569)	-39.2%	13,64
Waste Water Treatment Works		-	13,643	13,643	1,380	5,527	9,096	(3,569)	-39.2%	13,64
Solid Waste Infrastructure		-	_	_		_	_	- (-,)		_
Rail Infrastructure		_	_	_	_	_	_	_		_
Coastal Infrastructure		_	_	_	_	_	_	_		_
Information and Communication Infrastructure		_	_	_	_	_	_	_		_
Community Assets		3,865	100	500	_	_	_	-		500
Community Facilities		828	100	_	_	_	_	_		_
Cemeteries/Crematoria		-	100	_	_	_	_	_		_
Markets		828	_	_	_	_	_	_		_
Sport and Recreation Facilities		3,037	-	500	-	-	-	_		500
Outdoor Facilities		3,037	_	500	_	_	_	_		500
Heritage assets		-	-	_	-	-	-	_		_
								_		
Investment properties		-	_	_	_	-	_	-		_
Revenue Generating		-	-	-	_	-	_	_		_
Non-revenue Generating		- 1	-	_	_	-	_	_		_
Other assets		- 1	600	1,020	370	390	680	(290)	-42.7%	1,020
Operational Buildings		-	600	1,020	370	390	680	(290)	-42.7%	1,020
Municipal Offices		-	300	720	88	108	480	(372)	-77.6%	720
Workshops		-	300	300	282	282	200	82	41.0%	300
Housing		-	-	-	-	-	-	_		-
-										
Biological or Cultivated Assets		- 1	_	_	_	-	_	_		_
										
Intangible Assets		- 1	200	200	_	-	133	(133)	-100.0%	200
Licences and Rights		_	200	200	_	-	133	(133)	-100.0%	200
Computer Software and Applications		-	200	200	-	-	133	(133)	-100.0%	200
								, ,		
Computer Equipment		- 1	-	-	-	-	_	-		-
Furniture and Office Equipment		- 1	-	_	-	_	-	_		-
• •										
Machinery and Equipment		- 1	-	_	_	_	_	_		-
Transport Assets		- 1	-	_	-	_	-	_		-
				-			·			
<u>Land</u>		-	-	_	-	_	-	_		-
Zoo's, Marine and Non-biological Animals		_	-	-	-	-	-	-		
· 										
Living resources		-	-	-	-	_	-	_		-
Mature		-	-	-	-	-	-	_		-
Immature		-	-	-	-	-	-	-		-
Total Capital Expenditure on upgrading of existing assets	1	28,191	49,621	35,477	1,942	7,935	16,080	8,145	50.7%	35,47

Prepared by: SAMRAS Date: 12632825 15:28

3.2 SUPPLY CHAIN MANAGEMENT

3.2 VOORSIENINGSKANAAL BESTUUR

3.2.1 Demand and Acquisition

3.2.1 Aanvraag en Verkryging

3.2.1.1 Advertisement stage

3.2.1.1 Adverteringsfase

The following formal written price quotations are currently in the advertisement stage:

Die volgende formele geskrewe pryskwotasies is tans in die adverteringsfase nie.

BID NO	DESCRIPTION / BESKRYWING	CLOSING DATE / SLUITINGS DATUM
	none	

The following competitive bids are currently in the advertisement stage:

Die volgende mededingende tenders is tans in die adverteringsfase:

BID NO	DESCRIPTION / BESKRYWING	CLOSING DATE / SLUITINGS DATUM
08/2/22/55	Construction of Community Library, N'duli, Ceres	14-Mar-2025
08/2/22/62	Streets And Stormwater Maintenance In Witzenberg Municipal Area	28-Mar-2025
08/2/22/52	Road Markings In The Witzenberg Municipal Area	28-Mar-2025
08/2/22/43	Revenue Enhancement Services	14-Mar-2025
08/2/22/51	Supply And Delivery Of Polymer Concrete Manhole Covers And Frames, Ductile Iron Manhole Covers And Frames, Kerbing And Channeling, Concrete Slabs And Concrete Bollards, Concrete Bricks And Pavers And Clay Pavers	28-Mar-2025
08/2/22/09	Supply, Upgrade And Replacement Of Sewer Networks In The Witzenberg Area	14-Mar-2025
08/2/22/02	Maintenance Of Water Meters In The Witzenberg Area, Construction Of Meter Boxes (New And Repair Vandalised	27-Mar-2025

3.2.1.2 Evaluation stage:

3.2.1.2 Evaluering stadium:

The following competitive bids are currently in the evaluation stage:

Die volgende mededingende tenders is tans in die evalueringsfase:

BID NO	DESCRIPTION / BESKRYWING	CLOSING DATE SLUITINGS DATUM	DATE TECHNICAL REPORT RECEIVED	RESPONSIBLE MANAGER
08/2/21/09	Provision of services as an Implementing agent for specified human settlement projects in the Witzenberg Municipal area	03-Dec-2024	Awaiting	C Mackenzie
08/2/21/16	Supply and delivery of Electrical Equipment	03-Oct-2024	21-Nov-2024 BEC held, referred back to user department	M Grove / V Dyusha
08/2/22/16	Supply, delivery and off-loading of calcium hypochlorite and water purification Lime	15-Nov-2024	05-Dec-2024 Referred back	M Frieslaar N Jacobs
08/2/22/27	Hiring of double Axle combination vacuum and jetting truck and 12000 litre super sucker vacuum truck	15-Nov-2024	17-Dec-2024 Referred Back 05 February 2025	N Jacobs
08/2/21/82	Electrical and mechanical maintenance of water and sewer pump stations, treatment works and related infrastructure in Witzenberg area	24-Jan-2025	Awaiting	N Jacobs
08/2/22/40	Maintenance & Upgrading of Municipal Geographic Information System	24-Jan-2024	Awaiting	H Taljaard

The following formal written price quotations are currently in the evaluation stage:

Die volgende formele geskrewe pryskwotasie is tans in die evalueringsfase:

BID NO			DATE TECHNICAL REPORT RECEIVED	RESPONSIBLE MANAGER
08/2/22/11	Clearing of overgrown erven in the Witzenberg Municipal area	25-Sep-2024	27-Sep-2024	H Truter
08/2/22/54	Supply And Delivery Of Promotional Items	24-Jan-2025	Awaiting	P Klaasen
08/2/22/05	Facilitation of a Business Management Programme & Capacity Building for SMME's (Re-Advertisement)	29-Jan-2024	31-Jan-2025	R Fick

3.2.1.3 Adjudication stage

3.2.1.3 Toekenningsfase:

The following competitives bid are currently in the adjudication stage:

Die volgende mededingende tenders is tans in die toekenningsfase:

BID NO	DESCRIPTION / BESKRYWING		DATE OF BEC	DATE OF BAC
08/2/19/39	Supply and delivery of electricity metering and related equipment (Line 11 & 13)	18-Aug-2022	16-Mar-2023 19-Oct-2023	15-May-2023 Referred back
08/2/22/17	Invitation for Long Term Borrowings	09-Oct-2024	16-Jan-2025	-
08/2/22/29	Upgrade of Ceres 11KV switching substation	04-Dec-2024	27-Feb-2025	28-Feb-2025

3.2.1.4 Bids awarded

3.2.1.4 Tenders toegeken

The following bids were awarded by the Bid Adjudication Committee during the month of February 2025:

Die volgende tenders was toegeken deur die Tender Toekenningskomitee gedurende Februarie 2025:

Bid ref number	Date	Name of supplier	Brief description of services	Reason why award made	Estimated Value (incl. VAT)
08/2/21/89	07-Feb- 2025	AWV Project Management (Pty) Ltd	Supply and Delivery of Crushed Stone Aggregate and Sand	Bidder scored the highest total points	To the value not exceeding R10 000 000.00
08/2/21/51	07-Feb- 2025	Ply General Supplies (Pty) Ltd Ibex (Pty) Ltd	Clearing Of Alien Vegetation In Witzenberg Municipal Area	Bidder scored the highest total points	Based on tendered rates R 164 430.16
08/2/21/91	19-Feb- 2025	CK Rumboll and Partners - Planning	Review of Witzenberg Municipal Spatial Development Framework	Only responsive bidder	R 1 518 000.00
08/2/22/42	24-Feb- 2025	Realtime Trading and Projects	Energy Efficient Interventions in Witzenberg Municipal Area	Bidder scored the highest total points	R 3 401 667.03

The following bids were awarded by the Accounting Officer during the month of February 2025:

Die volgende tenders was toegeken deur die Rekenpligtige Beampte gedurende Februarie 2025:

Bid ref number	Date	Name of supplier	Brief description of services	Reason why award made	Estimated Value (incl. VAT)
			none		

3.2.1.5 Paragraph 13 (1): Cancellation and re-invitation of tenders

3.2.1.5 Paragraaf 13 (1): Kansellasie en her-uitnodiging van tenders

The following bids were cancelled during February 2025:

Die volgende tenders was gekanselleer gedurende Februarie 2025:

Bid ref number	Date	Brief description of services	Reason why bid is cancelled
08/2/22/43	24-Feb-2025	Implementation of Protection study and the supply of associated equipment for the electricity network in Witzenberg Municipal area for a multi-year period	In terms of paragraph 67 (1) (d) of Council's SCM Policy due to the fact that there is a material irregularity in the tender process.

3.2.1.6 Paragraph 19 (1) I and 19 (2): Written price quotations

3.2.1.6 Paragraaf 19 (1) (c) en 19 (2): Geskrewe Prys Kwotasies

The following written price quotations were approved during the month of February 2025:

Die volgende geskrewe prys kwotasies was goedgekeur gedurende Februarie 2025:

Order number	Date	Name of supplier	Brief description of services	Reason why award made	Amount	Official acting i.t.o sub delegation
186508	03/02/2025	Cape Seating Manufacturers CC	Supply and Delivery of Canteen / Office Furniture and Equipment	Only responsive quotation	R 25 764.60 (Incl. VAT)	Chief Financial Officer
186562	06/02/2025	Sondlo & Knopp Advertising	Publish Notice: Advertisement of Bids	Lowest responsive quotation	R 15 739.61 (Incl. VAT)	Acting Chief Financial Officer
186643	12/02/2025	Sondlo & Knopp Advertising	Publish Notice: Advertisement of Various Positions	Lowest responsive quotation	R 8 985.87 (Incl. VAT)	Chief Financial Officer
186679	14/02/2025	Sondlo & Knopp Advertising	Publish Notice: Advertisement of Bids	Lowest responsive quotation	R 15 302.41 (Incl. VAT)	Chief Financial Officer
186772	19/02/2025	Middelburg Labour Law Distributions	Supply and Delivery of Health & Safety Posters	Lowest responsive quotation	R 12 770.75 (Incl. VAT)	Chief Financial Officer
186805	21/02/2025	Sondlo & Knopp Advertising	Publish Notice: Advertisement of Various Positions	Lowest responsive quotation	R 8 392.15 (Incl. VAT)	Chief Financial Officer
186807	21/02/2025	Sondlo & Knopp Advertising	Publish Notice: Advertisement of Bids and Erratum	Lowest responsive quotation	R 19 674.52 (Incl. VAT)	Chief Financial Officer

3.2.1.7 Formal Written Price Quotations

3.2.1.7 Formele Geskrewe Prys Kwotasies

The following formal written price quotations, in excess of R 30 000 were awarded by an official acting in terms of a sub-delegation for the month of February 2025:

Die volgende formele geskrewe kwotasies, wat meer is as R 30 000.00 is toegeken deur 'n amptenaar wat in terme van 'n sub-afvaardiging vir die maand van Februarie 2025:

Bid ref number	Date	Name of supplier	Brief description of services	Reason why award made	Amount (Incl. VAT)	Official acting i.t.o sub delegation
----------------	------	------------------	-------------------------------	-----------------------	-----------------------	--------------------------------------

WC022 - M08 - MONTHLY SEC 17 1 REPORT - FEBRUARY 2025

08/2/22/46	11-Feb-2025	Obhejane Trading (Pty) Ltd	Supply, Delivery And Offloading Of Wooden Transmission Poles	Bidder scored the highest total points	R180 573.00	Director: Finance; Acting Director: Technical Services
08/2/22/57	11-Feb-2025	Consolidated African Technologies (Pty) Ltd	Supply Of Licences For Handhelds And Meter Reading Software	Only Responsive Bidder	R68 733.92	Director: Finance

3.2.1.8 Appeals

3.2.1.8 Appèlle

The following were lodged or dealt with by the Accounting Officer during the month of February 2025:

Die volgende is ontvang of was hanteer deur die Rekenpligtige beampte gedurende Februarie2025:

Bid ref number	Date of appeal	Name of supplier that bid was awarded to	Brief description of services	Status	Amount (Incl. VAT)	Appellant	Reason for Appeal
	NONE						

3.2.1.9 Deviations

3.2.1.9 Afwykings

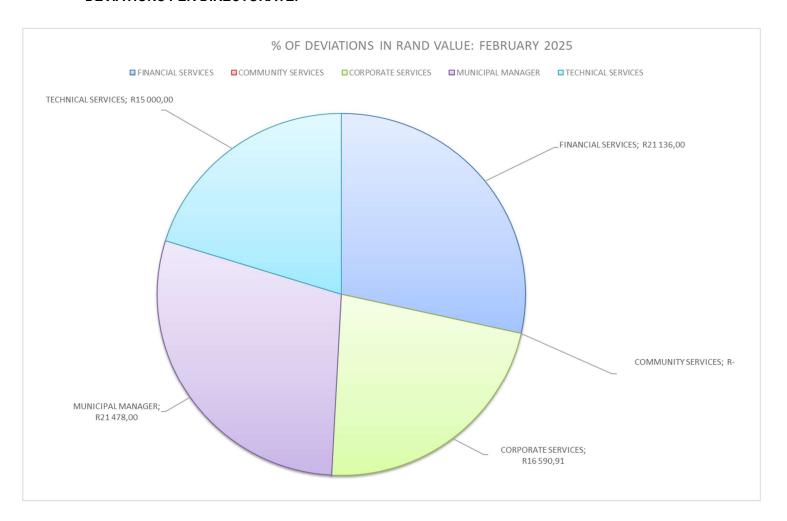
The following table contains the actuals against approved deviations by the Accounting Officer for the month of February 2025 which totals R 74 204

Die volgende tabel bevat die werklike uitgawes teen goedgekeurde afwykings deur die Rekenpligtige Beampte vir die maand van Februarie 2025 wat beloop op die totaal van R 74 204

Date	Name of supplier	Description of goods and services	Reason for deviation	Order number	AMOUNT R
18-Feb-25	Ply General Services (PTY) Ltd	Cutting of dangerous trees at Tulbagh Sewer works	Emergency	186730	15 000,00
12-Feb-25	Workshop Electronics (PTY) Ltd	Calibration and service of equipment at Ceres Vehicle testing station	Single supplier	186633	13 715,82
20-Feb-25	Witzenberg Herald	Publish Notice: Implementation of Supplementary Valuation Roll	Impractical	186787	14 998,00
20-Feb-25	Witzenberg Herald	Publish Notice: Witzenberg Municipality Service Delivery - IMBIZO	Impractical	186777	14 998,00
28-Feb-25	PBSA (PTY) Ltd	Franking Machine Assessment Labour Costs	Single supplier	186911	2 875,09
27-Feb-25	Witzenberg Herald	Publish Notice: Intention to incur Long-term Debt	Impractical	186902	2 178,00
27-Feb-25	Witzenberg Herald	Publish Notice: 2024/2025 Adjustment Budget	Impractical	186903	3 960,00
27-Feb-25	Silly Lilly	Printing on T-shirts & Banner - Cansa Relay	Impractical	186899	6 480,00

MONTH / MAAND	DEVIATION AMOUNT AFWYKING BEDRAG	TOTAL VALUE OF ORDERS ISSUED TOTALE WAARDE VAN BESTELLINGS UITGEREIK	% DEVIATIONS OF TOTAL ORDERS ISSUED % AFWYKINGS VAN TOTALE BESTELLINGS UITGEREIK
Dec 2024	R 343 474	R 18 848 481	1.82%
Jan 2025	R 1 691 754	R 23 448 481	7.21%
Feb 2025	R 74 204	R 22 285 812	0.33%

DEVIATIONS PER DIRECTORATE:



Logistics

The table below contains a high level summary of information regarding the stores section:

Logistieke

Die tabel hieronder bevat 'n hoë vlak opsomming van inligting rakende die magasyn (stoor):

MONTH	Dec 2024	Jan 2025	Feb 2025		
Value of inventory at hand	R 20 053 127 R 21 027 563		R 18 504 110.22		
Turnover rate of total value of inventory	0.97	0.99			
Date of latest stores reconciliation	31 Jan 2025				
Date of last stock count	28 Nov 2024				
Date of next stock count	14 Mar 2025				

Cash Flow Forecast

Current commitments against cash

Cash Book Balance plus Investments	R 187 129 164
Total Commitments	(R162 885 451)
Unspent Grants	(R20 406 038)
Eskom Account	(R39 553 175)
Consumer Deposits	(R10 694 913)
Provision for Rehabilitation	(R19 142 364)
Working Capital Requirement	(R17 558 940)
Payables & Accruals	(R24 488 070)
Provision Current Employee Benefits	(R31 041 951)
Uncommitted Cash Balance	R 24 243 713

The estimated cost coverage ratio is as follow

Current

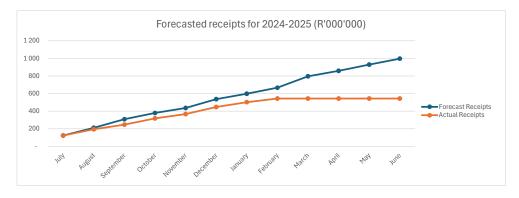
 Cash and Cash Equivalents
 R
 187 129 164

 Less Unspent Grants
 R
 20 406 038

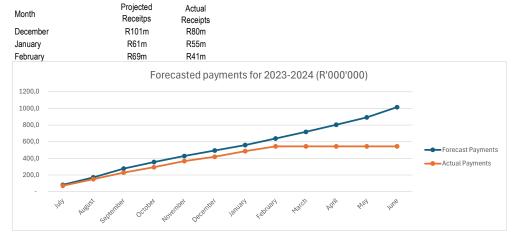
 Estimated Average fixed cost per month
 R
 71 322 610

 Ratio
 2,34

The ratio indicates that the municipality has sufficient cash available to cover its fixed cost for the next 2,34 months. The acceptable norm is 3 months



It is estimated that cash receipts will amount to R1000 m for the 2024-2025 Financial Year. The performance of actual receipts against projected receipts for the month can be summarised as follow.



It is estimated that cash payments will amount to R1024 m for the 2024-2025 Financial Year
The performance of actual payments against projected payments for the month can be summarised as follow

Month	Projected	Actual
WOTH	Payments	payments
December	R65m	R51m
January	R66m	R69m
February	R79m	R57m

WITZENBERG MUNICIPALITY APPENDIX D - Unaudited

DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

National Government Grants Inance Management Grant Municipal Infrastructure Grant (DWAF) Integrated National Electricity Program Equitable share Department of Rural Development Expanded Public Works Programme Reighbourhood Development Plan Nater Service Infrastructure Grant Municipal Water Infrastructure Energy Efficiency and Demand-Side Management Grant Municipal Disaster Relief Grant Provincial Government Grants Drownicial Infrastructure Support Grant Conomic Development and Tourism SMME booster Public Transport Municipal Accreditation and Capacity Building Grant Human Settlement Development Fire Service Capacity Building Grant Lapacity Building (Internship) Municipal Infrastructure Inancial Management Support Maintenance and Construction of Transport Infrastructure Local Government Employment Grant Regional Social Econimical Program Local Government Employment Grant Regional Social Econimical Program Local Government Employment Grant Municipal Bervice Delivery & Capacity Building Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)	R - 59 596 548 655 122 359 - 471 155 (198 128)	R 1 600 000 12 576 000	R	R		
inance Management Grant Municipal infrastructure Grant (DWAF) ntegrated National Electricity Program Equitable share Department of Rural Development Expanded Public Works Programme Weighbourhood Development Plan Water Service Infrastructure Grant Municipal Water Infrastructure Energy Efficiency and Demand-Side Management Grant Municipal Water Infrastructure Energy Efficiency and Demand-Side Management Grant Municipal Disaster Relief Grant Provincial Government Grants Disary services DDW Water Todas Water Service Infrastructure Support Grant Economic Development and Tourism SMME booster Public Transport Municipal Infrastructure Support Grant Economic Development and Tourism SMME booster Public Transport Municipal Accreditation and Capacity Building Grant Human Settlement Development Tiere Service Capacity Building Grant Lapacity Building (Internship) Municipal Infrastructure Inancial Management Support Grant Regional Social Econimical Program Local Government Employment Grant Municipal Revice Delivery & Capacity Building	548 655 122 359 - 471 155		_		R	R
Municipal infrastructure Grant Regional Bulk Infrastructure Grant (DWAF) Integrated National Electricity Program quitable share Department of Rural Development Expanded Public Works Programme Nelighbourhood Development Plan Water Service Infrastructure Grant Municipal Water Infrastructure Grant Municipal Disaster Relief Grant Provincial Government Grants Ibrary services DW Main roads Municipal Infrastructure Support Grant Economic Development and Tourism SMME booster Public Transport Municipal Infrastructure Support Grant Economic Development and Tourism SMME booster Public Transport Municipal Accreditation and Capacity Building Grant Furnal Settlement Development Fire Service Capacity Building Grant Capacity Building (Internship) Municipal Infrastructure Inancial Management Support Maintenance and Construction of Transport Infrastructure Cocal Government Support Grant Regional Social Econimical Program Cocal Government Support Grant Unicipical Service Delivery & Capacity Building	548 655 122 359 - 471 155			(1 269 196)	_	330 804
Regional Bulk Infrastructure Grant (DWAF) Integrated National Electricity Program Equitable share Epartment of Rural Development Expanded Public Works Programme Reighbourhood Development Plan Water Service Infrastructure Grant Municipal Water Infrastructure Farat Municipal Usaster Relief Grant Provincial Government Grant Municipal Disaster Relief Grant Provincial Government Grants Dibrary services DDW Main roads Municipal Infrastructure Support Grant Economic Development and Tourism SMME booster Public Transport Municipal Accreditation and Capacity Building Grant Human Settlement Development Irier Service Capacity Building Grant Expacity Building (Internship) Municipal Infrastructure Inancial Management Support Maintenance and Construction of Transport Infrastructure Cocal Government Support Grant Regional Social Econimical Program Cocal Government Eupport Grant Municipal Service Delivery & Capacity Building Cocal Government Employment Grant Municipal Service Delivery & Capacity Building	548 655 122 359 - 471 155	-	_	((12 259 423)	376 173
Equitable share Department of Rural Development Expanded Public Works Programme Velighbourhood Development Plan Water Service Infrastructure Grant Municipal Water Infrastructure Grant Municipal Disaster Relief Grant Provincial Government Grants Juhan Services DW Main roads Municipal Infrastructure Support Grant Economic Development and Tourism SMME booster Public Transport Municipal Accreditation and Capacity Building Grant Human Settlement Development Fire Service Capacity Building Grant Equacity Building (Internship) Municipal Infrastructure Inancial Management Support Maintenance and Construction of Transport Infrastructure Maintenance and Construction of Transport Infrastructure Occal Government Support Grant Regional Social Econimical Program Occal Government Support Grant Municipal Service Delivery & Capacity Building Code Government Support Grant Municipal Service Delivery & Capacity Building	471 155		-	-	-	548 655
Department of Rural Development Expanded Public Works Programme Veighbourhood Development Plan Water Service Infrastructure Grant Municipal Water Infrastructure Energy Efficiency and Demand-Side Management Grant Municipal Disaster Relief Grant Provincial Government Grants Disary services DIS Water School School School School School School School Water Municipal Infrastructure Support Grant Economic Development and Tourism SMME booster Public Transport Municipal Accreditation and Capacity Building Grant Municipal Accreditation and Capacity Building Grant Municipal Accreditation and Capacity Building Grant Municipal Infrastructure Japacity Building (Internship) Municipal Infrastructure Japacity Building (Internship) Municipal Infrastructure Japacity Building (Internship) Municipal Accreditation of Transport Infrastructure Japacity Grant Regional Social Econimical Program Jocal Government Support Grant Regional Social Econimical Program Japacity Building Japacity B		-	-	-	-	122 359
Expanded Public Works Programme Neighbourhood Development Plan Water Service Infrastructure Grant Municipal Water Infrastructure Grant Municipal Water Infrastructure Energy Efficiency and Demand-Side Management Grant Municipal Disaster Relief Grant Provincial Government Grants Dray services DW Main roads Municipal Infrastructure Support Grant Economic Development and Tourism SMME booster Public Transport Municipal Accreditation and Capacity Building Grant Fulliam Settlement Development Fire Service Capacity Building Grant Expacity Building (Internship) Municipal Infrastructure Inancial Management Support Maintenance and Construction of Transport Infrastructure Cocal Government Support Grant Regional Social Econimical Program Cocal Government Support Grant Municipal Service Delivery & Capacity Building Cocal Government Support Grant Municipal Service Delivery & Capacity Building		108 364 000	-	(108 364 000)	-	-
Weighbourhood Development Plan		1 092 000	-	(4.504.057)	-	471 155
Water Service Infrastructure Grant Municipal Water Infrastructure Energy Efficiency and Demand-Side Management Grant Municipal Disaster Relief Grant Provincial Government Grants Library services DW Main roads Municipal Infrastructure Support Grant Economic Development and Tourism SMME booster Public Transport Municipal Accreditation and Capacity Building Grant Human Settlement Development Fire Service Capacity Building Grant Capacity Building Grant Capacity Building Infrastructure Iniancial Management Support Maintenance and Construction of Transport Infrastructure Cacal Government Support Grant Regional Social Econimical Program Cocal Government Support Grant Government Employment Grant Municipal Service Delivery & Capacity Building	(190 128)	1 092 000		(1 561 057)	[]	(667 185)
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Energy Efficiency and Demand-Side Management Grant Municipal Disaster Relief Grant Provincial Government Grants ibrary services DW dain roads Municipal Infrastructure Support Grant Economic Development and Tourism SMME booster Public Transport Municipal Accreditation and Capacity Building Grant Human Settlement Development Tiere Service Capacity Building Grant Lapacity Building (Internship) Municipal Infrastructure Inancial Management Support Maintenance and Construction of Transport Infrastructure Local Government Support Grant Regional Social Econimical Program Local Government Support Grant Regional Social Econimical Program Local Government Employment Grant Municipal Service Delivery & Capacity Building	-	-	_		-	
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Library services DDW Main roads Municipal Infrastructure Support Grant Conomic Development and Tourism SMME booster Public Transport Municipal Accreditation and Capacity Building Grant Human Settlement Development Fire Service Capacity Building Grant Lapacity Building (Internship) Municipal Infrastructure Financial Management Support Maintenance and Construction of Transport Infrastructure Local Government Support Grant Regional Social Econimical Program Local Government Employment Grant Municipal Service Delivery & Capacity Building	-	3 612 000	-	-	-	3 612 000
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Main roads Municipal Infrastructure Support Grant Conomic Development and Tourism SMME booster Public Transport Municipal Accreditation and Capacity Building Grant Human Settlement Development Fire Service Capacity Building Grant Capacity Building (Internship) Municipal Infrastructure Inancial Management Support Maintenance and Construction of Transport Infrastructure Cocal Government Support Grant Regional Social Econimical Program Cocal Government Employment Grant Municipal Service Delivery & Capacity Building	-	3 560 000	-	(1 678 645)	-	1 881 355
Municipal Infrastructure Support Grant Conomic Development and Tourism SMME booster Ubulic Transport Municipal Accreditation and Capacity Building Grant Human Settlement Development Tire Service Capacity Building Grant Lapacity Building (Internship) Municipal Infrastructure Financial Management Support Maintenance and Construction of Transport Infrastructure Local Government Support Grant Regional Social Econimical Program Local Government Employment Grant Municipal Infrastructure Local Government Employment Grant Local Government Employment Grant Local Government Employment Grant Municipal Service Delivery & Capacity Building	50 948	132 000	-	(45 184)	-	137 764
Economic Development and Tourism SMME booster Public Transport Municipal Accreditation and Capacity Building Grant Ituman Settlement Development irre Service Capacity Building Grant Capacity Building (Internship) Municipal Infrastructure Iniancial Management Support Maintenance and Construction of Transport Infrastructure Cacal Government Support Grant Regional Social Econimical Program Cocal Government Employment Grant Municipal Service Delivery & Capacity Building	(1 046 497)	-	-	-		- (1 046 497
Public Transport Aunicipal Accreditation and Capacity Building Grant Human Settlement Development Fire Service Capacity Building Grant Lapacity Building (Internship) Aunicipal Infrastructure Financial Management Support Maintenance and Construction of Transport Infrastructure Local Government Support Grant Regional Social Econimical Program Local Government Employment Grant Aunicipal Service Delivery & Capacity Building	(1 046 497)					(1 046 497
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ire Service Capacity Building Grant Capacity Building (Internship) Municipal Infrastructure inancial Management Support Maintenance and Construction of Transport Infrastructure .ocal Government Support Grant Regional Social Econimical Program .ocal Government Employment Grant Municipal Service Delivery & Capacity Building	49 391	249 000	-	-	-	298 391
Zapacity Building (Internship) Municipal Infrastructure inancial Management Support Maintenance and Construction of Transport Infrastructure .coal Government Support Grant Regional Social Econimical Program .coal Government Employment Grant Municipal Service Delivery & Capacity Building	-	-	-	-	-	-
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Maintenance and Construction of Transport Infrastructureocal Government Support Grant Regional Social Econimical Programocal Government Employment Grant Municipal Service Delivery & Capacity Building	(206 126)	150 000	-	-	-	(206 126 150 000
ocal Government Support Grant Regional Social Econimical Program .ocal Government Employment Grant Municipal Service Delivery & Capacity Building	(5 061 033)	150 000		-		(5 061 033
Regional Social Econimical Program Local Government Employment Grant Municipal Service Delivery & Capacity Building	(5 00 1 000)	_				(5 00 1 005)
Municipal Service Delivery & Capacity Building	-	167	-	-	-	167
	-	-	-	-	-	-
nformal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)	-	-	-	-	-	-
	(4 493 639)	11 585 471	-	(8 521 344)	-	(1 429 512
Sport and Recreation	-	-	-	-	-	-
Municipal Energy Resilience Grant Electronic Case Management Intervention	-	700 000	-	-	-	700 000
oadshedding						
Vater Resilience	-	-	_		_	
Municipal Service Delivery	-	-	-	-	-	
Acceleration of Housing Delivery	-	-	-	-	-	-
Thusong service centres grant: Sustainability Operational Support Grant	-	-	-	-	-	-
Waste Management Compliance Grant(Boreholes Landfill sites)	-	257 000	-	-	-	257 000
District Municipality	-					000 5-1
Parks and recreation Sanitation Infrastructure	800 001	-	-	-	-	800 001
Planning and Development	100 000	-	-	-	-	100 000
nfrastructure	300 207					300 207
Covid 19	1 944 236	-	-		-	1 944 236
Safety Project	(84 065)	-	-	-	-	(84 065
DPEX Tourism	` -	-	-	-	-	
Safety Implementation Grant	-	36 000	-	-	-	36 000
Other	[]					
Table Mountain - Clearing Alien Vegetation	-	-	-	-	-	
Development Bank of South Africa	-	-	-	-	-	
Nedbank	-	476 273	-	-	-	476 273
Perdekraal Wind Farm	-	2 000 000	-	-	-	2 000 000
Public Contributions		045 700				246.00
Essen Belgium China - Water meters	3 684	315 703	-	-	-	319 387
omina - vvako ilititicio	-		-		-	-
- Total	(6 629 175)			· · · · · · · · · · · · · · · · · · ·		· · · · · · · · · · · · · · · · · · ·

	Current Yea		
Not Yet Received	(DORA) Allocation Division of Revenue Amendment	Unpaid 2025 (Receivable)	Inspent 2025 Payable)
		R	R
	1 600 000		222.004
13 054 (25 630 000	-	330 804 376 173
		-	548 655
37 342 (145 706 000	-	122 359
37 342 (145 706 000	-	471 155
467 (1 559 000	667 185	-
7 000 0	15 000 000	-	2 070 030
		-	-
(0.040.6	3 500 000	-	3 500 000
(3 612 (-	3 612 000
7 123 (10 683 000	_	1 881 355
20	132 000	-	137 764
			-
		1 046 497	68
		-	-
	249 000	-	298 391
25 000 0	25 000 000	-	10 013
		-	-
		206 126	
1 375 (150 000 1 375 000	5 061 033	150 000
1070	1 37 3 000	-	-
(1		-	167
		-	-
(10 053 4	1 532 000	1 429 512	
,		-	-
	700 000	-	700 000
		-	-
7 788 (7 788 000	-	-
150 (150 000		- :
	257 000	-	257 000
		-	800 001
		-	-
		-	100 000 300 207
		-	1 944 236
		84 065	-
		-	-
		-	-
		-	- 476 273
(1 700 (300 000	-	476 273 2 000 000
(50			
/045 -			310 207
(315 7		-	319 387
83 617 6	241 311 000	8 494 418	06 038

Revenue in respect of Capital grants only recognised when Capitalisation of related Capital Grant Expenditure is processed. VAT portion recognised on a monthly basis.

11 947 620

Insurance Report - February 2024

Aging of Insurance Claims

Turns of Claims	20 days as Lass	More than 30	60 days or	More than 120	Tatal
Type of Claim	30 days or Less	days	more	Days	Total
Property Loss/damage	0	1	0	5	6
Motor Accident	2	1	3	4	10
Public Liability	0	2	4	19	25
Glass	0	0	0	0	0
Money loss	0	0	0	0	0
	2	4	7	28	41

High Value Third Party Claims

Claim Description		Value
Third Party fell on pavement after stepping into hole covered by grass	R	585,766
Third party stepped into hole of manhole cover on c/o Friesland & Delta Street,	R	628,370
Third Party Fell into an open manhole, corner Rooiels Avenue and Karee	R	2,551,000
Haywood R Elec Serv. (Five YO Boy burned at Pumpstation)	R	1,210,000

High Value Property Loss/Damage and Motor Accident Claims

Claim Description		Value
Jet Machine CT14428	R	40,000
Storm damage to Storm Water Channel	R	3,195,000

Claims Movement for the Month: February

	Property Loss/damage	Motor Accident	Public Liability	Glass	Money loss
Opening Balance	7	10	28	1	0
New Claims	0	1	0	0	0
Claims Closed	1	1	3	1	0
Closing Balance	6	10	25	0	0

Percentage spent on Capital Expenditure for the period ended: 28 February 2025

	Financial	Corporate Services	Community Services	Municipal Manager	Technical	Total
Budget	30,000	1,369,300	2,041,112	86,445	74,163,129	77,689,986
Actual	1,447	446,754	758,432	56,445	29,253,179	30,516,257
Percentage	4.82%	32.63%	37.16%	65.30%	39.44%	39.28%
Orders	1	398,620	41,446	1	19,368,859	19,808,925
	4.82%	61.74%	39.19%	65.30%	65.56%	64.78%
					191	A.
HJ Kritzinger		Date	σ,	Signature:	2 / Zul	f.
CFO		03/03/2025				

Percentage spent on Preventative and corrective planned Maintenance Expenditure for the period ended: 28 February 2025

		Financial	Corporate Services	Community	Technical	Total
	Total Budget	42,190	440,731	1,494,507	14,256,183	16,233,611
	Less Repairs & Maintenance on Vehicles	42,190	232,404	721,932	2,837,848	3,834,374
	Budget to be used for Measurement (A)		208,327	772,575	11,418,335	12,399,237
	Total Actual	8,798	227,667	498,609	7,733,258	8,468,331
650	Less Repairs & Maintenance on Vehicles	8,798	155,235	234,469	1,342,823	1,741,325
	Actuals to be used for measurement (B)		72,432	264,140	6,390,434	6,727,006
	Percentage		34.77%	34.19%	55.97%	54.25%
	HJ Kritzinger CFO	Date 03/03/2025		Signature:		the car

OVERTIME & STANDBY REPORT FEBRUARY 2025

OVERTIME	YTD 2024/25	YTD vs	Adjusted	Original	Projected	Projected	Actual
		Budget %	Budget	Budget	-	Saving /	2023/24
						(Shortfall)	
Administration	9,621	70.1%	13,721	13,721	14,432	-711	12,528
Cemetries	211,445	109.3%	193,482	193,482	317,167	-123,685	155,234
Community Halls And Facilities	197,632	51.8%	381,439	381,439	296,448	84,991	320,240
Council Cost	0		0	0	0	0	C
Electricity*	1,364,782	45.2%	3,019,523	3,019,523	2,047,172	972,351	2,170,666
Enviromental Protection	0		0	0	0	0	C
Fire Protection Sevices	61,108	245.2%	24,922	24,922	91,662	-66,740	18,683
Housing: Administration	0	0.0%	2,982	2,982	0	2,982	C
Human Resources	1,874		0	0	2,811	-2,811	C
IDP	3,430	49.8%	6,883	6,883	5,145	1,738	13,258
Information Tecnology	0		0	0	0	0	C
Internal Audit	0		0	0	0	0	C
LED	0		0	0	0	0	C
Library Services*	0	0.0%	3,658	3,658	0	3,658	C
Marketing & Communications	333,378	67.6%	493,272	493,272	500,067	-6,795	435,922
Mechanical Workshop	211,946	59.8%	354,719	354,719	317,919	36,800	296,374
Parks	196,406	78.8%	249,266	249,266	294,609	-45,343	188,391
Performance Management	0		0	0	0	0	C
Pine Forest*	494,468	63.6%	777,271	777,271	741,701	35,570	659,857
Project Management	0		0	0	0	0	C
Property & Legal Services	0		0	0	0	0	C
Public Toilets	107,975	82.1%	131,494	131,494	161,962	-30,468	136,351
Recreational Land	226,750	74.6%	304,156	304,156	340,125	-35,969	269,255
Roads	194,212	53.2%	364,774	364,774	291,317	73,457	334,875
Sewerage	1,608,643	46.9%	3,427,782	3,427,782	2,412,965	1,014,817	2,579,774
Social & Welfare Services	3,238	55.8%	5,801	1,801	4,857	944	3,389
Solid Waste*	1,526,730	59.3%	2,574,555	2,574,555	2,290,095	284,460	2,326,132
Stormwater Management	120,834	41.1%	293,855	293,855	181,251	112,604	206,319
Supply Chain Management	94,264	76.0%	123,986	123,986	141,396	-17,410	89,348
Swimming Pools	76,668	75.9%	101,018	101,018	115,002	-13,984	100,085
Thusong Centre	0		0	0	0	0	C
Town Secretary	1,599	501.2%	319	319	2,398	-2,079	1,043
Traffic	3,419,043	68.5%	4,994,053	4,994,053	5,128,565	-134,512	4,424,660
Treasury*	102,072	43.0%	237,102	237,102	153,109	83,993	164,336
Vehicle Licensing & Testing	352,201	93.8%	375,598	375,598	528,301	-152,703	380,508
Water Distribution	1,185,054	43.9%	2,702,500	2,702,500	1,777,581	924,919	2,045,934
TOTAL OVERTIME	12,105,373	57.2%	21,158,131	21,154,131	18,158,060	3,000,072	17,333,164

STANDBY	YTD 2024/25	YTD vs Budget %	Adjusted Budget	Original Budget	Projected	Projected Saving / (Shortfall)
Administration	15,186	104.7%	14,508	14,508	22,779	-8,271
Cemetries	84,415	77.7%	108,673	108,673	126,623	-17,950
Community Halls And Facilities	72,555	46.5%	156,001	156,001	108,832	47,169
Council Cost	0		0	0	0	0
Electricity*	358,948	60.9%	589,587	589,587	538,423	51,164
Enviromental Protection	0		0	0	0	0
Fire Protection Sevices	642,554	58.8%	1,092,585	1,092,585	963,831	128,754
Housing: Administration	17,042	65.0%	26,237	26,237	25,564	673
Human Resources	0		0	0	0	0
IDP	0		0	0	0	0
Information Tecnology	37,639	56.5%	66,629	66,629	56,459	10,170
Internal Audit	0		0	0	0	0
LED	0		0	0	0	0
Library Services	3,655	88.4%	4,136	4,136	5,483	-1,347
Marketing & Communications	0		0	0	0	0
Mechanical Workshop	103,576	64.4%	160,916	160,916	155,364	5,552
Parks	136,408	57.6%	236,975	236,975	204,612	32,363
Performance Management	0		0	0	0	0
Pine Forest*	124,984	91.0%	137,366	137,366	187,476	-50,110
Project Management	0		0	0	0	0
Property & Legal Services	0		0	0	0	0
Public Toilets	0		0	0	0	0
Recreational Land	146,605	66.3%	221,215	221,215	219,908	1,307
Roads	185,814	48.8%	381,069	381,069	278,721	102,348
Sewerage	413,571	59.5%	694,523	694,523	620,356	74,167
Social & Welfare Services	0		0	0	0	0
Solid Waste*	62,802	43.5%	144,348	144,348	94,204	50,144
Stormwater Management	110,284	44.1%	249,921	249,921	165,426	84,495
Supply Chain Management	36,694	57.9%	63,339	63,339	55,041	8,298
Swimming Pools	10,673	99.3%	10,750	10,750	16,010	-5,260
Thusong Centre	0		0	0	0	0
Town Secretary	0		0	0	0	0
Traffic	1,089,641	67.8%	1,607,692	1,607,692	1,634,462	-26,770
Treasury*	38,846	55.1%	70,539	70,539	58,268	12,271
Vehicle Licensing & Testing	117,628	66.4%	177,155	177,155	176,442	713
Water Distribution	349,420	61.2%	570,884	570,884	524,131	46,753
TOTAL STANDBY	4,158,941	61.3%	6,785,048	6,785,048	6,238,412	546,636

Actual
2023/24
•
17,070
96,128
127,781
0
526,278
0
955,372
14,848
0
0
57,974
0
0
4,181
142.448
143,448
197,997 0
134,057
0
0
0
193,214
363,508
560,270
0
124,576
214,594
57,300
6,243
0
0
1,431,510
61,487
160,741
478,657
5,927,235



QUALITY CERTIFICATE

I, Mr D Nasson, Municipal Manager of Witzenberg Municipality, hereby certify that the monthly in year monitoring reports for the month of February 2025 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Mr D Nasson

Municipal Manager of WITZENBERG MUNICIPALITY

Signature:

Date:

te: 14/03/2025

Rig asseblief alle korrespondensie aan die Munisipale Bestuurder/ Kindly address all correspondence to the Municipal Manager/ Yonke imbalelwano mayithunyelwe kuMlawuli kaMasipala



NATIONAL TREASURY

MFMA Circular No 68

Municipal Finance Management Act No. 56 of 2003

Unauthorised, Irregular, Fruitless and Wasteful Expenditure

The purpose of this Circular is to provide clarity on the procedures to be followed when dealing with unauthorised, irregular or fruitless and wasteful expenditure as defined in section 1 of the Municipal Finance Management Act (MFMA).

