

# **OVERBERG DISTRICT MUNICIPALITY**



## **Medium Term Revenue and Expenditure Framework (MTREF)**

### **MTREF BUDGET: 2023/2024 – 2025/2026**

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BAEDASBORG 7280



29 MAY 2023

TEL: 029 425 1157 • FAX: 029 425 1014  
info@odm.org.za • www.odm.org.za

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET 1st FLOOR DAB K22  
BREDASBURG 7230



29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

## Contents

Glossary .....	4
PART 1 – ANNUAL BUDGET .....	6
1. Mayors Report .....	6
2. Resolutions .....	8
3. Executive Summary .....	10
4. Budget Tables .....	19
PART 2 – SUPPORTING DOCUMENTATION .....	30
1. Overview of Annual Budget Process .....	30
2. Overview of Alignment of budget to IDP .....	32
3. Measurable performance Objectives and Indicators .....	33
KEY FINANCIAL INDICATORS AND RATIOS .....	33
4. Overview of Budget related Policies .....	33
5. Overview of Budget Assumptions .....	35
6. Overview of Budget Funding .....	36
7. Expenditure on allocations and Grant Programmes .....	46
8. Allocations and Grants made by the municipality .....	47
9. Councillor member allowances and employee benefits .....	47
10. Monthly targets for revenue, expenditure, and cash flow .....	49
11. Budget and SDBIP implementation plans .....	49
12. Contracts having future budgetary implications .....	49
13. Capital expenditure details .....	49
14. Legislation compliance status .....	49
15. Other supporting documents .....	49
16. Municipal Manager Quality Certification .....	51



SECTION B – BUDGET ..... 52

1.	Operating Budget .....	52
2.	Capital Budget Programme .....	53
3.	Tarrifs.....	53
4.	MFMA Municipal Budget Circulars for the 2023/24 MTREF .....	65
5.	Service Level Standards.....	151
6.	Procurement Plan .....	153
7.	Budget Schedules.....	155

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET, PRIVATE BAG X22  
SCHAMBERG TOWN

29 MAY 2023

TEL: 029 425 1014 • FAX: 029 425 1014  
info@odm.org.za • www.odm.org.za

# 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 and National Treasury.

**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 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 revenue 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.

**DORA** – Division of Revenue Act. The annual piece of legislation that indicate 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.

**GDFI** - Gross Domestic Fixed Investment

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

OVERBERG DISTRICT MUNICIPALITY  
2010-2011 BUDGET - FINANCIAL BAG X22  
29 MAY 2023

TEL: 051 425 1000 • FAX: 051 425 1014  
WWW.ODM.ORG.ZA • WWW.GDFI.ORG.ZA

**ICT** – Information Communication Technology

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

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

**MBBR** - Municipal Budget Reporting Regulations

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

**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.

**ODM** – Overberg District Municipality

**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.

**TMA** – Total Municipal Account

**SDBIP** – Service Delivery 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.

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

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET - PRIVATE BAG 111  
BREDASBURG 7260  
29 MAY 2023  
TEL: 022 496 1400 - FAX: 022 428 1014  
info@odm.gov.za - www.odm.gov.za



# PART 1 – ANNUAL BUDGET

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
ENKELAARSDORP 7280



29 MAY 2023

## 1. Mayors Report

TEL: 033 428 1014 • FAX: 033 428 1014  
info@odm.org.za • www.odm.org.za

After thorough review and presentation at the Budget Steering committee, I herewith present the 2023/2024-2025/2026 Medium Term Expenditure Framework Budget to the Council for approval.

In terms of Section 16(1) of the Municipal Financial Management Act (MFMA) a municipality must approve an Annual Budget before the start of the Financial Year. In terms of Sec 16(2) of the MFMA, the Mayor of a municipality must table the budget at least 90 days before the start of the budget year to comply with Section 16(1) of the said Act.

With the current economic climate and loadshedding persisting, the municipality is also unfortunately impacted negatively. Hence, I must report that the municipality is currently funding its deficit budget by means of prior surpluses, fortunately resulting in a funded budget. Going forward, it is imperative that stringent measures be implemented that a surplus budget is approved to ensure financial sustainability going forward.

The draft budget tabled to Council on 27 March 2023, had been published for public participation and was also reviewed internally. It was possible to reduce the deficit through adjustments to certain revenue and expenditure items over the MTREF periods. As depicted from the budget presented to Council, the municipality will still realise a deficit budget of R2 831 322 million for the current financial year, but this shortfall will decrease in the medium term to only R332 862 (24/25) and increase again to R3 649 479 (25/26). These figures include capital grant transfers received for the period. The current budget shortfall needs to be properly managed to ensure the deficit remains limited. The current accumulative surpluses will however assist for a short period, when looking at the schedule A7, but this is not a sustainable method going forward.

Although no municipality is allowed to approve a budget which is not cashed back, it is my view that warning signals indicate for the municipality to realise the seriousness and consequences in the longer term. The Provincial and National Treasury were already informed regarding the shortfall of the equitable share amount allocated to ODM. The service standards ODM renders will depend on sufficient funding allocated towards these services, going forward. With no intervention from the stakeholders on Provincial and National level, ODM will not survive financially. Currently not enough funding is generated internally to meet its operating requirements as illustrated in the budget document below. This situation is not a new one, hence has been with the municipality for several years. Various initiatives throughout the period assisted the municipality to continue, however these were limited and not sufficient to ensure the long-term continuation of the municipality. The funding model for functions and services as well as the classification of district municipalities may need to be relooked to identify the future of district municipalities in the local government sphere.

The Capital programme of the municipality is funded through cash surpluses accumulated in a CRR (Capital Replacement Reserve). Funding for these assets have been collected by means of selling properties not used for service delivery in the municipality. Capital projects will also be declining in future if the surpluses of the municipality need to be utilised for the operating deficit instead of allocations towards capital projects. The municipality is currently in a peculiar position due to its financial constraints. Capital is required for expansion and rendering of services on a required level. When no further funding sources are identified to acquire capital, service delivery will slow down and in the longer term, services may not be delivered in contrast with an influx of semi-migration to the region.



Despite these challenges, funding could still be provided for in the capital program to maintain the resources used to enable ODM to deliver services to the community, summarized as follows:

Acquisition of fleet and equipment for Emergency Services	R4 million
Upgrading of facilities and equipment at the Resorts	R920 000
Upgrading at municipal properties and equipment	R510 000
Upgrading of IT security and equipment	R794 000

Since a large portion of revenue is derived from Government Grants and Subsidies and limited own revenue sources are available to explore in the municipalities mandated functions, drastic curbing on spending or alternative resources will be required, alternatively grant dependency will have to increase and will be inevitable.

The municipality's employee costs amount to the single largest operational expense, and one of the main concerns going forward. However, the staff compliment already has a large amount of vacancies, the cost and continuous increases in the employee cost can ruin the municipality going forward or its ability of paying salaries might occur.

Overall, the picture for the future is not favourable, however the administration and Council is committed to continuously identifying and investigating alternative initiatives and exploring new ideas to assist in alleviating the current situation and would not stop doing so until success is achieved. Various engagements, shared services initiatives and the compilation of a revenue revival strategy is already activated and work on these are continuously executed.

Executive Mayor  
Alderman AE Franken

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET - PRIVATE BAG X22  
BREDENBURG 7250



29 MAY 2023

TEL: 029 428 1014 • FAX: 029 428 1014  
info@odm.org.za • www.odm.org.za

## 2. Resolutions

### MTREF BUDGET 2023/2024

The resolution tabled at Council for consideration upon approval of the budget is:

#### RECOMMENDATION:

That Council approves the following:

1. That the consolidated budget of **R273 979 238**, consisting of an **Operating budget of R276 810 560** (resulting in a **deficit of R 2 831 322** including capital grant receipts) and a **Capital budget of R 6 355 000** with budgeted cash flows, as set out in the Municipal Budget is adopted and approved by Council and that it constitutes the Budget of the Council for 2023/2024 financial year as well as the medium term (indicative) budgets for the 2024/2025 and 2025/2026 financial years.
2. That the Integrated Development Plan and related documents and any amendments thereto, be approved when tabled in alignment with the final budget.
3. That the Spatial Development Framework and any amendments thereto when tabled for the new financial year, be noted.
4. That the tariffs as per tariff list be approved.
5. That all other matters prescribed in sections 17(1) (a-e); 17(2) and 17(3) (a-m) of the Municipal Finance Management Act are included in or accompany the budget document be approved.
6. That the measurable performance objectives for 2023/2024 for operating revenue by source and by vote be approved.
7. That the following budget related policies be reviewed and submitted for approval together with the final budget submission:
  - 4.1 Asset Management Policy;
  - 4.2 Borrowing Policy;
  - 4.3 Budget Policy;
  - 4.4 Cash management and investment Policy;
  - 4.5 Cost containment Policy

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASBURG 7780

29 MAY 2023

TEL: 027 459 4424 • FAX: 027 459 1014  
WWW.ODMUNICIPALITY.CO.ZA

- 4.6 Credit control and debt collection Policy;
- 4.7 Customer Care Policy;
- 4.8 Demand Management Policy;
- 4.9 Funding and reserves Policy;
- 4.10 Infrastructure Investments and Capital Projects Policy;
- 4.11 Infrastructure Procurement and Delivery Policy;
- 4.12 Liquidity Policy;
- 4.13 Long Term Financial Planning Policy;
- 4.14 Management and Administration of Immovable Policy;
- 4.15 Payroll Management & Administration Policy;
- 4.16 Preferential procurement Framework Policy;
- 4.17 Supply Chain Management Policy;
- 4.18 Tariff policy;
- 4.19 Travel and Subsistence Policy;
- 4.20 Virement Policy;
- 4.21 Acting, additional and secondment policy; and
- 4.22 EPWP Policy

OVERBERG DISTRICT MUNICIPALITY  
28 LANGE STREET / PRIVATE BAG X22  
2811 BUCKHURST 7260



29 MAY 2023

TEL: 022 425 1427 • FAX: 022 425 1014  
info@odm.org.za • www.odm.org.za

### 3. Executive Summary

26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7780  
29 MAY 2023

The Municipality's **2023/2024 Consolidated budget amounts to R 273 979 238** consisting of an **Operating budget of R276 810 560** (resulting in a **deficit of R2 831 322** including capital grant transfers) and a **Capital budget of R6 355 000**.

The MTREF Budget position projection will be as follows for next three years resulting in **a deficit for all three years:**

	23/24	24/25	26/27
Operational Revenue	R 273 479 238	R 283 759 038	R 293 153 171
Operational Expenditure	R 276 810 560	R 284 591 900	R 297 302 650
Operational Surplus/Deficit	- R 3 331 322	- R 832 862	- R 4 149 479
Capital Grants received	R 500 000	R 500 000	R 500 000
Surplus/Deficit	- R 2 831 322	- R 332 862	- R 3 649 479
Capital Budget	R 6 355 000	R 1 676 200	R 3 301 300

Looking from a departmental view for the upcoming financial year, revenue and expenditure recognition will be as follow:

DEPARTMENT	OPERATIONAL REVENUE 2023/24	OPERATIONAL EXPENDITURE 2023/24	MTREF BUDGET POSITION 2023/24
Committee, Records & Councillor Support	-	3 806 418	(3 806 418)
Community Services Support	-	753 039	(753 039)
Comprehensive Health	181 927	181 927	-
Corporate Support	25 200	4 441 848	(4 416 648)
Council Expenditure	14 769 565	7 912 757	6 856 808
Emergency Services	5 308 046	39 670 924	(34 362 878)
Environmental Management	124 000	3 401 974	(3 277 974)
Executive (Community Services)	-	1 417 156	(1 417 156)
Executive (Corporate Services)	-	1 324 513	(1 324 513)
Executive (Finance)	-	1 305 541	(1 305 541)
Executive (Municipal Manager)	500 000	2 066 131	(1 566 131)
Executive Support	-	772 399	(772 399)
Expenditure	-	3 047 418	(3 047 418)
Financial Services	95 216 000	21 592 739	73 623 261
Financial Support	-	421 883	(421 883)
Human Resources	-	4 654 889	(4 654 889)
Idp & Communication	-	1 620 557	(1 620 557)
Information Services	-	3 256 900	(3 256 900)
Internal Audit	-	1 983 954	(1 983 954)
Led, Tourism, Resorts & Epwp	20 129 500	17 120 061	3 009 439
Municipal Health	1 020 000	18 577 313	(17 557 313)
Performance & Risk Management	-	1 491 229	(1 491 229)
Revenue	30 000	20 000	10 000
Roads Function	122 375 000	122 375 000	-
Solid Waste	14 300 000	9 966 919	4 333 081
Supply Chain Management	-	3 627 071	(3 627 071)
<b>SURPLUS/(DEFICIT)</b>	<b>273 979 238</b>	<b>276 810 561</b>	<b>(2 831 323)</b>

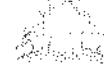


### **Proposed Tariff Increases**

MFMA NT Budget Circular 123 issued on 3 March 2023 provided guidelines as follows in section 5:

- ▶ 5.1 **Maximising the revenue generation** of the municipal revenue base
- ▶ 5.4 Setting **cost-reflective tariffs**
- ▶ 5.9 **Credibility** of Revenue

OVERBERG DISTRICT MUNICIPALITY  
26 LINDA STREET, LORRAINE BAG X22  
5700 VELLORP 7380



29 MAY 2023

TEL: 039 435 1117 • FAX: 039 435 1014  
E-MAIL: info@overberg.gov.za

**Inflation and cost reflective increases** are proposed on all ODM tariffs except for the following:

- KWK Landfill site which tariffs are determined according to a cost tariff module to which the LM's agreed
- Fire service contributions of Theewaterskloof LM, Cape Agulhas LM and Swellendam LM escalating according to agreements.
- Roads Agency fee determined according to Memorandum of Agreement

A synopsis on the proposed tariff increases include:

1. Firefighting = Majority 7% cost adjustment with exceptions towards fuel related expenditure
2. Additional = 6% inflation related
3. Environmental = cost reflective
4. Municipal Health = cost reflective and new categories implemented (considering public participation inputs)
5. Roads = 7% (ad-hoc)
6. Waste at KWK = Cost as per agreement
8. Uilenskraalsmond resort = 7% and cost reflective regarding administrative costs
9. Die Dam resort = 7%

Additional revenue streams have been investigated/identified and will form part of the new tariff structures. See draft tariff structures attached to the draft budget document.

Areas for additional income identified includes:

- Municipal Health Services – Bylaw implementation and building plans
- Emergency Services – Building plans
- Finance interest on arrears -Debtors in arrear

\*Some identified revenue avenues will be investigated regarding the feasibility thereof and then only be recognised as possible revenue

### **Operational Expenditure**

The MTREF Operational Expenditure over the next three years are projected as follows using the CPI Inflation indicators provided by National Treasury, expect where specific contract agreements exist with escalation clauses – Current 6.9% Estimate – 2022/23

#### ► **CPI Inflation forecast**

- 2023/24 5.3%/
- 2024/25 4.9%
- 2025/26 4.7%

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

The operational expenditure per department for the next 3 year period:

DEPARTMENT	Budget 2023/24	Budget 2024/25	Budget 2025/26
Committee, Records & Councillor Support	3 806 418	3 979 361	4 162 192
Community Services Support	753 039	793 318	834 641
Comprehensive Health	181 927	193 570	205 572
Corporate Support	4 441 848	4 294 890	4 546 218
Council Expenditure	7 912 757	8 365 501	8 838 023
Emergency Services	39 670 924	39 508 412	41 743 510
Environmental Management	3 401 974	3 610 635	3 826 915
Executive (Community Services)	1 417 156	1 505 365	1 598 449
Executive (Corporate Services)	1 324 513	1 383 813	1 462 244
Executive (Finance)	1 305 541	1 387 965	1 472 960
Executive (Municipal Manager)	2 066 131	1 895 315	1 998 736
Executive Support	772 399	820 484	869 629
Expenditure	3 047 418	3 191 425	3 321 229
Financial Services	21 592 739	21 353 411	22 468 401
Financial Support	421 883	449 776	477 680
Human Resources	4 654 889	4 417 865	4 654 870
Idp & Communication	1 620 557	1 720 228	1 824 896
Information Services	3 256 900	3 001 720	2 904 240
Internal Audit	1 983 954	2 090 922	2 202 194
Led, Tourism, Resorts & Epwp	17 120 061	16 121 951	16 747 014
Municipal Health	18 577 313	19 678 504	20 827 657
Performance & Risk Management	1 491 229	1 571 586	1 667 490
Revenue	20 000	20 000	22 000
Roads Function	122 375 000	128 695 313	133 071 429
Solid Waste	9 966 919	10 683 802	11 457 162
Supply Chain Management	3 627 071	3 856 766	4 097 301
<b>TOTAL OPERATIONAL EXPENDITURE</b>	<b>276 810 561</b>	<b>284 591 900</b>	<b>297 302 650</b>

The MTREF Operational Revenue projection, including proposed tariff increases for the next three financial years are projected as follows:

#### OPERATIONAL REVENUE

DEPARTMENT	Budget 2023/24	Budget 2024/25	Budget 2025/26
Comprehensive Health	181 927	193 570	205 572
Corporate Support	25 200	25 200	25 200
Council Expenditure	14 769 565	14 929 076	15 385 714
Emergency Services	5 308 046	5 627 129	5 959 456
Environmental Management	124 000	129 000	134 000
Executive (Municipal Manager)	500 000	-	-
Financial Services	95 216 000	98 735 000	101 110 000
Led, Tourism, Resorts & Epwp	20 129 500	19 851 750	21 066 800
Municipal Health	1 020 000	1 020 000	1 020 000
Revenue	30 000	33 000	35 000
Roads Function	122 375 000	128 695 313	133 071 429
Solid Waste	14 300 000	15 020 000	15 640 000
<b>TOTAL OPERATIONAL REVENUE</b>	<b>273 979 238</b>	<b>284 259 038</b>	<b>293 653 171</b>

#### Equitable Share

The equitable share allocation will increase as follows over the medium term

Financial Year	2023/2024	2024/2025	2025/2026
Amount	-R84 437 000	-R88 501 000	-R90 551 000
Increase	3.62%	4.81%	2.32%

#### MTREF Revenue

Total operating revenue **impact**, breakdown as follows:

#### OPERATIONAL REVENUE

DEPARTMENT	Budget 2023/24	Adjustment Budget 2022/23	% Change
Comprehensive Health	181 927	181 800	0.07%
Corporate Support	25 200	25 200	0.00%
Council Expenditure	14 769 565	11 597 174	27.35%
Emergency Services	5 308 046	4 849 717	9.45%
Environmental Management	124 000	121 000	2.48%
Executive (Municipal Manager)	500 000	500 000	0.00%
Financial Services	95 216 000	96 494 861	-1.33%
Led, Tourism, Resorts & Epwp	20 129 500	18 777 500	7.20%
Municipal Health	1 020 000	2 450 000	-58.37%
Revenue	30 000	31 500	-4.76%
Roads Function	122 375 000	113 498 250	7.82%
Solid Waste	14 300 000	12 600 000	13.49%
<b>TOTAL OPERATIONAL REVENUE</b>	<b>273 979 238</b>	<b>261 127 002</b>	<b>4.92%</b>



Primary Operating Budget revenue- and expenditure categories reflect the following year-on-year budget value increases (estimated 2023/24 vs. adjusted 2022/2023 budget):

**Budget position per Function:**

DEPARTMENT	Budget 2023/24	Adjustment Budget 2022/23	% Change
Committee, Records & Councillor Support	(3 806 418)	(3 383 047)	12.51%
Community Services Support	(753 039)	(593 567)	26.87%
Comprehensive Health	-	1 299	-100.00%
Corporate Support	(4 416 648)	(2 275 645)	94.08%
Council Expenditure	6 856 808	3 644 190	88.16%
Emergency Services	(34 362 878)	(33 379 764)	2.95%
Environmental Management	(3 277 974)	(3 388 682)	-3.27%
Executive (Community Services)	(1 417 156)	(1 459 763)	-2.92%
Executive (Corporate Services)	(1 324 513)	(1 302 769)	1.67%
Executive (Finance)	(1 305 541)	(1 319 724)	-1.07%
Executive (Municipal Manager)	(1 566 131)	(1 423 149)	10.05%
Executive Support	(772 399)	(727 969)	6.10%
Expenditure	(3 047 418)	(3 217 544)	-5.29%
Financial Services	73 623 261	73 645 235	-0.03%
Financial Support	(421 883)	(399 107)	5.71%
Human Resources	(4 654 889)	(4 087 761)	13.87%
Idp & Communication	(1 620 557)	(1 556 756)	4.10%
Information Services	(3 256 900)	(3 398 499)	-4.17%
Internal Audit	(1 983 954)	(1 879 997)	5.53%
Led, Tourism, Resorts & Epwp	3 009 439	797 923	277.16%
Municipal Health	(17 557 313)	(15 620 019)	12.40%
Performance & Risk Management	(1 491 229)	(1 541 946)	-3.29%
Revenue	10 000	(27 200)	-136.76%
Roads Function	-	60 984	-100.00%
Solid Waste	4 333 081	2 655 365	63.18%
Supply Chain Management	(3 627 071)	(3 305 312)	9.73%
<b>SURPLUS/(DEFICIT)</b>	<b>(2 831 323)</b>	<b>(3 483 224)</b>	<b>-18.72%</b>

**Operating per department (Revenue)**

**OPERATIONAL REVENUE**

DEPARTMENT	Budget 2023/24	Adjustment Budget 2022/23	% Change
Administrative and Corporate Support	25 200	25 200	0.00%
Biodiversity and Landscape	124 000	121 000	2.48%
Finance	95 246 000	96 526 361	-1.33%
Fire Fighting and Protection	5 308 046	4 849 717	9.45%
Health Services	1 201 927	2 631 800	-54.33%
Mayor and Council	14 769 565	11 597 174	27.35%
Municipal Manager, Town Secretary and Chief Executive	500 000	500 000	0.00%
Recreational Facilities	20 129 500	18 777 500	7.20%
Roads	122 375 000	113 498 250	7.82%
Solid Waste Disposal (Landfill Sites)	14 300 000	12 600 000	13.49%
<b>TOTAL OPERATIONAL REVENUE</b>	<b>273 979 238</b>	<b>261 127 002</b>	<b>4.92%</b>





29 MAY 2023

## Operating per department (Expenditure)

### OPERATIONAL EXPENDITURE

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

DEPARTMENT	Budget 2023/24	Adjustment Budget 2022/23	% Change
Administrative and Corporate Support	14 961 627	12 300 768	21.63%
Biodiversity and Landscape	3 401 974	3 509 682	-3.07%
Corporate Wide Strategic Planning (IDPs, LEDs)	1 620 557	1 556 756	4.10%
Finance	24 660 157	26 125 870	-5.61%
Fire Fighting and Protection	39 670 924	38 229 481	3.77%
Governance Function	1 983 954	1 879 997	5.53%
Health Services	18 759 240	18 250 520	2.79%
Human Resources	4 654 889	4 087 761	13.87%
Information Technology	3 256 900	3 398 499	-4.17%
Mayor and Council	7 912 757	7 952 984	-0.51%
Municipal Manager, Town Secretary and Chief Executive	2 838 530	2 651 118	7.07%
Recreational Facilities	17 120 061	17 979 577	-4.78%
Roads	122 375 000	113 437 266	7.88%
Solid Waste Disposal (Landfill Sites)	9 966 919	9 944 635	0.22%
Supply Chain Management	3 627 071	3 305 312	9.73%
<b>TOTAL OPERATIONAL EXPENDITURE</b>	<b>276 810 561</b>	<b>264 610 226</b>	<b>4.61%</b>

## Operating Revenue by Item (Excluding Roads)

### SUMMARY INCOME & EXPENDITURE 2023/2024 MTREF EXCLUDING ROADS AGENCY

Revenue by Source	Final Budget 2022/23	Original Budget 2023/24	Original Budget 2024/25	Original Budget 2025/26
Service charges - Electricity	R 200 000.00	R 200 000.00	R 210 000.00	R 220 000.00
Service charges - Waste Water Management	R 600 000.00	R 600 000.00	R 630 000.00	R 660 000.00
Service charges - Waste Management	R 13 272 000.00	R 15 000 000.00	R 15 750 000.00	R 16 400 000.00
Sale of Goods and Rendering of Services	R 8 373 217.00	R 9 223 046.00	R 9 334 628.76	R 9 963 956.49
Agency services	R 11 597 174.00	R 12 769 565.00	R 13 429 076.00	R 13 885 714.00
Interest earned from Receivables	R -	R 50 000.00	R 55 000.00	R 60 000.00
Interest earned from Current and Non Current Assets	R 2 750 000.00	R 4 000 000.00	R 4 000 000.00	R 4 000 000.00
Rental from Fixed Assets	R 12 925 000.00	R 13 825 000.00	R 14 355 000.00	R 15 185 000.00
Licence and permits	R 1 000 000.00	R 1 000 000.00	R 1 000 000.00	R 1 000 000.00
Operational Revenue	R 1 972 700.00	R 422 700.00	R 452 450.00	R 477 500.00
Transfer and subsidies - Operational	R 92 688 661.00	R 92 013 927.00	R 94 347 570.33	R 96 729 571.69
Transfers and subsidies - Capital	R 2 250 000.00	R 500 000.00	R 500 000.00	R 500 000.00
Gains on disposal of Assets	R -	R 2 000 000.00	R 1 500 000.00	R 1 500 000.00
	R 147 628 752.00	R 151 604 238.00	R 155 563 725.09	R 160 581 742.18

## Expenditure category increases (Excluding Roads)

Total Operating Expenditure is anticipated to **increase by 2.1%**, breakdown as follows:

Expenditure by Type	Final Budget 2022/23	Original Budget 2023/24	Original Budget 2024/25	Original Budget 2025/26
Employee related costs	R 85 400 724.00	R 88 052 327.00	R 93 632 745.77	R 99 383 335.78
Remuneration of councillors	R 6 425 617.00	R 6 339 757.00	R 6 745 501.45	R 7 163 722.54
Bulk purchases - electricity	R 250 000.00	R 200 000.00	R 210 000.00	R 220 000.00
Inventory consumed	R 5 414 312.00	R 4 790 200.00	R 4 910 650.00	R 5 086 850.00
Debt impairment	R 100 000.00	R 100 000.00	R 100 000.00	R 100 000.00
Depreciation and amortisation	R 3 625 515.00	R 3 653 586.43	R 3 679 854.00	R 3 708 918.00
Interest	R 3 008 417.00	R 2 433 186.00	R 2 684 841.00	R 2 962 559.00
Contracted services	R 23 109 643.00	R 26 973 918.20	R 21 894 294.80	R 23 032 011.49
Transfers and subsidies	R 2 799 000.00	R -	R -	R -
Operational costs	R 21 039 732.00	R 21 892 586.00	R 22 038 699.98	R 22 573 824.62
	R 151 172 960.00	R 154 435 560.63	R 155 896 587.00	R 164 231 221.42

## Employee Related Cost

The South African Local Government Bargaining Council Circular 08/2023 dated 31 March 2023 states:

Salary and wage increase for the period 01 July 2023 – 30 June 2024 as per agreement shall be 5.4 % from effect 1 July 2023 (including any linked benefits and conditions).

Municipalities that cannot afford to implement on salaries, may in terms of Clause 15 of the 3 year Agreement, apply for exemption. Municipalities that want to apply for exemption are requested to inform SALGA of such a decision as soon as possible, but not later than 31 May 2023.

The Budget Steering committee should consider the above and after assessing all the budget needs to provide for an efficient service delivery, a 1.5% adjustment for notch increases and medical will be accommodated in the budget.

The effect on the Budget if 5.4% (NT-CPI) is allowed for increments in addition to, a notch increase provision of 1.5% added to the accumulated amount (including critical vacancies)

\*\*\*Adding a 1.5% increase on the Sect 57 appointee's employee cost and projected 3% on Councillors remuneration.

A comparison between the ODM's Employee Cost and the Equitable share receivable pictures a concerning future as illustrated below:



Growth	2023/2024	2024/2025	2025/2026
Equitable share	3.62%	4.81%	2.32%
Total Salary Cost	3.10%	6.34%	6.14%
Inflation	5.4%	4.9%	4.7%

2023/2024	AMOUNT
Employee cost	R 88 052 327
Equitable share	R 84 437 000
Shortfall/Deficit	R 3 615 327

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023

TEL: 022 425 1017 • FAX: 022 425 1014  
info@odm.org.za • www.odm.org.za



## CAPITAL BUDGET

The ODM funding and reserve policy determines as follows:

### 6.6.2 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.

*As in the prior financial year the CRR will be utilised as a funding mechanism for Capital acquisitions*

It was proposed that Capital projects be funded from this reserve and that at the end of each financial year, it be determine according to the AFS what amount is available to be transferred to commit for this purpose.

It is anticipated that at the end of 30 June 2023, an amount of R6 355 000 reflected in the AFS as Net Cash available for operating activities in the Cashflow statement be moved to the CRR. In general gains from the sale of land are also to be transferred to the CRR which could be used to fund acquisition of further assets.

The Capital Programme over the MTREF period will be funded as per table below

TYPE	FUNDING SOURCES	FINAL BUDGET 2022/23	FINAL BUDGET 2023/24	FINAL BUDGET 2024/25
1	CAPITAL REPLACEMENT RESERVE	R5 855 000	R1 176 200	R2 801 300
2	REVENUE	R0	R0	R0
3	EXTERNAL LOANS	R0	R0	R0
4	GRANTS	R500 000	R500 000	R500 000
5	PRIVATE CONTRIBUTIONS	R0	R0	R0
	<b>TOTAL</b>	<b>R6 355 000</b>	<b>R1 676 200</b>	<b>R3 301 300</b>
	DRAFT BUDGET	R5 771 000	R536 200	R2 551 300
	<b>ADDITIONAL</b>	<b>R584 000</b>	<b>R1 140 000</b>	<b>R750 000</b>

### **Long term committed liabilities**

Currently ODM's only long-term borrowing relates to the Karwyderskraal landfill site infrastructure development of cells, operated by the municipality. The current repayment cost of the loan is recovered through the Local Municipalities utilising the facility which is included in their fixed cost portion on the tariff charged. The current value of the loan will be R15 232 032.21 as at the end of June 2023. The loan will conclude on 30 September 2026.

OVERBERG DISTRICT MUNICIPALITY  
26 LORD STREET / PHASE 1E BAG X22  
BREDASBURGH 7250



29 MAY 2023

TEL: 033 425 4137 • FAX: 033 425 1014  
info@odm.org.za • www.odm.org.za

A handwritten signature in the bottom right corner of the page.





29 MAY 2023

## 4. Budget Tables

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

The adjustment budget tables compiled in terms of the Municipal Budgeting and Reporting Regulations (MBRR) (Schedule B), are attached per annexure "A" and listed below:

TABLE A1 – Budget Summary

Description	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	–	–	–	–	–	–	–	–	–	–
Service charges	11 704	12 130	10 091	13 572	14 072	14 072	14 072	15 800	16 590	17 280
Investment revenue	1 899	2 287	2 558	2 000	2 750	2 750	2 750	4 000	4 000	4 000
Transfer and subsidies - Operational	169 680	205 928	202 394	197 193	206 187	206 187	206 187	214 389	223 043	229 801
Other own revenue	37 649	31 169	52 779	40 675	35 868	35 868	35 868	39 290	40 126	42 072
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>220 932</b>	<b>251 515</b>	<b>267 821</b>	<b>253 440</b>	<b>258 877</b>	<b>258 877</b>	<b>258 877</b>	<b>273 479</b>	<b>283 759</b>	<b>293 153</b>
Employee costs	113 215	116 527	122 755	135 932	133 108	133 108	133 108	138 697	148 699	156 976
Remuneration of councillors	6 197	5 852	5 872	6 166	6 426	6 426	6 426	6 340	6 746	7 164
Depreciation and amortisation	3 573	3 831	3 575	3 626	3 626	3 626	3 626	3 654	3 680	3 709
Finance charges	3 860	3 448	3 492	3 329	3 289	3 289	3 289	2 753	3 015	3 303
Inventory consumed and bulk purchases	42 712	57 124	50 845	46 862	55 961	55 961	55 961	62 521	65 073	66 500
Transfers and subsidies	–	680	399	–	2 799	2 799	2 799	–	–	–
Other expenditure	45 833	53 262	57 508	57 432	59 402	59 402	59 402	62 846	57 379	59 652
<b>Total Expenditure</b>	<b>215 390</b>	<b>240 723</b>	<b>244 445</b>	<b>253 346</b>	<b>264 610</b>	<b>264 610</b>	<b>264 610</b>	<b>276 811</b>	<b>284 592</b>	<b>297 303</b>
<b>Surplus/(Deficit)</b>	<b>5 541</b>	<b>10 792</b>	<b>23 377</b>	<b>94</b>	<b>(5 733)</b>	<b>(5 733)</b>	<b>(5 733)</b>	<b>(3 331)</b>	<b>(833)</b>	<b>(4 149)</b>
Transfers and subsidies - capital (monetary allocations)	691	2 886	1 116	–	2 250	2 250	2 250	500	500	500
Transfers and subsidies - capital (in-kind)	–	667	980	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>6 233</b>	<b>14 345</b>	<b>25 472</b>	<b>94</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(2 831)</b>	<b>(333)</b>	<b>(3 649)</b>
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) for the year</b>	<b>6 233</b>	<b>14 345</b>	<b>25 472</b>	<b>94</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(2 831)</b>	<b>(333)</b>	<b>(3 649)</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>2 998</b>	<b>5 036</b>	<b>9 537</b>	<b>10 274</b>	<b>15 320</b>	<b>15 320</b>	<b>15 320</b>	<b>6 355</b>	<b>1 676</b>	<b>3 301</b>
Transfers recognised - capital	691	2 886	1 116	–	2 250	2 250	2 250	500	500	500
Borrowing	–	–	2 948	39	4 900	4 900	4 900	–	–	–
Internally generated funds	2 307	2 151	5 474	10 235	8 170	8 170	8 170	5 855	1 176	2 801
<b>Total sources of capital funds</b>	<b>2 998</b>	<b>5 036</b>	<b>9 537</b>	<b>10 274</b>	<b>15 320</b>	<b>15 320</b>	<b>15 320</b>	<b>6 355</b>	<b>1 676</b>	<b>3 301</b>
<b>Financial position</b>										
Total current assets	55 020	78 697	77 795	58 057	58 544	58 544	58 544	50 777	51 079	44 874
Total non current assets	97 826	102 653	106 601	115 234	119 434	119 434	119 434	123 605	123 163	124 417
Total current liabilities	34 433	42 359	27 202	42 780	25 965	25 965	25 965	26 214	27 611	23 490
Total non current liabilities	71 434	77 668	70 399	75 591	68 699	68 699	68 699	67 687	66 482	69 301
Community wealth/Equity	46 979	61 324	86 796	54 919	83 313	83 313	83 313	80 481	80 148	76 499
<b>Cash flows</b>										
Net cash from (used) operating	4 072	26 079	(2 899)	3 958	6 604	6 604	6 604	1 826	5 048	1 970
Net cash from (used) investing	(3 001)	(3 701)	(4 305)	(7 774)	(3 320)	(3 320)	(3 320)	(4 355)	(176)	(1 801)
Net cash from (used) financing	(2 872)	(2 949)	(3 939)	(3 684)	(4 631)	(4 631)	(4 631)	(5 365)	(4 706)	(6 519)
<b>Cash/cash equivalents at the year end</b>	<b>36 647</b>	<b>56 076</b>	<b>44 932</b>	<b>44 880</b>	<b>43 585</b>	<b>43 585</b>	<b>43 585</b>	<b>35 691</b>	<b>35 857</b>	<b>29 508</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	36 647	56 076	44 932	44 880	43 585	43 585	43 585	35 691	35 857	29 508
Application of cash and investments	12 596	20 030	15 152	20 801	6 885	6 885	6 885	7 697	8 510	9 323
<b>Balance - surplus (shortfall)</b>	<b>24 051</b>	<b>36 045</b>	<b>29 780</b>	<b>24 078</b>	<b>36 701</b>	<b>36 701</b>	<b>36 701</b>	<b>27 995</b>	<b>27 348</b>	<b>20 185</b>
<b>Asset management</b>										
Asset register summary (WDV)	78 813	79 720	84 409	90 339	96 104	96 104	98 805	96 801	96 394	3 626
Depreciation	3 573	3 831	3 575	3 626	3 626	3 626	3 654	3 680	3 709	–
Renewal and Upgrading of Existing Assets	1 128	375	4 613	5 155	6 988	6 988	3 725	1 356	1 026	–
Repairs and Maintenance	8 550	9 324	10 663	8 451	9 547	9 547	9 468	9 737	10 301	–
<b>Free services</b>										
Cost of Free Basic Services provided	–	–	–	–	–	–	–	–	–	–
Revenue cost of free services provided	–	–	–	–	–	–	–	–	–	–
<b>Households below minimum service level</b>										
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sewage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–

TABLE A2 – Budget Financial Performance (Standard Classification)

Functional Classification Description R thousand	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue - Functional</b>	<b>1</b>									
<i>Governance and administration</i>		91 004	97 858	116 720	104 390	108 649	108 649	110 541	113 722	116 556
Executive and council		10 385	11 343	23 225	14 651	12 097	12 097	15 270	14 929	15 386
Finance and administration		80 619	86 515	93 494	89 739	96 552	96 552	95 271	98 793	101 170
Internal audit		—	—	—	—	—	—	—	—	—
<i>Community and public safety</i>		19 394	20 907	22 444	28 255	26 259	26 259	26 639	26 692	28 252
Community and social services		—	—	—	—	—	—	—	—	—
Sport and recreation		15 651	15 767	16 771	18 274	18 778	18 778	20 130	19 852	21 067
Public safety		3 447	4 701	5 265	5 850	4 850	4 850	5 308	5 627	5 959
Housing		—	—	—	—	—	—	—	—	—
Health		296	440	408	4 132	2 632	2 632	1 202	1 214	1 226
<i>Economic and environmental services</i>		98 284	124 451	119 273	108 895	113 619	113 619	122 499	128 824	133 205
Planning and development		—	—	—	—	—	—	—	—	—
Road transport		98 189	124 451	119 273	108 781	113 498	113 498	122 375	128 695	133 071
Environmental protection		95	—	—	114	121	121	124	129	134
<i>Trading services</i>		12 941	11 851	11 480	11 900	12 600	12 600	14 300	15 020	15 640
Energy sources		—	—	—	—	—	—	—	—	—
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		12 941	11 851	11 480	11 900	12 600	12 600	14 300	15 020	15 640
<i>Other</i>	<b>4</b>	—	—	—	—	—	—	—	—	—
<b>Total Revenue - Functional</b>	<b>2</b>	<b>221 623</b>	<b>255 068</b>	<b>269 917</b>	<b>253 440</b>	<b>261 127</b>	<b>261 127</b>	<b>273 979</b>	<b>284 259</b>	<b>293 653</b>
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		45 125	48 079	52 882	57 322	61 702	61 702	63 896	64 379	67 598
Executive and council		10 360	9 939	12 403	10 407	10 604	10 604	10 751	11 081	11 706
Finance and administration		33 439	36 702	38 959	46 035	49 218	49 218	51 161	51 207	53 690
Internal audit		1 325	1 438	1 520	1 880	1 880	1 880	1 984	2 091	2 202
<i>Community and public safety</i>		60 207	63 338	65 933	73 563	74 460	74 460	75 550	75 502	79 524
Community and social services		—	—	—	—	—	—	—	—	—
Sport and recreation		16 714	16 235	15 682	16 623	17 980	17 980	17 120	16 122	16 747
Public safety		29 243	32 600	34 739	36 168	38 229	38 229	39 671	39 508	41 744
Housing		—	—	—	—	—	—	—	—	—
Health		14 250	14 503	15 512	20 773	18 251	18 251	18 759	19 872	21 033
<i>Economic and environmental services</i>		101 563	120 306	118 587	113 424	118 504	118 504	127 398	134 026	138 723
Planning and development		1 253	1 323	769	1 391	1 557	1 557	1 621	1 720	1 825
Road transport		98 015	116 782	111 803	108 781	113 437	113 437	122 375	128 695	133 071
Environmental protection		2 295	2 201	2 985	3 252	3 510	3 510	3 402	3 611	3 827
<i>Trading services</i>		8 495	9 001	10 062	9 037	9 945	9 945	9 967	10 684	11 457
Energy sources		—	—	—	—	—	—	—	—	—
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		8 495	9 001	10 062	9 037	9 945	9 945	9 967	10 684	11 457
<i>Other</i>	<b>4</b>	—	—	—	—	—	—	—	—	—
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>215 390</b>	<b>240 723</b>	<b>244 445</b>	<b>253 346</b>	<b>264 610</b>	<b>264 610</b>	<b>276 811</b>	<b>284 592</b>	<b>297 303</b>
<b>Surplus/(Deficit) for the year</b>		<b>6 233</b>	<b>14 345</b>	<b>25 472</b>	<b>94</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(2 831)</b>	<b>(333)</b>	<b>(3 649)</b>

TABLE A3 - Budget Financial Performance (Rev &amp; Exp by Municipal Vote)

Vote Description R thousand	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue by Vote</b>	<b>1</b>									
Vote 1 - Municipal Manager		10 533	11 540	23 460	14 651	12 097	12 097	15 270	14 929	15 386
Vote 2 - Management Services		—	—	—	—	—	—	—	—	—
Vote 3 - Corporate Services		48	34	30	30	25	25	25	25	25
Vote 4 - Finance		80 422	86 284	93 230	89 709	96 526	96 526	95 246	98 788	101 145
Vote 5 - Community Services		130 619	157 209	152 197	149 050	152 478	152 478	163 438	170 537	177 097
<b>Total Revenue by Vote</b>	<b>2</b>	<b>221 623</b>	<b>255 068</b>	<b>269 917</b>	<b>253 440</b>	<b>261 127</b>	<b>261 127</b>	<b>273 979</b>	<b>284 259</b>	<b>293 653</b>
<b>Expenditure by Vote to be appropriated</b>	<b>1</b>									
Vote 1 - Municipal Manager		14 091	13 945	15 939	15 003	15 583	15 583	15 847	16 464	17 401
Vote 2 - Management Services		—	—	—	—	—	—	—	—	—
Vote 3 - Corporate Services		11 001	10 829	11 133	13 505	14 473	14 473	17 485	17 078	17 730
Vote 4 - Finance		20 124	23 300	25 030	27 126	31 160	31 150	30 015	30 259	31 860
Vote 5 - Community Services		170 174	192 649	192 343	197 712	203 404	203 404	213 464	220 791	230 312
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>215 390</b>	<b>240 723</b>	<b>244 445</b>	<b>253 346</b>	<b>264 610</b>	<b>264 610</b>	<b>276 811</b>	<b>284 592</b>	<b>297 303</b>
<b>Surplus/(Deficit) for the year</b>	<b>2</b>	<b>6 233</b>	<b>14 345</b>	<b>25 472</b>	<b>94</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(2 831)</b>	<b>(333)</b>	<b>(3 649)</b>

26 LINDA VUJO - SPOUSE SAC X22  
SAC X22  
29 MAY 2023

TEL: 021 425 1107 • FAX: 021 425 1014  
info@ednet.org.za • www.ednet.org.za

AB



TABLE A4 - Budget Financial Performance (Revenue & Expenditure)

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>	<b>1</b>										
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	236	286	278	400	200	200	200	200	210	220
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	600	600	600	600	600	630	660
Service charges - Waste Management	2	11 468	11 844	9 812	12 572	13 272	13 272	13 272	15 000	15 750	16 400
Sale of Goods and Rendering of Services		3 606	4 613	7 227	7 928	8 373	8 373	8 373	9 223	9 335	9 964
Agency services		10 127	11 343	11 501	11 351	11 597	11 597	11 597	12 770	13 429	13 886
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	-	-	-	50	55	60
Interest earned from Current and Non Current Assets		1 899	2 287	2 558	2 000	2 750	2 750	2 750	4 000	4 000	4 000
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		10 747	11 856	12 458	12 930	12 925	12 925	12 925	13 825	14 355	15 185
Licence and permits		137	230	225	2 500	1 000	1 000	1 000	1 000	1 000	1 000
Operational Revenue		4 183	2 607	2 002	3 466	1 973	1 973	1 973	423	452	478
<b>Non-Exchange Revenue</b>											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-
Licences or permits		-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		169 680	205 928	202 394	197 193	206 187	206 187	206 187	214 389	223 043	229 801
Interest		-	-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		1 465	-	1 812	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	11 724	2 500	-	-	-	2 000	1 500	1 500
Other Gains		7 384	520	5 831	-	-	-	-	-	-	-
Discontinued Operations											
<b>Total Revenue (excluding capital transfers and Expenditure)</b>		<b>220 932</b>	<b>251 515</b>	<b>267 821</b>	<b>253 440</b>	<b>258 877</b>	<b>258 877</b>	<b>258 877</b>	<b>273 479</b>	<b>283 759</b>	<b>293 153</b>
<b>Expenditure</b>											
Employee related costs	2	113 215	116 527	122 755	135 932	133 108	133 108	133 108	138 697	148 699	156 976
Remuneration of councillors		6 197	5 852	5 872	6 166	6 426	6 426	6 426	6 340	6 746	7 164
Bulk purchases - electricity	2	385	766	329	400	250	250	250	200	210	220
Inventory consumed	8	42 327	56 358	50 516	46 462	55 711	55 711	55 711	62 321	64 863	66 280
Debt impairment	3	145	67	67	200	100	100	100	100	100	100
Depreciation and amortisation		3 573	3 831	3 575	3 626	3 626	3 626	3 626	3 654	3 680	3 709
Interest		3 860	3 448	3 492	3 329	3 289	3 289	3 289	2 753	3 015	3 303
Contracted services		16 389	16 137	24 539	23 792	26 590	26 590	26 590	30 074	25 215	26 560
Transfers and subsidies		-	680	399	-	2 799	2 799	2 799	-	-	-
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-	-
Operational costs		28 835	36 735	32 094	33 440	32 712	32 712	32 712	32 672	32 064	32 992
Losses on disposal of Assets		464	322	807	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>215 390</b>	<b>240 723</b>	<b>244 445</b>	<b>253 346</b>	<b>264 610</b>	<b>264 610</b>	<b>264 610</b>	<b>276 811</b>	<b>284 592</b>	<b>297 303</b>
<b>Surplus/(Deficit)</b>		<b>5 541</b>	<b>10 792</b>	<b>23 377</b>	<b>94</b>	<b>(5 733)</b>	<b>(5 733)</b>	<b>(5 733)</b>	<b>(3 331)</b>	<b>(833)</b>	<b>(4 149)</b>
Transfers and subsidies - capital (monetary)	6	691	2 886	1 116	-	2 250	2 250	2 250	500	500	500
Transfers and subsidies - capital (in-kind)	6	-	667	980	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>6 233</b>	<b>14 345</b>	<b>25 472</b>	<b>94</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(2 831)</b>	<b>(333)</b>	<b>(3 649)</b>
Income Tax		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>6 233</b>	<b>14 345</b>	<b>25 472</b>	<b>94</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(2 831)</b>	<b>(333)</b>	<b>(3 649)</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>6 233</b>	<b>14 345</b>	<b>25 472</b>	<b>94</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(2 831)</b>	<b>(333)</b>	<b>(3 649)</b>
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>1</b>	<b>6 233</b>	<b>14 345</b>	<b>25 472</b>	<b>94</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(2 831)</b>	<b>(333)</b>	<b>(3 649)</b>

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280

29 MAY 2023

TEL: 020 425 1157 • FAX: 020 425 1014  
info@odm.org.za • www.odm.org.za

*[Handwritten signature]*

TABLE A5 – Capital Expenditure Budget by Vote and Funding

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>	<b>1</b>										
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	<b>2</b>										
Vote 1 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 2 - Management Services		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	137	50	1 270	1 270	1 270	-	-	-
Vote 4 - Finance		-	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services		-	-	-	39	4 900	4 900	4 900	-	-	-
<b>Capital multi-year expenditure sub-total</b>	<b>7</b>	-	-	137	89	6 170	6 170	6 170	-	-	-
<b>Single-year expenditure to be appropriated</b>	<b>2</b>										
Vote 1 - Municipal Manager		-	45	262	350	15	15	15	30	20	-
Vote 2 - Management Services		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		403	249	1 707	5 065	1 122	1 122	1 122	1 339	580	230
Vote 4 - Finance		16	74	476	1 200	3	3	3	20	15	10
Vote 5 - Community Services		2 579	4 668	6 955	3 570	8 010	8 010	8 010	4 966	1 061	3 061
<b>Capital single-year expenditure sub-total</b>		<b>2 998</b>	<b>5 036</b>	<b>9 400</b>	<b>10 185</b>	<b>9 150</b>	<b>9 150</b>	<b>9 150</b>	<b>6 355</b>	<b>1 676</b>	<b>3 301</b>
<b>Total Capital Expenditure - Vote</b>		<b>2 998</b>	<b>5 036</b>	<b>9 537</b>	<b>10 274</b>	<b>15 320</b>	<b>15 320</b>	<b>15 320</b>	<b>6 355</b>	<b>1 676</b>	<b>3 301</b>
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		<b>419</b>	<b>368</b>	<b>2 582</b>	<b>6 665</b>	<b>2 415</b>	<b>2 415</b>	<b>2 415</b>	<b>1 359</b>	<b>595</b>	<b>240</b>
Executive and council		-	45	102	200	-	-	-	-	-	-
Finance and administration		419	323	2 321	6 315	2 415	2 415	2 415	1 359	595	240
Internal audit		-	-	160	150	-	-	-	-	-	-
<b>Community and public safety</b>		<b>2 576</b>	<b>3 997</b>	<b>6 539</b>	<b>3 479</b>	<b>7 928</b>	<b>7 928</b>	<b>7 928</b>	<b>4 960</b>	<b>1 055</b>	<b>3 055</b>
Community and social services		-	-	-	-	-	-	-	-	-	-
Sport and recreation		119	340	613	339	2 583	2 583	2 583	920	240	250
Public safety		2 416	3 657	5 474	2 355	5 285	5 285	5 285	4 000	800	2 775
Housing		-	-	-	-	-	-	-	-	-	-
Health		40	-	451	785	60	60	60	40	15	30
<b>Economic and environmental services</b>		<b>3</b>	<b>4</b>	<b>416</b>	<b>130</b>	<b>78</b>	<b>78</b>	<b>78</b>	<b>36</b>	<b>26</b>	<b>6</b>
Planning and development		-	-	-	-	15	15	15	30	20	-
Road transport		3	-	358	-	-	-	-	-	-	-
Environmental protection		-	4	58	130	63	63	63	6	6	6
<b>Trading services</b>		<b>-</b>	<b>668</b>	<b>-</b>	<b>-</b>	<b>4 900</b>	<b>4 900</b>	<b>4 900</b>	<b>-</b>	<b>-</b>	<b>-</b>
Energy sources		-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	668	-	-	4 900	4 900	4 900	-	-	-
<b>Other</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Functional</b>	<b>3</b>	<b>2 998</b>	<b>5 036</b>	<b>9 537</b>	<b>10 274</b>	<b>15 320</b>	<b>15 320</b>	<b>15 320</b>	<b>6 355</b>	<b>1 676</b>	<b>3 301</b>
<b>Funded by:</b>											
National Government		66	-	-	-	-	-	-	-	-	-
Provincial Government		625	2 886	1 116	-	2 250	2 250	2 250	500	500	500
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	<b>4</b>	<b>691</b>	<b>2 886</b>	<b>1 116</b>	<b>-</b>	<b>2 250</b>	<b>2 250</b>	<b>2 250</b>	<b>500</b>	<b>500</b>	<b>500</b>
<b>Borrowing</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>2 948</b>	<b>39</b>	<b>4 900</b>	<b>4 900</b>	<b>4 900</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Internally generated funds</b>		<b>2 307</b>	<b>2 151</b>	<b>5 474</b>	<b>10 235</b>	<b>8 170</b>	<b>8 170</b>	<b>8 170</b>	<b>5 855</b>	<b>1 176</b>	<b>2 801</b>
<b>Total Capital Funding</b>	<b>7</b>	<b>2 998</b>	<b>5 036</b>	<b>9 537</b>	<b>10 274</b>	<b>15 320</b>	<b>15 320</b>	<b>15 320</b>	<b>6 355</b>	<b>1 676</b>	<b>3 301</b>

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023

TEL: 029 426 1151 • FAX: 029 426 1014  
info@odm.org.za • www.odm.org.za

*[Handwritten signature]*



TABLE A6 – Budget Position

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
ASSETS											
Current assets											
Cash and cash equivalents	1	36 647	56 076	44 932	44 880	43 585	43 585	43 585	35 691	35 857	29 508
Trade and other receivables from exchange transactions		12 264	6 413	16 551	9 529	4 551	4 551	4 551	4 551	4 551	4 551
Receivables from non-exchange transactions		508	516	534	516	534	534	534	534	534	534
Current portion of non-current receivables	2	2 146	2 052	1 931	1 982	2 026	2 026	2 026	2 154	2 289	2 434
Inventory		700	1 150	1 873	1 150	1 873	1 873	1 873	1 873	1 873	1 873
VAT		2 754	12 491	11 975	–	5 975	5 975	5 975	5 975	5 975	5 975
Other current assets		–	–	–	–	–	–	–	–	–	–
Total current assets		55 020	78 697	77 795	58 057	58 544	58 544	58 544	50 777	51 079	44 874
Non current assets											
Investments	3										
Investment property		12 811	12 811	12 797	12 781	12 783	12 783	12 783	12 769	12 755	12 741
Property, plant and equipment		66 009	66 898	71 605	77 544	83 315	83 315	83 315	86 033	84 046	83 653
Biological assets											
Living and non-living resources											
Heritage assets											
Intangible assets		18	12	8	13	6	6	6	3	1	0
Trade and other receivables from exchange transactions		–	–	–	–	–	–	–	–	–	–
Non-current receivables from non-exchange transactions		18 988	22 932	22 192	24 895	23 330	23 330	23 330	24 800	26 362	28 023
Other non-current assets											
Total non current assets		97 826	102 653	106 601	115 234	119 434	119 434	119 434	123 605	123 163	124 417
TOTAL ASSETS		152 846	181 350	184 397	173 291	177 977	177 977	177 977	174 382	174 242	169 290
LIABILITIES											
Current liabilities											
Bank overdraft	4	–	–	–	–	–	–	–	–	–	–
Financial liabilities		2 949	3 296	4 631	4 120	5 365	5 365	5 365	4 706	5 141	–
Consumer deposits		8	8	8	8	8	8	8	8	8	8
Trade and other payables from exchange transactions	5	9 965	19 075	5 019	5 922	5 019	5 019	5 019	5 019	5 019	5 019
Trade and other payables from non-exchange transactions		7 484	5 666	3 273	16 217	446	446	446	446	446	446
Provision		14 026	14 313	14 271	15 885	15 127	15 127	15 127	16 035	16 997	18 017
VAT		–	–	–	628	–	–	–	–	–	–
Other current liabilities											
Total current liabilities		34 433	42 359	27 202	42 780	25 965	25 965	25 965	26 214	27 611	23 490
Non current liabilities											
Financial liabilities	6	22 211	18 916	16 589	11 112	11 225	11 225	11 225	6 519	1 377	–
Provision	7	49 222	58 752	53 810	64 479	57 475	57 475	57 475	61 168	65 105	69 301
Long term portion of trade payables		–	–	–	–	–	–	–	–	–	–
Other non-current liabilities		–	–	–	–	–	–	–	–	–	–
Total non current liabilities		71 434	77 668	70 399	75 591	68 699	68 699	68 699	67 687	66 482	69 301
TOTAL LIABILITIES		105 867	120 027	97 601	118 372	94 664	94 664	94 664	93 901	94 094	92 791
NET ASSETS		46 979	61 324	86 796	54 919	83 313	83 313	83 313	80 481	80 148	76 499
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8	46 979	56 335	73 796	45 499	70 313	70 313	70 313	67 481	67 148	63 499
Reserves and funds	9	–	4 989	13 000	9 420	13 000	13 000	13 000	13 000	13 000	13 000
Other											
TOTAL COMMUNITY WEALTH/EQUITY	10	46 979	61 324	86 796	54 919	83 313	83 313	83 313	80 481	80 148	76 499

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023

TEL: 028 425 1467 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

TABLE A7 – Budget Cash flows

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		–	–	–	–	–	–	–	–	–	–
Service charges		9 726	13 729	10 333	13 572	13 972	13 972	13 972	15 800	16 590	17 280
Other revenue		22 400	34 779	30 258	37 775	35 868	35 868	35 868	37 140	38 471	40 412
Transfers and Subsidies - Operational	1	176 155	212 845	190 057	197 193	204 010	204 010	204 010	214 389	223 043	229 801
Transfers and Subsidies - Capital	1	266	1 232	1 950	–	1 600	1 600	1 600	500	500	500
Interest		1 877	2 257	2 529	2 200	2 750	2 750	2 750	4 050	4 055	4 060
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		(203 348)	(235 421)	(234 994)	(244 467)	(246 482)	(246 482)	(246 482)	(268 219)	(275 570)	(287 811)
Finance charges		(3 004)	(2 662)	(2 632)	(2 315)	(2 315)	(2 315)	(2 315)	(1 834)	(2 041)	(2 272)
Transfers and Subsidies	1	–	(680)	(399)	–	(2 799)	(2 799)	(2 799)	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		4 072	26 079	(2 899)	3 958	6 604	6 604	6 604	1 826	5 048	1 970
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	1 304	2 500	12 000	12 000	12 000	2 000	1 500	1 500
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		(3 001)	(3 701)	(5 609)	(10 274)	(15 320)	(15 320)	(15 320)	(6 355)	(1 676)	(3 301)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(3 001)	(3 701)	(4 305)	(7 774)	(3 320)	(3 320)	(3 320)	(4 355)	(176)	(1 801)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–
Payments											
Repayment of borrowing		(2 872)	(2 949)	(3 939)	(3 684)	(4 631)	(4 631)	(4 631)	(5 365)	(4 706)	(6 519)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(2 872)	(2 949)	(3 939)	(3 684)	(4 631)	(4 631)	(4 631)	(5 365)	(4 706)	(6 519)
NET INCREASE/ (DECREASE) IN CASH HELD		(1 801)	19 429	(11 144)	(7 499)	(1 347)	(1 347)	(1 347)	(7 894)	166	(6 350)
Cash/cash equivalents at the year begin:	2	38 448	36 647	56 076	52 379	44 932	44 932	44 932	43 585	35 691	35 857
Cash/cash equivalents at the year end:	2	36 647	56 076	44 932	44 880	43 585	43 585	43 585	35 691	35 857	29 508

TABLE A8 – Cash back reserves/accumulated surplus provision

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	36 647	56 076	44 932	44 880	43 585	43 585	43 585	35 691	35 857	29 508
Other current investments > 90 days		0	0	0	(0)	(0)	(0)	(0)	-	-	(0)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		36 647	56 076	44 932	44 880	43 585	43 585	43 585	35 691	35 857	29 508
Application of cash and investments											
Trade payables from Non-exchange transactions: Un		7 484	5 666	3 273	16 217	446	446	446	446	446	446
Unspent borrowing		4 912	4 912	4 912	112	112	112	112	112	112	112
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(767)	2 659	(8 600)	(8 414)	(10 140)	(10 140)	(10 140)	(10 128)	(10 115)	(10 102)
Other provisions		967	1 804	2 567	3 467	3 467	3 467	3 467	4 267	5 067	5 867
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	4 989	13 000	9 420	13 000	13 000	13 000	13 000	13 000	13 000
Total Application of cash and investments:		12 596	20 030	15 152	20 801	6 885	6 885	6 885	7 697	8 510	9 323
Surplus(shortfall)		24 051	36 045	29 780	24 078	36 701	36 701	36 701	27 995	27 348	20 185



TABLE A9 – Asset Management

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	1 869	4 662	4 925	5 119	8 332	8 332	2 630	320	2 275
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	2 298	55	-	-	-	-	-	-
Other Assets		-	2 298	55	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	6	-	-	-	-	-
Intangible Assets		-	-	-	6	-	-	-	-	-
Computer Equipment		-	78	137	4 500	365	365	-	-	-
Furniture and Office Equipment		272	95	174	203	45	45	30	20	-
Machinery and Equipment		835	590	1 047	403	3 673	3 673	100	50	75
Transport Assets		762	934	3 512	7	4 250	4 250	2 500	250	2 200
Land		-	668	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	641	206	3 755	2 651	1 155	1 155	2 155	216	276
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	44	-	-	-	-	-
Other Assets		-	-	-	44	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	171	136	450	270	270	264	100	100
Furniture and Office Equipment		16	35	2 898	2 057	440	440	991	116	176
Machinery and Equipment		625	-	321	-	40	40	900	-	-
Transport Assets		-	-	400	100	405	405	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRINCE ALFRED RD 422  
BREDASDORP 7310  
29 MAY 2023  
TEL: 028 425 1157 • FAX: 028 425 1014  
Info@odm.org.za • www.odm.org.za

<b>Total Upgrading of Existing Assets</b>	6	488	169	858	2 504	5 833	5 833	1 570	1 140	750
Roads Infrastructure	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	-	-	39	4 900	4 900	-	-	-	-
Rail Infrastructure	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	39	4 900	4 900	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-	-
Community Assets	-	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	15	283	283	320	400	-	-
Housing	84	169	316	300	650	650	220	240	250	-
Other Assets	84	169	316	315	933	933	540	640	250	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Computer Equipment	384	-	-	-	-	-	530	-	-	-
Furniture and Office Equipment	19	-	38	-	-	-	-	-	-	-
Machinery and Equipment	-	-	503	-	-	-	-	-	-	-
Transport Assets	-	-	-	2 150	-	-	500	500	500	-
Land	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
Mature	0	0	-	-	-	-	-	-	-	-
Immature	-	-	-	-	-	-	-	-	-	-
Living Resources	0	0	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	4	2 998	5 036	9 537	10 274	15 320	15 320	6 355	1 676	3 301
Roads Infrastructure	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	-	-	39	4 900	4 900	-	-	-	-
Rail Infrastructure	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	39	4 900	4 900	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-	-
Community Assets	-	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	15	283	283	320	400	-	-
Housing	84	2 466	371	344	650	650	220	240	250	-
Other Assets	84	2 466	371	359	933	933	540	640	250	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	6	-	-	-	-	-	-
Intangible Assets	-	-	-	6	-	-	-	-	-	-
Computer Equipment	384	249	274	4 950	635	635	794	100	100	-
Furniture and Office Equipment	307	129	3 110	2 260	484	484	1 021	136	176	-
Machinery and Equipment	1 460	590	1 871	403	3 713	3 713	1 000	50	75	-
Transport Assets	762	934	3 912	2 257	4 655	4 655	3 000	750	2 700	-
Land	-	668	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
Mature	0	0	-	-	-	-	-	-	-	-
Immature	-	-	-	-	-	-	-	-	-	-
Living Resources	0	0	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>	4	2 998	5 036	9 537	10 274	15 320	15 320	6 355	1 676	3 301

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PHASE 2 B&G 722  
BREDABURGH 7260



29 MAY 2023  
TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

*[Handwritten signature]*



<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	78 813	79 720	84 409	90 339	96 104	96 104	98 805	96 801	96 394
Roads Infrastructure		1 464	1 406	1 370	1 406	1 370	1 370	1 370	1 370	1 370
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		210	191	186	191	186	186	186	186	186
Water Supply Infrastructure		1 535	2 041	2 023	2 077	2 023	2 023	2 023	2 023	2 023
Sanitation Infrastructure		1 581	1 380	1 344	1 380	1 344	1 344	1 344	1 344	1 344
Solid Waste Infrastructure		27 029	25 874	25 060	25 729	29 706	29 706	29 124	26 518	27 886
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>31 818</b>	<b>30 892</b>	<b>29 983</b>	<b>30 783</b>	<b>34 628</b>	<b>34 628</b>	<b>34 046</b>	<b>33 440</b>	<b>32 809</b>
Community Assets		12	11	11	11	11	11	11	11	11
Heritage Assets		-	-	-	-	-	-	-	-	-
Investment properties		12 811	12 811	12 797	12 781	12 783	12 783	12 769	12 755	12 741
Other Assets		14 313	16 408	10 963	16 643	11 476	11 476	11 886	12 416	12 546
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		18	12	8	13	6	6	3	1	0
Computer Equipment		1 387	1 400	1 335	6 508	1 473	1 473	1 770	1 373	974
Furniture and Office Equipment		2 552	2 307	4 422	3 585	4 425	4 425	4 965	4 618	4 307
Machinery and Equipment		2 924	3 236	4 716	5 275	8 396	8 396	9 364	9 382	9 425
Transport Assets		12 976	12 643	15 176	14 728	17 906	17 906	18 981	17 806	18 581
Land		-	-	4 999	-	4 999	4 999	4 999	4 999	4 999
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	<b>78 813</b>	<b>79 720</b>	<b>84 409</b>	<b>90 339</b>	<b>96 104</b>	<b>96 104</b>	<b>98 805</b>	<b>96 801</b>	<b>96 394</b>
<b>EXPENDITURE OTHER ITEMS</b>		<b>12 123</b>	<b>13 155</b>	<b>14 238</b>	<b>12 077</b>	<b>13 172</b>	<b>13 172</b>	<b>13 122</b>	<b>13 417</b>	<b>14 010</b>
Depreciation	7	3 573	3 831	3 575	3 626	3 626	3 626	3 654	3 680	3 709
Repairs and Maintenance by Asset Class	3	8 550	9 324	10 663	8 451	9 547	9 547	9 468	9 737	10 301
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	30	30	30	-	5	5
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	5 333	6 241	6 241	6 500	6 890	7 303
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>5 363</b>	<b>6 271</b>	<b>6 271</b>	<b>6 500</b>	<b>6 895</b>	<b>7 308</b>
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	780	579	579	872	601	628
Housing		4 749	5 414	8 003	75	75	75	70	72	75
<b>Other Assets</b>		<b>4 749</b>	<b>5 414</b>	<b>8 003</b>	<b>855</b>	<b>654</b>	<b>654</b>	<b>942</b>	<b>673</b>	<b>703</b>
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	4	4	-	-	-
Machinery and Equipment		1 327	905	726	712	726	726	916	969	994
Transport Assets		2 475	3 005	1 934	1 521	1 892	1 892	1 110	1 201	1 296
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Nature		-	-	-	-	-	-	-	-	-
Immaure		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		<b>12 123</b>	<b>13 155</b>	<b>14 238</b>	<b>12 077</b>	<b>13 172</b>	<b>13 172</b>	<b>13 122</b>	<b>13 417</b>	<b>14 010</b>
Renewal and upgrading of Existing Assets as % of total capex		37.6%	7.4%	48.4%	50.2%	45.6%	45.6%	58.6%	80.9%	31.1%
Renewal and upgrading of Existing Assets as % of deprecn		31.6%	9.6%	129.0%	142.2%	192.7%	192.7%	102.0%	36.9%	27.7%
R&M as a % of PPE		13.0%	13.9%	14.9%	10.9%	11.5%	11.5%	11.4%	11.3%	12.3%
Renewal and upgrading and R&M as a % of PPE		12.0%	12.0%	18.0%	15.0%	17.0%	17.0%	13.0%	11.0%	12.0%

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET | KENILDE BAG X22  
BREDASDORP 7480



29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

*[Handwritten signature]*

TABLE A10 – Service Delivery Measurement

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Household service targets</b>	1									
<b>Water:</b>										
Piped water inside dwelling		-	-	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)		-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Sanitation/sewerage:</b>										
Flush toilet (connected to sewerage)		-	-	-	-	-	-	-	-	-
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Energy:</b>										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Refuse:</b>										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Households receiving Free Basic Service</b>	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
<i>Informal Settlements</i>		-	-	-	-	-	-	-	-	-
<b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>										
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-
<b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>		-	-	-	-	-	-	-	-	-
<b>Total cost of FBS provided</b>	8	-	-	-	-	-	-	-	-	-
<b>Highest level of free service provided per household</b>										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
<b>Revenue cost of subsidised services provided (R'000)</b>	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA										
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
<b>Total revenue cost of subsidised services provided</b>	6	-	-	-	-	-	-	-	-	-

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / 24 DE WET STREET, BARG 422  
BR200450006 7200  
29 MAY 2023  
TEL: 028 425 4157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

*[Handwritten signature]*

## PART 2 – SUPPORTING DOCUMENTATION

### 1. Overview of Annual Budget Process

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
DABDORF 7190



29 MAY 2023

#### 1.1 Political oversight of the budget process

TEL: 023 425 1167 • FAX: 023 425 1014  
info@odm.org.za • www.odm.org.za

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 guides the preparation of the budget.

