ANNEXURE D

KNYSNA
Municipality Munisipaliteit uMasipala

inclusive II innovative II inspired

Annual 2022/2023 MTREF Budget Report

(Sections 16, 17 and 24 of the MFMA)

May 2022

To the Speaker

Section 16(1) of the Local Government: Municipal Finance Management Act, No 56 of 2003 (MFMA) determines that the council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.

Section 17 of the MFMA determines that the annual budget must be in the prescribed format; must generally be divided into a capital and operating budget as may be prescribed; and, must be accompanied by specific documents.

Section 24(1) of the MFMA determines that the municipal council must at least 30 days before the start of the budget year consider approval of the annual budget.

In accordance with the above, I herewith submit the Annual 2022/2023 MTREF Budget Report to be considered for approval by Council.

LEVAEL DAVIS
EXECUTIVE MAYOR

28 May 2022

QUALITY CERTIFICATE

I, Mr Johan Jacobs, the Acting Municipal Manager of Knysna Municipality hereby certify that the annual budget has been prepared in accordance with the Municipal Finance Management Act, No 56 of 2003, and Regulations made under that Act, and that the annual budget and supporting documentation are consistent with the Integrated Development Plan of the Municipality.

JOHAN JACOBS
ACTING MUNICIPAL MANAGER

28 May 2022

TABLE OF CONTENTS

PAGE

1. EXECUTIVE SUMMARY

1.1 The Annual 2022/2023 Medium Term Revenue and Expenditure Framework (MTREF) Budget addresses the rates and tariffs, operating budget, capital budget and funding sources, which will enable Knysna Municipality to render services to the local community in a financially sustainable manner.

1.2 The application of sound financial management principles following the compilation and implementation of Knysna Municipality's Long-Term Financial Plan (Chapter 5 of the Integrated Development Plan) is essential and critical to ensure that the Municipality remains financially viable, and that municipal services are provided sustainably, economically and fairly to all communities.

1.3 The process for developing the Municipality's annual budget is mainly guided by the strategic thrusts and operational priorities of Knysna Municipality's Integrated Development Plan (IDP), as well as the MTREF that outlines the projected annual revenue and expenditure for the budget year under consideration, and the two outer financial years.

1.4 The financial challenges experienced by several households, as a result of various contributing economic factors, necessitated the requirement to produce a pro-Knysna 2022/2023 MTREF Budget.

1.5 The 2017 Knysna Fires, the COVID-19 pandemic, unemployment, and various other economic factors, has had a profound impact on the financial position of the Municipality. This posed immense challenges for the compilation of a fully funded and credible budget aimed at ensuring adequate levels of service delivery whilst simultaneously supporting a pro-Knysna budget.

1.6 In consideration of the uncertainty and unpredictability of the future economic climate, as well as the current financial position of the Municipality, it was imperative to apply a conservative and cautionary budget approach when projecting the Revenue and Expenditure for the Annual 2022/2023 MTREF Budget.

1.7 All factors affecting the compilation of the Annual 2022/2023 MTREF Budget were taken into consideration to ensure that the anticipated revenue streams and funding sources are affordable and sustainable for funding both the operating and capital expenditure budgets. These factors have also been taken into consideration during the review of the budget-related policies.

1.8 Several budget-related engagements and workshops were held following the approval of the Tabled 2022/2023 MTREF Budget. Stakeholders were afforded an opportunity to provide comments. All comments received were considered and where possible, amendments made to the Tariff Book, Budget-related Policies, Revenue and Expenditure.

1.9 Despite the Annual 2022/2023 MTREF Budget being fully funded, the absence of a cash-backed Capital Replacement Reserve (CRR) remains a key challenge at Knysna Municipality. Higher operating surpluses are required in an attempt to generate sufficient cash in order to build up a cash-backed CRR.

1.10 The main challenges experienced during the compilation of the 2022/2023 MTREF Budget are summarised as follows –

(a) Impact of external economic factors;
(b) Limited revenue streams;
(c) Attaining a fully funded budget;
(d) Minimal surpluses in the short to medium term;
(e) Absence of a cash-backed CRR;
(f) Insufficient investment in new/replacement/upgrade of revenue generating assets;
(g) Insufficient budget allocation for Repairs and Maintenance of PPE;
(h) Prioritisation of Capital and Operating Projects;
(i) Under-funded mandates;
(j) Increased bulk electricity costs;
(k) Poor collection of outstanding debt;
(l) All tariffs are presently not cost-reflective;
(m) Dependency on the use of external service providers; and
(n) Poor implementation of cost-reduction measures.

1.11 A high level summary of the operating and capital budgets, as well as the long-term financial sustainability of Knysna Municipality, will be followed by appropriate recommendations. Supporting information is included in the respective appendices and tables attached to this report.

2. LEGISLATION

2.1 The Annual 2022/2023 MTREF Budget was compiled in accordance with the requirements of applicable legislation, of which the following are most important –

(a) Constitution of the Republic of South Africa, No 108 of 1996;
(b) Municipal Structures Act, No 117 of 1998;
(c) Municipal Systems Act, No 32 of 2000;
(d) Municipal Property Rates Act, No 6 of 2004;
(e) Municipal Finance Management Act, No 56 of 2003;
(f) Municipal Budget and Reporting Regulations, promulgated on 17 April 2009; and
(g) Division of Revenue Act, No 4 of 2020.

2.2 Sections 15 to 24 of the Local Government: Municipal Finance Management Act, No 56 of 2003 (MFMA), read in conjunction with Regulations 9 to 20 of the Municipal Budget and

Reporting Regulations (MBRR) legislate the processes for the compilation and approval of the municipal budget.

2.3 The compilation of the annual budget, in terms of legislation, must also take into consideration the Budget Circulars released by both National Treasury and Provincial Treasury. These Budget Circulars have been considered during the preparation of the Tabled 2022/2023 MTREF Budget, and have been tabled in Council on 30 March 2022.

2.4 The Tabled 2022/2023 MTREF Budget was published in several public platforms in order to invite the public to submit representations in connection with the budget. Various written comments have been received from members of the public. In addition, the Western Cape Provincial Treasury submitted the Strategic Integrated Management Engagement (SIME) assessment on the Tabled 2022/2023 MTREF Budget. The SIME report is attached hereto as Appendix 7.

Written comments received on the Tabled 2022/2023 MTREF Budget Report, as well as the Executive Mayor's recommendations thereto are contained in Annexure A, attached to the item.

2.5 Section 24(2)(c) of the MFMA determines that an annual budget must be approved together with the adoption of resolutions setting out any municipal tax and tariffs for the budget year. The 2022/2023 MTREF Tariff Book is contained in Annexure B, attached to the item.

2.6 Section 24(2)(c) of the MFMA further determines that an annual budget must be approved together with the adoption of resolutions approving any changes to the Municipality's budget-related policies. The 2022/2023 MTREF Budget-Related Policies are contained in Annexure C, attached to the item.

3. BUDGET STRATEGIES AND BUDGET ASSUMPTIONS

3.1 The following budget principles and guidelines directly informed the compilation of the Annual 2022/2023 MTREF Budget –

(a) National Treasury and the Western Cape Provincial Treasury Budget Circulars;
(b) National Treasury and Provincial Treasury Grants;
(c) National, Provincial and District Priorities;
(d) Integrated Development Plan (IDP);
(e) Budget-Related Policies;
(f) Long-Term Financial Plan;
(g) CPI Inflation Rates;
(h) National Energy Regulator of South Africa (NERSA) Guidelines;
(i) Affordability Assessment;
(j) Revenue Enhancement / Realisation Strategies;
(k) Cost Reduction Strategies; and
(l) Service Level Standards.

3.2 The Municipality's revenue strategy for the Annual 2022/2023 MTREF Budget is developed in consideration of the following key components –

(a) National Treasury guidelines and macro-economic policy;
(b) Projected local economic growth and development;
(c) Effective revenue management systems and an improvement in debt collection rates;
(d) NERSA approved electricity tariffs;
(e) Implementation of tariffs for each service type (albeit not all are cost-reflective at this point);
(f) Rendering of free basic services; and
(g) Budget Related Policies.

3.3 Table 1 below presents the actual amounts and percentage increases imposed for the previous three financial years, as well as the budget amounts and projected percentage increases for the next three financial years.

3.4 The Annual 2022/2023 MTREF Budget has been compiled based on the financial framework, financial strategies and financial policies of Council.

3.5 Key assumptions relating to the Annual 2022/2023 MTREF Budget included in Table 1 below include the following –

3.5.1 National government grant allocations for the 2022/2023 to 2024/2025 financial years, as published in the Division of Revenue Bill (DoRB).

3.5.2 Provincial government grant allocations for the 2022/2023 to 2024/2025 financial years, as promulgated in the Provincial Gazette.

3.5.3 As per the MFMA Municipal Budget Circular No 115, the actual headline inflation rate (consumer price index or CPI) for the 2020/2021 financial year equated to 2.9%, and is estimated to increase to 4.5% for the 2021/2022 financial year. The forecasted CPI for the 2022/2023 financial year is 4.8% (2023/2024: 4.4% and 2024/2025: 4.5%).

Table 1 : 2022/2023 MTREF: Key Budget Projections							
Row Number	Description	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
Column Reference	A	B	C	D	E	F	G
1	**GROWTH PARAMETERS**						
2	Gross Domestic Product Growth (GDP)	0,30%	-7,20%	2,10%	1,80%	1,80%	1,80%
3	Consumer Price Inflation (CPI)	4,10%	2,90%	4,50%	4,80%	4,40%	4,50%
4	**REVENUE INCREASES**						
5	Property Rates	2,50%	3,00%	6,10%	4,80%	4,40%	4,50%
6	Service Charges: Electricity	13,10%	6,22%	14,59%	7,47%	4,40%	4,50%
7	Service Charges: Water	5,50%	3,00%	5,10%	4,80%	4,40%	4,50%
8	Service Charges: Sanitation	4,00%	3,00%	5,10%	4,80%	4,40%	4,50%
9	Service Charges: Refuse	7,50%	12,00%	12,00%	11,50%	4,40%	4,50%
10	**COST OF REMUNERATION**						
11	Estimated Cost-of-Living Increases	7,00%	6,25%	3,50%	4,90%	4,40%	4,50%
12	Estimated Notch Increases	2,40%	2,40%	2,40%	2,40%	2,40%	2,40%
13	**BULK PURCHASES**						
14	Electricity	15,70%	6,90%	17,80%	8,61%	4,40%	4,50%
15	**GRANTS: NATIONAL DEPARTMENTS**						
16	Equitable Share	86 321 000	107 996 000	98 572 000	111 170 000	120 722 000	131 247 000
17	Equitable Share % Growth	10,2%	25,1%	-8,7%	12,8%	8,6%	8,7%
18	Financial Management Grant (FMG)	1 550 000	1 550 000	1 550 000	1 721 000	1 771 000	1 771 000
19	Expanded Public Works Programme Integrated Grant (EPWP)	1 497 000	1 254 000	1 118 000	1 044 000	0	0
20	Municipal Infrastructure Grant (MIG)	33 489 344	24 887 000	26 260 000	39 114 000	29 222 000	30 400 000
21	Integrated National Electrification Programme Grant (INEP)	4 000 000	0	0	10 730 000	6 000 000	6 269 000
22	Water Services Infrastructure Grant (WSIG)	0	0	5 107 000	0	0	33 437 000
23	Neighbourhood Development Partnership Grant (NDPG)	20 000 000	15 000 000	10 000 000	5 000 000	5 000 000	10 000 000
24	Energy Efficiency and Demand Side Management Grant (EEDSMG)	6 000 000	0	0	0	0	0
25	Municipal Disaster Relief Grant	417 000	0	0	0	0	0
26	**GRANTS: PROVINCIAL DEPARTMENTS**						
27	Financial Management Capacity Building Grant	0	400 000	250 000	0	0	0
28	Financial Management Support Grant	1 553 785	600 000	0	0	0	0
29	Human Settlements Development Grant	69 303 951	53 496 000	46 657 000	21 840 000	46 910 000	32 110 000
30	Informal Settlements Upgrading Partnership Grant	0	0	0	0	2 400 000	6 000 000
31	Maintenance and Construction of Transport Infrastructure Grant	89 000	110 000	110 000	80 000	80 000	80 000
32	Public Transport and Safety Grant	3 097 980	0	0	0	0	0
33	Community Library Services Grant	11 664 789	8 275 000	8 493 000	10 659 000	8 784 000	9 178 000
34	Community Development Worker Operational Support Grant	0	56 000	57 000	56 000	56 000	56 000
35	Electrical Master Plan Grant	490 000	0	0	0	0	0
36	Municipal Interventions Grant	0	0	400 000	0	0	0
37	Disaster and Emergency Services Grant	6 333 961	0	0	0	0	0
38	COVID-19 Grant	550 000	0	0	0	0	0

3.5.4 Budgeted Property Rates revenue increases by 4.8% for the 2022/2023 financial year and 4.4% and 4.5% for the 2023/2024 and 2024/2025 financial years respectively. Notable amendments made to the property tariffs include –

a) No tariff increases for vacant land zoned for residential purposes;
b) Accommodation facilities with 1 – 2 bedrooms will pay normal residential tariffs;
c) SARS registration is no longer required to prove farming activities on properties categorised as agricultural as per the valuation roll; and
d) Private open space will be billed at the normal base rate.

3.5.5 Budgeted Electricity revenue increases by 7.47% for the 2022/2023 financial year. Increases of 4.4% and 4.5% have been budgeted for the 2023/2024 and 2024/2025 financial years respectively.

3.5.6 Budgeted Water revenue increases by 4.8% for the 2022/2023 financial year and 4.4% and 4.5% for the 2023/2024 and 2024/2025 financial years respectively.

3.5.7 Budgeted Sanitation revenue increases by 4.8% for the 2022/2023 financial year and 4.4% and 4.5% for the 2023/2024 and 2024/2025 financial years respectively.

3.5.8 Budgeted Refuse revenue increases by 11.5% for the 2022/2023 financial year and 4.4% and 4.5% for the 2023/2024 and 2024/2025 financial years respectively. The high increase of 11.5% for the 2022/2023 financial year is mainly to off-set increased costs in relation to recycling, transportation of waste, and the regional waste management facility. The rehabilitation of the landfill sites was fully provided for in the prior years, and therefore requires no additional operating budget allocation in the 2022/2023 MTREF.

3.5.9 The South African Local Government Bargaining Council (SALGBC) determines the final cost-of-living payroll increases negotiated between the employer representative (SALGA) and the respective unions. The SALGBC Circular No. 1/2022, dated 09 March 2022, stipulates a 4.9% increase for the period 01 July 2022 to 30 June 2023. The 2022/2023 payroll costs have been budgeted accordingly.

3.5.10 Budgeted Bulk Electricity purchases from Eskom, as approved by NERSA, increases by 8.61% for the 2022/2023 financial year.

3.5.11 Council is sensitive to the affordability and sustainability of the taxes and tariffs to be imposed. The Municipality closely monitors the debtor collection rates, which equated to 89.5% in the 2020/2021 financial year. Bad debt provision of 10% of estimated billed revenue has been budgeted in the 2022/2023 MTREF. The detailed 2022/2023 MTREF Tariff Book is contained in Annexure B, attached to the item.

4. HIGH LEVEL OPERATING BUDGET

4.1 Revenue per Category

4.1.1 The high level revenue budget per category for the 2022/2023 MTREF is presented in Table 2 below.

4.1.2 The total revenue budget (capital grants included) (Row 17) equates to R 1,108,527,123 for the 2022/2023 financial year in comparison with the Tabled 2022/2023 MTREF Budget of R 1,114,134,788.

Table 2 : High Level Summary of Revenue per Category

Row Number	Description	Original Budget 2021/2022	Special Adjustments Budget 2021/2022	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F	G	H
1	Property Rates	248 920 705	248 930 052	261 551 911	0	261 551 911	273 060 197	285 347 908
2	Service Charges: Electricity Revenue	306 741 849	328 352 890	360 129 013	-5 607 665	354 521 348	370 120 286	386 775 700
3	Service Charges: Water Revenue	74 860 303	71 169 871	74 586 025	0	74 586 025	77 867 811	81 371 862
4	Service Charges: Sanitation Revenue	29 930 326	27 968 426	29 310 910	0	29 310 910	30 600 591	31 977 619
5	Service Charges: Refuse Revenue	28 273 392	24 961 272	27 831 817	0	27 831 817	29 056 417	30 363 956
6	Rental of Facilities and Equipment	5 947 784	5 146 114	5 444 020	0	5 444 020	5 683 557	5 939 318
7	Interest Earned: External Investments	3 650 000	2 026 013	2 046 273	0	2 046 273	2 136 309	2 232 443
8	Interest Earned: Outstanding Debtors	16 261 650	19 130 323	19 321 626	0	19 321 626	20 171 777	21 079 507
9	Fines, Penalties and Forfeits	92 551 488	104 656 700	119 059 010	0	119 059 010	124 297 606	129 890 998
10	Licences and Permits	1 580 277	1 620 502	1 698 285	0	1 698 285	1 773 009	1 852 793
11	Agency Services	3 780 000	3 654 335	3 829 743	0	3 829 743	3 998 252	4 178 173
12	Transfers and Subsidies	151 129 834	169 166 241	154 945 913	0	154 945 913	167 619 870	154 102 349
13	Other Revenue	8 949 170	8 284 739	7 662 155	0	7 662 155	7 935 152	8 280 733
14	Gains on Disposal of PPE	250 000	250 000	250 000	0	250 000	250 000	250 000
15	Sub-Total	972 826 778	1 015 317 478	1 067 666 701	-5 607 665	1 062 059 036	1 114 570 834	1 143 643 359
16	Transfers and Subsidies: Capital	47 684 166	53 355 737	46 468 087	0	46 468 087	53 325 130	106 445 651
17	Grand Total	1 020 510 944	1 068 673 215	1 114 134 788	-5 607 665	1 108 527 123	1 167 895 964	1 250 089 010

4.1.3 Notable amendments included in the revenue budget for the 2022/2023 financial year compared to the Tabled 2022/2023 MTREF Budget are as follows –

(a) Property Rates (Row 1): Property rates tariffs have been amended in accordance with 3.5.4 above. The net financial impact equates to approximately R 3.2 million. This was however off-set by additional revenue identified in the revenue enhancement project in relation to properties either omitted or undervalued on the valuation roll.

(b) Service Charges: Electricity Revenue (Row 2): The decrease in revenue is as a result of the decrease in tariffs from 9.61% to 7.47%.

4.1.4 A detailed breakdown of the revenue per category is attached hereto as Appendix 1.

4.2 Operating Expenditure per Category

4.2.1 The high level operating expenditure budget per category for the 2022/2023 MTREF is presented in Table 3 below.

4.2.2 The operating expenditure budget (Row 12) equates to R 1,061,274,998 for the 2022/2023 financial year in comparison with the Tabled 2022/2023 MTREF Budget of R 1,062,362,212.

Table 3 : High Level Summary of Operating Expenditure per Category

Row Number	Description	Original Budget 2021/2022	Special Adjustments Budget 2021/2022	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F	G	H
1	Employee Related Costs	290 454 556	295 952 560	311 723 949	-11 872 740	299 851 210	322 555 012	337 069 999
2	Remuneration of Councillors	10 373 294	9 321 208	9 449 165	300 000	9 749 165	9 853 389	10 296 792
3	Debt Impairment	131 220 351	142 920 351	148 538 756	-297 943	148 240 813	154 763 409	161 727 763
4	Depreciation & Asset Impairment	45 670 094	43 670 094	43 687 538	0	43 687 538	45 420 029	47 243 805
5	Finance Charges	26 689 380	24 199 004	28 846 141	0	28 846 141	32 574 190	35 532 699
6	Bulk Purchases	229 094 800	243 467 132	254 156 491	8 000 000	262 156 491	262 691 377	274 512 489
7	Inventory Consumed	42 655 082	47 040 288	37 631 530	0	37 631 530	39 287 319	41 055 247
8	Contracted Services	133 214 229	168 443 565	165 470 828	1 106 522	166 577 350	174 428 818	159 322 597
9	Transfers and Subsidies	4 876 643	4 652 946	1 766 506	150 000	1 916 506	2 000 833	2 090 870
10	Other Expenditure	57 856 246	61 570 561	61 091 309	1 526 946	62 618 255	70 031 204	73 629 806
11	Loss on Disposal of PPE	0	0	0	0	0	0	0
12	Grand Total	972 104 675	1 041 237 709	1 062 362 212	-1 087 215	1 061 274 998	1 113 605 580	1 142 482 067

4.2.3 Notable amendments included in the operating expenditure budget for the 2022/2023 financial year compared to the Tabled 2022/2023 MTREF Budget are as follows –

(a) Employee Related Costs (Row 1): The budget for vacant positions has been adjusted downwards by R 11.3 million as not all vacant posts can be filled at the start of the financial year.

(b) Remuneration of Councillors (Row 2): The budget has been increased by R 300 thousand to accommodate the backpay increase, if approved by the MEC.

(c) Debt Impairment (Row 3): The debt impairment was adjusted downwards as a direct result of the decrease in the budgeted electricity revenue.

(d) Bulk Purchases (Row 6): Of the R 19,7 million additional budget requested by the Directorate, only R 8,0 million could be allocated in this budget. The Directorate will closely monitor the demand and correct the budget during the next Adjustments Budget, if necessary.

(e) Contracted Services (Row 8): Consists of a new allocation of R 150 thousand for planning fees in relation to slippery soil in Ward 3, and an additional allocation of R 957 thousand for security services.

(f) Transfers and Subsidies (Row 9): An additional allocation of R 150 thousand for sanitary towels for scholars.

(g) Other Expenditure (Row 10): Consists of new / additional allocations in relation to public participation expenditure (R 118,5 thousand), tourism (R 170 thousand), B&V legal dispute in relation to a collapsed retaining wall in Hornlee (R1,152 thousand), and MMC training for Councillors (R 140 thousand).

4.2.4 A detailed breakdown of the operating expenditure per category is attached hereto as Appendix 2.

4.3 Revenue and Operating Expenditure Summary

4.3.1 The high level revenue and operating expenditure budget summary for the 2022/2023 MTREF is presented in Table 4 below.

Table 4 : High Level Summary of Revenue and Operating Expenditure

Row Number	Description	Original Budget 2021/2022	Special Adjustments Budget 2021/2022	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F	G	H
1	Total Operating Revenue	972 826 778	1 015 317 478	1 067 666 701	-5 607 665	1 062 059 036	1 114 570 834	1 143 643 359
2	Total Operating Expenditure	972 104 675	1 041 237 709	1 062 362 212	-1 087 215	1 061 274 998	1 113 605 580	1 142 482 067
3	Operating Surplus / (Deficit)	722 103	-25 920 231	5 304 489	-4 520 450	784 038	965 254	1 161 292
4	Capital Grants Revenue	47 684 166	53 355 737	46 468 087	-	46 468 087	53 325 130	106 445 651
5	Surplus / (Deficit) for the Year	48 406 269	27 435 506	51 772 576	-4 520 450	47 252 125	54 290 384	107 606 943

4.3.2 The operating budget surplus (capital grants excluded) (Row 3) equates to R 784,038 for the 2022/2023 financial year in comparison with the Tabled 2022/2023 MTREF Budget of R 5,304,489.

4.3.3 The operating budget surplus (capital grants included) (Row 5) equates to R 47,252,125 for the 2022/2023 financial year in comparison with the Tabled 2022/2023 MTREF Budget of R 51,772,576.

4.3.4 The operating budget surplus (capital grants excluded) represents a fully funded budget, based on realistically anticipated revenues to be collected in order to fund operating expenditure.

4.4 Other Disclosures

4.4.1 Section 17(3)(k) of the MFMA determines that as part of the budget documents, the proposed cost to the Municipality for the budget year of the salary, allowances and benefits of each political office bearer, Municipal Manager, Chief Financial Officer, Senior Manager and any other official with a remuneration package greater than or equal to that of a Senior Manager, must be disclosed.

4.4.2 Based on a municipal categorisation of 3, the total proposed budgeted costs of the Municipality's Public Office Bearers, are as follows –

(a)	Executive Mayor	= R 903,041
(b)	Deputy Mayor	= R 722,433
(c)	Speaker	= R 722,433
(d)	Mayoral Committee Member	= R 677,283
(e)	Council Whip	= R 377,842
(f)	Chairperson of MPAC	= R 366,749
(g)	Ordinary Council Member	= R 285,779

The totals above exclude a monthly cell phone allowance of R 3,400. Councillors that opted to receive a municipal provided cell phone currently receive a monthly allowance of R 2,147.

4.4.3 Based on a municipal categorisation of 3, the total proposed budgeted costs of the Municipality's Senior Managers (Municipal Manager and Section 56 Managers reporting directly to the Municipal Manager) are as follows –

(a)	Municipal Manager	= R 1,454,582
(b)	Chief Financial Officer	= R 1,189.003
(c)	Director: Planning and Development	= R 1,189,003
(d)	Director: Corporate Services	= R 1,189,003
(e)	Director: Infrastructure Services	= R 1,189,003
(f)	Director: Community Services	= R 1,189,003

4.4.4 The total proposed budgeted costs of the Municipality's officials with a remuneration package greater than or equal to that of a Senior Manager are as follows –

(a) Senior Manager: Electro-Technical = R 1,485,180
(b) Senior Manager: Project Management = R 1,444,883
(c) Manager: Land Use Management = R 1,439,340
(d) Manager: Legal Services = R 1,395,571
(e) Senior Manager: Financial Management Services = R 1,237,174
(f) Manager: Water and Waste Water Services = R 1,212,634
(g) Manager: Roads, Transport, Stormwater and Building Maintenance = R 1,202,886

4.4.5 Section 17(3)(f) of the MFMA determines that as part of the budget documents, the particulars of the Municipality's investments must be disclosed. As at 30 April 2022, Knysna Municipality accumulated R 71.0 million cash and investments at the following banking institutions –

(a) Nedbank = R 55,466,109
(b) Standard Bank = R 12,812,825
(c) Investec = R 2,739,930
(d) Total Cash and Investments = R 71,018,864

Included in the Cash and Investments total is R 2.7 million currently ceded to DBSA as security for existing loans.

5. HIGH LEVEL CAPITAL EXPENDITURE BUDGET

5.1 Capital Expenditure Budget per Directorate

5.1.1 The high level capital expenditure budget per Directorate for the 2022/2023 MTREF is presented in Table 5 below.

5.1.2 The total capital expenditure budget (Row 9) equates to R 117,574,282 for the 2022/2023 financial year in comparison with the Tabled 2022/2023 MTREF Budget of R 116,443,847.

Table 5 : High Level Summary of Capital Expenditure per Directorate

Row Number	Directorate	Original Budget 2021/2022	Special Adjustments Budget 2021/2022	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	% of Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F	G	H	I
1	Executive and Council	5 500	19 044	350 000	0	350 000	0,3%	0	0
2	Corporate Services	3 510 000	2 727 453	3 709 265	-869 565	2 839 700	2,4%	3 344 565	1 775 000
3	Financial Services	342 000	317 750	445 000	0	445 000	0,4%	5 000	5 000
4	Planning and Development	380 000	652 532	524 550	0	524 550	0,4%	2 000 000	3 000 000
5	Integrated Human Settlements	14 654 600	14 116 555	1 512 445	500 000	2 012 445	1,7%	19 620 000	38 110 000
6	Community Services	6 600 000	13 336 531	10 505 000	7 865 217	18 370 217	15,6%	15 333 913	11 841 304
7	Electrical Services	16 250 000	21 683 332	14 760 435	2 050 000	16 810 435	14,3%	12 717 391	15 001 304
8	Infrastructure Services	101 902 066	103 549 082	84 637 152	-8 415 217	76 221 935	64,8%	76 453 826	117 663 043
9	Grand Total	143 644 166	156 402 279	116 443 847	1 130 435	117 574 282	100,0%	129 474 695	187 395 652

5.1.3 Notable amendments included in the capital expenditure budget for the 2022/2023 financial year compared to the Tabled 2022/2023 MTREF Budget are as follows –

(a) Corporate Services (Row 2): Reallocation of the budget for the wheelchair lift of R 869,6 thousand to the outer year in order to accommodate additional capital projects in the 2022/2023 financial year.

(b) Integrated Human Settlements (Row 5): A new allocation of R 500 thousand for service sites in Hornlee.

(c) Community Services (Row 6): Reallocation of the budget for the underpinning of the Brenton Hall of R 1,7 million to the outer year in order to accommodate additional capital projects in the 2022/2023 financial year, and the reallocation of the Bongani Sportsfield budget of R 9,6 million from the Infrastructure Services Directorate.

(d) Electrical Services (Row 7): Consists additional allocations for electrification of informal areas of R 1,250 thousand in Ward 4,7 and Bigai Heights, and a new allocation of R 800 thousand for a RMU and transformer.

(e) Infrastructure Services (Row 8): Consists of the reallocation of the Bongani Sportsfield budget of R 9,6 million to the Community Services Directorate, a new allocation of R 750 thousand for the upgrade of roads in Bigai Heights, standpipes of R 150 thousand, and bulk water supply in Rheendendal of R 250 thousand.

5.1.4 Capital projects which could not be funded in the capital expenditure budget for the 2022/2023 financial year have been allocated in the budget of the two outer financial years of the MTREF (2023/2024 and 2024/2025).

5.1.5 Regulation 13(2)(c) of the MBRR determines that –

"The following capital projects may be approved by a council either individually or as part of a consolidated capital programme as contemplated in section 19(3) of the Act - capital projects of which the total projected cost is below R 50 million, in the case of a municipality with approved total revenue in its current annual budget greater than R 500 million".

There is no single capital project with a value of more than R 50 million in the consolidated capital programme.

5.1.6 Regulation 13(1) of the Municipal Budget and Reporting Regulations determines that –

"Within ten working days after the municipal council has given individual approval for a capital project in terms of section 19(1)(b) of the Act, the municipal manager must in accordance with section 21A of the Municipal Systems Act make public –

(a) *The municipal council resolution approving the capital project; and*

(b) *Details of the nature, location and total projected cost of the approved capital project".*

There is no single capital project with a value of more than R 50 million in the consolidated capital programme and therefore Regulation 13(1) is not applicable.

5.1.7 The capital expenditure budget per Directorate, Department and per capital project is detailed in Appendix 3.

5.2 Capital Expenditure Budget per Funding Source

5.2.1 The high level capital expenditure budget per funding source for the 2022/2023 MTREF is presented in Table 6 below.

Table 6 : High Level Summary of Capital Expenditure per Funding Source

Row Number	Funding Source	Original Budget 2021/2022	Special Adjustments Budget 2021/2022	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	% of Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F	G	H	I
1	National Government Grants	34 829 566	37 906 741	46 468 087	0	46 468 087	39,5%	33 705 130	68 335 652
2	Provincial Government Grants	12 854 600	15 329 000	0	0	0	0,0%	19 620 000	38 110 000
3	Garden Route District Municipality Grant	0	120 000	0	0	0	0,0%	0	0
4	Public Contributions and Donations	0	0	0	0	0	0,0%	0	0
5	Borrowings	86 902 500	95 035 006	64 622 010	730 435	65 352 445	55,6%	70 359 565	75 220 000
6	Internally Generated Funds	9 057 500	8 011 532	5 353 750	400 000	5 753 750	4,9%	5 790 000	5 730 000
7	Grand Total	143 644 166	156 402 279	116 443 847	1 130 435	117 574 282	100,0%	129 474 695	187 395 652

5.2.2 National Government grants (Row 1) of R 46,468,087 or 39.5% of the total capital expenditure budget will fund infrastructure projects.

5.2.3 Provincial Government grants (Row 2) will fund housing projects in the two outer years.

5.2.4 Borrowings (Row 5) of R 65,352,445 or 55.6% of the total capital expenditure budget will fund various capital projects. Borrowings are taken up to fund capital projects only.

5.2.5 Internally-generated funds (Row 6) of R 5,753,750 or 4.9% of the total capital expenditure budget will fund various capital projects. The minimal allocation is mainly due to the non-existence of a Capital Replacement Reserve.

5.2.6 The Municipality has adopted a highly conservative approach for the determination of the capital expenditure budget allocation. This is to ensure that the gearing ratio will remain within the acceptable National Treasury norm of 45%.

5.3 Capital Expenditure Budget Summary

5.3.1 In consideration of the limited availability of financial resources, and to render acceptable levels of service delivery, the Municipality has attempted to include as many capital projects as possible in the 2022/2023 capital expenditure budget.

6. OVERVIEW OF THE ANNUAL BUDGET PROCESS

6.1 Section 53(1)(a) of the MFMA determines that the mayor of a municipality must provide general political guidance over the budget process and the priorities that must guide the preparation of a budget.

6.2 Political oversight of the budget process is necessary to ensure that the needs and priorities of the community, as contained in the IDP, are properly linked to the municipality's spending plans. The Mayoral Committee is one of the key municipal structures in accomplishing the link between the IDP and the Budget of a municipality.

6.3 The Constitution of the Republic of South Africa, No 108 of 1996 and the Municipal Systems Act, No 32 of 2000, encourages the involvement of communities to participate in Municipal matters. The Tabled 2022/2023 MTREF Budget was published in several public platforms and presented in each Ward during April 2022 and May 2022. Stakeholders were invited to submit representations in connection with the budget. All comments received were considered prior to the finalisation of the Annual 2022/2023 MTREF Budget.

6.4 The IDP Review and Budget Time Schedule outlining key deadlines for the annual budget process was tabled in Council on 25 August 2021. The preparation, tabling and adoption of the 2022/2023 MTREF Budget is in accordance with the approved IDP Review and Budget Time Schedule.

7. OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH THE INTEGRATED DEVELOPMENT PLAN (IDP)

7.1 The Constitution mandates local government with the responsibility to exercise local developmental and co-operative governance functions. The eradication of imbalances in the South African society can only be realised through a credible integrated development planning process.

7.2 Section 152 of the Constitution of South Africa of 1996 and the Municipal Systems Act of 2000 No. 32 of 2000, have a substantial impact on the traditional role of local government. In addition to delivering municipal services, municipalities must now plan, lead and manage development through the process of Integrated Development Planning.

7.3 Municipalities in South Africa are required to utilise integrated development planning as an approach to plan future development in their respective municipal areas, and accordingly determine the best solutions to achieve sound long-term development goals. A municipal IDP provides a five-year strategic programme of action aimed at establishing short, medium and long term strategic and budget priorities to create a developmental platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and capabilities of the Municipality to the overall development aims, which guides the municipal budget. The IDP further enables municipalities to make the best use of scarce resources to accelerate service delivery goals. An IDP is therefore a key instrument utilised by municipalities to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area.

7.4 Integrated Development Planning is a mechanism to synchronise planning and fiscal spending across all spheres of government. The IDP allows for synergy between the efforts of all spheres of government to improve the combined developmental impact of the State, thereby translating National, Provincial and District objectives into practical interventions within a defined municipal space.

7.5 The six strategic objectives or key performance areas and further planning amendments that have directly informed the compilation of the budget are as follows –

(a) Strategic Objective 1: To improve and maintain current basic service delivery through specific infrastructural development projects;

(b) Strategic Objective 2: To create an enabling environment for social development and economic growth;

(c) Strategic Objective 3: To promote a safe and healthy environment through the protection of our natural resources;

(d) Strategic Objective 4: To grow the revenue base of the Municipality;

(e) Strategic Objective 5: To structure and manage the municipal administration to ensure efficient service delivery; and

(f) Strategic Objective 6: To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication.

7.6 In accordance with the Municipal Systems Act, the IDP constitutes a single, inclusive strategic plan for the Municipality. By identifying the key performance and focus areas to achieve the strategic objectives mentioned above, the five-year IDP responds to the development challenges and opportunities of Knysna Municipality.

7.7 In addition to the five-year IDP, the Municipality undertakes an extensive planning and development strategy, which primarily focuses on a longer-term horizon (15 to 20 years). Local government, in collaboration with provincial and national government, is currently in the process of developing a One Plan, which will align all sectoral and national department plans within a specific municipal area, in accordance with the needs of the local communities that they serve. This plan is aimed at influencing the development path by proposing a programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the Municipality to promote greater equity and enhanced opportunity. It provides direction to the Municipality's IDP; associated sectoral plans and strategies; the allocation of resources of the Municipality; and, other service delivery partners.

7.8 The Integrated Work Plan, adopted in 2017, builds on the 2020 integrated municipal and provincial processes to strengthen alignment between municipal and provincial planning and budgeting, and drives the theme of "integrated service delivery". In order to ensure integrated and focused service delivery between all spheres of government, it is essential for the Municipality to align the budget priorities with those of national and provincial government. All spheres of government prioritise infrastructure development, economic development, job creation, efficient service delivery, poverty alleviation and building sound institutional programs. Local priorities identified, which are directly aligned to those of the national and provincial priorities, formed part of the IDP review process.

7.9 The IDP review process has therefore directly informed the 2022/2023 MTREF. The respective SA4, SA5 and SA6 schedules, included in Appendix 8, provide a reconciliation between the IDP strategic objectives and the operating revenue, operating expenditure and capital expenditure.

8. MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

8.1 Performance Management is a process intended to measure the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery in respect of the approved strategic objectives and priorities of Council.

8.2 In accordance with legislative requirements and good business practices, as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system, which is regularly monitored, reviewed and amended as the integrated planning process progresses. Individual Performance Management is currently facilitated for all Section 56/57 appointees in terms of the Local Government: Municipal Systems Act, No. 32 of 2000, which is directly linked to organisational Performance Management. The Municipality is currently in the process of cascading Performance Management to the lowest level, in an approached and phased manner.

8.3 Knysna Municipality must ensure that a culture of Performance Management is institutionalised. Performance agreements are therefore concluded with senior to middle management to cultivate accountability and good governance. This process provides assurance that the responsible directorates take ownership and execute the Integrated Development Planning objectives and key performance indicators (KPI's). Furthermore, the Audit Committee ensures that Council is involved in the review of Non-Financial Performance information. The Performance Management Policy Framework encapsulates the various processes, roles and responsibilities applicable to execute performance management and measurement.

8.4 The SA7 and SA8 schedules, included in Appendix 8, contain Knysna Municipality's measurable performance objectives and indicators.

9. OVERVIEW OF BUDGET FUNDING INCLUDING FUNDING COMPLIANCE

9.1 National Treasury requires that the Municipality assess the financial sustainability against fourteen different funding measures, which monitor various aspects of the financial health of the Municipality. These measures are contained in SA10 of Appendix 8. The respective information is extracted directly from the annual budgeted statements of financial performance, financial position and cash flow.

9.2 The funding compliance measurement table in essence measures the degree to which the proposed budget complies with the funding requirements of Section 18 of the MFMA. Achievement of these requirements effectively mean that the Municipality must approve a balanced, credible and sustainable budget.

10. EXPENDITURE ON GRANT ALLOCATIONS MADE TO THE MUNICIPALITY

10.1 Financing of the Capital Budget

10.1.1 Capital grant funding from the National Government include the following –

(a) Municipal Infrastructure Grant;

(b) Integrated National Electrification Programme Grant;

(c) Water Services Infrastructure Grant; and

(d) Neighbourhood Development Partnership Grant.

10.1.2 The Municipal Infrastructure Grant (MIG) supports government's aim to expand service delivery; alleviate poverty; and, funds the provision of infrastructure for basic services, roads and social infrastructure for poor households.

10.1.3 The Integrated National Electrification Programme Grant (INEP) aims to provide electricity to poor households and to fund bulk infrastructure to ensure a constant supply of electricity to poor households.

10.1.4 The Water Services Infrastructure Grant (WSIG) aims to accelerate the delivery of clean water and sanitation facilities to communities that do not have access to basic water services. The WSIG funds various projects, which include the construction of new infrastructure and the refurbishment and extension of existing water schemes. There is no grant allocation for 2022/23 and 2023/24 however, there is an allocation for the 2024/2025 financial year.

10.1.5 The Neighbourhood Development Partnership Grant (NDPG) supports municipalities to develop and implement urban network plans and funds the upgrading of identified precincts in order to stimulate third-party public and private investment.

10.1.6 Capital grant funding from the Provincial Government consists of the following –

(a) Human Settlements Development Grant; and

(b) Informal Settlements Upgrading Partnership Grant.

10.1.7 The Human Settlements Development Grant aims to establish habitable, stable and sustainable human settlements in which all citizens have access to social and economic amenities.

10.1.8 The Informal Settlements Upgrading Partnership Grant aims to create sustainable and integrated human settlements that enable improved quality of household life by facilitating a programmatic and inclusive approach to upgrading informal settlements.

10.2 Financing of the Operating Budget

10.2.1 The operating budget is financed from the tariff increases as presented in Annexure B (Tariff Book), attached to the item. In addition to this, both the National Government and the Provincial Government have allocated the following operating grants –

(a) Equitable Share Allocation;

(b) Financial Management Grant;

(c) Expanded Public Works Programme Integrated Grant;

(d) Human Settlements Development Grant;

(e) Community Library Services Grant;

(f) Maintenance and Construction of Transport Infrastructure Grant; and

(g) Community Development Worker Operational Support Grant.

10.2.2 The Equitable Share is an unconditional grant to be utilised to provide basic services and to perform functions allocated to Local Government.

10.3 The corresponding expenditure in relation to capital and operating grant revenue have been allocated accordingly.

11. ALLOCATION OF GRANTS MADE BY THE MUNICIPALITY

11.1 Schedule SA21, included in Appendix 8, provides a breakdown of all grants paid by the Municipality. Notable grant allocations included in the schedule are as follows –

(a) Mayoral Bursary Scheme;

(b) Mayoral Sanitary Towel Project;

(c) Grant-in-aid: LIRA;

(d) Grant-in-aid: Animal Welfare;

(e) Donations; and

(f) Ward Allocations.

12. MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

12.1 The correct billing and management of revenue requires urgent attention. Data cleansing and revenue enhancement require immediate corrective measures to be enforced. Solutions developed and implemented in the short-term to address these challenges must demonstrate the ability to provide long-term benefits as well.

12.2 The debtor collection rate in relation to billed revenue equated to 89.5% in the 2020/2021 financial year. A bad debt impairment of 10% has been provided in the 2022/2023 Tabled Budget. The National Treasury (NT) norm for debtor collection rates is 95%. The Municipality must strive towards attaining a collection rate of at least 92% in order to demonstrate progress towards the NT norm.

12.3 Traffic fines as a revenue source has the potential to increase quite substantially should adequate pressure be placed on the service provider to increase revenue and associated collection rates. In consideration of the high rates payable to the service provider by the Municipality, the service provider should be mandated, with immediate effect, to improve collection rates to a range of at least 15% to 20%.

12.4 The monitoring of expenditure must gain momentum in order to reduce unnecessary spending, and to avoid Unauthorised, Irregular, Fruitless and Wasteful Expenditure. Expenditure must be monitored, controlled and managed at all levels in the Municipality. Sound and effective Performance Management and Consequence Management must be applied to ensure full accountability for the misuse of Municipal funds.

12.5 The use of technology can further assist in managing expenditure. The capabilities and functionalities of current systems must be explored in an attempt to configure/program such systems with appropriate restrictions. The Collaborator system, as an example, can be developed with restrictions applied for overtime, standby and casual wages. This system can be programmed to prevent any over-expenditure at the relevant source, which will enhance monitoring and control.

12.6 The continued and/or increased reliance on consultants/contractors/service providers is another area of material concern. The Municipality should simply not allow external parties to perform duties which current staff are actually being paid to perform. Here again, strict Performance Management should apply.

12.7 The management of contractor performance requires substantial improvement in order to ensure timeous completion of services and projects, quality output, and prices limited to contractual amounts.

12.8 Should drastic, aggressive and immediate measures not be implemented to improve revenue and expenditure management, the Municipality will continue to experience cashflow limitations. This is an unfortunate reality of the current financial position of the Municipality.

13. CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS

13.1 The Municipality's Supply Chain Management Policy stipulates specific processes to be complied with for contracts that will impose financial obligations beyond the three years in the annual budget for that financial year, and will require approval by Council.

13.2 The following tenders are the only tenders awarded by the Municipality in the 2021/2022 financial year which exceed the three-year timeframe:

(a) External Loans;

(b) Banking Services; and

(c) Valuation Roll.

13.3 All processes, as prescribed by the Supply Chain Management Policy and Section 46 of the MFMA (Long-term debt), have been fully complied with for these tenders.

14. LONG-TERM FINANCIAL STRATEGIES

14.1 Long-term financial strategies are aimed at developing more sustainable and integrated infrastructure development programmes over the longer term, which are informed by strategic plans and financed in the most effective and efficient manner.

14.2 Municipalities are required to develop long-term financial models (LTFM) which support decisions on investment selection and assesses the financial impact of policy choices by forecasting future financial performance and the impact of infrastructure projects on borrowing capacity. The LTFM needs to inform the municipality's long-term financial strategy which must articulate a sustainable, efficient and effective borrowing strategy and practices for the municipality.

14.3 In accordance with the above, INCA Portfolio Managers have updated Knysna Municipality's Long-Term Financial Plan, which is attached hereto as Appendix 6.

15. LONG-TERM FINANCIAL SUSTAINABILITY

15.1 Financial sustainability over the long-term entails the management of high priority expenditure projects, both operating and capital, to ensure project sustainability; a reasonable degree of stability and predictability in the overall property rates and service charges imposed to ensure affordability and sustainability; and to promote a fair allocation in the distribution of resources and the attendant taxation between the current and future ratepayers to ensure intergenerational sustainability.

15.2 Based on the elements above, financial sustainability can be defined as follows –

> *"A council's long-term financial performance and position is sustainable where planned long-term services and infrastructure levels and standards are met without unplanned increases in rates and service charges or disruptive cuts to services."*

15.3 Three key financial indictors or ratios will be developed to monitor long-term financial sustainability planning and budgeting. The ratios include –

(a) An operating surplus ratio to monitor financial performance planning and budgeting;

(b) A net financial liabilities ratio to monitor financial position planning and budgeting; and

(c) An asset sustainability ratio to monitor asset management performance planning and budgeting.

15.4 Investment in infrastructure, which stimulates economic development, requires the creation of a fourth financial sustainability ratio to be used should the debt/revenue ratio (external borrowings as a percentage of total operating revenue less conditional grants) exceed 45%.

This ratio will address the interest and redemption repayable on external borrowings as a percentage of total operating revenue less conditional grants. Interest and redemption should not exceed 6-8% of total operating expenditure.

15.5 Ratings Afrika was contracted in May 2021 to compile a Financial Sustainability report for Knysna Municipality. Notable, and of material concern, is that the Financial Sustainability Index Score deteriorated from 65 (out of 100) in 2017 to 47 in 2020. The adverse effect on the financial sustainability of the Municipality is mainly attributable to a weaker operating performance and liquidity position.

15.6 Although the 2022/2023 MTREF Budget will place the overall financial sustainability of the Municipality at a fair level, Ratings Afrika recommends that the Municipality identifies cost savings; apply strict financial discipline in relation to unnecessary expenditure; and, should strive to improve the collection rate to the benchmark of 95%.

16. MSCOA PROGRESS TO DATE

16.1 The Municipal Regulations on the Standard Chart of Accounts (*m*SCOA), promulgated on 22 April 2014, required all municipalities to be *m*SCOA compliant with effect from 1 July 2017. The relevant *m*SCOA segments, as prescribed by the regulations, were implemented on the financial reporting system by Knysna Municipality on 01 July 2017. National Treasury has, since the inception of *m*SCOA, released several *m*SCOA version updates consequently resulting in continuous account code re-mapping functions and amendments to the system-generated budget and financial statement reporting tools.

16.2 As per MFMA Budget Circular 115, *m*SCOA version 6.6.1 will be effective from the 2022/2023 financial year and must be used to compile the 2022/2023 MTREF. National Treasury requires that the budget be captured directly onto the financial system in order for the A1 budget schedule to automatically populate from the budget module in the financial system. No manual capturing of the A1 schedule will be allowed.

16.3 The final date for the submission of the *m*SCOA data strings in relation to the tabled budget will be a day following Council approval of the budget. Failure to do so will result in non-compliance with Section 22(b)(i) of the MFMA.

16.4 National Treasury has previously indicated that they will conduct independent audits on all municipal financial systems in order to determine the extent to which financial systems comply with the minimum business processes and system specifications in relation to *m*SCOA.

16.5 To ensure readiness for a possible external *m*SCOA audit, and to generate accurate and reliable financial reports directly from the financial system, it is imperative for there to be sound and proper management and maintenance of both the General Ledger and *m*SCOA.

16.6 The Municipality has prepared the 2022/2023 MTREF Budget Schedules on version 6.6.1 in accordance with the latest *m*SCOA classification framework.

17. LEGISLATIVE COMPLIANCE STATUS

Compliance with the MFMA implementation requirements have been satisfactorily complied with through the following activities –

17.1 In-Year Reporting

In-year reporting to the National Treasury and Provincial Treasury, in electronic format, is fully complied with. The monthly Section 71 and quarterly Section 52 reports, submitted to the Executive Mayor, has progressively improved with more meaningful financial information now being provided for sound and proper decision-making.

17.2 Internship Programme

The Municipality has participated in the Municipal Financial Management Internship programme since 2014. There are currently five (5) Finance Interns included in this programme. These graduates undergo training in various departments within the Financial Services Directorate. Since the introduction of the Internship programme, the Municipality has appointed a few of the individuals in permanent positions.

17.3 Budget and Treasury Office

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

17.4 Audit Committee

The Municipality has an Audit Committee, which is fully capacitated and functional.

17.5 Service Delivery and Budget Implementation Plan

The Service Delivery and Budget Implementation Plan (SDBIP) will be finalised following the approval of the Annual 2022/2023 MTREF Budget on 31 May 2022.

17.6 Annual Report

The annual report is compiled in accordance with the MFMA and National Treasury guidelines.

17.7 MFMA Training

The Municipal Regulations on Minimum Competency Levels require a specific level of competence by officials exercising financial management and control. There are few officials who still have to complete the MMC programme.

17.8 Policies

17.8.1 All budget-related policies were reviewed during the budget process, and amendments made where necessary. All budget-related policies are contained in Annexure C.

17.8.2 The budget-related policies are as follows–

(a) Writing-off of Irrecoverable Debt Policy;
(b) Property Rates Policy;
(c) Tariff Policy;
(d) Customer Care, Credit Control, Debt Collection, Indigent and Tampering Policy;
(e) Supply Chain Management Policy;
(f) Cash Management and Investment Policy;
(g) Funding and Reserves Policy;
(h) Liquidity Policy;
(i) Virement Policy;
(j) Contract Management Policy;
(k) Cost Containment Policy;
(l) Asset Management Policy;
(m) Disposal of Unserviceable, Obsolete or Redundant Assets Policy;
(n) Insurance Management Policy;
(o) Unauthorised, Irregular and Fruitless and Wasteful Expenditure Policy;
(p) Petty Cash Policy;
(q) Accounting Policy; and
(r) Special Rating Area Policy.

17.8.3 Due to specific sections in the Preferential Procurement Regulations being considered invalid, a separate item in relation to Council's Preferential Procurement Policy and implementation thereof has been tabled in Council.

17.9 Procurement Plan

Municipal Budget Circular No 94 for the 2019/20 MTREF highlights the slow spending of capital budgets by most municipalities, and the associated negative impact on service delivery. It therefore became necessary to compile a procurement plan to address a weak planning process. The Procurement Plan is included as Appendix 5.

18. SERVICE LEVEL STANDARDS

18.1 The setting of service standards is an integral component of the service delivery value chain. It provides transparency in understanding performance indicators and hence strengthens the entire performance management system. In addition, it ensures accountability on the part of the officials responsible for providing the service.

18.2 Local government is mostly classified in the service delivery and governance category and as such needs to be clear on what the public at large can expect as a service delivery standard. It is for this reason that a municipality must adopt service standards as part of their strategic objectives and to report on the achievements.

18.3 All municipalities are required to formulate service standards which must be included in the MTREF budget documentation to be tabled before the municipal council. The current Service Standards are attached hereto as Appendix 4.

19. RECOMMENDATIONS

It is recommended:

[a] That Council takes note of the Written Comments Received on the Tabled 2022/2023 MTREF Budget, attached as Annexure A to the item.

[b] That Council approves the recommendations of the Executive Mayor on the Written Comments Received on the Tabled 2022/2023 MTREF Budget.

[c] Council takes note of the revenue increases for property rates, service charges and other fees contained in the 2022/2023 Tariff Book, attached as Annexure B to the item.

[d] Council approves the Budget-Related Policies of Knysna Municipality for the 2022/2023 financial year, attached as Annexure C to the item.

[e] Council approves the Annual 2022/2023 Medium Term Revenue and Expenditure Framework (MTREF) Budget Report, attached as Annexure D to the item.

[f] Council approves the revenue budget (capital grants included) of R 1,108,527,123 for the 2022/2023 financial year as presented in Table 2 of the MTREF Budget Report.

[g] Council approves the operating expenditure budget of R 1,061,274,998 for the 2022/2023 financial year as presented in Table 3 of the MTREF Budget Report.

[h] Council takes note of the operating budget surplus of R 784,038 for the 2022/2023 financial year as presented in Table 4 of the MTREF Budget Report.

[i] Council takes note that any actual cash surplus realised at year-end will be utilised to boost the Capital Replacement Reserve for future infrastructure investment.

[j] Council approves the capital expenditure budget of R 116,443,847 for the 2022/2023 financial year as presented in Table 5 of the MTREF Budget Report.

[k] Council approves the capital expenditure budget funding sources of R 116,443,847 for the 2022/2023 financial year as presented in Table 6 of the MTREF Budget Report.

[l] Council approves the following revenue sources with effect from 1 July 2022 –

(i) Property rates (4.8%);
(ii) Electricity (7.47%);
(iii) Water (4.8%);
(iv) Sanitation (4.8%); and
(v) Refuse (11.5%).

[m] Council notes the Service Standards for the 2022/2023 financial year, attached as Appendix 4.

[n] Council approves the Procurement Plan for the 2022/2023 financial year, attached as Appendix 5.

[o] Council notes the INCA Long-Term Financial Plan, attached as Appendix 6.

[p] Council notes the Western Cape Provincial Treasury SIME Assessment, attached as Appendix 7.

[q] Council approves the annual budget of Knysna Municipality for the 2022/2023 financial year, as well as the indicative budgets for the two outer financial years (2023/2024 to 2024/2025), as presented in the new *m*SCOA version 6.6.1 Schedules A1 to A10 and Supporting Schedules SA1 to SA38, attached as Appendix 8.

[r] Council takes note that as at 30 April 2022, Knysna Municipality accumulated R 71.0 million cash and investments at the following banking institutions –

(a)	Nedbank	= R 55,466,109
(b)	Standard Bank	= R 12,812,825
(c)	Investec	= R 2,739,930
(d)	Total Cash and Investments	= R 71,018,864

[s] Council takes note of the proposed total cost-to-municipality expenses for the salary, allowances and benefits of the Political Office Bearers, Municipal Manager, Chief Financial Officer, Senior Managers and other officials with a remuneration package greater than or equal to that of a Senior Manager, as contained in the Annual 2022/2023 MTREF Budget Report.

[t] Council takes note that Knysna Municipality does not have any current service delivery agreements, including material amendments to existing service delivery agreements, with any service provider who renders any power or function on behalf of Knysna Municipality, as defined in Section 1 of the Municipal Systems Act.

[u] Council takes note that Knysna Municipality does not have any municipal entities.

[v] The Acting Municipal Manager submits the Annual 2022/2023 MTREF Budget Report to the National Treasury and the Western Cape Provincial Treasury, as required by the Municipal Finance Management Act, No 56 of 2003.

[w] The Acting Municipal Manager publishes the Annual 2022/2023 MTREF Budget Report on the municipal website and relevant print media.

20. APPENDICES

Appendix 1: Revenue per Category and per Revenue Item;
Appendix 2: Operating Expenditure per Category and per Expenditure Item;
Appendix 3: Capital Expenditure per Directorate and Department;
Appendix 4: Service Standards
Appendix 5: Procurement Plan;
Appendix 6: INCA: Long-Term Financial Plan;
Appendix 7: Provincial Treasury SIME Assessment; and
Appendix 8: Schedules A1 to A10 and Supporting Schedules SA1 to SA38.

21. TABLES

Table 1: Key Budget Projections;
Table 2: High Level Summary of Revenue per Category;
Table 3: High Level summary of Operating Expenditure per Category;
Table 4: High Level Summary of Revenue and Operating Expenditure;
Table 5: Capital Expenditure Budget per Directorate; and
Table 6: Capital Expenditure Budget per Funding Source.

Appendix 1:

Revenue per Category and per Revenue Item

Appendix 1 : Revenue per Category and Revenue Item						
Row Number	Revenue Category and Revenue Item Description	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F
1	**Property Rates**	**-261 551 911**	**0**	**-261 551 911**	**-273 060 197**	**-285 347 908**
2	Property Rates Rebate: Public Benefit Organisations (Welfare)	614 586	0	614 586	641 628	670 501
4	Property Rates: Church	-195 304	0	-195 304	-203 897	-213 072
6	Property Rates: State-owned Properties	-9 978 822	0	-9 978 822	-10 417 890	-10 886 695
8	Propery Rates Rebate: Church	195 304	0	195 304	203 897	213 072
10	Rates- Business	-34 817 464	0	-34 817 464	-36 349 432	-37 985 156
12	Rates- Business: Accommodation	-4 592 576	0	-4 592 576	-4 794 649	-5 010 408
14	Rates- Business: School	-386 097	0	-386 097	-403 085	-421 224
16	Rates- Bussn: Light Industrial	-4 606 081	0	-4 606 081	-4 808 749	-5 025 143
18	Rates- Housing Selling	-38	0	-38	-40	-42
20	Rates- Nature Area	-485 111	0	-485 111	-506 456	-529 247
22	Rates- Public Benefit Org	-819 448	0	-819 448	-855 504	-894 002
24	Rates- Public Serv Infra	-40 120	0	-40 120	-41 885	-43 770
26	Rates Rebate: Accom Establ 1-8	10 637 643	0	10 637 643	11 105 699	11 605 455
28	Rates Rebate: Agricultural properties	3 945 154	0	3 945 154	4 118 741	4 304 084
30	Rates Rebate: Exemptions	485 121	0	485 121	506 466	529 257
32	Rates Rebate: Indigent	1 385 771	0	1 385 771	1 446 745	1 511 849
34	Rates Rebate: Non-Urban Domestic	97 134	0	97 134	101 408	105 971
36	Rates Rebate: Pensioners	423 394	0	423 394	442 023	461 914
38	Rates Rebate: PSI	40 120	0	40 120	41 885	43 770

Row Number	Revenue Category and Revenue Item Description	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F
40	Rates Rebate: School Government	960 395	0	960 395	1 002 652	1 047 771
42	Rates Rebate: School Private	193 048	0	193 048	201 542	210 611
44	Rates Rebate: State Owned properties	98 396	0	98 396	102 725	107 348
46	Rates- Residential	-177 471 777	0	-177 471 777	-185 280 535	-193 618 159
48	Rates- Residential: Accommodation	-26 487 103	0	-26 487 103	-27 652 536	-28 896 900
50	Rates- Residential: Agricultural	-5 245 206	0	-5 245 206	-5 475 995	-5 722 415
52	Rates- Residential: Pensioner	-134 840	0	-134 840	-140 773	-147 108
54	Rates- Residential: Rural	-6 100 894	0	-6 100 894	-6 369 333	-6 655 953
56	Rates- Residential: Vacant	-12 867 338	0	-12 867 338	-13 433 501	-14 038 009
58	Rates: Busin Historical BuildINGS	37 440	0	37 440	39 087	40 846
60	Rates: Private Open Space	-329 369	0	-329 369	-343 861	-359 335
62	Rates: Private Roads	-1 604	0	-1 604	-1 675	-1 750
64	Rates: Res Add Relief Council Discretion	3 893 775	0	3 893 775	4 065 101	4 248 031
66	**Service Charges - Electricity Revenue**	**-360 129 013**	**-5 607 665**	**-354 521 348**	**-370 120 286**	**-386 775 700**
68	Domestic Properties - Electricity Appliance Mainten/replace/repa	-33 164	-648	-32 516	-33 947	-35 475
70	Domestic Properties - Electricity Connection Fee - Connections N	-460 936	-8 999	-451 937	-471 822	-493 054
72	Domestic Properties - Electricity Connection Fee - Disconnection/	-31 405	-613	-30 792	-32 147	-33 594
74	Domestic Properties - Electricity Connection Fee - New - Governn	-535 522	-10 456	-525 066	-548 169	-572 837
76	Elect Avail Charge - Private	-4 923 120	-96 118	-4 827 002	-5 039 390	-5 266 163
78	Electricity KVA Demand- Bulk	-86 122 825	-1 681 442	-84 441 383	-88 156 804	-92 123 860
80	Electricity Rebate: Free Units	7 540 803	1 440 803	6 100 000	6 368 400	6 654 978

Row Number	Revenue Category and Revenue Item Description	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F
82	Electricity Sales - Domestic	-54 408 482	-1 062 259	-53 346 223	-55 693 456	-58 199 661
84	Electricity Sales - Prepayment meters: Domestic	-158 922 081	-3 102 757	-155 819 324	-162 675 374	-169 995 766
86	Electricity Sales- Bulk	-46 138 976	-900 807	-45 238 169	-47 228 648	-49 353 937
88	Electricity Sales- Commercial	-6 998 454	-136 636	-6 861 818	-7 163 738	-7 486 106
90	Electricity Sales- Free Units	-6 450 000	0	-6 450 000	-6 733 800	-7 036 821
92	Electricity Sales- Sport Clubs	-145 220	-2 835	-142 385	-148 650	-155 339
94	Electricity Sales- St/Lght Pri	-97 732	-1 909	-95 823	-100 039	-104 541
96	Electricity sales- TOU NW Access charge	-2 201 899	-42 989	-2 158 910	-2 253 902	-2 355 328
98	Sundries	-200 000	0	-200 000	-208 800	-218 196
100	**Service Charges - Water Revenue**	**-74 586 025**	**0**	**-74 586 025**	**-77 867 811**	**-81 371 862**
102	Connect Fee- New Property	-852 679	0	-852 679	-890 197	-930 256
104	Domestic Properties - Testing of Water Meters	-930	0	-930	-971	-1 015
106	Sundries	-10 568	0	-10 568	-11 033	-11 529
108	Water Availability Charges	-3 358 612	0	-3 358 612	-3 506 391	-3 664 179
110	Water Rebate: 100% Indigent	4 130 988	0	4 130 988	4 312 751	4 506 825
112	Water Rebate: 50% Indigent	46 190	0	46 190	48 222	50 392
114	Water Rebate: Other	211 721	0	211 721	221 037	230 984
116	Water Rebate:25% Indigent	928 030	0	928 030	968 863	1 012 462
118	Water Sales - Prepaid - Domestic	-4 415 823	0	-4 415 823	-4 610 119	-4 817 574
120	Water Sales- Business	-10 172 016	0	-10 172 016	-10 619 585	-11 097 466
122	Water Sales- Domestic	-35 186 482	0	-35 186 482	-36 734 687	-38 387 749

Row Number	Revenue Category and Revenue Item Description	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F
124	Water Sales- Schools	-1 206 600	0	-1 206 600	-1 259 690	-1 316 376
126	Water Sales- Sport Clubs	-133 574	0	-133 574	-139 451	-145 726
128	Water Sales-Unmetered	-55 360	0	-55 360	-57 796	-60 397
130	Wtr Charge- Bus: Commercial	-5 921 583	0	-5 921 583	-6 182 133	-6 460 329
132	Wtr Charge- Bus: Light Industr	-810 066	0	-810 066	-845 709	-883 766
134	Wtr Charge- Priv: Domestic	-17 778 661	0	-17 778 661	-18 560 922	-19 396 163
136	**Service Charges - Sanitation Revenue**	**-29 310 910**	**0**	**-29 310 910**	**-30 600 591**	**-31 977 619**
138	Connect Fee- New Property	-340 649	0	-340 649	-355 638	-371 642
140	Sanitation Charge- Vacuum tank	-511 404	0	-511 404	-533 906	-557 932
142	Sew Charge- Bus: Commercial	-5 872 537	0	-5 872 537	-6 130 929	-6 406 821
144	Sew Charge- Bus: Light Industr	-726 879	0	-726 879	-758 862	-793 011
146	Sew Charge- Priv: Domestic	-23 831 913	0	-23 831 913	-24 880 517	-26 000 140
148	Sewer Rebate: Other	224 424	0	224 424	234 299	244 842
150	Sewerage Availabilty Charges	-1 887 582	0	-1 887 582	-1 970 636	-2 059 315
152	Sewerage Rebate: 100% Indigent	3 478 902	0	3 478 902	3 631 974	3 795 413
154	Sewerage Rebate: Pensioners	156 728	0	156 728	163 624	170 987
156	**Service Charges - Refuse Revenue**	**-27 831 817**	**0**	**-27 831 817**	**-29 056 417**	**-30 363 956**
158	Ref Charge- Bus: Accommodation	-156 796	0	-156 796	-163 695	-171 061
160	Ref Charge- Bus: Commercial	-3 408 169	0	-3 408 169	-3 558 128	-3 718 244
162	Ref Charge- Bus: Light Industr	-325 054	0	-325 054	-339 356	-354 627
164	Ref Charge- Governmnt: General	-87 924	0	-87 924	-91 793	-95 924

Row Number	Revenue Category and Revenue Item Description	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F
166	Ref Charge- Governmnt: Schools	-34 636	0	-34 636	-36 160	-37 787
168	Ref Charge- Priv: Domestic	-24 528 799	0	-24 528 799	-25 608 066	-26 760 429
170	Ref Charge- School/Education	-7 993	0	-7 993	-8 345	-8 721
172	Ref Charge- Sport Organisation	-10 657	0	-10 657	-11 126	-11 627
174	Ref Charge- State Subsidised	-7 993	0	-7 993	-8 345	-8 721
176	Refuse Availability Charges	-2 174 337	0	-2 174 337	-2 270 008	-2 372 158
178	Refuse Rebate: 100% Indigent	2 923 163	0	2 923 163	3 051 782	3 189 112
180	Refuse Rebate: Other	7 993	0	7 993	8 345	8 721
182	Refuse Rebate: Pensioners	175 694	0	175 694	183 425	191 679
184	Refuse Tip Fees	-116 672	0	-116 672	-121 806	-127 287
186	Sale of municipal refuse bags	-79 637	0	-79 637	-83 141	-86 882
188	**Rental of Facilities and Equipment**	**-5 444 020**	**0**	**-5 444 020**	**-5 683 557**	**-5 939 318**
190	Admin.Fees:Serv to Public/Othe	-27 678	0	-27 678	-28 896	-30 196
192	Hire of Equipment	-38 709	0	-38 709	-40 412	-42 231
194	Hire of Halls	-114 322	0	-114 322	-119 352	-124 723
196	Rental Buildings	-1 682 486	0	-1 682 486	-1 756 515	-1 835 559
198	Rental Caravan Park	-785 723	0	-785 723	-820 295	-857 208
200	Rental Land	-2 794 328	0	-2 794 328	-2 917 279	-3 048 557
202	Rental Sportsfields	-774	0	-774	-808	-844
204	**Interest Earned - External Investments**	**-2 046 273**	**0**	**-2 046 273**	**-2 136 309**	**-2 232 443**
206	Interest: Current Bank Account	-1 238 273	0	-1 238 273	-1 292 757	-1 350 931

Row Number	Revenue Category and Revenue Item Description	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F
208	Interest:Ext Invest: Long Term	-808 000	0	-808 000	-843 552	-881 512
210	**Interest Earned - Outstanding Debtors**	**-19 321 626**	**0**	**-19 321 626**	**-20 171 777**	**-21 079 507**
212	Interest on Arrear Debtors	-13 803 889	0	-13 803 889	-14 411 260	-15 059 767
214	Interest on Arrear Rates	-5 517 737	0	-5 517 737	-5 760 517	-6 019 740
216	**Fines, Penalties and Forfeits**	**-119 059 010**	**0**	**-119 059 010**	**-124 297 606**	**-129 890 998**
218	Fire safety charges	-2 500	0	-2 500	-2 610	-2 727
220	Overdue Books Fine	-12 000	0	-12 000	-12 528	-13 092
222	Speeding Fines	-105 000 000	0	-105 000 000	-109 620 000	-114 552 900
224	Traffic Fines	-14 044 510	0	-14 044 510	-14 662 468	-15 322 279
226	**Licences and Permits**	**-1 698 285**	**0**	**-1 698 285**	**-1 773 009**	**-1 852 793**
228	Application of Drivers Licence	-416 306	0	-416 306	-434 623	-454 181
230	Application of Learner Licence	-209 749	0	-209 749	-218 978	-228 832
232	Drivers Licence Cards	-361 610	0	-361 610	-377 521	-394 509
234	Dulpicates:Registrations	-112 534	0	-112 534	-117 485	-122 772
236	Fire safety charges	-41 920	0	-41 920	-43 764	-45 733
238	Issuing of Learner Licence	-58 765	0	-58 765	-61 351	-64 112
240	Professional Driving Permit	-88 740	0	-88 740	-92 645	-96 814
242	Rental Sportsfields	-1 271	0	-1 271	-1 327	-1 387
244	Special permits	-6 684	0	-6 684	-6 978	-7 292
246	Special Registration Numbers	-24 718	0	-24 718	-25 806	-26 967
248	Tariff loss (other income)	-251 520	0	-251 520	-262 587	-274 403

Row Number	Revenue Category and Revenue Item Description	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F
250	Temporary Driving Licence	-81 935	0	-81 935	-85 540	-89 389
252	Temporary permits	-42 533	0	-42 533	-44 404	-46 402
254	**Agency Services**	**-3 829 743**	**0**	**-3 829 743**	**-3 998 252**	**-4 178 173**
256	Agency Services Commission	-3 829 743	0	-3 829 743	-3 998 252	-4 178 173
258	**Transfers and Subsidies - Operational**	**-154 945 913**	**0**	**-154 945 913**	**-167 619 870**	**-154 102 349**
260	Equitable Share	-111 170 000	0	-111 170 000	-120 722 000	-131 247 000
262	EPWP Grant	-1 044 000	0	-1 044 000	0	0
264	Human Settlements Development Grant	-21 840 000	0	-21 840 000	-29 690 000	0
266	Maintenance and Construction of Transport Infrastructure	-80 000	0	-80 000	-80 000	-80 000
268	Library Services Grant	-10 659 000	0	-10 659 000	-8 784 000	-9 178 000
270	Community Development Workers	-56 000	0	-56 000	-56 000	-56 000
272	Financial Management Grant	-1 721 000	0	-1 721 000	-1 771 000	-1 771 000
274	Municipal Infrstructure Grant: VAT and PMU	-6 324 174	0	-6 324 174	-5 082 087	-5 286 957
276	VAT: NDPG Grant	-652 174	0	-652 174	-652 174	-1 304 348
278	VAT: WSIG Grant	0	0	0	0	-4 361 348
280	VAT: Claimed: INEP Grant	-1 399 565	0	-1 399 565	-782 609	-817 696
282	**Other Revenue**	**-7 662 155**	**0**	**-7 662 155**	**-7 935 152**	**-8 280 733**
284	Access to Information Fee	-169	0	-169	-176	-184
286	Admin.Fees:Serv to Public/Othe	-281 081	0	-281 081	-293 449	-306 654
288	Application Fees - Land Usage	-419 200	0	-419 200	-437 645	-457 339
290	Building Plan Fees	-3 200 000	0	-3 200 000	-3 340 800	-3 491 136

Row Number	Revenue Category and Revenue Item Description	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F
292	Burial Fees	-653 674	0	-653 674	-682 436	-713 146
294	Collection Fees Recovered	-2 096 000	0	-2 096 000	-2 188 224	-2 286 694
296	Encroachment Fees	-190 052	0	-190 052	-198 414	-207 343
298	Escort Charges	-5 285	0	-5 285	-5 518	-5 766
300	Exempted Parking	-7 336	0	-7 336	-7 659	-8 004
302	Fire safety charges	-10 000	0	-10 000	-10 440	-10 910
304	Housing Rentals	-31 618	0	-31 618	-33 009	-34 494
306	Hsg Selling- Administration	-106	0	-106	-111	-116
308	Hsg Selling- Street Lights	-441	0	-441	-460	-481
310	Information Search Fees	-6 498	0	-6 498	-6 784	-7 089
312	Insurance Claims	-116 800	0	-116 800	-57 800	-48 900
314	Lost Books Recovered	-1 886	0	-1 886	-1 969	-2 058
316	Parking Fees	-29 074	0	-29 074	-30 353	-31 719
318	Revaluation Fee (Rates)	-9 432	0	-9 432	-9 847	-10 290
320	Sale of Wheelie Bins	-4 289	0	-4 289	-4 478	-4 680
322	Skills Development Levy Refund	-319 001	0	-319 001	-333 037	-348 023
324	Sundries	-35 500	0	-35 500	-37 062	-38 729
326	Sundry Services Recovered	-13 658	0	-13 658	-14 259	-14 901
328	Swimming Pool Backwash	-25 471	0	-25 471	-26 592	-27 789
330	Tender deposits	-40 000	0	-40 000	-41 760	-43 639
332	Transport: Water Sales	-8 384	0	-8 384	-8 753	-9 147

Row Number	Revenue Category and Revenue Item Description	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F
334	Valuation Certificates	-157 200	0	-157 200	-164 117	-171 502
336	**Gains on disposal of PPE**	**-250 000**	**0**	**-250 000**	**-250 000**	**-250 000**
338	Profit on sale of assets	-250 000	0	-250 000	-250 000	-250 000
340	**Total Operating Budget Revenue**	**-1 067 666 701**	**-5 607 665**	**-1 062 059 036**	**-1 114 570 834**	**-1 143 643 359**
342	**Transfers and Subsidies - Capital**	**-46 468 087**	**0**	**-46 468 087**	**-53 325 130**	**-106 445 651**
344	Human Settlements Grant	0	0	0	-19 620 000	-38 110 000
346	INEP Capital	-9 330 435	0	-9 330 435	-5 217 391	-5 451 304
348	NDPG Grant	-4 347 826	0	-4 347 826	-4 347 826	-8 695 652
350	Municipal Infrstructure Grant	-32 789 826	0	-32 789 826	-24 139 913	-25 113 043
352	Water Services Infrastrcuture Grant	0	0	0	0	-29 075 652
354	**Total Revenue**	**-1 114 134 788**	**-5 607 665**	**-1 108 527 123**	**-1 167 895 964**	**-1 250 089 010**

Appendix 2:

Operating Expenditure per Category and per Expenditure Item

Appendix 2 : Operating Expenditure per Category and Expenditure Item						
Row Number	Expenditure Category and Expenditure Item Description	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F
1	**Employee Related Costs**	**311 723 949**	**11 872 740**	**299 851 210**	**322 555 012**	**337 069 999**
3	Allowance: Housing Subsidy	3 051 599	219 659	2 831 940	3 124 468	3 265 083
4	Allowance: Locomotion - Fixed	8 173 464	226 480	7 946 984	8 417 145	8 795 914
5	Allowance: Other	94 800	7 600	87 200	98 971	103 425
6	Allowance: Scarcity	1 507 673	-382 986	1 890 659	2 057 961	2 150 568
7	Allowance: Shifts (Night Sunday)	5 037 422	54 486	4 982 936	5 259 205	5 495 871
8	Allowance: Uniforms/Protection	528	0	528	550	576
9	Allowance:15% Fire fighting	165 600	1 400	164 200	172 886	180 666
10	Bonuses	14 452 967	792 118	13 660 849	14 911 665	15 582 688
11	Contributions: Medical Aid Fnd	16 479 945	1 778 371	14 701 574	16 601 961	17 349 045
12	Contributions: Pension Fund	31 280 464	1 593 694	29 686 770	32 396 421	33 854 267
14	Grant - EPWP	1 044 000	0	1 044 000	0	0
15	Grant - National Government	1 801 580	-550 498	2 352 078	2 455 569	2 566 071
16	Grant - W C P A	10 659 000	147 287	10 511 713	10 974 228	11 468 069
17	Group Life Insurance	5 185 849	264 409	4 921 440	5 369 618	5 611 247
18	Industrial Council Levy	90 678	4 825	85 853	93 144	97 336
19	Internship Program (Council)	428 708	424 650	4 058	4 236	4 427
20	Leave Pay	3 726 153	0	3 726 153	3 890 101	4 065 155
21	Overtime Pay	6 500 000	-90 000	6 590 000	6 879 960	7 189 558
22	Prov Defn Benefit: Health	11 801 503	0	11 801 503	12 320 769	12 875 204

Row Number	Expenditure Category and Expenditure Item Description	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F
23	Prov Defn Benefit: Long Service	2 743 746	0	2 743 746	2 864 471	2 993 372
25	Salaries	174 447 203	8 573 073	165 874 130	180 969 471	189 113 097
26	Standby	2 062 000	0	2 062 000	2 152 728	2 249 603
27	Temp/Casual Staff	8 271 197	-1 264 000	9 535 197	8 722 828	9 115 353
28	Temp/Casual Staff UIF	147 271	0	147 271	153 751	160 670
29	Unemployment Insurance Fund	1 407 438	72 172	1 335 266	1 448 565	1 513 749
30	Volunteers Remuneration	1 163 162	0	1 163 162	1 214 340	1 268 985
60	**Remuneration of Councillors**	**9 449 165**	**-300 000**	**9 749 165**	**9 853 389**	**10 296 792**
61	Councillors Contr Medical Aid	208 850	42 139	166 711	174 046	181 878
62	Councillors Contr Pension Fund	380 425	-46 985	427 410	446 215	466 295
63	Councillors Locomotion Allowan	250 369	0	250 369	261 386	273 148
64	Councillors Remunerations	7 927 861	-306 590	8 234 451	8 272 028	8 644 269
65	Councillors:Telephone Allowanc	681 660	11 436	670 224	699 714	731 202
66	**Debt Impairment**	**148 538 756**	**297 943**	**148 240 813**	**154 763 409**	**161 727 763**
67	Bad Debt: Billing Debtors	59 288 756	297 943	58 990 813	61 586 409	64 357 798
68	Bad debt:Fines Impairment	89 250 000	0	89 250 000	93 177 000	97 369 965
75	**Depreciation & Asset Impairment**	**43 687 538**	**0**	**43 687 538**	**45 420 029**	**47 243 805**
76	Depreciation	43 687 538		43 687 538	45 420 029	47 243 805
78	**Finance Charges**	**28 846 141**	**0**	**28 846 141**	**32 574 190**	**35 532 699**
80	Interest - Annuity Loans	28 846 141		28 846 141	32 574 190	35 532 699
88	**Bulk Purchases**	**254 156 491**	**-8 000 000**	**262 156 491**	**262 691 377**	**274 512 489**

Row Number	Expenditure Category and Expenditure Item Description	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F
89	Eskom Bulk Purchases	254 156 491	-8 000 000	262 156 491	262 691 377	274 512 489
90	**Inventory consumed**	**37 631 530**	**0**	**37 631 530**	**39 287 319**	**41 055 247**
91	Chemical Supplies	11 668 761	0	11 668 761	12 182 187	12 730 385
92	Consumables	147 317	0	147 317	153 799	160 720
93	Disaster Assistance/Donations	519 150	0	519 150	541 993	566 383
94	ESKOM Charges (Direct)	4 528 098	0	4 528 098	4 727 335	4 940 065
95	Firebelt Plot Clearing	228 826	0	228 826	238 895	249 645
96	Fuel and Oil	9 841 103	0	9 841 103	10 274 110	10 736 445
97	Fuel and Oil: Small Plant	131 939	0	131 939	137 745	143 944
98	Fuel Management Rental Fee	92 392	0	92 392	96 456	100 795
99	Fuel Mngt Rental Small Plant	1 433	0	1 433	1 497	1 564
106	Hakea Eradication	250 000	0	250 000	261 000	272 745
108	Materials Stores	5 062 566	0	5 062 566	5 285 322	5 523 161
109	Materials Stores: New Conns	1 296 763	0	1 296 763	1 353 820	1 414 742
110	Pest Control	69 879	0	69 879	72 954	76 237
111	Project	588 068	0	588 068	613 943	641 570
112	Protective Clothing	2 263 028	0	2 263 028	2 362 601	2 468 920
114	Removal of Bees	4 775	0	4 775	4 985	5 209
115	Road Paint Materials	200 000	0	200 000	208 800	218 196
117	Stationery Costs	722 431	0	722 431	754 217	788 156
118	Ward Committee/Council Support	15 000	0	15 000	15 660	16 365

Row Number	Expenditure Category and Expenditure Item Description	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F
120	**Contracted Services**	**165 470 828**	**-1 106 522**	**166 577 349**	**174 428 818**	**159 322 597**
121	Agency fees	40 603	0	40 603	38 151	43 855
122	Agency Payments	10 466 834	0	10 466 834	10 330 849	11 374 650
123	Audit Fees - Internal	1 500 000	0	1 500 000	1 566 000	1 636 470
124	Buildings	4 830 104	0	4 830 104	4 705 575	5 234 579
125	Buildings Estates	800 000	0	800 000	835 200	872 784
126	Collection Costs Summonses	1 780 110	0	1 780 110	1 858 435	1 942 065
127	Commission - EasyPay/PostOffic	812 067	0	812 067	847 798	885 949
128	Compliance Assist	167 381	0	167 381	174 746	182 610
129	Customer Care	14 712	0	14 712	15 360	16 052
130	Desalination plant	1 750 000	0	1 750 000	1 735 650	1 904 442
131	Disaster Assistance/Donations	75 066	0	75 066	70 532	81 077
132	EAP OHS	555 000	0	555 000	579 420	605 494
133	Education Program - Litter	68 000	0	68 000	63 893	73 445
134	Electricity Infrastructure	15 331 947	0	15 331 947	15 206 225	16 685 032
135	Electronic conversion of old archive documents	500 000	0	500 000	522 000	545 490
136	Events Festivals(use costing only from 1 July 2012)	36 994	0	36 994	38 622	40 360
138	Fuel Management Rental Fee	17 305	0	17 305	17 354	18 859
139	General Repairs	5 850 000	250 000	5 600 000	5 554 080	6 584 414
140	Grant - National Government	1 325 120	0	1 325 120	1 357 701	1 339 102
141	Grant - W C P A	80 000	0	80 000	80 000	80 000

Row Number	Expenditure Category and Expenditure Item Description	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F
143	Grant - W C P A (Bloemfontein)	3 480 000	3 480 000	0	0	0
144	Grant - W C P A (Ethembeni 180)	3 625 000	-665 000	4 290 000	3 770 000	0
145	Grant - W C P A (Happy Valley 95)	1 595 000	-1 655 000	3 250 000	4 060 000	0
146	Grant - W C P A (Hlalani 273)	3 625 000	-1 575 000	5 200 000	4 350 000	0
150	Grant - W C P A (Hornlee 395)		0	0	3 010 000	0
152	Grant - W C P A (Qolweni)	725 000	725 000	0	0	0
153	Grant - WCPA(WhiteLocation	8 790 000	-310 000	9 100 000	14 500 000	0
154	Grass Cutting	2 599 384	0	2 599 384	2 713 756	3 119 461
155	Grounds and Gardens	631 359	0	631 359	593 225	681 912
157	Hire Charges	17 054	0	17 054	16 914	18 559
158	Housing Rectification (ward 3)	211 918	0	211 918	221 242	231 198
159	Legal Services	4 000 000	0	4 000 000	4 176 000	4 363 920
160	Office Accommodations Services	127 383	0	127 383	132 988	138 972
161	Office Furniture Equipment	158 600	0	158 600	155 284	171 953
162	Parks Program	594 960	0	594 960	559 024	642 598
163	Pauper Burial	126 091	0	126 091	118 475	136 187
164	Penalty Disconnection Charges	100 000	0	100 000	104 400	109 098
165	Planning	732 005	-1 150 000	1 882 005	1 701 372	1 881 610
166	Plant Equipment	4 554 701	250 000	4 304 701	4 172 293	4 632 835
167	Pound Costs	42 500	0	42 500	39 933	45 903
168	Prepaid Management Fees	10 036 854	250 000	9 786 854	9 706 601	10 650 568

Row Number	Expenditure Category and Expenditure Item Description	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F
169	Prepaid Management Fees(Water)	2 000 000	0	2 000 000	1 983 600	2 176 505
170	Professional Services: Bitou Municipality	121 407	0	121 407	120 412	132 122
172	Project	24 588 472	0	24 588 472	25 204 908	26 779 212
173	Removal of Illegal Shacks	1 275 000	0	1 275 000	1 197 990	1 377 090
174	Removal of Trees Project	403 180	0	403 180	378 828	435 463
175	Repair maint to non-mun building	42 500	0	42 500	42 152	46 250
176	Reporting to Public	64 993	0	64 993	67 854	70 909
177	Retaining walls and Wheelchair ramps	1 977 900	0	1 977 900	2 064 930	2 157 852
178	Security Services: External	10 000 000	-956 522	10 956 522	11 438 609	13 148 681
179	Sewerage: Infrastructure	6 024 061	125 000	5 899 061	5 850 689	6 419 669
180	Sports Development	1 700 000	0	1 700 000	1 597 320	1 836 120
181	Sports Grounds	595 000	0	595 000	559 062	642 642
182	Stormwater Drains	2 647 019	125 000	2 522 019	2 501 339	2 875 289
183	Streets: Regravelling	812 068	0	812 068	805 409	925 817
184	Sundry Services Recharged	127 500	0	127 500	119 799	137 709
185	Telemetry	1 593 044	0	1 593 044	1 579 980	1 733 633
186	Testing of Samples	40 603	0	40 603	38 151	43 855
187	Traffic Camera Speediing fines service provider	4 423 824	0	4 423 824	4 156 625	4 778 040
188	Upgrading of Bulk Meters	87 557	0	87 557	86 839	95 283
189	Valuation Expences	1 186 740	0	1 186 740	1 238 957	1 294 710
190	Valuation Expenses	35 217	0	35 217	36 767	38 422

