



CAPE WINELANDS DISTRICT
MUNICIPALITY • MUNISIPALITEIT • UMASIPALA

**BUDGET 2009/2010,
2010/2011, 2011/2012**

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ANNEXURE " A "

1.SUMMARY OF OPERATING BUDGET: 2009/2010, 2010/2011, 2011/2012

	BUDGET 2009/2010			BUDGET 2010/2011			BUDGET 2011/2012		
	TOTAL EXPEND.	TOTAL INCOME	SURPLUS(-)/ DEFICIT	TOTAL EXPEND.	TOTAL INCOME	SURPLUS(-)/ DEFICIT	TOTAL EXPEND.	TOTAL INCOME	SURPLUS(-)/ DEFICIT
ECONOMIC DEVELOPMENT AND PLANNING	27,403,400	-3,644,500	23,758,900	24,902,000	-66,000	24,836,000	26,176,000	-67,600	26,108,400
ENGINEERING AND INFRASTRUCTURE	156,800,300	-124,455,400	32,344,900	148,130,400	-106,282,200	41,848,200	160,239,300	-130,049,200	30,190,100
COMMUNITY AND DEVELOPMENTAL SERVICE	77,962,700	-4,698,800	73,263,900	79,525,700	-220,000	79,305,700	87,509,700	-220,000	87,289,700
RURAL AND SOCIAL DEVELOPMENT	19,028,100	-5,653,900	13,374,200	14,137,800	-	14,137,800	15,678,900	-	15,678,900
CORPORATE SERVICES	76,879,000	-56,829,500	20,049,500	67,734,700	-59,778,200	7,956,500	74,822,700	-62,016,600	12,806,100
FINANCIAL SERVICES	18,851,552	-181,642,952	-162,791,400	16,270,200	-184,354,400	-168,084,200	17,796,200	-189,869,400	-172,073,200
	376,925,052	-376,925,052	0	350,700,800	-350,700,800	0	382,222,800	-382,222,800	0

SUMMARY OF MTREF 2009/2010

Cost centre	Cost centre description	Expenditure					Sub Total	Departmental Charges	Departmental Recoveries	Net Expenditure	Income			Total Income	-Surplus / Deficit
		Salaries, Wages & Allowances	General Expenses	Repair & Maintenance work	Contribution to Funds & Provisions	Projects					General Income	Service Levies & Interest	Contributions Received		
<u>ECONOMIC DEVELOPMENT</u>															
1600	Manag.: Economic Development and Planning	1,061,900	302,400	14,400	11,000	-	1,389,700	460,200	-	1,849,900	-	-	-	-	1,849,900
1004	Local Economic Development	1,375,300	762,600	24,500	100,800	6,280,000	8,543,200	66,000	-	8,609,200	-	-	-1,880,000	-1,880,000	6,729,200
		2,437,200	1,065,000	38,900	111,800	6,280,000	9,932,900	526,200	-	10,459,100	-	-	-1,880,000	-1,880,000	8,579,100
<u>TOURISM</u>															
1103	Tourism	1,875,700	6,452,800	3,700	15,000	2,824,900	11,172,100	231,000	-	11,403,100	-50,000	-	-700,000	-750,000	10,653,100
<u>LAND- USE and SPATIAL PLANNING</u>															
1521	Land-use and Spatial Planning	1,135,400	423,400	5,800	11,800	1,030,000	2,606,400	184,800	-	2,791,200	-14,500	-	-	-14,500	2,776,700
1522	Environmental Planning	-	-	-	-	2,750,000	2,750,000	-	-	2,750,000	-	-	-1,000,000	-1,000,000	1,750,000
		1,135,400	423,400	5,800	11,800	3,780,000	5,356,400	184,800	-	5,541,200	-14,500	-	-1,000,000	-1,014,500	4,526,700
<u>CORPORATE SERVICES</u>															
1102	Admin. Support Services	4,533,800	1,119,500	709,900	177,700	-	6,540,900	1,560,100	-	8,101,000	-	-	-	-	8,101,000
1100	Corporate Services	1,240,100	348,500	5,000	10,500	-	1,604,100	231,700	-	1,835,800	-	-	-	-	1,835,800
1010	Public Relations	894,400	2,289,300	4,000	-	-	3,187,700	108,200	-	3,295,900	-	-	-1,000,000	-1,000,000	2,295,900
1110	Human Resources Management	3,157,400	6,713,700	6,000	-	-	9,877,100	324,900	-	10,202,000	-872,900	-	-	-872,900	9,329,100
1164	Property Management	2,842,500	4,328,500	16,700	3,593,200	-	10,780,900	-	-10,679,200	101,700	-101,700	-	-	-101,700	-
1166	Communication / Telephone	463,000	2,775,600	8,900	-	-	3,247,500	5,700	-3,011,900	241,300	-241,300	-	-	-241,300	-
1310	Transport Pool	-	3,775,700	349,800	1,897,800	-	6,023,300	-	-6,023,300	-	-	-	-	-	-
1210	Information Technology	1,397,700	407,100	726,000	197,200	-	2,728,000	516,600	-438,600	2,806,000	-36,700	-	-	-36,700	2,769,300
		14,528,900	21,757,900	1,826,300	5,876,400	-	43,989,500	2,747,200	-20,153,000	26,583,700	-1,252,600	-	-1,000,000	-2,252,600	24,331,100