Section 21(1) of the MFMA states that the Mayor of a municipality must co-ordinate 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 organisations such as portfolio committees.

#### 1.2 Schedule of Key Deadlines relating to budget process [MFMA s21 (1) (b)]

The IDP and Budget time schedule of the 2023/2024 budget cycle was approved by Council in August 2022, ten months prior to the start of the budget year in compliance with legislative directives.

#### 1.3 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 2022/23 and the update of the MTREF to determine the affordability and sustainability framework at the same time. A draft IDP was tabled on 27 March 2023 and strategic session held on 24 April 2023.





#### 1.4 Process for consultation with each group of stakeholders and outcomes

Following the tabling of the draft budget on 27 March 2023, local input was obtained via solicited notices published in all major newspapers across the region. while the budget will also be placed on the municipal website at [www.odm.org.za](http://www.odm.org.za).

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

26 LONG STREET / PRIVATE BAG X22  
29 MAY 2023

#### 1.5 Stakeholders involved in consultations

The tabled budget will be provided to National Treasury and Provincial Treasury for their consideration in line with S23 of the MFMA, however the draft budgeted inputs was already received.

TEL: 028 425 1167 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

#### 1.6 Process and media used to provide information on the Budget to the community

Following the tabling of the draft budget in March 2023, local input will be solicited via notices published in all major newspapers across the region while the budget will also be placed on the municipal website at [www.odm.org.za](http://www.odm.org.za).

#### 1.7 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 for 2023/2024), advertisements will be placed in the local newspapers across the region and the municipal website and social media. The information relating to the budget documentation will be displayed at the notice boards in the municipal offices, Thusong centres and libraries in the district.

In compliance with S 22 of the MFMA, the Budget documentation will be published on the municipality's website following the tabling thereof at Council on 27 March 2023 and the approval thereof in May 2023. There were no changes to the Budget Assumptions



## 2. Overview of Alignment of budget to IDP

- **The Vision of the Municipality**

The Municipality's long-term vision:

*"Overberg – the opportunity gateway to Africa through sustainable services"*

OVERBERG DISTRICT MUNICIPALITY  
20 LIND STREET - PRIVATE BAG X22  
BREDASBURG 7290



29 MAY 2023

TEL: 029 425 1101 • FAX: 029 425 1014  
info@odm.org.za • www.odm.org.za

- **Alignment with Provincial and National Government**

Overberg District Municipality's development plan needs to be aligned 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), Provincial Spatial Development Framework (PSDF), and the Provincial Strategic Plan.

All these feed into and influence the Integrated Development Plan.

- **Overberg District Municipality Budget Priorities (Key Performance areas)**

The Municipality's Integrated Development Plan focuses on five strategic focus areas. The concrete objectives for each strategic focus area have been outlined and elaborated on in the Strategic Plan. These objectives will be used to further develop key performance indicators against which performance implementation monitoring and reporting will be done. The corporate scorecard outlines these indicators and targets.

The five strategic outcomes are:

1. To ensure the well-being of all in the Overberg through the provision of efficient **basic services and infrastructure**.
2. To promote **regional economic development** by supporting initiatives in the district for the development of a sustainable district economy.
3. To ensure **municipal transformation and institutional development** by creating a staff structure that would adhere to the principles of employment equity and promote skill development.
4. To attain and maintain **financial viability** and sustainable by executing accounting services in accordance with National policy and guidelines.

A handwritten signature in black ink, located in the bottom right corner of the page.

5. To ensure **good governance** practices by providing a democratic and pro-active accountable government and ensuring community participation through IGR structures.

### **Amendments to the Integrated Development Plan**

At the Strategic Session of Council on 24 April 2023, the Executive Mayor will reaffirm the strategic direction of Council. An IDP Review process was therefore followed, and not an Amendment.

The complete Integrated Development Plan Review will be presented at the Council, prior to tabling the Review to Council for adoption. Electronic copies will be sent to all Councillors and Management.

## **3. Measurable performance Objectives and Indicators**

### **KEY FINANCIAL INDICATORS AND RATIOS**

Information regarding key financial indicators and ratios are provided on Supporting Table SA 7.

#### **(a) MEASURABLE PERFORMANCE OBJECTIVES**

Information regarding revenue is provided as follows:

- Revenue for each vote - SA 26
- Revenue for each source - SA 25

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PARADE 640 X22  
BREDAKOP 7260



29 MAY 2023

TEL: 053 456 4107 • FAX: 053 426 1014  
info@odm.org.za • www.odm.org.za

## **4. Overview of Budget related Policies**

The following budget related policies was approved by Council, and are currently being reviewed / amended, in line with National Guidelines and Legislation.

- 4.1 Asset Management Policy;
- 4.2 Borrowing Policy;
- 4.3 Budget Policy;
- 4.4 Cash management and investment Policy;

- 4.5 Cost containment Policy
- 4.6 Credit control and debt collection Policy;
- 4.7 Customer Care Policy;
- 4.8 Demand Management Policy;
- 4.9 Funding and reserves Policy;
- 4.10 Infrastructure Investments and Capital Projects Policy;
- 4.11 Infrastructure Procurement and Delivery Policy;
- 4.12 Liquidity Policy;
- 4.13 Long Term Financial Planning Policy;
- 4.14 Management and Administration of Immovable Policy;
- 4.15 Payroll Management & Administration Policy;
- 4.16 Preferential procurement Framework Policy;
- 4.17 Supply Chain Management Policy;
- 4.18 Tariff Policy;
- 4.19 Travel and Subsistence Policy; and
- 4.20 Virement Policy
- 4.21 Acting, additional and secondment policy
- 4.22 EPWP Policy

Policies will be available at the municipal offices in the district, electronically as per request, as well as on the website of the municipality.

Reviewed policies will be circulate to Council with the final budget for considered for approval on 29 May 2023.

### **Budget Checklist**

*The final budget does not result in a deficit - **NO***

*The final budget is regarded as a funded budget if the budget assumptions realized- **YES, (A8-Cashback by accumulated reserves)***

*The final budget is focus on service delivery - **YES***

*The final budget gave attention to cost containment and comply to NT guidelines & mSCOA alignment - **YES***

*The final budget is financially sustainable if the budget assumptions realized – **Only on the short term but not over the Medium to Long term***

*This employee cost in this draft budget was calculated in accordance with the Wage agreement and did not consider any intention to apply for an exemption thereof – **YES***

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023

TEL: 039 425 4457 • FAX: 039 425 1014  
info@odm.org.za • www.odm.org.za

## 5. Overview of Budget Assumptions

### Expenditure

#### Salaries and Allowances

Wage negotiations have been finalised between the Unions and the South African Local Government Association and the municipality budgeted for 1.5% notch and medical fund increases. In line with National Treasury's Budget Circular 123 guidelines and the Bargaining Council circular 08/2023 (31 March 2023), 5.4% for annual increments had been set to contribute towards the deficit budget.

It is also assumed that the current employees will not resign and therefore notch increases for all employees are budgeted for. Inclusive are priority funded vacancies of which some are in the process of being filled.

#### General expenditure

It is assumed that costs for services and fuel will increase with more than the current CPI inflation target provide by National Treasury over the medium term. It is also assumed that the majority of capital projects for 2023/2024 will be completed during the financial year as depreciation are budgeted on these projects as per General Recognized Accounting Practice (GRAP) principles.

Depreciation on new capital expenditure is calculated at a varying rate ranging between 3 and 50 years depending on the nature of the assets. The useful lives of assets were reviewed during the current year which impacted the depreciation forecast.

#### Repairs and Maintenance

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

Overseas District Municipality  
26 LOWE STREET, PHOENIX PARK 222  
TEL: 051 451 1017 • FAX: 051 451 1014  
info@odm.org.za • www.odm.org.za



29 MAY 2023

TEL: 051 451 1017 • FAX: 051 451 1014  
info@odm.org.za • www.odm.org.za



### Capital costs

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

### Revenue

#### Grants

- ▶ It is assumed that the National and Provincial grants as per the Division of Revenue Bill (DORA Bill) which has been included in the budget will be received during the 2023/2024 financial year.
- ▶ Additional Revenue Assumptions
  - Sale of investment properties = R2 000 000
  - Interest on Current Deposito Accounts = R4 000 000
  - Interest on outstanding debt = R 50 000
  - Legal Fees Recouped = R 500 000
  - Roads Agency Function = R12 769 565
  - Fire Services (B-Muni's) = R 5 068 046

#### Total Operating Results

ODM moved to a deficit budget during the previous 2022/23 Adjustment Budget and will strive to shift out of this position in future, however it becomes more difficult as time passes. New revenue streams, more allocations for functions from NT and PT and sustainable cost reflective tariffs are required to remain sustainable and a going concern.

## **6. Overview of Budget Funding**

### Summary

*The operating budget for 2023/2024 will be financed as follows:*

*Income and Expenditure type (Excluding Roads)*

OVERBERG DISTRICT MUNICIPALITY  
24 LONG STREET / PRIVATE BAG X22  
BREDENBURG 7250  
29 MAY 2023

TEL: 029 428 4407 • FAX: 029 428 1014  
info@odm.org.za • www.odm.org.za



# SUMMARY INCOME & EXPENDITURE 2023/2024 MTREF EXCLUDING ROADS AGENCY

Revenue by Source	Original Budget 2023/24	Original Budget 2024/25	Original Budget 2025/26
Service charges - Electricity	R 200 000.00	R 210 000.00	R 220 000.00
Service charges - Waste Water Management	R 600 000.00	R 630 000.00	R 660 000.00
Service charges - Waste Management	R 15 000 000.00	R 15 750 000.00	R 16 400 000.00
Sale of Goods and Rendering of Services	R 9 223 046.00	R 9 334 628.76	R 9 963 956.49
Agency services	R 12 769 565.00	R 13 429 076.00	R 13 885 714.00
Interest earned from Receivables	R 50 000.00	R 55 000.00	R 60 000.00
Interest earned from Current and Non Current Assets	R 4 000 000.00	R 4 000 000.00	R 4 000 000.00
Rental from Fixed Assets	R 13 825 000.00	R 14 355 000.00	R 15 185 000.00
Licence and permits	R 1 000 000.00	R 1 000 000.00	R 1 000 000.00
Operational Revenue	R 422 700.00	R 452 450.00	R 477 500.00
Transfer and subsidies - Operational	R 92 013 927.00	R 94 347 570.33	R 96 729 571.69
Transfers and subsidies - Capital	R 500 000.00	R 500 000.00	R 500 000.00
Gains on disposal of Assets	R 2 000 000.00	R 1 500 000.00	R 1 500 000.00
	R 151 604 238.00	R 155 563 725.09	R 160 581 742.18

Expenditure by Type	Original Budget 2023/24	Original Budget 2024/25	Original Budget 2025/26
Employee related costs	R 88 052 327.00	R 93 632 745.77	R 99 383 335.78
Remuneration of councillors	R 6 339 757.00	R 6 745 501.45	R 7 163 722.54
Bulk purchases - electricity	R 200 000.00	R 210 000.00	R 220 000.00
Inventory consumed	R 4 790 200.00	R 4 910 650.00	R 5 086 850.00
Debt impairment	R 100 000.00	R 100 000.00	R 100 000.00
Depreciation and amortisation	R 3 653 586.43	R 3 679 854.00	R 3 708 918.00
Interest	R 2 433 186.00	R 2 684 841.00	R 2 962 559.00
Contracted services	R 26 973 918.20	R 21 894 294.80	R 23 032 011.49
Transfers and subsidies	R -	R -	R -
Operational costs	R 21 892 586.00	R 22 038 699.98	R 22 573 824.62
	R 154 435 560.63	R 155 896 587.00	R 164 231 221.42

Surplus/(Deficit) R -2 831 322.63 R -332 861.91 R -3 649 479.24

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023

TEL: 028 425 1107 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

# SUMMARY INCOME & EXPENDITURE 2023/2024 MTREF ROADS AGENCY

Revenue by Source	Original Budget 2023/24	Original Budget 2024/25	Original Budget 2025/26
Transfer and subsidies - Operational	R 122 375 000.00	R 128 695 313.00	R 133 071 429.00
	R 122 375 000.00	R 128 695 313.00	R 133 071 429.00

Expenditure by Type	Original Budget 2023/24	Original Budget 2024/25	Original Budget 2025/26
Employee related costs	R 50 645 000.00	R 55 066 250.00	R 57 592 695.00
Inventory consumed	R 57 531 000.00	R 59 952 713.00	R 61 192 660.00
Interest	R 320 000.00	R 330 000.00	R 340 000.00
Contracted services	R 3 100 000.00	R 3 321 000.00	R 3 528 270.00
Operational costs	R 10 779 000.00	R 10 025 350.00	R 10 417 804.00
	R 122 375 000.00	R 128 695 313.00	R 133 071 429.00

Surplus/(Deficit) R - R - R -

*The capital programme for MTREF period will be financed as follows*

TYPE	FUNDING SOURCES	FINAL BUDGET 2022/23	FINAL BUDGET 2023/24	FINAL BUDGET 2024/25
1	CAPITAL REPLACEMENT RESERVE	R5 855 000	R1 176 200	R2 801 300
2	REVENUE	R0	R0	R0
3	EXTERNAL LOANS	R0	R0	R0
4	GRANTS	R500 000	R500 000	R500 000
5	PRIVATE CONTRIBUTIONS	R0	R0	R0
	<b>TOTAL</b>	<b>R6 355 000</b>	<b>R1 676 200</b>	<b>R3 301 300</b>

### *Reserves*

The accumulated surpluses will be used to finance the depreciation on assets as the full provision for depreciation is not cash-backed. The financing of the depreciation will be phased in over a medium to long term period, if possible.

### *Sustainability of municipality*

The budget deficit will hamper the municipality regarding its sustainable, going forward. The current funding model for Overberg District Municipality is however not sustainable and will surely have a negative impact on the cashflow and liquidity of the municipality. Overberg District Municipality will therefore have to make difficult/important choices to ensure sustainability for the medium and long term or engage with stakeholders regarding alternative methods to secure the future of the municipality..

### 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:

- Domestic accommodation
- Travel cost
- Attendance of meetings/congresses
- Printing costs -paperless
- Organisational structure review

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023

TEL: 029 425 1101 • FAX: 029 425 1014  
info@odm.org.za • www.odm.org.za



## Investments

Particulars of monetary investments as at 30 April 2023

MONTHLY INVESTMENT REPORT						
OVERBERG DISTRICT MUNICIPALITY						
REPORTING MONTH: April 2023						
Apr 23	Account number	INSTITUTION	Balance as at 30 April 2023		Interest earned	
					Month	Rate
Overberg District Municipality						
ABSA Deposito Plus (Rehab)	9287550641	ABSA BANK	R	3 556 233.24	R	19 522.66 6.45%
NEDBANK Call Account	037881714042	NEDBANK	R	13 051 319.99	R	153 889.49 6.90%
Absa Investment Tracker (Main)	9358892970	ABSA BANK	R	38 913 633.75	R	259 880.30 7.65%
Absa Investment Tracker ( Special)	9374585345	ABSA BANK	R	20 460 011.94	R	136 639.88 7.65%
Total for Investments			R	75 981 198.92	R	569 932.33
Cheque Account	178-000-006-2	Absa Bank	R	40 880.44	R	- 0.00%
Primary Bank Account	1176524496	Nedbank	R	1 638 857.49	R	- 0.00%
Total for Bank Accounts			R	1 679 737.93	R	- 0.00%
TOTAL			R	77 660 936.85	R	569 932.33 0.00%

## Planned proceeds of sale of assets

The municipality budgeted for gains in 2023/2024 as revenue for municipal property that will be sold to the amount of R2 000 000 anticipated .

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

It is planned to use the previous year's cash backed surpluses to finance important/critical service delivery and income generated capital projects, to be funded from the Capital Replacement Reserve.

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

No additional nor new borrowings is anticipated for the 2023/2024 financial year

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023

TEL: 028 426 1167 • FAX: 028 426 1014  
info@odm.org.za • www.odm.org.za

Particulars of budgeted allocations and grants over the MTREF period:

*Operating Budget*

Grant	Type	2023/2024	2024/2025	2025/2026
Equitable Share	DORA	-R 84 437 000.00	-R 88 501 000.00	-R 90 551 000.00
Fin Man Grant	DORA	-R 1 000 000.00	-R 1 000 000.00	-R 1 138 000.00
RRAMS	DORA	-R 2 846 000.00	-R 2 974 000.00	-R 3 107 000.00
EPWP	DORA	-R 1 192 000.00	R -	R -
Safety Grant (WOSA)	Prov	-R 1 560 000.00	-R 1 622 000.00	-R 1 671 000.00
CDW	Prov	-R 57 000.00	-R 57 000.00	-R 57 000.00
WCFM Capability	Prov	-R 500 000.00	R -	R -
FIRE SAFETY Capacity	Prov	R -	R -	R -
<b>TOTAL</b>		<b>-R 91 592 000.00</b>	<b>-R94 154 000.00</b>	<b>-R96 524 000.00</b>

*Capital Budget*

Grant	Type	2023/2024	2024/2025	2025/2026
Fire Service Capacity Building Grant	Prov	-R 500 000.00	-R 500 000.00	-R 500 000.00

**FUNDING ASSESSMENT FOR 2023/2024**

The following table lists the factors that have been reviewed. Each of the factors is then further described below.

**No. Funding Compliance**

- 1 Cash/cash equivalent position
- 2 Cash plus investments less applications
- 3 Monthly average payments covered by cash or cash equivalents
- 4 Surplus/deficit excluding depreciation offsets
- 5 Property Rates/service charge revenue % increase less macro inflation target
- 6 Cash receipts % of ratepayer and other revenue
- 7 Debt impairment expense % of billable revenue
- 8 Capital payments % of capital expenditure
- 9 Borrowing as a % of capital expenditure (less transfers/grants/contributions)

OVERBERG DISTRICT MUNICIPALITY  
2nd Floor, Private Bag X22  
Pretoria, 0001  
Tel: 011 440 4400 / 4400  
Fax: 011 440 4401  
29 MAY 2023

TEL: 011 440 4400 • FAX: 011 440 4401  
E-MAIL: info@odm.org.za • www.odm.org.za

- 10 Transfers/grants revenue as a % of Government transfers/grants available
- 11 Consumer debtors' change (Current and Non-current)
- 12 Repairs & maintenance expenditure level
- 13 Asset renewal/rehabilitation expenditure level
- 14 Financial Performance Budget result
- 15 Financial Position Budget
- 16 Cash Flow Budget
- 17 Other key performance measures
- 18 Summary question

### **Funding compliance factor description**

Each of these 'funding factors' have been analysed and reviewed in their entirety prior to undertaking any analysis. Where the factor appears unfavourable and cannot be adequately motivated, the budget has been adjusted appropriately.

#### **(a) Cash/cash equivalent position**

The municipality foresees a positive cash position for the short term, as the working capital are cash-backed. The reserves are however not cash backed. The cash situation seems as if it is deteriorating, as the increase in revenue (grants) is less than the inflation rate and employee cost increases, hence expenditure increase with more than the inflation rate. The cash flow is currently positive and the **total Cash and Cash Equivalents on 30 April 2023 is R17 779 507. (C-Schedules)**

#### **(b) Cash plus investments less application of funds**

The purpose of this measure is to understand how the municipality has applied the available cash and investments identified at factor 1. Below are commitments against Cash and Cash equivalents as of 30 April 2023:

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7230



29 MAY 2023

TEL: 028 428 1167 • FAX: 028 428 1014  
info@odm.org.za • www.odm.org.za



Description	AMOUNTS
<b>LIQUIDITY REQUIREMENT</b>	
Unspent Conditional Grants	R9 593 424
External Loans unspent	R4 911 913
1 (one) Month Operational Expenditure	R13 522 892
Provisions	R4 206 233
Capital Replacement reserve	R10 519 549
Equitable share received in advance	R11 408 500
Loan repayments	R5 611 160
Commitments	R4 008 160
<b>Total Liquidity Requirement</b>	<b>R63 781 832</b>
<b>ACTUAL LIQUIDITY AVAILABLE</b>	
Total Investments	R75 981 199
VAT Refund (ABSA Deposit plus)	-R20 460 012
Rehabilitation provision (KWK)	-R3 556 233
<b>Balance of Investments</b>	<b>R51 964 954</b>
Cash book - Bank Balance	R1 679 738
Roads claims outstanding	R9 083 675
<b>Consumer Debtors (current – 60 days)</b>	<b>R 5 442 448</b>
<b>Total Liquidity Available</b>	<b>R68 170 815</b>
<b>Liquidity Shortfall(-)/Liquidity Surplus</b>	<b>R4 388 983</b>

TEL: 028 428 1467 • FAX: 028 428 1014  
info@odm.org.za • www.odm.org.za

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7200  
29 MAY 2023

#### (c) Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk (ability to meet monthly payments as and when they fall due) should the municipality be under stress.

The municipality does recover enough cash via grants/agency fee and income from resorts to cover its monthly average payments on the short term, but it is foreseen that, with the fact that the percentage increase in expenditure is more than the increase in revenue pose a serious risk for the municipality. Further financial risks arise if (a) the ruling by SARS indicates that VAT may not be claimed on the roads maintenance function and (b) unforeseen circumstances occur, which negatively impacts the recovery of landfill site revenue.

#### (d) Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand whether revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets.

This exercise indicates that there will be a possible surplus if the depreciation has been offset.

**(e) Property Rates/service charge revenue % increase less macro inflation target**

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

The revenue streams for Overberg District Municipality are currently not sufficient to achieve national inflation target, hence adjustments are required to the tariff structures to be more cost reflective.

**(f) Cash receipts % of ratepayer and other revenue**

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse an underlying assumed collection rate, i.e., how much cash is expected to be collected from current billing, charges, and arrear debtors.

The only billing at current for ODM is for rentals at the resorts, fire services rendered and for the dumping at the regional landfill site at Karwyderskraal.

**(g) Debt impairment expense % of billable revenue**

The purpose is to measure whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) must be increased to offset under-collection.

No debt impairment is currently anticipated.

**(h) Capital payments % of capital expenditure**

The purpose of this measure is to mainly understand whether the timing of payments is being taken into consideration when forecasting the cash position. The measure focuses on the capital budget because expenditure levels for this component of the budget can vary significantly from month to month, as there tends to be monthly consistency for operational budgets.

OVERBERG DISTRICT MUNICIPALITY  
28 LONG STREET / PRINCE ALBERT 6212  
BRIDGESIDE 7260



29 MAY 2023

TEL: 029 425 4917 • FAX: 029 425 1014  
info@odm.org.za • www.odm.org.za

The capital budget for 2023/24 have been focussed on service delivery capital acquisitions, vehicles, and vehicle upgrades/refurbishments, general ICT and security related assets and office equipment, hence projects to ensure the safety and sustainability of rendering services. These include additions to infrastructure, machinery, and equipment to ensure the continuation of the administration and service delivery.

**(i) Borrowing as a % of capital expenditure (excluding transfers, grants and contributions)**

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) should be excluded. Loan funding will be utilized at Karwyderskraal for the capital expenditure as listed in the previous years (2022/2023) capital project plan for solid waste. Currently no additional projects on borrowing are anticipated for the new financial year.

**(j) Transfers/grants revenue as a % of Government transfers/grants already obtained and available**

The purpose of this measurement is mainly to ensure that all available transfers from other government (national, provincial or district municipalities) have been included in the municipal budget, or that the transfer/grant budgets do not exceed available funds. A percentage less than 100 per cent could indicate that all Division of Revenue Bill (DORA Bill), provincial transfers or district transfers have not been budgeted and should be immediately reviewed.

The transfers/grants as per Division of Revenue Bill (DORA Bill) (100%) have been included in the revenue budget 2023/2024.

**(k) Consumer debtors change (Current and Non-current):**

The purposes of these measures are to ascertain whether budgeted reductions in outstanding debtors are realistic. The amounts of outstanding debtors are regarded as realistic.

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7200



29 MAY 2023

TEL: 033 455 1471 • FAX: 033 455 1014  
info@overberg.gov.za • www.overberg.gov.za



**(l) Repairs & maintenance (R&M) expenditure level**

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

The budgeted amount for Repairs and Maintenance amounts to **R9 468 M** (Schedule A9) which ODM budget to spend on own assets which equates to **6.13%** of Total Expenditure of R154.435 M (excluding Roads). The Repair and Maintenance which the Roads Division is spending on Provincial Assets is not considered.

**(m) Asset renewal/rehabilitation expenditure level**

This measure has a similar objective to the R&M measures but focus on the credibility of the levels of asset renewal plans.

**(n) Financial Performance Budget result (surplus/deficit)**

The purpose of this measure is to assess the overall budget. The municipality forecast's a positive cash position for the short term as the working capital are cash-backed. The reserves are not cash-backed. The cash situation seems to be deteriorating, as the increase in revenue (grants) is less than inflation rate while expenditure increase with more than the inflation rate.

A further financial risk arises if unforeseen circumstances occur, which negatively impacts the recovery of landfill site revenue.

**(o) Financial Position Budget**

The purpose of this measure is to also assess the overall budget.

**(p) Cash Flow Budget**

The purpose of this measure is to also assess the overall budget. The municipality does not recover enough cash on a monthly and quarterly basis (Equitable Share) to cover its monthly average payments and might need to use surpluses in investment accounts

Handwritten signature/initials.

throughout. A further financial risk arises if unforeseen circumstances occur, which negatively impacts the recovery of landfill site revenue.

## (q) Summary

The municipality currently project adequate cash funds collectively but will not generate enough cash to meets its operational requirements on the medium to long term. The financial position of the municipality is monitored on a daily basis by the relevant finance officials and reports are submitted to the Finance Portfolio Committee and if required, correctional steps are taken. When taking the accounting related expenditure also in consideration, the municipality is currently having a deficit budget.

## 7. Expenditure on allocations and Grant Programmes

Particulars of budgeted allocations and grants over the MTREF period:

### *Operating Budget*

Grant	Type	2023/2024	2024/2025	2025/2026
Equitable Share	DORA	-R 84 437 000	-R 88 501 000	-R 90 551 000
Fin Man Grant	DORA	-R 1 000 000	-R 1 000 000	-R 1 138 000
RRAMS	DORA	-R 2 846 000	-R 2 974 000	-R 3 107 000
EPWP	DORA	-R 1 192 000	R -	R -
Safety Grant (WOSA)	Prov	-R 1 560 000	-R 1 622 000	-R 1 671 000
CDW	Prov	-R 57 000	-R 57 000	-R 57 000
WCFM Capability	Prov	-R 500 000	R -	R -
FIRE SAFETY Capacity	Prov	R -	R -	R -
<b>TOTAL</b>		<b>-R 91 592 000</b>	<b>-R94 154 000</b>	<b>-R96 524 000</b>

### *Capital Budget*

Grant	Type	2023/2024	2024/2025	2025/2026
Fire Service Capacity Building Grant	Prov	-R 500 000	-R 500 000	-R 500 000

The above allocations and grants have been included in the operating and capital budgets.

OVERBERG DISTRICT MUNICIPALITY  
 26 LONG STREET / PRIVATE BAG X22  
 BREDASDORP 7280  
 29 MAY 2023  
 TEL: 028 426 4457 FAX: 028 426 1014  
 EMAIL: info@overbergmunicipality.org.za  
 WWW.OVERBERG.MUNICIPALITY.GOV.ZA

## 8. Allocations and Grants made by the municipality

No allocations or grants was made by the municipality, the municipality however do act as a coordinator and transfer agent for JDMA (Joint District and Metro Approach) projects to Local B-Municipalities.

## 9. Councillor member allowances and employee benefits

Allowances and employee benefits budgeted preliminary for 2023/2024:

### *Councillors*

- Salary
- Allowances for Cell phones
- Allowances for Transport
- Contributions

### *Senior Managers of the Municipality*

- Salary
- Allowances for transport
- Contributions
- Performance Bonuses

### *Other Employees*

- Salary
- Housing Subsidy
- Long service bonuses
- Allowances for Transport
- 13<sup>th</sup> Cheque
- Contributions to medical and pension fund

OVERSEAS DISTRICT MUNICIPALITY  
26 LORE STREET / PO BOX 540 7122  
BREDASBURG 7180  
29 MAY 2023  
TEL: 053 457 1477 • FAX: 053 456 1014  
info@odm.org.za • www.odm.org.za



Costs to Municipality:

*Councillors*

• Speaker (1)	R 791 982
• Executive Mayor (1)	R 978 890
• Deputy Executive Mayor (1)	R 791 982
• Executive Committee (4)	R 1 248 187
• Other Councillors (14)	<u>R 2 528 714</u>
	<b><u>R 6 339 757</u></b>

*Senior Managers*

• Municipal Manager	R 1 516 840
• Chief Financial Officer	R 1 200 949
• Director: Corporate Services	R 1 183 337
• Director: Community Services	<u>R 1 304 924</u>
	<b><u>R 5 206 050</u></b>

Number of Councillors 23

**Number of personnel positions (Structured) 441 in Total (SA 24)**

Positions filled: 358 permanent /29 contract

• Executive Directors	3 (one vacant)
• Senior Managers	3
• Other Managers and Professionals	19
• Technical Staff	82
• Semi-Skilled	165
• Other staff members	115
• Vacancies	54

OVERBERG DISTRICT MUNICIPALITY  
26 LINDSAY STREET / PRIVATE BAG X22  
BETHANIE 2645  
29 MAY 2023

Tel: 051 491 1444 • Fax: 051 428 1014  
info@odm.org.za • www.odm.org.za



## 10. Monthly targets for revenue, expenditure, and cash flow

The monthly targets for revenue, expenditure and cash flows is provided in SA 25 - Section B Supporting Tables.

## 11. Budget and SDBIP implementation plans

Information/detail regarding capital projects by vote is provided in Section B – Capital Budget.

## 12. Contracts having future budgetary implications

Loan agreement with Standard Bank to the value of R 28 million for the construction of the regional landfill site at Karwyderskraal – Outstanding balance on 30 April 2023 = R15 864 327.

## 13. Capital expenditure details

Information/detail regarding capital projects by vote is provided in Section B – Capital Budget.

## 14. Legislation compliance status

Overberg District Municipality complies in general with legislation applicable to municipalities.

## 15. Other supporting documents

**BUDGET FRAMEWORK AND PRINCIPLES – 2023/24 MTREF December 2022**

**Guidelines from Budget Office to User Departments**

Budget office advised CFO that a Zero-based budget approach be followed for the 2023/24 MTREF budget preparation.

**Approach is In line with ODM Budget policy**

*9.2.1. Basis of Calculation*



- a) *The principle of zero-based- and incremental budgeting shall be applied in preparing the annual operating budget*
- b) *The annual operating budget shall be based on realistically anticipated revenue.*
- c) *An income-based approach shall be used where the realistically anticipated income would be determined first and the level of operating expenditure would-be-based on the determined-income, thus resulting in a cash funded budget.*

## **BUDGET APPROACH AND PRINCIPLES**

- ▶ 1. Principle of zero-based budgeting
- ▶ 2. Income-based approach determining the realistic anticipated income first
  - a. Equitable share
  - b. Own revenue
- ▶ 3. Provision for fixed costs
  - a. Employee related costs
  - b. Depreciation
  - c. Finance costs
  - d. Contractual commitments
- ▶ 4. Provision for variable cost
  - a. Detailed motivations
  - b. Prioritize according to greatest need
- ▶ 5. Maintenance projects
  - a. Preventative
  - b. Corrective
- ▶ 6. Capital Budget
  - a. Capital projects
  - b. Major capital items – Asset register
  - c. Expensed minor capital items – Inventory
- ▶ 7. Budget according to SCM Commodities
- ▶ 8. Ensure mSCOA alignment with 7
- ▶ 9. **NO budget deficit – Not currently realistic or executable**
- ▶ 10. Gains from land sales should as far as possible be utilized to fund the creation of new assets (CRR) or the repair and maintenance of existing assets (OPEX).

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za



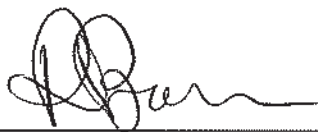
## 16. Municipal Manager Quality Certification

### Municipal Manager's quality certificate

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

Print Name Richard Bosman

Municipal Manager of the Overberg District Municipality

Signature 

Date 2023/05/23

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET, FRANKIE 6449 K12  
BRIDGESIDE 7200  
29 MAY 2023

TEL: 033 435 1107 • FAX: 033 435 1014  
info@odm.org.za • www.odm.org.za



# SECTION B – BUDGET

## Operating Budget

DC3 Overberg - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	236	286	278	400	200	200	200	200	210	220
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	600	600	600	600	600	630	660
Service charges - Waste Management	2	11 468	11 844	9 812	12 572	13 272	13 272	13 272	15 000	15 750	16 400
Sale of Goods and Rendering of Services		3 606	4 613	7 227	7 928	8 373	8 373	8 373	9 223	9 335	9 964
Agency services		10 127	11 343	11 501	11 351	11 597	11 597	11 597	12 770	13 429	13 886
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	-	-	-	50	55	60
Interest earned from Current and Non Current Assets		1 899	2 287	2 558	2 000	2 750	2 750	2 750	4 000	4 000	4 000
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		10 747	11 856	12 458	12 930	12 925	12 925	12 925	13 825	14 355	15 185
Licence and permits		137	230	225	2 500	1 000	1 000	1 000	1 000	1 000	1 000
Operational Revenue		4 183	2 607	2 002	3 466	1 973	1 973	1 973	423	452	478
<b>Non-Exchange Revenue</b>											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-
Licences or permits		-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		169 680	205 928	202 394	197 193	206 187	206 187	206 187	214 389	223 043	229 801
Interest		-	-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		1 465	-	1 812	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	11 724	2 500	-	-	-	2 000	1 500	1 500
Other Gains		7 384	520	5 831	-	-	-	-	-	-	-
<b>Discontinued Operations</b>											
<b>Total Revenue (excluding capital transfers and expenditure)</b>		<b>220 932</b>	<b>251 515</b>	<b>267 821</b>	<b>253 440</b>	<b>258 877</b>	<b>258 877</b>	<b>258 877</b>	<b>273 479</b>	<b>283 759</b>	<b>293 153</b>
<b>Expenditure</b>											
Employee related costs	2	113 215	116 527	122 755	135 932	133 108	133 108	133 108	138 697	148 699	156 976
Remuneration of councillors		6 197	5 852	5 872	6 166	6 426	6 426	6 426	6 340	6 746	7 164
Bulk purchases - electricity	2	385	766	329	400	250	250	250	200	210	220
Inventory consumed	8	42 327	56 358	50 516	46 462	55 711	55 711	55 711	62 321	64 863	66 280
Debt impairment	3	145	67	67	200	100	100	100	100	100	100
Depreciation and amortisation		3 573	3 831	3 575	3 626	3 626	3 626	3 626	3 654	3 680	3 709
Interest		3 860	3 448	3 492	3 329	3 289	3 289	3 289	2 753	3 015	3 303
Contracted services		16 389	16 137	24 539	23 792	26 590	26 590	26 590	30 074	25 215	26 560
Transfers and subsidies		-	680	399	-	2 799	2 799	2 799	-	-	-
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-	-
Operational costs		28 835	36 735	32 094	33 440	32 712	32 712	32 712	32 672	32 064	32 992
Losses on disposal of Assets		464	322	807	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>215 390</b>	<b>240 723</b>	<b>244 445</b>	<b>253 346</b>	<b>264 610</b>	<b>264 610</b>	<b>264 610</b>	<b>276 811</b>	<b>284 592</b>	<b>297 303</b>
<b>Surplus/(Deficit)</b>		<b>5 541</b>	<b>10 792</b>	<b>23 377</b>	<b>94</b>	<b>(5 733)</b>	<b>(5 733)</b>	<b>(5 733)</b>	<b>(3 331)</b>	<b>(833)</b>	<b>(4 149)</b>
Transfers and subsidies - capital (monetary)	6	691	2 866	1 116	-	2 250	2 250	2 250	500	500	500
Transfers and subsidies - capital (in-kind)	6	-	667	980	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>6 233</b>	<b>14 345</b>	<b>25 472</b>	<b>94</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(2 831)</b>	<b>(333)</b>	<b>(3 649)</b>
Income Tax		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after Income tax</b>		<b>6 233</b>	<b>14 345</b>	<b>25 472</b>	<b>94</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(2 831)</b>	<b>(333)</b>	<b>(3 649)</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>6 233</b>	<b>14 345</b>	<b>25 472</b>	<b>94</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(2 831)</b>	<b>(333)</b>	<b>(3 649)</b>
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>1</b>	<b>6 233</b>	<b>14 345</b>	<b>25 472</b>	<b>94</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(3 483)</b>	<b>(2 831)</b>	<b>(333)</b>	<b>(3 649)</b>

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET, KIRKDAL, BREDASDORP 7280



29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

*[Handwritten signature]*



29 MAY 2023

# 1. Capital Budget Programme

TEL: 028 425 1457 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

## OVERBERG DISTRICT MUNICIPALITY - MULTI YEAR CAPITAL PROGRAMME FOR 2023/24 - 2025/26

PROJECT NO	DEPARTMENT	Project Name	DESCRIPTION	DRAFT BUDGET 2023/24	FINAL BUDGET 2023/24	DRAFT BUDGET 2024/25	FINAL BUDGET 2024/25	DRAFT BUDGET 2025/26	FINAL BUDGET 2025/26	DRAFT BUDGET 3 YEARS	TOTAL BUDGET 3 YEARS
1	EMERGENCY SERVICES	DC3_ Rescue Equipment	Acquire necessary rescue equipment for rendering services	R100 000	R100 000	R50 000	R50 000	R75 000	R75 000	R225 000	R225 000
2	EMERGENCY SERVICES	DC3_ Vehicle upgrade/refurbishment	Refurbish or upgrade fleet vehicles	R300 000	R300 000	R250 000	R250 000	R0	R0	R550 000	R550 000
3	EMERGENCY SERVICES	DC3_ Capital Vehicle Replacement	Replace redundant vehicles and add additions to fleet	R2 200 000	R2 200 000	R0	R0	R2 200 000	R2 200 000	R4 400 000	R4 400 000
4	EMERGENCY SERVICES	DC3_ Bunker Clothing	Protective clothing Fire Fighting	R900 000	R900 000	R0	R0	R0	R0	R900 000	R900 000
5	EMERGENCY SERVICES	DC3_ Capacity Project	Capacity Assets	R0	R500 000	R0	R500 000	R0	R500 000	R0	R1 500 000
6	ENVIRONMENTAL MANAGEMENT SERVICES	DC3_ Furniture and Office Equipment	Office Furniture	R6 000	R6 000	R6 200	R6 200	R6 300	R6 300	R18 500	R18 500
7	LED, TOURISM, RESORTS AND EPWP	DC3_ Furniture and Office Equipment	Furniture and Fittings	R200 000	R200 000	R0	R0	R0	R0	R200 000	R200 000
8	LED, TOURISM, RESORTS AND EPWP	DC3_ Property Upgrade	Upgrade of Bungalows and amenities	R500 000	R500 000	R0	R0	R0	R0	R500 000	R500 000
9	LED, TOURISM, RESORTS AND EPWP	DC3_ Gas project Phase 2	Gas conversion Ablutions	R0	R220 000	R0	R240 000	R250 000	R250 000	R0	R710 000
10	MUNICIPAL HEALTH SERVICES	DC3_ Furniture and Office Equipment	Office Furniture	R30 000	R30 000	R10 000	R10 000	R20 000	R20 000	R60 000	R60 000
11	MUNICIPAL HEALTH SERVICES	DC3_ Furniture and Office Equipment	Mobile Aircons	R10 000	R10 000	R5 000	R5 000	R10 000	R10 000	R25 000	R25 000
12	FINANCE	DC3_ Furniture and Office Equipment	Office Equipment	R10 000	R10 000	R15 000	R15 000	R10 000	R10 000	R35 000	R35 000
13	SUPPLYCHAIN MANAGEMENT	DC3_ Furniture and Office Equipment	Office Equipment	R0	R10 000	R0	R0	R0	R0	R0	R10 000
14	CORPORATE SERVICES:	DC3_ Fencing - Head Office	Erecting of perimeter fence/walls and access gates	R320 000	R320 000	R0	R400 000	R0	R0	R320 000	R720 000
15	CORPORATE SERVICES:	DC3_ Furniture and Office Equipment	Office Furniture	R40 000	R40 000	R30 000	R30 000	R40 000	R40 000	R110 000	R110 000
16	CORPORATE SERVICES:	DC3_ Aircons	Installation and replacement of aircons	R150 000	R150 000	R50 000	R50 000	R50 000	R50 000	R250 000	R250 000
17	ICT SERVICES	DC3_ Replacement of old and broken Computer Equipment	Replace redundant computers and acquisition for new staff	R260 000	R260 000	R100 000	R100 000	R100 000	R100 000	R460 000	R460 000
18	ICT SERVICES	DC3_ Security ICT	Security ICT	R680 000	R530 000	R0	R0	R0	R0	R680 000	R530 000
19	ICT SERVICES	DC General Equipment	Operational Equipment	R0	R4 000	R0	R0	R0	R0	R0	R4 000
20	COMMITTEE RECORDS AND COUNCIL SUPP	DC3_ Furniture and Office Equipment	Office Equipment	R35 000	R35 000	R0	R0	R40 000	R40 000	R75 000	R75 000
21	IDP AND COMMUNICATION	DC3_ Awareness Equipment	Awareness Equipment	R30 000	R30 000	R20 000	R20 000	R0	R0	R50 000	R50 000
			<b>TOTAL</b>	<b>R5 771 000</b>	<b>R6 355 000</b>	<b>R536 200</b>	<b>R1 676 200</b>	<b>R2 551 300</b>	<b>R3 301 300</b>	<b>R8 858 500</b>	<b>R11 332 500</b>



# OVERBERG DISTRICT MUNICIPALITY



## Medium Term Revenue and Expenditure Framework (MTREF)

## TARIFFS 2023/2024

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7260



29 MAY 2023

TEL: 028 425 4157 • FAX: 028 425 4014  
info@odm.org.za • www.odm.org.za



29 MAY 2023

## 1. FIRE FIGHTING

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

TARIFF CATEGORY	UNIT	TARIFF DESCRIPTION	TARIFF 2022/2023 (VAT INCLUSIVE)	% INCREASE	TARIFF 2023/2024 (VAT INCLUSIVE) ROUNDED
<b>SPECIAL INCIDENTS – CALL OUT COST</b>	Per unit	Motor pumps	R1 859.00	7.0%	R1 989
	Per unit	Service & response vehicles	R938.00	7.0%	R1 004
<b>STAND-BY AND OPERATIONAL COST</b>	Per unit /per hour	Motor pumps	R1 859.00	7.0%	R1 989
	Per unit /per hour	Service & response vehicles	R1 587.00	7.0%	R1 698
<b>PERSONNEL</b>	Per hour	Senior	R525.00	7.0%	R562
	Per hour	Junior	R351.00	7.0%	R376
<b>WATER</b>	Per kilolitre	Water	R29.00	7.0%	R31
<b>CHEMICALS</b>	-	Chemicals	Cost price + 10% + 15%		Cost price + 10% + 15%
<b>PROVIDING DRINKING WATER</b>	Per kilometre	Water	R63.00	7.0%	R67
<b>STANDBY</b>	Per unit per hour	Standby	R639.00	7.0%	R684
<b>ASSISTANCE TO FIRE SERVICES</b>	Per unit per hour				R500 / Outside district (+ Actual travel cost)
<b>ASSISTANCE TO OUTSIDE SERVICES</b>		Assistance to outside services	Cost price + 10% + 15%		Cost price + 10% + 15%
<b>PUMPS AND EQUIPMENT</b>	Per hour or part	Pumping swimming pools (office hours)	R623.00	7.0%	R667
	Per hour or part	Specialised pumps	R351.00	7.0%	R376
	Per hour or part	Hydraulic equipment	R1 044.00	7.0%	R1 117
	Per hour or part	Lighting	R333.00	7.0%	R356 plus travel cost
	Per cylinder	Filling cylinders	R299.00	7.0%	R320
<b>STAND-BY FILMING</b>	Per hour or part	Per vehicle with crew of two	R1 509.00	7.0%	R1 615
	Per hour or part	Additional crew	R623.00	7.0%	R667
<b>TRAINING</b>	Per person	First Aid level 1	R1 272.00	7.0%	R1 361
	Per person	First Aid level 3	R2 103.00	7.0%	R2 250
	Per person	Fire extinguisher basic	R1 544.00	7.0%	R1 652
	Per person	Basic Fire Fighting – 1 day	R2 525.00	7.0%	R2 702
	Per person	School children (First Aid 1)	R639.00	7.0%	R684
	Per kilometre	Transport cost	R12.00	15.0%	R14
<b>STAND-BY</b>	Per vehicle/boat	Special events	R693.00	7.0%	R742
	Per hour	Medical stand-by (limited to venue or terrain)	R606.00	7.0%	R648
<b>INSURANCE INSPECTIONS</b>	-	Inspection on request of insurance	R1 193.00	7.0%	R1 277
	-	Follow-up inspection	R446.00	7.0%	R477
<b>DEMONSTRATIONS</b>	-	Conditions linked to awareness	Actual cost + 15%		Actual cost + 15%
<b>SPECIAL INVESTIGATIONS</b>	Per person per hour	Civil claims, insurance, civil court cases & other	Actual cost + 15%		Actual cost + 15%

# 1. FIRE FIGHTING

TARIFF CATEGORY	UNIT	TARIFF DESCRIPTION	TARIFF 2022/2023 (VAT INCLUSIVE)	% INCREASE	TARIFF 2023/2024 (VAT INCLUSIVE) ROUNDED
DIVING TEAM	Per day	Diving team	R2 235.00	7.0%	R2 391
LECTURE ROOM	Per day	-	R876.00	7.0%	R937
EXTERNAL TRAINING FACILITY	Per student per day	-	R446.00	7.0%	R477
OCCUPATIONAL CERTIFICATE	Per unit	-	R333.00	7.0%	R356
FIRST AID REFRESHER TRAINING	-	-	R413.00	7.0%	R442
FLAMMABLE LIQUID PERMITS	-	Bulk > 1000L – Industry & commercial	R2 358.00	7.0%	R2 523
	-	Small content <1000L – Farms & private	R639.00	7.0%	R684
	-	LPG	R312 + inspection tariff	7.0%	R334 + inspection tariff
VEHICLE DANGER CONTENT HOLDING PERMIT	Per vehicle	-	R885.00	7.0%	R947
FIRE PERMIT	Per site	-	R938.00	7.0%	R1 004
INSPECTION – BY-LAWS & REGULATIONS (EXCLUDING CERTIFICATE)	-	-	R876.00	7.0%	R937
FIRE INSPECTION ON REQUEST (COMMERCIAL USE)	-	-	R876.00	7.0%	R937
VELD FIRE FIGHTING AS PER ACT (FIRE SUPPRESSION) – MEMBERS OF REGISTERED PROTECTION ASSOCIATION	-	-	No charge		No charge
VELD FIRE FIGHTING AS PER ACT (FIRE SUPPRESSION) – NON-MEMBERS OF REGISTERED PROTECTION ASSOCIATION	-	-	R707 per hour per unit	7.0%	R1066 per hour per unit
AIR SUPPORT	-	-	Cost + 10% + 15%		Cost + 10% + 15%
FLAM TRAINER	Per day	With two operators	R15600 + Travel & Accommodation Cost	7.0%	R16692 + Travel & Accommodation Cost
Working on Fire Team	Per Team				Variable cost plus 15%
SCRUTINY OF BUILDING PLANS (Safety Evaluation)	Per plan	Inspection of any building plan			6.5% of Building plan cost



## 2. ADDITIONAL TARIFFS

TARIFF CATEGORY	UNIT	TARIFF DESCRIPTION	TARIFF 2022/2023 (VAT INCLUSIVE)	% INCREASE	TARIFF 2023/2024 (VAT INCLUSIVE) <b>ROUNDED</b>
<b>ADDITIONAL TARIFFS</b>	-	Any rental of equipment and vehicles-	Cost + 10% + 15%	-	Cost + 10% + 15%
	Per page	Photostat/A4 page	R1.60	6%	R2
	Per page	Photostat/A4 page colour	R6.10	6%	R7
	Per page	Computer printouts	R18.00	6%	R19
	Per page	Faxing	R36.00	6%	R38
	Per cheque	Dishonoured cheques	R167.50	6%	R178
	Per occurren ce	Faulty payments	R167.50	6%	R178
	Per item	Printing of maps A3 size black	R70.00	6%	R74
	Per item	Printing of maps A3 size colour	R81.60	6%	R87
	Per item	Printing of aerial photos A3 size	R155.80	6%	R165
	Per item	Printing of maps A4 size black	R31.80	6%	R34
	Per item	Printing of maps A4 size colour	R37.10	6%	R39
	Per item	Printing of aerial photos A4 size	R43.50	6%	R46
	Appeal	-	R1 486.10	6%	R1 575
<b>NON-REFUNDABLE TENDER DOCUMENT</b>	-	Tender 9 years & 11 months +	R1 486.10		R1 600
	-	Tender 5 – 8 years 11 months	R743.10		R800
	-	Tender 3 years 11 months - 4 years 11 months	R304.20		R450
	-	3 years	R304.20		R400
	-	Less than 3 years	R148.40		R250
	-	Banking Tender	R743.10		R850
<b>ELECTRONIC NOTICE BOARD</b>	Per day	Private Sector/Business per 24 hours rolling per slide	R15.90		R17
	Per day	Municipalities (local) per 24 hours rolling per slide	R7.40		R8
<b>PROPERTIES</b>	Per month	Head Office Shaded Parking (Officials only)	R35.00		R37
<b>INTEREST ON ARREARS</b>	Per month	Interest calculated due and payable on any balance outstanding after date specified on account			Calculated on Prime rate plus 1% pa

29 MAY 2023

TEL: 028 425 1417 • FAX: 028 425 1014  
info@odh.org.za • www.odh.org.za

### 3. ENVIRONMENTAL MANAGEMENT

			TARIFF		TARIFF
			2022/2023		2023/2024
TARIFF CATEGORY	UNIT	TARIFF DESCRIPTION	% INCREASE		
			(VAT INC)		(VAT INC)
			ROUNDED		
ENVIRONMENTAL MANAGEMENT	Per hour	Environmental control officer (ECO) inspections	R880.00		R950.00
ENVIRONMENTAL MANAGEMENT	Per Weigh Load	Use of Weighbridge (ad hoc private users) Commercial vehicles (Cars and Pick-ups's Campers, Caravans and Trailers)	R196.00		R212.00
ENVIRONMENTAL MANAGEMENT	Per Weigh Load	Use of Weighbridge (ad hoc private users) Large vehicles (All Trucks and Busses)	R504.00		R544.00

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASIG 7240

29 MAY 2023

TEL: 030 825 1007 • FAX: 030 451 1044  
info@overberg.gov.za • www.overberg.gov.za

#### 4. MUNICIPAL HEATH

TARIFF CATEGORY	UNIT	TARIFF DESCRIPTION	TARIFF 2022/2023 (VAT INCLUSIVE)	% INCREASE	TARIFF 2023/2024 (VAT INCLUSIVE) ROUNDED
WATER QUALITY MONITORING	-	All samples taken on request (except for governmental institutions) R 200 per sample run plus laboratory cost as per contract between ODM and laboratory.	R303	Cost reflective adjustment	R600
	-	With the application of a certificate of acceptability (COA) for a premise in an area that do not fall in a WSA: R200.00 per sample run (bacteriological and chemical) plus laboratory cost as per contract between ODM and laboratory.	R303	Cost reflective adjustment	R600
	-	In the case of follow up samples in above tariff, if water quality does not comply with the SANS 241 code: R 200.00 per sample run plus laboratory cost as per contract between ODM and laboratory.	R303	Cost reflective adjustment	R600
	-	Government Institution e.g. Municipality fee			R600
	-	Sewerage			R450
MONITORING OF MILK AND MILK PRODUCTS ON REQUEST OF SUPPLIERS	-	All bacteriological & chemical analyses: R200.00 per sample run plus laboratory cost as per contract between ODM and laboratory	R303	Cost reflective adjustment	R1 000
	-	Follow up samples in the case where a sample do not comply to stipulations of the Foodstuffs, Cosmetics and Disinfectants Act: R 145.00 per sample run plus laboratory cost as per contract between ODM and laboratory.	R303	Cost reflective adjustment	R1 000
CERTIFICATE FOR EXPORT OF FOOD PRODUCTS	-	-	R2 500	10%	R2 750
ISSUING OF CERTIFICATE OF ACCEPTABILITY FOR PREMISES IN TERMS OF THE NATIONAL HEALTH ACT, ACT 61 OF 2003 AND	-	Issuing of Certificates of acceptability: Once off payment	R950	Cost reflective adjustment	Category tiers implemented
	-	Inspection performed to uplift a prohibition on the use of a premises or facility	R860	7%	R920
	-	Replacement of any applicable COA	R303	7%	R324
ALL OTHER MUNICIPAL HEALTH INSPECTION REPORTS/CERTIFICATES	-	Application for issuing of any Health related report	R950		Category tiers implemented
ISSUING OF HEALTH CERTIFICATE OR REPORT TO REMOVE OR DESTROY FOOD OR FOOD PRODUCTS UNFIT FOR HUMAN CONSUMPTION	-	-	R950	7%	R1 017
AIR QUALITY CONTROL – COST OF LIVENING (FUEL BURNING APPLIANCES – COST OF LICENSING OF THESE APPLICATIONS WILL TAKE PLACE ON A SLIDING SCALE)	-	Atmospheric emission tariffs – application fee for license fee (Licence fee determined by Air Quality Act, Act 39 of 2004)	Tariff as per latest NT Atmospheric Emission Regulation		Tariff as per latest NT Atmospheric Emission Regulation
	-	Processing Fee for application as contemplated in Section 37/44/47 of the Air Quality Act, Act 39 of 2004 – Band 1	Tariff as per latest NT Atmospheric Emission Regulation		Tariff as per latest NT Atmospheric Emission Regulation



#### 4. MUNICIPAL HEATH

TARIFF CATEGORY	UNIT	TARIFF DESCRIPTION	TARIFF 2022/2023 (VAT INCLUSIVE)	% INCREASE	TARIFF 2023/2024 (VAT INCLUSIVE) ROUNDED
	-	Processing Fee for application as contemplated in Section 37/44/47 of the Air Quality Act, Act 39 of 2004 – Band 2	Tariff as per latest NT Atmospheric Emission Regulation		Tariff as per latest NT Atmospheric Emission Regulation
	-	Processing Fee for application as contemplated in Section 37/44/47 of the Air Quality Act, Act 39 of 2004 – Band 3	Tariff as per latest NT Atmospheric Emission Regulation		Tariff as per latest NT Atmospheric Emission Regulation
	-	Processing Fee for application as contemplated in Section 37/44/47 of the Air Quality Act, Act 39 of 2004 – Band 4	Tariff as per latest NT Atmospheric Emission Regulation		Tariff as per latest NT Atmospheric Emission Regulation
	-	Processing Fee for application as contemplated in Section 37/44/47 of the Air Quality Act, Act 39 of 2004 – Band 5	Tariff as per latest NT Atmospheric Emission Regulation		Tariff as per latest NT Atmospheric Emission Regulation
ISSUING OF HEALTH REPORT OR CERTIFICATE (Once-off)	-	Smaller than 30m2			R500
		Larger than 30m2			R1 000
		Supermarkets			R3 000
		Events (4days and less)			R250
Bylaw (Implementation - Annual Tariff)	-	Smaller than 30m2			R500
		Larger than 30m2			R1 000
		Supermarkets			R3 000
		Events (4days and less)			R250
HEALTH MONITORING OF OPENING OF GRAVES AND/OR REBURIAL	-	-	R860	Cost reflective adjustment	R1 500
ATMOSPHERIC	-	Application for new atmospheric emission licence	R19 050 per listed activity	Cost reflective adjustment	R22 500
	-	Application for atmospheric emission licence review	R19 050 per listed activity	Cost reflective adjustment	R22 500
	-	Application for atmospheric emission licence renewal	R9525 per listed activity	Cost reflective adjustment	R12 000
	-	Application for atmospheric emission licence transfer	R3 818	Cost reflective adjustment	R5 000
Local Municipalities	-	Health Service	R8.40 per population	6%	R8.90
Health Certificate/Report Categories	-	Crech and School smaller than >100m2	R950	Re-adjustment	R500
	-	Crech, old aged home, children's homes, nursing homes dependant on social grants	R950	Re-adjustment	R500
	-	Beauty salons/hairdressers/Offensive trades - smaller than 30m2	R950	Re-adjustment	R500
	-	All other creches, schools, children's homes, nursing home, old age homes, medical waste generators, accomodation facilities, beauty salons/hairdressers and offensive traders	R950	Re-adjustment	R1 000
SCRUTINY OF BUILDING PLANS (Health Evaluation)	Per plan	Inspection of any building plan – Cape Agulhas, Theewaterskloof and Swellendam area	6.5% of Building plan cost		6.5% of Building plan cost
	Per plan	Inspection of any building plan – Overstrand area	4.5% of Building plan cost		4.5% of Building plan cost