Municipalities are organs of state within the local sphere of government that collect monies from the public in the form of rates, taxes, levies, surcharges, duties and service charges, receive grants from national and provincial government, invest surplus cash and borrow for capital expenditure or bridging finance for short term purposes. These resources are appropriated by Council for the purpose of fulfilling its powers and functions, primarily to deliver services, in accordance with their mandate as set out in sections 151,153 and 156 of the Constitution.

In terms of section 4(2)(a) of the Municipal Systems Act (MSA) the council has a duty to use the resources of the municipality in the best interest of the local community. This duty is extended to individual councillors through the Code of Conduct for Councillors which states that a councillor must:

- i. "perform the functions of office in good faith, honestly and in a transparent manner, and
- ii. at all times act in the best interests of the community and in such a way that the credibility and integrity of the municipality are not compromised."

The Auditor-General has highlighted an escalating trend in unauthorised, irregular, fruitless and wasteful expenditure in municipalities over recent years, evident in audit opinions and summarised in the annual reports on local government. We have also noticed a sense of uncertainty amongst municipalities on the understanding of how irregular expenditure should be treated and who has the legislative power to deal with irregular expenditure. The uncertainty relates mainly to how municipalities should conclusively deal with such matters, the process to be followed and the manner in which such matters should be recorded and disclosed. This Circular aims to provide clarity in this regard so that there is a common understanding on the process to be followed in dealing with these categories of expenditure. In order to better illustrate the process to be followed, a flowchart is attached (Annexure C), which sets out a step by step process for dealing with irregular expenditure. This process flowchart will assist municipalities in dealing with irregular expenditure and also reduce the extent of irregular expenditure prior to the commencement of the next audit cycle.

The Circular is supported by a Register (Annexure A) which will assist municipalities in recording, keeping track and managing the categories of expenditure mentioned above in a more transparent and accountable manner. The Register will be a central source of information concerning these type of expenditures for Council and relevant external stakeholders, by clearly recording the details of the transaction, the type of

expenditure, the person liable for the expenditure and what measures were taken by the municipality to address the matter.

Each Council therefore has a duty to introduce and adopt policies and processes to:

- a) Prevent unauthorised, irregular, fruitless and wasteful expenditure;
- b) Identify and investigate unauthorised, irregular, fruitless and wasteful expenditure;
- c) Respond appropriately in accordance with the law; and
- d) To address instances of unauthorised, irregular, fruitless and wasteful expenditure conclusively.

Defining unauthorised, irregular, fruitless and wasteful expenditure

Unauthorised expenditure

Unauthorised expenditure is defined in section 1 of the MFMA as follows:

"unauthorised expenditure", in relation to a municipality, means any expenditure incurred by a municipality otherwise than in accordance with section 15 or 11(3), 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 this Act.

Section 15 of the MFMA deals with appropriation of funds for expenditure and provides that a municipality may, except where otherwise provided in the MFMA, incur expenditure only in terms of an approved budget and within the limits of the amounts appropriated for the different votes in an approved budget. With reference to MFMA section 1 (a) in the definition above, a municipality's budget is divided into an operational budget and a capital budget. Overspending must be determined in relation to both the operational budget and the capital budget.

With reference to MFMA section 1(b) – a municipality's operational and capital budgets are divided into 'votes' which represent those components of the budget that have amounts appropriated for the financial year, for different departments or functional areas. The Municipal Budget and Reporting Regulations (MBRR) prescribe the structure and formats of municipal budgets, including votes, in Tables A1 to A10. Votes are informed by Table A3 (Budgeted Financial Performance: revenues and expenditure by municipal vote) and Table A5 (Budgeted Capital

Expenditure by vote, standard classification and funding). Budget Table A4 (Budgeted Financial Performance: revenue and expenditure) by implication is approved by the council and as such must also be taken into consideration when determining unauthorised expenditure. In other words, when considering unauthorised expenditure from an operating budget point of view, both Table A3 and A4 (read in conjunction with the supporting table SA1) of the MBRR would have to be considered. Overspending must also be determined in relation to each of the votes on *both* the operational budget and the capital budget. Where Council has approved a *virement policy* that allows the accounting officer to make limited shifts of funds between votes, this must also be taken into account.

With reference to MFMA section 1(c) – funds appropriated in a vote for a department may not be used for purposes unrelated to the functions of that department. In other words, an accounting officer or other official may not use funds allocated to one department for purposes of another department or for purposes that are not provided for in the budget. Where a Council has approved a virement policy, shifts made in accordance with that policy may be allowed, and must be taken into account when reviewing such expenditure.

With reference to MFMA section 1(d) – in addition to appropriating funds for a department's vote, the Council may also appropriate funds for a specific purpose within a department's vote, for example, for specific training initiatives or a capital project. Funds that have been designated for a specific purpose or project may not be used for any other purpose.

With reference to MFMA section 1(e) – the items referred to in the definition of 'allocation' are national and provincial conditional grants to a municipality and other 'conditional' allocations to the municipality from another municipality or another organ of state. Any use of conditional grant funds for a purpose other than that specified in the relevant conditional grant framework is classified as unauthorised expenditure.

With reference to MFMA section 1(f) – section 67 of the MFMA regulates the transfer of municipal funds to organisations and bodies outside government. In terms of this section, a municipality may only provide grants to organisations and NOT individuals. Therefore, any grant to an individual is unauthorised expenditure, unless it is in terms of the municipality's indigent policy or bursary scheme.

Therefore, valid expenditure decisions can only be made by council in terms of a budget or an adjustments budget. It follows that only the council may authorise instances of unauthorised expenditure and council must do so through an adjustment budget. This principle is further reiterated in section 32(2)(a)(i) of the MFMA read with regulation 25 of the MBRR which states that unauthorised expenditure must be authorised by the municipality in an adjustments budget that is approved by the municipal council. This is the rationale for the provisions in regulation 23(6) of the MBRR which provides the legal framework for the authorisation of unauthorised expenditure.

Expenditures that are NOT classified as unauthorised expenditure

Given the definition of unauthorised expenditure, the following are examples of expenditures that are NOT unauthorised expenditure:

- (i) Any over-collection on the revenue side of the budget as this is not an expenditure; and
- (ii) Any expenditure incurred in respect of:
 - any of the transactions mentioned in section 11(1)(a) to (j) of the MFMA;
 - re-allocation of funds and the use of such funds in accordance with a council approved virement policy;
 - overspending of an amount allocated by standard classification on the main budget Table A2 (Budgeted Financial Performance: revenue and expenditure by standard classification), as long as it does not result in overspending of a 'vote' on the main budget Table A3 (Budgeted Financial Performance: revenue and expenditure by municipal vote) and Table A4 (Budgeted Financial Performance: revenue and expenditure (read in conjunction with supporting Table SA1) of the MBRR; and
 - overspending of an amount allocated by standard classification on the main budget Table A5 (Budgeted Capital Expenditure by vote, standard classification and funding) of the MBRR so long as it does not result in an overspending of a 'vote' on the main budget Table A5.

Unauthorised expenditure on "non-cash" items

Municipalities have raised concerns over non-cash items being classified as unauthorised expenditure owing to the total amount of the budget being exceeded. Such expenditure relates to debt impairment, depreciation, asset impairment, transfers and grants as appropriated in Table A4 (Budgeted Statement of Financial Performance: revenue and expenditure) of the MBRR.

Although these expenditures are considered non-cash items as there is no transaction with any service provider or supplier, an under provision during the budget compilation process is a material misstatement of the surplus or deficit position of the municipality. This could be the result of poor planning, budgeting or financial management, or unknown events that gave rise to the asset and debt impairment after adoption of the budget. In this regard Table A4 (Budgeted Statement of Financial Performance: revenue and expenditure) must be read in conjunction with supporting Table SA1 of the MBRR.

We are aware of the challenge around correcting errors or omissions relating to actuarial calculations from a budget implementation point of view, given the timing of such calculations. In the interim, this could be addressed through an adjustment in the budget in February each year but before financial year end to correct any mistakes or errors relating to the actuarial calculations.

Unforeseen and unavoidable expenditure

Unforeseen and unavoidable expenditure is discussed in section 29 of the MFMA and reads as follows:

- (1) The mayor of a municipality may in emergency or other exceptional circumstances authorise unforeseeable and unavoidable expenditure for which no provision was made in an approved budget.
- (2) Any such expenditure—
 - (a) must be in accordance with any framework that may be prescribed;
 - (b) may not exceed a prescribed percentage of the approved annual budget;
 - (c) must be reported by the mayor to the municipal council at its next meeting; and
 - (d) must be appropriated in an adjustments budget.
- (3) If such adjustments budget is not passed within 60 days after the expenditure was incurred, the expenditure is unauthorised and section 32 applies.

The framework referred to in section 29(2)(a) of the MFMA is prescribed in chapter 5 of the MBRR, and contained in regulation 71 and 72. The following shall apply:

- (i) the amount the mayor authorised as unforeseen and unavoidable expenditure exceeds the monetary limits set in regulation 72 of the MBRR, the amount in excess of the limit is unauthorised;
- (ii) the reason for the mayor authorising the unforeseen and unavoidable expenditure does not fall within the ambit of regulation 71(1) of the MBRR, the expenditure is unauthorised;
- (iii) the reason for the mayor not authorising the unforeseen and unavoidable expenditure falls outside the ambit of regulation 71(2) of the MBRR, the expenditure is unauthorised; and
- (iv) the council does not appropriate the expenditure in an adjustments budget that is passed within 60 days after the expenditure was incurred, the expenditure is unauthorised.

Irregular expenditure

Irregular expenditure is defined in section 1 of the MFMA as follows:

"irregular expenditure", in relation to a municipality or municipal entity, means—

- (a) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of this Act, and which has not been condoned in terms of section 170:
- (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 "unauthorised expenditure".

In this context 'expenditure' refers to any use of municipal funds that is in contravention of the following legislation:

- Municipal Finance Management Act, Act 56 of 2003, and its regulations;
- Municipal Systems Act, Act 32 of 2000, and its regulations;
- Public Office-Bearers Act, Act 20 of 1998, and its regulations; and
- The municipality's supply chain management policy, and any by-laws giving effect to that policy

Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is defined in section 1 of the MFMA as follows:

"fruitless and wasteful expenditure" means expenditure that was made in vain and would have been avoided had reasonable care been exercised.

The concept of *fruitless and wasteful expenditure* is founded on public administration and accountability principles, to promote "efficient, economic and effective use of resources and the attainment of value for money". The idea is also founded on the fact that the council, the mayor and the accounting officer have a fiduciary responsibility to ensure that municipal resources are used in the best interests of the municipality and the local community.

In this context 'expenditure' refers broadly to processes that must be followed, transactions with service providers or suppliers and the use of other resources belonging to the municipality. The phrase 'made in vain' indicates that the municipality derived no value for money from the expenditure or the use of other resources. Fruitless and wasteful expenditure must fulfill both the conditions in the definition, namely, that it was made in vain and it would have been avoided had reasonable care been exercised. The treatment of such expenditure is dealt with later in this Circular.

Process to be followed when dealing with unauthorised, irregular, fruitless and wasteful expenditure

Unauthorised expenditure

In considering the authorisation of unauthorised expenditure, council must consider the following factors:

- (i) Has the matter been referred to Council for a determination and decision?
- (ii) Has the nature, extent, grounds and value of the unauthorised expenditure been submitted to Council?
- (iii) Has the incident been referred to a council committee for investigation and recommendations?
- (iv) Has it been established whether the accounting officer or official or public office bearer that made, permitted or authorised the unauthorised expenditure acted deliberately or in a negligent or grossly negligent manner?
- (v) Has the accounting officer informed Council, the mayor or the executive committee that a particular decision would result in an unauthorised expenditure as per section 32(3) of the MFMA?
- (vi) Are there good grounds shown as to why an unauthorised expenditure should be authorised? For example:
 - the mayor, accounting officer or official was acting in the best interests of the municipality and the local community by making and permitting unauthorised expenditure;
 - the mayor, accounting officer or official was acting in good faith when making and permitting unauthorised expenditure; and
 - the municipality has not suffered any material loss as a result of the action.

In these instances, the council should authorise the unauthorised expenditure. Depending on the responses received in relation to each question, municipal councils are advised to also include the element of consequence management as part of the above consideration. In this regard, municipalities are referred to the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings in assessing whether or not acts of financial misconduct were committed.

Adjustments budgets to authorise unauthorised expenditure

Section 15 of the MFMA provides that a municipality may incur expenditure only in terms of an approved budget. This is confirmed by section 32(2)(a)(i) of the MFMA that provides that council may only authorise unauthorised expenditure in an adjustments budget.

Sections 28(c) and 28(g) of the MFMA, read together with regulations 23(1), 23(2), 23(4) and 23(6) of the MBRR, discusses when council may authorise unauthorised

expenditure in an adjustments budget. This can be addressed in three different adjustments budgets as follows:

- (a) Adjustments budget for unforeseen and unavoidable expenditure: An adjustments budget to allow council to provide ex post authorisation for unforeseen and unavoidable expenditure that was authorised by the mayor in terms of section 29 of the MFMA must be tabled in council at the "first available opportunity" or within the 60 days after the expenditure was incurred (see section 29(3) of the MFMA). Should either of these timeframes be missed, the unforeseen and unavoidable expenditure must be treated in the same manner as any other type of unauthorised expenditure, and may still be authorised in one of the other adjustments budgets process described below.
- (b) Main adjustments budget: In terms of regulation 23(6)(a) of the MBRR, council may authorise unauthorised expenditure in the adjustments budget which may be tabled in council "at any time after the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the current year". Therefore, unauthorised expenditure that occurred in the first half of the current financial year may be authorised by council in this adjustments budget. Where unauthorised expenditure from this period is not identified or investigated in time to include in this adjustments budget, it must be held over to the following adjustments budget process noted below.
- (c) Special adjustments budget to authorise unauthorised expenditure: In terms of regulation 23(6)(b) of the MBRR, council may authorise unauthorised expenditure in a special adjustments budget tabled in council when the mayor tables the annual report in terms of section 127(2) of the MFMA. Kindly refer to MFMA Circular 63 for clarification in terms of the time period referred to in section 127(2) of the MFMA. This special adjustments budget "may only deal with unauthorised expenditure from the previous financial year which the council is being requested to authorise in terms of section 32(2)(a)(i) of the Act." This special adjustments budget therefore deals with:
 - unauthorised expenditure that occurred in the first half of the previous financial year that was not included in the main adjustments budget or that was included but referred back for further investigation or further information;
 - unauthorised expenditure that occurred in the second half of the previous financial year, and
 - any unauthorised expenditure identified by the Auditor-General during the annual audit process.

The timing of this special adjustments budget requires:

• the municipality to report all the unauthorised expenditure in its annual financial statements (thus ensuring transparency regarding its performance with implementing the budget);

- the Auditor-General to audit the municipality's disclosure of its unauthorised expenditure and to add any further unauthorised expenditure identified in the audit process; and
- sufficient time (but also places a time limit) for instances of unauthorised expenditure to be properly investigated before being presented to council for a decision on whether or not to authorise it; the investigation is normally done by a council committee.

With regard to the accounting disclosure of unauthorised expenditure in the books of the municipality in terms of section 125 of the MFMA, we are aware that not all the unauthorised expenditure for a specific period relate to cash transactions. This therefore result in a distorted picture when reporting is done on this particular item in that the readers of the annual financial statements more often than not see unauthorised expenditure relating to non-cash items as money that was lost by the municipality. It is for this reason that we advise municipalities to distinguish in their annual financial statements between unauthorised expenditure relating to cash and non-cash items. This will provide readers with a clear picture of expenditure that was not in terms of the council approved annual budget (cash items) and those instances where incorrect estimations were made which resulted in unauthorised expenditure (non-cash items).

Recovery of unauthorised expenditure

All instances of unauthorised expenditure must be recovered from the liable official or political office-bearer, unless the unauthorised expenditure has been certified as irrecoverable by the council after an investigation by a council committee in terms of section 32(2)(a)(ii) of the MFMA.

Once it has been established who is liable for the unauthorised expenditure, the accounting officer must, in writing, request that the liable official or political office-bearer pay the amount within 30 days or in reasonable installments. If the person fails to comply with the request, the matter must be handed to the municipality's legal division for the recovery of the debt through the normal debt collection process.

Municipalities and municipal entities are reminded to incorporate consequence management processes as part of the expenditure recovery assessment. In other words, whenever unauthorised expenditure is incurred and it is referred to the council committee for investigation in terms of section 32(2)(a)(ii) of the MFMA, the committee must also assess whether or not the action or failure to act by any official constitute financial misconduct as defined in sections 171 and 172 of the MFMA and make an appropriate recommendation to council for further action in terms of chapter 15 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

Irregular expenditure

In terms of section 32(2)(b), irregular expenditure may only be written-off by Council if, after an investigation by a council committee, the irregular expenditure is certified as irrecoverable. In other words, writing-off is not a primary response, it is

subordinate to the recovery processes, and may only take place if the irregular expenditure is certified by Council as irrecoverable.

With reference to (a) as defined, - in terms of section 170 of the MFMA, only the National Treasury may condone non-compliance with a regulation issued in terms of the MFMA or a condition imposed by the Act itself. Municipal Councils therefore have no power in terms of the MFMA to condone any act of non-compliance in terms of the MFMA or any of its Regulations. Section 32(2)(b) of the MFMA provides the council only with the power to consider and resolve on the expenditure. Municipal Councils are therefore advised to ensure that the wording of their council resolutions are consistent with the wording in section 32(2)(b) of the MFMA i.e. "council hereby certify the expenditure as irrecoverable and resolve that it be written off or for recovery of the funds". Municipal councils should note that its ability to resolve on the irregular expenditure is not dependent on National Treasury's decision in relation to the municipality's application for condonation in terms of section 170. It is solely dependent on the investigation and recommendation from the council committee. Whatever the municipal council resolves is sufficient for the municipality to adjust its annual financial statements from an accounting disclosure perspective. The treatment of expenditure associated with the non-compliance is therefore the responsibility of the Council and is elaborated on later in this Circular.

With reference to (b) as defined – there is no provision in the Municipal Systems Act that allows for a contravention of the Act to be condoned. Nevertheless, should a municipality wish to request that an act of non-compliance with any provision of the MSA be condoned, then the accounting officer should address the request to the Minister of Co-operative Governance and Traditional Affairs, who is responsible for administering the MSA. The resultant expenditure should however be dealt with in terms of section 32(2) of the MFMA.

With reference to (c) as defined – there is no provision to allow irregular expenditure resulting from a contravention of the Public Office-Bearers Act to be condoned. This is consistent with section 167(2) of the MFMA, which provides that such irregular expenditure cannot be written-off and must be recovered from the political office-bearer concerned.

With reference to (d) as defined – a council may condone a contravention of the council approved SCM policy or a by-law giving effect to such policy, provided that the contravention, is not also a contravention of the MFMA or the SCM regulations, in which case (a) applies and then only National Treasury can condone a contravention of the SCM regulations. Any such requests must be accompanied by a full motivation and submitted to mfma@treasury.gov.za for consideration. Municipalities and municipal entities are cautioned that this is an onerous process and should not be taken lightly.

Once the Accounting Officer or Council becomes aware of any allegation of irregular expenditure, such allegation may be referred to the municipality's disciplinary board or any other appropriate investigative body for investigation, to determine whether or not grounds exist for a charge of financial misconduct to be laid against the official liable for the expenditure. Further guidance on the processes to follow in

investigating allegations of financial misconduct can be found in the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings read with MFMA Circular 76.

Ratification of minor breaches of the procurement process

In terms of regulation 36(1)(b) of the Municipal Supply Chain Management Regulations, the supply chain management policy of a municipality may allow the accounting officer to ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are *purely technical in nature*. Where a municipality's supply chain management policy does not include this provision the accounting officer cannot exercise this ratification power. It is important to note that the accounting officer can only rely on this provision if the official or committee who committed the breach had the delegated authority to perform the function in terms of the municipality's adopted System of Delegations, which must be consistent with the MFMA and its regulations. The process to deal with minor breaches of the SCM policy is contained in a flowchart, refer to (Annexure B).

Regulation 36(2) states that the accounting officer must record the reasons for any deviations and report to the next Council meeting, and disclose this in a note to the annual financial statements. The emphasis is on recording the "reasons for any deviations and the associated expenditure".

In terms of regulation 36 of the SCM Regulations, the accounting officer is responsible for deciding whether a particular breach of procurement processes is minor or material. In exercising this discretion, the accounting officer must be guided by:

- a) the specific nature of the breach: is it simply technical in nature, not impacting in any significant way on the essential fairness, equity, transparency, competitiveness or cost effectiveness of the procurement process?
- b) the circumstance surrounding the breach: are the circumstances justifiable?
- c) the intent of those responsible for the breach: were they acting in good faith?
- d) the financial implication as a result of the breach: what was the extent of the loss or benefit?

All the factors above must be considered before the accounting officer exercises his or her discretion. The accounting officer would have to consider the merits of each breach of the procurement processes and take a decision as to whether it should be classified as a minor or material breach.

Whether the resultant expenditure will be irregular is dependent on when the minor breach was identified. If the minor breach was identified before the award of the tender, such instance should be dealt with purely as a non-compliance matter through the ratification of a minor breach process. There will be no irregular expenditure since no expenditure had been incurred up to that point in time and the accounting officer will be authorised to address the matter conclusively. The relevant documentation supporting this decision should be maintained for audit purposes.

Should the minor breach be detected after the award was made and expenditure had been incurred for services rendered, there will be non-compliance and the resultant expenditure, will be regarded as irregular. In this instance, the accounting officer may ratify the minor breach provided that the breach in question is not simultaneously also a breach of the Municipal Supply Chain Management Regulation or the Act itself. The associated expenditure will have to be processed in terms of section 32(2)(b) of the MFMA. Note that the ratification of the minor breach by the accounting officer does not automatically regularise the expenditure as the legislative authority in this regard vests with the municipal council, after an investigation by a council committee. Refer to MFMA Circular 92 and the MPAC guide and toolkit for assistance on the process to be followed to address the irregular expenditure.

Note that this category only covers breaches of procurement processes in the municipality's SCM policy and not breaches of other legislation or regulations.

It is important to highlight that, in terms of the regulation 36 of the SCM Regulations, only the accounting officer can consider the ratification of minor breaches of procurement processes that are purely of a technical nature.

It is advisable that the accounting officer implement appropriate processes in the municipality's SCM policy to investigate the nature of the breach so that he/she can make an informed decision on corrective action. In the event that a breach falls outside the classification of a minor breach, the accounting officer cannot follow the remedy contained in regulation 36 (1) (b).

The MFMA and the SCM regulations do not specify what these processes should be, however, it is recommended that accounting officer investigate the nature of the breach through its Internal Audit Unit or any other investigation body and adopt corrective action as recommended by the Audit Committee.

The SCM regulation 36(2) specifies a separate process for reporting the ratification of minor breaches to council, after they have been ratified by the accounting officer. The findings of any investigation must be reported to the accounting officer for consideration when making a decision in this regard. It is important to maintain documentary evidence for audit purposes.

Disciplinary and criminal charges for unauthorised, irregular, fruitless and wasteful expenditure

If, after having followed a proper investigation, the council concludes that the political office-bearer or official responsible for making, permitting or authorising unauthorised, irregular, fruitless and wasteful expenditure did not act in good faith or committed an act of financial misconduct, then the municipality must consider instituting disciplinary action and criminal charges against the liable person/s in terms of chapter 15 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

If the action of the person(s) liable falls within the ambit of the above description, then the council, mayor or accounting officer (as may be relevant) must institute disciplinary charges as follows:

- (i) Financial misconduct in terms of section 171 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings: in the case of an official that deliberately or negligently:
 - contravened a provision of the MFMA which resulted in unauthorised, irregular, fruitless and wasteful expenditure; or
 - made, permitted or authorised an irregular expenditure (due to noncompliance with any of legislation mentioned in the definition of irregular expenditure);
- (ii) Breach of the Code of Conduct for Municipal Staff Members: in the case of an official whose actions in making, permitting or authorising unauthorised, irregular, fruitless and wasteful expenditure constitute a breach of the Code; and
- (iii) Breach of the Code of Conduct for Councillors: in the case of a political office-bearer, whose actions in making, permitting or authorising unauthorised, irregular, fruitless and wasteful expenditure constitute a breach of the Code. This would also include instances where a councillor knowingly voted in favour or agreed with a resolution before council that contravened legislation resulting in unauthorised, irregular, fruitless and wasteful expenditure when implemented, or where the political office-bearer improperly interfered in the management or administration of the municipality.

Recovery of irregular expenditure

All instances of irregular expenditure must be recovered from the liable official or political office-bearer, unless the expenditure is certified by the municipal council, after investigation by a council committee, as irrecoverable and written off by the council in terms of section 32(2)(b) of the MFMA. The National Treasury has issued a Municipal Public Accounts Committee (MPAC) Guideline and Toolkit, supported by MFMA Circular 92. This can also be used to clarify the roles and responsibilities of MPAC and for training purposes. Members of the MPAC who would be considering the recoverability of all unauthorised, irregular, fruitless and wasteful expenditure are encouraged to use this Guide as they perform their responsibilities in terms of section 32 of the MFMA.

Irregular expenditure resulting from breaches of the Public Office-Bearers Act is an exception in that the irregular expenditure must be recovered from the political office-bearer to whom it was paid, who might not have been responsible for making, permitting or authorising the irregular expenditure.

Once it has been established who is liable for the irregular expenditure, the accounting officer must in writing request that the liable political office-bearer or official pay the amount within 30 days or in reasonable installments. If the person fails to comply with the request, the matter must be recovered through the normal debt collection process of the municipality. The municipality can also institute

measures to recover money's paid from suppliers of assets, goods or services not received, as may be appropriate.

Municipalities and municipal entities must take note of the Public Audit Amendment Act, Act 5 of 2018, and regulations issued, which amongst others, provides for the Auditor-General to issue a certificate of debt where an accounting officer or accounting authority has failed to recover losses from a responsible person and to instruct the relevant executive authority to collect the debt.

Quantifying the full extent of irregular expenditure

The municipality must quantify the total amount of irregular expenditure unless it is impractical to do so. In terms of GRAP3, applying a requirement as impracticable is when the municipality cannot apply it after making every reasonable effort to do so. Insufficient time cannot be used as a justification for impracticability.

The municipality's exercise of quantifying the irregular expenditure must focus on the year under review. However, if the non-compliance was identified on a multi-year contract that was identified in prior years, the irregular expenditure on that specific contract must be quantified from inception of the contract. Furthermore, if the municipality was qualified on the completeness of irregular expenditure in the prior year(s), the municipality's exercise of quantifying the full extent of the irregular expenditure must date back to the year the qualification was reported, in order to ensure that the qualification is sufficiently addressed.

A municipality may only disclose impracticability after making every reasonable effort to quantify the full extent of the irregular expenditure.

Unauthorised expenditure and municipal entities

The definition of unauthorised expenditure in section 1 of the MFMA makes specific reference to a municipality and does not incorporate a municipal entity in the definition. It therefore follows that a municipal entity cannot incur unauthorised expenditure for purposes of the MFMA.

In terms of section 87(8) of the MFMA, a municipal entity may incur expenditure only in accordance with its approved budget or adjustment budget. Therefore, where a municipal entity overspends its budget, such expenditure will be irregular expenditure as the municipal entity incurred expenditure in contravention of a provision of the MFMA.

When disclosing this expenditure, the parent municipality will disclose it as unauthorised expenditure since council approves a consolidated budget incorporating allocations for both the parent municipality and the municipal entity. The municipal entity will disclose the same amount as irregular expenditure.

Fruitless and wasteful expenditure

The processes to respond appropriately to fruitless and wasteful expenditure are similar to the following three processes outlined for irregular expenditure:

- (i) disciplinary charges against officials and political office bearers;
- (ii) criminal charges against officials and political office-bearers; and
- (iii) recovery of the fruitless and wasteful expenditure from the liable persons.

The description of the categories of irregular expenditure in the above three instances can be applied directly to fruitless and wasteful expenditure. The difference is that fruitless and wasteful expenditure can arise in any circumstance and is not dependent on non-compliance with any legislation.

Council should follow section 32(2)(b) of the MFMA when dealing with instances of fruitless and wasteful expenditure.

Register of unauthorised, irregular, fruitless and wasteful expenditure

All instances of unauthorised, irregular, fruitless and wasteful expenditures must be reported to the mayor, the MEC for finance and local government in the province, the Auditor-General, disclosed in the annual report, and to council. This disclosure will assist in addressing challenges relating to expenditure control and transparent reporting in order to strengthen accountability and give full effect to the compliance, monitoring, reporting and support measures introduced by the Provincial and National Treasuries as required in the MFMA.

The introduction of a 'register' to capture unauthorised, irregular, fruitless and wasteful expenditure will ensure that financial management in municipalities and municipal entities are improved, resulting in changes to audit outcomes.

All municipalities and municipal entities must prevent the instances of prohibited expenditures. The accounting officers need to ensure that the municipality and municipal entity has proper processes in place to record and manage prohibited expenditures, should they occur. Therefore, as part of complying with sections 62(1)(d) and 95(d) of the MFMA, accounting officers (who may delegate the task to the chief financial officer) must set-up and maintain a *Register of Unauthorised, Irregular, Fruitless and Wasteful Expenditures*.

Annexure A sets out the minimum information that should appear in such a *Register*. Municipalities and municipal entities are free to add more detail should they deem this necessary. The aim of the *Register* is also to serve as a tool for recording all unauthorised, irregular, fruitless and wasteful expenditures and for tracking progress in dealing with the consequences flowing from such expenditures until all the issues that gave rise to the expenditures are properly resolved in accordance with the legal framework.

Municipalities and municipal entities are required to implement a register of unauthorised, irregular, fruitless and wasteful expenditure for all transactions falling within this category and ensure it is updated on a continuous basis. This information will allow management to address such matters more thoroughly and within

appropriate timeframes. This information can also be used to implement mitigation measures, which may form part of the internal and external audit process.

Disclosure of irregular expenditure in the Annual Financial Statement

In terms of section 125(2) of the MFMA, the notes to the annual financial statements of a municipality and municipal entity must include, amongst others, particulars of any material losses and any material irregular or fruitless and wasteful expenditures, including in the case of a municipality, any material unauthorised expenditure that occurred during the financial year, and whether these are recoverable.

Annexure D, describes in detail, the disclosure and accounting treatment of irregular, fruitless and wasteful expenditure.

Conclusion

This MFMA circular provides for a basis by which municipalities can define, identify and respond to instances of unauthorised, irregular, fruitless and wasteful expenditure.

A Register of unauthorised, irregular, fruitless and wasteful expenditure must be introduced for all transactions falling within this category.

All expenditure falling into the above category must be investigated as required by the MFMA, recommendations submitted to Council for consideration and decisions taken to attend to such matters, where appropriate. This Circular can be shared with the Internal Audit Unit, Audit Committee and Municipal Public Accounts Committees.

The consequence management framework has been strengthened as it relates to financial misconduct with the establishment of Disciplinary Board and clarifying the roles and responsibilities of Municipal Public Accounts Committees, and other functionaries.

Municipalities and municipal entities must take note of the amendments to the Public Audit Act, which also provides measures to address matters not dealt with timeously and conclusively by the Municipal administration and Council.



National Treasury Private Bag X115, Pretoria 0001

> Phone 012 315 5850

> > Fax 012 315 5230

Email – General mfma@treasury.gov.za

> Website www.treasury.gov.za/mfma

TV PILLAY

Chief Director: MFMA Implementation

June 2019 (updated)

Annexure A: Register of Unauthorised, Irregular, Fruitless and Wasteful Expenditure

Annexure B: Process Flow to address Minor Breaches of the SCM Policy

Annexure C: Process Flow to address Irregular Expenditure

Annexure D: Disclosure and Accounting Treatment for Irregular, Fruitless and

Wasteful Expenditure

From:

Dewald Miller <dewaldmiller9@gmail.com>

Sent:

Monday, 07 November 2022 09:50

To:

Ceres MIC

Subject:

Fwd: Request to the Municipal Manager

Attachments:

2021.docx; ATT00001.htm

Kind regards D J Miller

Begin forwarded message:

From: Dewald Miller <dewaldmiller9@gmail.com>
Date: 08 November 2021 at 16:55:51 SAST

To: david@witzenberg.gov.za

Subject: Request to the Municipal Manager

2021-11-08

Good day

2021-11-08

For Attention: The Municipal Manager

RE: Under suitable Road, Vos street 32, Ceres

Dear Sir

This letter serves as a request to have the under suitable road covered with tarmac or paving. The road is currently covered in gravel.

I am a paraplegic, and permanently wheelchair bound. It is extremely difficult for me to use the road by myself, as it causes great resistance. The condition of the road also causes damage to my wheelchair. As a result, I don't have a choice but to be transported by vehicle from Vos street, to the entrance of my yard. As you can imagine, this requires a huge amount of effort, on the part of myself and my family.

Please inform me on the way forward in this regard.

I hope that this request receives the necessary urgency and attention. I am looking forward to your reply.

Yours sincerely

D J Miller

0766344980

Dewaldmiller9@gmail.com

From:

Dewald Miller < dewaldmiller 9@gmail.com>

Sent:

Monday, 07 November 2022 09:50

To:

Ceres MIC

Subject:

Fwd: Request to the Municipal Manager

Kind regards D J Miller

Begin forwarded message:

From: Dewald Miller <dewaldmiller9@gmail.com>

Date: 17 January 2022 at 09:20:06 SAST

To: David Nasson <david@witzenberg.gov.za>
Subject: Re: Request to the Municipal Manager

2022-01-17

Attention: Municipal manager

Good day sir

I'm still awaiting feedback regarding email send on 08/11/2021.

Kind regards D J Miller

On 05 Jan 2022, at 09:47, Dewald Miller <dewaldmiller@gmail.com> wrote:

Good day

Dear sir

I'm still awaiting feedback from your office.

Kind regards D J Miller

On 09 Nov 2021, at 06:13, David Nasson david@witzenberg.gov.za> wrote:

Dear Mr Miller

We acknowledge receipt of your letter, the content which is noted. I have referred same to our Manager who will advise me on the way forward ,where after I will revert to you.

