

Polokwane Municipality

MTREF Budget

2018/19

CR/154/05/18



The Ultimate in Innovation and Sustainable Development



Contents

Revenue: Tariff increases:.....	9
Expenditure increases.....	10
Operating Transfers and Grant Receipts.....	14
The 2017/18 financial year capital infrastructure grants allocation	23
2018/19-2020/2021 Service Delivery Impact of MTREF.....	28
COMMUNITY SERVICES DIRECTORATE	30
OVERVIEW OF ALIGNMENT OF BUDGET WITH IDP.....	34
Challenges faced by the Municipality in providing water	41
Challenges faced by the Municipality in providing Sanitation	42
Challenges/Achievements by the Municipality to provide Energy	42
Challenges faced by the Municipality in providing Roads.....	43
Functions and context of public participation	43
Mechanisms for participation	44
Procedures for participation	44
8. OVERVIEW OF BUDGET RELATED POLICIES.....	47
Detailed Budget Tables.....	52
MBRR Table A9 - Asset Management.....	62
MBRR Table A10 - Basic Service Delivery Measurement.....	65
MBRR Table SA1 - Supporting detail to budgeted financial performance	67
MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)	69
MBRR Table SA3 – Supporting detail to Statement of Financial Position	70
Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)	71
Table SA3 – Supporting detail to Statement of Financial Position	72
Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)	73
Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)	73

Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)	74
Supporting Table SA8 Performance indicators and benchmarks.....	74
Supporting Table SA9 Social, economic and demographic statistics and assumptions.....	75
Supporting Table SA9 Social, economic and demographic statistics and assumptions.....	76
MBRR SA10 – Funding compliance measurement	78
Supporting Table SA11 Property rates summary.....	80
Supporting Table SA12a Property rates by category (current year)	81
Supporting Table SA12b Property rates by category (budget year)	81
Supporting Table SA13a Service Tariffs by category.....	82
Supporting Table SA13b Service Tariffs by category.....	83
Supporting Table SA14 Household bills	84
Supporting Table SA15 Investment particulars by type	85
Supporting Table SA17 Borrowing	85
Supporting Table SA18 Transfers and grant receipts	86
Supporting Table SA19 Expenditure on transfers and grant programme	87
Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds	88
Supporting Table SA21 Transfers and grants made by the municipality	88
Supporting Table SA22 Summary councillor and staff benefits.....	89
Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers).....	90
Supporting Table SA24 Summary of personnel numbers	91
Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure.....	93
Supporting Table SA26 Consolidated budgeted monthly revenue and expenditure (municipal vote).....	94
Table SA27 Consolidated budgeted monthly revenue and expenditure (functional classification).....	95
Supporting Table SA28 Consolidated budgeted monthly capital expenditure (municipal vote)	97
Supporting Table SA29 Consolidated budgeted monthly capital expenditure (functional classification).....	98
Supporting Table SA30 Consolidated budgeted monthly cash flow	99
Supporting Table SA30 Consolidated budgeted monthly cash flow.....continued	100
Supporting Table SA34a Consolidated capital expenditure on new assets by asset class ...	101
MBRR SA 34a - Capital expenditure on new assets by asset class.....	102

Table 56 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class	104
Table 57 MBRR SA34c - Repairs and maintenance expenditure by asset class	105
Supporting Table SA34d Depreciation by asset class	107
Supporting Table SA34e Consolidated capital expenditure on the upgrading of existing assets by asset class.....	109
Multi Year Capital Budget Program 2018/19.....	110
Annexure A: Polokwane Housing Association.....	115
Table D1 Budget Summary	117
Polokwane Housing Agency - Table D2 Budgeted Financial Performance (revenue and expenditure)	118
Polokwane Housing Agency - Table D3 Capital Budget by vote and funding.....	119
Polokwane Housing Agency - Table D4 Budgeted Financial Position.....	120
Polokwane Housing Agency - Table D5 Budgeted Cash Flow.....	121
Municipal Manager Quality Certificate	122

List of Tables

Table A1	Consolidated Budget Summary
Table A2	Consolidated Budget Financial Performance (Revenue & Expenditure by Std Classification)
Table A3	Consolidated Budget Financial Performance (Revenue & Expenditure by Municipal Vote)
Table A4	Consolidated Budgeted Financial Performance (Revenue & Expenditure)
Table A5	Consolidated Budgeted Capital Expenditure by vote, standard (Classification & Funding)
Table A6	Consolidated Budgeted Financial Position
Table A7	Consolidated Budgeted Cash Flows
Table A8	Consolidated Cash Backed Reserves/Accumulated (Surplus Reconciliation)
Table A9	Consolidated Asset Management
Table A10	Consolidated Basic Service Delivery measurement
Supporting Table SA1	Supporting detail to 'Budgeted Financial Performance
Supporting Table SA2	Consolidated Matrix Financial Performance Budget (Revenue and Source)
Supporting Table SA3	Supporting detail for 'Budgeted Financial Position'
Supporting Table SA4	Reconciliation of IDP strategic objectives and budget (revenue)
Supporting Table SA5	Reconciliation of IDP strategic objectives and budget (operating expenditure)
Supporting Table SA6	Reconciliation of IDP strategic objectives and budget (capital expenditure)
Supporting Table SA7	Measurable performance objectives
Supporting Table SA8	Performance indicators and benchmarks
Supporting Table SA9	Social, Economic and demographic statistics and assumptions
Supporting Table SA10	Funding measurement
Supporting Table SA11	Property Rates Summary
Supporting Table SA12 (a)	Property Rates by category
Supporting Table SA12 (b)	Property Rates by Category
Supporting Table SA13 (a)	Service Tariffs by Category
Supporting Table SA13 (b)	Service Tariffs by Category - explanatory
Supporting Table SA14	Household Bills
Supporting Table SA15	Investments particulars per type
Supporting Table SA16	Investment particulars by maturity
Supporting Table SA17	Borrowing
Supporting Table SA18	Transfers and Grants receipts
Supporting Table SA19	Expenditure on Transfer and Grant Programme
Supporting Table SA20	Reconciliation of transfers, grants receipts and unspent funds
Supporting Table SA21	Transfers and Grants made by the municipality
Supporting Table SA22	Summary Councillor and Staff Benefits
Supporting Table SA23	Salaries, allowances & benefits (political office bearers, councillors & senior Management
Supporting Table SA25	Consolidated budgeted monthly revenue and expenditure
Supporting Table SA26	Consolidated budgeted monthly revenue and expenditure (municipal vote)
Supporting Table SA27	Consolidated budgeted monthly revenue and expenditure (standard classification)
Supporting Table SA28	Consolidated budgeted monthly capital expenditure (municipal vote)
Supporting Table SA29	Consolidated budgeted monthly capital expenditure (standard classification)

Supporting Table SA30	Consolidated budgeted monthly cash flow
Supporting Table SA31	Aggregated entity budget
Supporting Table SA32	List of external mechanisms
Supporting Table SA34 (a)	Consolidated capital expenditure on new assets by asset class
Supporting Table SA34 (b)	Consolidated capital expenditure on existing assets by asset class
Supporting Table SA34 (c)	Consolidated repairs and maintenance by asset class
Supporting Table SA34 (d)	Consolidated depreciation by asset class
Supporting Table SA34 (e)	Consolidated capital expenditure on upgrading assets by asset class
Supporting Table SA35	Consolidated future financial implications of the Capital Budget
Supporting Table SA36	Consolidated detailed capital budget
Supporting Table SA37	Consolidated projects delayed from previous financial year/s

Abbreviations and Acronyms

ASGISA	Accelerated and Shared Growth Initiative	MTREF	Medium-term Revenue and Expenditure Framework
CFO	Chief Financial Officer	NERSA	National Electricity Regulator South Africa
CM	Municipality Manager	NGO	Non-Governmental Organisations
CPI	Consumer Price Index	NKPIs	National Key Performance Indicators
CRRF	Capital Replacement Reserve Fund	OHS	Occupational Health and Safety
DBSA	Development Bank of South Africa	OP	Operational Plan
DoRA	Division of Revenue Act	PBO	Public Benefit Organisations
DWA	Department of Water Affairs	PHC	Provincial Health Care
EE	Employment Equity	PMS	Performance Management System
EEDSM	Energy Efficiency Demand Side Management	PPE	Property Plant and Equipment
FBS	Free basic services	PPP	Public Private Partnership
GDP	Gross Domestic Product	PTIS	Public Transport Infrastructure System
GFS	Government Financial Statistics	RSC	Regional Services Council
GRAP	General Recognised Accounting Practice	SALGA	South African Local Government Association
HR	Human Resources	SAPS	South African Police Service
HSRC	Human Science Research Council	SDBIP	Service Delivery Budget
IDP	Integrated Development Plan		Implementation Plan
IT	Information Technology	SMME	Small Micro and Medium Enterpri
kℓ	kilolitre		
km	kilometre		
KPA	Key Performance Area		
KPI	Key Performance Indicator		
kWh	kilowatt hour		
ℓ	litre		
LED	Local Economic Development		
M	Mayor		
MBRR	Municipal Budget & Reporting Regulations		
MEC	Member of the Executive Committee		
MFMA	Municipal Financial Management Act		
MIG	Municipal Infrastructure Grant		
MPRA	Municipal Properties Rates Act		
MSA	Municipal Systems Act		
MTEF	Medium-term Expenditure Framework		

List of Votes

Vote 1 – Council

Vote 2 - Office of the Municipal Manger

Vote 3 - Strategic Planning Monitoring and Evaluation

Vote 4 - Engineering Services

Vote 5 - Community Services

Vote 6 - Community Development

Vote 7 - Corporate and Shared Services

Vote 8 - Planning and Economic Development

Vote 9 - Budget and Treasury

Vote 10 - Transport Operations

Part 1 – Annual budget

1.1 Mayor's Report

2018/19 BUDGET SPEECH BY EXECUTIVE MAYOR OF POLOKWANE MUNICIPALITY CLLR TP NKADIMENG, NEW COUNCIL CHAMBER, 30 MAY 2018.

Honorable Speaker of Council, Cllr Mariri Ralefatane

The Chief Whip of Council, Cllr Mamedupi Teffo

Members of the Mayoral Committee

Chairpersons of Council Committees, Fellow Councillors

Leadership of the ruling party and other parties present today

Leadership of Labour

Fellow residents

Members of the Media

A beautiful Wednesday to you all

Mr Speaker,

Once again I stand before this honorable Council that represents the aspirations of the people of Polokwane. I stand here with the greatest sense of appreciation and humility for the opportunity afforded to me to present the second year of term Integrated Development Plan (IDP) and Medium Term Revenue and Expenditure Framework (MTREF) for the period 2018-2021. Being led by the ANC, this municipality's programme of development is aligned to the clear mandate that we received from the people – to deliver sustainable services. This year we celebrate the 100 years of President Nelson's life and legacy. This is the ANC and the world's icon who strived for the freedom and liberation of the people of this country. It is his life ideals and ethos that we are celebrating and that must find expression in everything we do as Council to bring development in Polokwane and to improve the living conditions of our communities. In the same spirit we celebrate the life and contribution of the late Mama Albertina Sisulu who contributed immensely to the struggle and liberation of women in this country. Again as we will be adopting this budget, we do so mindful of the loss of another stalwart of the movement that we have recently suffered as a country – the loss of Mama Winnie Madikizela Mandela. May her soul rest in peace! Many years ago, President Mandela said to us: "To deny people their human rights, is to challenge their very humanity." It may be years ago but this message remains relevant to this day. To this day we aspire to put our energy in pursuit of the challenge that President Mandela gave us as a nation – to build a South Africa in which all people have a decent standard of living, access to economic opportunities and opportunity to pursue their dreams. We continue to be encouraged and inspired by the call made by President Ramaphosa during his inaugural speech that a new dawn was upon us and urged us to renew our nation's promise to become a better people.

We have an obligation as Council, to see this challenge become a reality for the people of Polokwane and it must resonate in every decision that we take and make sure that the people of Polokwane enjoy better living conditions. This we can achieve by allowing ourselves to be subjected to public scrutiny and restoring the confidence of all stakeholders. We must remain resolute on our decision to ensure that the poor in the municipality are subsidized on all the key services which municipality offers while at the same time our communities are encouraged to live up to the principle of social contract. We have to continue on this drive by ensuring that we deliver basic services to all communities. It is therefore imperative on our part as Council that we maximize financial efficiency and embrace the principle of value for money. We have to ensure that 2018/19 BUDGET ADOPTED the Municipality remains financially sustainable as we are under constant pressure to maintain our level of service-delivery to the fast growing population of our area.

This budget is a product of a very robust and intense programme of the Integrated Development Plan consultation with our communities and other stakeholders during April and May 2018.

As previously, our budget has ensured that it covers the following key basic service delivery such as water, electricity, sanitation and roads. We will ensure that we radicalize our local economy by empowering the SMME's through procurement systems.

In order to ensure that we are able to heighten the pace of service delivery and to provide sustainable services, we continue on the path of sourcing alternative approaches on funding. We have to continue with creating a conducive environment for investors' confidence that will in turn support job creation.

Revenue Budget

Mr Speaker

This budget we propose here will drive the IDP and assist us in attaining our objectives. In order to

keep up with the demand for sustainable services, we have proposed tariff increase on our big five

revenue streams, which are Electricity, Water, Sanitation, Refuse Removal and Assessment Rates. As we are all aware, our communities cannot afford sharp increases on rates and tariffs. We have consulted all the stakeholders on our proposed tariff increases for 2018-2019 and we have taken their inputs into consideration. We have also considered the economic, social, and financial factors in determining the increases. The budget and IDP processes strengthened our decision to safely persuade Council to adopt the following increases:

Electricity by 8.5%,

Water by 10.5% while

Sanitation, refuse removal, assessment rates and all other tariffs by 6%.

The total operating revenue of R3.6 billion has grown by 8.4 per cent for the 2018/19 financial year

when compared to the 2017/18 Adjustment Budget. Indigent Management. We have presented the proposed tariff increases mindful of our indigent households. Let me reiterate that the municipality will continue in the financial year 2018/19 to provide our pensioners earning monthly income of R 8 300 and above the indigent threshold of R3 500 per household to get rebates of 80% on assessment rates. In addition to the supply of basic services to rural areas, The Urban Indigent package will include the following:

- R100 000 of the Market value of the property excluded from Assessment Rates.
- 6kl – Free Water
- 100kWh – Free Electricity
- 100% rebate on Sanitation
- 100% rebate on Refuse removal
- 100% rebate on Electricity basic charge

Operational Budget according to its significance.

Employee related cost is expected to increase in line with SALGA bargaining Agreement which is CPIX+1.

Employee related costs will increase at 6.2%

Bulk Purchases of water to increase by average 6.0%

Bulk Purchases of electricity to increase by average of 6.0%

Debt collection rate is expected to reach 89.5%.

I must emphasise that bulk purchases remains material cost driver to this council, purchases of water and electricity from Lepelle Northern Water and Eskom has been budgeted at R915 Million in the 2018/19. I want to indicate to the house that as a parent Municipality to PHA, we have recapitalised the entity by repaying their existing loan in order for the entity to be independent and financially sustainable. We budgeted R11 million per annum for operational expenditure and R90 million for 2018/19 BUDGET ADOPTED Ga-Rena Phase 2 in the next three years in order for PHA to be self-sustainable.

Capital Expenditure Budget

Mr. Speaker, we have prioritised our budget into both basic and social services. The total operating expenditure for the 2018/19 financial year has been appropriated at almost R3.4 billion. When compared to the 2017/18 adjustment budget, the operating expenditure has grown by 6.3 per cent. Capital projects will be funded from grants to the amount of R1.25 billion whilst R670 million will be funded from own funds and borrowings. The capital budget includes R33.3 million for Sport & Recreation, R492.2 million for BRT infrastructure, R311.9 million for roads and storm water, R300 million for water supply and reticulation, R392 million for sewer reticulation and R69 million for electricity infrastructure. The major breakdown of this budget will be provided in the State of the City Report campaign by the Executive Mayor. It is through this budget that our yearning for economic development would translate to the expansion of economic activities that will in turn create jobs that will give many people within our communities an opportunity to earn a living. Through this budget, we will make sure that

our goal of developing our communities through sustainable services is realized. We believe that all our communities deserve to be treated as equal citizens. Ours is to live up to their expectations and spend this budget in a focused and impact-based manner. For us to achieve this, we need a stabilized, modernized and operational service delivery environment.

Water Conservation

South Africa is a water-scarce country, and our climate is changing in ways that make rainfall patterns far less predictable than in the past. We need to conserve water – all of us. We have as a country, among the highest levels of daily domestic water consumption levels in the world. We will heighten our water conservation campaign and continue to work with the provincial and national government on measures to effectively respond to sustainable water provision.

Conclusion

Mr. Speaker, let me take this opportunity to thank the Municipal Manager, the CFO, Deputy CFO, Budget and Treasury and the IDP team for spending sleepless nights making sure that we present a credible budget and IDP.

We thank the Budget Steering Committee, Members of Joined Portfolios on Finance & LED and Administration & Governance for ensuring that this budget is prepared, aligned with the national priorities agenda and is funded. We thank all the employees of Polokwane who continue to perform with excellence and dedication. Special thanks goes to our traditional leaders who have always backed us and provide the necessary support. It is because of this dedication and support from all of us in this house that this city continues to be the backbone of the Limpopo Province. Like Nelson Mandela said: "It always seem impossible until it is done!" I call upon everyone in this chambers and all the people of Polokwane to join hands with us as we continue in our endeavour to build as a better and smatter Polokwane. We have started. We are focused on the goal. We are building Polokwane. Re aga Polokwane! Pula!

I Thank You

1.2 Council Resolution

1. That the annual budget of the municipality and municipal entity (Polokwane Housing Association) for the financial year 2018/19 and the multi-year and single-year capital appropriations as set out in the following tables be approved and adopted:
 - 1.1 Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table A2;
 - 1.2 Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table A3;
 - 1.3 Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table A4 and D2; and
 - 1.4 Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table D3.

2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
 - 2.1 Budgeted Financial Position as contained in Table A6 and D4;
 - 2.2 Budgeted Cash Flows as contained in Table A7 and D5;
 - 2.3 Cash backed reserves and accumulated surplus reconciliation as contained in Table A8;
 - 2.4 Asset management as contained in Table A9; and
 - 2.5 Basic service delivery measurement as contained in Table A10.

3. The Council of Polokwane Municipality, acting in terms of section 75A of the Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2018: as set out in the Proposed Tariffs booklet:
 - 3.1 the tariffs for property rates
 - 3.2 the tariffs for electricity
 - 3.3 the tariffs for the supply of water
 - 3.4 the tariffs for sanitation services
 - 3.5 the tariffs for solid waste services

4. That the following budget related policies be approved for implementation in 2018/2019;
 - Cash management and Investment Policy
 - Leave Policy
 - Integrated Customer Care Policy
 - Asset Management Policy
 - Loss and Claims Policy
 - Budget and Virement Policy
 - Performance Management System Policy
 - Funding and reserves Policy
 - Borrowing Policy
 - Indigent and Social Assistance Policy
 - Supply chain management Policy

- Credit control and debt collection Policy
- Consumer Deposit Policy
- Tariff Policy
- Property Rates Policy
- Subsistence and Travelling Policy

This 2018/19 MTREF Budget places emphasis on inclusive growth, as well as a progressive programme of capital expenditures. The MTREF Budget also relies on practice of good governance and a public ethic that values honesty and fairness. If we act together, on these principles, as public representatives, civil servants, business people, youth, workers and citizens, we can overcome the challenges of tough economic times and difficult adjustments.

The following budgeting **PRINCIPLES** were applied in formulating the medium term budget:

- Realistic and achievable collection rates.
- Sustainable, affordable, realistic and balanced budget
- Major tariffs to be cost reflective, realistic and affordable
- Budget to contribute to achieving strategic objectives of the IDP
- Balancing capital expenditure for social, economic, rehabilitation and support

In this MTREF we have ensured that we eradicate non-priority spending and reprioritise expenditure to focus on core infrastructure and service delivery.

The main **CHALLENGES** experienced during the compilation of the 2018/2019 MTREF are as follows:

- National Treasury Austerity measures with minimal growth in grant allocations.
- Huge backlogs and further demands due to urbanization.
- Economic slowdown & unemployment: impacts on collection rates
- Limited available own funding to fund much needed infrastructure

The following are some of the **AUSTERITY MEASURES** that will be applied to the 2018/19 medium term budgets, in order confirm to National Treasury cost containment guidelines.

- Utilisation of vehicles will closely monitored via the vehicle tracking system.
- Strategic approach to vacancies. Analysis of vacancies carried out.
- Fuel, overtime, catering, and consultants are some of the costs that are closely monitored.

Total budget for the 2018/19 financial year is R5.2 billion made up of an operating budget of R3.3 billion and a capital budget of R1.9 billion. The focus of this budget will be directed to the key areas in line with our promises to improve the lives of our people. Ensuring good governance in the City and ensuring the effective use of public funds and enhance accountability

The following assumptions were taken into account during the compilation of MTREF budget:

Revenue: Tariff increases:

- **Electricity:** charges proposed to increase by 8.5%.
- **Water services:** charges proposed to increase by 10.5%.

- **Sanitation:** charges proposed to increase by 6%
- **Waste Removal:** charges proposed to increase by 6 %.
- **Assessment rates:** charges proposed to increase by 6 %

Tarriff Increases over MTREF (%)	201819	201920	202021
Electricity	8,5	9,5	10
Water services	10,5	10,25	10
Sanitation	6	6,5	7
Waste Removal	6	6,5	7
Assessment rates	6	6	6

- Growth is estimated at 2% per annum
- Debtors collection is estimated at 90 %
- Other tariffs: These tariffs will increase at a CPIX rate as outline in circular 89 issued by National Treasury.

The municipality will embark on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers and to ensure that all revenue due is billed correctly and collected efficiently

Expenditure increases

1. **Electricity bulk purchases** have been increased by 6% in line with NERSA guidelines.
2. **Water bulk purchases** have been increased by 6% in line with National Treasury's inflation forecasts.
3. **Salaries and allowances** have been increased by 7% subject to agreement at South African Local Government Bargaining Council.
4. **Other expenses** will increase at rate CPIX
5. **Other Materials** will increase at rate CPIX

The following are general contributory factors for the increase in levels of rates and service charges:

- The cost of bulk purchases.
- Cost of the social package to indigents.
- Salary increase with effect from 1 July 2018.
- Increased maintenance of network and infrastructure

The cost pressures of the water and electricity bulk purchases tariffs continue to grow faster than the inflation rate. Given that these tariff increases are determined by the external bodies; the impacts they have on the municipality's tariff are largely outside the control of the Municipality. Furthermore, the adverse impacts of the current economic climate coupled with unfavourable external pressures on services, make tariff increases higher than the CPI levels inevitable.

Indigent subsidies

Provision is made in the operating budget for the subsidizing of indigent households. This subsidy includes a free 6Kl of water, 100 units of electricity, a 100% subsidy for refuse removal and sewerage charges. A 100% rebate on assessment rates will also be given for Indigent households. The subsidy allowed, exceeds the National norm and stretches the affordability threshold of the municipality.

To qualify as indigents, the household income must not exceed R3 500, the policy is reviewed to also cater for the child headed families and the qualifying people with disability.

The municipality further grants 80% rebates to owners of residential properties who depend on pensions or social grants provided the household income does not exceed R8 300.

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

In view of the aforementioned, the following tables are a consolidated overview of the 2018/19 Medium-term Revenue and Expenditure Framework

Revenue by Source

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
Revenue By Source					
Property rates	388 192	388 192	461 484	498 403	538 275
Service charges - electricity revenue	972 299	972 299	1 054 944	1 155 164	1 270 681
Service charges - water revenue	313 385	220 845	248 450	273 919	301 309
Service charges - sanitation revenue	94 496	94 496	102 528	109 193	116 836
Service charges - refuse revenue	104 099	104 099	112 948	120 289	128 709
Rental of facilities and equipment	35 454	35 454	37 297	39 382	41 584
Interest earned - external investments	44 944	44 944	47 281	49 882	52 625
Interest earned - outstanding debtors	66 742	66 742	80 000	84 400	89 042
Fines, penalties and forfeits	24 000	24 000	16 000	16 959	17 979
Licences and permits	14 046	14 046	14 890	15 782	16 728
Agency services	21 124	21 124	25 000	26 500	28 090
Transfers and subsidies	968 911	975 410	1 008 780	1 053 240	1 126 485
Other revenue	203 570	400 750	424 952	442 169	420 119
Gains on disposal of PPE	41 000		-	-	-
Total Revenue (excluding capital transfers and contributions)	3 292 262	3 362 401	3 634 554	3 885 282	4 148 462

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

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

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Energy Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to electricity;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;

- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

The following table is a summary of the 2018/19 MTREF (classified by main revenue source):

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2018/19	%	Budget Year +1 2019/20	%	Budget Year +2 2020/21	%
R thousand								
Revenue By Source								
Property rates	388 192	11,5%	461 484	12,7%	498 403	12,8%	538 275	13,0%
Service charges - electricity revenue	972 299	28,9%	1 054 944	29,0%	1 155 164	29,7%	1 270 681	30,6%
Service charges - water revenue	220 845	6,6%	248 450	6,8%	273 919	7,1%	301 309	7,3%
Service charges - sanitation revenue	94 496	2,8%	102 528	2,8%	109 193	2,8%	116 836	2,8%
Service charges - refuse revenue	104 099	3,1%	112 948	3,1%	120 289	3,1%	128 709	3,1%
Service charges - other	–	0,0%	–	0,0%	–	0,0%	–	0,0%
Rental of facilities and equipment	35 454	1,1%	37 297	1,0%	39 382	1,0%	41 584	1,0%
Interest earned - external investments	44 944	1,3%	47 281	1,3%	49 882	1,3%	52 625	1,3%
Interest earned - outstanding debtors	66 742	2,0%	80 000	2,2%	84 400	2,2%	89 042	2,1%
Dividends received	–	0,0%	–	0,0%	–	0,0%	–	0,0%
Fines, penalties and forfeits	24 000	0,7%	16 000	0,4%	16 959	0,4%	17 979	0,4%
Licences and permits	14 046	0,4%	14 890	0,4%	15 782	0,4%	16 728	0,4%
Agency services	21 124	0,6%	25 000	0,7%	26 500	0,7%	28 090	0,7%
Transfers and subsidies	975 410	29,0%	1 008 780	27,8%	1 053 240	27,1%	1 126 485	27,2%
Other revenue	400 750	11,9%	424 952	11,7%	442 169	11,4%	420 119	10,1%
Gains on disposal of PPE	–	0,0%	–	0,0%	–	0,0%	–	0,0%
Total Revenue (excluding capital transfers and contributions)	3 362 401	100,0%	3 634 554	100,0%	3 885 282	100,0%	4 148 462	100,0%
Revenue from Services Charges	1 391 739	41,4%	1 518 870	41,8%	1 658 565	42,7%	1 817 535	43,8%

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

Revenue generated from rates, services charges and operational grants forms a significant percentage of the revenue basket for the Municipality. Service charges revenues comprise more than 40% of the total revenue mix. In the 2017/18 financial year, revenue from services charges totalled R1.391 billion or 41 per cent. This increases to R1.518 billion, R1.658 billion and R1.817 billion in the respective financial years of the MTREF. This growth can be mainly attributed to the supplementary valuation rolls and the increased share that the sale of electricity and water contributes to the total revenue mix, which in turn is due to rapid increases in the Eskom tariffs for bulk electricity and bulk water. The above table includes revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality. Details in this regard are contained in MBRR SA1.

Operating Grants & Subsidies are the second largest revenue source totalling 29 per cent in 2017/18 and decrease to 27.8 per cent in 2018/19. Property rates are the third largest revenue source totalling 11.5 per cent or R388 million rand in 2018/19 and increases to R538 million by 2020/21. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Operating Transfers and Grant Receipts

Description	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework		
		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	Adjusted Budget			
RECEIPTS:				
Operating Transfers and Grants				
National Government:	975 410	1 005 530	1 051 940	1 134 035
Local Government Equitable Share	752 064	831 436	915 810	1 010 785
EPWP Incentive	4 978	5 742		
Integrated National Electrification Programme	40 000	38 957	28 800	25 600
Finance Management	2 979	3 048	2 500	2 500
Municipal Infrastructure Grant (MIG)	88 780	59 149	59 500	44 000
Public Transport and Systems	71 352	42 575	30 030	35 850
Infrastructure skills development fund	6 213	6 500	7 300	7 300
Energy Efficiency and Demand Management	6 000	8 000	8 000	8 000
Municipal Demarcation Transition Grant	3 044			
Water Services Infrastructure Grant		1 400		
Regional Bulk Infrastructure Grant (RBIG)		8 723		
Total Operating Transfers and Grants	975 410	1 005 530	1 051 940	1 134 035

Expenditure by Type

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
Expenditure By Type					
Employee related costs	743 622	760 798	817 423	869 703	917 117
Remuneration of councillors	38 152	38 152	40 518	43 149	45 955
Debt impairment	55 000	55 000	235 000	249 100	300 000
Depreciation & asset impairment	185 000	185 000	190 000	237 000	255 000
Finance charges	80 000	40 000	107 500	111 445	105 000
Bulk purchases	854 322	854 322	905 497	970 426	1 028 653
Other materials	204 967	18 345	37 666	60 827	64 159
Contracted services	330 136	726 898	796 325	764 936	786 967
Transfers and subsidies	5 720	5 720	11 500	11 500	11 500
Other expenditure	405 339	265 605	207 260	235 345	247 889
Loss on disposal of PPE		4 000			
Total Expenditure	2 902 258	2 953 840	3 348 689	3 553 431	3 762 240

The Municipality's expenditure framework for the 2018/19 budget and MTREF is informed by the following:

- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of no project plan no budget. If there is no business plan no funding allocation can be made.

The following table is a high level summary of the 2018/19 budget and MTREF (classified per main type of operating expenditure):

Summary of operating expenditure by standard classification item

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2018/19	%	Budget Year +1 2019/20	%	Budget Year +2 2020/21	%
R thousand								
Expenditure By Type								
Employee related costs	760 798	25,8%	817 423	24,4%	869 703	24,5%	917 117	24,4%
Remuneration of councillors	38 152	1,3%	40 518	1,2%	43 149	1,2%	45 955	1,2%
Debt impairment	55 000	1,9%	235 000	7,0%	249 100	7,0%	300 000	8,0%
Depreciation & asset impairment	185 000	6,3%	190 000	5,7%	237 000	6,7%	255 000	6,8%
Finance charges	40 000	1,4%	107 500	3,2%	111 445	3,1%	105 000	2,8%
Bulk purchases	854 322	28,9%	905 497	27,0%	970 426	27,3%	1 028 653	27,3%
Other materials	18 345	0,6%	37 666	1,1%	60 827	1,7%	64 159	1,7%
Contracted services	726 898	24,6%	796 325	23,8%	764 936	21,5%	786 967	20,9%
Transfers and subsidies	5 720	0,2%	11 500	0,3%	11 500	0,3%	11 500	0,3%
Other expenditure	265 605	9,0%	207 260	6,2%	235 345	6,6%	247 889	6,6%
Loss on disposal of PPE	4 000	0,1%		0,0%		0,0%		0,0%
Total Expenditure	2 953 840	100%	3 348 689	100%	3 553 431	100%	3 762 240	100%

The budgeted allocation for employee related costs for the 2018/19 financial year totals R817 million, which equals 24.4 percent of the total operating expenditure. Salary increases have been factored into this budget at a percentage increase of 7 per cent for the 2018/19 for the MTREF.

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

The provision of debt impairment was determined based on an annual collection rate and the Debt Write-off Policy of the Municipality. For the 2018/19 financial year this amount had to significantly increase to R235 million. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

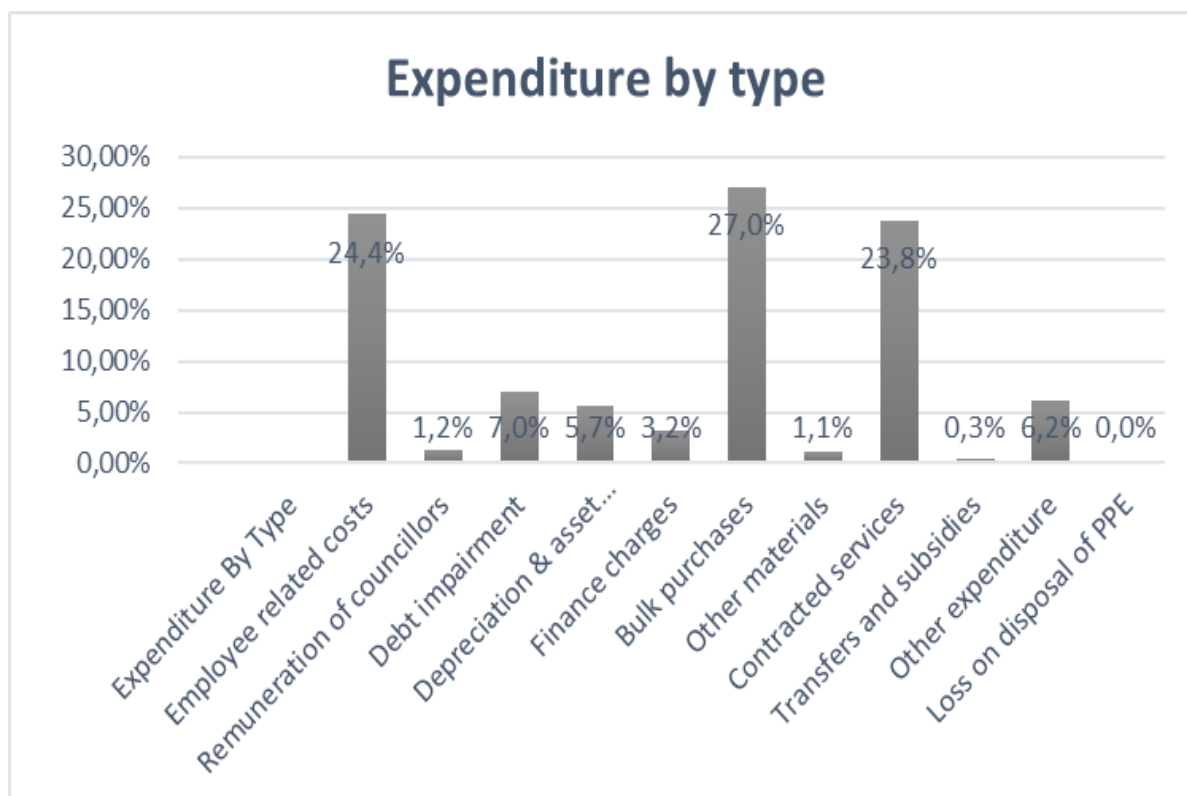
Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R190 million for the 2018/19 financial and equates to 5.7 per cent of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation relative to previous years.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 3.2 percent (R107 million) of operating expenditure.