5. ROADS					
			TARIFF 2022/2023	% INCREASE	TARIFF 2023/2024
TARIFF CATEGORY	UNIT	TARIFF DESCRIPTION	(VAT INCLUSIVE)		(VAT INCLUSIVE)
					ROUNDED
ROADS TARIFF	2 X posts	Erection of Tourism/Facility signs	R554.00	7%	R593.00
	-	Any additional structure posts	R400.00	7%	R428.00

6. KARWYDESKRAAL DUMPING SITE					
TARIFF CATEGORY	UNIT	TARIFF DESCRIPTION	TARIFF		TARIFF
			2022/2023	%	2023/2024
			(15% VAT EXCLUSIVE)	INCREASE	(15% VAT EXCLUSIVE)
ROUNDED					
KARWYDESKRAAL	Dumping	Cost per tonne - dumping clean building rubble up to the size of a brick (cover material)	Free of charge	None	Free of charge
	Dumping	Cost per tonne - Dumping of general Household waste - Private	R257.25	Cost reflective	R300.27
	Dumping	Cost per Tonne-General Household Waste - Municipalities	R98.78	Cost reflective	R178.22
	Dumping	Cost per tonne - dumping building rubble (oversize/clean)	R114.11	Cost reflective	R122.78
	Dumping	Cost per tonne - dumping contaminated builders rubble	R257.25	Cost reflective	R300.27
	Dumping	Cost per tonne - rehabilitation contribution - municipalities	R20.92	Cost reflective	R22.50

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASBURG 7280



29 MAY 2023

TEL: 029 425 1487 • FAX: 029 425 1014  
info@odm.org.za • www.odm.org.za

## 7. UILENKRAALSMOND RESORT

TARIFF CATEGORY	TARIFF DESCRIPTION	% INCREASE	IN SEASON TARIFF 2023/2024 (VAT INCLUSIVE) R	OUT OF SEASON TARIFF – WEEKEND 2023/2024 (VAT INCLUSIVE) R	OUT OF SEASON TARIFF – WEEK 2023/2024 (VAT INCLUSIVE) R
HOLIDAY HOUSE/BUNGALOW	Bungalows per night	7%	931	738	663
	Bungalows (sea view) per night	7%	1 231	1 027	899
	Wooden House per night	7%	1 316	1 166	974
	Breakage deposit (no VAT payable)	7%	610	610	610
	Cancellation fee (Only payable if re-let)	7%	193	193	193
	Cancellation fee per occasion (Only payable if not re-let)	50% of reservation amount	50% of reservation amount	50% of reservation amount	50% of reservation amount
	Access card – deposit per card	7%	96	96	96
CARAVAN/TENT SITES	Caravan/Tent site per night (maximum 6 persons)	7%	556	375	246
	Caravan/Tent site per person per night (out of season only)	7%	0	107	107
	Cancellation fee (Only payable if re-let)	7%	193	193	193
	Cancellation fee per occasion (Only payable if not re-let)	50% of reservation amount	50% of reservation amount	50% of reservation amount	50% of reservation amount
	Access card – deposit per card	7%	96	96	96
DAY VISITORS	Day visitors per site per person per day camping site (08:00 – 17:00)	7%	48	48	48
	Vehicle per day (08:00 – 17:00) (Excluding in-season)	7%	0	59	59
	Mini-bus per day (08:00 – 17:00) (Excluding in-season)	7%	0	86	86
	Bus per day (08:00 – 17:00) (Excluding in-season)	7%	0	193	193
	Children 5 years and younger	Free	Free	Free	Free
RENTAL OPEN AREA	Rental open area per 50 m <sup>2</sup>	7%	86	86	86
PARKING AREA	Parking per vehicle/boat per day	7%	27	27	27
ADDITIONAL PERSONS/VEHICLES	Extra persons per site per person per day – caravan/tent sites and bungalows	7%	96	96	96
	Extra vehicle per day caravan/tent sites, bungalows & semi-permanent sites	7%	64	64	64
HALL	Hall hire per occasion per day (Small)	7%	1 102	1 102	1 102
	Hall hire per occasion per day (Recreational)	Tarif determined by MM on request	Tarif determined by MM on request	Tarif determined by MM on request	Tarif determined by MM on request
	Breakage deposit	7%	610	610	610
	Cancellation fee (Only payable if re-let)	7%	193	193	193
	Cancellation fee per occasion (Only payable if not re-let)	50% of reservation amount	50% of reservation amount	50% of reservation amount	50% of reservation amount
BEDDING	Rental of bedding per unit per occasion	7%	96	96	96
COUNCIL HOUSES	Rental per month (including basic services)	7%	6 302	6 302	6 302
COMMERCIAL USERS	Water per kilo litre	7%	10	10	10
	Water deposit – service connection	7%	1 177	1 177	1 177
	Service deposit	7%	1 873	1 873	1 873
	Water services connection fee (per connection)	7%	268	268	268
	Water re-connection for defaulters	Cost + 15% + 15%	Cost + 15% + 15%	Cost + 15% + 15%	Cost + 15% + 15%
SEMI-PERMANENT (INCLUDING BASIC SERVICES)	Plots 150m <sup>2</sup> (per year)	7%	19 808	19 808	19 808
	Plots 151 m <sup>2</sup> – 200m <sup>2</sup> (per year)	7%	22 049	22 049	22 049
	Plots 201m <sup>2</sup> – 300m <sup>2</sup> (per year)	7%	24 453	24 453	24 453
	Plots 301m <sup>2</sup> – 350m <sup>2</sup> (per year)	7%	26 555	26 555	26 555
	Plots 350m <sup>2</sup> + (per year)	7%	29 105	29 105	29 105

OVERBERG DISTRICT MUNICIPALITY  
20 LOUIS STREET - PRIVATE BAG 122  
BREDASDORP 7120  
29 MAY 2023  
TEL: 027 490 4477 • FAX: 027 491 1014  
info@overberg.gov.za • @overbergmuni

*[Handwritten signature]*



# 7. UILENKRAALSMOND RESORT

TARIFF CATEGORY	TARIFF DESCRIPTION	% INCREASE	IN SEASON TARIFF 2023/2024 (VAT INCLUSIVE) R	OUT OF SEASON TARIFF – WEEKEND 2023/2024 (VAT INCLUSIVE) R	OUT OF SEASON TARIFF – WEEK 2023/2024 (VAT INCLUSIVE) R
SEMI-PERMANENT BASIC SERVICES	Blocked sewerage and water supply repair work	7%	567	567	567
	Sewerage connection with network (once-off)	7%	7 640	7 640	7 640
ELECTRICITY	Electricity tariff per unit		Aligned with electricity tariff structure of Overstrand Local Municipality for pre-paid meters.		
	Electricity Availability Tariff per month				
Sewage charge (Monthly)	Infrastructure availability	7%	107	107	107
SEMI-PERMANENT DEFAULT SERVICES	Cutting of grass semi-permanent plot	7%	642	642	375
	Removal of rubbish semi-permanent plot	7%	567	567	567
	Builders per person per day	7%	0	43	43
	Builders vehicles per day	7%	0	49	49
	Registration service providers operating in the Resort	7%	0	1 220	1 220
SEMI-PERMANENT RENEWAL AND TRANSFERRALS OF CONTRACTS	Administrative costs transfer of rental agreement	10%	880	880	880
	Administrative costs renewal of rental agreement	10%	440	440	440
REDUCED TARIFFS (EXCLUDING 10 DECEMBER – 10 JANUARY OF NEXT YEAR AND EASTER WEEKEND)	Groups of 20 – 50 persons		0	15% discount	15% discount
	Groups of 51 – 100 persons		0	20% discount	20% discount
	Groups of 101 – 200 persons		0	25% discount	25% discount
	Groups of more than 200 persons		0	30% discount	30% discount
	Caravan Groups 20-50 (maximum 6 per caravan)		0	30% discount	30% discount
	Caravan Groups 51-100 (maximum 6 per caravan)		0	40% discount	40% discount
	Caravan Sites 7-14 days (6 person & 2 vehicles per caravan)		0	30% discount	30% discount
	Caravan Sites 15-21 days (6 person & 2 vehicles per caravan)		0	35% discount	35% discount
	Caravan Sites monthly tariff (maximum 2 persons & 1 vehicle)	7%	0	2 836	2 836
	Pensioners		-	30% discount	15% discount
	Contractors (longer than 1 month)		-	15% discount	15% discount
	Staff		-	40% discount	40% discount
SEASON- AND OTHER TIMES	In Season			-	-
	Out of Season		-	Excluding 10 December – 10 January of next year & Easter Sunday 14:00 – Thursday 14:00 –	Excluding 10 December – 10 January of next year & Easter Sunday 14:00 – Thursday 14:00 –
	Week		Sunday 14:00 –		
	Weekend		Thursday 14:00 –		

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023

TEL: 029 426 4467 • FAX: 029 426 1014  
info@odm.org.za • www.odm.org.za

*[Handwritten signature]*

8. DIE DAM RESORT					
TARIFF CATEGORY	TARIFF DESCRIPTION	% INCREASE	IN SEASON 2023/2024 (VAT INCLUSIVE) R	OUT OF SEASON TARIFF – 2023/2024 (VAT INCLUSIVE) R	OUT OF SEASON TARIFF – WEEK 2023/2024 (VAT INCLUSIVE) R
HOLIDAY HOUSE/BUNGALOW	Bungalows per night	7%	1 049	888	674
	Breakage deposit (no VAT payable)	7%	610	610	610
	Cancellation fee (Only payable if re-let)	7%	193	193	193
	Cancellation fee per occasion (Only payable if not re-let)	50% of reservation amount	50% of reservation amount	50% of reservation amount	50% of reservation amount
	Access card – deposit per card	7%	96	96	96
CARAVAN/TENT SITES	Caravan/Tent site per night (maximum 6 persons) with electricity	7%	471	401	342
	Caravan/Tent site per night (maximum 6 persons) without electricity	7%	428	342	310
	Caravan/Tent site per person per night (out of season only)	7%		107	107
	Cancellation fee (Only payable if re-let)	7%	193	193	193
	Cancellation fee per occasion (Only payable if not re-let)	50% of reservation amount			
	Access card – deposit per card	7%	107	107	107
ADDITIONAL PERSONS/VEHICLES	Extra persons per site per person per day – caravan/tent sites and bungalows	7%	96	96	96
	Extra vehicle per vehicle day caravan/tent sites, bungalows & semi-permanent sites	7%	59	59	59
	Day visitors per site per person per day camping site (08:00 – 17:00)	7%		48	48
DAY VISITORS	Vehicle per day (08:00 – 17:00) (Excluding in-season)	7%		59	59
	Mini-bus per day (08:00 – 17:00) (Excluding in-season)	7%		86	86
	Bus per day (08:00 – 17:00) (Excluding in-season)	7%		187	187
	Children 5 years and younger	Free	Free	Free	Free
SEMI-PERMANENT (INCLUDING BASIC SERVICES)	Plot tariff per year	7%	18 351	18 351	18 351
	Plettenberg plot tariff per year	7%	22 042	22 042	22 042
ELECTRICITY	Electricity tariff per 100 units (First 300 units)		As approved by Overstrand LM	Aligned with electricity tariff structure of Overstrand Local Municipality for pre-paid meters.	
	Electricity tariff per 100 units (Between 300 and 600 units)				
	Electricity tariff per 100 units (above 600 units)				
	Electricity Availability Tariff per month				
SEMI-PERMANENT DEFAULT SERVICES	Cutting of grass semi-permanent plot	7%	642		
	Removal of rubbish semi-permanent plot	7%	562	562	562
	Builders per person per day				
	Builders per vehicle per day				
	Registration service providers operating in the Resort				
	Blocked sewerage & Water supply repair work	7%	642	642	642
Sewage Pumping Services when available and during normal working hours	Contractor for overflow of sewage	7%	1 605	1 605	1 605
	During normal working hours 08:00 - 16:00 Per load	7%	749	749	749
	Outside normal working hours & weekends to be arranged with Supplier		To be paid directly to Supplier		
SEMI-PERMANENT RENEWAL AND TRANSFERRALS OF CONTRACTS	Administrative costs transfer of rental agreement	7%	856	856	856
	Administrative costs renewal of rental agreement	7%	428	428	428

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASBURG 7280



29 MAY 2023

TEL: 029 425 1477 • FAX: 029 425 1014  
info@odm.org.za • www.odm.org.za

*[Handwritten signature]*

# 8. DIE DAM RESORT

TARIFF CATEGORY	TARIFF DESCRIPTION	% INCREASE	IN SEASON 2023/2024 (VAT INCLUSIVE) R	OUT OF SEASON TARIFF – 2023/2024 (VAT INCLUSIVE) R	OUT OF SEASON TARIFF – WEEK 2023/2024 (VAT INCLUSIVE) R
REDUCED TARIFFS (EXCLUDING 10 DECEMBER – 10 JANUARY OF NEXT YEAR AND EASTER WEEKEND)	Groups of 20 – 50 persons			- 15% discount	15 % discount
	Groups of 51 – 100 persons			- 20% discount	20% discount
	Groups of 101 – 200 persons			- 25% discount	25% discount
	Groups of more than 200 persons			- 30% discount	30% discount
	Caravan Groups 20-50 (maximum 6 per caravan)			- 30% discount	30% discount
	Caravan Groups 51-100 (maximum 6 per caravan)			- 40% discount	40% discount
	Caravan Sites 7-14 days (6 person & 2 vehicles per caravan)			- 30% discount	30% discount
	Caravan Sites 15-21 days (6 person & 2 vehicles per caravan)			- 35% discount	35% discount
	Caravan Sites monthly tariff (maximum 2 persons & 1 vehicle)			2 450	2 450
	Pensioners		-	30% discount	30% discount
	Contractors (longer than 1 month)		-	15% discount	15% discount
SEASON- AND OTHER TIMES	Staff		-	40% discount	40% discount
	In Season		10 December – 10 January of next	-	-
	Out of Season		-	Excluding 10 December – 10 January	-
	Week		Sunday 14:00 – Thursday 10:00	Sunday 14:00 – Thursday 10:00	Sunday 14:00 – Thursday 10:00
	Weekend		Thursday 14:00 – Sunday 10:00	Thursday 14:00 – Sunday 10:00	Thursday 14:00 – Sunday 10:00

OVERBERG DISTRICT MUNICIPALITY  
28 LONG STREET / PO BOX 432  
BREDASBURG 7160



29 MAY 2023

TEL: 023 425 1400 • FAX: 023 425 1014  
WWW.OVERBERG.MUNICIPALITY.GOV.ZA



# OVERBERG DISTRICT MUNICIPALITY



## Medium Term Revenue and Expenditure Framework (MTREF)

### MFMA Municipal Budget Circulars for the 2023/24 MTREF

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG 822  
BREDASDORP 7280



29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za



## NATIONAL TREASURY

### MFMA Circular No. 122

### Municipal Finance Management Act No. 56 of 2003

# Municipal Budget Circular for the 2023/24 MTREF

## CONTENTS

1. THE SOUTH AFRICAN ECONOMY AND INFLATION TARGETS.....	2
2. KEY FOCUS AREAS FOR THE 2023/24 BUDGET PROCESS .....	3
2.1 LOCAL GOVERNMENT CONDITIONAL GRANTS ALLOCATIONS .....	3
2.2 RE-ENFORCING THE 2023 DIVISION OF REVENUE BILL, (DoRB) TO FACILITATE IMPROVED INTERGOVERNMENTAL RELATIONS .....	3
3. PENSION FUND DEFAULTS .....	5
4. MUNICIPAL STANDARD CHART OF ACCOUNTS (MSCOA) .....	5
4.1 RELEASE OF VERSION 6.7 OF THE CHART .....	5
4.2 AMENDMENTS TO THE REGULATED A1 SCHEDULES.....	6
4.3 CREDIBILITY OF MSCOA DATA STRINGS.....	7
4.4 REGULATION OF MINIMUM BUSINESS PROCESSES AND SYSTEM SPECIFICATIONS .....	10
4.5 MSCOA TRAINING INITIATIVES .....	10
5. THE REVENUE BUDGET .....	11
5.1 MAXIMISING THE REVENUE GENERATION OF THE MUNICIPAL REVENUE BASE.....	11
5.2 SETTING COST-REFLECTIVE TARIFFS.....	13
5.3 TARIFFS – ACHIEVING A BALANCE BETWEEN COST-REFLECTIVENESS AND AFFORDABILITY .....	14
5.4 BULK ACCOUNT PAYMENTS AND CONCESSIONS.....	15
5.5 CRITICAL NOTICE AFFECTING STS METERS .....	15
5.6 COMPLETENESS AND CREDIBILITY OF REVENUE RELATED INFORMATION IN THE BUDGET .....	16
5.7 ESKOM BULK TARIFF INCREASES.....	16
5.8 UPDATED MUNICIPAL BORROWING POLICY FRAMEWORK.....	17
5.9 TARIFF POLICIES .....	17
5.10 NON-REVENUE ELECTRICITY AND NON-REVENUE WATER/ REVENUE LOSSES: .....	18
6. BURIAL OF COUNCILLORS .....	18
7. FUNDING CHOICES AND MANAGEMENT ISSUES.....	18
7.1 EMPLOYEE RELATED COSTS .....	19
7.2 REMUNERATION OF COUNCILLORS .....	19
8. TRANSFERS TO MUNICIPALITIES.....	19
8.1 CRITERIA FOR THE RELEASE OF THE EQUITABLE SHARE .....	19
9. THE MUNICIPAL BUDGET AND REPORTING REGULATIONS.....	21
9.1 SCHEDULE A – VERSION TO BE USED FOR THE 2023/24 MTREF .....	21
9.2 ASSISTANCE WITH THE COMPILATION OF BUDGETS .....	21
9.3 ASSESSING THE 2023/24 MTREF BUDGET.....	22
10. SUBMITTING BUDGET DOCUMENTATION AND A1 SCHEDULES FOR 2023/24 MTREF .....	23
10.1 EXPECTED SUBMISSIONS FOR 2023/24 MTREF .....	24
10.2 PORTALS FOR THE SUBMISSION OF INFORMATION .....	24
10.3 PUBLICATION OF BUDGETS ON MUNICIPAL WEBSITES .....	25
10.4 COMMUNICATION BY MUNICIPAL ENTITIES TO NATIONAL TREASURY.....	25

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG 422  
BREDASDORP 7260

29 MAY 2023



## Introduction

This budget circular provides guidance to municipalities with their compilation of the 2023/24 Medium Term Revenue and Expenditure Framework (MTREF). It is linked to the Municipal Budget and Reporting Regulations (MBRR) and the Municipal Standard Chart of Accounts (mSCOA), and strives to support municipalities' budget preparation processes so that the minimum requirements are achieved.

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

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

## 1. The South African economy and inflation targets

The National Treasury forecasts real economic growth of 1.9 per cent in 2022, compared with 2.1 per cent projected in the 2022 Budget Review, in response to global and domestic shocks. Growth is projected to average 1.6 per cent from 2023 to 2025. Implementing structural reforms, especially in the energy sector, remains crucial to improve the economy's productive capacity and competitiveness.

The recovery in economic activity that began in 2021 was driven by a strong rebound in global economic activity, high commodity prices and easing COVID-19 restrictions. The scarring impact of the pandemic on employment and investment decisions will likely weigh on the recovery over the medium term. Investment remains well below pre-pandemic levels.

The economy grew by 1.4 per cent in the first half of 2022 compared with the first half of 2021. Real GDP grew more than expected in the first quarter of 2022, with output returning to pre-pandemic levels. However, a deteriorating global environment, flooding in KwaZulu-Natal and the Eastern Cape, industrial action in the electricity and mining sectors, and prolonged and intense power cuts resulted in a broad-based contraction across most sectors during the second quarter. The third quarter was marked by frequent and prolonged power cuts, which significantly disrupted economic activity.

The following macro-economic forecasts must be considered when preparing the 2023/24 MTREF municipal budgets.

**Table 1: Macroeconomic performance and projections, 2021 - 2026**

Fiscal year	2021/22	2022/23	2023/24	2024/25	2025/26
	Actual	Estimate	Forecast		
CPI Inflation	5.2%	6.8%	4.7%	4.6%	4.6%

Source: Medium Term Budget Policy Statement 2022.

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

It is noted that variations in regional specifics are possible, however, any variation of assumptions must be explicitly set out and well explained in the budget narratives, in the absence of which the Treasuries will refer the budget back to council for alignment to the macroeconomic performance projections.



## 2. Key focus areas for the 2023/24 budget process

### 2.1 Local government conditional grants allocations

Over the 2023 MTEF period, conditional grant allocations to municipalities will grow below inflation. This is due to a higher 2022/23 baseline (R3.8 billion) added to local government conditional grants in the 2022 Division of Revenue Amendment Act. Over the next three years, total local government resources, including the equitable share and indirect conditional grants increase at an annual average rate of 6 per cent.

The local government equitable share increases at an annual average rate of 7.8 per cent and municipal conditional grants increase by 3.6 per cent over the 2023 MTEF period. The local government equitable share formula has been updated to account for projected household growth, inflation and estimated increases in bulk water and electricity costs over the 2023 MTEF period.

The annual Division of Revenue Bill will be published in February 2023 after the Minister of Finance's budget speech. The Bill will specify grant allocations and municipalities must reconcile their budgets to the numbers published herein.

Municipalities are advised to use the indicative numbers presented in the 2022 Division of Revenue Act to compile their 2023/24 MTREF. In terms of the outer year allocations (2025/26 financial year), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as presented in the 2022 Division of Revenue Act for 2022/23. The DoRA is available at:

<http://www.treasury.gov.za/documents/national%20budget/2022/default.aspx>

### 2.2 Re-enforcing the 2023 Division of Revenue Bill, (DoRB) to facilitate improved intergovernmental relations

Towards enforcing a system of good intergovernmental relations as envisaged in the Chapter 3 of the Constitution and subsequent related legislation, the National Treasury would like to remind municipalities of Section 31 of DoRA that articulates the facilitation of personal liability for unnecessary litigation. Going forward, a municipality may therefore only institute litigation against any organ of state, state-owned enterprise, public-and/ or municipal entity after exhausting all dispute resolution mechanisms required and/ or available to the municipality in terms of existing intergovernmental relations processes, policy and/ or any related contract with the municipality, including in terms of the Municipal Finance Management Act, 2003, the Intergovernmental Relations Framework Act, 2005, and/ or the Electricity Regulation Act, 2006 (dispute processes administered by NERSA).

The 2023 DoRB will facilitate the personal liability of and refund of any expenditure related to such litigation to the national revenue fund (NRF) by any person responsible for the institution of litigation by a municipality without having exhausted all the available dispute resolution mechanisms. This will be done through the equitable share off-setting processes. Municipalities, parallel to instituting any litigation against any organ of state, must report such litigation to the Auditor-General, the National Treasury and to the relevant provincial treasury. The report must provide the details of all the dispute resolution processes that were attempted, supported by information explaining the failure of these attempts.

#### ***Division of Revenue Amendment Bill, 2022 (DoRAB)***

#### ***Disaster response funding***

***Conversion of disaster response grants*** – To allow for adequate response to the April 2022 floods, funding was shifted between the disaster relief grants in August 2022. R145 million



was shifted from the Provincial Disaster Response Grant to the Municipal Disaster Response Grant and R120 million was shifted from the Municipal Emergency Housing Grant to the Provincial Emergency Housing Grant.

**Additional funding for disaster response grants** – In response to disasters that have occurred, most of the disaster funding for 2022/23 had been depleted by the time of the tabling of the DoRAB. To enable for response should a disaster(s) occur in the remaining months of the current financial year, R248 million is added to the Municipal Disaster Response Grant to enable immediate response by municipalities.

**Additional funding for disaster reconstruction and rehabilitation<sup>1</sup>** – For the reconstruction and rehabilitation of municipal infrastructure damaged by flash floods in the Western Cape (Overberg District Municipality, Cape Winelands District Municipality and Garden Route District Municipality) in December 2021 and the April 2022 floods in the Eastern Cape (Winnie Madikizela-Mandela Local Municipality) and KwaZulu-Natal (eThekweni Metropolitan Municipality, uMhlathuze Local Municipality, uThukela District Municipality, uMgungundlovu District Municipality and iLembe District Municipality), R3.3 billion is added to the Municipal Disaster Recovery Grant.

**Purchasing of land for relocation of flood victims** – R92 million is added to the Informal Settlements Upgrading Partnership Grant: Municipalities for eThekweni Metropolitan Municipality for the purchase of land identified for the relocation of displaced flood victims.

#### **Changes to local government allocations**

**Roll-over of funds in the Integrated National Electrification Programme (municipal) Grant** – R1 million is rolled over in the Integrated National Electrification Programme (municipal) Grant to fund 50 electrification connections in Swellendam in Dikgatlong Local Municipality.

**Roll-over of funds in the indirect Regional Bulk Infrastructure Grant** – R15 million is rolled over in the indirect Regional Bulk Infrastructure Grant to fund operational payments for the Vaal River pollution remediation project in Emfuleni Local Municipality.

**Reprioritisation in the Neighbourhood Development Partnership Grant** – R100 million of the Neighbourhood Development Partnership Grant is shifted from Schedule 5, Part B (direct) to Schedule 6, Part B (indirect) to fund project preparation, planning and implementation for municipalities that are having administrative and financial challenges that are affecting project implementation. These funds will be used for projects they were allocated for in the direct component. Affected municipalities are Mogale City Local Municipality, KwaDukuza Local Municipality and Emfuleni Local Municipality.

#### **Changes to gazetted frameworks and allocations**

**Municipal Disaster Response Grant** – The grant framework for the Municipal Disaster Response Grant is amended to allow for spending to respond to the disasters that occurred in December 2021 and April 2022.

**Informal Settlements Upgrading Partnership Grant: Municipalities** – The grant framework for the Informal Settlements Upgrading Partnership Grant is amended to ring-fence funds for

<sup>1</sup> There was an oversight in the allocations to Western Cape and KwaZulu-Natal, wherein the allocations or parts thereof allocated to the district municipalities in the DoRAB ought to have been allocated to the respective local municipalities in these districts. This is explained in detail in the section "Correction of errors in the Municipal Disaster Recovery Grant framework and allocations to municipalities" below.



the purchase of identified land for the relocation of flood victims who were previously residing in informal settlements that were washed away by April 2022 floods in eThekweni Metropolitan Municipality.

**Municipal annexures** – Changes to previously gazetted municipal allocations include a change of the name of a municipality. The name of Engcobo Local Municipality in the Eastern Cape is updated to Dr A.B. Xuma Local Municipality as per the Gazette published in terms of section 12 of the Local Government: Municipal Structures Act, on 30 May 2022.

### **Correction of errors in the Municipal Disaster Recovery Grant framework and allocations to municipalities**

The National Disaster Management Centre (NDMC) has requested changes to the in-year allocations for the Municipal Disaster Recovery Grant in the DoRAB tabled in Parliament. Part of the funding allocated to uThukela and iLembe district municipalities in KwaZulu Natal (page 36 of the DoRAB), should have been allocated to Alfred Duma and KwaDukuza local municipalities, respectively. The allocations made to the Cape Winelands, Overberg, and Garden Route district municipalities in the Western Cape (page 39 of the DoRAB), should have been made to Breede Valley; Theewaterskloof and Swellendam; and Oudtshoorn and George local municipalities, respectively. These corrections also affect the ring-fencing in the grant framework (page 28 of the DoRAB).

Parliament has approved that the National Treasury correct the allocations and effect the required changes to the MDRG framework, as part of section 15(1) of the 2022-DoRA to ensure that MDRG allocations are correctly allocated to the municipalities assigned for the functions.



29 MAY 2023

### **3. Pension fund defaults**

There has been a growing trend where municipalities are deducting pension from the employees but are not paying it over to their pension fund. This in our view is inconsistent with the intent and spirit of the MFMA and constitute an act of financial misconduct in terms of section 171 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings and potentially also a criminal offence in terms of section 173 of the MFMA read with other applicable legislation. Municipal Councils should refer these actions to the Disciplinary Boards for further investigation and should also consider laying criminal charges against the accounting officer and other responsible officials that has failed to perform the responsibility outlined in terms of section 65(2)(f) of the MFMA which states that "the accounting officer of a municipality must take all reasonable steps to ensure that the municipality complies with its tax, levy, duty, pension, medical aid, audit fees and other statutory commitments". Municipal Councils should also consider further measures and actions in terms of the Pension Funds Administration Act, as may be applicable.

### **4. Municipal Standard Chart of Accounts (mSCOA)**

#### **4.1 Release of Version 6.7 of the Chart**

On an annual basis, the mSCOA chart is reviewed to address implementation challenges and correct chart related errors. Towards this end, Version 6.7 is released with this circular.

Version 6.7 of the chart will be effective from 2023/24 and must be used to compile the 2023/24 MTREF and will be available from 20 December on the link below:



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

Kindly note that, in accordance with section 8(2)(j) of the Municipal Property Rates Act (MPRA) as amended in 2014, municipalities may apply for categories other than the categories in 8(2)(a) to (i). Towards this end the Minister of Cooperative Governance and Traditional Affairs approved the following categories:

- Sports Clubs and Fields for Bitou Municipality and
- Residential sectional title garages for Drakenstein Municipality.

These categories were only approved for use by municipalities indicated above. System vendors must therefore block the use of these categories for all other municipalities. The Project Summary Document (PSD) on the National Treasury webpage will be aligned to the chart changes in version 6.7 where applicable. The PSD is also available on the above link.

For the National Treasury to consider a new chart change in version 6.8 of the chart, the issue must be logged with all relevant background and details on the *mSCOA* FAQ portal by 31 August 2023. The *mSCOA* FAQ portal can be accessed by all registered GoMuni users on the following link. [https://lq.treasury.gov.za/ibi\\_apps/signin](https://lq.treasury.gov.za/ibi_apps/signin)

#### 4.2 Amendments to the regulated A1 schedules

The following tables of the A1 Schedule that was regulated in terms of the Municipal Budget and Reporting Regulations (MBRR), have been aligned to the *mSCOA* and Generally Recognised Accounting Standards (GRAP):

- A4: Statement of Financial Performance; and
- A6: Statement of Financial Position

In addition, tables A8 and A10 have been linked to the *mSCOA* data strings and will be included in the 2023/24 budget reports available on the GoMuni portal from 01 July 2023.

The amended and protected version of the A1 schedule will be available from 20 December on the link below:

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

System vendors and municipalities that are managing their own in-house systems must programme the amended schedules on their financial systems. Input fields for supporting tables that are not part of the non-financial data string must be created to ensure that a complete A schedule is generated from the core municipal financial system.

The *mSCOA* Regulations require that municipalities budget, transact and report on legislated *mSCOA* segments and directly on the core financial system and submit the required data strings directly from this system to the GoMuni Upload portal. To ensure that the data strings submitted are credible, municipalities must:

- Lock the budget adopted by Council on the core municipal financial system before submitting the budget (ORGB) data string to the GoMuni Upload portal;
- Close the core financial system at month-end as required in terms of the MFMA before submitting the monthly data string to the GoMuni Upload portal; and
- Generate the regulated MBRR Schedules (A, B and C) directly from the core municipal financial system.

OVERBERG DISTRICT MUNICIPALITY  
 26 LOG STREET / PRINCE ALBERT  
 BREDASBURG 6880  
 29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
 info@odm.org.za • www.odm.org.za



The preparation of budgets on excel spreadsheets that is captured in the system at a later stage and manual correction of data strings by municipal officials or system providers are not allowed in terms of the *mSCOA* Regulations. Where a municipality makes use of a stand-alone 3rd party sub-system or a system provider has entered into an agreement or consortium for the provision of certain functionality with a 3rd party sub-system provider, such a 3rd party sub-system should host the relevant part of the *mSCOA* chart to seamlessly integrate with the core financial system without manual intervention.

#### 4.3 Credibility of *mSCOA* data strings

The credibility and accuracy of the data strings must be verified by municipalities before submission as the data strings submitted will be used as the single source for all analysis and publications in the 2023/24 municipal financial year.

Municipalities have been given access to the GoMuni portal in April 2022 and should use the reports on GoMuni to verify the credibility of their submissions. It should be emphasized that errors in the data can only be corrected in the next open period. e.g., errors in the tabled budget (TABB) data string can only be corrected in the adopted budget data string (ORGB). Municipalities are not allowed to open closed periods to make corrections.

Municipalities are reminded that incorrect or incomplete data string submissions is considered as non-submission.

The credibility of the *mSCOA* data strings remains a concern in the following areas:

#### The inclusion of opening balances in data strings

Municipalities and system vendors must ensure that opening balances are included in the budget and in-year data strings. The opening balances at year end (month 12 – M12) of the previous financial year must be rolled over to the first month (M01) and updated with pre-audited (PAUD) and audit (AUDA) adjustments in the current financial year in the *applicable open period*. In other words, if the audit is completed on 31 October, then the changes in the opening balances must be reflected in the in-year submission for November 2022 (M05 submission). If opening balances and changes thereto are not included in the budget and in-year data strings, the C schedules will not populate correctly. This means that the movement of the balance sheet items will not have a starting point and the Statement of Financial Position (balance sheet) will be incorrect.

#### Accounting for Water Inventory

As per the guidance in MFMA Budget Circular No.115 (dated 04 March 2022), municipalities must budget and account for bulk water purchases as **inventory** under current assets in the Statement of Financial Position as per GRAP 12 (paragraph. 07).

In terms of GRAP 12:

*Inventories are assets:*

- a. *In the form of materials or supplies to be consumed in the production process;*
- b. *In the form of materials or supplies to be consumed or distributed in the rendering of services; and*
- c. *Held for sale or distribution in the ordinary course of operations, or*
- d. *In the process of production for sale or distribution.*

*Inventory acquired through non-exchange transactions should be recorded at its fair value as at the date it is acquired. The cost of inventory, except for non-purified water, will be determined or recognised in accordance with paragraph 25 and 26, which is the primary and secondary costs in getting the water either to the treatment works or to the users of the water.*

It is important to note that water cannot be issued if it was not purchased or brought into the inventory through system input transactions. Therefore, the total input volume of water related to water purified and water from natural sources should include both primary and secondary cost components. The allocation of secondary cost to the input volume of water will necessitate the utilisation of the Costing Segment in the *mSCOA*. This is crucial in determining cost reflective tariffs for water.

The fair value of water from natural resources such as boreholes, springs and fountains may be determined by the primary and secondary cost components. Secondary costs include:

- Labour
- Extraction cost
- Distribution cost
- Chemicals/ Treatment
- Maintenance
- Infrastructure
- Depreciation charges

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023

The municipality must account for water from natural resources as follows:

TEL: 028 425 1127 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

**Debit:** System Input Volume: Natural Resources

**Credit:** Gains and Losses: Water at fair value

Water inventory must be budgeted to be acquired and recorded in the Current Assets: Inventory: Water as indicated below. The movement accounts in the *mSCOA* structure makes provision for the different methods of acquiring and the consumption/ issuing of Water inventory.

**Current assets:**

- Inventory: Water Opening balance: Non-Funding Transactions
- Inventory: Water: System Input volume: Bulk Purchases: Water Treatment/Natural Resources
- Water Authorised Consumption:
  - a) Billed Unmetered Consumption
  - b) Un-Billed Authorised Consumption
  - c) Billed Metered Consumption
- Inventory: Water Losses (Apparent and Real Losses)

Water that is issued to Consumers must be issued from the inventory and expensed in the **Expenditure:** Inventory: Consumed -Water.

Water losses will reduce the Water inventory in current assets and the corresponding amounts should be captured in **Gains and Losses:** Inventory: Water: Fair value

It is important to note that the change in accounting for water through the inventory purchased process and the change of using a methodology to report the balance of water as at year-end may impact on the Annual Financial Statements (AFS). Municipalities must ensure that they update their accounting policy, document this process, and provide comparative figures when assessing and reporting their water balance to ensure that the GRAP guidelines of changes in reporting and materiality is applied correctly.



## The Local Government Municipal Property Rates (MPRA) Amendment Act, 2014

Municipalities are reminded that section 8 of the MPRA on the determination of categories of rateable properties has been revised through the Local Government Municipal Property Rates Amendment Act, 2014 ("the Amendment Act").

Municipalities were required to implement the new property categorisation framework by not later than 01 July 2021. The *mSCOA* chart Version 6.7 will only make provision for the new framework. The old framework has been retired and municipalities must prepare their 2023/24 MTREF Budgets accordingly.

### Fixed Asset Register

Municipal financials systems must comply with the minimum business processes and system requirements on fixed asset registers as articulated for the asset management module in MFMA Circular No 80. The asset management module should be embedded in the core financial system or seamlessly integrate from a third-party sub-system to the core financial system. This will enable the regular and seamless updating of the fixed asset register. The register must contain the following information as a minimum requirement:

- Description of the asset
- Date of acquisition or brought into use
- Purchase cost
- Location of the asset
- Function responsible for the asset
- Current value
- Depreciation and method utilised
- Remaining life of the asset
- Maintenance information
- Insurance Coverage

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280

29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

Municipalities will be required to upload their updated fixed asset register in a PDF format on the GoMuni Upload portal as part of their 2023/24 MTREF tabled and adopted budget submission and thereafter on a quarterly basis as part of their in-year reporting.

### Recording of Schedule 6B Grants in *mSCOA*

Grants allocated in terms of Schedule 6B of DoRA should be recorded in terms of *mSCOA* as an allocation-in-kind. This means that the municipality will only record the transaction once they received a completed asset.

Importantly, a Schedule 6B grant may not be transferred to the end-user of the asset to construct the asset as this is in contravention with the conditional grant framework. If a transferring officer of a Schedule 6B grant consider the municipality capable of constructing its own asset, the grant should be re-gazetted and reclassified as a Schedule 5B grant. The grant will then be transferred directly to the municipality to construct the asset and the receipt and expenditure of the grant must be in accordance with GRAP 17. An adjustments budget in terms of Section 28(2)(b) of the MFMA and Regulation 23(3) of the MBRR must be adopted to include the grant funding and project in the MTREF budget.

In the case where a municipality is constructing an asset for a national department but will not be the end-user of the asset being constructed, the accounting must be done in terms of GRAP 11. There will be VAT implications as the municipality will be a contractor and act as an agent. It is important to ensure that the contract between the municipality and the department outlines the responsibilities of all parties.



Municipalities must ensure that they are making provision for VAT in accordance with the VAT Act, 1991 (Act No. 89 of 1991) and the VAT 419 guide issued by SARS. The National Treasury issued *mSCOA* Circular No.12 (dated 01 October 2021) that provides guidance on the recording of VAT in the *mSCOA*.

### Impact of Balance Sheet Budgeting and Movement Accounting on Cash Flow Tables

From the analysis of the *mSCOA* data strings it is evident that the cash flow tables (A7, B7 and C7) are still not populating correctly or completely. This can be contributed to the fact that a number of municipalities still do not use balance sheet budgeting and movement accounting. Guidance on the use of balance sheet budgeting and movement accounting to populate tables A7, B7 and C7 correctly was provided in MFMA Budget Circular No. 107 (dated 04 December 2020) and *mSCOA* Circular No. 11 (dated 04 December 2020).

### 4.4 Regulation of Minimum Business Processes and System Specifications

National Treasury will review and regulate minimum business processes and system specifications for *mSCOA* by the end of 2024/25. In preparation for the regulation of the minimum requirements, municipalities should ensure that they comply fully with the current minimum business processes and system specifications articulated in MFMA Circular No. 80 (dated 08 March 2016).

Where a municipality is not fully compliant with the *mSCOA* requirements, a *mSCOA* Road Map must be in place to drive and fast track the *mSCOA* implementation in the municipality. The *mSCOA* Steering Committee, chaired by the Accounting Officer or his/ her delegate, must use the *mSCOA* Road Map to track progress and take correction actions where required.

Road Maps must be reviewed and updated annually as part of the budget process is updated and submitted to Council for approval together with their 2023/24 MTREF budget. Municipalities will be required to upload their updated *mSCOA* Road Maps in a PDF format on the GoMuni Upload portal as part of their 2023/24 MTREF tabled and adopted budget submission and thereafter on a quarterly basis as part of their in-year reporting.

Municipalities should ensure that they budget sufficiently to become and remain *mSCOA* compliant.

Guidance on the content of the *mSCOA* Road Map was provided in MFMA Budget Circular No. 115 (dated 04 March 2022).

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
29 MAY 2023

### 4.5 *mSCOA* Training Initiatives

#### Training to municipalities and municipal system vendors

The National Treasury, in conjunction with CIGFARO, will conduct monthly training sessions aimed at municipalities, municipal system vendors and other relevant role-players. The training will focus on technical aspects of budgeting, transacting and reporting in the *mSCOA* and is aimed at improving the quality of *mSCOA* data strings. The draft programme is attached as **Annexure A**.

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

#### *mSCOA* eLearning Course

The National School of Government is hosting the *mSCOA* eLearning Course that was developed by the National Treasury. The *mSCOA* eLearning Course provides government officials with the basic knowledge on the reform and how to record transactions using the *mSCOA*.



Government institutions can enrol their employees for this course by sending a request for training to the NSG at [contactcentre@thensg.gov.za](mailto:contactcentre@thensg.gov.za). If your institution has not attended any training with the NSG previously, then you will also be required to register on the NSG database. The mSCOA eLearning Course will be offered at no cost until 31 March 2023. Thereafter, delegates will have to pay to attend the course.

Any queries in this regard must be directed to the NSG at [contactcentre@thensg.gov.za](mailto:contactcentre@thensg.gov.za) or tel number: 086 100 8326.

OVERBERG DISTRICT MUNICIPALITY  
261 000 0000 1 PRIVATE BAG X22  
DUTYASJURP 7280  
29 MAY 2023

## 5. The revenue budget

Similar to the rest of government, municipalities face a difficult fiscal environment. The weak economic growth has put pressure on consumers' ability to pay for services, while transfers from national government are growing more slowly than in the past. Some municipalities have managed these challenges well, but others have fallen into financial distress and face liquidity problems. These include municipalities that are unable to meet their payment obligations to Eskom, Water Boards and other creditors. There is a need for municipalities to focus on collecting revenues owed to them and eliminate wasteful and non-core spending.

Municipalities must ensure that they render basic services, maintain their assets and clean environment. Furthermore, there must be continuous communication with the community and other stakeholders to improve the municipality's reputation. This will assist in attracting investment in the local economy which may result in reduced unemployment. Some municipalities are experiencing serious liquidity challenges. Therefore, the new leadership is advised to:

- Decisively address unfunded budgets by reducing non-priority spending and improving revenue management processes to enable collection; and
- Address service delivery failures by ensuring adequate maintenance, upgrading and renewal of existing assets to enable reliable service delivery.

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

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

The purpose of the above mentioned MFMA Circulars is to ensure that the municipalities are using their entire revenue base as the basis for the revenue budget. It is essential that municipalities reconcile their most recent consolidated valuation roll data to that of the current billing system data to ensure that revenue anticipated from property rates is realistic. The municipalities should implement a data management strategy and develop internal capacity to perform these reconciliations and investigations to improve completeness of billing.

One of the aims of the reconciliation process is to identify exceptions, i.e. records on the roll and not on the billing system and records on the billing system and not on the roll. In addition, the reconciliation must identify duplicated records, missing data, and data errors. These exceptions should then be investigated, and remedial action strategies developed for data cleansing and other corrective actions. The Debtors Ageing data should also form part of the reconciliation process so that "debtors" can be tracked and assessed at a property record level and prioritised for verification of rates liability measured against a MPRA property and owner.



To facilitate reconciliation of the separate databases (Roll and Billing), a unique property identifier (common primary unique link code) must be created and populated for each rateable property on the roll system and on the rates billing system. This property identifier must be unique, without duplicates, and remain constant for the life of the property. The standards adopted by the South African Council for the Property Valuers Profession (SACPVP), namely South African Standard: Municipal Valuations for Property Rating, specifies that the Surveyor General Code SG 21-digit Code, derived, and created from the property description, be applied for all registered full title property defined in terms of part (a) of the definition of property.

For all other MPRA defined property, Part (a) Sectional Title, Part (b) Registered Rights, Part (c) Land Tenure Rights and Part (d) PSI, and apportioned multiple use property in terms of sections 8(2)(i) and 9(2), an added suffixed 5 digits to the SG 21-digit code must be assigned by the designated municipal valuer, thereby creating a unique 26-digit code. The municipality must ensure that the SG21 digit code and 26-digit coding system is applied in their valuation roll management system and billing system and engage with their designated municipal valuer and systems service providers to implement the unique property identifier.

Further it is important that municipalities who are performing a general valuation (GV) to implement a new valuation roll on 1 July 2023, must also as best practice compare the current consolidated roll to the new valuation roll. This can identify any anomalies and errors of category of property and market values for review and investigation and the option of lodging an objection by the municipality, where applicable. This process should also identify outliers and shifts in market values by category and area so that tariffs on the new roll can be modelled and determined in an equitable manner to avoid rates shocks.

Municipalities should undertake this exercise as a routine practice during the budget process so that supplementary adjustments to the valuation roll are kept up to date. In order to ensure that the most updated information is used for the reconciliations, municipalities are reminded to adhere and comply with s23(1)(2) of the MPRA and therefore use the Part A register as the basis for performing the reconciliations going forward.

Furthermore, municipalities are also advised and expected to comply with s8(1) of the MPRA in terms of the billing methodology that needs to be specified within their policies to ensure that the correct categories (based on the selection made by the municipality) are used in the reconciliation process.

The list of exceptions derived from this reconciliation will indicate where the municipality may be compromising its revenue generation in respect of property rates or whether the municipality is overstating its revenue budget.

A further test would be to reconcile this information with the Deeds Office registry. In accordance with the MFMA Circular No. 93, municipalities are once more requested to submit their reconciliation of the Valuation roll/Part A register to the billing system to the National Treasury on a quarterly basis by no later than the 10<sup>th</sup> working day. A detailed action plan must accompany the reconciliation where variances are noted.

The above information must be uploaded by the municipality's approved registered user(s) using the GoMuni Upload Portal at: [https://lg.treasury.gov.za/ibi\\_apps/signin](https://lg.treasury.gov.za/ibi_apps/signin). If the municipality experience any challenge uploading the information, a request for an alternative arrangement may be emailed to [linda.kruger@treasury.gov.za](mailto:linda.kruger@treasury.gov.za).

No operation can be sustainable if it does not collect its revenue. A municipality is no different. There is a misconception that a municipality may not interrupt or restrict the supply of water services of a defaulting consumer. The National Treasury confirms that neither the



Water Services Act, 1997 (Act No. 108 of 1997) or any other legislation prevents a municipality from cutting the supply of water to a defaulting consumer unless the consumer is an indigent in which case the water services to that household must be restricted to the national free basic water limit of 6 kilolitre water monthly (or 50 kilowatt hours in the case of free basic electricity monthly). This was confirmed by the Constitutional Court in the matter of Mazibuko and Others v City of Johannesburg and Others (CCT 39/09) [2009] ZACC 28; 2010 (3) BCLR 239 (CC); 2010 (4) SA 1 (CC) (8 October 2009).

Municipalities are urged to use the restriction/ interruption of supply of both water and electricity services as a collection tool. Effective from the tabling and adoption of the 2023/24 MTREF, municipalities' By-laws and policies must facilitate this and clearly stipulate the order in which any partial payment of the consolidated municipal bill (including property rates) will be applied as well as the process before the supply of water and electricity services will be cut. The National Treasury recommended that any partial payment firstly be applied to property rates, wastewater, waste management, water and lastly to electricity. When interrupting or restricting the supply of water it is important that such is undertaken together with the municipal engineer(s) to ensure a continued minimum supply of waste water.

## 5.2 Setting cost-reflective tariffs

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

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

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

The National Treasury issued a tariff setting tool and guide as part of MFMA Budget Circular No. 98 (refer item 4.2) on 6 December 2019 and since 2019, encouraged municipalities to utilise the tool. **With effect, the 2023/24 MTREF, all municipalities (except metropolitan cities and district municipalities that do not provide any services) as part of both the tabled and adopted MTREF submissions must submit the completed National Treasury tariff tool (in excel format) illustrating that the revenue component of the budget is credible and funded and that the municipality's tariffs are cost reflective.** If the municipality's initial calculation results in high increases to facilitate cost-reflectiveness, it is recommended that such are phased in over 3 to 5 years. The municipality's strategy in this regard should be included as part of the budget narratives.

This tool will assist in setting tariffs that are cost-reflective and enable a municipality to recover costs to fulfil its mandate. Going forward it is also imperative that every municipality fully embrace the Municipal Standard Chart of Accounts (mSCOA): costing component. Considering, mSCOA implementation is entering its sixth year of implementation, all municipalities must fully embrace and report also utilising the costing segment correctly. The National Treasury Municipal Costing Guide is available on the link below on the National Treasury website.



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

### 5.3 Tariffs – achieving a balance between cost-reflectiveness and affordability

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other consumers while ensuring the financial sustainability of the municipality.

When setting tariffs, it is therefore critical to understand the economic environment specific to the municipality and consideration should include at least –

- *The socio-economic profile undertaken for the municipality* available on the National Treasury GoMuni portal – municipalities are encouraged to annually update their own socio-economic profile using the template model available on GoMuni;
- *The most recent average monthly household income in the municipality* as per Statistics South Africa (Stats SA) available on [Statistics South Africa | Improving Lives Through Data Ecosystems \(statssa.gov.za\)](http://Statistics South Africa | Improving Lives Through Data Ecosystems (statssa.gov.za));
- *The average property value in the municipality* per its most recent approved general valuation roll and/ or supplementary general valuation roll;
- *The number of indigent households in the municipality*, including any variation in the number of indigent households included in the Equitable Share: free basic services component for the municipality vs the municipality's own indigency level discretion; and
- *The economic drivers and activities specific to the municipal area<sup>2</sup>; etc.*

The municipality's tariff-setting or other committee tasked with this role must understand and deliberately reflect on this context during the tariff-setting process. Considering the average monthly household income, the median affordable municipal bill would ideally not exceed proportionally the average monthly household income. This median affordable bill, in combination with the median average property value should inform the basis to determine any rebates to households with income below the median.

It is also important when setting particularly water and electricity tariffs that municipalities consider setting two-tier tariffs, that include a basic availability charge to recover the fixed (direct and indirect) cost associated with the service in conjunction with consumption-based tariff bands. For example, in a drought, such tariffs will facilitate the ability to pay for infrastructure and maintenance, treating chemicals and salaries, etc. while parallel facilitating water restriction based on inclining tariffs as consumption increase. Furthermore, it is important to link the municipality's water tariffs to dam levels, also approved as part of the budget process. For example, if the dam levels drop to 60 per cent the first tier of restriction tariffs should become applicable in terms of the municipality's approved tariff policy.

It is also noted that NERSA approves seasonal tariffs for Eskom but not necessarily for the municipality. It is important that the municipality clearly factor this in its tariff application to NERSA, illustrating the cashflow crunch if the municipality is not similarly allowed a seasonal tariff to recover the higher Eskom bulk cost during winter months.

Lastly, municipalities are cautioned against setting tariffs that include operating inefficiencies. This could lead to tariffs falling into the unaffordable range.

The Consumer Price Index (CPI) inflation is forecasted to be within the 3 to 6 per cent target band; therefore, municipalities are required to **justify all increases in excess of the projected inflation target for 2023/24** in their budget narratives and pay careful attention to

<sup>2</sup> The spatialised tax data is now available through National Treasury for all municipalities that provides an up to date information on economic activity within a municipal boundary.



tariff increases across all consumer groups. In addition, municipalities should include a detail of their revenue growth assumptions for the different service charges in the budget narrative.

#### 5.4 Bulk Account Payments and Concessions

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

During the process, Eskom agreed to provide relieve in certain areas. Municipalities are reminded of the following concessions that remain in place:

- The interest rate charged on overdue municipal bulk accounts were reduced from prime plus 5 per cent to prime plus 2.5 per cent;
- Payment terms were extended from 15 days to 30 days for municipal bulk accounts; and
- Eskom allocation of municipality payments to capital first and then to interest.

These concessions align to the MFMA and are meant to curb municipal growing debt levels by allowing a more conducive payment regime than what was previously employed. In addition, municipalities are urged to budget for and ring-fence their payment of bulk services. Bulk current account payments must be honoured religiously to avoid stringent application of the bulk suppliers' credit control policy.

Municipalities are also urged to enforce a culture of payment for services through their normal credit control processes. In this regard it should be noted that municipalities are only compensated for free basic services based on an indigent user component calculation through the equitable share. As such, a municipality's allocation of free basic services to all of the municipality's consumers is not funded in the equitable share. Every municipality, during the budget process, must consider the affordability to the municipality when allocating free basic services above the national norm and to consumers other than indigent consumers. **If a municipality has any arrears on any of its bulk supplier's accounts, it must limit its provision of free basic services to registered indigent consumers only.**

#### 5.5 Critical Notice Affecting STS Meters

As highlighted in previous MFMA Circular No. 115 (dated 06 December 2022) municipalities are once again alerted that there is still a pending business risk to the prepayment metering industry that requires urgency of action. The token identifiers (TID) used to identify each credit token will run out of available numbers in November 2024, at which point all STS meters will stop accepting credit tokens.

The remedy is to visit each meter and enter a special set of key change tokens in order to reset the meter memory. Municipalities are advised that the National Treasury, through the Office of the Chief Procurement Officer (OCPO), will soon facilitate a transversal contract for the provision of auditing, re-calibration and re-configuration services for standard transfer specification compliant prepayment meters that align to minimum and critical technical specifications for local government. In this respect the development of the transversal contract for smart prepaid meters as per NRS 049 (per latest approved version) is at an advanced stage and should be issued shortly by National Treasury.

If your municipality or municipality entity is currently in the process of procuring for a solution or is planning to, you are cautioned:

- Against proceeding prior to the OCPO having issued and awarded the transversal contract for the provision of inter alia auditing, re-calibration and re-configuration services for standard transfer specification compliant prepayment meters Terms of Reference (ToR); and

29 MAY 2023  
TEL: 026 425 4147 • FAX: 026 425 1014  
Info@oomh.org.za • www.oomh.org.za



- That, with immediate effect, you must obtain the National Treasury's input prior to proceeding with any current procurement or proposed procurement for this purpose or any related solution or similar. This is to prevent unnecessary and wasteful expenditure on such solutions. Any request for National Treasury's input on the current or planned procurement of any related solution or similar or component thereof, must be directed to the National Treasury for the attention of the Local Government Budget Analysis Unit (Mr. Sadesh Ramjathan) [Sadesh.Ramjathan@treasury.gov.za](mailto:Sadesh.Ramjathan@treasury.gov.za).

In this regard, municipalities will have two options to choose from:

- Firstly, to pursue the route of auditing, re-calibrating and re-configuring services for standard transfer specification compliant prepayment meters; and/ or
- Secondly, to replace the old meter with a new smart prepaid meter.

For both options, the municipality will have to budget accordingly as no additional funding will be available through the national fiscus.

Your assistance in proactively ensuring that the municipality and/ or its entities are not adversely affected by these processes will be appreciated.

## 5.6 Completeness and credibility of revenue related information in the Budget

The MBRR regulates the minimum level of information required from municipalities when compiling, implementing, monitoring, and evaluating the municipality's financial management situation. Failure to include the minimum required information hampers the municipal council, the public and stakeholders' ability to make informed decisions and engage on the matter. It also limits research, studies, and benchmarking undertaken for local, provincial, and national purposes.

The National Treasury would like to take this opportunity to caution municipalities that the MBRR prescribe the minimum level of information municipalities must include as part of their legal reporting obligations.

Going forward the Treasuries will place increased attention and focus on the adequacy of municipalities' submissions. The National Treasury regards this non-compliance to include the minimum level of information as serious and if persistent will consider applying the available legal sanctions, including recourse in terms of section 216(2) of the Constitution. In this context, National Treasury will particularly focus on the completeness of asset management related information as well as the statistical information required in the A, B and C schedules during the 2023/24 MTREF.

## 5.7 Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for the price determination of the bulk costs of electricity. In the municipal financial year 2022/23, bulk electricity costs increased moderately at 9.61 per cent, compared to 17.8 per cent in the 2021/22 municipal financial year. Due to Eskom's funding needs, they are seeking higher tariff increases and have applied to NERSA for a 32 per cent hike from 1 April 2023/24. NERSA will make a final decision on the tariff application by 24 December.

In addition, a High Court hearing is still pending on the Multi-Year Price Determination (MYPD 5) application. The urgent High Court review requires NERSA to urgently process the Eskom revenue application for at least one year, as required by law. The timeframes for the review allow for a decision to be made in time for implementation by 1 April 2023.



## 5.8 Updated Municipal Borrowing Policy Framework

Cabinet approved the Update to the Policy Framework for Municipal Borrowing and Financial Emergencies on the 17th of August, 2022. The purpose of the Update is to re-examine the original Policy Framework, along with the legislation (i.e. Municipal Finance Management Act – MFMA) that was adopted to implement it, considering the experience with municipal borrowing that has accumulated since 2000.

The following key reforms have been introduced through the Update to the Policy Framework for Municipal Borrowing:

- The Policy Framework for Municipal Borrowing has been updated to introduce the necessary reforms that will expand the scope of responsible municipal borrowing and create an environment that attracts more players (e.g. insurers, pension funds, institutional investors and fund managers, and international Development Finance Institutions) in the municipal debt market space. The original core principles underlying municipal borrowing are maintained (i.e. creditworthy municipalities should borrow prudently to finance capital investment, and that there will be no bail-outs by the provincial or national government);
- The updated policy framework clarifies the role of Development Finance Institutions (DFIs), as it was not clearly articulated in the original policy. DFIs are required to pursue clear and agreed developmental goals, as outlined in the policy. The objective of this approach is to ensure that a DFI lending does not crowd out the private sector. Public-sector lenders, both domestic and foreign, should be guided by a social and developmental investment approach in which demonstrable social outcomes are considered alongside potential financial returns;
- The updated policy framework permits and clarifies innovative infrastructure financing mechanisms (such as pooled financing mechanisms, project finance, tax increment financing, revenue bonds, and pledging of conditional grants) that municipalities can use to leverage municipal borrowing. Municipalities are encouraged to explore these alternatives, and innovative infrastructure financing mechanisms permitted subject to the requirements contained in the Municipal Finance Management Act (MFMA) and
- The participation of both private and public sector market participants in the development of a liquid secondary market for municipal debt securities is also encouraged. The policy proposes options that can be explored to support the development and growth of an efficient and liquid market for municipal debt obligations.

The Updated Municipal Borrowing Policy Framework can be accessed at the MFMA website at the following link <http://mfma.treasury.gov.za/Guidelines/Pages/default.aspx>.

## 5.9 Tariff Policies

Municipalities must comply with the provisions of Section 74 of the Municipal Systems Act (MSA) which requires that a municipal council must adopt and implement tariff policy on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements, and which complies with the provisions of this Act and with any other applicable legislation. Municipalities should also ensure that the tariff policies adhere to all the principles outlined in section 74(2) of the MSA. A municipality's tariff policies must also take into consideration variable factors such as water shortages and electricity feedback excess into the municipal system from new generation capacity. Municipalities must adopt by-laws to give effect to the implementation and enforcement of their tariff policies.



### 5.10 Non-Revenue Electricity and Non-Revenue Water/ Revenue Losses:

Water Service Authority municipalities and electricity licensed municipalities are urged to align both their non-revenue water and non-revenue electricity indicators and their set targets in the 2023/24 SDBIPs with identifiable infrastructure or operational projects and/ or programmes. Municipalities should improve on the baseline information included in the SDBIPs by indicating the volume of water losses (i.e., kilolitres/ mega-litres) and the amount of electricity losses (KwH or MWs) for the previous year. This approach will help to determine the progress of municipalities in curbing losses, which impact on municipal revenues, in both non-revenue water and non-revenue electricity.

## 6. Burial of Councillors

Salaries, allowances and benefits for political office-bearers and members is managed through Determination of Upper Limits of Salaries, Allowances and Benefits of Different Members of Municipal Councils notice issued by the Minister of Cooperative Governance and Traditional Affairs.

Section 167 of the MFMA provides that a municipality may remunerate its Councillors within the framework of the Public Office-Bearers Act, 1998 (Act No. 20 of 1998), setting the upper limits of the salaries, allowances and benefits for those political office-bearers and members. Any benefit which is not included in the above-mentioned notice will be deemed irregular expenditure and recovery thereof from the Councillor concerned is mandatory.

Municipalities may also refer to relevant Councillor Pension Scheme or personal funeral policies in existence for any funeral benefits relating to such Councillor

## 7. Funding choices and management issues

Municipalities are under pressure to generate revenue. The ability of customers to pay for services is declining and this means that less revenue will be collected. Therefore, municipalities must consider the following when compiling their 2023/24 MTREF budgets:

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

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



## 7.1 Employee related costs

The Salary and Wage Collective Agreement for the period 01 July 2021 to 30 June 2024 dated 15 September 2021 through the agreement that was approved by the Bargaining Committee of the Central Council in terms of Clause 17.3 of the Constitution should be used when budgeting for employee related costs for the 2023/24 MTREF. In terms of the agreement, all employees covered by this agreement shall receive with effect from 01 July 2023 and 01 July 2024 an increase based on the projected average CPI percentages for 2023 and 2024. The forecasts of the Reserve Bank, in terms of the January 2023 and January 2024, shall be used to determine the projected average CPI. Municipalities are encouraged to perform an annual head count and payroll verification process by undertaking a once-a-year manual salary disbursement, in order to root out ghost employees.