Regards

David Nasson Municipal Manager Witzenberg Municipality Work: 0233168196 |



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From: Dewald Miller [mailto:dewaldmiller9@gmail.com]

Sent: Monday, 08 November 2021 16:56

To: David Nasson <david@witzenberg.gov.za>
Subject: Request to the Municipal Manager

2021-11-08

Good day

Please find attached Document.

Kind regards D J Miller 2022-03-28

Goeie dag,

Met hierdie e-pos verwys ek na my brief ge dateer 08/11/2021.

Tot dus ver het ek geen terug voering gekry nie. En die reën seisoen is naby wat die probleem kan vererger.

Ek sien uit na u antwoord

Die Uwe D J Miller

Begin forwarded message:

From: Dewald Miller

<dewaldmiller9@gmail.com>

Date: 08 November 2021 at 16:55:51 SAST

To: david@witzenberg.gov.za

Subject: Request to the Municipal Manager

2021-11-08

Good day

From:

Dewald Miller <dewaldmiller9@gmail.com>

Sent:

Monday, 07 November 2022 09:52

To:

Ceres MIC

Subject:

Fwd: Request to the Municipal Manager

Attachments:

2021.docx; ATT00001.htm

Kind regards D J Miller

Begin forwarded message:

From: Dewald Miller <dewaldmiller9@gmail.com>

Date: 14 October 2022 at 12:09:49 SAST

To: meagan@witzenberg.gov.za

Subject: Fwd: Request to the Municipal Manager

ATT: Municipal manager

Good day

I want to make an appointment with the municipal manager. Can your office please schedule a date.

Thank you.

Kind regards D J Miller

Begin forwarded message:

From: Dewald Miller <dewaldmiller9@gmail.com>

Date: 08 November 2021 at 16:55:51 SAST

To: david@witzenberg.gov.za

Subject: Request to the Municipal Manager

2021-11-08

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Sent:

Monday, 07 November 2022 09:52

To:

Ceres MIC

Subject:

Fwd: Request to the Municipal Manager

Attachments:

2021.docx; ATT00001.htm

Kind regards D J Miller

Begin forwarded message:

From: Dewald Miller <dewaldmiller9@gmail.com>
Date: 29 August 2022 at 10:58:08 SAST

To: David Nasson <david@witzenberg.gov.za> Subject: Fwd: Request to the Municipal Manager

2022/08/29

Kind regards D J Miller

Begin forwarded message:

From: Dewald Miller < dewaldmiller 9@gmail.com>

Date: 28 March 2022 at 08:48:44 SAST

To: David Nasson <david@witzenberg.gov.za> Subject: Fwd: Request to the Municipal Manager

2022-03-28

Goeie dag,

Met hierdie e-pos verwys ek na my brief ge dateer 08/11/2021.

Tot dus ver het ek geen terug voering gekry nie. En die reën seisoen is naby wat die probleem kan vererger.

Ek sien uit na u antwoord

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Sent:

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Ceres MIC

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Fwd: Request to the Municipal Manager

Attachments:

2021.docx; ATT00001.htm

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To: David Nasson <david@witzenberg.gov.za>

Subject: Fwd: Request to the Municipal Manager

2022-03-28

Goeie dag,

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Dewald Miller < dewaldmiller9@gmail.com>

Sent:

Monday, 07 November 2022 09:51

To:

Ceres MIC

Subject:

Fwd: Request to the Municipal Manager

Attachments:

2021.docx; ATT00001.htm

Kind regards D J Miller

Begin forwarded message:

From: Dewald Miller < dewaldmiller 9@gmail.com>

Date: 09 May 2022 at 13:36:55 SAST **To:** j.mouton@witzenberg.gov.za

Subject: Fwd: Request to the Municipal Manager

Good day

Please see attached previous emails send to the municipal manager.

Kind regards D J Miller

Begin forwarded message:

From: Dewald Miller <dewaldmiller@gmail.com>

Date: 28 March 2022 at 08:48:44 SAST

To: David Nasson david@witzenberg.gov.za
Subject: Fwd: Request to the Municipal Manager

2022-03-28

Goeie dag,

Met hierdie e-pos verwys ek na my brief ge dateer 08/11/2021.

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To: david@witzenberg.gov.za

Subject: Request to the Municipal Manager

2021-11-08

Good day

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Sent:

Monday, 07 November 2022 09:52

To:

Ceres MIC

Subject:

Fwd: Request to the Municipal Manager

Attachments:

2021.docx; ATT00001.htm

Kind regards D J Miller

Begin forwarded message:

From: Dewald Miller <dewaldmiller@gmail.com>

Date: 20 September 2022 at 09:35:49 SAST

To: henniesmit@witzenberg.gov.za

Subject: Fwd: Request to the Municipal Manager

Good day

Please see email and letter below

I have send multiple emails with no success of any reply or feedback.

I would appreciate feedback regarding my request.

Thank you in advance.

Kind regards D J Miller

Begin forwarded message:

From: Dewald Miller <dewaldmiller9@gmail.com>

Date: 29 August 2022 at 10:58:08 SAST

To: David Nasson <david@witzenberg.gov.za>

Subject: Fwd: Request to the Municipal Manager

2022/08/29

Kind regards D.J. Miller

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To: David Nasson <david@witzenberg.gov.za>

Subject: Fwd: Request to the Municipal Manager

From:

Dewald Miller <dewaldmiller9@gmail.com>

Sent:

Monday, 07 November 2022 09:51

To:

Ceres MIC

Subject:

Fwd: Request to the Municipal Manager

Kind regards D J Miller

Begin forwarded message:

From: Dewald Miller <dewaldmiller9@gmail.com>

Date: 28 February 2022 at 10:46:01 SAST
To: David Nasson <david@witzenberg.gov.za>
Subject: Re: Request to the Municipal Manager

2022-02-28

Good day

1. Are there any updates regarding my request.

2. If there's not an update regarding the letter can municipal manager as soon as possible.

I please schedule a meeting with the

Kind regards Mr. D J Miller

On 17 Jan 2022, at 09:20, Dewald Miller <dewaldmiller9@gmail.com> wrote:

2022-01-17

Attention: Municipal manager

Good day sir

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Kind regards D J Miller

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Regards

David Nasson Municipal Manager Witzenberg Municipality Work: 0233168196 |



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[mailto:dewaldmiller9@gmail.com]
Sent: Monday, 08 November 2021 16:56
To: David Nasson <david@witzenberg.gov.za>
Subject: Request to the Municipal Manager

2021-11-08

Good day

Kind regards D J Miller

WITZENBERG

MUNISIPALITEIT UMASIPALA MUNICIPALITY

- MEMORANDUM -

AAN / TO: Director: Technical Services, Municipal Manager, Committee for Technical

Services, Council

VAN / FROM : Manager: Streets and Stormwater

DATUM / DATE : 7 October 2024

VERW. / REF : 16/4/P

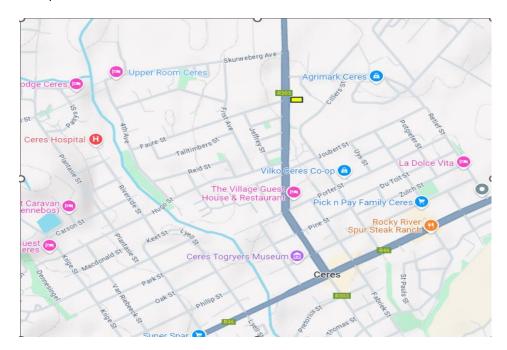
GRAVEL ROAD THAT INTERSECTS WITH VOS STREET OPPOSITE FAURE STREET, CERES - MR DEWALD MULLER.

1 Purpose

To provide feedback to the Committee regarding an enquiry of the upgrading of a gravel road to a surfaced road.

2. Background

The road in question is a gravel road that intersects with Vos Street opposite Faure Street, Ceres. This road provides vehicular access to two corner properties, of which Mr Dewald Muller, a paraplegic, who is wheelchair bound, is residing at one of these properties. The two properties have pedestrian access onto Vos Street.



2 (023) 316 1854

(023) 316 1877

admin@witzenberg.gov.za



Mr Muller has requested that the gravel road be upgraded to a surfaced road. With a site visit to Mr Muller's residents, he explained that he cannot access Vos Street from his home with his wheelchair, as the unsurfaced road make is very difficult and "requires a huge amount of effort from him and his family." Please refer to the attached correspondence.

3. Scope of work and cost estimate

Subsequent the request from Mr Muller the following scope of work and cost estimate was provided to the Director: Technical Services. The estimate was escalated, taking in account the year-on-year increases, since the first draft.

Access road off Vos Street	Length(m)	Width(m)			30-Mar-22
Cost estimate	40	5			
Description	Unit	Qty	Rate	Amo	unt to Date
SCHEDULE A: PRELIMINARY AND GENERAL					
PRELIMINARY AND GENERAL					
Contractual requirements	Sum	1		R R	69 631,50 31 640,00
SCHEDULE E: STORMWATER AND SUBSURFACE DRAINAGE				R	83 440.00
SCHEDULE F: SUBBASE					
SCHEDULE G: BASE COURSE				R	25 200,00
SCHEDULE I: ASPHALT BASE & ROAD SURFACING				R	25 200,00
SCHEDULE J: KERBING AND CHANNELLING				R	42 700,00
SCHEDULE K: ANCILLARY ROADWORKS				R	22 825,00
				R	1 100,00
SUBTOTAL 1 (excluding P&G) SUBTOTAL 2 (including P&G)				R R	232 105,00 301 736,50
ESCALATION Year on Year (10% x 3) PROFFESIONAL FEES				R	401 611,28 80 322,26
CONTENGENCIES @ 10%				R	38 205,88
SUBTOTAL 3 VAT @ 15%				R R	821 875,91 123 281,39
ESTIMATED TOTAL COSTS				R	945 157,30

3. Roads upgrading needs

Currently the following road sections in Witzenberg requires upgrading. Upgrading refers to existing gravel roads and reconstruction of deteriorated roads. The following is excluded from the table below:

- New roads for New developments and
- New roads for Masterplanning as per the recommendations from the latest Spatial Development Framework
- Existing roads resealing and rehabilitation requirements.

Roads Asse	sment			31-May-23					
* Amount in	nclude 15% Vat and Pro	ofessional fees wh	ere annlicable						
Amounti	Vat and Fic	Tessional rees wit	ете арріісавіе		Length	Width	Area		
Town	Suburb	Street	Begin	End	(m)	(m)	(m2)	New:	
		_						Reconstruction	Gravel
Tulbagh	Central BD (Tulbagh)	Nuwe	Waterkant Vos	Museum Shand	165 80	6,2 5	1023 400	R4 253 634,00 R1 663 200,00	
	Central BD (Tulbagh) Central BD (Tulbagh)	Meiring Cres Meiring Cres	Shand	Cul De Sac	280	5,5	1540	R6 403 320,00	
	Central BD (Tulbagh)	Buitenkant	Waveren	Kruisvallei	125	7,6	950	R3 950 100,00	
	, , , , , ,	Buitenkant	Cul de Sac	Kruisvallei	125	7,6	950	R3 950 100,00	
	Central BD (Tulbagh)	Kruisvallei	Kriegler	Loop	65	6,7	435,5	R1 810 809,00	
	Central BD (Tulbagh)	Kruisvallei	Cul De Sac	Nuwe	50	6,7	335	R1 392 930,00	
	Central BD (Tulbagh)	Kruisvallei	Nuwe	Buitenkant	60	6,7	402	R1 671 516,00	
	Central BD (Tulbagh) Central BD (Tulbagh)	Kriegler Kriegler	Waveren Kruisvallei	Mark Waveren	180 125	7,6 6,8	1368 850	R5 688 144,00 R3 534 300,00	
	Central BD (Tulbagii)	Kriegler	Buitekant	Kriegler	125	6,8	850	R3 534 300,00	
	Central BD (Tulbagh)	Loop	Waterkant	Mark	170	6,8	1156	R4 806 648,00	
	Central BD (Tulbagh)	Loop	Mark	Waveren	175	6,6	1155	R4 802 490,00	
	Central BD (Tulbagh)	Rossouw	Piet Retief	Plein	85	7	595	R2 474 010,00	
	Central BD (Tulbagh)	Rossouw	Plein	Nuwe	60	7	420	R1 746 360,00	
	Central BD (Tulbagh)	Shand	Meiring Cres	Tar/Blocks	120	5,5	660	R2 744 280,00	
	Central BD (Tulbagh) Die Bult	Shand Disa	Cul de sac Protea	Tar/Blocks Nerina	120 250	5,5 5	800 1250	R3 326 400,00 R5 197 500,00	
	Witzenville	Steinthal	Marais	Prov Boundary	1530	6,2	9486	R39 442 788,00	
	Witzenville	Steyl	Derde Laan	Vierde Laan	90	5	450	R1 871 100,00	
	Witzenville	Steyl	Vierde Laan	Vyfde Laan	45	5		R935 550,00	
	Witzenville	Vierde Laan	Obiqua Cres	Holzapfel	50	7,1	355	R1 476 090,00	
	Witzenville	Vierde Laan	Obiqua Cres	Steyl	170	7,1	1207	R5 018 706,00	
	Witzenville	Vyfde Laan	Holzapfel	Obiqua Cres	50	7,2	360	R1 496 880,00	
		Vyfde Laan	Steyl	Obiqua Cres	170	7,2	1224	R5 089 392,00 R118 280 547,00	
	Die Bult	Oos	Watsonia	Maroela	80	5	400	K118 280 547,00	R1 663 200,00
	Die Bult	Oos	Maroela	Kamasie	80	5	400		R1 663 200,00
	Die Bult	Oos	Kamasie	Magnolia	170	5	850		R3 534 300,00
	Die Bult	Kamasie	Cul de sac	Oos	55	5	275		R1 143 450,00
	Die Bult	Maroela	Cul de sac	Oos	55	5			R1 143 450,00
	Die Bult	Safraan	Cul de sac	Magnolia	70	5			R1 455 300,00
	Witzenville	Eike	Kiepersol	Makou	65	6			R1 621 620,00
	Witzenville Witzenville	Fisante Fisante	Makou Meeu	Meeu Tarentaal	65 60	6			R1 621 620,00 R1 496 880,00
	Witzenville	Hough	Malherbe	Malherbe	220	5	1100		R4 573 800,00
	Witzenville	Makou	Patrys	Eike	80	6			R1 995 840,00
	Witzenville	Makou	Eike	Fisante	20	6	120		R498 960,00
	Witzenville	Malherbe	Steinthal	Hough	70	6	420		R1 746 360,00
	Witzenville	Malherbe	Hough	Waterkant	25	6			R623 700,00
	Witzenville	Malherbe	Waterkant	Hough	100	6	600		R2 494 800,00
	Witzenville Witzenville	Malherbe	Hough Fisante	Cul De Sac	60 100	6			R1 496 880,00 R2 494 800,00
	Witzenville	Meeu Patrys	Tarentaal	Patrys Meeu	55	6	330		R1 372 140,00
	Witzenville	Patrys	Meeu	Makou	55	6			R1 372 140,00
	Witzenville	Tarentaal	Fisante	Patrys	85	6	510		R2 120 580,00
	Witzenville	Tarentaal	Patrys	Steinthal	65	6	390		R1 621 620,00
									R37 754 640,00
Ceres	Paddavlei	Cellier			260	7,7	2002	R 8 324 316,00	
	7622	Vos	Cul de sac					R 8 324 316,00	R945 157,30 R945 157,30
PAH	Phase 5	Matroosberg	Waboom	Cul de sac	550	7,7	4235	R 17 609 130,00	N945 157,50
		Skunsbaai			100	7,7	770		
		Gydo			180	7,6	1368	R 5 688 144,00	
		Witzenberg			180	7,6	1368		
	Stasie roads	Sation way	MR 310	Cul de sac	402	5	2010	10 337 300,00	
Maluli	Nduli	Langahı	Langahı	Cul do c==	100	-	500	R 40 544 658,00	P3 070 000 00
Nduli	Nduli	Langabuya	Langabuya	Cul de sac	100	5	500		R2 079 000,00
Bella Vista	Schoonvlei	Kamp	Vreeland	Boerneef	715	7,4	5291		R21 999 978,00
		Boerneef	Kamp	Tar end	200	7,4	1480		R6 153 840,00
		Bank	Meul	Meul	600	7,4	4440		R18 461 520,00
									R46 615 338,00
Wolseley		Mill	Solomon	Cul de sac	150	6,8	1020		R4 241 160,00
		Pauling	Solomon	Desmit	150	6,8	1020		R4 241 160,00
		Desmit	Pauling	Collard Afrika	150	6,8	1020		R4 241 160,00
		Collard Solomon	Solomon Collard	Cul de sac	300 200	7,4 7,4	2220 1480	R6 153 840,00	R9 230 760,00
		Protea	Protea tar end	Freezia	100	5,5	550	110 133 840,00	R2 286 900,00
		Freezia	Protea	Watsonia	340	5,5	1700		R7 068 600,00
		Orange	Disa	Freezia	100	5,5	550		R2 286 900,00
		Watsonia	Disa	Freezia	100	5,5	550		R2 286 900,00
	Montana	No name			90	5,5	495		R2 058 210,00
								R6 153 840,00	R37 941 750,00
								R173 303 361,00	R125 335 885,30
								Total:	R298 639 246,30
								i otai.	

It should be noted that since 2019/2020 financial year, no provision has been made on the MTREF for the construction of roads in Witzenberg, excluding the upgrading of the Van Breda Bridge, Ceres.

5. Recommendation

It is proposed that Mr Muller access Vos Street from his residence via the pedestrian access at his residence.

That the gravel road be routinely maintained, fixing the surface as and when required, on a ongoing basis.

Yours truly,

E LINTNAAR SENIOR MANAGER: STREETS AND STORMWATER 690 8.2.2

WITZENBERG MUNICIPALITY

Draft House Shop By-law

To control and regulate house shops within the authority's area of Jurisdiction

PREAMBLE

WHEREAS section 156(2) and (5) of the Constitution provides that a municipality may make and administer by-laws for the effective administration of the matters which it has the right to administer, and to exercise any power concerning a matter reasonably necessary for, or incidental to, the effective performance of its functions;

AND WHEREAS Part B of Schedule 4 to the Constitution lists Municipal Planning as local government matters to the extent set out in section 155(6) (a) and (7);

AND WHEREAS the Witzenberg Municipality seeks to manage, control and regulate municipal land use planning and any matters connected therewith;

BE IT ENACTED by the Council of the Witzenberg Municipality, as follows:—

SCHEDULE

Classification of Sections

- 1. Definitions
- 2. Application of this by-law
- 3. Classification of house shops
- 4. Applications for house shops
- 5. Requirements for a house shop
- 6. Restrictions
- 7. Non-liability of the municipality
- 8. Compliance notices
- 9. Penalty
- 10. Application
- 11. Transitional arrangements
- 12. Delegation
- 13. Failure to comply
- 14. Short title and commencement

1. Definitions

In this by-law, unless the context otherwise indicates:

"authorised official" means an employee of the Council appointed by the Municipal Manager to exercise the powers of an authorised official in terms of the provisions of this by-law and includes a law enforcement officer;

"approval period" means a maximum of five years in terms of the Witzenberg Land Use Planning By-Law, P.N. 289/2015, after which an extension for the period must be applied for;

"Business Act" means the Business Act, 1991. (Act No 71 of 1991).

"Business Licence" means a licence or permit issued by a local government in terms of the Business Act, 1991, that allows an individual or company to conduct a business within the Municipal jurisdiction"

"Council" means the municipal Council of the municipality;

"house shop" means the operation of a retail business from a dwelling for the convenience of the immediate community by the registered owner of the dwelling, who must occupy the dwelling; provided that the primary use of the dwelling shall remain residential;

"illegal goods" means –

- (a) goods which may not been lawfully acquired or disposed of;
- (b) goods that are prohibited from sale or distribution under any applicable national, provincial, or municipal law:
- (c) counterfeit goods as defined in the Counterfiet Goods Act, 1997 (Act No. 37 of 1997)
- (d) goods that are required to be, but have not been, imported or produced in terms of the provisions of the Customs and Excise Act, 1964 (Act No 91 of 1964);
- (e) stolen goods; or
- goods that do not meet mandatory safety or quality standards as prescribed by relevant legislation;

"municipal manager" means a person appointed by the Council in terms of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998);

"municipality" means the Witzenberg Municipality;

"national building regulations" means the National Building Regulations promulgated in terms of the National Building Regulations and Building Standards Act, 1977 (Act 103 of 1977);

"public nuisance" means any act, omission or condition which is offensive to the public, which is detrimental to or dangerous for public health, which materially interferes with the ordinary comfort, convenience peace or quiet of the public or which adversely affects the safety of the public;

"spaza shop" refer to the definition of house shop, it has the same meaning

"zoning scheme" means a zoning scheme promulgated in terms of the Land Use Planning Ordinance 15 of 1985 or the Integrated Zoning Scheme promulgated in terms of SPLUMA, 2013 (Act 16 of 2013);

"zoning scheme regulations" means Section 7 and Section 8 of the Scheme Regulations in terms of the Land Use Planning Ordinance 15 of 1985 or the Integrated Zoning Scheme promulgated in terms of SPLUMA, 2013 (Act 16 of 2013);

2. Application of this by-law

- (1) This by-law is applicable to the entire area of jurisdiction except for informal settlements of the Witzenberg Municipality.
- (2) The provisions of this by-law do not derogate from the provisions of any other legislation.
- (3) No person may operate a house shop without prior approval by the municipality in terms of this By-Law.

3. Classification of house shops

- (1) House shops are classified as follows:
 - (a) a profit-seeking house shop;
 - (b) a house shop with an identified shop area inside an existing dwelling;
 - (c) a house shop where formal advertising takes place;
 - (d) a house shop where goods are purchased and delivered;
 - (e) a house shop where business hours are maintained;
 - (f) a house shop where the primary use of the premises is residential and the secondary use is for the purposes of a house shop.

4. Applications for house shops

- (1) Only the owner of the property, and who resides on the property, may apply to operate a house shop.
- (2) An application for a house shop will be done in terms of the Witzenberg Land Use Planning By-Law, P.N. 289/2015 and specifically as a departure.
- (3) The following documents must accompany an application for a house shop:
 - (a) The fully completed application form;
 - (b) A site and floor plan of the business component of the proposed house shop;
 - (c) Proof of the written consent of all surrounding/adjacent owners for a house shop to be operated on the relevant premises;
 - (d) Application fee as per the Council's tariffs;
 - (e) Copy of the applicant's Identity Document.
- (4) The application will be circulated to the municipal departments and local Councillor for comment.
- (5) Thirty days will be granted for comment.
- (6) The authorized official will consider the application and make a decision within a timeframe not exceeding 3 months as to whether to approve the application or not.

- (7) The applicant and objectors, if applicable, will be notified in writing of the decision of the authorized official.
- (8) Objections will be handled in terms of the Witzenberg Land Use Planning By-Law, P.N. 289/2015.

5. Requirements for a house shop

- (1) House shops must meet the following requirements
 - (a) The house shop may only be operated from a dwelling that complies with the Scheme Regulations applicable to the specific area and the National Building Regulations;
 - (b) The extent and location of the business component must be indicated on a scaled plan, and shall not exceed 45% of the total floor area of the dwelling-house;
 - (c) The erf from which the house shop is operated must contain a dwelling as a primary residential property;
 - (d) The house shop may not be located within the road reserve;
 - (e) The part of the house utilised as the shop may not be occupied.
- (2) Should any of the aforementioned provisions not be complied with or contravened, the Council reserves the right to withdraw the approval at any time.

6. Restrictions

- (1) Any alterations to the existing dwelling must blend in with the residential character of the area concerned.
- (2) All legislation, regulations and safety measures regarding the operation of the house shop and merchandise therein must be adhered to by the owner.
- (3) The operation of the house shop may not cause a public nuisance.
- (4) No explosive or flammable substances may be kept or sold.
- (5) Consent to operate a house shop is granted to the registered owner of the premises and is not transferable.
- (6) Business hours will be determined by the municipality.
- (7) Should an applicant wish to erect advertising signage
 - (a) an application must be submitted in advance to the municipality;
 - (b) only one unlighted sign or notice, no larger than 2 000 cm2 in extent, indicating the name of the owner, business and the nature thereof only, may be displayed;
 - (c) the prior written approval of the municipality must be obtained.
- (8) Only the registered owner and his direct dependants, who reside on the property, may operate the house shop.
- (9) Additional service connections will not be allowed;
- (10) The total amount of house shops allowed per street is as follows:

Street length shorter than 100m – 1 shop Street length 100m to 200m – 2 shops Street length 200m to 400m – 3 shops Street length 400m and over – 4 shops

7. Business Licence

- (1) A House-Shop / Spaza shop owner, must apply for a business licence.
- (2) A municipality must issue a business licence if it is properly applied for, unless –

- (a) the applicant does not comply with the relevant provisions of this by-law;
- (b) the goods or services provided by the business are illegal; or
- (c) the house-shop do not comply with the requirement relating to town planning or any law which applies to those premises.
- (3) The municipality must be satisfied that the applicant will be in actual and effective control of the business
- (4) A Municipality may grant a licence on condition that-
- (a) The house shop comply with the requirement relating to town planning, or any other law which applies to those premises and
- (b) Certificate of Acceptability is issued by the District in terms of the GN R638 of 22 June 2018: Regulations governing general hygiene requirements for food premises, the transport of food and related matters and / or
- (5) Application form for a business licence can be accessed physically at the municipal offices and on the Municipal Website.
- (6) Application fee as determined by Council is payable.
- (7) The delegated official is responsible to establish and maintain a database of issued business licences.
- (8) The municipality reserves the right to conduct background checks on applicants, including liaising with law enforcement agencies, to verify the legality of their business activity.
- (9) The applicant, if successful, will be issued with a business licence that must be displayed and be available for inspection.
- (10)A business licence holder may not transfer a business licence to any other person in any manner, except in the event of death of a business licence holder. In case of death, an executor and or dependent can apply to the Municipality in the form of an affidavit to continue with the house-shop, and the Municipality can on its discretion approve or not approve the application for transfer.
- (11)A business licence must be renewed annually.

Trading Hours

House Shops / Spaza shops should have limited operating / trading hours, in order to protect the residential character of the area the area located in. Trading Hours shall be limited to between **06h00** to **22h00** daily.

7. Non-liability of the municipality

The municipality shall not be liable for any direct or consequential loss or damage suffered or sustained by the owner of the house shop premises as a result of or arising from the approval of the house shop.

8. Compliance notices

- (1) Whenever an authorised official or law enforcement officer finds that any person contravenes any provision of this by-law or that a situation arises which causes a public nuisance or which could possibly lead to a public nuisance as a result of any person's actions or failure to act, such an official or officer is authorized to issue a compliance notice on such a person.
- (2) Should a notice be served, it must contain the following
 - (a) The provision of the by-law that is being or will be contravened, should the situation be allowed to continue;
 - (b) The measures to be taken to rectify the situation; and
 - (c) The timeframe for compliance with the notice.

9. Penalties

Whenever a law enforcement officer finds that any person contravenes any requirement or restriction under clauses 5- and 6 of this by-law, such law enforcement officer may serve a fine on such a person as approved by the Magistrate or notice to appear in court.

10. Application

The provisions of this by-law do not detract from the provisions of any other legislation in terms of which provision is made for the control of house shops and or spaza's as stipulated in that legislation.

11. Transitional arrangements

- (1) A person who can prove that the Council has already granted approval for the operation of a house shop at the time of implementation of this by-law may continue to act in accordance with the approval in terms of such by-law, provided that:
 - (a) Approval is not transferred from the original applicant to another person; and
 - (b) The owner of the house shop provides proof of the Council's approval.
 - (c) The registered owner within 6 months of the proclamation of this by-law shall comply with the requirements and restrictions under clause 5 and 6 this By-Law.

12. Delegation

The Municipal Manager may delegate any power or function conferred on the Municipal Manager in terms of the provisions of this by-law in writing to an authorised official of the municipality.

13. Failure to comply

- (1) If a person fails to comply with a compliance notice the Municipality may—
 - (a) lay a criminal charge against the person; or
 - (b) apply to the Court for an order restraining that person from continuing the illegal activity, to demolish, remove or alter any building, structure or work illegally erected or constructed without the payment of compensation or to rehabilitate the land concerned; or
 - (c) in the case of a temporary departure or consent use, the Municipality may withdraw the approval granted.

(d) in the case of a business licence, the municipality may withdraw the approval.

14. Short title and commencement

This by-law is called the Witzenberg Municipality House Shop By-law 2025 and shall be in operation on the date of its promulgation in the Provincial Gazette.





AAN / TO: Municipal Manager

VAN / FROM: Director: Technical Services

DATUM / DATE: 13 March 2025

VERW. / REF.: 17/3/2

RESUBMISSION: LEASE AND OPERATION OF THE MATERIAL RECOVERY FACILITY (MRF) AT

CERES ON ERF 364/82

1. BACKGROUND

The Witzenberg Municipality officially opened the MRF during August 2022. The aim of the MRF is to recycle recycable material, and minimize waste filling up our landfill site.

2. DISCUSSION

The Witzenberg Municipality is currently operating the MRF with fifteen (15) EPWP workers and one supervisor, under the supervision of Mr Juandrey Saunders (Superintendent Landfill sites and Recycling).

Correspondence was received form Mr Pieter Swarts (Unite the City) re the utilization of the MRF (See Annexure A).

Mr Swarts and Mr Mouton received the following equipment from the Department of Rural Development:

- ♦ Hooklift truck
- ♦ Forklift
- ♦ Hyundai H-100 plus trailer
- ♦ H.20 baling machine

The company Unite the City (Pieter Swarts) is a SMME business operating in the waste sector of the Witzenberg area doing private recycling activities to assist with the minimization of waste.

He indicated that they are interested to run/operate the MRF in Ceres.

As Unite the City are financially supported by Rural Development, the municipality can also assist them with the operation of the MRF, to ensure that their business is successfull.

(023) 316 1854

① (023) 316 1877

admin@witzenberg.gov.za

As per the MFMA, section 110 the following:

"110.(1) This Part, subject to subsection (2), applies to-

- (a) The procurement by a municipality or municipal entity of goods and services;
- (b) The disposal by a municipality or municipal entity of goods no longer needed;
- (c) The selection of contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies; and
- (d) The selection of 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.
- (2) This Part, except where specifically provided otherwise, does not apply if a municipality or municipal entity contracts with another organ of state for-
- (a) The provision of goods or services to the municipality or municipal entity;
- (b) The provision of a municipal service or assistance in the provision of a municipal service; or
- (c) The procurement of goods and services under a contract secured by the other organ of state, provided that the relevant supplier has agreed to such procurement.
- (3) The disposal of goods by a municipality or municipal entity in terms of this Part must be read with sections 14 andf 90.

Section 110 is not applicable, as the contractors will be rendering service (assisting with recycling of the MRF) at no cost to us.

In exchange for the service rendered by the contractors the municipality makes our recycled material available to the contractor at no cost for their own use.

Comments of Senior Manager: Solid Waste & Cleansing

- 1. This opportunity will only pertain to the management and operation of the MRF, and does not include a recycling collection service, nor the management of garden waste on site
- 2. The performance of Unite the City will be subjected to monitoring, evaluation and review
- 3. Targets in terms of volumes processed on site must be met, maintained/increased
- 4. Infrastructure on site available for use is restricted to the baler, conveyor system, compactor system and MRF building and weighbridge
- 5. The Superintendent will be the Municipality's representative on site
- 6. Indefinte storage of waste materials will strictly not be allowed
- 7. Access control and hours of operation is subject to the approval of the Municipality
- 8. Waste types accepted on site will be subject to the approval of the Municipality.
- Unite the City must be aware that all Municpal waste will at the end of the day be diverted to the MRF and that Municipal waste will get preference.

3. PREVIOUSLY RESOLVED – COUNCIL MEETING HELD on 12 NOVEMBER 2024 (Annexure C):

- a) That Section 110 of the MFMA is not applicable.
- b) That the company Unite the City sign an agreement to operate the MRF on a **trial basis of three** months.
- c) That should the company be successfull in the probation period of three months, it be further extended with one (1) year.
- d) That the Witzenberg Municipality employs the 15 EPWP workers currently operating at the MRF, during the trial period, to assist the mentioned company with the operation of the MRF, after which it will be the responsibility of Unite the City.
- e) That an agreement be drawn up between the municipality and Unite the City regarding the operation and maintenance of the MRF.
- f) That the Municipal Manager be authorised to sign the mentioned agreement.
- g) That Council's intention to lease the Materials Recovery facility (MRF) on erf 364/82, Ceres be advertised in the local newspaper for inputs, comments and any objections.

4. FEEDBACK ON THIS MATTER:

- 1. The advertisement was placed in the local newspaper, The Herald, as per item 3(g) above.(Annexure B)
- 2. Written comment received within the stated timeframe, and response was communicated, (Annexure D):

Letter 1 received 10 February 2025 Response Letter sent 26 February 2025 Letter 2 received 28 February 2025 Email sent 05 March 2025 Email received 11 March 2025

5. RECOMMENDATION:

Submitted for consideration.

DIRECTOR: TECHNICAL SERVICES	DATE	

8.2.3(b)



14 PRETORIUS STREET CERES 6835 079195867 4 Contact person: Pieter Swarts 14 Pretorius Street Cell: 079 195 867 4 unitethecity08@gmail.com

Unite The City PTY LTD Proposal

To Mr. Joseph Barnard Director Technical Service Witzenberg Municipality

We hereby would like to give our proposal for the Lease and Operation of the MRF.

Fixed Assets

- 1. UTC takes the 20 MRF employees off the Municipal head count.
- 2. UTC processing payroll of all employees.
- 3. UTC takes full responsibility of Human Resource of Employment Engagement.
- 4. UTC takes full responsibility of Health and Safety duties in the workplace.
- 5. UTC take full responsibility for Management and Administration of the MRF.

Current Assets

Waste Removal Operations

- 1. Hooklift Truck
- 2. Forklift
- 3. 2×30 Cube Skips for Waste Removal Collection and Dump
- 4. H100 Hyundai h100 + Trailer
- 5. Extra H20 Bailer
- 6. 1 skip for Scrab Metal

Hope you consider our application favourable.

Regards

Director Pieter Swarts



■ 44, Cont. 3-335
50 Proposed Sci. Sur. Cont. 4, 6035
Sind Astron. House Advice.
■ 427 23 314 1634
427 23 314 1637

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Reference / Verwysing / Ref:

17/2/R

Enquiries / Navrae / Imibuzo:

PS CLAASEN

01 February 2024

Attention: Mr. Pieter Swarts

Unite The City 14 Pretorius Street CERES 6835

Dear Sir

REGISTERED WASTE COLLECTOR

The letter confirms that your company has been registered as a Waste Collector within the boundaries of the Witzenberg Municipality.

You are kindly requested to submit removal data to this **Solid Waste Department of this Municipality** on a monthly basis to conform to the Provincial and National legislation. Kindly note that failure to submit this information will be viewed as non – compliance in terms of the **permit conditions as stated** in this integrated **Waste Management By Law**.

Your company is only allowed to dispose waste as indicated on your application form. Failure to submit this information will nullify this registration and permit might be revoked.

Your registration will be valid from 01 February 2024 until 01 February 2025.

Should you have any questions please do not hesitate to contact Me P Claasen of this department by phone number 023 316 5840.

Yours faithfully

Patricia Claasen

Senior Manager/ Senior Bestuurder: Solid Waste & Cleansing/ Vaste Afval & Reiniging

Tel: (023) 316 8540

E-mail/E-pos: pclaasen@witzenberg.gov.za

Kindly address all correspondence to the Municipal Manager / Rig osseblief alle korrespondensie aan die Munisipale Bestuurder / Yonke Imbalelwano mayithuyelwe kuMlawuli katMasipala

A municipality that cares for its community, creating growth and opportunity!

'n Munisipalitelt wat omgee vir sy gemeenskap en groei en geleenthede skep!

Umasipala olukhathaleleyo uluntu lwakhe, odala ukukhula namathuba!





CALL CENTER NO: 0860 105 350

CF REG NO : 990001305003
REG NO : 2021/331840/07
ISSUE DATE : 2024-05-14
CERTIFICATE NO : 2023052430

UNITE THE CITY
Ceres
14 Pretorius Street
Ceres
6835

A LETTER OF GOOD STANDING

COMPENSATION FOR OCCUPATIONAL INJURIES AND DISEASES ACT 130 of 1993 (AS AMENDED).

With reference to sections 80, 82, 86 and 89 of Compensation for Occupational Injuries and Diseases Act 130 of 1993 (As amended), I hereby certify that:

UNITE THE CITY

has complied with the requirement of the above Act and is at present in good standing with the Compensation Fund.

Nature of business: PLUMBING, CEILING, PARTITIONING, FLOORING, TILING GARDEN, WINDOW & INDUSTRIAL CLEANING, SIGN ERECTION & WRITING Expiry date: 2025-04-30

IMPORTANT NOTICE:

Any fraudulently obtained Letter of Good Standing shall constitute a criminal offence.

The Compensation Commissioner shall institute criminal proceedings against any perpetrators who unlawfully alter or deface this letter with intend to defraud or misrepresent facts contained therein.

PLEASE, use the Below link (Website Address) to check if the Letter of Good Standing is valid: https://cfonline.labour.gov.za/VerifyLOGS

Yours faithfully

COMPENSATION COMMISSIONER

VV.As. 48





South African Revenue Service

PJD SWARTS 14 PRETORIUSSTRAAT CERES 6835

TAX COMPLIANCE STATUS

PIN Issued

Enquiries should be addressed to SARS:

ચોલિકારી માલ્લાભાગ

SARS Alberton 1528 Contact Centre Tel: 0800 00 7277 SARS website; www.sars.gov.za

Details

Taxpayer Reference Number: 2573467145

Always quote this reference

Issue Date:

2024/06/10

Dear Taxpayer

TAX COMPLIANCE STATUS PIN ISSUED

The South African Revenue Service (SARS) has issued your tax compliance status (TCS) PIN as Indicated below:

TCS Details:	
Taxpayer Name	Pieter John Daniel Swarts
Trading Name	Not applicable
Taxpayer Reference Number(s)	IT - 2573467145
Purpose of Request	Good Standing
Request Reference Number	0010542778GS1006240935112
PIN	C8G22612ZY
PIN Explry Date	10/06/2025

You may authorise a third party to view your TCS by providing them the PIN. The PIN only allows the third party access to your TCS. All your other tax information remains secure.