Bulk purchases are directly informed by the purchase of electricity from Eskom and water from Lepelle Water. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. Bulk purchases make up 27 percent (R905 million) of operating expenditure. The expenditures include distribution losses.

Contracted services such as research and development have been identified as a cost saving area for the Municipality, and most line items that were under Other material according to Mscoa they have to be classified as Contracted Services. As part of the compilation of the 2018/19 MTREF this group of expenditure was critically evaluated and operational efficiencies were enforced. In the 2018/19 financial year, this group of expenditure totals R796 million.

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Printing and stationary, subsistence and travelling, attending of conferences and workshops have significantly been reduced or limited to zero growth. Other expenditure makes up 6.2 percent (R 207 million) of operating expenditure.



Funding of Operating Budget

Funding is obtained from various sources, the major sources being service charges such as electricity, water, sanitation, and refuse collection, property rates, grants and subsidies received from National government.

Grant Allocations

Municipalities play a critical role in furthering government's objective of providing services to all. Cities are also driving South Africa's growth and development. However, to play these roles, cities need to be supported and funded. Local Government conditional grants are being reformed to provide targeted support to different types of municipalities. The following projected grant allocations to the municipality in terms of the 2018/19 Division of Revenue Bill have been included in this medium term budget.

Govt Gazette no 41432 of 9 February 2018	National financial year 1 April - 31 March		
	2018/19	2019/20	2020/21
Infrastructure Grants	000	000	000
Municipal Infrastructure Grant (MIG)	330 877	338 146	358 253
Regional Bulk Infrastructure Grant (RBIG)	272 578	630 998	644 491
Integrated National Electrification Programme Grant (INEP)	38 957	28 800	25 600
Public Transport Network Grant (PTNG)	205 107	179 433	189 302
Water services infrastructure grant	70 000	110 000	116 050
Neighbourhood Development Partnership Grant (NDPG)	35 000	35 000	35 000
Sub Total	952 519	1 322 377	1 368 696
Specific Purpose Current Grants			
Financial Management Grant (FMG)	3 048	2 500	2 500
Infrastructure Skills Development Grant (ISDG)	6 500	7 300	7 300
Energy efficiency and demand side management grant	8 000	8 000	8 000
Extended Public Works Programme (EPWP)	5 742	-	-
Sub Total	23 290	17 800	17 800
Equitable Share	831 436	915 810	1 010 785
Sub Total Municipality	1 807 245	2 255 987	2 397 281
Allocations- in-kind-Grants (Schedule 6)			
Water Services Infrastructure Grant	0	100 000	187 556
Municipal Systems Improvement Grant	3 055	500	200
Integrated National Electrification Programme (Escom)	61 768	70 438	74 312
Neighbourhood Develop Partnership Grant (Technical Assistance)	200	1 083	1 200
Sub Total	65 023	172 021	263 268
TOTAL	1 872 268	2 428 008	2 660 549

Capital Budget

The capital budget flows from the IDP process and contains information obtained from relevant stakeholders through extensive public participation processes as well as ward committee processes where applicable

Capital expenditure is budgeted to rise to R 1.9 billion in 2018/19 and thereafter decrease to R 1.7 billion by 2020/21. The capital budget continues to reflect consistent efforts to address backlogs in basic services and the renewal of the infrastructure of existing network services.

FUNDING OF CAPITAL BUDGET

MULTI YEAR BUDGET		Budget Year	Budget Year +1	Budget Year +2
Description	Funding	2018/19	2019/20	2020/21
Municipal Infrastructure Grant	MIG	271 728 000	278 646 000	314 253 000
Public Transport Network Grant	PTIG	159 282 000	18 038 000	21 068 000
Neighbourhood Development Grant	NDPG	35 000 000	35 000 000	35 000 000
Water Services Infrastructure Grant	WSIG	68 600 000	110 000 000	116 050 000
Regional Bulk Infrastructure Grant	RBIG	263 855 000	460 998 000	644 491 000
Total DoRA Allocations		798 465 000	902 682 000	1 130 862 000
PTIG Pledge	PTIG	270 000 000	-	-
RBIG Pledge	RBIG	170 000 000	-	-
Borrowing	LOAN(CONCESSIO N)	80 000 000	90 000 000	82 000 000
Borrowing	LOAN (INSTALMENT SALES	300 000 000	-	-
CRR	CRR	279 682 000	381 301 000	528 240 000
KFW Bank	KFW	14 400 000		
Total Capital Funding		1 912 547 000	1 373 983 000	1 741 102 000

The Capital budget is funded by the allocations made to the city by National Government in the form of grants, donations and internally generated funds.

The table below represents the capital budget per vote (Directorate)

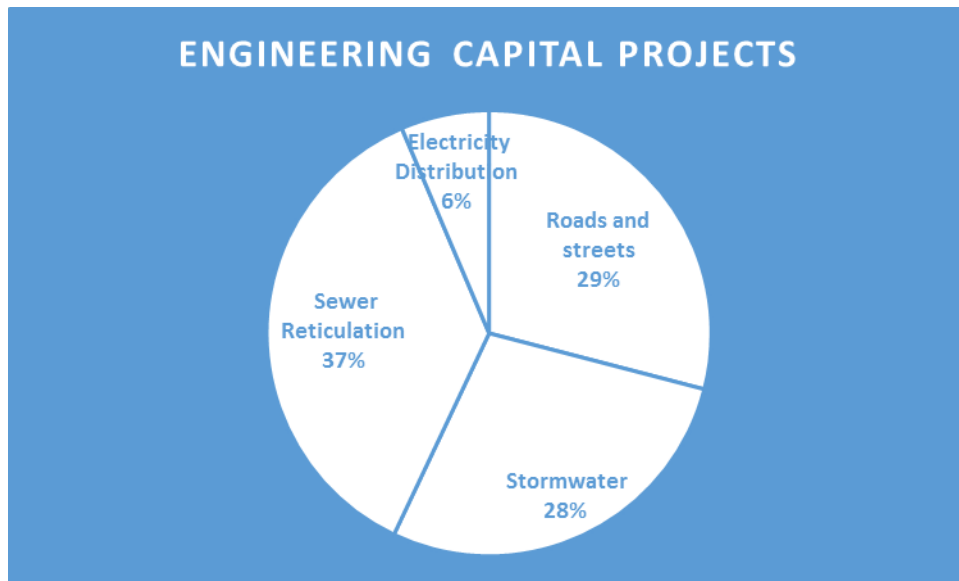
Vote Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2018/19	%	Budget Year +1 2019/20	%	Budget Year +2 2020/21	%
Single-year expenditure to be appropriated								
Strategic Planning Monitoring and Evaluation	-	0%	2 500	0%	19 300	1%	27 500	2%
Engineering Services	869 659	71%	1 074 048	56%	1 227 844	89%	1 519 943	87%
Community Services	28 036	2%	36 477	2%	29 500	2%	37 491	2%
Community Development	77 519	6%	45 240	2%	52 500	4%	60 300	3%
Corporate and Shared Services	103 250	8%	309 500	16%	6 300	0%	7 000	0%
Planning and Economic Development	7 000	1%	7 000	0%	18 500	1%	67 800	4%
Budget and Treasury	6 303	1%	8 500	0%	2 001	0%	-	0%
Transport Operations	139 612	11%	429 282	22%	18 038	1%	21 068	1%
Total Capital Expenditure - Vote	1 231 379	100%	1 912 547	100%	1 373 983	100%	1 741 102	100%

The bulk of the budget is allocated to Engineering Directorate for infrastructure projects
Main reason which are contributing to 56% of the Engineering Services is attributed to, the fact that Municipality is strategically focusing on renewing its asset with the sole objective of

optimizing service delivery, the area of focus is on Refurbishment on Roads, Waste Water Management, Water Network as well as Energy Infrastructure.

While at the same time, investing in the creation of new assets to increase services and economic development in the municipality, major projects undertaken as part of this strategic focus are:

- Building of new Regional Waste Water Treatment Plant
- Building of Regional Water Schemes and acceleration of rural sanitation



Transport Operations is allocated 22% for completion of infrastructure project, IT System and Acquisition of Buses in order to meet “Go live” for Leeto la Polokwane. However, it is worth indicating that the municipality will experience funding shortfall on this program based on outcomes of Division of Revenue.



THE BENEFITS OF LEETO LA POLOKWANE™

The Municipality aims to achieve the following main objectives through the implementation of Leeto La Polokwane



Reduce traffic congestion currently causing delays, increased travel costs, fuel consumption, accidents and deterring investment



Reduce overcrowded/unsafe/excessive journey times on existing Public Transport (PT) facilities



Coordinate and integrate all public transport modes; (including Non Motorised Transport - (NMT)



Reduce over-reliance on private transport, formalise parking and loading zones



Improve the access to public transport for people with disabilities, the elderly and people with young children, improve pedestrian and bicycle facilities



Increase inner-city revenue through the provision of integrated public transportation



Reduce travel time and providing efficient and easy access to various employment, retail, business, social and tourist activities in the inner city



Reduce user costs to access inner-city



Reduce traffic accidents and minimize impact of accidents on traffic and pedestrian flow



Reduce carbon foot-print of inner-city transport and fuel consumption



Make inner-city pedestrian and cycling friendly



Improve access between residential areas and major economic nodes



Drive an implementation programme for new and attractive road based public transport



Integrate land-use development

The funds available for capital expenditure from **conditional grants** for the following 3 years are R 798 million, R 1.2 billion and R 1.27 billion respectively.

Description	2018/19 Medium Term Revenue & Expenditure Framework		
	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand			
RECEIPTS:			
Capital Transfers and Grants			
National Government:	798 465	1 202 747	1 270 796
Municipal Infrastructure Grant (MIG)	271 728	278 646	314 253
Regional Bulk Infrastructure Grant (RBIG)	159 282	148 103	161 002
Public Transport Network Grant (PTNG)	263 855	630 998	644 491
Neighbourhood Development Partnership Grant (NDPG)	35 000	35 000	35 000
Water Services Infrastructure Grant	68 600	110 000	116 050
Other capital transfers/grants [insert desc]			
Total Capital Transfers and Grants	798 465	1 202 747	1 270 796

The funds available for capital expenditure from **Cash Replacement Reserve (Own funds)** for the following 3 years are R 269 million, R 381 million and R 528 million respectively. The following CRR funding is broken down by directorate

MULTI YEAR BUDGET		Budget Year +1	Budget Year +2
Description	Budget Year 2018/19	2019/20	2020/21
Vote 1 - Council	-	-	-
Vote 2 - Office of the Municipal Manger	-	-	-
Vote 3 - Strategic Planning Monitoring and Evaluation	2 500 000	19 300 000	27 500 000
Vote 4 - Engineering Services	203 105 000	267 100 000	338 940 000
Vote 5 - Community Services	23 677 000	44 600 000	34 700 000
Vote 6 - Community Development	15 400 000	23 500 000	52 300 000
Vote 7 - Corporate and Shared Services	9 500 000	6 300 000	7 000 000
Vote 8 - Planning and Economic Development	7 000 000	18 500 000	67 800 000
Vote 9 - Budget and Treasury	8 500 000	2 001 000	-
Vote 10 - Transport Operations			
TOTAL CAPITAL PER VOTE	269 682 000	381 301 000	528 240 000

The 2017/18 financial year capital infrastructure grants allocation

The capital budget is directly informed by the needs submitted by the community through the IDP process. The ability of the Municipality to deliver on services depends greatly on its funding sources which are summarised as follows:

Roads and Stormwater Upgrading

Upgrading of roads and storm water is a basic service delivery need that is achieved through the MIG infrastructure grant that benefits people in the rural townships of the Municipality.

Performance	Achievement	Challenges
Sixteen road upgrading from gravel to asphalt projects are appointed and under construction for the 17/18fy with a combined length to be upgraded of 20.5km	Three roads already at completion stage with the remainder at an average completion of 43% progress. (Ranging from 17% to 81%) with some projects being implemented on a multiyear basis.	<ul style="list-style-type: none"> • Late appointment of service providers causes delays in implementation • Poor performing contractors • Community disruptions during implementation



Ring road connecting Ga Hlahla to Ga –Semenya Villages. 3.5 km long



Stormwater management infrastructure as Ga-Semenya

Roads and Stormwater Asset renewal

Roads asset renewal programs are undertaken to improve the capacity, lifespan mobility and general outlook of the city

Performance	Achievement	Challenges
Six roads rehabilitated for the 17/18fy with a combined length of approximately 9.5km	Five roads already at completion stage with the remainder at 95% progress.	<ul style="list-style-type: none"> • Late appointment of service providers causes delays in implementation • Poor performing contractors • Unforeseen underground services in the CBD



Rehabilitation of Thabo Mbeki Street in the CBD depicting relocation of underground telecommunications infrastructure

Water and Sanitation

Sanitation Projects

A total of R 548 967 230.90 is allocated to water infrastructure with 9% allocated to rural sanitation and 62.6% allocated to asset renewal program that entails the replacement of asbestos pipes in the City and Seshego cluster.



Rural household sanitation in Chuene Maja cluster

Water supply projects

Over 40% of MIG allocation goes towards water supply project. The 17/18fy water supply projects are divided into regional water schemes as follows:

Replacement of asbestos pipes

The main objectives of the project are the reduction /and elimination water losses in CBD, Annadale and Seshego water supply so that more water can be available for use. Provision of reliable and consistent clean safe water supply for the communities. The project is funded through the Regional Bulk Infrastructure Grant and own funding.

A combined total of 168.1 km of pipes are being replaced in the first phase of the project with diameters varying from 50mm to 500mm through horizontal directional drilling as a primary method. The intention is not to remove the asbestos pipes but to install adjacent or inside the old pipes for health reasons.

No.	Project Description	Status
1	Olifantspoort RWS (Mmotong Wa Perekisi)	Construction - 84%
2	Mothapo RWS	Complete – 100%
3	Moletji East RWS	Construction - 86%
4	Moletji North RWS	Complete - 100%
5	Sebayeng Dikgale RWS	Construction - 54%
6	Moletjie South RWS	Complete – 100%
7	Chuene Maja RWS	Construction -31%
8	Molepo RWS	Construction - 97%
9	Mankweng RWS	Construction - 42%
10	Laastehoop RWS	Construction - 5%
11	Houtriver RWS	Construction - 55%



Section heaving after pipe jacking



Pipe laying in Seshego



Hard rock and underground services pose a challenge in the CBD and requires open excavations.

Sports and recreations

Though the MIG grant and Own funding the municipality is constructing 5 sport stadia in predominantly rural townships to promote social cohesion and recreation. Sports projects are implemented on a multiyear basis.

Stadium	Area	Progress
Molepo Sports stadium	Molepo Cluster	On Construction
Ga Maja sports Complex	Chuene Maja Cluster	On Construction
Mankweng Sports complex	Mankweng Cluster	On Construction

Mohlonong sports stadium	Aganang Cluster	On Tender and advert
Ext 44/77 sports and recreation facility	Seshego Cluster	At Planning Stage



Construction of soccer pitch at Molepo stadium

2018/19-2020/2021 Service Delivery Impact of MTREF

To increase the number of household with access to basic services such as Water, Electricity, roads and Sanitation in predominantly rural areas while planning and implementing catalytic projects over the next few years which will create investment and employment opportunities, some of them will transform the City's landscape and growth patterns forever while cementing City of Polokwane as the capital city of Africa's Eden.

Job creation through the EPWP program

The Expanded Public Works Programme (EPWP) is a Nation-Wide Government Programme aimed at drawing significant numbers of unemployed into productive work, so that, they increase their capacity to earn an income.

Job creation and skills development remain the key priorities of the South African Government. The Expanded Public Works Programme (EPWP) is a programme initiated by the South African Government aimed at creating 4.5 million work opportunities by 2014. This programme is implemented by all spheres of government, across four (4) defined sectors, namely the Infrastructure, Social, Non-State and Environment and Culture sectors. The Programme's overall coordinator is the National Department of Public Works (DPW), as mandated by Cabinet.

The persistently high rate of unemployment in South Africa is one of the most pressing socio-economic challenges facing government and Polokwane Local Municipality is not immune to

these challenges. High youth unemployment in particular means, young people are not acquiring the skills or experience needed to drive the economy forward. Therefore, job creation and skills development will remain the key priority of Polokwane Local Municipality and Government in general.

The municipality implements its capital program through the EPWP programme and in the 17/18fy 3265 job opportunities were created and reported.



Epwp workers engaged on water project in excavation of footing



Epwp workers engaged on a road project installing storm water culverts

COMMUNITY SERVICES DIRECTORATE

The achievements, performance and challenges for 2017/2018

WASTE MANAGEMENT

The municipality has been able to provide 43.08 % (102987) of households with waste removal services to ensure healthy environment. Rendering this service has proved very challenging as most of the refuse trucks were not always available due to breakdowns. However, the municipality is in the process of outsourcing waste removal trucks services which will resolve the said challenge. It should be noted that the municipality is only providing conventional waste removal services only in urban areas. For the rural areas there is EPWP litre picking programme which has made a big difference. Due to the limited service in rural areas there is serious problem of illegal dumping which pose serious environmental risks for the municipal area.

The following infrastructural developments regarding waste removal have been achieved:

- Construction of Aganang Cluster Landfill site which is one of our rural cluster. The construction will be fully complete by end of June 2018
- Appointments of contractors for Dikgale and Sengatane have been appointed to start construction in the new financial year
- Makgakga transfer station is now operational, however with less usage which warrants intensive awareness for the community.
- Feasibility study for extension of Weltevrede Landfill Site is under way for completion by end of June 2018. The new permit that will come with this extension will allow reclaiming to be done at the landfill site.
- “NO” dumping boards have been installed at various points which are used as illegal dumps.

- All new residential areas around the City are being serviced

Further the council has also approved and finalised both the Waste Management By-Law and Integrated Waste Management Plan. These two will help to ensure sound waste management and initiation of rural waste removal programmes.

FIRE AND DISASTER

The annual review process of Disaster Management Plan has been finalised based on inputs made by various stakeholders and has been approved alongside IDP and budget. Disaster Management Forums also meet on quarterly basis which involves representatives from various state organs, NGO`s and business representatives to assess risks that are disaster related with a view to mitigate them.

The municipality has also applied for accreditation of fire training as the municipality seek to resuscitate Fire Training Centre.

ENVIROMENTAL MANAGEMENT

Due to the risks on the security of municipality`s white Rhinos, this tourist attracting animals which are part of Big Five were moved to a sanctuary which is based out of Polokwane. On the other hand, number of animals died due to illness which is now under control after the intervention of Veterinary Surgeon.

On open spaces the municipality has various parks which form critical platform for its recreation programme for the communities. At the centre of these parks is municipality`s programme of installing play equipment`s which make them popular. The following parks have become popular and are extensively used: Tom Naude, Flora Park Dam and Zone 4 parks. Tom Naude one is used for park run which promote healthy leaving and physical fitness. The following parks were under upgrade programme in this financial year: Tom Naude, Zone 4, Extension 76

The key challenge with our parks currently is lack of ablution facilities which inconvenience. However, this is a priority for the next financial year.

Rural clusters of the municipality face a challenge of lack of recreational parks and necessary applications have been lodged with DEA to assist with their grant funding to augment our resource.

ENVIROMENTAL HEALTH

Through this SBU, the municipality has managed to undertake awareness relating to food handling by SME`s and monitoring of 490 food premises in town. However, the SBU is constrained to render this service effectively as there is no memorandum of understanding with the District. However, discussions are at an advance stage to finalise the memorandum.

SECURITY SERVICES AND CONTROL CENTRE

The success story of our security services has centred around resolving service delivery protest and illegal occupation of land in conjunction with the SAPS. They have also conducted security assessments on various municipal properties to ensure they are safe guarded. Security Policy has also been finalised to ensure proper regulation of security matters

In terms of the control centre all municipal CCTV cameras at various points are maintained and new installations have been made as matter of priority on pump houses along Sand River. The installation will be complete by June 2018. Security fencing has also been done around the pump houses.

TRAFFIC AND LICENCING

For this area of service, Licencing facility has been upgraded to ensure better and streamlined services, which will also enable disabled people to receive services with ease. This upgrade included installation of industrial air conditioner.

Upgrading of vehicle pound is under way. This pound will ensure proper management and safety of all vehicles impounded.

The traffic services have been able to conduct traffic and road safety awareness campaigns in various clusters to ensure reduction of road accidents and increase in responsible driver behaviour and pedestrians.

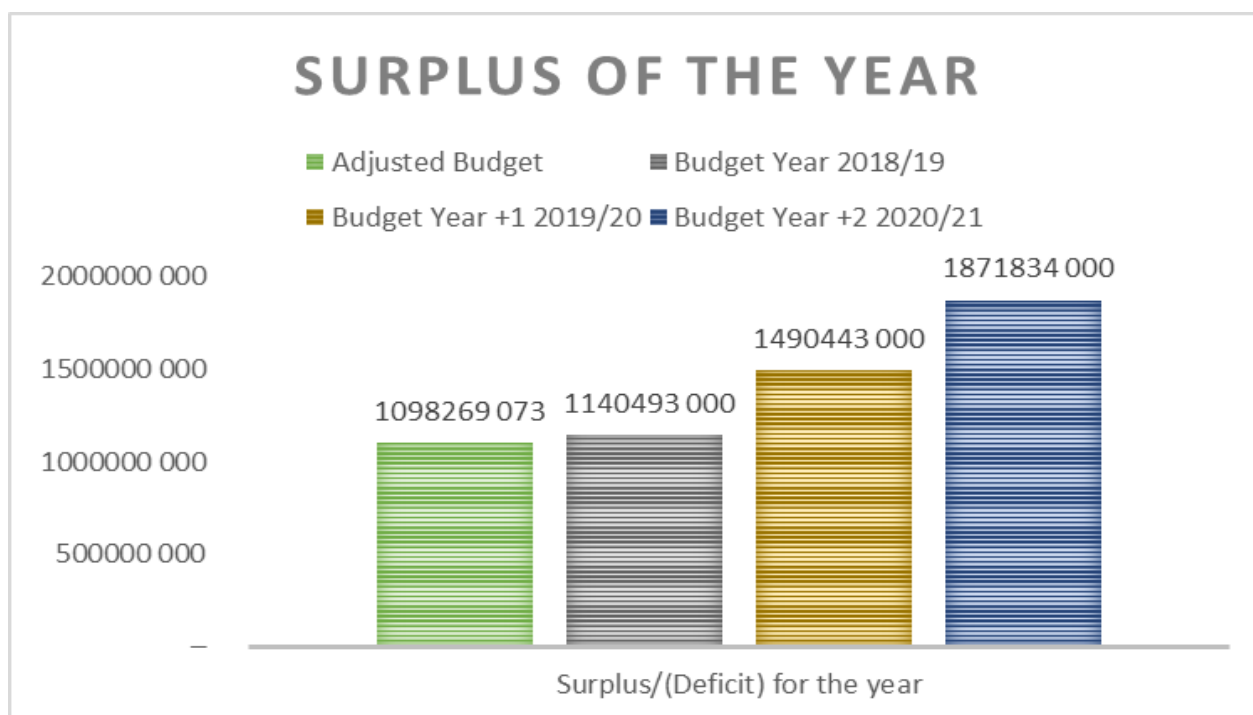
SUMMARY

1. The Annual Budget for the financial year 2018/2019 and indicative for the two projected outer years 2019/2020 and 2020/2021 can be summarized as follows:

1.1 Operating revenue and expenditure by source:

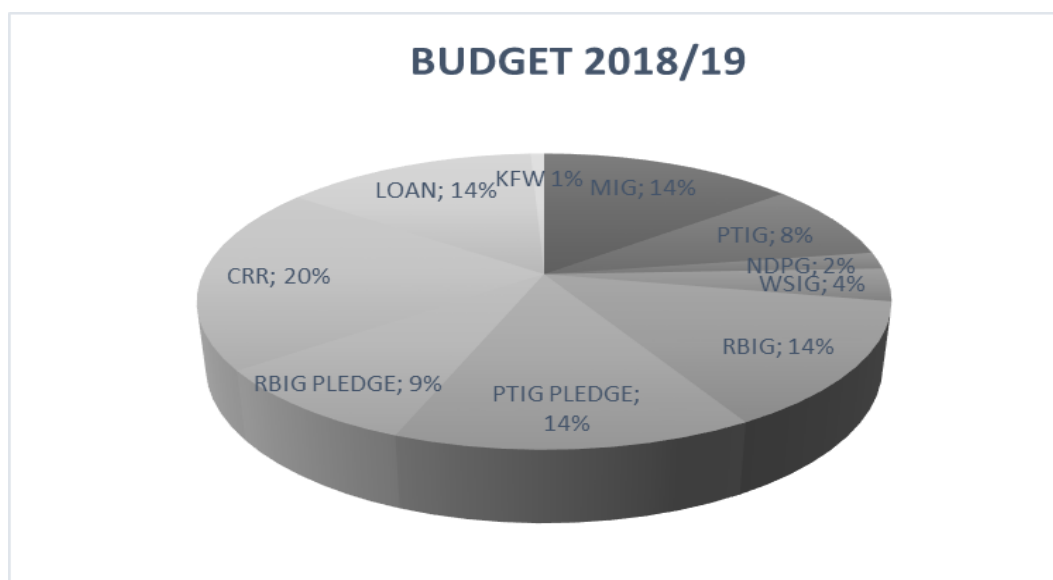
Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
Total Revenue (excluding capital transfers and contributions)	3 292 262	3 362 401	3 634 554	3 885 282	4 148 462
Total Expenditure	2 902 258	2 953 840	3 348 689	3 553 431	3 762 240
Surplus/(Deficit)	390 004	408 561	285 865	331 851	386 222
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	650 955	689 708	798 465	1 032 747	1 270 796
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	14 400	-	-
Surplus/(Deficit) for the year	1 040 959	1 098 269	1 098 730	1 364 598	1 657 018

Surplus for the year



1.2 Capital expenditure

Total capital budget is **R 1 912 547 000** which is funded as follows:



The City continuously affirms the commitment of pushing back the frontiers of poverty and the adverse social and economic realities. As a result, thereof, social relief will be provided to the elderly, indigent child-headed families and registered indigent's households as follows:

- Free 6 kl of water monthly
- Sanitation-100% rebate
- Refuse-100% rebate
- Free 100kw electricity monthly
- Basic charge-100% rebate
- 100% rebate on assessment rate on indigent residential properties

OVERVIEW OF ALIGNMENT OF BUDGET WITH IDP

Integrated Development Planning is a **process** through which municipalities prepare a strategic development plan which extends over a five-year period. The Integrated Development Plan (IDP) is a **product** of the IDP process. The IDP is the principal strategic planning instrument which guides and informs all planning, budgeting, management and decision-making processes in a municipality.

Integrated development planning necessitates the involvement of all relevant stakeholders.

Polokwane municipality was able to:

- Identify its key development priorities;
- Formulate a clear vision, mission and values;
- Formulate appropriate strategies;
- Develop the appropriate organizational structure and systems to realize the vision; and mission; and align resources with the development priorities.

At the beginning of 2013, the Municipality embraced Vision 2030 with an aim to transform the Polokwane Municipality into a bustling and growing metropolis that provides high-quality of life for its people through adopting the 'Smart City' concept. This approach is pegged against a long-term growth path to transform the municipality into a bustling and sustainable entity that distinguishes the Municipality as a City of stars leading in innovation through the **SMART CITY** concept. The development of the Vision 2030 broadened the long-term planning horizon to reposition the municipality in order to maximize the efficiency, effectiveness and impact of the Municipality.

All the planning within the Municipality should be guided by what the pillars want to achieve i.e.

- *Smart Economy;*
- *Smart Environment;*

- *Smart Governance;*
- *Smart Living;*
- *Smart Mobility; and*
- *Smart People.*

2. KEY NATIONAL AND PROVINCIAL GUIDING DOCUMENTS

Section 24 (1) of the Municipal Systems Act 32 of 2000 requires that the planning undertaken by a municipality must be aligned with, and complement, the development plans and strategies of other affected municipalities and other organs of state so as to give effect to the principles of co-operative government contained in section 41 of the Constitution.

It must be noted that a variety of International, National and Provincial priorities and outcomes were considered during the strategic planning phase, namely: 2030 Goals for Sustainable Development, National Development Plan, Medium Term Strategic Framework (MTSF) 2014-2019 Priorities, Back to Basics, Limpopo Development Plan (LDP) 2015-2019 and the Local Government Manifesto 2016. The matrix below tabulates the alignment of the Smart Pillars and impact of Polokwane Municipality with the above mentioned priorities and outcomes .