Row Number	Expenditure Category and Expenditure Item Description	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F
191	Vehicles	5 181 456	0	5 181 456	5 023 587	5 672 994
192	Ward Committee/Council Support	125 587	0	125 587	131 117	137 012
193	Water and Sewer break reinstatment	2 000 000	0	2 000 000	1 983 600	2 176 505
194	Water: Infrastructure	5 117 398	0	5 117 398	5 075 437	5 569 023
195	WSDP Upgrading	224 048	0	224 048	222 212	243 822
196	Youth Advisory Centre	994 500	0	994 500	934 432	1 074 130
197	Youth and Gender Development	307 700	0	307 700	289 115	332 338
198	**Transfers and Subsidies**	**1 766 506**	**-150 000**	**1 916 506**	**2 000 833**	**2 090 870**
199	Community Based Initiatives	550 000	0	550 000	574 200	600 039
200	Grants-in-aid and Donations	350 000	0	350 000	365 400	381 843
201	Grants-in-aid Animal Welfare	268 058	0	268 058	279 853	292 446
202	Grants-in-aid LIRA	48 448	0	48 448	50 580	52 856
203	Grants-in-aid Social Relief - Sanitary Towels	0	-150 000	150 000	156 600	163 647
204	Mayoral Bursary Fund	400 000	0	400 000	417 600	436 392
205	Youth and Gender Development	150 000	0	150 000	156 600	163 647
206	**Other Expenditure**	**61 091 309**	**-1 526 946**	**62 618 255**	**70 031 204**	**73 629 806**
207	Advertising	868 142	0	868 142	906 341	947 127
208	Agency Payments	6 048 055	0	6 048 055	6 314 169	6 598 307
209	Audit Committee Remuneration	518 352	0	518 352	541 159	565 512
210	Bank Charges	1 549 790	0	1 549 790	1 617 981	1 690 790
211	Compliance Assist	55 029	0	55 029	57 451	60 036

Row Number	Expenditure Category and Expenditure Item Description	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F
212	Computer Equipment	126 213	0	126 213	131 766	137 695
213	Computer Software Support	930 055	-75 000	1 005 055	970 978	1 014 672
214	Copyright Fees	68 831	0	68 831	71 859	75 093
215	Corporate Gifts	14 330	0	14 330	14 961	15 634
216	Customer Care	16 528	0	16 528	17 255	18 032
217	Disaster Assistance/Donations	650 116	0	650 116	678 721	709 263
218	Eskom payment for FBE	514 254	0	514 254	536 881	561 041
219	Grant - W C P A	56 000	0	56 000	56 000	56 000
220	Hire Charges	7 832 345	0	7 832 345	8 176 968	8 544 932
221	Hire charges - Hire Office Container Ward 11	150 000	0	150 000	156 600	163 647
222	Hire Charges: Office Equipment	1 242 530	0	1 242 530	1 297 202	1 355 576
223	Hire Charges: Telephone	2 496 314	0	2 496 314	2 606 152	2 723 429
224	Ignite Hosting Fees	257 128	128 564	128 564	134 221	140 261
225	Indigent support: Upgrade/Downgrade Meter Cost	990	0	990	1 034	1 081
226	Insurance 3rd Party	46 172	0	46 172	50 556	55 373
227	Insurance: Broker Fees	5 446 226	0	5 446 226	5 990 848	6 589 934
228	Insurance: Non Claimable	101 245	0	101 245	110 936	121 585
229	Land Sales Expenses	184 000	0	184 000	192 096	200 740
230	Legal Services	172 973	0	172 973	180 583	188 709
231	Levy - Occupation Hlth Safet	1 300 000	0	1 300 000	1 357 200	1 418 274
232	Levy - Water Gouritz CMA	458 040	0	458 040	478 194	499 713

Row Number	Expenditure Category and Expenditure Item Description	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F
233	Levy - Water Research Fund	446 589	0	446 589	466 239	487 220
234	Levy-Shopst FullTime SCDM Ouds	165 000	0	165 000	172 260	180 012
235	Licence and Registr Fees Vehic	715 227	0	715 227	746 698	780 301
236	License and Registr Fees Softw	5 584 439	0	5 584 439	5 830 155	6 092 512
237	Maint of Traffic Signs	110 000	0	110 000	114 840	120 008
238	Office Accommodations Services	6 000 000	0	6 000 000	6 264 000	6 545 880
239	Postage:PO Box:Courier:Transpo	1 584 586	0	1 584 586	1 654 307	1 728 751
240	Pre Paid Electricity	42 189	0	42 189	44 045	46 027
241	Printing Costs	19 371	0	19 371	20 223	21 133
242	Project	2 307 503	-1 202 021	3 509 524	2 461 234	2 571 992
243	Protective Clothing	188 821	0	188 821	197 129	206 000
244	Provision: Alien Vegetation Eradication	376 582	0	376 582	393 151	410 843
245	Recruitment Expenses	290 000	0	290 000	302 760	316 384
246	Refuse Dumping Fee: GRM	1 761 153	0	1 761 153	7 467 287	7 915 324
247	Refuse Removal: Transnet/MossB	2 422 006	0	2 422 006	2 528 574	2 642 360
248	Relocation Expenses	165 000	0	165 000	172 260	180 012
249	Remote Server Access	43 456	0	43 456	45 368	47 410
250	Reporting to Public	137 182	-220 000	357 182	372 898	389 678
251	SALGA Subscription membership levy	2 700 000	0	2 700 000	2 818 800	2 945 646
252	Staff Study/Bursaries	400 000	0	400 000	417 600	436 392
253	Subscriptions	119 780	0	119 780	125 050	130 677

Row Number	Expenditure Category and Expenditure Item Description	Tabled Budget 2022/2023	Amendments 2022/2023	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025
Column Reference	A	B	C	D	E	F
254	Training	1 533 000	-140 000	1 673 000	1 746 612	1 825 209
255	Transfer Return Fees Deeds Off	85 983	0	85 983	89 767	93 807
256	Travelling and Subsistence	865 429	-18 489	883 917	922 809	964 339
257	Tribunal Committee Remuneration	270 000	0	270 000	281 880	294 565
258	Valuation Expences	23 884	0	23 884	24 935	26 057
259	Ward Committee/Council Support	880 471	0	880 471	919 211	960 576
260	Water and Sewer licence and permit renewal	500 000	0	500 000	522 000	545 490
261	Water: Infrastructure	80 000	0	80 000	83 520	87 278
262	Youth Advisory Centre	170 000	0	170 000	177 480	185 467
263	**Loss on Disposal of PPE**	**0**	**0**	**0**	**0**	**0**
264	Inventory Shortages					
265	Loss on Disposal of PPE					
266	**Total Operating Expenditure**	**1 062 362 212**	**1 087 214**	**1 061 274 998**	**1 113 605 580**	**1 142 482 067**

Appendix 3:

Capital Expenditure Per Directorate and Department

Appendix 3 : Capital Expenditure Budget per Directorate and Department										
Row Number	Directorate and Department	Capital Project Item Description	Vote Number	Funding Source	Tabled Budget 2022/2023	Amendments	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Ward Allocation
Column Reference	A	B	C	D	E	F	G	H	I	J
1	COUNCIL GENERAL	Program Office Furniture	9/107-20-68	Internally Generated Funds	100 000	0	100 000	0	0	All
2	COMMUNICATION	New Vehicle	9/145-2-2	Borrowings	250 000	0	250 000	0	0	All
3				**Total: Executive and Council =**	**350 000**	**0**	**350 000**	**0**	**0**	
4	DIRECTOR: CORPORATE	Installation of Wheelchair lift	9/101-61-61	Borrowings	869 565	-869 565	0	869 565	0	All
5	DIRECTOR: CORPORATE	New Fencing 14 Church Street, 42 Old Toll Road, Milkwood Flats, P	9/101-63-63	Internally Generated Funds	0	0	0	600 000	800 000	10
6	DIRECTOR: CORPORATE	Replace abestos roofs - municipal offices - Clyde Street, Sedgefield	9/101-64-64	Borrowings	800 000	0	800 000	500 000	500 000	2,7,10
7	DIRECTOR: CORPORATE	New airconditioners	9/101-62-62	Internally Generated Funds	235 000	0	235 000	100 000	100 000	All
8	DIRECTOR: CORPORATE	Ward 11 Office	9/101-71-71	Borrowings	0	0	0	700 000	0	11
9	DIRECTOR: CORPORATE	Window Blinds for Municipal Offices	9/101-72-72	Internally Generated Funds	50 000	0	50 000	200 000		All
10	DIRECTOR: CORPORATE	Program Office Furniture	9/101-39-39	Internally Generated Funds	70 000	0	70 000	50 000	50 000	All
11	PUBLIC PARTICIPATION	Program Plant & Equipment	9/101-73-73	Internally Generated Funds	18 700	0	18 700	0	0	All
12	PUBLIC PARTICIPATION	Program Plant & Equipment	9/102-10-10	Internally Generated Funds	36 000	0	36 000	0	0	All
13	INFORMATION TECHNOLOGY	Data Centre Upgrade	9/106-23-23	Internally Generated Funds	300 000	0	300 000	100 000	100 000	All
14	INFORMATION TECHNOLOGY	Program Computer Equipment	9/106-6-8	Internally Generated Funds	160 000	0	160 000	160 000	160 000	All
15	INFORMATION TECHNOLOGY	Program Computer Equipment	9/106-6-9	Internally Generated Funds	130 000	0	130 000	65 000	65 000	All
16	INFORMATION TECHNOLOGY	UPS System	9/106-20-20	Internally Generated Funds	60 000	0	60 000	0	0	All
17	INFORMATION TECHNOLOGY	New Server and Switches	9/106-24-24	Borrowings	980 000	0	980 000	0	0	All
18				**Total: Corporate Services =**	**3 709 265**	**-869 565**	**2 839 700**	**3 344 565**	**1 775 000**	
19	DIRECTOR: FINANCE	Buildings Refurbishment	9/101-65-65	Internally Generated Funds	30 000	0	30 000	0	0	All
20	DIRECTOR: FINANCE	Program Office Furniture	9/101-2-16	Internally Generated Funds	35 000	0	35 000	5 000	5 000	All
21	INCOME	New LDV	9/101-74-74	Borrowings	380 000	0	380 000	0	0	All
22				**Total: Financial Services =**	**445 000**	**0**	**445 000**	**5 000**	**5 000**	
23	DIRECTOR: PLANNING DEVELOPMENT	Office Furniture	9/101-67-67	Internally Generated Funds	24 550		24 550	0	0	All
24	ENVIRONMENTAL MANAGEMENT	Rehabiliation of the Bongani river Phase 1 of implementation	9/183-2-2	Borrowings	500 000		500 000	2 000 000	3 000 000	7
25				**Total: Planning and Development Services =**	**524 550**	**0**	**524 550**	**2 000 000**	**3 000 000**	
26	HOUSING ADMINISTRATION	Sedgefield Infill - Informal Settlements Upgrading Partnership Grar	9/105-28-28	Provincial Grant	0	0	0	12 420 000	26 165 000	1
27	HOUSING ADMINISTRATION	Knysna Vision(1393) UISP	9/105-16-30	Provincial Grant	0	0	0	2 400 000	6 000 000	3
28	HOUSING ADMINISTRATION	Hornlee Infill - Informal Settlements Upgrading Partnership Grant	9/105-29-29	Provincial Grant	0	0	0	4 800 000	5 945 000	11
29	HOUSING ADMINISTRATION	Service sites	New	Borrowings	0	500 000	500 000	0	0	6,11
30	HOUSING ADMINISTRATION	Servicing of 30 erven on erf 4712 Hornlee	9/105-27-27	Borrowings	1 512 445	0	1 512 445	0	0	11
31				**Total: Integrated Human Settlements =**	**1 512 445**	**500 000**	**2 012 445**	**19 620 000**	**38 110 000**	
32	HALLS / FACILITIES	Upgr Brenton Hall - Underpinning	9/103-28-28	Borrowings	2 200 000	-1 700 000	500 000	2 400 000	500 000	5
33	HALLS / FACILITIES	Furniture Equipment	9/103-32-32	Internally Generated Funds	100 000	0	100 000	120 000	140 000	All
34	PARKS RECREATION	Small Plant Equipment	9/115-30-30	Internally Generated Funds	200 000	0	200 000	220 000	240 000	All
35	SAFETY LAW ENFORCEMENT	CCTV camera Project	9/157-1-1	Internally Generated Funds	200 000	0	200 000	200 000	400 000	All

36	CLEANSING REFUSE REMOVAL SERV.	Acquisition of Compactor Trucks (2)	9/113-28-28	Borrowings	1 700 000	0	1 700 000	1 700 000	0	All
37	CLEANSING REFUSE REMOVAL SERV.	Repl CX 4906 (2004) Street Cleaning Bakkie	9/113-22-22	Borrowings	0	0	0	250 000	0	All
38	CLEANSING REFUSE REMOVAL SERV.	New Front end Loader - Waste Facilities	9/113-29-29	Borrowings	0	0	0	1 600 000	0	All
39	CLEANSING REFUSE REMOVAL SERV.	Replacing bin lifting Equipment	9/113-30-30	Internally Generated Funds	0	0	0	150 000	150 000	All
40	PARKS RECREATION	New Bakkie-Parks Supervisor Sedgefield	9/115-21-21	Internally Generated Funds	0	0	0	380 000	0	All
41	SPORTSFIELDS	MIG: 285770 Upgrade Sportsfield PH2 (Bongani)	9/116-40-40	National Grant	0	9 565 217	9 565 217	0	0	7
42	SPORTSFIELDS	MIG: 285767 - (Rheenendal) Upgrade Sportsground Ph2: Rugby/So	9/116-41-41	National Grant	0	0	0	2 173 913	7 391 304	5
43	CEMETERY	Cemetery Windheuwel	9/124-11-11	Borrowings	600 000	0	600 000	200 000	0	All
44	CEMETERY	Mini Hydraulic Excavator - veh	9/124-12-12	Borrowings	0	0	0	450 000	0	All
45	SAFETY LAW ENFORCEMENT	Trailer	9/157-5-5	Internally Generated Funds	0	0	0	100 000	0	All
46	SAFETY TRAFFIC DEPARTMENT	New Motor Vehicles (Sedans)	9/121-10-10	Borrowings	300 000	0	300 000	600 000	0	All
47	SAFETY TRAFFIC DEPARTMENT	Breatherlizer Sets	9/121-11-11	Internally Generated Funds	50 000	0	50 000	50 000	50 000	All
48	SAFETY TRAFFIC DEPARTMENT	Replacement of Fence-Driving Testing Station	9/121-12-12	Internally Generated Funds	0	0	0	200 000	0	All
49	SAFETY TRAFFIC DEPARTMENT	Motor Cycle Testing Equipment	9/121-13-13	Internally Generated Funds	100 000	0	100 000	0	150 000	All
50	SAFETY LAW ENFORCEMENT	Baboon deterrent equipment	9/157-6-6	Internally Generated Funds	100 000	0	100 000	0	0	9
51	MUSEUM	Museum Upgrade	9/196-1-1	Internally Generated Funds	0	0	0	120 000	0	10
52	LIBRARY	LIbrary Upgrade and refurbishment	9/151-22-22	Internally Generated Funds	0	0	0	60 000	0	10
53	SAFETY FIRE BRIGADE SERVICES	Construction of parking Bay	9/120-20-20	Borrowings	500 000	0	500 000	1 500 000	0	All
54	SAFETY FIRE BRIGADE SERVICES	Establishment of fire stations - Rheenendal	9/120-21-21	Borrowings	0	0	0	1 000 000	1 000 000	5
55	SAFETY FIRE BRIGADE SERVICES	Establishment of fire stations - Khayalethu	9/120-22-22	Borrowings	1 000 000	0	1 000 000	1 000 000	0	7
56	SAFETY FIRE BRIGADE SERVICES	Replacement of fire engine CX 10515 & CX 43651	9/120-23-23	Borrowings	1 200 000	0	1 200 000	0	1 200 000	All
57	SAFETY FIRE BRIGADE SERVICES	Procurement of fire hose and pressure gauge meter kit	9/120-24-24	Internally Generated Funds	300 000	0	300 000	200 000	200 000	All
58	SAFETY FIRE BRIGADE SERVICES	Procurement of portable handheld radio's	9/120-25-25	Internally Generated Funds	55 000	0	55 000	60 000	70 000	All
59	TRANSFER STATION	Acquisition of Hooklift Truck	9/114-19-19	Borrowings	1 900 000	0	1 900 000	0	0	All
60	TRANSFER STATION	Acquisition of Trailer	9/114-20-20	Internally Generated Funds	0	0	0	600 000	0	All
61	PUBLIC TOILETS	Install turn style system at taxi rank	9/109-10-10	Internally Generated Funds	0	0	0	0	350 000	10
62				**Total: Community Services =**	**10 505 000**	**7 865 217**	**18 370 217**	**15 333 913**	**11 841 304**	
63	ELECTRICITY DISTRIBUTION	Electrification of informal areas - Ward 4	9/104-105-131	Borrowings	500 000	250 000	750 000	250 000	150 000	4
64	ELECTRICITY DISTRIBUTION	Eastford 11KV Line to Concordia	9/104-119-119	Borrowings	0	0	0	500 000	400 000	7,8
65	ELECTRICITY DISTRIBUTION	Electrification of informal areas - Hornlee (Ward 11)	9/104-111-137	Borrowings	500 000	0	500 000	250 000	150 000	11
66	ELECTRICITY DISTRIBUTION	Electrification of informal areas - Ward 6	9/104-130-130	Borrowings	500 000	0	500 000	250 000	150 000	6
67	ELECTRICITY DISTRIBUTION	Electrification of informal areas - Bigai Heights - Ward 6 and 11	New	Borrowings	0	750 000	750 000	0	0	6,11
68	ELECTRICITY DISTRIBUTION	Electrification of informal areas	9/104-100-125	Borrowings	0	250 000	250 000	250 000	150 000	7
69	ELECTRICITY DISTRIBUTION	Electrification of informal areas	9/104-101-126	Borrowings	0	0	0	250 000	150 000	8
70	ELECTRICITY DISTRIBUTION	Electrification of Formal Houses (INEP)	9/104-62-69	National Grant	9 330 435	-9 330 435	0	5 217 391	5 451 304	All
71	ELECTRICITY DISTRIBUTION	Electrification of informal areas	9/104-97-122	Borrowings	0	0	0	250 000	150 000	1
72	ELECTRICITY DISTRIBUTION	Electrification of Formal Houses (INEP) - Ward 3	9/104-202-202	National Grant	0	3 217 391	3 217 391	0	0	3
73	ELECTRICITY DISTRIBUTION	Electrification of Formal Houses (INEP) - Ward 7	9/104-203-203	National Grant	0	1 286 957	1 286 957	0	0	7
74	ELECTRICITY DISTRIBUTION	Electrification of Formal Houses (INEP) - Ward 4 & 8	9/104-204-204	National Grant	0	3 217 391	3 217 391	0	0	4,8

75	ELECTRICITY DISTRIBUTION	Electrification of Formal Houses (INEP) - Ward 1	9/104-206-206	National Grant	0	1 608 696	1 608 696	0	0	1
76	ELECTRICITY DISTRIBUTION	Electrification of informal areas	9/104-98-123	Borrowings	0	0	0	250 000	150 000	3
77	ELECTRICITY DISTRIBUTION	8 ton crane Truck 20 m-t (Sedg): Vehicle Replacement	9/104-123-123	Borrowings	0	0	0	0	2 700 000	All
78	ELECTRICITY DISTRIBUTION	Salt River Control Plant Upgrade	9/104-124-124	Borrowings	0	0	0	400 000	200 000	10
79	ELECTRICITY DISTRIBUTION	Vehicle replacement CX39578 - NISSAN 2.7D	9/104-128-128	Borrowings	380 000	0	380 000	0	0	All
80	ELECTRICITY DISTRIBUTION	Vehicle replacement -Toyota Hilux 2.4D	9/104-129-129	Borrowings	0	0	0	400 000	0	All
81	ELECTRICITY DISTRIBUTION	3 x bakkie 1 ton: New electricians	9/104-75-92	Borrowings	0	0	0	0	400 000	All
82	ELECTRICITY DISTRIBUTION	Brenton - Upgrade power supply	9/104-94-119	Borrowings	0	0	0	600 000	0	5
83	ELECTRICITY DISTRIBUTION	Western Feeder 11kV line refurbishments	9/104-141-141	Borrowings	500 000	0	500 000	500 000	700 000	1
84	ELECTRICITY DISTRIBUTION	Eastern heads Feeder 11kV line refurbishments	9/104-142-142	Borrowings	0	0	0	700 000	0	9
85	ELECTRICITY DISTRIBUTION	Xolweni SS to Sawmill RMU replacement of OH to underground ref	9/104-143-143	Borrowings	800 000	0	800 000	400 000	0	4
86	ELECTRICITY DISTRIBUTION	Groenvlei 11kv line replacement	9/104-144-144	Borrowings	0	0	0	0	900 000	2
87	ELECTRICITY DISTRIBUTION	EMI -Smart metering project	9/104-145-145	Borrowings	250 000	0	250 000	500 000	500 000	All
88	ELECTRICITY DISTRIBUTION	Asset replacements refurbishments	9/104-6-41	Internally Generated Funds	2 000 000	0	2 000 000	1 350 000	2 700 000	All
89	ELECTRICITY DISTRIBUTION	RMU & Transformer	New	Borrowings	0	800 000	800 000	0	0	All
90	WORKSHOP & DEPOT	Vehicle Replacements	9/194-1-1	Borrowings	0	0	0	400 000	0	All
91				**Total: Electrical Services =**	**14 760 435**	**2 050 000**	**16 810 435**	**12 717 391**	**15 001 304**	
92	DIRECTOR : INFRASTRUCTURE	Program Tools Equipment	9/101-33-33	Internally Generated Funds	500 000	0	500 000	450 000	0	All
93	RDS,S/WTR,DRAINAGE:STORMWATER	Upgrade Stormwater Infrastructure	9/117-28-28	Borrowings	250 000	0	250 000	250 000	250 000	All
94	RDS,S/WTR,DRAINAGE:STORMWATER	Upgrade Stormwater Infrastructure	9/117-19-19	Borrowings	750 000	0	750 000	500 000	1 000 000	All
95	RDS,S/WTR,DRAINAGE:STREETS	Resealing of Streets	9/110-107-107	Borrowings	7 500 000	0	7 500 000	3 500 000	6 750 000	All
96	RDS,S/WTR,DRAINAGE:STREETS	Upgrade Gravel Roads Ward 3	9/110-99-99	Borrowings	0	0	0	2 000 000	2 000 000	3
97	RDS,S/WTR,DRAINAGE:STREETS	Upgrade Gravel Roads Ward 4	9/110-100-100	Borrowings	3 000 000	0	3 000 000	2 000 000	2 000 000	4
98	RDS,S/WTR,DRAINAGE:STREETS	Upgrade Gravel Roads Ward 7	9/110-102-102	Borrowings	3 000 000	0	3 000 000	2 000 000	2 000 000	7
99	RDS,S/WTR,DRAINAGE:STREETS	Upgrade Gravel Roads Ward 8	9/110-103-103	Borrowings	0	0	0	2 000 000	0	8
100	RDS,S/WTR,DRAINAGE:STREETS	Cola Beach - Stormwater Infrastructure Refurbishment	9/110-112-112	Borrowings	850 000	0	850 000	0	0	1
101	RDS,S/WTR,DRAINAGE:STREETS	George Rex Drive - Upgrade	9/110-113-113	Borrowings	1 000 000	0	1 000 000	4 000 000	10 000 000	9
102	RDS,S/WTR,DRAINAGE:STREETS	Road Safety Improvements	9/110-116-116	Borrowings	100 000	0	100 000	250 000	250 000	All
103	RDS,S/WTR,DRAINAGE:STREETS	Sedgefield Mouth parking area refurbishment	9/110-117-117	Borrowings	500 000	0	500 000	1 000 000	2 000 000	1
104	RDS,S/WTR,DRAINAGE:STREETS	MIG : Upgrade of Gravel Roads - Ph2 (Karatara)	9/110-129-129	National Grant	0	0	0	0	1 304 348	2
105	RDS,S/WTR,DRAINAGE:STREETS	MIG : Upgrade of Gravel Roads - Ph2 (Rheenendal)	9/110-130-130	National Grant	0	0	0	0	1 304 348	5
106	RDS,S/WTR,DRAINAGE:STREETS	MIG : Upgrade of Gravel Roads - Ph2 (Northern Areas)	9/110-131-131	National Grant	0	0	0	0	2 956 522	All
107	RDS,S/WTR,DRAINAGE:STREETS	MIG 374126 : Surfacing of Gravel Roads - Ph1 (Northern Areas)	9/110-136-136	National Grant	0	5 095 380	5 095 380	5 095 380	0	3,4,7,8
108	RDS,S/WTR,DRAINAGE:STREETS	MIG : Upgrade of Gravel Roads	9/110-87-87	National Grant	5 095 380	-5 095 380	0	0	0	3,4,7,8
109	RDS,S/WTR,DRAINAGE:STREETS	NDPG - Public Transport Facilities	9/110-115-115	National Grant	4 347 826	0	4 347 826	4 347 826	8 695 652	All
110	RDS,S/WTR,DRAINAGE:STREETS	MIG: Rehabilitation of Streets	9/110-132-132	National Grant	5 792 278	0	5 792 278	8 971 466	8 174 782	6,11
111	RDS,S/WTR,DRAINAGE:STREETS	Upgrade Roads - Bigai Heights - Ward 6 & 11	New	Borrowings	0	750 000	750 000	0	0	6,11
112	RDS,S/WTR,DRAINAGE:STREETS	New Vehicle: 1 Ton LDV	9/110-119-119	Borrowings	0	0	0	380 000	0	All
113	RDS,S/WTR,DRAINAGE:STREETS	New Vehicle: 1.5 Ton LDV	9/110-120-120	Borrowings	450 000	0	450 000	0	0	All

114	RDS,S/WTR,DRAINAGE:STREETS	Veh Repl - CX1741 (Digger Loader)	9/110-121-121	Borrowings	0	0	0	0	1 250 000	All
115	RDS,S/WTR,DRAINAGE:STREETS	Vehicle Repl: Chevrolet Corsa	9/110-122-122	Borrowings	0	0	0	380 000	0	All
116	RDS,S/WTR,DRAINAGE:STREETS	Vehicle Repl: NISSAN 2.7 D	9/110-123-123	Borrowings	0	0	0	380 000	0	All
117	RDS,S/WTR,DRAINAGE:STREETS	Vehicle Repl: NISSAN NP300	9/110-124-124	Borrowings	0	0	0	380 000	0	All
118	RDS,S/WTR,DRAINAGE:STREETS	Vehicle Replacement CX44804	9/110-52-52	Borrowings	0	0	0	380 000	0	All
119	RDS,S/WTR,DRAINAGE:STREETS	Pavement ripper	9/110-133-133	Internally Generated Funds	199 500	0	199 500	0	0	All
120	RDS,S/WTR,DRAINAGE:STREETS	Rehabilitation of Streets	9/110-134-134	Borrowings	0	0	0	4 000 000	4 470 000	All
121	SPORT FIELDS	MIG: 285770 Upgrade Sportsfield PH2 (Bongani)	9/116-40-40	National Grant	9 565 217	-9 565 217	0	0	0	7
122	SPORT FIELDS	MIG: 285767 (Rheenendal) Upgrade Sportsground Ph2: Rugby/Soc	9/116-41-41	National Grant	0	0	0	0	0	5
123	SEWERAGE RETICULATION SERVICES	MCC Replacement	9/112-59-59	Borrowings	1 350 000	0	1 350 000	750 000	0	All
124	SEWERAGE RETICULATION SERVICES	MIG : Rehabilitation of Khayalethu Sewer Bridge	9/112-73-73	National Grant	1 200 000	0	1 200 000	2 532 174	0	7
125	SEWERAGE RETICULATION SERVICES	MIG : Damsebos to Hlalani Bulk Sewer Link	9/112-74-74	National Grant	869 565	0	869 565	2 638 974	3 981 739	3
126	SEWERAGE RETICULATION SERVICES	Replacement of Pump, Valves and rails	9/112-60-60	Borrowings	750 000	0	750 000	750 000	1 000 000	All
127	SEWERAGE RETICULATION SERVICES	MIG 295640 : Upgrading of Sedgefield Bulk Sewer Infrastructure Pl	9/112-40-40	National Grant	0	10 267 385	10 267 385	2 728 007		2
128	SEWERAGE RETICULATION SERVICES	MIG : Upgrading of the Sedgefield Wastewater Infrastructure, Pha	9/112-61-61	National Grant	10 267 385	-10 267 385	0	0	0	2
129	SEWERAGE RETICULATION SERVICES	Brenton on Lake to Belvedere Sewer Link	9/112-65-65	Borrowings	500 000	0	500 000	1 900 000	0	5
130	SEWERAGE RETICULATION SERVICES	Increase storage capacity at Salt River Sewer Pumpstation feeding	9/112-66-66	Borrowings	500 000	0	500 000	0	0	10
131	SEWERAGE RETICULATION SERVICES	Knysna Windheuwel WWTW	9/112-67-67	Borrowings	500 000	0	500 000	1 000 000	13 800 000	All
132	SEWERAGE RETICULATION SERVICES	Rehabilitate Sewer Pipe Bridge in Khayalethu	9/112-68-68	Borrowings	1 000 000	0	1 000 000	0	0	7
133	SEWERAGE RETICULATION SERVICES	Replace Bio-disc in Belvidere	9/112-69-69	Borrowings	800 000	0	800 000	0	0	5
134	SEWERAGE RETICULATION SERVICES	Upgrade main Sewer Pump Station and sewers in the CBD	9/112-25-17	Borrowings	2 000 000	0	2 000 000	0	0	10
135	WATER PURIFICATION WORKS	Fencing and Secuity of Key Points	9/118-55-55	Borrowings	2 000 000	0	2 000 000	1 000 000	0	All
136	WATER PURIFICATION WORKS	Knysna Dam Phasing	9/118-56-56	Borrowings	1 500 000	0	1 500 000	1 500 000	0	All
137	RDS,S/WTR,DRAINAGE:STORMWATER	Retaining Wall Knysna Heights - Stormwater	9/117-36-36	Borrowings	0	750 000	750 000	0	0	10
138	WATER PURIFICATION WORKS	Retaining Wall Knysna Heights	9/118-57-57	Borrowings	750 000	-750 000	0	0	0	10
139	WATER RETICULATION	Water Demand management devices	9/119-49-49	Borrowings	6 500 000	0	6 500 000	2 750 000	0	All
140	WATER RETICULATION	Upgrade Knysna CBD Water reticulation	9/119-51-51	Borrowings	3 250 000	0	3 250 000	2 000 000	0	10
141	WATER RETICULATION	Refurbish Fire Damaged Infrastructure	9/119-73-73	Borrowings	0	0	0	1 250 000	0	All
142	WATER RETICULATION	Re-align Karawater pipeline	9/119-82-82	Borrowings	0	0	0	800 000	0	2
143	WATER RETICULATION	Water services infrastructure Grant	9/119-78-78	National Grant	0	0	0	0	29 075 652	All
144	SEWERAGE RETICULATION SERVICES	Veh Repl: CX 12804 NISSAN NP 300 2.5D	9/112-72-72	Borrowings	0	0	0	380 000	0	All
145	WATER RETICULATION	Veh Repl: CX44803	9/119-37-37	Borrowings	0	0	0	380 000	0	All
146	WATER RETICULATION	Veh Repl: CX 40142 NISSAN NP300	9/119-79-79	Borrowings	0	0	0	380 000	0	All
147	WATER RETICULATION	Veh Vacuum tanker (Water Sewer)	9/119-80-80	Borrowings	0	0	0	0	3 600 000	All
148	WATER PURIFICATION	Refurbish Akkerkloof and Glebe Dam Tower	9/118-90-90	Borrowings	200 000	0	200 000	0	0	All
149	WATER RETICULATION	Pipeline from PG Bison to Akkerkloof 600m. 150 mm pipeline to Ts	9/119-83-83	Borrowings	0	0	0	1 000 000	0	All
150	WATER RETICULATION	Upgrade of pipeline from Khayalethu Pumpstation (Tyi-Tyi Street)	9/119-46-46	Borrowings	0	0	0	900 000	0	3,7
151	SEWER RETICULATION	Chambers - outfall sewers	9/112-75-75	Borrowings	500 000	0	500 000	500 000	0	All
152	WATER RETICULATION	Old Place Pipe replacement - Melkhoud, Old Toll Road, Camdeboo,	9/119-85-85	Borrowings	0	0	0	6 000 000	0	10

153	WATER RETICULATION	Paradise pipe replacement - Circular Drive, Camble Drive, Meyer D	9/119-86-86	Borrowings	0	0	0	0	2 500 000	10
154	WATER PURIFICATION	Knysna WTW - refurbishment of building	9/118-91-91	Borrowings	200 000	0	200 000	300 000	0	All
155	WATER RETICULATION	Sedgefield - water line - Makou to Swallow	9/119-87-87	Borrowings	0	0	0	0	1 500 000	1,2
156	SEWERAGE PURIFICATION	Replace Compressors @ Sedgefield WWTW	9/111-130-130	Borrowings	500 000	0	500 000	0	0	1,2
157	WATER RETICULATION	Knysna Brenton feed - Bulk line replacement	9/119-88-88	Borrowings	0	0	0	0	1 000 000	5
158	WATER RETICULATION	Buffalo bay replacement of pipeline(s)	9/119-89-89	Borrowings	500 000	0	500 000	1 500 000	0	5
159	WATER PURIFICATION	Buffalo Bay : Upgrade Water Treatment Works	9/118-92-92	Borrowings	0	0	0	1 000 000	1 000 000	5
160	WATER PURIFICATION	Replace and refurbish Sand filters all WTW	9/118-93-93	Borrowings	4 000 000	0	4 000 000	0	0	All
161	SEWER PURIFICATION	Replace and refubish dry bed filter media all WWTW	9/111-131-131	Borrowings	0	0	0	0	2 000 000	All
162	SEWER RETICULATION	Roos Bolton - Sewer line	9/112-76-76	Borrowings	0	0	0	0	1 300 000	10
163	SEWER RETICULATION	Jett Machine	9/112-77-77	Borrowings	0	0	0	0	500 000	All
164	WATER RETICULATION	Tools and Equipment	9/119-90-90	Internally Generated Funds	50 000	0	50 000	0	0	All
165	WATER RETICULATION	Drone	9/119-91-91	Internally Generated Funds	0	0	0	250 000	0	All
166	WATER RETICULATION	Metal detector	9/119-92-92	Internally Generated Funds	25 000	0	25 000	0	0	All
167	WATER RETICULATION	Leak detector	9/119-93-93	Internally Generated Funds	200 000	0	200 000	0	0	All
168	WATER RETICULATION	New reservoir @ Noetzie	9/119-94-94	Borrowings	0	0	0	0	2 000 000	9
169	WATER RETICULATION	Purchase of new 20mm Water Meters	9/119-95-95	Borrowings	750 000	0	750 000	0	0	All
170	SEWER PURIFICATION	Odour control	9/111-132-132	Borrowings	600 000	0	600 000	0	0	All
171	WATER RETICULATION	MCC replacement	9/119-96-96	Borrowings	450 000	0	450 000	0	0	9
172	WATER RETICULATION	Standpipes	New	Internally Generated Funds	0	150 000	150 000	0	0	All
173	WATER RETICULATION	Bulk Water Supply - Rheenendal	New	Internally Generated Funds	0	250 000	250 000	0	0	5
174	WATER RETICULATION	Loggers	9/119-97-97	Internally Generated Funds	25 000	0	25 000	0	0	All
175				**Total: Infrastructure Services =**	**84 637 152**	**-8 415 217**	**76 221 935**	**76 453 826**	**117 663 043**	
176				**Grand Total: Capital Expenditure Budget =**	**116 443 847**	**1 130 435**	**117 574 282**	**129 474 695**	**187 395 652**	

Appendix 4:

Service Standards

CUSTOMER SERVICE CHARTER

Knysna Municipality

inclusive | innovative | inspired

MESSAGE FROM THE EXECUTIVE MAYOR

The Knysna Municipality Customer Care Policy, incorporating this Customer Service Charter, sets out Council's commitment towards service excellence.

Underlined by the eight Batho Pele principles that national government prescribes as the core of service delivery for all levels of government, this document intends putting People First and has at its heart government's vision of 'Creating a better life for all'.

This municipality considers everyone who lives, works and plays in the Greater Knysna Municipal Area as customers. We want to ensure that you understand your rights and responsibilities, receive the services you are entitled to, and have the opportunity for feedback. We believe that the Customer Care Policy and Service Charter is a progressive step towards achieving such goals.

VISION

Knysna –
Inclusive Innovative Inspired

MESSAGE FROM THE MUNICIPAL MANAGER

The Customer Relations Department located in the Department of the Municipal Manager is tasked to address issues surrounding service delivery and related communication. This department serves as a direct line of communication between the customer and Council.

In this Customer Service Charter every department within the municipality has been assigned specific Service Standards according to the services it provides, and will be measured accordingly.

I believe that this department, this document and its related processes signify a new approach to customer service within the municipality and will go far in affirming the values we have always believed in: transparency, accountability and service excellence.

This document also signifies a relationship in which the customer has responsibility to pay timeously for the services he expects to be delivered, and reports issues and problems as soon as they occur. The municipality and its people remain in partnership which has a better chance of success when everyone is working together.

GREATER KNYSNA AT A GLANCE

Knysna Municipality covers a total of 1 059 km² that stretches from Swartvlei in Sedgefield in the west to Brackenhill in the east with an estimated population of 65 000 people.

The municipal area includes the towns of Sedgefield, Karatara, Buffalo Bay, Rheenendal, Belvidere & Brenton, Knysna and Knoetzie.

WHAT WE DO

Our organizational structure comprises of the following directorates:

DIRECTORATE: MUNICIPAL MANAGER

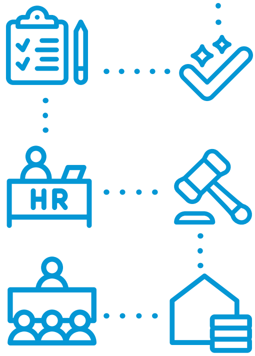
The Municipal Manager heads the Administration arm of the Knysna Municipality and is therefore **responsible and accountable for tasks and functions as provided for in section 55 of the Municipal Systems Act,** other **functions and tasks** as provided for in legislation as well as **functions delegated to him by the Executive Mayor and Council.** According to the Municipal Finance Management Act he also assumes the role of **Accounting Officer.**

His office also incorporates the Department Communications and IGR, the Department Internal Audit and the Department Integrated Development Planning (IDP) & Institutional Performance. The Municipal Manager is supported by six Directors.

DIRECTORATE: COMMUNITY SERVICES

The Director Community Services oversees five major departments that incorporate services including **Disaster Management, Fire and Rescue, Traffic and Law Enforcement, Parks, Waste Management, Libraries, Halls, Cemeteries, Museums, Arts and Culture, Youth and Gender, and Sport Development.**

DIRECTORATE: CORPORATE SERVICES

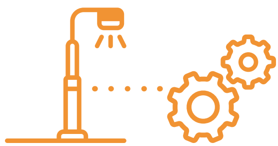


The Director Corporate Services, is responsible for the administrative processes that **ensure good governance** and **the achievement of Council's strategic objectives.** The directorate incorporates the Departments of **Administration, Committee Services, Estates, Human Resources, Legal Services, Property and Records Management, and Public Participation.** Corporate Services is also the secretariat of Council and supports the legislative and executive functions of Council.

DIRECTORATE: FINANCIAL SERVICES

This directorate administrates all **finance-related services** as well as the **Information Technology** department.

DIRECTORATE: INFRASTRUCTURE SERVICES



Services pertaining mainly to bulk infrastructure are the responsibility of the Director Technical Services. It also incorporates all **Electrical & Mechanical services related to distribution of electricity** and oversees the municipality's **fleet and mechanical workshop.**

DIRECTORATE: INTEGRATED HUMAN SETTLEMENTS

This directorate administrates **all housing-related services.** The Directorate Integrated Human Settlements acts as an agent for Provincial Government and is working with them to achieve their vision, to develop sustainable integrated human settlements.

DIRECTORATE: PLANNING AND ECONOMIC DEVELOPMENT

This directorate is responsible for the departments related to **town and economic development** including **Town Planning, Building Control, Environmental Management and Economic Development.**

OUR CUSTOMERS

Our customers are all the people we deal with during our work. **They are people who live in, work in or visit our municipality and who do business with us.** We are committed to deal with all our customers' needs, attention will be given to each individual case and it will be handled in the best possible way.

SERVICE STANDARDS

We have developed the following service standards for the municipality. Customers will have the opportunity to measure us against these standards.

DIRECTORATE COMMUNITY SERVICES		
SERVICE TITLE	**SERVICE DESCRIPTION**	**SERVICE LEVEL DAYS**
COMMUNITY SERVICE	General - Correspondence	10
EVENTS	Events and Festivals	5
FIRE SERVICES	Chemical Spills	1
	Building Fires	1
	Field, Hazardous & Vehicle Fires	1
	Plot Clearing	21
LAW ENFORCEMENT	Animal Control	1
	Beach Control & Noise Control	1
	Illegal Dumping: Notices	7
	Nuisance Control Vagrants & Car Guards	1
	Road Marking	2
	Signage: Street Names & Traffic Signs	14
PARKS	Horticulture: CBD Maintenance	5
	Open Spaces: Bush Clearing & Tree Cutting	20
	Open Spaces: Grass Cutting	30
	Sport Field: Buildings	5
	Garden Refuse	5
SOLID WASTE	Cemeteries	3
	Illegal Dumping	5
	Public Ablution: Maintenance	7
	Refuse Collection	1
	Septic Tank Removals	1
	Street Cleaning CBD	2
	General - Correspondence	5
TRAFFIC SERVICES	Drivers License: Renewal	1
	Motor Vehicle License	1
	Motor Vehicle Registration	1
	Traffic Fines	10
	Complaints: Protest Action	7

DIRECTORATE
CORPORATE SERVICES

SERVICE TITLE	SERVICE DESCRIPTION	SERVICE LEVEL DAYS
ADMINISTRATION	No response to correspondence	5
	Records: Misplaced & Lost Documents	14
CORPORATE SERVICES	General - Correspondence	10
HUMAN RESOURCE	Job Applications: Not shortlisted	7
	General - CV's	5
LEGAL SERVICES	Complaints: By-Laws Enforcement	14
	Complaints: Contract Management	14
	Complaints: Land Use Planning Ordinance	14
	Enquiries: Title Deeds	14
	RDP House: Illegal Sale	5

DIRECTORATE
FINANCIAL SERVICES

SERVICE TITLE	SERVICE DESCRIPTION	SERVICE LEVEL DAYS
ACCOUNT ENQUIRIES	Account Accuracy	5
	General Enquiries (Financial)	5
	Property Valuations	21
	Rates	7
ASSETS & INSURANCE	Acknowledge receipt of Insurance claim	5
	Processing time (after receipt of all documents requested from other departments)	14
	Notification of decision (after receipt of decision from insurers)	5
CREDIT CONTROL	Indigent Applications	21
	Payment Arrangements	1
	Rebates	21
CUSTOMER INFORMATION	Change of Address	1
	Name Change: Pre-Paid only	1
FINANCIAL SERVICES	General - Correspondence	10
TRADE SERVICES	Electricity: New Connections	14
	Electricity: Reconnections	2
	Electricity: Upgrades/Downgrades	1
	Meter Readings	3
	Suspended Services	3

DIRECTORATE
FINANCIAL SERVICES

SERVICE TITLE	SERVICE DESCRIPTION	SERVICE LEVEL DAYS
TRADE SERVICES	Water: New Connections	7
	Water: Reconnections	1

DIRECTORATE
INFRASTRUCTURE SERVICES

SERVICE TITLE	SERVICE DESCRIPTION	SERVICE LEVEL DAYS
ELECTRICAL SUPPLY	Faulty Cable Repair & Load Switches	1
	No Electrical Supply	1
	Upgrades/Downgrades	1
LIGHTING	Faults Sports field Lights	7
	Faults Street Lights	7
METERING	Faulty Pre-paid Meter	1
	Meter Tampering	1
TRAFFIC LIGHTS	Faults	1
ROADS	Grading Gravel Roads	240
	General Road Repairs	90
	Pothole Repairs	90
SEWERAGE	Blockages: Sewer Reticulation	2
	Broken Sewer Pipes	14
	Manhole Covers: Sewer	28
	New Connections: Sewer	7
	Sewer Smells: Investigate	2
STORMWATER	Blocked Drains	90
	Manhole Covers	90
TECHNICAL SERVICES	General - Correspondence	10
WATER	Burst Pipe: Minor Leakage	2
	Faulty Meters	14
	Fire Hydrant Leakages	14
	Meter Testing	60
	New Connections: Water	7
	Valve Leakages	14
	Water: Quality Check	7
	Water: Tanker Delivery	2
	Burst Pipe: Major Leakage	2
AUGMENTATION	General - Correspondence	10

DIRECTORATE

INTEGRATED HUMAN SETTLEMENTS

SERVICE TITLE	SERVICE DESCRIPTION	SERVICE LEVEL DAYS
HOUSING	Emergency Housing Kits: Fire Damage	5
	Emergency Housing Kits: Storm Damage	5
	Enquiries: General	5

DIRECTORATE

PLANNING & ECONOMIC DEVELOPMENT

SERVICE TITLE	SERVICE DESCRIPTION	SERVICE LEVEL DAYS
BUILDING INSPECTORATE	Inspection of Complaints	10
	Issue Completion Certificates	14
	Process Plans larger than $500m^2$	60
	Process Plans smaller than $500m^2$	30
	RDP Erven: Illegal Building	14
ECONOMIC DEVELOPMENT	Local Economic Development: General Enquiries	5
ENVIRONMENTAL HEALTH ECONOMIC DEVELOPMENT	Environmental Health: General Enquiries	5
ENVIRONMENTAL MANAGEMENT	Emergencies	1
	OSCAE permit	21
LAND USE APPLICATIONS	Acknowledge Completed Application	14
	Advertising (if necessary)	21
	Comments provided to Applicant (after closing date)	14
	Decision on authorised official applications (after receipt of response to comments)	60
	Inspection of Complaints	5
	Notification of Council decision	14
	Processing time (excl advertising & comments time)	90
	Submission to authorised official since applicant's comment period	120
PLANNING AND DEVELOPMENT	General - Correspondence	10

HOW TO CONTACT US:

EMERGENCIES ALL HOURS

Telephone:	+27 (0)44 302 8911	

ALL SECTIONS OFFICE HOURS

Telephone:	+27 (0)44 302 6300	
Facsimile:	+27 (0)44 302 6333	
Email:	knysna@knysna.gov.za	
Physical Address:	Clyde Street, Knysna	
Postal Address:	PO Box 21, Knysna, 6570	

CUSTOMER SERVICES

SMS:	44453	
Email:	customercare@knysna.gov.za	

AREA OFFICES

Sedgefield	+27(0)44 302 6500	

MUNICIPAL MANAGER

Municipal Manager	+27(0)44 302 6590	

DIRECTORATE COMMUNITY SERVICES

Director	+27(0)44 302 6363	
Cemeteries	+27(0)44 302 6327	+27(0)44 384 1613
Waste Management	+27(0)44 302 6405	
Drivers Licences	+27(0)44 302 6451	+27(0)44 302 6593
	+27(0)44 302 6434	
Traffic & Law Enforcement	+27(0)44 302 6551	+27(0)44 302 6337
Vehicle Registrations	+27(0)44 302 6433	+27(0)44 302 6439
	+27(0)44 302 6439	

DIRECTORATE CORPORATE SERVICES

Director	+27(0)44 302 6316	
Administration	+27(0)44 302 6445	

Human Resources	+27(0)44 302 6307
Public Participation	+27(0)44 302 6535
Legal Services	+27(0)44 302 6576

DIRECTORATE FINANCIAL SERVICES

Director	+27(0)44 302 6389
Enquiries General Finance	+27(0)44 302 6567
	+27(0)44 302 6558
Enquiries Rates	+27(0)44 302 6414
Enquiries Water Accounts	+27(0)44 302 6597

DIRECTORATE INFRASTRUCTURE SERVICES

Director	+27(0)44 302 6312
Water & Wastewater Services	+27(0)44 302 6332
Roads & Storm Water	+27(0)44 302 6309
Project Management Office	+27(0)44 302 6392
Electrical Services	+27(0)44 302 6409
Water Fault reports office hours	+27(0)44 302 6331
Electrical Fault reports office hours	+27(0)44 302 6397
	+27(0)44 302 6399

DIRECTORATE INTEGRATED HUMAN SETTLEMENTS

Director	+27(0)44 302 6347
Human Settlements	+27(0)44 302 6580

DIRECTORATE PLANNING AND ECONOMIC DEVELOPMENT

Director	+27(0)44 302 6348
Building Control	+27(0)44 302 6324
Environmental Management	+27(0)44 302 6317
Town Planning	+27(0)44 302 6319
Economic Development (ED)	+27(0)44 302 6366

Knysna Municipality
Clyde Street
Knysna
6570

www.knysna.gov.za
/knysnamunicipality
@KnysnaMuni
http://knysna.comunity.me

Knysna Municipality
inclusive | innovative | inspired

Appendix 5:

Procurement Plan

Appendix 5 : Annual Demand Management Plan (Capital)

Row Number	Directorate	Department	Expenditure Description	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	1. Executive Council	COUNCIL GENERAL	Program Office Furniture	100 000	-	-	Christopher Bezuidenhout	01/07/2022						RFQ process will be followed
2	1. Executive Council	COMMUNICATION	New Vehicle	250 000	-	-	Christopher Bezuidenhout							Tender in place
3	2. Corporate	DIRECTOR: CORPORATE	Installation of Wheelchair lift	-	869 565	-	Melony Paulsen							RFQ process will be followed
4	2. Corporate	DIRECTOR: CORPORATE	New Fencing 14 Church Street, 42 Old Toll Road, Milkwood Flats, Protea Flats, West View Court, 3 Clyde Street	-	600 000	800 000	Melony Paulsen							Tender to be advertised
5	2. Corporate	DIRECTOR: CORPORATE	Replace abestos roofs - municipal offices - Clyde Street, Sedgefield, Khayalethu	800 000	500 000	500 000	Melony Paulsen							Tender to be advertised
6	2. Corporate	DIRECTOR: CORPORATE	New airconditioners	235 000	100 000	100 000	Melony Paulsen							RFQ process will be followed
7	2. Corporate	DIRECTOR: CORPORATE	Ward 11 Office	-	700 000	-	Melony Paulsen							
8	2. Corporate	DIRECTOR: CORPORATE	Window Blinds for Municipal Offices	50 000	200 000		Melony Paulsen							RFQ process will be followed
9	2. Corporate	DIRECTOR: CORPORATE	Program Office Furniture	70 000	50 000	50 000	Melony Paulsen							RFQ process will be followed
10	2. Corporate	PUBLIC PARTICIPATION	Program Plant & Equipment	18 700	-	-	Jacky Kalani	30/08/2022						B-order process will bw followed
11	2. Corporate	PUBLIC PARTICIPATION	Program Plant & Equipment	36 000	-	-	Jacky Kalani	30/08/2022						RFQ process will be followed
12	2. Corporate	INFORMATION TECHNOLOGY	Data Centre Upgrade	300 000	100 000	100 000	Lezelle Plaatjies							RFQ process will be followed
13	2. Corporate	INFORMATION TECHNOLOGY	Program Computer Equipment	160 000	160 000	160 000	Lezelle Plaatjies							RFQ process will be followed
14	2. Corporate	INFORMATION TECHNOLOGY	Program Computer Equipment	130 000	65 000	65 000	Lezelle Plaatjies							RFQ process will be followed
15	2. Corporate	INFORMATION TECHNOLOGY	UPS System	60 000	-	-	Lezelle Plaatjies							RFQ process will be followed
16	2. Corporate	INFORMATION TECHNOLOGY	New Server and Switches	980 000	-	-	Lezelle Plaatjies							Tender process in place
17	3. Finance	DIRECTOR: FINANCE	Buildings Upgrade ~~(Filing space)~~	30 000	-	-	Fredri Kruger							RFQ process will be followed
18	3. Finance	DIRECTOR: FINANCE	Program Office Furniture	35 000	5 000	5 000	CFO	30/07/2022						RFQ process will be followed
19	3. Finance	INCOME	New LDV	380 000	-	-	Busisiwe Kova	30/08/2022	03/10/2022	05/10/2022				Tender in place
20	5. Planning	DIRECTOR: PLANNING DEVELOPMENT	Office Furniture	24 550	-	-	Hennie Smit							RFQ process to be followed
21	5. Planning	ENVIRONMENTAL MANAGEMENT	Rehabiliation of the Bongani river Phase 1 of implementation	500 000	2 000 000	3 000 000	Pam Booth	30/08/2022	03/10/2022	06/10/2022				Tender to be advertised
22	6. Community	HALLS / FACILITIES	Upgr Brenton Hall - Underpinning	500 000	2 400 000	500 000	Richard Meyer	30/08/2022	03/10/2022	05/10/2022				New Tender to be advertised
23	6. Community	HALLS / FACILITIES	Furniture Equipment	100 000	120 000	140 000	Richard Meyer							RFQ process to be followed
24	6. Community	PARKS RECREATION	Small Plant Equipment	200 000	220 000	240 000	Ivan Van Wyk							RFQ process will be followed
25	6. Community	SAFETY LAW ENFORCEMENT	CCTV camera Project	200 000	200 000	400 000	Steven Langlands	30/04/2021	30/05/2021	30/05/2021	05/05/2021	11/06/2021	23/06/2021	Tender in progress
26	6. Community	CLEANSING REFUSE REMOVAL SERV.	Acquisition of Compactor Trucks (2)	1 700 000	1 700 000	-	Randal Bouwer	30/02/2022	10/05/2022	12/05/2022				Tender awarded
27	6. Community	CLEANSING REFUSE REMOVAL SERV.	Repl CX 4906 (2004) Street Cleaning Bakkie	-	250 000	-	Randal Bouwer	30/08/2022	03/10/2022	05/10/2022				New Tender to advertised
28	6. Community	CLEANSING REFUSE REMOVAL SERV.	New Front end Loader - Waste Facilities	-	1 600 000	-	Randal Bouwer							
29	6. Community	CLEANSING REFUSE REMOVAL SERV.	Replacing bin lifting Equipment		150 000	150 000	Randal Bouwer							RFQ process to be followed
30	6. Community	PARKS RECREATION	New Bakkie-Parks Supervisor Sedgefield	-	380 000	-	Ivan Van Wyk							
31	6. Community	SPORTFIELDS	MIG: 285770 Upgrade Sportsfield PH2 (Bongani)	9 565 217	-	-	Richard Meyer							
32	6. Community	SPORTFIELDS	MIG: 285767 - (Rheenendal) Upgrade Sportsfield PH2 (Rugby)	-	2 173 913	7 391 304	Richard Meyer							
33	6. Community	CEMETERY	Cemetery Windheuwel	600 000	200 000	-	Ivan Van Wyk	30/08/2022	03/10/2022	05/10/2022				New Tender to advertised
34	6. Community	CEMETERY	Mini Hydraulic Excavator - veh	-	450 000	-	Ivan Van Wyk							
35	6. Community	SAFETY LAW ENFORCEMENT	Trailer	-	100 000	-	Steven Langlands							
36	6. Community	SAFETY TRAFFIC DEPARTMENT	Two Motor Vehicles(Sedans)	300 000	600 000		Steven Langlands	30/08/2022	03/10/2022	05/10/2022				Tender in place

Row Number	Directorate	Department	Expenditure Description	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
37	6. Community	SAFETY TRAFFIC DEPARTMENT	Breatherlizer Sets	50 000	50 000	50 000	Steven Langlands							RFQ process to be followed
38	6. Community	SAFETY TRAFFIC DEPARTMENT	Replacement of Fence-Driving Testing Station		200 000	-	Steven Langlands	30/08/2022	03/10/2022	05/10/2022				New Tender to be advertised
39	6. Community	SAFETY TRAFFIC DEPARTMENT	Motor Cycle Testing Equipment	100 000	-	150 000	Steven Langlands							RFQ process to be followed
40	6. Community	SAFETY LAW ENFORCEMENT	Baboon deterrent equipment	100 000	-	-	Steven Langlands							RFQ process to be followed
41	6. Community	MUSEUM	Museum Upgrade	-	120 000	-	Xola Frans							
42	6. Community	LIBRARY	LIbrary Upgrade and refurbishment	-	60 000	-	Xola Frans							
43	6. Community	SAFETY FIRE BRIGADE SERVICES	Construction of parking Bay	500 000	1 500 000	-	Ian Bezuidenhout	30/08/2022	03/10/2022	05/10/2022				New Tender to be advertised
44	6. Community	SAFETY FIRE BRIGADE SERVICES	Establishment of fire stations - Rheenendal		1 000 000	1 000 000	Ian Bezuidenhout	30/08/2022	03/10/2022	05/10/2022				New Tender to be advertised
45	6. Community	SAFETY FIRE BRIGADE SERVICES	Establishment of fire stations - Khayalethu	1 000 000	1 000 000		Ian Bezuidenhout	30/08/2022	03/10/2022	05/10/2022				New Tender to be advertised
46	6. Community	SAFETY FIRE BRIGADE SERVICES	Replacement of fire engine CX 10515 & CX 43651	1 200 000	-	1 200 000	Ian Bezuidenhout	30/08/2022	03/10/2022	05/10/2022				New Tender to be advertised
47	6. Community	SAFETY FIRE BRIGADE SERVICES	Procurement of fire hose and pressure gauge meter kit	300 000	200 000	200 000	Ian Bezuidenhout	30/08/2022	03/10/2022	05/10/2022				New Tender to be advertised
48	6. Community	SAFETY FIRE BRIGADE SERVICES	Procurement of portable handheld radio's	55 000	60 000	70 000	Ian Bezuidenhout							RFQ process to be followed
49	6. Community	TRANSFER STATION	Acquisition of Hooklift Trucks	1 900 000		-	Randal Bouwer	30/08/2022	03/09/2022	05/10/2022				New Tender to be advertised
50	6. Community	TRANSFER STATION	Acquisition of Trailer	-	600 000		Randal Bouwer	30/08/2022	03/10/2022	05/10/2022				New Tender to be advertised
51	6. Community	PUBLIC TOILETS	Install turn style system at taxi rank	-		350 000	Randal Bouwer	30/08/2022	03/10/2022	05/10/2022				New Tender to be advertised
52	7. Electricity	ELECTRICITY DISTRIBUTION	Electrification of informal areas - Ward 4	750 000	250 000	150 000	Tholi	10/04/2021	11/06/2021	12/08/2021				Tender in place
53	7. Electricity	ELECTRICITY DISTRIBUTION	Eastford 11KV Line to Concordia	-	500 000	400 000	Tholi							Jobbing tender
54	7. Electricity	ELECTRICITY DISTRIBUTION	Electrification of informal areas - Hornlee (Ward 11)	500 000	250 000	150 000	Tholi							Tender in place
55	7. Electricity	ELECTRICITY DISTRIBUTION	Electrification of informal areas - Ward 6	500 000	250 000	150 000	Tholi							Tender in place
56	7. Electricity	ELECTRICITY DISTRIBUTION	Electrification of informal areas - Bigai Heights Ward 6 and 11	750 000	-	-	Tholi							
57	7. Electricity	ELECTRICITY DISTRIBUTION	Electrification of informal areas	250 000	250 000	150 000	Tholi							Tender in place
58	7. Electricity	ELECTRICITY DISTRIBUTION	Electrification of informal areas	-	250 000	150 000	Tholi							Tender in place
59	7. Electricity	ELECTRICITY DISTRIBUTION	Elec Nothern areas (INEP)		5 217 391	5 451 304	Tholi							
60	7. Electricity	ELECTRICITY DISTRIBUTION	Electrification of informal areas	-	250 000	150 000	Tholi							Tender in place
61	7. Electricity	ELECTRICITY DISTRIBUTION	Elec Nothern areas (INEP) - Ward 3	3 217 391	-	-	Tholi							
62	7. Electricity	ELECTRICITY DISTRIBUTION	Elec Nothern areas (INEP) - Ward 7	1 286 957	-	-	Tholi							
63	7. Electricity	ELECTRICITY DISTRIBUTION	Elec Nothern areas (INEP) - Ward 4 & 8	3 217 391	-	-	Tholi							
64	7. Electricity	ELECTRICITY DISTRIBUTION	Elec Nothern areas (INEP) - Ward 1	1 608 696	-	-	Tholi							
65	7. Electricity	ELECTRICITY DISTRIBUTION	Electrification of informal areas	-	250 000	150 000	Tholi							Tender in place
66	7. Electricity	ELECTRICITY DISTRIBUTION	8 ton crane Truck 20 m-t (Sedg): Vehicle Replacement	-	-	2 700 000	Tholi							Tender in place
67	7. Electricity	ELECTRICITY DISTRIBUTION	Salt River Control Plant Upgrade	-	400 000	200 000	Tholi							
68	7. Electricity	ELECTRICITY DISTRIBUTION	Vehicle replacement CX39578 - NISSAN 2.7D	380 000	-	-	Tholi							Tender in place
69	7. Electricity	ELECTRICITY DISTRIBUTION	Vehicle replacement -Toyota Hilux 2.4D	-	400 000	-	Tholi							Tender in place
70	7. Electricity	ELECTRICITY DISTRIBUTION	3 x bakkie 1 ton: New electricians	-	-	400 000	Tholi							Tender in place
71	7. Electricity	ELECTRICITY DISTRIBUTION	Brenton - Upgr power supply	-	600 000	-	Tholi							
72	7. Electricity	ELECTRICITY DISTRIBUTION	Western Feeder 11kV line refurbishments	500 000	500 000	700 000	Tholi							Completed / Jobbing Tender
73	7. Electricity	ELECTRICITY DISTRIBUTION	Eastern heads Feeder 11kV line refurbishments	-	700 000	-	Tholi							Completed / Jobbing Tender

Row Number	Directorate	Department	Expenditure Description	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
74	7. Electricity	ELECTRICITY DISTRIBUTION	Xolweni SS to Sawmill RMU replacement of OH to underground refurbishments	800 000	400 000	-	Tholi							Jobbing tender
75	7. Electricity	ELECTRICITY DISTRIBUTION	Groenvlei 11kv line replacement	-	-	900 000	Tholi							Jobbing tender
76	7. Electricity	ELECTRICITY DISTRIBUTION	EMI -Smart metering project	250 000	500 000	500 000	Tholi							To be utilised for consultants initial introduction of the meters
77	7. Electricity	ELECTRICITY DISTRIBUTION	Asset replacements refurbishments	2 000 000	1 500 000	2 500 000	Tholi	30/08/2022	03/10/2022	05/10/2022				Tender in place
78	8. Technical	DIRECTOR: INFRASTRUCTURE	Program Tools Equipement	500 000	450 000	-	Director							RFQ Process to be followed
79	8. Technical	RDS,S/WTR,DRAINAGE:STORMWATER	Upgrade Stormwater Infrastructure	250 000	250 000	250 000	Mpumelelo Nzuzo							
80	8. Technical	RDS,S/WTR,DRAINAGE:STORMWATER	Upgrade Stormwater Infrastructure	750 000	500 000	1 000 000	Shaun Maree							RFQ process to be followed
81	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	Resealing of Streets	7 500 000	3 500 000	6 750 000	Shaun Maree							Year 2 of appointment. No procurement required
82	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	Upgrade Gravel Roads Ward 3	-	2 000 000	2 000 000	Mpumelelo Nzuzo	25/11/2021	25/03/2022	25/03/2022	02/11/2021	07/03/2022		T05/2021/22
83	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	Upgrade Gravel Roads Ward 4	3 000 000	2 000 000	2 000 000	Mpumelelo Nzuzo	25/11/2021	25/03/2022	25/03/2022	02/11/2021	07/03/2022		Yet to serve on the adjudiction committee
84	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	Upgrade Gravel Roads Ward 7	3 000 000	2 000 000	2 000 000	Mpumelelo Nzuzo							New Tender to be advertised
85	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	Upgrade Gravel Roads Ward 8	-	2 000 000	-	Mpumelelo Nzuzo	25/11/2021	25/03/2022	25/03/2022	02/11/2021	07/03/2022		Yet to serve on the adjudiction committee
86	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	Cola Beach	850 000	-	-	Mpumelelo Nzuzo							New Tender to be advertised
87	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	George Rex Drive	1 000 000	4 000 000	10 000 000	Mpumelelo Nzuzo							New Tender to be advertised
88	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	Road Safety Improvements	100 000	250 000	250 000	Shaun Maree							RFQ process to be followed
89	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	Sedgefield Mouth Parking Area refurbishment	500 000	1 000 000	2 000 000	Mpumelelo Nzuzo							New Tender to be advertised
90	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	MIG : Upgrade of Gravel Roads - Ph2 (Karatara)	-	-	1 304 348	Mpumelelo Nzuzo							
91	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	MIG : Upgrade of Gravel Roads - Ph2 (Rheenendal)	-	-	1 304 348	Mpumelelo Nzuzo							
92	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	MIG : Upgrade of Gravel Roads - Ph2 (Northern Areas)	-	-	2 956 522	Mpumelelo Nzuzo							
93	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	MIG 374126 : Upgrade of Gravel Roads - Ph1 (Northern Areas)	5 095 380	5 095 380	-	Mpumelelo Nzuzo							
94	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	MIG : Upgrade of Gravel Roads	-	-	-	Mpumelelo Nzuzo							
95	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	NDPG - Public Transport Facilities	4 347 826	4 347 826	8 695 652	Mpumelelo Nzuzo							New Tender to be advertised
96	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	MIG: Rehabilitation of Streets	5 792 278	8 971 466	8 174 782	Mpumelelo Nzuzo		07/03/2022	31/03/2022	30/11/2022	07/03/2022	31/03/2022	T05/2021/22 Awarded
97	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	Upgrade Roads - Bigai Heights - Ward 6 & 11	750 000	-	-								
98	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	New Vehicle: 1 Ton LDV	-	380 000	-								
99	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	New Vehicle: 1.5 Ton LDV	450 000	-	-								
100	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	Veh Repl - CX1741 (Digger Loader)	-	-	1 250 000								
101	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	Veh Repl - Chevrolet Corsa	-	380 000	-								
102	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	Veh Repl - Nissan 2.7 D	-	380 000	-								
103	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	Veh Repl - Nissan NP300	-	380 000	-								
104	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	Vehicle Replacement CX44804	-	380 000	-								
105	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	Pavement ripper	199 500										
106	8. Technical	RDS,S/WTR,DRAINAGE:STREETS	Rehabilitation of Streets		4 000 000	4 470 000								
107	8. Technical	SEWERAGE RETICULATION SERVICES	MCC replacement	1 350 000	750 000	-								
108	8. Technical	SEWERAGE RETICULATION SERVICES	MIG : Rehabilitation of Khayalethu Sewer Bridge	1 200 000	2 532 174	-	Rhoydon Parry	10/04/2021	11/06/2021	12/08/2021				Currently on professional services
109	8. Technical	SEWERAGE RETICULATION SERVICES	MIG : Damsebos to Hlalani Bulk Sewer Link	869 565	2 638 974	3 981 739	Rhoydon Parry	10/04/2021	11/06/2021	12/08/2021				Currently on professional services
110	8. Technical	SEWERAGE RETICULATION SERVICES	Replacement of Pump, Valves and rails	750 000	750 000	1 000 000	Rhoydon Parry		17/01/2022	02/02/2022		17/01/2022	02/02/2022	T17/2021/22 On hold

Row Number	Directorate	Department	Expenditure Description	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
111	8. Technical	SEWERAGE RETICULATION SERVICES	MIG 295640: Upgrading of the Sedgefield Bulk Sewer Infrastructure, Phas	10 267 385	2 728 007	-	Rhoydon Parry							New Tender to be advertised
112	8. Technical	SEWERAGE RETICULATION SERVICES	MIG: Upgrading of the Sedgefield Wastewater Infrastructure, Phas	-	-	-								
113	8. Technical	SEWERAGE RETICULATION SERVICES	Brenton on Lake to Belvedere Sewer Link	500 000	1 900 000	-	Rhoydon Parry	10/04/2021	11/06/2021	12/08/2021				Currently on professional services
114	8. Technical	SEWERAGE RETICULATION SERVICES	Increase storage capacity at Salt River Sewer Pumpstation feeding Welbedacht and Simola	500 000	-	-	Rhoydon Parry	10/04/2021	11/06/2021	12/08/2021				Currently on professional services
115	8. Technical	SEWERAGE RETICULATION SERVICES	Knysna Windheuwel WWTW	500 000	1 000 000	13 800 000	Rhoydon Parry							New Tender to be advertised
116	8. Technical	SEWERAGE RETICULATION SERVICES	Rehabilitate Sewer Pipe Bridge in Khayalethu	1 000 000	-	-	Rhoydon Parry	10/04/2021	11/06/2021	12/08/2021				Currently on professional services
117	8. Technical	SEWERAGE RETICULATION SERVICES	Replace Bio-disc in Belvidere	800 000	-	-	Rhoydon Parry							New Tender to be advertised
118	8. Technical	SEWERAGE RETICULATION SERVICES	Upgrade main Sewer Pump Station and sewers in the CBD	2 000 000	-	-	Rhoydon Parry							
119	8. Technical	WATER PURIFICATION WORKS	Fencing and Secuity of Key Points	2 000 000	1 000 000	-	Rhoydon Parry							
120	8. Technical	WATER PURIFICATION WORKS	Knysna Dam Phasing	1 500 000	1 500 000	-	Rhoydon Parry							New Tender to be advertised
121	8. Technical	WATER PURIFICATION WORKS	Retaining Wall Knysna Heights-stormwater	750 000	-	-	Rhoydon Parry							
122	8. Technical	WATER PURIFICATION WORKS	Retaining Wall Knysna Heights	-	-	-	Rhoydon Parry							New Tender to be advertised
123	8. Technical	WATER RETICULATION	Water Demand management devices	6 500 000	2 750 000	-	Rhoydon Parry							
124	8. Technical	WATER RETICULATION	Upgrade Knysna CBD Water reticulation	3 250 000	2 000 000	-	Rhoydon Parry	10/04/2021	11/06/2021	12/08/2021				Currently on professional services
125	8. Technical	WATER RETICULATION	Refurbish Fire Damaged Infrastructure	-	1 250 000	-	Rhoydon Parry							New Tender to be advertised
126	8. Technical	WATER RETICULATION	Re-align Karawater pipeline	-	800 000	-	Rhoydon Parry							New Tender to be advertised
127	8. Technical	WATER RETICULATION	Water services infrastructure Grant	-	-	29 075 652	Rhoydon Parry							
128	8. Technical	SEWERAGE RETICULATION SERVICES	Veh Repl: CX 12804 NISSAN NP 300 2.5D	-	380 000	-	Rhoydon Parry							Transversal Tender to be used
129	8. Technical	WATER RETICULATION	Veh Repl: CX44803	-	380 000	-	Rhoydon Parry							Transversal Tender to be used
130	8. Technical	WATER RETICULATION	Veh Repl: CX 40142 NISSAN NP300	-	380 000	-	Rhoydon Parry							Transversal Tender to be used
131	8. Technical	WATER RETICULATION	Veh Vacuum tanker (Water Sewer)	-	-	3 600 000	Rhoydon Parry							New Tender to be advertised
132	8. Technical	WATER PURIFICATION	Refurbish Akkerkloof and Glebe Dam Tower	200 000	-	-	Rhoydon Parry							RFQ process to be followed
133	8. Technical	WATER RETICULATION	Pipeline from PG Bison to Akkerkloof 600m. 150 mm pipeline to Tsitsitsi Street. Class 12	-	1 000 000	-	Rhoydon Parry							New Tender to be advertised
134	8. Technical	WATER RETICULATION	Upgrade of pipeline from Khayalethu Pumpstation (Tyi-Tyi Street)	-	900 000	-	Rhoydon Parry							New Tender to be advertised
135	8. Technical	SEWER RETICULATION	Chambers - outfall sewers	500 000	500 000	-	Rhoydon Parry							New Tender to be advertised
136	8. Technical	WATER RETICULATION	Old Place Pipe replacement - Melkhoud, Old Toll Road, Camdeboo, Sand piper	-	6 000 000	-	Rhoydon Parry							New Tender to be advertised
137	8. Technical	WATER RETICULATION	Paradise pipe replacement - Circular Drive, Camble Drive, Meyer Drive	-	-	2 500 000	Rhoydon Parry							New Tender to be advertised
138	8. Technical	WATER PURIFICATION	Knysna WTW - refurbishment of building	200 000	300 000	-	Rhoydon Parry							RFQ process to be followed
139	8. Technical	WATER RETICULATION	Sedgefield - water line - Makou to Swallow	-	-	1 500 000	Rhoydon Parry							New Tender to be advertised
140	8. Technical	SEWERAGE PURIFICATION	Replace Compressors @ Sedgefield WWTW	500 000	-	-	Rhoydon Parry							New Tender to be advertised
141	8. Technical	WATER RETICULATION	Knysna Brenton feed - Bulk line replacement	-	-	1 000 000	Rhoydon Parry							New Tender to be advertised
142	8. Technical	WATER RETICULATION	Buffalo bay replacement of pipeline(s)	500 000	1 500 000	-	Rhoydon Parry							New Tender to be advertised
143	8. Technical	WATER PURIFICATION	Buffalo Bay Upgrade WTW	-	1 000 000	1 000 000	Rhoydon Parry							New Tender to be advertised
144	8. Technical	WATER PURIFICATION	Replace and refurbish Sand filters all WTW	4 000 000	-	-	Rhoydon Parry							New Tender to be advertised
145	8. Technical	SEWER PURIFICATION	Replace and refubish dry bed filter media all WWTW	-	-	2 000 000	Rhoydon Parry							New Tender to be advertised
146	8. Technical	SEWER RETICULATION	Roos Bolton - Sewer line	-	-	1 300 000	Rhoydon Parry							New Tender to be advertised
147	8. Technical	SEWER RETICULATION	Jett Machine	-	-	500 000	Rhoydon Parry							New Tender to be advertised

Row Number	Directorate	Department	Expenditure Description	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
148	8. Technical	WATER RETICULATION	Tools and Equipment	50 000	-	-	Rhoydon Parry							RFQ process to be followed
149	8. Technical	WATER AND SEWER RETICULATION	Drone	-	250 000	-	Rhoydon Parry							
150	8. Technical	WATER AND SEWER RETICULATION	Metal detector	25 000	-	-	Rhoydon Parry							B-Order process to be followed
151	8. Technical	WATER RETICULATION	Leak detector	200 000	-	-	Rhoydon Parry							B-Order process to be followed
152	8. Technical	WATER RETICULATION	New reservoir @ Noetzie	-	-	2 000 000	Rhoydon Parry							New Tender to be advertised
153	8. Technical	WATER RETICULATION	Purchase of new 20mm Water Meters	750 000	-	-	Rhoydon Parry		07/04/2022					Tender in place
154	8. Technical	SEWER PURIFICATION	Odour control	600 000	-	-	Rhoydon Parry							New Tender to be advertised
155	8. Technical	WATER RETICULATION SERVICES	MCC replacement	450 000	-	-	Rhoydon Parry							New Tender to be advertised
156	8. Technical	WATER RETICULATION SERVICES	Standpipes	150 000	-	-	Rhoydon Parry							RFQ process to be followed
157	8. Technical	WATER RETICULATION SERVICES	Bulk Water Supply - Rheenendal	250 000	-	-	Rhoydon Parry							RFQ process to be followed
158	8. Technical	WATER RETICULATION	Loggers	25 000	-	-	Rhoydon Parry							B-Order process to be followed
159	6. Housing Administration	Housing Administration	Sedgefield Infill - Informal Settlements Upgrading Partnership Grant	-	12 420 000	26 165 000	Lindile Petuna							
160	6. Housing Administration	Housing Administration	Knysna Vision(1393) UISP	-	2 400 000	6 000 000	Lindile Petuna							
161	6. Housing Administration	Housing Administration	Hornlee Infill - Informal Settlements Upgrading Partnership Grant	-	4 800 000	5 945 000	Lindile Petuna							
162	6. Housing Administration	Housing Administration	Service sites	500 000	-	-	Lindile Petuna							RFQ process to be followed
163	6. Housing Administration	Housing Administration	Servicing of 30 erven on erf 4712 Hornlee	1 512 445	-	-	Lindile Petuna							Tender in place
164	7. Electricity	ELECTRICITY DISTRIBUTION	RMU & Transformer	800 000	-	-	Tholi							
165	7. Electricity	ELECTRICITY DISTRIBUTION	Vehicle Replacements	-	400 000	-	Tholi							Tender in place

Appendix 5 : Annual Demand Management Plan (Operating)														
Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	Vote 1 - Executive and Council	1.1 - Council General Expenses	Advertising Publicity Marketing: Tenders	187 900,50	196 168,00	204 996,00	Christopher Bezuidenhout							RFQ process to be followed
2	Vote 1 - Executive and Council	1.1 - Council General Expenses	ESKOM Charges (Direct)	28 349,55	29 597,00	30 929,00	Christopher Bezuidenhout							RFQ process to be followed
3	Vote 1 - Executive and Council	1.1 - Council General Expenses	Tfrs Subs: Operational: Allocations In-kind: Households: Social Assistance: Grant In Ai	48 448,00	50 580,00	52 856,00	Christopher Bezuidenhout							RFQ process to be followed
4	Vote 1 - Executive and Council	1.1 - Council General Expenses	Tfrs Subs: Operational: Allocations In-kind: Households: Social Assistance: Grant In Ai	268 058,00	279 853,00	292 446,00	Christopher Bezuidenhout							RFQ process to be followed
5	Vote 1 - Executive and Council	1.1 - Council General Expenses	Tfrs Subs: Operational: Allocations In-kind: Households: Social Assistance: Grant In Ai	350 000,00	365 400,00	381 843,00	Christopher Bezuidenhout							RFQ process to be followed
6	Vote 1 - Executive and Council	1.1 - Council General Expenses	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	43 392,00	47 731,00	52 504,00	Christopher Bezuidenhout							RFQ process to be followed
7	Vote 1 - Executive and Council	1.1 - Council General Expenses	Operational Cost: Licences : Motor Vehicle Licence Registrations	692,27	723,00	756,00	Christopher Bezuidenhout							RFQ process to be followed
8	Vote 1 - Executive and Council	1.1 - Council General Expenses	Tfrs & Subs: Operational: Allocations In-kind: Households: Social Assistance: Grant In A	400 000,00	417 600,00	436 392,00	Christopher Bezuidenhout							RFQ process to be followed
9	Vote 1 - Executive and Council	1.1 - Council General Expenses	Materials Stores	27 432,43	28 639,00	29 928,00	Christopher Bezuidenhout							RFQ process to be followed
10	Vote 1 - Executive and Council	1.1 - Council General Expenses	Stationery Costs	54 175,72	56 559,00	59 104,00	Christopher Bezuidenhout							RFQ process to be followed
11	Vote 1 - Executive and Council	1.1 - Council General Expenses	S T Accommodation Other	27 597,95	28 812,00	30 109,00	Christopher Bezuidenhout							RFQ process to be followed
12	Vote 1 - Executive and Council	1.1 - Council General Expenses	S T Daily Allowance Other	1 476,14	1 541,00	1 610,00	Christopher Bezuidenhout							RFQ process to be followed
13	Vote 1 - Executive and Council	1.1 - Council General Expenses	S T Travel Claim Own Other	14 969,58	15 628,00	16 331,00	Christopher Bezuidenhout							RFQ process to be followed
14	Vote 1 - Executive and Council	1.1 - Council General Expenses	S T Accommodation Training	1 771,78	1 850,00	1 933,00	Christopher Bezuidenhout							RFQ process to be followed
15	Vote 1 - Executive and Council	1.1 - Council General Expenses	S T Travel Claim Domestic Airfareare Other	5 640,14	5 888,00	6 153,00	Christopher Bezuidenhout							RFQ process to be followed
16	Vote 1 - Executive and Council	1.1 - Council General Expenses	Events Festivals	36 994,02	38 622,00	40 360,00	Christopher Bezuidenhout							RFQ process to be followed
17	Vote 1 - Executive and Council	1.1 - Council General Expenses	Community Based Initiative Ward 11	50 000,00	52 200,00	54 549,00	Christopher Bezuidenhout							RFQ process to be followed
18	Vote 1 - Executive and Council	1.1 - Council General Expenses	Community Based Iniative Ward 7	50 000,00	52 200,00	54 549,00	Christopher Bezuidenhout							RFQ process to be followed
19	Vote 1 - Executive and Council	1.1 - Council General Expenses	Community Based Initiative Ward 5	50 000,00	52 200,00	54 549,00	Christopher Bezuidenhout							RFQ process to be followed
20	Vote 1 - Executive and Council	1.1 - Council General Expenses	Community Based Initiative Ward 1	50 000,00	52 200,00	54 549,00	Christopher Bezuidenhout							RFQ process to be followed
21	Vote 1 - Executive and Council	1.1 - Council General Expenses	Community Based Initiative Ward 6	50 000,00	52 200,00	54 549,00	Christopher Bezuidenhout							RFQ process to be followed
22	Vote 1 - Executive and Council	1.1 - Council General Expenses	Community Based Initiative Ward 9	50 000,00	52 200,00	54 549,00	Christopher Bezuidenhout							RFQ process to be followed
23	Vote 1 - Executive and Council	1.1 - Council General Expenses	Community Based Initiative Ward 2	50 000,00	52 200,00	54 549,00	Christopher Bezuidenhout							RFQ process to be followed
24	Vote 1 - Executive and Council	1.1 - Council General Expenses	Community Based Initiative Ward 3	50 000,00	52 200,00	54 549,00	Christopher Bezuidenhout							RFQ process to be followed
25	Vote 1 - Executive and Council	1.1 - Council General Expenses	Community Based Initiative Ward 8	50 000,00	52 200,00	54 549,00	Christopher Bezuidenhout							RFQ process to be followed
26	Vote 1 - Executive and Council	1.1 - Council General Expenses	Community Based Initiative Ward 4	50 000,00	52 200,00	54 549,00	Christopher Bezuidenhout							RFQ process to be followed
27	Vote 1 - Executive and Council	1.1 - Council General Expenses	Community Based Initiative Ward 10	50 000,00	52 200,00	54 549,00	Christopher Bezuidenhout							RFQ process to be followed
28	Vote 1 - Executive and Council	1.1 - Council General Expenses	Sanitary Towels	150 000,00	156 600,00	163 647,00	Christopher Bezuidenhout							RFQ process to be followed
29	Vote 1 - Executive and Council	1.2 - Municipal Manager	Operational Cost: External Audit Fees	518 352,00	541 159,00	565 512,00	Christopher Bezuidenhout							RFQ process to be followed
30	Vote 1 - Executive and Council	1.2 - Municipal Manager	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	10 924,00	12 016,00	13 218,00	Christopher Bezuidenhout							RFQ process to be followed
31	Vote 1 - Executive and Council	1.2 - Municipal Manager	Stationery Costs	9 733,35	10 162,00	10 619,00	Landia							RFQ process to be followed
32	Vote 1 - Executive and Council	1.4 - Organisational Performance	Insurance: Broker Fees	7 428,00	8 171,00	8 988,00	Christopher Bezuidenhout							RFQ process to be followed
33	Vote 1 - Executive and Council	1.4 - Organisational Performance	Management Fee	55 029,34	57 451,00	60 036,00	Christopher Bezuidenhout							RFQ process to be followed
34	Vote 1 - Executive and Council	1.3 - Communication	NCA: PPE: Owned Revaluation: Buildings: All/ex NERSA: Acquisition	14 330,41	14 961,00	15 634,00	Christopher Bezuidenhout							RFQ process to be followed
35	Vote 1 - Executive and Council	1.3 - Communication	Communications Survey	286 611,24	299 222,00	312 687,00	Christopher Bezuidenhout							RFQ process to be followed
36	Vote 1 - Executive and Council	1.3 - Communication	Printing, website development, Radio	237 893,25	248 361,00	259 537,00	Christopher Bezuidenhout							RFQ process to be followed
37	Vote 1 - Executive and Council	1.3 - Communication	Tourism Billboards	50 000,00	52 200,00	54 549,00	Christopher Bezuidenhout							RFQ process to be followed
38	Vote 1 - Executive and Council	1.3 - Communication	Stationery Costs	1 537,56	1 605,00	1 677,00	Christopher Bezuidenhout							RFQ process to be followed