Your TCS displayed is based on your compliance as at the date and time the PIN is used.

You may cancel this PIN at any time before the expiry data reflected above. Once cancelled, a third party will not be able to verify your

SARS reserves the right to cancel the TCS application and associated PIN in the event that it was issued in error or provided on the basis of fraud, misrepresentation or non-disclosure of material facts.

More details regarding our channels, office hours, services, tailored information regarding tax as well as a comprehensive FAQ repository are available on the SARS website: www.sars.gov.za.

We value your support and contribution to our country's economy and prosperity. We strive to ensure that you clearly understand what is expected from you, as well as what your rights as a taxpayer are.

Sincerely

ISSUED ON BEHALF OF THE COMMISSIONER FOR THE SOUTH AFRICAN REVENUE SERVICE



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Page: 01/01



PJD SWARTS 14 PRETORIUSSTRAAT CERES 6835 INCOME TAX

Notice of Registration

Enquiries should be addressed to SARS

Contacted Detail

SARS

0800 00 7277

Alberton 1528 Website: www.sars.gov.za

Datails

Taxpayer Reference No:

2573467145

Always quote this reference number when contacting SARS

Date:

2024-08-05

SARS

So. In African Revolve Service.

Cast to the copy and them and indication that the copyral matches of any concurrence parameter 2024-06-05.

Dear Taxpayer

NOTICE OF REGISTRATION

The South African Revenue Service (SARS) confirms registration of the following taxpayer:

Name and Surname: PIETER JOHN DANIEL SWARTS

ID number: 7409115075083

Taxpayer reference number: 2573467145

Date of Registration: 2008-04-01

Your tax obligation

Depending on your circumstances, you may be required to submit an annual income tax return. Should you be a provisional taxpayer, returns and payments will be required every six months. More details can be obtained from the SARS website.

Any person who derives by way of income any amount which does not constitute remuneration or an allowance or advance contemplated in section 8(1) of the Income Tax Act is regarded as a Provisional Taxpayer and may be required to submit provisional returns.

Kindly notify SARS of any change to your registered particulars within 21 business days of such change.

Should you have any queries please call the SARS Contact Centre on 0800 00 7277. Remember to have your taxpayer reference number at hand when you call to enable us to assist you promptly.

Sincerely

ISSUED ON BEHALF OF THE COMMISSIONER OF THE SOUTH AFRICAN REVENUE SERVICE



2024-06-5 2022.02.00 RFDREG_RO

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Page: 01/01

SWORN AFFIDAVIT - B-BBEE EXEMPTED MICRO ENTERPRISE - SPECIALISED ENTITY - GENERAL

I, the undersig	ned,
-----------------	------

Full name & Surname	LISTER OAN DAMEL	
Identity number	7409 115075 083	

Hereby declare under oath as follows:

- 1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
- 2. I am a Director of the following enterprise and am duly authorised to act on its behalf:

	Enterprise Name:	UNITE THE CITY (PTY) LTD
	Trading Name (If Applicable):	UNITETHE CITY (PTY) LTD
	Registration Number:	2021/321640/07
	Enterprise Physical Address:	CERES 6835
	Type of Entity (NPO, PBO etc.):	CEANING & NASTE A TANAGEMEN
	Nature of Business:	
	Definition of "Black People"	As per the Broad-Based Black Economic Empowerment Act 53 of 2003 as Amended by Act No 46 of 2013 "Black People" is a generic term which means Africans, Coloureds and Indians –
		 (a) who are citizens of the Republic of South Africa by birth or descent; or (b) who became citizens of the Republic of South Africa by naturalisation- before 27 April 1994; or on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date;"
	Definition of "Black Designated Groups"	"Black Designated Groups means:
		 (a) unemployed black people not attending and not required by law to attend an educational institution and not awaiting admission to an educational institution;
		(b) Black people who are youth as defined in the National Youth Commission Act of 1996;
		(c) Black people who are persons with disabilities as defined in the Code of Good Practice on employment of people with disabilities issued under the Employment Equity Act;
		(d) Black people living in rural and under developed areas;
bk valt - a cut L, cert - arcti	graf of an habby	Black military veterans who qualifies to be called a military veteran in terms of the Military Veterans Ast 18 of 2011;"
which was an ac-	gyerry (n. 1700) an eith a gy 62t eg 10, arg god 1011 fan an eilearyti	0.0%, 4.78
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3.	Thereby declare under Oath that:	
•	The Enterprise has	s per Amended Code Series 100 n 9 (1) of B-BBEE Act No 53 of
•	The Enterprise has% Black Female Benefic Series 100 of the Amended Codes of Good Practice issued u No 53 of 2003 as Amended by Act No 46 of 2013,	
•	The Enterprise has% Black Designated Grown Amended Code Series 100 of the Amended Codes of Good F (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of Codes of Good F (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of Codes of Good F (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of Codes of Good F (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of Codes of Good F (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of Codes of Good F (1) of B-BBEE Act No 53 of 2003 as Amended Book F (1) of B-BBEE	Practice issued under section 9 of 2013,
•	Black Designated Group Beneficiary % Breakdown as per the	definition stated above: 32 1713012.
	Black Youth % = 80. %	Community & vita Contre
	Black Disabled % = %	1 9 A.F.R. 2024
	 Black Unemployed % = 80 % 	
	Black People living in Rural areas % =	%
	Rlack Military Veterans % = 0 %	IS NOTICIAL COMPOSITION OF REPORT

Based on the Financial Statements/Management A counts and other information available on the latest financial year-end of 5 5 02 28 (YYYY/MM/DD), the annual To Revenue/Allocated Budget/Gross Receips was R10,000,000.00 (Ten Million Rands) or less _(YYYY/MM/DD), the annual Total

Black Military Veterans % =

Please Confirm on the below table the B-BBEE Level Contributor, by ticking the applicable box.

At Least 75% Black Beneficiaries	Level One (135% B-BBEE procurement recognition level)	
At Least 51% Black Beneficiaries	Level Two (125% B-BBEE procurement recognition level)	
Less than 51% Black Beneficiaries	Level Four (100% B-BBEE procurement recognition level)	

4. I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the Owners of the Enterprise which I represent in this matter.

5. The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

Deponent Signature:

Commissioner of Oaths

Signature & stamp

10-31-3 of en 63t raigens my to the spenige

Certificate Issued by the Companies & intellectual Property Commission on Tuesday, March 14, 2023



Abridged Certificate for Annual Returns

CoR 30.1

Registration Number: Enterprise Name:

2021 / 331640 / 07 UNITE THE CITY

SUID-AFRIKAANSE POLISIEDIENS Community Service Centre

Companies and intellectual Property Commission

a member of the sitt group

ENTERPRISE INFORMATION

Registration Number

2021 / 331640 / 07

Enterprise Name UNITE THE CITY CERES

2.7 MAR 2023

SOUTH AFRICAN POLICE SERVICE

Enterprise Shortened Name

Enterprise Translated Name

Registration Date

Business Start Date

Enterprise Type

Enterprise Status

Financial Year End

Addresses

2021-01-18 1 2021-01-18 12:00

Private Company

In Business

March

POSTAL ADDRESS

14 PRETORIUS STREET

CERES CERES

WESTERN CAPE

6835

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corspronklike wat deur my persoon'tk besigtig is en dat volgens my which was examined by me and that, from my observations, the

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Handtekening/Signature

ADDRESS OF REGISTERED OFFICE

14 PRETORIUS STREET

CERES CERES

WESTERN CAPE

6835

AUDITOR / ACCOUNTING OFFICER INFORMATION

Auditor Name

Effective Date

Status

Type

DIRECTOR / MEMBER INFORMATION

Status ID No / Date of Birth Name(s) Type Surname PIETER JOHN DANIEL Active Director 740911 XXXX 08 X SWARTS 740911 XXXX 08 X **SWARTS** PIETER JOHN DANIEL Active Incorporator

Physical Address the dtl Campus - Block F 77 Meintlies Street Sunnyside 0001

Postal Address: Companies P O Box 429

Pretoria 0001

Docex: 256 Web: www.cipc.co.za

Contact Centre: 086 100 2472 (CIPC)

Contact Centre (International): +27 12 394 9573



Date: 2024-06-05

To whom it may concern



FNB Electronic Stamp 2024-06-05

Reference Number:VODSFDPTCC7L
To verify this letter, please keep the above reference number and customer account number on hand. Visit FNB.co.za or FNB App, select Contact us/Tools on the Menu, followed by Verify Account Confirmation/Visa Application Letter and follow the screen instructions.
The Reference Number is valid for 3 months.

ACCOUNT CONFIRMATION LETTER

We confirm that *UNITE THE CITY (PTY) LTD with identification/registration number 2021/331640/07 ("the account holder") holds the following account with First National Bank, a division of FirstRand Bank Limited ("FNB"):

Account Type	GOLD BUSINESS ACCOUNT	Account Number	62884512453	
Account Status	Active Account - The account is current	tly open and transacting		
Branch Code	200107	Branch Name	CERES, C.P.	192
Swift Code	FIRNZAJJ	Date Opened	2021-01-28	

FNB issues this letter at the specific request of the account holder and for informational purposes only. This letter serves only to confirm that the above information is, according to the records available to FNB, factually correct as at the date of this letter.

Accordingly, FNB provides no warranties, guarantees, assurances or undertakings of any nature in connection with the above information, the account and/or the account holder, cannot be held responsible for any reliance which may be placed on this letter.

Without limiting the above in any way:

- (i) This letter does not constitute a letter of guarantee or a letter of credit.
- (ii) This letter does not imply or infer in any way that FNB has reserved the funds held in the account in favour of any person, nor that FNB has placed a hold on or limited the amount available in the account. The amount available in the account may change at any time without prior notice to you; and
- (iii) FNB will not be held responsible for any change in the information contained in this letter.

This letter is issued to you without any liability for FNB or its employees. You are to treat this letter as confidential.

Should you have any queries, please visit our website www.fnb.co.za or feel free to contact us on

First National Bank A division of FirstRand Bank Limited. An Authorised Financial Services and Credit Provider (NCRCP20).



REPUBLIC OF SOUTH AFRICA

SWARTS
SEA JOHN DANIEL
M
RSA

RSA 7409115076083 11 SEP 1874

RSA CITIZEN



Barrer .

This distribuse poets control by the Department of Husse Affairs in terrors of the Generation Act, Act 68 of 1997 Head Memory to be distributed at come that: As means are mediated and person to the 1900 of 1911

02 MAY 2019

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VERHURING VAN ERF 364/82

Kennis word hiermee gegee van die Raad se voorneme om die herwiningsaanleg, geleë te erf 364/82 Ceres, te verhuur aan Unite The City vir doeleindes om die herwinningsaanleg te bestuur. Die huurperiode sal wees vir 'n proeftydperk van 3 maande, met die moontlikheid van 'n huurtermyn verlenging vir 'n verdere jaar, onderhewig aan die nakoming van prestasievereistes en voorwaardes soos voorgeskryf deur die munisipaliteit.

Indien daar enige besware teen sodanige verhuring is, moet u skriftelike besware binne 14 (veertien) dae van die plasing van die advertensie by die kantore van die Direkteur: Tegniese Dienste indien, vir aandag me. P.S. Claasen, te Lyellstraat 53, Ceres of e-pos na pclaasen@witzenberg.gov.za voor of op 13 Februarie 2025.

LEASE OF ERF 364/82

Notice is hereby given of Council's intention to lease the Materials Recovery Facility (MRF), located on erf 364/82, Ceres to Unite the City to manage and operate the facility. The lease will be for a trial period of 3 months and possible extension of lease for one year, subject to compliance with performance conditions and standards, as stipulated by the municipality.

If there are any objections to the proposed lease such objection should be forwarded, in writing, within 14 (fourteen days) of placing the advertisement, to the office of the Director: Technical Services for the attention of Ms PS Claasen at 53 Lyell Street, Ceres or e-mail pclaasen@witzenberg.gov.za on or before 13 February 2025.

D. NASSON MUNISIPALE BESTUURDER MUNICIPAL MANAGER KLIËNT: 8.2.3(C)

Elton Lintnaar 071-670-6761 (023) 316-8540 elton@witzenberg.gov.za

Anita Grobbelaar (023) 316-8542 anita@witzenberg.gov.za

Stephanie Farmer stephanie@witzenberg.gov.za

erika@witzenbergherald.com

GROOTTE: 13cm x 4 kolom TARIEF: R3 432 BTW ing. BESTELNOMMER: uitstaande

PROEF GESTUUR: 2025/01/27 PUBLIKASIE: 31 Januarie 2025

Gaan asb. na en stuur getekende dokument per e-pos, indien u tevrede is met die inhoud kiervan.

ERIKA SNYMAN

TEKEN ASB. HIER

MAATSKAPPY BESONDERHEDE:

Reknr.: M06

Witzenberg Munisipaliteit Posbus 44, Ceres, 6835

BTW NO: 4000846206

REG. NO: n.v.t.

E-pos adres vir faktuur: karin@witzenberg.gov.za

Vir aandag: Karin Blaauw

Terme is streng betaalbaar 30 dae na staat. Rente sal daarna gehef word @ 2% per maand

BANKBESONDERHEDE:

Witzenberg Herald Standard Bank Ceres Rek no.: 082 698 554 Takkode: 050007

Verw: M06 - Witzenberg Munisipaliteit

WITZENBERG

Municipality • Munisipaliteit • UMasipala Wase

711

Notule: Special Council meeting
Minutes: Spesiale Raadsvergadering
12 November 2024

8.2.3(d)

ANNEXURE

8.2.3 Lease and operation of Material Recovery Facility (MRF): Erf 364/82, Ceres (17/3/2)

The following documents are attached:

- (a) Proposal from Unite the City: **Annexure 8.2.3(a)**.
- (b) Memorandum from Director: Technical Services, dated 4 September 2024: **Annexure 8.2.3(b)**.

The Committee for Technical Services resolved on 8 October 2024 to recommend to the Executive Mayoral Committee and Council:

- (a) that Section 110 of the Municipal Finance Management Act is not applicable.
- (b) that the company Unite the City signs an agreement to operate the Material Recovery Facility on a trial basis of three months.
- (c) that should the company be successfull in the probation period of three months, the agreement be further extended with one (1) year.
- (d) that the Witzenberg Municipality employs the fifteen EPWP workers currently operating at the Material Recovery Facility, during the trial period to assist the mentioned company with the operation of the MRF, after which it will be the responsibility of Unite the City.
- (e) that an agreement be drawn up between the municipality and Unite the City regarding the operation and maintenance of the MRF.
- (f) that the Municipal Manager be authorised to sign the mentioned agreement.
- (g) that Council's intention to lease the Material Recovery Facility (MRF) on erf 364/82, Ceres be advertised in the local newspaper for inputs, comments and any objections.

The Executive Mayoral Committee resolved on 4 November 2024 to recommend to Council:

- (a) that Section 110 of the Municipal Finance Management Act is not applicable.
- (b) that the company Unite the City signs an agreement to operate the Material Recovery Facility on a trial basis of three months.
- (c) that should the company be successfull in the probation period of three months, the agreement be further extended with one (1) year.

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- (e) that an agreement be drawn up between the municipality and Unite the City regarding the operation and maintenance of the MRF.
- (f) that the Municipal Manager be authorised to sign the mentioned agreement.
- (g) that Council's intention to lease the Material Recovery Facility (MRF) on erf 364/82, Ceres be advertised in the local newspaper for inputs, comments and any objections.

UNANIMOUSLY RESOLVED

- (a) that Section 110 of the Municipal Finance Management Act is not applicable.
- (b) that the company Unite the City signs an agreement to operate the Material Recovery Facility on a trial basis of three months.
- (c) that should the company be successfull in the probation period of three months, the agreement be further extended with one (1) year.
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- (e) that an agreement be drawn up between the municipality and Unite the City regarding the operation and maintenance of the MRF.
- (f) that the Municipal Manager be authorised to sign the mentioned agreement.
- (g) that Council's intention to lease the Material Recovery Facility (MRF) on erf 364/82, Ceres be advertised in the local newspaper for inputs, comments and any objections.

ANNEXURE D

8.2.3(e)

Witzenberg Tax Payers and Ceres Vigilance Association

Est. - 1879
Ceres Vigilance Association
and
Witzenberg Tax Payers Ass.
Est. Since 2008



Executive Directorate

J. G. Hails - Director Chairman

J. Hanse - Vice Chairman

D. Mouton -Director Treasurer

S. R. Williams - Director

J. Meyer - General Secretary

C. A. Swartz - Deputy Sec.

10Februarie 2025

VIR WIE DIT MAG AANGAAN

Re: Insake - BESWARE TEEN VERHURING - ERF 364/82 CERES

Hiermee wens bogenoemde Organisasie haar **beswaar aan te teken** teen die verhuring van bovermelde **Erf 364/82**, geleë binne die Munisipale gebied van Ceres aan genoemde organisasie Unite the City.

Ons versoek graag 'n afskrif van die adverstensie waarin die tenderproses aan die publiek vir kennisname bekend gestel was, aan ons te voorsien.

Ons vertrou om spoedig van u hoor.

Vriendelike Groete

C. A. SWARTZ

Assistant Sekretaris



44, Ceres, 6035 50 Yoortekker SV Str. Ceres, 6635 Suid Afrika/ South Africa

Verwysing/Reference 17/3/2 Navrae/Enquiries: PS Claasen

26 Februarie 2025

Mnr C A Swartz Witzenberg Tax Payers and Ceres Vigilance Association CERES 6835

Geagte Heer/ Dame

BESWARE TEEN VERHURING - ERF364 / 82 CERES

U skrywe het betrekking.

Dit is die respekvolle mening van die Munisipaliteit dat die aangeleentheid nie binne die kader van Die Plaaslike Regering: Munisipale Finansiële Bestuurswet 56 van 2003, spesifiek Artikel 110, val nie.

Die aangeleentheid was na die Raad verwys vir oorweging. Die Raad dien as oppergesag van die voorsieningskanaalbestuur en is daar dan geen verpligting om die tenderproses te volg nie.

Die Raad se resolusie was dat die aangeleentheid ge-adverteer word vir publieke deelname, en was die advertensie in die plaaslike koerant geplaas.

Die voorwaarde was dat daar geen besware teen die Bestuur en Bedryf van die Herwinningsaanleg moet wees nie, soos vervat in die advertensie. Unite The City vorm deel van die Waste Forum, en het hul aangebied om te assisteer met die gratis verwerking van herwinbare materiaal by die Herwinningsaanleg.

In gebreke van ontvangs van verdere skrywe vanaf Witzenberg Tax Payers and Ceres Vigilance Association, binne 5 dae vanaf datum van die skrywe (03 Maart 2025), sal ons aanvaar dat u genoeë is met die proses.

Die uwe

PS CLAASEN

SENIOR BESTUURDER: VASTE AFVAL & REINIGING

H J. KRITZINGER

DIREKTEUR: FINANSIES

Kindly address all correspondence to the Municipal Manager / Rig asseblies alle korrespondensie aon die Munisipale Bestuurder / Yanke imbalelwano mayithuyelwe kuMlawuli kaMasipala

A municipality that cares for its community, creating growth and opportunity!

'n Munisipaliteit wat omgee vir sy gemeenskap en groei en geleenthede skep!

Umasipala olukhathaleleyo uluntu lwakhe, odala ukukhula namathubal

Witzenberg Tax Payers and Ceres Vigilance Association

Est. - 1879

Ceres Vigilance Association
and

Witzenberg Tax Payers Ass.
Est. Since 2008



Executive Directorate

J. G. Hails - President

J. Hanse - Chairman

D. Mouton –Director Treasurer

S. R. Williams - Director

J. Meyer - General Secretary

C. A. Swartz - Deputy Sec.

28 February 2025



TO WHOM IT MAY CONCERN

Hereby our response to your letter received 27th February 2025, while it was dated 26th February 2025 whereby us were giving five days (5) to respond.

We asked in our previous letter, in which we object the hiring of the property 364/82 situated in the Witzenberg Municipal district a copy of the advertisement where it was advertised, that the community could have a fair chance to tender for the property to do business from.

Our response to your letter as follows referring to :-

Paragraph 2.i: We would like to request the proof of the decision of Council whether such decision was taken and approved in a Council meeting.

Paragraph 2.ii. We disagree that Council has no obligation to follow the tender procedures as it is stated in Section 110 of the MFMA 53, deals with budget requirements of Municipalities.

Paragraph 2.iii. Solicited bids are allowed in specific situations, as outlined in the Municipal Act (MFMA) and other relevant regulations such as:

Section 38 of the MFMA: Solicited bids are allow when:

- 1. Single Suppliers: There is only one supplier of the particular goods or service.
- 2. Emergency Situations: In cases of emergency, where immediate procurement is necessary.
- 3. Specialized Services: For specialized services such, as consulting services where expertise is required.

Regulations : The Municipal Finance Management Regulations (MFMR) provide additional guidance on solicited bids.

- 1. Limited Competition: When there is limited competition for a particular good or service.
- 2. Unique Requirements : When Municipality has unique requirements that cannot be met by multiple Suppliers.

Other Situations: Solicited bids may also me be allowed in:

Framework Agreements :When a Municipality has a framework agreement with a supplier.

Partnership Agreements: When a Municipality has a partnership with a supplier.

Requirements: Even in situations where solicited bids are allowed, municipalities must still:

- 1. Obtain approval: From the Municipal Council or relevant authorities.
- 2. Follow procurement procedures: As outlined in the MFMA and MFMR.
- 3. Ensure Transparency: By closing the solicited bid process.

Page 1 - Continue

Best practice: To ensure transparency and accountability municipalities should:

- 1. Document the process: Keep a record of the solicited bid process.
- 2. Justify the decision: Provide a clear justification for the solicited bid.
- 3. Disclose the bid. Disclose the solicited bid to the public.

By following these guidelines, municipalities can ensure that solicited bids are used in a fair,

Transparent and accountable manner.

In the case of a solicited bid.

CONCLUSION:

We therefore disagree with you in your argument and you need to take note of the fact that we are provided with extensive right through our organization, as an Organization for the protection of all tax payers and people and that our Organization is the watchdog over the Municipality's performance of all functions and that we will less allow processes to be ignored. We were also aligned closely with the Public Protector as civil society.

We will therefore not allow entrenched corruption to occur and we will report it immediately to all Section 9 Institutions that are authorized to investigate illegal and corrupt conduct. The Municipal Finances Act with supply channel systems is subordinated to National Treasury, The Auditor General's review as expressed in the Constitution of the Country. We believe that your got the characteristics of arrogance and ill-considered statements, and noted respectful that you believe the Municipality has unprecedented powers without accounting to the public at large

I trust you find this order.

C. A. SWARTZ
Deputy Secretary
Bld. & Cvl.N3
Pro. Arch. Tech.

Patricia Claasen

From: Cobus Kritzinger

Sent:Wednesday, 05 March 2025 10:21To:cupidoswartz6@gmail.comCc:David Nasson; Patricia Claasen

Subject: FW: BESWARE TEEN VERHURING - ERF 364/82

Attachments: Publication 1 - Witzenberg Tax Payers Association - Response to Objection P 2.pdf;

WM Skrywe in reaksie op beswaar_verhuring van erf 364_82_MRF.pdf

Good morning

The municipal supply chain regulations only require that bids more than R 30 000,00 are required to be advertised. For bids below R 2 000,00 only one quotation is required.

All requirements of laws and regulations applicable to the award for the operation of the material recovery facility have therefore been adhered to.

I trust you find the above to be in order.

Regards

Cobus Kritzinger Director Finance



Tel: 023 316 1854 P O Box 44, CERES, 6835

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

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From: Patricia Claasen <pclaasen@witzenberg.gov.za>

Sent: 03 March 2025 14:06

To: David Nasson <david@witzenberg.gov.za>; Cobus Kritzinger <cobus@witzenberg.gov.za>

Subject: FW: BESWARE TEEN VERHURING - ERF 364/82

Goeie middag geagte MM en Mnr Kritzinger

Sien asseblief die reaksie van die Assosiasie wat nie saamstem met die inhoud van ons skrywe (ook aangeheg) nie.

Adviseer assblief hieromtrent.

Dankie.

Patricia Claasen

Senior Manager/ Senior Bestuurder: Solid Waste & Cleansing/ Vaste Afval & Reiniging 53 Lyell Street, Ceres Tel: (023) 316 8540

E-mail/E-pos: pclaasen@witzenberg.gov.za



From: Cupido Swartz < cupidoswartz6@gmail.com >

Sent: Monday, 03 March 2025 13:01

To: Patricia Claasen < pclaasen@witzenberg.gov.za >

Cc: jghails748@gmail.com; williamslood@telkomsa.net; Derick Mouton < derick.mouton@rltagri.co.za>

Subject: Re: BESWARE TEEN VERHURING - ERF 364/82

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Good day to you,

Please find hereby attached to this e-mail the response to your previous letter.

We trust to hear from you soonest.

Kind Regards

Cupido A. Swartz

On Thu, 27 Feb 2025, 17:48 Patricia Claasen, claasen@witzenberg.gov.za> wrote:

Goeie middag aan u,

Vind asb hierby aangeheg terugvoering aangaande die skrywe wat ons kantoor ontvang het.

Neem asseblief kennis van die inhoud en spertyd, indien daar enige verdere kommentaar is.

Groete

Patricia Claasen

Senior Manager/ Senior Bestuurder:

Solid Waste & Cleansing/ Vaste Afval & Reiniging

53 Lyell Street, Ceres

Tel: (023) 316 8540

E-mail/E-pos: pclaasen@witzenberg.gov.za



From: cupidoswartz6@gmail.com <cupidoswartz6@gmail.com>

Sent: Tuesday, 11 February 2025 11:54

To: Patricia Claasen < pclaasen@witzenberg.gov.za >

Cc: jghails748@gmail.com; williamslood@telkomsa.net; derick.mouton@rltagri.co.za

Subject: BESWARE TEEN VERHURING - ERF 364/82

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Goeiedag Me. Claasen,

Ek vetrou dit gaan met u goed.

Vind hierby aangeheg besware teen die verhuring van bovermelde perseel.

Vriendelike Groete



C. A. SWARTZ

BLD. & CVL. N3

Pro. Arch. Drafters.

Computerized Architecture

E-mail: cupidoswartz6@gmail.com

Patricia Claasen

From: derick.mouton@rltagri.co.za
Sent: Tuesday, 11 March 2025 09:07

To: Cobus Kritzinger; cupidoswartz6@gmail.com; David Nasson; Patricia Claasen

Cc: 'Julian Hails'; williamslood@telkomsa.net; 'Gert Hanse'; cupidoswartz6@gmail.com;

johnniemeyer48@gmail.com

Subject: FW: FW: BESWARE TEEN VERHURING - ERF 364/82

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Good morning, Mr. Kritzinger

Please see our response in red.

The municipal supply chain regulations only require that bids more than R 30 000,00 are required to be advertised. For bids below R 2 000,00 only one quotation is required.

Mr.Kritzinger we take note of your defence and explanation.

However, we put it on record that the current operations at the waste recycle site, brings a quarterly income of average R40 000 per quarter above the threshold of R2000.00 in total contradiction as explained, above.

We further asked ourselves the question, what is the rational to appoint Unite the City?

All requirements of laws and regulations applicable to the award for the operation of the material recovery facility have therefore been adhered to.

We want to urge you that you need to supply us with the following, information

- 1. The Council's decision, outlining the terms of reference, as per the invitation.
- 2. The current income from the activities on the waste disposal, site.
- 3. If there is not a process where the municipality, can create the highest possible income, to subsidise other services it should be the way to go AND IS A DEFINITE EXPECTATION OF THE TAXPAYERS.

If it will be determined in an investigation that you as the CFO and the MM(accounting officer), makes you guilty of an offence contravening the laws of the country or even worse bribery, this is definitely the line that the Witzenberg Tax Payers and Ceres Vigilance Association, will push going forward BY LAYING CRIMINAL CHARGES AGIANST ALL THE PERSONS INVOLVED IN THE PROCESS.

WE THEREFOR STAND ON OUR EARLIER SUMISSION OF OUR OBJECTION AGAINST THE LEASE OF ERF 364/82 TO BENEFIT OF UNITE THE CITY, WITHOUT A TENDERING PROCESS.

We trust you find the above to be in order.



C. A. SWARTZ

BLD. & CVL. N3

Pro. Arch. Drafters.

Computerized Architecture

E-mail: cupidoswartz6@gmail.com

Regards

Cobus Kritzinger

Director Finance



Tel: 023 316 1854

P O Box 44, CERES, 6835

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WITZENBERG MUNICIPALITY: INFORMAL TRADING BY-LAW, 2025



Adopted by Council on the:

Promulgated on:

INFORMAL TRADING BY-LAW, 2025

To provide for the right to engage in informal trading; to establish informal trading areas and informal trading sites on municipal property; to provide for the granting of trading permits to trade on municipal property; to restrict and prohibit informal trading in certain areas; to regulate the conduct of informal traders; to regulate informal trading at special events; to provide for measures to ensure health and safety; to indicate offences and penalties; to provide for the repeal of bylaws; and to provide for matters incidental thereto.



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PREAMBLE

WHEREAS the council recognizes the key role that informal trading plays in poverty alleviation, income generation and entrepreneurial development and, in particular, the positive impact that informal trading has on historically disadvantaged individuals and communities;

WHEREAS the council recognizes the need to adopt a developmental approach to informal trading within a well-managed municipal area. This requires that, in managing informal trading, consideration must also be given to –

- (a) the promotion of social and economic development;
- (b) the promotion of a safe and healthy environment;
- (c) municipal planning;
- (d) the licensing and control of undertakings that sell food to the public; and
- (e) the management of public places and public roads;

WHEREAS the council has competence in terms of Part B of Schedules 4 and 5 of the Constitution relating to such matters as the control of street trading, trading, and markets;

AND WHEREAS the Witzenberg municipal council has competence, in terms of section 156 (2) of the Constitution of the Republic of South Africa as amended, read with section 13 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) as amended, to make and administer by-laws for the effective administration of the matters which it has the right to administer, hereby makes the following By-law:

CHAPTER 1 INTERPRETATION

Definitions

- 1. In this By-law, unless the context otherwise-"act" means the Business Act, 1991, (Act 71 of 1991)
- " abandoned goods" shall mean:
- (a) goods found on a public road or public place that do not appear to be under the control of any person.;
- (b) goods found on a public road or public place at the end of a day's business that do not appear to be under the control of any person;
- (c) goods found in a manhole, storm water drain, public toilet, taxi rank or in any tree of shrub where no evidence is available that it belongs to a specific persons.

"authorized official" means a person authorized to implement the provisions of this Bylaw, including but not limited to:-

- (a) peace officers as contemplated in section 334 of the Criminal Procedure Act, 1977 (Act No. 51 of 1977);
- (b) a traffic officer appointed under section 3A of the National Road Traffic Act, 1996 (Act 93 of 1996);
- (c) a member of the Service as defined in section 1 of the South African Police Service Act, 1995 (Act 68 of 1995) or
- (d) such employees, delegated nominees, representatives and service providers of the Municipality as are specifically authorized by the Municipality in this regard: Provided that for the purposes of search and seizure, where such person is not a peace officer, such person must be accompanied by a peace officer;

"foodstuffs" means foodstuffs intended for human consumption as defined in section 1 of the Foodstuffs, Cosmetics and Disinfectants Act, 1972 (Act No. 54 of 1972);

"goods" means any movable property displayed or kept by a person in a public place or public road used or intended to be used in connection with carrying on the business of an informal trader and includes wares, articles, receptacles, vehicles or structures

"illegal goods" means -

- (a) goods which may not lawfully be sold or bought including, but not limited to, counterfeit goods as defined in the Counterfeit Goods Act, 1997 (Act No. 37 of 1997);
- (b) goods that are bought or sold in an unlawful manner; or
- (c) goods that have been acquired in an unlawful manner.

"impoundment fee" means the applicable tariff charge, as determined by the council from time to time, for the impounding and storing of goods impounded in terms of this By-law, as well as the disposal or releasing of the impounded goods and any associated costs;

"informal trader" means a person carrying on the business of street vendor, peddler or hawker and includes any employee of such person;

"informal trading" means the trading in goods and services in the informal sector by an informal trader in a public road or public place, irrespective whether it is in a residential area, town or informal settlement and which typically includes, without limitation, the following types of trading:

- (a) street trading;
- (b) trading in public places;
- (c) mobile trading, such as caravans, light delivery vehicles and trailers;
- (d) trading from kiosks, stalls or containers;
- (e) trading at special events;
- (f) trading at markets

"kerb line" means the boundary between the shoulder and the verge or, in the absence of a shoulder, the part between the edge of the roadway and the verge, as defined in section 1 of the National Road Traffic Act, 1996 (Act No. 93 of 1996);

"litter" includes any container, wrapping or other waste which has been discarded or left behind by an informal trader or by his or her customers;

"market" means an area within an informal trading area which is designated as a market on an informal trading plan and which is managed in a coordinated manner;

"motor vehicle" means any self-propelled vehicle as defined in section 1 of the National Road Traffic Act, 1996 (Act No. 93 of 1996)

"municipal council" or "council" means the Witzenberg municipal council, a municipal council referred to in section 157(1) of the Constitution;

"Municipality" means the Witzenberg Municipality, a category B Municipality as envisaged in terms of section 155(1) of the Constitution of South Africa

"municipal manager" means a person appointed in terms of section 54A of the Municipal Systems Act as the head of administration of the municipal council;

"municipal property" means property owned by, leased by or under the control of the Municipality;

"national monument" means any one of the "public monuments and memorials" as defined in terms of section 2 of the National Heritage Resources Act, 1999 (Act No. 25 of 1999);

"non-municipal property" means property that is situated within the area of jurisdiction of the Municipality but which is not owned by, leased by or under the control of the Municipality;

"nuisance" means any conduct or behaviour by any person or the use, keeping, producing, by-producing, harbouring or conveying, as the case may be, of any item, substance, matter, material, equipment, tool, plant or animal or causing or creating any situation or condition in or on private property or in a public place or anywhere in the Municipality which causes damage, annoyance, inconvenience or discomfort to the public or to any person, in the exercise of rights common to all or of any person;

"obstruct" means to do anything which blocks or is likely to block vehicular or pedestrian traffic flow on a public road;

"once-off event" means an event that occurs only once annually;

"park" means a garden or park to which the public has a right of access, and "garden" has the same meaning;

"permit-holder" means an informal trader who has been granted a permit by the Municipality, to conduct informal trading from a designated site situated in an informal trading area on municipal property;

"prescribed" means as determined by resolution of the council from time to time:

"public building" means a building belonging to or occupied solely by any sphere of the government, including the Municipality;

"public parking space" means any space in a public place designated by the Municipality for the parking of a motor vehicle;

"public place" means -

- (a) a public road;
- (b) a public parking space; and
- (c) any square, park, recreation ground, sports ground, shopping centre, municipal cemetery, open space, or vacant municipal land which is vested in the Municipality, or in respect of which the public has the right of use, or which is shown on a general plan of a township filed in the deeds registry or a Surveyor-General's office as having been provided for the use of the public or the owners of erven in such township;

"public road" means any road, street or thoroughfare or any other place (whether a thoroughfare or not) which is commonly used by the public or any section thereof or to which the public or any section thereof has a right of access, and includes—

- (a) the verge of any such road, street or thoroughfare;
- (b) any bridge, ferry or drift traversed by any such road, street or thoroughfare; and
- (c) any other work or object forming part of or connected with or belonging to such road, street or thoroughfare;

"roadway" means that portion of a road, street or thoroughfare improved, constructed or intended for vehicular traffic, which is between the edges of the roadway, as defined in section 1 of the National Road Traffic Act, 1996 (Act No. 93 of 1996);

"sell" includes -

- (a) bartering, exchanging or hiring out;
- (b) displaying, exposing, offering or preparing for sale:
- (c) storing on a public road or in a public place with a view to selling; and
- (d) providing a service for reward,

and "sale" or "selling" has a corresponding meaning;

"services", in relation to an informal trader, includes any advantage or gain given or supplied by the trader in return for consideration or reward;

"shoulder" means that portion of the road, street or thoroughfare between the edge of the roadway and the kerb line, as defined in the National Road Traffic Act, 1996 (Act No. 93 of 1996);

"sidewalk" means that portion of a verge intended for the exclusive use of pedestrians, as defined in section 1 of the National Road Traffic Act, 1996 (Act No. 93 of 1996);

"verge" means that portion of a road, street or thoroughfare, including the sidewalk, which is not the roadway on the shoulder, as defined in section 1 of the National Road Traffic Act, 1996 (Act No. 93 of 1996).

"special event" means events that include but are not limited to: concerts, parades, circuses, fairs, festivals, block parties, community events, running and bicycle races.

Interpretation of By-law

2. If there is a conflict of interpretation between the English version of this By-law and a translated version, the English version prevails.

Objects of By-law

- 3. The object of this By-law is to regulate informal trading in a manner which -
 - (a) ensures that informal trading is conducted in an orderly manner and on demarcated areas;
 - (b) enables access to job and entrepreneurial opportunities within the informal trading sector;
 - (c) harmonizes the relationship between the informal trading sector and the formal trading sector; and
 - (d) ensures the health and safety of the public
 - (e) Ensures inclusive public participation which recognize and protects the rights of all those impacted by informal traders

Application of By-law

4. This By-law applies to all areas which fall under the jurisdiction of the Witzenberg Municipality and is binding on all persons to the extent applicable.

CHAPTER 2 FREEDOM TO TRADE INFORMALLY

Freedom to engage in informal trading

- 5. Subject to compliance with the provisions of -
 - (a) this By-law;
 - (b) any other applicable law; and
 - (c) any applicable informal trading permit,
 - (d) Municipal rules governing informal trading

Any qualifying person that resides legally within South Africa and that has not been previously banned from trading at Witzenberg Municipality, is permitted to engage in informal trading within the demarcated area which falls within the jurisdiction of the Municipality.

CHAPTER 3 INFORMAL TRADING ON MUNICIPAL PROPERTY

Trading areas and trading sites

- 6. (1) The council may, by resolution
 - (a) set apart informal trading areas on municipal property within any area designated as an informal trading area and
 - (b) demarcate informal trading sites within informal trading areas.
- (2) The council may on reasonable and justifiable grounds, by resolution
 - (a) extend, move, reduce, establish or disestablish any informal trading area or informal trading site
- (3) No person is allowed to trade on municipal property if it is not deemed a demarcated informal trading area by Council

Trading hours and other conditions

- 7. The Municipality may when setting apart informal trading areas, or at any time thereafter on reasonable notice, impose -
 - (a) trading days and hours; and
 - (b) any other conditions.