According to the 2021 State of Local Government Finance Report, there are about 165 municipalities that are in financial distress. These municipalities need to ensure that they seek an early exemption from this dispensation of this salary agreement. Municipalities should also avoid paying out leave in cash while having major financial challenges.

## 7.2 Remuneration of Councillors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also take into account the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process. Any overpayment to councillors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of Section 167 of the MFMA and must be recovered from the councillor(s) concerned.

## 8. Transfers to municipalities

### 8.1 Criteria for the release of the Equitable Share

Section 216(2) of the Constitution of South Africa requires that the National Treasury must enforce compliance with the measures established to ensure both transparency and expenditure control in each sphere of government and may stop the transfer of funds to an organ of state if that organ of state commits a serious or persistent material breach of those measures.

The criteria for the release of the Equitable Share Instalments for the 2023/24 municipal financial year are as follows:

- The 2023/24 adopted budget must be funded and adopted by Council as per the legal framework, as required in terms of section 18 of the MFMA and consistent with the Budget Council and Budget Forum resolutions;
  - a. The adopted budget must include budget allocations for bulk suppliers current account payments;
  - b. Should the adopted budget still be unfunded, then a credible funding plan will be required to show how the municipality intends moving progressively out of this position into a funded state, if this plan has been adopted in the past, then a progress report must be submitted on the framework previously shared to guide municipalities which is aligned to the rescue phase of the new approach to Municipal Financial Recovery Service (MFRS);

29 MAY 2023  
OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET  
BREDASBURG 6020  
TEL: 028 425 1487 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za



- c. Those municipalities that adopted an unfunded budget must work with their respective Provincial Treasuries to rectify this position in the lead up to the main adjustments budget process in February 2023; and
- d. A council resolution showing commitment to address the unfunded position must be submitted by these municipalities to the National Treasury by 01 July 2023.
- Credible mSCOA data strings and source documents for the 2023/24 MTREF and 2022/23 audits must be generated directly from the core municipal financial system and successfully uploaded to the Local Government GoMuni Portal. Source documents must be submitted in PDF and no excel based spreadsheet/ templates will be accepted;
- The report submitted by bulk suppliers in terms of section 41 of the MFMA must indicate that the current account has been paid timeously in terms of section 65(2)(e) of the MFMA. In addition, where the municipality has a repayment plan with Eskom and/ or the water boards, proof that the current accounts have been paid and a copy of the agreed upon payment plan (or evidence of negotiations underway with creditors) must be submitted to the National and provincial treasuries;
- Municipalities must provide evidence that SARS, pension and other staff benefits deducted from municipal officials have been paid over the appropriate Funds and/ or institutions;
- The information requested in MFMA Circulars No. 93, 98 and 107 on the reconciliation of the valuation roll have been submitted to the National Treasury as per the required timeframes;
- The Competency Regulations reporting requirements have been complied with;
- Provide a copy of the Unauthorised, Irregular, Fruitless and Wasteful (UIF&W) expenditure register, the latest copy of the Municipal Public Accounts Committee (MPAC) recommendations, Council Resolution on UIFW as well as a copy of the council approved UIFW Reduction Strategy/ Plan, proof of establishment of the Disciplinary Board (or evidence of progress towards their establishment) including evidentiary evidence demonstrating functionality of the Disciplinary Board and updated audit action plan (where the audit has been completed);
- Those municipalities that received an adverse or disclaimed opinions for the 2020/21 financial year will not receive their funding allocation unless there is a council resolution committing to address these opinions with an implementable plan. The resolution must be signed by each member of the Council and submitted to National Treasury by 1 October 2023;
- The Municipal Financial Recovery Service progress reporting framework for financial recovery plans must be complied with by municipalities under intervention in terms of S139 of the Constitution;
- Additionally, those municipalities that have outstanding audits for both the 2020/21 and 2021/22 financial years as well as municipalities with outstanding 2021/22 audit opinions that also received an adverse or disclaimer opinion in 2020/21, will also not receive their allocation; and
- Any other outstanding documents as per the legal framework have been submitted including the AFS submission (municipality only and consolidated AFS).

Failure to comply with the above criteria will result in National Treasury invoking section 38 of the MFMA which empowers National Treasury to withhold a municipality's equitable share if the municipality commits a serious or persistent breach of the measures established in terms of Section 216(2) of the Constitution which includes reporting obligations set out in the MFMA and National Treasury requests for information in terms of Section 74 of the MFMA.



29 MAY 2023



## 9. The Municipal Budget and Reporting Regulations

### 9.1 Schedule A – version to be used for the 2023/24 MTREF

National Treasury has released Version 6.7 of the Schedule A1 (the Excel Formats) which is aligned to Version 6.7 of the mSCOA classification framework and must be used when compiling the 2023/24 MTREF budget.

All municipalities must prepare their 2023/24 MTREF budgets in their financial systems and produce the Schedule A1 directly from their financial system.

Municipalities must start early enough to capture their tabled budget (and later the adopted budget) in the budget module in the financial system and must ensure that they produce their Schedule A1 directly out of the budget module. **Manual capturing on the A1 schedule version 6.7 is not allowed** in terms of the mSCOA Regulations.

National Treasury has protected the A1 schedule version 6.7 in order to ensure that the Schedule A1 generated directly from the financial system and not populated manually.

The budget, adjustments budget and Section 71 monthly reporting Schedules that have been regulated in terms of the MBRR have also been aligned to the mSCOA chart version 6.7. The revised MBRR Schedules for the 2023/24 MTREF and its linkages to the financial and non-financial data string are available on the link below:

<http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Pages/default.aspx>

### 9.2 Assistance with the compilation of budgets

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

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape	Matjatji Mashoeshoe Pitso Zwane Oreal Tshidino	012-315 5553 012-315 5171	<a href="mailto:Matjatji.Mashoeshoe@treasury.gov.za">Matjatji.Mashoeshoe@treasury.gov.za</a> <a href="mailto:Pitso.Zwane@Treasury.gov.za">Pitso.Zwane@Treasury.gov.za</a> <a href="mailto:Ophulusa.Tshidino@Treasury.gov.za">Ophulusa.Tshidino@Treasury.gov.za</a>
Buffalo City	Mandla Gilimani	012-315 5807	<a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
Free State	Sifiso Mabaso Cethekile Moshane	012-315 5952 012-315 5079	<a href="mailto:Sifiso.mabaso@treasury.gov.za">Sifiso.mabaso@treasury.gov.za</a> <a href="mailto:Cethekile.moshane@treasury.gov.za">Cethekile.moshane@treasury.gov.za</a>
Gauteng	Matjatji Mashoeshoe Abigail Maila	012-315 5553 012-395 6737	<a href="mailto:Matjatji.Mashoeshoe@treasury.gov.za">Matjatji.Mashoeshoe@treasury.gov.za</a> <a href="mailto:Abigail.Maila@Treasury.gov.za">Abigail.Maila@Treasury.gov.za</a>
City of Tshwane and City of Johannesburg	Willem Voigt Makgabo Mabotja	012-315 5830 012-315 5156	<a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@treasury.gov.za</a> <a href="mailto:Makgabo.Mabotja@treasury.gov.za">Makgabo.Mabotja@treasury.gov.za</a>
Ekurhuleni	Kgomotso Baloyi	012-315 5866	<a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a>
KwaZulu-Natal	Kgomotso Baloyi Kevin Bell	012-315 5866 012-315 5725	<a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a> <a href="mailto:Kevin.Bell@treasury.gov.za">Kevin.Bell@treasury.gov.za</a>
eThekweni	Sifiso Mabaso	012-315 5952	<a href="mailto:Sifiso.mabaso@treasury.gov.za">Sifiso.mabaso@treasury.gov.za</a>
Limpopo	Sifiso Mabaso	012-315 5952	<a href="mailto:Sifiso.Mabaso@treasury.gov.za">Sifiso.Mabaso@treasury.gov.za</a>
Mpumalanga	Mandla Gilimani Lesego Leqasa	012-315 5807	<a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a> <a href="mailto:Lesego.Leqasa@treasury.gov.za">Lesego.Leqasa@treasury.gov.za</a>



Northern Cape	Mandla Gilimani Sibusisiwe Mchani	012-315 5807 012-315 5539	<a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a> <a href="mailto:Sibusisiwe.Mchani@treasury.gov.za">Sibusisiwe.Mchani@treasury.gov.za</a>
North West	Willem Voigt Makgabo Mabotja	012-315 5830 012-315 5156	<a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@treasury.gov.za</a> <a href="mailto:Makgabo.Mabotja@treasury.gov.za">Makgabo.Mabotja@treasury.gov.za</a>
Western Cape	Willem Voigt Enock Ndlovu	012-315 5830 012-315 5385	<a href="mailto:WillemCordes.Voigt@treasury.gov.za">WillemCordes.Voigt@treasury.gov.za</a> <a href="mailto:Enock.Ndlovu@treasury.gov.za">Enock.Ndlovu@treasury.gov.za</a>
Cape Town	Kgomotso Baloyi	012-315 5866	<a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a>
George	Mandla Gilimani	012-315 5807	<a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
Technical issues with Excel formats	Sephiri Tlhomeli	012-406 9064	<a href="mailto:lqdataqueries@treasury.gov.za">lqdataqueries@treasury.gov.za</a>

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

### 9.3 Assessing the 2023/24 MTREF budget

National and provincial treasuries will assess the 2023/24 MTREF budgets to determine if it is complete, funded and complies with the mSCOA requirements. The mSCOA data strings for the tabled (TABB) and adopted (ORGB) budgets will be used for this assessment.

Municipalities should note that the MFMA legislated timeframes for submission of the tabled and adopted budgets are outer timeframes. In this context, different to previous MTREF's, going forward, if the municipality's budget is unfunded, council in terms of MFMA section 74 is requested to table and/ or adopt a budget funding plan together with the budget at the same time.

The Treasuries' **assessment period** of municipal budgets will be from **01 April to 30 June 2023 for both the tabled and adopted budgets**. However, (in a context of some municipalities persisting with unfunded budgeting practices), **if the municipality tabled and/ or adopted an unfunded budget in the 2022/23 MTREF**, the municipality must adjust its schedule of key budget deadlines to facilitate an earlier Treasuries' assessment thereof between 1 April to 15 May 2023 for both tabled and adopted budgets. In this period the national and provincial treasuries will evaluate all municipal budgets for completeness and for being fully funded. Any adjustment that needs to be made must be done before the start of the municipal financial year on 30 June 2023.

Importantly, in order to generate an adopted budget (ORGB) data string, the budget must be locked immediately on the financial system at the start of the new municipal financial year on 1 July. Therefore, once the ORGB data string has been generated, errors in the ORGB can only be corrected via an adjustments budget in February of each year. In terms of the design principles of mSCOA, municipalities are not allowed to open the budget on the system for corrections after it has been locked. This means that the tabled budget data string (TABB) should in fact be verified and errors in the TABB should be corrected in the ORGB **before the adopted budget is locked on the financial system and the ORGB data string is generated**.

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

The National Treasury would like to emphasise that **where municipalities have adopted an unfunded budget together with a funding plan that lacks credibility, they will be required to correct the funding plan and ensure that it is credible. The credible funding plan must be immediately adopted by the Municipal Council, and the changes to the**



**budget must be effected in the mid-year adjustments budget to ensure compliance with Section 18 of the MFMA.**

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

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

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

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

## 10. Submitting budget documentation and A1 schedules for 2023/24 MTREF

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

- Section 22(b)(i) of the MFMA requires that, **immediately** after an annual budget is tabled in a municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in electronic formats. If the annual budget is tabled to council on **31 March 2023**, the final date of submission of the electronic budget documents and corresponding mSCOA data strings is **Monday, 03 April 2023**; and
- Section 24(3) of the MFMA, read together with regulation 20(1) of the MBRR, requires that the approved annual budget must be submitted to both National Treasury and the relevant provincial treasury within ten working days after the council has approved the annual budget. However, given that municipalities are generating the annual budgets directly from the financial system as required by the mSCOA Regulations and that the budgets must be verified before it is locked on the financial system and transacted against, municipalities must submit the approved budget to the National Treasury and the relevant provincial treasury in electronic formats **immediately** after approval by the municipal council. Therefore, if the annual budget is tabled to council on **31 May 2023**, the final date of submission of the electronic budget documents and corresponding mSCOA data strings is **Thursday, 01 June 2023**.

**Since the 2020/21 MTREF, municipalities are no longer required to submit hard copies of all required documents including budget related, Annual Financial Statements and Annual Reports to National Treasury via post or courier services. Electronic copies must be submitted in PDF format to the GoMuni Upload portal.**



### 10.1 Expected submissions for 2023/24 MTREF

The following information should be submitted for the 2023/24 MTREF:

- The budget documentation as set out in the MBRR. The budget document must include the main A1 Schedule Tables (A1 - A10);
- The non-financial supporting tables (A10, SA9, SA11, SA12, SA13, SA22, SA23, SA24 etc. and any other information not contained in the financial data string) in the A1 schedule must be submitted in the prescribed *mSCOA* data string in the format published with Version 6.7 of the A1 schedule;
- The draft and final service delivery and budget implementation plan (SDBIP) in electronic PDF format;
- The draft and final IDP;
- The council resolution for the tabled and adopted budgets;
- Signed Quality Certificate as prescribed in the MBRR for the tabled and adopted budgets;
- D Schedules specific for the entities;
- A budget locking certificate immediately at the start of the new municipal financial year on 1 July;
- The National or Provincial treasury input to the tabled budget must be included as an Annexure to the adopted budget together with the municipality's explanation of how such was addressed in the adopted budget. If not, the explanation should provide reasons; and
- The bulk water-and electricity invoices for the 3 months immediately preceding respectively the tabled and adopted budgets, must be included as an annexure to the tabled and adopted budgets as part of supporting the municipalities provision for and calculations of payments to bulk suppliers over the 2023/24 MTREF.

### 10.2 Portals for the submission of information

Municipalities must ensure that the documents are submitted to the correct portals/ mailboxes. These portals/ mailboxes are:

[https://lg.treasury.gov.za/ibi\\_apps/signin](https://lg.treasury.gov.za/ibi_apps/signin) (GoMuni Upload Portal) – All documents required in terms of legislation, including:

- *mSCOA* Data Strings by approved registered users;
- Budget-related and in-year documents and schedules (A, B and C) by approved registered users; and
- Reconciliation of the valuation roll to the financial system (as per MFMA Circular No. 93).

Budget related documents and schedules must be uploaded by approved registered users using the GoMuni Upload Portal at: [https://lg.treasury.gov.za/ibi\\_apps/signin](https://lg.treasury.gov.za/ibi_apps/signin). The GoMuni Upload Portal does not have the same size restrictions encountered with [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za), but requires all documents to:

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

Municipalities may **only** send electronic versions of the above documents to [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za) when experiencing problems with the GoMuni Upload Portal.

[lgdataqueries@treasury.gov.za](mailto:lgdataqueries@treasury.gov.za) – Database related and submission queries and the grant rollover templates.

[lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za) – Any additional information required by National Treasury that is not listed under the GoMuni Upload portal such as the documents meeting the criteria to release Equitable Share and the contact list information.

FMCMM and Audit Action plans – using the web-enabled systems and as articulated in MFMA Circulars No. 113 and 114.

Please do not submit the same document to ALL the platforms listed above as it means that our Database Team must register the same documents three times which slows down the process. **Any document/ queries that are submitted to the incorrect portal/ mailbox will be deleted and not processed.**

### 10.3 Publication of budgets on municipal websites

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

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

### 10.4 Communication by municipal entities to National Treasury

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

## Contact



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

**Post** Private Bag X115, Pretoria 0001  
**Phone** 012 315 5009  
**Fax** 012 395 6553  
**Website** <http://www.treasury.gov.za/default.aspx>

**JH Hattingh**  
**Chief Director: Local Government Budget Analysis**  
**09 December 2022**

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280  
29 MAY 2023

TEL: 028 428 4167 • FAX: 028 425 1014  
[info@odm.org.za](mailto:info@odm.org.za) • [www.odm.org.za](http://www.odm.org.za)



## Annexure A

Virtual *m*SCOA Training Programme 2023

Month	TOPIC
Jan	<b>Getting a green submission</b> <ul style="list-style-type: none"> <li>• Overview of <i>m</i>SCOA chart structure</li> <li>• Submission deadlines</li> <li>• Uploading to the GoMuni Upload portal</li> <li>• Correction of validation errors</li> <li>• Using GoMuni to verify receipt and credibility of submission</li> </ul>
Feb	<b>Preparing the Budget in <i>m</i>SCOA (1)</b> <ul style="list-style-type: none"> <li>• Preparing the project file (PROR)</li> <li>• Projects Typical Workstreams</li> <li>• Budgeting for disaster/special projects</li> <li>• Infrastructure Management and asset life cycle</li> <li>• The funding matrix <ul style="list-style-type: none"> <li>◦ Allocation of correct funding sources and alignment to the correct segments</li> <li>◦ Funding capital expenditure</li> </ul> </li> </ul>
March	<b>Preparing the Budget in <i>m</i>SCOA (2)</b> <ul style="list-style-type: none"> <li>• Opening balances &amp; Balance sheet budgeting</li> <li>• Budgeting for cash flow</li> <li>• Budgeting for conditional grants</li> </ul>
April	<b>Common Errors in 2023/24 Tabled Budget Data Strings (to be corrected in adopted budget (ORGB submission))</b> <ul style="list-style-type: none"> <li>• Water Inventory</li> </ul>
May	<b>Common Budgeting Errors</b> <ul style="list-style-type: none"> <li>• Operating Expenditure – Deprecation</li> <li>• Bad debts written off</li> <li>• Impairment loss for consumer debtors</li> <li>• Travel and Subsistence</li> </ul>
June	<b>Last change to get the ORGB right</b> <ul style="list-style-type: none"> <li>• Functional allocation</li> <li>• Use of Regional segment</li> <li>• Alignment of A1 schedules</li> </ul>
July	<b>Common Transacting and Reporting Errors</b> <ul style="list-style-type: none"> <li>• Opening balances</li> <li>• Populating the cash flow</li> <li>• Reporting on conditional grants</li> <li>• Transacting without budget</li> </ul>
Aug	<b>Preparing the pre-audit AFS Data Strings (PAUD)</b>
Sept	<b>Common Transacting and Reporting Errors</b>
Oct	<b>Preparing the AFS Data Strings (AUDA)</b>
Nov	<b>Chart changes for version 6.8</b>
Dec	<b>Preparing for the Adjustment Budget</b>

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET, LEROUX 6001  
BREDASDORP 7280

29 MAY 2023

TEL: 020 426 1157 • FAX: 020 426 1014  
info@odm.org.za • www.odm.org.za



## NATIONAL TREASURY

### MFMA Circular No. 123

### Municipal Finance Management Act No. 56 of 2003

# Municipal Budget Circular for the 2023/24 MTREF

## CONTENTS

1.	THE SOUTH AFRICAN ECONOMY AND INFLATION TARGETS.....	2
2.	KEY FOCUS AREAS FOR THE 2023/24 BUDGET PROCESS .....	2
2.1	LOCAL GOVERNMENT CONDITIONAL AND UNCONDITIONAL GRANTS ALLOCATIONS.....	2
2.2	RE-ENFORCING IMPROVED INTERGOVERNMENTAL RELATIONS IN THE 2023 DIVISION OF REVENUE BILL, (DoRB).....	4
2.3	CONDITIONAL GRANTS USAGE .....	4
3.	PENSION AND MEDICAL AID FUND DEFAULTS .....	4
4.	MUNICIPAL STANDARD CHART OF ACCOUNTS (MSCOA) .....	4
4.1	VERSION 6.7 OF THE MSCOA CHART GO LIVE .....	5
4.2	ADDITIONAL REQUIREMENTS TO CHANGE MUNICIPAL FINANCIAL SYSTEMS .....	5
5.	THE REVENUE BUDGET .....	6
5.1	MAXIMISING THE REVENUE GENERATION OF THE MUNICIPAL REVENUE BASE.....	7
5.2	FUNDING DEPRECIATION.....	9
5.3	TARIFF-SETTING – THE IMPACT OF LOADSHEDDING .....	9
5.4	SETTING COST-REFLECTIVE TARIFFS.....	10
5.5	TARIFFS – ACHIEVING A BALANCE BETWEEN COST-REFLECTIVENESS AND AFFORDABILITY .....	11
5.6	MUNICIPAL DEBT RELIEF.....	12
5.7	BULK ACCOUNT PAYMENTS AND CONCESSIONS.....	12
5.8	CRITICAL NOTICE AFFECTING STS METERS .....	13
5.9	COMPLETENESS AND CREDIBILITY OF REVENUE RELATED INFORMATION IN THE BUDGET .....	14
5.10	ESKOM BULK TARIFF INCREASES.....	14
5.11	UPDATED MUNICIPAL BORROWING POLICY FRAMEWORK.....	15
5.12	TARIFF POLICIES .....	15
5.13	NON-REVENUE ELECTRICITY AND NON-REVENUE WATER/ REVENUE LOSSES .....	16
6.	BURIAL OF COUNCILLORS .....	16
7.	FUNDING CHOICES AND MANAGEMENT ISSUES.....	16
7.1	EMPLOYEE RELATED COSTS .....	17
7.2	REMUNERATION OF COUNCILLORS .....	17
8.	CONDITIONAL GRANT TRANSFERS TO MUNICIPALITIES.....	17
8.1	CRITERIA FOR THE RELEASE OF THE EQUITABLE SHARE .....	17
8.2	CRITERIA FOR THE ROLLOVER OF CONDITIONAL GRANT FUNDS .....	18
8.3	UNSPENT CONDITIONAL GRANT FUNDS FOR 2022/23 .....	19
9.	THE MUNICIPAL BUDGET AND REPORTING REGULATIONS.....	20
9.1	ALIGNMENT OF MUNICIPAL BUDGET AND REPORTING REGULATIONS (MBRR) SCHEDULES .....	20
10.	SUBMITTING BUDGET DOCUMENTATION AND A1 SCHEDULES FOR 2023/24 MTREF .....	21

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023

TEL: 028 425 4167 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za



## Introduction

This budget circular is a follow-up to MFMA Circular No. 122 that was issued on 09 December 2022. It aims to provide further guidance to municipalities with the preparation of their 2023/24 Medium Term Revenue and Expenditure Framework (MTREF) budgets and should be read together with the budget circulars that have been issued previously.

The grant allocations as per the 2023 Budget Review and the 2023 Division of Revenue Bill are also key focus areas in this circular. Municipalities are reminded to refer to the annual budget circulars of the previous years for guidance in areas of the budget preparation that is not covered in this circular.

## 1. The South African economy and inflation targets

GDP is expected to grow by 0.9 per cent in real terms in 2023, compared with an estimate of 1.4 per cent at the time of the medium-term budget policy statement (MTBPS), recovering slowly to 1.8 per cent in 2025.

The economic outlook faces a range of risks, including weaker-than-expected global growth, further disruptions to global supply chains and renewed inflationary pressures from the war in Ukraine, continued power cuts and a deterioration in port and rail infrastructure, widespread criminal activity, and any deterioration of the fiscal outlook.

Government is taking urgent measures to reduce load-shedding in the short term and transform the sector through market reforms to achieve long-term energy security. Several reforms are under way to improve the performance of the transport sector, specifically freight rail and to improve the capability of the state.

The following macro-economic forecasts must be considered when preparing the 2023/24 MTREF municipal budgets.

**Table 1: Macroeconomic performance and projections, 2021 - 2026**

Fiscal year	2021/22	2022/23	2023/24	2024/25	2025/26
	Actual	Estimate	Forecast		
CPI Inflation	4.9%	6.9%	5.3%	4.9%	4.7%

Source: Budget Review 2023.

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

## 2. Key focus areas for the 2023/24 budget process

### 2.1 Local government conditional and unconditional grants allocations

Over the 2023 MTEF period, local government allocations will increase by a total of R14.3 billion, made up of R8.1 billion in the local government equitable share and R6.2 billion in direct conditional grants. This takes the total direct allocation to R521.7 billion over the same period. These allocations alleviate some of the financial pressures, particularly in basic services, where the costs of providing services are rising.

The *local government equitable share* and related allocations increases at an annual average rate of 7.8 per cent and municipal conditional grants increase by 3.5 per cent over the 2023 MTEF period.



The *local government equitable share* formula has been updated to account for projected household growth, inflation and estimated increases in bulk water and electricity costs over the 2023 MTEF period. It also includes allocations for the operational and maintenance costs associated with the provision of free basic services.

The 2023 Budget has ensured that sufficient provision has been made to ensure that all municipalities are fully subsidised to support indigent households. Following this, R1.35 billion has been left unallocated in the LGES formula for 2023/24 to serve as a precautionary measure should municipal electricity tariffs exceed the 20.7 per cent provided for in the formula (see section 5.7 on why this is above the 18.7 per cent approved by the Energy Regulator). If the actual increase in municipal bulk tariffs exceeds the provision made in the formula, it will be the first call on those unallocated funds. We will consider funding broader cost relief measures for municipalities if funds remain available after that.

The R6.2 billion in direct conditional grants is funded from the Budget Facility for Infrastructure (BFI) and is broken down as follows:

- **R2.2 billion** added to the Urban Settlements Development Grant to fund the implementation of projects in the eThekweni Metropolitan Municipality and the City of Johannesburg;
- **R461 million** added to the Public Transport Network Grant to align funding with the revised implementation plan and cash flow projections for the City of Cape Town's MyCiTi public transport network project; and
- **R3.4 billion** added to the Regional Bulk Infrastructure Grant to fund 3 water projects in Sol Plaatje Local Municipality, Drakenstein Local Municipality and Nelson Mandela Bay Metropolitan Municipality.

OVERBERG DISTRICT MUNICIPALITY  
JONG STREEK LEROUX BAG X22  
7280

29 MAY 2023

### **Notable changes to the conditional grants system**

#### *Housing emergency grants*

Changes to conditional grants in the 2023 Budget include the discontinuation of the conditional emergency housing grants for provinces and municipalities. The baselines of these two grants are shifted to the Department of Human Settlements. This will allow the department to respond quickly in the event of an emergency housing need.

TEL: 028 425 1157 • FAX: 028 425 1014  
info@dmr.gov.za • www.dmr.gov.za

#### *Changes to the INEP conditional grant frameworks*

As part of government's efforts to accelerate access to electricity thereby addressing the energy crisis, Eskom and municipal INEP grants will begin funding alternative energy technologies such as rooftop solar and energy-saving devices. Due process must be followed to access funding for these new technologies. As a result, both Eskom and municipalities will need to conform to the set requirements by submitting business plans by 31 October 2023. These business plans, will need to be approved by the Department of Mineral Resources and Energy (DMRE) before they can be implemented. Priority should be given to new connections, i.e., non-grid technology should be targeted at households that do not have access to electricity.

The annual Division of Revenue Bill was published on 22 February 2023. The Bill specifies the grant allocations and municipalities must reconcile their budgets to the numbers published therein in compiling their 2023/24 MTREF.

The Division of Revenue Bill, 2023, which includes the annexures outlining allocations to each municipality is available at:

<http://www.treasury.gov.za/documents/national%20budget/2023/default.aspx>



## 2.2 Re-enforcing improved intergovernmental relations in the 2023 Division of Revenue Bill, (DoRB)

In order to strengthen the system of good intergovernmental relations as envisaged in the Chapter 3 of the Constitution and subsequent related legislation, municipalities are reminded of Section 31(3) of DoRA that provides for the facilitation of personal liability for unnecessary litigation. As required by subsection (1)(a) of this clause, read together with section 41(3) of the Constitution, a municipality may only institute litigation against any organ of state, state-owned enterprise, public- and/ or municipal entity after exhausting all dispute resolution mechanisms required and/ or available to the municipality in terms of existing intergovernmental relations processes, policy and/ or any related contract with the municipality, including in terms of the Municipal Finance Management Act, 2003, the Intergovernmental Relations Framework Act, 2005, and/ or the Electricity Regulation Act, 2006 (dispute processes administered by National Energy Regulator of South Africa (NERSA)).

Section 31 is amended to include a clause that requires that where an organ of state decides to institute judicial proceedings against another organ of state, it must, within 10 working days of its decision, notify the National Treasury, the relevant provincial treasury, the Department of Cooperative Governance and the Auditor-General, of the details of compliance with Chapter 4 of the Intergovernmental Relations Framework Act, 2005, including an explanation of the failure to resolve the dispute.

## 2.3 Conditional grants usage

Conditional grant funds may only be used for the purposes, and subject to the conditions specified in the framework for each conditional grant. These conditions are binding in terms of sections 11 and 12 of the annual Division of Revenue Act. Any instruction by a municipal, provincial, or national official or politician that is inconsistent with the framework of a conditional grant is invalid. Municipalities are reminded that in terms of section 32 of DoRA, spending of a grant that is inconsistent with DoRA is considered irregular or unauthorised expenditure.

## 3. Pension and medical aid fund defaults

There has been a growing trend where municipalities are deducting pension and/ or medical aid contributions from officials but are not paying it over to their pension- and/ or medical aid fund. This is inconsistent with the intent and spirit of the MFMA and constitutes an act of financial misconduct in terms of section 171 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014 and also a financial offence in terms of section 173 of the MFMA read together with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings. Municipal Councils should refer these actions to the Disciplinary Boards for further investigation and should also lay criminal charges against the accounting officer or any other responsible or delegated official who has failed to perform the responsibility outlined in terms of section 65(2)(f) of the MFMA which states that "the accounting officer of a municipality must take all reasonable steps to ensure that the municipality complies with its tax, levy, duty, pension, medical aid, audit fees and other statutory commitments". Municipal Councils should also consider further measures and actions in terms of the Pension Funds Act, as may be applicable.

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASPOORT 7260

## 4. Municipal Standard Chart of Accounts (mSCOA)



29 MAY 2023

TEL: 023 426 1457 • FAX: 023 426 1014  
info@odm.org.za • www.odm.org.za



#### 4.1 Version 6.7 of the *m*SCOA Chart Go Live

Version 6.7 of the *m*SCOA chart will go live on 13 March 2023, whereafter tabled budget data strings can be uploaded on the GoMuni portal.

For new *m*SCOA chart changes to be considered for version 6.8 of the chart, a Frequently Asked Questions (FAQ) must be logged by 31 August 2023 on the *m*SCOA FAQ database on GoMuni. FAQ queries can be logged at:

[https://lg.treasury.gov.za/ibi\\_apps/portal/mSCOA\\_FAQ](https://lg.treasury.gov.za/ibi_apps/portal/mSCOA_FAQ)

It is important that the issue logged is described clearly and that sufficient supporting evidence is provided to ensure that all aspects of the issue are considered. After investigating the query logged, the following actions will be taken:

- If the query does not require a chart change, the FAQ will be closed, and feedback will be provided to the logger.
- If the query warrants a chart change, it will be submitted for consideration and approval by the relevant committees within the National Treasury.

Chart changes are communicated in October of each year to allow sufficient time for municipalities and vendors to effect such changes. Chart changes are officially published in the MFMA Budget Circular in December of each year.

#### 4.2 Additional requirements to change municipal financial systems

The cost and risk associated with procuring and implementing a new Enterprise Resource Planning (ERP) financial system necessitate careful consideration and extensive planning to ensure a smooth operational transition. Such a transition takes at least 18 months to conclude and does not come without challenges and disruptions in operations.

The National Treasury will regulate the minimum business processes and system specifications for *m*SCOA by the end of 2024/25. A new transversal tender for the provision of ERP financial systems that complies with these regulations will be put in place once the regulations have been issued. Municipalities should therefore exercise extreme caution when changing their financial systems at this stage to eliminate fruitless and wasteful expenditure by procuring financial systems that might not comply with the said regulations.

Municipalities are reminded to follow the due diligence processes set out in MFMA Budget Circulars No. 93, 98 and *m*SCOA Circulars No 5 and 6 prior to procuring new financial systems to protect them from making incorrect decisions in this regard.

In addition, and **with immediate effect**, municipalities must inform the National and relevant Provincial Treasury of any intention to replace the financial system currently operating at the municipality prior to inviting proposals from system providers. This is a requirement in terms of section 74 of the MFMA. The submission should include:

- A comprehensive motivation with specific reasons for why it is deemed necessary to replace the existing financial system;
- A copy of the service level agreement with minutes of the meetings between the municipality and the current service provider (financial system vendor) during the previous twelve months;
- An assessment to determine which modules of the existing financial system are being utilised by the municipality. Reasons must be provided for modules not in operation. Details and reasons must be provided on the use of third-party systems to provide functionality required in terms of MFMA Circular No. 80;

29 MAY 2023  
TEL: 025 425 1157 • FAX: 025 425 1014  
info@odm.org.za • www.odm.org.za



- An assessment to detail the proficiency of municipal users to utilise the current financial system properly. Reasons must be provided if users are not proficient in the use of the system and the details must be provided on how the system is being operated and transactions are being captured on the system in such cases;
- The date on which the existing financial system was implemented, the procurement and implementation costs and the current operational costs thereof must be disclosed;
- The organisational structure, specifically for the IT department/ function, clearly indicating management capacity and responsibility for operating the financial system;
- A technical assessment should be submitted indicating how the existing ICT infrastructure, server and network comply with the requirements of the current financial system; and
- Copies of all IT strategies, policies and procedural documents including the IT disaster recovery plan must be made available.

The above submissions and all enquiries must be forwarded to [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za). A working committee comprising representatives from the National and Provincial Treasuries, the Office of the Auditor-General and other relevant stakeholders will assess the submissions and respond with its findings. These findings must be tabled in Council and a council resolution must be submitted to [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za) within 14 working days after the Council meeting has taken place.

It must be emphasized that the combination of both credible data inputs and an effective financial system is fundamental to ensure the quality and timeliness of financial reporting. If the data input into the financial system is incorrect then any management information generated by the system will lack credibility and reliability for decision making. Furthermore, a municipality with poorly designed business processes will not resolve the problem by implementing a new financial system. Processes must firstly be redesigned with the necessary data validation rules if the municipality is to improve its data integrity. This foundation is integral to ensuring that software applications generate credible information and can be used effectively by municipalities.

## 5. The revenue budget

Similar to the rest of government, municipalities face a difficult fiscal environment. The weak economic growth has put pressure on consumers' ability to pay for services, while transfers from national government are growing more slowly than in the past. Some municipalities have managed these challenges well, but others have fallen into financial distress and face liquidity problems. These include municipalities that are unable to meet their payment obligations to Eskom, Water Boards and other creditors. There is a need for municipalities to focus on collecting revenues owed to them and eliminate wasteful and non-core spending. It is important to note that the municipal equitable share as a policy instrument is meant to subsidise services to the poorest of the poor and not to pay municipal creditors. This bad practice by municipalities will have to be addressed as a matter of urgency. Municipal creditors should be advised that municipalities cannot use funds allocated for basic service provision to pay creditors.

Municipalities must ensure that they render basic services, maintain their assets and a clean environment. Furthermore, there must be continuous communication with the community and other stakeholders to strengthen awareness and participation and to improve the municipality's reputation. This will assist in attracting investment in the local economy which may result in increased employment.

Some municipalities are experiencing serious liquidity challenges. Therefore, the new leadership is advised to:



- Decisively address unfunded budgets by reducing non-priority spending and improving revenue management processes to enable collection; and
- Address service delivery failures by ensuring adequate maintenance, upgrading and renewal of existing assets to enable reliable service delivery.

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

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

The purpose of the above mentioned MFMA Circulars is to ensure that the municipalities are using their entire revenue base as the basis for the revenue budget. It is essential that municipalities reconcile their most recent consolidated valuation roll data to that of the current billing system data to ensure that revenue anticipated from property rates is realistic. The municipalities should implement a data management strategy and develop internal capacity to perform these reconciliations and investigations to improve completeness of billing.

One of the aims of the reconciliation process is to identify exceptions, i.e. records on the general valuation roll that are not on the billing system and records on the billing system and vice versa. In addition, the reconciliation must identify duplicated records, missing data, and data errors. These exceptions should then be investigated, and remedial action strategies developed for data cleansing and other corrective actions. The Debtors Ageing data should also form part of the reconciliation process so that "debtors" can be tracked and assessed at a property record level and prioritised for verification of rates liability measured against a MPRA property and owner.

To facilitate reconciliation of the separate databases (General Valuation Roll and Billing), a unique property identifier (common primary unique link code) must be created and populated for each rateable property on the general valuation roll system and on the rates billing system. This property identifier must be unique, without duplicates, and must remain constant for the life of the property. The standards adopted by the South African Council for the Property Valuers Profession (SACPVP), namely South African Standard: Municipal Valuations for Property Rating, specifies that the Surveyor General Code SG 21-digit Code, derived, and created from the property description, be applied for all registered full title properties defined in terms of part (a) of the definition of property.

For all other MPRA defined property, Part (a) Sectional Title, Part (b) Registered Rights, Part (c) Land Tenure Rights and Part (d) PSI and, apportioned multiple use property in terms of sections 8(2)(i) and 9(2), an added suffixed 5 digits to the SG 21-digit code must be assigned by the designated municipal valuer, thereby creating a unique 26-digit code. The municipality must ensure that the SG21 digit code and 26-digit coding system is applied in their valuation roll management system and billing system and engage with their designated municipal valuer and systems service providers to implement the unique property identifier.

Further it is important that municipalities who are performing a general valuation (GV) to implement a new valuation roll on 1 July 2023, must also as best practice compare the current consolidated roll to the new valuation roll. This will identify any anomalies and errors of category of property and market values for review and investigation and the option of lodging an objection by the municipality, where applicable. This process should also identify outliers and shifts in market values by category and area so that tariffs on the new roll can be modelled and determined in an equitable manner to avoid rates shocks.

29 MAY 2023





Municipalities should undertake this exercise as a routine practice during the budget process so that supplementary adjustments to the valuation roll are kept up to date. In order to ensure that the most updated information is used for the reconciliations, municipalities are reminded to adhere and comply with Section 23(1)(2) of the MPRA and therefore use the Part A register as the basis for performing the reconciliations going forward.

Furthermore, municipalities are also advised and expected to comply with Section 8(1) of the MPRA in terms of the billing methodology that should to be specified within their policies to ensure that the correct categories (based on the selection made by the municipality) are used in the reconciliation process.

The list of exceptions derived from this reconciliation will indicate where the municipality may be compromising its revenue generation in respect of property rates or whether the municipality is overstating its revenue budget.

A further test would be to reconcile this information with the Deeds Office registry. In accordance with the MFMA Circular No. 93, municipalities are once more requested to submit their reconciliation of the Valuation roll/ Part A register to the billing system to the National Treasury on a quarterly basis by no later than the 10<sup>th</sup> working day after the end of the quarter. A detailed action plan must accompany the reconciliation where variances are noted.

The above information must be uploaded by the municipality's approved registered user(s) using the GoMuni Upload Portal at: [https://lg.treasury.gov.za/ibi\\_apps/signin](https://lg.treasury.gov.za/ibi_apps/signin). If the municipality experience any challenge uploading the information, a request for an alternative arrangement may be emailed to [linda.kruger@treasury.gov.za](mailto:linda.kruger@treasury.gov.za).

Municipalities are reminded of the need to clearly communicate the GV appeals and objection process to residents to ensure that any disputes are timeously resolved.

Revenue Collection – No operation can be sustainable if it does not collect its revenue. A municipality is no different. There is a misconception that a municipality may not interrupt or restrict the supply of water services of a defaulting consumer. The National Treasury confirms that neither the Water Services Act, 1997 (Act No. 108 of 1997) or any other legislation prevents a municipality from cutting the supply of water to a defaulting consumer unless the consumer is an indigent in which case the water services to that household must be restricted to the national free basic water limit of 6 kilolitre water monthly (or 50 kilowatt hours in the case of free basic electricity monthly). This was confirmed by the Constitutional Court in the matter of Mazibuko and Others v City of Johannesburg and Others (CCT 39/09) [2009] ZACC 28; 2010 (3) BCLR 239 (CC); 2010 (4) SA 1 (CC) (8 October 2009).

Municipalities are urged to use the restriction/ interruption of supply of both water and electricity services as a collection tool. Effective from the tabling and adoption of the 2023/24 MTREF, municipalities' By-laws and policies must facilitate this and clearly stipulate the order in which any partial payment of the consolidated municipal bill (including property rates) will be applied as well as the process before the supply of water and electricity services will be cut. The National Treasury recommended that any partial payment firstly be applied to property rates, wastewater, waste management, water and lastly to electricity. When interrupting or restricting the supply of water it is important that such is undertaken together with the municipal engineer(s) to ensure a continued minimum supply of waste-water.

Municipalities should develop a Wheeling Framework to allow for the transmission of energy across their networks. These wheeling frameworks provide an opportunity for municipalities to generate revenue from their distribution networks. Provincial Treasuries or National Treasury can be approached for support to develop these frameworks.

29 MAY 2023  
OVERBERG STREET  
26 LING STREET  
BREAUX 7200  
TEL: 028 425 1187 • FAX: 028 425 5114  
info@publ.org.za • www.guth.org.za



## 5.2 Funding Depreciation

The information shared in Circular 115 regarding the funding of the depreciation refers. It is important to note that depreciation represents the cost of using assets in service delivery and forms part of the total cost of providing the municipal service. Accordingly, it should be included in the setting of cost reflective tariffs to recover the full cost of rendering the service, failing which the depreciation will not be cash backed on Table A7 and will remain a journal entry with no value as mentioned in MFMA Circular No. 115.

## 5.3 Tariff-setting – the impact of loadshedding

Loadshedding not only affects the electricity service but also some municipalities' ability to pump water, thereby negatively impacting the stability of water supplies and the related functioning of the wastewater reticulation network. The loadshedding crisis has been declared a state of disaster and will require tough budgeting choices for municipalities to make sure that basic municipal services are sustained. The regulations published in the Government Gazette No. 48152 on 27 February 2023 in terms of the Disaster Management Act, 2002 (Act 57 of 2002) require municipalities to "ensure continuous operation of water infrastructure and other specified essential infrastructure, including by installing alternative energy sources or other measures to provide an uninterrupted power supply." Municipalities are also required to "mobilise available resources" and "provide funds for this purpose, subject to affordability." As an immediate interim solution back-up electricity to pump water should be prioritised while being mindful of its affordability within the municipality's available funding sources and other critical priorities. The municipality need to adequately plan and prioritise funding in its 2023/24 MTREF for this purpose, including:

- When planning to pump water/ maintain the wastewater service by way of any alternative solution(s), it is important that the municipality properly plan and budget for the associated capital and operational costs to operate and maintain the solution(s) over the 2023/24 MTREF and longer-term;
- Any additional cost the municipality already incurred in this regard during the period of elevated loadshedding since December 2022 should be projected to continue in 2023/24 i.e. diesel to operate a generator;
- Although a state of emergency has been declared to deal with the continual loadshedding challenges in the country, it is likely that loadshedding will continue during the 2023/24 municipal financial year. It is proposed that municipalities factor in the impact of loadshedding on their electricity revenue projections, taking into account current experience in terms of loadshedding practices by Eskom;
- The additional costs of prolonged loadshedding should be considered;
- Municipalities are always asked to try to balance full cost recovery on services with affordability for their residents. In practice, this means that where the full increase in the cost of a service is not passed on to consumers, municipalities must offset the increased costs through savings identified elsewhere in their operations. Therefore, **reducing/ limiting overall expenditure** is a key part of budgeting for the response to loadshedding. The municipality should stick to its core mandate and functions and carefully review overall expenditure to manage the net effect. Measures should include aggressively cutting costs, frills, and vanity projects, dealing with bloated administrations and structures possibly duplicated across Municipal Manager and Mayoral offices, and applying for exemptions from the annual salary increases if these are not affordable;
- While municipalities are urged to maximise efficiency in their operations, tariff setting efforts should consider the need to make additional provision for repairs and maintenance associated with infrastructure breakdowns during loadshedding;
- **Reducing/ limiting overall expenditure** – the municipality should stick to its core mandate and functions – it is necessary to carefully look at the overall expenditure side to manage the net effect, including aggressively cutting costs, fancy, frills, vanity



- projects, deal with bloated admin- and structures possibly duplicated across Municipal Manager and Mayoral offices, and apply for exemptions from the annual salary increases; and
- The cost should be considered and included when setting the tariffs of the service(s) to which it relates.

Municipalities should also budget for reduced bulk purchases and sales to municipal customers based on the same loadshedding assumptions cited above.

Municipalities should carefully monitor their Eskom accounts for any penalties that result from increased demand immediately after a period of loadshedding is ended. Eskom has indicated that they will reverse any penalties for exceeding notified maximum demand that results from the implementation of loadshedding. This should be factored into the tariff calculation to ensure that consumers are not overcharged.

Lastly, it is important to note that a municipality may only introduce a load-shedding levy or surcharge with the approval of the Minister of Finance and in terms of the legislated processes set-out in the MFMA and Municipal Fiscal Powers and Functions Act, 2007.

#### 5.4 Setting cost-reflective tariffs

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

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

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

The National Treasury issued a tariff setting tool and guide as part of MFMA Budget Circular No. 98 (refer item 4.2) on 6 December 2019 and since 2019, has encouraged municipalities to utilise the tool. **With effect, from the 2023/24 MTREF, all municipalities (except metropolitan cities and district municipalities that do not provide any services) as part of both the tabled and adopted MTREF submissions must submit the completed National Treasury tariff tool (in excel format)** illustrating that the revenue component of the budget is credible and funded and that the municipality's tariffs are cost reflective. If the municipality's initial calculation results in high increases to facilitate cost-reflectiveness, it is recommended that such are phased in over 3 to 5 years. The municipality's strategy in this regard should be included as part of the budget narratives.

This tool will assist in setting tariffs that are cost-reflective and enable a municipality to recover costs to fulfil its mandate. Going forward it is also imperative that every municipality fully embrace the Municipal Standard Chart of Accounts (mSCOA): costing component. Considering, mSCOA implementation is entering its sixth year of implementation, all municipalities must fully embrace and report also utilising the costing segment correctly. The National Treasury Municipal Costing Guide is available on the link below on the National Treasury website.

29 MAY 2023  
TEL: 020 426 1177 • FAX: 020 426 1014  
info@odm.org.za • www.odm.org.za





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

### 5.5 Tariffs – achieving a balance between cost-reflectiveness and affordability

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other consumers while ensuring the financial sustainability of the municipality.

When setting tariffs, it is therefore critical to understand the economic environment specific to the municipality and consideration should include at least –

- *The socio-economic profile undertaken for the municipality* available on the National Treasury GoMuni portal – municipalities are encouraged to annually update their own socio-economic profile using the template model available on GoMuni;
- *The most recent average monthly household income in the municipality* as per Statistics South Africa (Stats SA) available on [Statistics South Africa | Improving Lives Through Data Ecosystems \(statssa.gov.za\)](http://Statistics South Africa | Improving Lives Through Data Ecosystems (statssa.gov.za));
- *The average property value in the municipality* per its most recent approved general valuation roll and/ or supplementary general valuation roll;
- *The number of indigent households in the municipality*, including any variation in the number of indigent households included in the Equitable Share: free basic services component for the municipality vs the municipality's own indigency level discretion; and
- *The economic drivers and activities specific to the municipal area<sup>1</sup>; etc.*

The municipality's tariff-setting or other committee tasked with this role must understand and deliberately reflect on this context during the tariff-setting process. Considering the average monthly household income, the median affordable municipal bill would ideally not exceed proportionally approximately 10 to 15 per cent the average monthly household income. This median affordable bill, in combination with the median average property value should inform the basis to determine any rebates to households with income below the median. Furthermore, municipalities contemplating to increase free basic electricity allocations as an indigent relief measure, should do so only after careful consideration of the long-term financial impact that such a decision might have.

It is also important when setting particularly water and electricity tariffs that municipalities are encouraged to set two-tier tariffs, that include a basic availability charge to recover the fixed (direct and indirect) cost associated with the service in conjunction with consumption-based tariff bands. For example, in a drought, such tariffs will facilitate the ability to pay for infrastructure and maintenance, treating chemicals and salaries, etc. while parallel facilitating water restriction based on inclining tariffs as consumption increase. Furthermore, it is important to link the municipality's water tariffs to dam levels, also approved as part of the budget process. For example, if the dam levels drop to 60 per cent the first tier of restriction tariffs should become applicable in terms of the municipality's approved tariff policy.

It is also noted that NERSA approves seasonal tariffs for Eskom but not necessarily for the municipality. It is important that the municipality clearly factors this in its tariff application to NERSA, illustrating the cash flow crunch if the municipality is not similarly allowed a seasonal tariff to recover the higher Eskom bulk cost during winter months.

Lastly, municipalities are cautioned against setting tariffs that include operating inefficiencies. This could lead to tariffs falling into the unaffordable range.

<sup>1</sup> The spatialised tax data is now available through National Treasury for all municipalities that provides an up to date information on economic activity within a municipal boundary.



The Consumer Price Index (CPI) inflation is forecasted to be within the 3 to 6 per cent target band; therefore, municipalities are required to **justify all increases in excess of the projected inflation target for 2023/24** in their budget narratives and pay careful attention to tariff increases across all consumer groups. In addition, municipalities should include a detailed account of their revenue growth assumptions for the different service charges in the budget narrative.

Additional loadshedding considerations when calculating anticipated revenue collection rates include:

- Consumption patterns amongst pre-paid users who work more sparingly with electricity units. This can have a lagging effect on revenue estimations i.e. although units are paid for up front, it is not necessarily used in high-demand periods; and
- A decline in average consumption patterns for post-paid customers.

As part of its debtor management strategy municipalities should clearly communicate the impact of loadshedding on municipal tariff setting, including through education campaigns. Consumers will expect a decrease in their electricity bills as consumption drops due to loadshedding. Not understanding the impact of tariff structures (fixed and demand-driven components) can create distrust and reduce willingness to pay municipal accounts.

## 5.6 Municipal Debt Relief

An optimally designed debt solution for Eskom can leverage the structural reform of the electricity sector that is needed both on the Eskom side and the municipal side, however, the municipal debt owed to Eskom pose a material risk to any Eskom debt relief package. In parallel the challenge of defaulting municipalities cannot be separated from a consumer culture to not pay for services.

Municipal Debt Relief that is **conditional and application based**, has therefore been sanctioned. The relief is aimed to correct the underlying behaviour and operational practices in defaulting municipalities and Eskom while in parallel, progressively introducing a smart metering solution to change consumer behaviour by instilling a culture of payment for services consumed. The proposal consists of 4 elements:

- Eskom will write-off all debt municipalities owe** as on 31 March 2023 (excluding the March 2023 current account). This will be done over three national financial years and require as a critical qualification that municipalities monthly honour their current (monthly consumption) Eskom and water accounts going forward and maintain a minimum average quarterly collection, etc;
- Secondly, **new mechanisms are explored to resolve non-payment** – this to include a dispute ombud mechanism and re-assigning the license of persistent defaulters;
- Thirdly, Eskom will continue to **implement a regime of installation of pre-paid meters** in Eskom supplied areas to improve Eskom collection. Municipalities are additionally encouraged to adopt a similar operating regime; and
- Lastly, the National Treasury will continue to implement municipal revenue enhancement initiatives, including a transversal tender for a smart pre-paid meter solution to change to a forward looking culture of payment of the consolidated municipal bill.

More details on the application process and related conditions for municipalities will soon be outlined and published through a separate MFMA Circular.

## 5.7 Bulk Account Payments and Concessions

Since 2018/19, intense work was undertaken to resolve systemic and structural issues pertaining to the electricity function in municipalities. Core to this work was addressing the

TEL: 028 425 1157 • FAX: 028 425 1014  
info@edim.org.za • www.edim.org.za





escalating Eskom debt that threatened the sustainability of Eskom as well as that of municipalities.

During the process, Eskom agreed to provide relieve in certain areas. Municipalities are reminded of the following concessions that remain in place:

- The interest rate charged on overdue municipal bulk accounts were reduced from prime plus 5 per cent to prime plus 2.5 per cent;
- Payment terms were extended from 15 days to 30 days for municipal bulk accounts; and
- Eskom allocation of municipality payments to capital first and then to interest.

These concessions align to the MFMA and are meant to curb municipal growing debt levels by allowing a more conducive payment regime than what was previously employed. In addition, municipalities are urged to budget for and ring-fence their payment of bulk services. Bulk current account payments must be honoured religiously to avoid stringent application of the bulk suppliers' credit control policy.

Municipalities are also urged to enforce a culture of payment for services through their normal credit control processes. In this regard it should be noted that municipalities are only compensated for free basic services based on an indigent user component calculation through the equitable share. As such, a municipality's allocation of free basic services to all of the municipality's consumers is not funded in the equitable share. Every municipality, during the budget process, must consider the affordability to the municipality when allocating free basic services above the national norm and to consumers other than indigent consumers. **If a municipality has any arrears on any of its bulk supplier's accounts, it must limit its provision of free basic services to registered indigent consumers only.**

## 5.8 Critical Notice Affecting STS Meters

As highlighted in previous MFMA Circular No. 115 (dated 04 March 2022) municipalities are once again alerted that there is still a pending business risk to the prepayment metering industry that requires urgency of action. The token identifiers (TID) used to identify each credit token will run out of available numbers in November 2024, at which point all STS meters will stop accepting credit tokens.

The remedy is to visit each meter and enter a special set of key change tokens in order to reset the meter memory. Municipalities are advised that the National Treasury, through the Office of the Chief Procurement Officer (OCPO), will soon facilitate a transversal contract for the provision of auditing, re-calibration and re-configuration services for standard transfer specification compliant prepayment meters that align to minimum and critical technical specifications for local government. In this respect the development of the transversal contract for smart prepaid meters as per NRS 049 (per latest approved version) is at an advanced stage and should be issued shortly by National Treasury.

If your municipality or municipality entity is currently in the process of procuring for a solution or is planning to, you are cautioned:

- Against proceeding prior to the OCPO having issued and awarded the transversal contract for the provision of inter alia auditing, re-calibration and re-configuration services for standard transfer specification compliant prepayment meters Terms of Reference (ToR); and
- That, with immediate effect, you must inform and obtain the National Treasury's input prior to proceeding with any current procurement or proposed procurement for this purpose or any related solution or similar. This is to prevent unnecessary and wasteful expenditure on such solutions. Any request for National Treasury's input on the current or planned procurement of any related solution or similar or component thereof, must be



directed to the National Treasury for the attention of the Local Government Budget Analysis Unit (Mr. Sadesh Ramjathan) at [Sadesh.Ramjathan@treasury.gov.za](mailto:Sadesh.Ramjathan@treasury.gov.za).

In this regard, municipalities will have two options to choose from:

- Firstly, to pursue the route of auditing, re-calibrating and re-configuring services for standard transfer specification compliant prepayment meters; and/ or
- Secondly, to replace the old meter with a new smart prepaid meter.

For both options, the municipality will have to budget accordingly as no additional funding will be available through the national fiscus.

Your assistance in proactively ensuring that the municipality and/ or its entities are not adversely affected by these processes will be appreciated.

### 5.9 Completeness and credibility of revenue related information in the Budget

The MBRR regulates the minimum level of information required from municipalities when compiling, implementing, monitoring, and evaluating the municipality's financial management situation. Failure to include the minimum required information hampers the municipal council, the public and stakeholders' ability to make informed decisions and engage on the matter. It also limits research, studies, and benchmarking undertaken for local, provincial, and national purposes.

The National Treasury would like to take this opportunity to caution municipalities that the MBRR prescribe the minimum level of information municipalities must include as part of their legal reporting obligations.

Going forward the Treasuries will place increased attention and focus on the adequacy of municipalities' submissions. The National Treasury regards this non-compliance to include the minimum level of information as serious and if persistent will consider applying the available legal sanctions, including recourse in terms of section 216(2) of the Constitution. In this context, National Treasury will particularly focus on the completeness of asset management related information as well as the statistical information required in the A, B and C schedules during the 2023/24 MTEF.

### 5.10 Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for the price determination of the bulk costs of electricity. In January 2023, NERSA approved tariff increases of 18.7 per cent in 2023/24 and 12.7 per cent increase in 2024/25. For purposes of calculating the free basic energy subsidy in the local government equitable share formula, the National Treasury has added 2 per cent to these increases. This is in anticipation of higher increases than those published in January, for municipalities, due to the difference in the financial years of Eskom customers and municipalities meaning that Eskom only has nine months to collect the allowable revenue from municipalities. R1.1 billion is added to the free basic energy subcomponent of the free basic services component of the local government equitable share formula to fund these higher tariff increases. To this end, the free basic electricity subsidy in the local government equitable share is calculated based on a 20.7 per cent tariff increase in 2023/24 and a 14.7 per cent increase in 2024/25. In the absence of an approved tariff increase in the outer year of the MTEF period, the formula assumes an increase of 17.7 per cent in 2025/26. This is the average of the estimated increases for the first two years of the MTEF period.

29 MAY 2023

BERG DI...  
ONG STRE...  
BREL...

TEL: 020 425 1147 • FAX: 020 425 1014  
www.odm.org.za



### 5.11 Updated Municipal Borrowing Policy Framework

Cabinet approved the Update to the Policy Framework for Municipal Borrowing and Financial Emergencies on the 17<sup>th</sup> of August, 2022. The purpose of the update was to re-examine the original Policy Framework, along with the legislation (i.e. Municipal Finance Management Act – MFMA) that was adopted to implement it, considering the experience with municipal borrowing that has accumulated since 2000.

The following key reforms have been introduced through the Update to the Policy Framework for Municipal Borrowing:

- The Policy Framework for Municipal Borrowing has been updated to introduce the necessary reforms that will expand the scope of responsible municipal borrowing and create an environment that attracts more players (e.g. insurers, pension funds, institutional investors and fund managers, and international Development Finance Institutions) in the municipal debt market space. The original core principles underlying municipal borrowing are maintained (i.e. creditworthy municipalities should borrow prudently to finance capital investment, and that there will be no bail-outs by the provincial or national government);
- The updated policy framework clarifies the role of Development Finance Institutions (DFIs), as it was not clearly articulated in the original policy. DFIs are required to pursue clear and agreed developmental goals, as outlined in the policy. The objective of this approach is to ensure that a DFI lending does not crowd out the private sector. Public-sector lenders, both domestic and foreign, should be guided by a social and developmental investment approach in which demonstrable social outcomes are considered alongside potential financial returns;
- The updated policy framework permits and clarifies innovative infrastructure financing mechanisms (such as pooled financing mechanisms, project finance, tax increment financing, revenue bonds, and pledging of conditional grants) that municipalities can use to leverage municipal borrowing. Municipalities are encouraged to explore these alternatives, and innovative infrastructure financing mechanisms permitted subject to the requirements contained in the Municipal Finance Management Act (MFMA); and
- The participation of both private and public sector market participants in the development of a liquid secondary market for municipal debt securities is also encouraged. The policy proposes options that can be explored to support the development and growth of an efficient and liquid market for municipal debt obligations.

The Updated Municipal Borrowing Policy Framework can be accessed at the MFMA website at the following link <http://mfma.treasury.gov.za/Guidelines/Pages/default.aspx>.

### 5.12 Tariff Policies

Municipalities must comply with the provisions of Section 74 of the Municipal Systems Act (MSA) which requires that a municipal council must adopt and implement a tariff policy on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements, and which complies with the provisions of this Act and with any other applicable legislation. Municipalities should also ensure that the tariff policies adhere to all the principles outlined in section 74(2) of the MSA. A municipality's tariff policies must also take into consideration variable factors such as water shortages and electricity feedback excess into the municipal system from new generation capacity. Municipalities are urged to develop wheeling and Small-Scale Embedded Generation (SSEG) frameworks to guide the

29 MAY 2023

OVERSIGHT OF MUNICIPAL FINANCE  
26 LOU REEF 72  
TEL: 020 425 1157 • FAX: 020 425 1014  
info@mfma.org.za • www.mfma.org.za



development of associated tariffs. Municipalities must adopt by-laws to give effect to the implementation and enforcement of their tariff policies.

### 5.13 Non-Revenue Electricity and Non-Revenue Water/ Revenue Losses

Water Service Authority municipalities and electricity licensed municipalities are urged to align both their non-revenue water and non-revenue electricity indicators and their set targets in the 2023/24 SDBIPs with identifiable infrastructure or operational projects and/ or programmes. Municipalities should track improvements on the baseline information included in the SDBIPs by indicating the volume of water losses (i.e., kilolitres/ mega-litres) and the amount of electricity losses (KwH or MWs) for the previous year. This approach will help to determine the progress of municipalities in curbing losses, which impact on municipal revenues, in both non-revenue water and non-revenue electricity.

## 6. Burial of Councillors

Salaries, allowances and benefits for political office-bearers and members is managed through Determination of Upper Limits of Salaries, Allowances and Benefits of Different Members of Municipal Councils notice issued by the Minister of Cooperative Governance and Traditional Affairs.

Section 167 of the MFMA provides that a municipality may remunerate its Councillors within the framework of the Public Office-Bearers Act, 1998 (Act No. 20 of 1998), setting the upper limits of the salaries, allowances and benefits for those political office-bearers and members. Any benefit which is not included in the above-mentioned notice constitutes irregular expenditure and recovery thereof from the Councillor concerned is mandatory.

Municipalities may also refer to relevant Councillor Pension Scheme or personal funeral policies in existence for any funeral benefits relating to such Councillor.

## 7. Funding choices and management issues

Municipalities are under pressure to generate and collect revenue for service delivered. The ability of customers to pay for services is declining and this means that less revenue will be collected. Therefore, municipalities must consider the following when compiling their 2023/24 MTREF budgets:

- Improving the effectiveness of revenue management processes and procedures;
- Cost containment measures to, amongst other things, control unnecessary spending on nice-to-have items and non-essential activities as highlighted in the Municipal Cost Containment Regulations read with MFMA Circular No. 82;
- Ensuring value for money through the procurement process;
- The affordability of providing free basic services to all households;
- Not taking on unfunded mandates;
- Strictly control the use of costly water tankers and fix the water infrastructure to enable the sustainable provision of water;
- Automate business services where possible to increase efficiencies and lower customer costs;
- Prioritise the filling of critical vacant posts, especially linked to the delivery of basic services; and
- Curbing the consumption of water and electricity by the indigents to ensure that they do not exceed their allocation.