2.1. STRATEGIC ALIGNMENT

2030 GOALS FOR SUSTAINABLE DEVELOPMENT	NATIONAL DEVELOPMENT PLAN	MTSF 2014 - 2019 PRIORITIES	BACK TO BASICS	LDP PRIORITIES	LG ELECTORAL MANIFESTO	CoP SMART PILLARS AND IMPACTS
Promote inclusive and sustainable economic growth, employment and decent work for all	An economy that will create more jobs	Radical economic transformation, rapid economic growth and job creation	Putting people and their concerns first	Decent employments through inclusive growth	Develop and strengthen local economies, create jobs and promote job placements esp. for youth	SMART ECONOMY - Increased economic growth
End poverty in all its forms everywhere		Contributing to a better Africa and a better world				
End hunger, achieve food security and improved nutrition and promote sustainable agriculture	An inclusive and integrated rural economy	Rural development, land and agrarian reform and food security				
Promote just, peaceful and inclusive societies						
Ensure inclusive and quality education for all and promote lifelong learning	Improving quality of education, training and innovation	Improving the quality of and expanding access to education and training		Quality basic education	Promote education as apex in local communities	

2030 GOALS FOR SUSTAINABLE DEVELOPMENT	NATIONAL DEVELOPMENT PLAN	MTSF 2014 - 2019 PRIORITIES	BACK TO BASICS	LDP PRIORITIES	LG ELECTORAL MANIFESTO	CoP SMART PILLARS AND IMPACTS
Achieve gender equality and empower all women and girls	Social protection	Social cohesion and nation building		Inclusive Social Protection System	Promote nation-building and socially cohesive communities	
				Social Cohesion		
Revitalise the global partnership for sustainable development	Reversing the spatial effect of apartheid			Comprehensive rural development	Build spatially integrated communities	SMART LIVING - Universal access to affordable and integrated quality services
				Human settlement development		
Ensure access to water and sanitation for all	Improving infrastructure	Ensuring access to adequate human settlements and quality basic services	Delivering municipal services	Competitive economic infrastructure	Improve access to municipal services	SMART MOBILITY - Safe, reliable,
Ensure access to affordable, reliable, sustainable and modern energy for all					Build on achievements made in delivering services	
Build resilient infrastructure, promote sustainable						

2030 GOALS FOR SUSTAINABLE DEVELOPMENT	NATIONAL DEVELOPMENT PLAN	MTSF 2014 - 2019 PRIORITIES	BACK TO BASICS	LDP PRIORITIES	LG ELECTORAL MANIFESTO	CoP SMART PILLARS AND IMPACTS
industrialisation and foster innovation						affordable, sustainable integrated transport services
Ensure sustainable consumption and production patterns	Transition to a low-carbon economy			Environmental protection	Improve health in urban and rural communities	SMART ENVIRONMENT - Safe, clean, healthy and protected environment
Take urgent action to combat climate change and its impacts						
Conserve and sustainably use the oceans, seas and marine resources						
Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss						
Make cities inclusive, safe, resilient and sustainable	Building safer communities			All people are safe		

2030 GOALS FOR SUSTAINABLE DEVELOPMENT	NATIONAL DEVELOPMENT PLAN	MTSF 2014 - 2019 PRIORITIES	BACK TO BASICS	LDP PRIORITIES	LG ELECTORAL MANIFESTO	CoP SMART PILLARS AND IMPACTS
Ensure healthy lives and promote well-being for all at all ages	Quality health care for all	Ensuring quality health care and social security for all citizens		Long and Healthy Life		
Reduce inequality within and among countries	Reforming the public service				Improve public participation and accountability of councillors	SMART GOVERNANCE - Effective and accountable local government system
	Fighting corruption	Fighting corruption and crime	Demonstrating good governance and Administration	Developmental Local Government	Intensify fight against fraud and corruption in LG and social fabric crimes in communities	
			Sound financial management and accounting			
Transforming society and uniting the country				Regional integration		

2030 GOALS FOR SUSTAINABLE DEVELOPMENT	NATIONAL DEVELOPMENT PLAN	MTSF 2014 - 2019 PRIORITIES	BACK TO BASICS	LDP PRIORITIES	LG ELECTORAL MANIFESTO	CoP SMART PILLARS AND IMPACTS
			Sound institutional and administrative capabilities	Developmental Public Service	Enhance capacity of local state to deliver on its mandate	SMART PEOPLE - Innovative human capital

3. DEVELOPMENT CHALLENGES

Challenges faced by the Municipality in providing water

- Lack of sustainable water sources for current and future demand, the municipality is currently receiving between 80 to 99MI/d and unable to meet the peak flow demand of 163MI/day. The municipality should invest in upgrading existing Dap Naude Dap water scheme to utilise its current yield to maximum capacity including possible increase of dam wall.
- Shortage of water will have a serious impact on projects that the municipality and other sector department are planning. E.g. Polokwane extension 78 Police station, Polokwane extension 71, 108, 72, 79,106 and 107, Bendor extension 100, Ivy park extension 35. Upon completion, all these developments will have a major impact on our currently insufficient water sources.
- Over reliance on boreholes in rural areas with the risk of contaminating ground water by pit latrines.
- Lack of cost recovery in rural areas.
- Aging water infrastructure in the CBD. Council in partnership with the Department of Water and Sanitation has started a programme to eradicate this challenge by investing more than R440 million to remove all Asbestos pipes in the CBD and surrounding townships).
- More than R380 million is also required to increase the capacity of water infrastructure to be able to cater for current and new developments.
- Uncoordinated allocation of new settlements in rural areas by traditional authorities has a major impact on municipal planning and budgeting.
- Lack of maintenance plans and AS Built drawing to indicate the existing valves for water infrastructure. Some of the valves are buried under ground by residents while paving their drive ways which makes it difficult to locate them when doing maintenance or replacing burst pipes and as a result contribute to the huge water losses.
- Limited operation and maintenance of infrastructure due to shortage of funds.
- Theft and vandalism of the existing insufficient infrastructure remains a challenge. Theft of iron manhole and valves covers is increasing and there is a need to change them to plastic and it is a huge safety risk within the city.
- Illegal extension of houses (back yard rooms) has an impact on water demand.
- Lack of smart metering systems that can control water demand and supply, monitor losses (+R180Million required).
- Unapproved technical reports for some regional water schemes (Badimong and Segwasi) due to insufficient water sources.

Challenges faced by the Municipality in providing Sanitation

- The risk of contaminating ground water in rural areas due to a huge backlog of pit latrine that is not according to the approved standards.
- Lack of funding to eradicate rural backlog (more than R500 million is required).
- Lack of funding for the construction of Regional Waste Water Treatment Plant. According to the master plan 1st phase was supposed to be at implementation by now, more than
 - ✓ R1, 2 billion required). DWS has completed the feasibility study for the new Regional Wastewater Works and is co-funding the project through RBIG.
- Aging sanitation infrastructure (some of the old sewer lines in Seshego are running under houses or very close to the houses and should be moved).
- Uncoordinated allocation of new settlement in rural areas by traditional authorities has a major impact on municipal planning and budgeting (VIP).
- Lack of maintenance plans for sewer infrastructure.
- Limited operation and maintenance of infrastructure due to the shortage of funds.
- Theft and vandalism of the existing insufficient infrastructure remains a challenge.
- Illegal extension of houses (back yard rooms) has an impact on sewer treatment plant.

Challenges/Achievements by the Municipality to provide Energy

- Capacity shortfall – the municipality will not be able to sustain future developments unless new programs are implemented. Few projects were identified to strengthen the supply which includes construction of Bakone substation, construction of Bakone to IOTA line as well as construction of a 90MW solar farm through PPP which is currently at the planning stage.
- Delay in the implementation of strategic projects identified in the master plan due to shortage of funding will result in the lack of capacity in future or load shedding.
- Illegal connection and bridging of electricity is contributing to electricity losses.
- Ageing infrastructure.
- Theft and vandalism of cables has been reduced in substations but thieves are now targeting household's connections. The reduction was as a result of the appointed service provider who is monitoring substations on 24 hours' basis.
- Theft of transformers which supplies residents and borehole pumps is very high in rural areas and is causing disruption of service delivery.

Challenges faced by the Municipality in providing Roads

- Aging infrastructure (deterioration of roads due to limited routine and preventative maintenance).
- Most of the roads have exceeded their design life span (approximately R588 million required to rehabilitate the existing roads) in both Polokwane and Aganang area.
- Unavailability or insufficient storm water systems.
- Huge rural backlog with minimal impact of 19Km per annum.
- Approved organogram not adequate to address the existing Roads and Storm Water functions.
- 98% of Roads that communities prioritize during IDP processes do not belong to the Municipality but to RAL and the Department of Roads.
- Insufficient budget.
- Insufficient plant (construction machinery).

4. MUNICIPAL STRATEGIC PRIORITY AREAS

Polokwane municipality has developed its strategic objectives guided by the priorities that the municipality set out to achieved. The objectives are aligned and addresses the local government objects as set out in the constitution of the country. The strategic objectives were reviewed during the Mayoral Bosberaad in 2017 and there are aligned with the SWOT, Smart Pillars, Municipal Smart Pillars and Outcomes.

Polokwane Municipality has six IDP Strategic Objectives

1. To ensure efficiency and effectiveness of Municipal administration.
2. To ensure the provision of basic and environmental services in a sustainable way to our communities.
3. To ensure social protection and education outcomes.
4. Promotion of economic growth, job creation and Sustainable human settlement.
5. To ensure community confidence in the system of local government.
6. To enhance Financial Viability and Financial Management.

5. IDP REVIEW PROCESS AND STAKEHOLDER PARTICIPATION

Functions and context of public participation

Chapter 4 of the Municipal Systems Act, 2000 section 17(2) stipulates that a municipality must establish appropriate mechanisms, processes and procedures to enable the local community to participate in the affairs of the municipality. Four major functions can be aligned with the public participation process namely:

- Needs identification;
- Identification of appropriateness of proposed solutions;
- Community ownership and buy-in; and
- Empowerment.

Mechanisms for participation

The following mechanisms for participation are utilized by the City of Polokwane:

- **Media** : National and Local newspapers, local radio stations and the Municipal newsletter are used to inform the community of the progress of the IDP.
- **Website** : The Municipal website is also utilized to communicate and inform the community. Copies of the IDP and Budget are placed on the Municipal website for people and service providers to download.
- **Traditional Authorities and Municipal Cluster Offices**: Copies of the IDP are distributed to traditional authorities' offices, municipal cluster service center offices, municipal resource centre and all municipal libraries.

Procedures for participation

The following procedures or structures continue to be used for participation:

- **IDP Representative Forum (IDP Rep Forum)**: The IDP Rep forum consists of members representing all stakeholders in the municipality. Efforts are made to bring additional organizations into the IDP Rep Forum and ensure their continued participation throughout the process.
- **Public Consultation Meetings**
 - ✓ For the entire review/development of the IDP/Budget/PMS, communities are consulted during the months of **April** each financial year directly to solicit the needs and presenting the draft IDP/Budget of the municipality.
 - ✓ This will deepen the participation of the community in the entire process of the IDP/Budget/PMS cycle.

Input raised and discussed in the Draft IDP/Budget public participation Consultation are noted by the IDP office and Public Participation SBU, Community input and comments are taken into consideration when compiling the Final IDP/Budget of the Municipality.

6. LINK BETWEEN THE IDP AND THE BUDGET

- Public Participation report is used as a guide for Polokwane Municipality in the process of finalizing the budget.
- The final budget should try by all means to respond to the needs of the communities so that communities won't raise the same issues over and over again.
- Various issues **are considered** in the finalization of the Budget, the issues considered include comments from:
 - ✓ IDP Public Participation report;
 - ✓ Challenges as reflected on the IDP Status Quo Reports;
 - ✓ Strategic Planning Resolutions; and
 - ✓ Backlogs in Basic Services.
 - ✓ National Treasury Benchmarking Recommendations;
 - ✓ Auditor General; and
 - ✓ National Treasury Midyear visit report.

7. CLUSTERS - CAPITAL BUDGET FOR 2018/19

A study was conducted in 2015 to assess community needs and Cluster facilities in each of the six geographical cluster areas within Polokwane Local Municipality. These needs would then inform the planning process for municipal offices in the clusters, which is part of the Smart City vision, where the administration is responsive to community needs and communities have increased confidence in local government.

In order to effectively manage the appropriate delivery of services according to local community needs, the municipality has delineated the municipal area into six geographical clusters. These Cluster areas have inherited office spaces but these may not be optimal. The vision is that cluster offices should be multipurpose facilities providing a wide range of municipal and development services with a view to improve the efficiency of service delivery.

Cluster offices seek to unite people into effective groups that work together in pursuit of a shared social agenda particularly in relation to improved provision of basic services. The aim is to develop new social arrangements that are essential to the effective functioning of communities. This arrangement promotes community development which is an ingredient in the success of democratic societies.

Thusong Service Center (TSC) Mankweng

Construction of the Thusong Service Centre in Mankweng Cluster will go a long way in affording the local community the opportunity and convenience of having all their service

delivery needs attended to in one place. Mankweng cluster has several existing municipal offices, none of which is suitable to serve as the primary Cluster Office. This is due to access limitation or limitations relating to property development. It is therefore recommended that a new facility, Thusong Service Centre, be developed to provide not only municipal services but also services rendered by the public sector departments and non-governmental organizations.

Mankweng Thusong Service Centre is an integrated service delivery vehicle initiated with the purpose of bringing government information and services closer to where people live. This centre is tailored to ensure equitable and effective access to government services as well as non-government services and information through strategic partnerships and engagements. Furthermore, to ensure that Mankweng residents can seamlessly access a wide range of services, especially areas or wards that do not have government offices and where people would otherwise have to travel long distances to access services.

Mankweng Cluster is invariably one of the vast and predominantly rural service areas of Polokwane Municipality that does not have adequate access to government services and information. The Thusong will thus serve as a one stop centre that will provide such in an integrated manner through the development communication approach with the aim of empowering the poor, under-serviced and disadvantaged communities of Mankweng.

The objectives if this rural-based initiative is mainly to:

- Bring government services and information closer to the people;
- Address service imbalance;
- Promote access to opportunities as a basis for improved livelihood;
- Create platform for greater dialogue between citizens and government; and
- Mostly, to promote cost-effective, integrated and sustainable service provision to better serve the needs of the community.

An allocation of **R1 000 000** has been proposed for the planning phase of this project for the 2018/19 financial year.

Mobile Service Centre at Molepo/Chuene/Maja Cluster (Rampheri Village)

The existing cluster office at Mothiba-Ngwanamago village in the Molepo/Chuene/Maja cluster is suitably located in terms of access roads but the surface areas and population densities of the cluster vary significantly. Molepo/Chuene/Maja is by far the largest cluster area representing slightly more than 50% of the total municipal surface area. However, it is one of the smallest cluster areas in terms of population and consequently has the lowest population density of 0.4 persons per hectare, compared to the municipal average of 1.7 persons per hectare.

In addition to the existing office facility, it is recommended that a secure site be established for the development or construction of a Mobile Service Centre from where mobile services can be provided to the residents of Molepo which is at the extreme end of the Cluster area. Rampheri village has been identified as the suitable location for the project. The municipality and other sector departments such as Health, SASSA, Home Affairs, and SAPS will make use of the facility to render services to the local community.

An amount of **R1 500 000** has been set aside for the construction of the facility – Mobile Service Centre at Rampheri in the Molepo/Chuene/Maja cluster for the 2017/18 financial year

7. OVERVIEW OF BUDGET RELATED POLICIES

The MFMA and the Municipal Budget and Reporting Regulations require budget related policies to be reviewed, and where applicable, to be updated on an annual basis. The main purpose of budget related policies is to govern and guide the budget process and inform the projections of the medium term.

The following are draft budget related policies which have been approved by Council, or have been reviewed /amended and / or are currently being reviewed / amended in line with National Guidelines and other legislation

Cash Management and Investment Policy

The objectives of the Investment Policy are: -to manage the investments of the municipality in such a manner that it will not tie up the municipality's scarce resources required to improve the quality of life of the citizens; that sufficient cash resources are available to finance the capital and operating budgets of the municipality; and to gain the highest possible return on investments during periods when excess funds are not being used, without unnecessary risk.

Leave Policy

To ensure that employees know their entitlement with regard to the allocation of leave, the responsibility to apply for leave in the prescribed manner(s) and for good governance of leave in Polokwane Municipality.

Integrated Customer Policy

The objective of this policy is to provide a policy framework for the circumstances under which deposit must be paid, the determination of the amount of the deposit that must be paid and the refund or forfeiture of deposit

Assets Management Policy

The objective of this policy is to ensure the effective and efficient control of the municipality's assets through proper recording of assets from authorisation to acquisition and to subsequent disposal; providing for safeguarding procedures, setting proper guidelines as to authorised utilisation and prescribing for proper maintenance. To assist officials in understanding their legal and managerial responsibilities with regard to assets.

Budget and Virement Policy

- The budget and virement policy sets out the budgeting principles which Polokwane Municipality will follow in preparing each annual budget. The policy aims to give effect to the requirements and stipulations of the Municipal Finance Management Act in terms of the planning, preparation and approval of the annual budgets.
- The policy shall apply to all the relevant parties within the Polokwane Municipality that are involved throughout the budget process.
- The policy shall establish and maintain procedures to ensure adherence to the IDP review and budget processes

Performance Management System Policy

- The overall objective of implementing and sustaining effective employee performance management is to build human capital at strategic and operational levels throughout the municipality.
- To achieve this objective an Organisational and Employee Performance Management System is implemented to provide administrative simplicity, maintain mutual respect between managers and employees, and add value to day to day communication about performance and development issues

Funding and Reserve Policy

The objectives of the funding and reserves policy are as follows:

- To comply with the legislative requirements
- To ensure that the Municipality's Operating and Capital budgets are adequately funded;
- To ensure that the Municipality's provisions and reserves are maintained at the required levels, in order to mitigate unfunded liabilities in future financial years

Borrowing Policy

The objectives of this Policy are to: -

- Manage interest rate and credit risk exposure;
- Maintain debt within specified limits and ensure adequate provision for the repayment of debt;
- To ensure compliance with all Legislation and Council policy governing borrowing of funds.

Indigent and Social Assistance Policy

The objectives of this Policy are to: -

- Provide a framework within which the Municipality can exercise its executive and legislative authority with regard to the implementation of financial aid to indigent and poor households in respect of their municipal account;
- Determine the criteria for qualification of Indigent and poor households;
- Ensure that the criteria are applied correctly and fairly to all applicants;
- Allow the municipality to conduct in loco visits to the premises of applicants to verify the actual status of the household with respect to meeting the criteria on an indigent household.
- Allow the Municipality to maintain and publish the register of names and addresses of account holders receiving subsidies (financial aid in respect of the Municipal Services account

Supply Chain Management Policy

The objective of the supply chain management policy is

- To give effect to the provisions of section 217 of the Constitution of the Republic of South Africa, 1996;
- To give effect to the provisions of the Local Government: Municipal Finance Management Act, (Act No. 56 of 2003)
- To give effect to the provisions of the Preferential Procurement Policy Act 5 of 2000 and regulations 2011
- To give effect to the Municipal Supply Chain Management Regulations
- The Broad Based Black Economic Empowerment Act 53 of 2003
- The prevention and combating of corruption Activities Act 12 of 2004.

Major policy review

- Rescind the clause regarding one stream as it is unconstitutional;
- Include compulsory subcontracting on tenders above R30 million to local SMME's as enshrined in the Preferential Regulation

Credit Control and Debt Collection Policy

The objectives of Credit Control Policy are:

- To provide procedures and mechanisms to collect all the monies due and payable to the Municipality arising out of the supply of services and annual levies, in order to ensure financial sustainability and delivery of municipal services in the interest of the community
- To limit risk levels by means of effective management tools.
- To provide for restrictions, limitations, termination of services for non-payment.

The objective of Debt Collection Policy is:

- To implement procedures which ensure the collection of debt, meeting of service targets and the prevention of escalation in arrear debt

Consumer Deposits

- The objective of this policy is to provide a policy framework for the circumstances under which deposit must be paid, the determination of the amount of the deposit that must be paid and the refund or forfeiture of deposit

Tariff Policy

- To comply with the provisions of section 74 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000).
- To prescribe procedures for calculating tariffs where the Municipality wishes to appoint service providers in terms of section 76(b) of the Act.
- To give guidance to the Portfolio Committee for Finance regarding tariff proposals that must be submitted to Council annually during the budgetary process.
- To ensure that there is consistency in how the tariffs are applied throughout the Municipality.
- To ensure municipal services are financially sustainable, affordable and equitable.
- Determining cost effective tariff as far as possible.
- To ensure affordability of basic services to the community.

Property Rates Policy

The key objectives of the policy are to:

- ensure that all owners of rateable property are informed about their liability to pay assessment rates;
- specify relief measures for ratepayers who may qualify for relief or partial relief in respect of the payment of rates through exemptions, reductions and rebates contemplated in section 8 of this policy and section 15 of the Act;
- set out the criteria to be applied by the Council if it increases rates and levies differential rates on different categories of property;
- provide for categories of public benefit organisations, approved in terms of Section 30(1) of the Income Tax Act, 1962 (Act no 58 of 1962) as amended, which ratepayers are eligible for exemptions, reductions and rebates and therefore may apply to the Council for relief from rates;
- recognise the state, organs of state and owners of public service infrastructure as property owners;
- not discourage the development of property;
- ensure that all persons liable for rates are treated equitably as required by the Act;
- determine the level of increases in rates; and
- Provide for exemption, rebates and reductions

Subsistence and Travel Policy

Subject to the provisions of the standard Conditions of Services and any other Agreement with the Bargaining Council applicable to the Council of its employees, the objective of the policy is:

- To fairly compensate persons / employees representing the Council for essential additional expenses incurred by them in the execution of their official duties.
- To ensure uniformity in the payment of subsistence and traveling allowances.

Detailed Budget Tables

MBRR Table A1 - Budget Summary

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousands					
<u>Financial Performance</u>					
Property rates	388 192	388 192	461 484	498 403	538 275
Service charges	1 484 279	1 391 739	1 518 870	1 658 565	1 817 535
Investment revenue	44 944	44 944	47 281	49 882	52 625
Transfers recognised - operational	968 911	975 410	1 008 780	1 053 240	1 126 485
Other own revenue	405 936	562 116	598 139	625 192	613 542
Total Revenue (excluding capital transfers and contributions)	3 292 262	3 362 401	3 634 554	3 885 282	4 148 462
Employee costs	743 622	760 798	817 423	869 703	917 117
Remuneration of councillors	38 152	38 152	40 518	43 149	45 955
Depreciation & asset impairment	185 000	185 000	190 000	237 000	255 000
Finance charges	80 000	40 000	107 500	111 445	105 000
Materials and bulk purchases	1 059 289	872 667	943 163	1 031 253	1 092 812
Transfers and grants	5 720	5 720	11 500	11 500	11 500
Other expenditure	790 475	1 051 503	1 238 585	1 249 381	1 334 856
Total Expenditure	2 902 258	2 953 840	3 348 689	3 553 431	3 762 240
Surplus/(Deficit)	390 004	408 561	285 865	331 851	386 222
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	650 955	689 708	798 465	1 032 747	1 270 796
Contributions recognised - capital & contributed assets	-	-	14 400	-	-
Surplus/(Deficit) after capital transfers & contributions	1 040 959	1 098 269	1 098 730	1 364 598	1 657 018
Share of surplus/ (deficit) of associate	-	-	-	-	-
Surplus/(Deficit) for the year	1 040 959	1 098 269	1 098 730	1 364 598	1 657 018
<u>Capital expenditure & funds sources</u>					
Capital expenditure	1 230 118	1 231 379	1 912 547	1 373 983	1 741 102
Transfers recognised - capital	650 955	689 708	798 465	902 682	1 130 862
Public contributions & donations	-	-	14 400	-	-
Borrowing	239 000	134 000	830 000	90 000	82 000
Internally generated funds	340 163	407 671	269 682	381 301	528 240
Total sources of capital funds	1 230 118	1 231 379	1 912 547	1 373 983	1 741 102
<u>Financial position</u>					
Total current assets	794 481	1 896 284	711 934	940 932	893 256
Total non current assets	11 116 515	14 196 577	15 771 058	17 049 384	19 106 076
Total current liabilities	672 322	854 056	676 936	682 185	696 496
Total non current liabilities	708 883	623 856	991 314	1 131 724	1 484 358
Community wealth/Equity	10 529 790	14 614 949	14 814 742	16 176 407	17 818 478

Table A1 Budget Summary – Continues

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousands					
<u>Cash flows</u>					
Net cash from (used) operating	1 146 590	1 071 227	1 295 260	1 613 377	1 758 324
Net cash from (used) investing	(1 139 912)	(1 139 912)	(1 928 971)	(1 420 964)	(1 777 069)
Net cash from (used) financing	199 000	94 000	754 023	6 687	4 386
Cash/cash equivalents at the year end	303 716	43 327	138 325	337 426	323 066
<u>Cash backing/surplus reconciliation</u>					
Cash and investments available	488 671	445 616	372 350	659 650	733 491
Application of cash and investments	131 778	(570 777)	284 526	334 573	434 098
Balance - surplus (shortfall)	356 893	1 016 392	87 824	325 076	299 393
<u>Asset management</u>					
Asset register summary (WDV)	10 967 707	10 967 707	15 449 771	16 714 697	18 742 664
Depreciation	-	-	185 000	190 000	237 000
Renewal of Existing Assets	290 823	194 488	229 182	123 241	153 440
Repairs and Maintenance	-	-	492 286	520 533	551 689
<u>Free services</u>					
Cost of Free Basic Services provided	-	-	646 352	703 181	766 591
Revenue cost of free services provided	175 340	175 340	112 770	120 701	129 560
<u>Households below minimum service level</u>					
Water:	-	-	-	-	-
Sanitation/sewerage:	130	130	138	146	155
Energy:	39	39	41	44	46
Refuse:	-	-	-	-	-

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

Functional Classification Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
Revenue - Functional					
Governance and administration	2 302 079	2 410 971	2 676 130	3 003 040	3 325 529
Executive and council	–	–	–	–	–
Finance and administration	2 302 079	2 410 971	2 676 130	3 003 040	3 325 529
Internal audit	–	–	–	–	–
Community and public safety	45 392	45 392	12 083	12 802	13 570
Community and social services	5 075	5 075	2 446	2 591	2 750
Sport and recreation	9 439	9 439	6 809	7 215	7 642
Public safety	30 844	30 844	303	320	341
Housing	34	34	–	–	–
Health	–	–	2 525	2 676	2 837
Economic and environmental services	109 119	109 119	135 589	128 245	135 815
Planning and development	92 876	92 876	58 801	62 112	65 714
Road transport	13 615	13 615	76 788	66 133	70 101
Environmental protection	2 628	2 628	–	–	–
Trading services	1 486 627	1 486 627	1 623 617	1 773 942	1 944 344
Energy sources	972 480	972 480	1 055 136	1 155 367	1 270 895
Water management	313 506	313 506	350 836	386 792	425 465
Waste water management	94 496	94 496	102 528	109 194	116 838
Waste management	106 145	106 145	115 117	122 589	131 146
Total Revenue - Functional	3 943 217	4 052 109	4 447 419	4 918 029	5 419 258
Expenditure - Functional					
Governance and administration	972 460	1 024 042	1 211 241	1 316 542	1 410 939
Executive and council	243 014	243 014	357 912	373 841	426 911
Finance and administration	717 756	769 338	840 603	931 241	971 790
Internal audit	11 690	11 690	12 727	11 460	12 239
Community and public safety	272 491	272 491	262 621	278 710	295 120
Community and social services	64 741	64 741	77 000	80 590	85 358
Sport and recreation	159 914	159 914	130 483	139 720	147 901
Public safety	34 934	34 934	49 228	52 146	55 239
Housing	8 235	8 235	869	919	968
Health	4 667	4 667	5 041	5 335	5 654
Economic and environmental services	384 563	384 563	450 515	438 313	463 501
Planning and development	92 826	92 826	133 036	100 680	108 804
Road transport	291 055	291 055	316 684	336 792	353 806
Environmental protection	681	681	796	842	892
Trading services	1 272 745	1 272 745	1 424 312	1 519 867	1 592 679
Energy sources	806 231	806 231	894 756	944 291	995 366
Water management	301 177	301 177	296 731	329 651	350 253
Waste water management	100 353	100 353	114 419	120 228	111 256
Waste management	64 984	64 984	118 407	125 697	135 804
Total Expenditure - Functional	2 902 258	2 953 840	3 348 689	3 553 431	3 762 240
Surplus/(Deficit) for the year	1 040 959	1 098 269	1 098 730	1 364 598	1 657 018

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

Vote Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
Revenue by Vote					
Vote 1 - COUNCIL	-	-	-	-	-
Vote 2 - Office of the Municipal Manger	-	-	-	-	-
Vote 3 - Strategic Planning Monitoring and Evaluation	-	-	-	-	-
Vote 4 - Engineering Services	1 380 720	1 380 720	1 523 152	1 651 620	1 813 480
Vote 5 - Community Services	177 708	177 708	184 126	195 736	208 682
Vote 6 - Community Development	10 941	10 941	11 533	12 191	12 889
Vote 7 - Corporate and Shared Services	5 033	5 033	5 334	5 654	5 994
Vote 8 - Planning and Economic Development	71 800	71 800	58 801	62 112	65 714
Vote 9 - Budget and Treasury	2 297 016	2 405 908	2 664 473	2 990 715	3 312 497
Vote 10 - Transport Operations	-	-	-	-	-
Total Revenue by Vote	3 943 217	4 052 109	4 447 419	4 918 028	5 419 256
Expenditure by Vote to be appropriated					
Vote 1 - COUNCIL	202 689	202 689	338 419	361 417	413 747
Vote 2 - Office of the Municipal Manger	67 350	67 350	48 675	33 879	35 961
Vote 3 - Strategic Planning Monitoring and Evaluation	33 256	33 256	72 465	39 740	44 194
Vote 4 - Engineering Services	1 311 939	1 311 939	1 468 603	1 585 843	1 661 917
Vote 5 - Community Services	337 368	337 368	436 590	458 006	489 658
Vote 6 - Community Development	207 040	207 040	186 544	204 505	216 667
Vote 7 - Corporate and Shared Services	175 048	175 048	217 499	238 456	252 889
Vote 8 - Planning and Economic Development	76 651	76 651	72 942	74 046	78 494
Vote 9 - Budget and Treasury	394 950	446 532	449 748	514 159	527 646
Vote 10 - Transport Operations	95 967	95 967	57 205	43 379	41 065
Total Expenditure by Vote	2 902 258	2 953 840	3 348 689	3 553 430	3 762 238
Surplus/(Deficit) for the year	1 040 959	1 098 269	1 098 730	1 364 598	1 657 018

Surplus/ (Deficit) calculations for the electricity trading service

Functional Classification Description R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Revenue - Functional</u>					
<i>Trading services</i>	1 486 627	1 486 627	1 623 617	1 773 942	1 944 344
Energy sources	972 480	972 480	1 055 136	1 155 367	1 270 895
Water management	313 506	313 506	350 836	386 792	425 465
Waste water management	94 496	94 496	102 528	109 194	116 838
Waste management	106 145	106 145	115 117	122 589	131 146
<u>Expenditure - Functional</u>					
<i>Trading services</i>	1 272 745	1 272 745	1 424 312	1 519 867	1 592 679
Energy sources	806 231	806 231	894 756	944 291	995 366
Water management	301 177	301 177	296 731	329 651	350 253
Waste water management	100 353	100 353	114 419	120 228	111 256
Waste management	64 984	64 984	118 407	125 697	135 804
Surplus/(Deficit) for the year	213 882	213 882	199 305	254 075	351 665

MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
Revenue By Source					
Property rates	388 192	388 192	461 484	498 403	538 275
Service charges - electricity revenue	972 299	972 299	1 054 944	1 155 164	1 270 681
Service charges - water revenue	313 385	220 845	248 450	273 919	301 309
Service charges - sanitation revenue	94 496	94 496	102 528	109 193	116 836
Service charges - refuse revenue	104 099	104 099	112 948	120 289	128 709
Rental of facilities and equipment	35 454	35 454	37 297	39 382	41 584
Interest earned - external investments	44 944	44 944	47 281	49 882	52 625
Interest earned - outstanding debtors	66 742	66 742	80 000	84 400	89 042
Fines, penalties and forfeits	24 000	24 000	16 000	16 959	17 979
Licences and permits	14 046	14 046	14 890	15 782	16 728
Agency services	21 124	21 124	25 000	26 500	28 090
Transfers and subsidies	968 911	975 410	1 008 780	1 053 240	1 126 485
Other revenue	203 570	400 750	424 952	442 169	420 119
Gains on disposal of PPE	41 000		-	-	-
Total Revenue (excluding capital transfers and contributions)	3 292 262	3 362 401	3 634 554	3 885 282	4 148 462
Expenditure By Type					
Employee related costs	743 622	760 798	817 423	869 703	917 117
Remuneration of councillors	38 152	38 152	40 518	43 149	45 955
Debt impairment	55 000	55 000	235 000	249 100	300 000
Depreciation & asset impairment	185 000	185 000	190 000	237 000	255 000
Finance charges	80 000	40 000	107 500	111 445	105 000
Bulk purchases	854 322	854 322	905 497	970 426	1 028 653
Other materials	204 967	18 345	37 666	60 827	64 159
Contracted services	330 136	726 898	796 325	764 936	786 967
Transfers and subsidies	5 720	5 720	11 500	11 500	11 500
Other expenditure	405 339	265 605	207 260	235 345	247 889
Loss on disposal of PPE		4 000			
Total Expenditure	2 902 258	2 953 840	3 348 689	3 553 431	3 762 240
Surplus/(Deficit)	390 004	408 561	285 865	331 851	386 222
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	650 955	689 708	798 465	1 032 747	1 270 796
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	14 400	-	-
Surplus/(Deficit) after capital transfers & contributions	1 040 959	1 098 269	1 098 730	1 364 598	1 657 018
Taxation					
Surplus/(Deficit) after taxation	1 040 959	1 098 269	1 098 730	1 364 598	1 657 018
Attributable to minorities					
Surplus/(Deficit) attributable to municipality	1 040 959	1 098 269	1 098 730	1 364 598	1 657 018
Share of surplus/ (deficit) of associate					
Surplus/(Deficit) for the year	1 040 959	1 098 269	1 098 730	1 364 598	1 657 018

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

Vote Description R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure - Vote					
Vote 1 - COUNCIL	-	-	-	-	-
Vote 2 - Office of the Municipal Manger	-	-	-	-	-
Vote 3 - Strategic Planning Monitoring and Evaluation	-	-	2 500	19 300	27 500
Vote 4 - Engineering Services	819 524	869 659	1 074 048	1 227 844	1 519 943
Vote 5 - Community Services	35 332	28 036	36 477	29 500	37 491
Vote 6 - Community Development	93 249	77 519	45 240	52 500	60 300
Vote 7 - Corporate and Shared Services	43 750	103 250	309 500	6 300	7 000
Vote 8 - Planning and Economic Development	10 000	7 000	7 000	18 500	67 800
Vote 9 - Budget and Treasury	6 151	6 303	8 500	2 001	-
Vote 10 - Transport Operations	222 112	139 612	429 282	18 038	21 068
Capital single-year expenditure sub-total	1 230 118	1 231 379	1 912 547	1 373 983	1 741 102
Total Capital Expenditure - Vote	1 230 118	1 231 379	1 912 547	1 373 983	1 741 102
Capital Expenditure - Functional					
Governance and administration	49 898	109 550	318 000	8 301	7 000
Executive and council		-			
Finance and administration	49 898	109 550	318 000	8 301	7 000
Internal audit		-			
Community and public safety	112 030	96 155	65 617	92 000	117 290
Community and social services	54 000	54 422	22 467	53 650	96 550
Sport and recreation	50 249	34 119	33 390	32 000	9 200
Public safety	7 781	7 614	9 760	6 350	11 540
Economic and environmental services	418 716	436 356	748 237	358 738	446 018
Planning and development	10 000	7 000	7 000	18 500	67 800
Road transport	408 716	429 356	741 237	340 238	378 218
Environmental protection		-			
Trading services	649 474	589 318	780 693	914 944	1 170 794
Energy sources	84 050	58 400	69 070	172 000	210 500
Water management	416 838	431 518	300 703	493 644	788 453
Waste water management	132 035	90 000	392 320	240 000	163 840
Waste management	16 551	9 400	18 600	9 300	8 001
Other		-			
Total Capital Expenditure - Functional	1 230 118	1 231 379	1 912 547	1 373 983	1 741 102
Funded by:					
National Government	650 955	689 708	798 465	902 682	1 130 862
Transfers recognised - capital	650 955	689 708	798 465	902 682	1 130 862
Public contributions & donations			14 400		
Borrowing	239 000	134 000	830 000	90 000	82 000
Internally generated funds	340 163	407 671	269 682	381 301	528 240
Total Capital Funding	1 230 118	1 231 379	1 912 547	1 373 983	1 741 102