Cost centre	Cost centre description	Salaries, Wages & Allowances	General Expenses	Repair & Maintenance work	Contribution to Funds & Provisions	Projects	Sub Total	Departmental Charges	Departmental Recoveries	Net Expenditure	General Income	Service Levies & Interest	Contributions Received	Total Income	-Surplus / Deficit
<u>OFFICE OF THE MUNICIPAL MANAGER</u>															
<u>1001</u>	Office of the Municipal Manager	1,088,400	452,800	7,500	50,800	-	1,599,500	402,300	-	2,001,800	-	-	-	-	2,001,800
<u>1104</u>	Soccer 2010	314,400	277,100	-	-	5,190,000	5,781,500	-	-	5,781,500	-	-	-330,000	-330,000	5,451,500
<u>1020</u>	Audit	1,274,400	896,500	4,500	8,700	-	2,184,100	163,500	-	2,347,600	-	-	-	-	2,347,600
<u>1021</u>	Risk Management	365,700	220,600	5,000	8,000	-	599,300	75,500	-	674,800	-	-	-	-	674,800
<u>1511</u>	Performance Management	689,700	201,300	13,200	5,000	2,000,000	2,909,200	63,000	-	2,972,200	-	-	-2,000,000	-2,000,000	972,200
<u>1512</u>	IDP	836,800	858,100	13,700	5,000	3,802,900	5,516,500	129,000	-	5,645,500	-	-	-2,868,900	-2,868,900	2,776,600
<u>1513</u>	Shared Service Center	608,100	196,800	2,200	19,800	1,500,000	2,326,900	149,300	-	2,476,200	-	-	-1,635,000	-1,635,000	841,200
		5,177,500	3,103,200	46,100	97,300	12,492,900	20,917,000	982,600	-	21,899,600	-	-	-6,833,900	-6,833,900	15,065,700
<u>GOVERNANCE and COUNCILLOR SUPPORT</u>															
<u>1000</u>	Expenditure of the Council	5,003,100	1,895,200	-	500	-	6,898,800	-	-	6,898,800	-	-	-	-	6,898,800
<u>1002</u>	Sundry Expenditure of Council	1,338,500	15,241,100	33,000	-	-	16,612,600	4,167,100	-8,458,300	12,321,400	-35,003,000	-	-12,640,000	-47,643,000	-35,321,600
<u>1003</u>	Office of the Mayor	2,139,000	3,494,800	7,300	3,000	100,000	5,744,100	416,100	-	6,160,200	-	-	-100,000	-100,000	6,060,200
<u>1005</u>	Office of the Speaker	1,203,000	141,300	1,600	3,000	-	1,348,900	123,000	-	1,471,900	-	-	-	-	1,471,900
<u>1101</u>	Councillor Support	1,364,700	81,700	6,500	-	-	1,452,900	90,500	-	1,543,400	-	-	-	-	1,543,400
		11,048,300	20,854,100	48,400	6,500	100,000	32,057,300	4,796,700	-8,458,300	28,395,700	-35,003,000	-	-12,740,000	-47,743,000	-19,347,300
<u>FINANCIAL SERVICES</u>															
<u>1201</u>	Finance Dept.: Management and Finance	1,371,200	328,400	9,400	27,100	-	1,736,100	236,300	-	1,972,400	-80,800	-	-	-80,800	1,891,600
<u>1202</u>	Financial Management Grant	462,300	3,379,852	1,100	-	-	3,843,252	5,500	-	3,848,752	-	-	-3,848,752	-3,848,752	0
<u>1205</u>	Budget & Financial Service	1,673,400	107,700	6,200	232,800	-	2,020,100	286,900	-	2,307,000	-	-	-	-	2,307,000
<u>1225</u>	Income and Collection of Levies	1,489,500	2,281,300	6,800	-	-	3,777,600	754,900	-	4,532,500	-61,300	-4,300	-177,491,000	-177,556,600	-173,024,100
<u>1235</u>	Procurement	1,653,300	857,300	4,700	-	-	2,515,300	1,718,100	-932,800	3,300,600	-120,000	-	-	-120,000	3,180,600
<u>1238</u>	Expenditure	2,083,400	192,900	7,600	-	-	2,283,900	606,400	-	2,890,300	-36,800	-	-	-36,800	2,853,500
		8,733,100	7,147,452	35,800	259,900	-	16,176,252	3,608,100	-932,800	18,851,552	-298,900	-4,300	-181,339,752	-181,642,952	-162,791,400