Accounting officers are reminded of their responsibility in terms of section 62(1)(a) of the MFMA to use the resources of the municipality effectively, efficiently and economically. Failure to do this will result in the accounting officer committing an act of financial misconduct which will trigger the application of chapter 15 of the MFMA, read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014.

### 7.1 Employee related costs

The Salary and Wage Collective Agreement for the period 01 July 2021 to 30 June 2024 dated 15 September 2021 through the agreement that was approved by the Bargaining Committee of the Central Council in terms of Clause 17.3 of the Constitution should be used when budgeting for employee related costs for the 2023/24 MTREF. In terms of the agreement, all employees covered by this agreement shall receive with effect from 01 July 2023 and 01 July 2024 an increase based on the projected average CPI percentages for 2023 (5.4 per cent according to the Reserve Bank's Monetary Committee Statement for January 2023) and 2024 (4.8 per cent according to the Reserve Bank's Monetary Committee Statement for January 2023). The forecasts of the Reserve Bank, in terms of the January 2023 and January 2024, shall be used to determine the projected average CPI. Municipalities are encouraged to perform an annual head count and payroll verification process by undertaking a once-a-year manual salary disbursement, to root out ghost employees.

According to the 2021 State of Local Government Finance Report, there are about 165 municipalities that are in financial distress. These municipalities need to ensure that they seek an early exemption from this dispensation of this salary agreement. Municipalities should also avoid paying out leave in cash while having major financial challenges.

### 7.2 Remuneration of Councillors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also take into account the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process. Any overpayment to councillors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of Section 167 of the MFMA and must be recovered from councilor(s) concerned.

## 8. Conditional Grant Transfers to Municipalities

### 8.1 Criteria for the release of the Equitable Share

The equitable share release criteria for 2023/24 were set out in MFMA Circular No. 122. To assist with managing this process, a guiding checklist has been developed (attached hereto as Annexure A) which municipalities can follow throughout the course of the year to ensure that the required documents are timeously uploaded to the GoMuni platform in line with the prescribed deadlines.

Going forward, municipalities will be required to submit the completed checklist as part of the quarterly performance reporting process for quarter 1 of the municipal financial year. According to section 52(d) of the MFMA, the mayor of a municipality must within 30 days of the end of each quarter, submit a report to council on the implementation of the budget and the financial state of affairs of the municipality. The report must then be submitted to National

29 MAY 2023





and Provincial Treasury within 5 days of being tabled in council as per section 32 of the MBRR. The report for quarter 1 of 2023/24 must therefore be submitted to council by the end of October 2023 and submitted to National and Provincial Treasury by no later than 5 November 2023. By including the completed checklist in this report, municipalities confirm their adherence to the equitable share release criteria, including that all supplementary information (as defined in the checklist) was successfully uploaded to the GoMuni platform.

Please note that most of the information required for the release of the equitable share, is already uploaded/ submitted by municipalities as part of existing reporting requirements throughout the year. There are however a few items (clearly marked in the checklist) that does not have a dedicated storage location (for example, payments of employee benefits) on GoMuni. A dedicated Equitable Share Verification Folder will be created on GoMuni for this purpose.

## 8.2 Criteria for the rollover of conditional grant funds

In terms of Section 21 of the Division of Revenue Act, 2022 (Act No.5 of 2022) (DoRA) in conjunction with the Division of Revenue Amendment Act, 2022 (Act No. 15 of 2022) (DoRAA), the Act requires that any conditional allocation or a portion thereof that is not spent at the end of the 2022/23 financial year reverts to the National Revenue Fund (NRF), unless the rollover of the allocation is approved in terms of subsection (2). Furthermore, the receiving officer, provincial treasury and national transferring officer is required to prove to National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When requesting a rollover in terms of section 21(2) of the 2022 DoRA, municipalities must include the following information with their submission to National Treasury:

1. A formal letter, signed by the accounting officer addressed to the National Treasury requesting the rollover of unspent conditional grants in terms of section 21(2) of the 2022 DoRA;
2. A list of all the projects that are linked to the unspent conditional grants and a breakdown of how much was allocated, spent and the balance per project;
3. The following evidence indicating that work on each of the projects has commenced, as applicable to the specific rollover(s):
  - a) Proof that a contractor or service provider was appointed for delivery of the project before 31 March; or
  - b) Proof of project tender and tender submissions published and closed before 31 March or with the appointment of contractor or service provider for delivery of service before 30 June in cases where additional funding was allocated during the course of the financial year of the project;
  - c) Incorporation of the Appropriation Statement;
  - d) Evidence that all projects linked to an allocation will be fully utilised by 30 June 2024 (attach cash flow projection for the applicable grant).
4. A progress report (also in percentages) on the status of each project's implementation that includes an attached **legible implementation plan**;
5. The value of the committed project funding and the conditional allocation from the funding source;
6. Reasons why the grants were not fully spent during the year on the original allocation per the DoRA;
7. Rollover of rollovers will not be considered. Municipalities must therefore not include previous year's unspent conditional grants as rollover request;
8. An indication of the time period within which the funds are to be spent if the rollover is approved; and

TEL: 025 425 1107 • FAX: 025 425 1014  
Info@odm.org.za • www.odm.org.za



9. Proof that the Municipal Manager and Chief Financial Officer are permanently appointed.

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

**If any of the above information is not provided or the application is received by National Treasury (Intergovernmental Relations Division) after 31 August 2023, the application will be declined.**

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

1. Compliance with the in-year reporting requirements in terms of sections 71 and 72 of the MFMA and section 12 of the 2022 DoRA, **including the Municipal Manager and Chief Financial Officer signing-off on the information** sent to National Treasury;
2. Submission of the pre-audited Annual Financial Statements to National Treasury by 31 August 2023;
3. Accurate disclosure of grant performance in the 2022/23 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS);
4. Despite the fact that local government is required to comply with different norms and standards prescribed by different legislations, municipalities are expected to fully comply with the provisions of DoRA that relate to rollover processes and disclose conditional grant performance in the 2022/23 pre-audited Annual Financial Statements (i.e. Cash coverage and unspent conditional grants in the Statement of Financial Position) in order to verify grant expenditure; and
5. Cash available reflected in the Statement of Financial Position and Cash Flow Statements and the bank (net position including short term investments) as at 30 June 2023 is equivalent to the unspent amount at the end of the financial year. If the amount that is requested for rollover **is not entirely cash-backed**, such a rollover will not be approved. National Treasury will also not approve portions of rollover requests.

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

1. The entire 2022/23 allocation to the municipality, in cases whereby the rollover request is more than 50 per cent of the total allocation, National Treasury will approve the rollover amount up to 50 per cent of the 2022/23 allocation;
2. Rollover request of the same grant for the third consecutive time. In a case where a municipality is applying for rollover as a result of additional funding, the application will be given a careful consideration;
3. Funding for projects procured through Regulation 32 of the Municipal Supply Chain Management Regulations (Gazette No.27636) – Projects linked to additional funding and disasters are exempted; and
4. A portion of an allocation where the proof of commitment for the rollover application is linked to invoices that were issued before or on 31 May 2023.

### 8.3 Unspent conditional grant funds for 2022/23

The process to ensure the return of unspent conditional grants for the 2022/23 financial year will be managed in accordance with section 22 of the DoRA. In addition to the previous MFMA Circulars, the following practical arrangements will apply:

29 MAY 2023  
TEL: 028 425 1167 • FAX: 028 425 1014  
info@odim.org.za • www.odim.org.za



- Step 1: Municipalities must submit their June 2023 conditional grant expenditure reports according to section 71 of the MFMA reflecting all accrued expenditure on conditional grants and further ensure that expenditure reported to both National Treasury and national transferring officers reconciles;
- Step 2: When preparing the Annual Financial Statements, a municipality must determine the portion of each national conditional grant allocation that remained unspent as at 30 June 2023. The unspent grant values must be determined based on the guidance that was provided in mSCOA Circular No. 13 in as far as VAT, retention and interest is concerned; and
- Step 3: If the receiving officer wants to motivate in terms of section 22(2) of the 2020 DoRA that the unspent funds are committed to identifiable projects, the rollover application pack must be submitted to National Treasury by no later than 31 August 2023.

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

- Step 4: National Treasury will confirm in writing whether or not the municipality may retain any of the unspent funds as a rollover based on criteria outlined above by 20 October 2023;
- Step 5: National Treasury will communicate the unspent conditional grants amount by 08 November 2023. A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment arrangement to the National Revenue Fund by 17 November 2023; and
- Step 6: Any unspent conditional grant funds that should have but has not been repaid to the National Revenue Fund by 17 November 2023, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's 06 December 2023 equitable share allocation.

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

## 9. The Municipal Budget and Reporting Regulations

### 9.1 Alignment of Municipal Budget and Reporting Regulations (MBRR) Schedules

The revised Regulated MBRR Schedules (A1, B, C, D, E and F), as aligned to the mSCOA chart and GRAP are published on the National Treasury web page and can be accessed using the following link.

<http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Documents/Forms/AllItems.aspx?RootFolder=%2fRegulationsandGazettes%2fMunicipal%20Budget%20and%20Reporting%20Regulations%2fDocuments%2f2023%2d24&FolderCTID=0x0120001860D4A2BD7AD042BF8427FC3BB59F67>

The alignment of the A1 Schedules required substantial changes to the reporting formats used for budgeting and reporting purposes which required the creation of new A1 Schedule codes to ensure that the data strings populate the new reporting formats. The relevant changes were also made in the reporting formats relating to versions 6.1 to 6.7 of the mSCOA chart to ensure that the historical data are populating when reports are drawn from GoMuni.

To ensure that ERP systems generate the A1 Schedule aligned to version 6.7 of the mSCOA chart, municipalities and system vendors should refer to the linkages provided on GoMuni. The following reports on GoMuni should be used for this purpose:



- List *m*SCOA account linkages to A1 Schedule based on 6.7 under menu option *m*SCOA Reporting; and
- List *m*SCOA A1 schedule codes WIP (i.e. new A1 Schedule codes) under menu option *m*SCOA Administration.

Both reports can be located under:

[https://lg.treasury.gov.za/ibi\\_apps/portal/Local\\_Government\\_Database](https://lg.treasury.gov.za/ibi_apps/portal/Local_Government_Database)

The new format for the non-financial data strings A1D and A1F is available on the link below:

<http://mfma.treasury.gov.za/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Documents/Forms/AllItems.aspx?RootFolder=%2fRegulationsandGazettes%2fMunicipal%20Budget%20and%20Reporting%20Regulations%2fDocuments%2f2023%2d24&FolderCTID=0x0120001860D4A2BD7AD042BF8427FC3BB59F67>

The A1D is the data string which populates information which we do not extract from the TABB while the A1F populates the budget information which we do not extract from the ORGB. Municipalities should ensure that they use the new format when submitting the non-financial data strings.

## 10. Submitting budget documentation and A1 schedules for 2023/24 MTREF

The MFMA and its Regulations require the submission of *m*SCOA data strings for budgets, in-year reporting, and annual financial statements in a specific format and by a required timeframe. The credibility and accuracy of the *m*SCOA data strings must be verified by municipalities prior to submission to the GoMuni Upload portal. Since the financial system must be locked at the end of the month in order to generate a *m*SCOA data string, municipalities may not open closed periods to correct errors. Errors must be corrected in the next open period. Providers of municipal financial systems must ensure that the necessary internal controls are built into the system to prevent the opening of closed periods on the financial system and the bypassing of such controls. This also applies to the correction of information in closed periods for 3<sup>rd</sup> party systems that should be integrating with the main financial system in terms of the requirements of the *m*SCOA Regulations.

From 1 July 2023, Municipal Managers and Chief Financial Officers will be required to sign off on the financial and non-financial data strings submitted to the GoMuni Upload portal when they submit their data strings. The schedules prescribed in terms of the Municipal Budget and Reporting Regulations (MBRR) populated from the *m*SCOA data strings on National Treasury's Local Government and Reporting System (LGDRS) must also be signed off monthly. These sign-offs are for audit purposes and serves as a confirmation by the municipality that the data strings submitted are accurate. Details on the submission of the signed-off figures will be communicated in due course.

**In terms of Section 171 of the MFMA, financial misconduct by municipal officials includes the provision of incorrect or misleading information in any document which must be submitted to the National Treasury.**

From 1 July 2023, the GoMuni Upload portal for the monthly in-year data strings will be closed at 16h00 on the 10<sup>th</sup> working day of each month. All publications by the National and Provincial Treasuries are now solely sourced from the *m*SCOA data strings submitted by



municipalities and several stakeholders including Statistics South Africa (STATSSA), Auditor General South Africa (AGSA), the Reserve Bank, and NERSA are in the process of streamlining some of their reporting to the information contained on the National Treasury Local Government Database and Reporting System (LGDRS). The resubmission of data strings after the legislated timeframes is not only illegal but also causing challenges in data sets used by various stakeholders for analysis and reporting purposes. **No data string submissions will therefore be accepted by the National Treasury after the 10<sup>th</sup> working day of the respective month.**

## Contact



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

**Post** Private Bag X115, Pretoria 0001  
**Phone** 012 315 5009  
**Fax** 012 395 6553  
**Website** <http://www.treasury.gov.za/default.aspx>

**JH Hattingh**  
**Chief Director: Local Government Budget Analysis**  
**03 March 2023**

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG A22  
BREDASPOORT 7260  
29 MAY 2023  
TEL: 028 425 1467 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

## ANNEXURE A: Equitable Share Verification Checklist:

### General Requirements

Criteria	Verification Requirement	Yes/No
<b>2023/24 Adopted Budget</b>	Council resolution, adopted mSCOA budget data strings (ORGB), PDF version of adopted MTREF budget uploaded to GoMuni Upload portal immediately after approval.	
<ul style="list-style-type: none"><li>Is the municipality's completed tariff tool (National Treasury format) included as part of its budget submission (MFMA Budget Circular No. 98 (refer item 4.2)).</li></ul>	The completed National Treasury EXCEL tariff tool uploaded to GoMuni with the adopted budget by start of budget year i.e. <b>1 July 2023</b> .	
<ul style="list-style-type: none"><li>Are allocations made for bulk suppliers current account payments?</li></ul>	Allocations reflected in mSCOA budget data strings (ORGB) and budget schedules/ document.	
<i>If unfunded budget position–</i>	-	
<ul style="list-style-type: none"><li>Is a Budget Funding Plan (BFP) adopted with the budget?</li></ul>	Copy of the adopted Budget Funding Plan uploaded to GoMuni with the adopted budget by start of budget year i.e. <b>1 July 2023</b> .	
	PDF version of BFP/progress report uploaded to GoMuni Upload portal by start of budget year i.e. <b>1 July 2023</b> .	
	Is the BFP credible and show how the municipality intends moving progressively out of this position into a funded state?	
	In the case of the latest progress report being submitted, is it aligned to the rescue phase of the new approach to Municipal Financial Recovery Service (MFRS)?	
<ul style="list-style-type: none"><li>Council resolution reflecting commitment to address unfunded position.</li></ul>	PDF copy of resolution uploaded to GoMuni Upload portal by start of budget year i.e. <b>1 July 2023</b> .	
<b>mSCOA</b>		
<ul style="list-style-type: none"><li>Submission of Data Strings</li></ul>	Successful submission of all financial and non-financial mSCOA data strings to the GoMuni Upload portal	
	Timeous submission of all financial and non-financial mSCOA data strings to the GoMuni Upload portal	
	Data strings submitted are credible as per the analysis done by NT/PTS	
	Data strings are generated directly from the main municipal financial system	
	The regulated MBRR Schedules are generated directly from the core municipal financial system	
	Successful submission of all financial and non-financial mSCOA data strings to the GoMuni Upload portal	
	Municipal documents required in terms of legislation and MFMA Circulars have been submitted timeously and in the required format to the GoMuni Upload portal.	
<ul style="list-style-type: none"><li>Submission of documents</li></ul>		
<ul style="list-style-type: none"><li>Financial System Changes</li></ul>	Municipality has followed the processes in Circulars No. 93, 98, 123 and mSCOA Circulars No 5 and 6 to change their financial system.	
<b>UIF &amp; W</b>		
<ul style="list-style-type: none"><li>UIF&amp;W Register</li></ul>	Documents need to be uploaded to NTs eMonitoring Webpage	
<ul style="list-style-type: none"><li>MPAC recommendation on UIF&amp;W</li></ul>		
<ul style="list-style-type: none"><li>Council Resolution on UIF&amp;W</li></ul>		
<ul style="list-style-type: none"><li>UIF&amp;W Reduction Strategy</li></ul>		
<b>Disciplinary Board</b>		
<ul style="list-style-type: none"><li>Does the municipality have a functional disciplinary board?</li></ul>	Proof of establishment (or efforts to establish DC Board) uploaded to NTs eMonitoring Webpage NTs eMonitoring Website.	
<b>Competency Regulations</b>		
<ul style="list-style-type: none"><li>Has the minimum municipal competency regulations reporting requirements been adhered to?</li></ul>	In line with the Competency Regulations, consolidated reporting information must be uploaded to GoMuni by <b>30 January 2023</b> and <b>30 July 2023</b> .	
<b>Audit Process</b>		
<ul style="list-style-type: none"><li>Opinion Received</li></ul>	Did the municipality receive an adverse or disclaimed audit opinion or had outstanding audits for two consecutive financial years?	
<ul style="list-style-type: none"><li>Adverse or disclaimed audit opinion</li></ul>	Council resolution signed by each member of the Council was uploaded to NT's eMonitoring Webpage within 1 month after conclusion of the audit process reflecting council's commitment to address the opinion.	
<ul style="list-style-type: none"><li>Is a council approved audit action plan in place?</li></ul>	Audit action plan, together with council resolution, to be uploaded to NT's eMonitoring Webpage within 60 days from audit report issuance.	
<b>Interventions (where applicable)</b>		
<ul style="list-style-type: none"><li>In the event of a discretionary or mandatory intervention in terms of section 139 of the Constitution, is a Financial Recovery Plan (FRP) in place?</li></ul>	The FRP and monthly progress reports submitted in terms of sections 145 and 146 of the MFMA must be uploaded to GoMuni Upload portal for each month since the inception of the FRP.	





## Quarterly Requirements

Criteria	Verification Requirement	Quarter 3 (Jan – March)	Quarter 4 (April – June)	Quarter 1 (July – Sept)	Quarter 2 (Oct – Dec)
<b>Bulk Supplier Payments</b>					
<ul style="list-style-type: none"> <li>Were current account payments to bulk suppliers (Eskom and Water Boards) timeously made?</li> </ul>	PT/NT to verify status according to MFMA S41 Report. No action required from municipality if account in good standing.	-	-	-	-
<ul style="list-style-type: none"> <li><u>If current account in arrears, are payment agreements in place?</u></li> </ul>	Copy of payment agreement or evidence of discussions are uploaded to on GoMuni Upload portal.				
<b>Staff benefit Deductions</b>					
<ul style="list-style-type: none"> <li>Were a) SARS, b) pension and c) other staff benefits timeously paid over to the relevant funds/institutions?</li> </ul>	Proof of payment for each category, for each month of the quarter uploaded to on GoMuni Upload portal.				
<b>Reconciliation of Valuation Roll</b>					
<ul style="list-style-type: none"> <li>Has the valuation role been reconciled to the financial system?</li> </ul>	In line with MFMA Circulars No. 93, 98 and 107, proof of the verification for each quarter should be uploaded on GoMuni Upload portal.				

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za



Western Cape  
Government

FOR YOU

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BRÉDASDORP 7280



29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za



Strategic Integrated Municipal Engagement 2023

Overberg District Municipality





# 2023 SIME ASSESSMENT KEY RECOMMENDATIONS

## INTEGRATED PLANNING

It is recommended that the Municipality:

- Reflect on the strategy it will use to facilitate public participation within the communities.
- Reflect on how load shedding will be addressed in the District. This will be vital as energy resilience will need to be strengthened considering the increase load shedding levels.
- Include projects or initiatives that need to be implemented in conjunction with the Climate Change Response Framework.

## SPATIAL PLANNING

- Several District Spatial Development Framework (DSDF) proposals remain unfunded. It is recommended that the Overberg District Municipality (ODM) consider exploring external funding opportunities.
- It is proposed that the IDP more explicitly highlights the relationship between the DSDF and the IDP and how the components in the ODM institutional structure are actively implementing the DSDF strategies, policies and guidelines.

## BIODIVERSITY

- In terms of spatial alignment between the SDF and the Biodiversity Spatial Plan, it was noted, that the Overberg District SDF is currently being developed, and that the spatial delineation element of the SDF is yet to be concluded. It was however noted that the Spatial Planning Categories are correctly matched to the Biodiversity Spatial Plan in the current draft version of the SDF, which suggests that full alignment will be achieved.

## CLIMATE CHANGE

- Overall, the Municipality does well to incorporate climate change considerations into the IDP, where it provides many statements of intent on how the Municipality should mainstream climate change. However, more work can be done to ensure that climate change is being integrated into the IDP in a more impactful and meaningful way, by demonstrating and illustrating clearly how climate change considerations are being implemented.

## WASTE MANAGEMENT

### Waste Licensing

- In summary, the ODM operates and manages the Karwyderskraal Waste Disposal Facility (WDF) well, as evident in the annual Departmental Compliance Reports, internal and external compliance reports.

### Waste Policy & Minimisation

- The District does well in aiding their municipalities but should consider more interventions in supporting local municipalities with awareness in waste minimisation, especially since organic waste is sent to the regional facility managed by the ODM.

### Waste Information Management

- Reporting on the Integrated Pollutant and Waste Information System (IPWIS) must be updated and continuous and regular waste reporting must be submitted to the IPWIS. Waste diversion initiatives must be reported to the IPWIS. The District is reminded to report on organic waste to the IPWIS. Through IPWIS report submissions, the District achieved a compliance score of 100 per cent within this period, thus the Municipality is compliant with respect to the National Waste Information regulations.

### Waste Management Planning

- The Municipality should set aside funds to develop an updated IWMP for the 2024/5 financial year.

## ECONOMIC AND FINANCIAL SUSTAINABILITY

- Overall growth in operating expenditure is noted to be below inflation (4.6 per cent for total OPEX). A number of the Municipal functions for example, solid waste disposal (landfill sites) (2.0 per cent), firefighting and protection (3.7 per cent) and health services (2.4 per cent) did not receive above inflation increases for its 2023/24 allocations. Concern is raised regarding the operational ability to deliver given the below inflationary increases in operating expenditure.
- Minor discrepancies in the wording and numbering of strategic goals have been noted between the draft budget and IDP. The Municipality must ensure that the strategic objectives in the IDP are consistently numbered and clear, and correspond exactly with that in the budget, Service Delivery and Budget Implementation Plan (SDBIP) as well as any other reporting documentation.
- The operating budget projections result in deficits over the MTREF period. It was noted that the operating expenditure is not in line with the scenario projections in the Long-Term Financial Plan (LTFP) which could hamper the long-term objectives. For the LTFP to remain a relevant and effective planning tool, the Municipality is advised to update its LTFP to take account of the current economic reality, inclusive of the energy crisis, as well as recent economic shocks as a result of the Covid-19 pandemic.
- The Municipality's employee related cost ratio as a percentage of total expenditure is 50.1 per cent which is below the current year, but the increases in the outer years are not in line with the resolutions made at the district budget funding engagement.
- The assumptions informing higher profit margins from the waste services should be monitored. A conservative approach is recommended in line with past performances unless contractual agreements are in place.

### Procurement for LED

- It is recommended that Municipality ensure there is alignment between the municipal Procurement Plans, the IDP, the approved Budget and SDBIP to give full effect to integrated procurement planning.
- The Municipality should utilise a commodity-based strategy for standardisation of item expenditure, which will assist in determining the sourcing strategies and achieve economies of scale. This will further assist the Municipality to identify certain commodities for alternative procurement decisions such as District Transversal Contracts, framework agreements and bulk procurement.
- To ensure procurement planning is integrated, it is recommended that the SCM unit form part of the budget process, in order to provide inputs to the overall procurement plan.

## HISTORICAL TRENDS

- The Municipality needs to strengthen its internal control environment to ensure that all expenditure is confirmed against a documented list of applicable legislation or policies in place. The Municipality may further need to perform a root cause analysis in order to identify and correct any other underlying reasons for irregular expenditure being incurred.
- The percentage of assets that are funded by debt indicates that there is a low financial risk, which places the Municipality in good standing given the current repo rate hikes by the South African Reserve Bank.

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASPOORT 7230



29 MAY 2023

TEL: 028 425 1167 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za





## TABLE OF CONTENTS

SECTION 1:	INTRODUCTION .....	6
SECTION 2:	INTEGRATED PLANNING .....	7
SECTION 3:	ECONOMIC and FINANCIAL SUSTAINABILITY .....	15
SECTION 4:	REVIEW OF THE HISTORICAL FINANCIAL INFORMATION.....	26
Annexure A:	MUNICIPAL BENCHMARKING GRAPHS .....	32

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASIDOPH 7260



29 MAY 2023

TEL: 028 426 1167 • FAX: 028 426 1014  
info@odm.org.za • www.odm.org.za

## LIST OF ACRONYMS

AQMP	Air Quality Management Plan
BESP	Built Environment Support Programme
CAPEX	Capital Expenditure
CBD	Central Business District
CBA	Critical Biodiversity Areas
CMP	Coastal Management Programme
CPI	Consumer Price Index
CRR	Capital Replacement Reserve
CSIR	Council for Scientific and Industrial Research
DCAS	Department of Cultural Affairs and Sport
DEA&DP	Department of Environmental Affairs and Development Planning
DHS/DOHS	Department of Infrastructure
DM	District Municipality
DLG	Department of Local Government
DWA	Department of Water Affairs
EPWP	Expanded Public Works Programme
FBE	Free Basic Electricity
HSP	Human Settlements Plan
IDP	Integrated Development Plan
IGP	Infrastructure Growth Plan
IIAMP	Integrated Infrastructure Asset Management Plan
IIF	Infrastructure Investment Framework
ITP	Integrated Transport Plan
ISDF	Integrated Strategic Development Framework
IYM	In-year Monitoring
IWMP	Integrated Waste Management Plan
JOC	Joint Operations Centre
kl	kilolitre
KPA	Key Performance Area
KPI	Key Performance Indicator
kWh	kilowatt hour (1000 watt hours)
LED	Local Economic Development
LTFP	Long-Term Financial Plan
LUPA	Land Use Planning Act

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za



MBRR	Municipal Budget and Reporting Regulations
MDG	Millennium Development Goal
MFMA	Municipal Finance Management Act
MER	Municipal Energy Resilience
MI	Municipal Infrastructure
MIG	Municipal Infrastructure Grant
MIP	Municipal Infrastructure Plan
MISA	Municipal Infrastructure Support Agent
MMP	Maintenance Management Plan
MTREF	Medium Term Revenue and Expenditure Framework
MVA	Megavolt Amperes (1 Million volt amperes)
MWh	Megawatt hour (1 Million watt hours)
NRW	Non-revenue Water
NDHS	National Department of Human Settlements
NT	National Treasury
O&M	Operations and Maintenance
OPEX	Operating Expenditure
PMS	Performance Management Systems
RMP	Road Management Plan
SCM	Supply Chain Management
SDBIP	Service Delivery Budget Implementation Plan
SDF	Spatial Development Framework
SOP	Standard Operating Procedure
SWMP	Stormwater Management Plan
WDM	Water Demand Management
WSDP	Water Service Development Plan
WTW	Water Treatment Works
WWTW	Wastewater Treatment Works

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG 122  
BREDASDORP 7260



29 MAY 2023

TEL: 028 428 1187 • FAX: 028 428 1014  
info@odm.org.za • www.odm.org.za



29 MAY 2023

## SECTION 1: INTRODUCTION

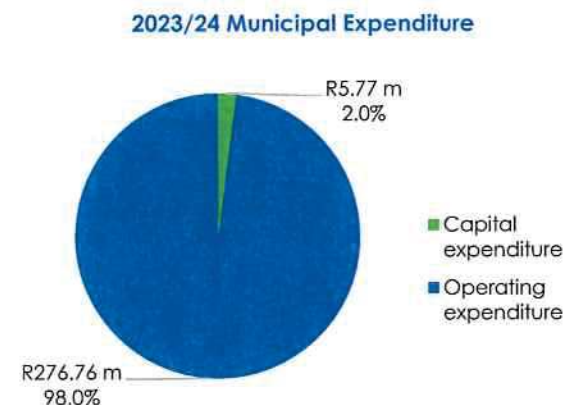
The 2023 SIME assessment encapsulates comments by the Western Cape Government (WCG) on the draft 2023/24 MTREF Budget, 2023/24 Integrated Development Plan (IDP), Spatial Development Framework (SDF) and other associated documents.

The assessment covers the following key areas; conformance with the MFMA, MSA & Municipal Budget and Reporting Regulations (MBRR); an integrated, spatial and environmental Planning analysis of the IDP and SDF and the responsiveness, credibility and sustainability of the tabled budget.

The WCG plans to meet the executives of your Municipality in May 2023, where the key findings and recommendations of this report will be presented and deliberated upon. The planned engagement will contextualise the Municipality's challenges and responses as presented in the draft budget, IDP, LED, SDF and as well as other strategic matters for discussion between the two spheres of government. All the information related to the assessment and analysis of the draft annual budget, IDP and SDF are found in the report below.

The budget snapshot below provides a high-level overview of key socio-economic and financial indicators of the **Overberg District Municipality** in relation to the regional economy.

### BUDGET SNAPSHOT



**GDPR Current Prices**  
2021e  
R25.461 billion

**GDPR Growth**  
2023f  
1.0%

#### Inflation

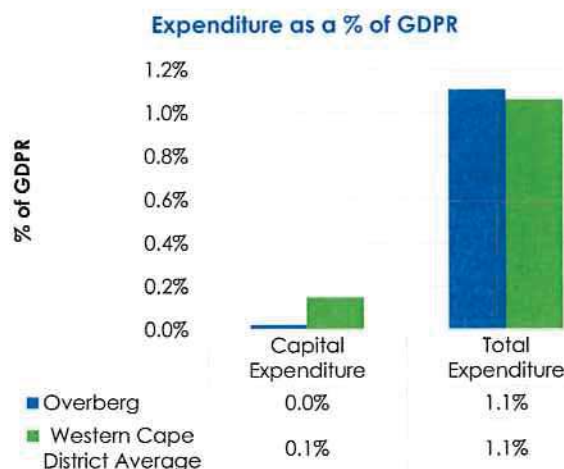
	2022	2023	2024	2025
Inflation	6.9%	5.3%	4.9%	4.7%



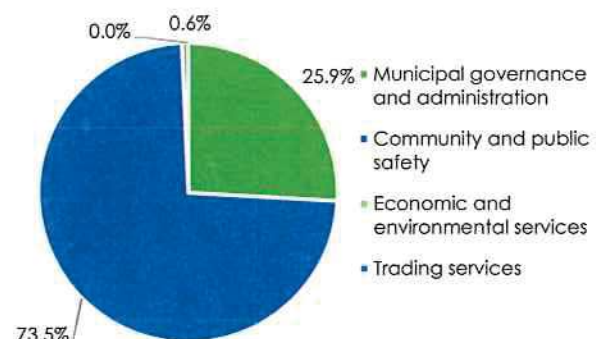
**Population**  
2023f  
313 945

**Population Growth**  
2023f  
1.7%

**Disclaimer:** Population forecast subject to change upon release of Census 2022.



#### Capital Expenditure - Functional



Source: Municipal expenditure and revenue estimates - Draft 2023/24 A1 schedule; Population - Stats SA MYPE base year 2022 (Feb. 2023); GDPR - Quantec, 2022.





## SECTION 2: INTEGRATED PLANNING

### 2.1 INTEGRATED DEVELOPMENT PLANNING

#### 2.1.1 Introduction

An Integrated Development Plan (IDP) is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development in a municipality. An IDP provides the strategic direction for all the activities of a municipality over five years linked to the council's term of office.

Each municipal council must annually review and may amend the IDP of the municipality. Should the review process determine that an amendment is required, a municipality should follow the process as stipulated in Regulation 3 of the Local Government: Municipal Planning and Performance Management Regulations of 2001 (MSA Regulations).

The 2022/23 review of the IDP of the ODM took into consideration any changed circumstances and an assessment of the performance measurements.

Based on the first review of the 2022 - 2027 IDP, the Municipality intends to adopt an amended IDP in May 2023.

### 2.2 INTEGRATED PLANNING ANALYSIS

#### 2.2.1 IDP Overview

The proposed amendments are set out in a memorandum submitted to Council. These include the organisational structure and the implementation plan of the current Spatial Development Framework. The IDP reflects the vision, mission, strategic goals and strategic objectives which have remained unchanged whilst also reflecting the long-term development plans for the District, including the provision of services and infrastructure.

The socio-economic profile reflected in the IDP is based on the recent data from the 2022/23 Municipal Economic Review Outlook. In addition, the IDP also references economic data and growth projections based on Quantec Research, which highlight the Gross Domestic Product per sector for the Overberg District. A detailed SWOT analysis is reflected in the IDP, which highlights the current challenges within the District and the proposed measures to address such challenges.

#### 2.2.2 IDP process including community consultation

In terms of Sections 28 and 29 of the Municipal Systems Act 32 of 2000 (MSA), a municipality must follow a prescribed process when reviewing and/or amending an IDP. The process to be followed must allow for the local community to be consulted on its development needs and priorities, for the community to participate in the drafting of the IDP and for organs of state and other role players to be identified and consulted on the drafting of the IDP.

Furthermore, key activities and deadlines for the process must be set out in a Time Schedule tabled in terms of Section 21 of the Municipal Finance Management Act 56 of 2003 (MFMA).

Further, Regulation 3 of the MSA Regulations provides that a proposal to amend an IDP may only be introduced by a council member or committee of council; that it must be accompanied by a memorandum and that a district municipality must consult with the local municipalities in its region when intending to amend its IDP and that local municipalities must similarly consult the district municipality if they intend to amend its IDP.



The Municipality has a District Framework which was adopted with the Process Plan in March 2022 that sets out the stakeholders involved in the IDP process, their respective roles and responsibilities, the need for inter-governmental alignment, and the key activities and deadlines for the five-year cycle of the IDP, involving annual reviews. Furthermore, the Municipality adopted a Time Schedule in August 2022 which outlines the key deadlines for the drafting and approval of an amendment to the IDP.

In line with Regulation 3 of the MSA Regulations, the proposed amendments outlined in a memorandum, was tabled by Council in February 2023. The proposed amendments have been advertised for public comments and disseminated to local municipalities for further inputs.

The Municipality makes use of the local municipalities' IDP public participation meetings to ensure various involvement of communities in the IDP process. During April 2022, the Municipality utilized the local municipalities' IDP public participation meetings to ensure community involvement.

### 2.2.3 IDP compliance

The core components of an IDP are set out in section 26 of the MSA and Regulation 2 of the MSA Regulations. An assessment of the tabled IDP reflects compliance with the MSA and its Regulations.

### 2.2.4 IDP alignment

According to Section 32 of the MSA, the MEC may within 30 days of receiving a copy of an IDP, or within such reasonable period as may be approved, request a municipality to adjust the plan or amendment in accordance with the MEC's proposal if it is in conflict with or is not aligned with or negates any of the development strategies of other affected municipalities or organs of state. Section 26 of the MSA further requires that IDPs must be aligned with and not negate the national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

The proposed amendments to the IDP reflects alignment between the Municipality's five strategic goals with various international, national, provincial and district strategic imperatives and plans. This alignment of strategic plans promotes greater coordination and collaboration between government departments and stakeholders, resulting in improved outcomes and more efficient allocation of resources. In addition, the IDP reflects on the JDMA and the projects for implementation.

## Economic Development

The IDP reflects that the South African Local Government Association (SALGA) assisted the Municipality with the development of a Regional Economic Development (RED) and Tourism Strategy which was presented to the RED/Tourism Forum on 11 October 2019. The Municipality also has adopted a District Economic Recovery Plan, which is an addendum to the RED and Tourism Strategy. The Economic Recovery Plan identifies the challenges that require an urgent and whole-of-society response to create jobs, foster safe communities, and promote the well-being of all the residents of the Western Cape. The IDP reflects that the Economic Recovery Plan and the JDMA are aligned and are based on the Western Cape Government's three priorities.

The Growth for Jobs (G4J) Strategy, spearheaded by the Western Cape Government, is an "all-of-government" and "all-of-society" strategy that demands dedication, drive, and resource allocation from various sectors, including the government, private sector, and civil society, for its success. The time is opportune for the Municipality to not only participate in the initiation of its kick-off, but to critically assess linkages and opportunities, and prepare for alignment of planning, collaboration, and joint delivery. The Municipality is encouraged to update its current economic development section in the final IDP to reflect on more work, done by various government departments, the RED strategy could be aligned with the G4J Strategy which would assist with the economic placement within the Municipality.



## **Municipal Infrastructure, Human Settlements and Transport**

The prolonged drought in the Western Cape in recent years has had a significantly negative impact on the well-being of the Province and poses a high risk to the livelihood of many citizens as well as retaining economic activity and thus job security. Water resources and the availability of water in the Western Cape, are known to be affected by climate change. Changes in rainfall and temperature translate into increased hydro-meteorological variability and uncertainty and result in impacts on stream flows and certain demands. It is commonly known that the province can expect more frequent, intensive, and persistent drought events, which require a holistic methodology and an integrated, collaborative, and coordinated response from all government departments and stakeholders. Water security and climate resilience has therefore become a key priority.

To address this challenge, the Western Cape Government registered water security as a transversal risk and the Department of Local Government (DLG) has been designated as the coordinating department for managing the Provincial Transversal Water Risk and identified mitigation measures. A 15-year Water Resilience Plan was completed during the 2022/23 financial year following an extensive consultation process with various stakeholders. The strategic outcome of this Plan is the development of municipal water infrastructure with the purpose of enhancing water resilience through augmenting water supply, water infrastructure capacity upgrading, water source management and water demand management across the Province.

The IDP has identified climate change as one of the challenges in the Municipality, including its potential impact on water security. To address this, the Municipality has developed a Climate Change Response Strategy which includes response actions implemented by the relevant line department related to climate change.

The Western Cape Government is determined to ramp up energy security and decrease the reliance on Eskom throughout the Province by implementing a comprehensive Western Cape Energy Resilience Programme. As part of the Whole of Government Approach in managing the energy crisis, the DLG in collaboration with the Provincial Energy Resilience Team, will assist municipalities to pilot various energy solutions which will include technical advisory in this specialised field to find the best-fit energy options, appropriate to the Municipalities, as well as assistance with a Municipal Energy Planning.

The DLG allocated funds to municipalities through the Emergency Municipal Loadshedding Relief Grant, as an urgent response to the increasing frequency and severity of Loadshedding affecting municipalities and its impact on basic service delivery, health and the economy. The purpose of the grant is to provide municipalities with a financial contribution towards the purchase and installation of back-up energy supply, which may include generators, renewable power sources, batteries and all ancillary costs, for water and wastewater infrastructure as an immediate response to prolonged load shedding.

The Municipality has adopted a District Integrated Transport Plan (DITP) and the Department of Mobility confirmed that the 2020 – 2024 review was approved by Council in October 2021. The IDP needs to continue strengthening the integration regarding transport infrastructure development and transport strategies to ensure sustainable communities within the District and to guide local integrated transport planning.

## **Health, Social Services and Amenities**

The IDP reflects specific challenges faced by the Municipality with regards to health, and also provides a response to each of these challenges. These challenges are also being catered for in the Service Delivery and Budget Implementation Plan (SDBIP), as reflected in the IDP. The Municipality is also actively involved in the Western Cape Municipal Health Working Group to promote and support sustainable and integrated management of Municipal Health Services in the Western Cape. The Municipality also has a Municipal Health Services Plan which was revised in 2022/23 for implementation during the 2023/24 financial year.



The IDP reflects that the Municipality continues to see the benefits of the established Social Development Unit. The Department of Social Development (DSD) indicated that the Social Development Coordinating Forum remains on the forefront of delivering, coordinating, and supporting the broader social development agenda in the District. As a follow-on to the work of the Coordinating Forum, through its social development unit, the Municipality has placed a focus on introducing the Fourth Industrial Revolution (4IR) training throughout the District, with Cape Agulhas as the first pilot site. This roll-out will be aimed at unemployed youth, targeting primary and high schools, including youth at risk of being school dropouts. DSD also confirmed that programmes and interventions for substance abuse; gender-based violence; and youth development remain high on the priority list of the Municipality.

## **Safe and Cohesive Communities**

The Municipality has a District Safety Plan, which was compiled in collaboration with the Department of Police Oversight and Community Safety and they continue to offer a basket of services to the District, which includes neighbourhood watch, law enforcement officers and professional policing. The IDP reflects on safety and security and included the crime stats in the area with reference to murder, sexual offences, drug-related offences, driving under influence and residential burglaries for the period 2018 - 2021. However, many residential burglaries were reported in the Overstrand municipal area (1 031 incidences per 100 000 people) in 2021/22.

### **2.2.5 Outstanding areas for improvement**

The Municipality adequately responded to the identified areas for further improvement outlined in last year's assessment report.

## **2.3 KEY FINDINGS AND RECOMMENDATIONS**

### **2.3.1 Key findings**

- The IDP complies with all the core components of an IDP as provided for in section 26 of the MSA and Regulation 2 of the MSA regulations;
- The Municipality has adopted a District Framework for the amended IDP and is therefore in line with section 27 of the MSA; and
- The IDP reflects that the District utilises various methods of public participation and utilizes the local municipalities' IDP public participation meetings to ensure various involvement of communities in the IDP process.

### **2.3.2 Recommendations**

- Reflect on the strategy it will use to facilitate public participation within the communities.
- Reflect on how load shedding will be addressed in the District. This will be vital as energy resilience will need to be strengthened considering the increase loadshedding levels.
- Include projects or initiatives that need to be implemented in conjunction with the Climate Change Response Framework.

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023



## **2.4 ENVIRONMENTAL AND PLANNING ANALYSIS**

### **2.4.1 COMPLIANCE, PERFORMANCE, IMPLEMENTATION AND CHANGING CIRCUMSTANCES**

#### **2.4.1.1 SPATIAL PLANNING**

A performance review of the ODM DSDF has not been undertaken as ODM is the process of adding the final chapter (including an Implementation Framework) to the DSDF through an amendment of the DSDF.

The District Municipality has a very limited capital budget, and much of this limited budget is allocated to Organic Waste Diversion at the Regional Landfill site. Several DSDF projects/ actions are done within the existing Directorate Community Services and are therefore funded through the DM's operational budget.

However, several DSDF proposals remain unfunded. It is recommended that the ODM consider exploring external funding opportunities.

It is proposed that the IDP more explicitly highlights the relationship between the DSDF and the IDP and how the components in the ODM institutional structure are actively implementing the DSDF strategies, policies and guidelines.

#### **2.4.1.2 BIODIVERSITY MANAGEMENT**

##### **Biodiversity Spatial Plan**

The enabling of certain prescripts in the Western Cape Biodiversity Act, Act 6 of 2021, which includes legislative requirements pertinent to municipalities in terms of a Biodiversity Spatial Plan adopted by the provincial Minister must be noted. Sections 36, 37 (1), 37(2)(c), 37(2)(f); and of particular importance, 37(3) of the Western Cape Biodiversity Act should be noted by all municipalities within the Western Cape.

In addition to the above, the current Biodiversity Spatial Plan is being revised and an updated version is likely to be adopted in terms of section 36 of the Western Cape Biodiversity Act before the end of the 2023/24 municipal year.

Towards the end of managing, controlling and eradicating alien plants, it was noted that Overberg District does have an invasive species monitoring, control and eradication plan, but that this plan is yet to be approved by DFFE. It was not possible to ascertain what the annual target for clearing and follow-up were for the year under review or the associated budget (although it was noted that the aforementioned plan did contain estimates of these targets for the year in question). The inclusion of a succinct overview of confirmed (actual) targets and budgets would be advantageous in next year's assessment.

##### **Alien invasive plant clearing**

Municipalities are reminded of the Ecological Infrastructure Investment Framework that was developed for the Western Cape and speaks directly to the clearing of alien invasive plants for water gains, fire and flood risk reduction, and improved food security. Recent inclusions of ecological infrastructure in policies that pertain to municipal infrastructure should be noted. In many areas of the province, alien plants utilise considerably more water than its indigenous counterparts, and the eradication of these plants would often result in downstream water gains. Additionally, alien plants are known to increase the risk and intensity of wildfires and flooding, which impact on municipal infrastructure as well as require disaster risk response. It is important that these relationships are kept in mind when prioritising interventions that aim to augment a municipality's water supply.

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023

### 2.4.1.3 CLIMATE CHANGE

The Climate Change Directorate within Department of Environmental Affairs and Development Planning (DEA&DP) led the revision of the Western Cape Climate Change Response Strategy. The 2022 Strategy lists four guiding objectives for climate change response, namely: 1) Responding to the climate emergency, 2) Transitioning in an equitable and inclusive manner to net zero emissions by 2050, 3) Reducing climate risks and increasing resilience, and 4) Enabling a Just Transition through public sector, private sector and civil society collaboration. Each of the Guiding Objectives is supported by a preliminary list of key responses, which are detailed in an Implementation Plan. The Implementation Plan adds detail to the response actions outlined in the strategy and identifies the role players required to drive the actions. It also specifies timeframes for the actions and a framework within which the actions can be evaluated to measure progress and overall impact.

A new resource was released last year to assist municipalities with the most up to date climate science and projections. The document titled "*SmartAgri: Updated Climate Change Trends and Projections for the Western Cape*" (2022) was completed for the Western Cape Department of Agriculture by the Climate Systems Analysis Group at the University of Cape Town.

Climate change is noted by the IDP to be incorporated into all the Municipality's risk assessments, as well as mainstreamed into its environmental analysis. The IDP also does well to provide information on observed climate, climate change projections, hazards and vulnerability, opportunities and climate change responses for the Municipality.

It is commendable that the IDP makes a statement of intent to implement an integrated approach to focus on mainstreaming climate change within its organizational mandate. However, it does not provide insights into exactly how this will be done and whether it is being done at all.

The IDP makes good mention of the comments and inputs from last year's IDP review, however, it must be cautioned that many of these inputs appear to be directly copied into the document, without much evidence of it being sufficiently conceptualized and applied into the IDP. Furthermore, it also makes many statements about what the IDP needs to do and consider from a planning perspective toward climate change, as opposed to demonstrating or saying how or if it is being done by the Municipality. For example, it does not state how the IDP and municipality takes a long-term perspective in terms of what a sustainability economy would like.

### 2.4.1.4 AIR QUALITY

A budget allocation to implement/ review and adopt the Air Quality Management Plan (AQMP) has been secured by the Municipality and should be used to:

- develop (or update) the Air Quality By-law, inclusive of noise control,
- conduct awareness raising and capacity building,
- monitor ambient air quality (passive or continuous monitoring of air pollutants via either a fully equipped ambient air quality monitoring station or low-cost air quality sensors), and
- implement air quality management intervention strategies in its jurisdiction.

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
ERENSDORP 7280  
29 MAY 2023

TEL: 028 425 1167 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za





STRATEGIC RISK/ ISSUE	PROPOSED ACTION
Following five (5) years of implementation, the 2 <sup>nd</sup> generation AQMP (2012) is to be reviewed during 2023.	Consider supporting local municipalities in the district to also update their AQMP in line with the ODM's AQMP.
Air quality monitoring	Consider establishing an Air Quality Monitoring Network within the ODM. This will assist to monitor compliance with the NAAQS within the District and allow for the District to have a database of air quality monitoring data.
Noise complaints handling in respect of the Western Cape Noise Control Regulations P.N. 200/2013, for S21 Listed Activities	Must designate/appoint a Noise Control Officer, in terms of the Western Cape Noise Control Regulations.

### 2.4.1.5 COASTAL MANAGEMENT

#### Coastal Risk

A Coastal Risk Management Policy is being drafted by DEA&DP in conjunction with accompanying regulations for the implementation of the Coastal Management Lines previously delineated by DEA&DP. Municipalities will be alerted/informed to the progress of the said policy and regulations as they will be engaged during the development of both the Policy and the Regulations.

The Municipality should consider identifying/ emphasising the coastal risk areas vulnerable to possible sea-level rise within their municipal area that may require proactive planning and support. From a climate resilience response context, also consider CML circular 004-2021 and the Coastal Erosion Guidelines of November 2020.

[https://www.westerncape.gov.za/eadp/files/atoms/files/WC\\_Guideline%20Informing%20Coastal%20Erosion%20Decision-Making.pdf](https://www.westerncape.gov.za/eadp/files/atoms/files/WC_Guideline%20Informing%20Coastal%20Erosion%20Decision-Making.pdf)

The 2<sup>nd</sup> generation Western Cape Provincial Coastal Management Programme "WC PCMP" 2022 - 2027 was adopted by Minister: Local Government, Environmental Affairs and Development Planning on 27 March 2023. The Municipality should please consider the content/stated objectives of the 2<sup>nd</sup> generation WC PCMP in future relevant environmental/planning documents or updates.

The Municipality should consider the use of a CMP implementation plan to assist the tracking of progress in meeting prioritised objectives/goals of the Municipal CMP.

#### Coastal Access Land Designation

It is noted that on 23 May 2022, the Provincial Coastal Access Bylaws were sent to the ODM.

An agreement between the ODM and the Local Municipalities within the Overberg District must still be concluded to assign the designation of coastal access land function to the Local Municipality in terms of the NEM: ICMA.

#### Coastal Water Quality

The Municipality should consider promoting additional mitigation measures to avoid increasing pump station failures caused as a result of loadshedding, and that possibly causes polluted water to enter coastal water, e.g., sensitive estuarine environments.

### 2.4.1.6 WASTE MANAGEMENT

#### Waste Management Licensing

The ODM established the Karwyderskraal Waste Disposal Facility (WDF) which acts as the regional facility for the area. The Municipality fully implements the conditions of its Waste Management Licence, with an

average compliance score of 98 per cent over the past 5 years. The Facility has sufficient airspace left for the next 20 years as land for the expansion of the Facility and additional cell development is available. The Municipality also drafted an Organic Waste Diversion Plan in 2019, which has been implemented and further implementation will take place in the form of constructing a trommel for the sifting of waste for the composting facility.

### **Waste Policy & Minimisation**

The ODM has a waste by-law named Municipal Health Services By-law dated July 2019, aimed at the environmental health services functions. However, all its local municipalities have by-laws as well.

The District manages Karwyderskraal regional facility where composting takes place, while no other services are provided by the ODM itself. ODM also runs a waste forum for sharing awareness on various aspects related to waste management.

### **Waste Information Management**

#### ***Period January to December 2022:***

The ODM manages the District waste management facility, Karwyderskraal. There are 3 waste management registrations on the IPWIS, namely Karwyderskraal Landfill - Disposal D06580-01, Karwyderskraal Landfill – Recovery & Recycling D06580-03 and Karwyderskraal Landfill - Treatment D06580- 02.

The Municipality submitted a total of 36/36 waste management reports from January to December 2022, i.e., Karwyderskraal Landfill - Disposal - 12/12, Karwyderskraal Landfill – Recovery & Recycling - 12/12 and Karwyderskraal Landfill - Treatment - 12/12. 43 967 tonnes of waste were disposed to landfills and 42 695 tonnes of waste was diverted from landfills. Thus, achieving a diversion rate of 49.3 per cent for the period. The Municipality diverts Organic Waste.

### **Waste Management Planning**

The Municipality has a designated Waste Management Officer. The Municipality's Integrated Waste Management Plan (IWMP) is still valid and due for review in 2024. The Municipality reports annually on the implementation of the IWMP.

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za



## SECTION 3: ECONOMIC and FINANCIAL SUSTAINABILITY

### 3.1 INTRODUCTION

This section provides an assessment of key indicators related to the responsiveness, credibility and sustainability of the tabled budget.

### 3.2 SUSTAINABLE ECONOMIC DEVELOPMENT

#### Key budget priorities in terms of IDP Strategic Objectives

This section assesses whether the budget is aligned to the IDP of the municipality, specifically to the municipality's strategic objectives. The extent to which national and provincial priorities and plans were considered is also analysed as well as progress towards reaching key national goals.

**Table 1 Strategic Objectives for the 2023/24 Medium Term Revenue & Expenditure Framework**

Strategic Goals	2023/24 Medium Term Revenue & Expenditure Framework OPEX				2023/24 Medium Term Revenue & Expenditure Framework CAPEX			
	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26	Average Annual Growth	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26	Average Annual Growth
<b>R thousand</b>								
ODM SG1: To ensure the health and safety of all in the Overberg through the provision of efficient basic services and infrastructure.	196 409	204 706	213 623	4.3%	3 546	321	2 311	-19.3%
ODM SG2: To promote local economic development by supporting initiatives in the District for the development of a sustainable district economy.	17 150	16 087	16 712	-1.3%	700	-	-	-100.0%
ODM SG3: To ensure municipal transformation and institutional development by creating a staff structure that would adhere to the principles of employment equity and	16 558	16 359	17 196	1.9%	1 485	180	230	-60.6%
ODM SG4: To attain and maintain financial viability and sustainability by executing accounting services in accordance with National policy and guidelines.	31 005	30 163	31 766	1.2%	10	15	10	0.0%
ODM SG5: To ensure good governance practices by providing a democratic and proactive accountable government and ensuring community participation through	15 639	16 194	17 121	4.6%	30	20	-	-100.0%
<b>Total Expenditure</b>	<b>276 761</b>	<b>283 508</b>	<b>296 418</b>	<b>3.5%</b>	<b>5 771</b>	<b>536</b>	<b>2 551</b>	<b>-33.5%</b>

Source: Overberg District Municipality, A-Schedules

- The strategic goals (SGs) noted in budget tables SA5 and SA6 for the 2023/24 MTREF are aligned to the strategic goals in the IDP and reflects financial commitments for all five SGs. The Municipality must however ensure that content detail and numbering of each strategic objective must be exactly matched in the IDP and budget tables (SA 4, 5 and 6) and must also be carried through in the SDBIP as well as reporting documentation (quarterly (section 52), mid-year (section 72) as well as to the annual report.
- The IDP also shows how the strategic goals of the District are aligned to national, provincial and local municipal priorities, including the National Development Plan, the Western Cape Strategic Plan (2019 - 2024) as well as the Local Municipalities' strategic objectives:

OVERBERG DISTRICT MUNICIPALITY  
29 MAY 2023  
PRIVATE BAG X22  
ERENBURG 7280

29 MAY 2023

*[Handwritten signature]*

- It is clear from the budgetary allocation to the strategic goals that the bulk of the 2023/24 MTREF allocation is focused toward SG1 'To ensure the health and safety of all in the Overberg through the provision of efficient basic services and infrastructure'. This comprises of an operating budget allocation of R196.409 million (71.0 per cent) and a capital allocation of R3.546 million (61.4 per cent) in 2023/24.
- Operating expenditure growth for SG1, is 5.9 per cent in 2023/24, compared to overall operating spend growth of 4.6 per cent, while for capital spending, overall spend in 2023/24 declines from R15.320 million to R5.771 million in 2023/24 (declining by 62.3 per cent), compared with SG1's declining from R10.327 million to R3.546 million in 2023/24 (declining by 65.7 per cent).

### 3.3 REVENUE AND EXPENDITURE ANALYSIS AND RISKS

#### 3.3.1 Budget Overview

Table 2 Budget overview for the 2023/24 MTREF Budget

Overberg	CURRENT YEAR			MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK					
Description	2022/23	2022/23	2022/23	2023/24	2023/24	2024/25	2024/25	2025/26	2025/26
R thousand	Original Budget	Adjusted Budget	Treasury Calculation	Budget Year +0	Treasury Calculation	Budget Year +1	Treasury Calculation	Budget Year +2	Treasury Calculation
Total Operating Revenue (excluding capital transfers and contributions)	253 440	258 965	258 965	273 229	273 229	283 359	283 359	292 353	292 353
Total Operating Expenditure	253 346	264 698	264 698	276 761	276 661	283 528	283 428	296 418	296 318
Surplus/(Deficit)	94	(5 733)	(5 733)	(3 532)	(3 432)	(169)	(69)	(4 065)	(3 965)
<b>Non Cash Items</b>									
Depreciation & asset impairment	3 626	3 626	3 626	3 654	3 654	3 680	3 680	3 709	3 709
<b>A4: Total Operating Budget Restated Result</b>	<b>3 720</b>	<b>(2 108)</b>	<b>(2 108)</b>	<b>121</b>	<b>221</b>	<b>3 511</b>	<b>3 611</b>	<b>(356)</b>	<b>(256)</b>
<b>A5: Total Capital Expenditure</b>	<b>10 274</b>	<b>15 320</b>	<b>17 021</b>	<b>5 771</b>	<b>4 871</b>	<b>536</b>	<b>536</b>	<b>2 551</b>	<b>2 551</b>
<b>Funded by:</b>									
Transfers recognised - capital	–	2 250	3 951	900	–	–	–	–	–
Borrowing	4 800	4 900	4 900	–	–	–	–	–	–
Internally generated funds	5 474	8 170	8 170	4 871	4 871	536	536	2 551	2 551
<b>A7 - Cash/cash equivalents at the year end:</b>	<b>18 694</b>	<b>46 211</b>	<b>33 482</b>	<b>23 463</b>	<b>33 309</b>	<b>33 815</b>	<b>45 147</b>	<b>169 361</b>	<b>49 445</b>
<b>A8 - Surplus / (shortfall) after application of cash and investments</b>	<b>43 369</b>	<b>44 153</b>	<b>16 322</b>	<b>50 288</b>	<b>16 961</b>	<b>64 847</b>	<b>27 180</b>	<b>65 360</b>	<b>40 568</b>
<b>BUDGET FUNDING POSITION</b>	<b>FUNDED</b>			<b>FUNDED</b>		<b>FUNDED</b>		<b>FUNDED</b>	

Source: A1 schedules, NT funding tool, TABB data strings

- The ODM tabled an operating budget with projected operating revenue of R848.94 million and estimated operating expenditure of R856.71 million over the 2023/24 MTREF. Total operating revenue is projected to increase by 5.5 per cent in 2023/24, 3.7 per cent in 2024/25 and 3.2 per cent in 2025/26 whilst operating expenditure is estimated to increase by 4.6 per cent in 2023/24, 2.4 per cent in 2024/24 and 4.5 per cent in 2025/26.
- The operating budget projections result in deficits over the MTREF period. It was noted that the operating expenditure is not in line with the scenario projections in the Long-Term Financial Plan (LTFP) which could hamper the long-term objectives. For the LTFP to remain a relevant and effective planning tool, the Municipality is advised to update its LTFP to take into account the current economic reality, inclusive of the energy crisis, as well as recent economic shocks as a result of the Covid-19 pandemic.
- The Municipality is under pressure to fund costs which are increasing at rates above inflation on the operating budget and salary increases above the revenue projections. This may suggest that current operating revenue is not sufficient over the MTREF necessitating that the Municipality must identify savings and efficiencies to generate operating surplus budgets in the future to improve its overall financial sustainability.



- The projected cost to income ratio (operating expenditure/operating revenue) for the 2023/24 financial is calculated at 101.26 per cent, ideally this ratio should be in the region of 95 per cent to 97 per cent allowing the Municipality to generate a surplus enabling the replenishment of reserves.
- The Municipality has projected steady year on year increases in the surplus after application of cash and investments. ODM's projected positive cash position and cash flows should enable it to meet obligations as and when they are due.
- The Municipality's budget is **funded** over the 2023/24 MTREF, suggesting that the Municipality is compliant with section 18 of the Municipal Finance Management Act, No. 56 of 2003 (MFMA). The exclusion of the R12 million proceeds from PPE in the current year affects the opening balances over the 2023/24 MTREF. The strings should be corrected before the submission of the ORGB strings to reflect a funded status.
- Both the A8 Cash Backed Reserves/Accumulated Surplus Reconciliation and A7 Cash Flow Statement Treasury calculations reported a positive cash and cash equivalents balance. A positive cash position is indicative that the budget is funded.
- The A7 cash flow budget statement outcomes for the Municipality are R23.46 million (2023/24), R33.82 million (2024/25) and R169.36 million (2025/26) whereas the funding tool treasury outcomes are R33.31 million (2023/24), R45.15 million (2024/25) and R49.45 million (2025/26).
- After taking into consideration the Application of Cash and Investments, the A8 cash backed reserves/accumulated surplus reconciliation of the Municipality achieved a surplus cash and cash equivalents balance of R50.29 million, (2023/24), R64.85 million (2024/25) and R65.36 million (2025/26) MTREF years. The funding tool Treasury calculation budget outcomes reported R16.96 million (2023/24), R27.18 million (2024/25) and R40.57 million (2025/26).
- Ratio calculations were performed using the A6 Budgeted Financial Position and the Municipality's Current ratio outcomes were 1.42:1 (2023/24), 1.75:1 (2024/25) and 1.08:1 (2025/26) indicating that during the 2023/24 and 2025/26 years that the Municipality cannot meet its short-term obligations without collecting additional revenue. The cost coverage ratio for the Municipality over the MTREF is 0.45 months (2023/24), 0.81 months (2024/25) and 6.08 months (2025/26) while the Treasury calculation outcomes are 6.38 months (2023/24), 1.89 months (2024/25) and 1.98 months (2025/26). During the 2023/24 and 2024/25 years the Municipality reported cash outflows which reduces the available cash held by the Municipality for those years.
- The projected budget indicates that the Municipality is sustainable, however, it should be noted that grant funding increases are not in line with inflationary increases.