MBRR Table A6 - Budgeted Financial Position

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
ASSETS					
Current assets					
Cash	266 471	98 038	138 325	337 426	323 066
Call investment deposits	99 000	99 000	–	–	–
Consumer debtors	352 296	1 433 619	491 895	521 793	488 475
Other debtors	40 000	100 242	45 000	45 000	45 000
Current portion of long-term receivables	500	–	500	500	500
Inventory	36 214	165 385	36 214	36 214	36 214
Total current assets	794 481	1 896 284	711 934	940 932	893 256
Non current assets					
Long-term receivables		152			
Investments	123 200	248 578	196 899	285 099	373 299
Investment property	658 489	656 976	658 489	658 489	673 489
Investment in Associate		–			
Property, plant and equipment	10 291 534	10 865 079	14 877 687	16 067 813	18 021 305
Agricultural	8 999	–	14 278	14 278	14 278
Biological	2 074	15 571	2 508	2 508	2 508
Intangible	15 609	3 102	4 588	4 588	4 588
Other non-current assets	16 609	2 407 118	16 609	16 609	16 609
Total non current assets	11 116 515	14 196 577	15 771 058	17 049 384	19 106 076
TOTAL ASSETS	11 910 995	16 092 860	16 482 992	17 990 316	19 999 332
LIABILITIES					
Current liabilities					
Bank overdraft					
Borrowing	122 499	122 499	66 812	61 113	63 613
Consumer deposits	75 000	70 953	72 000	73 000	75 000
Trade and other payables	404 823	590 604	538 124	548 072	557 883
Provisions	70 000	70 000			
Total current liabilities	672 322	854 056	676 936	682 185	696 496
Non current liabilities					
Borrowing	518 013	321 980	728 258	828 258	1 138 258
Provisions	190 870	301 875	263 056	303 466	346 100
Total non current liabilities	708 883	623 856	991 314	1 131 724	1 484 358
TOTAL LIABILITIES	1 381 205	1 477 912	1 668 250	1 813 909	2 180 854
NET ASSETS	10 529 790	14 614 949	14 814 742	16 176 407	17 818 478
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	7 121 271	7 415 035	7 614 829	8 976 494	10 618 565
Reserves	3 408 519	7 199 914	7 199 914	7 199 914	7 199 914
TOTAL COMMUNITY WEALTH/EQUITY	10 529 790	14 614 949	14 814 742	16 176 407	17 818 478

MBRR Table A7 - Budgeted Cash Flow Statement

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts					
Property rates	341 609	341 609	406 106	438 595	473 682
Service charges	1 331 879	1 331 879	1 366 983	1 488 119	1 630 871
Other revenue	278 799	205 386	484 662	504 792	489 751
Government - operating	968 911	975 410	1 008 780	1 053 240	1 126 485
Government - capital	650 955	689 708	798 465	1 032 747	1 270 796
Interest	103 868	103 868	118 371	124 882	131 750
Dividends	-	-	-	-	-
Payments					
Suppliers and employees	(2 447 711)	(2 530 914)	(2 770 182)	(2 907 167)	(3 249 561)
Finance charges	(76 000)	(36 000)	(69 300)	(110 331)	(103 950)
Transfers and Grants	(5 720)	(9 720)	(11 500)	(11 500)	(11 500)
NET CASH FROM/(USED) OPERATING ACTIVITIES	1 146 590	1 071 227	1 332 385	1 613 377	1 758 324
CASH FLOWS FROM INVESTING ACTIVITIES					
Receipts					
Proceeds on disposal of PPE	28 700	28 700	14 400	-	-
Decrease (Increase) in non-current debtors	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	(64 200)	(64 200)	(64 200)
Payments					
Capital assets	-	-	(1 855 171)	(1 332 764)	(1 688 869)
NET CASH FROM/(USED) INVESTING ACTIVITIES	28 700	28 700	(1 904 971)	(1 396 964)	(1 753 069)
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts					
Short term loans	-	-	-	-	-
Borrowing long term/refinancing	310 000	205 000	830 000	90 000	82 000
Increase (decrease) in consumer deposits	40 000	40 000	-	-	-
Payments					
Repayment of borrowing	(151 000)	(151 000)	(75 977)	(83 313)	(77 614)
NET CASH FROM/(USED) FINANCING ACTIVITIES	199 000	94 000	754 023	6 687	4 386
NET INCREASE/ (DECREASE) IN CASH HELD	1 374 290	1 193 927	181 437	223 100	9 641
Cash/cash equivalents at the year begin:	98 038	18 013	18 013	199 450	422 551
Cash/cash equivalents at the year end:	1 472 328	1 211 939	199 450	422 551	432 191

MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
<u>Cash and investments available</u>					
Cash/cash equivalents at the year end	303 716	43 327	138 325	337 426	323 066
Other current investments > 90 days	61 755	153 711	-	-	-
Non current assets - Investments	123 200	248 578	196 899	285 099	373 299
Cash and investments available:	488 671	445 616	335 225	622 525	696 366
<u>Application of cash and investments</u>					
Unspent conditional transfers	54 823	120 158	46 198	52 585	57 585
Unspent borrowing	-	-	-	-	-
Statutory requirements		-	(20 818)	(19 838)	(23 764)
Other working capital requirements	7 696	(39 034)	21 816	131	34 204
Other provisions	69 259	69 259	64 431	64 597	64 774
Long term investments committed	123 200	-	172 899	237 099	301 299
Reserves to be backed by cash/investments	-	-			
Total Application of cash and investments:	254 978	150 382	284 526	334 573	434 098
Surplus(shortfall)	233 693	295 233	50 699	287 951	262 268

MBRR Table A9 - Asset Management

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
CAPITAL EXPENDITURE					
<u>Total New Assets</u>	866 209	610 695	1 201 215	1 138 087	1 247 053
<i>Roads Infrastructure</i>	269 950	84 847	161 915	180 200	143 800
<i>Storm water Infrastructure</i>	-	10 531	5 000	-	-
<i>Electrical Infrastructure</i>	71 900	41 400	63 903	156 000	186 500
<i>Water Supply Infrastructure</i>	270 338	158 838	263 363	367 446	483 532
<i>Sanitation Infrastructure</i>	132 035	(42 035)	364 485	253 000	183 840
<i>Solid Waste Infrastructure</i>	15 101	7 350	17 600	8 800	8 001
Infrastructure	759 324	260 931	876 266	965 446	1 005 673
Community Facilities	12 886	7 255	25 227	38 350	73 740
Sport and Recreation Facilities	40 249	17 018	23 040	15 000	9 200
Community Assets	53 135	24 273	48 267	53 350	82 940
Heritage Assets	-	-	-	-	-
Revenue Generating	10 000	-	-	-	-
Non-revenue Generating	-	11 500	6 000	18 500	51 500
Investment properties	10 000	11 500	6 000	18 500	51 500
Operational Buildings	5 500	89 202	400	-	1 900
Housing	-	2 000	-	-	-
Other Assets	5 500	91 202	400	-	1 900
Biological or Cultivated Assets	-	600	-	-	-
Licences and Rights	750	-	-	-	-
Intangible Assets	750	-	-	-	-
Computer Equipment	2 000	44 252	2 750	2 800	3 000
Furniture and Office Equipment	500	2 270	-	-	-
Machinery and Equipment	-	8 667	-	-	-
Transport Assets	35 000	167 000	267 532	97 991	102 040

Table A9 Continued

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
<u>Total Renewal of Existing Assets</u>	290 823	194 488	237 557	129 241	136 440
<i>Roads Infrastructure</i>	106 380	105 744	162 532	105 991	102 040
<i>Storm water Infrastructure</i>	-	-	-	-	-
<i>Electrical Infrastructure</i>	12 250	6 100	4 300	1 000	11 000
<i>Water Supply Infrastructure</i>	134 000	67 644	10 000	-	-
<i>Sanitation Infrastructure</i>	-	-	46 300	-	-
<i>Solid Waste Infrastructure</i>	1 450	0	-	-	-
<i>Information and Communication Infrastructure</i>	-	15 000	-	-	-
Infrastructure	254 080	194 488	223 132	106 991	113 040
Community Facilities	5 095	-	3 850	15 750	12 900
Sport and Recreation Facilities	-	-	1 575	-	-
Community Assets	5 095	-	5 425	15 750	12 900
Investment properties	-	-	-	-	-
Operational Buildings	27 248	-	9 000	6 500	10 500
Housing	-	-	-	-	-
Other Assets	27 248	-	9 000	6 500	10 500
Licences and Rights	3 000	-	-	-	-
Intangible Assets	3 000	-	-	-	-
Libraries	1 400	-	-	-	-
<u>Total Upgrading of Existing Assets</u>	73 086	426 196	160 065	270 399	533 300
<i>Roads Infrastructure</i>	32 386	26 682	105 494	113 000	213 000
<i>Storm water Infrastructure</i>	-	1 950	14 546	6 000	-
<i>Electrical Infrastructure</i>	-	10 250	975	10 000	10 000
<i>Water Supply Infrastructure</i>	12 500	189 536	10 925	111 998	284 600
<i>Sanitation Infrastructure</i>	-	147 035	-	-	-
<i>Solid Waste Infrastructure</i>	-	1 100	-	-	-
Infrastructure	44 886	376 553	131 940	240 998	507 600
Community Facilities	6 450	11 095	4 850	6 900	9 700
Sport and Recreation Facilities	10 000	19 000	7 775	17 000	-
Community Assets	16 450	30 095	12 625	23 900	9 700
Heritage Assets	-	800	-	-	-
Revenue Generating	-	-	-	-	12 000
Investment properties	-	-	-	-	12 000
Operational Buildings	5 000	11 148	8 500	2 001	-
Other Assets	5 000	11 148	8 500	2 001	-
Licences and Rights	3 000	-	7 000	3 500	4 000
Intangible Assets	3 000	-	7 000	3 500	4 000
Computer Equipment	3 000	6 000	-	-	-
Furniture and Office Equipment	-	800	-	-	-
Libraries	750	800	-	-	-
<u>Total Capital Expenditure</u>	408 716	217 273	429 941	399 191	458 840
<i>Roads Infrastructure</i>	408 716	217 273	429 941	399 191	458 840
<i>Storm water Infrastructure</i>	-	12 481	19 546	6 000	-
<i>Electrical Infrastructure</i>	84 150	57 750	69 178	167 000	207 500
<i>Water Supply Infrastructure</i>	416 838	416 018	284 288	479 444	768 132
<i>Sanitation Infrastructure</i>	132 035	105 000	410 785	253 000	183 840
<i>Solid Waste Infrastructure</i>	16 551	8 450	17 600	8 800	8 001
<i>Information and Communication Infrastructure</i>	-	15 000	-	-	-
Infrastructure	1 058 290	831 972	1 231 338	1 313 435	1 626 313

Table A9 Continued

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
Community Facilities	24 431	18 350	33 927	61 000	96 340
Sport and Recreation Facilities	50 249	36 018	32 390	32 000	9 200
Community Assets	74 680	54 368	66 317	93 000	105 540
Heritage Assets	-	800	-	-	-
Revenue Generating	10 000	-	-	-	12 000
Non-revenue Generating	-	11 500	6 000	18 500	51 500
Investment properties	10 000	11 500	6 000	18 500	63 500
Operational Buildings	37 748	100 350	17 900	8 501	12 400
Housing	-	2 000	-	-	-
Other Assets	37 748	102 350	17 900	8 501	12 400
Biological or Cultivated Assets	-	600	-	-	-
Servitudes	-	-	-	-	-
Licences and Rights	6 750	-	7 000	3 500	4 000
Intangible Assets	6 750	-	7 000	3 500	4 000
Computer Equipment	5 000	50 252	2 750	2 800	3 000
Furniture and Office Equipment	500	3 070	-	-	-
Machinery and Equipment	-	8 667	-	-	-
Transport Assets	35 000	167 000	267 532	97 991	102 040
Libraries	2 150	800	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	1 230 118	1 231 379	1 912 547	1 373 983	1 741 102
EXPENDITURE OTHER ITEMS					
Depreciation	185 000	185 000	190 000	237 000	255 000
TOTAL EXPENDITURE OTHER ITEMS	185 000	185 000	200 000	215 000	230 000
<i>Renewal and upgrading of Existing Assets as % of total capex</i>	29,6%	50,4%	28,9%	14,6%	5,8%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>	0,0%	0,0%	254,2%	99,3%	46,1%
<i>R&M as a % of PPE</i>	0,0%	0,0%	3,3%	3,2%	3,0%
<i>Renewal and upgrading and R&M as a % of PPE</i>	3,0%	6,0%	6,0%	4,0%	4,0%

MBRR Table A10 - Basic Service Delivery Measurement

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Household service targets					
Water:					
Piped water inside dwelling	58 189	58 189	61 680	65 381	69 304
Piped water inside yard (but not in dwelling)	57 524	57 524	60 976	64 634	68 513
Using public tap (at least min.service level)	67 754	67 754	71 819	76 128	80 696
Other water supply (at least min.service level)	44 639	44 639	47 318	50 157	53 166
<i>Minimum Service Level and Above sub-total</i>	228 106	228 106	241 793	256 300	271 678
<i>Below Minimum Service Level sub-total</i>	–	–	–	–	–
Total number of households	228 106	228 106	241 793	256 300	271 678
Sanitation/sewerage:					
Flush toilet (connected to sewerage)	53 769	53 769	56 995	60 414	64 039
Flush toilet (with septic tank)	5 443	5 443	5 770	6 116	6 483
Chemical toilet	2 018	2 018	2 139	2 267	2 403
Pit toilet (ventilated)	45 139	45 139	47 847	50 718	53 761
Other toilet provisions (> min.service level)	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>	106 369	106 369	112 751	119 516	126 687
Bucket toilet	–	–	–	–	–
Other toilet provisions (< min.service level)	–	–	–	–	–
No toilet provisions	130 107	130 107	137 913	146 188	154 959
<i>Below Minimum Service Level sub-total</i>	130 107	130 107	137 913	146 188	154 959
Total number of households	236 476	236 476	250 665	265 704	281 647
Energy:					
Electricity (at least min.service level)	106 018	106 018	112 379	119 121	126 269
Electricity - prepaid (min.service level)	91 667	91 667	97 167	102 997	109 177
<i>Minimum Service Level and Above sub-total</i>	197 685	197 685	209 546	222 119	235 446
Electricity (< min.service level)	17 558	17 558	18 611	19 728	20 911
Electricity - prepaid (< min. service level)	19 282	19 282	20 439	21 665	22 965
Other energy sources	1 952	1 952	2 069	2 193	2 324
<i>Below Minimum Service Level sub-total</i>	38 791	38 791	41 119	43 586	46 201
Total number of households	236 476	236 476	250 665	265 704	281 647
Refuse:					
Removed at least once a week	122 223	122 223	129 556	137 330	145 569
<i>Minimum Service Level and Above sub-total</i>	122 223	122 223	129 556	137 330	145 569
<i>Below Minimum Service Level sub-total</i>	–	–	–	–	–
Total number of households	122 223	122 223	129 556	137 330	145 569

MBRR Table A10 - Basic Service Delivery Measurement - cont

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Highest level of free service provided per household</u>					
Property rates (R value threshold)	58 189	58 189	61 680	65 381	69 304
Water (kilolitres per household per month)	57 524	57 524	60 976	64 634	68 513
Sanitation (kilolitres per household per month)	67 754	67 754	71 819	76 128	80 696
Sanitation (Rand per household per month)	44 639	44 639	47 318	50 157	53 166
Electricity (kw h per household per month)					
Refuse (average litres per week)					
<u>Revenue cost of subsidised services provided (R'000)</u>					
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)	50 880	50 880	53 933	57 169	60 599
Water (in excess of 6 kilolitres per indigent household)	37 530	37 530	42 222	46 549	51 204
Sanitation (in excess of free sanitation service to indigent)	29 082	29 082	31 554	33 605	35 958
Electricity /other energy (in excess of 50 kw h per indigent)	33 467	33 467	36 312	39 580	43 538
Refuse (in excess of one removal a week for indigent)	24 380	24 380	26 453	28 172	30 144
Municipal Housing - rental rebates					
Housing - top structure subsidies					
Other					
Total revenue cost of subsidised services provided	175 340	175 340	190 474	205 075	221 443

MBRR Table SA1 - Supporting detail to budgeted financial performance

Description	Current Year 2017/18		2018/19 medium term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
REVENUE ITEMS:					
Property rates					
Total Property Rates	439 072	439 072	515 417	555 572	598 874
<i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>	50 880	50 880	53 933	57 169	60 599
Net Property Rates	388 192	388 192	461 484	498 403	538 275
Service charges - electricity revenue					
Total Service charges - electricity revenue	1 005 766	1 005 766	1 091 256	1 194 744	1 314 219
<i>less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>	33 467	33 467	8 723	9 370	10 308
<i>less Cost of Free Basis Services (50 kwh per indigent household per month)</i>	–	–	27 589	30 210	33 230
Net Service charges - electricity revenue	972 299	972 299	1 054 944	1 155 164	1 270 681
Service charges - water revenue					
Total Service charges - water revenue	350 915	258 375	290 672	320 467	352 513
<i>less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>	37 530	37 530	21 111	23 274	25 602
<i>less Cost of Free Basis Services (6 kilolitres per indigent household per month)</i>	–	–	21 111	23 274	25 602
Net Service charges - water revenue	313 385	220 845	248 450	273 919	301 309
Service charges - sanitation revenue					
Total Service charges - sanitation revenue	123 578	123 578	134 082	142 797	152 794
<i>less Revenue Foregone (in excess of free sanitation service to indigent households)</i>	29 082	29 082	15 777	16 802	17 979
<i>less Cost of Free Basis Services (free sanitation service to indigent households)</i>	–	–	15 777	16 802	17 979
Net Service charges - sanitation revenue	94 496	94 496	102 528	109 193	116 836
Service charges - refuse revenue					
Total refuse removal revenue	128 479	128 479	139 400	148 461	158 853
Total landfill revenue	–	–	–	–	–
<i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>	24 380	24 380	13 226	14 086	15 072
<i>less Cost of Free Basis Services (removed once a week to indigent households)</i>	–	–	13 226	14 086	15 072
Net Service charges - refuse revenue	104 099	104 099	112 948	120 289	128 709
Other Revenue by source					
Total 'Other' Revenue	203 570	400 750	424 952	442 169	420 119

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
EXPENDITURE ITEMS:					
<u>Employee related costs</u>					
Basic Salaries and Wages	474 547	474 547	516 498	550 721	579 074
Pension and UIF Contributions	100 925	100 925	111 145	117 813	124 807
Medical Aid Contributions	28 143	28 143	31 358	33 239	35 233
Overtime	39 679	56 855	39 681	42 062	44 586
Performance Bonus	–	–	–	–	–
Motor Vehicle Allowance	–	–	50 852	53 904	57 137
Cellphone Allowance	336	336	329	348	369
Housing Allowances	6 880	6 880	7 660	8 121	8 608
Other benefits and allowances	93 112	93 112	59 901	63 495	67 302
Payments in lieu of leave	–	–	–	–	–
Long service awards	–	–	–	–	–
Post-retirement benefit obligations	–	–	–	–	–
sub-total	743 622	760 798	817 423	869 703	917 117
Less: Employees costs capitalised to PPE					
Total Employee related costs	743 622	760 798	817 423	869 703	917 117
<u>Contributions recognised - capital</u>					
<i>KFW Bank</i>			14 400		
Total Contributions recognised - capital	–	–	14 400	–	–
<u>Depreciation & asset impairment</u>					
Depreciation of Property, Plant & Equipment	500 000	500 000	530 000	573 800	610 508
Lease amortisation	–	–	–	–	–
Capital asset impairment	–	–	–	–	–
Depreciation resulting from revaluation of PPE	315 000	315 000	340 000	336 800	355 508
Total Depreciation & asset impairment	185 000	185 000	190 000	237 000	255 000
<u>Bulk purchases</u>					
Electricity Bulk Purchases	661 052	661 052	700 631	753 269	798 466
Water Bulk Purchases	193 270	193 270	204 866	217 157	230 187
Total bulk purchases	854 322	854 322	905 497	970 426	1 028 653
<u>Transfers and grants</u>					
Cash transfers and grants	5 720	5 720	11 500	11 500	11 500
Non-cash transfers and grants	–	–	–	–	–
Total transfers and grants	5 720	5 720	11 500	11 500	11 500
Total contracted services	330 136	726 898	796 325	764 936	786 967
Total 'Other' Expenditure	405 339	265 605	207 260	235 345	247 889
Repairs and Maintenance by Expenditure Item					
Employee related costs	–	–	27 041	28 663	30 383
Other materials	204 967	204 967	252 984	268 164	284 178
Contracted Services	–	–	212 261	223 706	237 128
Other Expenditure	–	–	–	–	–
Total Repairs and Maintenance Expenditure	204 967	204 967	492 286	520 533	551 689

MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

Description	Vote 1 - COUNCIL	Vote 2 - Office of the Municipal Manger	Vote 3 - Strategic Planning Monitoring and Evaluation	Vote 4 - Engineering Services	Vote 5 - Community Services	Vote 6 - Community Development	Vote 7 - Corporate and Shared Services	Vote 8 - Planning and Economic Development	Vote 9 - Budget and Treasury	Vote 10 - Transport Operations	Total
R thousand											
Revenue By Source											
Property rates	-	-	-	-	-	-	-	-	461 484	-	461 484
Service charges - electricity revenue	-	-	-	1 054 944	-	-	-	-	-	-	1 054 944
Service charges - water revenue	-	-	-	248 450	-	-	-	-	-	-	248 450
Service charges - sanitation revenue	-	-	-	102 528	-	-	-	-	-	-	102 528
Service charges - refuse revenue	-	-	-	-	112 948	-	-	-	-	-	112 948
Service charges - other	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	1 923	8 526	-	26 848	-	-	37 297
Interest earned - external investments	-	-	-	-	-	-	-	-	47 281	-	47 281
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	80 000	-	80 000
Dividends received	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	137	15 735	128	-	-	-	-	16 000
Licences and permits	-	-	-	-	14 142	-	-	618	130	-	14 890
Agency services	-	-	-	-	25 000	-	-	-	-	-	25 000
Other revenue	-	-	-	117 093	14 378	2 879	5 334	31 335	253 933	-	424 952
Transfers and subsidies	-	-	-	-	-	-	-	-	1 008 780	-	1 008 780
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and	-	-	-	1 523 152	184 126	11 533	5 334	58 801	1 851 608	-	3 634 554
Expenditure By Type											
Employee related costs	25 548	19 801	24 057	173 606	266 807	79 379	77 977	57 685	83 311	9 251	817 423
Remuneration of councillors	40 518	-	-	-	-	-	-	-	-	-	40 518
Debt impairment	235 000	-	-	-	-	-	-	-	-	-	235 000
Depreciation & asset impairment	262	1 246	2 071	69 067	5 692	82 858	5 239	22 361	892	312	190 000
Finance charges	-	-	-	-	-	-	-	-	107 500	-	107 500
Bulk purchases	-	-	-	905 497	-	-	-	-	-	-	905 497
Other materials	300	131	410	22 743	5 437	1 687	3 931	402	2 429	196	37 666
Contracted services	706	20 220	42 316	229 038	135 692	34 848	50 043	7 056	229 949	46 457	796 325
Transfers and subsidies	11 500	-	-	-	-	-	-	-	-	-	11 500
Other expenditure	24 584	7 276	3 630	14 720	18 101	26 727	81 758	3 818	25 665	981	207 260
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure	338 419	48 675	72 465	1 468 603	436 590	186 544	217 499	72 942	449 748	57 205	3 348 689
Surplus/(Deficit)	(338 419)	(48 675)	(72 465)	54 549	(252 464)	(175 011)	(212 165)	(14 141)	1 401 860	(57 205)	285 865
Transfers and subsidies - capital (monetary allocations)									798 465		798 465
Transfers and subsidies - capital (monetary allocations)									14 400		14 400
Transfers and subsidies - capital (in-kind - all)											-
Surplus/(Deficit) after capital transfers &	(338 419)	(48 675)	(72 465)	54 549	(252 464)	(175 011)	(212 165)	(14 141)	2 214 725	(57 205)	1 098 730

MBRR Table SA3 – Supporting detail to Statement of Financial Position

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
ASSETS					
Call investment deposits					
Call deposits					
Other current investments	99 000	99 000	–	–	–
Total Call investment deposits	99 000	99 000	–	–	–
Consumer debtors					
Consumer debtors	673 055	984 151	1 176 363	1 277 361	1 509 943
Less: Provision for debt impairment	(320 759)	(449 468)	(684 468)	(755 568)	(1 021 468)
Total Consumer debtors	352 296	534 683	491 895	521 793	488 475
Debt impairment provision					
Balance at the beginning of the year	220 759	394 468	449 468	506 468	721 468
Contributions to the provision	55 000	55 000	235 000	249 100	300 000
Bad debts written off		–			
Balance at end of year	275 759	449 468	684 468	755 568	1 021 468
Property, plant and equipment (PPE)					
PPE at cost/v valuation (excl. finance leases)	20 228 885	22 069 391	25 213 297	26 522 542	28 802 251
Leases recognised as PPE	–	–	–	–	–
Less: Accumulated depreciation	9 937 351	11 204 312	10 342 703	10 357 703	10 587 703
Total Property, plant and equipment (PPE)	10 291 534	10 865 079	14 870 594	16 164 839	18 214 548
LIABILITIES					
Current liabilities - Borrowing					
Short term loans (other than bank overdraft)	2 499	2 499	2 499	2 499	2 499
Current portion of long-term liabilities	120 000	120 000	64 313	58 614	61 114
Total Current liabilities - Borrowing	122 499	122 499	66 812	61 113	63 613
Trade and other payables					
Trade and other creditors	350 000	470 446	491 926	495 487	500 298
Unspent conditional transfers	54 823	120 158	46 198	52 585	57 585
VAT		–			
Total Trade and other payables	404 823	590 604	538 124	548 072	557 883
Non current liabilities - Borrowing					
Borrowing	448 013	283 878	638 258	728 258	1 028 258
Finance leases (including PPP asset element)	70 000	38 102	90 000	100 000	110 000
Total Non current liabilities - Borrowing	518 013	321 980	728 258	828 258	1 138 258
Provisions - non-current					
Retirement benefits	190 870	160 479	198 625	238 869	281 326
List other major provision items					
Refuse landfill site rehabilitation		64 274	64 431	64 597	64 774
Other		77 123			
Total Provisions - non-current	190 870	301 875	263 056	303 466	346 100
CHANGES IN NET ASSETS					
Accumulated Surplus/(Deficit)					
Accumulated Surplus/(Deficit) - opening balance	6 080 312	6 516 099	6 516 099	7 611 896	8 961 547
GRAP adjustments					
Restated balance	6 080 312	6 516 099	6 516 099	7 611 896	8 961 547
Surplus/(Deficit)	1 040 959	1 098 269	1 098 730	1 364 598	1 657 018
Accumulated Surplus/(Deficit)	7 121 271	7 614 368	7 614 829	8 976 494	10 618 565
Reserves					
Revaluation	3 408 519	7 199 914	7 199 914	7 199 914	7 199 914
Total Reserves	3 408 519	7 199 914	7 199 914	7 199 914	7 199 914
TOTAL COMMUNITY WEALTH/EQUITY	10 529 790	14 814 282	14 814 742	16 176 407	17 818 478

Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department

Description	Vote 1 - COUNCIL	Vote 2 - Office of the Municipal Manger	Vote 3 - Strategic Planning Monitoring and Evaluation	Vote 4 - Engineering Services	Vote 5 - Community Services	Vote 6 - Community Development	Vote 7 - Corporate and Shared Services	Vote 8 - Planning and Economic Development	Vote 9 - Budget and Treasury	Vote 10 - Transport Operations	Total
R thousand											
Revenue By Source											
Property rates	-	-	-	-	-	-	-	-	461 484	-	461 484
Service charges - electricity revenue	-	-	-	1 054 944	-	-	-	-	-	-	1 054 944
Service charges - water revenue	-	-	-	248 450	-	-	-	-	-	-	248 450
Service charges - sanitation revenue	-	-	-	102 528	-	-	-	-	-	-	102 528
Service charges - refuse revenue	-	-	-	-	112 947	-	-	-	-	-	112 947
Service charges - other	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	1 923	8 526	-	26 848	-	-	37 297
Interest earned - external investments	-	-	-	-	-	-	-	-	47 281	-	47 281
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	80 000	-	80 000
Dividends received	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	137	15 735	128	-	-	-	-	16 000
Licences and permits	-	-	-	-	14 142	-	-	618	130	-	14 890
Agency services	-	-	-	-	25 000	-	-	-	-	-	25 000
Other revenue	-	-	-	117 093	14 378	2 879	5 334	31 335	268 333	-	439 352
Transfers and subsidies	-	-	-	-	-	-	-	-	1 005 530	-	1 005 530
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and	-	-	-	1 523 153	184 125	11 533	5 334	58 801	1 862 758	-	3 645 704
Expenditure By Type											
Employee related costs	109 879	20 621	24 532	159 989	231 070	68 048	70 729	50 891	70 091	11 573	817 423
Remuneration of councillors	40 518	-	-	-	-	-	-	-	-	-	40 518
Debt impairment	75 000	-	-	-	-	-	-	-	-	-	75 000
Depreciation & asset impairment	262	1 246	2 071	79 067	5 692	82 858	5 239	22 361	892	312	200 000
Finance charges	-	-	-	-	-	-	-	-	107 500	-	107 500
Bulk purchases	-	-	-	915 497	-	-	-	-	-	-	915 497
Other materials	300	131	410	42 743	5 437	1 687	3 931	402	2 429	196	57 666
Contracted services	706	22 798	42 316	217 163	151 015	36 848	60 871	7 297	203 552	40 410	782 976
Transfers and subsidies	11 000	-	-	-	-	-	-	-	-	-	11 000
Other expenditure	32 293	6 905	3 517	25 988	18 092	31 272	90 468	3 322	84 546	2 943	299 346
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure	269 958	51 701	72 846	1 440 447	411 306	220 713	231 238	84 273	469 010	55 434	3 306 926
Surplus/(Deficit)	(269 958)	(51 701)	(72 846)	82 706	(227 181)	(209 180)	(225 904)	(25 472)	1 393 748	(55 434)	338 778
Transfers and subsidies - capital (monetary allocations)									801 715		801 715
Transfers and subsidies - capital (monetary allocations)											-
Transfers and subsidies - capital (in-kind - all)											-
Surplus/(Deficit) after capital transfers &	(269 958)	(51 701)	(72 846)	82 706	(227 181)	(209 180)	(225 904)	(25 472)	2 195 463	(55 434)	1 140 493

Table SA3 – Supporting detail to Statement of Financial Position

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
ASSETS					
Call investment deposits					
Call deposits					
Other current investments	99 000	99 000	104 000	110 000	110 000
Total Call investment deposits	99 000	99 000	104 000	110 000	110 000
Consumer debtors					
Consumer debtors	673 055	984 151	713 438	823 438	830 438
Less: Provision for debt impairment	(320 759)	(449 468)	(506 468)	(568 468)	(568 468)
Total Consumer debtors	352 296	534 683	206 970	254 970	261 970
Debt impairment provision					
Balance at the beginning of the year	220 759	394 468	449 468	506 468	721 468
Contributions to the provision	55 000	55 000	200 000	215 000	230 000
Bad debts written off		-			
Balance at end of year	275 759	449 468	649 468	721 468	951 468
Property, plant and equipment (PPE)					
PPE at cost/valuation (ex cl. finance leases)	20 228 885	22 069 391	22 119 387	23 558 323	25 378 397
Leases recognised as PPE	-	-	-	-	-
Less: Accumulated depreciation	9 937 351	11 204 312	10 342 703	10 357 703	10 587 703
Total Property, plant and equipment (PPE)	10 291 534	10 865 079	11 776 684	13 200 620	14 790 694
LIABILITIES					
Current liabilities - Borrowing					
Short term loans (other than bank overdraft)	2 499	2 499	2 499	2 499	2 499
Current portion of long-term liabilities	120 000	120 000	64 313	58 614	61 114
Total Current liabilities - Borrowing	122 499	122 499	66 812	61 113	63 613
Trade and other payables					
Trade and other creditors	350 000	470 446	400 000	450 000	455 000
Unspent conditional transfers	54 823	120 158	46 198	52 585	57 585
VAT		-	-	-	-
Total Trade and other payables	404 823	590 604	446 198	502 585	512 585
Non current liabilities - Borrowing					
Borrowing	448 013	283 878	638 258	728 258	1 028 258
Finance leases (including PPP asset element)	70 000	38 102	90 000	100 000	110 000
Total Non current liabilities - Borrowing	518 013	321 980	728 258	828 258	1 138 258
Provisions - non-current					
Retirement benefits	190 870	160 479	246 121	286 121	306 121
<i>List other major provision items</i>					
Refuse landfill site rehabilitation		64 274	64 774	65 274	65 774
Other		77 123	77 623	78 123	78 623
Total Provisions - non-current	190 870	301 875	388 517	429 517	450 517
CHANGES IN NET ASSETS					
Accumulated Surplus/(Deficit)					
Accumulated Surplus/(Deficit) - opening balance	6 080 312	6 516 099	7 341 190	8 481 683	9 972 126
GRAP adjustments					
Restated balance	6 080 312	6 516 099	7 341 190	8 481 683	9 972 126
Surplus/(Deficit)	1 040 959	1 098 269	1 140 493	1 490 443	1 871 834
Appropriations to Reserves					
Transfers from Reserves					
Depreciation offsets					
Other adjustments					
Accumulated Surplus/(Deficit)	7 121 271	7 614 368	8 481 683	9 972 126	11 843 960
Reserves					
Housing Development Fund					
Capital replacement					
Self-insurance					
Other reserves					
Revaluation	3 408 519	7 199 914	7 200 414	7 200 914	7 201 414
Total Reserves	3 408 519	7 199 914	7 200 414	7 200 914	7 201 414
TOTAL COMMUNITY WEALTH/EQUITY	10 529 790	14 814 282	15 682 097	17 173 040	19 045 374

Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand						
Develop and refurbish infrastructural services	Improved provision of basic and environmental services in a sustainable way to our communities	1 435 756	1 391 739	1 523 152	1 651 620	1 813 480
Create a conducive economic environment	Increased economic growth, job creation and sustainable human settlement	71 800	388 192	58 801	62 112	65 714
Enhance revenue and asset base	Enhanced Financial Viability and Improved Financial Management	2 241 980	206 310	2 664 473	2 990 716	3 312 499
Facilitate, care and support communities	Improve community confidence in the system of local government	188 649	1 665 118	195 659	207 927	221 571
Invest in human capital and retain skills	Improve efficiency and effectiveness of Municipal administration	5 033	400 750	5 334	5 654	5 994
Allocations to other priorities						
Total Revenue (excluding capital transfers and contributions)		3 943 217	4 052 109	4 447 419	4 918 029	5 419 258

Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand						
Develop and refurbish infrastructural services	Improved provision of basic and environmental services in a sustainable way to our communities	1 559 037	1 559 037	1 545 753	1 646 153	1 742 384
Create a conducive economic environment	Increased economic growth, job creation and sustainable human settlement	75 884	75 884	72 942	74 046	78 494
Enhance revenue and asset base	Enhanced Financial Viability and Improved Financial Management	322 347	322 347	449 748	514 159	527 646
Plan sustainable integrated settlements	Increased economic growth, job creation and sustainable human settlement	30 942	30 942	869	919	968
Preserve natural resources	Improved provision of basic and environmental services in a sustainable way to our communities	10 363	10 363	-	-	-
Facilitate, care and support communities	Improve community confidence in the system of local government	495 636	495 636	623 134	662 511	706 325
Invest in human capital and retain skills	Improve efficiency and effectiveness of Municipal administration	5 033	5 033	217 499	238 456	252 889
Practice good governance	Improve efficiency and effectiveness of Municipal administration	403 017	454 599	438 745	417 188	453 533
Total Expenditure		2 902 258	2 953 840	3 348 689	3 553 431	3 762 240

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

Strategic Objective	Goal	Goal Code	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
			Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand							
Develop and refurbish infrastructural services	Improved provision of basic and environmental services in a sustainable way to our communities	A	1 041 636	109 550	1 794 880	1 245 882	1 542 661
Create a conducive economic environment	Increased economic growth, job creation and sustainable human settlement	B	10 000	96 155	7 000	13 500	55 650
Enhance revenue and asset base	Enhanced Financial Viability and Improved Financial Management	C	6 151	436 356	8 500	2 001	-
Plan sustainable integrated settlements	Increased economic growth, job creation and sustainable human settlement	D					
Preserve natural resources	Improved provision of basic and environmental services in a sustainable way to our communities	E			5 850	17 100	
Facilitate, care and support communities	Improve community confidence in the system of local government	F	128 581	589 318	89 317	82 000	87 141
Invest in human capital and retain skills	Improve efficiency and effectiveness of Municipal administration	G	43 750		7 000	13 500	55 650
Practice good governance	Improve efficiency and effectiveness of Municipal administration	H					
Allocations to other priorities							
Total Capital Expenditure			1 230 118	1 231 379	1 912 547	1 373 983	1 741 102

Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Borrowing Management</u>						
Credit Rating						
Capital Charges to Operating Expenditure	Interest & Principal Paid / Operating	8,0%	6,5%	5,5%	5,5%	4,9%
Capital Charges to Own Revenue	Finance charges & Repayment of	9,9%	8,0%	7,0%	6,9%	6,0%
Borrowed funding of 'low n' capital expenditure	Borrowing/Capital expenditure excl.	53,5%	37,8%	75,5%	19,1%	13,4%
<u>Safety of Capital</u>						
Gearing	Long Term Borrowing/ Funds &	15,2%	4,5%	10,1%	11,5%	15,8%
<u>Liquidity</u>						
Current Ratio	Current assets/current liabilities	1,2	2,2	1,1	1,5	1,4
Current Ratio adjusted for aged debtors	Current assets less debtors > 90	1,2	2,2	1,1	1,5	1,4
Liquidity Ratio	Monetary Assets/Current Liabilities	0,5	0,2	0,3	0,6	0,6
<u>Revenue Management</u>						
Annual Debtors Collection Rate (Payment)	Last 12 Mths Receipts/Last 12 Mths	0,0%	89,4%	94,0%	89,5%	89,3%
Current Debtors Collection Rate (Cash)		89,4%	94,0%	89,5%	89,3%	89,3%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual	11,9%	45,6%	14,8%	14,6%	12,9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total					
<u>Creditors Management</u>						
Creditors System Efficiency	% of Creditors Paid Within Terms			100,0%	100,0%	100,0%
Creditors to Cash and Investments		23,8%	38,8%	246,6%	117,3%	115,8%
Employee costs	Employee costs/(Total Revenue - capital	22,6%	22,6%	22,5%	22,4%	22,1%
Remuneration	Total remuneration/(Total Revenue -	24,2%	22,9%	23,9%	22,7%	22,4%
Repairs & Maintenance	R&M/(Total Revenue excluding capital	0,0%	0,0%	13,5%	13,4%	13,3%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	8,0%	6,7%	8,2%	9,0%	8,7%
<u>IDP regulation financial viability indicators</u>						
i. Debt coverage	(Total Operating Revenue - Operating	9,1	9,1	12,6	13,5	14,4
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual	20,6%	84,5%	26,6%	25,8%	22,3%
iii. Cost coverage	(Available cash + Investments)/monthly	8,0	6,0	0,8	1,7	1,6

Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Basis of calculation	2001 Census	2007 Survey	2011 Census	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework		
					Original Budget	Outcome	Outcome	Outcome
Demographics								
Population	Stats SA Estimates	508		629	651	667	684	701
Females aged 5 - 14	Stats SA Estimates	47		58	61	62	64	65
Males aged 5 - 14	Stats SA Estimates	48		60	62	63	65	67
Females aged 15 - 34	Stats SA Estimates	100		123	128	131	134	137
Males aged 15 - 34	Stats SA Estimates	100		123	128	131	134	137
Unemployment	Stats SA Estimates	211		204	211	216	222	227
Monthly household income (no. of households)								
No income	Stats SA	21 485		24 585	24 585	25 200	25 830	26 475
R1 - R1 600	Stats SA	7 473		8 551	8 551	8 765	8 984	9 208
R1 601 - R3 200	Stats SA	13 234		15 051	15 051	15 427	15 813	16 208
R3 201 - R6 400	Stats SA	30 048		34 367	34 367	35 226	36 107	37 010
R6 401 - R12 800	Stats SA	30 671		35 053	35 053	35 929	36 828	37 748
R12 801 - R25 600	Stats SA	18 216		20 794	20 794	21 314	21 847	22 393
R25 601 - R51 200	Stats SA	12 611		14 454	14 454	14 815	15 186	15 565
R52 201 - R102 400	Stats SA	11 210		12 900	12 900	13 223	13 553	13 892
R102 401 - R204 800	Stats SA	7 162		8 201	8 201	8 406	8 616	8 832
R204 801 - R409 600	Stats SA	2 491		2 834	2 834	2 905	2 977	3 052
R409 601 - R819 200	Stats SA	623		691	691	708	726	744
> R819 200	Stats SA	467		510	510	523	536	549
Household/demographics (000)								
Number of people in municipal area		508 277		628 999	629	645	661	677
Number of households in municipal area		124 978		130 361	178	182	187	192
Housing statistics								
Formal		99 107		110 285	171 539	175 827	180 223	184 729
Informal		25 871		20 076	6 462	6 624	6 789	6 959
Total number of households		124 978	-	130 361	178 001	182 451	187 012	191 688

Supporting Table SA9 Social, economic and demographic statistics and assumptions

Total municipal services	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Household service targets (000)					
<u>Water:</u>					
Piped water inside dwelling	58 189	58 189	61 680	65 381	69 304
Piped water inside yard (but not in dwelling)	57 524	57 524	60 976	64 634	68 513
Using public tap (at least min.service level)	67 754	67 754	71 819	76 128	80 696
Other water supply (at least min.service level)	44 639	44 639	47 318	50 157	53 166
<i>Minimum Service Level and Above sub-total</i>	228 106	228 106	241 793	256 300	271 678
Total number of households	228 106	228 106	241 793	256 300	271 678
<u>Sanitation/sewerage:</u>					
Flush toilet (connected to sewerage)	53 769	53 769	56 995	60 414	64 039
Flush toilet (with septic tank)	5 443	5 443	5 770	6 116	6 483
Chemical toilet	2 018	2 018	2 139	2 267	2 403
Pit toilet (ventilated)	45 139	45 139	47 847	50 718	53 761
Other toilet provisions (> min.service level)	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	106 369	106 369	112 751	119 516	126 687
Bucket toilet	-	-	-	-	-
Other toilet provisions (< min.service level)	-	-	-	-	-
No toilet provisions	130 107	130 107	137 913	146 188	154 959
<i>Below Minimum Service Level sub-total</i>	130 107	130 107	137 913	146 188	154 959
Total number of households	236 476	236 476	250 665	265 704	281 647
<u>Energy:</u>					
Electricity (at least min.service level)	106 018	106 018	112 379	119 121	126 269
Electricity - prepaid (min.service level)	91 667	91 667	97 167	102 997	109 177
<i>Minimum Service Level and Above sub-total</i>	197 685	197 685	209 546	222 119	235 446
Electricity (< min.service level)	17 558	17 558	18 611	19 728	20 911
Electricity - prepaid (< min. service level)	19 282	19 282	20 439	21 665	22 965
Other energy sources	1 952	1 952	2 069	2 193	2 324
<i>Below Minimum Service Level sub-total</i>	38 791	38 791	41 119	43 586	46 201
Total number of households	236 476	236 476	250 665	265 704	281 647
<u>Refuse:</u>					
Removed at least once a week	122 223	122 223	129 556	137 330	145 569
<i>Minimum Service Level and Above sub-total</i>	122 223	122 223	129 556	137 330	145 569
Total number of households	122 223	122 223	129 556	137 330	145 569

MULTI-YEAR BUDGET 2018/19-2020/21

Municipal in-house services	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Household service targets (000)					
Water:					
Piped water inside dwelling	58 189	58 189	61 680	65 381	69 304
Piped water inside yard (but not in dwelling)	57 524	57 524	60 976	64 634	68 513
Using public tap (at least min.service level)	67 754	67 754	71 819	76 128	80 696
Other water supply (at least min.service level)	44 639	44 639	47 318	50 157	53 166
<i>Minimum Service Level and Above sub-total</i>	228 106	228 106	241 793	256 300	271 678
Using public tap (< min.service level)					
Other water supply (< min.service level)					
No water supply					
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-
Total number of households	228 106	228 106	241 793	256 300	271 678
Sanitation/sewerage:					
Flush toilet (connected to sewerage)	53 769	53 769	56 995	60 414	64 039
Flush toilet (with septic tank)	5 443	5 443	5 770	6 116	6 483
Chemical toilet	2 018	2 018	2 139	2 267	2 403
Pit toilet (ventilated)	45 139	45 139	47 847	50 718	53 761
Other toilet provisions (> min.service level)					
<i>Minimum Service Level and Above sub-total</i>	106 369	106 369	112 751	119 516	126 687
Bucket toilet					
Other toilet provisions (< min.service level)					
No toilet provisions	130 107	130 107	137 913	146 188	154 959
<i>Below Minimum Service Level sub-total</i>	130 107	130 107	137 913	146 188	154 959
Total number of households	236 476	236 476	250 665	265 704	281 647
Energy:					
Electricity (at least min.service level)	106 018	106 018	112 379	119 121	126 269
Electricity - prepaid (min.service level)	91 667	91 667	97 167	102 997	109 177
<i>Minimum Service Level and Above sub-total</i>	197 685	197 685	209 546	222 119	235 446
Electricity (< min.service level)	17 558	17 558	18 611	19 728	20 911
Electricity - prepaid (< min. service level)	19 282	19 282	20 439	21 665	22 965
Other energy sources	1 952	1 952	2 069	2 193	2 324
<i>Below Minimum Service Level sub-total</i>	38 791	38 791	41 119	43 586	46 201
Total number of households	236 476	236 476	250 665	265 704	281 647
Refuse:					
Removed at least once a week	122 223	122 223	129 556	137 330	145 569
<i>Minimum Service Level and Above sub-total</i>	122 223	122 223	129 556	137 330	145 569
Removed less frequently than once a week					
Using communal refuse dump					
Using own refuse dump					
Other rubbish disposal					
No rubbish disposal					
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-
Total number of households	122 223	122 223	129 556	137 330	145 569

MBRR SA10 – Funding compliance measurement

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Funding measures					
Cash/cash equivalents at the year end - R'000	303 716	43 327	138 325	337 426	323 066
Cash + investments at the yr end less applications - R'000	356 893	1 016 392	87 824	325 076	299 393
Cash year end/monthly employee/supplier payments	1,7	0,2	0,8	1,7	1,6
Surplus/(Deficit) excluding depreciation offsets: R'000	1 040 959	1 098 269	1 098 730	1 364 598	1 657 018
Service charge rev % change - macro CPIX target exclusive	(6,0%)	(10,9%)	5,3%	2,9%	3,2%
Cash receipts % of Ratepayer & Other revenue	87,3%	80,2%	87,6%	87,4%	87,4%
Debt impairment expense as a % of total billable revenue	2,9%	3,1%	11,9%	11,5%	12,7%
Capital payments % of capital expenditure	95,0%	94,9%	97,0%	97,0%	97,0%
Borrowing receipts % of capital expenditure (excl. transfers)	53,5%	37,8%	74,5%	19,1%	13,4%
Grants % of Govt. legislated/gazetted allocations			0,0%	0,0%	0,0%
Current consumer debtors % change - incr(decr)	291,6%	290,5%	(15,4%)	5,6%	(5,9%)
Long term receivables % change - incr(decr)	(100,0%)	0,0%	(100,0%)	0,0%	0,0%
R&M % of Property Plant & Equipment	0,0%	0,0%	3,3%	3,2%	3,0%
Asset renewal % of capital budget	23,6%	15,8%	12,0%	9,0%	8,8%

MULTI-YEAR BUDGET 2018/19-2020/21

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Total Operating Revenue	3 292 262	3 362 401	3 645 703	3 883 980	4 156 012
Total Operating Expenditure	2 902 258	2 953 840	3 306 925	3 427 584	3 547 424
Operating Performance Surplus/(Deficit)	390 004	408 561	338 778	456 396	608 588
Revenue					
% Increase in Total Operating Revenue	68,3%	2,1%	8,4%	6,5%	7,0%
% Increase in Property Rates Revenue	0,0%	0,0%	18,9%	8,0%	8,0%
% Increase in Electricity Revenue	0,0%	0,0%	8,5%	9,5%	10,0%
% Increase in Property Rates & Services Charges	0,0%	(4,9%)	11,3%	8,9%	9,2%
Expenditure					
% Increase in Total Operating Expenditure	737,9%	1,8%	12,0%	3,6%	3,5%
% Increase in Employee Costs	0,0%	2,3%	7,4%	6,4%	5,5%
% Increase in Electricity Bulk Purchases	0,0%	0,0%	7,5%	6,0%	6,0%
Average Cost Per Budgeted Employee Position (Remuneration)	439752,7089		392991,8269		
Average Cost Per Councillor (Remuneration)	423911,1111		450200		
R&M % of PPE	0,0%	0,0%	0,0%	0,0%	0,0%
Asset Renewal and R&M as a % of PPE	3,0%	6,0%	0,0%	0,0%	0,0%
Debt Impairment % of Total Billable Revenue	2,9%	3,1%	3,8%	3,7%	3,5%
Capital Revenue					
Internally Funded & Other (R'000)	340 163	407 671	354 082	590 339	1 066 339
Borrowing (R'000)	239 000	134 000	275 000	–	–
Grant Funding and Other (R'000)	650 955	689 708	801 715	982 635	1 211 834
Internally Generated funds % of Non Grant Funding	58,7%	75,3%	56,3%	100,0%	100,0%
Borrowing % of Non Grant Funding	41,3%	24,7%	43,7%	0,0%	0,0%
Grant Funding % of Total Funding	52,9%	56,0%	56,0%	62,5%	53,2%
Capital Expenditure					
Total Capital Programme (R'000)	1 230 118	1 231 379	1 430 797	1 438 936	1 820 074
Asset Renewal	290 823	194 488	237 557	129 241	136 440
Asset Renewal % of Total Capital Expenditure	23,6%	15,8%	16,6%	8,2%	6,0%
Cash					
Cash Receipts % of Rate Payer & Other	87,3%	80,2%	87,4%	87,4%	87,4%
Cash Coverage Ratio	0	0	0	0	0
Borrowing					
Credit Rating (2009/10)			0		
Capital Charges to Operating	8,0%	6,5%	5,5%	5,7%	5,1%
Borrowing Receipts % of Capital Expenditure	53,5%	37,8%	43,7%	0,0%	0,0%
Reserves					
Surplus/(Deficit)	356 893	1 016 392	579 635	644 970	785 354
Free Services					
Free Basic Services as a % of Equitable Share	0,0%	0,0%	0,0%	0,0%	0,0%
Free Services as a % of Operating Revenue (excl operational transfers)	7,5%	7,3%	7,2%	7,2%	7,3%
High Level Outcome of Funding Compliance					
Total Operating Revenue	3 292 262	3 362 401	3 645 703	3 883 980	4 156 012
Total Operating Expenditure	2 902 258	2 953 840	3 306 925	3 427 584	3 547 424
Surplus/(Deficit) Budgeted Operating Statement	390 004	408 561	338 778	456 396	608 588
Surplus/(Deficit) Considering Reserves and Cash Backing	356 893	1 016 392	579 635	644 970	785 354
MTREF Funded (1) / Unfunded (0)	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✖	✓	✓	✓	✓	✓

Supporting Table SA11 Property rates summary

Description	2018/19 Medium Term Revenue & Expenditure Framework		
	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Valuation:			
Date of valuation:			
Financial year valuation used	1/7/2014		
Municipal by-laws s6 in place? (Y/N)	No		
Municipal/assistant valuer appointed? (Y/N)	No		
Municipal partnership s38 used? (Y/N)			
Supplementary valuation			
Public service infrastructure value (Rm)	379		
Municipality owned property value (Rm)	1 586		
Total valuation reductions:	-	-	-
Total value used for rating (Rm)	54 187	54 187	54 187
Total land value (Rm)			
Total value of improvements (Rm)			
Total market value (Rm)	54 187	54 187	54 187
Rating:			
Residential rate used to determine rate for other categories? (Y/N)			
Differential rates used? (Y/N)			
Limit on annual rate increase (s20)? (Y/N)	No	No	No
Special rating area used? (Y/N)			
Phasing-in properties s21 (number)	No	No	No
Rates policy accompanying budget? (Y/N)			
Fixed amount minimum value (R'000)			
Non-residential prescribed ratio s19? (%)			
Rate revenue:			
Rate revenue budget (R '000)	461 484	498 403	538 275
Rate revenue expected to collect (R'000)	406 106	438 595	473 682
Expected cash collection rate (%)	88,0%	88,0%	88,0%
Special rating areas (R'000)			
Rebates, exemptions - indigent (R'000)			
Rebates, exemptions - pensioners (R'000)			
Rebates, exemptions - bona fide farm. (R'000)			
Rebates, exemptions - other (R'000)			
Phase-in reductions/discounts (R'000)			
Total rebates, exemptns, reductns, discs (R'000)	-	-	-

Supporting Table SA12a Property rates by category (current year)

Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.
Current Year 2017/18									
Valuation:									
No. of properties	52 071	235	2 949	2 230		1 791	109	7 616	2
No. of sectional title property values									
Years since last valuation (select)	2	2	2	2	2	2	2	2	2
Frequency of valuation (select)	4	4	4	4	4	4	4	4	4
Method of valuation used (select)	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (select)	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Phasing-in properties s21 (number)									
Combination of rating types used? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Flat rate used? (Y/N)	No	No	No	No	No	No	No	No	No
Is balance rated by uniform rate/variable rate?									
Total valuation reductions:									
Total value used for rating (Rm)	26 485	1 159	21 514	6 328		735	386	2 064	3
Total land value (Rm)									
Total value of improvements (Rm)									
Total market value (Rm)	26 485	1 159	21 514	6 328		735	386	2 064	3
Rating:									
Average rate	0,004700	0,009400	0,009400	0,001183		-	0,001183	0,021290	
Rate revenue budget (R '000)	150 065	24 100	166 481	11 105	-	-	580	35 861	
Rate revenue expected to collect (R'000)	132 057	21 208	146 503	9 772	-	-	510	31 558	
Expected cash collection rate (%)	88,0%	88,0%	88,0%	88,0%	88,0%	88,0%	88,0%	88,0%	
Special rating areas (R'000)									

Supporting Table SA12b Property rates by category (budget year)

Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.
Budget Year 2017/18									
Valuation:									
No. of properties	52 071	235	2 949	2 230		1 791	109	7 616	2
Years since last valuation (select)	2	2	2	2	2	2	2	2	2
Frequency of valuation (select)	4	4	4	4	4	4	4	4	4
Method of valuation used (select)	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (select)	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Phasing-in properties s21 (number)									
Combination of rating types used? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Flat rate used? (Y/N)	No	No	No	No	No	No	No	No	No
Is balance rated by uniform rate/variable rate?									
Total valuation reductions:									
Total value used for rating (Rm)	26 485	1 159	21 514	6 328		735	386	2 064	3
Total land value (Rm)									
Total value of improvements (Rm)									
Total market value (Rm)	26 485	1 159	21 514	6 328		735	386	2 064	3
Rating:									
Average rate	0,004982	0,009964	0,009964	0,001254	-	-	0,001254	0,022567	
Rate revenue budget (R '000)	178 397	28 651	197 913	13 201	-	-	689	42 632	
Rate revenue expected to collect (R'000)	156 990	25 213	174 163	11 617	-	-	607	37 516	
Expected cash collection rate (%)	88,0%	88,0%	88,0%	88,0%	88,0%	88,0%	88,0%	88,0%	
Special rating areas (R'000)									

Supporting Table SA13a Service Tariffs by category

Description	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework		
		Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Property rates <i>(rate in the Rand)</i>				
Residential properties	0,0054	0,0057	0,0061	0,0064
Residential properties - vacant land	0,0245	0,0260	0,0275	0,0292
Formal/informal settlements		-	-	-
Small holdings	0,0054	0,0057	0,0061	0,0064
Farm properties - used	0,0014	0,0014	0,0015	0,0016
Farm properties - not used	0,0108	0,0115	0,0121	0,0129
Industrial properties	0,0108	0,0115	0,0121	0,0129
Business and commercial properties	0,0108	0,0115	0,0121	0,0129
State-owned properties	0,0108	0,0115	0,0121	0,0129
Municipal properties	-	-	-	-
Public service infrastructure	0,0108	0,0115	0,0121	0,0129
Privately owned towns serviced by the owner	-	-	-	-
State trust land	0,0014	0,0014	0,0015	0,0016
Restitution and redistribution properties	0,0014	0,0014	0,0015	0,0016
Exemptions, reductions and rebates <i>(Rands)</i>				
Residential properties				
R15 000 threshold rebate	15 000	15 000	15 000	15 000
General residential rebate	85 000	85 000	85 000	85 000
Other rebates or exemptions				
Water tariffs				
Domestic				
Water usage - life line tariff	7	8	9	10
Water usage - Block 1 (c/kl)	11	12	13	14
Water usage - Block 2 (c/kl)	12	13	14	16
Water usage - Block 3 (c/kl)	15	17	19	21
Water usage - Block 4 (c/kl)	19	20	23	25
Other	22	25	27	30
Waste water tariffs				
Domestic				
Service point - vacant land <i>(Rands/month)</i>		-	-	-
Waste water - flat rate tariff <i>(c/kl)</i>		-	-	-
Volumetric charge - Block 1 (c/kl)	48	50	53	57
Volumetric charge - Block 2 (c/kl)	16	17	18	19
Volumetric charge - Block 3 (c/kl)	13	13	14	15
Volumetric charge - Block 4 (c/kl)				
Other				
Electricity tariffs				
Domestic				
Basic charge/fix ed fee <i>(Rands/month)</i>	80	86	94	103
Life-line tariff - meter	91.46c	99	108	119
Life-line tariff - prepaid	91.46c	99	108	119
Meter - IBT Block 1 (c/kwh)	83c	90	98	108
Meter - IBT Block 2 (c/kwh)	104c	113	123	135
Meter - IBT Block 3 (c/kwh)	153c	166	181	199
Meter - IBT Block 4 (c/kwh)	177c	192	209	230
Prepaid - IBT Block 1 (c/kwh)	83c	90	98	108
Prepaid - IBT Block 2 (c/kwh)	104c	113	123	135
Prepaid - IBT Block 3 (c/kwh)	153c	166	181	199
Prepaid - IBT Block 4 (c/kwh)	177c	192	209	230
Prepaid - IBT Block 5 (c/kwh)				
Waste management tariffs				
Domestic				
Basic charge/fix ed fee	50	53	56	60
80l bin - once a week	106	112	119	126
250l bin - once a week	836	886	940	996

Supporting Table SA13b Service Tariffs by category

Description	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework		
		Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Exemptions, reductions and rebates</u> (Rands)				
<i>Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>	50 880 000	53 932 800	57 168 768	60 598 894
<u>Water tariffs</u>				
<i>Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>	8 040 000	8 884 200	9 794 831	10 774 314
<u>Waste water tariffs</u>				
<i>Revenue Foregone (in excess of free sanitation service to indigent households)</i>	14 541 144	16 358 787	18 035 563	19 839 119
<u>Electricity tariffs</u>				
<i>Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>	8 040 000	23 924 250	26 077 433	28 685 176

Supporting Table SA14 Household bills

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework			
	Original Budget	Adjusted Budget	Budget Year 2018/19 % incr.	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Rand/cent						
Monthly Account for Household - 'Middle Income Range'						
Rates and services charges:						
Property rates	270,27	270,27	6,0%	286,49	303,68	321,90
Electricity: Basic levy	82,28	82,28	8,5%	89,27	97,31	107,04
Electricity: Consumption	1 405,98	1 405,98	8,5%	1 525,48	1 662,78	1 829,06
Water: Basic levy	-	-				
Water: Consumption	328,88	328,88	10,5%	363,41	400,66	440,73
Sanitation	63,30	63,30	6,0%	67,09	71,12	75,39
Refuse removal	105,66	105,66	6,0%	112,00	118,72	125,84
Other	110,00	110,00	6,0%	116,60	123,60	131,01
sub-total	2 366,36	2 366,36	8,2%	2 560,35	2 777,86	3 030,96
VAT on Services	293,45	293,45		314,43	341,14	372,22
Total large household bill:	2 659,81	2 659,81	8,1%	2 874,78	3 119,00	3 403,18
% increase/-decrease	6,2%	-		8,1%	8,5%	9,1%
Monthly Account for Household - 'Affordable Range'						
Rates and services charges:						
Property rates	180,17	180,17	6,0%	190,99	202,44	214,59
Electricity: Basic levy	82,28	82,28	8,5%	89,27	97,31	107,04
Electricity: Consumption	592,59	592,59	8,5%	642,96	700,83	770,91
Water: Basic levy	-	-				
Water: Consumption	268,68	268,68	10,5%	296,89	327,32	360,06
Sanitation	63,30	63,30	6,0%	67,09	71,12	75,39
Refuse removal	105,66	105,66	6,0%	112,00	118,72	125,84
Other	55,00	55,00	6,0%	58,30	61,80	65,51
sub-total	1 347,68	1 347,68	8,1%	1 457,50	1 579,54	1 719,33
VAT on Services	163,45	163,45		178,99	193,98	211,15
Total small household bill:	1 511,13	1 511,13	8,3%	1 636,49	1 773,52	1 930,47
% increase/-decrease	7,1%	-		8,3%	8,4%	8,9%
Monthly Account for Household - 'Indigent Household receiving free basic services'						
Rates and services charges:						
Property rates	91,33	91,33	6,0%	96,81	102,62	108,78
Electricity: Basic levy	82,28	82,28	8,5%	89,27	97,31	107,04
Electricity: Consumption	337,59	337,59	8,5%	366,29	399,25	439,18
Water: Basic levy	-	-				
Water: Consumption	160,49	160,49	10,5%	177,35	195,52	215,08
Sanitation			6,0%	-	-	-
Refuse removal	39,47	39,47	6,0%	41,84	44,35	47,01
Other			6,0%	-	-	-
sub-total	711,17	711,17	8,5%	771,56	839,05	917,08
VAT on Services	86,78	86,78		94,75	103,04	112,62
Total small household bill:	797,94	797,94	8,6%	866,31	942,10	1 029,70
% increase/-decrease	10,0%	-		8,6%	8,7%	9,3%

Supporting Table SA15 Investment particulars by type

Investment type	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
Parent municipality					
Deposits - Bank	74 001	74 001			
Guaranteed Endowment Policies (sinking)	69 000	69 000	172 899	237 099	301 299
Consolidated total:	143 001	143 001	172 899	237 099	301 299

Investments for the municipality are done in accordance and adherence with the Municipal Investment Regulation of the MFMA, Councils Investment Policy and other relevant legislation. Cash flow forecasts and cash needs by the city provide guidance for the type of investments employed.

The investments are made with primary regard to the risk profile, liquidity needs of the city and the return on

investments. In so far as the investment and borrowing activities are concerned, all the requirements of the MFMA have been complied with.

Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
Parent municipality					
Annuity and Bullet Loans	518 013	321 980	728 258	828 258	1 138 258
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					
Total Borrowing	518 013	321 980	728 258	828 258	1 138 258

Supporting Table SA18 Transfers and grant receipts

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
RECEIPTS:					
<u>Operating Transfers and Grants</u>					
National Government:	968 911	975 410	1 005 530	1 051 940	1 134 035
Local Government Equitable Share	752 064	752 064	831 436	915 810	1 010 785
EPWP Incentive	4 978	4 978	5 742		
Integrated National Electrification Programme	40 000	40 000	38 957	28 800	25 600
Finance Management	2 979	2 979	3 048	2 500	2 500
Municipal Infrastructure Grant (MIG)	59 011	88 780	59 149	59 500	44 000
Public Transport and Systems	94 622	71 352	42 575	30 030	35 850
Infrastructure skills development fund	6 213	6 213	6 500	7 300	7 300
Energy Efficiency and Demand Management	6 000	6 000	8 000	8 000	8 000
Municipal Demarcation Transition Grant	3 044	3 044			
Water Services Infrastructure Grant			1 400		
Regional Bulk Infrastructure Grant (RBIG)			8 723		
Total Operating Transfers and Grants	968 911	975 410	1 005 530	1 051 940	1 134 035
<u>Capital Transfers and Grants</u>					
National Government:	650 955	689 708	801 715	1 034 047	1 263 246
Municipal Infrastructure Grant (MIG)	293 167	291 893	271 728	278 646	314 253
Public Transport Network Grant(PTNG)	122 112	147 112	162 532	149 403	153 452
Regional Bulk Infrastructure Grant (RBIG)	209 676	209 676	263 855	460 998	644 491
Neighbourhood Development Partnership Grant (NDPG)	26 000	41 027	35 000	35 000	35 000
Water Services Infrastructure Grant	-	-	68 600	110 000	116 050
Other capital transfers/grants [insert desc]					
Total Capital Transfers and Grants	650 955	689 708	801 715	1 034 047	1 263 246
TOTAL RECEIPTS OF TRANSFERS & GRANTS	1 619 866	1 665 118	1 807 245	2 085 987	2 397 281

Supporting Table SA19 Expenditure on transfers and grant programme

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
EXPENDITURE:					
<u>Operating expenditure of Transfers and Grants</u>					
National Government:	959 867	959 867	987 407	1 043 940	1 126 035
Local Government Equitable Share	752 064	752 064	831 436	915 810	1 010 785
EPWP Incentive	4 978	4 978	5 742	-	-
Integrated National Electrification Programme	40 000	40 000	38 957	28 800	25 600
Finance Management	2 979	2 979	3 048	2 500	2 500
Municipal Infrastructure Grant (MIG)	59 011	59 011	59 149	59 500	44 000
Public Transport and Systems	94 622	94 622	42 575	30 030	35 850
Infrastructure skills development fund	6 213	6 213	6 500	7 300	7 300
Energy Efficiency and Demand Management	6 000	6 000	8 000	8 000	8 000
Municipal Demarcation Transition Grant	3 044	3 044	-	-	-
Water Services Infrastructure Grant	-	-	1 400	-	-
Regional Bulk Infrastructure Grant (RBIG)	-	-	8 723	-	-
Total operating expenditure of Transfers and Grants:					
<u>Capital expenditure of Transfers and Grants</u>	959 867	959 867	987 407	1 043 940	1 126 035
National Government:					
Municipal Infrastructure Grant (MIG)	650 955	689 708	271 728	278 646	314 253
Regional Bulk Infrastructure Grant (RBIG)	293 167	291 893	162 532	149 403	153 452
Public Transport Network Grant (PTNG)	122 112	147 112	263 855	460 998	644 491
Water services infrastructure grant	209 676	209 676	35 000	35 000	35 000
Neighbourhood Development Partnership Grant (NDPG)	26 000	41 027	68 600	110 000	116 050
Other capital transfers/grants [insert desc]					
Total capital expenditure of Transfers and Grants	650 955	689 708	801 715	1 034 047	1 263 246
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	1 619 866	1 665 118	1 807 245	2 085 987	2 397 281

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

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
Operating transfers and grants:					
National Government:					
Balance unspent at beginning of the year	9 396	18 791			
Current year receipts	968 911	968 911	1 006 930	1 051 940	1 134 035
Conditions met - transferred to revenue	978 307	987 702	1 006 930	1 051 940	1 134 035
Conditions still to be met - transferred to liabilities					
Provincial Government:					
Balance unspent at beginning of the year					
Current year receipts					
Conditions met - transferred to revenue	-	-	-	-	-
Total operating transfers and grants revenue	978 307	987 702	1 006 930	1 051 940	1 134 035
Total operating transfers and grants - CTBM	-	-	-	-	-
Capital transfers and grants:					
National Government:					
Balance unspent at beginning of the year		20 830			
Current year receipts	650 955	665 982	800 315	1 204 047	1 263 246
Conditions met - transferred to revenue	650 955	686 812	800 315	1 204 047	1 263 246
Conditions still to be met - transferred to liabilities					
Provincial Government:					
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	650 955	686 812	800 315	1 204 047	1 263 246
Total capital transfers and grants - CTBM	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE	1 629 262	1 674 514	1 807 245	2 255 987	2 397 281

Supporting Table SA21 Transfers and grants made by the municipality

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
Cash Transfers to Entities/Other External Mechanisms					
<i>Polokwane Housing Agency</i>	5 000	5 000	11 000	11 000	11 000
Total Cash Transfers To Entities/Ems'	5 000	5 000	11 000	11 000	11 000
Cash Transfers to Organisations					
<i>SPCA</i>	720	720	500	500	500
Total Cash Transfers To Organisations	720	720	500	500	500
TOTAL CASH TRANSFERS AND GRANTS	5 720	5 720	-	-	-
TOTAL TRANSFERS AND GRANTS	5 720	5 720	11 500	11 500	11 500

Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
	D	E	G	H	I
<u>Councillors (Political Office Bearers plus Other)</u>					
Basic Salaries and Wages	22 666	22 666	24 071	25 635	27 302
Pension and UIF Contributions	3 258	3 258	3 460	3 684	3 924
Medical Aid Contributions	676	676	718	765	815
Motor Vehicle Allowance	8 918	8 918	9 471	10 086	10 742
Cellphone Allowance	2 238	2 238	2 376	2 531	2 695
Other benefits and allowances	397	397	422	449	479
Sub Total - Councillors	38 152	38 152	40 517	43 151	45 956
% increase	81,8%	-	6,2%	6,5%	6,5%
<u>Senior Managers of the Municipality</u>					
Basic Salaries and Wages	12 007	12 007	12 751	13 516	14 327
Pension and UIF Contributions	1 136	1 136	1 207	1 279	1 356
Medical Aid Contributions	203	203	216	229	243
Motor Vehicle Allowance	1 355	1 355	1 438	1 525	1 616
Other benefits and allowances	419	419	445	472	500
Sub Total - Senior Managers of Municipality	15 121	15 121	16 057	17 021	18 042
% increase	131,3%	-	6,2%	6,0%	6,0%
<u>Other Municipal Staff</u>					
Basic Salaries and Wages	473 117	422 862	518 102	506 951	528 669
Pension and UIF Contributions	100 925	100 925	106 782	114 270	122 281
Medical Aid Contributions	28 143	33 543	29 897	31 992	34 233
Overtime	39 679	43 588	39 679	42 060	44 583
Cellphone Allowance	336	336	359	384	411
Housing Allowances	6 880	6 880	7 362	7 877	8 429
Other benefits and allowances	91 525	99 392	99 185	106 132	113 567
Sub Total - Other Municipal Staff	740 604	707 525	801 366	809 666	852 173
% increase	44,2%	(4,5%)	13,3%	1,0%	5,2%
Total Parent Municipality	793 877	760 798	857 940	869 838	916 171
	46,7%	(4,2%)	12,8%	1,4%	5,3%
<u>Board Members of Entities</u>					
Basic Salaries and Wages	1 676	1 676	1 793	1 919	2 053
Pension and UIF Contributions	307	307	328	351	376
Sub Total - Board Members of Entities	1 983	1 983	2 122	2 270	2 429
% increase	-	-	7,0%	7,0%	7,0%
<u>Senior Managers of Entities</u>					
Basic Salaries and Wages	1 076	1 076	1 151	1 232	1 318
Sub Total - Senior Managers of Entities	1 076	1 076	1 151	1 232	1 318
% increase	-	-	7,0%	7,0%	7,0%
<u>Other Staff of Entities</u>					
Basic Salaries and Wages	6 242	6 242	6 679	7 146	7 646
Pension and UIF Contributions	319	319	342	366	391
Medical Aid Contributions	397	397	425	455	487
Overtime	42	42	45	49	52
Housing Allowances	114	114	122	131	140
Sub Total - Other Staff of Entities	7 115	7 115	7 613	8 146	8 716
% increase	-	-	7,0%	7,0%	7,0%
Total Municipal Entities	10 173	10 173	10 885	11 647	12 463
TOTAL SALARY, ALLOWANCES & BENEFITS	804 050	770 971	868 826	881 486	928 634
% increase	48,5%	(4,1%)	12,7%	1,5%	5,3%
TOTAL MANAGERS AND STAFF	763 916	730 837	826 187	836 064	880 249

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

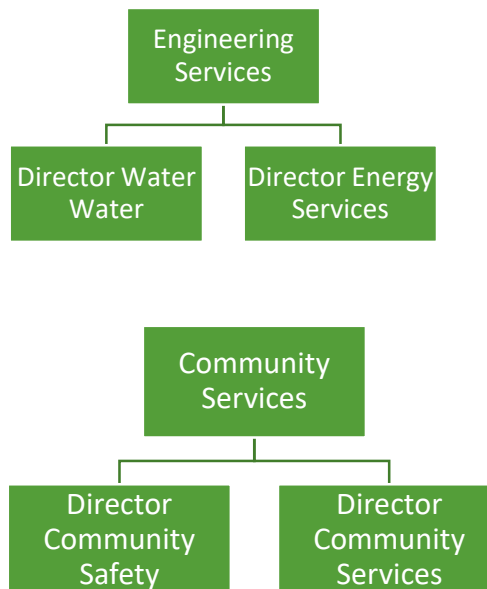
Disclosure of Salaries, Allowances & Benefits 1.	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum			1.				2.
<u>Councillors</u>							
Speaker		558 000	118 000	255 000			931 000
Chief Whip		536 000	96 000	243 000			875 000
Executive Mayor		734 000	110 000	337 000			1 181 000
Deputy Executive Mayor		-	-	-			-
Executive Committee		3 949 000	786 000	1 837 000			6 572 000
Total for all other councillors		17 983 000	3 983 000	8 993 000			30 959 000
Total Councillors	-	23 760 000	5 093 000	11 665 000			40 518 000
<u>Senior Managers of the Municipality</u>							
Municipal Manager (MM)		2 148 000	-	2 000			2 150 000
Chief Finance Officer		1 880 000	2 000	138 000			2 020 000
Director Engineering Services		1 280 000	267 000	356 000			1 903 000
Director Community Services		1 330 000	255 000	318 000			1 903 000
Director Corporate & Shared Services		1 901 000	2 000	-			1 903 000
Director Planning & Economic Development		1 394 000	254 000	254 000			1 902 000
<i>List of each official with packages >= senior manager</i>							
Director Community Development		1 901 000	2 000	-			1 903 000
Director Strategic Planning Monitoring & Evaluation		1 499 000	265 000	139 000			1 903 000
Director Transport Operations		1 901 000	2 000	-			1 903 000
Total Senior Managers of the Municipality	-	15 234 000	1 049 000	1 207 000	-		17 490 000
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	-	38 994 000	6 142 000	12 872 000	-		58 008 000

Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers Number	Current Year 2017/18			Budget Year 2018/19		
	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities						
Councillors (Political Office Bearers plus Other Councillors)	90		90	90		90
Board Members of municipal entities						
Municipal employees						
Municipal Manager and Senior Managers	10		10	9	-	9
Other Managers	104	100	4	124	110	2
Professionals	196	195	1	215	190	11
<i>Finance</i>	24	24	-	30	24	6
<i>Spatial/town planning</i>	30	30		30	23	-
<i>Information Technology</i>	8	8		11	9	-
<i>Roads</i>	8	8		9	8	-
<i>Electricity</i>	7	7		15	14	
<i>Water</i>	10	10		12	11	-
<i>Sanitation</i>	-	-		-	-	-
<i>Refuse</i>	4	4		3	2	-
<i>Other</i>	105	104	1	105	99	5
Technicians	645	645	-	945	731	-
<i>Finance</i>	90	90		119	102	-
<i>Spatial/town planning</i>	29	29		29	22	-
<i>Information Technology</i>	10	10		11	10	-
<i>Roads</i>	36	36		42	39	-
<i>Electricity</i>	50	50		56	50	-
<i>Water</i>	28	28		52	44	-
<i>Sanitation</i>	-	-		-	-	-
<i>Refuse</i>	31	31		41	32	-
<i>Other</i>	371	371		595	432	-
Clerks (Clerical and administrative)	20	20		108	88	-
Service and sales workers	28	28		34	28	-
Skilled agricultural and fishery workers	-	-		-	-	-
Craft and related trades						
Plant and Machine Operators						
Elementary Occupations	688	688	50	645	654	
TOTAL PERSONNEL NUMBERS	1 781	1 676	155	2 170	1 801	112
% increase	0,1%	-	4,0%	21,8%	7,5%	(27,7%)
Total municipal employees headcount	3 089	1 770	10			
Finance personnel headcount	190	144	21	210	154	
Human Resources personnel headcount	53	39	6	56	45	-

Organisational Implementation Strategy

Proposal is to have 2 Directors under Engineering Services and Community Services as per diagram below



- The Position of Deputy Chief Financial Officer will be permanent with all benefits
- Director Metro Status Co-ordinator
- Director Human Settlements (Housing)

Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure

Description	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand															
Revenue By Source															
Property rates	31 900	41 197	54 444	42 718	36 977	44 304	33 316	25 832	41 852	40 586	26 141	42 217	461 484	498 403	538 275
Service charges - electricity revenue	72 922	94 175	124 456	97 652	84 527	101 278	76 160	59 051	95 672	92 779	59 758	96 514	1 054 944	1 155 164	1 270 681
Service charges - water revenue	17 174	22 179	29 311	22 998	19 907	23 852	17 937	13 907	22 532	21 851	14 074	22 728	248 450	273 919	301 309
Service charges - sanitation revenue	7 088	9 153	12 096	9 491	8 215	9 843	7 402	5 739	9 299	9 017	5 808	9 377	102 528	109 193	116 836
Service charges - refuse revenue	7 808	10 083	13 325	10 456	9 050	10 844	8 154	6 323	10 244	9 934	6 398	10 329	112 948	120 289	128 709
Rental of facilities and equipment	2 579	3 330	4 401	3 453	2 989	3 581	2 693	2 088	3 383	3 281	2 113	3 406	37 297	39 382	41 584
Interest earned - external investments	3 269	4 221	5 578	4 377	3 789	4 540	3 414	2 647	4 288	4 159	2 679	4 320	47 281	49 882	52 625
Interest earned - outstanding debtors	5 530	7 142	9 438	7 406	6 410	7 681	5 776	4 478	7 256	7 036	4 532	7 315	80 000	84 400	89 042
Fines, penalties and forfeits	1 106	1 429	1 888	1 482	1 282	1 537	1 156	896	1 452	1 408	907	1 457	16 000	16 959	17 979
Licences and permits	1 030	1 330	1 757	1 379	1 194	1 430	1 075	834	1 351	1 310	844	1 356	14 890	15 782	16 728
Agency services	1 729	2 232	2 950	2 315	2 004	2 401	1 805	1 400	2 268	2 199	1 417	2 280	25 000	26 500	28 090
Transfers and subsidies	69 731	90 054	119 010	93 379	80 828	96 846	72 827	56 467	91 485	88 719	57 143	92 291	1 008 780	1 053 240	1 126 485
Other revenue	29 375	37 936	50 134	39 336	34 049	40 797	30 679	23 787	38 539	37 374	24 072	38 874	424 952	442 169	420 119
Gains on disposal of PPE												-	-	-	-
Total Revenue (excluding capital transfers and contributions)	251 241	324 461	428 788	336 442	291 221	348 934	262 394	203 449	329 621	319 653	205 886	332 464	3 634 554	3 885 282	4 148 462
Expenditure By Type															
Employee related costs	66 723	69 714	73 476	61 707	60 635	73 736	66 175	62 564	65 201	65 316	66 308	85 868	817 423	869 703	917 117
Remuneration of councillors	3 308	3 456	3 643	3 059	3 006	3 655	3 281	3 102	3 232	3 238	3 287	4 251	40 518	43 149	45 955
Debt impairment	19 183	20 042	21 124	17 740	17 432	21 199	19 025	17 987	18 745	18 778	19 063	24 682	235 000	249 100	300 000
Depreciation & asset impairment	15 509	16 205	17 079	14 343	14 094	17 139	15 382	14 543	15 156	15 182	15 413	19 955	190 000	237 000	255 000
Finance charges	5 714	5 970	6 293	5 285	5 193	6 315	5 667	5 358	5 584	5 594	5 679	44 848	107 500	111 445	105 000
Bulk purchases	73 912	77 225	81 393	68 355	67 168	81 681	73 306	69 305	72 226	72 353	73 452	95 121	905 497	970 426	1 028 653
Other materials	3 075	3 213	3 386	2 844	2 794	3 398	3 050	2 883	3 005	3 010	3 056	3 952	37 666	60 827	64 159
Contracted services	65 001	67 915	71 580	60 114	59 070	71 833	64 467	60 949	63 518	63 630	64 596	83 652	796 325	764 936	786 967
Transfers and subsidies	939	981	1 034	869	854	1 038	931	881	918	919	933	1 203	11 500	11 500	11 500
Other expenditure	16 918	17 677	18 630	15 646	15 375	18 696	16 779	15 864	16 532	16 561	16 813	21 769	207 260	235 345	247 889
Loss on disposal of PPE												-	-	-	-
Total Expenditure	270 282	282 398	297 638	249 962	245 621	298 690	268 063	253 436	264 117	264 581	268 600	385 301	3 348 689	3 553 431	3 762 240
Surplus/(Deficit)	(19 041)	42 063	131 150	86 480	45 600	50 244	(5 669)	(49 987)	65 504	55 072	(62 714)	(52 837)	285 865	331 851	386 222
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	55 193	71 279	94 198	73 911	63 977	76 655	57 644	44 694	72 412	70 223	45 230	73 049	798 465	1 032 747	1 270 796
Transfers and subsidies - capital (in-kind - all)												-	-	-	-
Surplus/(Deficit)	37 148	114 628	227 047	161 724	110 731	128 282	53 015	(4 486)	139 222	126 562	(16 668)	21 525	1 098 730	1 364 598	1 657 018

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

Description	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue by Vote															
Vote 1 - COUNCIL													-	-	-
Vote 2 - Office of the Municipal Manger													-	-	-
Vote 3 - Strategic Planning Monitoring and Evaluation													-	-	-
Vote 4 - Engineering Services	105 286	135 971	179 693	140 992	122 042	146 227	109 961	85 258	138 133	133 957	86 280	139 352	1 523 152	1 651 620	1 813 480
Vote 5 - Community Services	12 728	16 437	21 723	17 044	14 753	17 677	13 293	10 307	16 699	16 194	10 430	16 841	184 126	195 736	208 682
Vote 6 - Community Development	798	1 030	1 361	1 068	925	1 108	833	646	1 046	1 015	654	1 049	11 533	12 191	12 889
Vote 7 - Corporate and Shared Services	369	477	630	494	428	513	386	299	484	470	303	481	5 334	5 654	5 994
Vote 8 - Planning and Economic Development	4 065	5 250	6 937	5 443	4 712	5 646	4 245	3 292	5 333	5 172	3 331	5 375	58 801	62 112	65 714
Vote 9 - Budget and Treasury	184 179	237 856	314 339	246 638	213 489	255 796	192 355	149 144	241 637	234 332	150 930	243 778	2 664 473	2 990 715	3 312 497
Vote 10 - Transport Operations													-	-	-
Total Revenue by Vote	307 425	397 021	524 683	411 679	356 349	426 967	321 073	248 946	403 332	391 140	251 928	406 876	4 447 419	4 918 028	5 419 256
Expenditure by Vote to be appropriated															
Vote 1 - COUNCIL	27 624	28 862	30 420	25 547	25 104	30 527	27 397	25 902	26 994	27 042	27 452	35 548	338 419	361 417	413 747
Vote 2 - Office of the Municipal Manger	3 974	4 152	4 376	3 675	3 611	4 391	3 941	3 726	3 883	3 890	3 949	5 107	48 675	33 879	35 961
Vote 3 - Strategic Planning Monitoring and Evaluation	5 916	6 181	6 514	5 471	5 376	6 537	5 867	5 547	5 781	5 791	5 879	7 605	72 465	39 740	44 194
Vote 4 - Engineering Services	116 810	122 046	128 637	108 026	106 152	129 088	115 850	109 531	114 142	114 346	116 084	187 891	1 468 603	1 585 843	1 661 917
Vote 5 - Community Services	35 637	37 235	39 244	32 958	32 386	39 383	35 345	33 416	34 825	34 886	35 416	45 859	436 590	458 006	489 658
Vote 6 - Community Development	15 227	15 910	16 768	14 082	13 838	16 828	15 102	14 278	14 880	14 906	15 132	19 593	186 544	204 505	216 667
Vote 7 - Corporate and Shared Services	17 754	18 550	19 551	16 419	16 134	19 620	17 608	16 647	17 349	17 380	17 643	22 844	217 499	238 456	252 889
Vote 8 - Planning and Economic Development	5 954	6 221	6 557	5 507	5 411	6 580	5 906	5 583	5 819	5 829	5 917	7 658	72 942	74 046	78 494
Vote 9 - Budget and Treasury	36 711	38 357	40 427	33 951	33 362	40 570	36 410	34 423	35 874	35 937	36 483	47 243	449 748	514 159	527 646
Vote 10 - Transport Operations	4 670	4 879	5 142	4 319	4 244	5 161	4 632	4 379	4 563	4 571	4 641	6 004	57 205	43 379	41 065
Total Expenditure by Vote	270 277	282 393	297 636	249 955	245 618	298 685	268 058	253 432	264 110	264 578	268 596	385 351	3 348 689	3 553 430	3 762 238
Surplus/(Deficit) before assoc.	37 148	114 628	227 047	161 724	110 731	128 282	53 015	(4 486)	139 222	126 562	(16 668)	21 525	1 098 730	1 364 598	1 657 018
Taxation													-	-	-
Attributable to minorities													-	-	-
Share of surplus/ (deficit) of associate													-	-	-
Surplus/(Deficit)	37 148	114 628	227 047	161 724	110 731	128 282	53 015	(4 486)	139 222	126 562	(16 668)	21 525	1 098 730	1 364 598	1 657 018

Table SA27 Consolidated budgeted monthly revenue and expenditure (functional classification)

Description	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue - Functional															
Governance and administration	184 982	238 894	315 714	247 715	214 422	256 914	193 196	149 795	242 693	235 356	151 588	244 861	2 676 130	3 003 040	3 325 529
Executive and council													-	-	-
Finance and administration	184 982	238 894	315 714	247 715	214 422	256 914	193 196	149 795	242 693	235 356	151 588	244 861	2 676 130	3 003 040	3 325 529
Internal audit													-	-	-
Community and public safety	837	1 081	1 427	1 121	970	1 162	874	678	1 097	1 065	687	1 084	12 083	12 802	13 570
Community and social services	170	219	289	227	196	235	177	137	222	216	139	219	2 446	2 591	2 750
Sport and recreation	471	608	804	631	546	654	492	382	618	599	386	618	6 809	7 215	7 642
Public safety	21	28	36	29	25	30	22	17	28	27	18	22	303	320	341
Housing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health	175	226	298	234	203	243	183	142	229	223	144	225	2 525	2 676	2 837
Economic and environmental services	9 373	12 105	15 996	12 551	10 865	13 018	9 789	7 591	12 297	11 926	7 681	12 397	135 589	128 245	135 815
Planning and development	4 065	5 250	6 937	5 443	4 712	5 646	4 245	3 292	5 333	5 172	3 331	5 375	58 801	62 112	65 714
Road transport	5 308	6 855	9 059	7 108	6 153	7 372	5 544	4 299	6 964	6 754	4 350	7 022	76 788	66 133	70 101
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services	112 233	144 941	191 546	150 292	130 092	155 873	117 214	90 882	147 245	142 793	91 972	148 534	1 623 617	1 773 942	1 944 344
Energy sources	72 935	94 192	124 479	97 669	84 542	101 296	76 173	59 061	95 689	92 796	59 769	96 535	1 055 136	1 155 367	1 270 895
Water management	24 252	31 319	41 390	32 476	28 111	33 682	25 328	19 638	31 817	30 855	19 874	32 094	350 836	386 792	425 465
Waste water management	7 088	9 153	12 096	9 491	8 215	9 843	7 402	5 739	9 299	9 017	5 808	9 377	102 528	109 194	116 838
Waste management	7 958	10 277	13 581	10 656	9 224	11 052	8 311	6 444	10 440	10 125	6 521	10 528	115 117	122 589	131 146
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	307 425	397 021	524 683	411 679	356 349	426 967	321 073	248 946	403 332	391 140	251 928	406 876	4 447 419	4 918 029	5 419 258

MULTI-YEAR BUDGET 2018/19-2020/21

Description	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Expenditure - Functional																
Governance and administration	98 869	103 302	108 876	91 436	89 850	109 262	98 058	92 707	96 615	96 784	98 254	127 228	1 211 241	1 316 542	1 410 939	
Executive and council	29 215	30 525	32 172	27 019	26 550	32 286	28 975	27 394	28 549	28 599	29 033	37 595	357 912	373 841	426 911	
Finance and administration	68 615	71 691	75 560	63 456	62 355	75 827	68 052	64 338	67 050	67 168	68 188	88 303	840 603	931 241	971 790	
Internal audit	1 039	1 086	1 144	961	945	1 149	1 031	975	1 016	1 017	1 033	1 331	12 727	11 460	12 239	
Community and public safety	21 439	22 400	23 609	19 827	19 482	23 692	21 264	20 102	20 950	20 987	21 306	27 563	262 621	278 710	295 120	
Community and social services	6 286	6 567	6 922	5 813	5 712	6 946	6 234	5 894	6 142	6 153	6 247	8 084	77 000	80 590	85 358	
Sport and recreation	10 651	11 129	11 729	9 850	9 679	11 771	10 564	9 987	10 408	10 427	10 585	13 703	130 483	139 720	147 901	
Public safety	4 019	4 199	4 425	3 717	3 652	4 441	3 986	3 768	3 927	3 934	3 994	5 166	49 228	52 146	55 239	
Housing	71	75	79	66	65	79	71	67	70	70	71	85	869	919	968	
Health	412	430	454	381	374	455	409	386	403	403	409	525	5 041	5 335	5 654	
Economic and environmental services	36 775	38 423	40 497	34 011	33 420	40 640	36 473	34 483	35 936	36 000	36 546	47 311	450 515	438 313	463 501	
Planning and development	10 860	11 346	11 959	10 043	9 869	12 001	10 770	10 183	10 612	10 631	10 792	13 970	133 036	100 680	108 804	
Road transport	25 850	27 009	28 466	23 907	23 491	28 567	25 638	24 239	25 260	25 305	25 689	33 263	316 684	336 792	353 806	
Environmental protection	65	68	72	61	60	72	65	61	64	64	65	79	796	842	892	
Trading services	113 194	118 268	124 654	104 681	102 866	125 091	112 263	106 140	110 609	110 807	112 490	183 249	1 424 312	1 519 867	1 592 679	
Energy sources	69 967	73 103	77 052	64 704	63 583	77 321	69 392	65 608	68 368	68 492	69 533	127 633	894 756	944 291	995 366	
Water management	24 221	25 307	26 673	22 400	22 011	26 767	24 022	22 711	23 669	23 710	24 070	31 170	296 731	329 651	350 253	
Waste water management	9 340	9 759	10 285	8 638	8 488	10 322	9 263	8 758	9 127	9 143	9 282	12 014	114 419	120 228	111 256	
Waste management	9 666	10 099	10 644	8 939	8 784	10 681	9 586	9 063	9 445	9 462	9 605	12 433	118 407	125 697	135 804	
Total Expenditure - Functional	270 277	282 393	297 636	249 955	245 618	298 685	268 058	253 432	264 110	264 578	268 596	385 351	3 348 689	3 553 431	3 762 240	
Surplus/(Deficit)	37 148	114 628	227 047	161 724	110 731	128 282	53 015	(4 486)	139 222	126 562	(16 668)	21 525	1 098 730	1 364 598	1 657 018	

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

Description	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Vote 1 - COUNCIL												-	-	-	-
Vote 2 - Office of the Municipal Manger												-	-	-	-
Vote 3 - Strategic Planning Monitoring and Evaluation	254	265	279	235	230	280	251	238	248	248	252	320	3 100	19 300	27 500
Vote 4 - Engineering Services	124 671	130 260	137 289	115 298	113 296	137 774	123 648	116 899	121 827	122 042	123 895	160 449	1 527 348	1 147 891	1 440 621
Vote 5 - Community Services	3 182	3 325	3 504	2 943	2 892	3 516	3 156	2 984	3 109	3 115	3 162	4 089	38 977	30 000	37 491
Vote 6 - Community Development	4 110	4 294	4 525	3 801	3 735	4 541	4 076	3 853	4 016	4 023	4 084	5 282	50 340	52 000	60 800
Vote 7 - Corporate and Shared Services	796	832	877	737	724	880	790	747	778	780	791	1 018	9 750	11 300	17 000
Vote 8 - Planning and Economic Development	572	597	630	529	520	632	567	536	559	560	568	730	7 000	13 500	55 650
Vote 9 - Budget and Treasury	694	725	765	642	631	767	689	651	678	680	690	888	8 500	2 001	-
Vote 10 - Transport Operations	21 838	22 817	24 048	20 196	19 845	24 133	21 659	20 477	21 340	21 377	21 702	28 100	267 532	97 991	102 040
Capital single-year expenditure sub-total	156 117	163 115	171 917	144 381	141 873	172 523	154 836	146 385	152 555	152 825	155 144	200 876	1 912 547	1 373 983	1 741 102
Total Capital Expenditure	156 117	163 115	171 917	144 381	141 873	172 523	154 836	146 385	152 555	152 825	155 144	200 876	1 912 547	1 373 983	1 741 102

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

Description	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital Expenditure - Functional															
Governance and administration	27 174	28 392	29 924	25 131	24 694	30 030	26 951	25 480	26 554	26 601	27 005	34 973	332 907	29 151	55 400
Executive and council													-	-	-
Finance and administration	27 174	28 392	29 924	25 131	24 694	30 030	26 951	25 480	26 554	26 601	27 005	34 973	332 907	29 151	55 400
Internal audit													-	-	-
Community and public safety	3 542	3 700	3 900	3 275	3 219	3 914	3 513	3 321	3 461	3 467	3 520	4 558	43 390	64 800	57 350
Community and social services	331	345	364	306	300	365	328	310	323	324	329	425	4 050	21 300	31 400
Sport and recreation	3 211	3 355	3 536	2 970	2 918	3 549	3 185	3 011	3 138	3 143	3 191	4 133	39 340	43 500	25 950
Economic and environmental services	61 673	64 437	67 915	57 036	56 046	68 155	61 167	57 828	60 266	60 372	61 289	79 375	755 557	365 088	457 558
Planning and development	571	597	629	528	519	631	567	536	558	559	568	735	7 000	18 500	67 800
Road transport	61 101	63 840	67 285	56 508	55 526	67 523	60 600	57 292	59 708	59 813	60 721	78 639	748 557	346 588	389 758
Trading services	63 724	66 581	70 174	58 933	57 910	70 422	63 201	59 752	62 271	62 381	63 328	82 015	780 693	914 944	1 170 794
Energy sources	5 638	5 891	6 208	5 214	5 123	6 230	5 592	5 286	5 509	5 519	5 603	7 256	69 070	172 000	210 500
Water management	24 545	25 645	27 029	22 700	22 305	27 125	24 344	23 015	23 985	24 027	24 392	31 590	300 703	493 644	788 453
Waste water management	32 023	33 459	35 264	29 616	29 101	35 389	31 760	30 027	31 293	31 348	31 824	41 215	392 320	240 000	163 840
Waste management	1 518	1 586	1 672	1 404	1 380	1 678	1 506	1 424	1 484	1 486	1 509	1 954	18 600	9 300	8 001
Other													-	-	-
Total Capital Expenditure - Functional	156 113	163 111	171 913	144 376	141 868	172 521	154 831	146 381	152 552	152 820	155 141	200 921	1 912 547	1 373 983	1 741 102
Funded by:															
National Government	65 175	68 097	71 772	60 275	59 228	72 025	64 640	61 112	63 688	63 801	64 769	83 882	798 465	902 682	1 130 862
Provincial Government													-	-	-
Transfers recognised - capital	65 175	68 097	71 772	60 275	59 228	72 025	64 640	61 112	63 688	63 801	64 769	83 882	798 465	902 682	1 130 862
Public contributions & donations	1 175	1 228	1 294	1 087	1 068	1 299	1 166	1 102	1 149	1 151	1 168	1 513	14 400	-	-
Borrowing	67 749	70 786	74 606	62 656	61 568	74 870	67 193	63 526	66 204	66 320	67 327	87 195	830 000	90 000	82 000
Internally generated funds	22 013	23 000	24 241	20 358	20 004	24 327	21 832	20 641	21 511	21 549	21 876	28 331	269 682	381 301	528 240
Total Capital Funding	156 113	163 111	171 913	144 376	141 868	172 521	154 831	146 381	152 552	152 820	155 141	200 921	1 912 547	1 373 983	1 741 102