The trading days will be:

- Monday to Thursdays: 7h00 17h00
- Fridays: 07h00 19h00
- Saturdays: 07h00 16h00
- Sundays: informal trading allowed under special circumstances. A special permit
 allowing Sunday trading will then be applicable with additional costs for trading on a
 Sunday. Trading on Sundays will only be allowed from 07h00 14h00.

Prohibition: informal trading on municipal property without permit

- 8. No person may conduct informal trading on municipal property without a valid informal trader permit from the Municipality.
 - a. Only the permit holder or his authorized representative may trade with the permit.

9. Informal trading permits

- (1) Trading without a valid trading permit in the demarcated Municipal areas are prohibited.
 - a. An application for an informal trading permit must be on the official administrative form prescribed by the Municipality
- (2) The Municipality must consider any application for an informal trading permit and may—
- (a) approve it subject to any conditions;
- (b) request that additional information be furnished within a specified time frame; or
- (c) reject the application and provide reasons thereof.

- (3) The Municipality may, when issuing an informal trading permit, impose any reasonable conditions, including but not limited to—
 - (a) minimum or maximum trading hours;
 - (b) restrictions regarding the type of goods or services in which the permitholder is permitted to trade;
 - (c) an expiry date for the permit; and
 - (d) conditions regarding the type of structure or structures, if any, which may be erected on an informal trading site or in an informal trading area.
 - (e) days of trading allowed
- (4) An informal trading permit -
 - (a) must refer to a specified trading bay, as identified by its allocated number, to which the permit relates;
 - (b) gives only the permit-holder, and his or her representative, the right to use that trading bay subject to the conditions of the permit, the provisions of any other conditions imposed in terms of this By-law, and
 - (c) A permit to trade must be kept at the place of trade at all times and must be produced on demand by an authorized official

Informal trading fees

- 10. The Municipality is entitled to charge -
 - (a) any person who applies for an informal trading permit, an application fee on submission of each application for an informal trading permit and
 - (b) Different trading fees will be charged for under-roof, open demarcated spaces and food trailer spaces and
 - (c) An additional fee or tariff, in respect of additional costs incurred or services provided by the municipality, such as for trading on Sundays.
 - (d) In the case where new under-roof structures is constructed on existing demarcated space during a financial year, the Municipality may at its discretion not charge the current permit holder an under-roof tariff for the remaining term of the permit. In this case the under-roof tariff must be applied and charged from the next financial year.
 - (e) In the case where the application is unsuccessful, application fees will not be paid back to the applicant.
 - (f) Trading fees is not refundable.

Transfer of informal trading permits

- 11. (1) A permit is generally non-transferable and may only be leased, sold or otherwise disposed of with the prior written consent of the Municipality in terms of this section.
 - (2) A permit may, with the prior written approval of the Municipality, be temporarily or permanently transferred to a person nominated by a permit-holder in writing, and subject to the provision of any information which the Municipality may reasonably require from time to time.
 - (3) A permit may be transferred to a beneficiary/dependent, who will continue trading until the permit is no longer valid, in the event of the death of the permit-holder.
 - (4) If the Municipality consents to the temporary or permanent transfer of an informal trading permit, the—
 - (a) Municipality may impose such requirements as it deems fit; and
 - (b) person replacing the permit-holder will be entitled to trade, if the transfer is temporary, for the period of time indicated by the Municipality.
 - (5) No subletting of informal trading stands is allowed.

Removal and suspension of informal trading permits

- 12. (1) The Municipality may, on reasonable notice to an informal trader and after having given the informal trader an opportunity to make written representations, revoke or suspend an informal trading permit if the informal trader has—
 - (a) breached any conditions of his or her informal trading permit;
 - (b) breached the provisions of this By-law or of any other law;
 - (c) been convicted of trading in illegal goods or of providing a service unlawfully;
 - (d) been found to have willfully supplied incorrect information to the Municipality when required to provide that information.
 - (2) A permit-holder must immediately return the permit to the Municipality when the-
 - (a) Municipality revokes the permit;
 - (b) permit-holder is refused permission to transfer the permit;
 - (c) permit-holder ceases trading on the demarcated space for a period of 2 months or more days;
 - (d) permit-holder no longer wishes to trade as an informal trader from the relevant informal trading site before the expiry date;
 - (e) permit holder has not utilized a 2nd demarcated stall for a period of 2 months, which may constitute to blocking other trader competition by keeping a stall space open next to their alread/36 marcated stall space

Temporary relocation and suspension

- 13.(1) The Municipality may, on reasonable notice to an informal trader, temporarily—
 - (a) relocate a permit-holder;
 - (b) suspend the validity of a permit; or
 - (c) suspend informal trading from an informal trading area or a particular trading site or sites,

if the continuation of trading from an informal trading area or trading site is impractical or inconvenient to the activities of the Municipality, any sphere of government or any public entity, including their respective service providers.

- (2) No compensation is payable by the Municipality to an informal trader in the event that—
 - (a) the trader is relocated;
 - (b) the permit is suspended or revoked; or
 - (c) trading is suspended or prohibited from a particular informal trading area or trading site, irrespective whether an alternate site is provided to the permit holder

CHAPTER 4

RESTRICTIONS AND PROHIBITIONS ON INFORMAL TRADING

Restricted or prohibited areas

- **14.**(1) The council may, by resolution, declare any place in its area of jurisdiction to be an area in which informal trading is restricted or prohibited.
 - (2) The council may, in restricting or prohibiting informal trade, indicate places where-
 - (a) informal trading is prohibited; or
 - (b) informal trade in specified goods or services is prohibited.
 - (3)The Municipality must erect signs, markings or other devices to indicate the boundaries of—
 - (a) areas where informal trading is restricted or prohibited (and the nature of any restriction); and
 - (b) informal trading areas and informal trading sites.
 - (4)Any sign erected in terms of this By-law or any other law, shall serve as sufficient notice to an informal trader that informal trading is prohibited or restricted in that area.

Restricted conduct: erection of structures

15. (1) An informal trader must not erect any structure, whether movable or immovable, other than approved by the Municipality.

Restricted conduct: use of the site overnight

- **16.** (1) An informal trader must not sleep overnight at the place where he or she carries on informal trading.
 - (2) An informal trader must not, on concluding business for the day, leave his or her goods or trading structure at an informal trading site which is part of a public road or public place

Restricted conduct: location of trading

17.(1) An informal trader must not—

place his or her goods on a public road or public place, with the exception of his or her motor vehicle or trailer from which informal trading is conducted: provided that such motor vehicle or trailer does not obstruct pedestrian or vehicular traffic movement and complies with the provisions of the National Road Traffic Act, 1996 (Act No. 93 of 1996);

(a) allow his or her goods or area of activity to cover an area of a public road or a public place which— $^{738}\,$

- (i) is greater than 6 square meters in area; or
- (ii) is greater than 3 meters in length, unless otherwise approved by the Municipality, on a specially demarcated trailer informal trading space;
- (b) trade on a sidewalk or verge where the-
 - (i) width of the sidewalk or verge is less than 3 meters;
 - (ii) sidewalk or verge is next to a public building, a place of worship such as a church, synagogue or mosque, or a national monument; or
 - (iii) sidewalk is contiguous to a building in which business is being carried on by any person who sells goods of the same or of a similar nature to the goods being sold on such sidewalk by the trader, if that person objects to informal trading taking place at that location;
- (c) trade on the half of a public road which is next to a building that is being used for residential purposes, if the owner or occupier of that building objects to informal trading taking place at that location;
- (d) trade on any immediate sidewalk in front of a business or shop, whether it is with or without the permission of the respective shop owner
- (e) obscure any road traffic sign displayed in terms of the National Road Traffic Act, 1996 (Act No. 93 of 1996), or any marking, notice or sign displayed or made in terms of a bylaw;
- (f) obstruct vehicular traffic;
- (g) obstruct access to a pedestrian crossing, pedestrian arcade or mall:
- (h) obstruct access to a vehicle:
- (i) obstruct access to refuse disposal bins or other facilities intended for the use of the public;
- (j) obstruct access to an automatic teller machine;
- (k) obstruct the view of a CCTV camera;
- (I) limit access to parking or loading bays or other facilities for vehicular traffic;
- (m) trade within 5 meters of an intersection or fire hydrant or any other firefighting equipment; or
 - (n)trade in a park, unless such area has been declared by the council as an informal trading area.

- (2) An informal trader must, in respect of any sidewalk, leave an unobstructed space for pedestrian traffic of not less than—
 - (a) 2 meters wide when measured from any contiguous building to his or her goods or area of activity; and
 - (b) 0.5 meters wide when measured from the kerb line to his or her goods or area of activity.

Restricted conduct: display and storage of goods

- 18. (1) An informal trader must not—
 - (a) place or stack his or her goods in such a manner that it constitutes a danger to any person or property, or is likely to injure any person or cause damage to any property;
 - (b) display his or her goods on or in a building, with or without the consent of the owner, lawful occupier, or person in control of such building or property;
 - (c) interfere with the ability of a person using a sidewalk to view the goods displayed behind a shop display window or obscure such goods from view;
 - (d) place on a public road or public place any goods that are not capable of being easily removed to a storage place at the end of the day's business; and
 - (e) store or dispose of his or her goods or litter in a manhole, storm water drain, public toilet, or in a tree.

Restricted conduct: fires

19. (1) An informal trader must not make a fire at any demarcated or non-demarcated place whatsoever to prepare foodstuffs by utilizing open-flame fire; gas-fired equipment must be utilized with the relevant fire extinguisher on hand

Restricted conduct: litter

- 20.(1) An informal trader must dispose of litter generated by his or her informal trading in a refuse receptacle approved or supplied by the Municipality.
 - (2)An informal trader must not, other than in a refuse receptacle approved or supplied by the Municipality, accumulate, dump, store, deposit, or cause or permit to be accumulated, dumped, stored or deposited, any litter on any land or premises or any public road or public place or on any public property.

Restricted conduct: attachments

21. An informal trader must not attach any of his or her goods by any means to any building, structure, pavement, tree, parking meter, lamp, pole, electricity pole, telephone booth, post box, traffic sign, bench or any other street furniture in or on a public road or public place.

Restricted conduct: alcohol, sound-emitting devises and electricity

- 22. An informal trader must not
 - a. sell or promote alcoholic products;
 - b. sell or promote prescriptive or related pharmaceutical medicine
 - c. sell any illegal substances or plants.
 - d. sell any illegal goods
 - e. use bells, hooters, amplified equipment or similar devices which emit sound, in order to attract customers, and
 - f. use any electrical supply or a power generator, unless expressly approved by the Municipality.

Restricted conduct: general

- 23. An informal trader must not carry on informal trading—
 - a. in a place or area in contravention of any prohibition or restriction imposed by the Municipality; or
 - b. in such a manner as to-
 - act in a way which disturbs the reasonable peace, comfort or convenience and well-being of any other person, thus creating a nuisance
 - ii. damage or deface the surface of any public road or public place, or any public or private property;
 - iii. create a traffic or health hazard or a health risk:
 - iv. contravene any of the terms and conditions of his or her informal trading permit; or

Environmental health

- 24. An informal trader must -
 - keep the informal trading site or area or occupied by him or her for the purposes of conducting informal trading in a clean and sanitary condition;
 - b. keep his or her goods in a clean and sanitary condition;

- c. ensure that, on completion of business each day
 - i. the informal trading site or area occupied by him or her for the purposes of conducting informal trading is free of litter and other waste; and
 - ii. all his or her goods are collected and removed from any public road or public place and stored in a suitable facility;
- d. take necessary precautions in the course of conducting his or her business as may be necessary to prevent the spilling of fat, oil or grease onto a public road, or public place, or into a storm water drain;
- e. ensure that no smoke, fumes or other substance, odors, or noise, emanating from his or her activities associated with informal trading, causes pollution of any kind;
- f. carry on business in a manner which does not cause a threat to public health or public safety; and
- g. at the request of an authorized official of the Municipality, move or remove any object so that the area or informal trading site from which informal trading is conducted may be cleaned.
- (3) A certificate of acceptability, as contemplated in Regulations Governing General Hygiene Requirements for Food Premises, G'N R638 of 22 June 2018, must first be obtained from the Cape Winelands District Municipality where food, irrespective of where such food was prepared, is sold or handled in an informal trading bay.

Temporary relocation

- **25.** (1) An informal trader must, on request by an authorized official or a service provider appointed by the Municipality, move his or her goods so as to permit the carrying out of any work in relation to a public road, public place or any work.
 - (2) No compensation is payable by the Municipality to any informal trader as a result of the temporary relocation of informal trading as contemplated in subsection (1).

Special events

- **26.** (1) The Municipality may, on reasonable notice, prohibit or restrict informal trading for the duration of a special event and within a prescribed area, notwithstanding the provisions of any informal trading policy or any informal trading permit.
 - (2) No compensation is payable by the Municipality to any informal trader as a result of the prohibition or restriction of informal trading as contemplated in subsection (1).

Obligation of owners on non-municipal property

- 27. An owner of non-municipal property must
 - a. ensure that any informal trading taking place on his or her property complies with this By-law;
 - b. permit any authorized official access to his or her property for the purpose of ensuring compliance with this By-law; and
 - c. ensure, at the owner's cost, that sufficient services are provided to maintain acceptable hygienic conditions in respect of the informal trading.
 - d. Ensure written approval of consent from all neighbors surrounding the immediate property

CHAPTER 5 ENFORCEMENT

Recovery of costs

- **28.**(1) If an informal trader contravenes any provision of this By-law or his or her permit and fails or refuses to cease the contravention, or to take to rectify any contravention, then the Municipality may take those steps itself and recover the costs from the informal trader.
 - (2) The costs mentioned in subsection (1) is in addition to any fine which may be imposed on the informal trader.

Removal and impoundment

- 29.(1) An authorized official may remove and impound any goods of an informal trader which he or she reasonably suspects is being used, has been used or is intended to be used for or in connection with informal trading which is in contravention of this By-law or any other applicable law.
 - (2) The removal and impoundment of goods in terms of subsection (1) may be carried out irrespective of whether or not such goods are in the possession or under the control of any third party at the time.
 - (3)Any authorized official who removes and impounds goods in terms of subsection (1) must, except where goods have been left or abandoned, issue the informal trader a receipt which—
 - (a) itemizes the goods to be removed and impounded;
 - (b) provides the address where the impounded goods will be kept;
 - (c) states the period of impoundment;
 - (d) states the terms and conditions which must be met to secure the release of the impounded goods;
 - (e) states the impoundment fee to be paid to secure release of the impounded goods;
 - (f) states the terms and conditions on which unclaimed goods will be sold or otherwise disposed of; and

- (g) provides the name and address of a municipal official to whom any representations' regarding the impoundment may be made and the date and time by which representations must be made.
- (4) If any goods to be impounded are attached to immovable property or a structure, an authorized official may order any person who appears to be in control of the immovable property or structure to remove the goods to be impounded and, if that person refuses or fails to comply, then—
 - (a) that person shall be guilty of an offence; and
 - (b) the authorized official may remove the goods himself or herself.
- (5) Goods which have been impounded may be released after
 - (a)proof of ownership in the form of the presentation of the receipt contemplated in subsection (3); and
 - (b) payment of the impoundment fee or , is received.
- (6) (1) The Municipality may at any time after the impoundment sell, destroy or otherwise dispose of—
 - (a) impounded perishable goods if the goods represent or might represent a health risk or a nuisance; and
 - (b) foodstuffs which are unfit for human consumption, provided that notice has been served on the informal trader concerned, advising him or her
 - (i) that his/her impounded goods are to be sold, destroyed or disposed of:
 - (ii) of the time of such sale, destruction or disposal; and of the reasons for such sale, destruction or disposal.
- (7) Impounded goods other than perishable goods, may be sold by the Municipality if the owner does not, or is unable to, pay the impoundment fee within 1 month from the date of impoundment of those goods.
- (8) If impounded goods are sold by the Municipality in terms of subsections (6) or (7), and upon the presentation of the receipt contemplated in subsection (3) as proof of ownership, the Municipality must pay to the person presenting the inventory the proceeds of the sale less the impoundment fee.
- (9) If in the reasonable opinion of an authorized official, an informal trader is suspected of trading in illegal goods, then those goods may be immediately confiscated and, in the event of such a confiscation, the authorized official must—
 - (a) comply with the requirements of this section; and
 - (b) immediately surrender the suspected illegal goods to the possession of the South African Police Service.

Vicarious liability

- 30.(1) When an employee or agent of an informal trader contravenes a provision of this By-law, any informal trading policy or informal trading permit, the informal trader shall be deemed to have committed such contravention himself or herself unless such informal trader satisfies the court that he or she took reasonable steps to prevent such contravention.
 - (2) The fact that the informal trader issued instructions to the representative, prohibiting such contravention, shall not in itself constitute sufficient proof of such reasonable steps.

Offences

- 31.(1) A person is guilty of an offence if he or she-
 - (a) trades without an informal trading permit;
 - (b) contravenes any provision of this By-law;
 - (c) contravenes any condition on which a permit has been issued to him or her;
 - (d) fails to comply with any lawful instruction given in terms of this By-law;
 - (e) threatens, resists, interferes with or obstructs any authorized official in the performance of official duties or functions in terms of or under this By-law; or
 - (f) deliberately furnishes false or misleading information to an authorized official.
 - (2) A person is guilty of a continuing offence if he or she continues with an offence after notice has been served on him or her in terms of this By-law requiring him or her to cease committing such offence, or after he or she has been convicted of such offence.

Penalties

- **32.**(1) Any person who is convicted of contravening paragraph 37(1)(a) shall be liable to a fine of an amount not exceeding R1 000, or a 24 months ban on informal trading, or to both such fine and ban
 - (2) Subject to subsection (1), any person who is convicted of an offence under this Bylaw shall be liable to a fine of an amount not exceeding R1 000 or to a 24 months ban on informal trading or to both such fine and ban.
 - (3) In the case of a continuing offence, an additional fine of an amount not exceeding R150 or ban not exceeding 1 month, for each day on which such offence continues or both such fine and ban, will be imposed.

CHAPTER 6 MISCELLANEOUS PROVISIONS

Appeals

- 33. (1) A person whose rights are affected by a decision taken by the Municipality in terms of this By-law may appeal against that decision in terms of the Appeals provision contained in the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) by giving written notice of the appeal and reasons to the municipal manager within 21 days of the date of the notification of the decision.
 - (2) The municipal manager must promptly submit the appeal to the appropriate appeal authority.
 - (3) The appeal authority must commence with an appeal within six weeks and decide the appeal within a reasonable period.
 - (4) The appeal authority must confirm, vary or revoke the decision, but no such variation or revocation of a decision may detract from any rights which may have accrued as a result of the decision.
 - (5) The appeal authority must furnish written reasons for its decision on all appeal matters.
 - (6) All appeals lodged are done in terms of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) and not in terms of this By-law.
 - (7) Where a conviction has been affirmed by a court of law and the accused wishes to appeal such conviction, the appeal must take place in terms of the court's appeal process and not in terms of subsection (1) to (5).

Repeal of laws and savings

- 34. (1) The Witzenberg Street Trading By-Law gazetted on 16 August 2002 are hereby repealed and replaced by this By-law
 - (2) All permits issued under the Witzenberg Municipality Street Trading By-laws published under Municipal Notice 97 of 1995 remain in full force and effect as if the said By-law has not been repealed as contemplated in subsection (1).

(3) Any rights accrued or obligations incurred as contemplated in the laws referred to in subsection (2) remain in force, as if those laws have not been repealed.

Notwithstanding the enactment of this By-law-

- (a) any declaration of an area within the jurisdiction of the Municipality as an area in which the carrying on of the business of street vendor, peddler or hawker may be restricted or prohibited, shall remain valid until such time as the council adopts an informal trading policy in respect of such area in terms of this By-law;
- (b) where an informal trader had been issued with a permit prior to the enactment of this By-law which permits trading from a particular site, this permit shall comply with the regulations stated in this By-law

Short title and commencement

35. This By-law is called the Witzenberg Municipality: Informal Trading By-law, 2025 and takes effect on the date on which it is published in the *Provincial Gazette* of the Western Cape

MUNISIPALITEIT

UMASIPALA

MUNICIPALITY

8.3.2

- MEMORANDUM -

AAN / TO:

Municipal Manager

VAN / FROM:

LED Manager

DATUM / DATE: VERWYS/REF.:

28 October 2024 Witzenberg Investment profile

The LED Manager has obtained buy-in from SALGA to assist Witzenberg Municipality with the development of an Investment profile. SALGA's Senior Advisor: Economic & Regional Development will assist the Municipality by guiding the LED unit to develop the profile.

A Municipal Investment profile is a document where potential investments are identified and packaged, to present it to potential investors. An additional outcome of such a process is an increased awareness between business and Government at municipal level.

The rationale for a Municipal Investment Promotion:

- There is a growing competition to attract investors (globally, regionally and nationally)
- High levels of unemployment and poverty
- Political commitment for SA to be globally competitive, but all investments are set-up and operate in the municipal space
- It places SA municipalities at the centre of economic development
- It encourages a proactive approach to investment promotion and attraction
- It promotes municipal spaces as investment destinations
- There is a need for aggressive marketing

Municipalities that were assisted include:

- Breede Valley Municipality
- Dawid Kruiper (NC)
- Great Kei (EC)
- Matzikama
- Mnguma (EC)
- Maluti-A-Pofong (FS)

2 9 OCT 2024

Investment Profile Development - Municipal Readiness Checklist

The following needs to be in place for a municipality to receive support for an Investment Profile:

- Political and administrative buy-in
- LED/ investment strategy in place
- Human and financial resources (capacity to lead, implement and monitor & evaluate)
- Inter-departmental cooperation
- Availability of secondary data/ information to build municipal value proposition
- Communication strategy (marketing and digital units)

Recommended governance approval & support from SALGA

- Inform and get Executive Management Council buy-in from the start
- Consult all relevant Departments within administration during design and development phase of the profile
- Workshop the Draft Profile with management & Council
- Consult private sector groups (ex. Business Chambers and sector organisations) during development phase to ensure accuracy of information & support
- Be clear on project timeline from start to finish and management/marketing of profile once completed
- Final approval by relevant governance structures & Council

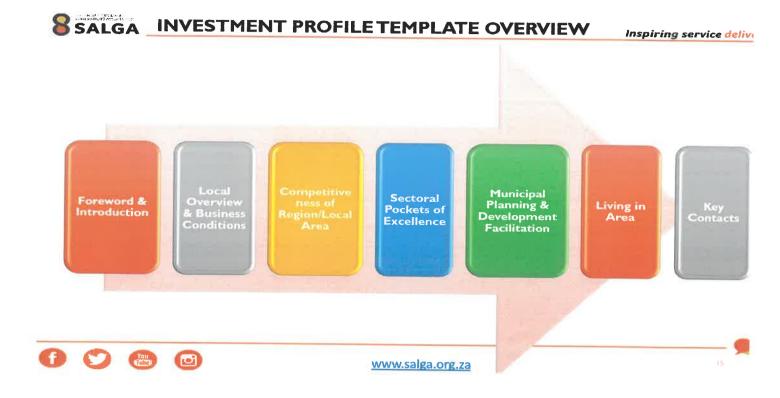


2 (023) 316 1854

① (023) 316 1877

Overview of an Investment Profile

Below is the typical overview of a framework for a Municipal Investment Profile from SALGA.



The timeline for such a project is 4-6 months.

Recommendation:

That the Portfolio Committee: LED & Tourism consider:

- Buy-in towards the development of a Witzenberg Investment Profile
- Recommending to Mayco & Council that a Witzenberg Investment Profile can be supported

MR R FICK

LOCAL ECONOMIC DEVELOPMENT MANAGER

MR D NASSON

MUNICIPAL MANAGER

AAN / TO:

MUNICIPAL MANAGER

VAN / FROM:

LOCAL ECONOMIC DEVELOPMENT MANAGER & SOCIAL WORKER

DATUM / DATE:

4 MARCH 2025

VERW. / REF.:

12/1/2/11

WITZENBERG
- 6 MAR 2025

ESTABLISHMENT OF LOCAL DRUG ACTION COMMITTEE (LDAC)

1. Background

According to legislation, municipalities must establish a Local Drug Action Committee.

The committee should consist of interested persons and stakeholders involved in combating substance abuse in the municipal area. The committee must be established by the Municipality and Committee members must be appointed by the Mayor.

The following organisations should be represented.

- Officials from government departments on local level
- SAPS nominated by local police station Commissioner.
- Correctional Services nominated by Commissioner of Correctional Services in area.
- Representative from Educational institute nominated by Mayor.
- Representative from prevention, treatment and aftercare services nominated by Mayor.
- Local Health nominated by Mayor.
- · Local Business nominated by Mayor.
- · Legal professional nominated by regional head of Department of Justice
- Representative of local traditional authority

Roles and responsibilities of LDAC

- LDAC designate a member of the committee as chairperson.
- Provincial coordinator of DSD (Department of Social Development) assists in development of structures
- May co-opt additional members for special expertise skills.
- Must link with provincial Substance Abuse Forum
- Municipality must provide funding appropriated by the municipality for that purpose to provide financial support to LDAC's.
- LDAC may make rules regarding the holding of, and procedures of its meetings.

Function of LDAC

- Ensure effect is given to National Drug Master Plan.
- Compile action plans.
- Implement action plans.
- Report to provincial forms.

Council unanimously resolved at the Council meeting of 21 June 2024 that a Local Drug Action Committee be established and approved and that the Local Drug Action Committee be established from representatives from the mentioned institutions and organisations.

A nomination process was followed where nominations were received by identified Government Departments and Institutions.

2. Current status quo

A LDAC establishment workshop was held with nominated stakeholders on 3 March 2025. Nominees represented their respective Departments and they committed to serving on the LDAC Committee. A basic overview was given on the purpose and functioning of the LDAC Committee, as well as basic drug-related statistics. A 2nd workshop will be held in April 2025 where the LDAC Committee will be inducted and will discuss the TOR (Terms of Reference).

3. The LDAC Committee

The following individuals present at the LDAC establishment meeting were elected to the committee, based on the Executive Mayor's proposal:

- Deputy Jonathan Nel from Witzenberg Municipality
- Executive Mayor Trevor Abrahams from Witzenberg Municipality
- Aldermen Hennie Smit from Witzenberg Municipality
- Aldermen Karriem Adams from Witzenberg Municipality
- Councillor Patrick Daniels from Witzenberg Municipality
- Councillor Jacob Rooi from Witzenberg Municipality
- Sonto Masilela from Department of Health
- Heinrich Marthinus from Department of Social Development
- Vuyo MEthusi from SAPS Tulbagh
- Capt. ES Pienaar form SAPS Ceres
- Capt. D Tromp from SAPS Ceres
- Letha Wessels from Witzenberg Municipality
- Shareldine de Bruin from Western Cape Education Department
- Zefra van Rooyen from SAPS Prince Alfred Hamlet
- Pieter Swarts from Business

The Executive Mayor mayor's proposal was seconded by Alderman Hennie Smit.

4. RECOMMENDATIONS:

a) For Council consideration for approval of the LDAC members that were elected and consequent establishment of the LDAC.

R Fick

Local Economic Development Manager

David Nasson

Municipal Manager

WITZENBERG

MUNISIPALITEIT

UMASIPALA

MUNICIPALITY

- MEMORANDUM -

AAN / TO:

Municipal Manager

VAN / FROM:

Senior Manager Legal Services

DATUM / DATE:

17 March 2025

VERW. / REF.:

1/3/R



BY-LAW FOR MUNICIPAL PARKS AND OPEN SPACES

PURPOSE

To consider the final adoption of the By-law for Municipal Parks and Open Spaces.

DELIBERATION & BACKGROUND

Council unanimously resolved on the 12th of November 2024:

that the matter in respect of the Proposed By-law: Municipal parks and open spaces be advertised for public comments and after that be referred back to Council for further consideration.

The advertisement for public comments were published on 13 December 2024, Annexure A. No inputs, comments or objections were received.

LEGAL REQUIREMENTS

Municipal Systems Act, 32 of 2000:

- 12. Legislative procedures.—
- (1) Only a member or committee of a municipal council may introduce a draft by-law in the council.
- (2) A by-law must be made by a decision taken by a municipal council—
- (a) in accordance with the rules and orders of the council; and
- (b) with a supporting vote of a majority of its members.
- (3) No by-law may be passed by a municipal council unless—

- (a) all the members of the council have been given reasonable notice; and
- (b) the proposed by-law has been published for public comment in a manner that allows the public an opportunity to make representations with regard to the proposed by-law.
- (4) Subsections (1) to (3) also apply when a municipal council incorporates by reference, as by-laws, provisions of—
- (a) legislation passed by another legislative organ of state; or
- (b)standard draft by-laws made in terms of section 14.
- 13. Publication of by-laws.—A by-law passed by a municipal council—
- (a) must be published promptly in the Provincial Gazette, and, when feasible, also in a local newspaper or in any other practical way to bring the contents of the by-law to the attention of the local community; and
- (b)takes effect when published or on a future date determined in or in terms of the by-law.

FINANCIAL IMPLICATION

Cost of publication of the By-Law will be for the Municipality.

TO RECOMMEND TO COUNCIL

To recommend to Council that the By-Law For Municipal Parks and Open Spaces be adopted and published in the Government Gazette.

Tyd raak min vir registrasie van spazaen huiswinkels

DIE sperdatum vir die dringende registrasie van alle spazawinkels of huiswinkels binne

munisipale grense, is om die draai.

Spazawinkels en geriewe waar voedsel hanteer word, is in November deur die regering 21 dae kans gegee om by hul plaaslike munisipaliteit te registreer.

Dié wat dit nie teen Vrydag 13 Desember

gedoen het nie en diegene wat nie aan alle gesondheidstandaarde en -vereistes voldoen nie, sal gesluit word.

Die stap volg nadat president Ramaphosa, onlangs sy diepe bekommernis en hartseer uitgespreek het oor die onlangse voorvalle van besmette voedsel, verwante siektes en sterftes nadat kinders dit by dié winkels ge-

koon het

In 'n onlangs verklaring deur die Witzenberg In 'n onlangs verklaring deur die Witzenberg munisipaliteit word daar gemeld dat hulle ook al hoe meer klagtes ontvang het van spazawinkels of huiswinkels wat kosprodukte verkoop welke produkte se vervaldatum reeds verstryk het. Die munisipaliteit het begin optree teen alle onwettige huiswinkels en dringende hofaansoeke teen eienaars en okkupeerders van sulke onwettige winkels begin. Twee winkels is al gesluit. Wettige huiswinkels gaan gedwing word

Wettige nuiswinkeis gaan geowing word om munisipale goedkeuringspermitte op 'n sigbare wyse aan te bring. Dieselfde geld ook vir straatsmouse wat nie geregistreer is nie en op geallokeerde persele handeldryf.



12th Consecutive Clean Audit!

As the Executive Mayor of Witzenberg Municipality, I am pleased to announce that we have achieved our 12th Consecutive Clean Audit!

We always strive to improve service delivery and the quality of our residents' living conditions with the available finances and complaince with relevant legislation. Thank you to Council, Committees and

Administration for your commitment and contribution to this positive report



Festive Season Greetings On behalf of the Council and Administration, I would like to wish everyone a Merry Christmas and a happy, healthy and prosperous New Year! Enjoy the festive season with family and friends. We pray for traveling mercies and your safe return. May 2025 be a great year for all.

Kindly note that our offices will be closed over the festive season from 20/12/2024 and will reopen on 03/01/2025 at 07:30. Witzenberg Traffic and Law Enforcement officers and ALL essential services will be operational throughout, as well as the Witzenberg 24-hour Control Room, on (023) 492-0181/2. Waste removal services will continue as usual, except on 25/12/2024 and 01/01/2025.

Geseënde Feestyd

Namens die Raad en Administrasie wil ek almal 'n Geseënde Kersfees en 'n gelukkige, gesonde en voorspoedige Nuwejaar toewens! Geniet die feestyd saam met familie en vriende. Ons bid vir reisgenade en u veilige terugkeer. Mag 2025 'n wonderlike jaar vir almal wees.

Neem assebilef kennis dat ons kantore oor die feestyd vanaf 20/12/2024 gesluit sal wees en op 03/01/2025 om 07:30 sal heropen. Witzenberg Verkeers- en Wetstoepassingsbeamptes en ALLE noodsaaklike dienste sal deurgaans operasioneel wees, asook die Witzenberg 24-uur Beheerkamer by (023) 492-0181/2. Vullisverwyderingdienste sal soos gewoonlik voortgaan, behalwe op 25/12/2024 en 01/01/2025.

Umbuliso ngeXesha leziYunguma

Ngokomyalelo weBhunga neSebe loLawulo, ndinqwenelela wonke ubani iKrisimesi emyoli, engcono kunye nonyaka omtsha oyokozela amathamsanqa! Yonwabela ixesha emiyon, engcono kunye nonyana omisha oyokuzua amada uhambo oluhle nokuba nibuye lakho lezi-Yunguma nezihlobo nezalamane. Sithandazela uhambo oluhle nokuba nibuye nisakhuselekile. Yanga unyaka ka2025 ungangunyaka oyokozela amathamsanga kuni nonke. Sibongoza wonke ubani asebenzise amanzi nombane ngobunono Qaphela ukuba ii-Ofisi zethu ziyakube zivaliwe kwelilika leziyunguma ukusuka ngomhla wama

20/12/2024 ngentsimbi kwaye ziyakuphinda zivulwe ngomhla wesi 03/01/2025 ngo 07:30. Amagosa oGunyaziso Mthetho neZithuthi kunye nabo basebenza kwiiNkonzo ezingundoqo bayakube bengxashile kwaye\ besebenza, kunye negumbi loLawulo lonxibelelwano kuMasipala liyakube livulwe iiYure ezingama 24, tsalela (023) 492-0181/2. Ukuthuthwa kwenkunkuma kuyakwenziwa njengesighelo



PUBLIC NOTICE - DRAFT BY-LAW MUNICIPAL PARKS AND OPEN SPACES

The Witzenberg Municipal Council is in the process of adopting a By-Law regulating Municipal Parks and open spaces within its area of jurisdiction. The draft By-Law is available on the Municipality's website www.witzenberg.gov.za. A copy of same can also be obtained from the Senior Manager Legal Services at the Municipal Offices, 50 Voortrekker Street, Ceres or by e-mail at liza-mari@witzenberg.gov.za

Any written submissions or suggestions on the by-law must be handed in at the Office of the Municipal Manager for attention Ms. Nieuwenhuis or e-mail it to lizamari@witzenberg.gov.za on or before 6 January 2025.

PUBLIEKE KENNISGEWING- KONSEP VERORDENING MUNISIPALE PARKE EN OOP RUIMTES

Die Witzenberg Munisipale Raad is in proses om 'n Verordening te aanvaar vir die regulering van Munisipale Parke en oop Ruimtes binne die Raad se jurisdiksie gebied. Die konsep Verordening is beskikbaar op die Munisipale webtuiste www.witzenberg.gov.za. 'n Afskrif daarvan kan verkry word by die Senior Bestuur-der Regsdienste, by die Munisipale Kantore, Voortrekkerstraat 50, Ceres of per epos by liza-mari@witzenberg.gov.za

Enige geskrewe voorleggings of voorstelle oor die konsep Verordening moet by die Munisipale Bestuurder se kantoor ingehandig word vir aandag Me. Nieuwenhuls of e-pos aan liza-mari@witzenberg.gov.za voor of op die 6 Januarie 2025.

KENNISGEWING I NOTICE I ISAZISO 2023/2024 JAARVERSLAG VIR KOMMENTAAR

Kennis geskied hiermee volgens artikel 21A van die Wet op Plaaslike Regering: Munisipale Stelsels 2000 en Artikel 127(5)(a)(i) van die MFMA, dat die Witzenberg Munisipaliteit se Jaarverslag vir 2023/2024, nou beskikbaar is en ter insae le vir kommentaar. Die Jaarverslag kan verkry word by alle munisipale kantore en openbare biblioteke en is beskikbaar op ons webtuiste: www.witzenberg.gov.za

Persone wat nie kan skryf nie, mag na die munisipale kantore kom gedurende kantoorure, waar 'n personeellid hulle sal bystaan met die neerskryf van hulle kommentaar of vertoë.

Kommentaar of vertoë moet skriftelik aan die Munisipale Bestuurder gerig word, voor of op 13 Januarie 2025 by Witzenberg Munisipaliteit, Posbus 44, Voortrekkerstraat 50 Ceres of aan admin@witzenberg.gov.za

2023/2024 ANNUAL REPORT FOR COMMENTS

Notice is hereby given, in terms of Section 21A of the Local Government: Municipal Systems Act, 2000 and Section 127(5)(a)(i) of the MFMA, that the draft 2023/2024 Annual Report, is now made public for inspection and comments. The Annual Report may be accessed at all municipal offices and public libraries and on website: www.witzenberg.gov.za

Any person who cannot write may come to the Municipal offices during office hours, where a staff member of the municipality will assist to transcribe their comments or representation.

All comments or representation must be lodged in writing to the Municipal Manager not later than 13 January 2025 at Witzenberg Municipality, P.O. Box 44, 50 Voortrekker Street, Ceres or to admin@witzenberg.gov.za

INGXELO EHLAZIYIWEYO YONYAKA ENGAGQITYWANGA KA 2023/2024

Esisaziso sikhutshwe, ngokuyinxalenye nomgaqo siseko ka (21A) wooMasipala baMakhaya: uMthetho ka 2000 owaziwa njengo (Mthetho wendlela yokusebenza kooMasipala) kunye necandelo lama 127(5)(a)(i) lwe(MFMA) Umthetho ojongene noLawulo lwezeMali kooMasipala ukuba uqulunqo oluhlaziyiweyo lweNgxelo yonyaka ka 2023/2024, ngoku lwenziwa esidlangalaleni ukuze luhlolwe kwave kuhlomiwe.