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
39	Vote 1 - Executive and Council	1.3 - Communication	S T Travel Claim Own Other	1 791,56	1 870,00	1 954,00	Landia							RFQ process to be followed
40	Vote 1 - Executive and Council	1.3 - Communication	Insurance: Broker Fees	10 873,00	11 961,00	13 157,00	Christopher Bezuidenhout							RFQ process to be followed
41	Vote 1 - Executive and Council	1.3 - Communication	Monthly Newsletter	210 182,06	219 430,00	229 304,00	Christopher Bezuidenhout							RFQ process to be followed
42	Vote 1 - Executive and Council	1.4 - Organisational Performance	Audit Fees: Internal	1 500 000,00	1 566 000,00	1 636 470,00	Zoleka Gutas							RFQ process to be followed
43	Vote 1 - Executive and Council	1.4 - Organisational Performance	Insurance: Broker Fees	8 817,00	9 699,00	10 669,00	Landia							RFQ process to be followed
44	Vote 1 - Executive and Council	1.4 - Organisational Performance	Prof Bodies Subscription CAE (CIGFARO & IIASA)	8 579,92	8 957,00	9 360,00	Zoleka Gutas							RFQ process to be followed
45	Vote 1 - Executive and Council	1.4 - Organisational Performance	Consultants - Risk Management System	167 381,35	174 746,00	182 610,00	Zoleka Gutas							RFQ process to be followed
46	Vote 1 - Executive and Council	1.4 - Organisational Performance	Stationery Costs	5 731,75	5 984,00	6 253,00	Zoleka Gutas							RFQ process to be followed
47	Vote 1 - Executive and Council	1.4 - Organisational Performance	S T Accommodation Other	12 000,00	12 528,00	13 092,00	Zoleka Gutas							RFQ process to be followed
48	Vote 1 - Executive and Council	1.4 - Organisational Performance	S T Daily Allowance Other	5 500,00	5 742,00	6 000,00	Zoleka Gutas							RFQ process to be followed
49	Vote 1 - Executive and Council	1.4 - Organisational Performance	S T Travel Claim Own Other	10 000,00	10 440,00	10 910,00	Zoleka Gutas							RFQ process to be followed
50	Vote 1 - Executive and Council	1.4 - Organisational Performance	S T Travel Claim Car Rental Other	190,50	199,00	208,00	Zoleka Gutas							RFQ process to be followed
51	Vote 1 - Executive and Council	1.4 - Organisational Performance	Insurance: Broker Fees	9 109,00	10 020,00	11 022,00	Landia							RFQ process to be followed
52	Vote 1 - Executive and Council	1.5 - Integrated Development Planning	Stationery Costs	11 867,40	12 390,00	12 948,00	Charles							RFQ process to be followed
53	Vote 1 - Executive and Council	1.5 - Integrated Development Planning	Insurance: Broker Fees	10 159,00	11 175,00	12 293,00	Landia							RFQ process to be followed
54	Vote 1 - Executive and Council	1.5 - Integrated Development Planning	Management Fees	128 564,00	134 221,00	140 261,00	Charles							RFQ process to be followed
55	Vote 1 - Executive and Council	1.4 - Organisational Performance	Training	33 000,00	34 452,00	36 002,00	Zoleka Gutas							RFQ process to be followed
56	Vote 1 - Executive and Council	1.5 - Integrated Development Planning	Ignite Hosting Fees	128 563,50	134 220,00	140 260,00	Charles							RFQ process to be followed
57	Vote 1 - Executive and Council	1.1 - Council General Expenses	Training - Councillors - MMC	140 000,00	146 160,00	152 737,00	Christopher Bezuidenhout							RFQ process to be followed
58	Vote 2 - Corporate Services	2.3 - Committee Services	Stationery Costs	10 598,42	11 065,00	11 563,00	Jill lackay							RFQ process to be followed
59	Vote 2 - Corporate Services	2.3 - Committee Services	S T Accommodation Other	10 285,08	10 738,00	11 221,00	Jill lackay							RFQ process to be followed
60	Vote 2 - Corporate Services	2.3 - Committee Services	S T Daily Allowance Other	8 030,27	8 384,00	8 761,00	Jill lackay							RFQ process to be followed
61	Vote 2 - Corporate Services	2.3 - Committee Services	S T Travel Claim Own Other	15 101,79	15 766,00	16 475,00	Jill lackay							RFQ process to be followed
62	Vote 2 - Corporate Services	2.8 - Public Participation	Fuel and Oil	28 530,00	29 785,00	31 125,00	Jacky Kalani							RFQ process to be followed
63	Vote 2 - Corporate Services	2.8 - Public Participation	Operational Cost: Licences : Motor Vehicle Licence Registrations	486,15	508,00	531,00	Jacky Kalani							RFQ process to be followed
64	Vote 2 - Corporate Services	2.8 - Public Participation	Materials Stores	8 259,29	8 623,00	9 011,00	Jacky Kalani							RFQ process to be followed
65	Vote 2 - Corporate Services	2.8 - Public Participation	Transportation Ward 2	14 000,00	14 616,00	15 274,00	Jacky Kalani							RFQ process to be followed
66	Vote 2 - Corporate Services	2.8 - Public Participation	Transportation Ward 4	14 400,00	15 034,00	15 711,00	Jacky Kalani							RFQ process to be followed
67	Vote 2 - Corporate Services	2.8 - Public Participation	Hire Charges Ward 4	6 000,00	6 264,00	6 546,00	Jacky Kalani							RFQ process to be followed
68	Vote 2 - Corporate Services	2.8 - Public Participation	Transportation Ward 8	593,37	619,00	647,00	Jacky Kalani							RFQ process to be followed
69	Vote 2 - Corporate Services	2.8 - Public Participation	Hire Charges Ward 8	7 342,17	7 665,00	8 010,00	Jacky Kalani							RFQ process to be followed
70	Vote 2 - Corporate Services	2.8 - Public Participation	Reporting to Public - Venue Hire, Transportation, Adhoc assistance	100 000,00	104 400,00	109 098,00	Jacky Kalani							RFQ process to be followed
71	Vote 2 - Corporate Services	2.8 - Public Participation	Stationery Costs	3 506,09	3 660,00	3 825,00	Jacky Kalani							RFQ process to be followed
72	Vote 2 - Corporate Services	2.8 - Public Participation	S T Accommodation Other	10 000,00	10 440,00	10 910,00	Jacky Kalani							RFQ process to be followed
73	Vote 2 - Corporate Services	2.8 - Public Participation	S T Daily Allowance Other	10 000,00	10 440,00	10 910,00	Jacky Kalani							RFQ process to be followed
74	Vote 2 - Corporate Services	2.8 - Public Participation	S T Travel Claim Own Other	10 000,00	10 440,00	10 910,00	Jacky Kalani							RFQ process to be followed
75	Vote 2 - Corporate Services	2.8 - Public Participation	Catering Services - Whole Muni	25 000,00	26 100,00	27 275,00	Jacky Kalani							RFQ process to be followed
76	Vote 2 - Corporate Services	2.8 - Public Participation	Transportation - Whole Muni	40 000,00	41 760,00	43 639,00	Jacky Kalani							RFQ process to be followed

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
77	Vote 2 - Corporate Services	2.8 - Public Participation	Transportation Ward 4	2 285,00	2 386,00	2 493,00	Jacky Kalani							RFQ process to be followed
78	Vote 2 - Corporate Services	2.8 - Public Participation	Transportation Ward 7	2 285,00	2 386,00	2 493,00	Jacky Kalani							RFQ process to be followed
79	Vote 2 - Corporate Services	2.8 - Public Participation	Advertising Publicity Marketing	56 000,00	56 000,00	56 000,00	Jacky Kalani							RFQ process to be followed
80	Vote 2 - Corporate Services	1.1 - Council General Expenses	Insurance: Broker Fees	8 646,00	9 510,00	10 461,00	Landia							RFQ process to be followed
81	Vote 2 - Corporate Services	2.8 - Public Participation	Insurance: Broker Fees	16 984,00	18 683,00	20 551,00	Jacky Kalani							RFQ process to be followed
82	Vote 2 - Corporate Services	2.8 - Public Participation	Repairs and Maintanance Vehicles	7 911,60	8 260,00	8 632,00	Jacky Kalani							RFQ process to be followed
83	Vote 2 - Corporate Services	2.8 - Public Participation	Loud hailing / Distribution	5 946,19	6 208,00	6 487,00	Jacky Kalani							RFQ process to be followed
84	Vote 2 - Corporate Services	2.8 - Public Participation	Fuel Management Rental Fee	532,99	556,00	581,00	Jacky Kalani							RFQ process to be followed
85	Vote 2 - Corporate Services	2.1 - Director: Corporate	Stationery Costs	1 299,17	1 356,00	1 417,00	Melony Paulson							RFQ process to be followed
86	Vote 2 - Corporate Services	2.2 - Administration	Consumables	8 610,11	8 989,00	9 394,00	Jacky Kalani							RFQ process to be followed
87	Vote 2 - Corporate Services	2.2 - Administration	Materials Stores	58 425,08	60 996,00	63 741,00	Jacky Kalani							RFQ process to be followed
88	Vote 2 - Corporate Services	2.2 - Administration	Operational Cost: Courier Delivery Services	23 734,80	24 779,00	25 894,00	Jacky Kalani							RFQ process to be followed
89	Vote 2 - Corporate Services	2.2 - Administration	Operational Cost: Uniform & Protective Clothing	22 479,35	23 468,00	24 524,00	Jacky Kalani							RFQ process to be followed
90	Vote 2 - Corporate Services	2.2 - Administration	Operational Cost: Printing. Publications Books	8 359,23	8 727,00	9 120,00	Jacky Kalani							RFQ process to be followed
91	Vote 2 - Corporate Services	2.2 - Administration	Stationery Costs	10 958,61	11 441,00	11 956,00	Jacky Kalani							RFQ process to be followed
92	Vote 2 - Corporate Services	2.1 - Director: Corporate	Insurance: Broker Fees	10 128,00	11 141,00	12 255,00	Landia							RFQ process to be followed
93	Vote 2 - Corporate Services	2.2 - Administration	Insurance: Broker Fees	11 701,00	12 871,00	14 159,00	Landia							RFQ process to be followed
94	Vote 2 - Corporate Services	2.7 - Property & Records Management	Insurance: Broker Fees	6 852,00	7 537,00	8 291,00	Landia							RFQ process to be followed
95	Vote 2 - Corporate Services	2.7 - Property & Records Management	Operational Cost: Cost relating to the Sale of Houses	184 000,00	192 096,00	200 740,00	Nonhlanhla Mndebela							RFQ process to be followed
96	Vote 2 - Corporate Services	2.7 - Property & Records Management	Stationery Costs	8 005,29	8 358,00	8 734,00	Nonhlanhla Mndebela							RFQ process to be followed
97	Vote 2 - Corporate Services	2.4 - Estates	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	59 662,00	65 628,00	72 191,00	Landia							RFQ process to be followed
98	Vote 2 - Corporate Services	2.4 - Estates	Operating Leases: Investment Properties	6 000 000,00	6 264 000,00	6 545 880,00	Nonhlanhla Mndebela							RFQ process to be followed
99	Vote 2 - Corporate Services	2.4 - Estates	Pre Paid Electricity	22 745,85	23 747,00	24 816,00	Busisiwe Kova							RFQ process to be followed
100	Vote 2 - Corporate Services	2.4 - Estates	Hire charges - Hire Office Container Ward 11	150 000,00	156 600,00	163 647,00	Nonhlanhla Mndebela							RFQ process to be followed
101	Vote 2 - Corporate Services	2.4 - Estates	R M Buildings Estates Building	800 000,00	835 200,00	872 784,00	Nonhlanhla Mndebela							RFQ process to be followed
102	Vote 2 - Corporate Services	2.7 - Property & Records Management	Insurance: Broker Fees	20 319,00	22 351,00	24 586,00	Landia							RFQ process to be followed
103	Vote 2 - Corporate Services	2.7 - Property & Records Management	Pre Paid Electricity	35 217,03	36 767,00	38 422,00	Nonhlanhla Mndebela							RFQ process to be followed
104	Vote 2 - Corporate Services	2.4 - Estates	Maintenance of Municipal Buildings	143 306,14	149 612,00	156 345,00	Nonhlanhla Mndebela							RFQ process to be followed
105	Vote 2 - Corporate Services	2.4 - Estates	Maintenance of leased offices	127 383,01	132 988,00	138 972,00	Nonhlanhla Mndebela							RFQ process to be followed
106	Vote 2 - Corporate Services	2.4 - Estates	Property purchase expenses	123 618,75	129 058,00	134 866,00	Nonhlanhla Mndebela							RFQ process to be followed
107	Vote 2 - Corporate Services	2.5 - Human Resources	Advertising Publicity Marketing: Tenders	300 000,00	313 200,00	327 294,00	Luline Phillips							RFQ process to be followed
108	Vote 2 - Corporate Services	2.5 - Human Resources	EAP OHS	75 000,00	78 300,00	81 824,00	Luline Phillips							RFQ process to be followed
109	Vote 2 - Corporate Services	2.5 - Human Resources	EAP OHS : Consultants	50 000,00	52 200,00	54 549,00	Luline Phillips							RFQ process to be followed
110	Vote 2 - Corporate Services	2.5 - Human Resources	Operational Cost: Workmen's Compensation Fund	1 300 000,00	1 357 200,00	1 418 274,00	Luline Phillips							RFQ process to be followed
111	Vote 2 - Corporate Services	2.5 - Human Resources	Operational Cost: Full Time Union Representative	165 000,00	172 260,00	180 012,00	Luline Phillips							RFQ process to be followed
112	Vote 2 - Corporate Services	2.5 - Human Resources	Operational Cost: Courier Delivery Services	1 250,00	1 305,00	1 364,00	Luline Phillips							RFQ process to be followed
113	Vote 2 - Corporate Services	2.5 - Human Resources	Contr Serv: Consult Prof Serv: Business Advisory: Organisational	55 000,00	57 420,00	60 004,00	Luline Phillips							RFQ process to be followed
114	Vote 2 - Corporate Services	2.5 - Human Resources	S T Recruitment Expenses Non-employees	135 000,00	140 940,00	147 282,00	Luline Phillips							RFQ process to be followed

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
115	Vote 2 - Corporate Services	2.5 - Human Resources	Staff Recruitment Expenses	155 000,00	161 820,00	169 102,00	Luline Phillips							RFQ process to be followed
116	Vote 2 - Corporate Services	2.5 - Human Resources	Operational Cost: Resettlement Cost	165 000,00	172 260,00	180 012,00	Luline Phillips							RFQ process to be followed
117	Vote 2 - Corporate Services	2.5 - Human Resources	Operational Cost: Bursaries (Employees)	400 000,00	417 600,00	436 392,00	Luline Phillips							RFQ process to be followed
118	Vote 2 - Corporate Services	2.5 - Human Resources	Training	1 500 000,00	1 566 000,00	1 636 470,00	Luline Phillips							RFQ process to be followed
119	Vote 2 - Corporate Services	2.5 - Human Resources	Computer Software Support - Business Engineering - R&S	75 000,00	-	-	Luline Phillips							RFQ process to be followed
120	Vote 2 - Corporate Services	2.5 - Human Resources	S T Accommodation Other	9 000,00	9 396,00	9 819,00	Luline Phillips							RFQ process to be followed
121	Vote 2 - Corporate Services	2.5 - Human Resources	S T Daily Allowance Other	3 200,00	3 341,00	3 491,00	Luline Phillips							RFQ process to be followed
122	Vote 2 - Corporate Services	2.5 - Human Resources	S T Travel Claim Own Other	55 000,00	57 420,00	60 004,00	Luline Phillips							RFQ process to be followed
123	Vote 2 - Corporate Services	2.5 - Human Resources	S T Accommodation Training	1 800,00	1 879,00	1 964,00	Luline Phillips							RFQ process to be followed
124	Vote 2 - Corporate Services	2.8 - Public Participation	Transportation Ward 2	5 726,54	5 979,00	6 248,00	Jacky Kalani							RFQ process to be followed
125	Vote 2 - Corporate Services	2.8 - Public Participation	Transportation Ward 3	2 290,20	2 391,00	2 499,00	Jacky Kalani							RFQ process to be followed
126	Vote 2 - Corporate Services	2.8 - Public Participation	Hire Charges Ward 4	3 670,57	3 832,00	4 004,00	Jacky Kalani							RFQ process to be followed
127	Vote 2 - Corporate Services	2.8 - Public Participation	Transportation Ward 8	3 200,00	3 341,00	3 491,00	Jacky Kalani							RFQ process to be followed
128	Vote 2 - Corporate Services	2.8 - Public Participation	Transportation Ward 9	3 200,00	3 341,00	3 491,00	Jacky Kalani							RFQ process to be followed
129	Vote 2 - Corporate Services	2.8 - Public Participation	Hire Charges Ward 11	1 800,00	1 879,00	1 964,00	Jacky Kalani							RFQ process to be followed
130	Vote 2 - Corporate Services	2.8 - Public Participation	Stationery cost - Admin	15 000,00	15 660,00	16 365,00	Jacky Kalani							RFQ process to be followed
131	Vote 2 - Corporate Services	2.5 - Human Resources	EAP OHS Consultants: Risk Assesment	80 000,00	83 520,00	87 278,00	Luline Phillips							RFQ process to be followed
132	Vote 2 - Corporate Services	2.5 - Human Resources	EAP OHS Consultants: Medical Surveillance	80 000,00	83 520,00	87 278,00	Luline Phillips							RFQ process to be followed
133	Vote 2 - Corporate Services	2.5 - Human Resources	EAP OHS: Equipment and signage:First Aid	20 000,00	20 880,00	21 820,00	Luline Phillips							RFQ process to be followed
134	Vote 2 - Corporate Services	2.6 - Legal Services	Legal Services Advice Litigation	4 000 000,00	4 176 000,00	4 363 920,00	Melony Paulson							Tender in place
135	Vote 2 - Corporate Services	2.6 - Legal Services	Materials Stores	2 388,05	2 493,00	2 605,00	Melony Paulson							RFQ process to be followed
136	Vote 2 - Corporate Services	2.6 - Legal Services	Stationery Costs	10 260,10	10 712,00	11 194,00	Melony Paulson							RFQ process to be followed
137	Vote 2 - Corporate Services	2.6 - Legal Services	Operational Cost: Professional Bodies, Membership Subscription	75 962,81	79 305,00	82 874,00	Melony Paulson							RFQ process to be followed
138	Vote 2 - Corporate Services	2.6 - Legal Services	Insurance: Broker Fees	9 799,00	10 779,00	11 857,00	Melony Paulson							RFQ process to be followed
139	Vote 2 - Corporate Services	2.6 - Legal Services	Legal Advice and Litigation	172 972,56	180 583,00	188 709,00	Melony Paulson							RFQ process to be followed
140	Vote 2 - Corporate Services	2.9 - Information Technology	Contr Serv: Outsourced Services: Administrative Support Staff	601 087,97	627 536,00	655 775,00	Lezelle Plaatjies							RFQ process to be followed
141	Vote 2 - Corporate Services	2.9 - Information Technology	Fuel and Oil	19 107,56	19 948,00	20 846,00	Lezelle Plaatjies							RFQ process to be followed
142	Vote 2 - Corporate Services	2.9 - Information Technology	Contr Serv: Outsourced Services: Business & Advisory: Project Management	1 910,24	1 994,00	2 084,00	Lezelle Plaatjies							RFQ process to be followed
143	Vote 2 - Corporate Services	2.9 - Information Technology	Operating Leases: Machinery Equip	1 242 530,31	1 297 202,00	1 355 576,00	Lezelle Plaatjies							Tender in place
144	Vote 2 - Corporate Services	2.9 - Information Technology	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	47 156,00	51 871,00	57 058,00	Lezelle Plaatjies							RFQ process to be followed
145	Vote 2 - Corporate Services	2.9 - Information Technology	Operating Leases: Machinery Equip	2 496 313,84	2 606 152,00	2 723 429,00	Lezelle Plaatjies							RFQ process to be followed
146	Vote 2 - Corporate Services	2.9 - Information Technology	Operational Cost: Licences : Motor Vehicle Licence Registrations	1 192,99	1 245,00	1 301,00	Lezelle Plaatjies							RFQ process to be followed
147	Vote 2 - Corporate Services	2.9 - Information Technology	Operational Cost: External Computer Service: Software Licences	5 584 439,30	5 830 155,00	6 092 512,00	Lezelle Plaatjies							RFQ process to be followed
148	Vote 2 - Corporate Services	2.9 - Information Technology	Materials Stores	7 454,60	7 783,00	8 133,00	Lezelle Plaatjies							RFQ process to be followed
149	Vote 2 - Corporate Services	2.9 - Information Technology	Operational Cost: External Computer Service: Remote Server Access	43 455,50	45 368,00	47 410,00	Lezelle Plaatjies							RFQ process to be followed
150	Vote 2 - Corporate Services	2.9 - Information Technology	Stationery Costs	1 719,73	1 795,00	1 876,00	Lezelle Plaatjies							RFQ process to be followed
151	Vote 2 - Corporate Services	2.9 - Information Technology	Operational Cost: Professional Bodies, Membership Subscription	1 917,52	2 002,00	2 092,00	Lezelle Plaatjies							
152	Vote 2 - Corporate Services	2.9 - Information Technology	R M Computer Equip Planned	126 212,92	131 766,00	137 695,00	Lezelle Plaatjies							Tender in place

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
153	Vote 2 - Corporate Services	2.9 - Information Technology	Computer software support	70 219,61	73 309,00	76 608,00	Lezelle Plaatjies							RFQ process to be followed
154	Vote 2 - Corporate Services	2.9 - Information Technology	Vehicles	9 889,50	10 325,00	10 790,00	Lezelle Plaatjies							RFQ process to be followed
155	Vote 2 - Corporate Services	2.9 - Information Technology	Computer software support	859 835,81	897 669,00	938 064,00	Lezelle Plaatjies							RFQ process to be followed
156	Vote 2 - Corporate Services	2.8 - Public Participation	Expenditure: Operational Cost:Remuneration to Ward Committees	660 000,00	689 040,00	720 047,00	Jacky Kalani							RFQ process to be followed
157	Vote 2 - Corporate Services	2.7 - Property & Records Management	Protective Clothing	5 000,00	5 220,00	5 455,00	Nonhlanhla Mndebela							RFQ process to be followed
158	Vote 2 - Corporate Services	2.7 - Property & Records Management	Office Furniture Equipment	15 000,00	15 660,00	16 365,00	Nonhlanhla Mndebela							RFQ process to be followed
159	Vote 2 - Corporate Services	2.5 - Human Resources	EAP OHS	250 000,00	261 000,00	272 745,00	Luline Phillips							RFQ process to be followed
160	Vote 2 - Corporate Services	2.5 - Human Resources	Subscriptions - SALGA	2 700 000,00	2 818 800,00	2 945 646,00	Luline Phillips							RFQ process to be followed
161	Vote 2 - Corporate Services	2.6 - Legal Services	Travelling and Subsistence	10 000,00	10 440,00	10 910,00	Melony Paulson							RFQ process to be followed
162	Vote 2 - Corporate Services	2.6 - Legal Services	Travelling and Subsistence	10 000,00	10 440,00	10 910,00	Melony Paulson							RFQ process to be followed
163	Vote 2 - Corporate Services	2.6 - Legal Services	Travelling and Subsistence	10 000,00	10 440,00	10 910,00	Melony Paulson							RFQ process to be followed
164	Vote 2 - Corporate Services	2.6 - Legal Services	Travelling and Subsistence	10 000,00	10 440,00	10 910,00	Melony Paulson							RFQ process to be followed
165	Vote 2 - Corporate Services	2.6 - Legal Services	Travelling and Subsistence	10 000,00	10 440,00	10 910,00	Melony Paulson							RFQ process to be followed
166	Vote 2 - Corporate Services	2.6 - Legal Services	Travelling and Subsistence	10 000,00	10 440,00	10 910,00	Melony Paulson							RFQ process to be followed
167	Vote 2 - Corporate Services	2.6 - Legal Services	Travelling and Subsistence	10 000,00	10 440,00	10 910,00	Melony Paulson							RFQ process to be followed
168	Vote 2 - Corporate Services	2.6 - Legal Services	Travelling and Subsistence	10 000,00	10 440,00	10 910,00	Melony Paulson							RFQ process to be followed
169	Vote 2 - Corporate Services	2.8 - Public Participation	Reporting to Public	14 400,00	15 034,00	15 711,00	Jacky Kalani							RFQ process to be followed
170	Vote 2 - Corporate Services	2.8 - Public Participation	Reporting to Public	7 200,00	7 517,00	7 855,00	Jacky Kalani							RFQ process to be followed
171	Vote 2 - Corporate Services	2.8 - Public Participation	Reporting to Public	14 400,00	15 034,00	15 711,00	Jacky Kalani							RFQ process to be followed
172	Vote 2 - Corporate Services	2.8 - Public Participation	Ward Committee/Council Support	60 000,00	62 640,00	65 459,00	Jacky Kalani							New tender process
173	Vote 2 - Corporate Services	2.8 - Public Participation	Ward Committee/Council Support	5 000,00	5 220,00	5 455,00	Jacky Kalani							RFQ process to be followed
174	Vote 2 - Corporate Services	2.8 - Public Participation	Ward Committee/Council Support	150 000,00	156 600,00	163 647,00	Jacky Kalani							RFQ process to be followed
175	Vote 2 - Corporate Services	2.8 - Public Participation	Ward Committee/Council Support	3 200,00	3 341,00	3 491,00	Jacky Kalani							RFQ process to be followed
176	Vote 2 - Corporate Services	2.8 - Public Participation	Ward Committee/Council Support	3 200,00	3 341,00	3 491,00	Jacky Kalani							RFQ process to be followed
177	Vote 2 - Corporate Services	2.8 - Public Participation	Ward Committee/Council Support	3 200,00	3 341,00	3 491,00	Jacky Kalani							RFQ process to be followed
178	Vote 2 - Corporate Services	2.8 - Public Participation	Ward Committee/Council Support	3 200,00	3 341,00	3 491,00	Jacky Kalani							RFQ process to be followed
179	Vote 2 - Corporate Services	2.8 - Public Participation	Ward Committee/Council Support	3 200,00	3 341,00	3 491,00	Jacky Kalani							RFQ process to be followed
180	Vote 2 - Corporate Services	2.8 - Public Participation	Ward Committee/Council Support	3 200,00	3 341,00	3 491,00	Jacky Kalani							RFQ process to be followed
181	Vote 2 - Corporate Services	2.8 - Public Participation	Ward Committee/Council Support	3 200,00	3 341,00	3 491,00	Jacky Kalani							RFQ process to be followed
182	Vote 2 - Corporate Services	2.8 - Public Participation	Ward Committee/Council Support	3 200,00	3 341,00	3 491,00	Jacky Kalani							RFQ process to be followed
183	Vote 2 - Corporate Services	2.8 - Public Participation	Ward Committee/Council Support	3 200,00	3 341,00	3 491,00	Jacky Kalani							RFQ process to be followed
184	Vote 2 - Corporate Services	2.8 - Public Participation	Ward Committee/Council Support	3 200,00	3 341,00	3 491,00	Jacky Kalani							RFQ process to be followed
185	Vote 2 - Corporate Services	2.8 - Public Participation	Ward Committee/Council Support	3 200,00	3 341,00	3 491,00	Jacky Kalani							RFQ process to be followed
186	Vote 2 - Corporate Services	2.8 - Public Participation	Ward Committee/Council Support	3 200,00	3 341,00	3 491,00	Jacky Kalani							RFQ process to be followed
187	Vote 2 - Corporate Services	2.8 - Public Participation	Ward Committee/Council Support	3 200,00	3 341,00	3 491,00	Jacky Kalani							RFQ process to be followed
188	Vote 2 - Corporate Services	2.9 - Information Technology	Protective Clothing	20 000,00	20 880,00	21 820,00	Lezelle Plaatjies							RFQ process to be followed
189	Vote 2 - Corporate Services	2.9 - Information Technology	Insurance: Non Claimable	1 000,00	1 100,00	1 210,00	Landia							RFQ process to be followed
190	Vote 2 - Corporate Services	2.8 - Public Participation	Insurance: Non Claimable	500,00	550,00	605,00	Landia							RFQ process to be followed

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
191	Vote 3 - Financial Services	3.1 - Director: Finance	Operational Cost: Bank Charges, Facility & Card Fees: Bank Accounts	1 502 022,00	1 568 111,00	1 638 676,00	Avitha Jagaysor							Tender in place
192	Vote 3 - Financial Services	3.1 - Director: Finance	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	9 693,00	10 663,00	11 729,00	Avitha Jagaysor							RFQ process to be followed
193	Vote 3 - Financial Services	3.1 - Director: Finance	Materials Stores	40 000,00	41 760,00	43 639,00	Avitha Jagaysor							RFQ process to be followed
194	Vote 3 - Financial Services	3.1 - Director: Finance	Stationery Costs	7 500,00	7 830,00	8 182,00	Avitha Jagaysor							RFQ process to be followed
195	Vote 3 - Financial Services	3.1 - Director: Finance	External Audit Fees	6 048 055,00	6 314 169,00	6 598 307,00	Avitha Jagaysor							RFQ process to be followed
196	Vote 3 - Financial Services	3.1 - Director: Finance	Annual Financial Statement AFS - Assist	650 000,00	678 600,00	709 137,00	Avitha Jagaysor							RFQ process to be followed
197	Vote 3 - Financial Services	3.1 - Director: Finance	Budget Assist	300 000,00	313 200,00	327 294,00	Avitha Jagaysor							RFQ process to be followed
198	Vote 3 - Financial Services	3.1 - Director: Finance	Assets Consultants Assist	450 000,00	469 800,00	490 941,00	Avitha Jagaysor							RFQ process to be followed
199	Vote 3 - Financial Services	3.1 - Director: Finance	Mscoa Consulting	100 000,00	104 400,00	109 098,00	Avitha Jagaysor							RFQ process to be followed
200	Vote 3 - Financial Services	3.3 - Expenditure: Payroll	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	10 411,00	11 452,00	12 597,00	Landia							RFQ process to be followed
201	Vote 3 - Financial Services	3.3 - Expenditure: Payroll	Operational Cost: Printing. Publications Books	10 056,00	10 498,00	10 970,00	Morne Michaels							RFQ process to be followed
202	Vote 3 - Financial Services	3.3 - Expenditure: Payroll	Stationery Costs	2 000,00	2 088,00	2 182,00	Morne Michaels							RFQ process to be followed
203	Vote 3 - Financial Services	3.4 - Meter Reading	Fuel and Oil	42 991,22	44 883,00	46 903,00	Busisiwe Kova							Tender in place
204	Vote 3 - Financial Services	3.4 - Meter Reading	Contr Serv: Outsourced Services: Business & Advisory: Project Management	8 255,13	8 618,00	9 006,00	Busisiwe Kova							RFQ process to be followed
205	Vote 3 - Financial Services	3.4 - Meter Reading	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	34 536,00	37 989,00	41 788,00	Busisiwe Kova							New tender process
206	Vote 3 - Financial Services	3.4 - Meter Reading	Operational Cost: Licences : Motor Vehicle Licence Registrations	12 222,38	12 760,00	13 334,00	Busisiwe Kova							RFQ process to be followed
207	Vote 3 - Financial Services	3.4 - Meter Reading	Materials Stores	8 000,00	8 352,00	8 728,00	Busisiwe Kova							RFQ process to be followed
208	Vote 3 - Financial Services	3.4 - Meter Reading	Operational Cost: Uniform & Protective Clothing	45 000,00	46 980,00	49 094,00	Busisiwe Kova							RFQ process to be followed
209	Vote 3 - Financial Services	3.4 - Meter Reading	Stationery Costs	8 000,00	8 352,00	8 728,00	Busisiwe Kova							RFQ process to be followed
210	Vote 3 - Financial Services	3.6 - Income	R M Customer Care Equip	2 865,87	2 992,00	3 127,00	Busisiwe Kova							RFQ process to be followed
211	Vote 3 - Financial Services	3.6 - Income	Buildings: Pest Control Fumigation	9 553,26	9 974,00	10 423,00	Busisiwe Kova							RFQ process to be followed
212	Vote 3 - Financial Services	3.6 - Income	Buildings: Hygiene	2 293,32	2 394,00	2 502,00	Busisiwe Kova							RFQ process to be followed
213	Vote 3 - Financial Services	3.6 - Income	Advertising, publicity, Marketing - Other	15 000,00	15 660,00	16 365,00	Busisiwe Kova							RFQ process to be followed
214	Vote 3 - Financial Services	3.6 - Income	Satelite Signals	1 528,19	1 595,00	1 667,00	Busisiwe Kova							RFQ process to be followed
215	Vote 3 - Financial Services	3.6 - Income	Contr Serv: Consult Prof Serv: Legal Cost: Collection	1 780 110,00	1 858 435,00	1 942 065,00	Busisiwe Kova							RFQ process to be followed
216	Vote 3 - Financial Services	3.6 - Income	Operational Cost: Commission: Third Party Vendors	812 067,44	847 798,00	885 949,00	Busisiwe Kova							RFQ process to be followed
217	Vote 3 - Financial Services	3.6 - Income	Fuel and Oil	14 330,41	14 961,00	15 634,00	Busisiwe Kova							RFQ process to be followed
218	Vote 3 - Financial Services	3.6 - Income	Contr Serv: Outsourced Services: Business & Advisory: Project Management	955,64	998,00	1 043,00	Busisiwe Kova							RFQ process to be followed
219	Vote 3 - Financial Services	3.6 - Income	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	57 053,00	62 758,00	69 034,00	Busisiwe Kova							RFQ process to be followed
220	Vote 3 - Financial Services	3.6 - Income	Materials Stores	21 354,03	22 294,00	23 297,00	Busisiwe Kova							RFQ process to be followed
221	Vote 3 - Financial Services	3.6 - Income	Operational Cost: Courier Delivery Services	1 555 746,39	1 624 199,00	1 697 288,00	Busisiwe Kova							RFQ process to be followed
222	Vote 3 - Financial Services	3.6 - Income	Operational Cost: Printing. Publications Books	955,64	998,00	1 043,00	Busisiwe Kova							RFQ process to be followed
223	Vote 3 - Financial Services	3.6 - Income	Stationery Costs	61 363,83	64 064,00	66 947,00	Busisiwe Kova							RFQ process to be followed
224	Vote 3 - Financial Services	3.6 - Income	Operational Cost: Deeds	85 983,48	89 767,00	93 807,00	Busisiwe Kova							RFQ process to be followed
225	Vote 3 - Financial Services	3.6 - Income	S T Travel Claim Own Other	4 944,75	5 162,00	5 394,00	Busisiwe Kova							New Tender process to be followed
226	Vote 3 - Financial Services	3.8 - Expenditure	Stationery Costs	12 600,00	13 154,00	13 746,00	Fredri Kruger							Tender in place
227	Vote 3 - Financial Services	3.9 - Budget Office	Fuel and Oil	10 350,00	10 805,00	11 291,00	Nobesuthu							Expansion on the tender
228	Vote 3 - Financial Services	3.9 - Budget Office	Materials Stores	3 000,00	3 132,00	3 273,00	Nobesuthu							RFQ process to be followed

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
229	Vote 3 - Financial Services	3.9 - Budget Office	Stationery Costs	3 500,00	3 654,00	3 818,00	Nobesuthu							New tender process
230	Vote 3 - Financial Services	3.8 - Expenditure	Insurance: Broker Fees	9 782,00	10 760,00	11 836,00	Landia							RFQ process to be followed
231	Vote 3 - Financial Services	3.9 - Budget Office	Insurance: Broker Fees	10 363,00	11 399,00	12 539,00	Landia							Tender in place
232	Vote 3 - Financial Services	3.4 - Meter Reading	Vehicles	23 667,14	24 708,00	25 820,00	Landia							RFQ process to be followed
233	Vote 3 - Financial Services	3.6 - Income	Penalty Disconnection Charges- Water	50 000,00	52 200,00	54 549,00	Busisiwe Kova							Tender in place
234	Vote 3 - Financial Services	3.6 - Income	Penalty Disconnection Charges- Electricity	50 000,00	52 200,00	54 549,00	Busisiwe Kova							Expansion on the tender
235	Vote 3 - Financial Services	3.6 - Income	Data Cleansing	635 135,96	663 082,00	692 921,00	Busisiwe Kova							RFQ process to be followed
236	Vote 3 - Financial Services	3.6 - Income	Hire Charges	1 433,46	1 497,00	1 564,00	Busisiwe Kova							RFQ process to be followed
237	Vote 3 - Financial Services	3.8 - Expenditure	Materials Stores	4 893,00	5 108,00	5 338,00	Fredri Kruger							New tender process
238	Vote 3 - Financial Services	3.6 - Income	Indigent Households: Disaster Support (Materials)	29 668,50	30 974,00	32 368,00	Busisiwe Kova							RFQ process to be followed
239	Vote 3 - Financial Services	3.6 - Income	Indigent Households: Disaster Support (Contractors)	148 342,50	154 870,00	161 839,00	Busisiwe Kova							RFQ process to be followed
240	Vote 3 - Financial Services	3.9 - Budget Office	Stationery Costs	2 000,00	2 088,00	2 182,00	Nobesuthu							RFQ process to be followed
241	Vote 3 - Financial Services	3.9 - Budget Office	Insurance: Broker Fees	7 976,00	8 774,00	9 651,00	Landia							RFQ process to be followed
242	Vote 3 - Financial Services	3.6 - Income	Valuation Expenses	1 186 740,00	1 238 957,00	1 294 710,00	Busisiwe Kova							RFQ process to be followed
243	Vote 3 - Financial Services	3.7 - Expenditure: Stores	Consumables	3 343,69	3 491,00	3 648,00	Fredri Kruger							tender in place
244	Vote 3 - Financial Services	3.7 - Expenditure: Stores	Fuel and Oil	45 000,00	46 980,00	49 094,00	Fredri Kruger							Expansion on the tender
245	Vote 3 - Financial Services	3.7 - Expenditure: Stores	Contr Serv: Outsourced Services: Business & Advisory: Project Management	1 002,48	1 047,00	1 094,00	Fredri Kruger							RFQ process to be followed
246	Vote 3 - Financial Services	3.7 - Expenditure: Stores	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	20 119,00	22 131,00	24 344,00	Fredri Kruger							RFQ process to be followed
247	Vote 3 - Financial Services	3.7 - Expenditure: Stores	Operational Cost: Licences : Motor Vehicle Licence Registrations	777,63	812,00	849,00	Fredri Kruger							RFQ process to be followed
248	Vote 3 - Financial Services	3.7 - Expenditure: Stores	Materials Stores	2 245,44	2 344,00	2 449,00	Fredri Kruger							RFQ process to be followed
249	Vote 3 - Financial Services	3.7 - Expenditure: Stores	Operational Cost: Uniform & Protective Clothing	1 433,46	1 497,00	1 564,00	Fredri Kruger							RFQ process to be followed
250	Vote 3 - Financial Services	3.5 - Expenditure: Procurement	Stationery Costs	30 000,00	31 320,00	32 729,00	Fredri Kruger							RFQ process to be followed
251	Vote 3 - Financial Services	3.5 - Expenditure: Procurement	Hire Charges: M E	5 732,79	5 985,00	6 254,00	Fredri Kruger							RFQ process to be followed
252	Vote 3 - Financial Services	3.5 - Expenditure: Procurement	Insurance: Broker Fees	13 238,00	14 561,00	16 018,00	Landia							RFQ process to be followed
253	Vote 3 - Financial Services	3.7 - Expenditure: Stores	Vehicles	15 000,00	15 660,00	16 365,00	Fredri Kruger							Expansion on the tender
254	Vote 3 - Financial Services	3.5 - Expenditure: Procurement	Advertising, Publicity, Marketing: tender	336 243,00	351 038,00	366 835,00	Fredri Kruger							RFQ process to be followed
255	Vote 3 - Financial Services	3.9 - Budget Office	Stationery Costs	3 000,00	3 132,00	3 273,00	Nobesuthu							RFQ process to be followed
256	Vote 3 - Financial Services	3.9 - Budget Office	S T Accommodation Other	10 000,00	10 440,00	10 910,00	Nobesuthu							tender in place
257	Vote 3 - Financial Services	3.9 - Budget Office	S T Travel Claim Own Training	10 000,00	10 440,00	10 910,00	Nobesuthu							tender in place
258	Vote 3 - Financial Services	3.9 - Budget Office	Insurance: Broker Fees	14 480,00	15 928,00	17 520,00	Landia							RFQ process to be followed
259	Vote 3 - Financial Services	3.9 - Budget Office	Licence Registr Fees Vehic	630,00	658,00	688,00	Nobesuthu							RFQ process to be followed
260	Vote 3 - Financial Services	3.9 - Budget Office	Materials Stores	1 000,00	1 044,00	1 091,00	Nobesuthu							Tender in place
261	Vote 3 - Financial Services	3.9 - Budget Office	Stationery Costs	4 280,00	4 468,00	4 669,00	Nobesuthu							Tender in place
262	Vote 3 - Financial Services	3.9 - Budget Office	Insurance: Broker Fees	14 836,00	16 320,00	17 952,00	Landia							Tender in place
263	Vote 3 - Financial Services	3.4 - Meter Reading	Insurance: Non Claimable	500,00	550,00	605,00	Landia							Tender in place
264	Vote 3 - Financial Services	3.5 - Expenditure: Procurement	Travelling and Subsistence	3 000,00	3 132,00	3 273,00	Fredri Kruger							Tender in place
265	Vote 3 - Financial Services	3.5 - Expenditure: Procurement	Travelling and Subsistence	3 000,00	3 132,00	3 273,00	Fredri Kruger							Tender in place
266	Vote 3 - Financial Services	3.5 - Expenditure: Procurement	Travelling and Subsistence	1 500,00	1 566,00	1 636,00	Fredri Kruger							Tender in place

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
267	Vote 3 - Financial Services	3.5 - Expenditure: Procurement	Travelling and Subsistence	2 000,00	2 088,00	2 182,00	Fredri Kruger							Tender in place
268	Vote 3 - Financial Services	3.5 - Expenditure: Procurement	Travelling and Subsistence	3 000,00	3 132,00	3 273,00	Fredri Kruger							Tender in place
269	Vote 3 - Financial Services	3.5 - Expenditure: Procurement	Travelling and Subsistence	3 000,00	3 132,00	3 273,00	Fredri Kruger							Tender in place
270	Vote 3 - Financial Services	3.5 - Expenditure: Procurement	Travelling and Subsistence	300,00	313,00	327,00	Fredri Kruger							Tender in place
271	Vote 3 - Financial Services	3.5 - Expenditure: Procurement	Travelling and Subsistence	500,00	522,00	545,00	Fredri Kruger							Tender in place
272	Vote 3 - Financial Services	3.5 - Expenditure: Procurement	Travelling and Subsistence	2 000,00	2 088,00	2 182,00	Fredri Kruger							RFQ process to be followed
273	Vote 3 - Financial Services	3.5 - Expenditure: Procurement	Travelling and Subsistence	2 000,00	2 088,00	2 182,00	Fredri Kruger							Tender process to be followed
274	Vote 3 - Financial Services	3.6 - Income	Remuneration Sect 79 Committee Members	23 883,66	24 935,00	26 057,00	Busisiwe Kova							Tender process to be followed
275	Vote 3 - Financial Services	3.5 - Expenditure: Procurement	Insurance: Non Claimable	1 000,00	1 100,00	1 210,00	Fredri Kruger							Tender process to be followed
276	Vote 5 - Planning and Development	5.1 - Director: Planning Planning and Development	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	8 191,00	9 011,00	9 912,00	Henni Smit							Tender process to be followed
277	Vote 5 - Planning and Development	5.1 - Director: Planning Planning and Development	Materials Stores	30 572,09	31 917,00	33 353,00	Henni Smit							Tender process to be followed
278	Vote 5 - Planning and Development	5.1 - Director: Planning Planning and Development	Stationery Costs	5 088,00	5 312,00	5 551,00	Henni Smit							Tender process to be followed
279	Vote 5 - Planning and Development	5.3 - Local Economic Development	Stationery Costs	3 114,67	3 252,00	3 398,00	Lungiswa Goya							RFQ process to be followed
280	Vote 5 - Planning and Development	5.3 - Local Economic Development	S T Travel Claim Own Other	40 000,00	41 760,00	43 639,00	Lungiswa Goya							RFQ process to be followed
281	Vote 5 - Planning and Development	5.3 - Local Economic Development	Insurance: Broker Fees	10 713,00	11 785,00	12 963,00	Landia							Tender process to be followed
282	Vote 5 - Planning and Development	5.3 - Local Economic Development	Outsourced Services - Business and Advisory	800 900,00	836 140,00	873 766,00	Lungiswa Goya							RFQ process to be followed
283	Vote 5 - Planning and Development	5.3 - Local Economic Development	Hire Charges	50 500,00	52 722,00	55 094,00	Lungiswa Goya							RFQ process to be followed
284	Vote 5 - Planning and Development	5.3 - Local Economic Development	Tourism Development Projects	2 393 259,00	2 498 562,00	2 610 997,00	Lungiswa Goya							RFQ process to be followed
285	Vote 5 - Planning and Development	5.3 - Local Economic Development	Industry Sector Support Programme	490 000,00	511 560,00	534 580,00	Lungiswa Goya							RFQ process to be followed
286	Vote 5 - Planning and Development	5.3 - Local Economic Development	Advertisements and/ notices	19 107,56	19 948,00	20 846,00	Lungiswa Goya							RFQ process to be followed
287	Vote 5 - Planning and Development	5.3 - Local Economic Development	Investment Facilitation Programme	143 306,14	149 612,00	156 345,00	Lungiswa Goya							RFQ process to be followed
288	Vote 5 - Planning and Development	5.3 - Local Economic Development	Tourism Development	1 196 629,50	1 249 281,00	1 305 499,00	Lungiswa Goya							RFQ process to be followed
289	Vote 5 - Planning and Development	5.2 - Environmental Management	Materials Stores	8 597,62	8 976,00	9 380,00	Pam Booth							RFQ process to be followed
290	Vote 5 - Planning and Development	5.2 - Environmental Management	Stationery Costs	5 000,00	5 220,00	5 455,00	Pam Booth							RFQ process to be followed
291	Vote 5 - Planning and Development	5.2 - Environmental Management	Insurance: Broker Fees	8 878,00	9 766,00	10 742,00	Landia							RFQ process to be followed
292	Vote 5 - Planning and Development	5.2 - Environmental Management	Professional Fees	307 772,69	321 315,00	335 774,00	Pam Booth							RFQ process to be followed
293	Vote 5 - Planning and Development	5.2 - Environmental Management	Car Rental	198 717,53	207 461,00	216 797,00	Pam Booth							Tender process to be followed
294	Vote 5 - Planning and Development	5.3 - Local Economic Development	Surveys Oyster Festival Fieldworkers	120 000,00	125 280,00	130 918,00	Lungiswa Goya							RFQ process to be followed
295	Vote 5 - Planning and Development	5.2 - Environmental Management	Consultants & Prof Services - Buffalo Bay Rehab project	765 097,52	798 762,00	834 706,00	Pam Booth							RFQ process to be followed
296	Vote 5 - Planning and Development	5.2 - Environmental Management	Outsourced Services - Buffalo Bay Rehab project	70 219,61	73 309,00	76 608,00	Pam Booth							RFQ process to be followed
297	Vote 5 - Planning and Development	5.2 - Environmental Management	Project: Contracted Personnel	422 382,63	440 967,00	460 811,00	Pam Booth							RFQ process to be followed
298	Vote 5 - Planning and Development	5.2 - Environmental Management	Protective Clothing	88 821,24	92 729,00	96 902,00	Pam Booth							RFQ process to be followed
299	Vote 5 - Planning and Development	5.2 - Environmental Management	Laboratory Services: Water	9 553,26	9 974,00	10 423,00	Pam Booth							Tender in place
300	Vote 5 - Planning and Development	5.2 - Environmental Management	Contracted Services - Management Fees	191 075,55	199 483,00	208 460,00	Pam Booth							Tender in place
301	Vote 5 - Planning and Development	5.2 - Environmental Management	Environmental education programme	28 373,50	29 622,00	30 955,00	Pam Booth							Tender process to be followed
302	Vote 5 - Planning and Development	5.2 - Environmental Management	Pollution awareness media campaign for estuary	143 306,14	149 612,00	156 345,00	Pam Booth							RFQ process to be followed
303	Vote 5 - Planning and Development	5.2 - Environmental Management	Contracted Services - Project Management	86 702,81	90 518,00	94 591,00	Pam Booth							RFQ process to be followed
304	Vote 5 - Planning and Development	5.2 - Environmental Management	Blue Flag application fee to WESSA	52 833,87	55 159,00	57 641,00	Pam Booth							RFQ process to be followed

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
305	Vote 5 - Planning and Development	5.5 - Planning Development: Town Planning	Advertising, Publicity Marketing - Staff Recruitment	29 668,50	30 974,00	32 368,00	Henni Smit							RFQ process to be followed
306	Vote 5 - Planning and Development	5.5 - Planning Development: Town Planning	Town Planner Zoning scheme	217 569,00	227 142,00	237 363,00	Henni Smit							RFQ process to be followed
307	Vote 5 - Planning and Development	5.5 - Planning Development: Town Planning	Stationery Costs	9 553,26	9 974,00	10 423,00	Henni Smit							Tender in place
308	Vote 5 - Planning and Development	5.5 - Planning Development: Town Planning	Insurance: Broker Fees	22 257,00	24 483,00	26 931,00	Henni Smit							Tender in place
309	Vote 5 - Planning and Development	5.4 - Building Control	Stationery Costs	40 000,00	41 760,00	43 639,00	Landia							RFQ process to be followed
310	Vote 5 - Planning and Development	5.4 - Building Control	Advertising, Publicity Marketing - Staff Recruitment	14 330,41	14 961,00	15 634,00	Randy Daames							RFQ process to be followed
311	Vote 5 - Planning and Development	5.4 - Building Control	Subscription Professional body registration	2 200,00	2 297,00	2 400,00	Randy Daames							RFQ process to be followed
312	Vote 5 - Planning and Development	5.4 - Building Control	Building Control Web App	143 306,14	149 612,00	156 345,00	Randy Daames							New tender process
313	Vote 5 - Planning and Development	5.4 - Building Control	Protective Clothing	3 343,69	3 491,00	3 648,00	Randy Daames							RFQ process to be followed
314	Vote 5 - Planning and Development	5.5 - Planning Development: Town Planning	Tribunal Committee Costs	270 000,00	281 880,00	294 565,00	Shaun Madumbo							RFQ process to be followed
315	Vote 5 - Planning and Development	5.4 - Building Control	Travelling and Subsistence	20 000,00	20 880,00	21 820,00	Randy Daames							RFQ process to be followed
316	Vote 5 - Planning and Development	5.4 - Building Control	Travelling and Subsistence	5 000,00	5 220,00	5 455,00	Randy Daames							RFQ process to be followed
317	Vote 5 - Planning and Development	5.4 - Building Control	Travelling and Subsistence	20 000,00	20 880,00	21 820,00	Randy Daames							RFQ process to be followed
318	Vote 5 - Planning and Development	5.2 - Environmental Management	Hire Charges	10 000,00	10 440,00	10 910,00	Pam Booth							RFQ process to be followed
319	Vote 5 - Planning and Development	5.2 - Environmental Management	Travelling and Subsistence	20 000,00	20 880,00	21 820,00	Pam Booth							Tender in place
320	Vote 5 - Planning and Development	5.2 - Environmental Management	Travelling and Subsistence	5 000,00	5 220,00	5 455,00	Pam Booth							Tender in place
321	Vote 5 - Planning and Development	5.2 - Environmental Management	Travelling and Subsistence	5 000,00	5 220,00	5 455,00	Pam Booth							Tender in place
322	Vote 5 - Planning and Development	5.2 - Environmental Management	Travelling and Subsistence	10 000,00	10 440,00	10 910,00	Pam Booth							Tender in place
323	Vote 5 - Planning and Development	5.5 - Planning Development: Town Planning	Subscriptions	11 119,70	11 609,00	12 131,00	Shaum Madumbo							RFQ process to be followed
324	Vote 5 - Planning and Development	5.5 - Planning Development: Town Planning	Travelling and Subsistence	7 000,00	7 308,00	7 637,00	Shaum Madumbo							Tender in place
325	Vote 5 - Planning and Development	5.5 - Planning Development: Town Planning	Travelling and Subsistence	5 900,00	6 160,00	6 437,00	Shaum Madumbo							Tender in place
326	Vote 5 - Planning and Development	5.5 - Planning Development: Town Planning	Travelling and Subsistence	5 900,00	6 160,00	6 437,00	Shaum Madumbo							Tender in place
327	Vote 5 - Planning and Development	5.5 - Planning Development: Town Planning	Travelling and Subsistence	2 800,00	2 923,00	3 055,00	Shaum Madumbo							Tender in place
328	Vote 5 - Planning and Development	5.5 - Planning Development: Town Planning	Travelling and Subsistence	16 300,00	17 017,00	17 783,00	Shaum Madumbo							Tender in place
329	Vote 5 - Planning and Development	5.5 - Planning Development: Town Planning	Travelling and Subsistence	11 700,00	12 215,00	12 765,00	Shaum Madumbo							Tender in place
330	Vote 5 - Planning and Development	5.5 - Planning Development: Town Planning	Travelling and Subsistence	2 800,00	2 923,00	3 055,00	Shaum Madumbo							Tender in place
331	Vote 5 - Planning and Development	5.5 - Planning Development: Town Planning	Travelling and Subsistence	5 900,00	6 160,00	6 437,00	Shaum Madumbo							Tender in place
332	Vote 5 - Planning and Development	5.5 - Planning Development: Town Planning	MSDF Review	400 000,00	417 600,00	436 392,00	Shaum Madumbo							RFQ process to be followed
333	Vote 5 - Planning and Development	5.5 - Planning Development: Town Planning	Local SDF Knysna CBD	200 000,00	208 800,00	218 196,00	Shaum Madumbo							RFQ process to be followed
334	Vote 5 - Planning and Development	5.5 - Planning Development: Town Planning	Local SDF Sedgefield (Industrial precinct and CBD)	200 000,00	208 800,00	218 196,00	Shaum Madumbo							RFQ process to be followed
335	Vote 5 - Planning and Development	5.2 - Environmental Management	NEW PROJECT - Environment	350 000,00	365 400,00	381 843,00	Pam Booth							RFQ process to be followed
336	Vote 5 - Planning and Development	5.2 - Environmental Management	NEW PROJECT - Environment	750 000,00	783 000,00	818 235,00	Pam Booth							RFQ process to be followed
337	Vote 5 - Planning and Development	5.5 - Planning Development: Town Planning	Electronic conversion of old archive documents	500 000,00	522 000,00	545 490,00	Shaum Madumbo							RFQ process to be followed
338	Vote 6 - Community Services	6.5 - Director: Community	Consumables	30 868,04	32 226,00	33 676,00	Director Community Services							New tender process
339	Vote 6 - Community Services	6.5 - Director: Community	Stationery Costs	10 000,00	10 440,00	10 910,00	Director Community Services							RFQ process to be followed
340	Vote 6 - Community Services	6.5 - Director: Community	Hire Charges: M E	1 910,24	1 994,00	2 084,00	Director Community Services							RFQ process to be followed
341	Vote 6 - Community Services	6.5 - Director: Community	Insurance: Broker Fees	12 250,00	13 475,00	14 822,00	Landia							RFQ process to be followed
342	Vote 6 - Community Services	6.9 - Safety Law Enforcement	Removal and Relocation Fee	1 275 000,00	1 197 990,00	1 377 090,00	Stephen Langlands							RFQ process to be followed

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
343	Vote 6 - Community Services	6.1 - Cemetery	Fuel and Oil	19 585,37	20 447,00	21 367,00	Ivan Van Wyk							Expansion on the tender
344	Vote 6 - Community Services	6.1 - Cemetery	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	14 004,00	15 404,00	16 944,00	Ivan Van Wyk							RFQ process to be followed
345	Vote 6 - Community Services	6.1 - Cemetery	Operational Cost: Licences : Motor Vehicle Licence Registrations	802,61	838,00	876,00	Ivan Van Wyk							RFQ process to be followed
346	Vote 6 - Community Services	6.1 - Cemetery	Materials Stores	33 775,25	35 261,00	36 848,00	Ivan Van Wyk							RFQ process to be followed
347	Vote 6 - Community Services	6.1 - Cemetery	Contr Serv: Outsourced Services: Burial Services	126 091,13	118 475,10	136 186,60	Ivan Van Wyk							RFQ process to be followed
348	Vote 6 - Community Services	6.1 - Cemetery	Contr Serv: Consult Prof Serv: Infrastructure Planning: Engineering: Civil	438 386,54	411 908,40	473 488,40	Ivan Van Wyk							RFQ process to be followed
349	Vote 6 - Community Services	6.1 - Cemetery	Operational Cost: Uniform & Protective Clothing	16 721,58	17 457,00	18 243,00	Ivan Van Wyk							RFQ process to be followed
350	Vote 6 - Community Services	6.1 - Cemetery	Contr Serv: Consult Prof Serv: Laboratory Services: Water	40 603,11	38 151,00	43 854,80	Ivan Van Wyk							RFQ process to be followed
351	Vote 6 - Community Services	6.1 - Cemetery	Contr Serv: Contractors: Maint Buildings Facilities	212 500,00	199 665,00	229 515,00	Ivan Van Wyk							RFQ process to be followed
352	Vote 6 - Community Services	6.1 - Cemetery	Contr Serv: Outsourced Services: Alien Vegetation Control	214 859,28	201 881,70	232 062,60	Ivan Van Wyk							RFQ process to be followed
353	Vote 6 - Community Services	6.1 - Cemetery	R M Plant Equip	10 353,63	9 728,10	11 182,60	Ivan Van Wyk							RFQ process to be followed
354	Vote 6 - Community Services	6.1 - Cemetery	Stationery Costs	1 576,07	1 645,00	1 719,00	Ivan Van Wyk							RFQ process to be followed
355	Vote 6 - Community Services	6.1 - Cemetery	Repairs and Maintanance Vehicles	6 724,86	6 318,90	7 263,30	Ivan Van Wyk							RFQ process to be followed
356	Vote 6 - Community Services	6.1 - Cemetery	Fuel Management Rental Fee	818,49	768,60	883,30	Ivan Van Wyk							RFQ process to be followed
357	Vote 6 - Community Services	6.2 - Halls / Facilities	Copyright Fees	68 830,92	71 859,00	75 093,00	Randal Bouwer							RFQ process to be followed
358	Vote 6 - Community Services	6.2 - Halls / Facilities	ESKOM Charges (Direct)	117 666,31	122 844,00	128 372,00	Randal Bouwer							RFQ process to be followed
359	Vote 6 - Community Services	6.2 - Halls / Facilities	Insurance: Broker Fees	46 181,00	50 799,00	55 878,00	Randal Bouwer							RFQ process to be followed
360	Vote 6 - Community Services	6.2 - Halls / Facilities	Materials Stores	21 497,69	22 444,00	23 454,00	Randal Bouwer							RFQ process to be followed
361	Vote 6 - Community Services	6.2 - Halls / Facilities	Protective Clothing	8 357,15	8 725,00	9 118,00	Randal Bouwer							RFQ process to be followed
362	Vote 6 - Community Services	6.2 - Halls / Facilities	Contr Serv: Contractors: Maint Buildings Facilities	24 377,62	22 905,00	26 329,60	Randal Bouwer							RFQ process to be followed
363	Vote 6 - Community Services	6.2 - Halls / Facilities	Contr Serv: Contractors: Maint Buildings Facilities	95 170,04	89 422,20	102 790,60	Randal Bouwer							RFQ process to be followed
364	Vote 6 - Community Services	6.2 - Halls / Facilities	Contr Serv: Contractors: Maint Buildings Facilities	40 954,40	38 480,40	44 233,20	Randal Bouwer							RFQ process to be followed
365	Vote 6 - Community Services	6.2 - Halls / Facilities	Contr Serv: Contractors: Maint Buildings Facilities	15 601,68	14 659,20	16 850,90	Randal Bouwer							RFQ process to be followed
366	Vote 6 - Community Services	6.2 - Halls / Facilities	Contr Serv: Contractors: Maint Buildings Facilities	27 108,26	25 470,90	29 278,70	Randal Bouwer							RFQ process to be followed
367	Vote 6 - Community Services	6.2 - Halls / Facilities	Contr Serv: Contractors: Maint Buildings Facilities	23 012,29	21 622,50	24 855,60	Randal Bouwer							RFQ process to be followed
368	Vote 6 - Community Services	6.2 - Halls / Facilities	Contr Serv: Contractors: Maint Buildings Facilities	15 601,68	14 659,20	16 850,90	Randal Bouwer							RFQ process to be followed
369	Vote 6 - Community Services	6.2 - Halls / Facilities	ESKOM Charges (Direct)	9 553,26	9 974,00	10 423,00	Randal Bouwer							RFQ process to be followed
370	Vote 6 - Community Services	6.2 - Halls / Facilities	Materials Stores	11 942,35	12 468,00	13 029,00	Randal Bouwer							New tender process to be followed
371	Vote 6 - Community Services	6.2 - Halls / Facilities	Protective Clothing	8 597,62	8 976,00	9 380,00	Randal Bouwer							RFQ process to be followed
372	Vote 6 - Community Services	6.6 - Parks Recreation	Consumables	3 817,35	3 985,00	4 164,00	Ivan Van Wyk							RFQ process to be followed
373	Vote 6 - Community Services	6.6 - Parks Recreation	Fuel Management Rental Fee	11 310,47	11 808,00	12 339,00	Ivan Van Wyk							Tender in place
374	Vote 6 - Community Services	6.6 - Parks Recreation	Hakea Eradication	250 000,00	261 000,00	272 745,00	Ivan Van Wyk							RFQ process to be followed
375	Vote 6 - Community Services	6.6 - Parks Recreation	Hire Charges: M E	6 687,38	6 982,00	7 296,00	Ivan Van Wyk							RFQ process to be followed
376	Vote 6 - Community Services	6.6 - Parks Recreation	Insurance 3rd Party	12 018,00	13 219,00	14 541,00	Landia							RFQ process to be followed
377	Vote 6 - Community Services	6.6 - Parks Recreation	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	132 516,00	145 767,00	160 344,00	Landia							Tender in place
378	Vote 6 - Community Services	6.6 - Parks Recreation	Insurance: Non Claimable	15 000,00	16 500,00	18 150,00	Landia							RFQ process to be followed
379	Vote 6 - Community Services	6.6 - Parks Recreation	Licence Registr Fees Vehic	13 845,30	14 454,00	15 104,00	Landia							RFQ process to be followed
380	Vote 6 - Community Services	6.6 - Parks Recreation	Materials Stores	237 087,75	247 520,00	258 658,00	Ivan Van Wyk							RFQ process to be followed

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
381	Vote 6 - Community Services	6.6 - Parks Recreation	Protective Clothing	200 000,00	208 800,00	218 196,00	Ivan Van Wyk							RFQ process to be followed
382	Vote 6 - Community Services	6.6 - Parks Recreation	Stationery Costs	1 671,85	1 745,00	1 824,00	Ivan Van Wyk							RFQ process to be followed
383	Vote 6 - Community Services	6.6 - Parks Recreation	R M Buildings	212 500,00	199 665,00	229 515,00	Ivan Van Wyk							RFQ process to be followed
384	Vote 6 - Community Services	6.6 - Parks Recreation	R M Grounds Gardens Buildings	382 500,00	359 397,00	413 127,00	Ivan Van Wyk							RFQ process to be followed
385	Vote 6 - Community Services	6.6 - Parks Recreation	Consumables	4 301,41	4 491,00	4 693,00	Ivan Van Wyk							New tender process
386	Vote 6 - Community Services	6.6 - Parks Recreation	Fuel & Oil	53 552,16	55 908,00	58 424,00	Ivan Van Wyk							Tender in place
387	Vote 6 - Community Services	6.6 - Parks Recreation	Fuel Management Rental Fee	4 477,34	4 674,00	4 884,00	Ivan Van Wyk							Tender in place
388	Vote 6 - Community Services	6.6 - Parks Recreation	Licence Registr Fees Vehic	3 018,90	3 152,00	3 294,00	Ivan Van Wyk							Tender in place
389	Vote 6 - Community Services	6.6 - Parks Recreation	R M Plant Equip	16 241,42	15 260,40	17 541,70	Ivan Van Wyk							RFQ process to be followed
390	Vote 6 - Community Services	6.6 - Parks Recreation	R M Parks Program Equip	12 180,85	11 445,30	13 156,00	Ivan Van Wyk							RFQ process to be followed
391	Vote 6 - Community Services	6.6 - Parks Recreation	Fuel Management Rental Fee	2 223,58	2 321,00	2 425,00	Ivan Van Wyk							Tender in place
392	Vote 6 - Community Services	6.3 - Public Toilets	Hire Charges: M E	150 000,00	156 600,00	163 647,00	Ivan Van Wyk							RFQ process to be followed
393	Vote 6 - Community Services	6.3 - Public Toilets	Hire Charges: Vehicles	69 451,36	72 507,00	75 770,00	Ivan Van Wyk							RFQ process to be followed
394	Vote 6 - Community Services	6.3 - Public Toilets	Materials Stores	150 000,00	156 600,00	163 647,00	Ivan Van Wyk							Tender in place
395	Vote 6 - Community Services	6.3 - Public Toilets	Operational Cost: Uniform & Protective Clothing	100 000,00	104 400,00	109 098,00	Ivan Van Wyk							RFQ process to be followed
396	Vote 6 - Community Services	6.3 - Public Toilets	Insurance: Broker Fees	20 952,00	23 047,00	25 352,00	Landia							RFQ process to be followed
397	Vote 6 - Community Services	6.3 - Public Toilets	Cleanliness and Clean-up - Clean-up Actions - Ward 9	212 500,00	199 665,00	229 515,00	Ivan Van Wyk							RFQ process to be followed
398	Vote 6 - Community Services	6.3 - Public Toilets	Cleanliness and Clean-up - Clean-up Actions - Ward 5	212 500,00	199 665,00	229 515,00	Ivan Van Wyk							RFQ process to be followed
399	Vote 6 - Community Services	6.4 - Library	Consumables	17 197,32	17 954,00	18 762,00	Xola Frans							RFQ process to be followed
400	Vote 6 - Community Services	6.4 - Library	Fuel and Oil	27 514,67	28 725,00	30 018,00	Xola Frans							Tender in place
401	Vote 6 - Community Services	6.4 - Library	Contr Serv: Outsourced Services: Business & Advisory: Project Management	433,06	452,00	472,00	Xola Frans							RFQ process to be followed
402	Vote 6 - Community Services	6.4 - Library	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	64 232,00	70 655,00	77 721,00	Landia							RFQ process to be followed
403	Vote 6 - Community Services	6.4 - Library	Operational Cost: Licences : Motor Vehicle Licence Registrations	96 294,58	100 532,00	105 056,00	Landia							RFQ process to be followed
404	Vote 6 - Community Services	6.4 - Library	Materials Stores	45 542,71	47 547,00	49 687,00	Xola Frans							RFQ process to be followed
405	Vote 6 - Community Services	6.4 - Library	Pre Paid Electricity	19 442,76	20 298,00	21 211,00	Busisiwe Kova							RFQ process to be followed
406	Vote 6 - Community Services	6.4 - Library	Stationery Costs	87 277,44	91 118,00	95 218,00	Xola Frans							RFQ process to be followed
407	Vote 6 - Community Services	6.4 - Library	S T Accommodation Other	1 009,77	1 054,00	1 101,00	Xola Frans							RFQ process to be followed
408	Vote 6 - Community Services	6.4 - Library	Contr Serv: Contractors: Maint Buildings Facilities	300 000,00	313 200,00	327 294,00	Xola Frans							RFQ process to be followed
409	Vote 6 - Community Services	6.4 - Library	Contr Serv: Contractors: Maint Equip	45 000,00	46 980,00	49 094,00	Xola Frans							RFQ process to be followed
410	Vote 6 - Community Services	6.4 - Library	Materials Stores	3 611,23	3 770,00	3 940,00	Xola Frans							RFQ process to be followed
411	Vote 6 - Community Services	6.4 - Library	Stationery Costs	7 796,05	8 139,00	8 505,00	Xola Frans							RFQ process to be followed
412	Vote 6 - Community Services	6.4 - Library	S T Travel Claim Own Training	3 670,57	3 832,00	4 004,00	Xola Frans							Tender in place
413	Vote 6 - Community Services	6.4 - Library	S T Daily Allowance Other	5 129,01	5 355,00	5 596,00	Xola Frans							Tender in place
414	Vote 6 - Community Services	6.4 - Library	S T Daily Allowance Training	160,31	167,00	175,00	Xola Frans							Tender in place
415	Vote 6 - Community Services	6.4 - Library	R M Buildings: Sedgefield	150 000,00	156 600,00	163 647,00	Xola Frans							RFQ process to be followed
416	Vote 6 - Community Services	6.4 - Library	R M Buildings: Smutsville	45 000,00	46 980,00	49 094,00	Xola Frans							RFQ process to be followed
417	Vote 6 - Community Services	6.4 - Library	Consumables	2 865,87	2 992,00	3 127,00	Xola Frans							RFQ process to be followed
418	Vote 6 - Community Services	6.4 - Library	Materials Stores	6 190,83	6 463,00	6 754,00	Xola Frans							New tender process

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
419	Vote 6 - Community Services	6.4 - Library	Contr Serv: Contractors: Maint Buildings Facilities	45 000,00	46 980,00	49 094,00	Xola Frans							RFQ process to be followed
420	Vote 6 - Community Services	6.4 - Library	Contr Serv: Contractors: Maint Equip	27 532,37	28 744,00	30 037,00	Xola Frans							RFQ process to be followed
421	Vote 6 - Community Services	6.4 - Library	Agency Fees	90 000,00	93 960,00	98 188,00	Xola Frans							RFQ process to be followed
422	Vote 6 - Community Services	6.4 - Library	Vehicles	25 000,00	26 100,00	27 275,00	Xola Frans							Expansion on the tender
423	Vote 6 - Community Services	6.6 - Parks Recreation	Consumables	21 017,79	21 943,00	22 930,00	Ivan Van Wyk							RFQ process to be followed
424	Vote 6 - Community Services	6.6 - Parks Recreation	Fuel & Oil	477 686,79	498 705,00	521 147,00	Ivan Van Wyk							RFQ process to be followed
425	Vote 6 - Community Services	6.6 - Parks Recreation	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	20 529,00	22 582,00	24 840,00	Landia							RFQ process to be followed
426	Vote 6 - Community Services	6.6 - Parks Recreation	Contr Serv: Outsourced Services: Clearing & Grass Cutting Services	4 775,07	4 985,00	5 209,00	Ivan Van Wyk							RFQ process to be followed
427	Vote 6 - Community Services	6.6 - Parks Recreation	Removal of Trees Project	403 180,13	378 828,00	435 462,50	Ivan Van Wyk							RFQ process to be followed
428	Vote 6 - Community Services	6.6 - Parks Recreation	Operational Cost: Communication: Alien Vegetation	376 581,79	393 151,00	410 843,00	Ivan Van Wyk							RFQ process to be followed
429	Vote 6 - Community Services	6.6 - Parks Recreation	Plant Equip: Alien Veg	8 120,27	7 630,20	8 771,40	Ivan Van Wyk							RFQ process to be followed
430	Vote 6 - Community Services	6.6 - Parks Recreation	R M Plant Equip	201 589,18	189 413,10	217 730,70	Ivan Van Wyk							Tender in progress
431	Vote 6 - Community Services	6.6 - Parks Recreation	Parks Program Clearing	340 000,00	319 464,00	367 224,00	Ivan Van Wyk							RFQ process to be followed
432	Vote 6 - Community Services	6.6 - Parks Recreation	Parks Program Alien Veg	242 778,95	228 114,90	262 218,00	Ivan Van Wyk							RFQ process to be followed
433	Vote 6 - Community Services	6.6 - Parks Recreation	Fuel & Oil	213 540,33	222 936,00	232 968,00	Ivan Van Wyk							Tender in place
434	Vote 6 - Community Services	6.6 - Parks Recreation	Fuel & Oil	182 864,14	190 910,00	199 501,00	Ivan Van Wyk							Tender in place
435	Vote 6 - Community Services	6.6 - Parks Recreation	Repairs and Maintanance Vehicles W1	46 695,30	43 875,00	50 433,90	Ivan Van Wyk							Tender in place
436	Vote 6 - Community Services	6.6 - Parks Recreation	Repairs and Maintanance Vehicles W3	162 413,33	152 604,00	175 418,10	Ivan Van Wyk							Tender in place
437	Vote 6 - Community Services	6.6 - Parks Recreation	Repairs and Maintanance Vehicles	69 027,15	64 857,60	74 553,60	Ivan Van Wyk							New tender process
438	Vote 6 - Community Services	6.6 - Parks Recreation	Licence and Registr Fees	6 820,63	7 121,00	7 441,00	Ivan Van Wyk							RFQ process to be followed
439	Vote 6 - Community Services	6.6 - Parks Recreation	Grass Cutting - Ward 1	153 407,33	160 157,00	184 100,40	Ivan Van Wyk							RFQ process to be followed
440	Vote 6 - Community Services	6.6 - Parks Recreation	Grass Cutting - Ward 2	145 001,25	151 381,00	174 012,30	Ivan Van Wyk							RFQ process to be followed
441	Vote 6 - Community Services	6.6 - Parks Recreation	Grass Cutting - Ward 3	145 001,25	151 381,00	174 012,30	Ivan Van Wyk							RFQ process to be followed
442	Vote 6 - Community Services	6.6 - Parks Recreation	Grass Cutting - Ward 4	178 625,55	186 485,00	214 364,70	Ivan Van Wyk							New tender process
443	Vote 6 - Community Services	6.6 - Parks Recreation	Grass Cutting - Ward 5	358 300,54	374 066,00	429 988,90	Ivan Van Wyk							RFQ process to be followed
444	Vote 6 - Community Services	6.6 - Parks Recreation	Grass Cutting - Ward 6	373 296,98	389 722,00	447 984,90	Ivan Van Wyk							RFQ process to be followed
445	Vote 6 - Community Services	6.6 - Parks Recreation	Grass Cutting - Ward 7	285 322,54	297 877,00	342 409,10	Ivan Van Wyk							RFQ process to be followed
446	Vote 6 - Community Services	6.6 - Parks Recreation	Grass Cutting - Ward 8	256 378,21	267 659,00	307 674,40	Ivan Van Wyk							RFQ process to be followed
447	Vote 6 - Community Services	6.6 - Parks Recreation	Grass Cutting - Ward 9	161 171,89	168 263,00	193 418,50	Ivan Van Wyk							RFQ process to be followed
448	Vote 6 - Community Services	6.6 - Parks Recreation	Grass Cutting - Ward 10	169 581,50	177 043,00	203 511,00	Ivan Van Wyk							New tender process
449	Vote 6 - Community Services	6.6 - Parks Recreation	Grass Cutting - Ward 11	373 296,98	389 722,00	447 984,90	Ivan Van Wyk							RFQ process to be followed
450	Vote 6 - Community Services	6.6 - Parks Recreation	Caravan Park : Maintenance of buildings	170 000,00	159 732,00	183 612,00	Ivan Van Wyk							RFQ process to be followed
451	Vote 6 - Community Services	6.6 - Parks Recreation	Caravan Park : Protective Clothing	4 299,33	4 489,00	4 691,00	Ivan Van Wyk							RFQ process to be followed
452	Vote 6 - Community Services	6.6 - Parks Recreation	Caravan Park : Maintenance of Grounds and Gardens	86 891,39	81 643,50	93 848,70	Ivan Van Wyk							RFQ process to be followed
453	Vote 6 - Community Services	6.6 - Parks Recreation	Caravan Park : Tools and Equipment	3 488,96	3 277,80	3 767,50	Ivan Van Wyk							RFQ process to be followed
454	Vote 6 - Community Services	6.6 - Parks Recreation	Caravan Park : Travel and subsistance	20 000,00	20 880,00	21 820,00	Ivan Van Wyk							RFQ process to be followed
455	Vote 6 - Community Services	6.6 - Parks Recreation	Caravan Park : Material and Stores	47 768,37	49 870,00	52 114,00	Ivan Van Wyk							RFQ process to be followed
456	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Contr Serv: Contractors: Sports Recreation	1 275 000,00	1 197 990,00	1 377 090,00	Richard Meyer							Tender in place

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
457	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Disaster Assistance/Donations	650 115,95	678 721,00	709 263,00	Richard Meyer							RFQ process to be followed
458	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Materials & Supplies	163 740,97	170 946,00	178 639,00	Richard Meyer							RFQ process to be followed
459	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Materials Stores	9 553,26	9 974,00	10 423,00	Richard Meyer							RFQ process to be followed
460	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Operational Cost: Uniform & Protective Clothing	2 865,87	2 992,00	3 127,00	Richard Meyer							RFQ process to be followed
461	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Youth Advisory Centre Event Promoter	680 000,00	638 928,00	734 448,00	Richard Meyer							RFQ process to be followed
462	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Contr Serv: Contractors: Event Promoters	307 700,00	289 115,10	332 337,50	Richard Meyer							New tender process
463	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Insurance: Broker Fees	8 745,00	9 619,00	10 581,00	Landia							RFQ process to be followed
464	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Sport Development	425 000,00	399 330,00	459 030,00	Richard Meyer							RFQ process to be followed
465	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Business and Advisory - Occupational Health and Safety	75 066,25	70 532,10	81 076,60	Richard Meyer							RFQ process to be followed
466	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Consumables - Standard Rated	355 408,85	371 047,00	387 744,00	Richard Meyer							RFQ process to be followed
467	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Disaster Management and Social Services	150 000,00	156 600,00	163 647,00	Richard Meyer							RFQ process to be followed
468	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Professional services for the homeless people project	8 120,27	7 630,20	8 771,40	Richard Meyer							RFQ process to be followed
469	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Expenditure:Contracted Services:Contractors:Artists and Performers	40 603,11	38 151,00	43 854,80	Ian Bezuidenhout							Tender in place
470	Vote 6 - Community Services	6.8 - Safety Fire Brigade Services	Contr Serv: Outsourced Services: Clearing Grass Cutting Services	228 826,37	238 895,00	249 645,00	Ian Bezuidenhout							RFQ process to be followed
471	Vote 6 - Community Services	6.8 - Safety Fire Brigade Services	Fuel and Oil	284 701,01	297 228,00	310 603,00	Ian Bezuidenhout							Tender in place
472	Vote 6 - Community Services	6.8 - Safety Fire Brigade Services	Contr Serv: Outsourced Services: Business & Advisory: Project Management	5 253,93	5 485,00	5 732,00	Ian Bezuidenhout							RFQ process to be followed
473	Vote 6 - Community Services	6.8 - Safety Fire Brigade Services	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	333 054,00	366 359,00	402 995,00	Ian Bezuidenhout							RFQ process to be followed
474	Vote 6 - Community Services	6.8 - Safety Fire Brigade Services	Operational Cost: Licences : Motor Vehicle Licence Registrations	18 790,05	19 617,00	20 500,00	Ian Bezuidenhout							RFQ process to be followed
475	Vote 6 - Community Services	6.8 - Safety Fire Brigade Services	Materials Stores	115 446,90	120 527,00	125 951,00	Ian Bezuidenhout							RFQ process to be followed
476	Vote 6 - Community Services	6.8 - Safety Fire Brigade Services	Operational Cost: Uniform & Protective Clothing	470 043,77	490 726,00	512 809,00	Ian Bezuidenhout							RFQ process to be followed
477	Vote 6 - Community Services	6.8 - Safety Fire Brigade Services	Stationery Costs	3 607,07	3 766,00	3 935,00	Ian Bezuidenhout							RFQ process to be followed
478	Vote 6 - Community Services	6.8 - Safety Fire Brigade Services	Operational Cost: Professional Bodies, Membership Subscription	20 000,00	20 880,00	21 820,00	Ian Bezuidenhout							RFQ process to be followed
479	Vote 6 - Community Services	6.8 - Safety Fire Brigade Services	R M Buildings	127 500,00	119 799,00	137 709,00	Ian Bezuidenhout							RFQ process to be followed
480	Vote 6 - Community Services	6.8 - Safety Fire Brigade Services	Contr Serv: Contractors: Maint Equip	142 112,22	133 528,50	153 490,70	Ian Bezuidenhout							RFQ process to be followed
481	Vote 6 - Community Services	6.8 - Safety Fire Brigade Services	Fuel and Oil	26 309,19	27 467,00	28 703,00	Ian Bezuidenhout							Tender in place
482	Vote 6 - Community Services	6.8 - Safety Fire Brigade Services	Fuel and Oil: Small Plant	1 394,94	1 456,00	1 522,00	Ian Bezuidenhout							Tender in place
483	Vote 6 - Community Services	6.8 - Safety Fire Brigade Services	Contr Serv: Outsourced Services: Business & Advisory: Project Management	1 316,87	1 375,00	1 437,00	Ian Bezuidenhout							RFQ process to be followed
484	Vote 6 - Community Services	6.8 - Safety Fire Brigade Services	Operational Cost: Licences : Motor Vehicle Licence Registrations	408,07	426,00	445,00	Ian Bezuidenhout							RFQ process to be followed
485	Vote 6 - Community Services	6.8 - Safety Fire Brigade Services	Plot Clearing Expenses	127 500,00	119 799,00	137 709,00	Ian Bezuidenhout							RFQ process to be followed
486	Vote 6 - Community Services	6.8 - Safety Fire Brigade Services	Repairs and Maintanance Vehicles	281 369,91	264 375,00	303 899,20	Ian Bezuidenhout							RFQ process to be followed
487	Vote 6 - Community Services	6.8 - Safety Fire Brigade Services	Fuel and Oil	4 777,15	4 987,00	5 211,00	Ian Bezuidenhout							Tender in place
488	Vote 6 - Community Services	6.8 - Safety Fire Brigade Services	S T Daily Allowance Training	100 000,00	104 400,00	109 098,00	Stephen Langlands							RFQ process to be followed
489	Vote 6 - Community Services	6.9 - Safety Law Enforcement	Contr Serv: Outsourced Services: Administrative Support Staff	1 100 000,00	1 033 560,00	1 188 077,00	Stephen Langlands							New tender process
490	Vote 6 - Community Services	6.9 - Safety Law Enforcement	Fuel and Oil	200 000,00	208 800,00	218 196,00	Stephen Langlands							RFQ process to be followed
491	Vote 6 - Community Services	6.9 - Safety Law Enforcement	Contr Serv: Outsourced Services: Business & Advisory: Project Management	1 711,40	1 787,00	1 867,00	Stephen Langlands							RFQ process to be followed
492	Vote 6 - Community Services	6.9 - Safety Law Enforcement	Operational Cost: Licences : Motor Vehicle Licence Registrations	2 533,79	2 645,00	2 764,00	Stephen Langlands							RFQ process to be followed
493	Vote 6 - Community Services	6.9 - Safety Law Enforcement	Materials Stores	110 000,00	114 840,00	120 008,00	Stephen Langlands							RFQ process to be followed
494	Vote 6 - Community Services	6.9 - Safety Law Enforcement	Contr Serv: Contractors: Pest Control & Fumigation	69 879,21	72 954,00	76 237,00	Stephen Langlands							RFQ process to be followed

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
495	Vote 6 - Community Services	6.9 - Safety Law Enforcement	Contr Serv: Contractors: Transportation Contractor	42 500,00	39 933,00	45 903,00	Stephen Langlands							RFQ process to be followed
496	Vote 6 - Community Services	6.9 - Safety Law Enforcement	Operational Cost: Uniform & Protective Clothing	100 000,00	104 400,00	109 098,00	Stephen Langlands							RFQ process to be followed
497	Vote 6 - Community Services	6.9 - Safety Law Enforcement	Road Paint Materials	200 000,00	208 800,00	218 196,00	Stephen Langlands							RFQ process to be followed
498	Vote 6 - Community Services	6.9 - Safety Law Enforcement	Stationery Costs	100 000,00	104 400,00	109 098,00	Stephen Langlands							RFQ process to be followed
499	Vote 6 - Community Services	6.9 - Safety Law Enforcement	Operational Cost: Signage	110 000,00	114 840,00	120 008,00	Stephen Langlands							RFQ process to be followed
500	Vote 6 - Community Services	6.11 - Safety Traffic Department	Contr Serv: Contractors: Prepaid Electricity Vendors	4 423 823,50	4 156 624,80	4 778 040,30	Stephen Langlands							RFQ process to be followed
501	Vote 6 - Community Services	6.11 - Safety Traffic Department	Operational Cost: Bank Charges, Facility & Card Fees: Bank Accounts	47 768,37	49 870,00	52 114,00	Stephen Langlands							RFQ process to be followed
502	Vote 6 - Community Services	6.11 - Safety Traffic Department	Fuel and Oil	372 595,76	388 990,00	406 495,00	Stephen Langlands							RFQ process to be followed
503	Vote 6 - Community Services	6.11 - Safety Traffic Department	Contr Serv: Outsourced Services: Business & Advisory: Project Management	6 305,34	6 583,00	6 879,00	Stephen Langlands							Tender in place
504	Vote 6 - Community Services	6.11 - Safety Traffic Department	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	63 848,00	70 233,00	77 256,00	Stephen Langlands							Expansion on the tender
505	Vote 6 - Community Services	6.11 - Safety Traffic Department	Operational Cost: Licences : Motor Vehicle Licence Registrations	15 000,00	15 660,00	16 365,00	Stephen Langlands							RFQ process to be followed
506	Vote 6 - Community Services	6.11 - Safety Traffic Department	Materials Stores	7 000,00	7 308,00	7 637,00	Stephen Langlands							New tender process
507	Vote 6 - Community Services	6.11 - Safety Traffic Department	Stationery Costs	30 000,00	31 320,00	32 729,00	Stephen Langlands							RFQ process to be followed
508	Vote 6 - Community Services	6.11 - Safety Traffic Department	Contr Serv: Contractors: Maint Equip	37 113,26	34 871,40	40 085,10	Stephen Langlands							Tender in place
509	Vote 6 - Community Services	6.11 - Safety Traffic Department	Hire Charges: Vehicles	50 000,00	52 200,00	54 549,00	Stephen Langlands							B-order process
510	Vote 6 - Community Services	6.9 - Safety Law Enforcement	Insurance: Broker Fees	22 688,00	24 957,00	27 453,00	Landia							Expansion on the tender
511	Vote 6 - Community Services	6.9 - Safety Law Enforcement	Vehicles	126 091,13	118 475,10	136 186,60	Stephen Langlands							RFQ process to be followed
512	Vote 6 - Community Services	6.11 - Safety Traffic Department	Vehicles	170 000,00	159 732,00	183 612,00	Stephen Langlands							RFQ process to be followed
513	Vote 6 - Community Services	6.11 - Safety Traffic Department	Protective Clothing	191 075,55	199 483,00	208 460,00	Stephen Langlands							RFQ process to be followed
514	Vote 6 - Community Services	6.9 - Safety Law Enforcement	Contr Serv: Outsourced Services: Security Services	10 956 521,74	11 438 609,00	13 148 680,60	Stephen Langlands							RFQ process to be followed
515	Vote 6 - Community Services	6.10 - Safety Vehicle Licence Testing	Materials Stores	28 660,81	29 922,00	31 268,00	Stephen Langlands							Tender in place
516	Vote 6 - Community Services	6.10 - Safety Vehicle Licence Testing	Operational Cost: Courier Delivery Services	3 854,82	4 024,00	4 205,00	Stephen Langlands							RFQ process to be followed
517	Vote 6 - Community Services	6.10 - Safety Vehicle Licence Testing	Uniform and Protective Clothing	10 000,00	10 440,00	10 910,00	Stephen Langlands							RFQ process to be followed
518	Vote 6 - Community Services	6.10 - Safety Vehicle Licence Testing	Stationery Costs	60 000,00	62 640,00	65 459,00	Stephen Langlands							RFQ process to be followed
519	Vote 6 - Community Services	6.10 - Safety Vehicle Licence Testing	Insurance: Broker Fees	11 543,00	12 697,00	13 966,00	Randal Bouwer							RFQ process to be followed
520	Vote 6 - Community Services	6.12 - Sports Fields	Consumables	5 727,58	5 980,00	6 249,00	Randal Bouwer							RFQ process to be followed
521	Vote 6 - Community Services	6.12 - Sports Fields	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	35 743,00	39 317,00	43 249,00	Randal Bouwer							RFQ process to be followed
522	Vote 6 - Community Services	6.12 - Sports Fields	Materials Stores	70 126,97	73 213,00	76 508,00	Randal Bouwer							RFQ process to be followed
523	Vote 6 - Community Services	6.12 - Sports Fields	Contr Serv: Contractors: Maint Buildings Facilities	416 941,32	391 758,30	450 325,70	Randal Bouwer							RFQ process to be followed
524	Vote 6 - Community Services	6.12 - Sports Fields	Contr Serv: Contractors: Maint Equip	49 294,99	46 317,60	53 242,20	Randal Bouwer							RFQ process to be followed
525	Vote 6 - Community Services	6.12 - Sports Fields	Contr Serv: Contractors: Maint Buildings Facilities	595 000,00	559 062,00	642 642,00	Randal Bouwer							RFQ process to be followed
526	Vote 6 - Community Services	6.13 - Swimming Pool	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	7 024,00	7 727,00	8 499,00	Randal Bouwer							RFQ process to be followed
527	Vote 6 - Community Services	6.13 - Swimming Pool	Materials Stores	5 731,75	5 984,00	6 253,00	Randal Bouwer							RFQ process to be followed
528	Vote 6 - Community Services	6.13 - Swimming Pool	Contr Serv: Contractors: Maint Buildings Facilities	10 151,88	9 539,10	10 964,80	Randal Bouwer							RFQ process to be followed
529	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Education Program - Litter Event Promoters	68 000,00	63 892,80	73 444,80	Randal Bouwer							RFQ process to be followed
530	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Fuel and Oil	2 972 271,53	3 103 051,00	3 242 688,00	Randal Bouwer							RFQ process to be followed
531	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Contr Serv: Outsourced Services: Business & Advisory: Project Management	10 887,82	11 367,00	11 879,00	Randal Bouwer							RFQ process to be followed
532	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	348 335,00	383 169,00	421 485,00	Randal Bouwer							RFQ process to be followed