Cost centre	Cost centre description	Salaries, Wages & Allowances	General Expenses	Repair & Maintenance work	Contribution to Funds & Provisions	Projects	Sub Total	Departmental Charges	Departmental Recoveries	Net Expenditure	General Income	Service Levies & Interest	Contributions Received	Total Income	-Surplus / Deficit
<u>COMMUNITY AND DEVELOPMENTAL SERVICES</u>															
<u>1401</u>	Manag.: Community and Developmental Services	1,567,000	328,600	4,600	3,800	-	1,904,000	227,800	-	2,131,800	-	-	-	-	2,131,800
<u>1441</u>	Municipal Health Services	18,722,000	2,645,700	44,600	155,000	9,680,000	31,247,300	2,010,700	-	33,258,000	-	-	-2,900,000	-2,900,000	30,358,000
<u>1610</u>	Disaster Management	2,269,300	2,177,600	81,700	318,000	600,000	5,446,600	232,200	-	5,678,800	-	-	-	-	5,678,800
<u>1620</u>	Fire Service	17,722,800	14,128,700	147,800	2,510,000	-	34,509,300	2,384,800	-	36,894,100	-298,800	-	-1,500,000	-1,798,800	35,095,300
		40,281,100	19,280,600	278,700	2,986,800	10,280,000	73,107,200	4,855,500	-	77,962,700	-298,800	-	-4,400,000	-4,698,800	73,263,900
<u>RURAL AND SOCIAL DEVELOPMENT</u>															
<u>1475</u>	Social Development	1,859,700	1,005,500	3,800	27,000	12,503,900	15,399,900	202,700	-	15,602,600	-	-	-5,653,900	-5,653,900	9,948,700
<u>1476</u>	Safe House	103,100	747,700	3,300	11,200	-	865,300	113,800	-	979,100	-	-	-	-	979,100
<u>1477</u>	Rural Development	896,700	15,700	-	-	-	912,400	-	-	912,400	-	-	-	-	912,400
<u>1478</u>	Management: Rural and Social Development	1,163,200	358,100	11,000	-	-	1,532,300	1,700	-	1,534,000	-	-	-	-	1,534,000
		4,022,700	2,127,000	18,100	38,200	12,503,900	18,709,900	318,200	-	19,028,100	-	-	-5,653,900	-5,653,900	13,374,200
<u>ENGINEERING and INFRASTRUCTURE</u>															
<u>1165</u>	Buildings : Maintenance	884,100	415,400	2,400,000	710,000	-	4,409,500	-4,370,900	38,600	38,600	-38,600	-	-	-38,600	-
<u>1301</u>	Eng. & Infrastructure Serv. : Management	1,118,700	246,700	1,100	21,700	-	1,388,200	352,500	-	1,740,700	-	-	-	-	1,740,700
<u>1330</u>	Projects and Housing	2,735,300	1,321,800	1,500	147,900	54,700,000	58,906,500	300,700	-	59,207,200	-1,092,700	-	-38,820,000	-39,912,700	19,294,500
<u>1331</u>	WORKING FOR WATER (DWAF)	1,164,800	2,154,500	-	-	6,361,400	9,680,700	-	-	9,680,700	-	-	-9,680,700	-9,680,700	-
<u>1334</u>	WORKING FOR WATER (WORC)	1,164,800	1,409,000	-	-	1,202,400	3,776,200	-	-	3,776,200	-	-	-3,776,200	-3,776,200	-
<u>1327</u>	Technical Support Services	648,700	134,700	60,500	55,000	-	898,900	158,100	-	1,057,000	-1,200	-	-	-1,200	1,055,800
		7,716,400	5,682,100	2,463,100	934,600	62,263,800	79,060,000	811,300	-4,370,900	75,500,400	-1,132,500	-	-52,276,900	-53,409,400	22,091,000
<u>PUBLIC TRANSPORT REGULATION</u>															
<u>1615</u>	Public Transport Regulation	926,100	886,500	6,200	17,800	10,300,000	12,136,600	117,300	-	12,253,900	-	-	-2,000,000	-2,000,000	10,253,900