Ingxelo yonyaka ehlaziyiweyo engaqu-kunjelwanga inokufumaneka kuzo zonke ii-ofisi zikaMasipala, naMathala eeNcwadi oluntu, nakumnathazwe wethu: www.witzenberg.gov.za Wonke ubani ongakwaziyo ukubhala unelungelo lokuba atyelele kwii-ofisi zikaMasipala ngexesha lomsebenzi ukuze afumane uncedo oluthe vetshe/oluphangaleleyo malunga nezikhalazo /ngoluvo olo. Lonke uluvo kunye nezikhalazo kufuneka lubhalwe phantsi kwaye zifikelele kuMlawuli-Masipala phambi komhla wesi-13 kweyoMqungu 2025. Witzenberg Municipality, P.O. Box 44, 50 Voortrekker Road, Ceres okanye i-imeyile ku admin@witzenberg.gov.za ku admin@witzenberg.gov.za

MUNISIPALE BESTUURDER MUNICIPAL MANAGER UMLAWULI-MASIPALA



Witzenberg Municipality Public Parks By-Law

Preamble

WHEREAS section 156(2) and (5) of the Constitution of the Republic of South Africa, 1996 provides that a Municipality may make and administer by-laws for the effective administration of the matters which it has the right to administer, and to exercise any power concerning a matter reasonably necessary for, or incidental to, the effective performance of its functions; AND WHEREAS Part B of Schedule 5 to the Constitution lists local amenities and municipal parks and recreation as local government matters; AND NOW THEREFORE BE IT ENACTED by the Council of the Witzenberg Municipality as follows:—

1. Definitions

In this By-law, unless the context otherwise indicates —
"animal" includes any mammal, bird, fish, reptile, insect, amphibian or invertebrate;

"authorised official" means a member of staff of the Municipality delegated by the Municipal Manager and/orthe Director: Community Services, or appointed by the Municipal Manager to implement the provisions of this By-law, or any appointed external service provider referred to in section 76(b) of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) and includes a law enforcement officer or traffic official of the Municipality who has been declared a peace officer in terms of section 334 of the Criminal Procedure Act, 1977 (Act 51 of 1977), acting when on duty and properly identified as such;

"Municipality" means the Municipality of Witzenberg established in terms of section 12 of the Local Government: Municipal Structures Act, 1998(Act No. 117 of 1998), in Provincial Notice 479 of 2000 and published in Provincial Gazette Extraordinary 5588 dated 22 September 2000;

"Municipal Manager" means the person appointed by the Council in terms of section 82 of the Local Government: Municipal Structures Act, 1998 (Act NO. 117 OF 1998);

"Constitution" means the Constitution of the Republic of South Africa Act, 1996;

"Council" means the council of the Municipality of Witzenberg , being a council as provided for in terms of section 18 of the Local Government: Municipal Structures Act, 1998(Act No. 117 of 1998), or any committee, any sub-council or any councillor of council, acting under delegated or sub-delegated authority of the Council;"

Councillor" means the member of the Council;

"Director Community Services" means the employee of the Municipality in charge of public parks of the Municipality;

"notice" means a written notification, or a pictogram issued in terms of this By-law, prominently and legibly displayed at the entrance to or in any facility or part thereof to which it is intended to apply;

"public park" means—

(a)any botanical or other garden, playground, zoned public open space managed by the Director Community Services in the Municipality, or a park owned or leased by the Municipality, including any portion thereof and any facility or apparatus therein or thereon, but excluding any public road or street; and

(b) any botanical, other garden or playground which is lawfully controlled and managed in terms of an agreement by a person other than the Council;

"Structures Act" means the Local Government: Municipal Structures Act, 1998 (Act No.117 of 1998); "this By-law" includes the Schedules hereto;

"vehicle" means any self-propelled vehicle and includes-

(a)a trailer; and

(b)a vehicle having pedals and an engine or an electric motor as an integral part thereof or attached thereto which is designated or adapted to be propelled by means of such pedals, engine or motor, or both such pedals and engine or motor, but does not include –

(i)any vehicle propelled by electric power from storage batteries and which is controlled by a pedestrian; or

(ii)any vehicle with a mass not exceeding 230 kilograms and specially designed and constructed, and not merely adapted, for the use of any person suffering from some physical defect or disability and used solely by such person.

2. Delegation and appointment of authorised officials

- (1) The Municipal Manager may delegate any of his or her powers or assign any of his or her duties in terms of this By-law to any official of the Municipality.
- (2) The Director Community Services may delegate any of his or her powers or assign any of his or her duties to any official of the Municipality.
- (3) Subject to the recruitment policies of the Municipality, the Municipal Manager may appoint authorised officials to exercise and perform certain powers and duties in terms of this By-law.

3. Maximum number of persons

- (1)The Director Community Services may determine the maximum number of visitors who may be present at a specific time in a public park, provided that different numbers may be so determined for different parks and for different events.
- (2)The numbers contemplated in subsection (1) must be made known by the Director Community Services by means of a notice.

4. Admission to and visiting a public park

- (1)A person who is admitted to gain access or visit a public park must, subject to the provisions of this By-law, observe and comply with all notices displayed in a public park or in the entrance thereto and obey any instructions given to him or her by the authorised official.
- (2) Should a person fail to observe and comply with a notice or any instructions referred to in subsection (1), the Municipality shall not be liable for damage or injury suffered while such person is visiting the public park.
- (3)A public park is, subject to the provisions of this By-law, open to the public on the times determined by the Director Community Services, provided that different times may be determined in respect of different public parks.
- (4)No person shall enter or leave an enclosed public park at a place other than that indicated for that purpose.

(5)The conditions times and places contemplated in subsections (1), (2) and (3) shall be made known by the Director Community Services by means of a notice.

5. Entrance fees

(1) Subject to the provisions of this By-law, every person shall have free access to a public park.

(2)Despite subsection (1), Council may, in terms of the Tariff By-law prescribe fees for entering a public park in such special circumstances as determined by it, and such fees shall be made known by means of a notice.

6. Dumping and littering

No person shall in a public park —

(a)dump, drop, bury or place any refuse, rubble, material or any object or thing; or

(b)permit any dumping, dropping, burying, placing of any refuse, rubble, material or any object or thing, except in a container identified for that purpose in the park.

7. Liquor and food

(1)No person shall bring into, consume, brew, store or sell in a public park any liquor or any other alcoholic or intoxicating substance.

(2)No person shall in a public park, contrary to a notice, cook or prepare food of any kind whatsoever, except at places set aside for such purposes by notice.

(3) The preparation and cooking of food at places set aside by notice for such purpose in or at a public park shall be done in a clean and sanitary manner.

(4)No animal may be killed, skinned or slaughtered in a public park without the written consent of the Director Community Services having first been obtained.

8. Animals

(1)No person shall bring any dead or alive animal into a public park except in accordance with the directions of the Director Community Services provided that different directions may be determined in respect of different public parks and different types of animals.

(2) The directions contemplated in subsection (1) shall be made known by means of a notice.

(3)Carcasses may not be buried in a public park but must be disposed of at the owner's expense and in a manner approved by the Council.

9. Use of public parks

(1)No person shall in a public park without the written permission of the Director Community Services or contrary to any conditions which the Director Community Services may impose when granting such permission —

(a)arrange or present any public entertainment;

(b) display or distribute any pamphlet, placard, painting, book, handbill, sign, advertisement board or any other printed, written or painted work;

(c)arrange or hold a public gathering or procession, or any exhibition or performance;

(d)conduct any trade, occupation or business;

(e)display, sell or rent or present for sale or rent any wares or articles;

(f)hold an auction;

(g)off-load or store building or other material.

(2) Subject to any other law, the written permission contemplated in subsection (1) shall be refused only if anything referred to in subsection (1)(a) to (g)—(a) is likely to give rise to—

(i)public rioting;

(ii)the disturbance of public peace;

(iii)the committing of an offence;

(iv)the committing of an indecent act:

(v)risks that compromise safety and security; or

(vi)a situation where a planned activity in any area of jurisdiction of the Municipality is taking place at the same time as a planned activity in the park, and the activity planned to take place in the park is deemed to have a detrimental impact on the ability of the Municipality to ensure safety and security;(b)is detrimental to the public or the users of, or visitors to, the public park; or(c)is likely to damage or destroy the amenities, wildlife or plant material in the park.

10. Trees in public parks

(1)No person other than an authorized official shall—

(a) plant or prune a tree or shrub, or in any way cut down a tree or a shrub, in a public park or remove it therefrom, except with the written permission of the Director Community Services; (b) unless permitted by a notice climb a tree growing in a public park or, break or damage such tree; or

(c)in any way mark or paint any tree growing in a public park or attach any advertisement thereto.

(2) Any tree or shrub planted in a public park shall become the property of the Municipality.

11. Safety and order

(1)No person shall, in a public park —

(a)damage, tamper with or destroy any equipment, amenity or structure;

(b)plant, pull out, pick, damage or remove any plant, grass, shrub, bulbs, vegetation or flower;

(c)kill, hurt, follow, disturb, ill-treat, catch, remove, translocate or release any animal or displace, disturb, destroy or remove their habitat;

(d)use or try to use anything in such park for any purpose other than that for which it is designated;

(e)discard any burning or smouldering object;

(f)throw or dislodge any rock, stone or object from any mountains, slope or cliff;

(g)behave in an improper, indecent, unruly, violent or anti-social manner or cause a disturbance;

(h)run, walk, stand, sit or lie in a flower bed;

(i)run, walk, stand, sit or lie on grass contrary to a notice;

(j)lie on a bench or seating-place or use it in such a manner that prevents others from using it; (k)play or sit on playpark equipment, except if the person concerned is 14 years old or younger, or as permitted by a notice;

(I)swim, walk or play in a fish-pond, fountain, stream, dam or pond;

(m)skate on roller skates or a skateboard or similar device except where permitted by notice;

(n)operating a gas or charcoal fired barbeque or stove;

(o)dig, disturb or remove any mineral substance including soil, sand, gravel or rock;

(p)damage, dig, disturb, deface, destroy or remove any fossils, bones or historical artefacts;

(q)operate any remote control device including boats, planes helicopters or cars;

(r)build, erect, place, create, remove or modify any structure, amenity, pathway, trail, jump or ramp; or

(s)engage in any activity which may pose a risk or in combination with other activities in the area of jurisdiction of the Municipality.

(2)Notwithstanding subsection (1), the Director Community Services may, by notice, and subject to such conditions as he or she may deem necessary, authorise or permit any of the actions contemplated in subsections (1).

12. Water

No person may in a public park—

- (a)misuse, remove, pollute or contaminate any water source, water supply or waste water;
- (b)interfere with or obstruct the flow of any river or seasonal wetland; or
- (c)drain or redirect any water from private land.

13. Vehicles

- (1)No person may bring into a public park any truck, bus, motorcar, motor cycle, bicycle, quadbike, motor tricycle, or any other vehicle, craft, hot air balloon or aeroplane, whether driven by mechanical, animal, natural or human power, supermarket or other trolleys, except in accordance with the written permission of the Director Community Services provided that different requirements or conditions may be determined for different public parks and for different vehicles, craft or aeroplanes.
- (2)The Director Community Services may determine the speed limit applicable in a public park, provided that different speed limits may be determined for different public parks and for different vehicles, craft or aeroplanes.
- (3) The requirements or conditions contemplated in subsection (1) and the speed limit contemplated in subsection (2) shall be made known by a notice by the Director Community Services.

14. Games

No person may play or conduct any game of any nature that will cause --

- (a) disturbance or potentially disturb; or
- (b)injury to, other park users except at places set aside for that purpose by notice and in accordance with the directions of the Director Community Services.

15. Improper or indecent behaviour

No person may in a public park --

- (a)perform an act which is indecent or conduct himself or herself improperly by exposure of his or her person or otherwise, or make improper gestures or incite or urge someone to perform a disorderly or indecent act;
- (b)use foul, lewd or indecent language;
- (c)write, paint, draw or in any way make a lewd, explicit or immoral figure, writing, drawing or representation; or
- (d)enter or use a toilet facility intended or indicated as such by notice for members of the opposite sex, provided that this shall not apply to children below the age of seven accompanied by an adult.

16. Powers of an authorised official

An authorised official may -

(a)in a public park at any time enter upon any place, land, premises or building and conduct an investigation thereat in order to determine whether the provisions of this By-law are complied with;

(b) for the better exercising of any power or the performance of any function or duty assigned or granted to him or her, take along an interpreter who, while acting under the lawful order of such an official, shall have the same powers, functions and duties as such official as contemplated in paragraph (a);

(c)give instructions to or direct the public, for the purposes of this By-law, to act in a specific manner whilst at the public park.

17. Offences and penalties

(1)Any person who contravenes or fails to comply with a notice issued in terms of, or a condition imposed under, or any other provision of, this By-law, shall be guilty of an offence and if convicted shall be liable for a fine or imprisonment for a period not exceeding six months, or to both such fine and such imprisonment.

(2)In addition to imposing a fine or imprisonment in terms of subsection (1), a court may order any person convicted of an offence under this By-law -(a)to remedy the harm caused; or(b)to pay damages for harm caused to another person or to property which order shall have the force and effect of a civil judgment.

19. Repeal of by-laws

(1)In the event of any other by-law of the Municipality being inconsistent with this By-law, the provisions of this By-law shall prevail, to the extent of the inconsistency.

20. Short title

This By-law is called the Witzenberg Municipality: Public Parks By-law.

Witzenberg Municipality Public Parks By-Law

Preamble

WHEREAS section 156(2) and (5) of the Constitution of the Republic of South Africa, 1996 provides that a Municipality may make and administer by-laws for the effective administration of the matters which it has the right to administer, and to exercise any power concerning a matter reasonably necessary for, or incidental to, the effective performance of its functions; AND WHEREAS Part B of Schedule 5 to the Constitution lists local amenities and municipal parks and recreation as local government matters; AND NOW THEREFORE BE IT ENACTED by the Council of the Witzenberg Municipality as follows:—

1. Definitions

In this By-law, unless the context otherwise indicates —
"animal" includes any mammal, bird, fish, reptile, insect, amphibian or invertebrate;

"authorised official" means a member of staff of the Municipality delegated by the Municipal Manager and/orthe Director: Community Services, or appointed by the Municipal Manager to implement the provisions of this By-law, or any appointed external service provider referred to in section 76(b) of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) and includes a law enforcement officer or traffic official of the Municipality who has been declared a peace officer in terms of section 334 of the Criminal Procedure Act, 1977 (Act 51 of 1977), acting when on duty and properly identified as such;

"Municipality" means the Municipality of Witzenberg established in terms of section 12 of the Local Government: Municipal Structures Act, 1998(Act No. 117 of 1998), in Provincial Notice 479 of 2000 and published in Provincial Gazette Extraordinary 5588 dated 22 September 2000;

"Municipal Manager" means the person appointed by the Council in terms of section 82 of the Local Government: Municipal Structures Act, 1998 (Act NO. 117 OF 1998);

"Constitution" means the Constitution of the Republic of South Africa Act, 1996;

"Council" means the council of the Municipality of Witzenberg , being a council as provided for in terms of section 18 of the Local Government: Municipal Structures Act, 1998(Act No. 117 of 1998), or any committee, any sub-council or any councillor of council, acting under delegated or sub-delegated authority of the Council;"

Councillor" means the member of the Council;

"Director Community Services" means the employee of the Municipality in charge of public parks of the Municipality;

"notice" means a written notification, or a pictogram issued in terms of this By-law, prominently and legibly displayed at the entrance to or in any facility or part thereof to which it is intended to apply;

"public park" means-

(a)any botanical or other garden, playground, zoned public open space managed by the Director Community Services in the Municipality, or a park owned or leased by the Municipality, including any portion thereof and any facility or apparatus therein or thereon, but excluding any public road or street; and

(b) any botanical, other garden or playground which is lawfully controlled and managed in terms of an agreement by a person other than the Council;

"Structures Act" means the Local Government: Municipal Structures Act, 1998 (Act No.117 of 1998); "this By-law" includes the Schedules hereto;

"vehicle" means any self-propelled vehicle and includes-

(a)a trailer; and

(b)a vehicle having pedals and an engine or an electric motor as an integral part thereof or attached thereto which is designated or adapted to be propelled by means of such pedals, engine or motor, or both such pedals and engine or motor, but does not include —

(i)any vehicle propelled by electric power from storage batteries and which is controlled by a pedestrian; or

(ii)any vehicle with a mass not exceeding 230 kilograms and specially designed and constructed, and not merely adapted, for the use of any person suffering from some physical defect or disability and used solely by such person.

2. Delegation and appointment of authorised officials

- (1) The Municipal Manager may delegate any of his or her powers or assign any of his or her duties in terms of this By-law to any official of the Municipality.
- (2) The Director Community Services may delegate any of his or her powers or assign any of his or her duties to any official of the Municipality.
- (3) Subject to the recruitment policies of the Municipality, the Municipal Manager may appoint authorised officials to exercise and perform certain powers and duties in terms of this By-law.

3. Maximum number of persons

- (1)The Director Community Services may determine the maximum number of visitors who may be present at a specific time in a public park, provided that different numbers may be so determined for different parks and for different events.
- (2) The numbers contemplated in subsection (1) must be made known by the Director Community Services by means of a notice.

4. Admission to and visiting a public park

- (1)A person who is admitted to gain access or visit a public park must, subject to the provisions of this By-law, observe and comply with all notices displayed in a public park or in the entrance thereto and obey any instructions given to him or her by the authorised official.
- (2)Should a person fail to observe and comply with a notice or any instructions referred to in subsection (1), the Municipality shall not be liable for damage or injury suffered while such person is visiting the public park.
- (3)A public park is, subject to the provisions of this By-law, open to the public on the times determined by the Director Community Services, provided that different times may be determined in respect of different public parks.
- (4)No person shall enter or leave an enclosed public park at a place other than that indicated for that purpose.

(5)The conditions times and places contemplated in subsections (1), (2) and (3) shall be made known by the Director Community Services by means of a notice.

5. Entrance fees

(1) Subject to the provisions of this By-law, every person shall have free access to a public park.

(2)Despite subsection (1), Council may, in terms of the Tariff By-law prescribe fees for entering a public park in such special circumstances as determined by it, and such fees shall be made known by means of a notice.

6. Dumping and littering

No person shall in a public park —

(a)dump, drop, bury or place any refuse, rubble, material or any object or thing; or

(b)permit any dumping, dropping, burying, placing of any refuse, rubble, material or any object or thing, except in a container identified for that purpose in the park.

7. Liquor and food

(1)No person shall bring into, consume, brew, store or sell in a public park any liquor or any other alcoholic or intoxicating substance.

(2)No person shall in a public park, contrary to a notice, cook or prepare food of any kind whatsoever, except at places set aside for such purposes by notice.

(3) The preparation and cooking of food at places set aside by notice for such purpose in or at a public park shall be done in a clean and sanitary manner.

(4)No animal may be killed, skinned or slaughtered in a public park without the written consent of the Director Community Services having first been obtained.

8. Animals

(1)No person shall bring any dead or alive animal into a public park except in accordance with the directions of the Director Community Services provided that different directions may be determined in respect of different public parks and different types of animals.

(2) The directions contemplated in subsection (1) shall be made known by means of a notice.

(3)Carcasses may not be buried in a public park but must be disposed of at the owner's expense and in a manner approved by the Council.

9. Use of public parks

(1)No person shall in a public park without the written permission of the Director Community Services or contrary to any conditions which the Director Community Services may impose when granting such permission —

(a)arrange or present any public entertainment;

(b) display or distribute any pamphlet, placard, painting, book, handbill, sign, advertisement board or any other printed, written or painted work;

(c)arrange or hold a public gathering or procession, or any exhibition or performance;

(d)conduct any trade, occupation or business;

(e)display, sell or rent or present for sale or rent any wares or articles;

(f)hold an auction;

(g)off-load or store building or other material.

(2) Subject to any other law, the written permission contemplated in subsection (1) shall be refused only if anything referred to in subsection (1)(a) to (g)—(a) is likely to give rise to —

- (i)public rioting;
- (ii)the disturbance of public peace;
- (iii)the committing of an offence;
- (iv)the committing of an indecent act;
- (v)risks that compromise safety and security; or
- (vi)a situation where a planned activity in any area of jurisdiction of the Municipality is taking place at the same time as a planned activity in the park, and the activity planned to take place in the park is deemed to have a detrimental impact on the ability of the Municipality to ensure safety and security;(b)is detrimental to the public or the users of, or visitors to, the public park; or(c)is likely to damage or destroy the amenities, wildlife or plant material in the park.

10. Trees in public parks

(1)No person other than an authorized official shall—

(a)plant or prune a tree or shrub, or in any way cut down a tree or a shrub, in a public park or remove it therefrom, except with the written permission of the Director Community Services; (b)unless permitted by a notice climb a tree growing in a public park or, break or damage such tree; or

(c)in any way mark or paint any tree growing in a public park or attach any advertisement thereto.

(2) Any tree or shrub planted in a public park shall become the property of the Municipality.

11. Safety and order

(1)No person shall, in a public park —

(a)damage, tamper with or destroy any equipment, amenity or structure;

(b)plant, pull out, pick, damage or remove any plant, grass, shrub, bulbs, vegetation or flower; (c)kill, hurt, follow, disturb, ill-treat, catch, remove, translocate or release any animal or displace, disturb, destroy or remove their habitat;

(d)use or try to use anything in such park for any purpose other than that for which it is designated;

(e)discard any burning or smouldering object;

(f)throw or dislodge any rock, stone or object from any mountains, slope or cliff;

(g)behave in an improper, indecent, unruly, violent or anti-social manner or cause a disturbance;

(h)run, walk, stand, sit or lie in a flower bed;

(i)run, walk, stand, sit or lie on grass contrary to a notice;

(j)lie on a bench or seating-place or use it in such a manner that prevents others from using it; (k)play or sit on playpark equipment, except if the person concerned is 14 years old or younger, or as permitted by a notice;

(I)swim, walk or play in a fish-pond, fountain, stream, dam or pond;

(m)skate on roller skates or a skateboard or similar device except where permitted by notice;

(n)operating a gas or charcoal fired barbeque or stove:

(o)dig, disturb or remove any mineral substance including soil, sand, gravel or rock;

(p)damage, dig, disturb, deface, destroy or remove any fossils, bones or historical artefacts;

(q)operate any remote control device including boats, planes helicopters or cars;

(r)build, erect, place, create, remove or modify any structure, amenity, pathway, trail, jump or ramp; or

(s)engage in any activity which may pose a risk or in combination with other activities in the area of jurisdiction of the Municipality.

(2)Notwithstanding subsection (1), the Director Community Services may, by notice, and subject to such conditions as he or she may deem necessary, authorise or permit any of the actions contemplated in subsections (1).

12. Water

No person may in a public park—

- (a)misuse, remove, pollute or contaminate any water source, water supply or waste water;
- (b)interfere with or obstruct the flow of any river or seasonal wetland; or
- (c)drain or redirect any water from private land.

13. Vehicles

(1)No person may bring into a public park any truck, bus, motorcar, motor cycle, bicycle, quadbike, motor tricycle, or any other vehicle, craft, hot air balloon or aeroplane, whether driven by mechanical, animal, natural or human power, supermarket or other trolleys, except in accordance with the written permission of the Director Community Services provided that different requirements or conditions may be determined for different public parks and for different vehicles, craft or aeroplanes.

(2)The Director Community Services may determine the speed limit applicable in a public park, provided that different speed limits may be determined for different public parks and for different vehicles, craft or aeroplanes.

(3) The requirements or conditions contemplated in subsection (1) and the speed limit contemplated in subsection (2) shall be made known by a notice by the Director Community Services.

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(a) disturbance or potentially disturb; or

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(b)use foul, lewd or indecent language;

(c)write, paint, draw or in any way make a lewd, explicit or immoral figure, writing, drawing or representation; or

(d)enter or use a toilet facility intended or indicated as such by notice for members of the opposite sex, provided that this shall not apply to children below the age of seven accompanied by an adult.

16. Powers of an authorised official

An authorised official may —

(a)in a public park at any time enter upon any place, land, premises or building and conduct an investigation thereat in order to determine whether the provisions of this By-law are complied with;

(b) for the better exercising of any power or the performance of any function or duty assigned or granted to him or her, take along an interpreter who, while acting under the lawful order of such an official, shall have the same powers, functions and duties as such official as contemplated in paragraph (a);

(c)give instructions to or direct the public, for the purposes of this By-law, to act in a specific manner whilst at the public park.

17. Offences and penalties

(1)Any person who contravenes or fails to comply with a notice issued in terms of, or a condition imposed under, or any other provision of, this By-law, shall be guilty of an offence and if convicted shall be liable for a fine or imprisonment for a period not exceeding six months, or to both such fine and such imprisonment.

(2)In addition to imposing a fine or imprisonment in terms of subsection (1), a court may order any person convicted of an offence under this By-law —(a)to remedy the harm caused; or(b)to pay damages for harm caused to another person or to property which order shall have the force and effect of a civil judgment.

19. Repeal of by-laws

(1)In the event of any other by-law of the Municipality being inconsistent with this By-law, the provisions of this By-law shall prevail, to the extent of the inconsistency.

20. Short title

This By-law is called the Witzenberg Municipality: Public Parks By-law.

WITZENBERG

MUNISIPALITEIT

UMASIPALA

MUNICIPALITY

- MEMORANDUM -

AAN / TO:

Municipal Manager

VAN / FROM:

Senior Manager Legal Services

DATUM / DATE:

17 March 2025

VERW. / REF.:

16/4/P

WITZENBERG
17 MAR 2025

BY-LAW FOR THE DEPLOYMENT OF ELECTRONIC COMMUNICATIONS INFRASTRUCTURE:

PURPOSE

To consider the final adoption of the By-law for the deployment of electronic communications infrastructure.

DELIBERATION & BACKGROUND

Council unanimously resolved on the 12th of November 2024:

- (a) that the draft By-law for the deployment of electronic communications infrastructure: Witzenberg Municipality be adopted.
- (b) that the draft By-law be advertised for public comments for at least 30 days.
- (c) that the proposals of the public be considered and incorporated as recommended by the Department Streets and Storm Water.
- (d) that the Municipal Manager as soon as possible after the closing date for public comments, submits a report to the Executive Mayoral Committee for a recommendation to Council.
- (e) that the Policy for work and the installation of services in the road reserve (Revision 2) be adopted.

The advertisement for public comments were published on 31 January 2025, Annexure A. No inputs, comments or objections were received.

LEGAL REQUIREMENTS

Municipal Systems Act, 32 of 2000:

12. Legislative procedures.—

- (1) Only a member or committee of a municipal council may introduce a draft by-law in the council.
- (2) A by-law must be made by a decision taken by a municipal council—
- (a) in accordance with the rules and orders of the council; and
- (b) with a supporting vote of a majority of its members.
- (3) No by-law may be passed by a municipal council unless—
- (a) all the members of the council have been given reasonable notice; and
- (b) the proposed by-law has been published for public comment in a manner that allows the public an opportunity to make representations with regard to the proposed by-law.
- (4) Subsections (1) to (3) also apply when a municipal council incorporates by reference, as by-laws, provisions of—
- (a) legislation passed by another legislative organ of state; or
- (b)standard draft by-laws made in terms of section 14.
- 13. Publication of by-laws.—A by-law passed by a municipal council—
- (a) must be published promptly in the Provincial Gazette, and, when feasible, also in a local newspaper or in any other practical way to bring the contents of the by-law to the attention of the local community; and
- (b)takes effect when published or on a future date determined in or in terms of the by-law.

FINANCIAL IMPLICATION

Cost of publication of the By-Law will be for the Municipality.

TO RECOMMEND TO COUNCIL

To recommend to Council that the By-Law For The Deployment Of Electronic Communications Infrastructure be adopted and published in the Government Gazette.

Die 1825 Koue Bokkeveld opstand word herdenk

OP 1 en 2 Februarie 2025 word 'n historiese gebeurtenis herdenk wat 200 jaar gelede in die Koue Bokkeveld afgespeel het

Onderleiding van 'n slaaf genaamd Galant van de Kaap, het 'n groep slawe en ingeboekte Khoe-arbeiders op 1 en 2 Februarie 1825 in opstand gekom teen die onmenslike behan-deling wat hulle aan die hand van hulle eie-

naars moes deurmaak.
In die opstand, wat van korte duur was, is drie koloniste doodgeskiet. Dertien persone wat by die opstand betrokke was, is gevange geneem en in die Kaap verhoor. Drie van die beskuldigdes, Galant van de Kaap, Abel van de Kaap en Isaac Thys, is ter dood veroordeel. Sewe ander is gevonnis om gegésel te word en swaar dwangarbeid te verrig, terwyl drie beskuldigdes vrygespreek is. Galant en Abel is na hulle teregstelling ont-

hoof en hulle koppe is in die Koue Bokkeveld op pale geplant om as afskrikmiddel te dien. Die plek waar hulle koppe vertoon was, het in die volksmond die naam Koppieshoogte ge-

kry.

Die Amerikaanse historikus, prof. Laura J. Mitchell van die Universiteit van Kalifornië, het in September 2023 belangstelling in die gebeure gaande gemaak, toe sy Ceres besoek en in die Togryers museum 'n lesing aange-bied het oor die opstand op die plase Hou-denbek en Rietrivier.

denbek en kietrivier.

'n Jaar later het sy teruggekeer en in die Koue Bokkeveld gesprekke gevoer met persone wat, na alle waarskynlikheid, afstammelinge is van die leier van die opstand, Gelant van de Kaap.

Tydens 'n opvolglesing van prof. Mitchell op 5 September 2024, is 'n loodskomitee saam-gestel om 'n paslike herdenking van die Koue Bokkeveld Opstand in 2025 van stapel

Volgens die voorsitter van die komitee, Sydney Davis, het die komitee besluit op di slagspreuk: TO REMEMBER, TO HEAL, TO GROW, as riglyn vir dié herdenking.

Die 1825 Koue Bokkeveld Opstandkomitee werk nou saam met die Togryers museum. Volgens Bertdene Laubscher, bestuurder van die museum, werk hulle ook in vennootskap met prof. Mitchell, asook prof. Grant Parker van die Standford Universiteit in die VSA.

Daar word gewerk aan 'n digitale uitstalling in die vorm van 'n webwerf wat onder andere vir hoërskoolleerders van nut sal wees

Volgens Ronald Balie, eertydse skoolhoof van Ceres Sêkondere skool en lid van die komitee, moet die herdenking van die opstand, gesien word as deel van die herwaardering van Suid-Afrikaanse geskiedenis.

van Suid-Afrikaanse geskiedenis.
"Die durf en waagmoed van 'n groep onderdrukte slawe en Khoe-arbeiders wat, deur
in opstand te kom, 'n streep in die sand getrek
en verklaar het: Ons weier om ons langer aan
onmenslike optrede te onderwerp, verdien
om herdenk te word", aldus Balie.
Die verwagting is dat sodanige herdenking
sal bydra tot die groei in selftrots en identiteit
vir die afstammelinge van diegene wat 2000
iaar gelede die moed gehad het om standfuut!

jaar gelede die moed gehad het om standoun in te neem teen onreg, maar dat dit ook sal lei tot heling in terme van verhoudinge

Deel van die komitee se beplanning, is om gedenkteken op te rig op Koppieshoogte. Die huidige eienaar van die grond, Theodore van Rooyen, het goedgunstiglik 'n stuk grond beskikbaar gestel waar sodanige gedenkteken opgerig kan word.

Die komitee beplan 'n seremoniële sooi-spitplegtigheid op die terrein op Sondag 2 Februarie.

Meer besonderhede kan verkry word dem die Togryers museum te skakel by (023) 312-2045 of 076 6892 885.

Verdere beplanning sluit in 'n verskeiden-heid van geleenthede en aktiwiteite om saam te val met nasionale vakansiedae soos Wer-kersdag, Jeugdag, Vrouedag en wat 'n kti-maks sal bereik met Erfenisdag op 24 Sep-tember 2025 wanneer die gedenksteen onthul sal word

Die publiek en belangegroepe word genooi om die komitee met voorstelle te bedien van hoe die Opstand vanaf 1 Februarie tot 24 September 2025 paslik herdenk kan word.

Skakel die Togryers museum of stuur 'n epos na togryersmuseum@gmail.com



Artikel opgestel deur Sydney Davis, voorsitter van die 1825 Opstandkomitee



CERES van bo gesien. Demetri van Rooyen van Ceres hardloop gereeld Ou Kop uit en het Vrydag 24 Januarie die foto geneem en aangestuur.

Kennis word hiermee gegee ingevolge Artikel 14(5) van die Wet op Plaaslike Regering Munisipale Finansiële Bestuur, Wet 56 van 2003 en Artikel 5 van die Munisipale Bate Oordrag Regulasies, so gepubliseer onder GNR.878 in GG31346 gedateer 22 Augustus 2008, van die Raad se voornemens om die Medium Volt infrastruktuur gelee op Erf 384/2 Ceres, aan **Eselfontein Boerdery (Edms) Bpk** teen 'n billike markprys te verkoop, vir doeleindes om konsolidasie van hulle meter punte te bereik.

Indien daar enige besware teen sodanige verkoping is, moet u skriftelike besware voor of op 21 Februarie 2025 by die kantore van die Direkteur Tegniese Dienste indien, vir aandag Me. K. Dingilizwe, Voortrekkerstraat 50, Ceres of per e-pos na khanya@witzenberg.gov.za

Notice is hereby given in terms of Section 14(5) of the Local Government Municipal Finance Management Act 56 of 2003 and Section 5 of the Municipal Asset Transfer Regulations as published under GNR.878 in GG 31346 dated 22 August 2008, of Council's intention to sell the Medium Voltage Infrastructure situated on Erf 384/2, Ceres at a market related price to Eselfontein Boerdery (Pty) Ltd, for the purpose of them achieving consolidation of their meter points.

If there is any objection to the proposed sale, such objection should be forwarded to the office of the Director Technical Services for the attention of Mrs. K. Dingilizwe. 50 Voortrekker Street, Ceres or e-mail to khanya@witzenberg.gov.za on or before 21 February 2025.

VERHURING VAN ERF 364/82

Kennis word hiermee gegee van die Raad se voorneme om die Herwinningsaanleg, geleë te erf 364/82 in Ceres, te verhuur aan Unite The City vir doeleindes om die herwinningsaanleg te bestuur. Die huurperiode sal wees vir 'n proeftydperk van 3 maande, met die moontlikheid van 'n huurtermyn verlenging vir 'n verdere jaar, onderhewig aan die nakoming van prestasievereistes en voorwaardes soos voorgeskryf deur die munisipaliteit.

Indien daar enige besware teen sodanige verhuring is, moet u skriftelike besware binne 14 (veertien) dae van die plasing van die advertensie by die kantore van die Direkteur: Tegniese Dienste indien, vir aandag me. P.S. Claasen, te Lyellstraat 53, Ceres of e-pos na polaasen@witzenberg.gov.za voor of op 13 Februarie 2025.

LEASE OF ERF 364/82

Notice is hereby given of Council's intention to lease the Materials Recovery Facility (MRF), located on erf 364/82 in Ceres, to Unite the City to manage and operate the facility. The lease will be for a trial period of 3 months and possible extension of lease for one year, subject to compliance with performance conditions and standards, as stipulated by the municipality

If there are any objections to the proposed lease such objections should be forwarded, in writing, within 14 (fourteen days) of placing the advertisement, to the office of the Director: Technical Services for the attention of Ms PS Claasen at 53 Lyell Street, Ceres or e-mail pclaasen@witzenberg.gov.za on or before 13 February 2025

D. NASSON **MUNISIPALE BESTUURDER MUNICIPAL MANAGER**

PUBLIC NOTICE - DRAFT BY-LAW FOR THE DEPLOYMENT OF ELECTRONIC COMMUNICATIONS INFRASTRUCTURE

The Witzenberg Municipal Council is in the process of adopting a by-law regulating the deployment of electronic communications infrastructure within its area of jurisdiction. The draft by-law is available on the municipalities website www.witzen berg.qov.za A copy of same can also be obtained from the Senior Manager: Streets and Stormwater at the Municipal Offices, 53 Lyell Street, Ceres or via e-mail from ellon@witzenberg.gov.za

Any member of the public who seeks further details and/or wishes to submit a written presentation in respect of the abovementioned by-law may do so on or before 28 February 2025 by contacting the Senior Manager: Streets and Stormwater at the Municipal Offices, 53 Lyell Street, Ceres or via e-mail at elton@witzenberg.

OPENBARE KENNISGEWING - KONSEPVERORDENING VIR DIE ONTPLOOIING VAN ELEKTRONIESE KOMMUNIKASIE-INFRASTRUKTUUR

Die Witzenberg Munisipale Raad is in die proses om 'n verordening te aanvaar vir die regulering van die ontplooiing van elektroniese kommunikasie-infrastruktuur binne die Raad se regsgebied. Die konsepverordening is beskikbaar op die munisipale webtuiste www.witzenberg.gov.za. 'n Afskrif daarvan kan verkry word by die Senior Bestuurder: Strate en Stormwater, by die Munisipale Kantore, Lyelistraat 53, Ceres of per e-pos by ellon@witzenberg.gov.za

Enige lid van die publiek wat meer besonderhede verlang en/of 'n skriftelike voorlegging wil indien met betrekking tot die bogenoemde verordening, kan dit doen voor of op 28 Februarie 2025 deur die Senior Bestuurder; Strate en Stormwater by die Munisipale Kantore, Lyellstraat 53, Ceres of per e-pos by elten@witzenberg.gov.za

ISAZISO SOLUNTU - UMTHETHO KAMASIPALA OSAYILWAYO WOKUSASAZWA KWEZISEKO EZINGUNDOQO ZONXIBELELWANO NGE-ELEKTRONIKHI

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Naliphi ilungu loluntu elidinga iinkcukacha ezithe vetshe kunye/okanye ongathanda ukufaka uluvo olubhaliweyo ngokunxulurnene nalo mthetho kamasipala kuthethwe ngawo apha ngasentla, angakwenza oko ngomhla okanye phambi komhla wama28 kweyoMdumba 2025 ngokuqhagamshelana noMlawuli oyiNtloko: Izitalato naManzi eziKhukhula kwiiOfisi zikaMasipala, 53 Lyell Sitalato, eCeres okanye ngokuthumela i-imeyile apha: elten@witzenberg.gov.za

D NASSON **MUNICIPAL MANAGER MUNISIPALE BESTUURDER** UMLAWULI-MASIPALA

WITZENBERG

WITZENBERG MUNICIPALITY

BYLAWS FOR THE DEPLOYMENT OF ELECTRONIC COMMUNICATIONS INFRASTRUCTURE

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Objectives

- 1. (1) The objectives of these By-laws are to—
- (a) facilitate the rapid deployment of electronic communications infrastructure in the Municipal Area;
- (b) ensure that all residents within the Municipal Area have access to affordable, high quality electronic communications infrastructure; and
- (b) ensure uniformity within the context of the competencies, laws and developmental obligations of municipalities in South Africa with regard to municipal planning in relation to electronic communications infrastructure.
- (2) The context for the implementation of these By-laws is national policy on rapid deployment of electronic communications infrastructure, which allows universal access to affordable communications to all South Africans. This is a foundational element in creating a connected, digitally participative South Africa where people are connected to each other, to business and to their Government.