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
533	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Operational Cost: Licences : Motor Vehicle Licence Registrations	259 276,67	270 685,00	282 866,00	Randal Bouwer							RFQ process to be followed
534	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Materials Stores	286 611,24	299 222,00	312 687,00	Randal Bouwer							RFQ process to be followed
535	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Operational Cost: Uniform & Protective Clothing	114 609,94	119 653,00	125 037,00	Randal Bouwer							RFQ process to be followed
536	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Stationery Costs	8 301,98	8 667,00	9 057,00	Randal Bouwer							RFQ process to be followed
537	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Fuel and Oil	370 894,77	387 214,00	404 639,00	Randal Bouwer							RFQ process to be followed
538	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Fuel and Oil: Small Plant	6 563,51	6 852,00	7 160,00	Randal Bouwer							RFQ process to be followed
539	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Contr Serv: Outsourced Services: Business & Advisory: Project Management	3 707,00	3 870,00	4 044,00	Randal Bouwer							RFQ process to be followed
540	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Operational Cost: Licences : Motor Vehicle Licence Registrations	45 652,01	47 661,00	49 806,00	Randal Bouwer							RFQ process to be followed
541	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Insurance: Non Claimable	15 000,00	16 500,00	18 150,00	Randal Bouwer							RFQ process to be followed
542	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Signage	76 430,22	79 793,00	83 384,00	Randal Bouwer							RFQ process to be followed
543	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Consultants - Air Quality	25 500,00	23 959,80	27 541,80	Randal Bouwer							RFQ process to be followed
544	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Consultants - Waste Mangemnt Plan	234 025,13	219 889,80	252 763,50	Randal Bouwer							RFQ process to be followed
545	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	External Audit Fees	160 605,48	167 672,00	175 217,00	Randal Bouwer							RFQ process to be followed
546	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Contracted Services: transport bulk waste	1 800 000,00	1 691 280,00	1 944 126,80	Randal Bouwer							RFQ process to be followed
547	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Vehicles Ward 1	41 171,19	38 684,70	44 468,60	Randal Bouwer							New tender process
548	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Vehicles maintenance	1 427 912,53	1 341 666,90	1 542 246,20	Randal Bouwer							RFQ process to be followed
549	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Operational Cost:Dumping Fees (District Council)	1 922 006,00	2 006 574,00	2 096 870,00	Randal Bouwer							RFQ process to be followed
550	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Hiring of Refuse truck	500 000,00	522 000,00	545 490,00	Randal Bouwer							Tender in place
551	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Refuse Dumping Fee: GRM	1 761 153,00	7 467 287,00	7 915 324,00	Randal Bouwer							RFQ process to be followed
552	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	litter Picking and Street Cleaning	109 432,05	102 822,30	118 193,90	Randal Bouwer							Tender in place
553	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	litter Picking and Street Cleaning	212 500,00	199 665,00	229 515,00	Randal Bouwer							RFQ process to be followed
554	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	litter Picking and Street Cleaning	143 542,14	134 872,20	155 035,10	Randal Bouwer							Expansion on existing tender
555	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	litter Picking and Street Cleaning	143 542,14	134 872,20	155 035,10	Randal Bouwer							RFQ process to be followed
556	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	litter Picking and Street Cleaning	143 542,14	134 872,20	155 035,10	Randal Bouwer							RFQ process to be followed
557	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	litter Picking and Street Cleaning	143 542,14	134 872,20	155 035,10	Randal Bouwer							RFQ process to be followed
558	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	litter Picking and Street Cleaning	143 542,14	134 872,20	155 035,10	Randal Bouwer							RFQ process to be followed
559	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	litter Picking and Street Cleaning	143 542,14	134 872,20	155 035,10	Randal Bouwer							RFQ process to be followed
560	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	litter Picking and Street Cleaning	110 250,54	103 591,80	119 078,30	Randal Bouwer							RFQ process to be followed
561	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Rental of Containers	952 450,46	994 358,00	1 039 104,00	Randal Bouwer							Tender process to be followd
562	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Recycling	1 231 650,00	1 157 258,70	1 330 268,50	Randal Bouwer							RFQ process to be followed
563	Vote 6 - Community Services	6.14 - Cleansing Refuse Removal Services	Lab Sampling - Brenton + Old Place Waste Facility	48 724,27	45 781,20	52 625,10	Randal Bouwer							Tender in place
564	Vote 6 - Community Services	6.15 - Transfer Station	Materials Stores	33 753,38	35 239,00	36 825,00	Randal Bouwer							Awarded
565	Vote 6 - Community Services	6.15 - Transfer Station	Protective Clothing	153 119,65	159 857,00	167 051,00	Randal Bouwer							RFQ process to be followed
566	Vote 6 - Community Services	6.15 - Transfer Station	R M Plant Equip	719 022,03	638 060,15	733 450,30	Randal Bouwer							RFQ process to be followed
567	Vote 6 - Community Services	6.15 - Transfer Station	Insurance: Broker Fees	5 767,00	6 344,00	6 978,00	Randal Bouwer							Statutory
568	Vote 6 - Community Services	6.15 - Transfer Station	Materials Stores	16 876,69	17 619,00	18 412,00	Randal Bouwer							Tender process to be followed
569	Vote 6 - Community Services	6.15 - Transfer Station	Insurance: Broker Fees	12 197,00	13 417,00	14 758,00	Randal Bouwer							Statutory
570	Vote 6 - Community Services	6.15 - Transfer Station	Contractors Building	90 754,64	80 535,80	92 576,00	Randal Bouwer							Utilize on EOI

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
571	Vote 6 - Community Services	6.16 - Street Cleaning	Materials Stores	516 926,25	539 671,00	563 956,00	Randal Bouwer							Utilize on EOI
572	Vote 6 - Community Services	6.16 - Street Cleaning	Operational Cost: Uniform & Protective Clothing	23 883,66	24 935,00	26 057,00	Randal Bouwer							Utilize on EOI
573	Vote 6 - Community Services	6.16 - Street Cleaning	Insurance: Broker Fees	17 727,00	19 500,00	21 450,00	Randal Bouwer							Utilize on EOI
574	Vote 6 - Community Services	6.17 - Museum & Heritage Building	Consumables	2 865,87	2 992,00	3 127,00	Xola Frans							Utilize on EOI
575	Vote 6 - Community Services	6.17 - Museum & Heritage Building	Materials Stores	2 550,45	2 663,00	2 783,00	Xola Frans							Utilize on EOI
576	Vote 6 - Community Services	6.17 - Museum & Heritage Building	Stationery Costs	918,16	959,00	1 002,00	Xola Frans							Utilize on EOI
577	Vote 6 - Community Services	6.17 - Museum & Heritage Building	R M Buildings	59 500,00	55 906,20	64 264,20	Xola Frans							Utilize on EOI
578	Vote 6 - Community Services	6.17 - Museum & Heritage Building	Buildings: Pest Control Fumigation	7 650,00	7 188,30	8 263,20	Xola Frans							Utilize on EOI
579	Vote 6 - Community Services	6.17 - Museum & Heritage Building	Grounds Gardens: Contract	34 000,00	31 946,40	36 722,40	Xola Frans							Tender in place
580	Vote 6 - Community Services	6.17 - Museum & Heritage Building	Contr Serv: Contractors: Maint Equip	81 600,00	76 671,00	88 133,10	Xola Frans							Tender in place
581	Vote 6 - Community Services	6.17 - Museum & Heritage Building	Insurance: Broker Fees	13 154,00	14 469,00	15 916,00	Landia							Tender in place
582	Vote 6 - Community Services	6.17 - Museum & Heritage Building	Artist and Perfomers	42 030,38	39 492,00	45 395,90	Xola Frans							Tender in place
583	Vote 6 - Community Services	6.4 - Library	Insurance: Non Claimable	2 000,00	2 200,00	2 420,00	Landia							RFQ process to be followed
584	Vote 6 - Community Services	6.8 - Safety Fire Brigade Services	Insurance: Non Claimable	12 000,00	13 200,00	14 520,00	Landia							Tender process to be followed
585	Vote 6 - Community Services	6.11 - Safety Traffic Department	Insurance: Non Claimable	1 000,00	1 100,00	1 210,00	Landia							RFQ process to be followed
586	Vote 6 - Community Services	6.3 - Public Toilets	Buildings	850 000,00	798 660,00	918 060,00	Landia							RFQ process to be followed
587	Vote 6 - Community Services	6.4 - Library	Plant Equipment	15 000,00	15 660,00	16 365,00	Randal Bouwer							RFQ process to be followed
588	Vote 6 - Community Services	6.5 - Director: Community	Travelling and Subsistence	40 000,00	41 760,00	43 639,00	Sandile Ngqele							Combine to one
589	Vote 6 - Community Services	6.5 - Director: Community	Office Furniture Equipment	17 000,00	15 973,20	18 361,20	Sandile Ngqele							New tender process
590	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Travelling and Subsistence	5 000,00	5 220,00	5 455,00	Richard Meyer							New tender process
591	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Travelling and Subsistence	2 000,00	2 088,00	2 182,00	Richard Meyer							New tender process
592	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Travelling and Subsistence	5 000,00	5 220,00	5 455,00	Richard Meyer							RFQ process to be followed
593	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Youth Advisory Centre	42 500,00	39 933,00	45 903,00	Richard Meyer							RFQ process to be followed
594	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Youth Advisory Centre	70 000,00	73 080,00	76 369,00	Richard Meyer							RFQ process to be followed
595	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Youth Advisory Centre	100 000,00	104 400,00	109 098,00	Richard Meyer							RFQ process to be followed
596	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Youth Advisory Centre	42 500,00	39 933,00	45 903,00	Richard Meyer							RFQ process to be followed
597	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Youth Advisory Centre	25 500,00	23 959,80	27 541,80	Richard Meyer							RFQ process to be followed
598	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Youth Advisory Centre	25 500,00	23 959,80	27 541,80	Richard Meyer							RFQ process to be followed
599	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Youth Advisory Centre	25 500,00	23 959,80	27 541,80	Richard Meyer							RFQ process to be followed
600	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Youth Advisory Centre	25 500,00	23 959,80	27 541,80	Richard Meyer							RFQ process to be followed
601	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Youth Advisory Centre	25 500,00	23 959,80	27 541,80	Richard Meyer							RFQ process to be followed
602	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Youth Advisory Centre	25 500,00	23 959,80	27 541,80	Richard Meyer							RFQ process to be followed
603	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Youth Advisory Centre	25 500,00	23 959,80	27 541,80	Richard Meyer							RFQ process to be followed
604	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Youth Advisory Centre	25 500,00	23 959,80	27 541,80	Richard Meyer							RFQ process to be followed
605	Vote 6 - Community Services	6.7 - Disaster Management and Social Services	Youth Advisory Centre	25 500,00	23 959,80	27 541,80	Richard Meyer							RFQ process to be followed
606	Vote 6 - Community Services	6.1 - Cemetery	Insurance: Non Claimable	500,00	550,00	605,00	Landia							Tender in place
607	Vote 7 - Electrical Services	7.2 - Electricity Administration	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	15 865,00	17 452,00	19 197,00	Landia							Tender in place
608	Vote 7 - Electrical Services	7.2 - Electricity Administration	Contr Serv: Consult Prof Serv: Infrastructure Planning: Engineering: Electrical	170 000,00	168 606,00	185 002,65	Tholi							RFQ process to be followed

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
609	Vote 7 - Electrical Services	7.2 - Electricity Administration	Stationery Costs	8 340,49	8 707,00	9 099,00	Tholi							RFQ process to be followed
610	Vote 7 - Electrical Services	7.2 - Electricity Administration	S T Accommodation Other	10 000,00	10 440,00	10 910,00	Tholi							RFQ process to be followed
611	Vote 7 - Electrical Services	7.2 - Electricity Administration	Repeir and Maint to non-mun Build	42 500,00	42 151,50	46 250,40	Tholi							RFQ process to be followed
612	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Vehicles	212 500,00	210 757,50	231 254,10	Tholi							RFQ process to be followed
613	Vote 7 - Electrical Services	7.1 - Street lighting	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	5 833,00	6 416,00	7 058,00	Landia							Tender in place
614	Vote 7 - Electrical Services	7.1 - Street lighting	Maintenance of Street Lighting traffic Signal	297 500,00	295 060,50	323 754,90	Tholi							RFQ process to be followed
615	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Contr Serv: Contractors: Prepaid Electricity Vendors	9 786 853,55	9 706 601,25	10 650 567,90	Tholi							RFQ process to be followed
616	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Fuel and Oil	420 804,47	439 320,00	459 089,00	Tholi							RFQ process to be followed
617	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Contr Serv: Outsourced Services: Business & Advisory: Project Management	9 507,71	9 429,70	10 346,70	Tholi							RFQ process to be followed
618	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	1 285 816,00	1 414 398,00	1 555 838,00	Landia							Tender in place
619	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Operational Cost: Insurance Underwriting: Insurance Claims	15 000,00	16 500,00	18 150,00	Landia							Tender in place
620	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Operational Cost: Licences : Motor Vehicle Licence Registrations	50 000,00	52 200,00	54 549,00	Tholi							RFQ process to be followed
621	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Materials Stores	1 500 000,00	1 566 000,00	1 636 470,00	Tholi							Tender in place
622	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Materials Stores: New Conns	220 595,19	230 301,00	240 665,00	Tholi							Tender in place
623	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Operational Cost: Uniform & Protective Clothing	250 000,00	261 000,00	272 745,00	Tholi							RFQ process to be followed
624	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Stationery Costs	10 000,00	10 440,00	10 910,00	Tholi							Tender in place
625	Vote 7 - Electrical Services	7.3 - Electricity Distribution	S T Accommodation Other	10 000,00	10 440,00	10 910,00	Tholi							Tender in place
626	Vote 7 - Electrical Services	7.3 - Electricity Distribution	S T Daily Allowance Other	10 000,00	10 440,00	10 910,00	Tholi							Tender in place
627	Vote 7 - Electrical Services	7.3 - Electricity Distribution	S T Daily Allowance Training	10 000,00	10 440,00	10 910,00	Tholi							Tender in place
628	Vote 7 - Electrical Services	7.3 - Electricity Distribution	R M Buildings	850 000,00	843 030,00	925 014,30	Tholi							tender in place
629	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Contr Serv: Contractors: Maint Equip	2 300 000,00	2 281 140,00	2 502 980,55	Tholi							Jobbning tender
630	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Contr Serv: Outsourced Services: Meter Management	87 556,79	86 838,55	95 283,30	Tholi							RFQ process to be followed
631	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Fuel and Oil	5 639,10	5 887,00	6 152,00	Tholi							Expansion on existing tender
632	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Contr Serv: Outsourced Services: Business & Advisory: Project Management	433,06	452,00	472,00	Tholi							RFQ process to be followed
633	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Operational Cost: Licences : Motor Vehicle Licence Registrations	3 000,00	3 132,00	3 273,00	Tholi							RFQ process to be followed
634	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Materials Stores	15 000,00	15 660,00	16 365,00	Tholi							RFQ process to be followed
635	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Materials Stores: New Conns	7 033,00	7 342,00	7 672,00	Tholi							Tender in place
636	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Stationery Costs	255,05	266,00	278,00	Tholi							Tender in place
637	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Vehicles	55 219,95	54 767,50	60 093,60	Tholi							Expansion on existing tender
638	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Hire Charges	76 430,22	79 793,00	83 384,00	Tholi							RFQ process to be followed
639	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Tfrs Subs: Capital: Mon Alloc: Nat Gov: Integr Nat Elec Prog (Municipal Grant) Schedul	2 388,05	2 493,00	2 605,00	Tholi							Tender in place
640	Vote 7 - Electrical Services	7.3 - Electricity Distribution	S T Travel Claim Domestic Airfare Training	10 000,00	10 440,00	10 910,00	Tholi							Tender in Place
641	Vote 7 - Electrical Services	7.3 - Electricity Distribution	S T Travel Claim Car Rental Training	5 000,00	5 220,00	5 455,00	Tholi							Tender in Place
642	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Electricity Sales: Sports Grounds/Churches/Holiday/Old-age homes - EL-20A SPORT SD	118 711,48	123 935,00	129 512,00	Tholi							grant
643	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Electricity Sales: Sports Grounds/Churches/Holiday/Old-age homes ; EL-30A SPORT SD	286 611,24	299 222,00	312 687,00	Tholi							grant
644	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Expenditure: Operational Cost - Indigent Relief	514 254,00	536 881,00	561 041,00	Tholi							grant
645	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Contracted services - Cleaning services	17 053,71	16 913,80	18 558,75	Tholi							RFQ process to be followed
646	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Professional Services: Bitou Municipality	121 406,73	120 411,55	132 121,50	Tholi							RFQ process to be followed

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
647	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Electricity Infrastructure	1 275 000,00	1 264 545,00	1 387 522,50	Tholi							Tender in place
648	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Maintenance of power transpormers	3 000 000,00	2 975 400,00	3 264 757,65	Tholi							Tender in place
649	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Maintenance of overhead lines	1 250 000,00	1 239 750,00	1 360 315,95	Tholi							Tender in place
650	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Maintenance of LV Networks	1 500 000,00	1 487 700,00	1 632 379,35	Tholi							Tender in place
651	Vote 7 - Electrical Services	7.3 - Electricity Distribution	MV-LDV hire	748 437,36	781 369,00	816 531,00	Tholi							Tender in place
652	Vote 7 - Electrical Services	7.3 - Electricity Distribution	MV-Heavy Plant	434 953,74	454 092,00	474 526,00	Tholi							Tender in place
653	Vote 7 - Electrical Services	7.3 - Electricity Distribution	MV-Services Super Sucker	931 986,48	972 994,00	1 016 779,00	Tholi							Tender in place
654	Vote 7 - Electrical Services	7.3 - Electricity Distribution	MV-Services Water Tanker	451 752,36	471 629,00	492 852,00	Tholi							Tender in place
655	Vote 7 - Electrical Services	7.3 - Electricity Distribution	MV-Services Sewer Tanker	424 882,07	443 577,00	463 538,00	Tholi							Tender in place
656	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Installation of trackers	900 000,00	939 600,00	981 882,00	Tholi							Tender in place
657	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Fuel management Rental Fee	286 612,28	299 223,00	312 688,00	Tholi							Tender in place
658	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Maintenance of Highmast	850 000,00	843 030,00	925 014,30	Tholi							Tender in place
659	Vote 7 - Electrical Services	7.3 - Electricity Distribution	Indigent support: Upgrade/Downgrade Meter Cost	989,99	1 034,00	1 081,00	Tholi							RFQ process to be followed
660	Vote 7 - Electrical Services	7.4 - Workshop & Depot	Fuel and Oil	200 000,00	208 800,00	218 196,00	Tholi							Tender in place
661	Vote 7 - Electrical Services	7.4 - Workshop & Depot	Contr Serv: Outsourced Services: Business & Advisory: Project Management	2 016,57	1 999,75	2 194,50	Tholi							RFQ process to be followed
662	Vote 7 - Electrical Services	7.4 - Workshop & Depot	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	64 886,00	71 375,00	78 513,00	Tholi							RFQ process to be followed
663	Vote 7 - Electrical Services	7.4 - Workshop & Depot	Operational Cost: Licences : Motor Vehicle Licence Registrations	9 980,07	10 419,00	10 888,00	Tholi							RFQ process to be followed
664	Vote 7 - Electrical Services	7.4 - Workshop & Depot	Materials Stores	80 000,00	83 520,00	87 278,00	Tholi							RFQ process to be followed
665	Vote 7 - Electrical Services	7.4 - Workshop & Depot	Operational Cost: Uniform & Protective Clothing	50 000,00	52 200,00	54 549,00	Tholi							RFQ process to be followed
666	Vote 7 - Electrical Services	7.4 - Workshop & Depot	R M Vehicles	127 500,00	126 454,50	138 752,25	Tholi							Tender in place
667	Vote 7 - Electrical Services	7.4 - Workshop & Depot	Fuel and Oil	150 000,00	156 600,00	163 647,00	Tholi							Expansion on existing tender
668	Vote 7 - Electrical Services	7.4 - Workshop & Depot	Operational Cost: Licences : Motor Vehicle Licence Registrations	4 000,00	4 176,00	4 364,00	Tholi							RFQ process to be followed
669	Vote 7 - Electrical Services	7.4 - Workshop & Depot	Materials Stores	21 017,79	21 943,00	22 930,00	Tholi							RFQ process to be followed
670	Vote 7 - Electrical Services	7.4 - Workshop & Depot	Contr Serv: Contractors: Maint Equip	85 000,00	84 303,00	92 501,85	Tholi							RFQ process to be followed
671	Vote 7 - Electrical Services	7.4 - Workshop & Depot	Maintenance of primary and secondary plant	126 091,13	125 057,05	137 219,25	Tholi							RFQ process to be followed
672	Vote 8 - Technical Services	8.2 - Director: Technical Services	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	14 527,00	15 979,00	17 577,00	Director							RFQ process to be followed
673	Vote 8 - Technical Services	8.2 - Director: Technical Services	Planning Consultants: Engineering: Civil	1 000 000,00	991 800,00	1 088 252,55	Director							RFQ process to be followed
674	Vote 8 - Technical Services	8.1 - Civic Buildings	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	27 714,00	30 485,00	33 534,00	Shaun Maree							RFQ process to be followed
675	Vote 8 - Technical Services	8.3 - Roads, Sewerage/Water Drainage: Main Roads	Contr Serv: Contractors: Building	80 000,00	80 000,00	80 000,00	Shaun Maree							RFQ process to be followed
676	Vote 8 - Technical Services	8.3 - Roads, Sewerage/Water Drainage: Main Roads	Insurance: Broker fees	8 520,00	9 372,00	10 310,00	Shaun Maree							RFQ process to be followed
677	Vote 8 - Technical Services	8.4 - Roads, Sewerage/Water Drainage: Stormwater	Consumables	19 145,03	19 987,00	20 886,00	Shaun Maree							RFQ process to be followed
678	Vote 8 - Technical Services	8.4 - Roads, Sewerage/Water Drainage: Stormwater	Hire Charges: M E	351 979,80	367 467,00	384 003,00	Shaun Maree							RFQ process to be followed
679	Vote 8 - Technical Services	8.4 - Roads, Sewerage/Water Drainage: Stormwater	Hire Charges: Vehicles	201 131,61	209 981,00	219 430,00	Shaun Maree							RFQ process to be followed
680	Vote 8 - Technical Services	8.4 - Roads, Sewerage/Water Drainage: Stormwater	Operational Cost: Uniform & Protective Clothing	26 320,64	27 479,00	28 716,00	Shaun Maree							RFQ process to be followed
681	Vote 8 - Technical Services	8.4 - Roads, Sewerage/Water Drainage: Stormwater	Insurance: Broker Fees	22 106,00	24 317,00	26 749,00	Shaun Maree							RFQ process to be followed
682	Vote 8 - Technical Services	8.4 - Roads, Sewerage/Water Drainage: Stormwater	Repairs and Maintenance	152 579,99	151 329,30	173 952,90	Shaun Maree							RFQ process to be followed
683	Vote 8 - Technical Services	8.4 - Roads, Sewerage/Water Drainage: Stormwater	Fuel Management Rental Fee	462,78	458,85	526,90								RFQ process to be followed
684	Vote 8 - Technical Services	8.4 - Roads, Sewerage/Water Drainage: Stormwater	Fuel and Oil charges	100 313,88	104 728,00	109 441,00	Shaun Maree							RFQ process to be followed

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
685	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	Consumables	21 831,85	22 792,00	23 818,00	Shaun Maree							RFQ process to be followed
686	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	Fuel and Oil	929 100,83	969 981,00	1 013 630,00	Shaun Maree							RFQ process to be followed
687	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	Fuel and Oil: Small Plant	33 437,96	34 909,00	36 480,00	Shaun Maree							RFQ process to be followed
688	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	Contr Serv: Outsourced Services: Business & Advisory: Project Management	19 127,33	19 969,00	20 868,00	Shaun Maree							RFQ process to be followed
689	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	Hire Charges: M E	135 095,78	141 040,00	147 387,00	Shaun Maree							RFQ process to be followed
690	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	Hire Charges: Vehicles	364 049,15	380 067,00	397 170,00	Shaun Maree							RFQ process to be followed
691	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	Operational Cost: Insurance Underwriting: Claims paid to Third Parties	15 000,00	16 500,00	18 150,00	Shaun Maree							RFQ process to be followed
692	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	Operational Cost: Insurance Underwriting: Insurance Claims	15 000,00	16 500,00	18 150,00	Shaun Maree							RFQ process to be followed
693	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	Operational Cost: Licences : Motor Vehicle Licence Registrations	97 953,94	102 264,00	106 866,00	Shaun Maree							RFQ process to be followed
694	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	Operational Cost: Uniform & Protective Clothing	127 303,89	132 905,00	138 886,00	Shaun Maree							RFQ process to be followed
695	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	Contr Serv: Contractors: Maint Equip	4 750 000,00	4 711 050,00	5 615 351,70	Shaun Maree							RFQ process to be followed
696	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	R M Plant Equip	18 271,27	18 121,25	20 830,70	Shaun Maree							RFQ process to be followed
697	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	Contr Serv: Contractors: Maint Equip	812 067,55	805 409,05	925 817,20	Shaun Maree							RFQ process to be followed
698	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	Fuel and Oil	287 474,23	300 123,00	313 629,00	Shaun Maree							RFQ process to be followed
699	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	Fuel and Oil: Small Plant	14 330,41	14 961,00	15 634,00	Shaun Maree							RFQ process to be followed
700	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	Contr Serv: Outsourced Services: Business & Advisory: Project Management	6 173,13	6 445,00	6 735,00	Shaun Maree							RFQ process to be followed
701	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	Operational Cost: Licences : Motor Vehicle Licence Registrations	4 918,73	5 135,00	5 366,00	Shaun Maree							RFQ process to be followed
702	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	Insurance: Broker Fees	317 352,00	349 087,00	383 996,00	Shaun Maree							RFQ process to be followed
703	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	Vehicles	756 546,75	750 343,25	862 519,90	Shaun Maree							RFQ process to be followed
704	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	Vehicles	113 689,95	112 757,40	129 614,10	Shaun Maree							RFQ process to be followed
705	Vote 8 - Technical Services	8.4 - Roads, Sewerage/Water Drainage: Stormwater	Contr Serv: Contractors: Maint Roads	2 012 018,93	1 995 520,60	2 293 850,90	Shaun Maree							RFQ process to be followed
706	Vote 8 - Technical Services	8.6 - Sewerage Purification Services	Fuel and Oil	171 968,00	179 535,00	187 614,00	Rhoy Parry							New tender process
707	Vote 8 - Technical Services	8.6 - Sewerage Purification Services	Fuel and Oil: Small Plant	20 000,00	20 880,00	21 820,00	Rhoy Parry							RFQ process to be followed
708	Vote 8 - Technical Services	8.6 - Sewerage Purification Services	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	268 117,00	294 928,00	324 421,00	Rhoy Parry							RFQ process to be followed
709	Vote 8 - Technical Services	8.6 - Sewerage Purification Services	Materials Stores	191 075,55	199 483,00	208 460,00	Rhoy Parry							RFQ process to be followed
710	Vote 8 - Technical Services	8.6 - Sewerage Purification Services	Operational Cost: Uniform & Protective Clothing	35 827,06	37 403,00	39 086,00	Rhoy Parry							RFQ process to be followed
711	Vote 8 - Technical Services	8.6 - Sewerage Purification Services	Contr Serv: Contractors: Maint Buildings Facilities	42 500,00	42 151,50	46 250,40	Rhoy Parry							RFQ process to be followed
712	Vote 8 - Technical Services	8.6 - Sewerage Purification Services	Contr Serv: Contractors: Electrical	1 200 000,00	1 190 160,00	1 305 902,85	Rhoy Parry							RFQ process to be followed
713	Vote 8 - Technical Services	8.6 - Sewerage Purification Services	Contr Serv: Contractors: Maint Equip	1 600 000,00	1 586 880,00	1 741 204,50	Rhoy Parry							RFQ process to be followed
714	Vote 8 - Technical Services	8.6 - Sewerage Purification Services	R M Sewerage: Infrastructure E	973 335,00	965 353,90	1 059 234,75	Rhoy Parry							RFQ process to be followed
715	Vote 8 - Technical Services	8.11 - Sewerage Sanitation Services	Fuel and Oil	374 265,53	390 733,00	408 316,00	Rhoy Parry							New tender process
716	Vote 8 - Technical Services	8.11 - Sewerage Sanitation Services	Contr Serv: Outsourced Services: Business & Advisory: Project Management	2 797,17	2 920,00	3 051,00	Rhoy Parry							RFQ process to be followed
717	Vote 8 - Technical Services	8.11 - Sewerage Sanitation Services	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	20 475,00	22 522,00	24 774,00	Rhoy Parry							RFQ process to be followed
718	Vote 8 - Technical Services	8.11 - Sewerage Sanitation Services	Operational Cost: Licences : Motor Vehicle Licence Registrations	26 694,36	27 869,00	29 123,00	Rhoy Parry							RFQ process to be followed
719	Vote 8 - Technical Services	8.11 - Sewerage Sanitation Services	Fuel and Oil	100 000,00	104 400,00	109 098,00	Rhoy Parry							RFQ process to be followed
720	Vote 8 - Technical Services	8.11 - Sewerage Sanitation Services	Contr Serv: Outsourced Services: Business & Advisory: Project Management	386,21	403,00	421,00								RFQ process to be followed
721	Vote 8 - Technical Services	8.6 - Sewerage Purification Services	Vehicles	146 000,25	144 802,80	158 884,95	Rhoy Parry							RFQ process to be followed
722	Vote 8 - Technical Services	8.11 - Sewerage Sanitation Services	Vehicles	42 500,00	42 151,50	46 250,40	Rhoy Parry							RFQ process to be followed

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
723	Vote 8 - Technical Services	8.9 - Water Purification Works	Vehicles	292 000,50	289 606,55	317 770,95	Rhoy Parry							RFQ process to be followed
724	Vote 8 - Technical Services	8.6 - Sewerage Purification Services	Hire Charges	818 850,60	854 880,00	893 350,00	Rhoy Parry							RFQ process to be followed
725	Vote 8 - Technical Services	8.7 - Sewerage Reticulation Services	Fuel and Oil	50 000,00	52 200,00	54 549,00	Rhoy Parry							New tender process
726	Vote 8 - Technical Services	8.7 - Sewerage Reticulation Services	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	85 666,00	94 232,00	103 656,00	Rhoy Parry							RFQ process to be followed
727	Vote 8 - Technical Services	8.7 - Sewerage Reticulation Services	Operational Cost: Licences : Motor Vehicle Licence Registrations	16 895,00	17 638,00	18 432,00	Rhoy Parry							RFQ process to be followed
728	Vote 8 - Technical Services	8.7 - Sewerage Reticulation Services	Materials Stores	45 804,00	47 819,00	49 971,00	Rhoy Parry							RFQ process to be followed
729	Vote 8 - Technical Services	8.7 - Sewerage Reticulation Services	Materials Stores: New Conns	250 000,00	261 000,00	272 745,00	Rhoy Parry							RFQ process to be followed
730	Vote 8 - Technical Services	8.7 - Sewerage Reticulation Services	S T Daily Allowance Other	5 048,00	5 270,00	5 507,00	Rhoy Parry							RFQ process to be followed
731	Vote 8 - Technical Services	8.7 - Sewerage Reticulation Services	Sewerage: Infrastructure: Contractors	1 797 963,88	1 783 220,30	1 956 638,25	Rhoy Parry							RFQ process to be followed
732	Vote 8 - Technical Services	8.7 - Sewerage Reticulation Services	Sewerage: Infrastructure: Contractors	1 958 614,70	1 942 554,30	2 131 467,45	Rhoy Parry							RFQ process to be followed
733	Vote 8 - Technical Services	8.7 - Sewerage Reticulation Services	R M Sewerage: Infrastructure E	974 480,88	966 490,10	1 060 481,10	Rhoy Parry							RFQ process to be followed
734	Vote 8 - Technical Services	8.7 - Sewerage Reticulation Services	Fuel and Oil	130 541,40	136 285,00	142 418,00	Rhoy Parry							RFQ process to be followed
735	Vote 8 - Technical Services	8.7 - Sewerage Reticulation Services	Fuel and Oil: Small Plant	6 687,38	6 982,00	7 296,00	Rhoy Parry							RFQ process to be followed
736	Vote 8 - Technical Services	8.7 - Sewerage Reticulation Services	Contr Serv: Outsourced Services: Business & Advisory: Project Management	1 814,46	1 894,00	1 979,00	Rhoy Parry							RFQ process to be followed
737	Vote 8 - Technical Services	8.7 - Sewerage Reticulation Services	Operational Cost: Licences : Motor Vehicle Licence Registrations	854,00	892,00	932,00								RFQ process to be followed
738	Vote 8 - Technical Services	8.7 - Sewerage Reticulation Services	Operational Cost: Uniform & Protective Clothing	92 180,55	96 236,00	100 567,00	Rhoy Parry							RFQ process to be followed
739	Vote 8 - Technical Services	8.7 - Sewerage Reticulation Services	Materials Stores: New Conns	131 738,55	137 535,00	143 724,00	Rhoy Parry							RFQ process to be followed
740	Vote 8 - Technical Services	8.7 - Sewerage Reticulation Services	Vehicles	84 060,75	83 371,05	91 479,15	Rhoy Parry							RFQ process to be followed
741	Vote 8 - Technical Services	8.7 - Sewerage Reticulation Services	Vehicles	146 000,25	144 802,80	158 884,95	Rhoy Parry							RFQ process to be followed
742	Vote 8 - Technical Services	8.7 - Sewerage Reticulation Services	Repair and Maintenance Informal Settlement Toiltes	850 000,00	843 030,00	925 014,30	Rhoy Parry							RFQ process to be followed
743	Vote 8 - Technical Services	8.9 - Water Purification Works	Chemical Supplies	11 000 000,00	11 484 000,00	12 000 780,00	Rhoy Parry							RFQ process to be followed
744	Vote 8 - Technical Services	8.9 - Water Purification Works	Fuel and Oil	549 648,00	573 833,00	599 655,00	Rhoy Parry							RFQ process to be followed
745	Vote 8 - Technical Services	8.9 - Water Purification Works	Fuel and Oil: Small Plant	11 451,00	11 955,00	12 493,00	Rhoy Parry							RFQ process to be followed
746	Vote 8 - Technical Services	8.9 - Water Purification Works	Hire Charges: M E	57 255,00	59 774,00	62 464,00	Rhoy Parry							RFQ process to be followed
747	Vote 8 - Technical Services	8.9 - Water Purification Works	Insurance: Broker Fees	350 249,00	385 273,00	423 801,00	Rhoy Parry							RFQ process to be followed
748	Vote 8 - Technical Services	8.9 - Water Purification Works	Operational Cost: Levies Paid: Water Resource Management Charges	446 589,00	466 239,00	487 220,00	Rhoy Parry							RFQ process to be followed
749	Vote 8 - Technical Services	8.9 - Water Purification Works	Levy: Water Gouritz CMA	458 040,00	478 194,00	499 713,00	Rhoy Parry							RFQ process to be followed
750	Vote 8 - Technical Services	8.9 - Water Purification Works	Operational Cost: Licences : Motor Vehicle Licence Registrations	5 776,00	6 030,00	6 301,00	Rhoy Parry							RFQ process to be followed
751	Vote 8 - Technical Services	8.9 - Water Purification Works	Materials Stores	180 000,00	187 920,00	196 376,00	Rhoy Parry							RFQ process to be followed
752	Vote 8 - Technical Services	8.9 - Water Purification Works	Protective Clothing	42 942,00	44 831,00	46 848,00	Rhoy Parry							RFQ process to be followed
753	Vote 8 - Technical Services	8.9 - Water Purification Works	R M Buildings	40 603,11	40 270,50	44 187,15	Rhoy Parry							RFQ process to be followed
754	Vote 8 - Technical Services	8.9 - Water Purification Works	Contr Serv: Contractors: Maint Buildings Facilities	1 750 000,00	1 735 650,00	1 904 441,70	Rhoy Parry							RFQ process to be followed
755	Vote 8 - Technical Services	8.9 - Water Purification Works	Electricity Infrastructure Buildings	8 120,27	8 054,10	8 837,85	Rhoy Parry							RFQ process to be followed
756	Vote 8 - Technical Services	8.9 - Water Purification Works	Contr Serv: Contractors: Maint Equip	468 050,26	464 211,80	509 356,05	Rhoy Parry							RFQ process to be followed
757	Vote 8 - Technical Services	8.9 - Water Purification Works	Telemetry Water	1 554 110,25	1 541 366,45	1 691 264,40	Rhoy Parry							RFQ process to be followed
758	Vote 8 - Technical Services	8.9 - Water Purification Works	Consumables	5 725,00	5 977,00	6 246,00	Rhoy Parry							RFQ process to be followed
759	Vote 8 - Technical Services	8.9 - Water Purification Works	Chemical Supplies	668 761,30	698 187,00	729 605,00	Rhoy Parry							RFQ process to be followed
760	Vote 8 - Technical Services	8.9 - Water Purification Works	Operational Cost: Licences : Motor Vehicle Licence Registrations	4 802,00	5 013,00	5 239,00	Rhoy Parry							RFQ process to be followed

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
761	Vote 8 - Technical Services	8.9 - Water Purification Works	Contr Serv: Contractors: Maint Equip	2 000 000,00	1 983 600,00	2 176 505,10	Rhoy Parry							RFQ process to be followed
762	Vote 8 - Technical Services	8.9 - Water Purification Works	Contr Serv: Contractors: Sewerage Services	194 667,00	193 070,40	211 846,95	Rhoy Parry							RFQ process to be followed
763	Vote 8 - Technical Services	8.9 - Water Purification Works	Telemetry Water	38 933,40	38 613,70	42 368,55	Rhoy Parry							RFQ process to be followed
764	Vote 8 - Technical Services	8.9 - Water Purification Works	Insurance: Broker Fees	305 464,00	336 011,00	369 612,00	Rhoy Parry							RFQ process to be followed
765	Vote 8 - Technical Services	8.9 - Water Purification Works	Insurance: Non Claimable	7 745,04	8 086,00	8 450,00	Rhoy Parry							RFQ process to be followed
766	Vote 8 - Technical Services	8.9 - Water Purification Works	S T Daily Allowance Training	140 000,00	146 160,00	152 737,00	Rhoy Parry							RFQ process to be followed
767	Vote 8 - Technical Services	8.9 - Water Purification Works	Water: Infrastructure Courier	80 000,00	83 520,00	87 278,00	Rhoy Parry							RFQ process to be followed
768	Vote 8 - Technical Services	8.9 - Water Purification Works	Water: Infrastructure Laboratory	8 711,35	8 640,25	9 480,45	Rhoy Parry							RFQ process to be followed
769	Vote 8 - Technical Services	8.9 - Water Purification Works	Agency Payments: Admin Supp Staff	486 667,50	482 676,95	529 616,85	Rhoy Parry							RFQ process to be followed
770	Vote 8 - Technical Services	8.9 - Water Purification Works	Agency Payments: Admin Supp Staff	1 450 129,75	1 438 238,25	1 578 106,95	Rhoy Parry							RFQ process to be followed
771	Vote 8 - Technical Services	8.10 - Water Reticulation	Agency Payments: Admin Supp Staff	1 460 002,50	1 448 030,85	1 588 851,60	Rhoy Parry							RFQ process to be followed
772	Vote 8 - Technical Services	8.10 - Water Reticulation	Agency Payments: Admin Supp Staff	1 460 002,50	1 448 030,85	1 588 851,60	Rhoy Parry							RFQ process to be followed
773	Vote 8 - Technical Services	8.10 - Water Reticulation	ESKOM Charges (Direct)	4 372 528,96	4 564 920,00	4 770 341,00	Rhoy Parry							RFQ process to be followed
774	Vote 8 - Technical Services	8.10 - Water Reticulation	Fuel and Oil	801 570,00	836 839,00	874 497,00	Rhoy Parry							RFQ process to be followed
775	Vote 8 - Technical Services	8.10 - Water Reticulation	Fuel and Oil: Small Plant	38 074,30	39 750,00	41 539,00	Rhoy Parry							RFQ process to be followed
776	Vote 8 - Technical Services	8.10 - Water Reticulation	Fuel Mngt Rental Small Plant	1 433,46	1 497,00	1 564,00	Rhoy Parry							RFQ process to be followed
777	Vote 8 - Technical Services	8.10 - Water Reticulation	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	189 828,00	208 811,00	229 692,00	Rhoy Parry							RFQ process to be followed
778	Vote 8 - Technical Services	8.10 - Water Reticulation	Operational Cost: Insurance Underwriting: Insurance Claims	15 000,00	16 500,00	18 150,00	Rhoy Parry							RFQ process to be followed
779	Vote 8 - Technical Services	8.10 - Water Reticulation	Operational Cost: Licences : Motor Vehicle Licence Registrations	6 729,02	7 025,00	7 341,00	Rhoy Parry							New tender process
780	Vote 8 - Technical Services	8.10 - Water Reticulation	Materials Stores	706 110,30	737 179,00	770 352,00	Rhoy Parry							RFQ process to be followed
781	Vote 8 - Technical Services	8.10 - Water Reticulation	Materials Stores: New Conns	400 785,00	418 420,00	437 249,00	Rhoy Parry							RFQ process to be followed
782	Vote 8 - Technical Services	8.10 - Water Reticulation	Operational Cost: Uniform & Protective Clothing	229 020,00	239 097,00	249 856,00	Rhoy Parry							RFQ process to be followed
783	Vote 8 - Technical Services	8.10 - Water Reticulation	Stationery Costs	36 029,01	37 614,00	39 307,00	Rhoy Parry							RFQ process to be followed
784	Vote 8 - Technical Services	8.10 - Water Reticulation	Contr Serv: Consult Prof Serv: Business Advisory: Research Advisory	224 048,44	222 211,65	243 821,55	Rhoy Parry							RFQ process to be followed
785	Vote 8 - Technical Services	8.10 - Water Reticulation	Contr Serv: Contractors: Maint Buildings Facilities	974 480,88	966 490,10	1 060 481,10	Rhoy Parry							RFQ process to be followed
786	Vote 8 - Technical Services	8.10 - Water Reticulation	Contr Serv: Contractors: Maint Buildings Facilities	1 351 326,99	1 340 245,75	1 470 584,85	Rhoy Parry							RFQ process to be followed
787	Vote 8 - Technical Services	8.10 - Water Reticulation	R M Plant Equip	292 000,50	289 606,55	317 770,95	Rhoy Parry							RFQ process to be followed
788	Vote 8 - Technical Services	8.10 - Water Reticulation	R M Water: Infrastructure Equi	1 554 343,44	1 541 598,25	1 691 518,50	Rhoy Parry							RFQ process to be followed
789	Vote 8 - Technical Services	8.10 - Water Reticulation	R M Water: Infrastructure Equi	1 554 343,44	1 541 598,25	1 691 518,50	Rhoy Parry							RFQ process to be followed
790	Vote 8 - Technical Services	8.10 - Water Reticulation	Fuel and Oil	48 410,66	50 541,00	52 815,00	Rhoy Parry							RFQ process to be followed
791	Vote 8 - Technical Services	8.10 - Water Reticulation	Contr Serv: Outsourced Services: Business & Advisory: Project Management	2 343,29	2 446,00	2 556,00	Rhoy Parry							RFQ process to be followed
792	Vote 8 - Technical Services	8.10 - Water Reticulation	Operational Cost: Licences : Motor Vehicle Licence Registrations	1 797,81	1 877,00	1 961,00	Rhoy Parry							RFQ process to be followed
793	Vote 8 - Technical Services	8.10 - Water Reticulation	Materials Stores	74 720,90	78 009,00	81 519,00	Rhoy Parry							RFQ process to be followed
794	Vote 8 - Technical Services	8.10 - Water Reticulation	Operational Cost: Uniform & Protective Clothing	2 854,42	2 980,00	3 114,00	Rhoy Parry							RFQ process to be followed
795	Vote 8 - Technical Services	8.10 - Water Reticulation	Stationery Costs	7 939,71	8 289,00	8 662,00	Rhoy Parry							RFQ process to be followed
796	Vote 8 - Technical Services	8.10 - Water Reticulation	Operational Cost: Uniform & Protective Clothing	1 573,99	1 643,00	1 717,00	Rhoy Parry							RFQ process to be followed
797	Vote 8 - Technical Services	8.10 - Water Reticulation	Hire Charges: M E	400 785,00	418 420,00	437 249,00	Rhoy Parry							RFQ process to be followed
798	Vote 8 - Technical Services	8.10 - Water Reticulation	Vehicles	389 334,00	386 141,75	423 693,90	Rhoy Parry							RFQ process to be followed

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
799	Vote 8 - Technical Services	8.9 - Water Purification Works	ProjectHousing: Hornlee Infill Planning	209 657,40	218 882,00	228 732,00	Rhoy Parry							RFQ process to be followed
800	Vote 8 - Technical Services	8.10 - Water Reticulation	ProjectHousing: Rheenendal Planning	409 425,30	427 440,00	446 675,00	Rhoy Parry							RFQ process to be followed
801	Vote 8 - Technical Services	8.10 - Water Reticulation	ProjectHousing: Karatara Planning	719 955,60	751 634,00	785 458,00	Rhoy Parry							RFQ process to be followed
802	Vote 8 - Technical Services	8.10 - Water Reticulation	Prepaid Management Fees(Water)	2 000 000,00	1 983 600,00	2 176 505,10	Rhoy Parry							RFQ process to be followed
803	Vote 8 - Technical Services	8.4 - Roads, Sewerage/Water Drainage: Stormwater	Insurance 3rd Party	15 000,00	16 500,00	18 150,00	Rhoy Parry							RFQ process to be followed
804	Vote 8 - Technical Services	8.2 - Director: Technical Services	Insurance: Broker Fees	10 215,00	11 237,00	12 361,00	Shaun Maree							RFQ process to be followed
805	Vote 8 - Technical Services	8.4 - Roads, Sewerage/Water Drainage: Stormwater	Stormwater Drains	510 000,00	505 818,00	581 438,00	Director							Expansion on the tender
806	Vote 8 - Technical Services	8.5 - Roads, Sewerage/Water Drainage: Streets	General Repairs	850 000,00	843 030,00	969 062,60	Shaun Maree							RFQ process to be followed
807	Vote 8 - Technical Services	8.7 - Sewerage Reticulation Services	Agency Payments	1 700 000,00	1 686 060,00	1 850 029,65	Shaun Maree							New tender process
808	Vote 8 - Technical Services	8.11 - Sewerage Sanitation Services	Materials Stores	50 000,00	52 200,00	54 549,00	Rhoy Parry							RFQ process to be followed
809	Vote 8 - Technical Services	8.11 - Sewerage Sanitation Services	Stationery Costs	5 000,00	5 220,00	5 455,00	Rhoy Parry							RFQ process to be followed
810	Vote 8 - Technical Services	8.9 - Water Purification Works	Electricity Infrastructure	1 000 000,00	991 800,00	1 088 252,55	Tholi							Tender in place
811	Vote 8 - Technical Services	8.11 - Sewerage Sanitation Services	Operational Cost: Uniform Protective Clothing	100 000,00	104 400,00	109 098,00	Rhoy Parry							RFQ process to be followed
812	Vote 8 - Technical Services	8.10 - Water Reticulation	Water and Sewer licence and permit renewal	500 000,00	522 000,00	545 490,00	Rhoy Parry							RFQ process to be followed
813	Vote 8 - Technical Services	8.10 - Water Reticulation	Water and Sewer break reinstatment	2 000 000,00	1 983 600,00	2 176 505,10	Rhoy Parry							RFQ process to be followed
814	Vote 8 - Technical Services	8.10 - Water Reticulation	Water: Infrastructure	2 000 000,00	1 983 600,00	2 176 505,10	Rhoy Parry							RFQ process to be followed
815	Vote 9 - Housing Services	9.1 - Housing Administration	Fuel & Oil	109 543,00	114 363,00	119 509,00	Lindile Petuna							Tender in place
816	Vote 9 - Housing Services	9.1 - Housing Administration	Contr Serv: Outsourced Services: Business & Advisory: Project Management	2 989,00	3 121,00	3 261,00	Lindile Petuna							RFQ process to be followed
817	Vote 9 - Housing Services	9.1 - Housing Administration	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	709 718,00	780 690,00	858 759,00	Landia							Tender in place
818	Vote 9 - Housing Services	9.1 - Housing Administration	Operational Cost: Licences : Motor Vehicle Licence Registrations	1 472,00	1 537,00	1 606,00	Lindile Petuna							RFQ process to be followed
819	Vote 9 - Housing Services	9.1 - Housing Administration	Materials Stores	13 950,00	14 564,00	15 219,00	Lindile Petuna							RFQ process to be followed
820	Vote 9 - Housing Services	9.1 - Housing Administration	Protective Clothing	8 474,00	8 847,00	9 245,00	Lindile Petuna							RFQ process to be followed
821	Vote 9 - Housing Services	9.1 - Housing Administration	Stationery Costs	17 325,00	18 087,00	18 901,00	Lindile Petuna							RFQ process to be followed
822	Vote 9 - Housing Services	9.1 - Housing Administration	Fuel Oil	45 222,00	47 212,00	49 337,00	Lindile Petuna							Tender in place
823	Vote 9 - Housing Services	9.1 - Housing Administration	Contr Serv: Outsourced Services: Business & Advisory: Project Management	544,00	568,00	594,00	Lindile Petuna							RFQ process to be followed
824	Vote 9 - Housing Services	9.1 - Housing Administration	Licence Registr Fees Vehic	1 910,00	1 994,00	2 084,00	Lindile Petuna							RFQ process to be followed
825	Vote 9 - Housing Services	9.2 - Housing Letting Schemes	Operational Cost: Insurance Underwriting: Insurance Brokers Fees	8 911,00	9 802,00	10 783,00	Landia							RFQ process to be followed
826	Vote 9 - Housing Services	9.2 - Housing Letting Schemes	Contr Serv: Contractors: Maint Buildings Facilities	9 890,00	10 325,00	10 790,00	Lindile Petuna							RFQ process to be followed
827	Vote 9 - Housing Services	9.1 - Housing Administration	Provision of Wendy Houses	52 315,00	54 617,00	57 075,00	Lindile Petuna							RFQ process to be followed
828	Vote 9 - Housing Services	9.1 - Housing Administration	Deeds search	3 344,00	3 491,00	3 648,00	Lindile Petuna							RFQ process to be followed
829	Vote 9 - Housing Services	9.1 - Housing Administration	Provision of Wendy Houses	290 000,00	302 760,00	316 384,00	Lindile Petuna							RFQ process to be followed
830	Vote 9 - Housing Services	9.1 - Housing Administration	Provision of Wendy Houses	200 000,00	208 800,00	218 196,00	Lindile Petuna							RFQ process to be followed
831	Vote 9 - Housing Services	9.1 - Housing Administration	Emergency Housing material	50 000,00	52 200,00	54 549,00	Lindile Petuna							RFQ process to be followed
832	Vote 9 - Housing Services	9.1 - Housing Administration	Emergency Housing Material	91 000,00	95 004,00	99 279,00	Lindile Petuna							RFQ process to be followed
833	Vote 9 - Housing Services	9.1 - Housing Administration	Emergency Housing Material	50 000,00	52 200,00	54 549,00	Lindile Petuna							RFQ process to be followed
834	Vote 9 - Housing Services	9.1 - Housing Administration	Emergency Housing Material	50 000,00	52 200,00	54 549,00	Lindile Petuna							RFQ process to be followed
835	Vote 9 - Housing Services	9.1 - Housing Administration	Emergency Housing Material	50 000,00	52 200,00	54 549,00	Lindile Petuna							RFQ process to be followed
836	Vote 9 - Housing Services	9.1 - Housing Administration	Emergency Housing Material	95 000,00	99 180,00	103 643,00	Lindile Petuna							RFQ process to be followed

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
837	Vote 9 - Housing Services	9.1 - Housing Administration	Community Based Initiative Ward 11	50 000,00	52 200,00	54 549,00	Lindile Petuna							RFQ process to be followed
838	Vote 9 - Housing Services	9.1 - Housing Administration	Emergency Housing Material	50 000,00	52 200,00	54 549,00	Lindile Petuna							RFQ process to be followed
839	Vote 9 - Housing Services	9.1 - Housing Administration	Emergency Housing Material	50 000,00	52 200,00	54 549,00	Lindile Petuna							RFQ process to be followed
840	Vote 9 - Housing Services	9.1 - Housing Administration	Housing Rectification	211 918,00	221 242,00	231 198,00	Lindile Petuna							EOI process will be used
841	Vote 9 - Housing Services	9.1 - Housing Administration	Housing Rectification	211 918,00	221 242,00	231 198,00	Lindile Petuna							EOI process will be used
842	Vote 9 - Housing Services	9.1 - Housing Administration	housing Rectification	211 918,00	221 242,00	231 198,00	Lindile Petuna							EOI process will be used
843	Vote 9 - Housing Services	9.1 - Housing Administration	Housing Rectification	211 918,00	221 242,00	231 198,00	Lindile Petuna							EOI process will be used
844	Vote 9 - Housing Services	9.1 - Housing Administration	Housing Rectification	211 918,00	221 242,00	231 198,00	Lindile Petuna							EOI process will be used
845	Vote 9 - Housing Services	9.1 - Housing Administration	Housing Rectification	211 918,00	221 242,00	231 198,00	Lindile Petuna							EOI process will be used
846	Vote 9 - Housing Services	9.1 - Housing Administration	Housing Rectification	211 918,00	221 242,00	231 198,00	Lindile Petuna							EOI process will be used
847	Vote 9 - Housing Services	9.1 - Housing Administration	Temporary Toilets	700 000,00	730 800,00	763 686,00	Lindile Petuna							Tender in place
848	Vote 9 - Housing Services	9.1 - Housing Administration	temporary Toilets	700 000,00	730 800,00	763 686,00	Lindile Petuna							Tender in place
849	Vote 9 - Housing Services	9.1 - Housing Administration	Temporary Toilets	700 000,00	730 800,00	763 686,00	Lindile Petuna							Tender in place
850	Vote 9 - Housing Services	9.1 - Housing Administration	Temporary Toilets	700 000,00	730 800,00	763 686,00	Lindile Petuna							Tender in place
851	Vote 9 - Housing Services	9.1 - Housing Administration	Provision of Wendy Houses	250 000,00	261 000,00	272 745,00	Lindile Petuna							RFQ process to be followed
852	Vote 9 - Housing Services	9.1 - Housing Administration	Provision of Wendy Houses	250 000,00	261 000,00	272 745,00	Lindile Petuna							RFQ process to be followed
853	Vote 9 - Housing Services	9.1 - Housing Administration	Retaining walls and Wheelchair ramps	329 650,00	344 155,00	359 642,00	Lindile Petuna							EOI process will be used
854	Vote 9 - Housing Services	9.1 - Housing Administration	Retaining walls and Wheelchair ramps	329 650,00	344 155,00	359 642,00	Lindile Petuna							EOI process will be used
855	Vote 9 - Housing Services	9.1 - Housing Administration	Retaining walls and Wheelchair ramps	329 650,00	344 155,00	359 642,00	Lindile Petuna							EOI process will be used
856	Vote 9 - Housing Services	9.1 - Housing Administration	Retaining walls and Wheelchair ramps	329 650,00	344 155,00	359 642,00	Lindile Petuna							EOI process will be used
857	Vote 9 - Housing Services	9.1 - Housing Administration	Retaining walls and Wheelchai ramps	329 650,00	344 155,00	359 642,00	Lindile Petuna							EOI process will be used
858	Vote 9 - Housing Services	9.1 - Housing Administration	Retaining walls and Wheelchair ramps	329 650,00	344 155,00	359 642,00	Lindile Petuna							EOI process will be used
859	Vote 9 - Housing Services	9.1 - Housing Administration	Contractors Building	3 625 000,00	4 350 000,00	-	Lindile Petuna							RFQ process to be followed
860	Vote 9 - Housing Services	9.1 - Housing Administration	Contractors Building	1 595 000,00	4 060 000,00	-	Lindile Petuna							RFQ process to be followed
861	Vote 9 - Housing Services	9.1 - Housing Administration	Contractors Building	3 480 000,00	-	-	Lindile Petuna							RFQ process to be followed
862	Vote 9 - Housing Services	9.1 - Housing Administration	Contractors Building	3 625 000,00	3 770 000,00	-	Lindile Petuna							RFQ process to be followed
863	Vote 9 - Housing Services	9.1 - Housing Administration	Contractors Building	8 790 000,00	14 500 000,00	-	Lindile Petuna							RFQ process to be followed
864	Vote 9 - Housing Services	9.1 - Housing Administration	Professional Fees	87 028,00	90 857,00	94 946,00	Lindile Petuna							RFQ process to be followed
865	Vote 9 - Housing Services	9.1 - Housing Administration	Expenditure:Contracted Services:Contractors:Management of Informal Settlements	275 324,00	287 438,00	300 373,00	Lindile Petuna							RFQ process to be followed
866	Vote 9 - Housing Services	9.1 - Housing Administration	B&V Legal Dispute - Collapse of retaining wall in Hornlee	-	-	-	Lindile Petuna							RFQ process to be followed
867	Vote 9 - Housing Services	9.1 - Housing Administration	Emergency Housing Material	393 275,00	410 579,00	429 055,00	Lindile Petuna							RFQ process to be followed
868	Vote 9 - Housing Services	9.1 - Housing Administration	Consultant - Project Management	725 000,00	-	-	Lindile Petuna							RFQ process to be followed
869	Vote 9 - Housing Services	9.1 - Housing Administration	Operational Cost: Insurance Underwriting: Claims paid to Third Parties	4 154,00	4 337,00	4 532,00	Lindile Petuna							RFQ process to be followed
870	Vote 9 - Housing Services	9.1 - Housing Administration	Vehicles	9 890,00	10 325,00	10 790,00	Lindile Petuna							RFQ process to be followed
871	Vote 9 - Housing Services	9.1 - Housing Administration	Vehicles	29 669,00	30 974,00	32 368,00	Lindile Petuna							RFQ process to be followed
872	Vote 9 - Housing Services	9.1 - Housing Administration	Consultant Fees	110 129,00	114 975,00	120 149,00	Lindile Petuna							RFQ process to be followed
873	Vote 9 - Housing Services	9.1 - Housing Administration	Building Contractors	115 513,00	120 596,00	126 023,00	Lindile Petuna							RFQ process to be followed
874	Vote 9 - Housing Services	9.1 - Housing Administration	Building Contractors	115 513,00	120 596,00	126 023,00	Lindile Petuna							RFQ process to be followed

Row Number	Directorate	Department	Expenditure Description	Indicative Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Project Manager	Proposed BSC Date	Proposed BEC Date	Proposed BAC Date	Actual BSC Date	Actual BEC Date	Actual BAC Date	Comments
Column Reference	A	B	C	D	E	F	G	H	I	J	K	L	M	N
875	Vote 9 - Housing Services	9.1 - Housing Administration	Building Contractors	115 513,00	120 596,00	126 023,00	Lindile Petuna							RFQ process to be followed
876	Vote 9 - Housing Services	9.1 - Housing Administration	Building Contractors	115 513,00	120 596,00	126 023,00	Lindile Petuna							RFQ process to be followed
877	Vote 9 - Housing Services	9.1 - Housing Administration	Building Contractors	115 513,00	120 596,00	126 023,00	Lindile Petuna							RFQ process to be followed
878	Vote 9 - Housing Services	9.1 - Housing Administration	Project	900 000,00	939 600,00	981 882,00	Lindile Petuna							RFQ process to be followed
879	Vote 9 - Housing Services	9.1 - Housing Administration	Slippery Soil - Planning Fees - Ward 3	-	-	-	Lindile Petuna							RFQ process to be followed
880	Vote 9 - Housing Services	9.1 - Housing Administration	Temporary Toilets	110 129,00	114 975,00	120 149,00	Lindile Petuna							RFQ process to be followed
881	Vote 9 - Housing Services	9.1 - Housing Administration	Project	200 000,00	208 800,00	218 196,00	Lindile Petuna							RFQ process to be followed
882	Vote 9 - Housing Services	9.1 - Housing Administration	Project	150 000,00	156 600,00	163 647,00	Lindile Petuna							RFQ process to be followed
883	Vote 9 - Housing Services	9.1 - Housing Administration	Project	150 000,00	156 600,00	163 647,00	Lindile Petuna							RFQ process to be followed
884	Vote 9 - Housing Services	9.1 - Housing Administration	Project	329 650,00	344 155,00	359 642,00	Lindile Petuna							RFQ process to be followed
885	Vote 9 - Housing Services	9.1 - Housing Administration	housing Rectification (ward 3)	211 918,00	221 242,00	231 198,00	Lindile Petuna							RFQ process to be followed
886	Vote 9 - Housing Services	9.1 - Housing Administration	Grant - W C P A (Hornlee 395)		3 010 000,00	-	Lindile Petuna							RFQ process to be followed

Appendix 6:

INCA:
Long-Term
Financial Plan

INCA
Portfolio Managers

KNYSNA MUNICIPALITY

Long Term Financial Plan – *Update 2021*

KNYSNA
Municipality
Munisipaliteit
uMasipala

Prepared by
INCA Portfolio Managers
May 2022

REPORT OVERVIEW – INTRODUCTION AND BACKGROUND

The Knysna Municipality appointed INCA Portfolio Managers in 2017 to prepare a Long-Term Financial Plan. The deliverable of that assignment was a report entitled *Knysna Municipality Long Term Financial Plan: 2017 – 2026*; November 2017. The estimates in that Plan will be referred to as the 2016 Estimate as they were based on the FY2017 Annual Financial Statements. The report was updated in March 2019 and March 2020 with the latest information. This 2021 update aims to update the LTFP based on the latest available information and report on the findings.

The objective of a Long-Term Financial Plan is to recommend strategies and policies that will maximise the municipality's financial sustainability into the future. This is achieved by forecasting future operating surpluses, cash generation, affordable capital expenditure, and cash utilisation based on the municipality's historic performance and the environment in which it operates.

A summary of the demographic, economic and household infrastructure perspective was updated with the latest available information as published by iHS Global Insight. The historic financial analysis was updated with the information captured in the municipality's audited financial statements of 30 June 2021 along with the tabled MTREF budget for FY2023. IPM adapted its Long-Term Financial Model (LTFM) to include and project key effects of the COVID-19 pandemic. This adapted model was populated and run with this latest information, and the outcome thereof is reported herein. The model was re-calibrated against the municipality's MTREF for the 3 years from FY2023 to FY2025.

Our Update Reports normally do not include a renewed analysis of the Asset Register in estimating the capital demand (as was the case in the Long-Term Financial Plan), municipal documents (viz. IDP, Master Plans, etc.) and conversations with management. The conclusions reached in this report are complimentary to the recommendations made previously.

ABBREVIATIONS USED

AFS	Annual Financial Statements
CAPEX	Capital Expenditure
CRR	Capital Replacement Reserve
CPI	Consumer Price Index
FY	Financial Year
FYE	Financial Year Ended
GDP	Gross Domestic Product
GVA	Gross Value Added
iHS	iHS Markit Regional Explorer version 2070 (2.6p)
IP	Investment Property
IPM	INCA Portfolio Managers
LM	Local Municipality
LTFM	Long Term Financial Model
LTFP	Long Term Financial Plan
MFMA	Municipal Finance Management Act
mSCOA	Municipal Standard Chart of Accounts
MRRI	Municipal Revenue Risk Indicator
MTREF	Medium Term Revenue and Expenditure Framework
NERSA	National Energy Regulator of South Africa
NT	National Treasury
OPEX	Operational Expenditure
PPE	Property, Plant and Equipment
R '000	Rand x 1 000
SA	South Africa
Stats SA	Statistics South Africa

CONTENTS

KEY FINDINGS AND CONCLUSIONS DRAWN FROM THE 2021 LTFP UPDATE

DEMOGRAPHIC, ECONOMIC AND HOUSEHOLD INFRASTRUCTURE

- As a result of the COVID-19 pandemic, and associated lockdowns, the GVA contracted by 6.2% in 2020, which resulted in a decline in GVA per capita when compared to the population growth rate of 1.8% in the same year.

- The official unemployment rate (narrow definition) is estimated to be approximately 20.3%. This rate has increased when compared to 2019 due to the COVID-19 impact on the economy which resulted in job losses. Notably, this rate is lower than the provincial (21.8%) and national (30.3%) rates. There may, however, also be several discouraged workers and people not actively looking for work, which if included, will increase this rate.

- Tress Index of 47.6 indicates a reasonably diversified economy underpinned by primarily four sectors: Finance (25%), Community Services (22%), Trade (19%) and Manufacturing (13%). Together these four subsectors comprise approximately 79% of economic output.

- Tourism was significantly impacted by the pandemic lockdowns and restrictions. Tourism-spend decreased by 59% from R2 102.8 million in 2019 to R864.6 million in 2020. This gross amount spent previously contributed approximately 22% to the local GDP but represented only 13% of Knysna's GVA in 2020.

- The household formation from 2011 to 2020 came to 19%. Notwithstanding the reasonably high household formation, Knysna has been able to maintain its infrastructure index of 0.88. This score is high relative to the national index of 0.76.

HISTORIC FINANCIAL ASSESSMENT

The historical analysis shows:

- Knysna finds itself in a risky liquidity position indicated by a current ratio of 1.21:1 as at FYE2021. Should debtors older than 30 days be excluded, this ratio only reduces to 0.9:1, well below the NT minimum benchmark of 1.5:1.
- Operating surplus (excluding capital grants) came to R4.1 million in FY2021, being an improvement when compared to the R28.6 million operating deficit realised in FY2020.
- Knysna managed to generate cash from operations for the past two years despite the low levels of surplus and the low collection rate 90% (relative to the NT benchmark of 95%). This is mainly due to delayed payment of suppliers as evidenced by the high creditors payment period which stood at 92 days for FY2021. This is not sustainable over the longer term.
- The gross electricity surplus margin has remained at 28% since FY2020; however, this is the lowest margin over the 8-year assessment period when compared to the highest margin realised in FY2014, i.e., 33%. Electricity distribution losses increased from 9.08% in FY2020 to 11.33% in FY2021, to above the NT maximum level of 10%.
- The water distribution losses markedly increased from 19.89% in FY2020 to 44.5% in FY2021, above the NT maximum level of 30%. This requires focused attention.
- Expenditure incurred to repair property, plant and equipment decreased by 29% from R64.2 million in FY2020 to R45.6 million in FY2021. This amount comprised 3% of PPE and IP for FY2021 as opposed to the FY2020 ratio of 5%, resulting in this ratio remaining below the NT norm of 8%.
- The municipality's R37.4 million cash balance as at FYE2021 was substantially less than the calculated R110.7 million minimum level of liquidity needed by the municipality.

Long Term Financial Plan Update

The current MTREF indicates low levels of surplus than can be attributed to:

1. An increase in the average gross electricity tariff of 14.59% (revenue) for FY2022 that is significantly lower than the ESKOM bulk tariff of 17.6% for bulk purchases (expenditure) for the same year. This mismatch results in a significant decline in the gross electricity surplus margin.

2. Above CPI increases in various expenditure items.

Based on the results of the Long-Term Financial Model, ***it is recommended that*** Knysna:

1. Maintain the funding mix that primarily funds capital expenditure through an effective combination of external borrowings and cash resources, with a focus on preserving liquidity levels.

2. Maintain a balanced approach for the long-term capital investment programme which prioritises investments that contribute to economic growth and revenue generation and prioritise timeous investment in bulk infrastructure.

3. Prevent further deterioration in current MTREF surplus, by ensuring that actual expenditure does not exceed the budgeted expenditure, generating cash from operations and avoiding further deterioration of liquidity.

4. Prevent deterioration of the collection rate by prioritising decisions and actions that will support and maintain the collection rate of 93% without compromising operating surplus.

5. Prevent further increases in distribution losses by putting measures in place to address the root causes of such high distribution losses, and work towards reducing these losses to at least NT norms of 10% and 30% for electricity and water, respectively.

6. Update the long-term financial plan with the latest information to remain relevant and a valuable strategic tool that serves as input to the annual budgeting process.

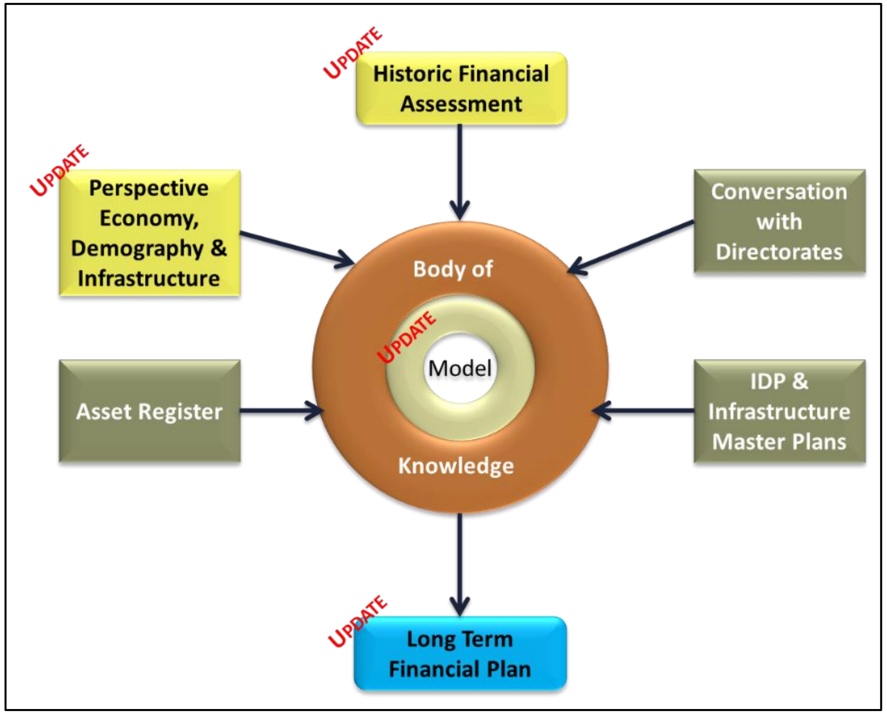
7. Obtain access to and institutionalize the internal use of the LTFM, to timely do an integrated forecast of revenues, expenditures, cash flows, funding, and financial position based on socio-economic drivers and policy choices of the municipality, assisting to model -
   - Rates & tariff increases
   - Catalytic infrastructure / investment programmes

- Affordability envelope for a “Capital Expenditure Framework”
- Capital funding mix
- Borrowing policy / strategy
- Liquidity policy and working capital management - including credit control, collection rates, creditors payment days, etc.
- Population- & economic growth forecasts; growth in indigent households
- Impact of various policy choices on ***Household Bills***

PLANNING PROCESS

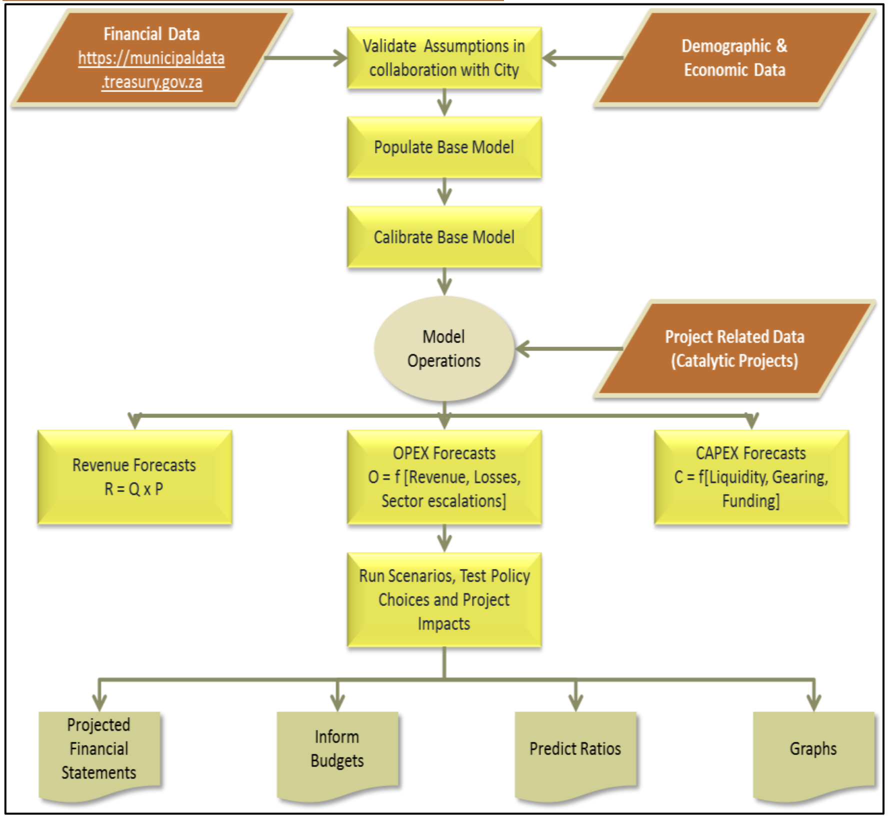
The diagram below illustrates the steps in the process that were followed in drafting the LTFP and the steps taken during this 2021 “LTFP Update”:

FIGURE 1: PLANNING PROCESS



The long-term financial model was populated with the latest information of Knysna and used to make a base case financial forecast of the future financial performance, financial position, and cash flow of the municipality. The diagram below illustrates the outline of the model.

FIGURE 2: FINANCIAL MODEL FRAMEWORK



The model methodology remains the same and the capital budget as presented in the MTREF was utilised and forecasts of an affordable future capex were made.

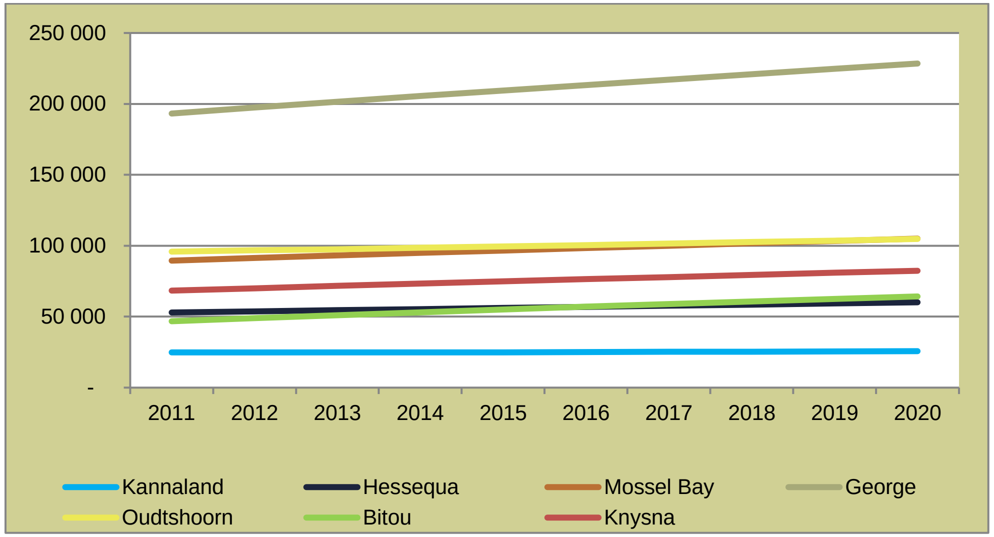
1	Planning Process
2	**Updated Perspectives (Demographic, Economic, Household Infrastructure)**
3	Updated Historic Financial Assessment
4	Long Term Financial Model Outcomes
5	Future Revenues
6	Affordable Future Capital Investment
7	Scenario Analysis
8	Ratio Analysis
10	Conclusions

Updated Perspectives (Demographic, Economic, Household Infrastructure)

Demography

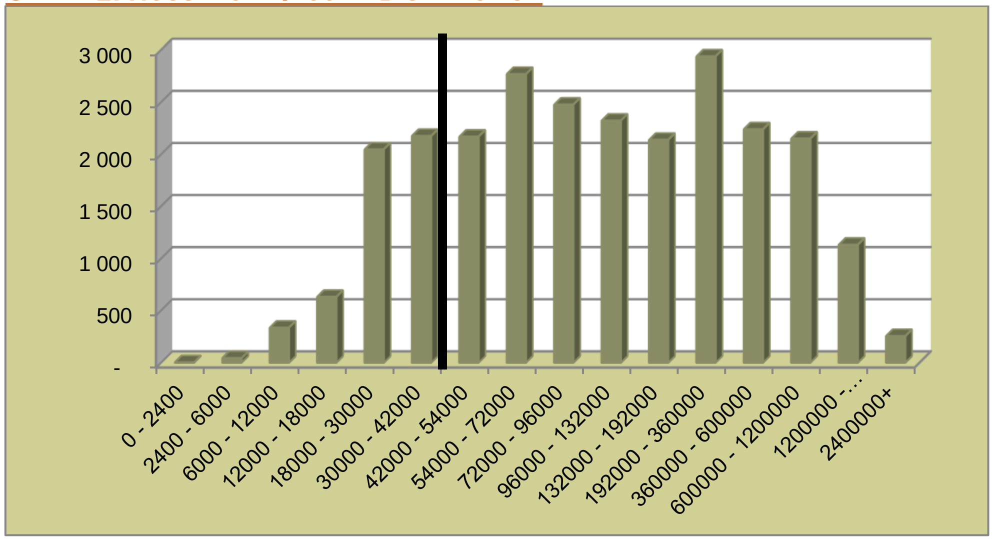
Knysna is estimated to have a population of 82 347 people in 2020 that represents 12% of the people living in the Garden Route District. This population grew by 1.8% p.a., relatively high when compared to the provincial and nation growth rates of 1.6% p.a. and 1.5% p.a. respectively.

Graph 1: Total Population



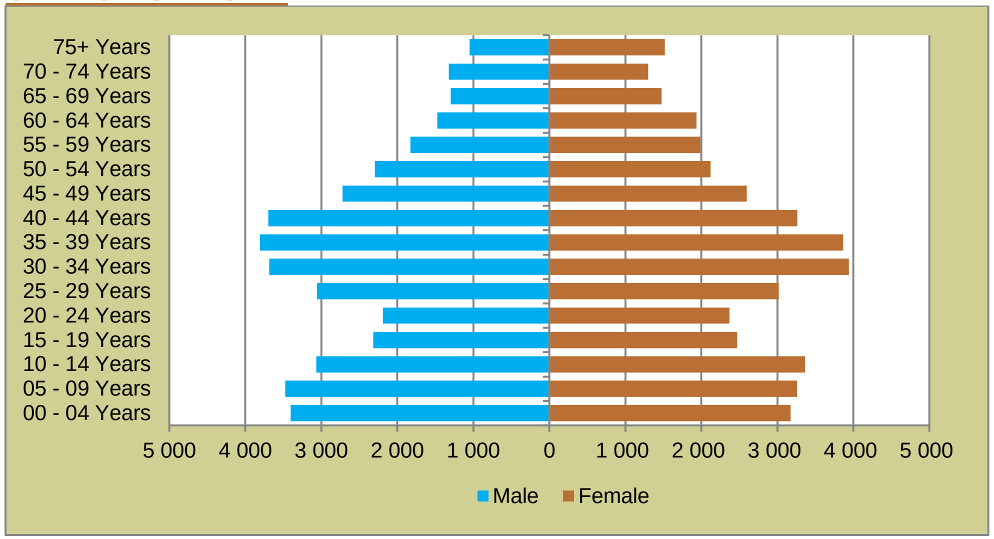
Prior to 2020, Knysna's average household income increased at an average rate of 6% p.a, however, mainly due to the impact of COVID-19, average household income decreased by 3% from R321 555 p.a., in 2019 to R312 320 p.a., in 2020. This led to a marginal increase in the number of households earning less than R42 000 p.a, from 17.6% to 18.5% over the same period, see Graph 2 below for the distribution of household income. Households earning less than R42 000 p.a., are indicative of the number of indigent households in the municipal area and reflect those who qualify for and/or are reliant on government grants as a source of income. The provision of RDP level of basic services to these households is theoretically covered by the equitable share and should compensate the municipality for providing free basic services. The household income distribution further reflects a society of which 58.7% (46.7% in 2019) of all households earn an income less than R192 000 p.a (R16 000 p.m.) but more than R42 000 p.a. Considering the GVA contraction and the erosion of the municipality's economic base, the extent to which households can be levied in future needs to be closely monitored. Any decline in household income, in conjunction with rapid increases in the municipal services costs, will pose a serious challenge to the municipality's future revenue prospects.

Graph 2: Household Income Distribution

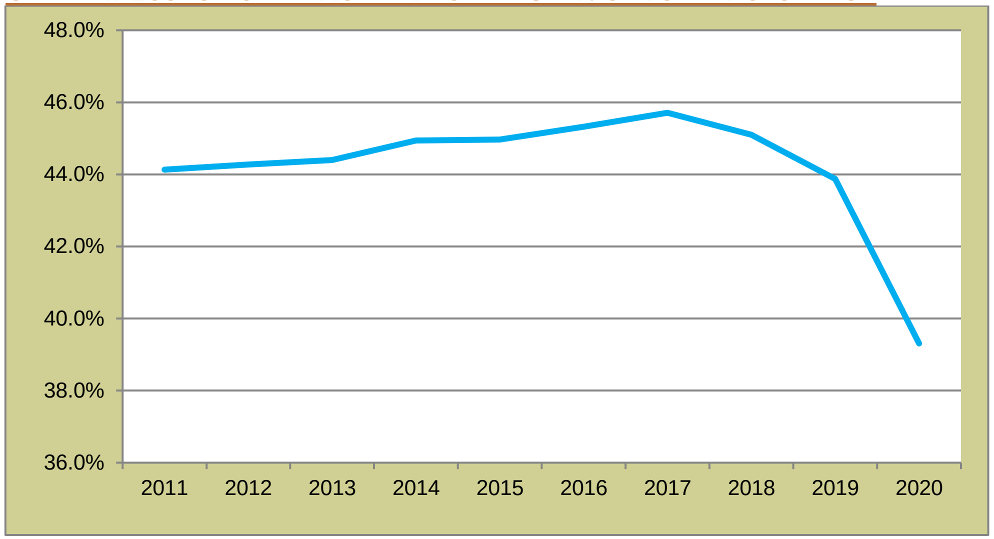


The age profile pyramid (see Graph 3) is unlike a typical population pyramid of a developing society, which is characterised by two distinctive features: 1) high number of young people, typically below the age of 24; and 2) lower number of older people (above 50 years). Knysna's age profile pyramid reflects a higher number of older people (24%) and middle-aged people (41%) and a lower number of younger people (36%).