OVERBERG DISTRICT MUNICIPALITY  
26 LANGE STREET, BREDASBURG, 5850  
BREDASBURG, 5850

29 MAY 2023

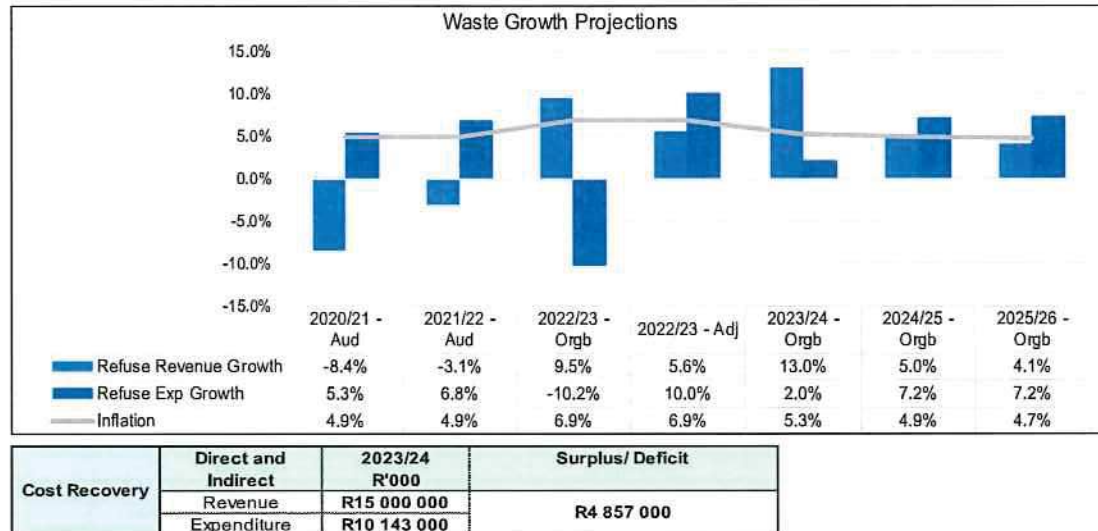
TEL: 028 425 1167 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

### 3.4 TRADING SERVICES

#### 3.4.1 WASTE REMOVAL SERVICES

##### 3.4.1.1 Waste Removal Services Credibility and Sustainability

Diagram 1 Waste removal service trends



Source: A1 schedules, NT funding tool, TABB data strings

- The Municipality has projected increases on revenue generated from waste removal services over the MTREF from R13.27 million in 2022/23 to R15 million in 2023/24 financial year (13 per cent), R15.75 million (5 per cent) in 2024/25 and R16.4 million in 2025/26. Whilst the average revenue generated from the waste management service is projected at 7.4 per cent, the average expenditure is projected at 5.4 per cent.
- For the 2023/24 financial year, a budgeted total cost recovery surplus of R4.86 million is anticipated. However, the assumptions informing the 45.94 per cent increase in the surplus from R3.33 million should be reviewed in light of the reducing profit margins over the audited years (40.4 per cent from R3.99 million in 2019/20 to R1.42 million in 2021/22) and the current underperformance of R1.17 million or 11.8 per cent against the year-to-date budget of R9.95 million.
- The Municipality has communicated previously that the volume of waste processed is not in line with the initial targets. The Municipality must consider the lower volumes of waste when estimating revenue to be generated from waste management services.
- The Municipality should further ensure that sufficient surpluses are generated to contribute to the rehabilitation cost provisions.

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASPOORT 7260



29 MAY 2023

TEL: 029 425 1157 • FAX: 029 425 1014  
info@odm.org.za • www.odm.org.za





### 3.4.1.2 Responsiveness to WASTE Removal Demand and Provision

<b>Municipal challenges/risks</b>	<ul style="list-style-type: none"> <li>Waste infrastructure backlog and maintenance cost.</li> <li>Certain waste streams are becoming problematic in term of storage and handling, for example: Waste tyres and asbestos.</li> <li>Closure of historic landfill sites.</li> <li>Cost effective and sustainable alternatives to deal with waste diversion and recycling.</li> </ul>
<b>Waste Expenditure Analysis</b>	<ul style="list-style-type: none"> <li>The Karwyderskraal site has future capacity up to July 2076 based on the current users and volumes received. ODM has an Organic Waste Diversion Plan that will guide diversion from landfill.</li> <li>The Municipality increased its 2023/24 operating expenditure allocation to waste management by only 2.0 per cent and increases of 7.2 per cent annually for the 2024/25 and 2025/26 years; no capital expenditure is allocated to waste management over the MTREF.</li> </ul>

### 3.4.1.3 Economic Expenditure Analysis

**Table 3 Overberg District Budget Allocations 2023/24**

Function(s) required by legislation	Opex (Actual) R'000	Capex (Actual) R'000	Total Capex + Opex R'000
Municipal roads which form an integral part of a road transport system for the area of the district municipality as a whole.	122 375	0	122 375
Integrated Development Planning for the district municipality as a whole including a Framework for Integrated Development Plans of all municipalities in the area.	1 618	30	1 648
Promotion of local tourism. (Resorts)	16 950	700	17 650
OTHER EXPENDITURE	135 818	5 041	140 859
<b>Total</b>	<b>276 761</b>	<b>5 771</b>	<b>282 532</b>

TEL: 028 425 4457 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

29 MAY 2023

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDABURGH 7260

Source: Overberg District Municipality, A-Schedules

<b>District challenges/Risks</b>	<p><i>Road transport; challenges/risks include: -</i></p> <ul style="list-style-type: none"> <li>Environmental factors.</li> <li>Ageing/depreciation of mechanical plant and equipment.</li> <li>Backlog on re-gravel of gravel roads due to insufficient capacity and funds.</li> <li>Limited (6) registered borrow pits in the Overberg Area.</li> <li>Timeframes for filling of vacant posts.</li> <li>Timeframes to obtain materials and parts for plant due to SCM processes.</li> </ul> <p><i>Tourism/Resorts: The ODM manages two fully functional resorts. Uilenkraalsmond (7km from Gansbaai) and Die Dam Resort (40km from Gansbaai). Both resorts comprise chalets, caravan sites and semi-lessee accommodation. Challenges/risks include: -</i></p> <ul style="list-style-type: none"> <li>Illegal building, permanent residence and sub-letting.</li> <li>Erosion of dunes.</li> <li>Fire lanes - Reporting, institute legal proceedings, revised contracts; EIA done by ODM &amp; Prov. Env. Services; Env. Services. Tender to be awarded.</li> <li>Erosion of coastline and flooding; injuries to the public with possible claims.</li> <li>Loss in revenue due to holiday makers no longer making use of resorts.</li> </ul>
----------------------------------	---

	<ul style="list-style-type: none"> <li>● Zoning of the land on which Uilenkraalsmond Resort is situated. Challenge of town planning decisions and building plan approval by Local Municipality. Health and safety impact for occupants in Resort not able to build bathroom facilities.</li> <li>● Minimize cash handling - promote no cash acceptance at pay points through notices and website to ensure safety of personnel.</li> </ul>
<b>Economic Expenditure Analysis</b>	<p><i>Road Transport</i></p> <ul style="list-style-type: none"> <li>● District municipalities perform an important roads agency function on behalf of the Provincial Department of Infrastructure. This road allocation for the 2023/24 financial year amounts to R122.375 million or 44.2 per cent of the District's total operating budget.</li> <li>● As road infrastructure is a key enabler of economic growth, expenditure on the upkeep and maintenance of road infrastructure enhances connectivity and can have a positive impact on economic growth in the area. The effective management of roads projects was indicated as a development priority (IDP).</li> </ul> <p><i>Local Economic Development, Tourism and Resorts</i></p> <ul style="list-style-type: none"> <li>● Local economic development, tourism and resorts all fall under the Department: LED, Tourism, Resorts and EPWP. For LED and Tourism, the District has a Regional Economic Development focus, where it aims to, in partnership with the local municipalities and respective industries, create an environment for significant growth and job creation over the medium term.</li> <li>● For 2023/24, the District has allocated R16.950 million of its operational expenditure budget to 'Recreational facilities; the corresponding capital allocation for the year is R700 00, which includes R200 000 towards furniture and fittings and R500 000 for the upgrade of amenities.</li> <li>● If resorts are well managed and maintained, upgraded and marketed, it can play a role in promoting domestic and international tourism within the region. The Municipality must consider if the allocation for this function is sufficient given the 4.4 per cent drop in operating expenditure in 2023/24 compared with the adjusted budget figure of 2022/23.</li> </ul>

### 3.4.1.4 Social Expenditure Analysis

**Table 4 Overberg District Budget Allocations 2023/24**

Function(s) required by legislation	Opex (Actual) R'000	Capex (Actual) R'000	Total Capex + Opex R'000
Municipal Health services.	18 691	40	18 731
Fire-fighting services serving the area of the district municipality as a whole. (Emergency services)	39 629	3 500	43 129
OTHER EXPENDITURE	218 441	2 231	220 672
<b>Total</b>	<b>276 761</b>	<b>5 771</b>	<b>282 532</b>

Source: Overberg District Municipality, A-Schedules

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023

TEL: 028 426 1167 • FAX: 028 426 1014  
info@odm.org.za • www.odm.org.za







29 MAY 2023

TEL: 023 425 1107 • FAX: 023 425 1014  
info@odm.org.za • www.odm.org.za

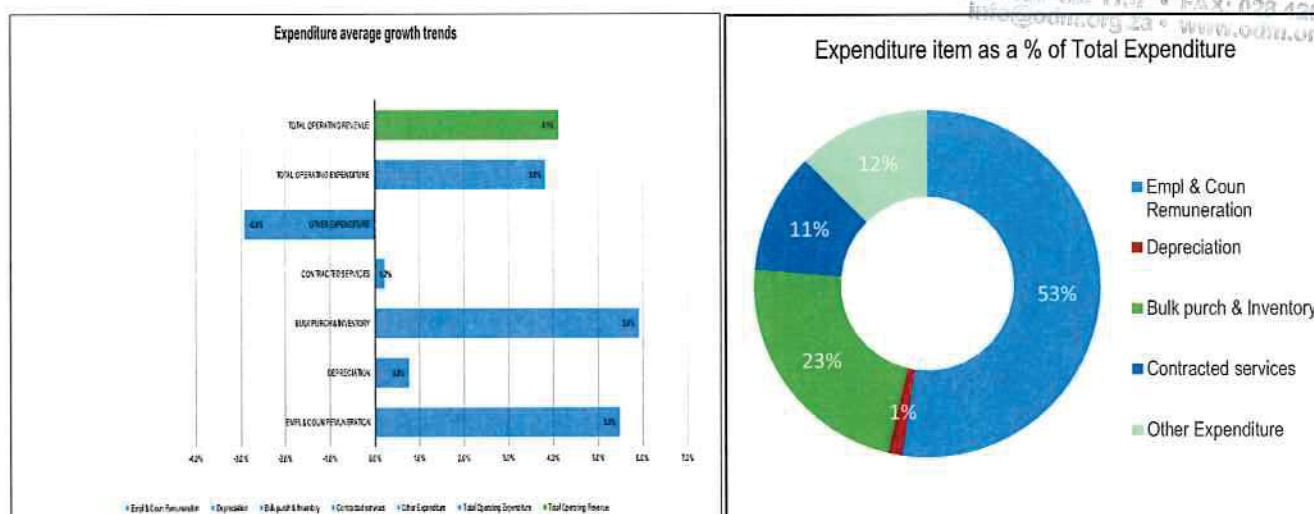
<p><b>District Challenges/ Risks</b></p>	<p><i>Municipal health services (MHS)</i> - Districts are mandated to provide municipal health services, which includes the water quality monitoring, food control, waste management, health surveillance of premises, surveillance and prevention of communicable diseases (excluding immunisations) and environmental pollution control.</p> <p>Challenges/ risks include: -</p> <ul style="list-style-type: none"> <li>● Shortage of Environmental Health Practitioners (EHPs) to cover Overberg Region, (National Health Policy: one EHP per 10 000 Population).</li> <li>● High number of businesses to be monitored versus number of community members to be served.</li> <li>● Lack of infrastructure e.g. lack equipment and accessible office space.</li> <li>● Inadequate financial provision for MHS Community Programmes.</li> <li>● Inspection turnaround time as per National Environmental Health National Norm.</li> <li>● Town planning and development in general do not always consider the impact on environmental health issues.</li> <li>● The safety of Environmental Health Practitioners.</li> <li>● B-Municipalities Wastewater Effluent Compliance.</li> <li>● To comply to the new Norms and Standards Notice 1229 of 3 December 2015 National as per National Health Act 61 of 2003.</li> <li>● To deliver a service to all the communities in the Overberg region on an equal basis.</li> <li>● Lack of a MHS Tariff Structure, which maximises the implementation of MHS – by law as a revenue generating stream, through cost reflective tariffs.</li> </ul> <p><i>Firefighting services (Emergency services)</i> - The Overberg Fire &amp; Rescue Services renders a fire service in the Swellendam, Theewaterskloof and Cape Agulhas areas. A service delivery and mutual aid agreement is in place between the ODM and Overstrand Municipality. Some of the challenges/risks includes the following: -</p> <ul style="list-style-type: none"> <li>● The Overberg Region is susceptible to severe veld fires during summer.</li> <li>● Disaster Management capability - overburdening of staff (burnout); there has been assistance from landowners for past three years.</li> <li>● Operational capabilities/vehicles.</li> <li>● Plant and equipment maintenance budget (Adjustment budget - 1 new vehicle).</li> <li>● Knoefflokskraal – draining resources. This risk has improved and mitigated by fire awareness mitigation.</li> </ul>
<p><b>Social Expenditure Analysis</b></p>	<p><i>Municipal Health</i></p> <ul style="list-style-type: none"> <li>● The District has allocated R18,691 million towards its municipal health function (operating budget) and as well as a capital budget allocation of R40 000 (furniture and office equipment) in 2023/24.</li> <li>● The allocation for municipal health is part of an investment in future health provision. The importance of strengthening this function and providing it with adequate resources is crucial to attaining and maintaining levels and safety standards with regards to our physical environment.</li> <li>● Following a significantly increased municipal health operating budget allocation in the 2022/23 financial year (17.7 per cent (adjusted budget)) compared to its 2021/22 allocation, the increase in 2023/24 is very low (2.4 per cent) but increases to 5.9 per cent in both the 2024/25 and 2025/26 years.</li> </ul> <p><i>Firefighting Services (Emergency services, including disaster management)</i></p> <ul style="list-style-type: none"> <li>● The ODM performs fire and disaster management functions in the District, conducted by the Emergency Services Department of the Municipality. The functions are controlled from the regional control centre in Bredasdorp.</li> </ul>

	<ul style="list-style-type: none"> <li>● The District has allocated a total operating budget of R39.629 million to the provision of firefighting services for 2023/24. This represents a 3.7 per cent increase from its 2022/23 adjusted budget allocation. Outer year changes indicated a 0.4 per cent decline in operating expenditure in 2024/25, followed by a 5.7 per cent increase in 2025/26.</li> <li>● The 2023/24 capital budget of R3.500 million for emergency services is geared primarily towards the replacement of redundant vehicles and additions (a total of R2.500 million); it also includes R900 000 for protective clothing for firefighting and R100 000 for rescue equipment.</li> </ul>
--	---

### 3.5 OTHER REVENUE AND EXPENDITURE RISKS

- It is observed that tariffs will increase by 7 per cent in 2023/24 for roads, resorts and firefighting. Given the downward adjustment effected on these revenue streams in the 2022/23 adjustments budget, close monitoring of the performance of the revenue streams is required throughout the 2023/24 financial year.
- The Municipality's budgeted revenue in respect of waste-water services over the 2023/24 MTREF period amounts to R1.89 million. The Municipality should monitor the revenue projections given the 75.9 per cent underperformance against the Year-To-Date projection in the current year. No expenditure is linked to this service, which is unlikely. The Municipality should ringfence expenditure relating to this service to monitor profit margins as well as the feasibility and sustainability of this service.
- The Municipality should accurately allocate the fuel levy in the final budget.
- The Municipality must ensure that the transfers and subsidies are correctly captured in the budget as the SA-18 does not fully align to the allocations listed in the DoRB.

**Diagram 2 Operating expenditure trends**



Source: A1 schedules, NT funding tool, TABB data strings

- Operating expenditure is estimated to increase by 4.6 per cent to R276.76 million in 2023/24, 2.4 per cent to R283.53 million in 2024/25 and 4.5 per cent to R296.42 million in 2025/26.
- ODM's average revenue increases over the 2023/24 MTREF are projected to exceed the average expenditure increases over the 2023/24 MTREF period. Notwithstanding the average increases, a significant shift is noted in the current year, with operating expenditure exceeding the operating revenue resulting in operational deficits across the MTREF.
- The Municipality budgeted for a 1.5 per cent notch increase as well as a wage increase of 5.4 per cent. The Municipality's employee related cost as a percentage of operating expenditure (excluding Council remuneration) amount to 50.1 per cent which is less than the 50.3 per cent in the current year. The ratio

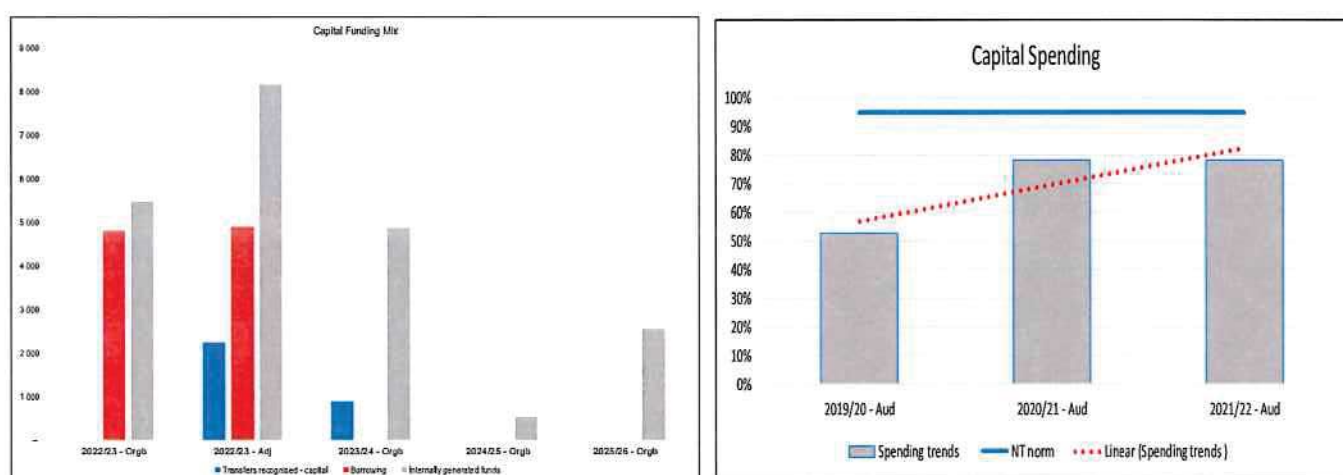


is however expected to increase in the two (2) outer years which is not in line with the resolutions made at the district funding engagements.

- Furthermore, the number of employees is planned to increase by 33.1 per cent from 384 to 511 as indicated in SA24. The Municipality is encouraged to assess these appointments considering the current sustainability challenges.
- Overtime is budgeted to decrease by 20 per cent in 2023/24 which is commendable. The Municipality is advised to continue applying its cost containment policy. (NB:SA1 from A1 data strings)
- Contracted services are projected to increase by 17.9 per cent in 2023/24, decline by 18.9 per cent in 2024/25 and increase by 5.3 per cent in the 2025/26 financial year. The budgeted contracted services contribute 11.2 per cent to the total operating expenditure for 2023/24. This is not in line with the MFMA Circular 71 norm of between 2 per cent to 5 per cent. The Municipality should identify services which do not need to be outsourced and ensure value for money from contracted services.

### 3.5.1 Capital Funding Mix

Diagram 3 Capital funding mix



Source: A1 schedules, NT funding tool, TABB data strings

- The largest portion of the capital investment budget will be financed by internally generated funds as depicted in the graph above. The Municipality's capital budget amounts to R5.77 million in 2023/24 of which R4.87 million will be funded from internally generated funds and R900 000 from transfers and subsidies.
- From the past audited years, the Municipality's capital performance has improved from 53 per cent in 2019/20 to maintaining a 78 per cent spending rate for the two (2) recent audited years (2020/21 and 2021/22) which is below the 95 per cent norm. Whilst the Municipality is commended for improving their performance, measures should be put in place to prevent underperformance. In the current year, the Municipality has reported underperformance of 80.04 per cent against the YTD capital budget as at the end of March 2023.
- The Municipality's cash backed reserves amount to R13 million in the budget document, however the mSCOA data strings indicate an amount of R9.42 million across the MTREF period. The correct amount should inform the mSCOA data strings.

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG 722  
BREDASSON 7280  
29 MAY 2023

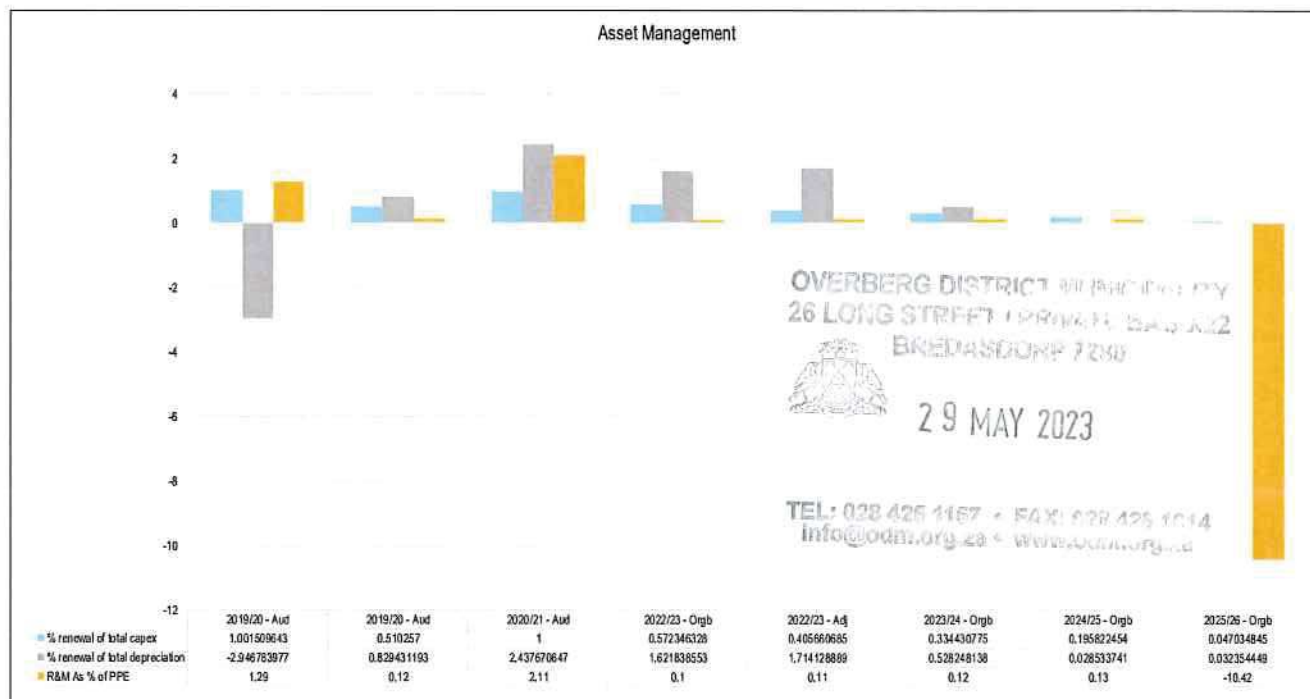


### 3.5.2 Grants

- During the 2023/24, 2024/25 and 2025/26 MTREF years the Municipality projects that capital expenditure will be funded from internally generated funds of R4.87 million, R536 000 and R2.55 million respectively, it is noted that the reserves to be backed by cash are sufficient to fund the internally generated funds during the 2023/24 and 2024/25 MTREF years, During the 2025/26 year the Municipality never budgeted for Reserves to be backed by cash or investments.

### 3.5.3 Capital Expenditure Trends

Diagram 4 Asset Management



Source: A1 schedules, NT funding tool, TABB data strings

- The Municipality's repairs and maintenance budget amounts to 13 per cent as a percentage of Property, Plant and Equipment (PPE). The ratio is above the norm of 8 per cent and is maintained over the MTREF. The negative figure error in the data string should be corrected for 2025/26.
- The Municipality plans to allocate 33.4 per cent of its capital budget towards renewing, upgrading and refurbishing current infrastructure, whilst this is not in line with the norm of 40 per cent as per NT MFMA Circular No. 55, given the business model of a district municipality, the allocation may be sufficient.

### 3.5.4 Utilising Strategic Procurement as a lever to enhance Local Economic Development

Demand Management and procurement planning has become a national concern, hence National Treasury issued MFMA Circular No. 94 requiring the Municipalities to submit the procurement plan together with the Budget and SDBIP to address the weaknesses in the procurement planning processes, impacting on the slow spending on the capital budgets resulting into a negative impact on service delivery.

Procurement planning in the Local Government sphere is a developing process but needs to be enhanced as the absence thereof has been attributed for poor service delivery and not meeting municipal service delivery goals.

Therefore, the alignment between the IDP, budgeting and procurement planning processes has become increasingly important to ensure optimal and effective utilisation of the Municipality's budgets and to



achieve this objective is to utilise procurement as a strategic tool to drive local economic development (LED).

For this reason, the development a procurement plan is so important considering environmental, social aspects in addition to traditional economic or financial considerations in conjunction with the demand plan to source items of a strategic nature and where possible source alternate suppliers or alternate commodities.

### 3.5.5 Procurement Plan

The assessment of the procurement plan can be utilised as a management tool to assist municipalities with the following:

- Determine procurement timeframes, allocate resources accordingly and identify any potential implementation risks;
- Monitor procurement processes to ensure everything is on track and concluded on time, which will lead to improved procurement efficiency; and
- Identify opportunities for strategic sourcing and bulk buying.

### Key findings

Based on the assessment the following analysis were conducted in terms of the criteria:

- It was determined from the procurement plan submitted by the Municipality that, there are items that have the potential of being seen as splitting of an order of which the Municipality should mitigate, as the method of procurement for those items are not clearly defined in the plan for items such as **procurement of air conditions, tables, and chairs.**
- The Municipality should consider linking large capital projects to the Framework for Infrastructure Procurement and Delivery Management (FIPDM), such as the **organic waste diversion, Bulk Electricity upgrade, Energy (MER) project, and Roads** as identified on the procurement plan. It should be noted that these capital projects are considered long-term contracts of which **Section 33 of the MFMA** needs to be adhered to.
- There is a variance between the adopted capital budget and the capital procurement plan submitted of **R2 161 500**. This could be the result of the exclusion of certain projects within the procurement planning, inter alia, the **Installation of a Power Generator and UPS backup system for Financial System** not planned for upfront.

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET (PREVIOUS BORG 412)  
BREDASDORP 7240  
29 MAY 2023

TEL: 028 426 1157 • FAX: 028 426 1014  
info@odm.org.za • www.odm.org.za

## SECTION 4: REVIEW OF THE HISTORICAL FINANCIAL INFORMATION

### 4.1 THE FINANCIAL PERFORMANCE AS PER THE AUDITED ANNUAL FINANCIAL STATEMENTS

The assessment of the financial health and performance is an integrated process involving a review of a municipality's audited annual financial statements, audit report and ratio analysis. The results of the ratio analysis are used to support financial decisions and to identify factors which may influence the financial stability of the municipality.

Adverse ratio outcomes show potential areas requiring action to ensure sustainability. The assessment trend analysis is based on the audited financial statements for 2020, 2021, and 2022; however, the table provides a five-year time frame for analysis (2018 to 2022) to provide a more comprehensive perspective for evaluating the 2022/23 budget.

The analysis is conducted as per National Treasury MFMA Circular No.71. Provincial Treasury has analysed these ratios and the following items are highlighted.

### 4.2 SUMMARY AND FINDINGS FROM HISTORICAL TRENDS

#### NT WEB-BASED PORTAL STATUS:

The ratio results are those of the PT for the period under review as the ratio results are still to be uploaded.

#### 4.2.1 Asset Management

No.	Financial ratios & norms	2018 Audited	2019 Audited	2020 Audited	2021 Audited	2022 Audited	*CAGR	Projection	Overall Rating
1	Impairment of Property, Plant and Equipment, Investment Property and Intangible Assets (Carrying Value): <b>0%</b>	0.0%	1.9%	0.0%	0.9%	0.0%	N/A	N/A	
2	Repairs and Maintenance as a % of Property, Plant and Equipment, Investment Property (Carrying Value): <b>8%</b>	9.4%	7.4%	10.9%	11.7%	12.6%	7.6%	13.6%	

- There has been no impairment of these assets in 3 of the previous 5 years. With the exception of the impairments in 2019 and 2021, it is an indication that the Municipality has efficient and effective asset management strategies in place to ensure service delivery to its citizens.
- The impairment of 2019 and 2021 relates to capitalized restoration cost of landfill sites approximating R1.5 million and R0.4 million. Notwithstanding the audit outcomes, these impairments are based on audit assessments with specific conditions taken into consideration and may affect the assumptions used to arrive at said values which is highly subjective. These are exceptions based on estimations which are not the same as impairments of tangible assets. Thus, there is no risk to service delivery as the service potential of the landfill site has not been affected.
- The impairment of 2021 also included a building with an impairment cost approximating R0.3 million. There is therefore a risk that the building will not yield the service potential estimated by management. It is therefore recommended that the Municipality revise its indicators for impairment of assets e.g. whether adequacy and frequency of conditional assessments is sufficient.



- The increase in the ratio for Repairs and Maintenance as a per cent of Property, Plant and Equipment, Investment Property (Carrying Value) is due to significant increases in the repairs and maintenance expenditure from R 5 578 701 (2018) to R10 663 278 (2022) which is in proportion to the increase in PPE. In 2019 the Municipality acquired buildings and infrastructure approximating R33.1 million which diluted the effect of the cost of repairs and maintenance, however from 2020 to 2022, there has been a significant increase in the cost to repair and maintain assets. Given the norm of 8 per cent to benchmark actual spend, the Municipality's repair and maintenance cost is excessive, which is an indication that assets may fast approach the end of their respective useful life. The older the asset, the more repairs and maintenance required to continue its use. What should also be considered is the down time of ageing assets that are not in use. This down time, if not planned for, should be considered against lost service potential. A way to remedy this is continuous conditional assessment of assets as well as documenting a plan for each asset's repairs and maintenance.
- The unfavourable repairs and maintenance ratio poses a risk to the Municipality's IDP strategic objective of improving basic service delivery and related infrastructure, as the infrastructure needs to be maintained and not deteriorate to ensure that this strategic objective is attained. There is a further risk on the operating of key infrastructure due to increase in municipal population, which brings upon additional strain on infrastructure that needs to be maintained and repaired due to increase in population usage.

#### 4.2.2 Cost Coverage

No.	Financial ratios & norms	2018 Audited	2019 Audited	2020 Audited	2021 Audited	2022 Audited	*CAGR	Projection	Overall Rating
3	Cash/Cost Coverage Ratio (Excluding Unspent Conditional Grants): <b>1-3 months</b>	<b>2 Months</b>	<b>2 Months</b>	<b>2 Months</b>	<b>3 Months</b>	<b>2 Months</b>	<b>-1.9%</b>	<b>2 Months</b>	

- The Municipality has maintained a favourable cash/cost cover position for the past 5 years, always remaining above the 1 month minimum. The improvement in cash/cost coverage for 2021 is attributable to changes in working capital including increased cash of R19.4 million, decreased receivables of R5.9 million and a decrease in unspent grants of R1.8 million. Similarly, the decline in coverage of 2022 was attributable to decreased cash of R11.1 million, increased receivables of R10.1 million and an increase in monthly operational expenditure of R0.8 million.
- The cash management strategy and those responsible for governance of the Municipality has yielded positive results. The ratio results indicate that the Municipality is able to cover its short-term obligations for the foreseeable future. It is also an indication of the strength of the Municipality's ability to operate as a going concern which has weathered the global pandemic (COVID-19) storm.
- The cash/cost coverage ratio could further be assessed against the working capital ratios related to net debtors' days and creditors payment period, in which both additional ratios may place additional burden on the cash/cost coverage situation of the municipality. The net debtors' days indicate 29 days (2022) for debtors to pay their debt which is within the norm of 30 days, thus not affecting the cash position of the Municipality. The creditors payment period indicates 9 days (2022) to pay creditors, indicating minimal to no risk for the Municipality regarding cash resources.



REGISTERED MUNICIPALITY  
BREDASDORP 7230

29 MAY 2023

TEL: 028 425 1167 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za





29 MAY 2023

#### 4.2.3 Liability Management

No.	Financial ratios & norms	2018 Audited	2019 Audited	2020 Audited	2021 Audited	2022 Audited	*CAGR	Projection	Overall Rating
4	Debt (Total Borrowings)/Revenue: <b>45%</b>	1.6%	13.5%	11.5%	9.1%	8.1%	51.0%	12.3%	▲
5	Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure: <b>6% - 8%</b>	0.9%	2.5%	2.7%	2.3%	2.7%	33.2%	3.6%	▲
6	Capital Cost (Interest Paid and Redemption) as a % of Total Operating Revenue: <b>6% - 8%</b>	0.9%	2.5%	2.7%	2.2%	2.4%	29.5%	3.2%	▲

- The 2022 current year ratios for debt/revenue, capital cost as a per cent of total operating expenditure and capital cost as a per cent of total operating revenue are all within the respective norms. When looking at all three of these ratios in combination, it indicates that sufficient revenue should be generated throughout the year in order to repay liabilities. Furthermore, the municipality on face value should have sufficient capacity to increase funding from borrowing. The ratios indicate that there should be sufficient capacity to increase funding through borrowing and the increased borrowing should be considered and evaluated against cash flow which will govern the capacity of the Municipality's borrowing. The ability to cover the cash flow requirements from additional borrowings should not diminish the Municipality's working capital requirements.
- In relation to the local economic development strategy seen in the IDP, the municipality identified priority projects that need to be undertaken in order to achieve its vision and goals. Some of these projects include replacement of fleet, resort renovations and revenue enhancement. The liability management ratios indicate sufficient capacity to increase funding through borrowing and therefore the ability to take on these financing requirements. The Municipality must consider its liquidity position that may pose a servicing risk when increasing exposure to additional finance.

#### 4.2.4 Expenditure Management

No.	Financial ratios & norms	2018 Audited	2019 Audited	2020 Audited	2021 Audited	2022 Audited	*CAGR	Projection	Overall Rating
9	Remuneration as a % of Total Operating Expenditure: <b>25% - 40%</b>	51.1%	50.6%	53.6%	48.5%	50.8%	-0.3%	50.7%	▲
10	Contracted Services as a % of Total Operating Expenditure: <b>2% - 5%</b>	7.7%	7.3%	7.6%	7.1%	9.9%	6.6%	10.6%	▲
11	Irregular, Fruitless and Wasteful and Unauthorised Expenditure/Total Operating Expenditure: <b>0%</b>	1.9%	15.7%	2.6%	2.3%	1.6%	N/A	N/A	▲

- Per analysis of the three ratios in combination the municipality must take additional measures to improve its remuneration, contracted services and irregular, fruitless and wasteful expenditure incurred relative to operating expenditure. All three ratios have been operating above the norm indicating that these



expenses are excessive and will pose a risk to its operations performing efficiently and effectively. There is a risk that the Municipality may not be able to adequately manage its service delivery as additional funds are allocated to top-heavy expenses such as remuneration and contracted services. The rationale is that when procuring goods and services beyond what is considered normal, there is a risk that not all compliance requirements are met. This is evident by the continuous irregular, fruitless and wasteful expenditure incurred.

- The reason for the Irregular, Fruitless and Wasteful and Unauthorised Expenditure/Total Operating Expenditure ratio is predominantly due to unauthorized expenditure of R3.6 million (2021) and R1.4 million (2022) in excess of approved votes and irregular expenditure of R1.9 million (2021) relating to local content and R2.5 million (2022) relating to deviations incurred. Though the Municipality's Irregular, Fruitless and Wasteful and Unauthorised Expenditure has been reduced year on year since 2019, it has not been eliminated. The Municipality therefore needs to strengthen its internal control environment to ensure that all expenditure is confirmed against a documented list of applicable legislation or policies in place. The Municipality may further need to perform a root cause analysis in order to identify and correct any other underlying reasons for irregular expenditure being incurred.

#### 4.2.5 Working Capital

No.	Financial ratios & norms	2018 Audited	2019 Audited	2020 Audited	2021 Audited	2022 Audited	*CAGR	Projection	Overall Rating
7	Net debtors' days: ≤30 days	37 days	54 days	89 days	29 days	29 days	-6.2%	27 days	▲
8	Creditors Payment Period (Trade Creditors): 30 days	11 days	10 days	10 days	14 days	9 days	-4.3%	9 days	▲

- The ratios for both the net debtors' days and creditors payment period are within the respective norms for the 2021 and 2022 financial years. Per analysis of the two ratios in combination it seems the Municipality has taken great strides in ensuring that cash collected from debtors and payment to suppliers are within legislative prescripts as indicated by the norms.
- The Municipality's debtors have paid their debts as they become due even though there has been an incremental impairment of debt of R67 000 for both 2021 and 2022. In addition, the Municipality's cumulative impairment is R449 000 in 2021 and R 383 000 in 2022 has not affected collectability.
- The Municipality has managed to pay its creditors on average within 9 days of incurring expenses which is well within the required norm of 30 days ensuring that it complies with legislative prescripts of compliance with expenditure management in terms of payment of invoices by the Municipality within 30 days.
- The favourable ratio for net debtors' days and creditors payment period puts the Municipality in a net liability position for working capital which places strain on cash resources, however the Municipality's favourable cash position provides sufficient capacity to absorb any shortages monthly.
- As indicated in the IDP, issues relating to the COVID-19 pandemic and significant growth in the municipal area (population and land area) has negatively impacted and put strain on the Municipality, such as water resources, waste management, roads, sites, etc. Therefore, there is a risk that working capital ratios will deteriorate as the municipal population faces economic challenges that affect paying for the services that the Municipality provides, and the Municipality has to provide to procure more resources in order to provide more services to an increasing population. It is key for the Municipality to unlock the potential it has identified in terms of tourism growth, agribusiness, and renewable energy sectors.



#### 4.2.6 Going Concern

No.	Financial ratios & norms	2018 Audited	2019 Audited	2020 Audited	2021 Audited	2022 Audited	*CAGR	Projection	Overall Rating
12	Total Liabilities to Total Assets: <50%	86.2%	74.8%	70.8%	66.2%	52.9%	-11.5%	46.9%	▲
13	Total Debt to Total Assets	3.3%	3.7%	2.6%	12.2%	11.5%	36.7%	15.7%	▲
14	Current Ratio: 1.5-2:1	1.0	0.8	0.5	1.9	2.9	30.0%	3.7	▲

- Per the ratio results of Total Liabilities to Total Assets, there has been a significant improvement in gearing over the 5-year horizon from 86.2 per cent in 2021 to 52.9 per cent in 2022. The contributors to the improved gearing are Property, plant and equipment which has improved from R46.2 million in 2018 to R71.6 million in 2022, Cash and cash equivalents from R36.7 million in 2018 to R44.9 million in 2022, Receivables from R4.2 million in 2018 to R17.2 million in 2022, Tax assets of R0.1 million in 2018 to R12.0 million in 2022 and Non-current provision from R21.3 million in 2018 to R1.7 million in 2022. The significance of the improvement in gearing is that it is expected that gearing will be favourable in the next financial year for the first time in 5 years. The percentage of assets that are funded by debt indicate that there is a low financial risk, which places the municipality in good standing with the current repo rate increased hikes by the South African Reserve Bank.
- The increased cash flow and receivables has improved the current ratio to such an extent that the municipality is able to cover its short-term obligations 3 times over in 2022. This is supported by the cash/cost coverage and working capital ratios where the municipality is able to meet its current obligations.

\* CAGR = Compound annual growth rate is a business and investing specific term for the geometric progression ratio that provides a constant rate of return over the time period.  $CAGR = [(End\ Value/Beginning\ Value)^{1/number\ of\ years\ of\ growth}] - 1$

▲	Favourable
▲	Unfavourable
▲	Needs Improvement

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7200  
29 MAY 2023

### 4.3 MSCOA IMPLEMENTATION

#### 4.3.1 MSCOA PRIORITIES

- Ensure governance of mSCOA implemented at municipalities, i.e., roadmaps in place and adequate, SteerComs in place and functional, champions appointed and active.
- Promote the use of the FAQ database for all queries and report updates via forums (i.e., MAF, AWC).
- Perform on-site inspection and assessment of municipalities' systems and implementation to determine compliance (circulars, legislation, regulation), vulnerability and progress of mSCOA implementation.

#### 4.3.2 Credibility of mSCOA data STRINGS

NT MFMA Circular No.122 states that the credibility and accuracy of the data strings must be verified by municipalities before submission as the data strings submitted will be used as the single source for all analysis and publications in the 2023/24 municipal financial year. In April 2022, Municipalities were granted access to the GoMuni portal and should use the reports on GoMuni to verify the credibility of their submissions. It should be emphasized that errors in the data can only be corrected in the next open period. e.g., errors in the tabled budget (TABB) data string can only be corrected in the adopted budget data string (ORGB). Municipalities are not allowed to open closed periods to make corrections.



Table 3 mSCOA Segments Use Analysis

mSCOA Segment Analysis			
No	Segment	ADJB 2022/23	TABB 2023/24
1	<b>Project Segment</b>		
1.1	Use of the Project Segment	The Municipality adequate use of segments. However the segments use for Bulk Purchases and VAT should be reviewed .	Adequate use of the Project Segment.
2	<b>Fund Segment</b>		
2.1	Use of Fund Segment	The Municipality adequate use of segment. However the non-funding transactions on the VAT transaction should be reviewed.	Adequate use of the Fund Segment.
3	<b>Function Segment</b>		
3.1	Use of Function Segment	Adequate use of segment.	Adequate use of the Function Segment.
4	<b>Costing Segment</b>		
4.1	Use of Costing Segment	Adequate applied of Segments	Used Correctly.
5	<b>Region Segment</b>		
5.1	Use of Region Segment	Adequate use of segments, However the split per town under the service charges electricity should be applied.	No Split per town for Electricity districition used.
6	<b>Item Segment :</b>		
6.1	Use of Item Segment	The Municipality correctly budgeted for the cash flow, however no in-year transactions are recorded. The Municipality applied balance sheet budgeting principles, however misalignment between balance sheet items (C6), the cash flow statement (C7) and the Financial Performance (C4) were noted. These misalignments must be reviewed and corrected in the Mid-year Adjustment. The municipality is encouraged to apply the correct mSCOA guidance to accurately populate VAT. A technical engagement was held with the municipality during November 2022 to discuss the mSCOA matters raised above.	Balance sheet budgeting was applied with a few misalignments noted.

Provincial Treasury has shared the TABB segment use analysis tools with the Municipality, with the goal of assisting municipalities in examining its data and determining if the information is appropriately classified across all segments before finalising the ORGB data strings. TABB shall be rectified in the ORGB before the adopted budget is locked on the financial system and the ORGB data strings are created. Furthermore, it is recommended that the Municipality make themselves available for a session (through MS Teams) to discuss and provide further clarity on the TABB segment use analysis.

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREIDSBURG 7260



29 MAY 2023

TEL: 028 425 4157 • FAX: 028 425 4014  
info@odm.org.za • www.odm.org.za

## Municipal Benchmarking Graphs

Figure 1 Percentage share of Total Operating Costs against total Revenue

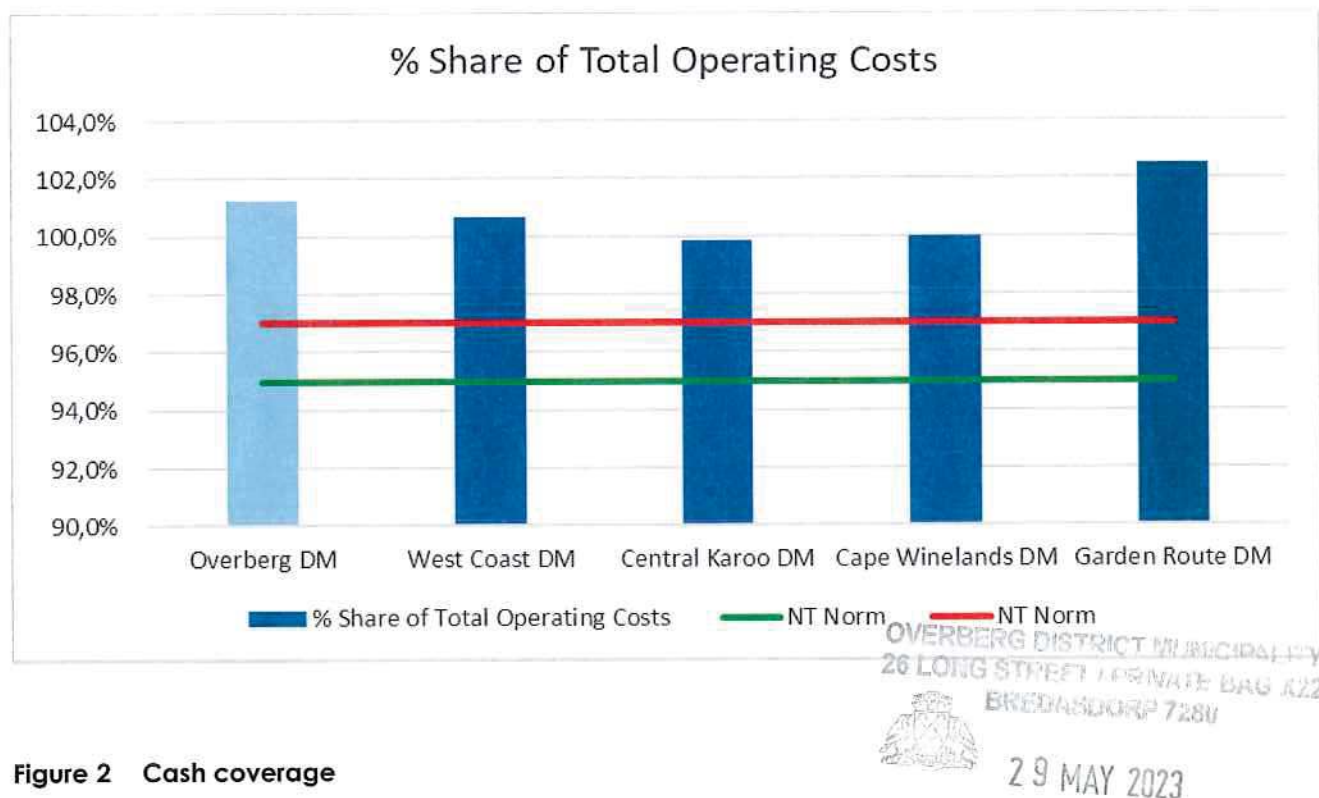
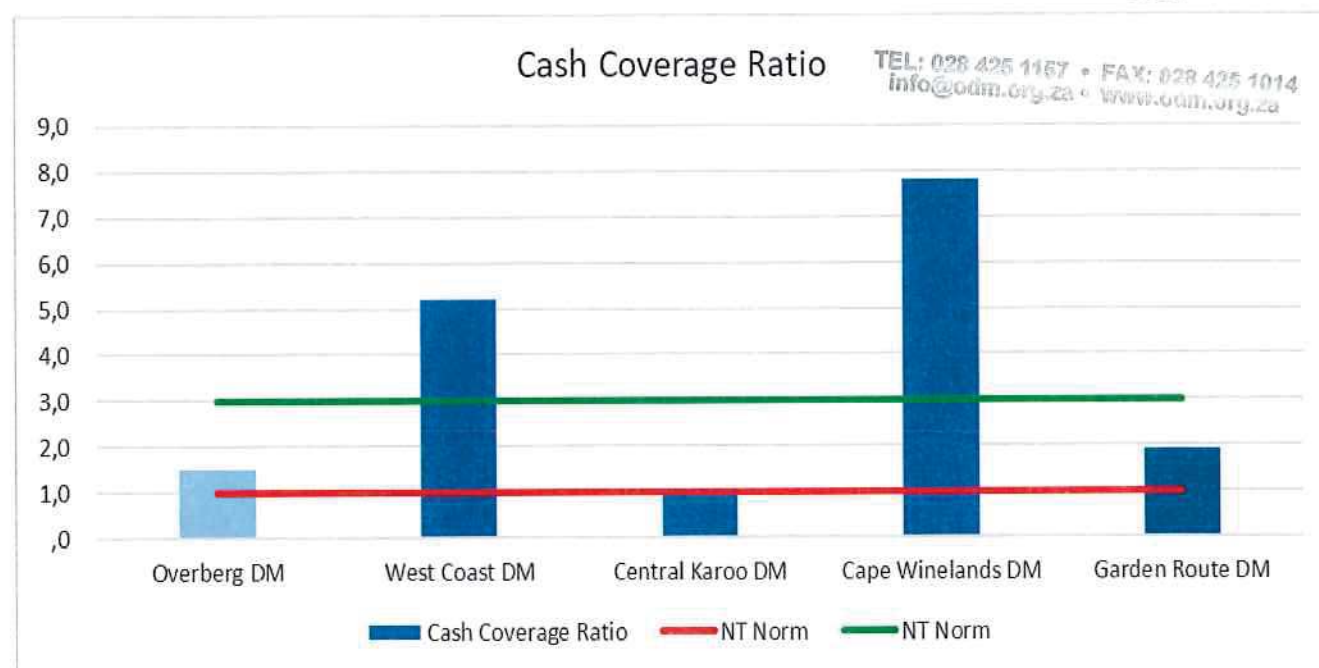
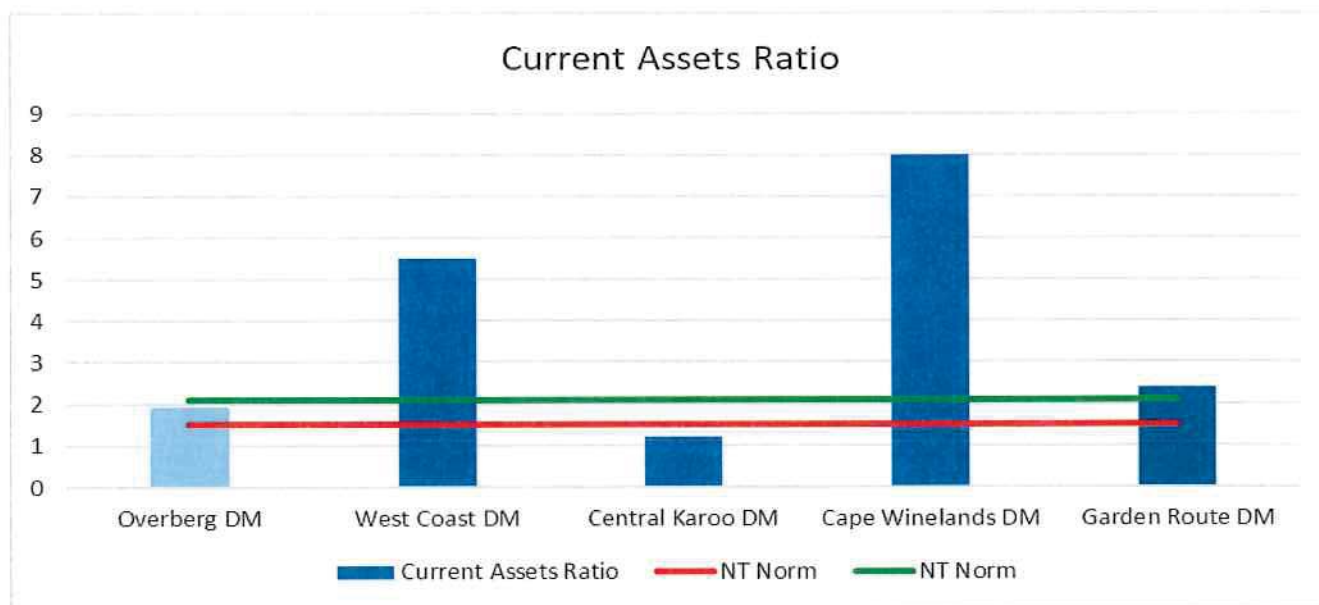


Figure 2 Cash coverage

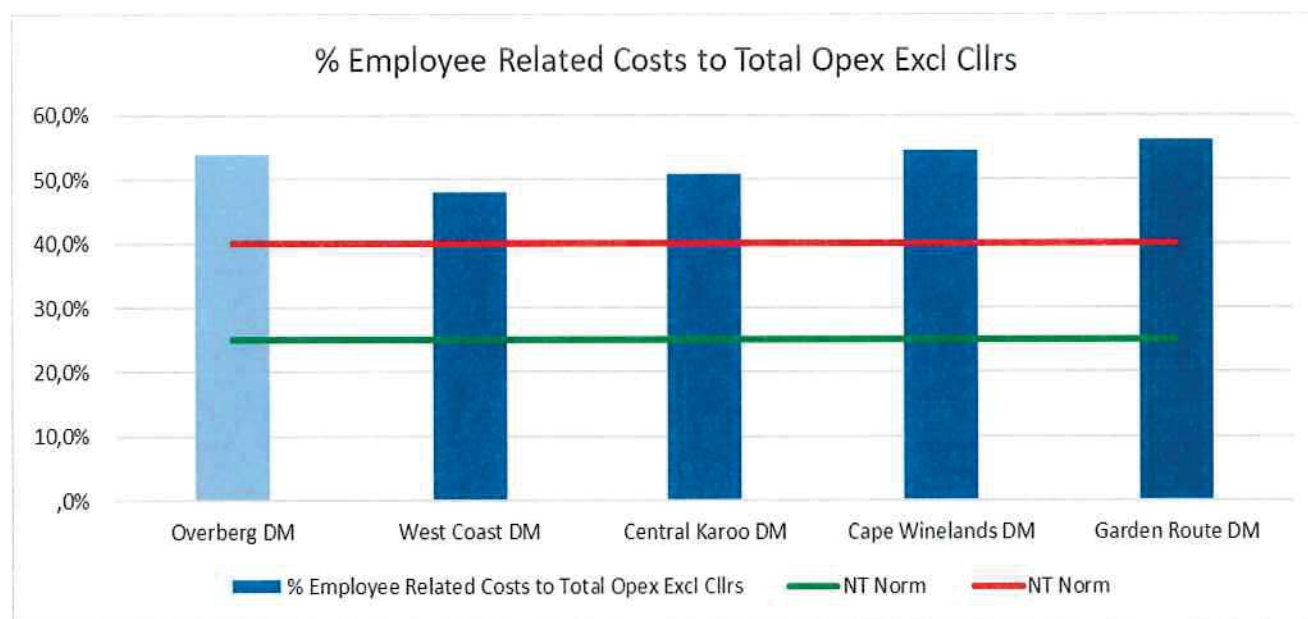




**Figure 3 Current Asset Ratio**



**Figure 5 Percentage Employee Related Costs to Total Opex (Excl Cllrs)**



OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET (PRIVATE BAG 122)  
BREDASBURG 7280

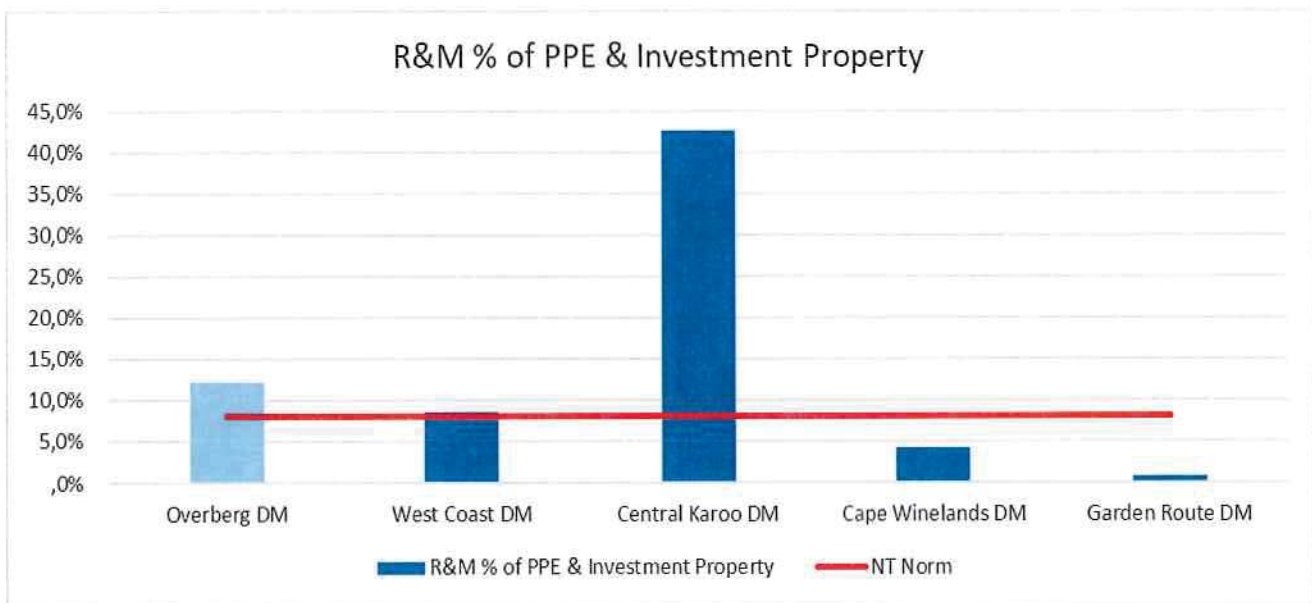


29 MAY 2023

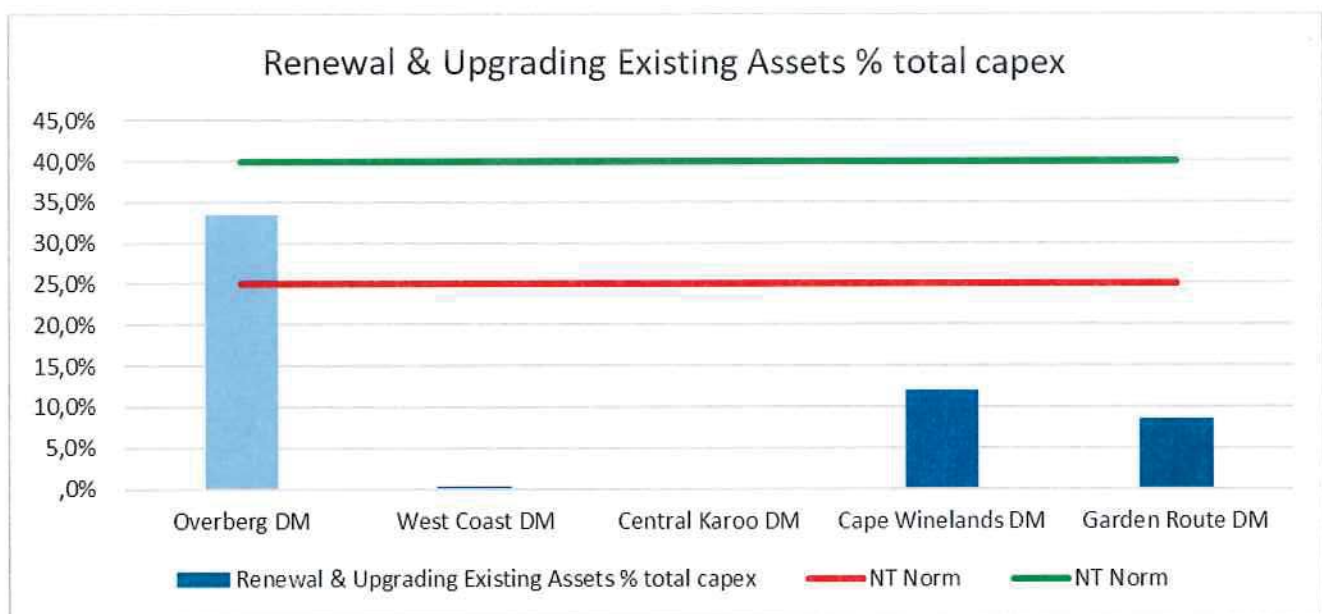
TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za



**Figure 6 R&M as a percentage of PPE & Investment Property**



**Figure 7 Renewal and upgrading existing assets as a percentage of total capex**



OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7260



29 MAY 2023

TEL: 028 425 7157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za



# OVERBERG

## DISTRICT MUNICIPALITY



### Medium Term Revenue and Expenditure Framework (MTREF)

### SERVICE LEVEL STANDARDS 2023/2024

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET (PREMISE) BAG X22  
BREDASDORP 7480



29 MAY 2023

TEL: 028 425 1457 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

# **Overberg District Municipality (DC 03) - Schedule of Service Delivery Standards Table**

Description	Service Level
<b>Standard</b>	
<b>Solid Waste Removal</b>	
Premise based removal (Residential Frequency)	No Service
Premise based removal (Business Frequency)	No Service
Bulk Removal (Frequency)	No Service
Removal Bags provided (Yes/No)	No Service
Garden refuse removal included (Yes/No)	No Service
Street Cleaning Frequency in CBD	No Service
Street Cleaning Frequency in areas excluding CBD	No Service
How soon are public areas cleaned after events (24hours/48hours/longer)	No Service
Clearing of illegal dumping (24hours/48hours/longer)	No Service
Recycling or environmentally friendly practices (Yes/No)	No Service
Licensed landfill site (Yes/No)	yes
<b>Water Service</b>	
Water Quality rating (Blue/Green/Brown/No drop)	No Service
Is free water available to all? (All/only to the indigent consumers)	No Service
Frequency of meter reading? (per month, per year)	No Service
Are estimated consumption calculated on actual consumption over (two month's/three month's/longer period)	No Service
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	No Service
Duration (hours) before availability of water is restored in cases of service interruption (complete the sub questions)	No Service
One service connection affected (number of hours)	No Service
Up to 5 service connection affected (number of hours)	No Service
Up to 20 service connection affected (number of hours)	No Service
Feeder pipe larger than 800mm (number of hours)	No Service
What is the average minimum water flow in your municipality?	No Service
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	No Service
How long does it take to replace faulty water meters? (days)	No Service
Do you have a cathodic protection system in place that is operational at this stage? (Yes/No)	No Service
<b>Electricity Service</b>	
What is your electricity availability percentage on average per month?	No Service
Do your municipality have a ripple control in place that is operational? (Yes/No)	No Service
How much do you estimate is the cost saving in utilizing the ripple control system?	No Service
What is the frequency of meters being read? (per month, per year)	No Service
Are estimated consumption calculated at consumption over (two month's/three month's/longer period)	No Service
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	No Service
Duration before availability of electricity is restored in cases of breakages (immediately/one day/two days/longer)	No Service
Are accounts normally calculated on actual readings? (Yes/no)	No Service
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	No Service
How long does it take to replace faulty meters? (days)	No Service
Do you have a plan to prevent illegal connections and prevention of electricity theft? (Yes/No)	No Service
How effective is the action plan in curbing line losses? (Good/Bad)	No Service
How soon does the municipality provide a quotation to a customer upon a written request? (days)	No Service
How long does the municipality takes to provide electricity service where existing infrastructure can be used? (working days)	No Service
How long does the municipality takes to provide electricity service for low voltage users where network extension is not required? (working days)	No Service
How long does the municipality takes to provide electricity service for high voltage users where network extension is not required? (working days)	No Service
<b>Sewerage Service</b>	
Are your purification system effective enough to put water back in to the system after purification?	No Service
To what extend do you subsidize your indigent consumers?	No Service
How long does it take to restore sewerage breakages on average	No Service
Severe overflow? (hours)	No Service
Sewer blocked pipes: Large pipes? (Hours)	No Service
Sewer blocked pipes: Small pipes? (Hours)	No Service
Spillage clean-up? (hours)	No Service
Replacement of manhole covers? (Hours)	No Service