Supporting Table SA30 Consolidated budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash Receipts By Source																
Property rates	34 040	34 375	34 710	34 878	34 794	35 004	34 920	35 004	35 129	35 297	35 423	22 532	406 106	438 595	473 682	
Service charges - electricity revenue	81 459	82 262	83 064	83 466	83 265	83 767	83 566	83 767	84 068	84 469	84 770	31 527	949 450	1 039 648	1 143 613	
Service charges - water revenue	18 157	18 336	18 514	18 604	18 559	18 671	18 626	18 671	18 738	18 828	18 895	19 006	223 605	246 527	271 178	
Service charges - sanitation revenue	7 326	7 398	7 471	7 507	7 489	7 534	7 516	7 534	7 561	7 597	7 624	9 718	92 275	96 090	102 816	
Service charges - refuse revenue	8 071	8 150	8 230	8 270	8 250	8 299	8 279	8 299	8 329	8 369	8 399	10 708	101 653	105 854	113 264	
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rental of facilities and equipment	2 817	2 844	2 872	2 886	2 879	2 896	2 889	2 896	2 907	2 921	2 931	2 948	34 686	36 625	38 673	
Interest earned - external investments	3 570	3 606	3 641	3 658	3 650	3 672	3 663	3 672	3 685	3 702	3 716	3 736	43 971	46 390	48 941	
Interest earned - outstanding debtors	6 041	6 101	6 160	6 190	6 175	6 212	6 198	6 212	6 235	6 264	6 287	6 325	74 400	78 492	82 809	
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits	1 208	1 220	1 232	1 238	1 235	1 242	1 240	1 242	1 247	1 253	1 257	1 266	14 880	15 772	16 720	
Licences and permits	1 124	1 136	1 147	1 152	1 149	1 156	1 154	1 156	1 160	1 166	1 170	2 220	14 890	14 677	15 557	
Agency services	2 030	2 050	2 070	2 080	2 075	2 088	2 083	2 088	2 095	2 105	2 113	2 123	25 000	26 500	28 090	
Transfer receipts - operational	331 082	-	-	-	-	331 082	-	-	331 082	-	-	15 534	1 008 780	1 053 240	1 126 485	
Other revenue	22 258	22 477	22 696	22 806	22 751	22 888	22 834	22 888	22 971	23 080	23 162	144 394	395 205	411 217	390 711	
Cash Receipts by Source	519 183	189 955	191 807	192 735	192 271	524 511	192 968	193 429	525 207	195 051	195 747	272 038	3 384 902	3 609 627	3 852 539	
Other Cash Flows by Source																
Transfer receipts - capital	199 616			199 616			199 616			199 616			798 465	1 032 747	1 270 796	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)						14 400							14 400			
Proceeds on disposal of PPE																
Short term loans																
Borrowing long term/refinancing			530 000			300 000							830 000	90 000	82 000	
Increase (decrease) in consumer deposits																
Decrease (Increase) in non-current debtors																
Decrease (increase) other non-current receivables																
Decrease (increase) in non-current investments	(7 350)	(7 350)	(7 350)	(7 350)	(7 350)	(7 350)	(7 350)	(7 350)	(7 350)	(7 350)	(7 350)	(7 350)	(88 200)	(88 200)	(88 200)	
Total Cash Receipts by Source	711 449	182 605	714 457	385 001	184 921	831 561	385 234	186 079	517 857	387 317	188 397	264 688	4 939 567	4 644 174	5 117 135	

Supporting Table SA30 Consolidated budgeted monthly cash flow.....continued

MONTHLY CASH FLOWS	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash Payments by Type																
Employee related costs	66 103	67 026	67 718	65 988	66 680	67 949	72 807	69 448	69 020	69 564	70 602	62 066	814 971	867 094	914 366	
Remuneration of councillors	3 186	3 197	3 208	3 216	3 208	3 208	3 271	3 199	3 208	3 197	3 202	3 192	38 492	40 992	43 657	
Finance charges	-	-	-	-	-	58 534	-	-	-	-	-	47 891	106 425	110 331	103 950	
Bulk purchases - Electricity	66 537	61 641	60 532	61 641	60 532	55 447	49 903	46 116	49 903	54 338	60 532	59 496	686 618	738 204	782 497	
Bulk purchases - Water & Sewer	17 446	21 323	17 446	21 323	17 446	17 446	17 446	21 323	17 446	17 446	11 323	3 355	200 769	212 814	225 583	
Other materials	2 251	2 813	3 220	3 220	3 220	2 220	2 787	2 787	2 787	2 787	2 190	5 501	35 783	57 786	60 951	
Contracted services	24 715	24 715	29 658	29 658	29 658	29 658	48 808	48 810	48 808	48 808	42 016	383 050	788 362	757 287	779 097	
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfers and grants - other	3 436	77	3 436	77	77	3 436	77	77	77	77	77	576	11 500	11 500	11 500	
Other expenditure	16 164	16 549	16 395	16 318	16 549	16 626	16 703	16 796	16 719	16 665	16 855	22 848	205 187	232 992	245 410	
Cash Payments by Type	199 838	197 341	201 613	201 441	197 370	254 524	211 802	208 556	207 968	212 882	206 797	587 975	2 888 107	3 028 998	3 167 011	
Other Cash Flows/Payments by Type																
Capital assets	156 113	163 111	171 913	144 376	141 869	172 521	154 832	146 381	152 552	152 821	155 141	143 541	1 855 171	1 332 764	1 688 869	
Repayment of borrowing						37 989						37 989	75 977	83 313	77 614	
Other Cash Flows/Payments												-	-	-	198 000	
Total Cash Payments by Type	355 951	360 452	373 526	345 817	339 239	465 034	366 634	354 937	360 520	365 703	361 938	769 504	4 819 254	4 445 074	5 131 494	
NET INCREASE/(DECREASE) IN CASH HELD	355 498	(177 847)	340 931	39 184	(154 318)	366 528	18 600	(168 858)	157 337	21 614	(173 541)	(504 816)	120 312	199 100	(14 359)	
Cash/cash equivalents at the month/year begin:	18 013	373 511	195 664	536 595	575 779	421 461	787 989	806 589	637 731	795 068	816 682	643 141	18 013	138 325	337 426	
Cash/cash equivalents at the month/year end:	373 511	195 664	536 595	575 779	421 461	787 989	806 589	637 731	795 068	816 682	643 141	138 325	138 325	337 426	323 066	

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

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
Capital expenditure on new assets by Asset Class/Sub-class					
Infrastructure	759 324	260 931	876 266	965 446	1 005 673
Roads Infrastructure	269 950	84 847	161 915	180 200	143 800
<i>Roads</i>	47 838	47 838	161 915	180 200	143 800
<i>Road Structures</i>	222 112	16 369			
<i>Capital Spares</i>		20 640			
Storm water Infrastructure	–	10 531	5 000	–	–
<i>Drainage Collection</i>		10 531			
<i>Storm water Conveyance Attenuation</i>			5 000	–	–
Electrical Infrastructure	71 900	41 400	63 903	156 000	186 500
<i>HV Transmission Conductors</i>			37 270	101 500	103 000
<i>MV Substations</i>			24 133	52 000	82 000
<i>Capital Spares</i>	71 900	41 400	2 500	2 500	1 500
Water Supply Infrastructure	270 338	158 838	263 363	367 446	483 532
<i>Reservoirs</i>			–	1 000	2 000
<i>Distribution</i>	270 338	158 838	263 363	366 446	481 532
Sanitation Infrastructure	132 035	(42 035)	364 485	253 000	183 840
<i>Pump Station</i>					
<i>Reticulation</i>	132 035	(42 035)	13 965	13 000	20 000
<i>Waste Water Treatment Works</i>			350 520	240 000	160 840
<i>Capital Spares</i>			–	–	3 000
Solid Waste Infrastructure	15 101	7 350	17 600	8 800	8 001
<i>Landfill Sites</i>	10 001	2 250	4 000	–	2 000
<i>Waste Transfer Stations</i>	5 100	5 100	12 800	6 000	3 001
<i>Capital Spares</i>			800	2 800	3 000
Community Assets	53 135	24 273	48 267	53 350	82 940
Community Facilities	12 886	7 255	25 227	38 350	73 740
<i>Halls</i>		–	–	–	3 000
<i>Centres</i>	500	500	4 600	19 000	29 500
<i>Fire/Ambulance Stations</i>	3 536	3 536	3 750	5 600	6 700
<i>Testing Stations</i>		–	470	150	11 240
<i>Museums</i>	–	–	800	800	900
<i>Libraries</i>	1 300	1 300	2 300	2 500	7 000
<i>Cemeteries/Crematoria</i>		–	–	–	2 000
<i>Police</i>		–	2 580	750	800
<i>Parks</i>		–	4 900	6 400	8 800
<i>Public Open Space</i>	4 450	4 283			
<i>Capital Spares</i>	3 100	(2 364)	5 827	3 150	3 800
Sport and Recreation Facilities	40 249	17 018	23 040	15 000	9 200
<i>Indoor Facilities</i>		–			
<i>Outdoor Facilities</i>	40 249	17 018	22 540	14 000	8 000
<i>Capital Spares</i>		–	500	1 000	1 200
Investment properties	10 000	11 500	6 000	18 500	51 500
Revenue Generating	10 000	–	–	–	–
<i>Unimproved Property</i>	10 000	–	–	–	–
Non-revenue Generating	–	11 500	6 000	18 500	51 500
<i>Unimproved Property</i>		11 500	6 000	18 500	51 500
Other assets	5 500	91 202	400	–	1 900
Operational Buildings	5 500	89 202	400	–	1 900
<i>Municipal Offices</i>	5 500	32 550	–	–	1 900
<i>Yards</i>		–	400	–	–
<i>Capital Spares</i>		56 652			
Housing	–	2 000	–	–	–
<i>Capital Spares</i>		2 000			
Biological or Cultivated Assets	–	600	–	–	–
Biological or Cultivated Assets		600			
Intangible Assets	750	–	–	–	–
Licences and Rights	750	–	–	–	–
<i>Computer Software and Applications</i>	750	–			
Computer Equipment	2 000	44 252	2 750	2 800	3 000
Computer Equipment	2 000	44 252	2 750	2 800	3 000
Furniture and Office Equipment	500	2 270	–	–	–
Furniture and Office Equipment	500	2 270			
Machinery and Equipment	–	8 667	–	–	–
Machinery and Equipment		8 667			
Transport Assets	35 000	167 000	267 532	97 991	102 040
Transport Assets	35 000	167 000	267 532	97 991	102 040
Total Capital Expenditure on new assets	866 209	610 695	1 201 215	1 138 087	1 247 053

MBRR SA 34a - Capital expenditure on new assets by asset class

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand					
Capital expenditure on new assets by Asset Class/Sub-class					
Infrastructure	759 324	260 931	1 352 011	1 090 205	1 458 859
Roads Infrastructure	269 950	84 847	811 693	44 186	359 966
<i>Roads</i>	47 838	47 838	811 693	44 186	359 966
<i>Road Structures</i>	222 112	16 369			
<i>Capital Spares</i>		20 640			
Storm water Infrastructure	–	10 531	–	–	–
<i>Drainage Collection</i>		10 531			
Electrical Infrastructure	71 900	41 400	65 400	152 000	338 500
<i>HV Transmission Conductors</i>			39 900	116 500	244 200
<i>MV Substations</i>			25 000	35 000	92 800
<i>Capital Spares</i>	71 900	41 400	500	500	1 500
Water Supply Infrastructure	270 338	158 838	279 598	478 019	585 552
<i>Reservoirs</i>			–	80 000	50 000
<i>Distribution</i>	270 338	158 838	279 598	398 019	535 552
Sanitation Infrastructure	132 035	(42 035)	180 520	410 000	169 840
<i>Pump Station</i>					
<i>Reticulation</i>	132 035	(42 035)			
<i>Waste Water Treatment Works</i>			70 948	410 000	160 840
<i>Capital Spares</i>			–	–	9 000
Solid Waste Infrastructure	15 101	7 350	14 800	6 000	5 001
<i>Landfill Sites</i>	10 001	2 250	2 000	–	2 000
<i>Waste Transfer Stations</i>	5 100	5 100	12 800	6 000	3 001
<i>Capital Spares</i>					
Community Assets	53 135	24 273	33 090	46 350	104 200
Community Facilities	12 886	7 255	10 550	32 350	96 200
<i>Halls</i>		–	–	–	3 000
<i>Centres</i>	500	500	3 100	13 000	39 500
<i>Fire/Ambulance Stations</i>	3 536	3 536	1 650	1 900	9 000
<i>Testing Stations</i>		–	–	10 000	15 000
<i>Museums</i>	–	–	800	800	900
<i>Libraries</i>	1 300	1 300	1 800	2 500	13 000
<i>Cemeteries/Crematoria</i>		–	–	–	2 000
<i>Parks</i>		–	3 200	3 400	5 800

MULTI-YEAR BUDGET 2018/19-2020/21

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<i>Public Open Space</i>	4 450	4 283			
<i>Capital Spares</i>	3 100	(2 364)			
Sport and Recreation Facilities	40 249	17 018	22 540	14 000	8 000
<i>Indoor Facilities</i>		-			
<i>Outdoor Facilities</i>	40 249	17 018	22 540	14 000	8 000
<i>Capital Spares</i>		-			
Investment properties	10 000	11 500	7 000	4 500	31 150
Revenue Generating	10 000	-	7 000	4 500	31 150
<i>Unimproved Property</i>	10 000	-	7 000	4 500	31 150
Non-revenue Generating	-	11 500	-	-	-
<i>Unimproved Property</i>		11 500			
Other assets	5 500	91 202	3 700	7 600	23 700
Operational Buildings	5 500	89 202	3 700	7 600	23 700
<i>Municipal Offices</i>	5 500	32 550	400	2 500	15 500
<i>Yards</i>		-			
<i>Capital Spares</i>		56 652	3 300	2 100	3 200
Housing	-	2 000	-	-	-
<i>Capital Spares</i>	-	2 000			
Biological or Cultivated Assets	-	600	-	-	-
Biological or Cultivated Assets		600			
Intangible Assets	750	-	750	800	1 000
Licences and Rights	750	-	750	800	1 000
<i>Computer Software and Applications</i>	750	-			
Computer Equipment	2 000	44 252	2 000	2 000	2 000
Computer Equipment	2 000	44 252	2 000	2 000	2 000
Furniture and Office Equipment	500	2 270	500	500	1 000
Furniture and Office Equipment	500	2 270	500	500	1 000
Machinery and Equipment	-	8 667	5 120	8 450	13 090
Machinery and Equipment		8 667	5 120	8 450	13 090
Transport Assets	35 000	167 000	-	-	-
Transport Assets	35 000	167 000			
Total Capital Expenditure on new assets	866 209	610 695	1 404 171	1 160 405	1 634 999

Table 56 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class

Description	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand						
Capital expenditure on renewal of existing assets by Asset Class/Sub-class						
Infrastructure	254 080	194 488	194 488	220 832	106 991	113 040
Roads Infrastructure	106 380	105 744	105 744	162 532	105 991	102 040
<i>Roads</i>	106 380	90 851	90 851	-	8 000	-
<i>Road Structures</i>				162 532	97 991	102 040
<i>Road Furniture</i>		14 893	14 893			
Electrical Infrastructure	12 250	6 100	6 100	4 300	1 000	11 000
<i>HV Transmission Conductors</i>				4 300	1 000	11 000
<i>Capital Spares</i>	12 250	6 100	6 100			
Water Supply Infrastructure	134 000	67 644	67 644	10 000	-	-
<i>Distribution</i>	134 000	67 644	67 644	10 000	-	-
Sanitation Infrastructure	-	-	-	44 000	-	-
<i>Waste Water Treatment Works</i>				44 000	-	-
Solid Waste Infrastructure	1 450	0	-	-	-	-
<i>Landfill Sites</i>	850	-				
<i>Waste Transfer Stations</i>	600	0				
Information and Communication Infrastructure	-	15 000	15 000	-	-	-
<i>Capital Spares</i>		15 000	15 000			
Community Assets	5 095	-	-	2 850	7 950	16 000
Community Facilities	5 095	-	-	2 850	7 950	16 000
<i>Halls</i>	900	-				
<i>Centres</i>		-		-	6 750	8 000
<i>Fire/Ambulance Stations</i>	1 745	-		-	-	5 000
<i>Museums</i>	800	-				
<i>Libraries</i>	1 400	-		2 850	1 200	3 000
<i>Capital Spares</i>	250	-				
Sport and Recreation Facilities	-	-	-	-	-	-
<i>Outdoor Facilities</i>						
Other assets	27 248	-	-	5 500	8 300	24 400
Operational Buildings	27 248	-	-	5 500	8 300	24 400
<i>Municipal Offices</i>	21 100	-		5 500	8 300	24 400
<i>Stores</i>	6 148	-				
Intangible Assets	3 000	-	-	-	-	-
<i>Servitudes</i>						
<i>Licences and Rights</i>	3 000	-	-	-	-	-
<i>Computer Software and Applications</i>	3 000	-				
Libraries	1 400	-	-	-	-	-
<i>Libraries</i>	1 400	-				
Total Capital Expenditure on renewal of existing assets	290 823	194 488	194 488	229 182	123 241	153 440
Renewal of Existing Assets as % of total capex	23,6%	15,8%	15,8%	12,0%	9,0%	8,8%
Renewal of Existing Assets as % of deprecn"	0,0%	0,0%	0,0%	123,9%	64,9%	64,7%

Table 57 MBRR SA34c - Repairs and maintenance expenditure by asset class

Description	2016/17	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Repairs and maintenance expenditure by Asset Class/Sub-class						
Infrastructure	154 634	138 644	138 644	146 209	154 981	164 280
Roads Infrastructure	41 388	57 726	57 726	59 928	63 524	67 335
<i>Roads</i>	41 388	24 036	24 036	25 478	27 006	28 627
<i>Road Furniture</i>	-	17 964	17 964	19 043	20 185	21 396
<i>Capital Spares</i>	-	15 726	15 726	15 408	16 332	17 312
Storm water Infrastructure	24 868	1 670	1 670	1 770	1 876	1 989
<i>Drainage Collection</i>	24 868	1 670	1 670	1 770	1 876	1 989
Electrical Infrastructure	25 309	35 773	35 773	37 975	40 253	42 668
<i>Capital Spares</i>	25 309	35 773	35 773	37 975	40 253	42 668
Water Supply Infrastructure	26 857	24 720	24 720	26 711	28 313	30 012
<i>Reservoirs</i>	-	478	478	506	537	569
<i>Distribution</i>	26 857	22 331	22 331	23 671	25 091	26 597
<i>Capital Spares</i>	-	1 911	1 911	2 534	2 686	2 847
Sanitation Infrastructure	4 946	6 961	6 961	7 379	7 822	8 291
<i>Reticulation</i>	4 946	4 772	4 772	5 058	5 362	5 683
<i>Waste Water Treatment Works</i>	-	2 190	2 190	2 321	2 460	2 608
<i>Outfall Sewers</i>	-	-	-	-	-	-
<i>Toilet Facilities</i>	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-
Solid Waste Infrastructure	31 266	11 794	11 794	12 446	13 193	13 985
<i>Landfill Sites</i>	-	-	-	-	-	-
<i>Waste Transfer Stations</i>	-	-	-	-	-	-
<i>Waste Processing Facilities</i>	-	-	-	-	-	-
<i>Waste Drop-off Points</i>	31 266	11 421	11 421	12 106	12 833	13 603
<i>Waste Separation Facilities</i>	-	-	-	-	-	-
<i>Electricity Generation Facilities</i>	-	53	53	-	-	-
<i>Capital Spares</i>	-	321	321	340	361	382
Community Assets	18 321	24 399	24 399	21 846	23 157	24 547
Community Facilities	15 099	20 076	20 076	17 361	18 403	19 507
<i>Fire/Ambulance Stations</i>	187	1 582	1 582	1 677	1 778	1 884
<i>Testing Stations</i>	-	2	2	2	2	2
<i>Museums</i>	30	17	17	18	19	20
<i>Galleries</i>	5 932	28	28	60	64	68
<i>Libraries</i>	-	36	36	39	41	43
<i>Cemeteries/Crematoria</i>	762	1 018	1 018	1 079	1 144	1 212
<i>Public Open Space</i>	-	8 963	8 963	5 593	5 928	6 284
<i>Nature Reserves</i>	432	396	396	377	400	424
<i>Public Ablution Facilities</i>	-	3 230	3 230	3 424	3 630	3 848
<i>Airports</i>	-	6	6	6	7	7
<i>Capital Spares</i>	7 756	4 798	4 798	5 086	5 391	5 714
Sport and Recreation Facilities	3 222	4 323	4 323	4 485	4 755	5 040
<i>Indoor Facilities</i>	3 222	4 323	4 323	4 485	4 755	5 040
Heritage assets	-	1 449	1 449	1 853	1 965	2 083
Monuments	-	1 449	1 449	1 853	1 965	2 083
Other assets	-	-	-	280 025	296 827	314 561

MULTI-YEAR BUDGET 2018/19-2020/21

Description	2016/17	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Operational Buildings	–	–	–	280 025	296 827	314 561
<i>Capital Spares</i>				202 199	214 586	227 653
<i>Operational Buildings</i>				77 825	82 241	86 908
<u>Intangible Assets</u>	38 333	12 742	12 742	13 335	14 135	14 984
Licences and Rights	38 333	12 742	12 742	13 335	14 135	14 984
<i>Computer Software and Applications</i>	38 333	12 742	12 742	13 335	14 135	14 984
<u>Furniture and Office Equipment</u>	–	2 026	2 026	2 148	2 277	2 413
Furniture and Office Equipment	–	2 026	2 026	2 148	2 277	2 413
<u>Machinery and Equipment</u>	–	19 549	19 549	20 662	21 901	23 215
Machinery and Equipment	–	19 549	19 549	20 662	21 901	23 215
<u>Transport Assets</u>	33 134	6 158	6 158	6 208	5 290	5 608
Transport Assets	33 134	6 158	6 158	6 208	5 290	5 608
Total Repairs and Maintenance Expenditure	244 422	204 967	204 967	492 286	520 533	551 689
<i>R&M as a % of PPE</i>	2,2%	2,0%	1,9%	4,5%	3,5%	3,4%
<i>R&M as % Operating Expenditure</i>	7,8%	7,1%	6,9%	16,7%	15,7%	15,5%

Supporting Table SA34d Depreciation by asset class

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
Depreciation by Asset Class/Sub-class					
Infrastructure	116 618	116 618	101 617	101 042	123 617
Roads Infrastructure	53 579	53 579	38 579	32 909	60 579
<i>Roads</i>	45 516	45 516	30 516	24 194	52 516
<i>Road Structures</i>	7 470	7 470	7 470	8 074	7 470
<i>Road Furniture</i>	593	593	593	641	593
<i>Capital Spares</i>					
Storm water Infrastructure	7 893	7 893	7 893	8 531	7 893
<i>Drainage Collection</i>					
<i>Storm water Conveyance</i>	7 893	7 893	7 893	8 531	7 893
<i>Attenuation</i>					
Electrical Infrastructure	22 479	22 479	22 479	24 296	22 479
<i>Power Plants</i>					
<i>HV Substations</i>	4 887	4 887	4 887	5 282	4 887
<i>MV Networks</i>	12 013	12 013	12 013	12 984	12 013
<i>LV Networks</i>	5 579	5 579	5 579	6 030	5 579
<i>Capital Spares</i>					
Water Supply Infrastructure	22 921	22 921	22 921	24 774	22 921
<i>Dams and Weirs</i>	627	627	627	678	627
<i>Boreholes</i>	1 728	1 728	1 728	1 868	1 728
<i>Reservoirs</i>	4 561	4 561	4 561	4 930	4 561
<i>Pump Stations</i>	654	654	654	707	654
<i>Water Treatment Works</i>	780	780	780	843	780
<i>Bulk Mains</i>	3 215	3 215	3 215	3 475	3 215
<i>Distribution</i>	10 935	10 935	10 935	11 818	10 935
<i>Distribution Points</i>	413	413	413	447	413
<i>PRV Stations</i>	8	8	8	8	8
<i>Capital Spares</i>					
Sanitation Infrastructure	6 951	6 951	6 951	7 512	6 951
<i>Pump Station</i>	304	304	304	328	304
<i>Reticulation</i>	2 250	2 250	2 250	2 432	2 250
<i>Waste Water Treatment Works</i>	3 245	3 245	3 245	3 507	3 245
<i>Outfall Sewers</i>	1 152	1 152	1 152	1 245	1 152
<i>Toilet Facilities</i>					
<i>Capital Spares</i>					
Solid Waste Infrastructure	2 138	2 138	2 138	2 311	2 138
<i>Landfill Sites</i>	2 091	2 091	2 091	2 260	2 091
<i>Waste Transfer Stations</i>	47	47	47	51	47
Coastal Infrastructure	656	656	–	–	–
<i>Sand Pumps</i>	197	197			
<i>Piers</i>	427	427			
<i>Revetments</i>	10	10			
<i>Promenades</i>	22	22			
Information and Communication Infrastructure	–	–	656	709	656
<i>Data Centres</i>			197	213	197
<i>Core Layers</i>			427	461	427
<i>Distribution Layers</i>			10	11	10
<i>Capital Spares</i>			22	24	22

MULTI-YEAR BUDGET 2018/19-2020/21

Description R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Community Assets</u>	24 770	24 770	46 675	49 284	49 730
Community Facilities	-	-	21 905	22 512	24 960
<i>Halls</i>			737	797	737
<i>Centres</i>			25	27	25
<i>Clinics/Care Centres</i>			56	61	56
<i>Fire/Ambulance Stations</i>			693	749	693
<i>Testing Stations</i>			121	130	121
<i>Museums</i>			1 750	1 891	1 750
<i>Cemeteries/Crematoria</i>			245	265	245
<i>Public Open Space</i>			1 249	1 350	1 249
<i>Markets</i>			246	266	246
<i>Airports</i>			821	888	821
<i>Taxi Ranks/Bus Terminals</i>			962	1 039	962
<i>Capital Spares</i>			15 000	15 049	18 055
Sport and Recreation Facilities	24 770	24 770	24 770	26 772	24 770
<i>Indoor Facilities</i>	1 569	1 569	1 569	1 696	1 569
<i>Outdoor Facilities</i>	23 201	23 201	23 201	25 076	23 201
<u>Other assets</u>	13 314	13 314	6 410	6 928	28 934
Operational Buildings	13 105	13 105	6 201	6 701	28 725
<i>Municipal Offices</i>	4 528	4 528	4 528	4 894	4 528
<i>Pay/Enquiry Points</i>	331	331	331	357	331
<i>Workshops</i>	374	374	374	404	374
<i>Yards</i>	968	968	968	1 046	968
<i>Capital Spares</i>	6 904	6 904	-	-	22 524
Housing	209	209	209	227	209
<i>Staff Housing</i>	132	132	132	143	132
<i>Social Housing</i>	77	77	77	84	77
<u>Computer Equipment</u>	1 896	1 896	1 896	2 049	2 172
Computer Equipment	1 896	1 896	1 896	2 049	2 172
<u>Furniture and Office Equipment</u>	5 729	5 729	5 729	6 192	6 565
Furniture and Office Equipment	5 729	5 729	5 729	6 192	6 565
<u>Machinery and Equipment</u>	2 884	2 884	2 884	3 117	3 305
Machinery and Equipment	2 884	2 884	2 884	3 117	3 305
<u>Transport Assets</u>	19 789	19 789	19 789	21 388	22 677
Transport Assets	19 789	19 789	19 789	21 388	22 677
Total Depreciation	185 000	185 000	185 000	190 000	237 000

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

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class					
Infrastructure	44 886	376 553	125 300	301 489	537 799
Roads Infrastructure	32 386	26 682	74 200	108 000	186 000
<i>Roads</i>	32 386	26 682	74 200	108 000	186 000
Storm water Infrastructure	–	1 950	35 600	41 000	35 000
<i>Drainage Collection</i>					
<i>Storm water Conveyance</i>		1 950	35 600	41 000	35 000
<i>Attenuation</i>					
Electrical Infrastructure	–	10 250	1 000	10 000	10 000
<i>HV Transmission Conductors</i>			1 000	10 000	10 000
<i>Capital Spares</i>		10 250			
Water Supply Infrastructure	12 500	189 536	14 500	142 489	306 799
<i>Distribution</i>			14 500	142 489	306 799
<i>Distribution Points</i>	12 500	189 536			
Sanitation Infrastructure	–	147 035	–	–	–
Solid Waste Infrastructure	–	1 100	–	–	–
<i>Capital Spares</i>		1 100			
Community Assets	16 450	30 095	11 800	30 400	8 100
Community Facilities	6 450	11 095	4 000	5 400	8 100
<i>Halls</i>	1 500	6 145			
<i>Centres</i>			750	1 000	3 500
<i>Testing Stations</i>			500	600	600
<i>Parks</i>			–	800	1 000
<i>Public Open Space</i>	4 950	4 950			
<i>Nature Reserves</i>			2 750	3 000	3 000
Sport and Recreation Facilities	10 000	19 000	7 800	25 000	–
<i>Indoor Facilities</i>					
<i>Outdoor Facilities</i>	10 000	19 000	7 800	25 000	–
Heritage assets	–	800	–	–	–
Other Heritage		800			
Investment properties	–	–	–	–	12 000
Revenue Generating	–	–	–	–	12 000
<i>Improved Property</i>					
<i>Unimproved Property</i>			–	–	12 000
Other assets	5 000	11 148	137 594	(245 051)	(609 236)
Operational Buildings	5 000	11 148	137 594	(245 051)	(609 236)
<i>Municipal Offices</i>	5 000	11 148	1 600	1 500	1 600
<i>Stores</i>			2 000	2 001	–
Intangible Assets	3 000	–	4 500	3 500	4 000
Servitudes					
Licences and Rights	3 000	–	4 500	3 500	4 000
<i>Computer Software and Applications</i>	3 000	–	4 500	3 500	4 000
Computer Equipment	3 000	6 000	–	–	–
Computer Equipment	3 000	6 000			
Furniture and Office Equipment	–	800	–	–	–
Furniture and Office Equipment		800			
Libraries	750	800	–	–	–
Libraries	750	800			
Total Capital Expenditure on upgrading of existing assets	73 086	426 196	279 194	90 337	(47 337)
Upgrading of Existing Assets as % of total capex	5,9%	34,6%	14,6%	6,6%	-2,7%
Upgrading of Existing Assets as % of deprecn"	0,0%	0,0%	150,9%	47,5%	-20,0%

Multi Year Capital Budget Program 2018/19

MULTI YEAR BUDGET		Budget Year	Budget Year +1	Budget Year +2
Description	Funding	2018/19	2019/20	2020/21
Clusters - SPME				
Thusong Service Centre (TSC) -Mankweng	CRR	1 000 000	4 000 000	5 000 000
Mobile service sites at Molepo Chuene Maja Cluster (Rampheri Village)	CRR	1 500 000	-	1 000 000
Upgrading of Mohnong centre (Aganang cluster)	CRR	-	-	2 500 000
Renovation of existing Cluster offices in Molejje, Sebayeng, Molepo/ Chuene /Maja Clusters	CRR	-	1 800 000	1 900 000
Upgrading of existing Cluster offices in Molejje ,Sebayeng & Molepo/ Chuene/ Maja clusters	CRR	-	1 500 000	1 600 000
Construction of mobile service sites (Molejje & Mankweng)	CRR	-	7 000 000	7 500 000
Cluster offices Construction at Seshego	CRR	-	2 000 000	3 000 000
Construction of Municipal Depots in all Clusters	CRR	-	3 000 000	5 000 000
Total Clusters - SPME		2 500 000	19 300 000	27 500 000
Facility Management- Community Development				
Civic Centre refurbishment	CRR	4 000 000	4 500 000	8 000 000
Renovation of municipal wide offices	CRR	1 500 000	2 000 000	2 500 000
Municipal Furniture and Office Equipment	CRR	500 000	500 000	1 000 000
Refurbishment of City Library and Auditorium	CRR	500 000	500 000	1 000 000
Upgrading of Seshego Library	CRR	500 000	700 000	500 000
Furniture and Equipment Molepo library	CRR	-	-	-
Library Dikgale	CRR	500 000	-	2 000 000
Library Bloodriver /Perskebut	CRR	300 000	1 300 000	2 000 000
Civic Centre Aircon Upgrade	CRR	1 000 000	500 000	-
Refurbishment of Municipal Public toilets (municipal wide)	CRR	-	750 000	800 000
Renovation for the dilapidated AIDS Centre	CRR	-	750 000	-
Construction of Mankweng Traffic and Licensing Testing Centre	CRR	-	3 000 000	4 000 000
Construction of Mankweng Water and Sanitation Centre	CRR	1 000 000	4 000 000	6 000 000
Refurbishment of Mankweng Library	CRR	-	-	1 500 000
Refurbishment of Mankweng Fire Department	CRR	-	-	3 000 000
Construction of the integrated Control Center (Traffic Ladanna)	CRR	-	-	4 000 000
Extension of the Fire and Traffic Training Facility at Ladanna	CRR	-	-	3 000 000
Extension of offices Workshop (Water, Roads and Waste Management) at Ladanna	CRR	-	-	400 000
Construction of new Standby Staff facility at Ladanna	CRR	-	-	3 000 000
Refurbishment of Nirvana Hall	CRR	-	-	3 000 000
Extension of offices at Ladanna electrical workshop	CRR	-	-	1 500 000
Total Facility Management- Community Development		9 800 000	18 500 000	47 200 000
Control Centre Services - Community Services				
Installation of CCTV cameras	CRR	1 700 000	2 000 000	-
Hand held radios	CRR	100 000	100 000	200 000
Access Control	CRR	227 000	250 000	1 000 000
Total Control Centre Services - Community Services		2 027 000	2 350 000	1 200 000
Roads & Stormwater - Engineering				
Chebeng to Makweya internal streets	MIG	4 000 000	-	-
Sebayeng ring road	MIG	2 600 000	-	-
Tarring of Arterial road in SDA1 (Lithuli and Madiba park)	MIG	13 000 000	10 000 000	15 000 000
Tarring Ntsime to Sefateng	MIG	10 000 000	11 000 000	14 000 000
Upgrading Semanya to Matekereng	MIG	11 000 000	-	-
Upgrading of roads in Molejje Cluster	CRR	1 000 000	-	-
Upgrading Internal Street in Seshego Zone 8	MIG	9 225 000	11 000 000	5 000 000
Upgrading of Ramongoana bus and Taxi roads	MIG	3 500 000	-	-
Upgrading of Nshitshane Road	MIG	7 000 000	8 000 000	15 000 000
Tarring of internal streets in Toronto	MIG	10 000 000	11 000 000	15 000 000
Upgrading of internal Streets in Mankweng unit E (Vuk'uphile)	CRR	1 140 000	5 000 000	6 000 000
Upgrading of internal streets linked with Excelsior Street in Mankweng unit A	MIG	10 000 000	5 000 000	5 000 000
Upgrading Makanye Road (Ga-Thoka)	CRR	9 000 000	-	-
Upgrading of Arterial road in Ga Rampheri	MIG	6 500 000	-	22 000 000
Upgrading of access roads to Maja Moshate (Molepo Chuene Maja cluster)	MIG	9 000 000	5 000 000	10 000 000
upgrading of stormwater system in municipal area (Vuk'uphile)	CRR	1 900 000	6 000 000	-