Graph 3: Age Profile



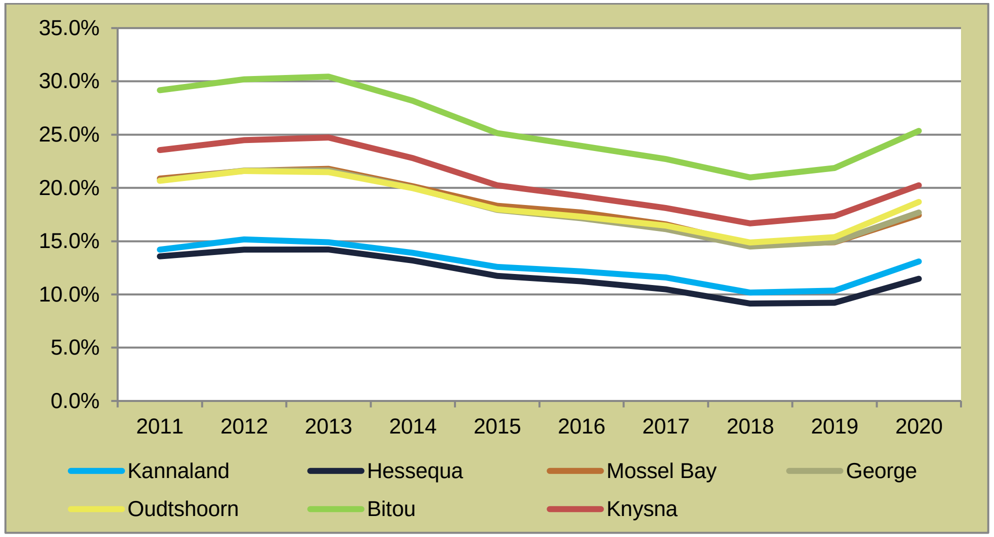
Graph 4: Economically Active People as a % of Total Population



The number of economically active people decreased in 2020 as opposed to prior years whereby this figure was on an increase, in 2020 economically active people made up 39.3% as opposed to 2019's 43.9% see Graph 4 below.

The official unemployment rate (narrow definition) is estimated to be approximately 20.3%. This rate increased when compared to 2019 due to the economic impact of COVID-19 which resulted in job losses. This rate is however lower than the provincial and nation rates estimated to be 21.8% and 30.3% respectively. The employment rate should however be viewed with caution as the narrow definition does not consider discouraged workers – people who are not actively looking for work - which, if included would markedly increase this rate.

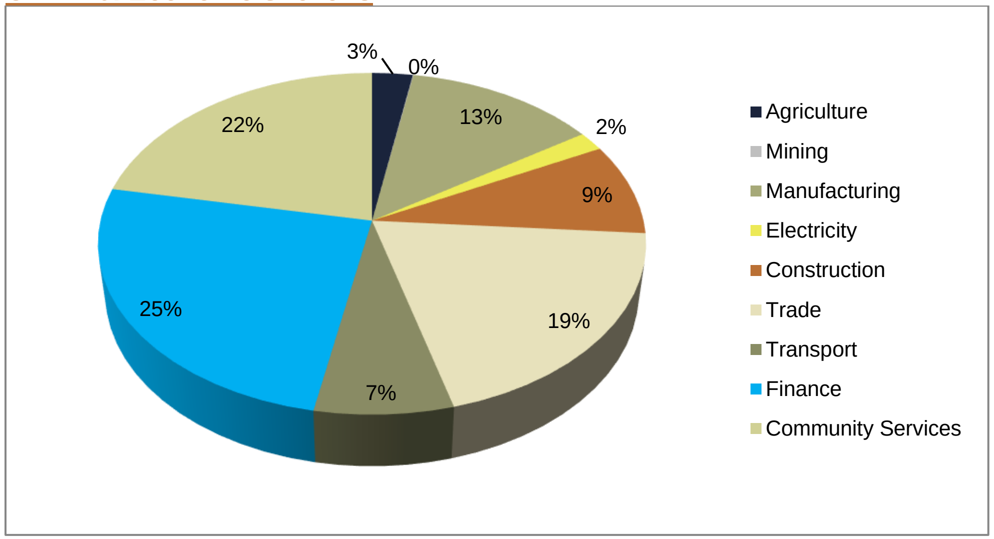
Graph 5: Official Unemployment Rate



Economy

The total Gross Value Add for 2020 came to R5.12 billion. The economy contracted by 6.2% in 2020, mainly due to the impact of COVID-19 and following historically low economic growth averaging 1.2% prior to 2020. The Tress Index of 47.6 indicates a reasonably diversified economy that is mainly driven by four economic sectors: Finance (25%), Community Services (22%), Trade (19%) and Manufacturing (13%). Together these four subsectors comprise approximately 79% of economic output.

Graph 6: Economic Sectors



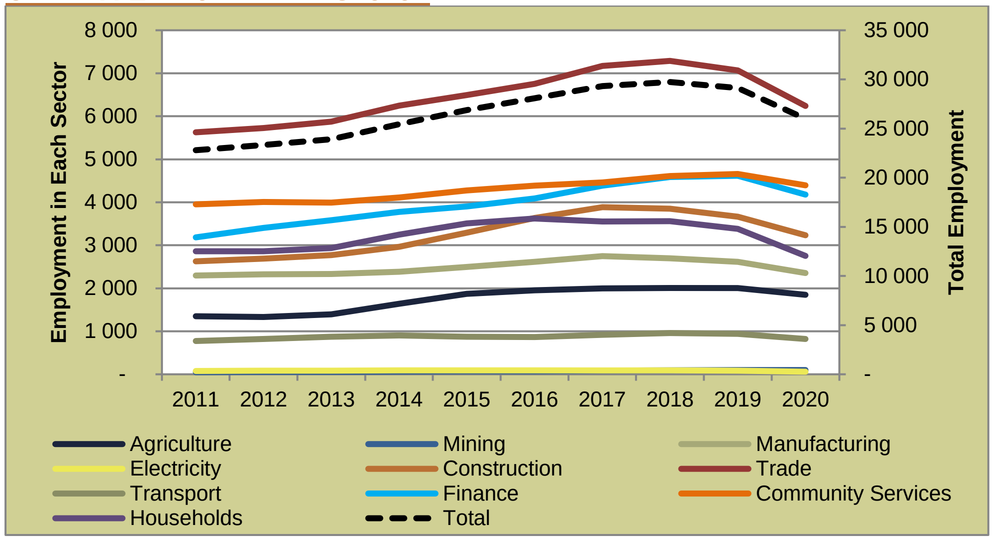
Over the last 10 years, proportional growth was experienced by mainly the Finance, Community Services and Agriculture whilst the remaining sectors proportional contribution to GVA shrunk.

The contraction in economic output together with the population growth of 1.8% p.a., resulted in a reduced GVA per capita from approximately R67 396 per capita p.a., in 2019 to R62 147 per capita p.a, in 2020. This has had an adverse impact on annual average household income, as depicted in Graph 2 above, resulting in increased pressure on households to settle their municipality bill. The risk of the household ability to pay the municipal bill and its impact on the long-term financial sustainability is further analysed in this report, see Graph 35 below.

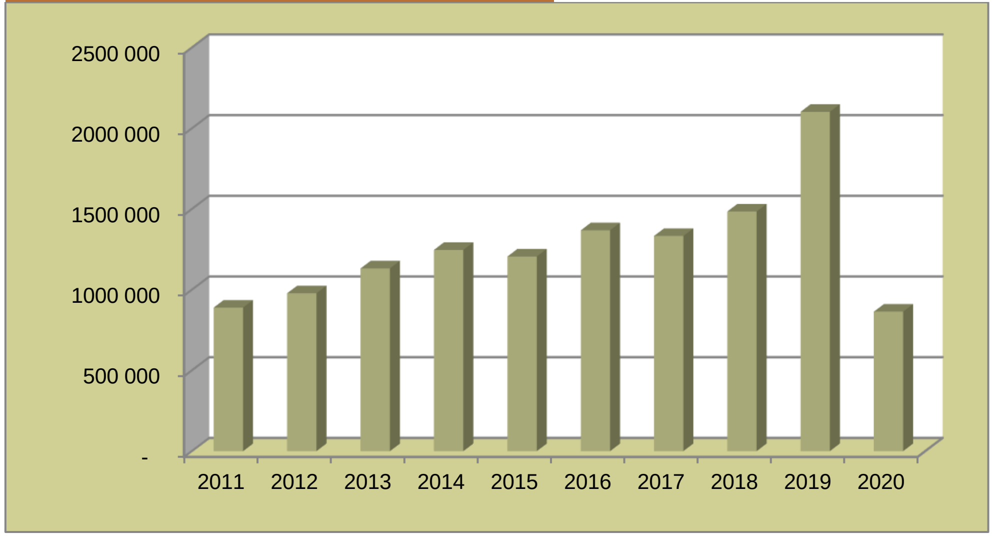
Subsector	2011	2020
Agriculture	129 355	139 685
Mining	2 380	2 317
Manufacturing	751 586	659 204
Electricity	104 662	93 109
Construction	533 357	445 132
Trade	1 037 076	1 002 956
Transport	374 528	369 699
Finance	1 052 511	1 284 505
Community Services	962 952	1 121 026

Graph 7 below indicates a decrease in employment opportunities of approximately 11% (3 134 job losses) between 2019 and 2020. This is higher than the INCA COVID-19 impact assessment (April 2020) which estimated 3.7% (971 job losses) decrease. The Trade sector continues to be the largest provider of employment despite the highest number of job losses (824 jobs). In addition to Trade, high job losses were experienced in the following sectors: Households – 627 jobs; Finance – 439 jobs and Construction – 429 jobs.

GRAPH 7: EMPLOYMENT BY SECTOR



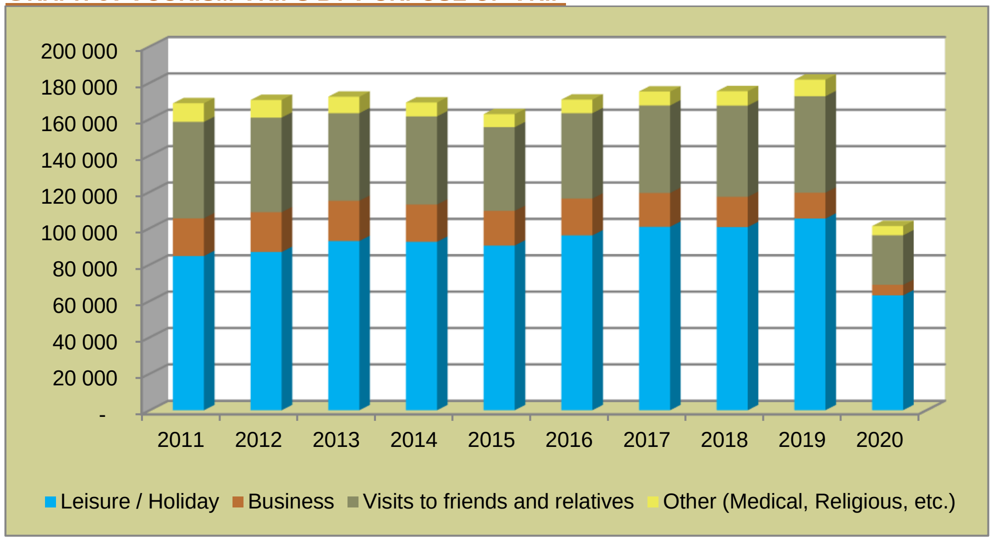
GRAPH 8: TOURISM SPEND (CURRENT PRICES)



The impact of the COVID-19 related lockdown and restrictions on the tourism sector is evident in the reduction of the Knysna region's tourism spend as depicted on GRAPH 8. This amount decreased by 59% between 2019 and 2020 from R2 102.8 million to R864.6 million, respectively. Prior to 2020, the direct contribution of tourism spend to Knysna's GDP was 22%, but reduced to 13% in 2020

According to GRAPH 9 the overall number of trips, which are primarily for holiday and leisure, decreased from approximately 181 748 trips in 2019 to 101 273 trips in 2020 mainly due to the lockdown and travel restrictions that were imposed.

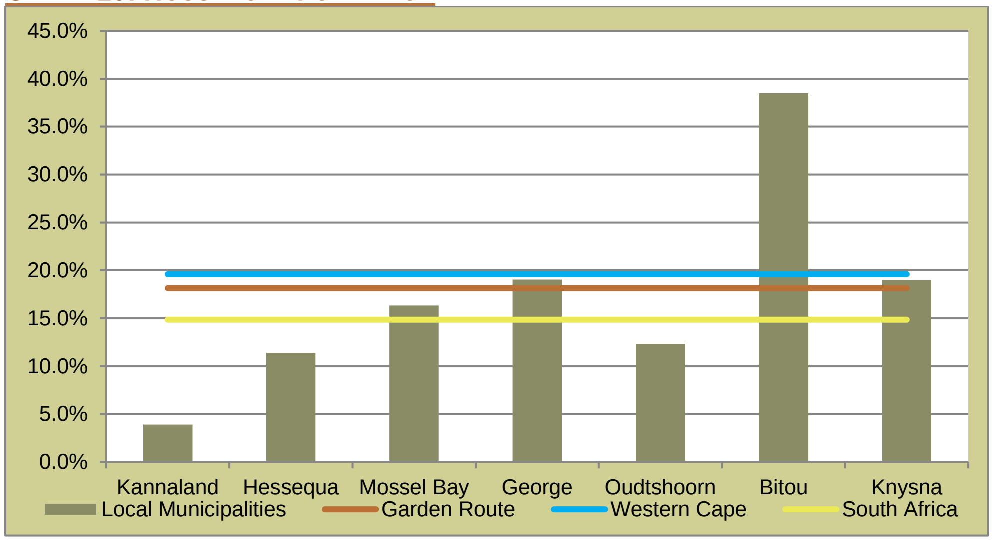
GRAPH 9: TOURISM TRIPS BY PURPOSE OF TRIP



HOUSEHOLD INFRASTRUCTURE

The household formation between 2011 and 2020 came to 19%, the second highest growth of all the seven municipalities in the district. The growth in households in Knysna was 4 029 households – in absolute terms- over the period

GRAPH 10: HOUSEHOLD FORMATION



Knysna managed to maintain its infrastructure index of 0.88 despite the high household formation – see GRAPH 11. This index is relatively high considering the to the national index of 0.76. The higher the index, the lower the levels of service backlogs. The maintenance of this high index score over the entire review period indicates ongoing infrastructure investment that keeps up with the rate of household formation.

TABLE 1 below compares the level of backlogs, of ***sanitation, water, electricity, and refuse removal*** of Knysna with that of the district. Knysna performed well in the provision of basic level of services.

GRAPH 11: INFRASTRUCTURE INDEX

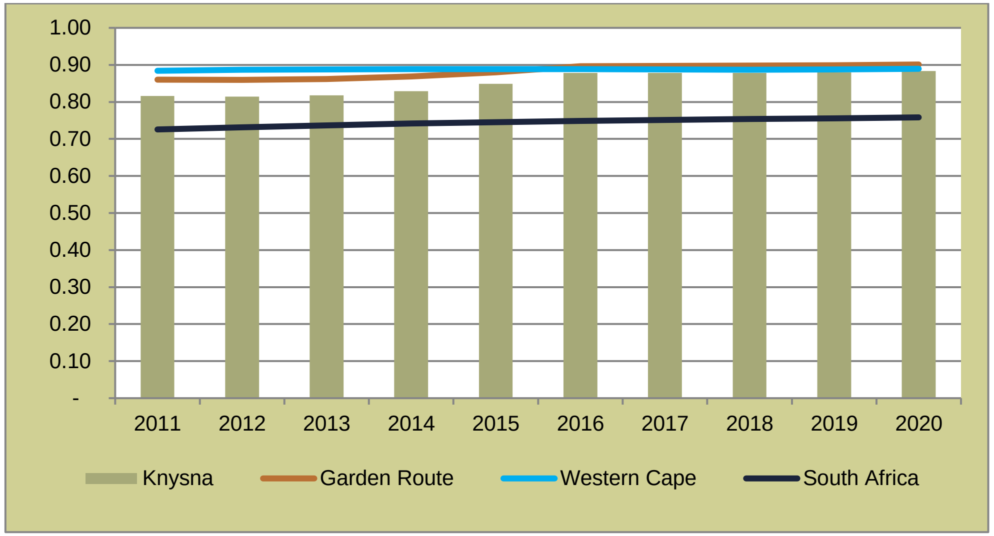


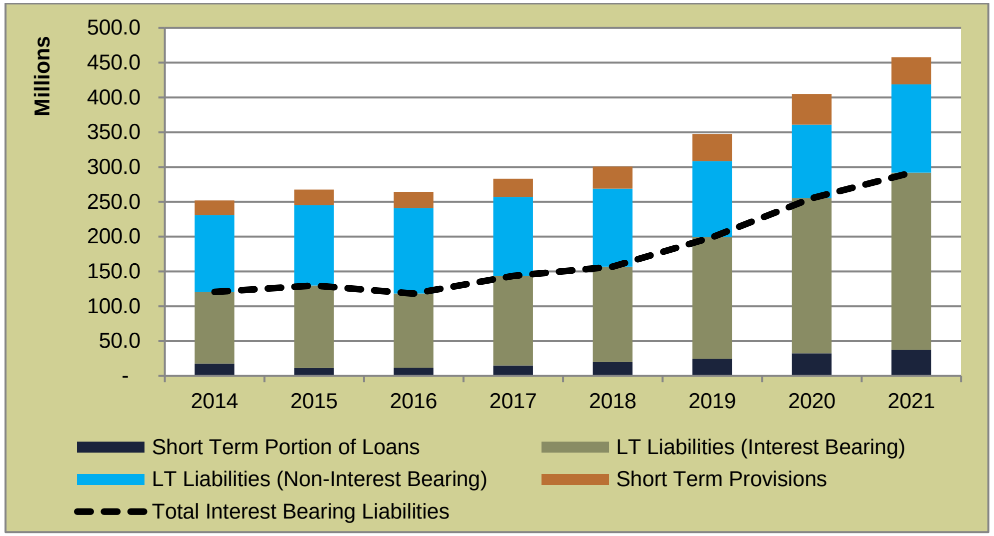
TABLE 1: HOUSEHOLD INFRASTRUCTURE PROVISION

Infrastructure	Garden Route		Knysna	
Above RDP Level				
Sanitation	184 530	96.1%	23 964	94.9%
Water	189 124	98.5%	24 822	98.3%
Electricity	185 621	96.7%	24 342	96.4%
Refuse Removal	172 785	90.0%	23 997	95.0%
Below RDP or None				
Sanitation	7 394	3.9%	1 287	5.1%
Water	2 800	1.5%	429	1.7%
Electricity	6 303	3.3%	909	3.6%
Refuse Removal	19 139	10.0%	1 254	5.0%
Total Number of Households	**191 924**	**100.0%**	**25 251**	**100.0%**

Updated Historic Financial Assessment

Financial Position

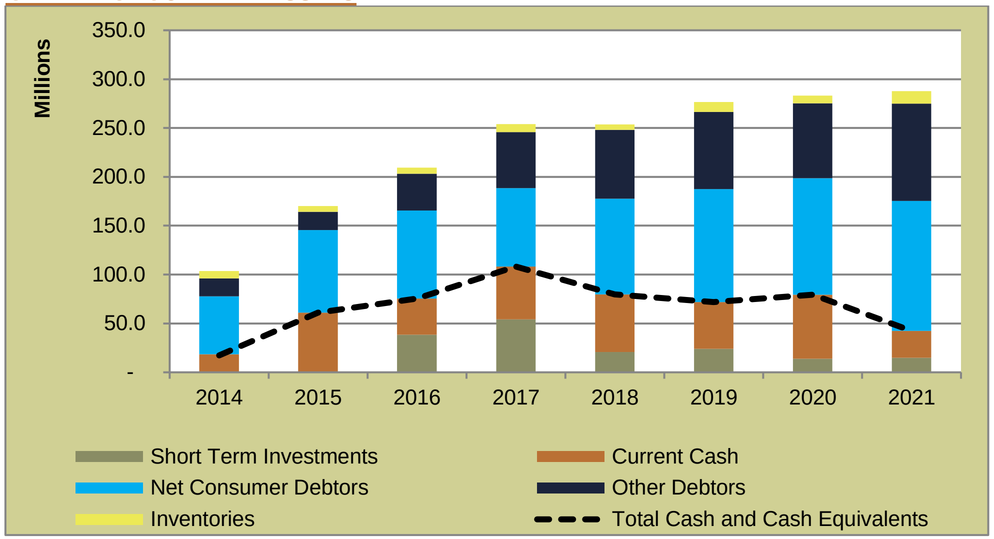
Graph 12: Long Term Liabilities: Interest Bearing vs Non-Interest Bearing



Knysna's interest-bearing liabilities continued to increase by R36.7 million (14%) since FYE2020 due to the municipality having taken up borrowings in the current year to finance its capital expenditure (see Graph 22). This balance stood at R291.9 million as at FYE2021.

Knysna LM has taken up borrowings since FY2017 averaging R53.1 million per annum, resulting in the gearing ratio increasing from 19% to 30% between FY2017 and FY2021 and the debt service to total expense ratio increasing from 3% to 6% over the same period. These ratios remained below their maximum NT limits of 45% and 7% for gearing and debt service to total operating expenditure, respectively. The debt service cover ratio of 0.2 as at FYE2021 however implies **that the municipality did not generate sufficient cash from its operations during FY2021 to service current debt levels. Notably, this ratio has been below 1 for the entire 8-year assessment period.**

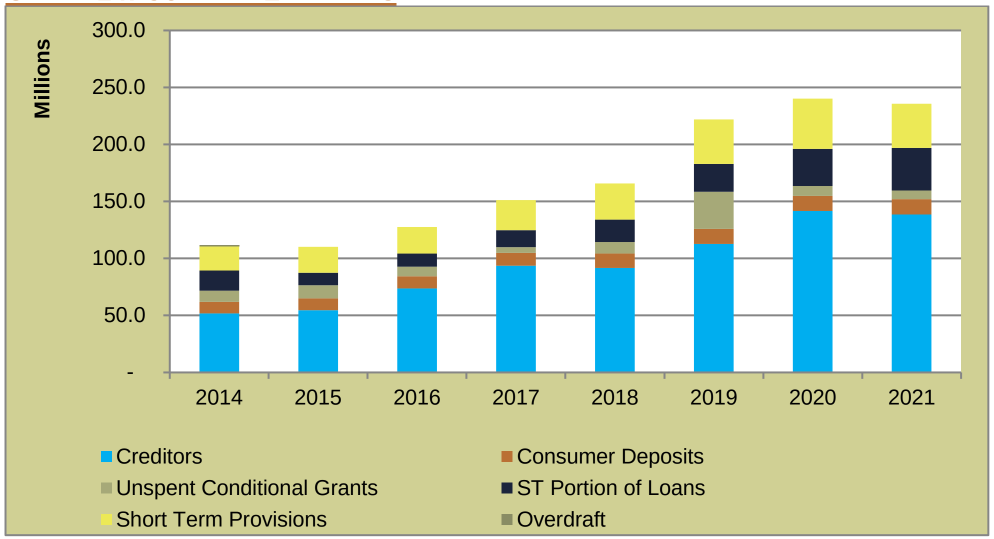
Graph 13: Current Assets



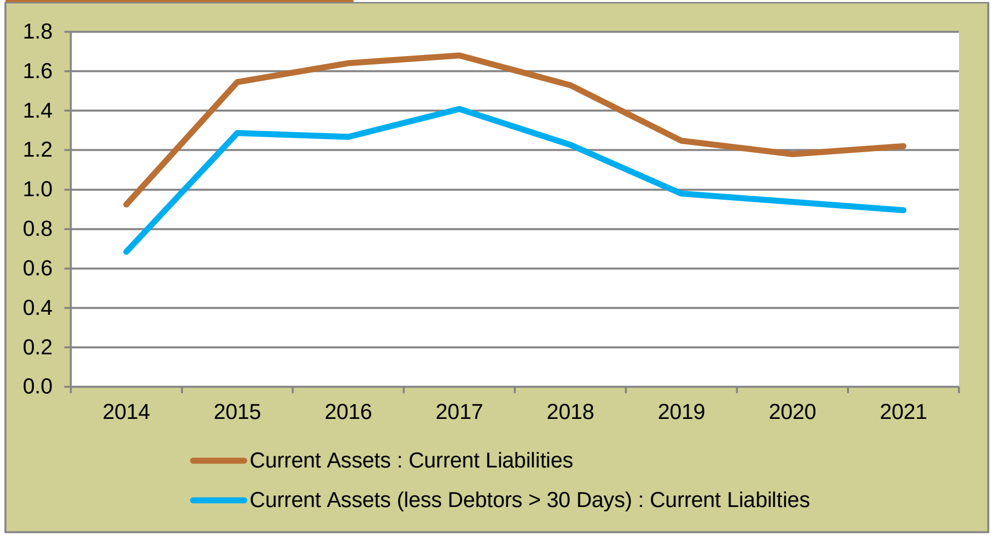
Graph 13 above indicates a decreasing trend in current assets since FYE2017. As at FYE2021, current assets stood at R287.6 million, a 13% (R33.5 million) decrease when compared to the FYE2017 balance of R254.1 million. This is mainly due the movements in the cash and cash equivalents balance which followed a similar decreasing trend over the period.

Current liabilities, as depicted in Graph 14 below, shows an increasing trend since FY2017. This balance increased by 56% (R84.5 million) from R151.2 million as at FYE2017 to R235.7 million as at FYE2021. This increase was mainly driven by an increase in the creditors balance by R44.9 million (48%) over the same period.

Graph 14: Current Liabilities



Graph 15: Liquidity Ratios



The net effect of the movements in the current assets and current liabilities resulted the deterioration of the liquidity ratio from 1.7:1 as at FYE2017 to 1.2:1 as at FYE2021. This liquidity ratio is relatively weak when compared to the NT minimum of 1.5:1, therefore raising concern over the municipality's ability to pay its current/short term obligations and provide for a financial buffer to absorb unexpected cash outflows (financial shocks) in the foreseeable future. This ratio is further weakened to 0.9:1 should debtors greater than 90 days (least liquid debtors) be excluded from the calculation.

Table 2: Liquidity Ratios

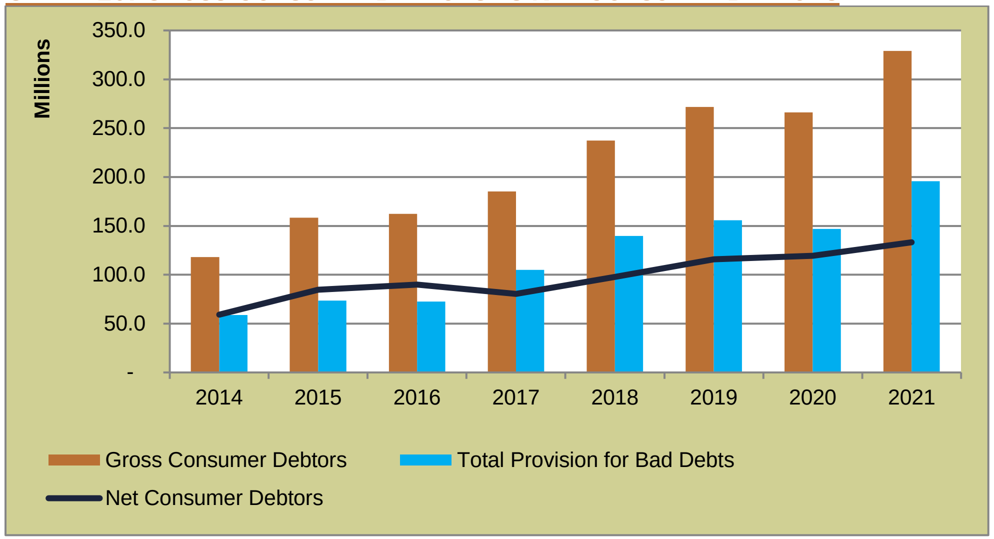
	2014	2015	2016	2017	2018	2019	2020	2021
Current Assets: Current Liabilities	0.9	1.5	1.6	1.7	1.5	1.2	1.2	1.2
Current Assets (less Debtors > 30 Days): Current Liabilities	0.7	1.3	1.3	1.4	1.2	1.0	0.9	0.9

Gross consumer debtors (see Graph 16 below) continued to increase since the last update (FYE2019: R271.6 million) by an annual average of 11% and stood at R329.0 million as at FYE2021. This is mainly due to increases in rates and electricity debtors which were the largest contributors to the balance. The growth in consumer debtors was relatively lower when compared to the 11% average growth in annual billed revenue since FY2019.

The collection rate for FY2021 was 90%, below the NT required minimum of 95%. Except for FY2020, the collection rate remained below the NT minimum benchmark since FY2018. The above 100% collection rate for FY2020 can be attributed to the collection of historic debt. The low collection rate is evidenced by the high net debtor days for FY2021 which implies that it takes approximately 77 days for customers to settle their bills compared to the NT norm of 30 days.

The provision for bad debts did not sufficiently cover the debtors greater than 90 days throughout the 8-year assessment period; on average, the provision amounted to 79% of debtors greater than 90 days as opposed to the 100% recommended by National Treasury.

GRAPH 16: GROSS CONSUMER DEBTORS VS NET CONSUMER DEBTORS



GRAPH 17: CONSUMER DEBTORS AGE ANALYSIS

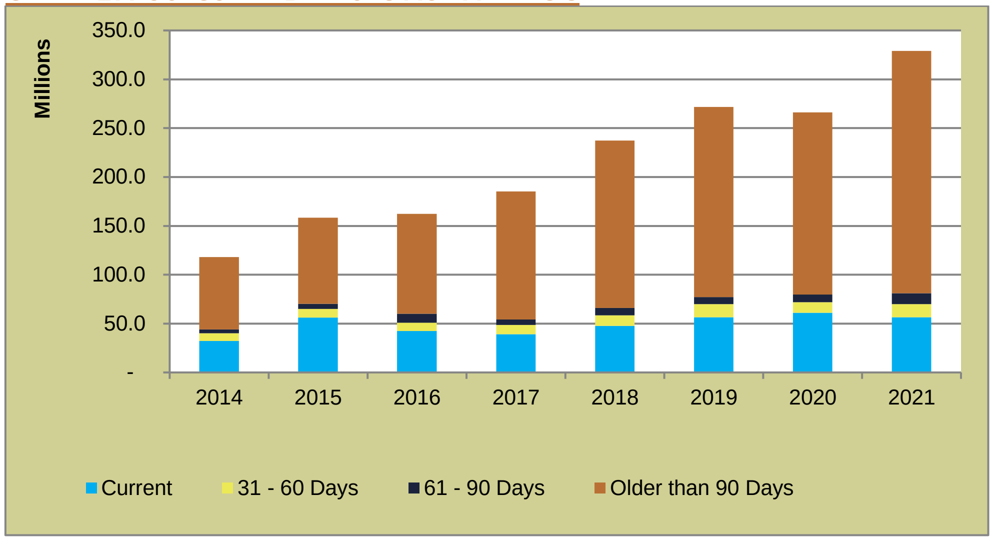


TABLE 3: DEBTORS RATIOS

	2015	2016	2017	2018	2019	2020	2021
Increase in Billed Income p.a. (R'm)	31.2	32.8	56.2	27.8	33.2	(5.2)	40.2
% Increase in Billed Income p.a.	7%	7%	12%	5%	6%	-1%	7%
Gross Consumer Debtors Growth	34%	3%	14%	28%	14%	-2%	24%
Net debtor days	69	68	55	63	71	73	77
Payment Ratio/Collection Rate (%)	90%	93%	96%	91%	94%	101%	90%

The gross consumer debtors age analysis per GRAPH 17 above depicts debtors greater than 90 days as the highest contributor to gross consumer debtors. As at FYE2021, debtors greater than 90 days stood at R247.9 million, amounting to 75% of the gross consumer debtors' balance. This balance has increased by 27% (R53.4 million) since the last update from R194.5 million as at FYE2019. The current debtors have comparably remained stable over the same period with a balance of R56.6 million as at FYE2021 versus R56.5 million as at FYE2019.

Financial Performance

Graph 18: Analysis of Surplus

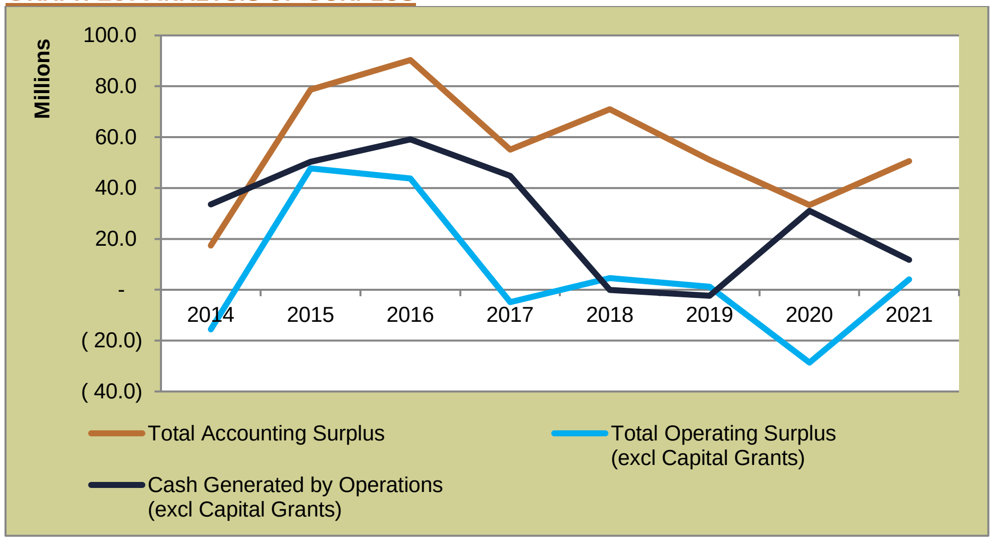
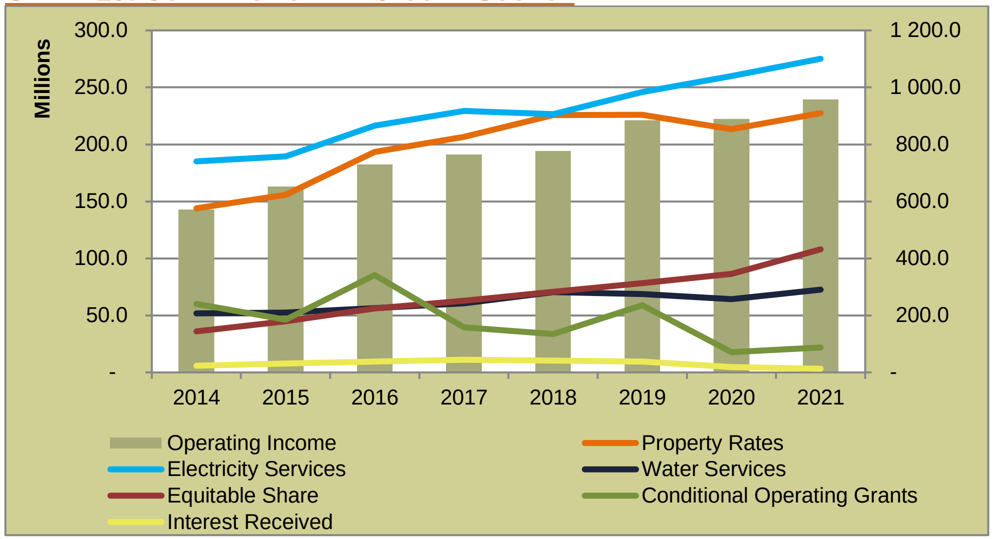


Table 4: Total Income vs Total Expenditure

	2014	2015	2016	2017	2018	2019	2020	2021
Total Income	604.1	683.1	775.9	825.1	843.9	935.0	951.3	1 004.1
Total Operating Expenditure	582.2	603.6	685.5	770.0	772.9	884.0	918.0	953.6
Operating Income (excl Cond Grants)	511.0	605.8	643.9	725.7	743.8	826.2	871.6	935.7

Total income exceeded total operating expenditure throughout the 8-year assessment period resulting the municipality realising accounting surpluses. However, this amount has decreased since it peaked its R90.3 million peak in FY2016. Positive to note though, is the increase in the accounting surplus between FY2020 and FY2021 from R33.3 million to R50.5 million; however, this remains significantly lower than historical figures. When capital grants are excluded, this surplus reduced to R4.1 million for FY2021, being an improvement when compared to the R28.6 million operating deficit realised in FY2020. Knysna managed to generate cash from operations for the past two years despite the low levels of profitability and the low collection rate; however, this is mainly due to delayed payment of suppliers as evidenced by the high creditors payment period which determined to be 92 days for FY2021, having increased over the 8-year assessment period from 48 days for FY2014. This increasing trend is not sustainable for the future as creditors would have to be settled eventually.

Graph 19: Contribution per Income Source

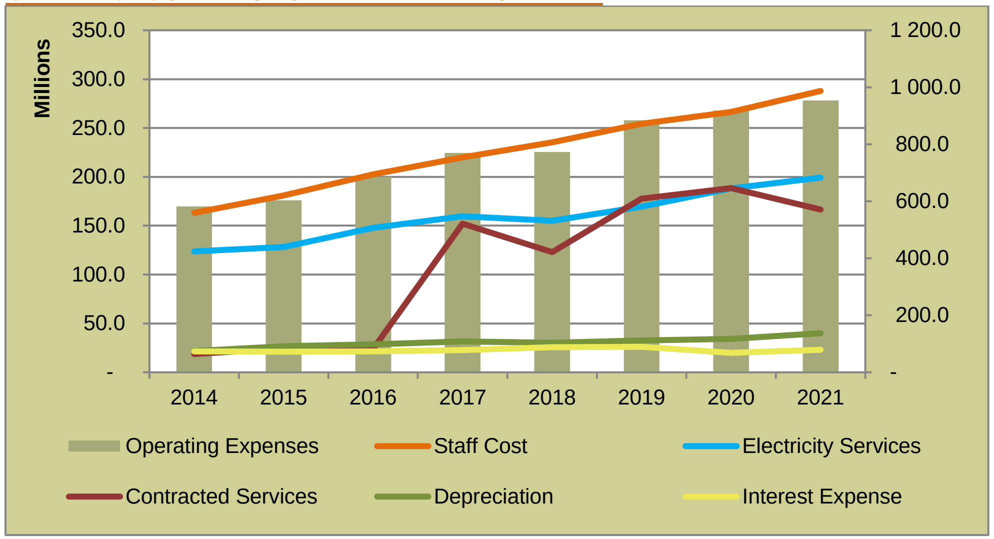


The growth in total operating incomes was mainly driven by increases in the two major revenue items: electricity service charges and property rate which constitute a combined 52%. These revenue items increased more than CPI between FY2020 and FY2021 by 6% (electricity service charges) and 7% (property rates).

Electricity service charges remained the highest contributor to operating income. The gross electricity surplus margin remained at 28% since FY2020; however, this is the lowest margin over the 8-year assessment period when compared to the highest margin realised in FY2014, i.e., 33%. Electricity distribution losses increased from 9.08% in FY2020 to 11.33% in FY2021, to above the NT maximum level of 10%.

Water service charges contributed 8% to operating income, preceded by the equitable share contribution of 11%. The water distribution losses markedly increased from 19.89% in FY2020 to 44.5% in FY2021, above the NT maximum level of 30%. This requires focussed attention going forward.

GRAPH 20: CONTRIBUTION PER EXPENDITURE ITEM



Total operating expenditure is mainly driven by three major expenditure items: staff costs, electricity bulk purchases and contracted service. The expenditure items together constituted 60% to total operating expenditure for FY2021.

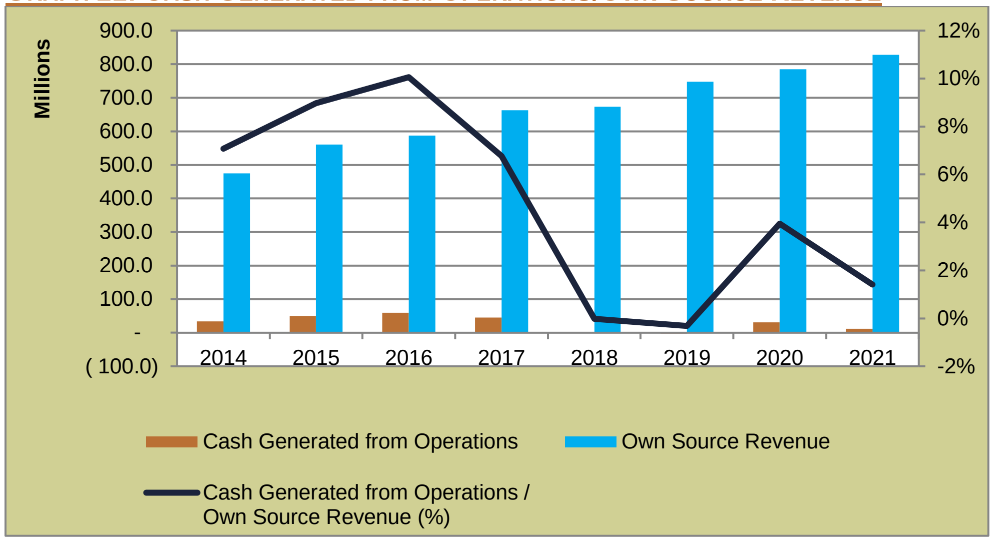
Staff Costs remained the major expenditure item, being 26% of total operating expenditure and remaining within the NT norm of between 25% and 40%. Knysna LM managed to maintain this ratio at an average of 26% over the past 8 years.

The FY2017 increase in the contracted services was due to the MSCOA classification of repairs and maintenance to various expenditure items. This resulted in an increase in the contracted services as a percentage of total operating expenditure from 3% in FY2016 to 18% in FY2017, above the NT maximum level of 5%. This ratio has since remained above the NT maximum level but has marginally reduced to 15%. Notwithstanding this high ratio, it is noted that contracted service decreased by 12% from R188.5 million in FY2020 to R166.6 million in FY2021.

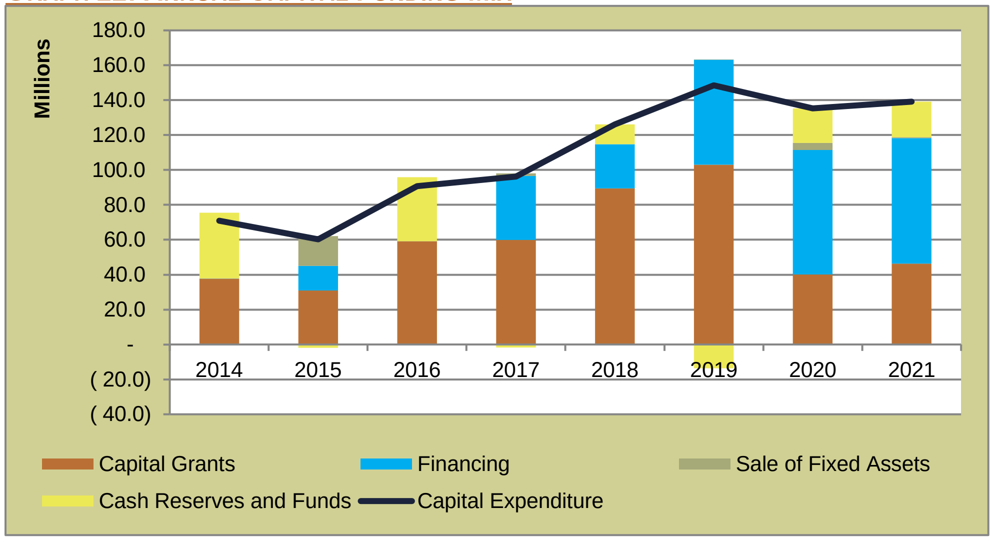
Expenditure incurred to repair and maintain property, plant and equipment decreased by 29% from R64.2 million in FY2020 to R45.6 million in FY2021. This amount comprised 3% of PPE and IP for FY2021 as opposed to the FY2020 ratio of 5%, resulting in this ratio remaining below the NT norm of 8%.

Cash Flow

Graph 21: Cash Generated from Operations/Own Source Revenue



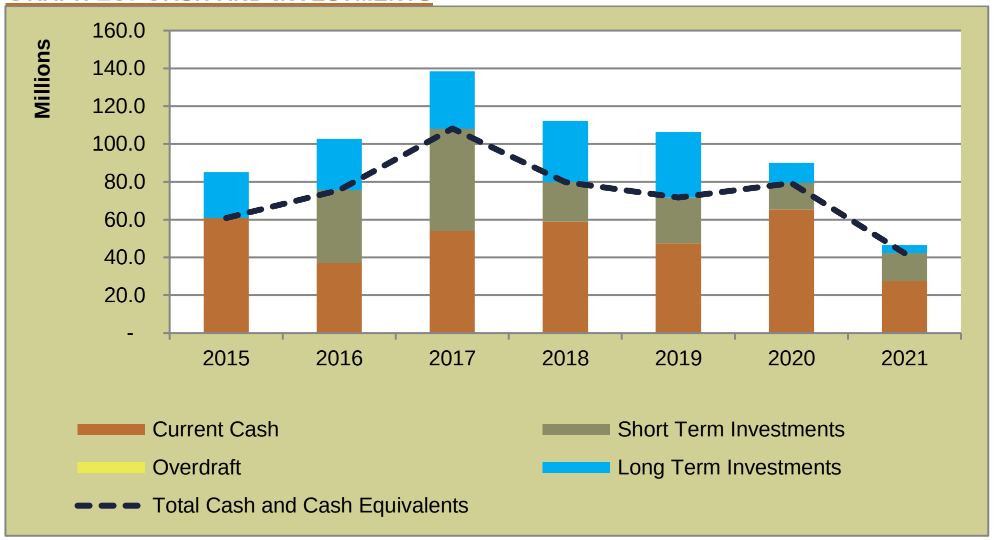
Graph 22: Annual Capital Funding Mix



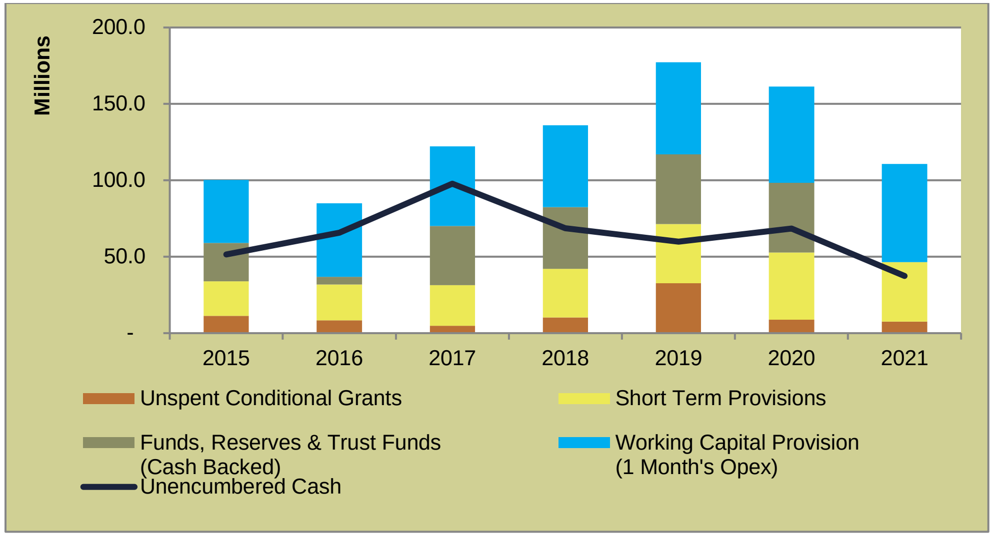
Investment in capital has slightly decreased since the last update (FY2019) from R148.5 million to R139.1 million in FY2021. This amount was funded by 55% external borrowing, 33% capital grants and 15% own cash resources. This capital expenditure was however lower than the budgeted capital expenditure as indicated by a capital implementation indicator (actual capital expenditure as a percentage of budgeted capital expenditure) of 85%. Notwithstanding the impact if COVID-19, Knysna LM has historically underspent on its capital budget, with the capital budget implementation indicator averaging 84% over the 8-year assessment period.

Considering the municipality's limited ability to generate cash from operations emanating from the low collection rate, along with the utilisation of own cash resources to fund capital expenditure, cash and cash equivalents has decreased over the past two years. As at FYE2021 this balance stood at R42.3 million when compared to the R71.1 million as at FYE2019.

Graph 23: Cash and Investments



Graph 24: Minimum Liquidity Required



Knysna LM is required to maintain enough cash reserves to cover Unspent Conditional Grants (R7.5 million), Short-Term Provisions (R38.9 million) and Working Capital Provision (including 1 month's Opex) (R64.3 million). The municipality unencumbered cash balance does not meet the required minimum liquidity levels of R110.7 million resulting in a shortfall of R73.3 million as at FYE2021. The cash coverage ratio (including working capital) came to 0.3 for FY2021.

.

Table 5: Minimum Liquidity Requirements

	2014	2015	2016	2017	2018	2019	2020	2021
Unspent Conditional Grants	10.0	11.4	8.3	4.9	10.3	32.6	8.8	7.5
Short Term Provisions	21.3	22.5	23.5	26.4	31.7	38.9	43.9	38.9
Funds, Reserves & Trust Funds (Cash Backed)	-	25.0	5.0	38.9	40.5	45.5	45.5	-
Total	**31.3**	**58.9**	**36.8**	**70.2**	**82.5**	**117.0**	**98.3**	**46.4**
Unencumbered Cash	9.8	51.6	65.7	97.8	68.8	59.9	68.5	37.4
Cash Coverage Ratio (excl Working Capital)	0.3	0.9	1.8	1.4	0.8	0.5	0.7	0.8
Working Capital Provision (1 Month's Opex)	41.5	41.4	48.2	52.1	53.6	60.4	63.0	64.3
Cash Coverage Ratio (incl Working Capital)	0.1	0.5	0.8	0.8	0.5	0.3	0.4	0.3
Minimum Liquidity Required	72.8	100.3	85.0	122.3	136.1	177.4	161.3	110.7
Cash Surplus/(Shortfall)	**(63.1)**	**(48.7)**	**(19.3)**	**(24.5)**	**(67.3)**	**(117.5)**	**(92.8)**	**(73.3)**

IPM Shadow Credit Score

Knysna was assessed for an IPM shadow credit score, to provide information to management and to council as to the current risk rating that municipality may receive from external lenders, which will determine the municipality's cost of funding. Any improvements to the shadow credit rating over time will result in more affordable lending rates.

Based on the FY2021 performance of Knysna, the IPM credit model reflects a score of **4.9** which is comparable to a low **BBB+** on a national ratings scale. This credit score is relatively low compared to other municipalities in the district, however it is at **Investment Grade** level, which means that Knysna should be successful in accessing external borrowing at competitive rates.

The results obtained from the assessment, per module, are presented below:

Table 6: IPM Credit Model Outcomes

Modules	2021 (5)
Financial	**2.2**
Institutional	**2.4**
Socio-Economic	**2.1**
Infrastructure	**2.7**
Environmental	**4.2**

From the assessment it is evident that the socio-economic environment continues to be Knysna's main impediment in achieving higher credit scores. This is linked to the low economic growth in the region.

Any improvement in the institutional capacity will have a positive impact on the credit score. Strong governance and prudent financial management remain the key factors to be considered. The Auditor General's report, findings and recommendations need to be addressed annually and improved on a yearly basis.

Supply of household infrastructure services has weakened since the last update due to the increases in electricity distribution losses.

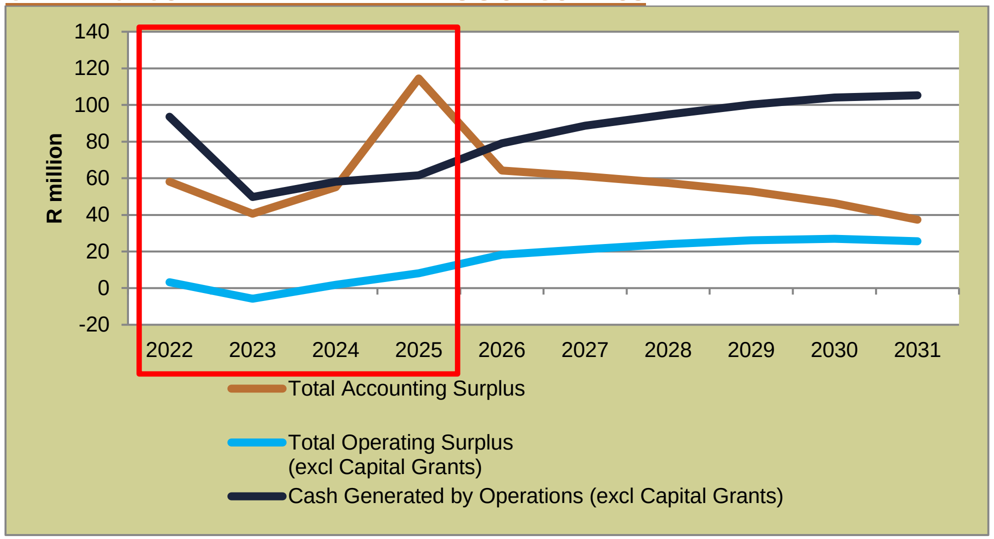
The score achieved on the financial module is driven by the unhealthy liquidity position. By implementing the recommendations of the LTFP update report, maintaining financial discipline and prudent financial management, Knysna should be able to improve this score over time.

.

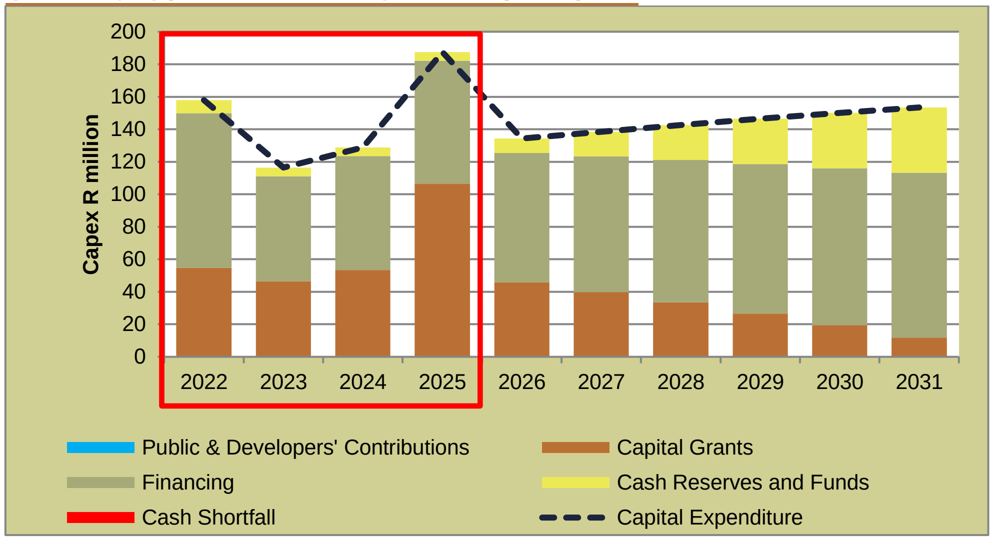
Long Term Financial Model Outcomes

Current MTREF Scenario

Graph 25: Current MTREF: Analysis of Surplus



Graph 26: Current MTREF: Capital Funding Mix



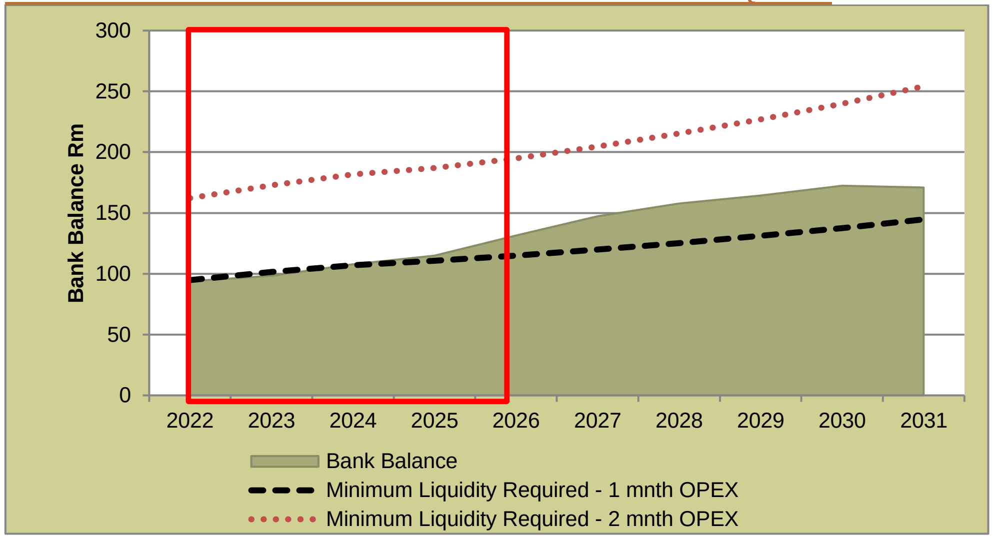
The current MTREF indicates that Knysna will realise an operating deficit for FY2023 followed by an improvement to operating surpluses for the remainder of the MTREF. An analysis of the MTREF indicates the following key assumptions contributed to the low levels of surplus:

1. An increase in the average gross electricity tariff of 14.59% (revenue) for FY2022 that is significantly lower than the ESKOM bulk tariff of 17.6% for bulk purchases (expenditure) for the same year. This mismatch results in a significant decline in the gross electricity surplus margin.

2. Above CPI increases in various expenditure items.

The bank balance (see Graph 27 below) is budgeted to be lower than the required minimum liquidity levels due to 1) the budgeted low levels of profitability, 2) the assumed low collection rate of 93% and 3) the utilisation of limited cash resources to fund capital expenditure.

Graph 27: Current MTREF: Bank Balance vs Minimum Liquidity



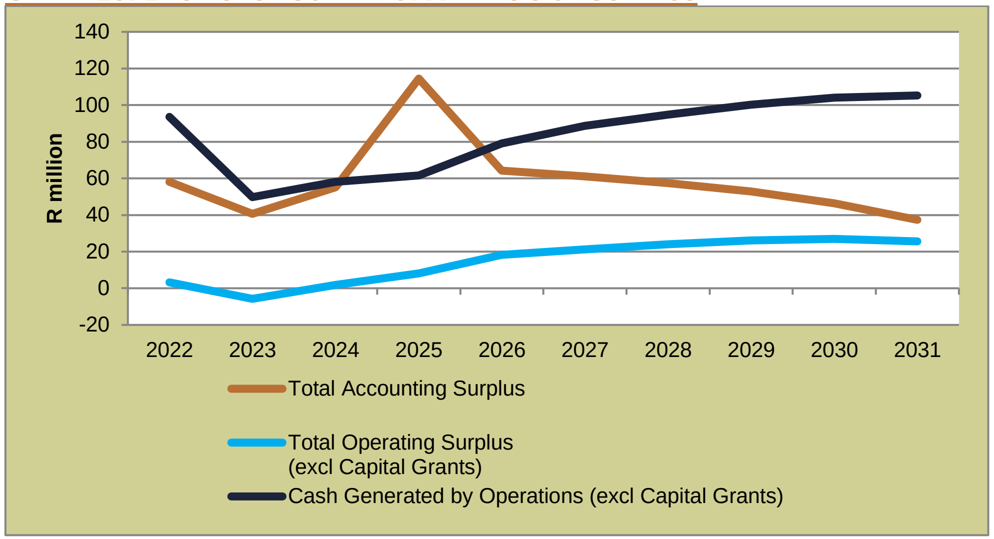
Base Case Scenario

To develop a realistic Base Case model, the MTREF figures from the MTREF Adopted Budget 2021/22 – 2024/25 were used. The historical analysis indicates an unhealthy liquidity position, worsened by a cash balance that does not meet the minimum liquidity requirements mainly due to the low collection rate and low level of surplus. The following are the key realistic assumptions for the objective of the model, to model future financial sustainability.

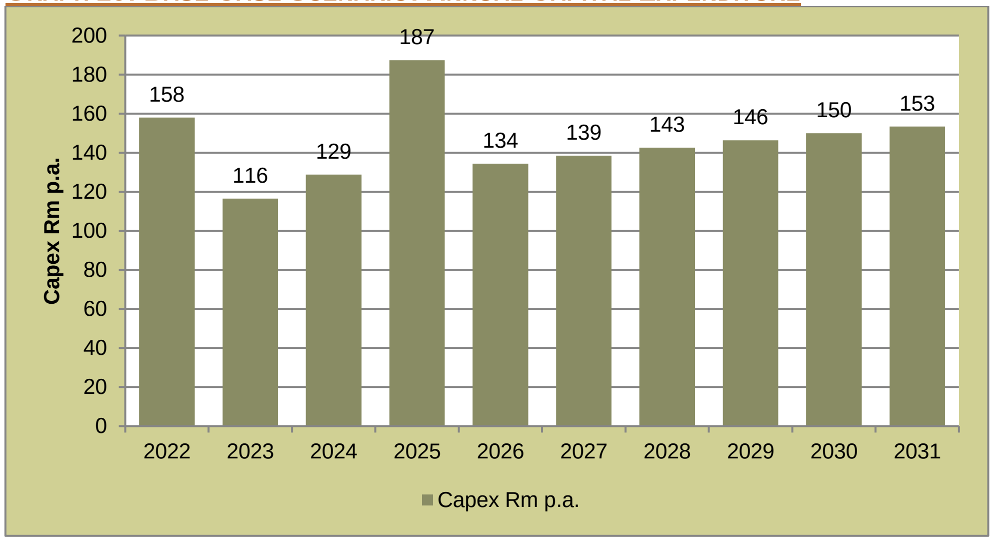
1. The collection rate was assumed to remain at 94% throughout the planning period.
2. Electricity distribution losses assumed to progressively reduce to 10% by the end of the planning period.
3. Water distribution losses assumed to progressively reduce to 30% by the end of the planning.
4. Repairs and maintenance as a percentage of PPE and IP assumed to remain at 3.5% throughout the planning period.
5. The model incorporated all the increases in revenue and expenditure items as announced in the adopted 2022/23 budget.
6. No adjustments were made to the MTREF capital budget and the funding mix, as the results depicted by the Current MTREF Scenario indicate an optimal funding mix.

The annual borrowing under this scenario consists of 13-year amortising loans at a fixed interest rate equal to 5% over forecast CPI in any given year. At these levels of borrowings, the debt indicators remain below the maximum recommended NT norms being a gearing ratio of .45%, and debt service to total expense ratio of 8%.

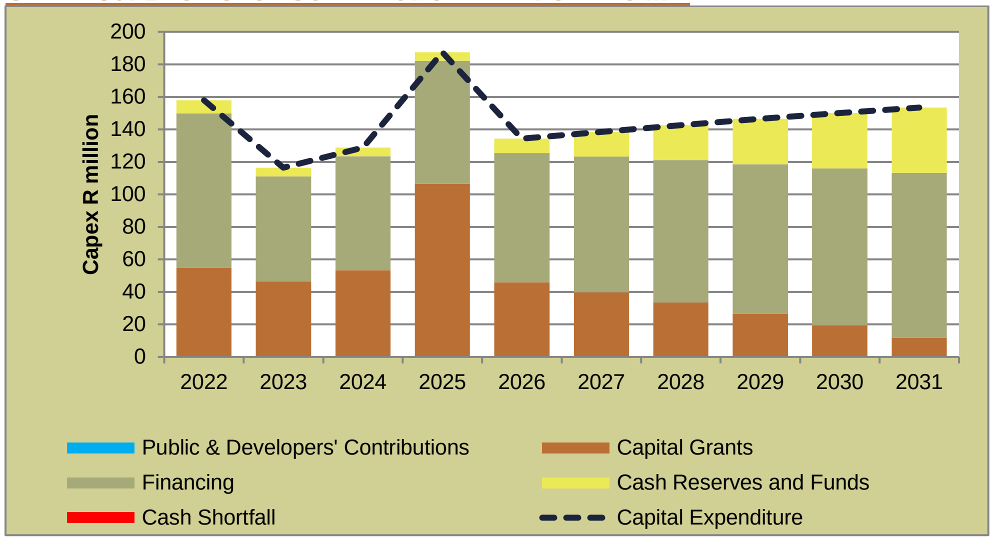
Graph 28: Base Case Scenario: Analysis of Surplus



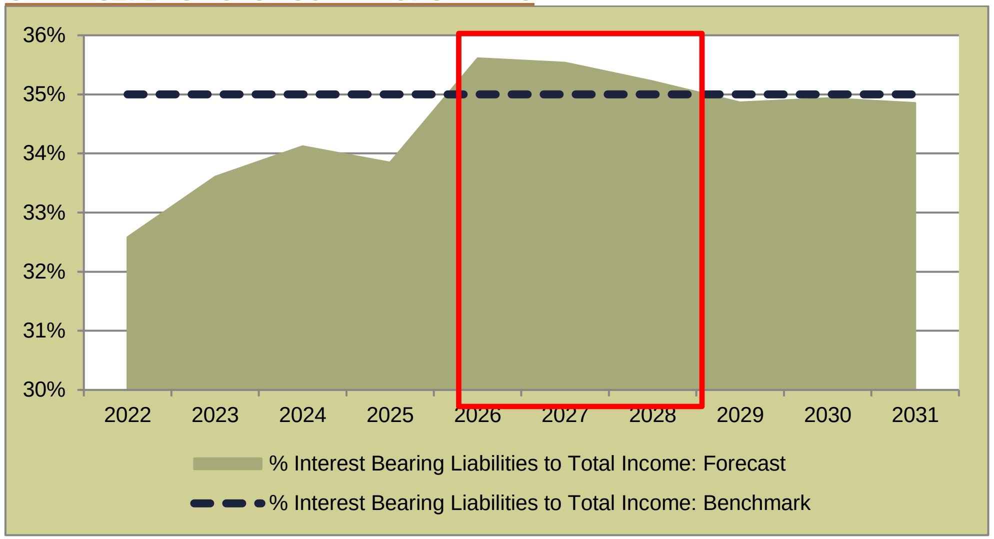
Graph 29: Base Case Scenario: Annual Capital Expenditure



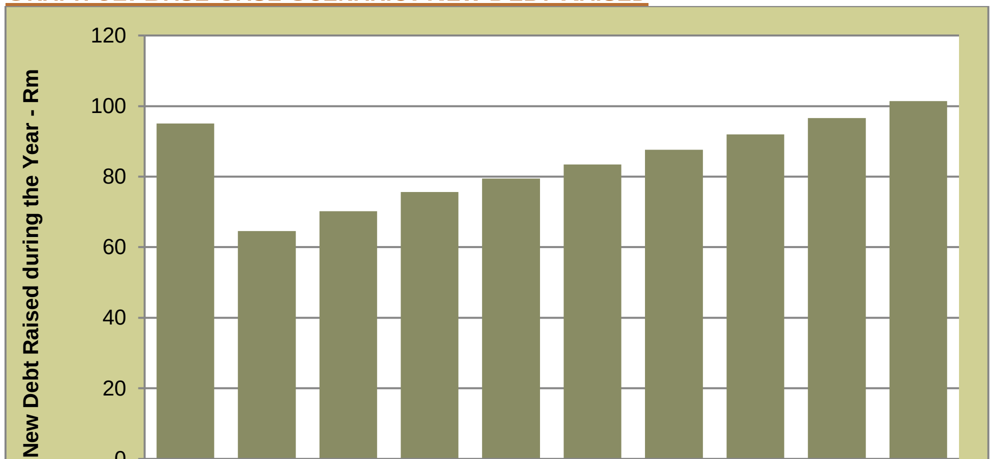
Graph 30: Base Case Scenario: Capital Funding Mix



Graph 32: Base Case Scenario: Gearing

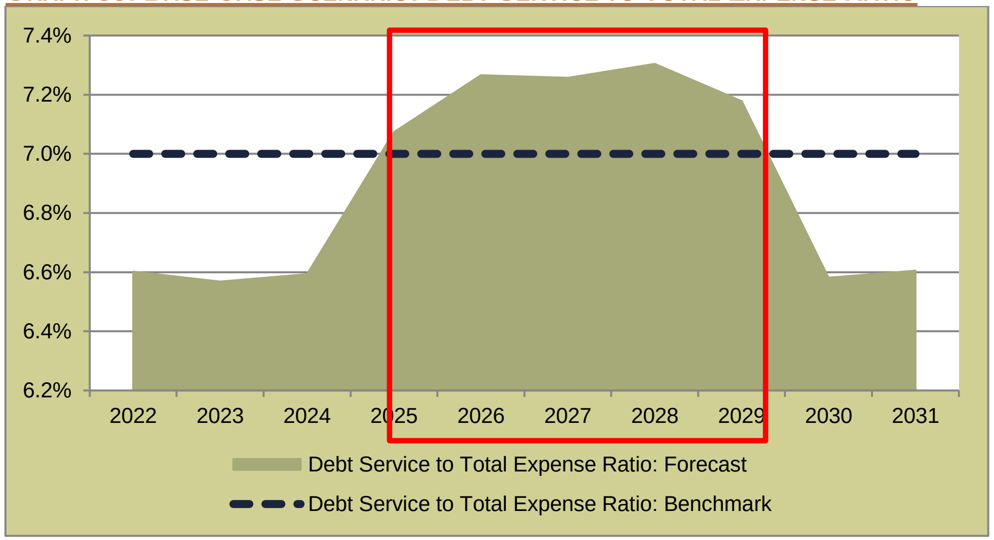


Graph 31: Base Case Scenario: New Debt Raised



	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
R million	95	65	70	76	79	83	88	92	97	101

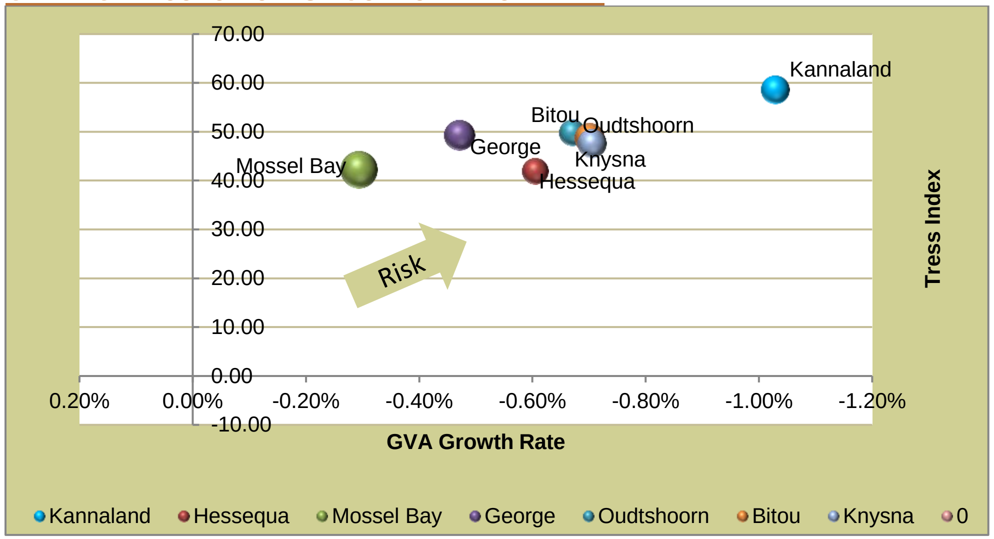
Graph 33: Base Case Scenario: Debt Service to Total Expense Ratio



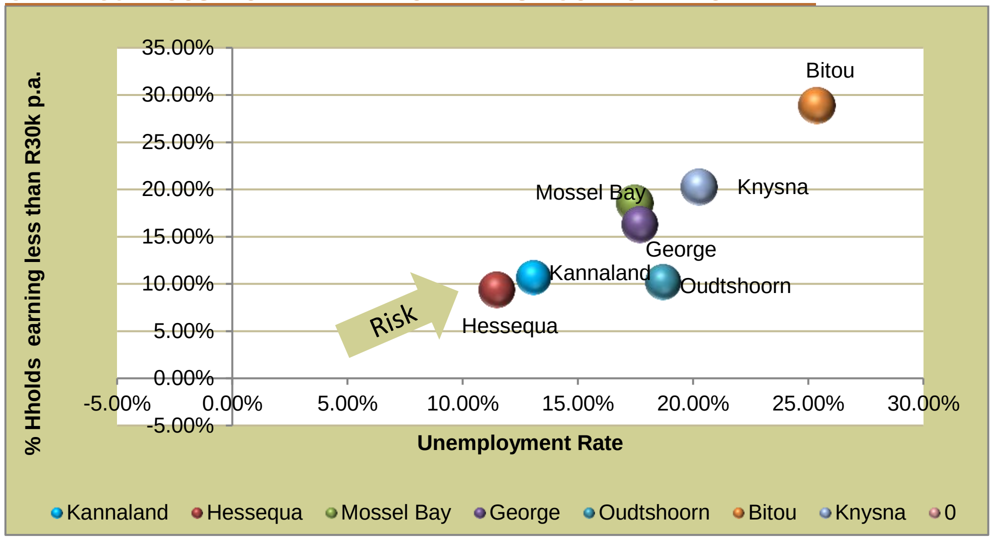
Future Revenues

Municipal Revenue Risk Indicator (MRRI) = "High"

Graph 34: Economic Risk Component of MRRI



Graph 35: Household Ability to Pay Risk Component of MRRI



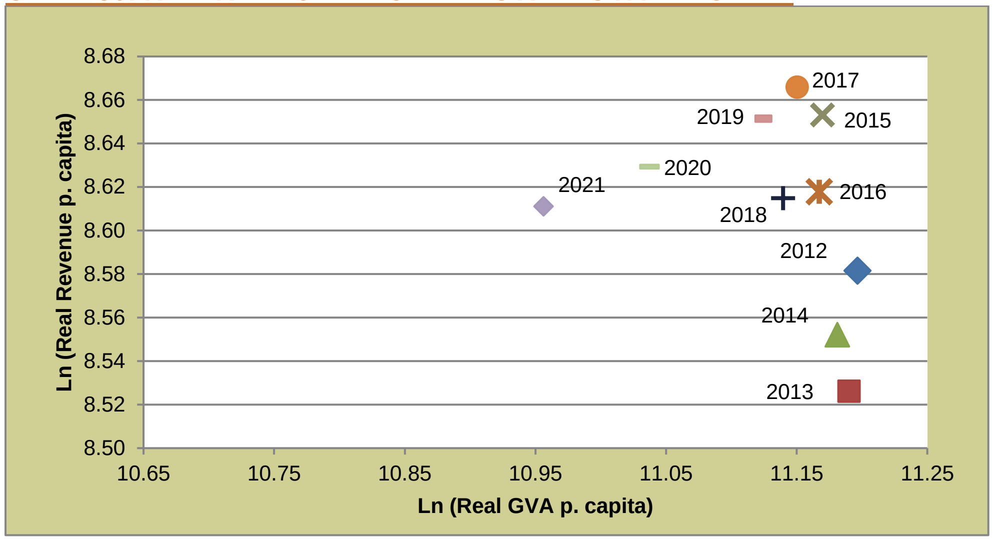
The Municipal Revenue Risk Indicator (MRRI) measures the risk of the municipality's ability to generate its own revenues. This is a function of the economy (size of the economy as measured by GVA per capita, GVA growth rate and Tress Index); and the household ability to pay (measured by percentage of households with income below R42 000 p.a., unemployment rate and human development index).

The latest iHS Global Insight update of Knysna's economy reveals average economic contraction during the past 5 years was 0.7% p.a., with GVA per capita of R62 147 p.a., in an economy that is fairly diversified as indicated by a Tress Index of 47.63. This resulted in a "High" risk rating by the economic risk component of the MRRI, mainly due to the sluggish economic growth rate over the past five years.

The high percentage of indigent households reliant on support (20.3%), the official unemployment rate of 20.3% and the human development index of 0.73. resulted in a high household ability to pay risk component of MRRI.

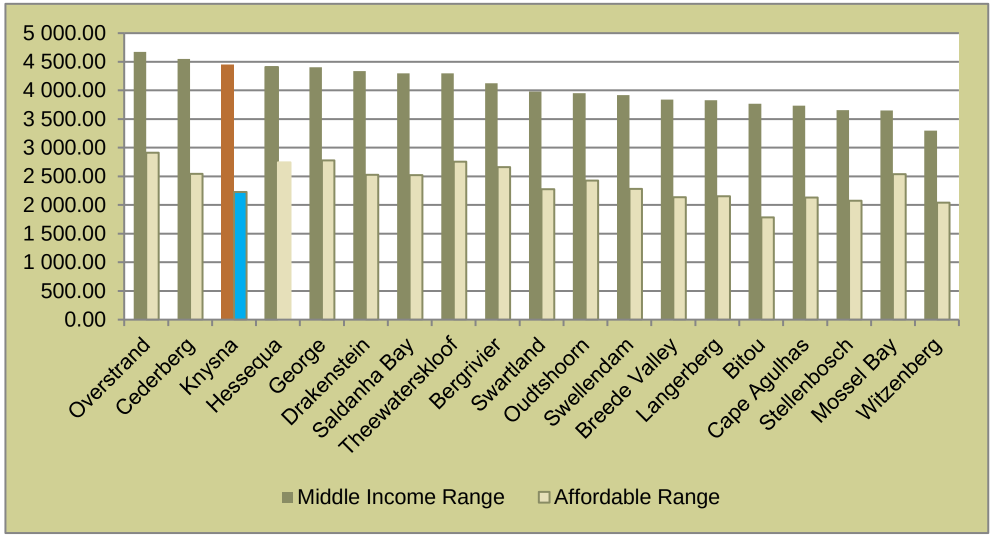
The regional economy and the household ability to pay for services delivered by the municipality, rates Knysna as "High" risk on the MRRI indicator scale i.e., there is a high risk that the municipality will not be able to generate the forecast cash revenue expected in future.

GRAPH 36: REAL REVENUE PER CAPITA VS REAL GVA PER CAPITA



Real municipal revenue (excluding capital transfers) per capita indicates a decreasing trend between 2019 and 2021. The GVA per capita has, on the other hand, decreased over the past five years from R70 778 p.a. per capita, in 2017 to R57 307 p.a. for 2021. The decrease in GVA per capita can be attributed to population growth rate exceeding the economic growth rate. The economic contraction in recent years is eroding the municipality's revenue base and there is increased pressure on households to pay their municipal bill. A sustained period of low levels of GVA growth will negatively impact the municipality's ability to generate income from households.

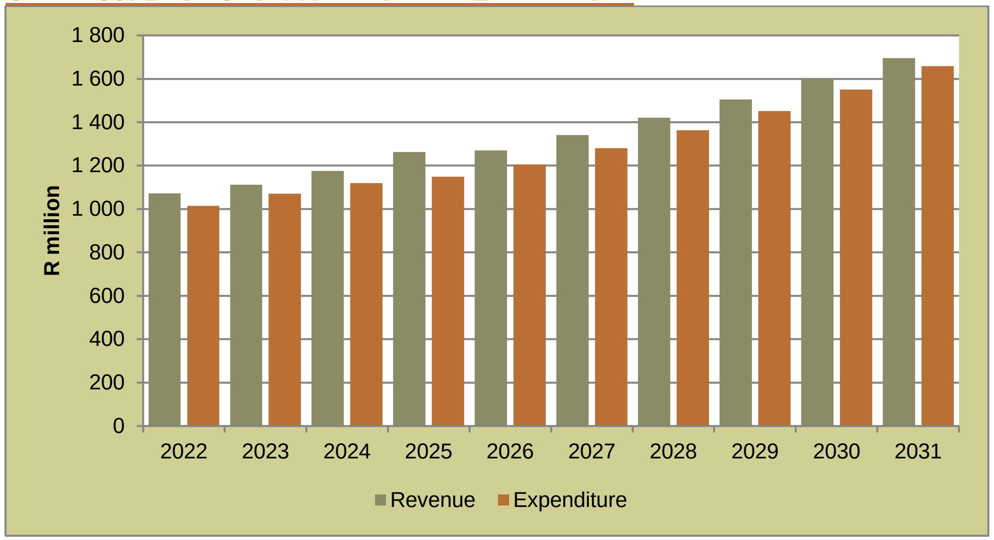
GRAPH 37: AVERAGE HOUSEHOLD BILL (R)



A comparison of the average household bill for the middle income and affordable income range of a selected number of municipalities in the Western Cape province (extracted from Budget Table: SA14) based on the 2021/22 tariffs, reveals that Knysna LM features at the higher end of the range. Considering the level of service provided by Knysna LM and the size of the municipality, the current household bill is reasonable compared to other municipalities. The scope of the tariff increases is, however, limited by household's ability to pay for services.

Municipal Revenues

Graph 38: Base Case: Revenue and Expenditure

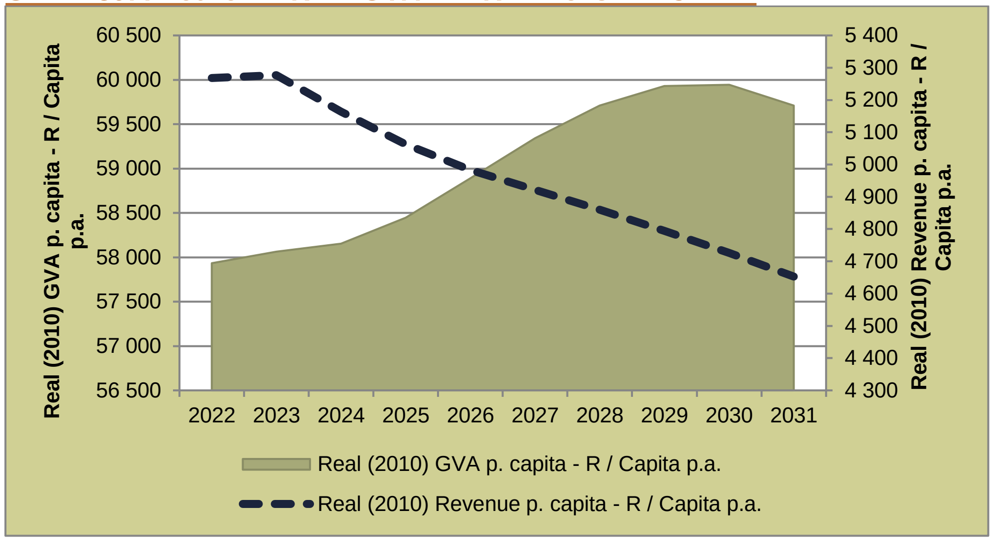


The Base Case estimates that, over the planning period, future nominal revenue (including capital grants) will grow at an average of 5.4% p.a. The revenue growth includes: (i) tariff increases, (ii) increased sales and (iii) additional revenue sources. Future nominal expenditure is estimated to grow at a marginally higher rate of 5.7% p.a. over the same period.

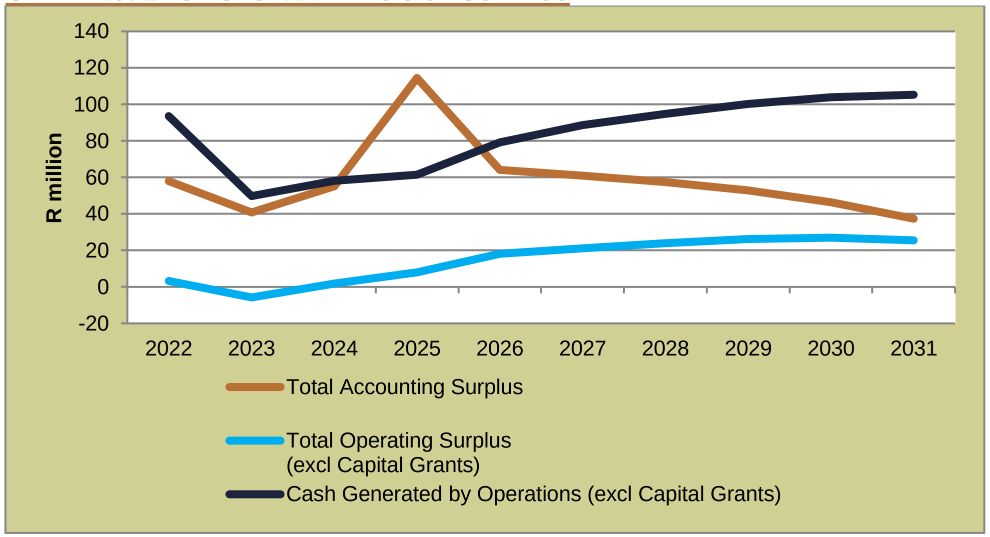
The Real GVA per capita is expected to improve from over the MTREF period. The Real Revenue per capita is expected to decrease from 2024 onwards. The local economic growth (GVA growth) is significant to the municipality as it affects the ability of the municipality to generate revenue (MRRI). Growth in GVA will result in an increase in the municipality's revenue base, which will improve the level of surplus and ultimately accelerate investment in capital expenditure.

Notwithstanding is expected to generate cash from operations despite the assumed low collection rate. This is partly due to the forecast improvements in the surplus over the planning period.

Graph 39: Projected Real GVA and Revenues per Capita



Graph 40: Base Case: Analysis of Surplus



Affordable Future Capital Investment

CAPEX Affordability and Funding

The total CAPEX Demand was determined during the preparation of the LTFP in 2018 but has changed since then. For purposes of this report, the adjusted estimated CAPEX Demand in the previous update was adjusted for inflation. It is essential to establish a more accurate and reasonable CAPEX demand estimate. However, for purposes of this report, affordability is the focus of concern.

Table 7: CAPEX Demand vs CAPEX Affordability

Total 10-year CAPEX **Demand (Adjusted)**	=	R7 706 million
Total 10-year CAPEX **Affordability:**	=	R1 456 million

The capex demand still exceeds the capex affordability. The capex affordability was updated in FY2018; however, it needs to be stressed that the capex demand estimates were based on the desk top estimates undertaken in 2017, which included an analysis of the asset registers and IPM's estimates of new capital investments. These estimates need to be revised pursuant to updated master plans and requisite engineering estimates.

MTREF Capital Funding Mix

Knysna's adopted MTREF Budget 2021/22 to 2024/25, expects a capital budget amounting to R589 million funded as follows:

Table 8: 4-Year MTREF Funding Mix R'm

R'm	Total	2021/22	2022/23	2023/24	2024/25
Public & Developers Contributions					
Capital Grants	**260**	55	46	53	106
Financing	**306**	95	65	70	76
Cash Reserves and Funds	**23**	8	5	5	5
Total	**589**	158	116	128	187

The results of the MTREF scenario indicated that the MTREF capital budget and the related funding mix to be reasonable and closely aligned to the recommendations of the LTFP (2019). No adjustments were therefore made to the MTREF capital budget in arriving at the Base Case. At these levels of borrowings, the municipality's debt profile remains affordable while liquidity is preserved.

The collection rate has deteriorated since the preparation of the LTFP in 2019 from 94% to 90%, below the NT benchmark of 95%. This rate is assumed to improve to 93% throughout the planning period and will have a marked impact on the capital expenditure and its funding mix if not achieved.