Definitions

2. In these By-laws, any word or expression to which a meaning has been assigned in the Act shall have the meaning so assigned and, unless the context otherwise indicates—

"Electronic Communications Act" means the Electronic Communications Act, 2005 (Act No. 36 of 2005);

"electronic communications facility" means electronic communications facility as defined in section

1 of the Electronic Communications Act:

"electronic communications network" means electronic communications network as defined in section 1 of the Electronic Communications Act;

"electronic communications network service" means an electronic communications network service as defined in section 1 of the Electronic Communications Act;

"Emergency Works" means (a) necessary works that are required to restore failures affecting multiple subscribers and end-users (both as defined in the Electronic Communications Act); (b) for which there is no workaround; and (c) does not comprise Minor Works;

"Minor Works" means maintenance or remedial work on electronic communications facilities or networks installed in terms of a Wayleave that (a) can be completed in less than 24 hours; (b) in respect of which access is governed under a Municipal Land Use Agreement or Municipal Lease Agreement and/or (c) does not involve any of the following: damage or risk of damage to Municipal Property and third parties' property, disruption to traffic, danger or risk of danger to the public;

"Municipality" means Witzenberg Municipality;

"Municipal Area" means the area of jurisdiction of the Municipality as determined in terms of the Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998);

"Municipal Land Use Agreement" means an agreement entered into between the Municipality and the owner of electronic communications facilities deployed in a Road Reserve.;

"Municipal Lease Agreement" means an agreement entered into between the Municipality and an entity in respect of works outside a Road Reserve or on Street Furniture;

"Municipal Property" means any property which the Municipality either owns or has personal rights to, such as, for example, the right to use, manage, occupy or control the property. Municipal Property includes Street Furniture and the Road Reserve and is located within the Municipal Area;

"Municipal Website" means http://www.witzenberg.gov.za/

"radio apparatus" means radio apparatus as defined in section 1 of the Electronic Communications

Act;

"Road Reserve" means the space between cadastral lines either zoned for road use or set aside for road use in the title deed or a servitude registered over land;

"Street Furniture" means Municipal Property located on or alongside a Road Reserve, such as poles owned by the Municipality;

"the Act" means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2002);

"Wayleave" means a document issued to a person setting out the terms and conditions upon which that person may deploy and maintain electronic communications facilities within a Road Reserve, excluding Street Furniture;

"Wayleave Holder" means the person to whom a Wayleave is issued and includes its agents and contractors;

"Wayleave issue date" means the date of issue of a Wayleave by the Municipality as indicated on the Wayleave; and

"Works" means the specific activity authorised in a Wayleave.

Application

- **3.** (1) These By-laws apply to all persons seeking to deploy or operate electronic communications facilities on, under or above Municipal Property.
 - (2) These By-laws cover the following activities and any combination thereof:
- (a) Trenching and micro trenching and related work in a Road Reserve.
- (b) The siting and erection of poles and stringing of cable on Municipal Property.
- (c) The stringing of cable on existing poles in a Road Reserve or within the Municipal Area.
- (d) The erection of poles, base stations, towers or masts for the location of radio apparatus within the Municipal Area, including micro-cell deployments on Street Furniture.

(e) Maintenance and operational activities related to already deployed electronic communications facilities within the Municipal Area.

Prohibitions and Minor Works

- 4. (1) Subject to by-law 4(4), no civil works for the deployment or maintenance of electronic communications facilities or the performance of Emergency Works may take place in a Road Reserve without a valid Wayleave being issued therefor.
 - (2) No deployment of electronic communications facilities attached to—
- (a) Municipal Property; or
- (b) Street Furniture,

shall be effected without the owner of the electronic communications facilities and the Municipality having first entered into a Municipal Lease Agreement, which contains, as a minimum, the provisions contemplated in Schedule B.

- (3) All deployments of electronic communications facilities anywhere on, above or under a Municipal Area must have and comply with all other legally required permissions in addition to a Wayleave or Municipal Lease Agreement.
 - (4) No Wayleave shall be required for the execution of Minor Works.

Application Process: General

- **5.** (1) The application for a Wayleave or an extension thereof must be made on a Wayleave application form substantially similar to the form contained in Annexure A.
 - (2) The Wayleave application form may be obtained—
 - (a) from the Municipality's head office; or
 - (b) online from the Municipal Website.
- (3) Prior to submitting the Wayleave application form, the applicant must obtain any necessary approval from all relevant authorities and affected providers.
- (4) Application fees for a Wayleave are as set out in the annual budgeting framework adopted by the Municipality in line with applicable legislation and policies.
 - (5) Current fees are available from the Municipal Website
 - (6) Application fees are non-refundable.
 - (4) The order in which Wayleave applications will be processed will be as follows:
 - (a) Emergency Works;
 - (b) Extensions of current Wayleaves;

(c) Standard works and maintenance Works on a first-in-first-out basis, but subject to the Municipality's right to play an active role in co-ordinating overlapping applications to ensure efficient use of Municipal Property.

Application Process: Standard Works

- **6.** (1) A completed Wayleave application form referred to in by-law 5(1) must include at least the following:
- (a) Drawings in digital format or three (3) copies of drawings of the proposed work clearly showing the following:
 - (i) The full extent of the deployment, including—
 - (aa) any deployment of electronic communications facilities on, under or over private land in the Municipal Area; and
 - (bb) the position and size of ancillary and supporting facilities (such as cabinets, containers, manholes, handholes and junction boxes).
 - (ii) The position of other services infrastructure already deployed in the area and any aboveground cable location or pilot holes undertaken must be done by prior arrangement with the Municipality, which shall have the right to supervise such activities.
 - (ii) The depth of all electronic communications facilities below the road where trenching is planned.
 - (iv) The distance of the Works from the boundary of the Road Reserve, where relevant.
 - (v) Where aerial fibre is planned, the dimensions and functionality of poles, where they are to be sited, and the height at which fibre will be strung.
- (b) The proposed reinstatement.
- (c) The proposed commencement date and expected duration of the Works.
- (d) Details of consents or permissions required from third parties for the planned deployment and proof that these have been obtained
- (e) Where applicable, a statement that the leasing of existing electronic communications facilities has been investigated and is not feasible.
- (f) Where applicable, evidence that the applicant has met the infrastructure sharing notification requirements set out in by-law 10.
- (g) A completed compliance statement as provided for in the Wayleave application form.
- (h) A Municipal Land Use Agreement between the owner/operator of the electronic communications network and the Municipality, which contains, as a minimum, the provisions contemplated in Schedule A.

- (2) Completed application forms must be submitted to the designated point of contact in the Municipality.
- (3) Submitted Wayleave application forms must be vetted by the Municipality for completeness, including payment of the application fee.
- (4) The Municipality must notify the applicant in writing within eight (8) working days of receipt of a Wayleave application form that—
- (a) the Wayleave application form is complete[d for the purpose of processing], and that all required information has been submitted and payments made. The date on this notice will be considered as the wayleave submission date; or
- (b) the Wayleave application form is not complete and must be resubmitted, and such notice will specify the requirements which have not been met, and these must be complied with within a further fifteen (15) working days, failing which a completely new application will have to be submitted.
- (5) A [completed] Wayleave application must be processed within 30 working days from the Wayleave submission date, and if the Municipality requires additional time for processing the application, it will notify the applicant in writing prior to the expiry of the initial period that a maximum of a further 15 working days is required.
- (6) The Municipality may, during the Wayleave application processing period, consult with the applicant regarding aesthetic considerations and concerns relating to the planned Works and may require that—
- (a) subject to sub-bylaw (7), the applicant conducts a public participation process in respect of affected persons; or
- (b) terms and conditions relating to the preservation of the aesthetic character of an area are included in a Wayleave issued, including a requirement that alternative deployment methodologies be utilised (which may include a requirement to submit an amended application).
 - (7) The requirement to conduct a public participation process shall not apply where—
- (a) the applicant is required to undertake a heritage impact assessment under the National Heritage Resources Act, 1999 (Act No. 25 of 1999), or an environmental impact assessment under the National Environmental Management Act, 1998 (Act No. 107 of 1998); or
- (b) a public participation process acceptable to the Municipality has already been conducted by the applicant.

Application Process: Emergency and Maintenance Works

- 7. (1) Processing of Wayleaves for Emergency Works ranks higher in priority than Wayleaves for standard works and maintenance works (which are equally ranked).
- (2) Wayleaves for emergency or maintenance works may only be applied for in respect of electronic communications facilities deployed under a Wayleave issued by the Municipality.
 - (3) A completed application form must include at least the following:
- (a) Drawings in digital format or three (3) copies of drawings clearly indicating where Works will be conducted.
- (b) The nature of the emergency, in the case of Emergency Works.
- (c) The proposed commencement date and expected duration of the Works.
- (d) A completed compliance statement as provided for in the Wayleave application form.
- (4) Completed application forms must be submitted to the designated point of contact in the Municipality.
- (5) Submitted Wayleave application forms will be vetted by the Municipality for completeness, including payment of the application fee.
 - (6) The Municipality will notify the Wayleave Holder, as soon as practicable, that—
- (a) the Wayleave application form is complete, and all required information has been submitted.

 The date on this notice will be the Wayleave submission date; or
- (b) the Wayleave application form is not complete, and such notice must specify the requirements which have not been met, that these must be complied with within a further fifteen (15) working days, failing which a completely new application will have to be submitted.
- (7) A Wayleave application must be processed as soon as practicable after the Wayleave submission date.

Application Process: Extension of Wayleave

- 7. (1) Immediately on becoming aware of any circumstances that cause a delay in the completion of the Works and the extent thereof, the Wayleave Holder must submit a request for an extension of the Wayleave.
 - (2) A completed application form must include at least the following:
- (a) The original Wayleave number;
- (b) The original expiry date of the Wayleave for which an extension is sought;
- (c) The revised expiration date applied for; and
- (d) The circumstances necessitating an extension.
 - (3) The Municipality will process completed extension applications as soon as is reasonably practicable.

- (4) The Municipality may reject any extension application which is not complete.
- (5) The Municipality may in its sole discretion refuse any extension application where reasonable grounds exist for doing so.

Obligations of Wayleave Holder

- **9** (1) A Wayleave Holder is required to maintain compliance with applicable law as set out in the Wayleave application form for the duration of the Wayleave.
- (2) A Wayleave Holder is responsible for the acts and omissions of its agents and contractors in the performance of the Works.
- (3) A Wayleave Holder must take steps necessary to verify the exact location and type of already deployed services infrastructure prior to the commencement of the Works.
- (4) A Wayleave Holder must commence with the Works within ninety (90) working days of the Wayleave issue date, and written notification of the date and location of planned commencement must be provided to the Municipality no less than twenty (20) working days prior to such date. Extensions to the planned commencement date and completion date may be approved by the Municipality on good cause shown.
 - (5) The Municipality may require a Wayleave Holder to—
- (a) publish a notice of the planned Works, which must include dates and routes, and areas for the benefit of potentially affected persons; and
- (b) display the name and contact details of the Wayleave Holder at the site of the Works.
- (6) A Wayleave Holder must ensure that a physical copy of the Wayleave is kept on site at all times when the Works are being performed.
- (7) All Works shall be undertaken between the hours indicated in the Wayleave. Different work hours may be set for works that are—
- (a) noisy, invasive or disruptive; and
- (b) any other works that do not create any disturbance or other risk to labour or the public.
- (8) A Wayleave Holder must, within ten (10) working days of the date of the issue of a completion notice, provide the Municipality with as-built drawings and geographical information systems (GIS) information in respect of the completed Works, signed by a geomatics professional as defined in the Geomatics Profession Act, No. 19 of 2013.
- (9) A Wayleave Holder shall maintain sufficient public liability and indemnity insurance, taking into account the nature and the extent of the Works.

Obligations of Municipality

10. (1) The Municipality shall process Wayleave applications—

- (a) for Emergency Works, in accordance with the severity of the emergency;
- (b) for extensions
 - (i) on a first-come-first-served basis, subject to its right to play an active role in co-ordinating overlapping applications to ensure efficient use of Municipal Property; and
 - (ii) on a non-discriminatory basis, taking into account the nature and scope of the application;
- (c) for standard and maintenance works—
 - (i) on a first-come-first-served basis, subject to its right to play an active role in co-ordinating overlapping applications to ensure efficient use of Municipal Property; and
 - (ii) on a non-discriminatory basis, taking into account the nature and scope of the application; and
- (d) taking into account national policy relating to the rapid deployment of electronic communications facilities.
- (2) Subject to by-law 22, the Municipality will provide the Wayleave applicant with such records as it possesses relating to potentially affected services, such as gas, water, electricity and other infrastructure providers and affected servitudes.
- (3) This information contemplated in sub-bylaw (2) will be provided for information purposes only, and the Municipality disclaims any liability for reliance thereon: It remains the responsibility of the Wayleave Holder to verify the existence and location of the indicated infrastructure.
- (4) The Municipality has the right to supervise the execution of the Works authorised by a Wayleave.
- (5) The Municipality will issue a completion notice once it is satisfied that the Works have been completed and all necessary reinstatement and rehabilitation have been undertaken successfully.
- (6) The Municipality will co-ordinate all users of Municipal Property, and to this end, the Municipality must—
- (a) keep up-to-date records of all infrastructure deployed on, under or above Municipal Property.
- (b) ensure that any third party applying to the Municipality to undertake work in, on or under the Municipal land or Municipal Property, which may impact on electronic communications facilities deployed by a Wayleave Holder, notifies that Wayleave Holder, in writing, in advance of any planned works and affords that Wayleave Holder a right of supervision.
- (c) notify Wayleave Holders of any works to be undertaken by the Municipality which may impact on electronic communications facilities deployed by that Wayleave Holder.

(7) The Municipality shall publish current information about the Wayleave process as provided for in these by-laws on the Municipal Website.

Efficient use of Municipal Property

- **11.** (1) An applicant shall, prior to the submission of a Wayleave application, take reasonable steps to notify third-party infrastructure providers of its intention to apply for a Wayleave.
 - (2) Reasonable steps contemplated in sub-bylaw (1) must include—
- (a) the publication of a notice in the print and online version, if any, of a local newspaper; and
- (b) sending a notification to all members of any database established for this purpose, of the intended application.
 - (3) A notice referred to in sub-bylaw (2) must—
- (a) provide details that are reasonably required for third parties to determine whether they wish to enter into a co-build or similar arrangement with the Wayleave Holder; and
- (b) allow no less than ten (10) working days for interested parties to respond.
- (4) The Municipality may include a requirement in a Wayleave that the Wayleave Holder deploy additional duct space or dark fibre when trenching main routes or crossing roads to allow for facilities leasing and infrastructure sharing and avoid inefficient use of Municipal Property.

Standards and specifications?

12. Standards and specifications applicable to the Works, rehabilitation and reinstatement must be set out in the Wayleave and Municipal Land Use Agreement or Municipal Lease Agreement and can be obtained from the Municipal Website.

Tariffs

- 13. (1) Tariffs relating to-
- (a) applications for Wayleaves or other permissions;
- (b) the deployment and maintenance of electronic communications facilities on, under or above Municipal land or Municipal Property; and
- (c) remedial work where there has been non-compliance by the Wayleave Holder, are formulated and reviewed annually under the Municipality's Tariff Policy.
 - (2) Current tariffs can be obtained from the Municipal Website.

Guarantees

14. (1) The Municipality will require that a Wayleave Holder provide it with an irrevocable bank or performance guarantee issued by a reputable financial institution intended to provide the

Municipality with access to funds to remedy non-compliance by the Wayleave Holder and damage caused to Municipal Property.

- (2) The bank or performance guarantee must be furnished to the Municipality prior to the commencement of Works and must set out the following:
- (a) A description of the events covered by the bank or performance guarantee and the manner in which the quantum of the guarantee has been calculated.
- (b) The term of the bank or performance guarantee, which shall be no longer than 12 months from the Wayleave issue date.
- (c) The process for the Municipality to call on the bank or performance guarantee, which should allow for individual claims payable in no more than twenty (20) working days.
- (3) The Municipality will give the Wayleave Holder reasonable written notice of its intention to call on the bank or performance guarantee and afford it a reasonable opportunity of no less than 15 working days to make representations in this regard or to cure the non-compliance.
- (4) The Municipality reserves the right to require on good cause shown that the Wayleave Holder provide a further bank or performance guarantee for a reasonable period, and good cause in this context includes but is not limited to—
- (a) the exhaustion of the bank or performance guarantee through claims against it by the Municipality prior to its expiry; and
- (b) continuing engineering concerns about damage to Municipal Property.

Indemnity

- **15.** Wayleave Holders are required to indemnify and hold harmless the Municipality, its staff and representatives in respect of—
- (a) any claims for damage caused to third-party infrastructure or interruption or the degradation of third-party services caused by the Wayleave Holder; and
- (b) any claims for damage caused by other holders of Wayleaves to the Wayleave Holder's electronic communications facilities or electronic communications network.

Sanctions for non-compliance

- **16.** (1) In addition to tariffs setting out the charges levied by the Municipality where it is required to undertake remedial work, the Municipality has also determined sanctions to be imposed on Wayleave Holders that breach the terms and conditions of their Wayleave.
- (2) Sanctions imposed are set out alongside the current tariffs and can be obtained from the Municipal Website.

- (3) Where the Municipality determines that the Wayleave Holder is in breach of the terms of the Wayleave, then in addition to claims for remedial work and imposing a sanction as provided for, it reserves the right not to accept any further Wayleave applications until the Wayleave Holder is in good standing with the Municipality.
- (4) The Municipality may further exercise its right to lodge a complaint with the Independent Communications Authority of South Africa where it is of the view that the Wayleave Holder or party to a Municipal Land Use Agreement or Municipal Lease Agreement is an electronic communications network service licensee acting in contravention of its licence terms and conditions.
- (5) The Municipality's exercise of a sanction or remedy is without prejudice to its rights to exercise any of the other sanction or remedy.

Ad hoc incentives

- **17.** (1) The Municipality may, in its sole discretion, apply incentives for the deployment of electronic communications facilities in areas in the Municipality that are without access to affordable broadband services.
- (2) In exercising its discretion under this by-law, the Municipality will have regard to national policy relating to the rapid deployment of electronic communications facilities and the transformative effect of inclusive access to affordable electronic communications.

Amendments of Wayleave terms and conditions

- 18. (1) The terms and conditions of a Wayleave may be amended only where—
- (a) an amendment thereof is reasonably required—
 - (i) due to new information that was not in the Municipality's knowledge when the Wayleave was granted and which is material to the operation of the Wayleave;
 - (ii) to give effect to a law of general application; or
 - (iii) to give effect to a court order; or
- (b) the Municipality and the Wayleave Holder have consented thereto.
 - (2) The Municipality will issue the Wayleave Holder with a revised Wayleave.

Removal or relocation of electronic communications facilities

- **19.** (1) The Municipality is required to bear the cost of any alteration or removal of electronic communications facilities by a Wayleave Holder, which is necessary due to work undertaken by the Municipality.
- (2) Where a Wayleave Holder believes that any tree or vegetation on Municipal Property obstructs, interferes with or is likely to interfere with the working or maintenance of deployed

electronic communications facilities, it must provide notice, in writing, to the Municipality of the requirement for remedial action.

- (3) If remedial action contemplated in sub-bylaw (2) is not completed within a reasonable period, a Wayleave Holder may itself take the required steps to remove the obstruction or interference, and the Wayleave Holder shall bear the cost of any remedial action taken under this subsection.
- (4) Where a Wayleave Holder requires the removal, alteration or relocation of Municipal Property, it must submit a request, in writing, to the Municipality for consideration by the Municipality.
- (5) Where the Municipality consents to a request contemplated in sub-bylaw (4), the cost of the required work shall be borne by the Wayleave Holder.
 - (6) A Wayleave Holder shall—
- (a) consult with the Municipality regarding end-of-life or decommissioning of electronic communications facilities deployed;
- (b) comply with the reasonable instructions of the Municipality regarding the removal of the electronic communications facilities and rehabilitation or reinstatement, where applicable; and
- (c) bear the cost of any removal and rehabilitation or reinstatement, as the case may be.

Transferability of Agreement

20. Municipal Land Use Agreements and Municipal Lease Agreements are transferable, subject to the prior agreement, in writing, of the Municipality, which agreement shall not be unreasonably withheld or delayed.

Dispute resolution

- 21. (1) The Municipality will seek to resolve disputes arising from the implementation of these By-laws through negotiation and the involvement of government structures created to facilitate rapid deployment of electronic communications facilities, such as the Rapid Deployment National Coordinating Committee.
- (2) A failure by the Municipality to comply with the time periods for processing applications for Wayleaves must be reported to the Rapid Deployment National Co-ordinating Committee. This can be done by either party by sending an email to rdcc@dcdt.gov.za.
- (3) Nothing in this by-law restricts the right of the Municipality or the Wayleave Holder to approach a court of competent jurisdiction for relief on an urgent basis.

Confidentiality and protection of personal information

- **22.** (1) All plans, drawings and other documents exchanged with a Wayleave Holder that are not in the public domain or should not properly be in the public domain shall be regarded as confidential information.
- (2) Subject to sub-bylaw (3), the Municipality and a Wayleave Holder shall not share confidential information other than to the extent necessary for the Wayleave application and implementation processes or where there is a legal duty to do so.
- (3) To the extent that any personal information, as defined in the Protection of Personal Information Act, 2013 (Act No. 4 of 2013), is contained in a Wayleave application form or other communications between the Municipality and a Wayleave Holder, each party shall comply with its obligations under the said Act in the processing of that personal information.

Formal communications

- 23. (1) All communications between the parties relating to a Wayleave must be in writing.
- (2) The Municipality and a Wayleave Holder shall each appoint a representative for the sending and receipt of formal communications under the Wayleave, and the contact details of the representative must be set out in the Wayleave.
- (3) A representative may be changed on reasonable written notice to the Municipality or the Wayleave Holder as the case may be.
- (4) All written communications delivered by hand or courier shall be deemed to have been received on the business day after the day of delivery, and all electronic communications delivered by facsimile or email shall be deemed to have been received on the business day after sending.

Review

24. These By-laws shall be periodically reviewed and such review shall take note of any amendments to legislation or amendments to the National Standard By-Laws gazetted from time to time by the Minister for Co-operative Governance and Traditional Affairs under the Municipal Systems Act. Any amendments shall be effective upon adoption by Council and publication.

Annexure A - Wayleave Application Form

Completed application forms must be submitted to the designated point of contact in the Municipality.

D. C. L. Land	Part A - Applicant (pe	erson to w	hom the Wayleave is	issued)		
Registered Name:			Trading As:				
Company Registration Number:			Physical address:				
Telephone:			Email:				
Part B - Owner/ope	erator of electronic commu	nications	facilities (person who	will be	operating the e	lectronic	
	communication	ons faciliti	es after deployment)				
Registered Name:			Trading As:				
Company Registration Number:			Physical address:				
Telephone:			Email:				
	Part C - [Details of	the application				
Type of Wayleave	Standard Works (complete Part D)	dard Works Extension Emergency Works					
		D - Stand	lard Works			,	
The proposed commend	cement date of the Works:	THE R					
The expected duration of	of the Works:						
Attach the following:			4 44				
Account the following.	Drawings in digital format	h / Thurs - /	2) - 1 - 1 - 1 - 1			Attache	
All applications	 the position and size containers, manholes the position of other Any above-ground caby prior arrangement Health and safety plants Reinstatement design Traffic accommodation 	s, handhol services able locati with and n s with ref	es and junction boxes infrastructure already on or pilot holes unde under the supervision erence to applicable s). deploy ertaken of the	ed in the area. must be made Municipality.		
Frenching -	Depth of all electronic com			e road			
rendiing	Distance of the Works from	n the bou	ndary of the Road Res	erve			
Aerial	Where aerial fibre is planned, the dimensions and functionality of poles and where they are to be sited, as also the height at which fibre will be strung.						
Details of consents or	Other municipal consents:						
permissions required	Environmental:					П	
rom third parties for	Heritage:						
he planned	Affected parties:						
eployment and proof hat these have been btained.	Other						
Junicipal Land Use Agree	ement			_			
haring notification requi							
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the undersigned		rtify that	have confirmed with	ا موجا	£41_	sible	

result of the granti	ng of th will com	e Wavleave appli	loss or damage occa	n and indemnify and hold asioned to third parties as a ments of the Municipality in	
011 1111	- 0	Pai	rt E ~ Emergency Wo	orks	
Original Wayleave refer	ence:				
The proposed commend	ement	date of the Work	s:		
The expected duration of	f the W	orks:			
Nature of emergency:					
Attach the following:					Attacked
All applications Drawings in digital formations where Works will be conducted.			mat / Three (3) cop anducted.	pies of drawings clearly indicating	Attached
			Part F – Extension		
Original Wayleave refere	nce:				
Original expiration date:					
Extension required until	insert r	new expiration			
date):					
Reasons for extension:					
	_				
====			Whi		
			For Office Use:		
Application Fee Paid:		Yes	No .		
Decision:		Approved	Declined		
		No.			
	-		The State of the S		
If declined – reasons:					
	€a64				
	Det		Visia.		
Reasons communicated of the applicant	Date		W W		
	Meth				
	Deliv	ery confirmed:			

Municipal Land Use Agreement

1. Recital

WHEREAS the Municipality has received an application from the Facilities Operator (or its contractors) for a wayleave to deploy electronic communications facilities on, over or under Municipal land.

AND WHEREAS, under the By-Laws for the Deployment of Electronic Communications Infrastructure promulgated by the Municipality, it is a condition of the granting of such a wayleave that the applicant enters into a Municipal Land Use Agreement governing the continued use of Municipal land for the lifetime of the facility, including rehabilitation obligations.

AND WHEREAS the parties have agreed on framework terms and conditions applicable to all facilities deployed in terms of a wayleave authorised by the Municipality by the Facilities Operator.

THE PARTIES AGREE THAT:

2. Parties

- (1) Witzenberg Local Municipality ("the Municipality")
- (2) [●] ("Facilities Operator").

3. Definitions

- (1) "Agreement" means this Municipal Land Use Agreement and all annexures and schedules thereto, as amended from time to time.
- (2) "ECA" means the Electronic Communications Act 36 of 2005, as amended from time to time.
- (3) "ECNS" means electronic communications network services as defined in section 1 of the ECA.
- (4) "ECNS Licence" means a valid ECNS licence issued by ICASA under Chapter 3 of the ECA, and "ECNS Licensee" means the holder of such a licence.
- (5) "Effective Date", means, notwithstanding the Signature Date, the date the first Wayleave is issued to the Facilities Operator or its contractors.
- (6) "Facility" means an electronic communications facility defined in section 1 of the ECA installed on Municipal land as authorised by the Wayleave.
- (7) "Facility End-of-Life" means the end of the practical commercial life of the Facility.
- (8) "Facilities Leasing Regulations" means the Electronic Communications Facilities
 Leasing Regulations, 2010, published in Government Gazette 33252 on 31 May 2010,
 as amended from time to time.
- (9) "Facilities Operator" means the party cited in 2(2) above.
- (10) "Minor Works" means maintenance or remedial work on electronic communications facilities or networks installed in terms of a Wayleave that (a) can be completed in less than [●] hours; (b) in respect of which access is governed under a Municipal Land Use Agreement or Municipal Lease Agreement and/or (c) does not involve any of the following: damage or risk of damage to Municipal Property and third parties' property, disruption to traffic, danger or risk of danger to the public;
- (11) "Municipality" means the party cited in 2(1) above.

- (12) "Rehabilitation Certificate" means a certificate issued by the Municipality confirming that it is satisfied that the rehabilitation obligations of the Facilities Operator have been discharged.
- (13) "Signature Date" means the date on which this Agreement is signed by the Party signing last in time.
- "Wayleave" means [Wayleave Reference Details] granted by the Municipality to the Facilities Operator or its agent on [date], a copy of which is attached as a schedule to this Agreement.

4. Structure and interpretation

(1) All issued Wayleaves for newly deployed Facilities shall be schedules to this Agreement.

5. Duration

- (1) This Agreement shall, notwithstanding the Signature Date, be of full force and effect from the Effective Date.
- (2) This Agreement shall endure until a Rehabilitation Certificate has been issued by the Municipality or until otherwise terminated in terms of its provisions.

6. Application of the ECA

- (1) The parties acknowledge the application of Chapter 4 of the ECA to this Agreement where the Facilities Operator is an ECNS Licensee.
- (2) The parties confirm that they are aware of their rights and obligations as set out in said Chapter 4, including, but not limited to:
 - (i) ECA section 25: Removal of electronic communications network facilities
 - (ii) ECA section 26: Fences
 - (iii) ECA section 27: Trees obstructing electronic communications network facilities
 - (iv) ECA section 28: Height or depth of electronic communications network facilities
 - (v) ECA section 29: Electrical works
- (3) These sections are set out in Annexure A for ease of reference.
- (4) To avoid doubt, the rights and obligations set out in these sections of the ECA shall only apply between the parties where the Facilities Operator is an ECNS Licensee.

7. Facilities Operators' rights

(1) The Facilities Operator shall enjoy continued use and possession of Municipal Property in the Municipal Area as set out in the Wayleaves.

8. Facilities Operator's obligations

- (1) The Facilities Operator undertakes to:
 - (i) Perform its functions and obligations under this Agreement timeously and professionally.
 - (ii) Act in good faith *vis-à-vis* other parties with infrastructure near the Network Operator's electronic communications facilities.

- (iii) Share infrastructure per the Facilities Leasing Regulations and any other applicable legislation or regulation..
- (iv) Notify the Municipality of Facility End-of-Life at least 12 months ahead of such date.
- (v) Update the Municipality's GIS records where the Facilities are moved or otherwise altered.
- (vi) Timeously provide accurate information regarding its Facilities to third-party applicants for wayleaves.

9. Municipality's obligations

- (1) The Municipality undertakes to perform its functions and obligations under this Agreement timeously and professionally.
- (2) The Municipality will take reasonable steps to ensure that the Facilities Operator receives prior written notification of any works authorised by the Municipality which may affect the Facilities.

10. Minor Works

(1) Provided that the Facilities Operator has fully complied with its obligations under this Agreement, the Facilities Operator may perform Minor Works without Wayleaves, provided that it must always provide the Municipality with at least [•] days advance written notice.

11. Payment of charges

- (1) Charges:
- (2) Ongoing charges payable by the Facilities Operator
- (3) Payment terms.
- (4) Escalations set in the MTREF.

12. Limitations of liability and indemnities

- (1) The Facilities Operator indemnifies and holds harmless the Municipality its staff and representatives in respect of—
 - any claims for damage caused to third-party infrastructure or interruption or the degradation of third-party services caused by the Wayleave Holder; and
 - (ii) any claims for damage caused by other holders of Wayleaves to the Wayleave Holder's electronic communications facilities or electronic communications network.
- (2) Any damages payable under this Agreement shall be limited to direct damages.

13. Points of contact

- (1) The parties choose the below as their addresses for all formal communications under this Agreement and any legal notifications
 - (i) Municipality.
 Physical address:

Legal e-mail address:

Finance e-mail address: Works notices e-mail address:

(ii) Facilities Operator: Physical address:

E-mail address:

14. Rehabilitation and reinstatement

(1) The Facilities Operator shall undertake rehabilitation and/or reinstatement in accordance with the reasonable written instructions of the Municipality and the standards set out in Annexure C.

15. Termination

- (1) This Agreement shall automatically terminate
 - (i) on the rehabilitation or destruction of the Facilities;
 - (ii) on final liquidation of the Facilities Operator.

16. Assignment

(1) The Facilities Operator may assign its rights and obligations under this Agreement subject to prior written notification of the Municipality.

17. Dispute resolution

- (1) The parties agree to seek to resolve disputes arising from the implementation of this Agreement through negotiation and the involvement of government structures created to facilitate rapid deployment of electronic communications facilities, such as the Rapid Deployment National Co-ordinating Committee.
- (2) Nothing in this clause restricts the right of the Municipality or the Facilities Operator to approach a court of competent jurisdiction for relief on an urgent basis.

Schedule – Wayleave(s)



Annexure A – Rights and obligations of the parties as set out in Chapter 4 of the ECA

Sections 25-29 of the ECA govern aspects of the relationship between the parties: these provisions are set out below for ease of reference.

25. Removal of electronic communications network facilities

- (1) If an electronic communications network service licensee finds it necessary to move any electronic communications facility, pipe, tunnel or tube constructed upon, in, over, along, across or under any land, railway, street, road, footpath or waterway, owing to any alteration of alignment or level or any other work on the part of any public authority or person, the cost of the alteration or removal must be borne by that local authority or person.
- (2) Where any electronic communications network facility passes over any private property or interferes with any building about to be erected on that property, the licensee must, on receiving satisfactory proof that a building is actually to be erected, deviate or alter the positioning of the electronic communications facility in such manner as to remove all obstacles to building operations.
- (3) The owner of the property must, in writing, give notice that any such deviation or alteration is required to the electronic communications network service licensee, not less than 28 days before the alteration or deviation is to be effected.
- (4) If any deviation or alteration of an electronic communications network facility, pipe, tunnel or tube constructed and passing over any private property is desired on any ground other than those contemplated in subsection (2), the owner of the property must give the electronic communications network service licensee written notice of 28 days, of such deviation or alteration.
- (5) The electronic communications network service licensee must decide whether or not the deviation or alteration is possible, necessary or expedient.
- (6) If the electronic communications network service licensee agrees to make the deviation or alteration as provided for in subsection (3), the cost of such deviation or alteration must be borne by the person at whose request the deviation or alteration is effected.
- (7) If, in the opinion of the electronic communications network service licensee the deviation or alteration is justified, the licensee may bear the whole or any part of the said cost.
- (8) Where a dispute arises between any owner of private property and an electronic communications network service licensee in respect of any decision made by an electronic communications network services licensee in terms of subsection (4), such dispute must be referred to the Complaints and Compliance Committee in accordance with section 17C of the ICASA Act.

26. Fences

- (1) If any fence erected or to be erected on land over which an electronic communications network facility, pipe, tunnel or tube is constructed or is to be constructed by an electronic communications network service licensee renders or would render entry to that land impossible or inconvenient, the electronic communications network service licensee may at its own expense—
 - (a) erect and maintain gates in that fence; and

- (b) provide duplicate keys for such gates, one set of which must be handed to the owner or occupier of the land.
- (2) Any person intending to erect any such fence must give the electronic communications network service licensee notice in writing of not less than six weeks of his or her intention to erect such fence.
- 27. Trees obstructing electronic communications network facilities
- (1) Any tree or vegetation which in the opinion of an electronic communications network service licensee—
 - (a) obstructs or interferes; or
 - (b) is likely to obstruct or interfere.

with the working or maintenance of any of the electronic communications network services licensees' electronic communications network or electronic communications facilities, pipes, tunnels or tubes, whether growing upon—

- (i) State-owned land:
- (ii) any road; or
- (iii) private land,

must, after reasonable notice to the owner or occupier of the land, be cut down or trimmed by the authority responsible for the care and the management of such State-owned land, road or private land, in accordance with its requirements or by the owner or occupier of such private land, as the case may be, at the expense of the electronic communications network service licensee.

- (2) In the event of failure to comply with a notice referred to in subsection (1)(b), the electronic communications network service licensee may cause the said tree or vegetation to be cut down or trimmed as the electronic communications network service licensee may consider necessary.
- (3) Where the electronic communications network or electronic communications facility is actually interfered with or endangered by any such tree or vegetation, the licensee may remove such tree or vegetation without any such notice.
- (4) In taking any action in terms of subsections (1), (2) or (3), due regard must be had to the environmental law of the Republic.
- 28. Height or depth of electronic communications network facilities

(1)

- (a) Aerial electronic communications networks or electronic communications facilities along any railway or public or private street, road, footpath or land must be at the prescribed height above the surface of the ground.
- (b) The electronic communications network service licensee must place electronic communications networks and electronic communications facilities, pipes, tunnels and tubes at the prescribed depth below the surface of the ground.

- (2) If the owner of any private land proves to the satisfaction of an electronic communications network service licensee that he or she is obstructed in the free use of his or her land because of the insufficient height or depth of any electronic communications network or electronic communications facility, pipe, tunnel or tube constructed by the electronic communications network service licensee, the electronic communications network service licensee may, subject to the provisions of sections 22 and 25, take such steps as he or she may consider necessary for giving relief to that owner.
- (3) In taking any action in terms of this section, due regard must be had to the environmental laws of the Republic.

29. Electrical works

- (1) Any person who constructs, equips or carries on any railway or works for the supply of light, heat or power by means of electricity, must—
 - (a) conform to the requirements of an electronic communications network service licensee for the prevention of damage to any of its electronic communications network and electronic communications facilities or works by such construction;
 - (b) before commencing the construction of any such railway or works, give 30 days prior written notice to the electronic communications network service licensee of his or her intention to commence the construction; and
 - (c) furnish the electronic communications network service licensee with—
 - (i) a plan of the proposed railway or works;
 - (ii) particulars showing the manner and position in which the railway or works are intended to be constructed, executed and earned on; and
 - (iii) such further information related to the proposed railway or works as the electronic communications network service licensee may require.
- (2) If—
 - (a) it appears to the electronic communications network service licensee that the construction, equipment or operation of any such railway or works is likely to damage any of its electronic communications facilities or works; or
 - (b) any such electronic communications facilities or works are damaged by the construction, equipment or operation of any such railway or works, the electronic communications network service licensee must give reasonable notice of its requirements to the person concerned.
- (3) Any person who, after receiving the notice referred to in subsection (2), proceeds with or causes to be proceeded with any such construction, equipment or operation in contravention of the said requirements, may be liable to the electronic communications network service licensee for damages sustained by the electronic communications network service licensee as a result of a contravention of subsection (1).