OVERBERG DISTRICT MUNICIPALITY  
 16 DECEMBER 2021 - LOW-LATE BAG  
 2021 - 2022  
 29 MAY 2023  
 TEL: 033 425 1014  
 FAX: 033 425 1014  
 www.overberg.gov.za





# OVERBERG DISTRICT MUNICIPALITY



## Medium Term Revenue and Expenditure Framework (MTREF)

## PROCUREMENT PLAN

**2023/2024**

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BRIDLEBOOM 7280



29 MAY 2023

TEL: 029 425 1157 • FAX: 029 425 1014  
info@odm.org.za • www.odm.org.za

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRINCE ALBERT BAG X22  
BREDENBURG 7280

29 MAY 2023

TEL: 028 425 1457 • FAX: 028 425 1014  
info@omc.co.uk • www.omc.co.uk





# **OVERBERG DISTRICT MUNICIPALITY**



## **Medium Term Revenue and Expenditure Framework (MTREF)**

### **BUDGET SCHEDULES**

**2023/2024 – 2025/2026**

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023

TEL: 029 425 1157 • FAX: 029 425 1014  
info@odm.org.za • www.odm.org.za

DC3 Overberg - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

PCS Overview - Supporting Table SMT Supporting Detail to Budgeted Financial Performance											
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
REVENUE ITEMS:											
<i>Revenue from business activities</i>											
Exchange Revenue	6										
Total Property Rates											
Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		-	-	-	-	-	-	-	-	-	-
Net Property Rates		-	-	-	-	-	-	-	-	-	-
<i>Revenue from service charges</i>											
Service charges - Electricity	6										
Total Service charges - Electricity		236	285	278	400	200	200	200	200	210	220
Less Revenue Foregone (in excess of 50 kwh per indigent household per month)											
Less Cost of Free Basis Services (50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-	-
Net Service charges - Electricity		236	285	278	400	200	200	200	200	210	220
Service charges - Water	6										
Total Service charges - Water											
Less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)											
Less Cost of Free Basis Services (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-	-
Net Service charges - Water		-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management											
Total Service charges - Waste Water Management					600	600	600	600	600	630	660
Less Revenue Foregone (in excess of free sanitation service to indigent households)											
Less Cost of Free Basis Services (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	-
Net Service charges - Waste Water Management		-	-	-	600	600	600	600	600	630	660
Service charges - Waste Management	6										
Total refuse removal revenue					672	672	672	672	700	730	760
Total landfill revenue		11 468	11 844	9 812	11 900	12 600	12 600	12 600	14 300	15 020	15 640
Less Revenue Foregone (in excess of one removal a week to indigent households)											
Less Cost of Free Basis Services (removed once a week to indigent households)		-	-	-	-	-	-	-	-	-	-
Net Service charges - Waste Management		11 468	11 844	9 812	12 572	13 272	13 272	13 272	15 000	15 750	16 400
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	75 645	78 192	82 054	90 716	88 028	88 028	88 028	93 017	99 178	104 372
Pension and UIF Contributions		12 084	12 624	13 308	16 000	15 878	15 878	15 878	15 811	16 858	17 886
Medical Aid Contributions		4 421	4 467	4 538	5 688	5 643	5 643	5 643	5 428	5 781	6 076
Overtime		2 723	2 927	4 047	2 150	2 190	2 190	2 190	1 750	1 872	1 977
Performance Bonus		-	-	-	180	148	148	148	151	160	170
Motor Vehicle Allowance		4 775	3 610	3 663	5 118	5 021	5 021	5 021	4 761	5 821	6 337
Cellphone Allowance		423	420	434	542	531	531	531	520	570	600
Housing Allowances		742	706	272	361	325	325	325	325	376	430
Other benefits and allowances		4 562	5 982	7 504	8 211	8 377	8 377	8 377	9 046	9 633	10 186
Payments in lieu of leave		2 033	1 307	722	220	220	220	220	200	214	229
Long service awards		618	358	502	744	744	744	744	804	909	982
Post-retirement benefit obligations	4	5 188	5 934	5 711	6 002	6 002	6 002	6 002	6 532	6 974	7 378
Capital support		-	-	-	-	-	-	-	-	-	-
Grants		-	-	-	-	-	-	-	-	-	-
<i>Salary and motor vehicle allowance</i>		-	-	-	-	-	-	-	-	-	-
<i>Landfill benefits</i>		-	-	-	-	-	-	-	353	353	353
sub-total	5	113 215	116 527	122 755	135 932	133 108	133 108	133 108	138 697	148 699	156 976
Less: Employees costs capitalised to PPE		-	-	-	-	-	-	-	-	-	-
Total Employee related costs	1	113 215	116 527	122 755	135 932	133 108	133 108	133 108	138 697	148 699	156 976

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG 122  
BREDASBURG 7260



29 MAY 2023

TEL: 028 426 4157 • FAX: 028 426 1014  
info@odm.org.za • www.odm.org.za



<b>Depreciation and amortisation</b>										
Depreciation of Property, Plant & Equipment	3 573	3 518	3 575	3 626	3 626	3 626	3 626	3 654	3 680	3 709
Lease amortisation	-	-	-	-	-	-	-	-	-	-
Capital asset impairment	-	313	-	-	-	-	-	-	-	-
<b>Total Depreciation and amortisation</b>	<b>3 573</b>	<b>3 831</b>	<b>3 575</b>	<b>3 626</b>	<b>3 626</b>	<b>3 626</b>	<b>3 626</b>	<b>3 654</b>	<b>3 680</b>	<b>3 709</b>
<b>Bulk purchases - electricity</b>										
Electricity bulk purchases	385	766	329	400	250	250	250	200	210	220
<b>Total bulk purchases</b>	<b>385</b>	<b>766</b>	<b>329</b>	<b>400</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>200</b>	<b>210</b>	<b>220</b>
<b>Transfers and grants</b>										
Cash transfers and grants	-	680	399	-	2 799	2 799	2 799	-	-	-
Non-cash transfers and grants	-	-	-	-	-	-	-	-	-	-
<b>Total transfers and grants</b>	<b>-</b>	<b>680</b>	<b>399</b>	<b>-</b>	<b>2 799</b>	<b>2 799</b>	<b>2 799</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contracted Services</b>										
Outsourced Services	203	84	2 770	1 158	1 278	1 278	1 278	4 098	197	198
Consultants and Professional Services	3 915	4 670	9 576	11 061	11 879	11 879	11 879	12 883	11 469	12 076
Contractors	12 271	11 382	12 194	11 573	13 432	13 432	13 432	13 093	13 549	14 286
<b>Total contracted services</b>	<b>16 389</b>	<b>16 137</b>	<b>24 539</b>	<b>23 792</b>	<b>26 590</b>	<b>26 590</b>	<b>26 590</b>	<b>30 074</b>	<b>25 215</b>	<b>26 560</b>
<b>Operational Costs</b>										
Collection costs	-	-	-	-	-	-	-	-	-	-
Contributions to 'other' provisions	-	-	-	-	-	-	-	-	-	-
Audit fees	3 323	3 337	3 182	3 200	3 200	3 200	3 200	3 500	3 600	3 700
Other Operational Costs	25 512	33 396	28 912	30 240	29 512	29 512	29 512	29 172	28 464	29 292
<b>Total Operational Costs</b>	<b>28 835</b>	<b>36 735</b>	<b>32 094</b>	<b>33 440</b>	<b>32 712</b>	<b>32 712</b>	<b>32 712</b>	<b>32 672</b>	<b>32 064</b>	<b>32 992</b>
<b>Repairs and Maintenance by Expenditure Item</b>										
Employee related costs	-	-	-	-	-	-	-	-	-	-
Inventory Consumed	-	-	-	188	151	151	151	137	145	152
Contracted Services	8 306	8 940	10 240	8 238	9 371	9 371	9 371	9 312	9 570	10 126
Operational Costs	244	384	423	25	25	25	25	20	22	23
<b>Total Repairs and Maintenance Expenditure</b>	<b>8 550</b>	<b>9 324</b>	<b>10 663</b>	<b>8 451</b>	<b>9 547</b>	<b>9 547</b>	<b>9 547</b>	<b>9 468</b>	<b>9 737</b>	<b>10 301</b>
<b>Inventory Consumed</b>										
Inventory Consumed - Water	-	-	-	-	-	-	-	-	-	-
Inventory Consumed - Other	42 327	56 358	50 516	46 462	55 711	55 711	55 711	62 321	64 863	66 280
<b>Total Inventory Consumed &amp; Other Material</b>	<b>42 327</b>	<b>56 358</b>	<b>50 516</b>	<b>46 462</b>	<b>55 711</b>	<b>55 711</b>	<b>55 711</b>	<b>62 321</b>	<b>64 863</b>	<b>66 280</b>
check	-	-	-	-	-	-	-	-	-	-

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023

TEL: 028 426 1187 • FAX: 028 426 1014  
info@odm.org.za • www.odm.org.za

*[Handwritten signature]*

**DC3 Overberg - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)**

Description	Ref	Vote 1 - Municipal Manager	Vote 2 - Management Services	Vote 3 - Corporate Services	Vote 4 - Finance	Vote 5 - Community Services	Total
R thousand	1						
<b>Revenue</b>							
<b>Exchange Revenue</b>							
Service charges - Electricity		-	-	-	-	200	200
Service charges - Water		-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	600	600
Service charges - Waste Management		-	-	-	-	15 000	15 000
Sale of Goods and Rendering of Services		500	-	-	41	8 682	9 223
Agency services		12 770	-	-	-	-	12 770
Interest		-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	50	50
Interest earned from Current and Non Current Assets		-	-	-	4 000	-	4 000
Dividends		-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-
Rental from Fixed Assets		-	-	25	-	13 800	13 825
Licence and permits		-	-	-	-	1 000	1 000
Operational Revenue		-	-	0	65	358	423
<b>Non-Exchange Revenue</b>							
Property rates		-	-	-	-	-	-
Surcharges and Taxes		-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-
Licences or permits		-	-	-	-	-	-
Transfer and subsidies - Operational		-	-	-	90 640	123 749	214 389
Interest		-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-
Gains on disposal of Assets		2 000	-	-	-	-	2 000
Other Gains		-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contribution)</b>		15 270	-	25	94 746	163 438	273 479
<b>Expenditure</b>							
Employee related costs		6 524	-	9 846	16 035	106 292	138 697
Remuneration of councillors		6 340	-	-	-	-	6 340
Bulk purchases - electricity		-	-	-	-	200	200
Inventory consumed		13	-	694	113	61 502	62 321
Debt impairment		-	-	-	-	100	100
Depreciation and amortisation		281	-	119	1 196	2 059	3 654
Interest		-	-	-	392	2 361	2 753
Contracted services		983	-	1 663	6 753	20 675	30 074
Transfers and subsidies		-	-	-	-	-	-
Irrecoverable debts written off		-	-	-	-	-	-
Operational costs		1 707	-	5 163	5 526	20 275	32 672
Losses on disposal of Assets		-	-	-	-	-	-
Other Losses		-	-	-	-	-	-
<b>Total Expenditure</b>		15 847	-	17 485	30 015	213 464	276 811
<b>Surplus/(Deficit)</b>		(577)	-	(17 459)	64 731	(50 026)	(3 331)
Transfers and subsidies - capital (monetary allocations)		-	-	-	500	-	500
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		(577)	-	(17 459)	65 231	(50 026)	(2 831)



29 MAY 2023



DC3 Overberg - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>											
<b>ASSETS</b>											
Trade and other receivables		0	4	6	4	6	6	6	6	6	6
Prepaid expenses		2	7	10	7	10	10	10	10	10	10
Inventory		13 986	8 190	16 984	10 302	5 084	5 084	5 084	5 184	5 284	5 384
Other non-current assets		13 989	8 200	17 001	10 313	5 101	5 101	5 101	5 201	5 301	5 401
Current tax receivable		(1 724)	(1 788)	(450)	(784)	(550)	(550)	(550)	(650)	(750)	(850)
Investments in subsidiaries		(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Investments in associates		(0)	(2)	(3)	(2)	(3)	(3)	(3)	(3)	(3)	(3)
Non-current financial assets		(1 724)	(1 786)	(446)	(782)	(546)	(546)	(546)	(646)	(746)	(846)
Trade and other payables		12 264	6 413	16 551	9 529	4 551	4 551	4 551	4 551	4 551	4 551
Provisions		-	-	-	-	-	-	-	-	-	-
Other non-current liabilities		-	-	-	-	-	-	-	-	-	-
Other liabilities		513	525	544	525	544	544	544	544	544	544
Provisions for other liabilities		(5)	(9)	(10)	(9)	(10)	(10)	(10)	(10)	(10)	(10)
Other non-current liabilities		508	516	534	516	534	534	534	534	534	534
Total non-current liabilities		508	516	534	516	534	534	534	534	534	534
<b>Inventory</b>											
<b>Water</b>											
Opening Balance		-	-	-	-	-	-	-	-	-	-
System Input Volume		-	-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-	-
Bulk Purchases		-	-	-	-	-	-	-	-	-	-
Natural Sources		-	-	-	-	-	-	-	-	-	-
Authorised Consumption	6	-	-	-	-	-	-	-	-	-	-
Billed Authorised Consumption		-	-	-	-	-	-	-	-	-	-
Billed Metered Consumption		-	-	-	-	-	-	-	-	-	-
Free Basic Water		-	-	-	-	-	-	-	-	-	-
Subsidised Water		-	-	-	-	-	-	-	-	-	-
Revenue Water		-	-	-	-	-	-	-	-	-	-
Billed Unmetered Consumption		-	-	-	-	-	-	-	-	-	-
Free Basic Water		-	-	-	-	-	-	-	-	-	-
Subsidised Water		-	-	-	-	-	-	-	-	-	-
Revenue Water		-	-	-	-	-	-	-	-	-	-
Unbilled Authorised Consumption		-	-	-	-	-	-	-	-	-	-
Unbilled Metered Consumption		-	-	-	-	-	-	-	-	-	-
Unbilled Unmetered Consumption		-	-	-	-	-	-	-	-	-	-
Water Losses		-	-	-	-	-	-	-	-	-	-
Apparent losses		-	-	-	-	-	-	-	-	-	-
Unauthorised Consumption		-	-	-	-	-	-	-	-	-	-
Customer Meter Inaccuracies		-	-	-	-	-	-	-	-	-	-
Real losses		-	-	-	-	-	-	-	-	-	-
Leakage on Transmission and Distribution Mains		-	-	-	-	-	-	-	-	-	-
Leakage and Overflows at Storage Tanks/Reservoirs		-	-	-	-	-	-	-	-	-	-
Leakage on Service Connections up to the point of Customer Meter		-	-	-	-	-	-	-	-	-	-
Data Transfer and Management Errors		-	-	-	-	-	-	-	-	-	-
Unavoidable Annual Real Losses		-	-	-	-	-	-	-	-	-	-
Non-revenue Water		-	-	-	-	-	-	-	-	-	-
Closing Balance Water		-	-	-	-	-	-	-	-	-	-
<b>Agricultural</b>											
Opening Balance		-	-	-	-	-	-	-	-	-	-
Acquisitions		-	-	-	-	-	-	-	-	-	-
Issues		-	-	-	-	-	-	-	-	-	-
Adjustments		-	-	-	-	-	-	-	-	-	-
Write-offs		-	-	-	-	-	-	-	-	-	-
Closing balance - Agricultural		-	-	-	-	-	-	-	-	-	-
<b>Consumables</b>											
<b>Standard Rated</b>											
Opening Balance		788	700	1 150	1 150	1 873	1 873	1 873	1 873	1 873	1 873
Acquisitions		30 937	43 831	31 873	28 487	32 699	32 699	32 699	36 555	38 924	40 018
Issues		(31 025)	(43 381)	(31 150)	(29 487)	(32 699)	(32 699)	(32 699)	(36 555)	(38 924)	(40 018)
Adjustments		-	-	-	-	-	-	-	-	-	-
Write-offs		-	-	-	-	-	-	-	-	-	-
Closing balance - Consumables Standard Rated		700	1 150	1 873	1 150	1 873	1 873	1 873	1 873	1 873	1 873
<b>Zero Rated</b>											
Opening Balance		-	-	-	-	-	-	-	-	-	-
Acquisitions		11 302	12 978	18 365	16 975	23 012	23 012	23 012	25 766	25 940	26 262
Issues		(11 302)	(12 978)	(18 365)	(16 975)	(23 012)	(23 012)	(23 012)	(25 766)	(25 940)	(26 262)
Adjustments		-	-	-	-	-	-	-	-	-	-
Write-offs		-	-	-	-	-	-	-	-	-	-
Closing balance - Consumables Zero Rated		-	-	-	-	-	-	-	-	-	-

<b>Finished Goods</b>										
Opening Balance	-	-	-	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-	-	-	-	-
Issues	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-
Write-offs	-	-	-	-	-	-	-	-	-	-
Closing balance - Finished Goods	-	-	-	-	-	-	-	-	-	-
<b>Materials and Supplies</b>										
Opening Balance	-	-	-	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-	-	-	-	-
Issues	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-
Write-offs	-	-	-	-	-	-	-	-	-	-
Closing balance - Materials and Supplies	-	-	-	-	-	-	-	-	-	-
<b>Work-in-progress</b>										
Opening Balance	-	-	-	-	-	-	-	-	-	-
Materials	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Closing balance - Work-in-progress	-	-	-	-	-	-	-	-	-	-
<b>Housing Stock</b>										
Opening Balance	-	-	-	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Sales	-	-	-	-	-	-	-	-	-	-
Closing Balance - Housing Stock	-	-	-	-	-	-	-	-	-	-
<b>Land</b>										
Opening Balance	-	-	-	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-	-	-	-	-
Sales	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-
Correction of Prior period errors	-	-	-	-	-	-	-	-	-	-
Closing Balance - Land	-	-	-	-	-	-	-	-	-	-
Closing Balance - Inventory & Consumables	700	1 150	1 873	1 150	1 873	1 873	1 873	1 873	1 873	1 873
<b>Property, plant and equipment (PPE)</b>										
PPE at cost/valuation (excl. finance leases)	99 359	103 724	106 411	122 673	121 731	121 731	121 731	128 086	129 762	133 064
Leases recognised as PPE	2 074	2 074	3 048	2 074	3 048	3 048	3 048	3 048	3 048	3 048
Less: Accumulated depreciation	35 424	38 901	37 855	47 203	41 464	41 464	41 464	45 101	48 764	52 459
Total Property, plant and equipment (PPE)	66 009	66 898	71 605	77 544	83 315	83 315	83 315	86 033	84 046	83 653
<b>LIABILITIES</b>										
<b>Current liabilities - Financial liabilities</b>										
Short term loans (other than bank overdraft)	2 949	3 296	4 631	4 120	5 365	5 365	5 365	4 706	5 141	-
Current portion of long-term liabilities	-	-	-	-	-	-	-	-	-	-
Total Current liabilities - Financial liabilities	2 949	3 296	4 631	4 120	5 365	5 365	5 365	4 706	5 141	-
<b>Trade and other payables from exchange transactions</b>										
Trade and other payables from exchange transactions	2 829	4 464	3 148	4 491	3 148	3 148	3 148	3 148	3 148	3 148
Other trade payables from exchange transactions	7 136	14 611	1 871	1 431	1 871	1 871	1 871	1 871	1 871	1 871
Trade payables from non-exchange transactions - Unsecured conditional contracts	7 484	5 666	3 273	16 217	446	446	446	446	446	446
Trade payables from non-exchange transactions - Other	-	-	-	-	-	-	-	-	-	-
VAT	-	-	-	628	-	-	-	-	-	-
Total Trade and other payables from exchange transactions	17 450	24 742	8 292	22 767	5 465	5 465	5 465	5 465	5 465	5 465
<b>Non current liabilities - Financial liabilities</b>										
Borrowing	22 211	18 916	16 589	11 112	11 225	11 225	11 225	6 519	1 377	-
Other financial liabilities	-	-	-	-	-	-	-	-	-	-
Total Non current liabilities - Financial liabilities	22 211	18 916	16 589	11 112	11 225	11 225	11 225	6 519	1 377	-
<b>Provisions</b>										
Retirement benefits	46 622	55 224	52 063	60 277	55 340	55 340	55 340	58 826	62 532	66 472
Refuse landfill site rehabilitation	2 600	3 528	1 747	4 202	2 135	2 135	2 135	2 342	2 573	2 829
Other	-	-	-	-	-	-	-	-	-	-
Total Provisions	49 222	58 752	53 810	64 479	57 475	57 475	57 475	61 168	65 105	69 301
<b>CHANGES IN NET ASSETS</b>										
<b>Accumulated surplus/(deficit)</b>										
Accumulated surplus/(deficit) - opening balance	38 422	46 979	56 335	45 405	73 796	73 796	73 796	70 313	67 481	67 148
GRAP adjustments	2 325	-	-	-	-	-	-	-	-	-
Restated balance	40 746	46 979	56 335	45 405	73 796	73 796	73 796	70 313	67 481	67 148
Surplus/(Deficit)	6 233	14 345	25 472	94	(3 483)	(3 483)	(3 483)	(2 831)	(333)	(3 649)
Transfers to/from Reserves	-	(4 989)	(8 012)	-	-	-	-	-	-	-
Depreciation offsets	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-	-
Accumulated Surplus/(Deficit)	46 979	56 335	73 796	45 499	70 313	70 313	70 313	67 481	67 148	63 499
<b>Reserves</b>										
Housing Development Fund	-	4 989	13 000	9 420	13 000	13 000	13 000	13 000	13 000	13 000
Capital replacement	-	-	-	-	-	-	-	-	-	-
Self-insurance	-	-	-	-	-	-	-	-	-	-
Other reserves	-	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-	-
Total Reserves	-	4 989	13 000	9 420	13 000	13 000	13 000	13 000	13 000	13 000
TOTAL COMMUNITY WEALTH/EQUITY	46 979	61 324	86 796	54 919	83 313	83 313	83 313	80 481	80 148	76 499





DC3 Overberg - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
R thousand													
Basic Services and Infrastructure	To ensure the well-being of all in the Overberg through the provision of efficient basic services and infrastructure.	SG1		114 968	140 779	135 447	130 777	133 701	133 701	143 309	150 685	156 030	
Local Economic Development	To promote regional economic development by supporting the initiatives in the district for the development of a sustainable district economy.	SG3		15 651	15 767	16 771	18 274	18 778	18 778	20 130	19 852	21 067	
Municipal Transformation & Institutional Development	To ensure municipal transformation and institutional development by creating a staff structure that would adhere to the principles of employment equity and promote skills development.	SG3		48	34	30	30	25	25	25	25	25	
Financial Viability	To attain and maintain financial viability and sustainability by executing accounting services in accordance with National policy and guidelines.	SG4		79 797	84 667	92 114	89 709	94 276	94 276	94 746	98 268	100 645	
Good governance and Community Participation	To ensure good governance practices by providing a dramatic and proactive accountable government and ensuring community participation through IGR structures	SG5		10 467	11 540	23 460	14 651	12 097	12 097	15 270	14 929	15 386	
Allocations to other priorities				2									
Total Revenue (excluding capital transfers and contributions)				1	220 932	252 787	267 821	253 440	258 877	258 877	273 479	283 759	293 153

References

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRINCE BAG A22  
BREDASIGHP 7280

29 MAY 2023

TEL: 028 425 4147 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

DC3 Overberg - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

2023/24 Medium Term Revenue & Expenditure Framework														
Strategic Objective		Goal	Goal Code	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
R thousand					Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast				
Basic Services and Infrastructure	To ensure the well-being of all in the Overberg through the provision of efficient basic services and infrastructure.	SG1			153 460	176 414	176 661	181 089	185 425	185 425	196 344	204 669	213 565	
Local Economic Development	To promote regional economic development by supporting the initiatives in the district for the development of a sustainable district economy.	SG3			16 714	16 235	15 682	16 623	17 980	17 980	17 120	16 122	16 747	
Municipal Transformation & Institutional Development	To ensure municipal transformation and institutional development by creating a staff structure that would adhere to the principles of employment equity and promote skills development.	SG3			11 001	10 829	11 133	13 505	14 473	14 473	17 485	17 078	17 730	
Financial Viability	To attain and maintain financial viability and sustainability by executing accounting services in accordance with National policy and guidelines.	SG4			20 124	23 300	25 030	27 126	31 150	31 150	30 015	30 259	31 860	
Good governance and Community Participation	To ensure good governance practices by providing a dramatic and proactive accountable government and ensuring community participation through IGR structures	SG5			14 091	13 945	15 939	15 003	15 583	15 583	15 847	16 464	17 401	
Allocations to other priorities														
Total Expenditure					1	215 390	240 723	244 445	253 346	264 610	264 610	276 811	284 592	297 303

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET PRIVATE BAG X22  
BREDASDORP 7260



29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@oym.org.za • www.oym.org.za



DC3 Overberg - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand												
Basic Services and Infrastructure	To ensure the well-being of all in the Overberg through the provision of efficient basic services and infrastructure.	SG1		2 459	4 329	6 342	3 270	10 327	10 327	4 046	821	2 811
Local Economic Development	To promote regional economic development by supporting the initiatives in the district for the development of a sustainable district economy.	SG3		119	340	613	339	2 583	2 583	920	240	250
Municipal Transformation & Institutional Development	To ensure municipal transformation and institutional development by creating a staff structure that would adhere to the principles of employment equity and promote skills development.	SG3		403	249	1 844	5 115	2 392	2 392	1 339	580	230
Financial Viability	To attain and maintain financial viability and sustainability by executing accounting services in accordance with National policy and guidelines.	SG4		16	74	476	1 200	3	3	20	15	10
Good governance and Community Participation	To ensure good governance practices by providing a dramatic and proactive accountable government and ensuring community participation through IGR structures	SG5		–	45	262	350	15	15	30	20	–

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7289



29 MAY 2023

TEL: 022 425 1157 • FAX: 022 425 1014  
info@odm.org.za • www.odm.org.za

Description	Unit of measurement	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Vote 1 - Municipal Manager										
Function 1 - (name)	Number of people employed in the three highest levels of management in the three highest levels									



<b>Vote 4 - Finance</b>										
<b>Finance</b>										
Measured financial viability in terms of the municipality's ability to meet it's service debt obligations by 30 June (Debt coverage) (Reg)	The number of times the municipality was able to meet it's Debt obligation	6,81	8,10	7,6	6	7	7	7	7	7
Measured financial viability in terms of the available cash to cover fixed operating expenditure by 30 June (Cost coverage) (Reg)	Number of months cash were available to cover fixed operating expenditure ((All available cash at a particular	2,18	2,7	2,25	2	2	2	2	2	2
Measured financial viability in terms of percentage outstanding service debtors by 30 June (Service Debtors) (Reg)	% Outstanding service debtors per annum (Total outstanding service debtors/annual revenue	31	24,6	14,10	28	20	20	20	20	20
<b>SCM &amp; Assets</b>										
service providers for quotations and tenders above R30000	Number of reports submitted to Council per annum	2	2	2	2	2	2	2	2	2
Invite service providers to register on the suppliers database by 30 June	Invitation placed on ODM website and in external	1	1	1	1	1	1	1	1	1
<b>Vote 5 - Community Services</b>										
<b>Municipal Health</b>										
Take domestic drinking water samples in towns and communities to monitor water quality (SAN 241 as amended)	Number of samples taken per annum	434	411	433	576	576	576	672	672	672
Take food samples to monitor the quality of Food fit to the FCD Act and legislative requirements	Number of samples taken per annum	407	424	444	400	400	400	400	400	400
Take water sample at Sewerage Final Outflow to monitor water quality (National Water Act: General Standards)	Number of samples taken per annum	169	164	162	160	160	160	180	180	180
<b>Environmental Management</b>										
Committee on the activities of the Municipal Coastal Committee	Number of reports submitted per annum	4	4	3	4	4	4	4	4	4
Report quarterly to the Community Services Portfolio Committee on the activities of the Municipal Climate Change & Biodiversity Forum	Number of reports submitted per annum			3	4	4	4	4	4	4
<b>Solid Waste</b>										
Report annually to the Community Services Portfolio Committee on the outcome of Karvyderskraal Landfill site adherence to the permit conditions	Report submitted to the Community Portfolio Committee per annum	1	1	1	1	1	1	1	1	1
Report quarterly to the Community Services Portfolio Committee on the activities of the Regional Waste Forum	Number of reports submitted per annum	4	4	3	4	4	4	4	4	4
<b>Emergency Services</b>										
Table the revised Disaster Risk Management Plan to Council by June	Revised Disaster Risk Management plan tabled to Council	1	1	1	1	1	1	1	1	1
Table to Council the revised Disaster Management Framework by June	Revised Disaster Management Framework tabled to Council	1	1	1	1	1	1	1	1	1
Present annually the revised Festive and Fire Season Readiness Plan to DCF Tech	Number of revised Festive and Fire Season readiness plans submitted	1	1	1	1	1	1	1	1	1
Present annually the revised winter readiness plan to the Community Services Portfolio Committee	Number of revised Winter readiness plans submitted						1	1	1	1
Rollout formal Training programmes by fire services training centre	Number of formal fire training programmes rolled out by fire training centre						2	2	2	2
<b>Roads Services</b>										
Upgrade roads to permanent surface by 30 June	Number of kilometres road	4,05	0	1,34	2,42	2,42	2,42	5,68		
Kilometres of gravel roads to be regravelled	Number of kilometres road	37,01	54,31	48,18	43	43,32	43,32	52,20		
Kilometres of gravel roads to be bladed	Number of kilometres roads	5855,42	6772	7677,90	6500	6500	6500	6500	6500	6500
Submit annually the Business Plan for Provincial Roads budget allocation to Department of Transport and Public Works by 31 March	Annual Business Plan submitted	1	1	1	1	1	1	1	1	1
<b>LED, Tourism and Resorts</b>										
Report quarterly to the Community Portfolio committee on the progress of planned deliverables in RED & Tourism Strategy	Number of progress reports tabled per annum	4	3	4	4	4	4	4	4	4
<b>Social Services</b>										
development Implementation Plan to the Community Services Portfolio Committee	Number of progress reports tabled per annum	1	1	3	2	2	2	4	4	4

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET | PHOENIX BAC A12  
BREDASDORP 7600



29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

DC3 Overberg - Supporting Table SA8 Performance indicators and benchmarks

Description of financial Indicator	Basis of calculation	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Borrowing Management</b>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	3.1%	2.7%	3.0%	2.8%	3.0%	3.0%	3.0%	2.9%	2.7%	3.3%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	3.0%	2.5%	2.9%	2.8%	3.1%	3.1%	3.1%	3.0%	2.8%	3.4%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Liquidity</b>											
Current Ratio	Current assets/current liabilities	1.6	1.9	2.9	1.4	2.3	2.3	2.3	1.9	1.6	1.7
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.6	1.9	2.9	1.4	2.3	2.3	2.3	1.9	1.6	1.7
Liquidity Ratio	Monetary Assets/Current Liabilities	1.4	1.5	2.3	1.3	1.9	1.9	1.9	1.5	1.2	1.2
<b>Revenue Management</b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		83.1%	113.2%	102.4%	100.0%	99.3%	99.3%	99.3%	100.0%	100.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		83.1%	113.2%	102.4%	100.0%	99.3%	99.3%	99.3%	100.0%	100.0%	100.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	7.6%	10.7%	10.1%	5.7%	8.2%	8.2%	8.2%	7.7%	7.7%	7.2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<b>Creditors Management</b>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Creditors to Cash and Investments		7.7%	8.0%	7.0%	10.0%	7.2%	7.2%	7.2%	8.6%	10.7%	13.4%
<b>Other Indicators</b>											
Electricity Distribution Losses (2)	Total Volume Losses (kW) technical										
	Total Volume Losses (kW) non technical										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	51.2%	46.3%	45.8%	53.6%	51.4%	51.4%	51.4%	50.8%	53.8%	53.6%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	54.0%	48.7%	48.0%	56.1%	53.9%	53.9%		53.1%	56.2%	56.0%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	3.9%	3.7%	4.0%	3.3%	3.7%	3.7%		3.5%	3.6%	3.6%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	3.4%	2.9%	2.6%	2.7%	2.7%	2.7%	2.7%	2.3%	2.4%	2.4%
<b>IDP regulation financial viability indicators</b>											
I. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	42.4	38.9	43.5	34.0	34.0	34.0	29.9	33.9	27.9	29.6
II.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	18.2%	60.3%	66.6%	6.7%	32.7%	32.7%	32.7%	29.3%	27.9%	26.9%
III. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	2.7	3.8	2.9	2.7	2.6	2.6	2.6	2.0	1.6	1.2



29 MAY 2023

TEL: 028 425 4457 • FAX: 028 425 4014  
info@odm.org.za • www.odm.org.za

*[Handwritten signature]*



DC3 Overberg - Supporting Table SA9 Social, economic and demographic statistics and assumption:

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2019/20	2020/21	2021/22	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
										Original Budget	Outcome	Outcome
<b>Demographics</b>												
Population												
Females aged 5 - 14												
Males aged 5 - 14												
Females aged 15 - 34												
Males aged 15 - 34												
Unemployment												
<b>Monthly household income (no. of households)</b>	1, 12											
No income												
R1 - R1 600												
R1 601 - R3 200												
R3 201 - R6 400												
R6 401 - R12 800												
R12 801 - R25 600												
R25 601 - R51 200												
R52 201 - R102 400												
R102 401 - R204 800												
R204 801 - R409 600												
R409 601 - R819 200												
> R819 200												
<b>Poverty profiles (no. of households)</b>	13											
< R2 060 per household per month	2											
Insert description												
<b>Household demographics (000)</b>												
Number of people in municipal area												
Number of poor people in municipal area												
Number of households in municipal area												
Number of poor households in municipal area												
Definition of poor household (R per month)												
<b>Housing statistics</b>	3											
Formal												
Informal												
<b>Total number of households</b>	4											
Dwellings provided by municipally												
Dwellings provided by provincials												
Dwellings provided by private sector	5											
<b>Total new housing dwellings</b>												
<b>Economic</b>	6											
Inflation/outlook (CPIX)												
Interest rate - borrowing												
Interest rate - investment												
Remuneration increases												
Consumption growth (electricity)												
Consumption growth (water)												
<b>Collection rates</b>	7											
Property tax/service charges												
Rental of facilities & equipment												
Interest - external investments												
Interest - debtors												
Revenue from agency services												

DC3 Overberg Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Funding measures</b>												
Cash/cash equivalents at the year end - R000	10/1(b)	1	36 647	56 078	44 932	44 680	43 585	43 585	43 585	35 575	29 464	23 440
Cash + investments at the year end less applications - R000	10/1(b)	2	24 051	36 045	29 780	24 078	36 701	36 701	36 701	27 878	20 850	14 127
Cash year end monthly employee/supplier payments	10/1(b)	3	2.7	3.8	2.9	2.7	2.6	2.6	2.6	2.0	1.6	1.2
Surplus/(Deficit) excluding depreciation offsets - R000	10/1	4	6 233	14 345	25 472	94	(3 483)	(3 483)	(3 483)	(3 532)	(7 749)	(4 065)
Service charge rev % change - macro CPK target exclusive	10/1(a)(2)	5	N/A	(2.4%)	(2.8%)	(2.3%)	(5.0%)	(5.0%)	(5.0%)	6.3%	(3.0%)	(1.8%)
Cash receipts % of Ratepayer & Other revenue	10/1(a)(2)	6	75.5%	113.4%	88.6%	99.2%	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%
Debt impairment expense as a % of total billable revenue	10/1(a)(2)	7		0.0%	0.7%	1.5%	0.7%	0.7%	0.7%	0.6%	0.6%	0.6%
Capital payments % of capital expenditure	10/1(c)-19	8	100.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (incl. transfers)	10/1(c)	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/granted allocations	10/1(a)	10								0.0%	0.0%	0.0%
Current consumer debtors % change - non/defer	10/1(a)	11	N/A	(18.8%)	111.7%	(36.8%)	(40.9%)	0.0%	0.0%	1.8%	1.9%	2.0%
Long term receivables % change - non/defer	10/1(a)	12	N/A	20.8%	(3.2%)	12.3%	(3.2%)	0.0%	0.0%	6.3%	6.3%	6.3%
R&M % of Property Plant & Equipment	20/1(vi)	13	13.0%	13.9%	14.8%	10.8%	11.5%	11.5%	11.6%	11.6%	12.7%	0.0%
Asset renewal % of capital budget	20/1(vi)	14	21.4%	4.1%	39.4%	25.8%	7.5%	7.5%	6.9%	37.1%	40.3%	10.8%
<b>Supporting Indicators</b>												
% inc total service charges (incl prop rates)	10/1(a)			3.6%	(16.8%)	34.5%	3.7%	0.0%	0.0%	12.3%	5.0%	4.2%
% inc Property Tax	10/1(a)			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% inc Service charges - Electricity	10/1(a)			21.3%	(2.7%)	43.7%	(50.0%)	0.0%	0.0%	0.0%	5.0%	4.8%
% inc Service charges - Water	10/1(a)			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% inc Service charges - Waste Water Management	10/1(a)			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.0%	4.8%
% inc Service charges - Waste Management	10/1(a)			3.3%	(17.2%)	28.1%	5.8%	0.0%	0.0%	13.0%	5.0%	4.1%
% inc in Sale of Goods and Rendering of Services	10/1(a)			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	10/1(a)		11 704	12 130	10 801	13 872	14 072	14 072	14 072	15 800	16 590	17 280
Service charges	10/1(a)		11 704	12 130	10 801	13 872	14 072	14 072	14 072	15 800	16 590	17 280
Property rates	-		-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-		236	288	278	400	200	200	200	200	710	220
Service charges - water revenue	-		-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-		-	-	-	800	600	600	600	600	600	600
Service charges - refuse removal	10/1(a)		11 468	11 844	9 812	12 572	13 272	13 272	13 272	15 000	16 750	16 400
Agency services	10/1(a)		10 127	11 343	11 501	11 351	11 587	11 587	11 587	12 770	13 420	13 866
Capital expenditure excluding capital grant funding	10/1(a)		2 307	2 151	8 422	10 274	13 070	13 070	13 070	5 771	536	2 551
Cash receipts from ratepayers	10/1(a)		32 126	48 507	40 591	51 347	49 640	49 640	49 640	53 440	47 811	37 442
Ratepayer & Other revenue	10/1(a)		41 969	42 778	45 314	51 747	49 840	49 840	49 840	53 510	47 911	37 742
Change in consumer debtors (current and non-current)	10/1(a)		N/A	(1 994)	9 285	(4 286)	(6 461)	-	-	1 597	1 698	1 605
Operating and Capital Grant Revenue	10/1(a)		170 371	208 614	203 510	197 193	208 437	208 437	208 437	214 339	223 043	229 801
Capital expenditure - total	20/1(vi)		2 968	5 036	9 537	10 274	15 330	15 330	15 330	5 771	536	2 551
Capital expenditure - renewal	20/1(vi)		641	200	3 755	2 651	1 155	1 155	1 155	2 141	216	276
<b>Supporting benchmarks</b>												
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPA guideline			4.3%	3.9%	4.0%	5.0%	5.0%	5.0%	5.0%	5.4%	5.0%	5.4%
DoRA operating grants total MFY												
DoRA capital grants total MFY												
Provincial operating grants												
Provincial capital grants												
District Municipality grants												
Total gazetted/donated national, provincial and district grants												
Average annual collection rate (annual inclusive)												
<b>DoRA operating</b>												
<b>DoRA capital</b>												
<b>Trend</b>												
Change in consumer debtors (current and non-current)			N/A	(1 994)	9 285	(4 286)	(6 461)	-	-	1 597	1 698	1 605
<b>Total Operating Revenue</b>												
Total Operating Revenue			220 932	251 515	267 821	253 440	258 877	258 877	258 877	273 229	275 759	282 353
Total Operating Expenditure			215 300	240 723	244 445	253 346	264 610	264 610	264 610	276 761	283 508	289 418
Operating Performance Surplus/(Deficit)			5 541	10 792	23 377	94	(5 733)	(5 733)	(5 733)	(3 532)	(7 749)	(4 065)
<b>Cash and Cash Equivalents (01 June 2020)</b>												
Cash and Cash Equivalents			36 647	56 078	44 932	44 680	43 585	43 585	43 585	35 575	29 464	23 440
<b>Revenue</b>												
% Increase in Total Operating Revenue				13.8%	6.5%	(5.4%)	2.1%	0.0%	0.0%	5.5%	0.9%	6.0%
% Increase in Property Rates Revenue				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Electricity Revenue				21.3%	(2.7%)	43.7%	(50.0%)	0.0%	0.0%	0.0%	5.0%	4.8%
% Increase in Property Rates & Services Charges				3.6%	(16.8%)	34.5%	3.7%	0.0%	0.0%	12.3%	5.0%	4.2%
<b>Expenditure</b>												
% Increase in Total Operating Expenditure				11.8%	1.5%	3.6%	4.4%	0.0%	0.0%	4.6%	2.4%	4.6%
% Increase in Employee Costs				2.9%	5.3%	10.7%	(2.1%)	0.0%	0.0%	4.2%	6.9%	5.6%
% Increase in Electricity Bulk Purchases				88.9%	(57.6%)	21.5%	(37.2%)	0.0%	0.0%	(20.8%)	5.0%	4.8%
Average Cost Per Budgeted Employee Position (Remuneration)					406 183 4181	376 541 9769				284 465 717		
Average Cost Per Councilor (Remuneration)					276 265 6571	286 606 7823				276 641 6087		
R&M % of PPE			13.0%	13.9%	14.8%	10.8%	11.5%	11.5%	11.6%	11.6%	12.7%	0.0%
Asset Renewal and R&M as a % of PPE			12.0%	12.0%	18.0%	15.0%	17.0%	17.0%	17.0%	13.0%	11.0%	11.0%
Debt Impairment % of Total Billable Revenue			0.0%	0.0%	0.7%	1.5%	0.7%	0.7%	0.7%	0.6%	0.6%	0.6%
<b>Capital Revenue</b>												
Internally Funded & Other (R000)			2 307	2 151	5 474	10 235	8 170	8 170	8 170	5 771	536	2 551
Borrowing (R000)			-	-	2 848	39	4 900	4 900	4 900	-	-	-
Grant Funding and Other (R000)			691	9 886	1 116	-	2 250	2 250	2 250	-	-	-
Internally Generated funds % of Non Grant Funding			100.0%	100.0%	65.0%	39.0%	63.5%	63.5%	63.5%	100.0%	100.0%	100.0%
Borrowing % of Non Grant Funding			0.0%	0.0%	35.0%	0.4%	37.5%	37.5%	37.5%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			23.1%	57.3%	11.7%	0.0%	14.7%	14.7%	14.7%	0.0%	0.0%	0.0%
<b>Capital Expenditure</b>												
Total Capital Programme (R000)			2 660	5 036	9 537	10 274	15 330	15 330	15 330	5 771	536	2 551
Asset Renewal			1 120	375	4 813	5 155	6 888	6 888	6 888	3 141	216	276
Asset Renewal % of Total Capital Expenditure			37.0%	7.4%	48.4%	50.2%	45.0%	45.0%	45.0%	54.4%	61.5%	0.0%
<b>Cash</b>												
Cash Receipts % of Rate Payer & Other			76.5%	113.4%	88.6%	99.2%	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%
Cash Coverage Ratio			0	0	0	0	0	0	0	0	0	0
<b>Borrowing</b>												
Most recent Credit Rating										0		
Capital Charges to Operating			2.1%	2.7%	3.0%	2.8%	3.0%	3.0%	3.0%	2.9%	2.7%	3.3%
Borrowing Receipts % of Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Reserves</b>												
Uncommitted reserves after application of cash and investments			24 051	36 045	29 780	24 078	36 701	36 701	36 701	27 878	20 850	14 127
<b>Free Services</b>												
Free Basic Services as a % of Equitable Share			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Free Services as a % of Operating Revenue (excl operational transfers)			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>High Level Outcome of Funding Compliance</b>												
Total Operating Revenue			220 932	251 515	267 821	253 440	258 877	258 877	258 877	273 229	275 759	282 353
Total Operating Expenditure			215 300	240 723	244 445	253 346	264 610	264 610	264 610	276 761	283 508	289 418
Surplus/(Deficit) Budgeted Operating Statement			5 541	10 792	23 377	94	(5 733)	(5 733)	(5 733)	(3 532)	(7 749)	(4 065)
Surplus/(Deficit) Considering Reserves and Cash Backing			24 051	36 045	29 780	24 078	36 701	36 701	36 701	27 878	20 850	14 127
MTREF Funded (I) / Unfunded (R)	15	1	1	1	1	1	1	1	1	1	1	1
MTREF Funded % / Unfunded %	15	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓



DC3 Overberg - Supporting Table SA11 Property rates summary

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Valuation:</b>	1									
Date of valuation:										
Financial year valuation used										
Municipal by-laws s6 in place? (Y/N)	2									
Municipal/assistant valuer appointed? (Y/N)										
Municipal partnership s38 used? (Y/N)										
No. of assistant valuers (FTE)	3									
No. of date collectors (FTE)	3									
No. of internal valuers (FTE)	3									
No. of external valuers (FTE)	3									
No. of additional valuers (FTE)	4									
Valuation appeal board established? (Y/N)										
Implementation time of new valuation roll (mths)										
No. of properties	5									
No. of sectional title values	5									
No. of unreasonably difficult properties s7(2)										
No. of supplementary valuations										
No. of valuation roll amendments										
No. of objections by rate payers										
No. of appeals by rate payers										
No. of successful objections	8									
No. of successful objections > 10%	8									
Supplementary valuation										
Public service infrastructure value (Rm)	5									
Municipality owned property value (Rm)										
<b>Valuation reductions:</b>										
Valuation reductions-public infrastructure (Rm)										
Valuation reductions-nature reserves/park (Rm)										
Valuation reductions-mineral rights (Rm)										
Valuation reductions-R15,000 threshold (Rm)										
Valuation reductions-public worship (Rm)										
Valuation reductions-other (Rm)										
<b>Total valuation reductions:</b>		-	-	-	-	-	-	-	-	-
Total value used for rating (Rm)	5									
Total land value (Rm)	5									
Total value of improvements (Rm)	5									
Total market value (Rm)	5									
<b>Rating:</b>										
Residential rate used to determine rate for other categories? (Y/N)										
Differential rates used? (Y/N)	5									
Limit on annual rate increase (s20)? (Y/N)										
Special rating area used? (Y/N)										
Phasing-in properties s21 (number)										
Rates policy accompanying budget? (Y/N)										
Fixed amount minimum value (R'000)										
Non-residential prescribed ratio s19? (%)										
<b>Rate revenue:</b>										
Rate revenue budget (R'000)	6									
Rate revenue expected to collect (R'000)	6									
Expected cash collection rate (%)										
Special rating areas (R'000)	7									
Rebates, exemptions - indigent (R'000)										
Rebates, exemptions - pensioners (R'000)										
Rebates, exemptions - bona fide farm. (R'000)										
Rebates, exemptions - other (R'000)										
Phase-in reductions/discounts (R'000)										
<b>Total rebates, exemptions, reductions, discounts (R'000)</b>		-	-	-	-	-	-	-	-	-

DC3 Overberg - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purpose properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (R100 only)	Sectional Title Dampers (R100000 only)
<b>Current Year 2022/23</b>												
<b>Valuation:</b>												
No. of properties												
No. of sectional title property values												
No. of unreasonably difficult properties s7(2)												
No. of supplementary valuations												
Supplementary valuation (Rm)												
No. of valuation roll amendments												
No. of objections by rate-payers												
No. of appeals by rate-payers												
No. of appeals by rate-payers finalised												
No. of successful objections	5											
No. of successful objections > 10%	5											
Estimated no. of properties not valued												
Years since last valuation (select)												
Frequency of valuation (select)												
Method of valuation used (select)												
Base of valuation (select)												
Phasing-in properties s21 (number)												
Combination of rating types used? (Y/N)												
Flat rate used? (Y/N)												
Is balance rated by uniform rate/variable rate?												
<b>Valuation reductions:</b>												
Valuation reductions-public infrastructure (Rm)												
Valuation reductions-nature reserves/park (Rm)												
Valuation reductions-mineral rights (Rm)												
Valuation reductions-R15,000 threshold (Rm)												
Valuation reductions-public worship (Rm)												
Valuation reductions-other (Rm)												
<b>Total valuation reductions:</b>	2											
Total value used for rating (Rm)												
Total land value (Rm)	6											
Total value of improvements (Rm)	6											
Total market value (Rm)	6											
<b>Rating:</b>												
Average rate	3											
Rate revenue budget (R'000)												
Rate revenue expected to collect (R'000)												
Expected cash collection rate (%)												
Special rating areas (R'000)	4											
Rebates: exemptions - indigent (R'000)												
Rebates: exemptions - pensioners (R'000)												
Rebates: exemptions - bona fide farm. (R'000)												
Rebates: exemptions - other (R'000)												
Phase-in reductions/discouts (R'000)												
<b>Total rebates, exemptions, reductions, discs (R'000)</b>												



DC3 Overberg - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Business and commercial properties	Industrial properties	Mining properties	Residential properties	Agricultural properties	Public benefit organisations	Public service purposes properties	Public service infrastructure properties	Vacant land	Sport Clubs and Fields (Sport only)	Sectional Title Gateways (Transportation only)
<b>Budget Year 2023/24</b>												
<b>Valuation:</b>												
No. of properties												
No. of sectional title property values												
No. of unreasonably difficult properties s7(2)												
No. of supplementary valuations												
Supplementary valuation (Rm)												
No. of valuation roll amendments												
No. of objections by rate-payers												
No. of appeals by rate-payers												
No. of appeals by rate-payers finalised												
No. of successful objections	5											
No. of successful objections > 10%	5											
Estimated no. of properties not valued												
Years since last valuation (select)												
Frequency of valuation (select)												
Method of valuation used (select)												
Base of valuation (select)												
Phasing-in properties s21 (number)												
Combination of rating types used? (Y/N)												
Fiat rate used? (Y/N)												
Is balance rated by uniform rate/variable rate?												
<b>Valuation reductions:</b>												
Valuation reductions-public infrastructure (Rm)												
Valuation reductions-nature reserves/park (Rm)												
Valuation reductions-mineral rights (Rm)												
Valuation reductions-R15 000 threshold (Rm)												
Valuation reductions-public worship (Rm)												
Valuation reductions-other (Rm)												
<b>Total valuation reductions:</b>	2											
Total value used for rating (Rm)	5											
Total land value (Rm)	5											
Total value of improvements (Rm)	6											
Total market value (Rm)	6											
<b>Rating:</b>												
Average rate	3											
Rate revenue budget (R'000)												
Rate revenue expected to collect (R'000)												
Expected cash collection rate (%)	4											
Special rating areas (R'000)												
Rebates, exemptions - indigent (R'000)												
Rebates, exemptions - pensioners (R'000)												
Rebates, exemptions - bona fide farm. (R'000)												
Rebates, exemptions - other (R'000)												
Phase-in reductions/discounts (R'000)												
<b>Total rebates,exemptions, discounts, discs (R'000)</b>												

DC3 Overberg - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2019/20	2020/21	2021/22	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
							Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Property rates (rate in the Rand)</b>	1								
Residential properties									
Residential properties - vacant land									
Formal/informal settlements									
Small holdings									
Farm properties - used									
Farm properties - not used									
Industrial properties									
Business and commercial properties									
Communal land - residential									
Communal land - small holdings									
Communal land - farm property									
Communal land - business and commercial									
Communal land - other									
State-owned properties									
Municipal properties									
Public service infrastructure									
Privately owned towns serviced by the owner									
State trust land									
Restitution and redistribution properties									
Protected areas									
National monuments properties									
<b>Property rates by usage</b>									
Business and commercial properties									
Industrial properties									
Mining properties									
Residential properties									
Agricultural properties									
Public benefit organisations									
Public service purpose properties									
Public service infrastructure properties									
Vacant land									
Sport Clubs and Fields (Batsw only)									
Sectional Title Garages (Batsw only)									
<b>Exemptions, reductions and rebates (Rands)</b>									
<b>Residential properties</b>									
R15 000 threshold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate									
Indigent rebate or exemption									
Pensioners/social grants rebate or exemption									
Temporary relief rebate or exemption									
Bona fide farmers rebate or exemption									
<b>Other rebates or exemptions</b>	2								
<b>Water tariffs</b>									
<b>Domestic</b>									
Basic charge/fixed fee (Rands/month)									
Service point - vacant land (Rands/month)									
Water usage - flat rate tariff (c/k)									
Water usage - life line tariff		(describe structure)							
Water usage - Block 1 (c/k)		(fill in thresholds)							
Water usage - Block 2 (c/k)		(fill in thresholds)							
Water usage - Block 3 (c/k)		(fill in thresholds)							
Water usage - Block 4 (c/k)		(fill in thresholds)							
Water usage - Block 5 (c/k)		(fill in thresholds)							
Water usage - Block 6 (c/k)		(fill in thresholds)							
<b>Other</b>	2								
<b>Waste water tariffs</b>									
<b>Domestic</b>									
Basic charge/fixed fee (Rands/month)									
Service point - vacant land (Rands/month)									
Waste water - flat rate tariff (c/k)									
Volumetric charge - Block 1 (c/k)		(fill in structure)							
Volumetric charge - Block 2 (c/k)		(fill in structure)							
Volumetric charge - Block 3 (c/k)		(fill in structure)							
Volumetric charge - Block 4 (c/k)		(fill in structure)							
<b>Other</b>	2								



Electricity tariffs								
<b>Domestic</b>								
Basic charge/ fixed fee (Rands/month)								
Service point - vacant land (Rands/month)								
FBE		(how is this targeted?)						
Life-line tariff - meter		(describe structure)						
Life-line tariff - prepaid		(describe structure)						
Flat rate tariff - meter (c/kwh)								
Flat rate tariff - prepaid (c/kwh)								
Meter - IBT Block 1 (c/kwh)		(fill in thresholds)						
Meter - IBT Block 2 (c/kwh)		(fill in thresholds)						
Meter - IBT Block 3 (c/kwh)		(fill in thresholds)						
Meter - IBT Block 4 (c/kwh)		(fill in thresholds)						
Meter - IBT Block 5 (c/kwh)		(fill in thresholds)						
Prepaid - IBT Block 1 (c/kwh)		(fill in thresholds)						
Prepaid - IBT Block 2 (c/kwh)		(fill in thresholds)						
Prepaid - IBT Block 3 (c/kwh)		(fill in thresholds)						
Prepaid - IBT Block 4 (c/kwh)		(fill in thresholds)						
Prepaid - IBT Block 5 (c/kwh)		(fill in thresholds)						
<b>Other</b>								
<b>Waste management tariffs</b>								
<b>Domestic</b>								
Street cleaning charge								
Basic charge/ fixed fee								
80l bin - once a week								
250l bin - once a week								

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET LINDSAY DAIRY 612  
BREDASDORP 7280



29 MAY 2023

TEL: 028 425 4467 • FAX: 028 425 1044  
info@odm.org.za • www.odm.org.za

*[Handwritten signature]*

DC3 Overberg - Supporting Table SA13b Service Tariffs by category - explanatory

Description	Ref	Provide description of tariff structure where appropriate	2019/20	2020/21	2021/22	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
							Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Exemptions, reductions and rebates (Rands)</b> [Insert lines as applicable]									
<b>Water tariffs</b> [Insert blocks as applicable]		(fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds)							
<b>Waste water tariffs</b> [Insert blocks as applicable]		(fill in structure) (fill in structure) (fill in structure) (fill in structure) (fill in structure) (fill in structure) (fill in structure) (fill in structure)							
<b>Electricity tariffs</b> [Insert blocks as applicable]		(fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds)							

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASDORP 7280



29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za



OVERSEAS DISTRICT COURT  
24 LUXE STREET, SINGAPORE 110112  
SINGAPORE



29 MAY 2023

TEL: 622 426 1111 • FAX: 622 426 1114  
www.singaporecourts.gov.sg

A handwritten signature in black ink, consisting of stylized initials and a surname.