10-Year Capital Funding Mix

The capital funding mix for the 10-year planning period is forecast to be as follows:

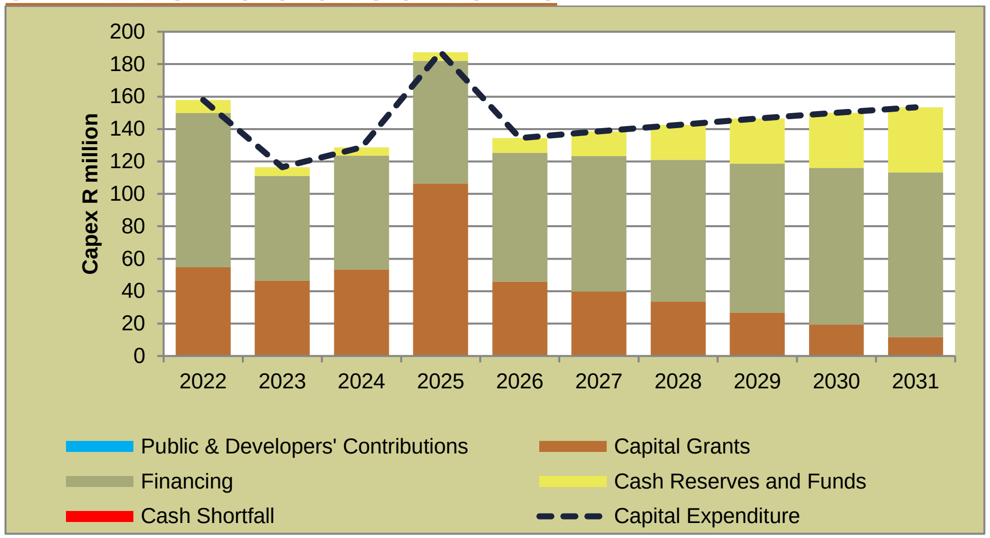
Table 9: 10-Year Capital Funding Mix

Source	Rm	%
Public & Developers' Contributions		
Capital Grants	438	30%
Financing	846	58%
Cash Reserves and Funds	172	12%
Cash Shortfall	0	0%
Capital Expenditure	**1 456**	**100%**

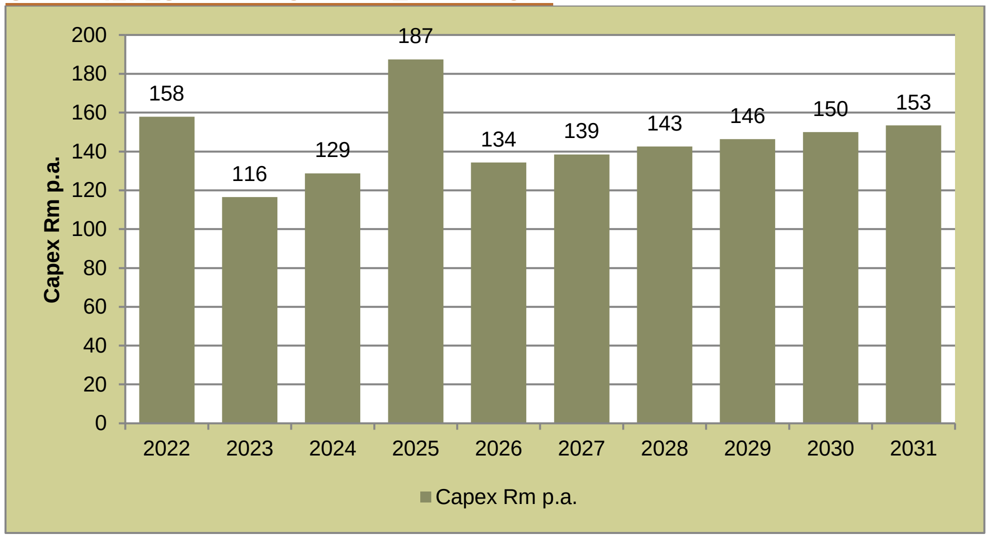
The funding mix indicates that borrowing remains the dominant source of funding, similar to the historical funding mix. Extensive utilisation of cash resources in funding CAPEX proves unsustainable as it will eventually result in the depletion of cash reserves and decline in liquidity levels. It is important to note that due to the prevailing national fiscus constraints (worsened by the impact of COVID-19), grant funding in future will decline in real terms. It is therefore imperative that the municipality improve its surplus by managing its expenditure and consider increases in future tariffs that result in higher surplus margins, whilst maintaining a collection rate above 93%.

The Base Case's funding mix and annual borrowings is presented by the graphs below:

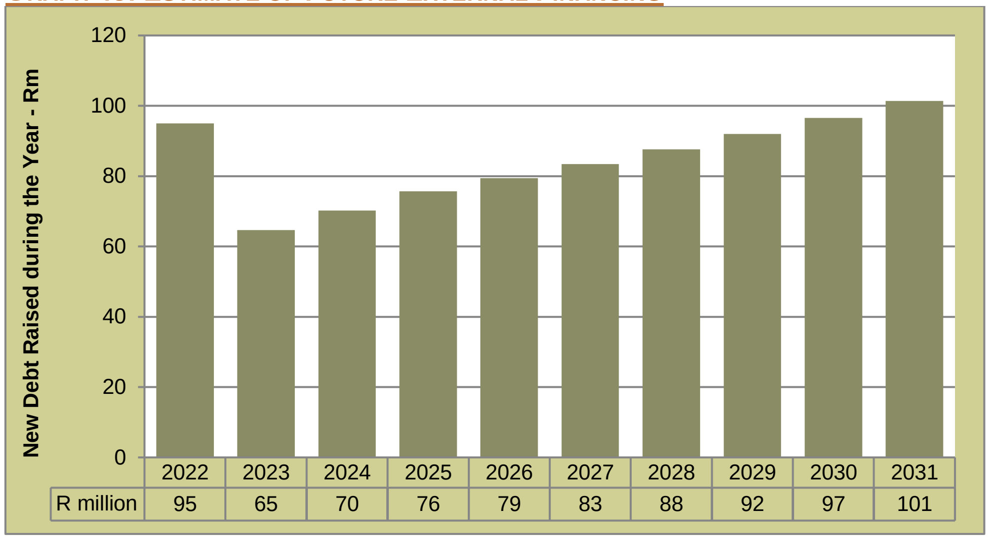
Graph 41: Distribution of Future Funding



Graph 42: Estimated Capital Expenditure



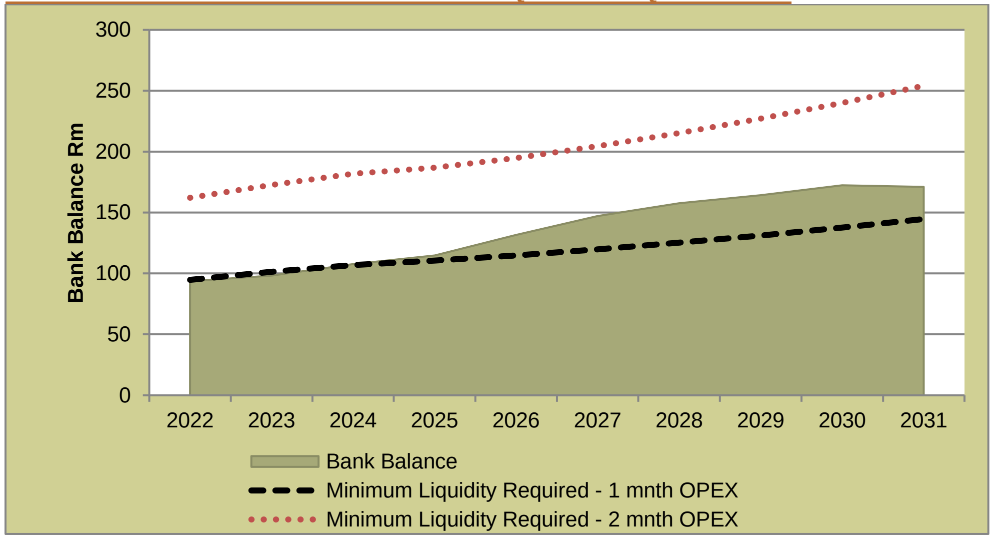
Graph 43: Estimate of Future External Financing



Liquidity and Capital Replacement Reserve

The minimum liquidity levels cater for unspent conditional grants, cash-backed reserves, short term provisions and 1-month's working capital (operating expenditure). The liquidity position is expected to improve to balances above the minimum liquidity requirements by the end of the planning period, partly due to the slight improvement in the collection rate and an improvement in profitability over the planning period. It is imperative that the municipality maintain the optimal funding mix indicated in the Base Case by limiting the use of cash reserves to fund capital expenditure.

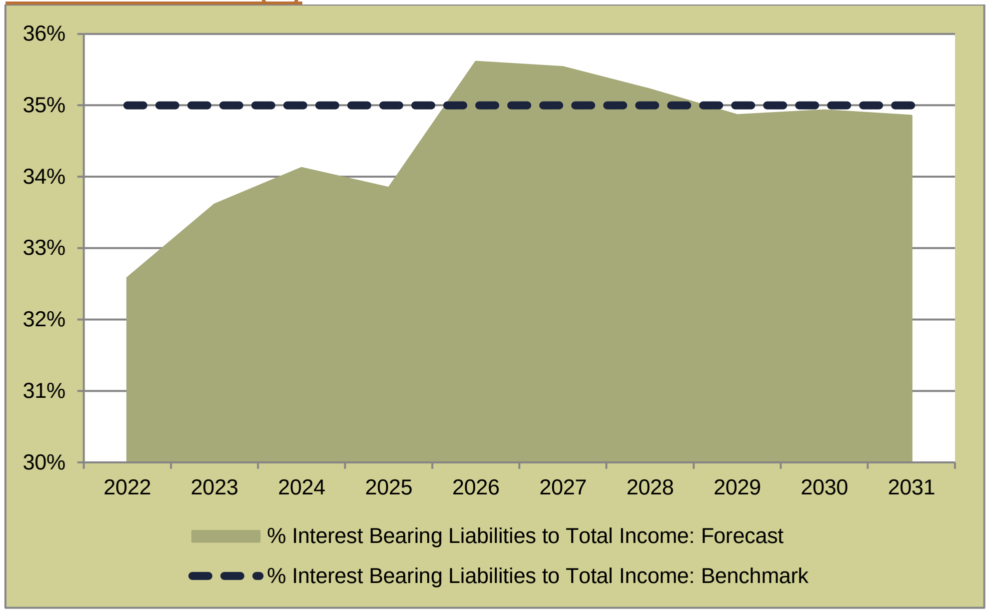
Graph 44: Bank Balance vs Minimum Liquidity Requirements



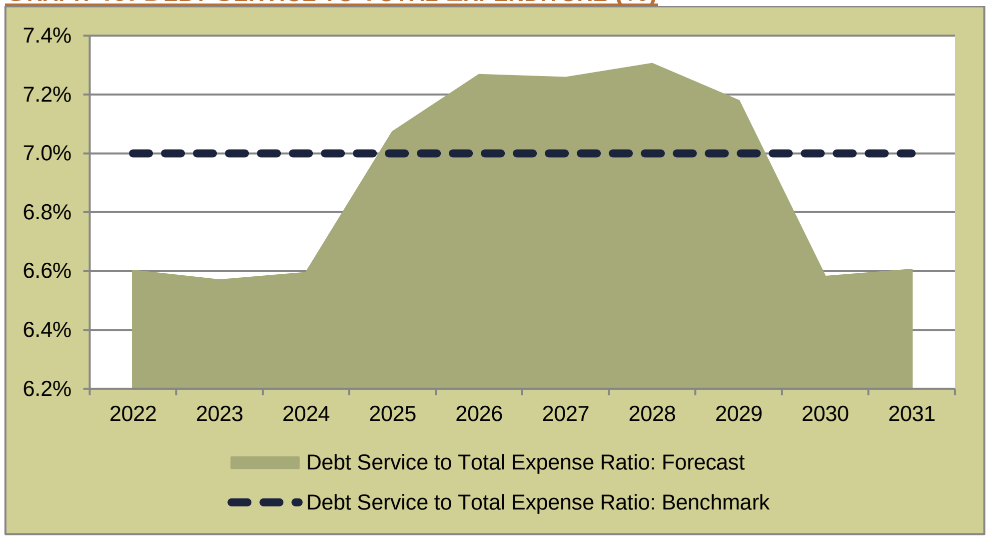
Gearing

In the Base Case, the gearing is forecast to increase from FYE2021 rate of 30% to reach 35.1%, being the maximum gearing level regarded as appropriate for Knysna. The debt service cover ratio (cash generated by operations to debt service) improves from 0.21:1 to 1.1:1 over the same period. The debt service to total expenditure is expected to remain below the 7% level regarded as appropriate for Knysna, for most of the planning period

Graph 45: Gearing (%)



Graph 46: Debt Service to Total Expenditure (%)



1	Planning Process
2	Updated Perspectives (Demographic, Economic, Household Infrastructure)
3	Updated Historic Financial Assessment
4	Long Term Financial Model Outcomes
5	Future Revenues
6	Affordable Future Capital Investment
7	**Scenario Analysis**
8	Ratio Analysis
9	Conclusions

Scenarios Analysis

Considering our analysis of the proposed MTREF budget and the risks identified as part of this update, the following scenarios were run to indicate the potential outcomes. The main purpose of these scenarios is to assist the municipality in its strategic decision making and serve as an input to the budget for FY2024.

1. To indicate the collection rate sensitivity on long-term financial sustainability - a positive scenario indicating the impact of an improvement in the collection rate by two percentage points from 93% to 95%. All other input variables are assumed to be consistent with the Base Case.

2. To indicate the impact of distribution losses on long-term financial sustainability - a scenario depicting no improvement in the distribution losses as assumed in the Base Case. All other input variables are assumed to be consistent with the Base.

Scenario 1: Sensitivity Analysis on the Collection Rate

To assess the impact of an improvement in the collection rate on the municipality's finances. The model was adjusted by increasing the collection rate by two percentage points over the entire planning period while keeping the other input variables constant.

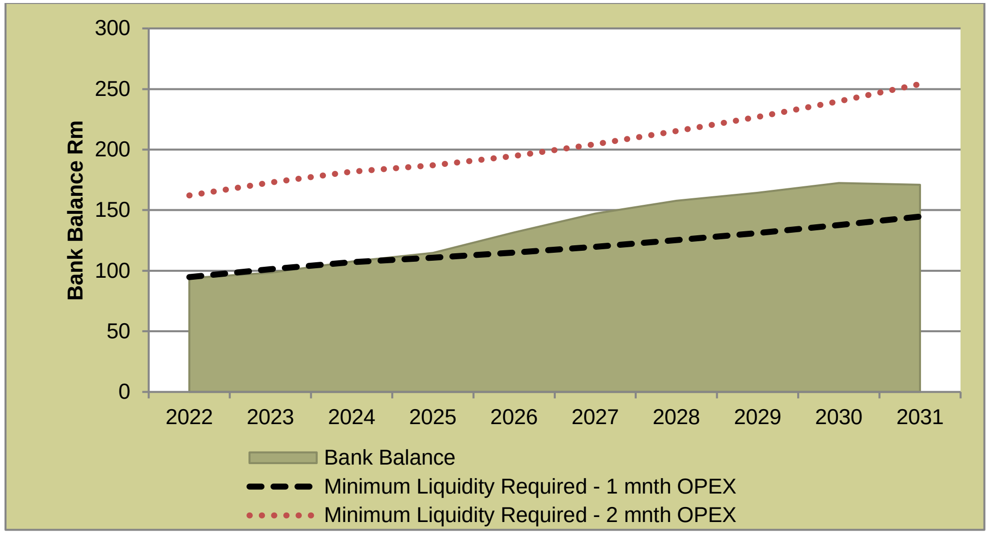
The results indicate a significant increase in the cash balance to a position where the municipality will not only meet the minimum liquidity requirements, but also pay its obligations when they fall due and sustain its capital investment programme.

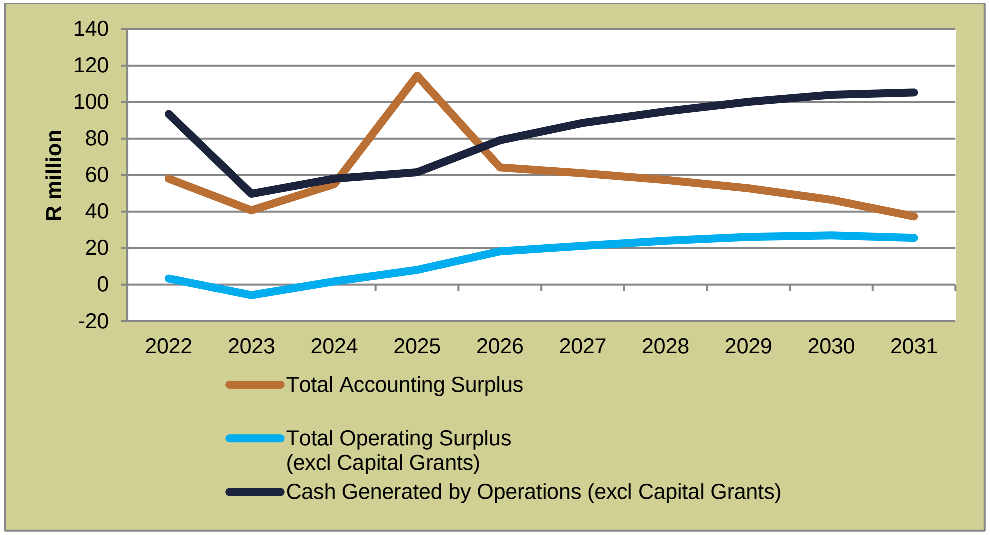
Table 10: Scenario 2: Sensitivity Analysis of the Collection Rate

Outcome	Base Case	Improve Collection Rate
Average annual % increase in Revenue	5.4%	5.5%
Average annual % increase in Expenditure	5.7%	5.6%
Accounting Surplus accumulated during Planning. Period (Rm)	R587	R825
Operating Surplus accumulated during Planning. Period (Rm)	R149	R387
Cash generated by Operations during Planning. Period (Rm)	R835	R1 072
Average annual increase in Gross Consumer Debtors	15.4%	12.3%
Capital investment programme during Planning. Period (Rm)	R1 456	R1 456
External Loan Financing during Planning Period (Rm)	R846	R846
Cash and Cash Equivalents at the end of the Planning Period (Rm)	R171	R409
No of Months Cash Cover at the end of the Planning Period (Rm)	2	4
Liquidity Ratio at the end of the Planning Period	1.4:1	**2.4:1**
Gearing at the end of the Planning Period	35.1%	34.8%
Debt Service to Total Expense Ratio at the end of the Planning Period	6.6%	6.7%

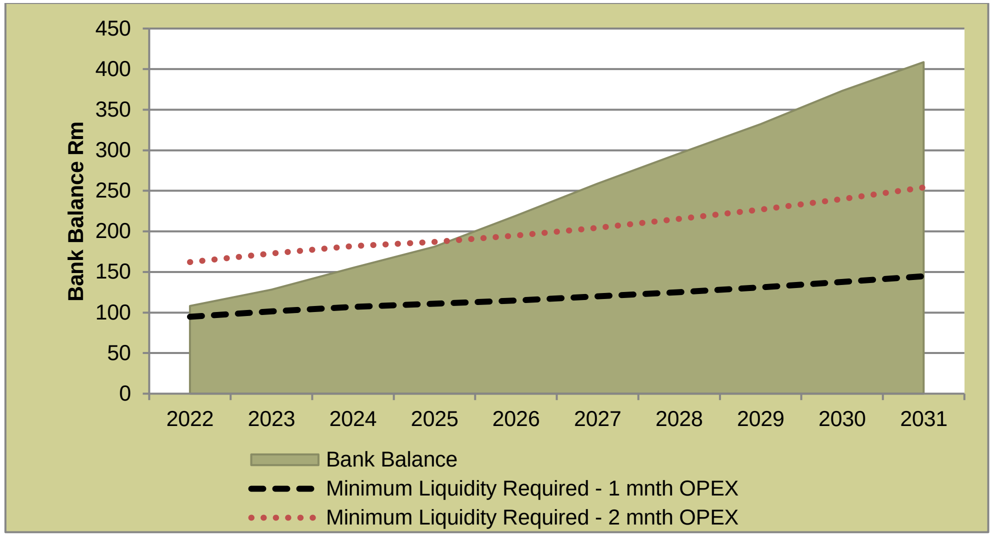
Scenario 1: Sensitivity Analysis on the Collection Rate

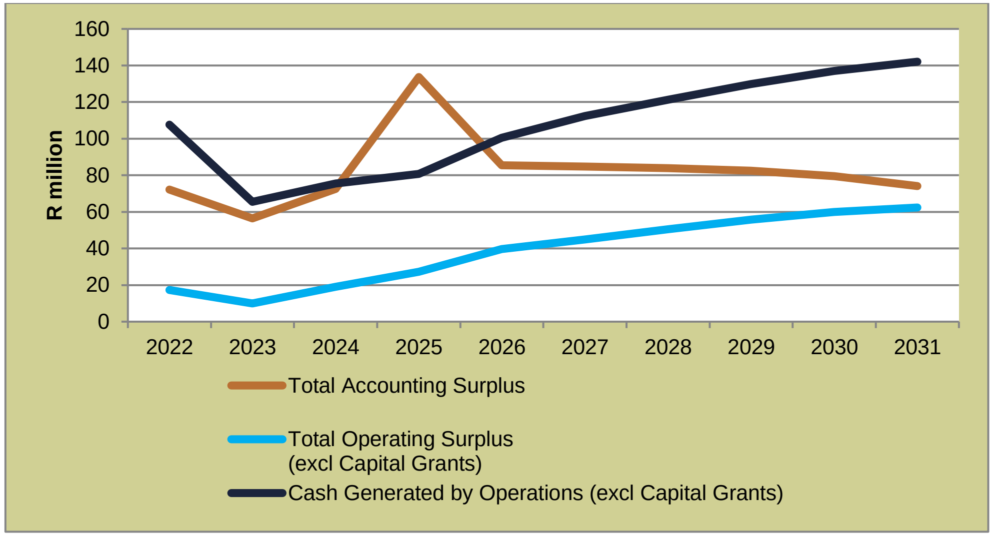
Base Case Scenario





Reduce Collection Rate by 2 percentage points Scenario





SCENARIO 2: SENSITIVITY ANALYSIS ON THE DISTRIBUTION LOSSES

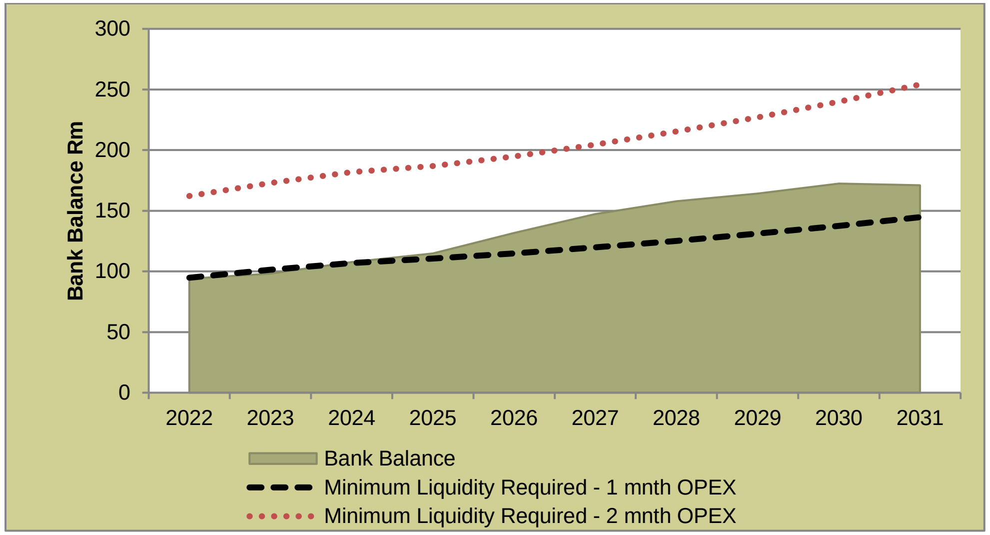
In arriving at the Base Case scenario, one of the key assumptions was a reduction of the electricity and water distribution losses from FY2021's 11.33% and 44.5% respectively, to values equivalent to the NT minimum levels of 10% and 30% respectively. To assess the impact of distribution losses on the municipality's finances the model was adjusted to reducing the assumed distribution losses to the FY2021, i.e., no improvement in the distribution losses.

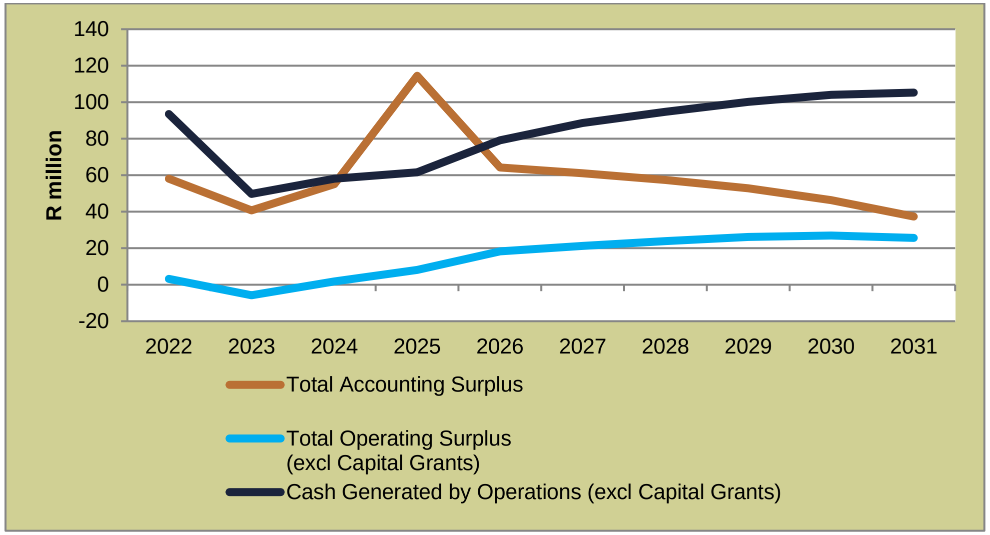
The results indicate a decrease in the municipality's cash balance

Outcome	Base Case	No improvement in distribution losses
Average annual % increase in Revenue	5.4%	5.4%
Average annual % increase in Expenditure	5.7%	5.7%
Accounting Surplus accumulated during Planning. Period (Rm)	R587	R569
Operating Surplus accumulated during Planning. Period (Rm)	R149	R131
Cash generated by Operations during Planning. Period (Rm)	R835	R817
Average annual increase in Gross Consumer Debtors	15.4%	15.4%
Capital investment programme during Planning. Period (Rm)	R1 456	R1 456
External Loan Financing during Planning Period (Rm)	R846	R846
Cash and Cash Equivalents at the end of the Planning Period (Rm)	R171	R153
No of Months Cash Cover at the end of the Planning Period (Rm)	2	1
Liquidity Ratio at the end of the Planning Period	1.4:1	1.4:1
Gearing at the end of the Planning Period	35.1%	35.1%
Debt Service to Total Expense Ratio at the end of the Planning Period	6.6%	6.6%

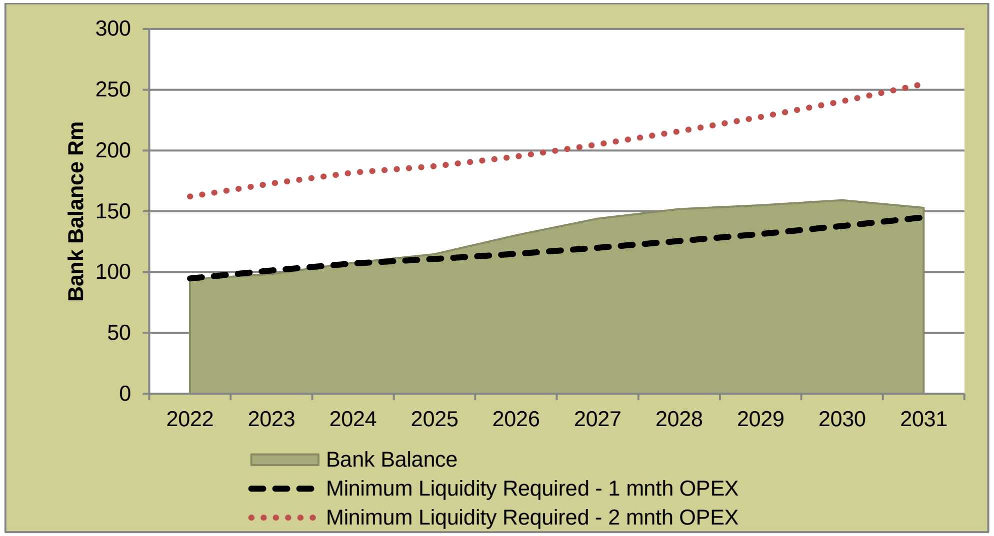
Scenario 2: Sensitivity Analysis on the Distribution Losses

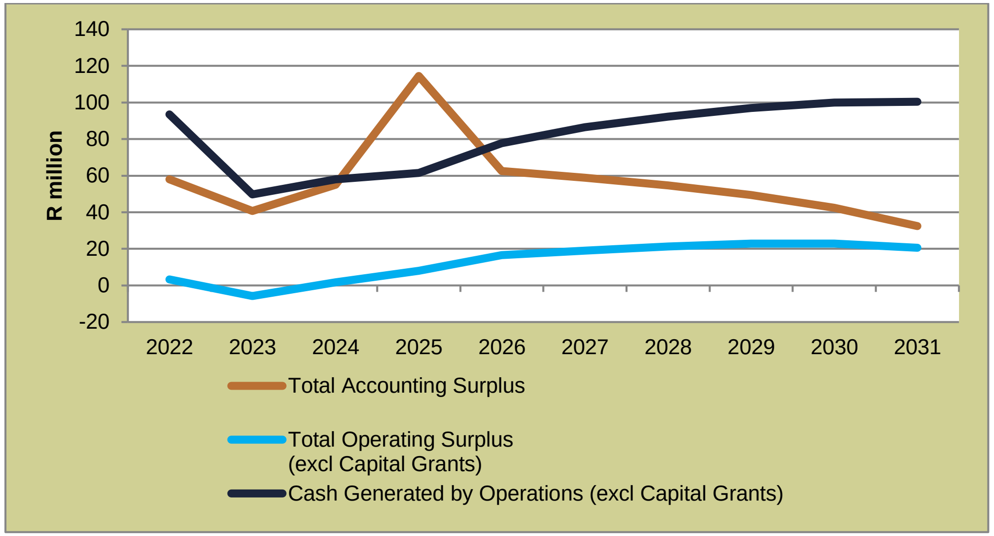
Base Case Scenario





No Improvement in Distribution Losses Scenario





1	Planning Process
2	Updated Perspectives (Demographic, Economic, Household Infrastructure)
3	Updated Historic Financial Assessment
4	Long Term Financial Model Outcomes
5	Future Revenues
6	Affordable Future Capital Investment
7	Scenario Analysis
8	**Ratio Analysis**
9	Conclusions

FORECAST RATIOS

The Base Case forecast ratios are presented below. Although the model is not programmed to measure the ratios as required by National Treasury in all instances, it does provide comfort that the municipality is sustainable in future – on condition that it operates within the assumed benchmarks set in the financial plan.

		N.T. NORM	2022	2024	2026	2028	2030	2031	COMMENTS
FINANCIAL POSITION									
ASSET MANAGEMENT									
R29	Capital Expenditure / Total Expenditure	10% - 20%	13.5%	10.3%	10.0%	9.5%	8.8%	8.5%	CAPEX as a % of Total Expenditure remains just below the NT norm range throughout the planning period.
R27	Repairs and Maintenance as % of PPE and Investment Property	8%	3.0%	3.3%	3.4%	3.4%	3.4%	3.4%	Repairs and maintenance as a percentage of PPE and IP remains below the NT benchmark throughout the planning period
DEBTORS MANAGEMENT									
R4	Gross Consumer Debtors Growth		30.6%	18.3%	13.9%	11.5%	10.1%	9.5%	The Collection Rate is assumed to remain at 93% over the planning period.
R5	Payment Ratio / Collection Rate	95%	92.6%	93.1%	93.1%	93.1%	93.1%	93.1%	
LIQUIDITY MANAGEMENT									
R49	Cash Coverage Ratio (excl Working Capital)		3.4: 1	3.3: 1	3.8: 1	4.5: 1	4.9: 1	4.8: 1	The bank balance will meet the minimum liquidity levels by the end of the planning period. this ultimately contributes to an improved liquidity position, evidenced by a current ratio of 1.4:1; by the end of the planning period, which remains below the NT minimum benchmark.
R50	Cash Coverage Ratio (incl Working Capital)		1: 1	1: 1	1.1: 1	1.2: 1	1.2: 1	1.2: 1	
R51	Cash Surplus / Shortfall on Minimum Liquidity Requirements		-R 2.6 m	-R 0.3 m	R 15.6 m	R 31.3 m	R 33.4 m	R 24.8 m	
R1	Liquidity Ratio (Current Assets: Current Liabilities)	1:1.5 - 1:2.1	1.2: 1	1.2: 1	1.3: 1	1.4: 1	1.4: 1	1.4: 1	
LIABILITY MANAGEMENT									
R45	Debt Service as % of Total Operating Expenditure	6% - 8%	6.6%	6.6%	7.3%	7.3%	6.6%	6.6%	The external financing is well within the recommended benchmarks.
R6	Total Debt (Borrowings) / Operating Revenue	45%	34.3%	35.7%	36.9%	36.1%	35.4%	35.1%	
R7	Repayment Capacity Ratio		2.94	4.98	4.91	5.38	6.56	7.79	
R46	Debt Service Cover Ratio (Cash Generated by Operations / Debt Service)		2.2: 1	1.5: 1	1.4: 1	1.3: 1	1.2: 1	1.1: 1	

		N.T. NORM	2021	2023	2025	2027	2029	2030	COMMENTS
SUSTAINABILITY									
	Net Financial Liabilities Ratio	< 60%	38.6%	40.4%	40.5%	39.3%	39.1%	39.6%	Net Financial Liabilities are within the benchmark, but the Operating Surplus Ratio remains below the recommended lower benchmark for during the MTREF period. Asset Sustainability is not calculated but entered as an assumption in the model. The municipality must ensure that a greater proportion of CAPEX is spent on asset replacement should it be required.
	Operating Surplus Ratio	0% - 10%	0.3%	0.2%	1.5%	1.7%	1.7%	1.5%	
	Asset Sustainability Ratio	> 90%	104.6%	99.0%	93.4%	93.8%	94.7%	95.4%	
FINANCIAL PERFORMANCE									
EFFICIENCY									
R42	**Net Operating Surplus / Total Operating Revenue**	>= 0%	0.3%	0.2%	1.5%	1.7%	1.7%	1.5%	The net operating surplus is below 0% for the MTREF period and improves to 1.5% by 2025, an indication that the municipality should endeavour to improve profitability by managing expenditure and improving surplus margins on electricity services and maintaining the high-water surplus margins.
R43	**Electricity Surplus / Total Electricity Revenue**		30.0%	29.2%	33.6%	33.8%	33.9%	34.0%	
R44	**Water Surplus / Total Water Revenue**		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
REVENUE MANAGEMENT									
R8	**Increase in Billed Income p.a. (R'm)**		R 78.6 m	R 36.7 m	R 49.0 m	R 55.6 m	R 64.1 m	R 68.1 m	Billed Revenue and Operating Revenue Growth is above CPI over the planning period. Cash generated from operations is expected to increase throughout the planning period.
R9	**% Increase in Billed Income p.a.**	CPI	12.4%	4.9%	5.9%	6.0%	6.1%	6.1%	
R12	**Operating Revenue Growth %**	CPI	6.6%	5.3%	5.9%	6.5%	6.7%	6.7%	
R47	**Cash Generated by Operations / Own Revenue**		17.5%	11.7%	11.8%	10.7%	9.1%	8.1%	
R48	**Cash Generated by Operations / Total Operating Revenue**		14.6%	9.9%	10.2%	9.3%	7.8%	7.0%	

		N.T. NORM	2021	2023	2025	2027	2029	2030	COMMENTS
EXPENDITURE MANAGEMENT									
	Creditors Payment Period	30	67	72	71	69	66	63	Creditors' payment period is higher than the NT benchmark, however, these are forecast to decrease over the planning period.
R30	**Contribution per Expenditure Item: Staff Cost (Salaries, Wages and Allowances)**	25% - 40%	26.0%	26.6%	27.7%	28.3%	28.9%	29.2%	
	Contribution per expenditure item: Contracted Services	2% - 5%	13.6%	13.9%	12.6%	12.8%	12.9%	13.0%	Contracted Services as a percentage of total expenditure are forecasted to exceed the NT benchmark. It is imperative for the municipality to manage this expenditure to improve profitability
GRANT DEPENDENCY									
R10	**Total Grants / Total Revenue**		20.8%	18.8%	16.6%	15.8%	15.1%	14.8%	The municipality can generate funds from its own sources and is not overly reliant on grants. This is positive to note, as the tightening of the national fiscus will result in a declining reliance on transfers from other spheres of government.
R11	**Own Source Revenue to Total Operating Revenue**		83.5%	85.1%	86.5%	86.2%	85.9%	85.7%	
	Capital Grants to Total Capital Expenditure		34.7%	41.4%	34.2%	23.5%	13.0%	7.7%	

CONCLUSION

Knysna generated an accounting surplus amounting to R50.5 million for FY2021. Should capital grants be excluded from total revenue, this figure reduces to an operating surplus of R4.1 million during the period. This is a notable improvement when compared to the prior year operating deficit of R28.6 million.

Notwithstanding the low collection rate of 90%, the municipality managed to generate cash from operations. This is mainly due to the delayed payment of creditors as indicated by the high creditor payment period of 92 days as at FYE2021, relative to the NT norm of 30 days. This is not sustainable as future liquidity will be affected when creditors eventually fall due. Any further reduction in the collection rate should be guarded against, as it will lead to a further deterioration in the municipality's liquidity position.

Staff costs as a percentage of total expenditure at 26% for FY2021 remained well below the 40% NT benchmark. However, contracted services as a percentage of total operating expenditure in FY2021 – 15% - continued to exceed the 5% NT maximum benchmark.

Repairs and maintenance of infrastructure that came to 3% of PPE and IP for FY2021, remaining below the 8% NT benchmark.

Electricity net surplus margins for FY2021 remained at 28% since FY2020. However, this margin has narrowed over the 8-year period when compared to the highest margin realised in FY2014 of 33%. Electricity distribution losses increased from 9.08% in FY2020 to 11.33% in FY2021, above the NT maximum level of 10%. Further increases in distribution losses will be to the detriment of Knysna future financial sustainability – lost potential revenue- and the municipality to put measures in place to prevent such losses. This can also be said for water distribution losses with have doubled over the past year from 19.89% in FY2020 to 44.5% in FY2021 and will require focused attention going forward.

The level of investment in capital expenditure decreased since the last update i.e., FY2019 from R148.5 million to R139.1 million in FY2021. Actual capital expenditure as a percentage of budgeted capital expenditure came to 85%. Notwithstanding the impact if COVID-19, Knysna LM has historically underspent on its capital budget, with the capital budget implementation indicator averaging 84% over the 8-year assessment period

Despite the increase in the gearing ratio from 19% to 30% between FY2017 and FY2021 because of the municipality taking up additional external borrowings in that period, this ratio remains below the NT benchmark of 45%, indicating Knysna's ability to take up additional borrowings. The ability of the municipality to take up additional borrowing is further supported by a debt to operating expense ratio of 6% in FY2021, which is lower than the NT maximum level of 8%. However, the debt service cover ratio of 0.2 implies that the municipality did not generate sufficient cash from its operations during FY2021 to service current debt levels. Notably, this ratio has been below 1 for the entire 8-year assessment period.

Knysna LM spent R139.1 million on capital expenditure in FY2020. The funding mix for capital expenditure consisted of external borrowings (R71.8 million or 52%); capital grants (R46.4 million or 33%) and the remainder of cash reserves (R20.9 million or 15%). The municipality has utilised a considerable amount of external borrowings over the past 5 years, whilst operating with limited ability to generate cash from its operations – due to low collection rate and low levels of surplus – resulting in the deterioration of the liquidity position; currently reflected by a current ratio of 1.2:1 (NT benchmark 1.5:1). This weak position is further evidenced by a current ratio less debtors greater than 30 days of 0.9:1

STRENGTHS

- Improvement in profitability indicated by a decrease in the operating deficit from R28.6 million in FY2020 to an operating surplus of R4.1 million
- Low gearing ratio of 30%
- Low level of grant dependency

Weaknesses

- Continued increases in the creditors payment period - currently 92 days (FY2021) - presents future threats to cash flow.
- Collection rate (FY2021: 90%) below the 95% NT benchmark
- Low capital budget implementation indicator
- R37.4 million cash balance as at FYE2021 was substantially less than the calculated R110.7 million minimum level of liquidity needed by the municipality.

Outcome of the Future Forecasts

The MTREF forecasts low levels of surplus over the MTREF period partly due to 1) significant increases in various expenditure items; and 2) the narrowed electricity margin is a result of a tariff increase of 14.59% for FY2022, which is lower than the NERSA approved ESKOM bulk tariff of 17.6% for the same year. The MTREF indicates that the total capital expenditure (R589 million) will be funded by 51% external borrowings, 44% by own capital grants and remaining 5% by own cash resources. This funding mix is considered optimal, as the municipality's healthy liquidity position is not compromised. As a result, the Base Case did not make any adjustments to the capital expenditure and the funding mix over the MTREF period.

The historical analysis indicates an unhealthy liquidity position, worsened by a cash balance that does not meet the minimum liquidity requirements mainly due to the low collection rate and low profitability. The following are the key realistic assumptions to achieve the objective to model future financial sustainability.

1. The collection rate was assumed to remain at 94% throughout the planning period.
2. Electricity distribution losses assumed to progressively reduce to 10% by the end of the planning period.
3. Water distribution losses assumed to progressively reduce to 30% by the end of the planning.
4. Repairs and maintenance as a percentage of PPE and IP assumed to remain at 3.5% throughout the planning period.
5. The model incorporated all the increases in revenue and expenditure items as announced in the adopted 2022/23 budget.
6. No adjustments were made to the MTREF capital budget and the funding mix, as the results depicted by the Current MTREF Scenario indicate an optimal funding mix.

Sensitivity Analysis on the Collection Rate

The Base Case assumes a collection rate of 93% over the 10-year planning period. A scenario whereby the collection rate is assumed to improve by two percentage points to 95% for the planning period was modelled. This scenario indicates a positive impact on the liquidity position.

The above results demonstrate the significance of maintaining the collection rate at 93% or higher, as assumed in the Base Case.

Sensitivity analysis on the distribution losses

The Base Case assumes an improvement in the distribution losses from the current 11.33% to 10% for electricity distribution losses; and from 44.5% to 30% for water distribution losses. A scenario whereby the distribution losses remain at their current rates was modelled. This scenario indicates a reduction on the cash balance and ultimately liquidity.

The above result demonstrated the significance of ensuring a reduction in the distribution losses to at least 10% and 30% for electricity and water respectively

ANNEXURE 1: PROJECTED FINANCIAL STATEMENTS

Municipal Financial Model
Statement of Financial Position

Model year		0	1	2	3	4	5	6	7	8	9	10
Financial year (30 June)		**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**
R thousands												
Non-current assets:		1 438 369	1 552 971	1 625 713	1 709 533	1 848 985	1 930 241	2 013 148	2 097 500	2 183 050	2 269 520	2 356 599
Property, plant and equipment		1 341 839	1 459 349	1 531 767	1 614 268	1 752 911	1 834 165	1 917 070	2 001 419	2 086 968	2 173 434	2 260 512
Intangible assets		99	83	64	44	23	25	27	29	32	34	37
Investment properties		69 819	69 676	69 521	69 359	69 190	69 190	69 190	69 190	69 190	69 190	69 190
Investments		4 108	4 108	4 108	4 108	4 108	4 108	4 108	4 108	4 108	4 108	4 108
Long-term receivables		5 069	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)
Other non-current assets		17 435	19 761	20 261	21 761	22 761	22 761	22 761	22 761	22 761	22 761	22 761
Current assets:		250 620	268 003	271 590	282 956	291 106	309 681	327 423	340 254	349 241	360 208	361 939
Inventories		10 231	19 746	18 899	20 870	21 895	23 732	25 784	28 069	30 601	33 420	36 550
Trade and other receivables		198 058	154 362	154 362	154 362	154 362	154 362	154 362	154 362	154 362	154 362	154 362
Cash & Short term investments		42 330	93 895	98 329	107 724	114 850	131 588	147 277	157 823	164 278	172 426	171 028
TOTAL ASSETS		**1 688 989**	**1 820 974**	**1 897 303**	**1 992 488**	**2 140 091**	**2 239 922**	**2 340 571**	**2 437 754**	**2 532 291**	**2 629 727**	**2 718 539**
Municipal Funds:		1 102 011	1 160 059	1 200 751	1 255 827	1 370 307	1 434 463	1 495 474	1 552 883	1 605 703	1 652 135	1 689 492
Housing development fund & Other Cash Backed Reserves		–	–	–	–	–	–	–	–	–	–	–
Reserves (Not Cash Backed)		–	–	–	–	–	–	–	–	–	–	–
Accumulated surplus		1 102 011	1 160 059	1 200 751	1 255 827	1 370 307	1 434 463	1 495 474	1 552 883	1 605 703	1 652 135	1 689 492
Non-current liabilities:		381 486	443 462	473 417	503 324	533 946	567 577	601 350	637 240	682 600	728 717	776 002
Long-term liabilities (Interest Bearing)		254 436	309 083	330 730	351 730	372 804	393 315	412 578	432 681	461 131	489 400	518 117
Non-current provisions		127 050	134 378	142 687	151 594	161 143	174 262	188 773	204 558	221 469	239 317	257 885
Current liabilities:		205 491	217 453	223 136	233 337	235 837	237 882	243 746	247 631	243 988	248 876	253 045
Consumer deposits		13 509	14 312	15 215	16 216	17 370	18 518	19 797	21 205	22 714	24 372	26 186
Provisions		16 813	28 695	30 918	33 279	35 789	35 789	35 789	35 789	35 789	35 789	35 789
Trade and other payables		137 817	134 073	134 028	134 621	128 083	124 632	123 998	123 144	121 958	120 407	118 383
Bank overdraft		–	–	–	–	–	–	–	–	–	–	–
Current portion of interest bearing liabilities		37 352	40 372	42 976	49 220	54 596	58 943	64 163	67 494	63 527	68 308	72 688
TOTAL MUNICIPAL FUNDS AND LIABILTIES		**1 688 989**	**1 820 974**	**1 897 303**	**1 992 488**	**2 140 091**	**2 239 922**	**2 340 571**	**2 437 754**	**2 532 291**	**2 629 727**	**2 718 539**
Check	0	0	0	0	0	0	0	0	0	0	0	0

Municipal Financial Model
Statement of Financial Performance

Model year	0	1	2	3	4	5	6	7	8	9	10
Financial year (30 June)	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
R thousands											
Revenue											
Property rates	227 434	249 172	261 345	272 696	285 677	306 961	330 391	355 720	382 646	410 812	439 818
Service Charges	398 293	455 784	486 863	511 967	539 077	566 332	593 372	623 038	655 265	690 514	728 889
Service charges - electricity	273 963	331 176	355 859	374 665	394 939	412 152	427 673	444 610	462 853	482 662	504 035
Service charges - water	71 946	71 189	74 562	77 856	81 389	86 510	92 564	99 230	106 522	114 543	123 339
Service charges - sanitation	26 575	27 980	29 301	30 584	31 993	34 187	36 607	39 275	42 194	45 405	48 927
Service charges - refuse	25 809	25 440	27 141	28 861	30 757	33 483	36 527	39 924	43 696	47 904	52 588
Service charges - other	–	(0)	0	(0)	0	0	0	0	0	0	0
Rental of facilities and equipment	5 756	5 146	5 444	5 684	5 939	6 397	6 905	7 467	8 086	8 771	9 527
Interest earned - external investments	3 210	2 580	5 472	5 835	6 528	7 142	8 382	9 623	10 586	11 298	12 109
Interest earned - outstanding debtors	14 900	19 130	19 322	20 172	21 080	16 789	17 642	18 564	19 528	20 514	21 493
Dividends received	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	108 739	104 657	119 059	124 298	129 891	139 901	151 001	163 294	176 834	191 816	208 349
Licences and permits	1 549	1 579	1 655	1 728	1 806	1 953	2 115	2 292	2 482	2 682	2 890
Agency services	3 630	3 654	3 830	3 998	4 178	4 500	4 857	5 253	5 688	6 170	6 702
Transfers and subsidies (operating)	177 887	168 401	154 689	167 351	153 822	164 908	177 155	190 674	205 519	221 888	239 886
Other revenue	13 457	7 728	7 905	8 189	8 546	9 205	9 935	10 744	11 635	12 620	13 708
Gain on disposal of PPE	–	–	–	–	–	–	–	–	–	–	–
Revaluation on investment property gain / (loss)	–	(142)	(155)	(162)	(169)	–	–	–	–	–	–
Total revenue before Capital Grants	954 856	1 017 690	1 065 428	1 121 755	1 156 374	1 224 088	1 301 756	1 386 670	1 478 269	1 577 085	1 683 369
Capital Grants	47 646	54 801	46 468	53 325	106 446	45 947	39 833	33 445	26 670	19 477	11 781
Public & developers contributions	–	–	–	–	–	–	–	–	–	–	–
Total Revenue after Capital Grants	1 002 502	1 072 491	1 111 896	1 175 080	1 262 820	1 270 035	1 341 589	1 420 115	1 504 939	1 596 563	1 695 150
Operating expenditure											
Employee related costs	279 130	295 684	311 724	321 999	336 481	359 698	385 113	412 980	443 551	477 065	513 740
Remuneration of councillors	8 781	9 021	9 449	9 865	10 309	10 917	11 579	12 301	13 089	13 947	14 880
Debt impairment	143 103	142 117	156 059	161 559	169 164	181 149	194 205	208 601	224 357	241 648	260 547
Depreciation and asset impairment	37 673	40 478	44 046	46 274	48 824	53 069	55 614	58 220	60 875	63 567	66 281
Finance charges	22 311	29 602	29 987	30 872	31 997	33 026	33 987	35 371	36 739	38 485	41 186
Bulk purchases	199 242	231 873	254 156	265 339	277 280	273 627	283 590	294 466	306 178	318 896	332 615
Inventory Consumed	41 383	46 561	37 632	39 287	41 055	45 026	49 483	54 485	60 073	66 344	73 367
Repairs and maintenance	–	–	–	–	–	–	–	–	–	–	–
Contracted services	160 813	159 050	165 471	173 430	158 194	168 573	179 806	191 986	205 143	219 415	234 872
Transfers and subsidies	5 988	3 653	1 767	1 844	1 927	2 076	2 240	2 423	2 624	2 846	3 091
Other expenditure	53 134	56 403	60 914	69 533	73 109	78 718	84 961	91 875	99 490	107 916	117 214
Loss on disposal of PPE	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure	951 559	1 014 443	1 071 205	1 120 004	1 148 340	1 205 879	1 280 578	1 362 707	1 452 119	1 550 130	1 657 793
Suplus/ (Shortfall) for the year	**50 943**	**58 048**	**40 691**	**55 077**	**114 480**	**64 156**	**61 011**	**57 408**	**52 820**	**46 432**	**37 357**

Municipal Financial Model
Cash Flow Statement

Model year	0	1	2	3	4	5	6	7	8	9	10
Financial year (30 June)	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
R thousands											
Cash flows from Operating Activities											
Suplus/Deficit for the year including Capital Grants	50 943	58 048	40 691	55 077	114 480	64 156	61 011	57 408	52 820	46 432	37 357
Suplus/Deficit for the year excluding Capital Grants & Contributions		3 248	(5 777)	1 751	8 034	18 209	21 178	23 963	26 150	26 955	25 576
Capital Grants & Contributions		54 801	46 468	53 325	106 446	45 947	39 833	33 445	26 670	19 477	11 781
Adjustments for non-cash items:											
Depreciation, amortisation and impairment loss	37 673	40 478	44 046	46 274	48 824	53 069	55 614	58 220	60 875	63 567	66 281
Revaluation on investment property (gain) / loss	–	142	155	162	169	–	–	–	–	–	–
Increase / (Release from) current provisions & non-interest bearing liabilities	–	11 882	2 223	2 362	2 509	–	–	–	–	–	–
Increase / (Release from) other non-current provisions & non-interest bearing liabilities	–	7 328	8 309	8 907	9 548	13 119	14 511	15 786	16 910	17 848	18 568
(Increase) / Release from non-current interest bearing assets	–	(0)	–	–	–	–	–	–	–	–	–
Capitalised interest	–	–	–	0	–	–	(0)	(0)	(0)	0	–
Operating surplus before working capital changes:	88 616	117 879	95 424	112 781	175 531	130 345	131 135	131 414	130 605	127 847	122 206
Change in W/C Investment	–	30 437	802	(1 377)	(7 563)	(5 288)	(2 687)	(3 139)	(3 718)	(4 369)	(5 154)
(Increase)/decrease in inventories	–	(9 515)	847	(1 971)	(1 025)	(1 837)	(2 052)	(2 285)	(2 532)	(2 819)	(3 130)
(Increase)/decrease accounts receivable	–	43 696	–	–	0	0	(0)	(0)	0	(0)	0
Increase/(decrease) in trade payables	–	(3 744)	(46)	594	(6 538)	(3 451)	(635)	(854)	(1 186)	(1 551)	(2 024)
Net cash flow from Operating activities	88 616	148 316	96 226	111 404	167 968	125 057	128 448	128 275	126 887	123 478	117 052
Cash flows from Investing Activities											
Capital expenditure	–	(157 973)	(116 444)	(128 755)	(187 446)	(134 325)	(138 521)	(142 571)	(146 426)	(150 036)	(153 361)
Decrease/(Increase) in non-current receivables	–	2 751	(500)	(1 500)	(1 000)	–	–	–	–	–	–
(Additions) / Disposals of investment property	–	–	–	–	–	–	–	–	–	–	–
Net cash flow from Investing activities	–	(155 222)	(116 944)	(130 255)	(188 446)	(134 325)	(138 521)	(142 571)	(146 426)	(150 036)	(153 361)
Cash flows from Financing Activities											
New loans raised	–	95 035	64 622	70 220	75 670	79 454	83 426	87 597	91 977	96 576	101 405
Loans repaid	–	(37 368)	(40 372)	(42 976)	(49 220)	(54 596)	(58 943)	(64 163)	(67 494)	(63 527)	(68 308)
(Decrease) / Increase in consumer deposits	–	803	903	1 002	1 154	1 148	1 279	1 408	1 509	1 658	1 813
Net cash flow from Financing activities	–	58 470	25 152	28 246	27 604	26 006	25 762	24 842	25 993	34 707	34 910
Change in Cash	88 616	51 565	4 434	9 395	7 126	16 738	15 690	10 546	6 454	8 149	(1 398)
Cash/(Overdraft), Beginning		42 330	93 895	98 329	107 724	114 850	131 588	147 277	157 823	164 278	172 426
Cash/(Overdraft), Ending	**42 330**	**93 895**	**98 329**	**107 724**	**114 850**	**131 588**	**147 277**	**157 823**	**164 278**	**172 426**	**171 028**

Prepared by INCA Portfolio Managers

Tel: +27 [0]11 202 2210
Fax: +27 [0]11 202 2231

Unit F14, Pinewood Square
Pinewood Office Park
33 Riley Road
Woodmead

Appendix 7:

Provincial Treasury SIME Assessment

Western Cape Government

FOR YOU

Strategic Integrated Municipal Engagement 2022

Garden Route District

Knysna Municipality

TABLE OF CONTENTS

LIST OF ACRONYMS

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

MIP	Municipal Infrastructure Plan
MMP	Maintenance Management Plan
MVA	Megavolt Amperes (1 Million volt amperes)
MWh	Megawatt hour (1 Million watt hours)
NRW	Non-revenue Water
NDHS	National Department of Human Settlements
O&M	Operations and Maintenance
PMS	Performance Management Systems
RMP	Road Management Plan
SDBIP	Service Delivery Budget Implementation Plan
SDF	Spatial Development Framework
SOP	Standard Operating Procedure
SWMP	Stormwater Management Plan
WDM	Water Demand Management
WSDP	Water Service Development Plan
WTW	Water Treatment Works
WWTW	Wastewater Treatment Works

SECTION 1: INTRODUCTION

The 2022/23 MTREF municipal planning and budgeting process takes place amidst a national and provincial economic recovery following sharp economic contractions in 2020. Several fiscal, economic and social risks exist that could threaten municipal sustainability and economic growth.

Municipal budgets and associated documents will be assessed to determine the extent of conformance, responsiveness, credibility and sustainability to enhance the strategic theme for 2022 is '*Enabling Sustainability and Growth*'.

Key enablers that facilitate sustainability and growth include, but are not limited to the following:

- **Innovation**: Introducing new ideas, methods or processes or reviewing existing practices to achieve outcomes in more efficient and effective ways. In a post-pandemic environment, municipalities are confronted with increasing citizen demands and expectations; a rapidly changing technological environment and a constrained fiscus. We cannot continue with the status quo, but have to innovate i.e., to explore different and better ways of doing things in order to enhance service delivery.
- **Partnerships**: Partnerships calls for the integration of expertise and resources in order to drive allocative efficiency and enhance productive efficiency. Enabling sustainability and growth requires a collective effort between spheres of government (across and within spheres) as well as with the private sector and civil society.
- **Good governance**: Municipalities must build on and/or reinforce the foundations and successes of good governance that is necessary for improved performance. These need to be leveraged along with extensive risk management, in order to ensure financial, operational, social, economic and environmental sustainability. To this extent, SIME is an extension/continuation of TIME.

The importance of the integrated planning and budgeting assessment is stipulated in Chapter 5 of the Local Government Municipal Systems Act 32 of 2000 (MSA), the MSA Regulations and the Local Government Municipal Finance Management Act 56 of 2003 (MFMA). These annual provincial assessments afford the provincial sphere of government an opportunity to exercise its monitoring and support role to municipalities as stipulated by the Constitution. In addition, the assessments provide an indication of the ability and readiness of municipalities to deliver on their legislative and constitutional mandates.

This report encapsulates comments by the Western Cape Provincial Government on the draft 2022/23 MTREF Budget, 2022/23 Integrated Development Plan (IDP) and Spatial Development Framework (SDF).

The assessment covers the following key areas:

- Conformance with the MFMA, MSA & Municipal Budget and Reporting Regulations (MBRR);
- Public value creation and responsiveness of draft budget, IDP and SDF; and
- Credibility and sustainability of the Budget.

The MBRR A-Schedules, budget documentation, IDP and SDF submitted by the Municipality are the primary sources for the analysis. The quality of this assessment report therefore depends on the credibility of the information contained in the documents submitted by the Municipality.

The Provincial Government, together with our partners in national government, plans to meet the executives of Knysna Municipality on **Wednesday, 11 May 2022** where the key findings and recommendations of this report will be presented and deliberated upon. The planned engagement will contextualise the Municipality's challenges and responses as taken up in the draft budget, IDP, LED, SDF and various other strategies and plans. All the information related to the assessment and analysis of the annual budget, IDP and SDF are found in the report below.

SECTION 2: PUBLIC VALUE CREATION

2.1 INTEGRATED PLANNING

2.1.1 Introduction

In terms of section 25(1) of the Municipal Systems Act, 2000 (the MSA), each municipal council must, within a prescribed period after the start of its elected term and through a participative process, adopt a single, inclusive and strategic plan for the development of the Municipality – the Integrated Development Plan (IDP).

An IDP is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development in a municipality. An IDP provides the strategic direction for all the activities of a municipality over five years linked to the council term of office.

In terms of section 25 (3) of the MSA, a municipal council may adopt the IDP of its predecessor, with or without amendment. Before taking such a decision the council must comply with section 29(1)(b)(i), (c) and (d).

The Knysna Municipal Council Resolution No. C03/03/22 indicates that the fifth amendment of the 2017 - 2022 Integrated Development Plan is approved and that the IDP be published and advertised to obtain public inputs during April 2022. The reference to a fifth amendment is not in line with section 25(1) of the MSA, which stipulates that the newly elected council must first adopt an IDP for its term. A review and/or amendment of such adopted IDP in terms of section 34 of the MSA, will thus be conducted in the inner years of the planning cycle i.e., from March 2023 for the first year of the implementation of the adopted IDP.

During the IDP and budget session held on 11 May 2022 between the Municipality and the Western Cape Government (represented by the Departments of Local Government; Environmental Affairs & Development Planning; as well as Provincial Treasury), it was established that the Knysna Council intends to adopt the IDP of its predecessor with amendments in terms of section 25(3) of the MSA.

The Department is aware of the implications of the late 2021 Local Government Elections in respect to the drafting of IDPs for the new term of office and the different interpretations of the National Treasury Circular 107 of 2020. Whilst section 25(3)(a) of the MSA makes provision for the new council to adopt the IDP of its predecessor, some councils may be reluctant to adopt such IDPs for the duration of the term of office of the new council especially where there is a change of political leadership. To this end, the Municipality is advised to adopt the IDP of the predecessor with amendments with no reference of the period of the duration of such IDP. Upon adoption of such IDP during May 2022, the Municipality may commence with the preparation for the drafting of an IDP for the remaining term of office which must be adopted in line with section 34(b) of the MSA and also follow the process as stipulated in Regulation 3 of the Local Government: Municipal Planning and Performance Management Regulations 2001 (MSA Regulations), This is because neither the MSA nor the MSA Regulations limit the extent to which an IDP may be amended.

2.2 INTEGRATED PLANNING ANALYSIS

2.2.1 IDP Overview

The tabled IDP reflects the Municipality's vision, mission and seven strategic objectives, which remain unchanged. A situational analysis is reflected in Chapter 5 of the tabled IDP. The statistical data used is drawn mainly from the 2021 Socio-Economic Profile (2021 SEP-LG) and the 2021 Municipal Economic Review and Outlook (2021 MERO). The Municipality is advised to also use latest 2021 SEP-LG data. The estimated population of Knysna is 74 979 people in 2020, making it the fourth smallest population in the Garden Route District after Bitou, Hessequa and Kannaland.

The tabled IDP indicates that, in 2018, Knysna's economy was valued at R4.9 billion (current prices) and employed 26 865 people. From 2014 to 2018, the municipal area experienced an average annual growth rate of 0.7 per cent, which can mostly be attributed to the tertiary sector, which registered a positive annual growth rate of 0.9 per cent. The total employment in the Municipal area in 2019 amounted to 26 759 workers of which 20 032 (74.8%) are in the formal sector while 6 727 (25.1%) are informally employed while the Municipality has the highest unemployment rate of 19.0 per cent in the entire Garden Route District.

In terms of access to basic services, the tabled IDP reflects that the Municipality has provided water and refuse removal to over 93 per cent of its households. For electricity, 88.3 per cent of the households have access to electricity and provision of sanitation is at 79.4 per cent of households and residents with access to formal housing.

The assessment of the tabled IDP compared to the 2017 - 2022 IDP revealed several aspects that have been changed, Aspects that have been changed include the following:

- Updating the status of various sector plans;
- Consolidation of Chapters 1 and portions of Chapter 5, Chapter 2 and portions of Chapter 5, Portions of Chapter 3 and the Executive Summary, portions of Chapter 3 and 7 as well as Chapter 4;
- Updated the information on Public Participation and Stakeholder Engagement;
- Updated the Service delivery and Budget Implemented to reflect on the upcoming financial year;
- Updated the ward profiles; and
- Added new information on the District Development Model

The Municipality has tabled a memorandum in council spelling out the reasons for the proposal to amend the IDP which is an indication that a process in line with Regulation 3 of the MSA is being followed.

2.2.2 IDP process

In terms of section 27 of the MSA, each district municipality must, within a prescribed period after the start of its elected term and following a consultative process with the local municipalities within its area, adopt a framework for integrated development planning in the area as a whole. The IDP district framework binds both the district municipality and the local municipalities in the area of the district. Section 27(2) of the MSA sets out the minimum matters that must be covered in the framework.

Section 28 of the MSA determines that a municipality must, within a prescribed period after the start of its elected term, adopt a IDP process plan in writing to guide the planning, drafting, adoption and review of its IDP. A municipality must also consult the community before adopting such process and give notice to the local community of the process it intends to follow.

The district IDP framework lays the foundation to ensure alignment of the IDPs within a district, the alignment of all the IDPs with national and provincial sector plans and strategies, and for proper and sound consultation between district and local municipalities during the process of developing and adopting an IDP. The IDP process plan builds on this foundation by ensuring that the process of developing, adopting and reviewing a municipal IDP happens in a planned, structured and managed matter with provision for community inputs.

Based on the assessment of the tabled IDP, the Municipality has not complied with section 28 of the MSA, in terms of adopting a process plan for the new term of council. However, it is noted that the Municipality adopted a Budget Time Schedule of Key Deadlines for the 2022/23 cycle in August 2021, which was used to guide the IDP and budget drafting process.

Section 29 of the MSA states that the process followed by a municipality to draft its IDP, including its consideration and adoption of the draft plan must be in accordance with a predetermined programme specifying timeframes. The assessment of the tabled IDP also indicates that the Municipality did follow a prescribed process when drafting its IDP, as required in terms of section 29 of the MSA. The Municipality conducted the public participation through the ward committees in the month of October and November 2021as they played an important role in informing the decision to amend the 2021/22 IDP.

In terms of section 25(3) of the MSA, a municipal council may adopt the IDP of its predecessor, with or without amendment. Before taking such a decision the council must comply with section 29(1)(b)(i), (c) and (d). They must therefore:

- Consult the local community on its development needs and priorities,
- identify all plans and planning requirements binding on the Municipality in terms of national and provincial legislation, and
- ensure that the process followed is consistent with any other matters that may be prescribed by regulations.

In preparation for tabling and adoption of the IDP, the Municipality has followed the above prescribed process to ensure compliance.

2.2.3 IDP compliance

Section 26 of the MSA refers to the core components of an IDP and states that an IDP must reflect:

- the municipal council's vision for the long-term development of the Municipality.
- an assessment of the existing level of development in the Municipality, including an identification of communities which do not have access to basic services;
- the council's development priorities and objectives for its elected term;
- the council's development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the Municipality in terms of legislation;
- a Spatial Development Framework;
- the council's operational strategies;
- applicable disaster management plans;
- a financial plan; and
- the key performance indicators and performance targets determined in terms of section 41 of the MSA.

The assessment of the tabled IDP reflects compliance with the above requirements of section 26 of the MSA.

2.2.4 IDP alignment

According to section 32 of the MSA, the MEC for Local Government may within 30 days of receiving a copy of an IDP, or within such reasonable period as may be approved by the Minister, request a municipality to adjust the plan or amendment in accordance with the MEC's proposal if it is in conflict with or is not aligned with or negates any of the development strategies of other affected municipalities or organs of state. Section 26 of the MSA further requires that IDPs must be aligned with and not negate the national and provincial development plans and planning requirements binding on the Municipality in terms of legislation.

Chapter 2 of the tabled IDP provides an overview of the various national and provincial development plans. The tabled IDP reflects how municipal strategic objectives are aligned with the National Development Plan 2030, Medium Term Strategic Framework for 2014 to 2019, Back to Basics programme, Western Cape Government Strategic Plan for 2019 - 2024 as well as the Garden Route Joint District and Metro Approach priorities.

The Municipality has developed various sector plans and the tabled IDP reflects on the status of all the sector plans. Chapter 4 of the tabled IDP provides an overview of sector plans developed by the Municipality to support the delivery of municipal services and infrastructure development in order to achieve council's strategic objectives. Some of the key plans developed include:

- Spatial Development Framework;
- Human Settlement Plan;
- Local Economic Development Strategy;
- Integrated Transport Plan; and
- Water Services Development Plan.

A summary on the status of all the sector plans has also been provided which indicates that some of the plans are under review and will be adopted with the final IDP in May 2022 whilst some were last reviewed between 2015 and 2021. It is noted that no timeframe has indicated in terms of when some of the sector plans that still under review, will be adopted. Sector plans affected include the Human Settlement Plan and the Water Services Development Plan.

To further assess alignment between the tabled IDP and national and provincial plans, various sector departments formed part of the assessment process and their feedback is captured below:

Economic Development

The tabled IDP indicates that there is a Local Economic Development (LED) Strategy that was developed and approved by council. The LED strategy outlines the objectives and key pillars for economic development. In addition, the strategy highlights the importance of prioritizing businesses as they are the creators of jobs and stimulate economic development and growth.

In order to develop and grow its local economy, the Municipality has identified the economic direction by focusing more on the timber sector and increasing production of value-added timber processing and sector development.

The Municipality also supports investment facilitation through agriculture & agro-processing initiatives, maritime manufacturing and service cluster support, tourism product development, and industrial/niche manufacturing initiatives

In the case of the 'Boost Infrastructure' priority, there is sufficient alignment between the tabled IDP and Department of Economic Development and Tourism strategic plans. A significant amount of investment will be made in infrastructure, from upgrading to replacing aging infrastructure and expanding new infrastructure in areas such as Wastewater Treatment, fire and rescue, electricity related projects and roads for the 2021/22 – 2022/23 period. Several of these infrastructure projects are aligned with the economic resilience priority. Some proposed and on-going projects include:

- SANRAL N2 Re-alignment Project (N2 by-pass),
- Implementation of the Medium Voltage (MV) distribution network,

- Inclusion of sewer master plan projects in the budget cycle, and
- Installation of water management devices at individual households.

Municipal Infrastructure, Human Settlements and Transport

The tabled IDP comprises of an Integrated Transport Plan which is a core component of the IDP as required by section 31 of the National Land transport Act. Currently, a service provider is busy with the review of the Garden Route District Integrated Transport Plan DITP 2016 - 2021 and Knysna Local Integrated Transport Plans (LITP) 2016 2021 for the period of 2022 - 2024. Upon completion and adoption of the LITP, the LITP will be incorporated into the IDP.

In addition to that, the Department of Transport and Public Works is in a process of developing the Western Cape 2023/24 – 2027/28 Provincial Land Transport Framework (PLTF). This PLTF is to replace the 2016/17 – 2020/21 PLTF whose term has now expired. The purpose of the PLTF is to guide all transport and land-use related provincial decision making with respect to transport infrastructure development, management and investment, public transport, non-motorised transport, freight transport, land transport safety.

In terms of water and sanitation, the tabled IDP reflects that the Municipality supplies piped water to 94.4 per cent and sanitation to 75.1 per cent of the population. However, the Municipality has identified some of the infrastructure challenges including ageing infrastructure. In order to address some these challenges, the Municipality has identified the capital project programme that is outlined in the tabled IDP and a clear indication is given for the water and sanitation projects including the budget allocation for these projects.

With regards to human settlements, the tabled IDP indicates that a Human Settlement Plan is under review, however, no specific timeframes of when the "draft HSP" is expected to be concluded. It is noted that the tabled IDP does not reflect on the Department of Human Settlement's policy shift from the provision of top structures to the provision of serviced sites.

The Municipality has identified restructuring zone, particularly within the central business district. The purpose of restructuring zones is to bring lower-income people who do not qualify for Breaking New Ground subsidies into areas where there are major economic opportunities. The IDP should therefore further explore development opportunities within the Restructuring Zones.

Health, Social Services and Amenities

The tabled IDP indicated that the Municipal areas had four ambulances per 10 000 inhabitants in 2019 which is on par with the district average of two ambulances per 10 000 people. It is worth noting that this number only refers to Provincial ambulances and excludes all private service providers. In addition, there were five primary healthcare clinics (PHC) in 2019 which comprises of four fixed clinics and one community day centre as well as one district hospital.

The tabled IDP has indicated that currently there is only one private drug rehabilitation centre in the municipal area, Serenity, that is located at Elandskraal near Karatara. The purpose of the Alcohol and Drug Centre (KADC) is to focus on Community Based Rehabilitation, with the following programmes:

- Comprehensive assessment for individuals using alcohol or drugs;
- Motivational Interviewing;
- Family Education Sessions;
- Random drug testing;
- Referrals to accredited rehabilitation centres; and
- Youth programmes focusing on alcohol & substance abuse awareness.

However, the tabled IDP has indicated that one of the challenges is that there is no state subsidized rehabilitation centre in the area, the nearest rehabilitation centre is in Cape Town and recovered addicted clients experience challenges to re-integrate into communities, especially in respect of employment opportunities.

Safe and Cohesive Communities

The tabled IDP has a section on Safety and Security, which reflects on crime and safety. This section also highlights significant events and interventions aimed at combating crime and gender-based violence, these include:

- Youth programmes focusing on alcohol & substance abuse awareness
- child protection week,
- 16 days of activism violence against women and children with a special focus on domestic violence and sexual offences against women and children
- Safer schools,
- Visible policing.
- Combating alcohol, drug abuse and gangsterism at schools.

Furthermore, the safety and security in the tabled IDP reflects on crime stats in the Municipality with particular reference to murder, sexual offences, drug-related offences, driving under influence (DUI) and residential burglaries. The tabled IDP also mentions the murder rate (per 100 000 people) the number of murders fluctuated from 18 in 2018/19 to 28 in 2019/20 before declining to 10 in 2020/21; in 2020/21 there were 118 sexual offences in the Knysna municipal area, equating to 155 cases per 100 000 people; drug-related crime within the Knysna area more than halved from 682 cases in 2018/19 to 311 cases in 2020/21; in the Knysna area shows a declining trend from 437 in 2019/20 to 140 in 2020/21; Residential burglary cases within the Knysna municipal area however decreased significantly by 8.4 per cent from 689 in 2018/19 to 631 in 2020/21.

2.3 ENVIRONMENTAL AND PLANNING ANALYSIS

a) Spatial Planning

Strategic spatial risks:

- The Municipality is struggling with infrastructure backlogs which is compounded by the Municipality's dispersed settlement pattern and topography. Apart from electricity and waste, the bulk infrastructure for trading services is highly fragmented and dispersed – this requires several dispersed bulk infrastructure installations that need to be maintained and upgraded as populations grow, and demand increases – specifically for water and wastewater services in all settlements. The draft amended IDP recognises these existing infrastructure challenges and proposes various interventions. It is recommended that the Municipality updates its engineering master-planning to bring it in line with the MSDF, and then capital budget is allocated to ensure that sufficient infrastructure exists to accommodate planned growth and intensification – a map of infrastructure bottlenecks or ceilings needs to be developed, per infrastructure type, to understand where the Municipality needs to address these bottlenecks. It is noted that the risk of wastewater infrastructure failure in Knysna presents both environmental and economic risks due to the sensitive environment and the fact that the existing natural environment, and Knysna lagoon specifically, underpin the economy of the Municipality. Therefore, efforts to mitigate and prevent wastewater pollution risks in the lagoon must be implemented and/or continued – the draft IDP is silent on if any work is being done on this beyond the Karatara and Sedgefield wastewater treatment works upgrades planned.

- Land invasions on state-owned land, a rise in informality, and unplanned development without access to municipal infrastructure networks are significant risks to the Municipality in the short to medium term, compounded by the prevailing socio-economic and unemployment crisis facing the country. Key to addressing this, is for the Municipality to ensure it is proactively facilitating the development of more affordable housing options, and to ensure it has systems and processes in place to respond to land invasions within the municipal area. Whilst land invasions are recognized in the risk management of the Municipality, it is not clear what systems are in place (if any) to respond to this challenge and it is recommended that the Municipality articulate if it has the necessary SOP and system for dealing with land invasions.

- Climate Change remains a key risk to the Municipality, specifically manifesting in flooding in low-lying and near rover systems, water security and fire risk hazards near to both indigenous and plantation forests. Specifically, the management of plantations by both government and non-government role players is a key factor in determining fire risk, and ongoing management is needed to mitigate this risk. The withdrawal of corporate role players from the forestry sector contributes to a lack of fire management practices in plantations, and also contributes to lost economic opportunities in the region. Urban expansion, including the growth of informal settlements, increases vulnerability to natural disasters such as floods and wildfires, and results in damaged or destroyed infrastructure, adding to the maintenance backlogs in Knysna. It is recommended that the Municipality undertake the necessary storm water asset assessment and planning exercises to ascertain what further investments are required to mitigate the increased flooding events predicted (and being experienced) within the Municipality.

- Water security and resilience remains a key risk in the municipal area as Knysna is predominantly dependent on river and groundwater abstraction systems for water supply and faces a high risk of insufficient flow volumes given the fluctuating rainfall patterns arising from climate change. The draft IDP recognises the extent of this risk an goes on to state that sustainable water security as the single biggest risk in Knysna. In addition to this, there is still a significant number of households without access to drinking water inside their homes especially within existing informal settlements of Knysna.

- Remote rural hamlets and the significant proposed extensions to the urban edges and state subsidised housing and development of Karatara and Rheenendal, which is counter to the principle of efficiency, specifically because these areas are low growth and not job generating areas, have the potential risk to create the inefficient distribution of low-income earners or grant recipients, far from economic centres, and deepen these areas as poverty traps. In addition to this, existing poor communities that are remotely located and far from urban centers such as the Knysna CBD are a fiscal sustainability concern for the Municipality, specifically in a context where service provision is limited by shrinking allocations (and continued cuts) from government for infrastructure provision, services, and facilities. The draft amended IDP does not reflect on the this, or the relevant policy positions that the Municipality has developed in the Knysna MSDF (2020) to deal with its various spatial planning issues.

Spatial opportunities for growth and development:

Knysna Municipality, and the Garden Route more broadly, has seen a significant increase in so-called "semigration" of remote workers seeking more coastal, family-oriented lifestyles, whilst working remotely from their big-city jobs, as well as significant population growth across all segments of the population. This is a significant opportunity, and the Municipality needs to harness the demand to live and work in Knysna, and the potential of the urban dividend associated with it, by unlocking inclusive development opportunities in the right locations. This may include:

i. Developing a holistic housing policy that understands the pressures driving up housing prices, and measures to reduce these pressures in favour of greater affordable supply. Whilst the draft IDP recognises the importance of the 99 hectare Heidevallei site, there is no indication of what progress – if any – has been made in implementing this proposal. This project should be prioritized to ensure that the Municipality meets its development objectives as set out in the MSDF. It is further recognized that the MSDF identified a growth management plan for Sedgefield, as well as local densification plans for Welbedacht and Eastford Downs. Again, the status of these projects is unclear and the IDP should set out what progress is being made.

ii. Prioritize, package and release well located public land for development of mixed income and mixed-use land development. The MSDF identifies a number of municipal and private sites for mixed income, inclusive residential development with some supporting mixed land uses have been identified and their acquisition and preparation should be prioritized. Some examples of potential sites for the development of social rental housing are situated in Heidevallei, Lagoon View 2, Melkhout Flats etc.

iii. Review and plan for/confirm the future approach to all of the identified and the 'bosdorpies' with particular reference to Middelerf, Springfield and Swaneberg.

iv. The MSDF further identifies an expanded Restructuring Zone that accommodates public sector initiatives and does not preclude private sector initiatives, while in keeping with the spirit of a restructuring zone.

v. Implementing Land use management planning incentives to de-risk development and drive down costs in areas where the MSDF indicates such development opportunities should take place, such as through forward-zoning.

vi. Aligned engineering investments that understand that more than DCs are needed to invest in infrastructure for long term gains from the efficiencies of sustainable and inclusive urban form. This will also require the Municipality to invest proactively in the priority investment areas, upgrading areas as well as the consolidation areas identified in the Knysna MSDF.

vii. The review and update of key infrastructure plans in line with the proposals of the MSDF (LITP, HSP, Disaster Management Plan, Disaster Risk Assessment update, Climate Change Adaptation Plan, Infrastructure Master Plans etc.).

Spatial Governance:

It is recommended that the Municipality initiate a MSDF Performance Review, to determine to what extent the MSDF is being implemented, and to determine whether a MSDF amendment is required.

Whilst Section 4.2 of Knysna MSDF (2020) sets out a Capital Expenditure Framework (CEF) section that sets out spatial planning categories for investment planning to guide the investment approach of the Municipality, the Municipality still needs to develop a ***prioritized and integrated portfolio of infrastructure investments***, derived from existing infrastructure master planning to not only ensure that plan-led budgeting can take place, but also to ensure that the Municipality has a clear portfolio and programme of capital projects packaged for delivery that enable the Municipality to raise capital for these projects. It is recommended that the IDP recognize this, and that the Municipality address this need in the MSDF amendment that is to be undertaken.

The Municipality also needs to undertake further work to ensure proactive & enabling land use management takes place, specifically to implement forward-zoning/up-zoning to ensure that property rights granted to properties which are earmarked for infill and priority housing development areas and explore measures to enable micro-developers to address housing supply pressures. **It is recommended** that the IDP recognize this, and that the Municipality address this need by directing its efforts to de-risking and enabling affordable and suitably dense housing developments enable through forward-zoning parcels of land within the intensification zones of the MSDF.

Implementation of the MSDF through the IDP:

Although Section 2.9.2 of the draft amended IDP does give a brief overview of the Council approved 2020 Knysna MSDF, the generic settlement guidelines for each settlement and development priorities for the Municipality, it is recommended that the IDP manager ensures that the Spatial Planning manager of the Municipality review this section, as there are critical aspects of the MSDF missing, such as the composite plan for the Knysna Municipal Area and the associated spatial proposals, the priority investment areas, upgrading areas, consolidation areas and the medium – long term urban growth areas.

Regretfully, there is very little within the existing draft IDP that illustrates if or how the MSDF was used as a starting point to frame **where** the Municipality seeks to invest and direct its capital expenditure as well as reflect on what the MSDF seeks to achieve and the extent to which it has been achieved.

Although Annexure 2 of the MSDF contains a detailed Capital Expenditure Framework (CEF) report supporting the MSDF, the report does not articulate a prioritized portfolio of infrastructure investments needed. As such, it is difficult to ascertain if the Municipality is using the CEF as a basis for budgeting and priority setting in its municipal budgeting process. It is **recommended** that the Municipality should develop a 10-year prioritized portfolio of infrastructure investment needs for the Municipality that is sequenced and affordable that will give expression to the MSDF and the development objectives of the Municipality.

The draft amended IDP needs to reflect on the priority investment areas, upgrading areas, consolidation areas and the Medium – Long Term Growth Areas (10 – 20 years) set out in the Knysna MSDF, the investment needs required for these areas, and then ensure that these are reflecting in the budget and expenditure in the Municipality.

The Knysna MSDF (2020) articulates an intergovernmental pipeline of projects that are to be implemented by other spheres of government. Section 4.2.2 and Section 4.2.3 of the Knysna MSDF the priority public sector projects associated with human settlement development, education, and health facilities (see **Table 1** below). It is recommended that the draft amended IDP includes this MSDF intergovernmental pipeline of projects, and also includes the updated provincial project allocations and projects for the MTREF as set out in **Table 1** and **Table 3**, below.

Table 1 The intergovernmental pipeline of projects articulated by the Knysna MSDF (2020)

Area	Sector	Type of infrastructure	Current Project Stage	Budget	Number of opportunities	Implementation Period
Knysna town	Education	Concordia Primary School		R250,000		2018/19
	Education	Concordia Secondary School		R450,000		2018/19
	Education	Knysna Secondary School				
	Education	Ethembeni Day Care Hilda Stent Creche				
	Health	Knysna Forensic Pathology Laboratory		R2,000,000		2018/19 and onwards
	Health	Khayelethu Clinic Upgrade				2019/20
	Health	Hornlee Clinic Relocation and Expansion				TBC
	Human Settlement	Informal Settlement Upgrading (Top Structures): - Bloemfontein - Ethembeni - Happy Valley - Hlalani - Hornlee - Vision - White Location - Xolweni			158 200 120 165 359 476 150 220	
	Human Settlement	Informal Settlement Upgrading (Services): - Vision			1393	
	Human Settlement	Integrated Residential Project (Planning): - Heidevallei			1200	
Sedgefield	Health	Sedgefield Clinic Upgrade				
	Health	Sedgefield EMS Upgrade				
	Human Settlement	Informal Settlement Upgrading (Planning)			200	
Rheenendal	Education	Rheenendal Primary School		R200,000		2018/19
	Human Settlement	Integrated Residential Project (Planning)			322	
Karatara		Integrated Residential Project (Planning			214	
			Other			
	Disaster Risk Management			R5,000,000		2018/19

It is noted that Section 4.2.3 of the Knysna MSDF which deals with Utilities: Water, Wastewater, Electricity and Waste indicates that the Knysna Municipality's Long Term Financial Plan 2018 Update identifies a 10-year capital investment need of R7.353 million, but affordability of only R1.236 million, indicating the critical importance of prioritising where and on what the Municipality spends. The Capital Expenditure Framework (Annexure 2 of the 2020 MSDF) estimates the 10-year capital need to be R2.69 billion considering the ambitious subsidised housing programme. These are valuable sources of information from which the draft IDP should draw intelligence and guidance for budget prioritisation.

Section 3.4 of the draft amended IDP sets out the public infrastructure spend of the Municipality. This information can now be updated with the information provided to the Municipality in a letter sent by DEA&DP with the title **"Knysna Municipality: Planned and Estimated Provincial Infrastructure Expenditure and National and Provincial Budget Allocations for The MTEF Period 2022/23 – 2024/25"**. This letter sets out the provincial spend within the Municipality between the 2022/23 – 2024/25 period, as shown below.

Table 2 Summary of Provincial Infrastructure Projects & Programmes in the Municipality for the MTEF period 2022/23 – 2024/25

Summary of Provincial Infrastructure Projects & Programmes in the Municipality for the MTEF period 2022/23 – 2024/25.[1]

Department	No of Projects	Value of Projects and Programmes (R'000)				
		Infrastructure Transfers - Capital	New or Replaced Infrastructure	Non-Infrastructure	Rehabilitation, Renovations & Refurbishment	MTEF Total
Education	1	R0	R8 300	R0	R0	R83 000
Health	5	R0	R54 643	R5 700	R0	R60 343
Human Settlements	10	R109 260	R0	R0	R0	R109 260
Transport and Public Works	2	R0	R0	R0	R69 000	R69 000
Grand Total	**18**	**R109 260**	**R137 643**	**R5 700**	**R69 000**	**R321 603**

The letter also specifies the projects that have been committed to by the Western Cape Government between 2022/23 – 2024/25, amounting to R321million. The largest investments are the development of new Concordia Primary School, various road rehabilitation projects, a clinic replacement, and the Sedgefield Infill IRDP Housing for 207 units.