Annexure B – Standards



Municipal Electronic Communications Facilities Lease Agreement

	Parties
The Lessee	The Municipality
Registered Name:	Registered Name:
Physical Office Address:	Physical Office Address:
Registered No:	Registered No:
	N/A
Email Address:	Email Address:
The second of th	
Address for Legal Notices:	

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1. DEFINITIONS AND INTERPRETATION

1.1. Definitions

In this Agreement, the following expressions shall have the following meanings except where inconsistent with the context:

1.1.1.	"Agreement"	means this Electronic Communications Facility Lease Agreement together with its schedules, annexures or addenda – all as amended or replaced from time to time;
1.1.2.	"Apparatus"	means the Lessee's ECF installed by or on behalf of the Lessee on, under or over the Municipal Facilities.
1.1.3.	"Business Day"	means any day which is not a Saturday, Sunday or a public holiday in the Republic of South Africa;
1.1.4.	"Charges"	means the charges levied by the Municipality for the sublease of Municipal Facilities and related services;
1.1.5.	"Confidential	means all information in respect of the business of
post G	Information"	either party including, without prejudice to the generality of the foregoing, any ideas; business methods; finance; prices, business, financial, marketing, development or manpower plans; customer lists or details; computer systems and software; products or services, and information concerning either party's relations with actual or potential customers or suppliers and the needs and requirements of such persons;
1.1.6.	"ECA"	means the Electronic Communications Act, 36 of 2005;
1.1.7.	"ECF"	Means electronic communications facilities as defined in the ECA;
1.1.8.	"ECN"	Means electronic communications network as defined in the ECA;
1.1.9.	"ECNS"	Means electronic communications network service as defined in the ECA;
1.1.10.	"Effective Date"	means [•] notwithstanding the date on which this Agreement is legally completed;
1.1.11.	"Frequency Licence"	means any frequency licence granted and issued by ICASA, with a "Frequency Licensee" being the holder of a Frequency Licence;

1.1.12.	"ICASA"	means the Independent Communications Authority of South Africa.
1.1.13.	"Licensee"	Any person that holds an ECNS licence;
1.1.14.	"Maintenance Works"	means works which may be undertaken by or on behalf of the Lessee in accordance with clause 8.1 to inspect, maintain, adjust, repair, test, remove and (on a like for like basis) to replace the Apparatus;
1.1.15.	"Mast"	refers to a tower or other structure which is suitable for use as a support structure for the Apparatus;
1.1.16.	"Municipality"	means the Witzenberg Local Municipality
1.1.17.	"Municipal Facilities"	means the ECF owned or controlled by the Municipality;
1.1.18.	"Municipal Land"	means land owned or under the control of the Municipality;
1.1.19.	"Planning Authority"	means the relevant local government and any other provincial or national authority whose permission is required prior to the deployment of either the Municipal Facilities or the Apparatus – as the case may be;
1.1.20.	"Specified Rate"	means interest at 2% per annum above the base lending rate from time to time of Rand Merchant Bank (or such other bank as the Municipality may hereinafter nominate);
1.1.21.	"Term"	means the term of this Agreement as set out in clause 3 below;
1.1.22.	"Utility Rates"	means the municipality charges or rates associated with the provision of electricity that are required for the operation of the Apparatus;

1.2. Interpretation

- 1.2.1. A reference to a particular Act shall include any modification, extension, replacement or re-enactment thereof for the time being in force and shall also include all instruments, orders, plans, regulations, permissions and directions for the time being made, issued or given thereunder or deriving validity therefrom.
- 1.2.2. The singular shall include the plural and vice versa, and reference to natural persons shall include bodies corporate.

- 1.2.3. References to the Municipality and to the Lessee shall be construed as including each party's employees, contractors and agents, where applicable, and each party's permitted assigns and/or successors to the benefit of this Agreement.
- 1.2.4. The clause and Schedule headings are for convenience only and shall be ignored for construction.
- 1.2.5. References to clauses, Schedules, paragraphs and sub-paragraphs are to the clauses, Schedules, paragraphs and sub-paragraphs of this Agreement.

2. BACKGROUND

The Municipality owns or controls the Municipal Facilities and is required to manage the use of and access to Municipal Facilities.

3. COMMENCEMENT AND DURATION

This Agreement shall come into force and effect on the Effective Date and (subject to the provisions of clause 14) shall continue indefinitely until terminated by either Party on the terms of this Agreement.

4. PROVISION OF THE MUNICIPAL FACILITIES

In consideration of the undertakings given by the Lessee to the Municipality and the Lessee paying to the Municipality the Charges, the Municipality agrees and undertakes to provide and make available throughout the Term the Municipal Facilities situated throughout the Municipal Land under this Agreement.

5. THE LESSEE'S OBLIGATIONS

- 5.1. The Lessee shall pay the Charges per the provisions of clause 11.
- All costs concerning the supply and consumption of electricity for operating the Apparatus, including the supply and installation of metering equipment, if required, shall be paid by the Lessee.
- 5.3. The Lessee shall be entitled, if required and at its cost, to upgrade the electricity supply to Apparatus and shall, in all events that it alters any electrical installation, provide the Municipality with an electrical compliance certificate.
- 5.4. The Lessee shall keep Apparatus safe and in a good state of repair and condition throughout the Term and shall comply with any requirements and recommendations which may prevail from time to time of any applicable regulatory body concerned with radio frequency radiation emissions from the use of Apparatus.
- 5.5. The Lessee, its employees, sub-contractors and agents shall not do or permit anything which is or may become a nuisance, annoyance or inconvenience to any other party using facilities on Municipal Land nor interfere with any ECF on Municipal Land belonging to any third party.
- 5.6. The Lessee shall not be permitted to alter or modify Municipal Facilities without the Municipality's prior written consent, which consent shall not be unreasonably

withheld or delayed. If such consent is given, the Lessee shall at the expiry or termination of the Term (if requested to do so by the Municipality)

- 5.6.1. at its own cost reinstate the affected Municipal Facilities to its former condition and to the reasonable satisfaction of the Municipality, fair wear and tear excepted; or
- 5.6.2. in default of clause 5.6.1, pay to the Municipality on demand the total cost incurred by the Municipality of such reinstatement.
- 5.7. The Lessee shall ensure that the Municipality and any third party reasonably authorised by the Municipality to attend the Municipal Facilities for the purpose of:
 - 5.7.1. fulfilling the Municipality's obligations under this Agreement and generally; and
 - 5.7.2. to ascertain whether the Lessee's obligations under this Agreement have been duly observed and performed

has unrestricted access to the Municipal Facilities.

- 5.8. The Lessee shall not apply to any local Planning Authority for permission to carry out any development on the Municipal Land without the Municipality's prior written consent, which consent must be sought via the Municipality and must not be unreasonably withheld or delayed by the Municipality.
- 5.9. The Lessee undertakes to use the Municipal Facilities per:
 - 5.9.1. the Lessee's relevant ECNS and Frequency Licences terms and conditions;
 - 5.9.2. such reasonable conditions as may be notified in writing to the Lessee by the Municipality from time to time;
 - 5.9.3. all relevant legislation, regulations or codes of practice; and
 - 5.9.4. any direction of ICASA.
- 5.10. To avoid doubt, the Lessee shall only be permitted to use the Municipal Facilities in connection with running its own ECN.
- 5.11. In each case, the Lessee and any persons authorised by it act in breach of the Lessee's warranties, undertakings and obligations under this Agreement, the Lessee shall indemnify and keep the Municipality indemnified on demand against any costs (including the costs of enforcement) expenses, liabilities (including any tax liability) injuries, losses, damages (including payments to the Municipality for damage caused to Municipal Land by the exercise of the rights hereby granted), claims, demands or legal costs (on a full indemnity basis) and judgements which the Municipality incurs or suffers arising from or in any way connected with the presence of the Lessee at Municipal Land.

6. LEASE REQUESTS, QUOTATIONS AND WORK ORDERS

- 6.1. The Lessee may, at any time, request the Municipality to lease Municipal Facilities. In each instance the Lessee, shall communicate sufficient details of its request to lease Municipal Facilities, further to which the Municipality shall, within seven (7) Days of receipt of such request, or within an extended period as the Parties may agree, provide the Lessee with a written quotation in respect thereof ("ECF Lease Quotation") that shall be signed by an appropriately delegated representative of the Municipality setting out the following information:
 - 6.1.1. The identified Municipal Facilities;
 - 6.1.2. The intended installation date of the Apparatus; and
 - 6.1.3. The duration for which the Apparatus shall be installed.
- 6.2. The amount payable in terms of this clause 7 shall be negotiated between the Parties, and the Lessee shall within seven (7) Days of receipt of the ECF Lease Quotation referred to in clause 6.1, or within such extended period as the Parties may agree, either accept or reject it.
- 6.3. Upon the Lessee's acceptance of the ECF Lease Quotation, it shall be signed by an appropriately delegated representation of the Lessee, and the Lessee shall proceed to prepare a work order ("Site Work Order") for acceptance by the Parties, to which the ECF Lease Quotation shall be attached. Should the Lessee reject the ECF Lease Quotation, it shall endeavour to provide the Municipality with reasons for such rejection and afford the Municipality the opportunity to revise and/or amend the ECF Lease Quotation for the Lessee's subsequent consideration.
- 6.4. Upon the acceptance by both Parties of a Site Work Order, each Site Work Order shall be appended to this Agreement and as an annexure and be construed in accordance with the terms and conditions of this Agreement.

7. VARIATIONS TO SITE WORK ORDERS

- 7.1. Should either Party wish to amend any aspect of a Site Work Order after the mutual acceptance of same by both Parties, the process set out in clauses 6.1 and 6.2 shall be followed, with the necessary changes; provided that if the Parties are unable to agree to the proposed amendments to a Site Work Order, the Site Work Order as initially agreed upon shall remain unaltered.
- 7.2. Any delays occasioned to the work that is to be undertaken by the Municipality and that is caused by the Lessee, including delays due to the amendments to a Site Work Order requested by the Lessee after the acceptance thereof by both Parties, shall result in an automatic extension of the timelines set out in the Site Work Order by a period equal to the period of the delay.

8. INSTALLATION OF ADDITIONAL APPARATUS

8.1. The Municipality shall permit the Lessee to have access to the Municipal Facilities on the following basis:

- 8.1.1. no access will be permitted to the Municipal Facilities without prior notification to the Municipality which in the case of a
 - i) non-service affecting fault shall be not less than twenty-four (24) hours prior notice in writing; or
 - a service affecting fault shall be as much notice as possible in the circumstances;
- 8.1.2. the Municipality will use all reasonable endeavours to provide access to the Municipal Facilities for service affecting faults on 24 hours a day, 7 days a week basis;
- 8.2. Save for Maintenance Works, the Lessee shall not be permitted to move, replace, upgrade, modify or make any other alterations or additions to the Municipal Facilities without:
 - 8.2.1. submitting to the Municipality for prior approval a Site Work Order which shall, amongst others, include specification, drawing, plan, and a method statement in the agreed form describing the works required to install the same; and
 - 8.2.2. securing such written approval, which shall not be unreasonably withheld or delayed by the Municipality.
- 8.3. Where the Lessee has ceased to use any of its Apparatus, it shall promptly remove such Apparatus from the relevant Municipal Facilities and in any event within [thirty (30)] days of use ceasing, or within a period that the Parties may agree to in writing. The Lessee shall use its reasonable endeavours to cause as little damage, disturbance and inconvenience as reasonably possible to the Municipal Facilities during the execution of such removal and to immediately make good to the reasonable satisfaction of the Municipality any damage caused to the Municipal Facilities or the Municipal Land by the Lessee, its employees, authorised agents or sub-contractors.

9. MAINTENANCE WORKS

- 9.1. When carrying out the Maintenance Works the Lessee shall carry out and complete the same:-
 - 9.1.1. as promptly and diligently as reasonably possible;
 - 9.1.2. in a good and workmanlike manner, using good quality materials and appropriate engineering techniques and standards;
 - 9.1.3. with all reasonable skill, care and diligence;
 - 9.1.4. in accordance with the approved specification, drawing, plan and method statement;
 - 9.1.5. in accordance with any safety management system which affects the Municipal Facilities and is in force from time to time.

- 9.2. The Lessee further undertakes to carry out the Maintenance Works in accordance with the requirements (as relevant) of:
 - 9.2.1. the Planning Authority;
 - 9.2.2. the Lessee's ECN or Frequency Licence(s);
 - 9.2.3. The ECA;
 - 9.2.4. clause 6 of this agreement;
 - 9.2.5. all relevant legal (including health and safety) requirements; and
 - 9.2.6. any other guidelines, recommendations, regulations issued by ICASA from time to time.
- 9.3. The Lessee, its employees and authorised contractors engaged in connection with the carrying out of the Maintenance Works shall comply with the reasonable rules, regulations and requirements (including but not limited to those relating to health and safety or security arrangements) as may be in force from time to time for the conduct of personnel when at the Municipal Facilities, and as have been notified to the Lessee.
- 9.4. The Lessee shall at its own cost provide, maintain and remove all plant and equipment required for the carrying out of the Maintenance Works. The Lessee shall use reasonable endeavours to ensure all such plant and equipment is appropriate, adequate, clean, safe and secure for the proper performance of its obligations under this Agreement.
- 9.5. The Lessee shall use its reasonable endeavours to cause as little damage, disturbance and inconvenience as reasonably possible to the Municipal Facilities during the execution of the Maintenance Works and to immediately make good to the reasonable satisfaction of the Municipality any damage caused to the Municipal Facilities by the Lessee, its employees, authorised agents or sub-contractors.
- 9.6. The Lessee shall when it carries out the Maintenance Works observe and follow all guidelines, codes and recommendations issued or made by ICASA, Government organisation or other official or responsible organisation relating to health and safety at work.

10. THE LESSOR'S OBLIGATIONS

- 10.1. The Municipality shall not knowingly:
 - 10.1.1. interfere or tamper with the Apparatus;
 - 10.1.2. obstruct or interfere with the Lessee's access to Apparatus or the Municipal Facilities leased to it;
 - 10.1.3. do or permit anything which is or may become a nuisance, annoyance or inconvenience to the Lessee, provided always that it is recognised by the Lessee that the Municipality may be granting agreements in similar terms to this Agreement to other Licensees in respect of the lease of Municipal

Facilities, nor shall the Municipality knowingly permit any third party at or using the Municipal Facilities to do the same.

10.2. The Municipality shall procure the maintenance of the Municipal Facilities that the Lessee has procured access thereto in terms of this Agreement in a safe and good state of repair and condition throughout the Term.

11. PAYMENT TERMS

- 11.1. The Municipality shall invoice the Charges monthly in advance, and payment shall be due within 30 days from the Municipality's statement.
- 11.2. If any sum due to the Municipality under this Agreement is not paid when due, then, without prejudice to the Municipality's other rights under this Agreement, the Municipality shall be entitled to charge interest on any arrears of payment from the due date until payment is made in full, both before and after any judgement, at the Specified Rate.
- 11.3. Charges shall be increased on each anniversary of the Agreement at a rate equal to the increase in the Consumer Price Index.

12. THE LESSEE'S WARRANTIES

- 12.1. The Lessee warrants and represents to the Municipality that:
 - 12.1.1. it will at all times exercise its rights under this Agreement concerning the use and access to Municipal Facilities per accepted industry standards and with all reasonable skill and care;
 - 12.1.2. it shall maintain in place requisite planning consents in connection with the installation of Apparatus; and
 - 12.1.3. the execution and performance of this Agreement is within the Lessee's power and authority and has been duly authorised by all requisite actions (corporate or otherwise) by the Lessee's and it has all necessary statutory or regulatory licences and authorities to perform its obligations under this Agreement.
- 12.2. The Lessee further warrants to the Municipality that:
 - 12.2.1. it will maintain or procure that Apparatus for the time being installed on Municipal Facilities is maintained in a good and safe operating condition throughout the Term following industry-accepted safety standards;
 - 12.2.2. it will ensure that any third-party ECF installed and operating at the Municipal Facilities complies with industry-accepted electromagnetic compatibility standards.

13. SUSPENSION

13.1. The Municipality may at its sole discretion and without prejudice to any of its rights to terminate this Agreement, elect to immediately suspend the provision and use of

all or any of the Apparatus upon giving written notice to the Lessee, without liability to the Lessee, in the event that:

- 13.1.1. The Municipality is entitled to terminate this Agreement per the provisions of clause 14.1;
- 13.1.2. The Municipality is obliged to comply with an order or directive of ICASA, the Government, an emergency service organisation or other competent administrative authority which requires such suspension;
- 13.1.3. The Municipality t, in its reasonable opinion, believes that the continuation of the provision of any part of the Apparatus will result in:
 - i) Harmful interference with the ECF of any third party entitling the Municipality to request the Lessee to switch off the relevant Apparatus according to clause 17.3;
 - ii) unlawful disruption to or interference with the provision of any services or facilities provided by the Municipality to any third party; or
 - iii) material damage to any other property or to any person.
- 13.1.4. The Municipality has reasonable grounds for suspecting the Lessee of using any part of the Municipal Facilities fraudulently or attempting to do so or of committing any other illegal or unlawful act in connection with the use of the Municipal Facilities;
- 13.1.5. the Lessee unreasonably prevents or delays the Municipality in carrying out any of its obligations under this Agreement.
- 13.2. If the Lessee's use of any of the Municipal Facilities is suspended as a consequence of the act or omission of the Lessee in breach of this Agreement or as mentioned in clauses 13.1.1, 13.1.2, 13.1.4 or 13.1.5, the Lessee shall not be entitled to any refund of any part of the Charges paid in respect of any period of suspension.

14. TERMINATION

- 14.1. The Municipality may by notice in writing, immediately terminate this Agreement if the Lessee:
 - 14.1.1. fails to pay the Charges or any other payments due to the Municipality pursuant to the terms of this Agreement when they are due, provided that such failure has not been rectified within 30 days or any such period as the parties may agree to in writing;
 - 14.1.2. shall be in breach of any of the terms of this Agreement and where the breach is capable of remedy fails to remedy the same within 30 days of receipt of notice of the breach from the Municipality requiring remedy of the same;
 - 14.1.3. summons a meeting of its creditors, has a receiver, manager, administrator or administrative receiver appointed over its assets, undertakings or

income, has passed a resolution for its winding-up (save for a voluntary reconstruction or amalgamation), has a petition presented to any Court for its winding-up (save for a voluntary reconstruction or amalgamation), or is otherwise insolvent:

- 14.1.4. ceases or threatens to cease to trade.
- 14.2. Either Party may, by notice in writing, terminate this Agreement immediately if the other Party:
 - 14.2.1. shall be in material breach of any of the terms of this Agreement and where the breach is capable of remedy fails to remedy the breach within 30 days of receipt of notice of the breach from the innocent Party requiring remedy of the breach or any such period as the parties may agree to in writing;
 - 14.2.2. summons a meeting of its creditors, has a receiver, manager, administrator or administrative receiver appointed over its assets, undertakings or income, has passed a resolution for its winding-up (save for a voluntary reconstruction or amalgamation), has a petition presented to any Court for its winding-up (save for a voluntary reconstruction or amalgamation), or is otherwise insolvent:
 - 14.2.3. has any distraint, execution or other process levied or enforced on any of its property;
 - 14.2.4. ceases or threatens to cease to trade.
- 14.3. Either Party may by notice in writing terminate this Agreement immediately:
 - 14.3.1. if the Lessee's relevant ECNS or Frequency Licence is at any time withdrawn or expires without any replacement or alternative licence or permission taking effect;
 - 14.3.2. if at any time the Municipal Facilities are damaged or destroyed by fire or other insured risk and in consequence, the Municipal Facilities are likely to be out of service for a period over six months:
 - 14.3.3. if at any time the Municipal Facilities that the Lessee leases from the Municipality become unusable due to the development of buildings and other permanent structures nearby, adversely affecting the optimal operation of the Lessee's Apparatus.
- 14.4. Counting from the commencement of the notice period for termination of this Agreement, the Lessee will:
 - 14.4.1. within 10 business days, file with the Municipality a project plan with dates (which dates must be approved by the Municipality) indicating when the Lessee will:
 - cease to use and operate any Apparatus installed at the Municipal Facilities;

- ii) make safe any fibre, copper, coaxial cable or wire or other cable, which is connected to or forms part of, or is otherwise used in conjunction with any Apparatus at the Facility;
- iii) remove from the Municipal Facilities all Apparatus (other than any cable as referred to in clause 14.4.1), using reasonable endeavours not to cause any damage to the Municipal Facilities and will make good any damage caused to the reasonable satisfaction of the Municipality; and
- iv) restore ("make good") the Municipal Facility/ies to as near as possible to its condition before this Agreement to the reasonable satisfaction of the Municipality.
- 14.5. If the Lessee fails to submit or comply with the project plan referenced in clause 14.4.1, the Municipality shall be permitted to remove the Apparatus and to dispose of the Apparatus as it sees fit without Liability to the Lessee. The Lessee shall not be entitled to the proceeds of the sale of any of the Apparatus and shall be responsible for any costs incurred by the Municipality concerning this clause 14.5 or the cost, in the event of failure by the Lessee to do so, of making good the Municipal Facilities per clause 14.4.1.iv) of this Agreement.
- 14.6. Termination of this Agreement shall be without prejudice to either party's rights, duties and liabilities accrued before termination.

15. LIMITATION OF LIABILITY

- 15.1. To the maximum extent permissible in law, all conditions and warranties to be implied by statute or otherwise by common law into this Agreement or relating to the provision of the Municipal Facilities are hereby excluded.
- 15.2. The following provisions in this clause set out the entire liability of each party to the other (including any liability for the acts and omissions of its employees, agents or sub-contractors) in respect of:
 - 15.2.1. a breach of that party's contractual obligations;
 - 15.2.2. a delictual act or omission for which that party is liable:
 - 15.2.3. an action arising out of a misrepresentation (unless negligent) by that party arising in connection with this Agreement's performance or contemplated performance.

but excludes any damages that should be covered by the insurance cover referred to in clause 20.1 below.

- 15.3. Neither party shall be liable to the other for indirect or special damages.
- 15.4. Either Party's total liability to the Lessee in respect of all claims referred to in clause 15.2 shall not exceed the sum of payments made by the Lessee to the Municipality in the prior 12 months for any one occurrence and/or series of occurrences arising from one event.

- 15.5. Neither Party shall be liable to the other in respect of any matter arising out of any connection with this Agreement in contract, tort or otherwise for any loss of profit, loss of business or contracts, or for any indirect or consequential loss or damage whatsoever.
- 15.6. Notwithstanding anything to the contrary, neither party's liability shall be limited for death or personal injury resulting from negligence of that party, its employees, agents or sub-contractors.
- 15.7 Nothing in this clause 15 will operate to exclude or limit either party's liability for fraudulent misrepresentation.

16. THE MUNICIPAL FACILITIES - CONFIRMATION AND ACKNOWLEDGEMENT

- 16.1. The Municipality confirms and warrants (as at the date hereof and as a continuing warranty) to the Lessee that:-
 - 16.1.1. it is entitled to personal (contractual) rights in the Municipal Facilities;
 - 16.1.2. that the execution and performance of this Agreement is within the Municipality's power and authority and has been duly authorised by all requisite actions (corporate or otherwise) by the Municipality, and it has all necessary statutory or regulatory licences and authorities to perform its obligations under this Agreement.
- 16.2. The Lessee acknowledges that nothing in this Agreement shall confer on the Lessee any right to exclusive use of or otherwise create any right or interest in any part of the Municipal Facilities, and the Lessee undertakes and agrees that it will: (a) not make any claim in this respect; (b) further acknowledges that the Municipality may permit other Licensees to share the use of the Municipal Facilities or any part of it on such terms as the Municipality shall in its absolute discretion determine.

17. THIRD PARTY ECF: INTERFERENCE

- 17.1. Nothing in this Agreement shall prevent the Municipality from installing or granting consent to any third party to install any ECF on Municipal Facilities provided that such ECF does not impede, disrupt, degrade or interfere with the operation of the Apparatus.
- 17.2. If after the installation of any third party's ECF which is close to the Apparatus, the Lessee can demonstrate to the Municipality's reasonable satisfaction that the same is causing electro-magnetic interference or any other disruption that impedes the operation of the Apparatus; then the Municipality shall use all reasonable endeavours to ensure that the third party's ECF is switched off with immediate effect and remains switched off until such interference is cured.
- 17.3. If the Municipality can demonstrate to the Lessee's reasonable satisfaction that the Apparatus is interfering with the operation of any third party ECF, (provided always that the parties acknowledge that this will be checked before the Lessee installs its Apparatus and should not therefore occur without a change in operational usage) then the Lessee shall upon written request temporarily switch off its Apparatus with immediate effect and such Apparatus shall remain temporarily switched off until

such interference is cured. In turn, the Municipality shall use its reasonable endeavours to ensure that the Apparatus is not inoperable for longer than 5 (five) days.

18. FORCE MAJEURE

- 18.1. Neither party to this Agreement shall be deemed in default or liable to the other party for any delay in performance or failure to comply with the terms of this Agreement due to any cause beyond that party's reasonable control including, without limitation:
 - 18.1.1. acts of God;
 - 18.1.2. war or a declared national state of disaster and/or emergency, riots, civil commotion, pandemic;
 - 18.1.3. fire, explosion, flood, extreme weather conditions;
 - 18.1.4. restriction to land due to disease,

subject always to the party unable to perform its obligations ("the affected party") by virtue of the event of force majeure using its reasonable endeavours to overcome or remedy its inability to perform as promptly as possible.

- 18.2. Where the affected party is affected by an event of force majeure it shall at the earliest possible moment give notice thereof to the other party specifying where possible the relevant events or circumstances and the delay or default likely to be caused thereby or resulting therefrom and shall provide regular reports on the likely duration and effects of the same; and on the progress of work to overcome such force majeure; and shall give prompt notice of the end of such force majeure.
- 18.3. If as a result of force majeure the performance by either party of its obligations under this Agreement is only partially affected such party shall nevertheless remain liable for the pro-rated performance of those obligations not affected by force majeure.
- 18.4. If the force majeure event continues for more than six (6) months from the date of notification thereof and such event prevents the affected party from performing its obligations in terms of this Agreement, the unaffected party shall be entitled to terminate this Agreement by giving the other party not less than thirty (30) days' written notice.

19. CONFIDENTIALITY

19.1. Each party shall at all times keep confidential (and ensure that its employees and agents shall keep confidential) the terms of this Agreement and any information which it may acquire under this Agreement or in relation to the clients, business or affairs of the other party (or any member of its respective group) and shall not use or disclose such information or any information derived from such information except with the consent of the other party. The restriction in this clause shall not apply to any information:

- 19.1.1. which is required to be shared with third parties by operation of this Agreement;
- 19.1.2. which is publicly available or becomes publicly available through no act of the Parties;
- 19.1.3. which was in the possession of the parties prior to its disclosure;
- 19.1.4. which is disclosed to that party by a third party which did not acquire the information under an obligation of confidentiality;
- 19.1.5. which is independently acquired by that party as the result of work carried out by an employee to whom no disclosure of such information had been made; or
- 19.1.6. which is disclosed in accordance with the requirements of law, any stock exchange regulation or any binding judgment, order or requirement of any court or other competent authority.
- 19.2. The provisions of this clause shall survive any termination of this Agreement.

20. RISK AND INSURANCE

- 20.1. Each party shall maintain adequate and proper insurance coverage with a reputable insurer throughout the Term as follows:
 - 20.1.1. in the case of the Lessee, public liability insurance and insurance to cover death or personal injury to third parties; and cover in respect of damage to third party property (real or otherwise) in the up to fifty million rand (fifty million rand) per claim;
 - 20.1.2. in the case of the Municipality public liability insurance and insurance to cover deaths or personal injury to third parties, and cover in respect of damage to third party property (real or otherwise) up to fifty million rands (fifty million rands) per claim.
- 20.2. Each party will produce evidence to the other at the request of the insurance policies in clause 20.1.
- 20.3. Each party warrants that nothing has or will be done or be omitted to be done which may result in any of the insurance policies set out in clause 20.1 being or becoming void, voidable or unenforceable.
- 20.4. For the avoidance of doubt, the carrying out of the Maintenance Works, by or on behalf of the Lessee, is at the risk of the Lessee.

21. COMPLIANCE WITH APPLICABLE LAWS

21.1. Compliance with Applicable Laws and ABC Laws is a matter of fundamental importance to the Municipality. For this clause 21, "Applicable Laws" means law, regulation, binding code of practice, rule or requirement of any relevant government or governmental agency, professional or regulatory authority, each as relevant to (i) the Lessee in the tenancy of the Premises, and/or (ii) the Municipality granting of

such tenancy and the carrying out of its business, and shall include the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993) and the regulations issued thereunder. Applicable Law specifically include (i) The Prevention and Combating of Corrupt Practices Act 2004; (ii) the UK Bribery Act 2010; and (iii) the US Foreign Corrupt Practices Act and any other related and relevant economic, trade and financial sanctions laws, regulations, embargoes or restrictive measures, trade control laws and regulations ("ABC Laws").

21.2. The Lessee shall:

- 21.2.1. act in accordance with all Applicable Laws and ABC Laws, even if the Lessee may not otherwise be subject to such legislation:
- 21.2.2. not do or omit to do anything likely to cause the Municipality to be in breach of any ABC Laws;
- 21.2.3. not give, promise, offer, receive or request any improper financial or other advantage directly or indirectly to any public official;
- 21.2.4. maintain proportionate and effective anti-bribery compliance measures (including for gifts and hospitality), designed to ensure compliance with ABC Laws, including the monitoring of compliance and detection of violations; and
- 21.3. respond immediately and thoroughly, at the Lessee's cost, to the Municipality's requests for information, documentation or data concerning any suspected or alleged breach of this clause 21 or ABC Laws.
- 21.4. The Lessee shall promptly notify the Municipality in writing at any time during the term of this Agreement, and for five (5) years thereafter, of any of the following:
 - 21.4.1. any actual, suspected or attempted breach of this Clause 21 or ABC Laws; and
 - 21.4.2. any investigation (or court, arbitration or administrative proceedings) commenced or ongoing in respect of, or which raises or refers to, any such suspicion, allegation or attempt regarding the operation of the Applicable Laws and the ABC Laws to the Municipality.
- 21.5. The Lessee shall, upon request from the Municipality, allow the Municipality (whether itself or through an agent) to conduct a review of books and records and information held by the Lessee, to verify the Lessee's compliance with this clause 21.
- 21.6. The rights of review and obligation to assist shall continue for five (5) years after the termination of this Agreement, for any reason.
- 21.7. If the Municipality determines (in its sole and absolute opinion) that there has been a suspected breach by the Lessee of this clause 21, including the breach of the ABC Laws, such breach shall be deemed a material breach of this Agreement, and the Municipality shall have the right without prejudice to the Municipality's rights under this Agreement or at law:

- 21.7.1. to suspend the fulfilment of its obligations under this Agreement until it is satisfied that no breach of this clause 21 (including breach of ABC Laws) has occurred or will occur; and/or
- 21.7.2. to terminate this Agreement immediately and without further notice to the Lessee.
- 21.8. The Municipality shall not be liable to the Lessee for any costs, claims, demands, expenses, losses or damages whatsoever related to its decision to suspend the payments based on clause 21.6 above or any other obligation it has under this Agreement.
- 21.9. The Lessee hereby indemnifies the Municipality and its directors, officers, employees, agents and affiliates to the fullest extent possible against all losses, liabilities, damages, costs (including but not limited to legal fees) and expenses incurred by the Municipality, which it may suffer as a result of a breach by the Lessee of the Applicable Laws, the ABC Laws and or this clause 21.

22. MISCELLANEOUS MATTERS

- 22.1. This Agreement comprises the entire agreement between the parties with respect to the lease of the facilities and supersedes and replaces all prior communications, drafts, representations, warranties, stipulations, undertakings and agreements of whatsoever nature, whether oral or written, between the parties relating to the same.
- 22.2. Failure or delay by any party in exercising any right or remedy under this Agreement will not in any circumstances operate as a waiver of it, nor will any single or partial exercise of any right or remedy in any circumstances preclude any other or further exercise of it or the exercise of any other right or remedy.
- 22.3. No waiver by a party of a failure by the other party to perform any provision of this Agreement operates or is to be construed as a waiver in respect of any other failure whether of a like or different character.
- 22.4. The rights and remedies expressly provided for by this Agreement will not exclude any rights or remedies provided by law.
- 22.5. A variation of this Agreement is valid only if it is in writing and signed by or on behalf of each party.
- 22.6. For the avoidance of doubt the relationship between the parties shall not be construed as one of legal partnership.
- 22.7. Notwithstanding how they have been grouped or linked grammatically, all provisions and the various clauses of this Agreement are severable from each other. Any provision or clause of this Agreement, which is or becomes unenforceable in any jurisdiction, whether due to voidness, invalidity, illegality, unlawfulness or for any other reason whatever, shall, in such jurisdiction only and only to the extent that it is so unenforceable, be treated as pro non scripto and the remaining provisions and clauses of this Agreement shall remain of full force and effect. The Parties declare that they intend that this Agreement would be executed without such unenforceable

provision if they were aware of such unenforceability at the time of execution hereof.

22.8. The expiration or termination of this Agreement shall not affect such of the provisions of this Agreement as expressly provide that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the clauses themselves do not expressly provide for this.

23. NOTICES

- 23.1. Any formal notice to be given by either party to the other in connection with this Agreement shall be given in writing, signed by or on behalf of the party giving it. It shall be delivered by hand, emailed or sent by prepaid courier to the address specified on the cover page.
- 23.2. In each case, it shall be marked for the attention of the relevant party in (or as otherwise notified from time to time). Any notice given shall be deemed to have been duly given:
 - 23.2.1. if hand delivered or emailed, when delivered,; and
 - 23.2.2. if sent by courier, on the 7th day after transmission,

unless there is evidence that it was received earlier than this and provided that, where (in the case of delivery by hand) the delivery or transmission occurs after 4:30 pm on a Business Day or on a day which is not a Business Day, service shall be deemed to occur at 9 am on the next following Business Day.

24. ENFORCEMENT BY THIRD PARTIES

This Agreement is enforceable by its original parties and by their successors in title and permitted assigns and transferees.

25. ASSIGNMENT AND SUBCONTRACTING

- 25.1. Neither Party shall assign this Agreement without the other Party's written consent, which consent shall not be unreasonably withheld or delayed.
- 25.2. The Lessee shall not purport to sublet, part with or share possession or occupation or grant licences to use or occupy the whole or any part of the Municipal Facilities.
- 25.3. Neither party to this Agreement may sub-contract to any third party the performance of any or all of its obligations under this Agreement in whole or in part without the prior written consent of the other, such consent not to be unreasonably withheld and provided further that that party shall in any event remain liable for the performance of such obligations.

26. COSTS

26.1. The Lessee shall pay all reasonable and properly incurred costs, charges and expenses (including legal fees) incurred by the Municipality in connection with any

application for consent made necessary by this Agreement (including where consent is lawfully refused, or the application is withdrawn).

27. DISPUTE RESOLUTION

- 27.1. In the event of a dispute concerning this Agreement, each Party shall in the first instance, promptly bring the dispute to the attention of an executive or person in a senior management position.
- 27.2. If a dispute remains unresolved following the processes followed in terms of clause 27.1 above, any Party may demand by written notice given to the other Party that the dispute be determined following the Expedited Rules of the Arbitration Foundation of Southern Africa ("AFSA").
- 27.3. This clause shall not prevent any Party from obtaining interim relief on an urgent basis from a court of competent jurisdiction, pending an arbitrator's decision.
- 27.4. The Parties hereby consent to the arbitration being dealt with on an urgent basis in terms of the Rules of AFSA should either Party, by written notice, require the arbitration to be held urgently. In such event, either Party may apply to the AFSA Secretariat as required in terms of the said Rules to facilitate such urgent arbitration.
- 27.5. The arbitration shall be held -
 - 27.5.1. at Ceres;
 - 27.5.2. with only the legal and other representatives of the Parties to the dispute present thereat; and
 - 27.5.3. otherwise in terms of the Arbitration Act, No. 42 of 1965 ("Arbitration Act"), unless otherwise provided for herein.
- The arbitrator shall be a practising advocate of the Cape Bar of at least ten years' standing, appointed by agreement between the parties to the dispute, subject to clause 27.7.
- 27.7. Should the Parties fail to agree on an arbitrator within 14 (fourteen) days after the giving of notice in terms of clause 27.2, the arbitrator shall be appointed by AFSA at the request of either Party to the dispute.
- 27.8. The Parties hereby consent to the jurisdiction of the High Court of South Africa in respect of the proceedings referred to in clause 27.9.
- 27.9. The decision of the arbitrator shall be final and binding on the Parties to the dispute and may be made an order of the court referred to in clause 27.8, at the instance of any of the parties to the dispute.
- 27.10. The Parties agree to keep the arbitration including the subject matter of the arbitration and the evidence heard during the arbitration confidential and not to disclose it to anyone except for purposes of obtaining an order as contemplated herein.

- 27.11. It is recorded that it is the intention of the Parties, that any dispute referred to arbitration in terms of clause 27.2 shall be resolved strictly in accordance with the provisions of this clause. The Parties accordingly agree and undertake as follows
 - 27.11.1. that it shall not make any application as contemplated in terms of section 3(2) of the Arbitration Act;
 - 27.11.2. that it shall not make any application as contemplated in terms of section 20(1); and
 - 27.11.3. the periods set out in section 23 of the Arbitration Act shall not be applicable to any arbitration proceedings arising out of this Agreement.

28. COUNTERPARTS

This Agreement may be executed in counterpart each of which shall be an original but all of which together constitute one and the same instrument.

For the Municipality	For Lessee	
Signature:	Signature: 5	
Name:	Name:	
Position:	Position:	
Date:	Date:	
Place:	Place:	
		1

ANNEXURE A: ORDER FOR HOSTING AN ELECTRONIC COMMUNICATIONS FACILITIES (RADIO APPARATUS AND RELATED ELECTRONIC COMMUNICATIONS EQUIPMENT)

1	CI	TF	DE	ΓΔΙ	II C
4.	- 31		VE	IAI	ILD.

Site Name	Description of ECF

2. MAST DETAILS

Mast Details	
Mast attached to:	Brick wall
Mast Height Above Ground Level	¥[●]
Type of Equipment Installed	[•]
Antenna Size	[•]

3. RENTALS AND OTHER CHARGES:

3.1. Rental Charges

Leased item	Amount (excl. VAT)

3.2. Other Charges Payable

Description	Amount (excl. VAT)	

3.2.1. Charges reflected above are as at date of signature hereto and the Municipality shall

be entitled to amend the above charges from time to time upon written notice to the Lessee.

4. SCOPE OF APPROVED WORK:

- 4.1. [•]
- 4.2. [•]

5. SPECIAL REQUESTS/CONDITIONS

- 5.1. Any person working on Masts in the Municipality shall be duly certified, possess a valid mast climbing certificate, and always wear the appropriate Personal Protective Equipment (PPE) whilst climbing or working on the above-mentioned structures. Proof of the aforementioned certificate shall be submitted to the Municipal manager or his authorised representative before any work on Masts may commence.
- 5.2. The Lessee shall be liable for any costs to provide feeder/cable access (and related ducts) between the Lessee's accommodation and the Municipality's equipment room or frames for services required from the network.
- 5.3. The approved installation and/or work shall be completed within [●] weeks/months from date of authorisation to commence with installation, or as agreed between the Parties in writing. Non-compliance with the aforementioned may result in unavailability of approved facilities, space and/or electricity for which the Municipality shall not be held liable.