DC3 Overberg - Supporting Table SA14 Household bills

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24 % Incr.	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Rand/cent											
<u>Monthly Account for Household - 'Middle Income Range'</u>	1										
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal											
Other											
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services											
Total large household bill:		-	-	-	-	-	-	-	-	-	-
% increase/-decrease			-	-	-	-	-		-	-	-
<u>Monthly Account for Household - 'Affordable Range'</u>	2										
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal											
Other											
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services											
Total small household bill:		-	-	-	-	-	-	-	-	-	-
% increase/-decrease			-	-	-	-	-		-	-	-
<u>Monthly Account for Household - 'Indigent' Household receiving free basic services</u>	3										
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal											
Other											
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services											
Total small household bill:		-	-	-	-	-	-	-	-	-	-
% increase/-decrease			-	-	-	-	-		-	-	-

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASBURG 7260



29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za



DC3 Overberg - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		36 647	56 076	44 932	44 880	43 585	43 585	35 575	29 464	23 449
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	36 647	56 076	44 932	44 880	43 585	43 585	35 575	29 464	23 449
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		36 647	56 076	44 932	44 880	43 585	43 585	35 575	29 464	23 449

References

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

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASBURG 7250



29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

DC3 Overview - Supporting Table 3A10 Investment particulars by maturity															
Investments by Maturity	Ref	Period of Investment		Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed Interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial/ Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yr/Months	Current												
Name of Institution & Investment ID  Parent municipality Current Call Accounts and Cheque	1			Call							35 575				35 575
Municipality sub-total											35 575				35 575
Entities															
Entities sub-total															
TOTAL INVESTMENTS AND INTEREST	1										35 575				35 575



29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za





# DC3 Overberg - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
<b>Parent municipality</b>										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
<b>Municipality sub-total</b>	1	-	-	-	-	-	-	-	-	-
<b>Entities</b>										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
<b>Entities sub-total</b>	1	-	-	-	-	-	-	-	-	-
<b>Total Borrowing</b>	1	-	-	-	-	-	-	-	-	-

<b>Unspent Borrowing - Categorised by type</b>										
<b>Parent municipality</b>										
Long-Term Loans (annuity/reducing balance)		4 912	4 912	4 912	112	112	112	112	112	112
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
<b>Municipality sub-total</b>	1	4 912	4 912	4 912	112	112	112	112	112	112
<b>Entities</b>										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
<b>Entities sub-total</b>	1	-	-	-	-	-	-	-	-	-
<b>Total Unspent Borrowing</b>	1	4 912	4 912	4 912	112	112	112	112	112	112

## References

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

check borrowing balance	-	-	-	-	-	-	-	-	-	-
-------------------------	---	---	---	---	---	---	---	---	---	---

DC3 Overberg - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		76 939	82 406	82 136	86 444	86 444	86 444	89 475	92 475	94 796
Local Government Equitable Share		71 776	77 548	77 375	81 486	81 486	81 486	84 437	88 501	90 551
Finance Management		1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 138
EPWP Incentive		1 243	1 188	1 053	1 123	1 123	1 123	1 192		
Rural Roads Asset Management Grant		2 807	2 670	2 708	2 835	2 835	2 835	2 846	2 974	3 107
Municipal Disaster Relief Grant		113	-		-					
Other transfers/grants [insert description]										
<b>Provincial Government:</b>		97 493	126 775	120 243	110 749	117 566	117 566	124 914	130 568	135 005
PT - PAWK		94 629	124 441	116 095	108 781	113 498	113 498	122 375	128 695	133 071
Seta		204	168	230	230	230	230	240		
Health Subsidy		159	210	183	182	182	182	182	194	206
Financial Management Grant					-		-			
Municipal Capacity Building Grant					-		-			
Financial Management Support Grant					-		-			
Greenest Municipality					-		-			
CDW Operational Support Grant		112	56	57	56	56	56	57	57	57
Local Government Graduate Internship Grant		80			-		-			
Human Capacity Building Grant		380	300	400	-		-			
Finance Management (Resorts)		650			-		-			
Fire Safety Plan		900	1 600	929	1 500	1 500	1 500	1 560	1 622	1 671
mSCOA Support Grant		280			-		-			
LG Support Grant - Human Relief		100			-		-			
Joint District and Metro Approach Grant				2 149		1 000	1 000			
Local Government Public Employment support Grant				200			-			
Municipal Service Delivery and Capacity Building Grant							-			
Grant WCFMC Capability						800	800	500		
Grant Intervention						300	300			
Other transfers/grants [insert description]										
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Total Operating Transfers and Grants</b>	5	174 432	209 181	202 379	197 193	204 010	204 010	214 389	223 043	229 801
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		66	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		66								
Other capital transfers/grants [insert desc]										
<b>Provincial Government:</b>		200	1 232	1 394	-	1 600	1 600	-	-	-
WC Financial Management Grant										
Fire Safety Plan		200	500	1 394						
Emergency Municipal Load Shedding Relief Grant						1 600	1 600			
Risk										
Disaster Management										
Fire Service Capacity Building Grant										
Municipal Service Delivery and Capacity Building Grant - Fire			732							
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Total Capital Transfers and Grants</b>	5	266	1 232	1 394	-	1 600	1 600	-	-	-
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		174 698	210 413	203 773	197 193	205 610	205 610	214 389	223 043	229 801



DC3 Overberg - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>										
<b>EXPENDITURE:</b>	<b>1</b>									
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		74 010	78 565	83 233	86 444	86 444	86 444	89 475	92 475	94 796
Local Government Equitable Share		71 776	76 363	78 560	81 486	81 486	81 486	84 437	88 501	90 551
Finance Management		1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 138
EPWP Incentive		1 121	1 188	1 053	1 123	1 123	1 123	1 192		
Rural Roads Asset Management Grant		-	14	2 619	2 835	2 835	2 835	2 846	2 974	3 107
Municipal Disaster Relief Grant		113	-	-	-	-	-	-	-	-
<b>Other transfers/grants (insert description)</b>										
<b>Provincial Government:</b>		95 670	127 363	119 161	110 749	119 743	119 743	124 914	130 568	135 005
PT - PAWK		94 629	124 441	116 095	108 781	113 498	113 498	122 375	128 695	133 071
Seta		52	87	303	230	537	537	240		
Health Subsidy		159	210	183	182	182	182	182	194	206
Financial Management Grant		-	-	-	-	-	-	-	-	-
Municipal Capacity Building Grant		-	-	-	-	-	-	-	-	-
Financial Management Support Grant		-	-	-	-	-	-	-	-	-
Greenest Municipality		-	-	-	-	-	-	-	-	-
CDW Operational Support Grant		-	84	76	56	113	113	57	57	57
Local Government Graduate Internship Grant		13	67	-	-	-	-	-	-	-
Human Capacity Building Grant		-	680	399	-	-	-	-	-	-
Finance Management (Resorts)		-	650	-	-	-	-	-	-	-
Fire Safety Plan		457	1 045	1 905	1 500	1 514	1 514	1 560	1 622	1 671
mSCOA Support Grant		189	-	-	-	-	-	-	-	-
LG Support Grant - Human Relief		78	-	-	-	-	-	-	-	-
Joint District and Metro Approach Grant		-	-	-	-	2 799	2 799	-	-	-
Local Government Public Employment support Grant		-	-	200	-	-	-	-	-	-
Municipal Service Delivery and Capacity Building Grant -		94	100	-	-	-	-	-	-	-
Grant WCFMC Capability		-	-	-	-	800	800	500	-	-
Grant Intervention		-	-	-	-	300	300	-	-	-
<b>Other transfers/grants (insert description)</b>										
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<i>(insert description)</i>										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
<i>(insert description)</i>										
<b>Total operating expenditure of Transfers and Grants:</b>		169 680	205 928	202 394	197 193	206 187	206 187	214 389	223 043	229 801
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		66	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		66	-	-	-	-	-	-	-	-
<b>Other capital transfers/grants (insert desc)</b>										
<b>Provincial Government:</b>		625	2 886	1 116	-	2 250	2 250	-	-	-
WC Financial Management Grant		-	-	-	-	-	-	-	-	-
Fire Safety Plan		-	1 272	1 116	-	650	650	-	-	-
Emergency Municipal Load Shedding Relief Grant		-	-	-	-	1 600	1 600	-	-	-
Risk		-	-	-	-	-	-	-	-	-
Disaster Management		-	-	-	-	-	-	-	-	-
Fire Service Capacity Building Grant		-	-	-	-	-	-	-	-	-
Municipal Service Delivery and Capacity Building Grant - Fire		625	1 614	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<i>(insert description)</i>										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
<i>(insert description)</i>										
<b>Total capital expenditure of Transfers and Grants</b>		691	2 886	1 116	-	2 250	2 250	-	-	-
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		170 371	208 814	203 510	197 193	208 437	208 437	214 389	223 043	229 801

DC3 Overberg - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description		Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Operating transfers and grants:</b>		1,3									
National Government:											
Balance unspent at beginning of the year			1 115	2 929	3 841	2 656	89	89	89	89	89
Returned to NT			(1 115)	(2 929)	(2 656)	–					
Current year receipts			76 939	82 408	82 136	86 444	86 444	86 444	89 475	92 475	94 796
Conditions met - transferred to revenue			74 010	78 565	83 233	86 444	86 444	86 444	89 475	92 475	94 796
Conditions still to be met - transferred to liabilities			2 929	3 841	89	2 656	89	89	89	89	89
Provincial Government:											
Balance unspent at beginning of the year			766	2 530	1 453	13 561	2 535	2 535	358	358	358
Returned to PT			(59)	(488)	–	–					
Current year receipts			97 493	126 775	120 243	110 749	117 566	117 566	124 914	130 568	135 005
Conditions met - transferred to revenue			95 670	127 363	119 161	110 749	119 743	119 743	124 914	130 568	135 005
Conditions still to be met - transferred to liabilities			2 530	1 453	2 535	13 561	358	358	358	358	358
District Municipality:											
Balance unspent at beginning of the year											
Current year receipts											
Conditions met - transferred to revenue			–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities											
Other grant providers:											
Balance unspent at beginning of the year											
Current year receipts											
Conditions met - transferred to revenue			–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities											
Total operating transfers and grants revenue			169 680	205 928	202 394	197 193	206 187	206 187	214 389	223 043	229 801
Total operating transfers and grants - CTBM		2	5 459	5 295	2 623	16 217	446	446	446	446	446
<b>Capital transfers and grants:</b>		1,3									
National Government:											
Balance unspent at beginning of the year											
Current year receipts			66	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue			66	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities											
Provincial Government:											
Balance unspent at beginning of the year			2 450	2 025	372	–	650	650			
Current year receipts			200	1 232	1 394	–	1 600	1 600	–	–	–
Conditions met - transferred to revenue			625	2 886	1 116	–	2 250	2 250	–	–	–
Conditions still to be met - transferred to liabilities			2 025	372	650	–					
District Municipality:											
Balance unspent at beginning of the year											
Current year receipts											
Conditions met - transferred to revenue			–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities											
Other grant providers:											
Balance unspent at beginning of the year											
Current year receipts											
Conditions met - transferred to revenue			–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities											
Total capital transfers and grants revenue			691	2 886	1 116	–	2 250	2 250	–	–	–
Total capital transfers and grants - CTBM		2	2 025	372	650	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE			170 371	208 814	203 510	197 193	208 437	208 437	214 389	223 043	229 801
TOTAL TRANSFERS AND GRANTS - CTBM			7 484	5 666	3 273	16 217	446	446	446	446	446

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRINCE BAG X22  
BREDASBURG 7280



29 MAY 2023

TEL: 028 425 1457 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

*[Handwritten signature]*



DC3 Overberg - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>											
<b>Cash Transfers to other municipalities</b>											
Joint District and Metro Approach Grant	1	-	-	-	-	1 799	1 799	1 799	-	-	-
<b>Total Cash Transfers To Municipalities:</b>		-	-	-	-	1 799	1 799	1 799	-	-	-
<b>Cash Transfers to Entities/Other External Mechanisms</b>											
Capacity Building	2	-	-	-	-	1 000	1 000	1 000	-	-	-
<b>Total Cash Transfers To Entities/Em's</b>		-	-	-	-	1 000	1 000	1 000	-	-	-
<b>Cash Transfers to other Organs of State</b>											
Joint District and Metro Approach Grant	3	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Other Organs Of State:</b>		-	-	-	-	-	-	-	-	-	-
<b>Cash Transfers to Organisations</b>											
Joint District and Metro Approach Grant		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Organisations</b>		-	-	-	-	-	-	-	-	-	-
<b>Cash Transfers to Groups of Individuals</b>											
Bursaries		-	680	399	-	-	-	-	-	-	-
<b>Total Cash Transfers To Groups Of Individuals:</b>		-	680	399	-	-	-	-	-	-	-
<b>TOTAL CASH TRANSFERS AND GRANTS</b>	<b>6</b>	-	680	399	-	2 799	2 799	2 799	-	-	-
<b>Non-Cash Transfers to other municipalities</b>											
Insert description	1										
<b>Total Non-Cash Transfers To Municipalities:</b>		-	-	-	-	-	-	-	-	-	-
<b>Non-Cash Transfers to Entities/Other External Mechanisms</b>											
Joint District and Metro Approach Grant	2										
<b>Total Non-Cash Transfers To Entities/Em's</b>		-	-	-	-	-	-	-	-	-	-
<b>Non-Cash Transfers to other Organs of State</b>											
Joint District and Metro Approach Grant	3										
<b>Total Non-Cash Transfers To Other Organs Of State:</b>		-	-	-	-	-	-	-	-	-	-
<b>Non-Cash Grants to Organisations</b>											
Joint District and Metro Approach Grant	4										
<b>Total Non-Cash Grants To Organisations</b>		-	-	-	-	-	-	-	-	-	-
<b>Groups of Individuals</b>											
Joint District and Metro Approach Grant	5										
<b>Total Non-Cash Grants To Groups Of Individuals:</b>		-	-	-	-	-	-	-	-	-	-
<b>TOTAL NON-CASH TRANSFERS AND GRANTS</b>		-	-	-	-	-	-	-	-	-	-
<b>TOTAL TRANSFERS AND GRANTS</b>	<b>6</b>	-	680	399	-	2 799	2 799	2 799	-	-	-

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET, FRANKFURT SAU A12  
BREDASBURGH 7260



29 MAY 2023

TEL: 028 425 1467 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

**DC3 Overberg - Supporting Table SA22 Summary councillor and staff benefits**

Summary of Employee and Councillor remuneration	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand		A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		4 001	4 072	4 069	4 270	4 465	4 465	4 401	4 683	4 973
Pension and UIF Contributions		189	128	124	140	147	147	145	154	164
Medical Aid Contributions		—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance		1 607	1 251	1 251	1 311	1 370	1 370	1 350	1 436	1 525
Cellphone Allowance		400	400	428	444	444	444	444	472	502
Housing Allowances		—	—	—	—	—	—	—	—	—
Other benefits and allowances		—	—	—	—	—	—	—	—	—
<b>Sub Total - Councillors</b>		<b>6 197</b>	<b>5 852</b>	<b>5 872</b>	<b>6 166</b>	<b>6 426</b>	<b>6 426</b>	<b>6 340</b>	<b>6 746</b>	<b>7 164</b>
<b>% Increase</b>	4		(5.6%)	0.3%	5.0%	4.2%	—	(1.3%)	6.4%	6.2%
<b>Senior Managers of the Municipality</b>	2									
Basic Salaries and Wages		3 910	4 112	3 382	4 367	4 201	4 201	4 224	4 494	4 773
Pension and UIF Contributions		246	283	196	310	473	473	478	509	540
Medical Aid Contributions		23	36	12	—	—	—	—	—	—
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		—	—	—	180	148	148	151	160	170
Motor Vehicle Allowance	3	352	293	216	396	268	268	272	289	307
Cellphone Allowance	3	47	48	48	72	78	78	78	78	78
Housing Allowances	3	8	7	3	26	4	4	4	4	4
Other benefits and allowances	3	35	34	11	0	—	—	—	—	—
Payments in lieu of leave		—	—	—	—	—	—	—	—	—
Long service awards		—	—	—	—	—	—	—	—	—
Post-retirement benefit obligations	6	—	—	—	—	—	—	—	—	—
Entertainment		—	—	—	—	—	—	—	—	—
Scarcity		—	—	—	—	—	—	—	—	—
Acting and post related allowance		—	—	—	—	—	—	75	—	—
In kind benefits		—	—	—	—	—	—	—	—	—
<b>Sub Total - Senior Managers of Municipality</b>		<b>4 619</b>	<b>4 812</b>	<b>3 868</b>	<b>5 351</b>	<b>5 172</b>	<b>5 172</b>	<b>5 281</b>	<b>5 534</b>	<b>5 873</b>
<b>% Increase</b>	4		4.2%	(19.6%)	38.3%	(3.3%)	—	2.1%	4.8%	6.1%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		71 736	74 080	78 672	86 349	83 827	83 827	88 808	94 684	99 600
Pension and UIF Contributions		11 838	12 340	13 112	15 690	15 405	15 405	15 333	16 349	17 346
Medical Aid Contributions		4 398	4 432	4 526	5 688	5 643	5 643	5 428	5 781	6 076
Overtime		2 723	2 927	4 047	2 150	2 190	2 190	1 750	1 872	1 977
Performance Bonus		—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance	3	4 424	3 317	3 448	4 722	4 753	4 753	4 489	5 531	6 030
Cellphone Allowance	3	377	373	386	470	453	453	442	492	522
Housing Allowances	3	734	700	269	334	322	322	321	372	425
Other benefits and allowances	3	4 528	5 948	7 492	8 211	8 377	8 377	9 046	9 633	10 186
Payments in lieu of leave		2 033	1 307	722	220	220	220	200	214	229
Long service awards		618	358	502	744	744	744	804	909	982
Post-retirement benefit obligations	6	5 188	5 934	5 711	6 002	6 002	6 002	6 532	6 974	7 378
Entertainment		—	—	—	—	—	—	—	—	—
Scarcity		—	—	—	—	—	—	—	—	—
Acting and post related allowance		—	—	—	—	—	—	278	—	—
In kind benefits		—	—	—	—	—	—	—	—	—
<b>Sub Total - Other Municipal Staff</b>		<b>108 596</b>	<b>111 715</b>	<b>118 887</b>	<b>130 580</b>	<b>127 935</b>	<b>127 935</b>	<b>133 431</b>	<b>142 812</b>	<b>150 751</b>
<b>% Increase</b>	4		2.9%	6.4%	9.8%	(2.0%)	—	4.3%	7.0%	5.6%
<b>Total Parent Municipality</b>		<b>119 412</b>	<b>122 378</b>	<b>128 627</b>	<b>142 097</b>	<b>139 533</b>	<b>139 533</b>	<b>145 052</b>	<b>155 092</b>	<b>163 787</b>
			2.5%	5.1%	10.5%	(1.8%)	—	4.0%	6.9%	5.6%
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>119 412</b>	<b>122 378</b>	<b>128 627</b>	<b>142 097</b>	<b>139 533</b>	<b>139 533</b>	<b>145 052</b>	<b>155 092</b>	<b>163 787</b>
<b>% Increase</b>	4		2.5%	5.1%	10.5%	(1.8%)	—	4.0%	6.9%	5.6%
<b>TOTAL MANAGERS AND STAFF</b>	5,7	<b>113 215</b>	<b>116 527</b>	<b>122 755</b>	<b>135 932</b>	<b>133 108</b>	<b>133 108</b>	<b>138 712</b>	<b>148 346</b>	<b>156 623</b>

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / KIRKINATE BAG X22  
BREDASPOORT 7260



29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

*[Handwritten signature]*



**DC3 Overberg - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)**

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum								2.
<b>Councillors</b>	3							
Speaker	4		579 136	86 870	125 576			791 582
Chief Whip				-				-
Executive Mayor			700 868	-	277 622			978 490
Deputy Executive Mayor			560 687	-	230 895			791 582
Executive Committee			936 140	-	302 958			1 239 098
Total for all other councillors			1 624 319	57 864	856 822			2 539 005
<b>Total Councillors</b>	8	-	4 401 150	144 734	1 793 873			6 339 757
<b>Senior Managers of the Municipality</b>	5							
Municipal Manager (MM)		1	1 085 270	181 668	120 432	150 545		1 537 915
Chief Finance Officer		1	992 881	2 126	105 927	119 296		1 220 230
Executive (Corporate Services)		1	841 292	137 126	103 329	117 928		1 199 675
Executive (Community Services)		1	937 198	157 195	98 950	129 781		1 323 124
								-
								-
<i>List of each official with packages &gt;= senior manager</i>								-
								-
								-
								-
								-
<b>Total Senior Managers of the Municipality</b>	8,10	4	3 856 641	478 115	428 638	517 550		5 280 944
<b>TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION</b>	10	4	8 257 791	622 849	2 222 511	517 550		11 620 701

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET, BREDASMONT, 645 122  
BREDASMONT 7210



29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

DC3 Overberg - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2021/22			Current Year 2022/23			Budget Year 2023/24		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
<b>Municipal Council and Boards of Municipal Entities</b>										
Councillors (Political Office Bearers plus Other Councillors)		21	-	21	23	-	23	23	-	23
Board Members of municipal entities	4	-	-	-	-	-	-	-	-	-
<b>Municipal employees</b>	5	-	-	-	-	-	-	-	-	-
Municipal Manager and Senior Managers	3	4	2	2	4	1	3	4	1	3
Other Managers	7	7	-	-	8	8	-	8	8	-
Professionals		11	10	-	13	10	-	13	10	-
Finance		3	3	-	-	-	-	-	-	-
Spatial/town planning		-	-	-	-	-	-	-	-	-
Information Technology		-	-	-	-	-	-	-	-	-
Roads		4	3	-	5	4	-	5	4	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Other		4	4	-	8	6	-	8	6	-
Technicians		77	64	-	82	66	2	82	66	2
Finance		10	10	-	11	8	-	11	8	-
Spatial/town planning		-	-	-	-	-	-	-	-	-
Information Technology		2	2	-	1	1	-	1	1	-
Roads		30	29	-	28	22	-	28	22	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Other		35	23	-	42	35	2	42	35	2
Clerks (Clerical and administrative)		24	-	-	185	157	1	185	157	1
Service and sales workers		-	-	-	97	85	1	97	85	1
Skilled agricultural and fishery workers		-	-	-	-	-	-	-	-	-
Craft and related trades		-	-	-	-	-	-	-	-	-
Plant and Machine Operators		45	40	-	88	72	-	-	72	-
Elementary Occupations		217	182	-	126	116	-	126	116	-
<b>TOTAL PERSONNEL NUMBERS</b>	9	406	298	23	441	358	29	441	358	29
% increase					8.6%	20.1%	26.1%	-	-	-
<b>Total municipal employees headcount</b>	6, 10	-	377	8	490	358	8	490	358	8
Finance personnel headcount	8, 10	21	18	2	22	19	3	22	19	3
Human Resources personnel headcount	8, 10	10	5	3	7	5	-	7	5	-

OVERBERG DISTRICT Municipality  
26 LONG STREET, Overberg, 6882  
028 425 1957 • FAX: 028 425 1914  
info@odin.org.za • www.odin.org.za



29 MAY 2023

TEL: 028 425 1957 • FAX: 028 425 1914  
info@odin.org.za • www.odin.org.za



DC3 Overberg - Supporting Table SA23 Budgeted monthly revenue and expenditure

R	Brouard	Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
				July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
		<b>Revenue</b>																
		Exchange Revenue		17	17	17	17	17	17	17	17	17	17	17	17	200	210	220
		Service charges - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Service charges - Water		50	50	50	50	50	50	50	50	50	50	50	50	600	630	660
		Service charges - Waste Water Management		1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	15 000	15 750	16 400
		Service charges - Waste Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Sale of Goods and Rendering of Services		1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	12 770	13 429	13 866
		Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Interest		4	4	4	4	4	4	4	4	4	4	4	4	50	55	60
		Interest earned from Receivables		271	271	271	271	271	271	271	271	271	271	271	271	3 250	3 250	3 250
		Interest earned from Current and Non Current Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Rent on Land		1 152	1 152	1 152	1 152	1 152	1 152	1 152	1 152	1 152	1 152	1 152	1 152	13 825	14 755	15 185
		Rental from Fixed Assets		83	83	83	83	83	83	83	83	83	83	83	83	1 000	1 000	1 000
		Licence and permits		845	845	845	845	845	845	845	845	845	845	845	845	10 146	2 137	10 391
		Operational Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Non-Exchange Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Property sales		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Surcharge and Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Licences or permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Transfer and subsidies - Operational		17 866	17 866	17 866	17 866	17 866	17 866	17 866	17 866	17 866	17 866	17 866	17 866	214 389	223 043	229 801
		Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Fuel Levy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Operational Revenue		167	167	167	167	167	167	167	167	167	167	167	167	2 000	1 500	1 500
		Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Other Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		<b>Total Revenue (excluding capital transfers and contr</b>		<b>22 769</b>	<b>22 769</b>	<b>22 769</b>	<b>22 769</b>	<b>22 769</b>	<b>22 769</b>	<b>22 769</b>	<b>22 769</b>	<b>22 769</b>	<b>22 769</b>	<b>22 769</b>	<b>22 769</b>	<b>275 228</b>	<b>275 759</b>	<b>292 353</b>
		<b>Expenditure</b>		<b>11 559</b>	<b>11 559</b>	<b>11 559</b>	<b>11 559</b>	<b>11 559</b>	<b>11 559</b>	<b>11 559</b>	<b>11 559</b>	<b>11 559</b>	<b>11 559</b>	<b>11 559</b>	<b>11 559</b>	<b>138 712</b>	<b>144 346</b>	<b>156 623</b>
		Employee related costs		528	528	528	528	528	528	528	528	528	528	528	528	6 340	6 746	7 164
		Remuneration of councillors		17	17	17	17	17	17	17	17	17	17	17	17	200	210	220
		Bulk purchases - electricity		5 193	5 193	5 193	5 193	5 193	5 193	5 193	5 193	5 193	5 193	5 193	5 193	62 321	64 863	66 280
		Inventory consumed		8	8	8	8	8	8	8	8	8	8	8	8	100	100	100
		Debt impairment		304	304	304	304	304	304	304	304	304	304	304	304	3 654	3 660	3 709
		Depreciation and amortisation		229	229	229	229	229	229	229	229	229	229	229	229	2 753	3 015	3 303
		Interest		2 592	2 592	2 592	2 592	2 592	2 592	2 592	2 592	2 592	2 592	2 592	2 592	31 106	25 212	26 556
		Contracted services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Inconvertible debts written off		2 631	2 631	2 631	2 631	2 631	2 631	2 631	2 631	2 631	2 631	2 631	2 631	31 575	31 337	32 484
		Operational costs		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Other Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		<b>Total Expenditure</b>		<b>21 063</b>	<b>21 063</b>	<b>21 063</b>	<b>21 063</b>	<b>21 063</b>	<b>21 063</b>	<b>21 063</b>	<b>21 063</b>	<b>21 063</b>	<b>21 063</b>	<b>21 063</b>	<b>21 063</b>	<b>275 761</b>	<b>283 508</b>	<b>296 418</b>
		<b>Surplus/(Deficit)</b>		<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(3 532)</b>	<b>(7 749)</b>	<b>(4 065)</b>
		Transfers and subsidies - capital (monetary allocations)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Surplus/(Deficit) after capital transfers & contributions		<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(3 532)</b>	<b>(7 749)</b>	<b>(4 065)</b>
		Income Tax		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Surplus/(Deficit) after income tax		<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(3 532)</b>	<b>(7 749)</b>	<b>(4 065)</b>
		Share of Surplus/(Deficit) attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Share of Surplus/(Deficit) attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Share of Surplus/(Deficit) attributable to Municipality		<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(3 532)</b>	<b>(7 749)</b>	<b>(4 065)</b>
		Share of Surplus/(Deficit) attributable to Associate Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		<b>Surplus/(Deficit) for the year</b>	<b>1</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(294)</b>	<b>(3 532)</b>	<b>(7 749)</b>	<b>(4 065)</b>

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASBURG 7250



29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

*[Handwritten signature]*

DC3 Overberg - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand																
Revenue by Vote		1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	15 270	14 929	15 386
Vote 1 - Municipal Manager		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 2 - Management Services		2	2	2	2	2	2	2	2	2	2	2	2	25	25	25
Vote 3 - Corporate Services		7 875	7 875	7 875	7 875	7 875	7 875	7 875	7 875	7 875	7 875	7 875	7 875	94 496	97 468	99 845
Vote 4 - Finance		13 620	13 620	13 620	13 620	13 620	13 620	13 620	13 620	13 620	13 620	13 620	13 620	163 438	163 337	177 097
Vote 5 - Community Services		22 769	22 769	22 769	22 769	22 769	22 769	22 769	22 769	22 769	22 769	22 769	22 769	273 229	275 759	292 353
Total Revenue by Vote																
Expenditure by Vote to be appropriated		1 303	1 303	1 303	1 303	1 303	1 303	1 303	1 303	1 303	1 303	1 303	1 303	15 639	16 194	17 121
Vote 1 - Municipal Manager		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vote 2 - Management Services		1 380	1 380	1 380	1 380	1 380	1 380	1 380	1 380	1 380	1 380	1 380	1 380	16 558	16 359	17 196
Vote 3 - Corporate Services		2 584	2 584	2 584	2 584	2 584	2 584	2 584	2 584	2 584	2 584	2 584	2 584	31 005	30 163	31 766
Vote 4 - Finance		17 797	17 797	17 797	17 797	17 797	17 797	17 797	17 797	17 797	17 797	17 797	17 796	213 559	220 793	230 335
Vote 5 - Community Services		23 063	23 063	23 063	23 063	23 063	23 063	23 063	23 063	23 063	23 063	23 063	23 063	276 761	283 508	296 418
Total Expenditure by Vote																
Surplus/(Deficit) before assoc.		(294)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(3 532)	(7 749)	(4 065)
Income Tax																
Share of Surplus/Deficit attributable to Minorities																
Intercompany/Parent subsidiary transactions																
Surplus/(Deficit)	1	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(3 532)	(7 749)	(4 065)

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

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET, LEROUX RD, BREDASBURG 7460  
BREDASBURG 7460  
29 MAY 2023  
TEL: 028 425 1187 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za



DC3 Overberg - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Budget Year 2023/24													Medium Term Revenue and Expenditure Framework					
Ref	Description	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26		
	Revenue - Functional																	
	Governance and administration																	
		Executive and council	9 149	9 149	9 149	9 149	9 149	9 149	9 149	9 149	9 149	9 149	9 149	9 149	109 791	112 422	115 256	
		Finance and administration	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	1 272	15 270	14 929	15 386	
		Internal audit	7 877	7 877	7 877	7 877	7 877	7 877	7 877	7 877	7 877	7 877	7 877	7 877	94 521	97 493	99 870	
	Community and public safety																	
		Community and social services	2 220	2 220	2 220	2 220	2 220	2 220	2 220	2 220	2 220	2 220	2 220	2 220	26 639	19 492	28 252	
		Sport and recreation	1 677	1 677	1 677	1 677	1 677	1 677	1 677	1 677	1 677	1 677	1 677	1 677	20 130	12 652	21 067	
		Public safety	442	442	442	442	442	442	442	442	442	442	442	442	5 308	5 627	5 959	
		Housing	100	100	100	100	100	100	100	100	100	100	100	100	1 202	1 214	1 226	
	Economic and environmental services																	
		Planning and development	10 208	10 208	10 208	10 208	10 208	10 208	10 208	10 208	10 208	10 208	10 208	10 208	122 499	128 824	133 205	
		Road transport	10 198	10 198	10 198	10 198	10 198	10 198	10 198	10 198	10 198	10 198	10 198	10 198	122 375	128 695	133 071	
		Environmental protection	10	10	10	10	10	10	10	10	10	10	10	10	124	129	134	
	Trading services																	
		Energy sources	1 192	1 192	1 192	1 192	1 192	1 192	1 192	1 192	1 192	1 192	1 192	1 192	14 300	15 020	15 640	
		Water management	1 192	1 192	1 192	1 192	1 192	1 192	1 192	1 192	1 192	1 192	1 192	1 192	14 300	15 020	15 640	
		Waste management	1 192	1 192	1 192	1 192	1 192	1 192	1 192	1 192	1 192	1 192	1 192	1 192	14 300	15 020	15 640	
	Other																	
		Total Revenue - Functional	22 769	22 769	22 769	22 769	22 769	22 769	22 769	22 769	22 769	22 769	22 769	22 769	273 229	275 759	292 353	
		Expenditure - Functional																
		Governance and administration																
			Executive and council	5 313	5 313	5 313	5 313	5 313	5 313	5 313	5 313	5 313	5 313	5 313	5 313	63 754	63 281	66 677
			Finance and administration	879	879	879	879	879	879	879	879	879	879	879	879	10 550	10 830	11 445
			Internal audit	4 268	4 268	4 268	4 268	4 268	4 268	4 268	4 268	4 268	4 268	4 268	4 268	51 221	50 370	53 040
Community and public safety																		
		Community and social services	6 289	6 289	6 289	6 289	6 289	6 289	6 289	6 289	6 289	6 289	6 289	6 289	75 470	75 353	79 384	
		Sport and recreation	1 429	1 429	1 429	1 429	1 429	1 429	1 429	1 429	1 429	1 429	1 429	1 429	17 150	16 087	16 712	
		Public safety	3 302	3 302	3 302	3 302	3 302	3 302	3 302	3 302	3 302	3 302	3 302	3 302	39 629	39 471	41 706	
		Housing	1 558	1 558	1 558	1 558	1 558	1 558	1 558	1 558	1 558	1 558	1 558	1 558	18 691	19 795	20 966	
Economic and environmental services																		
		Planning and development	10 616	10 616	10 616	10 616	10 616	10 616	10 616	10 616	10 616	10 616	10 616	10 616	127 394	134 004	138 701	
		Road transport	135	135	135	135	135	135	135	135	135	135	135	135	1 618	1 711	1 816	
		Environmental protection	10 198	10 198	10 198	10 198	10 198	10 198	10 198	10 198	10 198	10 198	10 198	10 198	122 375	128 695	133 071	
Trading services																		
		Energy sources	845	845	845	845	845	845	845	845	845	845	845	845	3 401	3 597	3 814	
		Water management	845	845	845	845	845	845	845	845	845	845	845	845	10 143	10 871	11 556	
		Waste water management	845	845	845	845	845	845	845	845	845	845	845	845	10 143	10 871	11 556	
		Waste management	845	845	845	845	845	845	845	845	845	845	845	845	10 143	10 871	11 556	
Other																		
		Total Expenditure - Functional	23 063	23 063	23 063	23 063	23 063	23 063	23 063	23 063	23 063	23 063	23 063	23 063	276 761	283 508	296 418	
Surplus/(Deficit) before assoc.																		
		Intercompany/Parent subsidiary transactions	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(3 532)	(7 749)	(4 065)	
		Surplus/(Deficit)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(294)	(3 532)	(7 749)	(4 065)	

References

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

DC3 Overberg - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand																
Multi-year expenditure to be appropriated	1															
Vote 1 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Management Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Finance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																
Vote 1 - Municipal Manager		3	3	3	3	3	3	3	3	3	3	3	3	30	20	-
Vote 2 - Management Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		124	124	124	124	124	124	124	124	124	124	124	124	1 485	180	230
Vote 4 - Finance		1	1	1	1	1	1	1	1	1	1	1	1	10	15	10
Vote 5 - Community Services		354	354	354	354	354	354	354	354	354	354	354	354	4 246	321	2 311
Capital single-year expenditure sub-total	2	481	481	481	481	481	481	481	481	481	481	481	481	5 771	536	2 551
Total Capital Expenditure	2	481	481	481	481	481	481	481	481	481	481	481	481	5 771	536	2 551

90/21

References

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

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASBURG 7260  
29 MAY 2023

TEL: 028 426 1187 • FAX: 028 426 1014  
info@overberg.org.za • www.overberg.org.za



DC3 Overberg - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

R thousand	Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
			July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
	<b>Capital Expenditure - Functional</b>	<b>1</b>	125	125	125	125	125	125	125	125	125	125	125	125	1 495	195	240
	<i>Governance and administration</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Executive and council		125	125	125	125	125	125	125	125	125	125	125	125	1 495	195	240
	Finance and administration		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Internal audit		353	353	353	353	353	353	353	353	353	353	353	353	4 240	315	2 305
	<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Community and social services		58	58	58	58	58	58	58	58	58	58	58	58	700	-	-
	Sport and recreation		292	292	292	292	292	292	292	292	292	292	292	292	3 500	300	2 275
	Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Housing		3	3	3	3	3	3	3	3	3	3	3	3	40	15	30
	Health		3	3	3	3	3	3	3	3	3	3	3	3	36	26	6
	<i>Economic and environmental services</i>		3	3	3	3	3	3	3	3	3	3	3	3	30	20	-
	Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Road transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Environmental protection		1	1	1	1	1	1	1	1	1	1	1	1	6	6	6
	<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Capital Expenditure - Functional</b>	<b>2</b>	481	481	481	481	481	481	481	481	481	481	481	481	5 771	536	2 551
	<b>Funded by:</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	National Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transfers recognised - capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Internally generated funds		481	481	481	481	481	481	481	481	481	481	481	481	5 771	536	2 551
	<b>Total Capital Funding</b>		481	481	481	481	481	481	481	481	481	481	481	481	5 771	536	2 551

## References

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

2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

check

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X22  
BREDASBURG 7280

29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

DC3 Overberg - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Cash Receipts By Source</b>													1		
Property rates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	17	17	17	17	17	17	17	17	17	17	17	17	200	210	220
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	50	50	50	50	50	50	50	50	50	50	50	50	600	630	660
Service charges - refuse revenue	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	15 000	15 750	16 400
Rental of facilities and equipment	1 144	1 144	1 144	1 144	1 144	1 144	1 144	1 144	1 144	1 144	1 144	1 144	13 725	14 055	15 085
Interest earned - external investments	271	271	271	271	271	271	271	271	271	271	271	271	3 250	3 250	3 250
Interest earned - outstanding debtors	4	4	4	4	4	4	4	4	4	4	4	4	50	55	60
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits	83	83	83	83	83	83	83	83	83	83	83	83	1 000	1 000	1 000
Agency services	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	12 770	13 429	13 866
Transfers and Subsidies - Operational	40 809	10 218	10 218	10 218	40 809	10 218	10 218	10 218	40 809	10 218	10 218	10 218	214 389	223 043	229 801
Other revenue	845	845	845	845	845	845	845	845	845	845	845	845	10 146	2 137	10 391
<b>Cash Receipts by Source</b>	<b>45 538</b>	<b>14 946</b>	<b>14 946</b>	<b>14 946</b>	<b>45 538</b>	<b>14 946</b>	<b>14 946</b>	<b>14 946</b>	<b>45 538</b>	<b>14 946</b>	<b>14 946</b>	<b>14 946</b>	<b>271 129</b>	<b>274 159</b>	<b>280 753</b>
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Departments, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	167	167	167	167	167	167	167	167	167	167	167	167	2 000	1 500	1 500
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>45 704</b>	<b>15 113</b>	<b>15 113</b>	<b>15 113</b>	<b>45 704</b>	<b>15 113</b>	<b>15 113</b>	<b>15 113</b>	<b>45 704</b>	<b>15 113</b>	<b>15 113</b>	<b>15 113</b>	<b>273 129</b>	<b>275 659</b>	<b>282 253</b>
<b>Cash Payments by Type</b>															
Employee related costs	10 510	10 510	10 510	10 510	21 020	10 510	10 510	10 510	10 510	10 510	10 510	10 510	136 628	146 119	154 243
Remuneration of councillors	528	528	528	528	528	528	528	528	528	528	528	528	6 340	6 746	7 164
Finance charges	153	153	153	153	153	153	153	153	153	153	153	153	1 834	2 041	2 272
Bulk purchases - electricity	17	17	17	17	17	17	17	17	17	17	17	17	200	210	220
Acquisitions - water & other inventory	5 193	5 193	5 193	5 193	5 193	5 193	5 193	5 193	5 193	5 193	5 193	5 193	62 321	64 863	66 280
Contracted services	2 592	2 592	2 592	2 592	2 592	2 592	2 592	2 592	2 592	2 592	2 592	2 592	31 106	25 212	26 556
Transfers and subsidies - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	2 631	2 631	2 631	2 631	2 631	2 631	2 631	2 631	2 631	2 631	2 631	2 631	31 575	31 537	32 464
<b>Cash Payments by Type</b>	<b>21 625</b>	<b>21 625</b>	<b>21 625</b>	<b>21 625</b>	<b>32 134</b>	<b>21 625</b>	<b>21 625</b>	<b>21 625</b>	<b>21 625</b>	<b>21 625</b>	<b>21 625</b>	<b>21 625</b>	<b>270 004</b>	<b>276 528</b>	<b>289 198</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	481	481	481	481	481	481	481	481	481	481	481	481	5 771	5 536	2 551
Repayment of borrowing	447	447	447	447	447	447	447	447	447	447	447	447	5 365	4 706	6 519
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>	<b>22 553</b>	<b>22 553</b>	<b>22 553</b>	<b>22 553</b>	<b>33 062</b>	<b>22 553</b>	<b>22 553</b>	<b>22 553</b>	<b>22 553</b>	<b>22 553</b>	<b>22 553</b>	<b>22 553</b>	<b>281 140</b>	<b>281 770</b>	<b>298 268</b>
<b>NET INCREASE/DECREASE IN CASH HELD</b>	<b>23 152</b>	<b>(7 440)</b>	<b>(7 440)</b>	<b>(7 440)</b>	<b>(7 440)</b>	<b>(7 440)</b>	<b>(7 440)</b>	<b>(7 440)</b>	<b>(7 440)</b>	<b>(7 440)</b>	<b>(7 440)</b>	<b>(7 440)</b>	<b>(8 011)</b>	<b>(6 111)</b>	<b>(8 015)</b>
Cash/cash equivalents at the month/year begin	43 585	66 737	59 297	51 858	44 418	57 060	49 621	42 181	34 742	57 893	50 454	43 014	43 585	35 575	29 464
Cash/cash equivalents at the month/year end	66 737	59 297	51 858	44 418	57 060	49 621	42 181	34 742	57 893	50 454	43 014	35 575	35 575	29 464	23 449

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

29 MAY 2023  
 TEL: 023 425 4087 • FAX: 023 425 4014  
 info@overberg-za.co.za • www.ogm.org.za



DC3 Overberg - NOT REQUIRED - municipality does not have entities

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R million</b>										
<b>Financial Performance</b>										
Property rates										
Service charges										
Investment revenue										
Transfer and subsidies - Operational										
Other own revenue										
<b>Total Revenue (excluding capital transfers and contributions)</b>		-	-	-	-	-	-	-	-	-
Employee costs										
Remuneration of councillors										
Depreciation and amortisation										
Finance charges										
Inventory consumed and bulk purchases										
Transfers and subsidies										
Other expenditure										
<b>Total Expenditure</b>		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations)										
contributions		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions										
<b>Surplus/(Deficit) for the year</b>		-	-	-	-	-	-	-	-	-
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>										
Transfers recognised - capital										
Borrowing										
Internally generated funds										
<b>Total sources of capital funds</b>		-	-	-	-	-	-	-	-	-
<b>Financial position</b>										
Total current assets										
Total non current assets										
Total current liabilities										
Total non current liabilities										
Community wealth/Equity										
<b>Cash flows</b>										
Net cash from (used) operating										
Net cash from (used) investing										
Net cash from (used) financing										
<b>Cash/cash equivalents at the year end</b>										

OVERBERG DISTRICT MUNICIPALITY  
20 LONG STREET / PRIVATE BAG X22  
BERGAMBURG 7260



29 MAY 2023

TEL: 028 425 1007 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

DC3 Overberg - Supporting Table SA32 List of external mechanisms

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

References

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

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PO BOX 1022  
BREDASBURGH 7260



29 MAY 2023

TEL: 028 425 1167 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za



DC3 Overberg - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Forecast 2030/31	Forecast 2031/32	Forecast 2032/33	Total Contract Value
				Budget Year 2023/24	Budget Year +1 2024/25								
R thousand	1,3	Total	Original Budget			Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality:													
Revenue Obligation By Contract	2												
Contract 1													
Contract 2													
Contract 3 etc													
Total Operating Revenue Implication													
Expenditure Obligation By Contract	2												
Contract 1													
Contract 2													
Contract 3 etc													
Total Operating Expenditure Implication													
Capital Expenditure Obligation By Contract	2												
Contract 1													
Contract 2													
Contract 3 etc													
Total Capital Expenditure Implication													
Total Parent Expenditure Implication													
Entities:													
Revenue Obligation By Contract	2												
Contract 1													
Contract 2													
Contract 3 etc													
Total Operating Revenue Implication													
Expenditure Obligation By Contract	2												
Contract 1													
Contract 2													
Contract 3 etc													
Total Operating Expenditure Implication													
Capital Expenditure Obligation By Contract	2												
Contract 1													
Contract 2													
Contract 3 etc													
Total Capital Expenditure Implication													
Total Entity Expenditure Implication													

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / CORNER 12 BRG A22  
BREDENBURG 7201  
2023

29 MAY 2023

TEL: 028 425 1157 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za

DC3 Overberg - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	-	-	-	-	-	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticalation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

OVERBERG DISTRICT MUNICIPALITY  
26 LING STREET, LINDVATE BAG X22  
BREDASBURG 7260  
29 MAY 2023

TEL: 023 425 1457 • FAX: 023 425 1014  
info@omm.org.za • www.omm.org.za



<b>Community Assets</b>	-	-	-	-	-	-	-	-	-	
Community Facilities	-	-	-	-	-	-	-	-	-	
Halls	-	-	-	-	-	-	-	-	-	
Centres	-	-	-	-	-	-	-	-	-	
Crèches	-	-	-	-	-	-	-	-	-	
Clinics/Care Centres	-	-	-	-	-	-	-	-	-	
Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-	
Testing Stations	-	-	-	-	-	-	-	-	-	
Museums	-	-	-	-	-	-	-	-	-	
Galleries	-	-	-	-	-	-	-	-	-	
Theatres	-	-	-	-	-	-	-	-	-	
Libraries	-	-	-	-	-	-	-	-	-	
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-	
Police	-	-	-	-	-	-	-	-	-	
Parks	-	-	-	-	-	-	-	-	-	
Public Open Space	-	-	-	-	-	-	-	-	-	
Nature Reserves	-	-	-	-	-	-	-	-	-	
Public Ablution Facilities	-	-	-	-	-	-	-	-	-	
Markets	-	-	-	-	-	-	-	-	-	
Stalls	-	-	-	-	-	-	-	-	-	
Abattoirs	-	-	-	-	-	-	-	-	-	
Airports	-	-	-	-	-	-	-	-	-	
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-	
Indoor Facilities	-	-	-	-	-	-	-	-	-	
Outdoor Facilities	-	-	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-	
Monuments	-	-	-	-	-	-	-	-	-	
Historic Buildings	-	-	-	-	-	-	-	-	-	
Works of Art	-	-	-	-	-	-	-	-	-	
Conservation Areas	-	-	-	-	-	-	-	-	-	
Other Heritage	-	-	-	-	-	-	-	-	-	
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-	
Revenue Generating	-	-	-	-	-	-	-	-	-	
Improved Property	-	-	-	-	-	-	-	-	-	
Unimproved Property	-	-	-	-	-	-	-	-	-	
Non-revenue Generating	-	-	-	-	-	-	-	-	-	
Improved Property	-	-	-	-	-	-	-	-	-	
Unimproved Property	-	-	-	-	-	-	-	-	-	
<b>Other assets</b>	-	2 298	55	-	-	-	-	-	-	
Operational Buildings	-	-	-	-	-	-	-	-	-	
Municipal Offices	-	-	-	-	-	-	-	-	-	
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-	
Building Plan Offices	-	-	-	-	-	-	-	-	-	
Workshops	-	-	-	-	-	-	-	-	-	
Yards	-	-	-	-	-	-	-	-	-	
Stores	-	-	-	-	-	-	-	-	-	
Laboratories	-	-	-	-	-	-	-	-	-	
Training Centres	-	-	-	-	-	-	-	-	-	
Manufacturing Plant	-	-	-	-	-	-	-	-	-	
Depots	-	-	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
Housing	-	2 298	55	-	-	-	-	-	-	
Staff Housing	-	-	-	-	-	-	-	-	-	
Social Housing	-	2 298	55	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
<b>Intangible Assets</b>	-	-	-	6	-	-	-	-	-	
Servitudes	-	-	-	-	-	-	-	-	-	
Licences and Rights	-	-	-	6	-	-	-	-	-	
Water Rights	-	-	-	-	-	-	-	-	-	
Effluent Licences	-	-	-	-	-	-	-	-	-	
Solid Waste Licenses	-	-	-	-	-	-	-	-	-	
Computer Software and Applications	-	-	-	6	-	-	-	-	-	
Local Settlement Software Applications	-	-	-	-	-	-	-	-	-	
Unspecified	-	-	-	-	-	-	-	-	-	
<b>Computer Equipment</b>	-	78	137	4 500	365	365	-	-	-	
Computer Equipment	-	78	137	4 500	365	365	-	-	-	
<b>Furniture and Office Equipment</b>	272	95	174	203	45	45	30	20	-	
Furniture and Office Equipment	272	95	174	203	45	45	30	20	-	
<b>Machinery and Equipment</b>	835	590	1 047	403	3 673	3 673	100	50	75	
Machinery and Equipment	835	590	1 047	403	3 673	3 673	100	50	75	
<b>Transport Assets</b>	762	934	3 512	7	4 250	4 250	2 500	250	2 200	
Transport Assets	762	934	3 512	7	4 250	4 250	2 500	250	2 200	
<b>Land</b>	-	688	-	-	-	-	-	-	-	
Land	-	688	-	-	-	-	-	-	-	
<b>Zoo's, Marine and Non-biological Animals</b>	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	
<b>Living organisms</b>	-	-	-	-	-	-	-	-	-	
Autore	-	-	-	-	-	-	-	-	-	
Enduring and Historical	-	-	-	-	-	-	-	-	-	
Zoological plants and animals	-	-	-	-	-	-	-	-	-	
Invertebrate	-	-	-	-	-	-	-	-	-	
Enduring and Historical	-	-	-	-	-	-	-	-	-	
Zoological plants and animals	-	-	-	-	-	-	-	-	-	
<b>Total Capital Expenditure on new assets</b>	1	1 869	4 662	4 925	5 119	8 332	8 332	2 630	320	2 275

DC3 Overberg - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year+1 2024/25	Budget Year+2 2025/26
R thousand	1									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	-	-	-	-	-	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Refiltration		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / PRIVATE BAG X2  
BELLINGHAMP 7260

29 MAY 2023

TEL: 029 425 1157 • FAX: 029 425 1014  
info@dm.org.za • www.dm.org.za



Police	-	-	-	-	-	-	-	-	-	
Parks	-	-	-	-	-	-	-	-	-	
Public Open Space	-	-	-	-	-	-	-	-	-	
Nature Reserves	-	-	-	-	-	-	-	-	-	
Public Ablution Facilities	-	-	-	-	-	-	-	-	-	
Markets	-	-	-	-	-	-	-	-	-	
Stalls	-	-	-	-	-	-	-	-	-	
Abattoirs	-	-	-	-	-	-	-	-	-	
Airports	-	-	-	-	-	-	-	-	-	
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-	
Indoor Facilities	-	-	-	-	-	-	-	-	-	
Outdoor Facilities	-	-	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
Heritage assets	-	-	-	-	-	-	-	-	-	
Monuments	-	-	-	-	-	-	-	-	-	
Historic Buildings	-	-	-	-	-	-	-	-	-	
Works of Art	-	-	-	-	-	-	-	-	-	
Conservation Areas	-	-	-	-	-	-	-	-	-	
Other Heritage	-	-	-	-	-	-	-	-	-	
Investment properties	-	-	-	-	-	-	-	-	-	
Revenue Generating	-	-	-	-	-	-	-	-	-	
Improved Property	-	-	-	-	-	-	-	-	-	
Unimproved Property	-	-	-	-	-	-	-	-	-	
Non-revenue Generating	-	-	-	-	-	-	-	-	-	
Improved Property	-	-	-	-	-	-	-	-	-	
Unimproved Property	-	-	-	-	-	-	-	-	-	
Other assets	-	-	-	44	-	-	-	-	-	
Operational Buildings	-	-	-	-	-	-	-	-	-	
Municipal Offices	-	-	-	-	-	-	-	-	-	
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-	
Building Plan Offices	-	-	-	-	-	-	-	-	-	
Workshops	-	-	-	-	-	-	-	-	-	
Yards	-	-	-	-	-	-	-	-	-	
Stores	-	-	-	-	-	-	-	-	-	
Laboratories	-	-	-	-	-	-	-	-	-	
Training Centres	-	-	-	-	-	-	-	-	-	
Manufacturing Plant	-	-	-	-	-	-	-	-	-	
Depots	-	-	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
Housing	-	-	-	44	-	-	-	-	-	
Staff Housing	-	-	-	-	-	-	-	-	-	
Social Housing	-	-	-	44	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
Intangible Assets	-	-	-	-	-	-	-	-	-	
Servitudes	-	-	-	-	-	-	-	-	-	
Licences and Rights	-	-	-	-	-	-	-	-	-	
Water Rights	-	-	-	-	-	-	-	-	-	
Effluent Licenses	-	-	-	-	-	-	-	-	-	
Solid Waste Licenses	-	-	-	-	-	-	-	-	-	
Computer Software and Applications	-	-	-	-	-	-	-	-	-	
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-	
Unspecified	-	-	-	-	-	-	-	-	-	
Computer Equipment	-	171	136	450	270	270	260	100	100	
Computer Equipment	-	171	136	450	270	270	260	100	100	
Furniture and Office Equipment	16	35	2 898	2 057	440	440	981	116	176	
Furniture and Office Equipment	16	35	2 898	2 057	440	440	981	116	176	
Machinery and Equipment	625	-	321	-	40	40	900	-	-	
Machinery and Equipment	625	-	321	-	40	40	900	-	-	
Transport Assets	-	-	400	100	405	405	-	-	-	
Transport Assets	-	-	400	100	405	405	-	-	-	
Land	-	-	-	-	-	-	-	-	-	
Land	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	
Living resources	-	-	-	-	-	-	-	-	-	
Nature	-	-	-	-	-	-	-	-	-	
Poling and Protection	-	-	-	-	-	-	-	-	-	
Zoological photo and animals	-	-	-	-	-	-	-	-	-	
Heritage	-	-	-	-	-	-	-	-	-	
Poling and Protection	-	-	-	-	-	-	-	-	-	
Zoological photo and animals	-	-	-	-	-	-	-	-	-	
Total Capital Expenditure on renewal of existing assets	1	641	206	3 755	2 651	1 155	1 155	2 141	216	276
Renewal of Existing Assets as % of total capex		21.4%	4.1%	39.4%	25.8%	7.5%	7.5%	37.1%	40.3%	10.8%
Renewal of Existing Assets as % of deprecn"		17.9%	5.4%	105.1%	73.1%	31.8%	31.8%	58.6%	5.9%	7.4%

OMBERBERG DISTRICT MUNICIPALITY  
26 LONG STREET, FRANKFURT BAG X32  
BRECKENRIDGE 7260  
29 MAY 2023

*[Handwritten signature]*

DC3 Overberg - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Regality and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	-	-	5 363	6 271	6 271	6 677	7 082	7 507
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads:		-	-	-	-	-	-	-	-	-
Road Structures:		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	30	30	30	-	5	5
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	30	30	30	-	5	5
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticalation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	5 333	6 241	6 241	6 677	7 077	7 502
Landfill Sites		-	-	-	5 333	6 241	6 241	6 677	7 077	7 502
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures:		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Cable Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinic/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / KENNEDY BAG X22  
BRANDSBURG 7200  
TEL: 020 425 1107 • FAX: 020 425 1014  
info@dm.org.za • www.dm.org.za

29 MAY 2023



Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	4 749	5 414	8 003	855	654	654	942	873	703
Operational Buildings	-	-	-	700	579	579	872	601	628
Municipal Offices	-	-	-	700	579	579	872	601	628
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Housing	4 749	5 414	8 003	75	75	75	70	72	75
Staff Housing	-	-	-	-	-	-	-	-	-
Social Housing	4 749	5 414	8 003	75	75	75	70	72	75
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-
Services	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Water Rights	-	-	-	-	-	-	-	-	-
Effluent Licences	-	-	-	-	-	-	-	-	-
Solid Waste Licences	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	-	-	-	-	-	-	-	-
Local Settlement Software Applications	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>	-	-	-	-	4	4	4	4	4
Furniture and Office Equipment	-	-	-	-	4	4	4	4	4
<b>Machinery and Equipment</b>	1 327	905	726	712	726	726	616	627	661
Machinery and Equipment	1 327	905	726	712	726	726	616	627	661
<b>Transport Assets</b>	2 475	3 005	1 934	1 521	1 862	1 862	1 437	1 528	1 592
Transport Assets	2 475	3 005	1 934	1 521	1 862	1 862	1 437	1 528	1 592
<b>Land</b>	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
<b>Leasehold Assets</b>	-	-	-	-	-	-	-	-	-
Leasehold Assets	-	-	-	-	-	-	-	-	-
<b>Right of Use Assets</b>	-	-	-	-	-	-	-	-	-
Right of Use Assets	-	-	-	-	-	-	-	-	-
<b>Right of Use Assets</b>	-	-	-	-	-	-	-	-	-
Right of Use Assets	-	-	-	-	-	-	-	-	-
<b>Right of Use Assets</b>	-	-	-	-	-	-	-	-	-
Right of Use Assets	-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	1	8 550	9 324	10 863	8 451	9 547	9 547	9 975	9 914
<b>R&amp;M as a % of PPE</b>		13.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>R&amp;M as a % of Operating Expenditure</b>		4.0%	3.9%	4.4%	3.3%	3.6%	3.6%	3.7%	3.7%

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET / KLOOFATE BAG X22  
BERGAMOED 7280  
TEL: 028 425 1457 • FAX: 028 425 1014  
info@odm.org.za • www.odm.org.za  
29 MAY 2023

DC3 Overberg - Supporting Table SA34d Depreciation by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Depreciation by Asset Class/Sub-class</b>	<b>1</b>									
<b>Infrastructure</b>		1 264	1 444	1 004	554	554	554	582	606	632
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Stormwater Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Stormwater Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Refeculation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		1 264	1 444	1 004	554	554	554	582	606	632
Landfill Sites		308	518	94	254	254	254	282	306	332
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares Operational		956	926	910	300	300	300	300	300	300
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Stormwater Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Cable Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		-	0	0	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinic/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-

  
 OVERBERG DISTRICT MUNICIPALITY  
 26 LONG STREET / PRIVATE BAG X22  
 BEERUN 71280  
 29 MAY 2023  
 TEL: 028 425 5161 • FAX: 028 425 1014  
 info@dm.org.za • www.dm.org.za





Nature Reserves	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	0	0	-	-	-	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	0	0	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	14	14	14	14	14	14
Revenue Generating	-	-	-	14	14	14	14	14	14
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	14	14	14	14	14	14
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	190	522	266	120	120	120	120	120	120
Operational Buildings	190	522	266	120	120	120	120	120	120
Municipal Offices	-	-	-	120	120	120	120	120	120
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-
Capital Spares	190	522	266	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Staff Housing	-	-	-	-	-	-	-	-	-
Social Housing	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>	8	6	4	2	2	2	2	3	1
Sevitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	8	6	4	2	2	2	2	3	1
Water Rights	-	-	-	-	-	-	-	-	-
Effluent Licences	-	-	-	-	-	-	-	-	-
Solid Waste Licences	-	-	-	-	-	-	-	-	-
Computer Software and Applications	8	6	4	2	2	2	2	3	1
Land Settlement Software Applications	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>	217	224	224	497	497	497	497	497	499
Computer Equipment	217	224	224	497	497	497	497	497	499
<b>Furniture and Office Equipment</b>	420	358	767	481	481	481	481	484	487
Furniture and Office Equipment	420	358	767	481	481	481	481	484	487
<b>Machinery and Equipment</b>	290	267	354	32	32	32	32	32	32
Machinery and Equipment	290	267	354	32	32	32	32	32	32
<b>Transport Assets</b>	1 185	1 010	957	1 925	1 925	1 925	1 925	1 925	1 925
Transport Assets	1 185	1 010	957	1 925	1 925	1 925	1 925	1 925	1 925
<b>Land</b>	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
<b>Libraries</b>	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
<b>Printing and Production</b>	-	-	-	-	-	-	-	-	-
Printing and Production	-	-	-	-	-	-	-	-	-
<b>Technology and IT</b>	-	-	-	-	-	-	-	-	-
Technology and IT	-	-	-	-	-	-	-	-	-
<b>25th Anniversary</b>	-	-	-	-	-	-	-	-	-
25th Anniversary	-	-	-	-	-	-	-	-	-
<b>Total Depreciation</b>	1	3 573	3 831	3 575	3 626	3 626	3 626	3 654	3 709

TELE: 028 426 7457 • FAX: 028 425 1014  
 INFORMATION@OUM.KE • WWW.OUM.KE

29 MAY 2023

OVERBERG DISTRICT MUNICIPALITY  
 26 LOMB STREET • PRIVATE BAG X22  
 BREDASBURGH 7280

DC3 Overberg - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
<b>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	-	-	39	4 900	4 900	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticalation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	39	4 900	4 900	-	-	-
Landfill Sites		-	-	-	39	4 900	4 900	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-

TEL: 028 426 1497 • FAX: 028 426 1014  
 info@overberg.gov.za • www.overberg.gov.za

29 MAY 2023

OVERBERG DISTRICT MUNICIPALITY  
 26 LOUGHE STREET / PRIVATE BAG X22  
 BREDENBURG 7290



Public Open Space	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-
Taxi Rank/Bus Terminus	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	84	169	316	315	933	933	320	-	-
Operational Buildings	-	-	-	15	283	283	320	-	-
Municipal Offices	-	-	-	15	283	283	320	-	-
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Housing	84	169	316	300	650	650	-	-	-
Staff Housing	-	-	-	-	-	-	-	-	-
Social Housing	84	169	316	300	650	650	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Water Rights	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	-	-	-	-	-	-	-	-
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>	384	-	-	-	-	-	680	-	-
Computer Equipment	384	-	-	-	-	-	680	-	-
<b>Furniture and Office Equipment</b>	19	-	38	-	-	-	-	-	-
Furniture and Office Equipment	19	-	38	-	-	-	-	-	-
<b>Machinery and Equipment</b>	-	-	503	-	-	-	-	-	-
Machinery and Equipment	-	-	503	-	-	-	-	-	-
<b>Transport Assets</b>	-	-	-	2 150	-	-	-	-	-
Transport Assets	-	-	-	2 150	-	-	-	-	-
<b>Land</b>	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
<b>Living resources</b>	0	0	-	-	-	-	-	-	-
Marine	0	0	-	-	-	-	-	-	-
Fishing and Fisheries	0	0	-	-	-	-	-	-	-
Zoological parks and animals	0	0	-	-	-	-	-	-	-
Investing	-	-	-	-	-	-	-	-	-
Fishing and Fisheries	-	-	-	-	-	-	-	-	-
Zoological parks and animals	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on upgrading of existing assets</b>	1	488	169	850	2 504	5 833	5 833	1 000	-
<b>Upgrading of Existing Assets as % of total capex</b>		16.3%	3.3%	9.0%	24.4%	38.1%	38.1%	17.3%	0.0%
<b>Upgrading of Existing Assets as % of deprecn</b>		13.7%	4.4%	24.0%	69.1%	160.9%	160.9%	27.4%	0.0%

TEL: 028 428 7487 FAX: 028 428 1014  
 info@omni.org.za www.omni.org.za

29 MAY 2023

OVERBERG DISTRICT MUNICIPALITY  
 20 LINDSAY STREET, PRIVATE BAG X22  
 LINDSAY, 7280

DC3 Overberg - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2023/24 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Present value
<b>R thousand</b>								
<b>Capital expenditure</b>	1							
Vote 1 - Municipal Manager		30	20	-				
Vote 2 - Management Services		-	-	-				
Vote 3 - Corporate Services		1 485	180	230				
Vote 4 - Finance		10	15	10				
Vote 5 - Community Services		4 246	321	2 311				
<b>Total Capital Expenditure</b>		<b>5 771</b>	<b>536</b>	<b>2 551</b>	-	-	-	-
<b>Future operational costs by vote</b>	2							
Vote 1 - Municipal Manager								
Vote 2 - Management Services								
Vote 3 - Corporate Services								
Vote 4 - Finance								
Vote 5 - Community Services								
<b>Total future operational costs</b>		-	-	-	-	-	-	-
<b>Future revenue by source</b>	3							
Exchange Revenue								
Service charges - Electricity								
Service charges - Water								
Service charges - Waste Water Management								
Service charges - Waste Management								
Agency services								
<b>Total future revenue</b>		-	-	-	-	-	-	-
<b>Net Financial Implications</b>		<b>5 771</b>	<b>536</b>	<b>2 551</b>	-	-	-	-

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET, PO BOX 100, BAKERSBURG 7260  
BMLD 00000000 1000  
29 MAY 2023  
TEL: 028 425 1014  
info@odm.org.za FAX: 028 425 1014  
www.odm.org.za



[illegible]





R thousand		2022/24 Medium Term Revenue & Expenditure Framework														
Function	Project name	Project number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Previous target year to complete	Current Year 2022/23	Budget Year 2022/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Ward municipality:</b> List all capital projects grouped by Function																
<b>Entity Name</b> Project name																
<b>Entity Name</b> Project name																

**Instructions:**

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET - WINDIE BAG X22  
BELLVILLE 7530

29 MAY 2023

TEL: 028 425 1141 • FAX: 028 425 1014  
info@omn-og.co.za • www.omn-og.za



DC3 Overberg - Supporting Table SA33 Consolidated detailed operational projects

2023/24 Medium Term Revenue & Expenditure Framework													
Function	Project Description	Project Number	Type	MTSF Service Outcome	RDP	Own Strategic Objective	Asset Class	Asset Sub-Class	Wind Location	GPS Longitude	GPS Latitude	Five year outcomes	
												Audited Outcome 2021/22	Current Year 2023/23 Full Year Forecast
Peat municipality:  List of operations/projects grouped by Function	Environmental protection											2 395	3 310
	Sanitation and council											12 403	9 934
	Finance and administration											1 558	2 150
	Health and administration											25 008	21 036
	Transport and administration											1 248	1 494
	Fire and administration											11 133	14 473
	Good governance and community participation											15 512	18 271
	Health and administration											1 520	1 860
	Planning and development											709	1 557
	Public safety											34 728	38 229
	Road transport											11 800	113 457
	Sport and recreation											15 962	17 160
	Waste management											10 062	9 945
Peat Operational expenditure												244 445	278 781
Enslers:  List of Operational projects grouped by Entity													
	Entity A												
	Water project A												
	Entity B												
	Electricity project B												
Entity Operational expenditure												-	-
Total Operational expenditure												244 445	278 781

OVERBERG DISTRICT MUNICIPALITY  
26 LONG STREET - PRIVATE BAG X22  
BAG 7280  
29 MAY 2023  
TEL: 028 425 1014 FAX: 028 425 1014  
Info@odm.org.za www.odm.org.za