Table 3 A Summary of Provincial Infrastructure Projects and Programmes for the MTEF (2022/23 – 2024/25)

Department	Nature of Investment	Project ID	Project Name	MTEF Total (Rand
Health	Non-Infrastructure	206022	Knysna - Hornlee Clinic - OD QA - Replacement	R100 000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	187343	C1148 Reseal Knysna Lagoon Road N2 TR1/1 & MR347	R1 000 000
Health	Non-Infrastructure	196067	Knysna - Knysna FPL - HT - Replacement	R1 600 000
Human Settlements	Infrastructure Transfers - Capital	200417	3108 - Knysna Heidevallei (515 inc 2800 sites) IRDP	R2 000 000
Health	Non-Infrastructure	202569	Knysna - Hornlee Clinic - HT - Replacement	R4 000 000
Human Settlements	Infrastructure Transfers - Capital	200428	3674 - Hornlee Densification and Backyard Upgrade (80 sites) IRDP	R4 800 000
Human Settlements	Infrastructure Transfers - Capital	200424	3482-03 - Hornlee Housing Project (155 units) IRDP PHP	R5 200 000
Human Settlements	Infrastructure Transfers - Capital	200421	3127-02 - Knysna Happy Valley (120 units) UISP PHP	R6 890 000
Human Settlements	Infrastructure Transfers - Capital	200420	3126-02 - Knysna Ethembeni (180 units) UISP PHP	R7 670 000
Human Settlements	Infrastructure Transfers - Capital	200541	2716-1024 - Knysna Vision 2002 (1393 services) UISP	R8 400 000
Human Settlements	Infrastructure Transfers - Capital	200426	3652-xx01 - Sedgefield Infill (207 services) IRDP	R12 420 000
Human Settlements	Infrastructure Transfers - Capital	200419	3124-02 - Knysna Hlalani (165 units) UISP PHP	R12 870 000
Health	New or Replaced Infrastructure	16906	Knysna - Knysna FPL - Replacement	R19 697 000
Human Settlements	Infrastructure Transfers - Capital	200423	3479-01 - Knysna Vision 2002 Oupad, Dam Se Bos, Nekkies, Concordia Ph 3 (459 units) UISP PHP	R22 100 000
Human Settlements	Infrastructure Transfers - Capital	200427	3652-xx02 - Sedgefield Infill (207 units) IRDP	R26 910 000
Health	New or Replaced Infrastructure	198335	Knysna - Hornlee Clinic - Replacement	R34 946 000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	196755	C1146 PRMG Barrington ,old Kynsna &Wilderness	R68 000 000
Education	New or Replaced Infrastructure	4076	Concordia PS	R83 000 000
Grand Total				**R321 603 000**

The Knysna MSDF (2020) must be readopted as a core component of the IDP when approved by Council in May 2022.

It is recommended that the Municipality undertake a MSDF Performance Review, as part of the IDP Review, when this takes place. It is recommended that an amendment to the current MSDF would be appropriate following the MSDF Performance Review in order to further develop the CEF and to address the gaps identified in the 2020 MSDF which is currently not outdated.

b) Regulatory Planning

Municipalities are reminded that various mechanisms exist for integration of regulatory processes in order to streamline application processes.

Municipalities are encouraged to consider these mechanisms as part of their Municipal Land Assembly Programme, and to contact the DEA&DP should they require support in this regard.

c) Biodiversity Management

The DEA&DP and Cape Nature work together to ensure biodiversity governance in the Western Cape. The Western Cape the Provincial Biodiversity Strategy and Action Plan (PBSAP 2016), which is currently under review, is a strategic mechanism of the Western Cape Provincial Government that aims to ensure that all stakeholders active in the province, including the national and provincial government entities, local and district authorities, non-governmental organisations (NGOs), business and society as a whole, act in a coordinated and collaborative manner with regards to biodiversity conservation, its sustainable use, and the fair and equitable sharing of benefits arising from the use and value of ecosystems goods and services.

The PBSAP implementation is strengthened by the assent of Western Cape Biodiversity Act, Act No. 6 of 2021 on 14 December 2021. The act will come into operation on a date determined by the Premier by proclamation in the Provincial Gazette. Current provincial biodiversity and conservation laws are still in place and must be observed until such time as it being wholly or in part repealed through the making of regulations in the Act.

Municipalities are herewith informed of the following implications of the Act:

i) Biodiversity Spatial Plan

CapeNature must prepare a Provincial Biodiversity Spatial Plan within one year of the commencement of this Act and submit it to the Provincial Minister for adoption after following a public participation process.

In terms of Section 36 of the Act, the purpose of a Biodiversity Spatial Plan is to —

(a) set biodiversity targets;

(b) spatially identify one or more categories of biodiversity priority areas that will ensure the continued existence and functioning of biodiversity and ecosystems, including the delivery of ecosystem services;

(c) provide guidelines that set out the desired management objectives for land and resource use in each category of biodiversity priority area;

(d) provide spatial planning and land use decision-making guidelines to ensure environmentally sustainable development and resource use and ecological and spatial resilience in the Province; and

(e) ensure that the ecological infrastructure in the Province is maintained, ecosystem fragmentation and loss are avoided, and the resilience of ecosystems and human communities to the impacts of climate change is strengthened.

When a municipality adopts or amends its spatial development framework in terms of the Local Government: Municipal Systems Act in respect of land use matters in areas identified in the Biodiversity Spatial Plan as biodiversity priority areas, it must indicate how the land use planning categories in the spatial development framework have taken into account the desired management objectives in the guidelines contemplated in section 36(e) of the Act.

ii) *Alien and Invasive Species (AIS) Management*

According to the NEM:BA Alien and Invasive Species regulations any landowner, occupier of land, person in control of land or any person in control of a listed category 1a, 1b and 3 invasive species must prevent the escape and spread of the species, including its growth or spread of propagules, and must control any specimen that escapes or spreads.

Further to that all management authorities of protected areas and organs of state in all spheres of government must prepare Invasive Species Monitoring, Control and Eradication Plans and submit it to the Minister via the Department of Forestry, Fisheries and the Environment. In this sense it is imperative that Municipalities actively plan to manage and eradicate Alien invasive Species within their jurisdiction and control. Due to the negative impacts of AIS in terms of water losses, fire and flood risks as well as loss of biodiversity, it is prudent to plan and budget for AIS eradication and follow-up clearing activities on an ongoing basis. This will benefit Municipalities with significant savings down the line in terms of the cost of disasters and ensure an environment that is safe, sustainable and provides for the ecosystem goods and services of its people (Water, soil, natural products and ecotourism assets to mention a few).

d) Coastal Management

The Western Cape Provincial Coastal Management Programme (PCMP), 2016 has been systematically implemented over the past five years and has just completed its required review. An amended Provincial Coastal Management Programme has been drafted and was published for comment by 31 May 2022.

It is important that all municipal coastal management programmes are aligned to the national and provincial Coastal Management Programmes and other planning policies and frameworks. This second-generation PCMP builds upon the strengths and successes of the 2016 PCMP and is informed by inputs received through stakeholder engagement and a gender analysis that has incorporated a human rights-based approach. The programme supports the implementation of current legal mandates, policies, strategies, and projects, specifically in respect to enabling local government and creating a clearly mandated transversal system closely linked to the green and blue economy. It aims to optimise the economic potential of the coastal environment underpinned by improved protection, access, spatial planning, land use management and sustainable development of our coastal assets, particularly in the context of the impacts of climate change.

Implementation of coastal management requires an enabling cooperative governance framework. As environmental management is deemed to be a concurrent legislative responsibility in terms of the Constitution between national and provincial government, however it is recognised that coastal management is more than just environmental management it also integrates related municipal mandates like managing recreational activities (such as boating), land-use planning and management, stormwater, local amenities, public places, cleansing, beaches and amusement facilities, public nuisance, street trading, traffic and parking amongst others as per Schedule 5 of the Constitution. The NEM: ICMA assigns roles and responsibilities to all three spheres of government in respect to the management of the coastal zone.

The following specific matter is highlighted in order to support the Municipality in prioritising relevant budget allocation:

Reference	Description	Action Required
14/1/2/E3/7/1/0154/19	**Alleged failure to apply for an Outeniqua Sensitive Coastal Areas Permit on ERF 214 and ERF 14076, Knysna**	**Referred to NPA 27/09/2019**

The Municipality has indicated that they have not determined or adjusted a coastal boundary for coastal access land. The DEA&DP has recently finalised the draft coastal access bylaws which will be circulated shortly. The Knysna Local Municipality has included the Garden Route Coastal Management Line in their SDF. The Coastal Access Audit for the Garden Route has been completed and DEA&DP provided the reports to the Municipality to allow them to assess and prioritise coastal access sites that may require designation and any modifications or maintenance that may be deemed necessary. The DEA&DP is supporting the Municipality with coastal public access areas which has become problematic, contested or require other additional managements support. The DEA&DP also provided one-on-one training to municipal officials regarding the outcomes of the coastal access audit. The Municipality have PLS within their jurisdiction, there is a draft operational plan for the site. The Department is reviewing of the current PLS list. The DEA&DP is assisting with development of operational plans for all municipalities and well as draft Estuary Management Plans for estuaries within the municipal jurisdiction. The Goukamma estuary has an MMP, the other estuaries do not require MMPs.

e) Waste Management

It is noted with concern that a number of Municipalities are experiencing ongoing challenges in terms of waste management facilities, which has resulted in significant pollution and degradation of the environment, as well as potentially impacting negatively on the health and wellbeing of the local residents.

This culminated in enforcement action taken against certain municipalities who are non-compliant with their Waste Management Licenses and have contravened the relevant environmental legislation.

This Municipality is commended that there are currently no waste management matters subject to enforcement action.

Waste Management Planning

The DEA&DP will be finalising its Western Cape Integrated Waste Management Plan (2022 – 2027) in the 2022/23 financial year. The Plan will focus on resource efficiency and the circular waste economy while having a gender-responsive approach and taking into cognisance human rights and the needs of other vulnerable groups.

Waste Information Management

For the period January to March 2022, the Knysna Municipality has three (3) Waste Management Facilities registered on the IPWIS namely: D04134-01 - Old Place Garden Site, D04140-01 - Knysna Recycling Centre, D10963-01 - Sedgefield Garden Waste Treatment Facility.

The monthly reporting frequency status for this period were as follow: Old Place Garden Site - 0/3, Knysna Recycling Centre - 0/3, Sedgefield Garden Waste Treatment Facility - 0/3 making the Municipality non-compliant.

No reports have been submitted to IPWIS during this period. The Municipality did not report on food waste garden waste or wood waste. Knysna Municipality does not report regularly to the IPWIS. The report on domestic waste disposed by Knysna Municipality at PetroSA was not submitted by PetroSA at the time of this report.

Waste Minimisation & Policy

The Municipality has a 2014 Integrated Waste Management By-law that is aligned to NEM: WA. They have drop-offs, use a split bag system where residential areas receive bins for domestic waste, and clear bags for recycling. The Municipality supports a swop shop while e-Waste is managed using a container as a drop off at the waste transfer station for drop-off by the public.

In conjunction with the Garden Route District Municipality, Knysna Municipality has rolled out a home composting pilot to some homes in the area. According to IPSS information - Construction waste within the Knysna Municipal area is diverted to a private facility for composting. On their website, the Municipality has indicated that their garden refuse site is temporarily closed due to fires.

The Municipality have a dedicated official leading and driving the education and awareness in the Municipality. In a recent February 2021 meeting, it was mentioned that the Municipality are providing communication to the public regarding the reduction of waste to landfill via the Communications department, which appointed someone to draft an article on the topic. On the municipal website, a copy of its final waste minimisation plan dated July 2021, has been uploaded which will ensure that waste awareness initiatives are being implemented and organic waste is being diverted from the landfill. Additionally, the Municipality's Facebook page is active and is also being used to post posters about waste management. The Municipality recently published a newsletter which has a specific section titled " Green Column" where all waste related information such as food waste and recycling tips is communicated.

Waste Licensing

The Municipality has no waste disposal facilities (WDFs) for the disposal of domestic waste in the Knysna Municipality. Similarly, to Bitou Municipality, Knysna Municipality does not have sufficient waste infrastructure and will rely solely on the operation of the Garden Route District Municipality regional facility when it becomes operational. In the interim the Knysna Waste Transfer Station (WTS) is the main conveyor of domestic waste to the PetroSA Site. Old Place WDF only accepts green waste and there are major concerns of construction of other municipal infrastructure on site and access control. The Municipality would prefer to close Old Place WDF as it is currently a thoroughfare for citizens and is not safe for Municipal staff daily.

The Sedgefield Reclamation Facility needs a strengthening of management and budget in order to renovate the building on site. Sedgefield Green Waste and Builders' Rubble does not have sanitation facilities for their staff and similarly to Knysna WTS, access control is a major issue with informal housing being placed on site.

f) Pollution Control

It is noted with concern that a number of municipalities are experiencing ongoing challenges in terms of sewage spillages or breakdowns of key bulk sewage infrastructure, which has resulted in significant pollution and degradation of the environment, as well as potentially impacting negatively on the health and wellbeing of the local residents.

This culminated in enforcement action taken against certain Municipalities who have contravened the relevant environmental legislation.

This Municipality is commended that there are currently no pollution control matters subject to enforcement action.

g) Sustainability and Climate Change

The Climate Change Directorate within DEA&DP led the revision of the Western Cape Climate Change Response Strategy. The 2022 Strategy lists four guiding objectives for climate change response, namely: 1) Responding to the climate emergency, 2) Transitioning in an equitable and inclusive manner to net zero emissions by 2050, 3) Reducing climate risks and increasing resilience, and 4) Enabling a Just Transition through public sector, private sector and civil society collaboration. Each of the Guiding Objectives is supported by a preliminary list of key responses, which are still to be detailed in an Implementation Plan. The Strategy and Implementation Plan is provisionally aligned to the prescriptions of the Climate Change Bill, 2022, currently being gazetted for public consultation through Parliament. The Bill places obligations on District and Metro municipalities for coordination of climate change responses.

The strategic objectives of the IDP are aligned with an overall aim of reducing vulnerability to climate-induced hardship and disaster. The initiatives suggested as responses to the identified challenges must be pursued as part of all formal planning, budgeting and performance management programmes.

The SDF promotes the principle of densification which is supported. Densification and associated processes should ensure that development is kept out of risk-prone areas, given the intensification of climate-related risks in future and the relative permanence of built infrastructure.

Climate change is highlighted as a risk to the Municipality particularly in terms of agriculture, tourism and water security within the ambit of Local Economic Development. Responses to the climate risk are currently focussed on the finalisation of a climate change adaptation plan and looking at getting more research to feed into this work going forward. Response actions may, however, continue even in the absence of a climate change adaptation plan. In this regard, the ecological restoration projects already underway in the municipal area are noted, as these create employment opportunities and if executed properly, improve the attractiveness of the area to tourists.

One of the key environmental concerns in Knysna is water quality – specifically that of the main Knysna estuary. Water quality is a determinant of human and environmental vulnerability, and hence should be improved as part of a programme of vulnerability reduction. The benefits of cleaner water will include more sustainable natural resources-based economic activity, and better functioning ecological systems. It is also noted that most of the municipal spending on trading services goes towards water management. This suggests that water use efficiency has an important role to play in the area. The IDP should also note climate change related water availability reductions in future as added concern when it comes to the discussion on water security in the Municipality.

SECTION 3: ECONOMIC SUSTAINABILITY

3.1 INTRODUCTION

This section examines to what extent the tabled 2022/23 MTREF Budget is responsive from a socio-economic perspective as well as the Municipality's ability to meet the community expectations for services from its limited resources to contribute towards achieving economic sustainability and growth and maximizing benefits for its residents.

This is done by an analysis of the budgetary allocations to the strategic objectives and the municipal and provincial expenditure to determine their respective responsiveness to the socio-economic reality of the region/municipal area.

3.1.1 Municipal Budget Analysis

This section analyses the responsiveness of the budget and strategic objectives to the socio-economic reality of the Municipality.

3.1.2 Key budget priorities in terms of IDP Strategic Objectives

The 2022/23 MTREF budget breakdown in terms of the strategic objectives are indicated in the table below. Knysna Municipality budgeted for a total operating expenditure of R1.049 billion and a total capital budget of R77.105 million in the 2022/23 financial year.

Table 4 Strategic Objectives for the 2022/23 Medium Term Revenue & Expenditure Framework

Knysna Supporting Table SA5 & SA6 Reconciliation of IDP Strategic Objectives and Budget (Operating and Capital Expenditure)								
Strategic Objective	2022/23 Medium Term Revenue & Expenditure Framework OPEX				2022/23 Medium Term Revenue & Expenditure Framework CAPEX			
R thousand	Budget Year 2022/23	Budget Year 2023/24	Budget Year 2024/25	Average Annual Growth	Budget Year 2022/23	Budget Year 2023/24	Budget Year 2024/25	Average Annual Growth
To improve and maintain current basic service delivery through specific inftrastructure development projects	587 122	617 162	619 819	2.7%	70 621	58 929	101 173	19.7%
To promote a safe and healthy environment through the protection of our natural resources	144 845	150 323	158 956	4.8%	200	200	400	41.4%
To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	53 049	55 347	57 799	4.4%	285	5	5	-86.8%
To create an enabling environment for socio development and economic growth.	6 179	6 216	6 522	2.7%	2 900	1 470	640	-53.0%
To grow the revenue base of the municipality	72 653	75 831	79 171	4.4%	675	325	325	-30.6%
To structure and manage the municipal administration to ensure efficient service delivery.	186 120	191 234	201 614	4.1%	2 425	2 550	1 740	-15.3%
Total expenditure	**1 049 968**	**1 096 112**	**1 123 880**	3.5%	**77 105**	**63 479**	**104 283**	16.3%

Source: Knysna Municipality, A-Schedules

Comments:

The socio-economic reality of the Knysna area is characterized by the following issues: A moderate population annual average growth rate of 0.8 per cent which implies an increasing demand for basic services, growth in the number of no-fee schools, high immunization rates, increasing income inequality yet increasing human development, high learner-teacher ratios, declining learner retention rates, increasing anti-retroviral treatment, growing TB cases, high incidence of residential burglaries, low GDP per capita, low economic growth, high unemployment rates, high level of low-income households and declining poverty, among others.

Knysna Municipality tabled a draft amended IDP Review for 2022/2023 with no changes to the strategic objectives which was tabled in the 2021/2022 IDP Review. These strategic objectives, which are linked to the National Key Performance Areas, cover the socio-economic reality broadly, however the implementation of key performance indicators and targets should be reviewed annually to ensure that the right outcomes are delivered over the medium term. The largest allocations in the draft 2022/23 budget are made to Basic Service Delivery (71.2%) and Municipal Transformation and Organisational Development (16.7%). The rest of the allocations are made to Good Governance and Public Participation (0.04%), Local Economic Development (0.8%) and Municipal Financial Viability and Transformation (6.5%).

3.1.3 Budget Responsiveness

Trading Services Expenditure

Knysna Municipality's operating budget for *Trading Services* is expected to increase by 10 per cent in 2022/23 since the 2021/22 adjustment budget and is well above the projected inflation rate of 4.8 per cent. This increase, however, bodes well to uphold the Municipality's service standards while also making provision for efforts to reduce service backlogs. The allocation will continue to increase annually by 2.7 per cent across the MTREF.

Capital budget allocations to trading services, however, decline by 18.5 per cent, compared to the 2021/22 adjustment budget, but will continue to increase annually by 9.4 per cent across the remaining years of the MTREF. The increasing capital investment infrastructure will surely impact positively on the Municipality's ability to fulfil its developmental mandate.

Table 5 Trading Services Expenditure Analysis: 2022/23 (R'000)

Type of Expenditure	Community Needs (IDP)/Current Reality and Expenditure Analysis	Provincial Infrastructure Spend	Municipal Infrastructure Spend	Municipal Operating Spend
Total Expenditure		-	**116 444**	**1 061 862**
Trading Services		-	**61 097**	**534 538**
Electricity	**Community needs (IDP)/Current reality:** • According to the Knysna 2021 Socio-Economic Profile, 88.1% of households have access to electricity as the primary source of lighting. • Power outages – overhead line systems are exposed to storms and lightning as well as cable theft • Requests for electrification by remote villages such as Brackenhill and Diepwalle. • To cater for long term load growth and new township development.	-	**14 760**	**333 069**

Type of Expenditure	Community Needs (IDP)/Current Reality and Expenditure Analysis	Provincial Infrastructure Spend	Municipal Infrastructure Spend	Municipal Operating Spend
	• Knysna does not have a long-term strategy to explore alternative energy sources but promote and support private initiatives to generate energy through biogas, wind farms in the area.			
	Expenditure Analysis: • The tabled budget responds well to the above needs and socio-economic reality. Energy is the Municipality's primary trading services priority for 2022/23 i.e, the allocation amounts to 62.3% of the total operating budget. The operating budget allocation towards the Energy function increased by 11.8% in 2022/23 when compared to the 2021/22 adjustment budget total and will on average increase by 2.8% annually across the MTREF. • From the capital expenditure perspective, the Energy allocation declined by 31.9% between the 2021/22 adjustment budget and the tabled 2022/23 budget and will increase annually by 0.1% over the MTREF. This reduction in the capital expenditure will impact negatively on the Municipality's efforts to address the backlogs and grow the revenue sources as an outcome of strategic objective 4. The largest electrical capital projects as per schedule SA36 for 2022/23 are Industrial Area – Upgrade of network and cabling across the Whole of the Municipality (R9.330 million), Asset replacements & refurbishment – Whole of the Municipality R2 million). • In terms of households receiving free basic services, the Municipality estimates an amount of R7.541 million for free basic electricity but did not estimate for how many households this will be. This allocation increases by 2.9% over the three years of the MTREF.			
Water	**Community needs (IDP)/Current reality:** • According to the Knysna 2021 SEP-LG, 94.4% of households have basic access to water (Piped inside dwelling/within 200 m). In 2019, 1 720 households received free basic water at the minimum service level. • Review of water tariff design structure • Water leakage detection system • Installation of water management devices at individual households • Ensuring that all areas under Knysna's jurisdiction have access to clean water • Eradication of water provision provision backlogs • Ensure long term water security • Improving water quality • Ageing infrastructure • Public Private Partnerships • Water Security	**-**	**21 150**	**74 226**
	Expenditure Analysis: • The capital expenditure allocation to water as per A5 comprise 34.6% of trading services expenditure which are the second biggest allocation of all the other trading services and indicates high priority in 2022/23. The capital expenditure allocation to water in 2022/23 of R21.150 million declined sharply with 40.9 per cent from the 2021/22 adjustment budget in line with the overall drop of 18.4 per cent of the trading services budget. The capital expenditure allocation increases annually by 25.4% over the MTREF. Large capital projects intended for 2022/23 are capital Spares (R6.5 million), replacement and refurbishment of Sand filters (R4 million) and Fencing and Security of Key Points (R2 million).			

Type of Expenditure	Community Needs (IDP)/Current Reality and Expenditure Analysis	Provincial Infrastructure Spend	Municipal Infrastructure Spend	Municipal Operating Spend
	• The operational expenditure in terms of water trading services is the third largest after electricity at 62.3% and waste-water management at 14.8% and increases with an average of 0.6% over the MTREF. The Municipality estimates that the provision of free basic water to indigent households in 2022/23 would amount to R3 million however the number of households receiving this service has not been estimated. • As most of the water management challenges as per the IDP, are infrastructural and longer term in nature, larger investment in infrastructure expansion, upgrades and maintenance are required. It appears that the operational and capital expenditure of the 2022/23 budget responds within the financial constraints to the current and future community needs within Knysna Municipality.			
Waste Water Management	**Community needs (IDP)/Current reality:** • According to the Knysna 2021 SEP-LG, 75.1% of households have basic access to sanitation (flush/chemical toilet). Furthermore, In 2019, 1 720 households received free basic sanitation at the minimum service level. • Modeling existing infrastructure for new developments • Improved effluent quality • Eradication of sanitation backlogs	**-**	**21 587**	**79 310**
	Expenditure Analysis: • The capital expenditure allocation to waste water as per A5 comprise 35.3% of trading services expenditure which is the largest allocation. The allocation will increase by 2.7% over the MTREF. The three largest capital projects for 2022/23 are upgrading of the Sedgefield Waste Water infrastructure, Phase 2 (R10.267 million), Upgrade main sewer p/station and sewers Ward 2 (R2 million) and MCC Replacement (R1.350 million). • The waste-water operational expenditure in terms of trading services is the second largest at 14.8% and increases with an average of 2% over the MTREF. The Municipality estimates that the provision of free basic water to indigent households in 2022/23 would amount to R224 000, however the number of households receiving this service has not been estimated. • The waste-water function is linked to the water function, which also indicates a need for infrastructural expansion covered by the MTREF allocations as well as MIG allocations over a five-year period. Even though the demand exceeds the supply by far in terms of the needs for basic sanitation, the Municipality succeeds to respond within constraint to the needs of the community.			
Waste Management	**Community needs (IDP)/Current reality:** • According to the Knysna 2021 SEP-LG, 93% of households have access to refuse removal (at least weekly) • Continuation of the Wise-up-on-Waste Education & Awareness campaigns • Roll-out of a comprehensive wheelie bin system in all wards • Expanded re-use & recycling programme • Establishment of accredited garden waste sites • Effective law enforcement to prohibit illegal dumping	**-**	**3 600**	**47 934**

Type of Expenditure	Community Needs (IDP)/Current Reality and Expenditure Analysis	Provincial Infrastructure Spend	Municipal Infrastructure Spend	Municipal Operating Spend
	Expenditure Analysis: • The capital expenditure allocation to waste management as per A5 comprise 5.9% of trading services expenditure which are the lowest allocation of all the other trading services in terms of capital expenditure. The allocation will increase to R4.350 million in 2023/24 and drastically decline to R150 000 in 2024/25. • The waste management operational expenditure in terms of trading services is the lowest at 9.0% and increases with an average of 6.5 per cent over the MTREF. The Municipality estimates that the provision of free basic water to indigent households in 2022/23 would amount to R8 000 however the number of households receiving this service has not been estimated. • According to the allocation trends, the refuse removal function is more operational than capital intensive hence smaller allocation to waste management infrastructure. The Municipality however needs to increase the capital investment in order to provide access to this service to the remaining 7per cent of the Knysna households.			

Source: 2022 Western Cape EPRE (Provincial spend), National Treasury Database (Municipal spend)

Responsiveness of Economic Expenditure

Table 6 Economic Expenditure Analysis: 2022/23 (R'000)

Type of Expenditure	Community Needs (IDP) and Expenditure Analysis	Provincial Infrastructure Spend	Municipal Infrastructure Spend	Municipal Operating Spend
Economic Expenditure				
Road Transport and Public Works	**Community needs (IDP)/Current reality:** • SANRAL N2 Re-alignment Project (N2 by-pass) • Repair roads and related services • Resurfacing of roads • Gravel road maintenance	-	31 835	37 760
	Expenditure Analysis: • Road transport operational expenditure comprises 44.04%, the largest portion of Economic and environmental services and remains the second largest spend over the MTREF. The main items in terms of operational expenditure is Road and Traffic regulation (R3.548 million), Roads (R34.213 million). Capital expenditure is similarly the largest allocation at 96.9% under Economic and Environmental Services. The capital expenditure allocations for road transport are increasing by an average of 18.8% over the remaining years of the MTREF. Examples of large municipal capital projects are the resealing of streets (R7.5 million), MIG Rehabilitation of Streets (R5.792 million) and Surfacing of Gravel Roads in Ward 4 (R5.095 million).			

Source: 2022 Western Cape EPRE (Provincial spend), National Treasury Database (Municipal spend)

Responsiveness of Social Expenditure

Table 7 Social Expenditure Analysis: 2022/23 (R'000)

Type of Expenditure	Community Needs (IDP) and Expenditure Analysis	Provincial Infrastructure Spend	Municipal Infrastructure Spend	Municipal Operating Spend
Social Expenditure				
Health	**Community needs (IDP)/Current reality:** • An increase of Anti-Retroviral treatment over two years • The number of tuberculosis cases are increasing • High immunization rates, but malnutrition among children is increasing. • Low mortality rates over several years	**38 387**	**-**	**-**
	Expenditure Analysis: • The total investment in health infrastructure by the provincial government over the 2022/23 MTEF is R60.343 million which represent 43.8% of the total allocation to the Garden Route district. The allocation of R20 million for 2022/23 is for the Knysna – Hornlee Clinic Replacement, R17.837 million Knysna FPL – Replacement.			
Housing	**Community needs (IDP)/Current reality:** • According to the Knysna 2021 SEP-LG, 72.1% of the total households have access to formal housing. • Informal settlement upgrading • Low to medium income housing opportunities • Mushrooming informal housing settlements and its upgrading • Adequate quality housing opportunities • Housing backlogs • Opportunities for integrated housing projects	**21 840**	**1 512**	**42 109**
	Expenditure Analysis: • Housing operational expenditure comprises 17.8%, the second largest portion of Community and Public Safety and remains the second largest spend over the 2022/23 MTREF. Capital expenditure, on the other hand, is the smallest allocation at 8.4 per cent under Community and Public Safety and increases significantly by an average of 193.2% over the remaining years over the MTREF. One capital project earmarked for 2022/23 is the servicing of 30 erven in Hornlee. • The total provincial allocation for housing infrastructure is R109.260 million over the 2022/23 MTEF which are divided into R21.840 million in 2022/23, R49.310 million in 2023/24 and R38.110 million in 2024/25. The largest provincial housing projects in 2022/23 include the Knysna Vision 2002 Oupad, Damse Bos, Nekkies (R9.1 million), Knysna Hlalani (R5.2 million) and Knysna Ethembeni (R4.29 million). • The 2022/23 operational and capital budget as well as provincial expenditure totaling R65.461 million responds well to the community needs and addressing the backlogs that exist, however the backlogs are a "moving target" in the light of population growth, in-migration, etc. In order to address this the Municipality should form partnership with neighboring communities, build regional development plans to capitalize on economies of scales, the answer to these challenges does not solely reside within Knysna.			

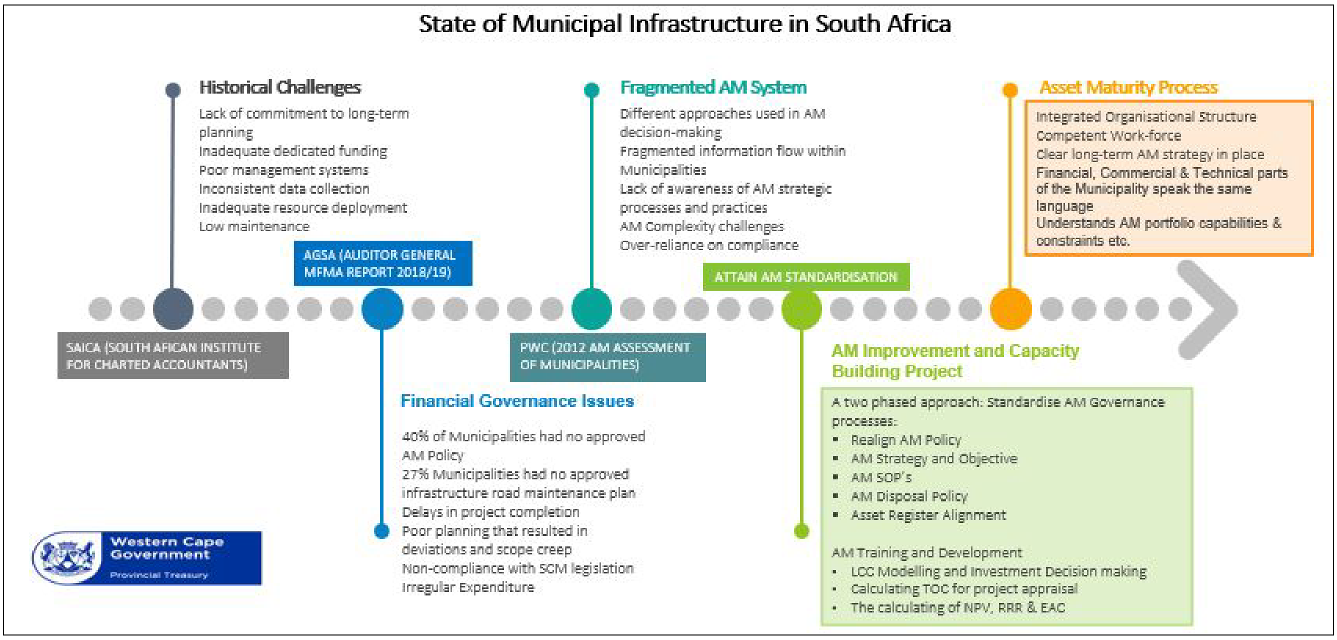
Source: 2022 Western Cape EPRE (Provincial spend), National Treasury Database (Municipal spend)

3.2 UTILISING PROCUREMENT AS A LEVER TO ENHANCE LOCAL ECONOMIC DEVELOPMENT

3.2.1 Asset Management Governance and Capacitation Project

This project was necessitated by the challenges that were highlighted by AGSA during their 2018/19 audit report for MFMA in the Western Cape, SAICA and PriceWaterhouseCoopers (PWC) assessment which is depicted below.

Figure 1 State of Municipal Infrastructure



This project focused specifically targeted the Municipal Asset Management Governance Framework, Policies and Strategies as this is the bedrock of all assets related initiatives and provides a mechanism decision-making and gives clear understanding and oversight of each other's expectations, objectives, performance, risk appetite, and reporting requirements. The Framework would review municipal current:

- Policy and Strategy Development
- Asset Management Planning and Implementation
- Capability and Capacity Development
- Performance Improvement and
- Knowledge Management

Cape Winelands District Municipalities including Overstrand and Cape Agulhas Municipalities were piloted in the initial roll-out of the project. This project has now been implemented in the West Coast District and will over time be rollout out to other districts of the Western Cape.

As part of this Governance Framework attention was given to the Operations and Maintenance Works Order Management processes; this is the cornerstone of good Repairs and Maintenance Practices, and the Works Order Management document is the prerequisite to a Computerized Maintenance Management system (CMMS) that was found lacking at all piloted municipalities. The reason for the focus on this area is because of the inherent benefits thereof being:

- Cutting downtime of operation equipment
- Extent asset life
- increase availability and performance of equipment.

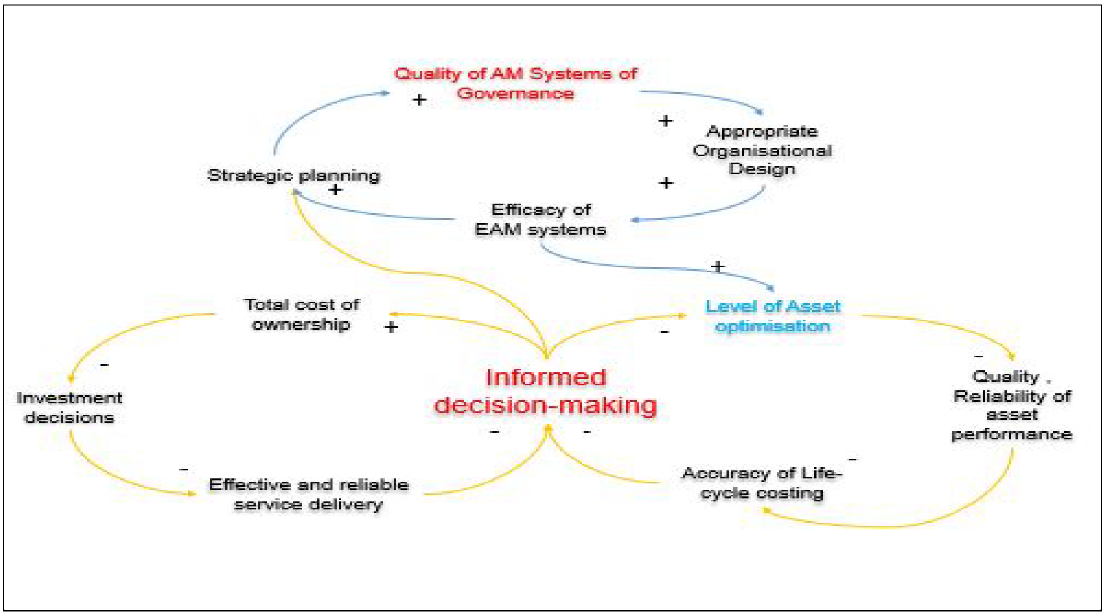
- Boost employee productivity.
- Reduce overtime.
- Improve municipal services.
- Reduce the maintenance backlogs.
- Improve safety.

The causal loop diagram below provides a snapshot of the aim and purpose of the Asset Management Governance and Capacitation Project. Starting with improving the quality of Asset Management system of Governance it is envisaged that this would have a knock-on effect of the other processes with the Asset Management system as is depicted in the diagram below. The causal loop diagram also illustrates the aimed interconnectedness of the various processes in the Asset Management System and the relationship with SCM with the ultimate purpose to mature the Asset Management System in municipalities overtime. This will depend on the capability, capacitation levels and culture that exists within various municipalities and districts.

The loop suggests that Asset Management System of Governance will impact Municipal Strategic Planning with appropriate alignment to the organisational design that should positively impact the efficacy of the Enterprise Asset Management Systems (EAM). This should translate into greater level of optimisation that impacts on:

- The quality and reliability of asset performance
- Accuracy of lifecycle costing into
- Better informed decision-making
- That positive effect Total Cost of Ownership (TCO)
- Help municipalities make informed Investment Decisions
- Hence deliver on effective and reliable service delivery

Figure 2 Informed Decision-making



The benefits are asset's longevity beyond design life, integrated solutions that balance cost, risk and performance over the asset life cycle that are needed to optimise asset reliability, availability and quality, at minimum cost. All the elements in the causal loop becomes necessary to understand the risks, benefits of delaying new capital expenditure and the impact on strategic objectives. The aim of Asset optimization is to find the balance between efficiency and reliability by making strategic improvements to the effectiveness of your overall asset management methodology by providing more holistic adjustments to your Asset Management Governance Framework

The District Asset Management Steering Committee approach for CWDM will aim to share best and right practices and standardised Asset Management processes, in order to keep the continuity and improve the maturity within the region. The collective knowledge of the individual pilot projects will be shared among all municipalities on platform to improve the other portfolios within individual Municipalities.

To achieve this; collaboration among all municipalities on the platform will be key, so it is proposed that it would be essential for other District Municipalities to start playing that collaborative role within their respective districts, in order to start building momentum, so when the project is rolled out in that particular District, the process to standardisation and maturity would be easier.

3.2.2 Procurement Planning

Demand Management and procurement planning has become a national concern, hence National Treasury issued MFMA Circular No. 94 requiring the Accounting Officer to submit the procurement plan together with the Budget, Service Delivery and Budget Implementation Plan (SDBIP) to address the weak planning processes, as slow spending of capital budgets has a negative impact on service delivery.

Procurement planning in the Local Government sphere is an evolving process that needs to be enhanced overtime as the current system, manual or otherwise, has attributed to poor service delivery by not meeting the intended municipal service delivery goals.

PT is currently assessing all procurement plans of Western Cape Municipalities to ensure the compilation of a demand plan and procurement plans aligned with the IDP, SDBIP, and linked to the annual budget to ensure that funding for the acquisition of goods and services are available.

In times of fiscal austerity, efficient resource allocation and integrity in public spending is essential to ensure sound service delivery and transparency. Thus, procurement planning can be a useful recognition of procurement tool to improve institutional efficiency through savings and economies of scale. One of the ways to utilize procurement plans to achieve savings and economies of scale is to consider joint procurement for common goods and services.

3.3 MUNICIPAL SUPPLIER EVIDENCE BANK (SEB)

In the Draft Public Procurement Bill for public comment, under Chapter 2, Part 3 – Use of Technology, reads "*Institutions must, to the extent possible, use information and communication technology to implement any of the procurement methods in this act*".

PT is currently doing research with the planned roll-out of supplier evidence bank (SEB) system to the municipalities to enhance their master supplier database and provide a reliable house for documentation of suppliers' information. The SEB is a central repository of governance documents required in the Supply Chain Management process that augments the CSD as this information is not available on the current CSD system.

There are numerous benefits that comes with this web-based solution for Provincial Treasury, municipalities and suppliers as it will provide a single point of reference, reduce the repetitive process of submitting documentation and house documentation. The benefits for municipalities and suppliers will include at least the following SCM Governance requirements:

- The SEB will provide for LESS RED TAPE making it easier to do business with municipalities and streamline the activation process.

- Focused on improving performance, compliance and developing a credible centralised data source has emerged.
- The main function of the SEB, is that governance documents submitted only ONCE to the WCSEB instead of each tender (BBBEE + tax compliance status extracted from CSD, MBD 4, 8 and 9 consolidated into ONE document: MBD4, inclusive of municipal services accounts.)
- The SEB will also flag suppliers listed on the NT tender defaulters register and restricted suppliers' list, potential conflict of interest, suspended suppliers and any supplier expired documentations.

Furthermore, the SEB is designed to accommodate local SMME's to render service with the Municipality especially for formal and informal quotation as there's no need for local supplies to visit the municipal office notice boards to check for advertised tender/RFQs, the system generates the email and send it to supplies based on their commodity/industry classification. Overtime Provincial Treasury will purpose to integrate other applications and solutions with the SEB via a BI solution as part of the e-vision in order bring about better efficiencies in governance and data analytics.

SECTION 4: FINANCIAL SUSTAINABILITY

4.1 CREDIBILITY OF FUNDED BUDGET

4.1.1 Observations on the Current Financial Year

The review of the 2022/23 Medium Term Revenue and Expenditure Framework (MTREF) budget takes into consideration the current year budget implementation, current economic reality, historical data of past revenue generation and spending trends as a baseline measure to determine the impact on future budget implications and to ascertain the credibility and sustainability of the budget.

The table below sets out the Municipality's past and current operating and capital budget performance as per the data submitted by the Municipality to the National Treasury Database.

Table 8 Audit and current year performance

KNYSNA MUNICIPALITY																						
REPORTING PERIOD	2018/19				2019/20				2020/21				Current Year 2021/22						
R thousands	Adjusted Budget	Audited Outcome	Difference	Diff %	Adjusted Budget	Audited Outcome	Difference	Diff %	Adjusted Budget	Audited Outcome	Difference	Diff %	Original Budget	Adjustment Budget	Difference	Diff %	YTD M08	YTD Budget	YTD %
Description	2018/19	2018/19	2018/18	2018/19	2019/20	2019/20	2019/20	2019/20	2020/21	2020/21	2020/21	2020/21	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22
<u>Financial Performance</u>																			
Property rates	205,069	203,443	(1,626)	-0.79%	215,703	215,549	(155)	-0.07%	229,279	211,839	(17,440)	-7.61%	236,158	229,519	(6,638)	-2.81%	188,540	188,541	82.1%
Service charges	330,871	333,167	2,297	0.69%	394,812	364,764	(30,048)	-7.61%	427,662	379,701	(47,961)	-11.21%	435,781	393,988	(41,793)	-9.59%	306,682	306,706	77.8%
Investment revenue	10,302	10,302	(0)	0.00%	11,760	9,443	(2,317)	-19.70%	4,410	4,549	140	3.17%	4,722	3,448	(1,273)	-26.97%	1,189	1,189	34.5%
Transfers recognised - operational	138,901	106,741	(32,160)	-23.15%	165,950	145,204	(20,745)	-12.50%	166,732	164,884	(1,849)	-1.11%	161,320	190,678	29,357	18.20%	100,472	100,472	52.7%
Other own revenue	139,586	122,443	(17,143)	-12.28%	145,558	158,167	12,609	8.66%	152,722	48,045	(104,677)	-68.54%	166,233	134,810	(31,423)	-18.90%	27,228	25,765	19.1%
Total Revenue (excl. capital transfers and contributions)	**933,782**	**891,362**	**(42,420)**	**-4.54%**	**980,805**	**879,740**	**(101,065)**	**-10.30%**	**955,228**	**956,771**	**1,543**	**0.16%**	**972,827**	**1,013,955**	**41,128**	**4.23%**	**624,112**	**622,674**	**61.6%**
Employee costs	251,109	236,178	(14,931)	-5.95%	246,942	257,502	10,559	4.28%	955,228	257,502	(697,726)	-73.04%	283,809	272,534	(11,275)	-3.97%	183,400	183,122	67.3%
Remuneration of councillors	9,351	8,570	(782)	-8.36%	10,245	8,108	(2,136)	-20.85%	955,228	8,108	(947,120)	-99.15%	10,023	9,965	(58)	-0.58%	5,981	5,981	60.0%
Depreciation & asset impairment	32,226	33,373	1,147	3.56%	33,424	33,424	0	0.00%	955,228	33,424	(921,804)	-96.50%	30,591	41,398	10,806	35.32%	0	–	0.0%
Finance charges	14,178	26,092	11,915	84.04%	31,280	19,908	(11,372)	-36.36%	955,228	19,908	(935,320)	-97.92%	34,041	23,032	(11,009)	-32.34%	12,431	12,431	54.0%
Materials and bulk purchases	211,658	212,902	1,244	0.59%	230,850	197,401	(33,449)	-14.49%	230,850	197,401	(33,449)	-14.49%	253,038	232,750	(20,288)	-8.02%	167,644	167,514	72.0%
Transfers and grants	7,694	3,610	(4,084)	-53.08%	6,081	2,389	(3,692)	-60.71%	6,081	2,389	(3,692)	-60.71%	8,409	6,921	(1,489)	-17.70%	565	565	8.2%
Other expenditure	387,794	371,440	(16,354)	-4.22%	396,942	378,000	(18,943)	-4.77%	396,942	378,000	(18,943)	-4.77%	416,166	364,713	(51,453)	-12.36%	161,445	161,777	44.3%
Total Expenditure	**914,010**	**891,302**	**(22,708)**	**-2.48%**	**955,765**	**919,930**	**(35,835)**	**-3.75%**	**951,811**	**953,878**	**2,067**	**0.22%**	**972,105**	**1,013,029**	**40,925**	**4.21%**	**531,466**	**531,389**	52.5%
Surplus/(Deficit)	**19,772**	**60**	**(19,712)**	**-99.70%**	**25,041**	**(40,190)**	**(65,231)**	**-260.50%**	**3,417**	**2,893**	**(524)**	**-15.33%**	**722**	**925**	**203**	**28.14%**	**92,646**	**91,285**	9865.1%
Transfers recognised - capital	74,217	47,341	(26,876)	-36.21%	66,437	57,375	(9,061)	-13.64%	66,437	57,375	(9,061)	-13.64%	44,350	48,152	3,802	8.57%	14,734	14,734	30.6%
Contributions recognised - capital & contributed assets	1,094	993	(101)	-9.28%	1,295	1,108	(187)	-14.43%	1,295	1,108	(187)	-14.43%	1,360	–	(1,360)	-100.00%	107,381	106,019	0.0%
Surplus/(Deficit) after capital transfers & contributions	95,083	49,296	(45,787)	-48.15%	92,772	(29,230)	(122,002)	-131.51%	92,772	(29,230)	(122,002)	-131.51%	13,847	49,284	35,437	255.92%	107,381	106,019	215.1%
Surplus/(Deficit) for the year	**95,083**	**49,296**	**(45,787)**	**-48.15%**	**92,772**	**(29,230)**	**(122,002)**	**-131.51%**	**92,772**	**(29,230)**	**(122,002)**	**-131.51%**	**13,847**	**49,284**	**35,437**	**255.92%**	**107,381**	**106,019**	**217.88%**
Total Capital expenditure	**212,523**	**151,113**	**(61,410)**	**-28.90%**	**186,917**	**135,357**	**(51,560)**	**-27.58%**	**166,699**	**214,219**	**47,520**	**28.51%**	**143,644**	**157,973**	**14,329**	**9.98%**	51,328	51,293	
Transfers recognised - capital	76,766	53,572	(23,194)	-30.21%	63,718	53,511	(10,208)	-16.02%	63,718	53,511	(10,208)	-16.02%	44,350	44,350	–	0.00%	14,149	14,149	31.9%
Public contributions & donations			–	0.00%			–	0.00%			–	0.00%			–	0.00%			
Borrowing	71,308	48,183	(23,125)	-32.43%	61,757	40,798	(20,959)	-33.94%	61,757	40,798	(20,959)	-33.94%	71,809	71,809	–	0.00%	31,990	31,955	44.5%
Internally generated funds	58,497	47,669	(10,828)	-18.51%	61,442	41,258	(20,184)	-32.85%	61,442	41,258	(20,184)	-32.85%	41,779	41,779	–	0.00%	5,189	5,189	12.4%
Total sources of capital funds	**206,571**	**144,589**	**(61,982)**	**-30.01%**	**186,917**	**135,357**	**(51,560)**	**-27.58%**	**166,699**	**143,998**	**(22,700)**	**-13.62%**	**143,644**	**157,973**	**14,329**	**9.98%**	**51,328**	51,293	**32.5%**

Source: 2022/23 MTREF Budget, Annual financial Statements and LG Database

- Knysna municipality underperformed on its total operating revenue budget in both the 2018/19 and 2019/20 financial years. However, a slight overperformance was observed in the 2020/21 financial year despite the effects of the COVID-19 pandemic. Transfers recognized operational and Other own revenue underperformed significantly by 23.2 per cent and 12.3 per cent respectively in 2018/19. In 2019/20 Service Charges and Transfer recognized operational under performed by 7.6 and 12.5 per cent respectively. Despite the slight over performance observed, significant underperformance was noted for Service Charges and Other Own Revenue of 11.2 per cent and 68.5 per cent respectively. A downwards adjustment was observed for all line items except Transfers recognized operational in the current year's adjustment budget, however the net effect of all the adjustments was an upward adjustment on the operating revenue budget from R955.23 million to R1.014 billion when comparing the original and adjusted 2021/22 budgets. The anticipated growth in consumer consumption for service charges revenue should consider past and current trends of consumer consumption behavior given affordability challenges that may still be felt in the foreseeable future as households recover from the impact of the COVID-19 pandemic.

- The Operating Expenditure budget was underspent by 2.5 per cent and 3.8 per cent in the 2018/19 and 2019/20 financial years respectively. The Operating expenditure budget was slightly overspent in the 2020/21 financial years mainly due to the impact of COVID-19. For the current financial year, an increase of 4.2 per cent was noted, careful monitoring is encouraged to prevent the continued negative trends especially against items that have a direct impact on service delivery and the Municipality should continue to implement stringent cost containment measures.

- The Municipality's capital budget performance indicated underspending in 2018/19 by 28.9 per cent, 27.6 per cent in 2019/20 but over performed by 28.5 per cent in the 2020/21 financial year. For the current financial year, the year-to-date performance for capital expenditure is at 32.5 per cent against the adjusted budget of R157.97 million, when compared to the year-to-date budget of 32.5 per cent the Municipality's capital expenditure is on par with projections. The Municipality increased the capital budget in the current financial year by 10 per cent, however the slow implementation of the capital programme remains a risk. Strategies to improve spending during the first six (6) months must be reviewed in the ensuing MTREF years. In addition, given the current underperformance, stringent measures to intensify monitoring of capital performance over the next four (4) months must be implemented. Although the Municipality funds a portion of its capital budget from internally generated funds, it is highly reliant on external funding, considerations should be given to review the current funding model to be less dependent on external funds.

- Total outstanding debtors as at 28 February 2022 have increased by R59.59 million or 20.6 per cent year-on-year. Debtors outstanding for more than 90 days remain high, amounting to R268.13 million (77 per cent of the total outstanding debtors) as at the end of February 2022. It is evident from the above performance that the Municipality is struggling to collect the long outstanding debt which will have an impact on service delivery and the financial sustainability of the Municipality. Given the impact of COVID-19, strategies to reduce or recover accumulated debtors over 90 days must be revised. Furthermore, the collection rate is currently reported to be below the National Treasury (NT) norm of 95 per cent at 88.9 per cent as at 28 February 2022, however the collection rate is projected at 95.1 per cent over the 2022/23 MTREF period. Furthermore, with the current economic conditions and post COVID-19 recoveries this is likely to exacerbate particularly were people suffered job losses and the high cost of living.

- During February 2022, the Municipality passed an adjustment budget in terms of section 28 of the MFMA to revise the revenue and expenditure projections for the 2021/22 financial year. It is therefore advisable to follow a conservative approach when projecting revenue and eliminate any waste and unnecessary expenditure for the 2022/23 MTREF. Furthermore, sound financial management principles applied in the past should be built on to achieve improved revenue generation, greater savings, more efficient and effective spending, and increased contributions to capital investment which will ensure sustainable service delivery.

- In terms of governance, concern is raised with the resignations of senior management during a critical period of the financial year compounded by the current economic circumstances.

- In view of the above findings, it is recommended that the Municipality consider current and past revenue and expenditure trends which continues to set the baseline and therefore have an impact on future budgetary provisions.

4.2 REVIEW OF THE NEW (2022/23) MTREF

4.2.1 Review of the Budget Assumptions

- Knysna Municipality provided an overview of budget assumptions used in the preparation of the 2022/23 MTREF budget as prescribed by the Municipal Budget and Reporting Regulations (MBRR). The budget assumptions listed in the budget document are used as a benchmark in predicting the expected operating revenue and expenditure as well as the capital expenditure given the current realities facing the Municipality and its ability to manage its financial administration. The budget assumptions are further reviewed to determine whether they are realistic and indicative of multi-year budgeting, the following were considered:

Table 9 Budget assumptions for the 2022/23 MTREF Budget

2022/23 MTREF: Key Budget Assumptions				
Desrciption	**2021/22**	**2022/2023**	**2023/2024**	**2024/2025**
Growth Parameters				
Gross Domestic Product Growth (GDP)	2.10%	**1.80%**	1.80%	1.80%
Consumer Price Inflation (CPI)	4.50%	**4.80%**	4.40%	4.50%
Revenue Increases				
Property Rates	6.10%	**4.80%**	4.40%	4.50%
Service Charges: Electricty	14.59%	**9.61%**	9.61%	9.61%
Service Charges: Water	5.10%	**4.80%**	4.40%	4.50%
Service Charges: Sanitation	5.10%	**4.80%**	4.40%	4.50%
Service Charges: Refuse	12.00%	**11.50%**	4.40%	4.50%
Cost of Remuneration				
Estimated cost of living	3.50%	**4.90%**	4.40%	4.50%
Estimated notch increases	2.40%	**2.40%**	2.40%	2.40%
Bulk Purchases				
Electricity	17.80%	**9.61%**	9.61%	9.61%

- The overall budget assumptions appear to be credible and aligned to the prescribed regulatory framework as contemplated by the Municipal Budget and Reporting Regulations (MBRR), read together with the Municipal Financial Management Act (MFMA), and is also guided by the MFMA Circular No. 112 and MFMA Circular No. 115 as well as the Provincial Treasury Circular No. 7/2022.

- Tariff increases for Property rates are proposed at 4.8 per cent, while tariff increases for Water and Sanitation services are also proposed at 4.8 per cent respectively. However, the Electricity Tariff (9.61 per cent increase in 2022/23) and Refuse tariff (11.5 per cent increase in 2022/23) were increased at rates which are above the inflation rate. The 9.61 per cent increase in billed electricity is above the 7.47 per cent NERSA approved tariff increases to consumers. The final budget should be correctly aligned to the latest guidelines. The Municipality indicated that the budget has been compiled based on the financial framework, financial strategies and financial policies of council and guided by the Consumer Price Index (CPI). Where the Refuse tariff increased above inflation was mainly due to off-set increased costs in relation to recycling, transportation of waste, and the regional waste management facility.

- Knysna Municipality is commended for tabling its Long-Term Financial Plan. The budget was prepared within the context of various considerations and scenarios assessed in the long-term financial plan to accurately inform budget projections and ensure long-term sustainability.

- The Municipality considered its mission and strategic objectives in the budget assumptions and the common theme is long term sustainability. To achieve this, the Municipality is focusing on ensuring the Municipality remains financially viable and that municipal services are provided sustainably, economically and fairly to all communities. This also seeks to execute the realisation of the national and provincial government agenda. Strategies to ensure these plans are implemented should be continuously revised. Furthermore, balancing affordability and increasing spending demands is key to maintain a healthy funding position with active contributions to the capital replacement reserve fund to ensure financial sustainability.

- The Municipality has over the last two (2) financial years shown resilience under exceptionally uncertain economic conditions. Some of the current uncertainties include amongst others the impact of oil prices and other commodities as well as the impact of ESKOM loadshedding on industries. The Municipality is encouraged to focus on getting the basics right during this trying period such as billing all customers correctly, collecting all monies due, timely payment of creditors, implementing cost containment, manage cash flow, effective asset management and capital planning as well as making informed expenditure choices.

4.2.2 Budget Overview

Table 10 Budget overview for the 2022/23 MTREF Budget

WC048 - Knysna	Budgeted Financial Performance			CURRENT YEAR			MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK					
Description	2018/19	2019/20	2020/21	2021/22	2021/22	2021/22	2022/23	2023/24	2024/25	2022/23	2023/24	2024/25
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Pre-Audit outcome	Budget Year +0	Budget Year +1	Budget Year +2	% Change	% Change	% Change
Total Revenue (excluding capital transfers and contributions)	891,362	879,740	956,771	972,827	1,013,955	624,112	1,067,410	1,120,157	1,149,481	5.3%	4.9%	2.6%
Total Expenditure	891,302	919,930	953,878	972,105	1,013,029	531,466	1,062,105	1,114,284	1,143,098	4.8%	4.9%	2.6%
Surplus/(Deficit)	**60**	**(86,475)**	**14,903**	**722**	**925**	**92,646**	**5,304**	**5,873**	**6,383**	**473.3%**	**10.7%**	**8.7%**
Non Cash Items												
Depreciation and asset impairment	33,373	35,121	39,993	45,670	43,670	–	43,688	45,420	47,244	0.0%	4.0%	4.0%
Total Restated Results	**33,433**	**(51,354)**	**54,896**	**46,392**	**44,595**	**92,646**	**48,992**	**51,293**	**53,627**	**9.9%**	**4.7%**	**4.5%**
Total Capital Expenditure - Functional	**20,208**	**89,741**	**72,620**	**143,644**	**157,973**	**51,328**	**125,994**	**146,305**	**207,996**	**-20.2%**	**16.1%**	**42.2%**
Funded by												
Transfers recognised - capital			**1,020**	**47,684**	**54,801**	**14,149**	**46,468**	**53,325**	**106,446**	-15.2%	14.8%	99.6%
Borrowing			28	86,903	95,035	31,990	61,430	65,750	75,270	-35.4%	7.0%	14.5%
Internally generated funds	101			9,058	8,137	5,189	8,546	9,680	5,730	5.0%	13.3%	-40.8%
Cash/cash equivalents at the year end:	**123,086**	**498,696**	**(1,417,451)**	**70,138**	**32,095**	**117,619**	**28,658**	**25,790**	**22,041**	**-10.7%**	**-10.0%**	**-14.5%**
Surplus(shortfall)	**49,097**	**24,032**	**50,539**	**54,516**	**63,004**	**107,381**	**51,773**	**59,198**	**112,829**	**-17.8%**	**14.3%**	**90.6%**

Source: 2022/23 MTREF Budget, TABB Data-strings

- The Municipality is commended for tabling a funded budget for the 2022/23 MTREF in accordance with section 18 of the MFMA, however a deterioration from the past audited years has been noted and the sustainability of the budget is a concern. The Municipality intends to raise its collection rate to 95 per cent over the 2022/23 MTREF budget which requires operational efficiency to ensure ongoing financial sustainability considering its current collection rate is 88.9 per cent as at 28 February 2022.

- Taking into consideration that the National and Provincial grants will decrease over the MTREF, Knysna Municipality should ensure that it collects the projected 95 per cent from the municipal services and other revenue streams to maintain a positive cash flow position.

- The Municipality tabled operational surplus budgets over the entire 2022/23 MTREF with an increasing trajectory according to the treasury recalculation. It has been noted that the estimated growth rate in operating revenue remains slow, while operating expenditure is growing at the same pace as operating revenue over the 2022/23 MTREF, this clearly indicates that the Municipality has budgeted conservatively. In this regard, the Municipality should explore more ways of optimising its operating revenue to strengthen its cash position and avoid any possibilities of facing potential financial challenges.

4.2.3 Operating Revenue Budget

Table 11 Operating Revenue for the 2022/23 MTREF Budget

WC048 - Knysna	Table A4 Budgeted Financial Performance (revenue and expenditure)					CURRENT YEAR				MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK						SSUMPTIONS & CALCULATIOI		
Description	2018/19	2019/20	2020/21	2021/22	2021/22	2021/22	2021/22	2021/22	2022/23	2022/23	2023/24	2023/24	2024/25	2024/25	2022/23	2023/24	2024/25
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Treasury Calculation	Full Year Forecast	Pre-audit outcome	Budget Year +0	Treasury Calculation	Budget Year +1	Treasury Calculation	Budget Year +2	Treasury Calculation	% Change	% Change	% Change
Revenue By Source																	
Property rates	215,549	211,839	227,434	248,921	248,930	248,930	248,930	202,011	261,552	261,552	273,060	273,060	285,348	285,348	5.1%	4.4%	4.5%
Service charges - electricity revenue	244,935	259,151	273,963	306,742	328,353	328,353	328,353	239,450	359,929	359,929	375,766	375,766	392,675	392,675	9.6%	4.4%	4.5%
Service charges - water revenue	67,970	63,694	71,946	74,860	71,170	71,170	71,170	56,894	74,586	74,586	77,868	77,868	81,372	81,372	4.8%	4.4%	4.5%
Service charges - sanitation revenue	29,897	26,722	26,575	29,930	27,968	27,968	27,968	23,116	29,311	29,311	30,601	30,601	31,978	31,978	4.8%	4.4%	4.5%
Service charges - refuse revenue	21,962	22,970	25,809	28,273	24,961	24,961	24,961	20,562	27,832	27,832	29,056	29,056	30,364	30,364	11.5%	4.4%	4.5%
Rental of facilities and equipment	5,601	5,820	5,756	5,948	5,146	5,146	5,146	3,611	5,444	5,444	5,684	5,684	5,939	5,939	5.8%	4.4%	4.5%
Interest earned - external investments	9,443	4,687	3,210	3,650	2,026	2,026	2,026	1,247	2,046	2,046	2,136	2,136	2,232	2,232	1.0%	4.4%	4.5%
Interest earned - outstanding debtors	11,838	14,711	14,900	16,262	19,130	19,130	19,130	14,084	19,322	19,322	20,172	20,172	21,080	21,080	1.0%	4.4%	4.5%
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	-	-	-
Fines, penalties and forfeits	121,654	89,099	108,739	92,551	104,657	104,657	104,657	44	119,059	119,059	124,298	124,298	129,891	129,891	13.8%	4.4%	4.5%
Licences and permits	1,587	1,194	1,591	1,580	1,621	1,621	1,621	1,121	1,698	1,698	1,773	1,773	1,853	1,853	4.8%	4.4%	4.5%
Agency services	3,297	3,065	3,630	3,780	3,654	3,654	3,654	3,120	3,830	3,830	3,998	3,998	4,178	4,178	4.8%	4.4%	4.5%
Transfers and subsidies	145,418	165,047	177,887	151,130	168,401	168,401	168,401	131,503	154,689	154,689	167,351	167,351	153,822	153,822	-8.1%	8.2%	-8.1%
Other revenue	11,922	7,605	13,415	8,949	7,687	7,687	7,687	8,973	7,862	7,862	8,144	8,144	8,499	8,499	2.3%	3.6%	4.4%
Gains	290	4,134	1,915	250	250	250	250	83	250	250	250	250	250	250	0.0%	0.0%	0.0%
Total Revenue (excluding capital transfers and contributions)	**891,362**	**879,740**	**956,771**	**972,827**	**1,013,955**	**1,013,955**	**1,013,955**	**705,819**	**1,067,410**	**1,067,410**	**1,120,157**	**1,120,157**	**1,149,481**	**1,149,481**	**5.3%**	**4.9%**	**2.6%**

Source: Knysna Municipality 2022/23 MTREF Budget, Funding Tool A4: Operating revenue

- The Municipality's operating revenue budget for the 2022/23 financial year is projected at R1.07 billion, which is a 5.3 per cent year-on-year growth from the 2021/22 Adjusted budget. The growth in the MTREF is expected to be 4.9 per cent (2023/24) and 2.6 per cent (2024/25) respectively for the two outer years. The 2022/23 operational revenue budget derives the bulk of its operational revenue from its Service Charges (46.1%), Property rates (24.5%) and Other Own Revenue (14.8%).

Property Rates

- **Property rates** revenue is the second highest contributor to the operating budget and is projected to increase by R12.62 million or 5.1 per cent when compared to the 2021/22 adjusted budget due to the tariff increase of 4.8 per cent that was tabled in council. The increase is still between the three (3) to six (6) per cent guideline as presented in MFMA Budget Circular No. 115. Furthermore, it has been noted that the General Valuation Roll is valid until June 2023.

- It is noted that budget schedule table SA11 does not align with tables SA12 (a) and SA 12 (b). Furthermore, table SA11 has not been fully completed however the number of properties has increased by 34 but no change was indicated in budget tables SA 12 (a) and SA 12 (b) hence the number of properties or changes in the number of properties and qualifying indigent properties could not be ascertained to verify the calculation of the total property rates, rebate values and related municipal services. This raises concerns and uncertainty as to whether the impact of the current economic circumstances were factored into the budget, whether regular update of the indigent register is approved and whether the related budgeted projections are realistically anticipated.

An analysis of the four major services over the MTREF is partly informed by the table below:

Table 12 Operating Revenue for the 2022/23 MTREF Budget

Description	2018/19	2019/2020	2020/21	Current Year 2021/22	Budget Year 2022/23	Budget Year 2023/24	Budget Year 2024/25
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Adjustment Budget			
Revenue: A4	**364,764**	**372,537**	**398,293**	**452,452**	**491,658**	**513,291**	**536,389**
Service charges - electricity revenue	244,935	259,151	273,963	328,353	359,929	375,766	392,675
Service charges - water revenue	67,970	63,694	71,946	71,170	74,586	77,868	81,372
Service charges - sanitation revenue	29,897	26,722	26,575	27,968	29,311	30,601	31,978
Service charges - refuse revenue	21,962	22,970	25,809	24,961	27,832	29,056	30,364
Expenditure: A2	**394,849**	**421,873**	**476,015**	**514,026**	**525,184**	**543,831**	**568,919**
Energy sources	216,119	240,629	263,790	305,388	282,278	292,718	306,213
Water management	74,771	49,546	73,364	80,247	91,674	90,891	94,570
Waste water management	63,489	83,375	85,197	79,467	103,666	105,870	110,654
Waste management	40,469	48,323	53,663	48,924	47,566	54,352	57,482
LGES Allocation: SA1	**(21,962)**	**(22,978)**	**(26,063)**	**(10,098)**	**(10,773)**	**(11,247)**	**(11,753)**
Electricity	–	–	–	(7,015)	(7,541)	(7,873)	(8,227)
Water	–	–	–	(2,862)	(3,000)	(3,132)	(3,273)
Sanitation	–	–	–	(214)	(224)	(234)	(245)
Refuse	(21,962)	(22,978)	(26,063)	(7)	(8)	(8)	(9)
Surplus/Deficit	**(8,122)**	**(26,358)**	**(51,659)**	**(51,475)**	**(22,753)**	**(19,293)**	**(20,777)**
Electricity	28,816	18,522	10,173	29,980	85,192	90,920	94,689
Water	(6,801)	14,148	(1,418)	(6,214)	(14,088)	(9,892)	(9,925)
Sanitation	(33,593)	(56,653)	(58,622)	(51,285)	(74,131)	(75,035)	(78,432)
Refuse	3,455	(2,375)	(1,792)	(23,955)	(19,726)	(25,287)	(27,109)
Surplus/Deficit	**-2%**	**-6%**	**-11%**	**-10%**	**-4%**	**-4%**	**-4%**
Electricity	13%	8%	4%	10%	30%	31%	31%
Water	-9%	29%	-2%	-8%	-15%	-11%	-10%
Sanitation	-53%	-68%	-69%	-65%	-72%	-71%	-71%
Refuse	9%	-5%	-3%	-49%	-41%	-47%	-47%

- For this analysis the revenue projections on table A4 of the budget were used as this is the revenue generated from the services less all subsidies provided by the Municipality. In addition to this, the cost of free basic services (SA1) funded from LGEs was added to provide for all revenue billed. Table A2 of the budget provides the expenditure information less the National Treasury capital grant allocation for each of the trading services. The reasoning behind this is that theoretically for cost reflectiveness the revenue generated from the service should be able to cover the full cost of the service before transfers. This may become crucial going forward given the low economic backdrop, under-collection of tax revenue and shifts in governments priorities.

- The aggregated **Service Charges** budget amounts to R491.66 million or 46.1 per cent of the total operating revenue budget, however this should be viewed in line with costs associated with the provision and distribution of the services as well as distribution losses.

- **Electricity sales** constitutes 33.7 per cent of the 2022/23 total operating revenue budget and is the largest source of revenue for the Municipality. This income source is projected to increase by 9.6 per cent, 4.4 per cent and 4.5 per cent over the MTREF period.

- Material losses for electricity distribution increased from 9.1 per cent (2019/20) to 11.3 per cent as per the 2020/21 Audited Annual Financial Statements, the reported distribution losses are above to the upper limit of the National range of seven (7) – 10 per cent. These distribution losses have an impact on the revenue generation since these revenues are lost in the distribution process therefore, the Municipality should put measures in place to manage and mitigate the risk associated with the distribution losses.

- The Municipality is projecting to maintain an average surplus of 31 per cent for electricity over the MTREF period with increasing actual surplus amounts over the MTREF period of R85.19 million, R90.92 million and R94.69 million. The consistent surpluses should also be viewed in line with the electricity distribution losses of between 9.1 per cent and 11.3 per cent over the last three (3) audited years. Strategies to reduce these losses must be explored including spending on repairs and maintenance which is currently below the recommended norm.

- Smart meters should be explored, as highlighted in MFMA circular No. 115. The Municipality is alerted that there is a pending business risk to the prepayment metering industry that requires action urgently. The token identifiers (TID) used to identify each credit token will run out of available numbers in November 2024, at which point all STS meters will stop accepting credit tokens. The Municipality is referred to MFMA Circular No. 115 for further guidance.

- **Water Service** revenue is projected at R74.59 million, R77.87 million and R81.37 million contributing seven (7) per cent, seven (7) per cent and 7.1 per cent towards the total operating revenue over the MTREF period. Water sales are projected to increase by 4.8 per cent which correlates with a 4.8 per cent tabled tariff increase in 2022/23. Indigents will continue to receive six (6) kl free water per month in line with National policy. The anticipated water services deficit decreases from 15 per cent to 10 per cent over the MTREF period. The continued operating of the Water trading service at a deficit is not sustainable, the municipality advised to put measures and strategies in place to ensure that the service breaks even or achieves a surplus. This may be achieved through the implementation of cost reflective tariff and the realisation of operational efficiencies.

- Water losses increased significantly by 123.6 per cent in the 2020/21 financial year to 44.5 per cent from 19.9 per cent in the previous financial year, which is concerning. The Municipality should further investigate the root causes of these significant increases including possible pipe bursts and leakages due to ageing water infrastructure or gaps in management of the water function internally must be explored. Corrective measures and maintenance strategies of current infrastructure and overall water resource management should be implemented.

- The **Sanitation revenue** budget is projected to increase by 4.8 per cent to R29.31 million in 2022/23. The Municipality projects a deficit of 72 per cent in 2022/23 which decreases to 71 per cent for the remainder of the MTREF. The continued operating of the Sanitation trading service at a deficit is not sustainable, the municipality advised to put measures and strategies in place to ensure that the service breaks even or achieves a surplus. The Municipality is reminded that cost reflective tariff setting is a requirement of Section 74(2) of the Municipal Systems Act, 2000 (Act No.32 of 2000) which states that tariffs must "reflect the costs reasonably associated with rendering the service". This is meant to assist municipalities to generate sufficient revenue to fully recover their costs, deliver services to customers sustainably and invest in infrastructure that promotes local economic development.

- **Refuse services** are expected to increase by 11.5 per cent in 2022/23 which also correlates to the tabled tariff increase of 11.5 per cent and is further expected to increase by 4.4 and 4.5 per cent respectively in the outer years of the MTREF period. The Municipality indicated that the main reason for this above inflation increase is to off-set in relation to recycling, transportation of waste and the regional waste management facility. The Municipality projects a deficit of 41 per cent in 2022/23 which increases to 47 per cent for the remainder of the MTREF.

- The above inflation increase might pose affordability and resistance challenges from consumers which in turn might affect the Municipalities debt book, that can increase due to non-payment of municipal services. The Municipality should ensure consultation is done and the councillors are aware of the foreseeable impact of these increases and similarly it should be viewed positively from a financial sustainability perspective.

- **Transfers and subsidies** are projected at R154.69 million and contribute 14.5 per cent of the total operating revenue budget. This is a reduction of 8.1 per cent when compared to the 2021/22 adjustment budget. The equitable share allocation increased by 2.9 per cent in 2022/23 and amendments to some grant frameworks indicate positive movements in the grant allocation frameworks.

- **Fines, penalties and forfeits** income is projected to increase by 13.8 per cent in 2022/23 mainly because of actual traffic fines issued during the first seven (7) months of the current financial year.

- **Interest earned – external investments** is projected to increase by one (1) per cent in 2022/23 based on expected interest rates. The projected revenue to be realized from **Interest earned – external investments** does not correlate with the Municipality's investments planning or strategies, the Municipality projected no investments as per table SA15 of the budget, furthermore as per table SA16 no growth in investment is anticipated for 2022/23.

- **Interest on outstanding debtors** is planned to increase by one (1) per cent over 2022/23 MTREF which indicates that the Municipality is striving towards recovering outstanding debt within the 30-day period and the implementation of its credit control and debt management policy. However, this does not align with the projected collection rate of 95 per cent and it should further be noted that R47.01 million in relation to water services was written off in 2019/20 but no write-off occurred in the 2020/21 financial year.

Benchmarking is the practice of comparing business processes and performance metrics to industry bests and best practices from other institutions.

The main aim of the benchmarking exercise is to:

- Promote continuous improvement by maintaining a competitive edge;
- Support partnering to share information and best practices; and
- Drive adaptation based on customer needs after examination of the best.

The table below compares the Municipality's Operating budget performance as projected in the draft 2022/23 MTREF Budget against the expected norms, the provincial average, the highest point, and the lowest point in the province for each indicator.

Table 13 Municipal Benchmarking – Operating Revenue

PT: Municipal Budget and Benchmarking Engagement - 2022/23 Draft Budget (Per Mun Own Budgeted Figures)					
R thousands	WC048 Knysna (M)	MFMA Circular 71 Norm/ Guidleline	Provincial Average	Highest	Lowest
Inc (Decr) in 2023 Op Rev against 21/22 Main Adj Budget					
% Increase in Total Operating Revenue	**5,3%**	**CPI**	**5,7%**	**13,8%**	**(14,3%)**
% Incr(Decr) in Property Rates Revenue	5,1%	**CPI**	6,7%	34,7%	(3,8%)
% Incr(Decr) in Electricity Revenue	9,6%	**CPI**	7,0%	14,6%	(16,7%)
% Incr(Decr) in Water Revenue	4,8%	**CPI**	5,4%	40,0%	(5,9%)
% Incr(Decr) in Sanitation Revenue	4,8%	**CPI**	8,8%	40,0%	(4,6%)
% Incr(Decr) in Refuse Revenue	11,5%	**CPI**	11,9%	100,0%	(1,6%)
Allocation Efficiency Opex Share: to Total OpRev - Excl Cap Transfers					
% Share of Total Operating Costs	**99,5%**	**95% - 97%**	**94,6%**	**113,9%**	**86,2%**
% Share of Employee Related Costs - Excl Cllrs	29,2%		35,0%	58,6%	24,9%
% Share of Remuneration (Incl Councillor)	30,1%		36,6%	61,3%	26,4%
% Share of Bulk Electricity	23,8%		21,9%	47,0%	,0%
% Share of Inventory Consumed (Water)	,0%		,7%	4,2%	(,1%)
% Share Contracted Services	15,5%		9,4%	20,2%	4,0%
% Share of Other Expenditure	5,7%		7,8%	22,3%	4,5%
Debt Impairment % of Billable Revenue	19,7%		7,8%	21,2%	,0%
Trading Services - Surplus/(Deficit) %					
Electricity Services (Dept)	10,4%	**0% - 15%**	**7,3%**	**27,4%**	**(25,0%)**
Water Services (Dept)	7,7%	**= > 0%**	25,5%	90,4%	(49,5%)
Sanitation Services (Dept)	(58,2%)	**= > 0%**	25,7%	219,1%	(58,2%)
Refuse Services (Dept)	(35,5%)	**= > 0%**	13,3%	235,0%	(35,5%)

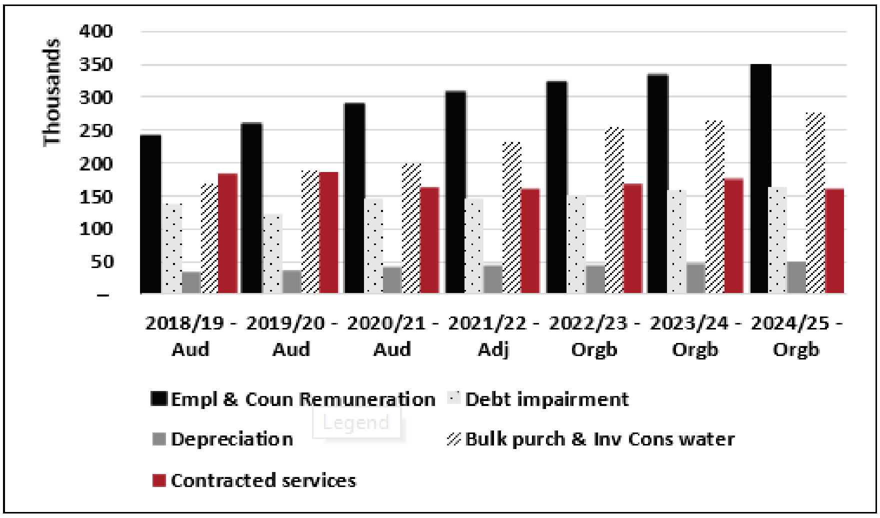
Source: Knysna Municipality 2022/23 MTREF Draft Budget A1-Schedule

4.2.4 Operating Expenditure Budget

Table 14 Municipal Operating Expenditure

WC048 - Knysna	Table A4 Budgeted Financial Performance (revenue and expenditure)					CURRENT YEAR				MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK					SSUMPTIONS & CALCULATIO		
Description	2018/19	2019/20	2020/21	2021/22	2021/22	2021/22	2021/22	2021/22	2022/23	2022/23	2023/24	2023/24	2024/25	2024/25	2022/23	2023/24	2024/25
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Treasury Calculation	Full Year Forecast	Pre-audit outcome	Budget Year +0	Treasury Calculation	Budget Year +1	Treasury Calculation	Budget Year +2	Treasury Calculation	% Change	% Change	% Change
Expenditure By Type																	
Employee related costs	231,406	248,691	279,130	290,455	295,684	295,684	295,684	204,128	311,724	311,724	321,999	321,999	336,481	336,481	5.4%	3.3%	4.5%
Remuneration of councillors	8,570	8,108	8,781	10,373	9,021	9,021	9,021	6,743	9,449	9,449	9,865	9,865	10,309	10,309	4.7%	4.4%	4.5%
Debt impairment	136,036	121,346	143,103	131,220	142,920	68,426	142,920	37,665	148,539	74,052	155,074	77,307	162,053	80,785	3.9%	4.4%	4.5%
Depreciation and asset impairment	33,373	35,121	39,993	45,670	43,670	43,670	43,670	3	43,688	43,688	45,420	45,420	47,244	47,244	0.0%	4.0%	4.0%
Finance charges	30,864	29,452	22,311	26,689	24,199	24,199	24,199	13,397	28,846	28,846	32,574	32,574	35,533	35,533	19.2%	12.9%	9.1%
Bulk purchases - electricity	169,553	188,257	199,242	229,095	231,873	231,873	231,873	163,267	254,156	254,156	265,339	265,339	277,280	277,280	9.6%	4.4%	4.5%
Inventory Consumed	43,142	40,882	41,383	42,655	46,561	46,561	46,561	31,557	37,632	37,632	39,287	39,287	41,055	41,055	-19.2%	4.4%	4.5%
Contracted services	181,519	182,718	160,813	133,214	159,050	159,050	159,050	109,090	165,471	165,471	173,430	173,430	158,194	158,194	4.0%	4.8%	-8.8%
Transfers and subsidies	6,353	2,412	5,988	4,877	3,653	3,653	3,653	625	1,767	1,767	1,844	1,844	1,927	1,927	-51.6%	4.4%	4.5%
Other expenditure	50,321	52,003	53,134	57,856	56,397	56,397	56,397	44,380	60,834	60,834	69,450	69,450	73,022	73,022	7.9%	14.2%	5.1%
Losses	166	10,940	–	–	–	–	–	–	–	–	–	–	–	–	-	-	-
Total Expenditure	**891,302**	**919,930**	**953,878**	**972,105**	**1,013,029**	**938,535**	**1,013,029**	**610,855**	**1,062,105**	**987,619**	**1,114,284**	**1,036,516**	**1,143,098**	**1,061,830**	4.8%	4.9%	2.6%

Graph 1 Municipal Operating Expenditure



Source: Municipal Funding Tool and Budget table A4 MTREF 2022/23

The largest expenditure drivers for the 2022/23 financial year are Employee Related Costs (29.2%), Bulk purchases (23.8%) and Contracted services (15.5%). The apportionment against the outer years of the 2022/23 MTREF remains comparable.

- The Municipality's **Operating Expenditure** Budget amounts to R1.06 billion in 2022/23, R1.11 billion in 2023/24 and R1.14 billion in 2024/25 and is projected to increase by 4.8 per cent in 2022/23, 4.9 per cent in 2023/24 and 2.6 per cent in 2024/25. The projected increase is in line with the CPI projections as per National treasury guidelines. The Municipality is advised to continue implementing stringent cost containment measures even in the outer years since revenue growth projections are only marginal over the 2022/23 MTREF. Furthermore, the National and Provincial government fiscal framework is under enormous pressure and might affect future grant funding to Municipalities.

- **Employee related costs** remains the largest cost driver at 29.2 per cent of total expenditure for the 2022/23 financial year, 28.7 per cent and 29.3 per cent in the two outer years. The Municipality is managing to maintain this budget line item within the 25 to 40 per cent NT norm. The actual performance is projected to increase by 5.4 per cent in 2022/23, 3.3 per cent in 2023/24 and 4.5 per cent in 2024/25 respectively. The 2022/23 salary increases are in accordance with the South African Local Government Bargaining Council (SALGBC) agreement.

- It should be noted that the Employee Related Costs increase does not include the 2.4 per cent notch increase indicated in the Municipality's budget assumption. Further explanation is required whether the Municipality will not be implementing salary notch increase in the 2022/23 financial year.

- **Overtime** is projected to decrease by 43.8 per cent in 2022/23, then increase by 4.4 per cent in 2023/24 and 4.5 per cent in 2024/25. The Municipality is commended for the concerted effort to reduce this cost however it has been noted that the anticipated decrease of overtime is due to the filling of critical unfunded vacant positions in the Infrastructure Services and Community Services Directorates and which the Municipality is encouraged to ensure that these positions are filled.

- Significant increases were noted for **Pension and UIF contributions, Medical Aid Contributions, Cell phone Allowances** and **Housing Allowance** at 17.5 per cent, 33.8 per cent, 71.4 per cent and 35.7 per cent respectively. However, significant reductions are noted for **Other benefits and allowances** (-50 %). The reduction in Other benefits and allowances is commendable and indicates that the Municipality considered prior recommendations from both National and Provincial Treasuries.

- **Debt impairment** is projected to increase by 3.9 per cent in 2022/23 and constitutes 19.7 per cent of billed rates and services. This is due collection rates expected remain below 95 per cent.
- **Contracted services** are projected to increase by four (4) per cent in 2022/23, then increase by 4.8 per cent for 2023/24 and then decrease by 8.8 per cent for 2024/25 financial year. The apportionment of contract services against total operating expenditure is 15.5 per cent and exceeds the national guideline of between two (2) and Five (5) per cent. The Municipality should plan to be less reliant on the use of consultants and contractors which is expected to increase by 20.2 per cent and 3.6 per cent for the 2022/23 financial year.
- **Depreciation and asset impairment** are not expected to increase in 2022/23, the zero-increase projection does not correlate with the projected upgrading of assets and commissioning of new assets as per budget table A9. Depreciation is a replacement for the measurement of the rate of asset consumption and although a non-cash item it should still be factored into tariff setting and revenue projections to replace, renew or upgrade the infrastructure when the useful life thereof has been exhausted. It is vital that the Municipality sets realistic estimates for depreciation during the initial budget process which should be based on the latest financial information available in the asset register and cognisance must be taken of current work-in-progress capital that will be commissioned and planned for capital expenditure.
- **Bulk purchases** are projected to increase by 9.61 per cent in 2022/23, 4.4 per cent in 2023/24 and 4.5 per cent in 2024/25. The assumption of the 9.61 per cent bulk purchases tariff increase is in line with the latest guidelines. This budget amount is largely influenced by consumption and consumer behavior, continuous assessments must inform budget appropriations over the MTREF.
- **Finance Charges** is informed by the interest paid on loans taken up as well as interest on post-retirement benefits and long services awards. The budget amount for this expenditure item is expected to increase to 19.2 per cent in the 2022/23 financial year, 12.9 per cent and 9.1 per cent in 2024/25 in correlation with the Municipality expecting to take up loans more aggressively over the MTREF period.
- **COVID-19**: As a result of the lifting of the State of Disaster on Monday, 04 April 2022, it is no longer a requirement to manually report on the COVID-19 related expenditure on a weekly basis. Reporting on the expenditure will be monitored through the submission of the mSCOA data strings as articulated in mSCOA Circular No. 9 dated 09 June 2020. The Municipality however did not budget for any COVID-19 related expenditure.
- **Water Inventory**: It is noted that the Municipality did not correctly account for bulk water purchases as inventory as per the requirements of GRAP 12.
- As per the 2020/21 Audited Annual Financial Statements, the Municipality reported significant amounts of R119.23 million for Fruitless and wasteful expenditure, R16.22 million for Unauthorised expenditure and R60.68 million for Irregular expenditure.