MULTI-YEAR BUDGET 2018/19-2020/21

MULTI YEAR BUDGET		Budget Year	Budget Year +1	Budget Year +2
Description	Funding	2018/19	2019/20	2020/21
Rehabilitation of streets in Seshego Cluster	CRR	4 500 000	15 000 000	13 350 000
Upgrading of internal streets in Seshego Zone 1	CRR	8 000 000	15 000 000	15 000 000
Upgrading Internal Street in Seshego Zone2	MIG	10 000 000	15 500 000	20 000 000
Upgrading of internal streets in Seshego Zone 2	CRR	4 000 000	9 000 000	12 500 000
Triangle Park- land scaping and street lighting Seshego Zone 2	NDPG	7 003 000	-	-
Upgrading of internal streets in Seshego Zone 3	CRR	8 000 000	15 000 000	15 000 000
Upgrading of internal streets in Seshego Zone 4	CRR	8 000 000	15 000 000	15 000 000
Upgrading of internal streets in Seshego Zone 5	CRR	1 800 000	9 000 000	12 500 000
Upgrading of internal streets in Seshego Zone 5	MIG	5 500 000	5 500 000	15 000 000
Upgrading of internal streets in Seshego Zone 8	CRR	1 200 000		
Seshego Hospital link-Upgrading of township road & Bookelo street	NDPG	8 740 000	-	-
Construction of stormwater culvert and NMT facilities between skotipola, kgoro and dinkwe	NDPG	8 703 000	-	-
Traffic Lights and Signs (Municipal Wide)	CRR	3 000 000	5 000 000	4 000 000
Installation of road signage (Municipal Wide)	CRR	2 190 000	1 200 000	800 000
Mohlonong to Kalkspruit upgrading of road from gravel to tar	MIG	7 000 000	10 000 000	10 000 000
Lonsdale to Percy clinic via Flora upgrading of road from gravel to tar	MIG	-	10 000 000	-
Rehabilitation of streets in Municipal Wide(Concession Program)	LOAN	80 000 000	90 000 000	82 000 000
Polokwane Drive- upgrade from single to dual carriage way	NDPG	8 050 000	-	-
Construction of NMT at Dillou Str, Freedom Str, Zondi Str, Kgoro, Realeboga and Braam	NDPG	2 504 000	35 000 000	35 000 000
Construction of NMT at Magazyn Street and Vermekuwet	KFWBANK	14 400 000		
Total Roads & Stormwater - Engineering		301 455 000	322 200 000	357 150 000
Water Supply and reticulation - Engineering				
Olifantspoort RWS (Mmolong wa Perekisi)	MIG	23 000 000	13 509 300	15 000 000
Mothapo RWS	MIG	-	12 000 000	13 000 000
Molefjje East RWS	MIG	20 000 000	14 000 000	15 000 000
Molefjje North RWS	MIG	-	10 000 000	10 000 000
Molefjje South RWS	MIG	-	10 000 000	16 000 000
Sebayeng/Dikgale RWS	MIG	17 000 000	10 000 000	15 000 000
Houtriver RWS phase 10	MIG	10 000 000	10 000 000	10 000 000
Chuene Maja RWS phase 9	MIG	-	7 000 000	14 000 000
Chuene Maja RWS phase 9	CRR	2 500 000	-	-
Molepo RWS phase 10	MIG	10 000 000	13 000 000	10 000 000
Laastehoop RWS phase 10	MIG	6 000 000	6 000 000	8 000 000
Mankweng RWS phase 10	MIG	15 000 000	11 000 000	1 000 000
Boyne RWS phase 10	MIG	9 763 000	5 136 700	5 252 100
Water Conservation & Water Demand Management (Installation of Smart Meters) at Mankweng	WSIG	10 000 000	29 800 000	10 000 000
Segwasi RWS Planning	WSIG	1 000 000	8 000 000	19 728 100
Badimong RWS phase 10 Planning	WSIG	1 000 000	15 000 000	11 000 000
Extension 78 water reticulation	CRR	665 000	6 000 000	8 000 000
Extension 78 sewer reticulation	CRR	665 000	8 000 000	10 000 000
Extension 106 sewer & water reticulation	CRR	8 500 000	5 000 000	10 000 000
Roodeport Reservoir Construction	CRR	-	1 000 000	2 000 000
Aganang RWS 1 Planning	WSIG	11 000 000	25 000 000	30 000 900
Aganang RWS 2	MIG	-	20 000 000	25 000 000
Aganang RWS 2	CRR	9 525 000	-	-
Asbestos (AC) Pipes in Seshego, Annadale & CBD	RBIG	83 335 120	110 000 000	200 551 000
Upgrading of pipeline from Dap to Menz	RBIG	-	110 998 000	283 100 000
Upgrading of laboratory at Polokwane Sewer plant	CRR	-	1 000 000	1 500 000
Polokwane Water Network Upgrading (1)	CRR	4 600 000	-	-
Polokwane Water Network Upgrading(2)	CRR	4 600 000	-	-
Polokwane Groundwater development	WSIG	45 600 000	32 200 000	45 321 000
Asset Renewals of Water Network (CBD)	CRR	4 000 000	-	-
Asset Renewals of Waste Water Network (CBD)	CRR	4 000 000	-	-
Upgrading of pipeline from Dap to Menz	CRR	950 000	-	-
Total Water Supply and reticulation - Engineering		302 703 120	493 644 000	788 453 100
Sewer Reticulation - Engineering				
Regional waste Water treatment plant	RBIG	180 519 880	240 000 000	160 840 000
Regional waste Water treatment plant	PLEDGE/RBIG	170 000 000		
Refurbishment of Polokwane Waste Water Treatment Works	CRR	41 800 000	-	-
Plants and Equipments	CRR	-	-	3 000 000
Total Sewer Reticulation - Engineering		392 319 880	240 000 000	163 840 000

MULTI-YEAR BUDGET 2018/19-2020/21

MULTI YEAR BUDGET		Budget Year	Budget Year +1	Budget Year +2
Description	Funding	2018/19	2019/20	2020/21
Energy Services - Engineering				
Illumination of public areas (main street into ex#40,and75 from Nelson Mandela Voortrekker street , Ext 40 from Mallala road, Ext 71.73	CRR	2 145 000	2 000 000	3 000 000
Illumination of public areas (High Mast lights) various rural areas	CRR	9 487 500	5 000 000	8 000 000
Replacement of oil RMU with SF6/ Vacuum in Industria and Nirvana	CRR	-	2 500 000	15 000 000
SCADA on RTU in Superbia & Epsilon	CRR	2 437 500	3 000 000	5 000 000
Replacement of overhead lines by underground cables CBD	CRR	-	10 000 000	1 000 000
Replacement of Fiber glass enclosures in Flora, Fauna Park and Nirvana	CRR	9 750 000	5 000 000	15 000 000
Planning and design New Bakone to IOTA 66KV double circuit GOAT line	CRR	9 750 000	15 000 000	7 000 000
Build 66KV/Bakone substation	CRR	9 500 000	8 000 000	7 000 000
Electrification Of Urban Households in Extension 78 and 40	CRR	5 850 000	5 000 000	5 000 000
Design and Construct permanent distribution substation at Thornhill	CRR	9 750 000	2 000 000	1 000 000
Power factor corrections in various Municipal Substations	CRR	682 500	7 000 000	9 000 000
Plant and Equipment	CRR	2 500 000	2 500 000	1 500 000
Installation of 3x 185 mm² cables from Sterpark to Iota sub	CRR	-	25 000 000	-
installation of 1 x 185 mm² cable from delta to bendora sub	CRR	-	8 000 000	-
Increase license area assets	CRR	1 000 000	8 000 000	9 000 000
Retrofit 66kV Relays at Gamma, Alpha & Sigma Substations	CRR	-	3 000 000	4 000 000
Replace 66kV Bus Bars & Breakers at Gamma Substation	CRR	3 217 500	5 000 000	3 000 000
Replacement of Fences at Gamma, Sigma, Alpha, Beta, Sterpark & Florapark Substations (vuk'uphile)	CRR	975 000	1 000 000	1 000 000
Upgrade Gamma Substation and install additional 20MVA transformer	CRR	975 000	10 000 000	10 000 000
Design and Construction of New Pietersburg 11kv substation	CRR	1 000 000	20 000 000	5 000 000
Install additional 95MMX11KV cable to complete a ring in Debron to Koppiesfontein	CRR	-	5 000 000	-
Supply power to new Pietersburg substation	CRR	-	-	10 000 000
Replacement of undersized XLPE cables with PILCSTAcable in Nirvana & CBD	CRR	-	-	10 000 000
Construction of new 66 KV Substations as per master plan in Tweefontein	CRR	-	-	25 000 000
Construction of new 66 KV Lines as per master plan in Tweefontein	CRR	-	-	15 000 000
Design and Construction of new 11 KV Substations to strengthen capacity in Johnson Park	CRR	-	-	5 800 000
Installation of 11KV cables to new substations	CRR	-	-	2 000 000
Installation of Check Meters at Main substations	CRR	3 200 000	2 000 000	3 200 000
Installation of power banks at Main substations	CRR	-	10 000 000	10 000 000
Lowering Pole mount boxes to ground mounted in Westernburg, Zone 1 Zone8, Zone5, Ext 71.73,75,9A, 9L	CRR	5 850 000	8 000 000	10 000 000
Power Generation (SSEG) at Municipal Buildings	CRR	-	-	10 000 000
Total Energy Services - Engineering		78 070 000	172 000 000	210 500 000
Disaster and Fire - Community Services				
Acquisition of fire Equipment	CRR	2 000 000	1 000 000	2 000 000
6 flo to pumps	CRR	-	250 000	300 000
10 Large bore hoses with stotz coupling	CRR	350 000	350 000	350 000
150X 80 Fire hoses with instantaneous couplings	CRR	300 000	300 000	350 000
Miscellaneous equipment and gear	CRR	800 000	550 000	550 000
Planning for extension of fire training Centre	CRR	1 000 000	-	-
3 Heavy hydraulic equipment	CRR	-	2 000 000	2 000 000
4 portable pump	CRR	-	850 000	850 000
16 x Multipurpose branches Monitors	CRR	300 000	300 000	300 000
Total Disaster and Fire - Community Services		4 750 000	5 600 000	6 700 000
Traffic & Licencing - Community Services				
Purchase alcohol testers	CRR	200 000	-	220 000
Upgrading of logistics offices	CRR	1 000 000	-	-
Upgrading- Traffic Auditorium, parade room and Training Facility	CRR	600 000	-	-
Upgrading of city vehicle test station	CRR	500 000	600 000	600 000
Procurement of AARTO equipments	CRR	50 000	50 000	160 000
Procurement of office cleaning equipments	CRR	80 000	100 000	160 000
Computerized Learners license	CRR	-	-	2 000 000
Procurement of 2 X Metro counters (law enforcement)	CRR	-	-	300 000
Procurement of 7 X Pro-laser 4 Speed equipments	CRR	-	-	1 400 000
Total Traffic & Licencing - Community Services		2 430 000	750 000	4 840 000
Environmental Health - Community Services				
Vehicle exhaust gas analysis	CRR	140 000	-	-
Total Environmental Health - Community Services		140 000	-	-
Environmental Management - Community Services				
Grass cutting equipments	CRR	900 000	800 000	950 000
Development of a Botanical garden(Protected area Ster park)	CRR	-	1 800 000	2 000 000
Development of a park at Ext 44 and 76	CRR	600 000	800 000	900 000
Upgrading of Tom Naude Park	CRR	-	800 000	1 000 000
Zone 4 Park Expansion Phase 2	CRR	-	800 000	900 000
Upgrading of Security at Game Reserve	CRR	1 000 000	3 000 000	3 000 000
Upgrading of Environmental Education Centre	CRR	750 000	1 000 000	1 000 000
Construction of ablation facilities at Tom Naude Park	CRR	800 000	-	-
Development of Ablation facilities at Various Municipal Parks	CRR	500 000	2 500 000	3 000 000
Animal Pound	CRR	900 000	-	-
Upgrading of Ga- Kgoroshi community centre	CRR	500 000	-	-
Development of regional/ cluster parks	CRR	-	-	2 000 000
Development of regional/ cluster cemeteries	CRR	-	-	2 000 000
Total Environmental Management - Community Services		5 950 000	11 500 000	16 750 000

MULTI-YEAR BUDGET 2018/19-2020/21

MULTI YEAR BUDGET		Budget Year	Budget Year +1	Budget Year +2
Description	Funding	2018/19	2019/20	2020/21
Waste Management - Community Services				
30 m3 skip containers	CRR	800 000	600 000	1 000 000
Extension of landfill site(wellevrede)	CRR	3 000 000	-	2 000 000
Extension of offices(Ladanna)	CRR	-	500 000	-
Rural transfer station (Sengatane)	MIG	4 266 667	-	3 000 900
Rural transfer station (Dikgale)	MIG	4 266 667	3 000 000	-
Rural transfer Station(Makotpong)	MIG	4 266 666	3 000 000	-
Rural transfer Station Planning (Molepo)	CRR	1 000 000	-	-
770 L Refuse Containers	CRR	-	600 000	1 000 000
240 litre bins	CRR	-	1 000 000	-
6 & 9 M3 Skip containers	CRR	1 000 000	600 000	1 000 000
Total Waste Management - Community Services		18 600 000	9 300 000	8 000 900
Sport & Recreation - Community Development				
Construction of Mankweng Sport facility-2	MIG	11 440 000	-	-
Upgrading of Mankweng Stadium-roadworks	MIG	-	6 000 000	-
Sport stadium in Ga-Maja	MIG	9 600 000	4 000 000	-
EXT 44/77 Sports and Recreation Facility	MIG	1 500 000	10 000 000	8 000 000
Grass Cutting equipment	CRR	500 000	1 000 000	1 200 000
Upgrading of Tibane Stadium	CRR	475 000	2 000 000	-
Sebayeng/Dikgale Sports Complex (Planning)	CRR	1 000 000	-	-
Rehabilitation of Swimming Pool to be commercialized	CRR	1 575 000	-	-
Upgrading of Mokolong Stadium	MIG	7 300 000	9 000 000	-
Total Sport & Recreation - Community Development		33 390 000	32 000 000	9 200 000
Security Services - Community Services				
Walk through metal detector	CRR	200 000	-	-
Upgrading of offices at Itsoeng for Security Services	CRR	600 000	-	-
Supply and installation of Safes	CRR	80 000	-	-
Supply and installation of Guard tracking devices	CRR	800 000	-	-
Supply and delivery of guard houses	CRR	900 000	-	-
Total Security Services - Community Services		2 580 000	-	-
Cultural Services - Community Development				
Collection development - Books	CRR	750 000	1 200 000	3 000 000
New Exhibition Irish House	CRR	800 000	800 000	900 000
Total Cultural Services - Community Development		1 550 000	2 000 000	3 900 000
Information Services - Corporate and Shared Services				
Provision of Laptops, PCs and Peripheral Devices	CRR	1 750 000	2 000 000	2 000 000
Implementation of ICT Strategy	CRR	750 000	800 000	1 000 000
Network Upgrade	CRR	7 000 000	3 500 000	4 000 000
Total Information Services - Corporate and Shared Services		9 500 000	6 300 000	7 000 000
Fleet Management - Corporate and Shared Services				
Acquisition of fleet	LOAN (INSTALMENT SALES)	300 000 000	-	-
Total Fleet Management - Corporate and Shared Services		300 000 000	-	-
City Planning - Planning and Economic Development				
Township establishment-Farm Volgestruisfontein 667 LS	CRR	2 000 000	1 000 000	1 000 000
Township establishment - Nirvana	CRR	-	-	1 000 000
Township establishment at portion 151-160 of the Farm Sterkloop 688 LS for PHA mixed land use	CRR	3 000 000	-	4 500 000
Township establishment-Portion 74 and 75 of Ivy Dale Agricultural Holdings	CRR	1 000 000	500 000	1 500 000
Planning for Installation of engineering services at Polokwane extension 108, 72, 78, 79, 106, 107, 126, 127, 133, 134, 121, Nivarna x5, southern gateway x1 and Ivy Park 35 (water, electricity, sewerage network and roads)	CRR	1 000 000	14 000 000	32 150 000
Acquisition of land	CRR	-	3 000 000	11 000 000
Upgrading of the R293 area Townships	CRR	-	-	12 000 000
Total City Planning - Planning and Economic Development		7 000 000	18 500 000	63 150 000

MULTI-YEAR BUDGET 2018/19-2020/21

MULTI YEAR BUDGET		Budget Year	Budget Year +1	Budget Year +2
Description	Funding	2018/19	2019/20	2020/21
GIS - Planning and Economic Development				
Procurement of a drone for aerial imagery	CRR	-	-	2 500 000
Total GIS - Planning and Economic Development		-	-	2 500 000
LED - Planning and Economic Development				
Integrated feasibility studies for logistics and Industrial hub	CRR	-	-	2 150 000
Total LED - Planning and Economic Development		-	-	2 150 000
Transport Operations(IPRTS)- Transport and Services				
AFC	PTNG	35 499 000	-	-
PTMS	PTNG	25 499 000	-	-
Control Centre	PTNG	1 500 000	-	-
Compensation	PTNG	62 500 000	-	-
PT facility upgrade	PTNG	5 750 000	-	-
Upgrad & constr of Trunk route 108/2017 WP1	PTNG Pledge	16 844 000	-	-
Construction of bus depot Civil works 108/2017 WP3	PTNG Pledge	5 767 000	-	-
Construction of bus station Civil works 108/2017 WP4	PTNG Pledge	20 476 000	-	-
Upgrad & constr of Trunk route 108/2017 WP1	PTNG	-	10 000 000	21 068 000
Construction of bus depot Civil works 108/2017 WP3	PTNG	-	8 038 000	-
Construction of bus station Civil works 108/2017 WP4	PTNG	7 700 000	-	-
Daytime lay-over 108/2017 WP2	PTNG Pledge	7 792 000	-	-
CBD Transit Mall 108/2017 WP4	PTNG Pledge	10 925 000	-	-
Construction & provision of Depot Upper structures	PTNG Pledge	14 950 000	-	-
Construction & provision of Station Upperstructures	PTNG	20 834 000	-	-
Construction & provision of Station Upperstructures	PTNG Pledge	7 916 000	-	-
Refurbishment of Daytime Layover Buildings	PTNG Pledge	4 025 000	-	-
OHS Management Rev2Light	PTNG Pledge	1 000 000	-	-
Environmental Management Seshego & SDA1	PTNG Pledge	400 000	-	-
Environmental Management in Polokwane City	PTNG Pledge	300 000	-	-
Upgrade & rehab of Trunk Ext in Seshego & SDA1 109/2017	PTNG Pledge	8 855 000	-	-
Rehabilitation of Feeder Routes in Polokwane 110/2017	PTNG Pledge	5 750 000	-	-
Acquisition of buses	PTISG Pledge	165 000 000	-	-
Total Transport Operations(IPRTS)- Transport and Services		429 282 000	18 038 000	21 068 000
Supply Chain Management - Budget and Treasury Services				
Upgrading of stores	CRR	8 500 000	2 001 000	-
Total Supply Chain Management - Budget and Treasury Services		8 500 000	2 001 000	-
Total Capital Expenditure		1 912 547 000	1 373 983 000	1 741 102 000
Municipal Infrastructure Grant	MIG	271 728 000	278 646 000	314 253 000
Public Transport Network Grant	PTIG	159 282 000	18 038 000	21 068 000
Neighbourhood Development Grant	NDPG	35 000 000	35 000 000	35 000 000
Water Services Infrastructure Grant	WSIG	68 600 000	110 000 000	116 050 000
Regional Bulk Infrastructure Grant	RBIG	263 855 000	460 998 000	644 491 000
Total DoRA Allocations		798 465 000	902 682 000	1 130 862 000
PTIG Pledge	PTIG	270 000 000	-	-
RBIG Pledge	RBIG	170 000 000	-	-
Borrowing	LOAN(CONCESSION) LOAN (INSTALMENT)	80 000 000	90 000 000	82 000 000
Borrowing	SALES	300 000 000	-	-
CRR	CRR	279 682 000	381 301 000	528 240 000
KFW Bank	KFW	14 400 000	-	-
Total Capital Funding		1 912 547 000	1 373 983 000	1 741 102 000

Annexure A: Polokwane Housing Association



Annual Budget and service delivery agreement - Polokwane Housing Association (PHA) For the Period 2018/2019 to 2020/2021

Despite global and national economic challenges, the PHA's financial history indicates that the entity has managed to survive year on year. As the municipal entity the PHA is mandated to develop and manage Integrated Human Settlements, Social and Non Social Housing Rental Housing Units within the jurisdiction of Polokwane Municipality.

As a Municipal Entity entrusted with managing rental housing units, PHA is required to comply with Municipal Finance Management Act, Act 56 of 2003, the Municipal System Act, Act 32 of 2000, the Companies Act, Act 71 of 2008, the Housing Code, the Social Housing Act of 2008, and all other relevant legislation applicable to the municipal entity

The PHA's mandate includes, amongst others, the responsibility for administrative processes, accounting and financial management, tenant liaison, policy and guideline formation, capital raising, agency role and other functions that Polokwane Municipality may require in applying the principles of rental housing in Polokwane. The mandate has been extended to include participating in the non-social housing rental space, i.e. gap market and profit making rental housing. Above all PHA must ensure its financial sustainability.

The financial plan for 2018/19 reflects that, with the projected allocation of all rental units of 697 units, the entity will be generating R12million for the year. The 2018/19 budget process was prepared following a similar approach used in previous years. The budget takes into account the current market conditions, such as inflation, historical trend analysis, as well as the proposed Polokwane Municipality budget guidelines. The combined budgeted operating deficit is projected at R1.8million for the year, this deficit is mainly due to non-cash items: Asset impairment of R4million and Debt impairment of R2million, for two outer years the entity is projecting the surplus of R2.5 million and R1.2 million respectively.

The 2018/19 budget includes a R11million operational grant which would assist the entity in making certain that the entity's cash flow remains positive and that the entity is able to fund its

operations. For 2019/20 and 2020/21 the operational grant is R11million. For two outer years the operational budget is split between R4million to fund operations R7million will go towards equity in assisting the development of Polokwane extension 76 which will be 208 units

Due to the nature of our business and Funding of new projects being hard to secure, PHA is embarking on Public Private Partnerships. For the period between 2018 and 2021 financial year the entity is projecting to develop 754 Gap market units and 5116 student accommodation beds. These projects are to be developed using the Built Operate and Transfer model (BOT). Under this model the entity is putting forth as its own equity contribution land as investment. After 30 years the private sector partners will transfer the facility to the entity. In the meantime, the private sector partners will be paying the entity royalties monthly. These new developments will lessen PHA's dependency on the municipality. The PHA's existence is informed by the SMART pillar which forms one of the Municipality's SMART Pillars. i.e SMART Economy. Etc. in attainment of vision 2030 smart city.

For 2018/19 employment costs are budgeted at 7% for budget purposes subject to agreement at South African Local Government Bargaining Council

Service Delivery Agreement between the City and the PHA

Service Delivery Agreement

Period of Agreement	No period stipulated but subject to annual reviews in terms of Section 93A of the systems Act
Service Provided	Rentals of Units
Expiry date of SDA	N/A
Monetary value	1 000. Of R1 shares worth R1000
Ownership and control	Shareholding as at 30 April 2017 Polokwane Municipality 100%
Mandate	Develop and Manage Integrated Human Settlements
Funding over medium term	R11 Million 2018/19 R11 Million 2019/20 R11 Million 2020/21
Summary of SDA	Sets out the obligation of PHA to Polokwane Municipality in respect of compliance and performance Issues

Past performance and future objectives	<p>Has fairly met targets in the past, except with Ga-Rena Project which is cumbersome, PHA is confident that it will maintain high level of rental occupation and rental collection.</p> <p>PHA hopes to meet future housing demands</p>
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Table D1 Budget Summary

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Financial Performance					
Property rates					
Service charges					
Investment revenue					
Transfers recognised - operational	5 000 000	9 000 000	11 000 000	11 000 000	11 000 000
Other own revenue	12 541 000	11 867 000	12 541 000	12 973 000	15 850 000
Contributions recognised - capital & contributed assets					
Total Revenue (excluding capital transfers and contrib	17 541 000	20 867 000	23 541 000	23 973 000	26 850 000
Employee costs	6 313 000	6 988 000	7 739 000	8 072 000	8 553 000
Remuneration of Board Members	2 150 000	2 431 000	2 150 000	2 258 000	2 371 000
Depreciation & asset impairment	2 000 000	2 000 000	4 000 000	4 200 000	4 410 000
Finance charges	-	-	-	-	-
Materials and bulk purchases	-	-	-	-	-
Transfers and grants	-	-	-	-	-
Other expenditure	10 980 000	10 793 000	11 540 000	11 953 000	12 803 000
Total Expenditure	21 443 000	22 212 000	25 429 000	26 483 000	28 137 000
Surplus/(Deficit)	- 3 902 000	- 1 345 000	- 1 888 000	- 2 510 000	- 1 287 000
Capital expenditure & funds sources					
Capital expenditure			-	-	-
Transfers recognised - operational	390 000	170 000	45 000	47 700	50 562
Public contributions & donations					
Borrowing					
Internally generated funds					
Total sources	390 000	170 000	45 000	47 700	50 562
Financial position					
Total current assets	6 785 000	5 042 000	7 954 000	10 244 000	13 767 000
Total non current assets	98 578 000	98 578 000	93 778 000	88 953 000	84 138 000
Total current liabilities	2 535 000	2 535 000	2 535 000	2 525 000	2 540 000
Total non current liabilities	95 000	95 000	95 000	80 000	60 000
Equity	102 733 000	100 990 000	99 102 000	96 592 000	95 305 000
Cash flows					
Net cash from (used) operating	5 924 000	- 164 000	1 447 000	2 769 000	2 442 000
Net cash from (used) investing	15 000	- 160 000	45 000	-	-
Net cash from (used) financing	- 3 520 000	-	-	25 000	5 000
Cash/cash equivalents at the year end					

Polokwane Housing Agency - Table D2 Budgeted Financial Performance (revenue and expenditure)

Description	Current Year 2017/18		Medium Term Revenue and Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue by Source					
Rental of facilities and equipment	12 518 480	11 856 652	12 518 480	12 950 480	15 827 480
Transfers recognised - operational	5 000 000	9 000 000	11 000 000	11 000 000	11 000 000
Other revenue	22 400	10 720	22 400	22 480	22 560
Gains on disposal of PPE					
Total Revenue (excluding capital transfers and contributions)	17 540 880	20 867 372	23 540 880	23 972 960	26 850 040
Expenditure By Type					
Employee related costs	6 312 898	6 987 565	7 738 881	8 072 414	8 553 159
Remuneration of Directors	2 150 224	2 431 362	2 150 224	2 257 735	2 370 621
Debt impairment	2 000 000	2 000 000	4 000 000	4 200 000	4 410 000
Depreciation & asset impairment	5 000 000	5 000 000	4 800 000	4 825 000	4 815 000
Finance charges	-	-	-	-	-
Other expenditure	5 979 500	5 793 000	6 739 500	7 127 975	7 988 299
Loss on disposal of PPE					
Total Expenditure	21 442 622	22 211 927	25 428 605	26 483 124	28 137 079
Surplus/(Deficit)	- 3 901 742	- 1 344 555	- 1 887 725	- 2 510 164	- 1 287 039
Transfers recognised - capital					
Contributions recognised - capital					
Contributed assets					
contributions	- 3 901 742	- 1 344 555	- 1 887 725	- 2 510 164	- 1 287 039
Taxation					
Surplus/ (Deficit) for the year	- 3 901 742	- 1 344 555	- 1 887 725	- 2 510 164	- 1 287 039

Polokwane Housing Agency - Table D3 Capital Budget by vote and funding

Vote Description	Current Year 2017/18		Medium Term Revenue and Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Capital expenditure by Asset Class/Sub-class</u>					
<u>Other assets</u>	390 000	170 000	45 000	-	-
General v ehicles	330 000	170 000		-	-
Specialised v ehicles	-	-	-	-	-
Plant & equipment			-	-	-
Computers - hardware/equipment	30 000	-	15 000	-	-
Furniture and other office equipment	30 000	-	30 000	-	-
Total capital expenditure on assets	390 000	170 000	45 000	-	-

Polokwane Housing Agency - Table D4 Budgeted Financial Position

Description	Current Year 2017/18		Medium Term Revenue and Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
ASSETS					
Current assets					
Cash	4 240 000	1 497 000	2 897 687	5 641 210	8 077 982
Call investment deposits					
Consumer debtors	2 500 000	3 500 000	5 011 088	4 581 376	5 667 864
Other debtors	45 000	45 000	45 000	21 000	21 000
Current portion of long-term receivables					
Inventory					
Total current assets	6 785 000	5 042 000	7 953 775	10 243 586	13 766 846
Non current assets					
Long-term receivables					
Investments			-	-	-
Investment property					
Investment in Associate					
Property, plant and equipment	98 463 000	98 463 000	93 663 000	88 863 000	84 063 000
Agricultural					
Biological					
Intangible	115 000	115 000	115 000	90 000	75 000
Other non-current assets					
Total non current assets	98 578 000	98 578 000	93 778 000	88 953 000	84 138 000
TOTAL ASSETS	105 363 000	103 620 000	101 731 775	99 196 586	97 904 846
LIABILITIES					
Current liabilities					
Bank overdraft					
Borrowing					
Consumer deposits					
Trade and other payables	2 205 000	2 205 000	2 205 000	2 210 000	2 250 000
Provisions	330 000	330 000	330 000	315 000	290 000
Total current liabilities	2 535 000	2 535 000	2 535 000	2 525 000	2 540 000
Non current liabilities					
Borrowing	95 000	95 000	95 000	80 000	60 000
Provisions					
Total non current liabilities	95 000	95 000	95 000	80 000	60 000
TOTAL LIABILITIES	2 630 000	2 630 000	2 630 000	2 605 000	2 600 000
NET ASSETS	102 733 000	100 990 000	99 101 775	96 591 586	95 304 846
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	27 079 000	25 336 000	23 447 775	20 937 586	19 650 846
Reserves	75 653 000	75 653 000	75 653 000	75 653 000	75 653 000
Share capital	1 000	1 000	1 000	1 000	1 000
TOTAL COMMUNITY WEALTH/EQUITY	102 733 000	100 990 000	99 101 775	96 591 586	95 304 846

Polokwane Housing Agency - Table D5 Budgeted Cash Flow

Description	Current Year 2017/18		Medium Term Revenue and Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts					
Property rates, penalties & collection charges	10 424 000	3 436 000	7 029 792	9 202 672	10 353 552
Government - operating	5 000 000	9 000 000	11 000 000	11 000 000	11 000 000
Suppliers and employees	- 9 500 000	- 12 600 000	- 16 582 881	- 17 434 149	- 18 911 780
NET CASH FROM/(USED) OPERATING ACTIVITIES	5 924 000	- 164 000	1 446 911	2 768 523	2 441 772
CASH FLOWS FROM INVESTING ACTIVITIES					
Receipts					
Proceeds on disposal of PPE					
Decrease (Increase) in non-current debtors					
Decrease (increase) other non-current receivables					
Decrease (increase) in non-current investments	345 000	-			
Payments					
Capital assets	- 330 000	- 160 000	- 45 000	-	-
NET CASH FROM/(USED) INVESTING ACTIVITIES	15 000	- 160 000	- 45 000	-	-
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts					
Short term loans					
Borrowing long term/refinancing	- 3 520 000	-			
Increase (decrease) in consumer deposits					
Payments					
Repayment of borrowing				- 25 000	- 5 000
NET CASH FROM/(USED) FINANCING ACTIVITIES	- 3 520 000	-	-	- 25 000	- 5 000
NET INCREASE/ (DECREASE) IN CASH HELD	2 419 000	- 324 000	1 401 911	2 743 523	2 436 772
Cash/cash equivalents at the year begin:	1 820 000	1 820 000	1 496 000	2 897 911	5 641 434
Cash/cash equivalents at the year end:	4 239 000	1 496 000	2 897 911	5 641 434	8 078 206

Municipal Manager Quality Certificate



Office of the Municipal Manager

I, D H Makobe Municipal Manager of Polokwane Municipality, hereby certify that the 2018/19-2020/21 Annual Budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the Municipality.

PRINT NAME DIKGAPÉ MAKOBÉ

MUNICIPAL MANAGER OF POLOKWANE MUNICIPALITY (LIM354)
SIGNATURE 

DATE 21/05/2018

Municipal Manager Quality Certification