Table 15 Municipal Benchmarking – Operating Budget

PT: Municipal Budget and Benchmarking Engagement - 2022/23 Draft Budget (Per Mun Own Budgeted Figures)					
R thousands	WC048 Knysna (M)	MFMA Circular 71 Norm/ Guideline	Provincial Average	Highest	Lowest
Incr(Decr) in 2023 Op Exp against 21/22 Main Adj Budget					
% Incr(Decr) in Total Operating Expenditure	4,8%	**CPI**	**3,2%**	**9,5%**	**(14,3%)**
% Incr(Decr) in Employee Related Costs	5,4%	**CPI**	**5,4%**	**11,0%**	**,7%**
% Incr(Decr) in Remuneration (Incl Councillors)	5,4%	**CPI**	5,3%	10,6%	,8%
% Incr(Decr) in Bulk Purchases (Electricity)	9,6%	*NERSA*	7,3%	12,3%	,0%
% Incr(Decr) in Inventory Consumed (Water)	,0%	**AWB**	44,1%	933,3%	(322,0%)
% Incr(Decr) in Contracted Services	3,7%	**CPI**	5,7%	160,0%	(54,1%)
% Incr(Decr) in Other Expenditure	8,3%	**CPI**	1,7%	21,3%	(33,4%)
Allocation Efficiency: to Total Op Exp					
% Employee Related Costs to Total Opex **Excl Cllrs**	29,4%	**25% - 40%**	**34,5%**	**57,8%**	**25,5%**
% Remuneration Costs (Incl Councillor)	30,3%	**25% - 40%**	36,1%	60,4%	26,4%
% Bulk Electricity Purchases to Total Opex	23,9%		21,4%	47,2%	,0%
% Inventory Consumed (Water) to Total Opex	,0%		,6%	3,7%	(,1%)
% Contracted Services to Total Opex	15,5%	**2% - 5%**	9,3%	20,2%	3,8%
% Other Expenditure to Total Opex	5,8%		8,4%	22,0%	4,4%
% Overtime to Employee Related Costs	3,7%		1,5%	5,4%	,0%
% Consultancy Fees to Total Opex	1,8%		2,5%	9,3%	,5%

Source: Knysna Municipality 2022/23 MTREF Draft Budget A1-Schedule

The table above compares the Municipality's Operating Expenditure performance as projected in the draft 2022/23 MTREF Budget against the expected norms, the provincial average, the highest and the lowest percentages in the province for each indicator.

Capital Budget

Table 16 2022/23 MTREF Capital Expenditure Budget

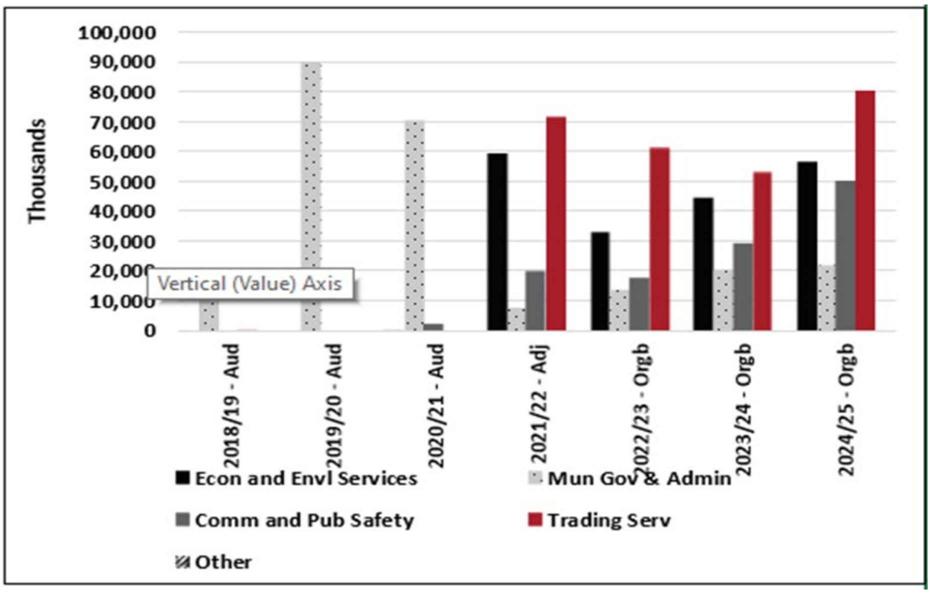
WC048 - Knysna Description R thousand	Table A5 Budgeted Capital Expenditure 2018/19 Audited Outcome	2019/20 Audited Outcome	2020/21 Audited Outcome	CURRENT YEAR 2021/22 Original Budget	2021/22 Adjusted Budget	MEDIUM TERM REVENUE & EXPENDITURE 2022/23 Budget Year +0	2023/24 Budget Year +1	2024/25 Budget Year +2
Capital Expenditure - Functional								
Municipal governance and administration	**20,107**	**89,741**	**69,994**	**7,238**	**7,865**	**14,079**	**20,630**	**22,130**
Executive and council	–	–	–	–	–	100	–	–
Finance and administration	20,107	89,741	69,994	7,238	7,865	13,979	20,630	22,130
Internal audit	–	–	–	–	–	–	–	–
Community and public safety	**–**	**–**	**2,493**	**18,395**	**19,841**	**17,983**	**28,954**	**49,451**
Community and social services	–	–	2,493	990	1,721	2,900	1,650	640
Sport and recreation	–	–	–	1,450	2,220	9,765	2,774	7,631
Public safety	–	–	–	1,300	1,784	3,805	4,910	3,070
Housing	–	–	–	14,655	14,117	1,512	19,620	38,110
Health	–	–	–	–	–	–	–	–
Economic and environmental services	**–**	**–**	**133**	**58,617**	**59,100**	**32,835**	**44,065**	**56,406**
Planning and development	–	–	133	600	933	500	500	–
Road transport	–	–	–	58,017	58,167	31,835	41,565	53,406
Environmental protection	–	–	–	–	–	500	2,000	3,000
Trading services	**101**	**–**	**–**	**59,395**	**71,167**	**61,097**	**52,657**	**80,009**
Energy sources	101	–	–	13,250	17,898	14,760	12,467	14,801
Water management	–	–	–	23,701	35,797	21,150	22,660	41,676
Waste water management	–	–	–	19,584	9,984	21,587	13,179	23,382
Waste management	–	–	–	2,860	7,489	3,600	4,350	150
Other	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Capital Expenditure - Functional	**20,208**	**89,741**	**72,620**	**143,644**	**157,973**	**125,994**	**146,305**	**207,996**
Funded by								
National Government	–	–	1,020	34,830	39,472	46,468	33,705	68,336
Provincial Government	–	–	–	12,855	15,329	–	19,620	38,110
District Municipality	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	–	–	–	–	–	–	–	–
Transfers recognised - capital	**–**	**–**	**1,020**	**47,684**	**54,801**	**46,468**	**53,325**	**106,446**
Borrowing	–	–	–	86,903	95,035	61,430	65,750	75,270
Internally generated funds	101	–	28	9,058	8,137	8,546	9,680	5,730
Total Capital Funding	**101**	**–**	**1,048**	**143,644**	**157,973**	**116,444**	**128,755**	**187,446**

Source: Knysna Municipality 2022/23 MTREF Tabled Budget Funding Tool – Table A5

- Misalignment has been noted between the Municipality's capital expenditure and capital funding data strings, which needs to be corrected in the final budget.
- The Municipality's capital budget over the 2022/23 MTREF period amounts to R480.30 million with significant focus on **Trading services** constituting an average of 41 per cent of the total capital budget over the MTREF followed by **Economic and environmental services** which make up 27.8 per cent of the total capital budget. The Municipality's ability to implement the planned capital programme and ensure 100 per cent spending remains a risk to the overall credibility of the capital budget and the overall sustainability of the long-term funding model.
- The Municipality's capital expenditure as a percentage of total expenditure amounts to 11 per cent for 2022/23 and is within the norm as per National Treasury guideline of between 10 and 20 per cent. This is indication that the Municipality prioritising expenditure towards current operations versus future capacity in terms of municipal services.
- It must however be noted that the capital expenditure programme for 2022/23 is projected to decrease by 20.2 per cent and then increase by 16.1 per cent in 2023/24 while the projections for 2024/25 increase by 42.2 per cent.

- The Municipality is currently still challenged by funding constraints due to the low available funding from the Capital Replacement Reserve and the limited ability to take up loans which negatively impacts the Municipality's ability to meet the demand for upgrading and replacing of infrastructure. For the 2022/23 MTREF period it should be noted that the Municipality's capital funding mix comprises of 48.8 per cent funding from Borrowing, 36.9 per cent and 6.8 per cent funded from Grants and Internally Generated Funds respectively.
- The Municipality indicated that Capital projects which could not be funded in the capital expenditure budget for the 2022/23 financial year were accommodated in the two outer years of the 2022/23 MTREF.
- The tabled budget identified several areas that require funding towards the "on-going health" of the municipal infrastructure, these include upgrading of municipal roads and storm water, electricity, water, and wastewater infrastructure towards the new and existing housing establishment.
- The Municipality incorporated Section 16(3) of the MFMA into the budgeting process, which allows for the appropriation of large capital projects over multiple years, enabling municipalities to improve planning and spending.
- Provincial Treasury encourages the Municipality to continuously monitor the implementation strategies for the management of the capital budget and apply project management principles to ensure adherence to the procurement plan and avoid escalation of costs.

Graph 2 Capital Expenditure – Functional

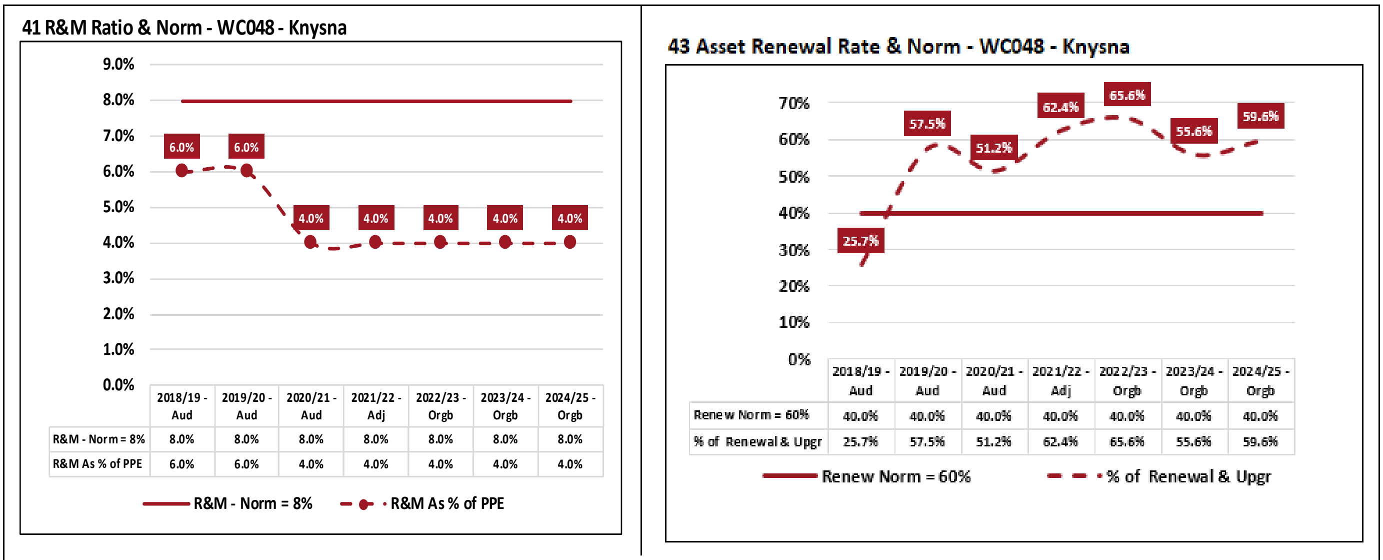


Source: Knysna Municipality 2022/23 MTREF Table Budget Funding Tool Table A5

- **Trading Services** are the largest allocations of the capital budget at 48.5 per cent followed by **Economic and Environmental Services** at 26.1 per cent. These allocations directly contribute to the Municipal Strategic objective, to improve and maintain current basic service delivery through specific infrastructure development projects.
- The Municipality projected to spend 47.1 per cent of the capital budget on Upgrades of existing assets, 23.9 per cent on Renewal of existing assets and 37.2 per cent on the purchase of new assets for the 2022/23 year.
- Overall, the budget makes considerable provision for investment in renewal and upgrading of existing assets at a target of 70.8 per cent in 2022/23 which is above the National Guideline of 40 per cent. This affirms that the 2022/23 MTREF budget prioritise the ongoing health of existing infrastructure and safeguard the current revenue streams.

- The impact of capital spending on future operating expenses such as maintenance and the creation of new infrastructure is a critical determining factor and preference should be given to income generating assets that can contribute to the growth of the revenue base thus ensuring adequate reserves for the replacement and refurbishment of assets.

Graph 3 Municipal asset replacement, renewal & depreciation management & repairs and maintenance plans



Source: Knysna Municipality 2022/23 MTREF Table Budget (Funding Tool)

- Budgeted Repairs and maintenance amount to four (4) per cent as a percentage of Property, Plant and Equipment (PPE) which is far below the NT norm of eight (8) per cent. This amount excludes some expenditure items including Employee related costs and in the absence of a costing model the exact contribution is not available for PT to comment. Renewal of existing assets amounts to 60.3 per cent of the capital budget on average over the MTREF and is above the national guideline of 40 per cent as per MFMA Circular No. 55.

- The Municipality is cautioned that the inadequate funding of asset repair and maintenance can compromise the useful life of the assets and result to more expensive emergency repairs rather than planned maintenance.

- The Municipality needs to take the necessary action to ensure inadequate budgeting and spending on repairs and maintenance are addressed for sustainability, effective, efficient, and continuous service delivery.

Table 17 Municipal Benchmarking – Asset management

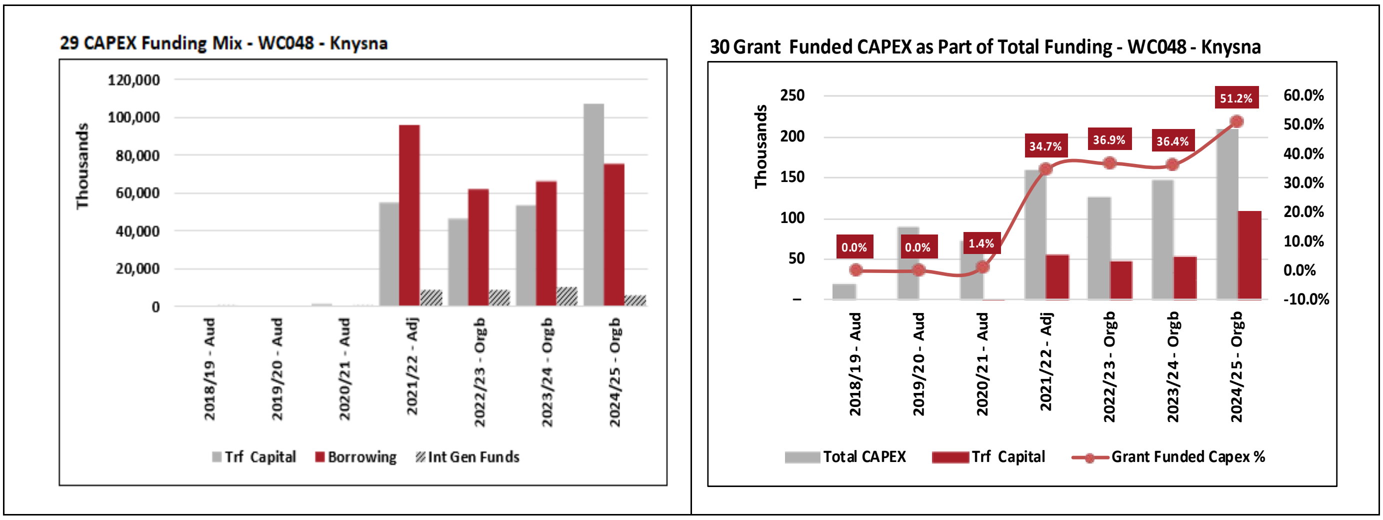
PT: Municipal Budget and Benchmarking Engagement - 2022/23 Draft Budget (Per Mun Own Budgeted Figures)

R thousands	WC048 Knysna (M)	MFMA Circular 71 Norm/ Guideline	Provincial Average	Highest	Lowest
Distribution Losses					
% Electricity Distribution Losses	,0%	**7% - 10%**	**20,8%**	**500,0%**	**,0%**
% Water Distribution Losses	,0%	**15% - 30%**	6,5%	25,0%	,0%
Electricity Distribution Losses' **Rand Value**	-		8 981	50 895	-
Water Distribution Losses' **Rand Value**	-		2 043	22 389	-
Asset Management					
Renewal & Upgrading Existing Assets % total capex	70,8%		**45,3%**	**91,7%**	**,0%**
R&M % of PPE & Investment Property	3,6%	**8%**	5,6%	28,4%	,5%

The table above compares the Municipality's Asset management performance as projected in the draft 2022/23 MTREF Budget against the expected norms, the provincial average, the highest and the lowest percentages in the province for each indicator.

Capital budget Funding mix

Graph 4 Capital Expenditure Funding mix



Source: Knysna Municipality TABB data strings Funding Tool 2022/23

- Capital Transfers represent 36.9 per cent, 36.4 per cent and 51.2 per cent of the capital budget funding sources in the 2022/23, 2023/24 and 2024/25 financial years. These capital funding contributions are mainly in respect of Municipal Infrastructure Grant (MIG), Capacity Building, Human Settlements and Infrastructure grants which fund the National and provincial mandates and its core priorities.

- The Municipality projects to fund 6.8 per cent of the R116.44 million capital budget from own Internally Generated Funds in the 2022/23 financial year which reduces to 6.6 per cent for 2023/24 and further reduces to 2.8 per cent in the second outer year. The sustainability of the CRR fund remains a risk as internally generated funds reduce drastically over the MTREF period to R5.73 million from R8.55 million in the current year and cash backed reserves have not been budgeted for over the MTREF period raising concerns over the sustainability of the budget.

- The Municipality anticipates taking up borrowings in each of the MTREF years, amounting to R61.43 million in 2022/23, R65.75 million in 2023/24 and R75.27 million in 2024/25 or 48. 8 per cent, 44.9 per cent and 36.3 per cent of the capital budget respectively.

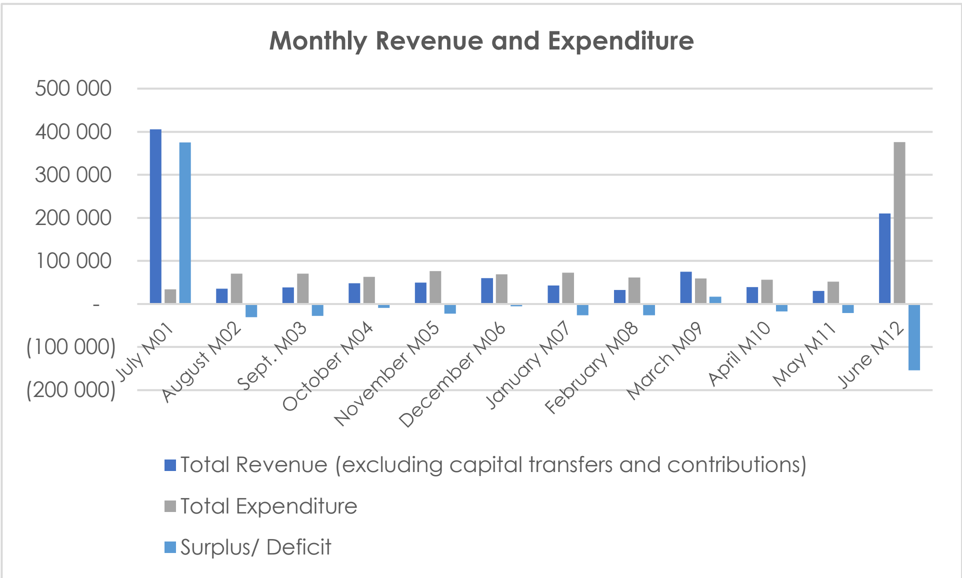
- The Municipality projected to embark on an aggressive uptake of borrowings over the MTREF which is an important element of the funding model, the Municipality should ensure that the user pays for use of infrastructure over the lifetime of the asset.

- Borrowing – The Municipality plans to fund capital expenditure from borrowings as indicated on the A5 to the amount of R61.436 million in 2022/23, R65.75 million 2023/24 and R75.27 million in 2024/25 MTREF years. The gearing ratio indicates that the Municipality still have the capacity to increase funding from borrowings, however, this should be considered within the cash flow requirements of the Municipality. The ratio is within the National Treasury norm of 45 per cent.

4.2.5 Forecasting and Multi-Year Budgeting

The credibility of forecasting and the level of multi-year budgeting is being assessed utilising the following graphs:

Graph 5 Forecasting and Multi-Year Budgeting

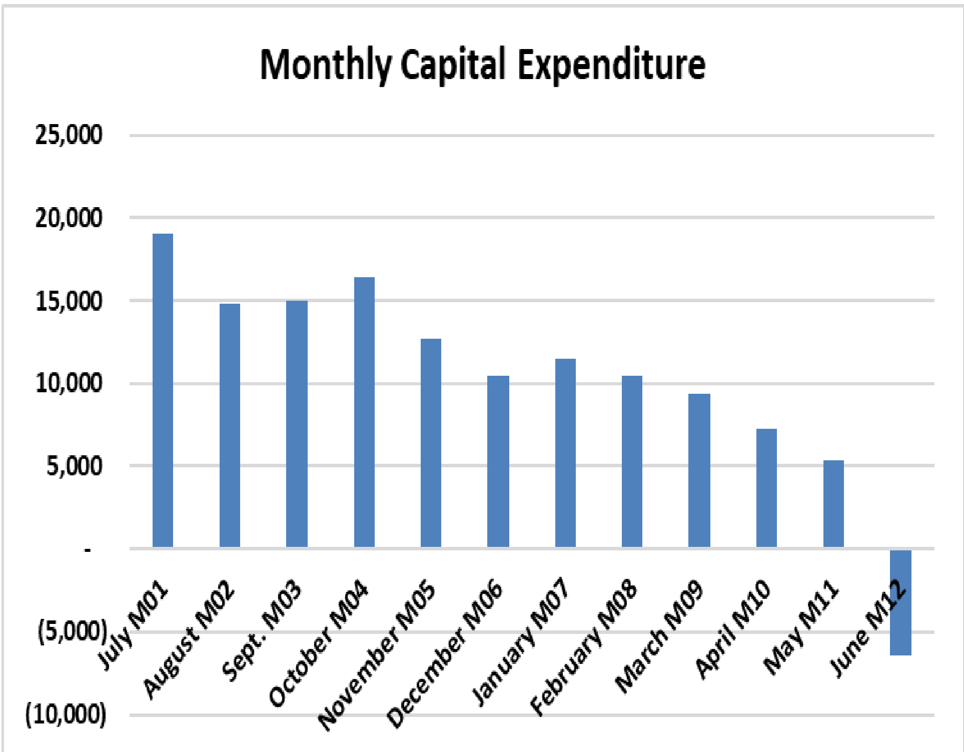


Misalignment has been noted in terms of the A-schedules tabled in council and the data strings submitted.

In terms of the data strings, on assessment of supporting table SA25, it is evident that Knysna Municipality used seasonal projections to project its spending and operating revenue except in month one (1) and 12 where a considerable amount of funds will be received and spent.

Source: Knysna Municipality 2022/23 MTREF Table Budget - A1 Schedule - Supporting Tables SA25

Graph 6 Monthly Capital Budgeting



Misalignment has been noted in terms of the A-schedules tabled in council and the data strings submitted.

The capital expenditure presented in supporting Tables SA28 to SA29 starts up high and decreases over the months and shows a slower expenditure at year end, which is a sign of adequate planning. The Municipality should give more detail on the negative spending in Month 12.

Actual trends from previous years however do not align to this and strategies to implement capital spending in accordance with procurement plans should be strictly implemented.

Source: Knysna Municipality 2022/23 MTREF Table Budget - A1 Schedule - Supporting Tables SA29

4.2.6 mSCOA Implementation

The table below highlights the differences between the mSCOA data strings and the 2022/23 tabled A-Schedules. According to MFMA Circulars No. 112 and No. 115, it is imperative that municipalities prepare their 2022/23 MTREF budget in their financial systems and that the A-Schedule be produced directly from their financial system, as this will eliminate alignment problems. The Municipality is urged to make the necessary correction and resubmit the data strings and ensure that the adopted 2022/23 MTREF budget data strings align with the A1-Schedule. As per MFMA Circular No. 115 municipalities are required to use the costing segment when compiling the 2022/2023 budget to incorporate internal billing and cost recoveries.

To ensure that the relevant budget data strings are accurate, a segment analysis on 2022/23 draft budget data strings (TABB) was conducted the following was identified (Detailed report to follow):

Table 18 mSCOA Segment Analysis

mSCOA Western Cape TABB Segment Analysis

No	Segment	Knysna
1	**Project Segment**	
1.1	**Maintenance**	Sufficiently used the Project Operational Maintenance available options
1.1.1	**Corrective Maintenance**	
1.1.1.1	Planned	Budget Allocated - Adequately used.
1.1.1.2	Emergency	Budget Allocated - Adequately used.
1.1.2	**Preventative Maintenance**	
1.1.2.1	Condition Based	Budget Allocated - Adequately used.
1.1.2.2	Interval Based	Budget Allocated - Adequately used.
1.2	**Typical Work Streams**	Adequate use of Typical work streams under the Project Segment. Rebates for property rates have been created under the typical workstreams and also provision which has been made under the cost of free basic service was made for all 4 major services.
1.3	**Municipal Running Costs**	Adequate use of Municipal Running Costs project.
1.4	**Default**	Adequate use of the available options under the Project default. Project default must be used to classify revenue and the Municiplality has used this option for their revenue.
2	**Fund Segment**	
2.1	Use of Fund Segment	Adequate use of the funding segment. However the Municipality still uses non-funding Segment. This results in the Cash flow not being populated correctly
3	**Function Segment**	
3.1	**Use of Function Segment**	Substantial use of available options. However, the function segment is not balancing to zero since some represent a gain and others reflect a loss.
4	**Costing Segment**	
4.1	**Use of Costing Segment**	Adequate use of the costing segment the available options have been used (Recoveries, Default and Charges). Also the net effect of the secondary costing (Charges vs. Recoveries) amounts to Zero (0)
5	**Region Segment**	
5.1	**Use of Region Segment**	Adequate use of the Region Segment
6	**Item Segment :**	
6.1	**Property Rates**	Adequate use of the available options. The C4 reconciles to the monthly billing in C6
6.2	**Service Charges**	Adequate use of the available options. However the movements to the SFP are not reconciling.
6.3	**Fines**	Adequate use of the available options. However the movements to the SFP are not reconciling.
6.4	**Employee Related Costs**	
6.4.1	Senior Management	Does not align with the supporting tables in under SA23.
6.4.2	Municipal Staff	Does not align with the supporting tables in under SA23.
6.5	**Councillors Remuneration**	Does not align with the supporting tables in under SA23
6.6	**Bulk Purchases**	Appropriately used the available options
6.8	**Debt Impairment**	Not adequately use of funding segment.
7.1	**Contracted Services**	
7.1.1	Outsourced	Appropriately used the available options
7.1.2	Consultants and Professional Services	Appropriately used the available options
7.1.3	Contractors	Appropriately used the available options
8.	**Other Materials**	
8.1.1	Water Inventory	No budget for water inventory
9	**COVID - 19 Budget**	Not compliant with MSCOA circular No.9. Consider creating the sub-projects in the IDP (PTRA data strings) for COVID-19

Source: Knysna MTREF Draft Budget A1-Schedule – mSCOA data strings

4.2.7 Financial Position

The analysis of the A6 (Budgeted Financial Position) projected that the Municipality has reported a positive working capital that demonstrates that it has enough funds to meet its short-term liabilities over the MTREF period. The above demonstrates that the Municipality has budgeted to achieve a positive working capital over the MTREF period.

4.2.8 Cash and Cash Equivalents (A7)

The Municipality projected budgeted for a positive cash and cash equivalents throughout the MTREF financial years of R215.77 million, R289.03 million and R360.24 million for 2022/23, 2023/24 and 2024/25 respectively. It is noted a net increase in cash held over the MTREF period.

The recalculation, by excluding the non-cash items such as depreciation, debt impairment and asset impairment yield a surplus from the operating revenue and expenditure, Therefore, the Municipality remains funded.

The Municipality has taken into consideration the required applications to the reported cash and cash equivalents reflected in the table. Please note any omission or non-commitments would provide a distorted view of the net surplus cash position of the Municipality.

Current Ratio

The Municipality projects an analysis whereby the Municipality's current ratio is on an upward trajectory from 1.7:1(2022/23), 1.8:1(2023/24) and 2.4:1(2024/25) over the 3-year MTREF period and is above the NT norm of 1.5:1 over the MTREF.

Liquidity Ratio

The projected liquidity ratio is reported to be 0.79:1 (2022/23), 0,98:1 (2023/24), and 1.39;1 (2024/25) over the MTREF period. This ratio depicts that the Municipality is anticipating that the Municipality will not have adequate financial resources to settle its short-term debts when it is due, and that the Municipality is exposed to liquidity risk. This indicate that the Municipality must convert its outstanding debtors to cash to have adequate financial resources based on the ratio.

Cash Cover Ratio

The Municipality projects a cost coverage ratio of 3.06 times, (2022/23) 3.89 (2023/24). 4.72 times (2024/25) over the MTREF period, demonstrating that the Municipality has adequate cash resources to meet its monthly fixed operating commitments from cash. The anticipated cash coverage ratio is above the NT norm of 1 - 3 months.

Debt (Total Borrowings) to Total Operating Revenue

The debt ratio projects a decrease over the MTREF years from 4.1 per cent (2022/23), 4.5 per cent (2023/24) to 0 per cent (2024/25) over the MTREF period and reported that the Municipality has capacity to take on additional increase funding from borrowings. However, realistically the ratio indicated 34 per cent (2022/23), 34 per cent (2023/24) to 42 per cent (2024/25) over the MTREF. Although the Municipality will generate revenue and cash from its operations to service the projected additional debt, it should be noted the Municipality must have considered all the concerning factors that will have an impact on the Municipality's cash flow pressure.

Capital Cost (Interest Paid and Redemption/Total Operating Expenditure)

The capital cost ratio projects an increase over the MTREF years from 6.5 per cent (2022/23) to 7.3 per cent (2023/24) and 8.1 per cent in 2024/25 years. The ratio is within the National Treasury norm of 6 - 8 per cent indicating that ratio is favourable and the Municipality can take on the increased funding through borrowing.

4.3 REVIEW OF THE HISTORICAL INFORMATION

4.3.1 The Financial Performance as per the Audited Annual Financial Statements

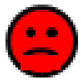
The assessment of the financial health and performance is an integrated process involving a review of a municipality's audited annual financial statements, audit report and ratio analysis. The results of the ratio analysis are used to support financial decisions and to identify factors which may influence the financial stability of the Municipality.

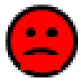
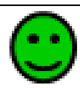
Adverse ratios highlight areas where attention may be required to ensure sustainability. The assessment trend analysis is based on the 2019, 2020 and 2021 audited financial statements although the table provides for a full five-year horizon (2017 to 2021) in order to have a more solid context when looking at the 2022/23 budget.

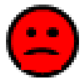
The analysis is conducted as per National Treasury MFMA Circular No. 71. Provincial Treasury has analysed these ratios and the following items are highlighted.

Table 19 Financial ratios and norms

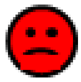
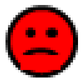
Financial ratios & norms		2017 Audited	2018 Audited	2019 Audited	2020 Audited	2021 Audited	CAGR	Projec-tion	Comments	Overall assess-ment
Asset Management										
1.	Capital Expenditure to Total Expenditure: **10% - 20%**	**10.5%**	**14.2%**	**14.3%**	**13.8%**	**12.8%**	**4.9%**	**13.4%**	In 2020/21 financial year, the ratio result of 12.8% reflects positive spending by the Municipality on its asset base and resulting to a positive impact on service delivery. The decrease in Capital Expenditure (CAPEX) year-on-year from 2018/19 (R149.65 million) to 2020/21 (R139.73 million) might result in future backlogs to which we will see a spike in CAPEX in the near future. This is evident by the Compound Annual Growth Rate (CAGR) of 4.9% which smooths the ratio results over the five-year period from 2016/17 to 2020/21 permitting a projected ratio result of 13.4% for the 2021/22 financial year.	

Financial ratios & norms		2017 Audited	2018 Audited	2019 Audited	2020 Audited	2021 Audited	CAGR	Projec-tion	Comments	Overall assess-ment
2.	Capital Expenditure Budget Implementation Indicator: **95 – 100%**	**83.1%**	**93.3%**	**70.4%**	**79.5%**	**84.4%**	**0.4%**	**84.7%**	The ratio has been below norm during the period under review. This is an indication that there are possible lacunas in planning and budgeting, capacity challenges to implement projects and/or Supply Chain Management process failures, which should be investigated, and corrective measures implemented. The factors above are an indication that the Municipality is unable to spend according to its capital budget. The credibility of a 2021/22 capital budget must therefore be analysed prudently. The reasons for the under-expenditure as stated in the note 59 to the Annual Financial Statements ('AFS') are noted. Furthermore, refer to note 12 to the AFS for list of projects taking a significantly longer period to complete than expected. It is imperative that the Municipality continues building strategies to deal with any risks identified which resulted in the perpetual low capital expenditure in its future capital budget to avoid the repeat of such trends.	
3.	Impairment of Property, Plant and Equipment, Investment Property and Intangible Assets (Carrying Value): **0%**	**0.5%**	**0.1%**	**0.0%**	**0.0%**	**0.2%**	**N/A**	**N/A**	There has been an improvement in impairment from 2016/17 to 2019/20 to which it deteriorated during the 2020/21 financial year, being slightly above the acceptable National Treasury norm. Impairment for the current financial year amounted to R2 319 238. In order for the Municipality to remain rigorous in its approach to zero tolerance on impairment of assets, it should challenge its asset management strategies to improve efficiency. There is a concern that aged assets which have not been replaced due to underspending of capital budgets may not deliver adequate services to citizens.	

	Financial ratios & norms	2017 Audited	2018 Audited	2019 Audited	2020 Audited	2021 Audited	CAGR	Projec-tion	Comments	Overall assess-ment
4.	Repairs and Maintenance as a % of Property, Plant and Equipment, Investment Property (Carrying Value): **8%**	**6.0%**	**5.5%**	**5.1%**	**4.9%**	**3.2%**	**-14.4%**	**2.8%**	The ratio has deteriorated significantly year-on-year through-out the period under review and is below the National Treasury norm. As indicated in the preceding ratios above, the Municipality has consistently underspent on its capital budgets which may be an indication that assets are nearing the end of their respective useful life and consequently leading to some assets being impaired due to failure of maintaining such assets. If this trend continues, the existing asset base will be strained and ultimately weaken the ability to deliver services. New assets need to be brought on board to replace the old assets which is further evident by the impairment during the current financial year.	
5.	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure: (**None**)	**33.9%**	**48.8%**	**66.7%**	**61.2%**	**67.0%**	**18.6%**	**79.4%**	The ratio fluctuates year-on-year. A substantial portion of the capital expenditure was funded from internal funds. However, even though the Municipality is investing own funds to acquire capital assets, there is still a concern regarding spending the entire capital funding mix budget for each financial year.	
Revenue Management and Cost Coverage										
6.	Operating Revenue Budget indicator: **95% - 100%**	**99.5%**	**94.2%**	**94.2%**	**89.9%**	**99.9%**	**0.1%**	**100.0%**	The ratio results indicate that the Municipality has the ability to collect what is due per its operating budget forecasts over the review period. The overall ratio results are commended, due to the Municipality's ability to implement effective billing and credit control, quality compilation of budgets and, adequate financial controls and management within the Municipality which is evident from the ratio results.	
7.	Service Charges and Property Rates Revenue Budget: **95% - 100%**	**98.8%**	**100.5%**	**95.4%**	**89.2%**	**100.7%**	**0.5%**	**101.1%**	The ratio fluctuated in the period under review, however, it recovered within the National Treasury norm in the 2020/21 financial year. The Municipality has exceeded the norm slightly during the 2020/21 financial year, which is commended, taking into conside-ration the economic conditions nationally due to the COVID-19 pandemic. The Municipality thus has the ability to implement effective billing.	

Financial ratios & norms		2017 Audited	2018 Audited	2019 Audited	2020 Audited	2021 Audited	CAGR	Projec-tion	Comments	Overall assess-ment
8.	Revenue Growth (%) - Excluding capital grants: **= CPI**	**0.4%** **5.1%**	**2.6%** **4.6%**	**13.9%** **4.5%**	**0.4%** **2.2%**	**7.7%** **4.9%**	**103.4%**	**15.6%**	The ratio results indicate that Municipality's revenue growth has fluctuated over the period reviewed with the larger part showing that the Municipality's growth rate was below the CPI projections. The Municipality has recovered its revenue growth in the 2020/21 financial year, with revenue growth above the CPI. This is an indication that expenditure can be funded from its own revenue base. The Municipality is encouraged to continually revise its revenue enhancement strategies to improve revenue generation and to ensure consistency in the upcoming financial years. The future projection appears to be positive, however it will not be realised if the Municipality is not devising better means to grow its revenue base.	
9.	Cash/Cost Coverage Ratio (Excluding Unspent Conditional Grants): **1 - 3 months**	**2 months**	**1 month**	**1 month**	**1 month**	**1 month**	**-23.9%**	**0 months**	The Municipality in the past four years barely met its monthly fixed cost expenditure. Although a month coverage is achieved and is acceptable, this is a cause for concern, in that the Municipality does not have any reserve should there be an unforeseen demand for service delivery. There has been a sharp decline of 58% in cash and cash equivalents during the 2020/21 financial year. This financial position can be improved if the Municipality commits to improve its revenue collection and ensures that debtors pay what is due to the Municipality timeously.	
Liability Management										
10.	Debt (Total Borrowings)/ Revenue: **45%**	**21.9%**	**23.3%**	**25.2%**	**29.3%**	**31.3%**	**9.3%**	**34.2%**	The ratio has deteriorated year-on-year during the 5-year period under review, however, it remains within the National Treasury norm. This is an indication that the Municipality has increased their debt exposure annually. Although the level of borrowing indicates that the Municipality has capacity to take on additional debt should it be required, this cannot be viewed in isolation. The Municipality's cash cost coverage ratio, net debtors' days as well as current ratio results indicate that the Municipality may not be able to service the cost of additional debt. This may further raise concern on the sustainability and going concern of the Municipality.	

Financial ratios & norms		2017 Audited	2018 Audited	2019 Audited	2020 Audited	2021 Audited	CAGR	Projec-tion	Comments	Overall assess-ment
11.	Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure: **6% - 8%**	**3.0%**	**3.6%**	**3.7%**	**5.0%**	**6.0%**	**18.8%**	**7.1%**	The ratio results indicate that the Municipality's cost to service borrowings is within the required norm, with a steady increase during the period under review. There is capacity to take on additional borrowing, resulting in an increase in capital cost, however the Municipality may not afford to pay off the debt as identified in the Debt/Revenue ratio, cash cost coverage ratio and current ratio.	
12.	Capital Cost (Interest Paid and Redemption) as a % of Total Operating Revenue:	**1.7%**	**1.9%**	**1.7%**	**2.1%**	**2.3%**	**8.0%**	**2.5%**	The ratio fluctuated year-on-year. Although the capital costs appear to be on a lower range when compared to operating revenue, this is not indicative that the Municipality is in a better position to increase its debt exposure. The lower ratio indicates that the Municipality has potential to service its additional borrowings should the need arise. However, thorough cash flow projections must be conducted before such a decision is made.	
Working Capital										
13.	Net debtors' days: **≤ 30 days**	**55 days**	**65 days**	**71 days**	**74 days**	**77 days**	**9.1%**	**84 days**	The ratio results deteriorated year-on-year significantly above the National Treasury norm for period under review. The Municipality is exposed to significant cash flow risk due to challenges being experienced in the collection of outstanding amounts from customers. This is evidenced by the cash cost coverage ratio which reflects a significant decline in cash and cash equivalents by 58% during the current financial year. Furthermore, these results have a direct impact on the Municipality's turnaround to pay its creditors. The Municipality is thus encouraged to improve its cash flow management strategies and should also consider alternative methods to improve its collections from customers.	

	Financial ratios & norms	2017 Audited	2018 Audited	2019 Audited	2020 Audited	2021 Audited	CAGR	Projection	Comments	Overall assessment
14.	Creditors Payment Period (Trade Creditors): **30 days**	**51 days**	**54 days**	**59 days**	**70 days**	**65 days**	**6.2%**	**70 days**	The ratio results deteriorated year-on-year significantly outside of the National Treasury norm for the period under review. This ratio results indicate that the Municipality does not settle its suppliers within the MFMA legislated timeframe. According to our analysis, the Municipality has insufficient cash resources to pay its creditors timeously. The Municipality should be cognisant that working capital has to be managed and effective controls implemented to ensure prompt payment of their creditors including debtors' management to ensure cash is available to pay creditors.	
Expenditure Management										
15.	Operating Expenditure Budget: **95% - 100%**	**100.1%**	**98.3%**	**97.2%**	**95.6%**	**99.9%**	**0.0%**	**99.9%**	During the 2019/20 financial year, the Municipality experienced a decline in the ratio. This could be attributed to uncertainty due to the COVID-19 pandemic. The 2020/21 yields positive results as the Municipality managed to spend 99.9% of its operating expenditure budget. These results imply that the Municipality is able to budget effectively as well as spend efficiently according to its budgeted forecast for operating expenditure over the reviewed period.	
16.	Remuneration as a % of Total Operating Expenditure: **25% - 40%**	**27.9%**	**30.0%**	**28.4%**	**29.0%**	**30.2%**	**2.0%**	**30.8%**	The ratio results are stable and within the National Treasury norm of 25% - 40%.	
17.	Contracted Services as a % of Total Operating Expenditure: **2% - 5%**	**19.8%**	**15.7%**	**19.9%**	**20.5%**	**17.5%**	**-3.0%**	**16.9%**	The ratio results have been significantly above the National Treasury norm for the period under review and implies that there is reliance on outsourced resources. It is imperative for the Municipality to analyse its contracted services to establish ways to reduce this expenditure. The Municipality also need to investigate whether there is any relationship between the personnel costs and the contracted services due to the respective movements between the two. The Municipality may be reliant on outsourced services rather than building internal capacity. It is noted that there are major services that cannot be performed internally due to their specialised nature.	

Financial ratios & norms	2017 Audited	2018 Audited	2019 Audited	2020 Audited	2021 Audited	CAGR	Projec-tion	Comments	Overall assess-ment
18. Irregular, Fruitless and Wasteful and Unauthorised Expenditure/ Total Operating Expenditure: **0%**	**0.8%**	**3.6%**	**13.6%**	**10.3%**	**8.1%**	**76.2%**	**14.4%**	The ratio results deteriorated year-on-year and has been outside the National Treasury norm for the reviewed period. The Municipality is reminded of National Treasury, MFMA Circular No. 111, Unauthorised, Irregular, Fruitless and Wasteful Expenditure reduction strategy and plans to which the Municipality is required to discuss and resolve on its UIF&W reduction strategy and implementation plans as a matter of priority and urgency.	
Grant Dependency									
19. Own Source Revenue to Total Operating Revenue (Including Agency Revenue): **None**	**86.4%**	**86.4%**	**89.0%**	**88.2%**	**86.1%**	**-0.1%**	**86.1%**	The ratio improved during the period 2016/17 to 2018/19 and then deteriorated steadily thereafter. Despite this, the current status of this ratio indicates that the Municipality's own source revenue is adequate and is not dependent on grants for its day-to-day operations. The Municipality is encouraged to adopt mechanisms to ensure that their own source revenue is increasing over time, striving towards self-sufficiency.	
Going Concern									
20. Total Liabilities to Total Assets: **<50%**	**30.4%**	**29.7%**	**33.2%**	**35.1%**	**35.9%**	**4.2%**	**37.4%**	The ratio results deteriorated year-on-year but is still within the acceptable National Treasury norm. The Municipality's net asset position is sound, indicating that the Municipality operates on a going concern basis. The Municipality should be mindful of the increase in their liabilities, which has also been identified in the Debt/Revenue ratio and should implement measures to ensure that the ratio remains below the norm of 50%. The CAGR prediction indicates a further increase in this ratio for the future.	
21. Total Debt to Total Assets	**11.1%**	**11.2%**	**13.0%**	**15.7%**	**17.0%**	**11.2%**	**18.9%**	The ratio results deteriorated year-on-year during the 5-year period under review. As identified in other ratio's, the Municipality has increased their debt; Total Debt increased by 14% whereas Total Assets only increased by 6% during 2020/21. The Municipality is encouraged to ensure that they continue to manage their debt financing.	

Financial ratios & norms		2017 Audited	2018 Audited	2019 Audited	2020 Audited	2021 Audited	CAGR	Projec-tion	Comments	Overall assess-ment
22.	Current Ratio: 1.5 - 2:1	**1.7**	**1.5**	**1.3**	**1.2**	**1.2**	**-7.7%**	**1.1**	The ratio results deteriorated year-on-year during the period under review and is slightly below the National Treasury norm during the 2020/21 financial year. Current assets are barely covering current liabilities should the need arise. If current liabilities exceed current assets, it would highlight serious financial challenges. The Municipality should analyse its working capital requirements as well as cash flows to improve its overall cash management. The CAGR based on historical trends further indicates a negative growth for this ratio in the near future.	Unfavourable

☺ (green)	Favourable
☹ (red)	Unfavourable
😐 (yellow)	Needs Improvement

For detail of ratio calculations, please see Annexure A.

4.4 SUMMARY AND FINDINGS FROM HISTORICAL TRENDS

4.4.1 Asset Management

- Capital Expenditure to Total Expenditure ratio indicates that the Municipality is spending adequately towards its asset base, having a positive impact on service delivery. Having said that, the Municipality appears to have capacity challenges in spending its capital budget resulting from challenges setting appropriate, credible and accurate capital budgets, implementing projects and/or Supply Chain Management processes, which should be investigated, and corrective measures implemented.
- It is noted that there is minimal impairment of assets, which implies that the utilisation of assets delivered the value or service levels envisaged when approval was originally obtained for procuring the assets.
- The inadequate spending on repairs and maintenance might be indicative of cashflow challenges that the Municipality is experiencing. While the Municipality might not have sufficient funds to spend on repairing assets, it is imperative to ensure that assets that are core to service delivery be prioritised for scheduled repairs and maintenance i.e. revenue generating assets. Failure to spend the capital budget delays the replacement of aged assets and also not repairing or maintaining old assets is a high risk to service delivery. Furthermore, this could also be indicative that the Municipality needs to improve on their demand management protocols as this has a direct impact as to whether the capital budget will be spent.
- The Municipality is encouraged to devise strategies to increase its revenue base and translate it swiftly into cash in order to replace its assets. Furthermore, the asset management strategy must be revised to enable the required care of the municipal assets.

4.4.2 Revenue Management and Cost Coverage

- The ratio indicates that the Municipality has the ability to collect what is due per its operating budget forecasts over the reviewed period. The overall ratio results are commended, taking into consideration the economic conditions nationally due to the COVID-19 pandemic and the Municipality's ability to implement effective billing.

- Revenue growth ratio results for the past 5 years has been erratic and mostly below the CPI rate, with the exception of 2018/19 and 2020/21. The favourable result in the 2020/21 is an indication that expenditure can be funded by own revenue base. The Municipality is encouraged to continually revise its revenue enhancement strategies to improve revenue generation and to ensure consistency in future years. The projection based on historical trends appears to be positive, however it will not be realised if the Municipality is not devising better means to grow its revenue base. The Municipality appears to be struggling with collecting cash from customers timeously. Furthermore, there is insufficient funds from cash and short-term investments to meet its monthly fixed operating commitments.

4.4.3 Liability Management

The Municipality's lending strategies seemed to have targeted higher levels of debt as there is a trend of increased borrowings year on year. The level of borrowing indicates that the Municipality has capacity to take on additional debt should it be required, however, this cannot be viewed in isolation. The Municipality's cash cost coverage ratio, net debtors 'day as well as the current ratio indicates that the Municipality may not be able to service the cost of debt as the Municipality is cash strapped.

4.4.4 Expenditure Management

- The Municipality's level of contracted services far exceeds the prescribed norm and implies that there is more reliance on outsourced resources rather than improving internal capacity. The Municipality should develop strategies to reduce contracted services in line with prescribed norms. Key is also to understand which services are allowed to fall within this category. It appears that there is a correlation between employee related expenditure compared to the contracted services.

- The Municipality is reminded of National Treasury, MFMA Circular No 111, Unauthorised, Irregular, Fruitless and Wasteful Expenditure reduction strategy and plans to which the Municipality is required to discuss and resolve on its UIFW reduction strategy and implementation plans as a matter of priority and urgency.

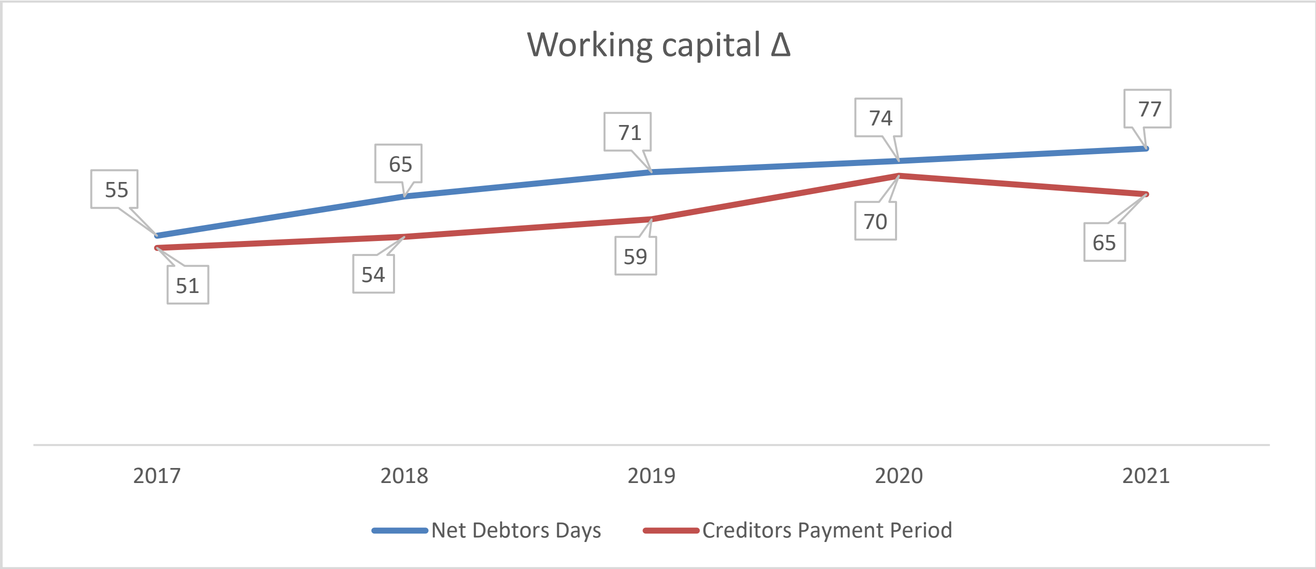
4.4.5 Grant Dependency

- It is noted that the Municipality's own source revenue is adequate and is not dependent on grants for its day-to-day operations. The Municipality is encouraged to implement mechanisms to ensure that their own source revenue is increasing over time, working towards self-sufficiency.

4.4.6 Working Capital

- The Municipality takes significantly longer than expected to collect cash from debtors. This places strain on cash resources used to fund working capital requirements. The Municipality's aged debtors beyond 90 days constitutes a significant portion of its total debtors and should consider writing off aged debtors that are most likely improbable to collect.

- The repayment of creditors takes significantly longer (more than twice as long) than the expected norm of 30 days as prescribed by National Treasury. The Municipality should revise and improve its creditors payment policy to ensure that creditors are paid within the timeframes set in the legislation. According to our analysis, the Municipality has insufficient cash resources to pay its creditors timeously. The Municipality should be cognisant that working capital has to be managed and effective controls implemented to ensure prompt payment of their creditors.



The graph above illustrates the performance of the municipal working capital.

4.4.7 Going Concern

The Municipality's net asset position is sound, indicating that the Municipality operates on a going concern basis. There is an increasing trend in the Debt portfolio, and this should be managed as the Municipality is not necessarily in a good liquidity position to be taking up additional debt. The Municipality's liquidity position has deteriorated over the past 5 years, current assets barely cover current liabilities and should be closely monitored in order to ensure the assumption of the going concern is upheld.

SECTION 5: KEY RISKS AND RECOMMENDATIONS

This section outlines the main recommendations based on the SIME Assessment.

Integrated Development Planning

Key findings

Based on the above assessment, below is a summary of key findings:

Based on the IDP and budget session held on 11 May 2022, the Kynsna Council intends to adopt the IDP of its predecessor with amendments in terms of section 25(3) of the MSA.

The Municipality has not complied with section 28 of the MSA in terms of adopting a process plan to guide the planning, drafting, adoption and review of its IDP for the new term of council. However, the preparation and tabling of the IDP was guided by a Budget Time Schedule of Key Deadlines adopted by the previous council in July 2021 in terms of section 21 of the Municipal Finance Management Act; and

The Municipality has reflected on the sector plans developed and their status, however, no timeframes are provided to indicate the anticipated approval of some sector plans.

Recommendations

It is recommended that the Municipality must:

Consider adopting the IDP of its Council's predecessor with amendments in terms of section 25(3) of the MSA. Upon adoption of such IDP, the Municipality may commence with the preparation for the drafting of the IDP for the remaining term of office, which must be adopted in line with section 34(b) of the MSA and also follow the process as stipulated in Regulation 3 of the MSA Regulations as neither the MSA nor the MSA Regulations limit the extent to which an IDP may be amended;

Compile a process plan (to guide the planning and drafting of the IDP) and consult the local community before adopting such process plan, to ensure compliance with section 28 of the MSA and to assist the Municipality in the annual review and possible amendment of the tabled IDP for the remaining part of the current planning cycle;

Update the status of all the municipal sector plans in the IDP to be adopted in May 2022 and initiate a process to review those sector plans that are out of date; and

Consider the various recommendations and suggestions of national and provincial sector departments included in section 2.2.4 of this report dealing with IDP Alignment.

Environmental Affairs and Development Planning

- The Municipality must align its current IWMP and IDP with the Western Cape Integrated Waste Management Plan (2022 - 2027) due for completion in the 2022/23 financial year.
- The Knysna Municipality does not report regularly to the IPWIS. Reporting on the IPWIS must be updated and continuous and regular waste reporting must be submitted to the IPWIS. Waste diversion initiatives must be reported to the IPWIS. Municipalities are reminded to report on organic waste to the IPWIS. The Department is in the process of issuing a warning letter for non-reporting to the Knysna municipality.
- The Municipality has submitted a draft organic waste diversion plan for review. It is recommended that the Municipality considers implementing more targeted awareness campaigns that focus on recycling in low income and informal settlements

- Consistent internal audit reporting and the submission of mitigation action plans is necessary to assist the Municipality with its non-compliances. The License Holders need to urgently address the way forward for Old Place WDF as the Facility has near-constant fires and illegal access that is increasing the criminal activity on the WDF.
- As this Municipality does not have any disposal options for domestic waste in their Municipality, there is an urgency to ensure that the Garden Route WDF is operational as soon as possible.
- The MSDF (2020) must be readopted as a core component of the IDP when approved by Council in May 2022.
- The Municipality should consider undertaking a MSDF Performance Review, as part of the IDP Review, when this takes place.
- The content of the MSDF needs to be better reflected in the draft IDP – specifically providing the composite maps, priority development areas and implementation framework actions.
- The Municipality needs to update its CEF to contain a prioritized and integrated portfolio of infrastructure investments, derived from existing infrastructure master planning to ensure Plan-led budgeting can take place.

Economic Sustainability

- The Municipality accomplishes its constitutional duty by responding effectively to the socio-economic realities, however the Municipality should pursue higher levels/standards of access or living standards of basic services in order to give expression to the strategic objective " To improve and maintain current basic service delivery through specific infrastructural development projects".
- The COVID-19 pandemic has impacted negatively on the long-term economic growth and sustainability of the Knysna area and the Municipality should utilise its current resources to update its economic development strategy in order to steer the economy towards full recovery and sustainability. The main focus of the strategy must be to strengthen economic sectors to gain leverage from growth trends in finance and business services, Wholesale and retail trade as well as manufacturing and build high levels of social cohesion as well as the ability to maximise development opportunities for municipality.
- The Municipality need to form strategic partnerships with other spheres of government, neighbouring municipalities, the private sector and civil society to address the unending socio-economic challenges as well as never ending housing backlogs in order to seek wider regional solutions.
- The Municipality provided the cost of free basic services but did not align this with the estimated number of households that will benefit from the free basic services.

Supply Chain Management

- Key Risks identified with the Asset Management system of Governance and Capacitation Project
- Need for better Management of data and information Standards
    - Silos of data where one department has access to critical data, but other departments have no access;
    - Where there these silos of data exist, duplication of data is created that impacts on the reliability of the information needed for decision-making;
    - Critical information on the PC`s of certain engineers and files, that is not necessarily shared with the rest of the municipality; and

  - Reliability and Credibility of data (The Source - where data is coming from, is not singular but have multiple inputs making it messy).

- Outdated Asset Management Maintenance Strategic Plans
  - Propensity to use the Deviations route for emergency Repairs and Maintenance;
  - Statistical data suggest that emergency work can cost municipalities between 20 per cent and 30 per cent more as opposed to planned works;
  - Equipment availability not translated into key objectives for the Municipality.
  - Early detection of failure not necessary build into maintenance systems
- The Need to Build Capability in Municipalities
  - Most of the Engineers are near retirement which requires a contingency plan for Mentorship and knowledge Management;
  - Need for maintenance planners, because without them, we don't expect well planned and efficiently executed maintenance;
  - Need for securing intellectual property and devising SOP`s based on them; and
  - The ability to translate maintenance strategies into business and economic benefits.

Key Recommendations

- Collaboration is key to success and continuity in Asset Management
  - To improve the maturity levels within the various regions, there is a need for community of practice;
  - Share collective right practices and knowledge among participating municipalities within a Joint District Approach;
  - Strategic priorities would be best achieved if coordinated through a District Asset Management Steercom process; and
  - A phase-in approach of right practices will be required to build maturity overtime.
- Procurement Planning
  - PT to amend the existing Treasury **Circular Mun No. 18/2019**, to make it mandatory for municipalities to submit procurement plans on an annual basis by the 30th of June;
  - There should be a standardised format for the procurement plans template across the municipalities;
  - The municipalities should be encouraged to utilise mSCOA segmentations on their procurement plans to ensure alignment between the budgeted items and IDP strategic objectives; and
  - The municipalities should priorities uploading/capturing their procurement plans on the National Treasury e-Tender portal every new financial year.

Credibility and Sustainability

- The mSCOA tabled budget (TABB) data strings are used as the source to assess whether the 2022/23 MTREF budget is credible, sustainable, and funded.

- A credible and funded 2022/23 MTREF budget was tabled. The Municipality's efforts in tabling surpluses for the entire 2022/23 MTREF years are noted. Managing long-term stability requires sound financial planning, implementation, and reporting. The Municipality must ensure that attention is given to the alignment of information and segment errors identified in terms of the mSCOA data strings and MBRR A1-Schedules.

- Knysna Municipality's collection strategies should be strengthened and tightened up with the intention of improving its debtor and revenue management and ensuring a benchmark collection rate of 95 per cent is achieved. This will ensure the Municipality strengthens its cashflow position, enabling the Municipality to meet its short-term obligations.

- Service charges and Property rates account for approximately 70.6 per cent of the Municipality's total operating revenue budget, which forms a stable and predictable revenue base for the Municipality. These assumptions must be carefully monitored to manage any risk.

- Cost containment measures especially on Pension and UIF contributions, Medical Aid Contributions, Cell phone Allowances, Housing Allowance and Contracted Services must be carefully monitored in view of the reduced total budget projections.

- Realistic estimates for Depreciation and asset maintenance should be considered against key spending priorities as infrastructure is pivotal to sustainable and continuous service delivery. Repairs and maintenance levels should be examined by trend, benchmarking, and engineering recommendations.

- The Municipality's ability to implement capital spending remains a risk to the overall credibility of the capital budget and the overall sustainability of the long-term funding model. Underspending of the capital programme could result in the retention of the much-needed grant funding and loss of economic, financial, and service delivery opportunities. The Municipality must prioritise a consolidated approach and where necessary hold respective managers accountable for poor implementation.

- The Municipality must in its Long Term Financial provide more detail on how it plans to replenish the Capital Replacement Reserve as this remains a concern and will impact the Municipality's ability to replace and maintain its assets in the long term.

- It should be noted that a key objective of the mSCOA reform is to ensure that municipalities are budgeting, transacting, and reporting directly on and from integrated ERP systems to have one version of the truth in terms of the reported financial performance. In this regard, the mSCOA segment and transactions errors should receive serious attention as perfect alignment is necessary and offers significant intelligence that should be utilised during the prioritisation and budget approval process.

- The Municipality is exposed to liquidity risk.

- The Municipality will take up a loan in the financial year 2022/23. Although the Municipality has capacity to take on additional borrowing it should be considered within the cash flow requirements and affordability parameters.

Annexure A

Ratio calculations

Table 1 Ratio Calculations

No.	RATIO	FORMULA	DATA SOURCE	NORM/ RANGE	INPUT DESCRIPTION	2021
Asset Management						
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure/Total Expenditure (Total Operating expenditure + Capital expenditure) × 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%		**12.8%**
					Total Operating Expenditure	953 563 809
					Taxation Expense	-
					Total Capital Expenditure	139 728 671
2	Capital Expenditure Budget Implemen-tation Indicator	Actual capital Expenditure/Budget Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, In-Year reports and AR	95% - 100%		**84.4%**
					Actual Capital Expenditure	138 559 605
					Budget Capital Expenditure	164 158 951
3	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	Property, Plant and Equipment + Investment Property + Intangible Assets Impairment/(Total Property, Plant and Equipment + Investment Property + Intangible Assets) × 100	Statement of Financial Position, Notes to the AFS and AR	0%		**0.2%**
					PPE, Investment Property and Intangible Impairment	2 319 238
					PPE at carrying value	1 338 994 297
					Investment at carrying value	69 818 713
					Intangible Assets at carrying value	98 852
4	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	8%		**3.2%**
					Total Repairs and Maintenance Expenditure	45 657 033
					PPE at carrying value	1 338 994 297
					Investment Property at Carrying value	69 818 713

No.	RATIO	FORMULA	DATA SOURCE	NORM/ RANGE	INPUT DESCRIPTION	2021
5	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	Own funded Capital Expenditure (Internally generated funds + Borrowings)/Total Capital Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, Notes to the Annual Financial Statements (Statement of Comparative and Actual Information), Budget, IDP, In-Year reports and AR	None		67.0%
					Internally generated funds	1 740 419
					Borrowings	91 871 570
					Total Capital Expenditure	139 728 671
Revenue Management and Cost Coverage						
6	Operating Revenue Budget Implemen-tation Indicator	Actual Operating Revenue/Budget Operating Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		99.9%
					Actual Operating Revenue	956 514 692
					Budget Operating Revenue	957 767 755
7	Service Charges and Property Rates Revenue Budget Implemen-tation Indicator	Actual Service Charges and Property Rates Revenue/Budget Service Charges and Property Rates Revenue x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		100.7%
					Actual Service Charges and Property Rates Revenue	627 659 442
					Budget Service Charges and Property Rates Revenue	623 507 630
8	Revenue Growth (%) - Excluding capital grants	(Period under review's Total Revenue Excluding capital grants- previous period's Total Revenue excluding capital grants)/previous period's Total Revenue excluding capital grants) x 100	Statement of Financial Performance, Notes to AFS , Budget, IDP, In-Year reports and AR	= CPI		7.7%
					CPI	4.9%
					Total Revenue Exl. Capital (Previous)	889 419 242
					Total Revenue Exl. Capital (Current)	957 683 755
9	Cash/Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment)/Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 months		1 Month
					Cash and cash equivalents	27 541 112
					Unspent Conditional Grants	7 539 447
					Overdraft	-
					Short Term Investments	14 789 249
					Total Annual Operational Expenditure	771 334 202

No.	RATIO	FORMULA	DATA SOURCE	NORM/ RANGE	INPUT DESCRIPTION	2021
Liability Management						
10	Debt (Total Borrowings)/Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing)/ (Total Operating Revenue – Operational Conditional Grants) x 100	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%		**31.3%**
					Total Debt	291 897 519
					Total Operating Revenue	954 594 298
					Operational Conditional Grants	21 994 015
11	Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost (Interest Paid and Redemption)/ Total Operating Expenditure x 100	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%		**6.0%**
					Interest Paid	21 903 118
					Redemption	35 080 057
					Total Operating Expenditure	953 563 809
					Taxation Expense	-
12	Capital Cost (Interest Paid and Redemption) as a % of Total Operating Revenue	Capital Cost (Interest Paid and Redemption)/Total Operating Revenue	Statement of Financial Position, Performance, Budget, AFS Appendices, In-Year reports and AR	N/A		**2.3%**
					Interest Paid	21 903 118
					Redemption	35 080 057
					Total Operating Revenue	954 594 298
Working Capital						
13	Net Debtors Days	((Gross Debtors - Bad debt Provision)/ Actual Billed Revenue)) × 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days		**77 days**
					Gross debtors	328 980 058
					Bad debts Provision	195 806 910
					Billed Revenue	627 659 443
14	Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding/Credit Purchases (Operating and Capital) × 365	Statement of Financial Performance, Notes to AFS, Budget, In-Year reports and AR	30 days		**65 days**
					Trade Creditors	106 109 100
					Contracted Services	166 631 541
					Repairs and Maintenance	45 657 033
					General expenses	40 214 175
					Bulk Purchases	199 242 027
					Capital Credit Purchases *(Capital Credit Purchases refers to additions of Investment Property and Property,Plant and Equipment)*	139 728 671

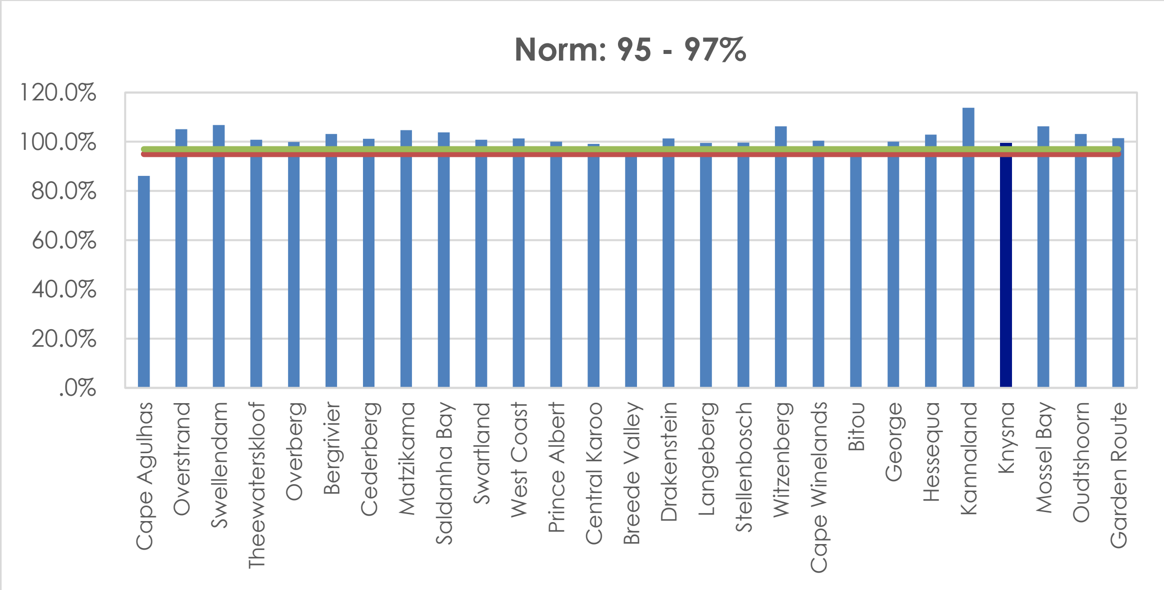
No.	RATIO	FORMULA	DATA SOURCE	NORM/ RANGE	INPUT DESCRIPTION	2021
Expenditure Management						
15	Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure/Budgeted Operating Expenditure x 100	Statement of Financial Position, Budget, AFS Appendices, IDP, In-Year reports and AR	95% - 100%		**99.9%**
					Actual Operating Expenditure	953 563 809
					Budget Operating Expenditure	954 351 075
16	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration)/Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	25% - 40%		**30.2%**
					Employee/personnel related cost	279 130 365
					Councillors Remuneration	8 781 010
					Total Operating Expenditure	953 563 809
					Taxation Expense	-
17	Contracted Services % of Total Operating Expenditure	Contracted Services/Total Operating Expenditure x100	Statement of Financial Performance, Budget, IDP, In-Year reports and AR	2% - 5%		**17.5%**
					Contracted Services	166 631 541
					Total Operating Expenditure	953 563 809
					Taxation Expense	-
18	Irregular, Fruitless and Wasteful and Unauthorised Expenditure/ Total Operating Expenditure	(Irregular, Fruitless and Wasteful and Unauthorised Expenditure)/Total Operating Expenditure x100	Statement Financial Performance, Notes to Annual Financial Statements and AR	0%		**8.1%**
					Irregular, Fruitless and Wasteful and Unauthorised Expenditure	77 654 685
					Total Operating Expenditure	953 563 809
					Taxation Expense	-
Grant Dependency						
19	Own Source Revenue to Total Operating Revenue (Including Agency Revenue)	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/Total Operating Revenue (including agency services) x 100	Statement Financial Performance, Budget, IDP, In-Year reports and AR	None		**86.1%**
					Total Revenue	1 004 102 677
					Government grant and subsidies	177 944 792
					Public contributions and Donations	1 169 063
					Capital Grants	46 418 922

No.	RATIO	FORMULA	DATA SOURCE	NORM/ RANGE	INPUT DESCRIPTION	2021
Going Concern						
20	Total Liabilities to Total Assets	Total Liabilities/Total Assets	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Asset	0% - 50%		35.9%
					Total Liabilities	617 340 901
					Total Assets	1 720 371 022
21	Total Debt to Total Assets	Total Debt/Total Assets	Statement of Financial Performance, Budget, In-Year reports, AR, Statement of Comparison of Budget and Actual Amounts and Statement of Changes in Net Asset	0% - 50%		17.0%
					Total Debt	291 897 519
					Total Assets	1 720 371 022
22	Current Ratio	Current Assets/ Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1		1.2
					Current Assets	287 586 982
					Current Liabilities	235 745 275

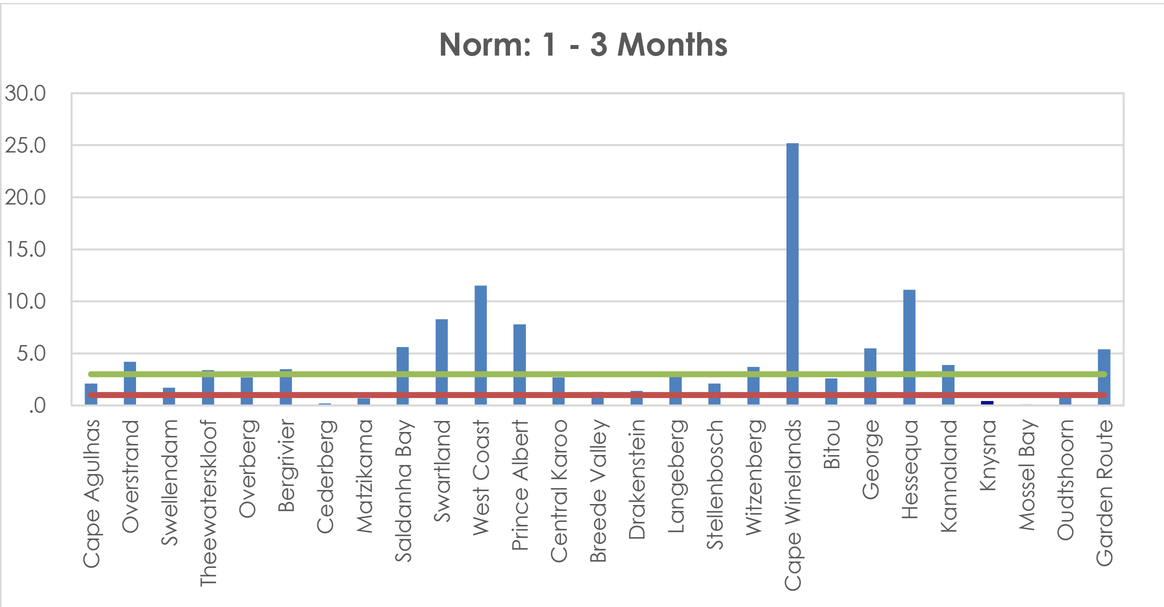
Annexure B

BENCHMARKING: KEY FINANCIAL HEALTH INDICATORS

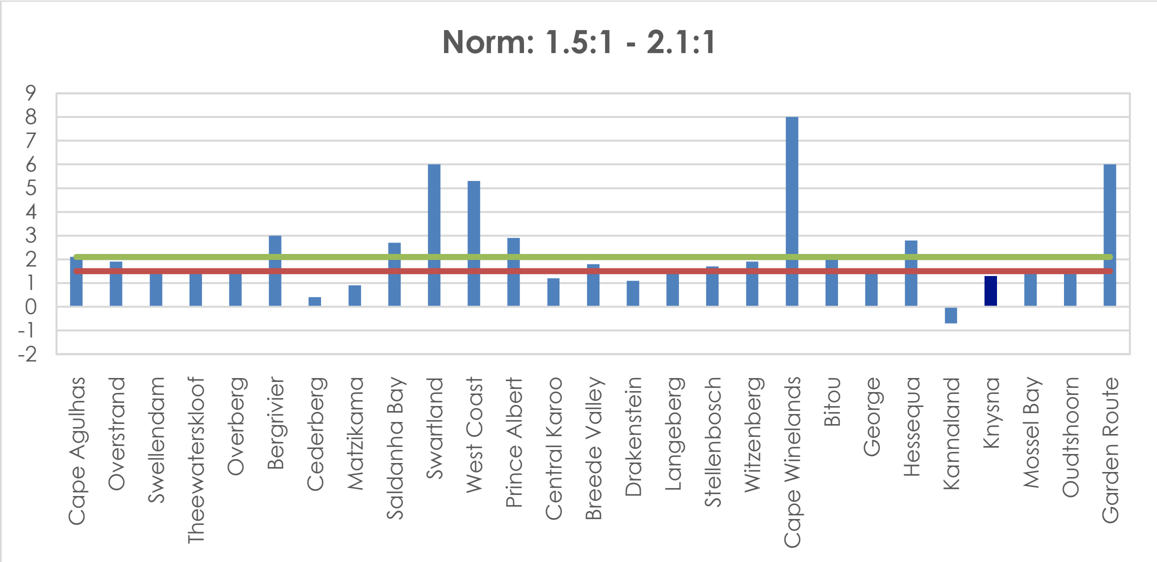
1. **% Share of Total Operating Costs against Total revenue**



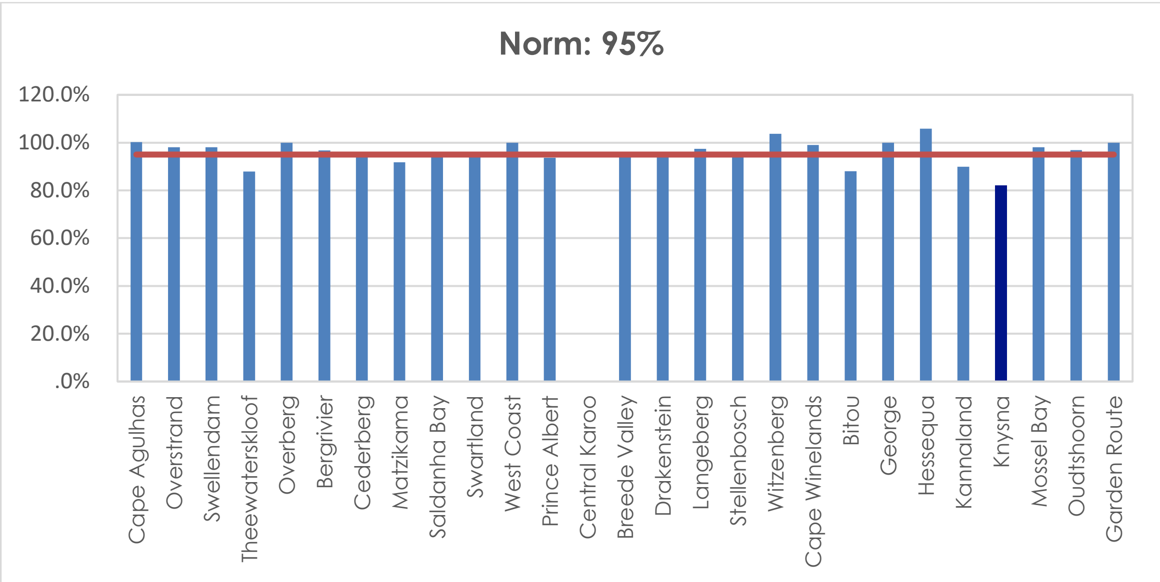
2. **Cash/Cost coverage ratio**



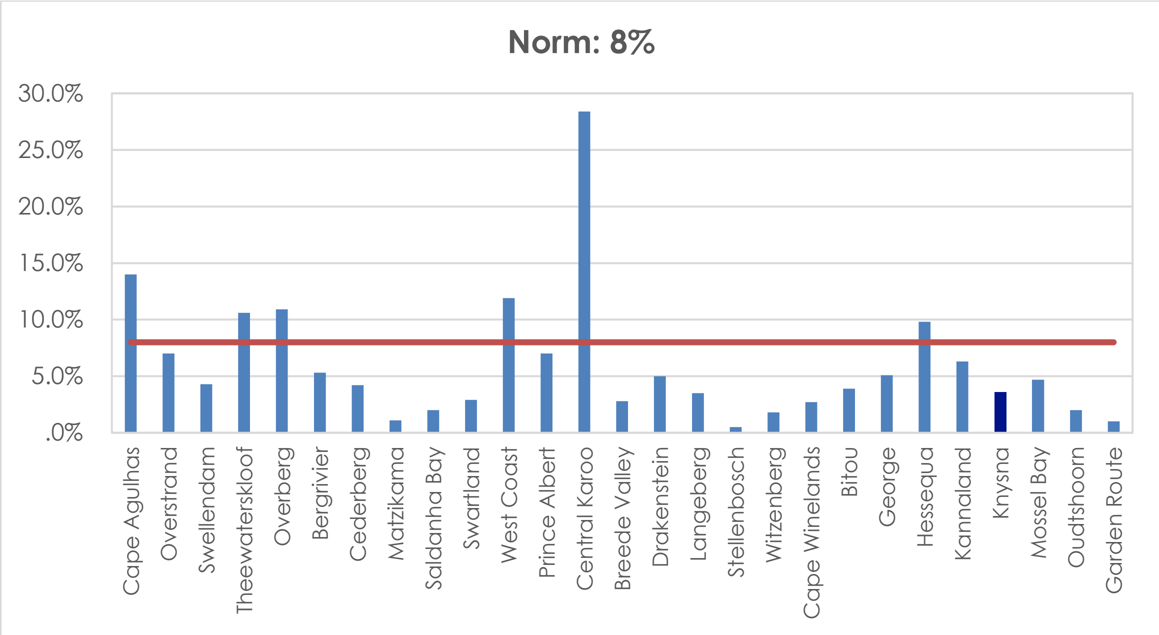
3. **Current Asset Ratio**



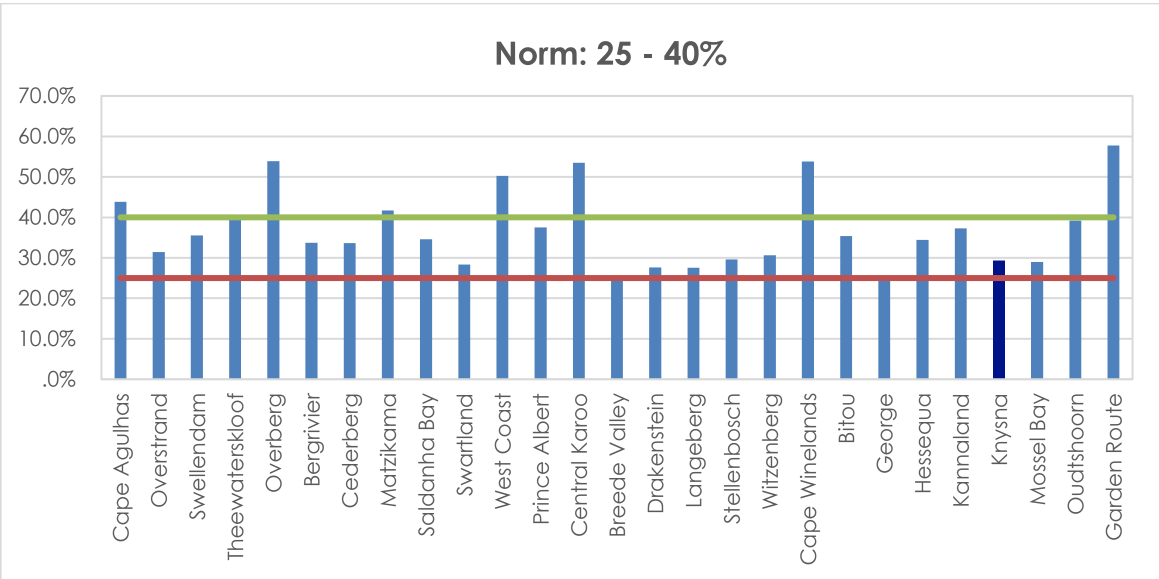
4. **Collection Rate**



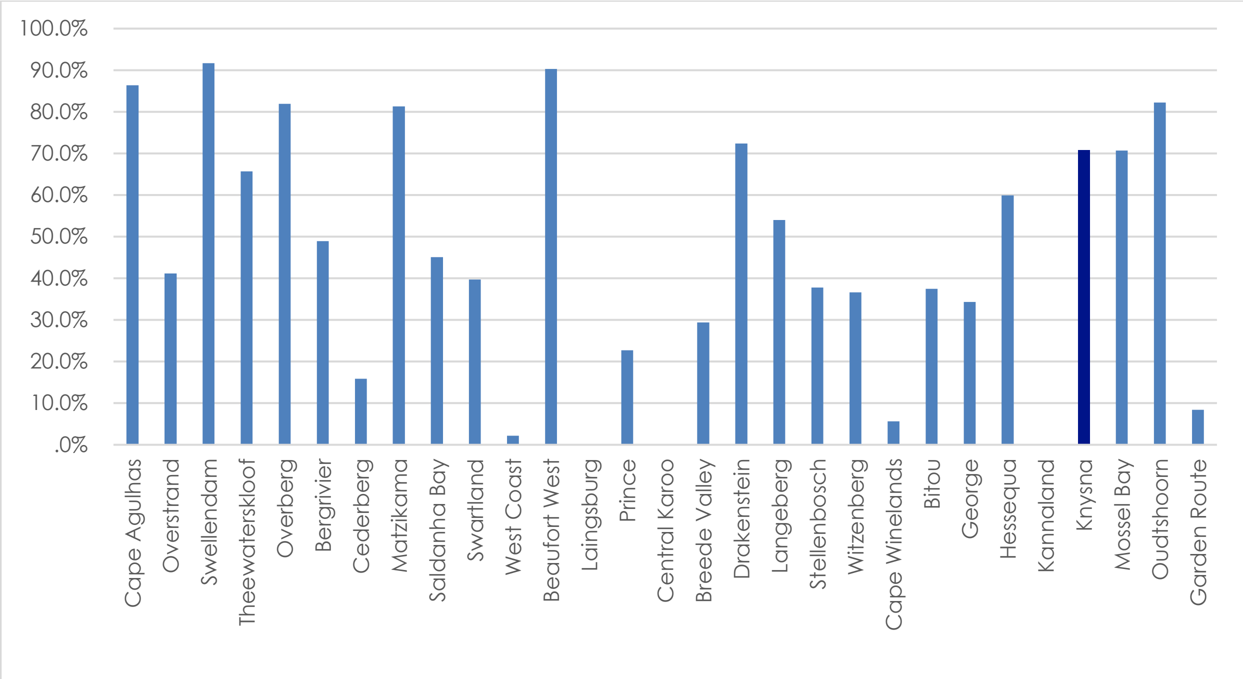
5. **R&M % of PPE & Investment Property**



6. **% Employee Related Costs to Total Opex Excl Cllrs**



7. **Renewal and upgrading existing assets % total capex**



Appendix 8:

Schedules A1 to A10 and Supporting Schedules SA1 to SA38

(To be circulated separately)