Cost centre	Cost centre description	Salaries, Wages & Allowances	General Expenses	Repair & Maintenance work	Contribution to Funds & Provisions	Projects	Sub Total	Departmental Charges	Departmental Recoveries	Net Expenditure	General Income	Service Levies & Interest	Contributions Received	Total Income	-Surplus / Deficit
<u>ROADS</u>															
<u>1360</u>	Roads-Main/Div. Direct	-	-	69,046,000	-	-	69,046,000	-	-	69,046,000	-	-	-69,046,000	-69,046,000	-
<u>1361</u>	Roads-Main/Div. Indirect	27,717,400	2,039,500	9,412,400	-	5,395,300	44,564,600	5,704,600	-50,269,200	-	-	-	-	-	-
<u>1362</u>	Roads Management	4,057,100	33,200	-	-	-	4,090,300	-	-4,090,300	-	-	-	-	-	-
<u>1363</u>	Roads - Workshop	3,966,600	550,100	241,400	-	-	4,758,100	-	-4,758,100	-	-	-	-	-	-
<u>1364</u>	Roads - Plant	-	15,817,500	-	-	-	15,817,500	-	-15,817,500	-	-	-	-	-	-
TOTAL AGENCY FUNCTIONS		35,741,100	18,440,300	78,699,800	-	5,395,300	138,276,500	5,704,600	-74,935,100	69,046,000	-	-	-69,046,000	-69,046,000	-
		133,623,500	107,220,352	83,470,900	10,356,100	126,220,800	460,891,652	24,883,500	-108,850,100	376,925,052	-38,050,300	-4,300	-338,870,452	-376,925,052	0

SUMMARY OF MTREF 2010/2011

Cost centre	Cost centre description	Expenditure						Income					-Surplus / Deficit		
		Salaries, Wages & Allowances	General Expenses	Repair & Maintenance work	Contribution to Funds & Provisions	Projects	Sub Total	Departmental Charges	Departmental Recoveries	Net Expenditure	General Income	Service Levies & Interest		Contributions Received	Total Income
<u>ECONOMIC DEVELOPMENT</u>															
1600	Manag.: Economic Development and Planning	1,167,700	222,500	15,800	12,100	-	1,418,100	506,000	-	1,924,100	-	-	-	-	1,924,100
1004	Local Economic Development	1,512,200	838,700	26,900	110,800	4,120,000	6,608,600	72,600	-	6,681,200	-	-	-	-	6,681,200
		2,679,900	1,061,200	42,700	122,900	4,120,000	8,026,700	578,600	-	8,605,300	-	-	-	-	8,605,300
<u>TOURISM</u>															
1103	Tourism	2,062,200	7,288,000	4,100	16,500	1,897,100	11,267,900	254,100	-	11,522,000	-50,000	-	-	-50,000	11,472,000
<u>LAND- USE and SPATIAL PLANNING</u>															
1521	Land-use and Spatial Planning	971,700	465,600	6,400	12,900	1,280,000	2,736,600	203,100	-	2,939,700	-16,000	-	-	-16,000	2,923,700
1522	Environmental Planning	-	-	-	-	1,835,000	1,835,000	-	-	1,835,000	-	-	-	-	1,835,000
		971,700	465,600	6,400	12,900	3,115,000	4,571,600	203,100	-	4,774,700	-16,000	-	-	-16,000	4,758,700
<u>CORPORATE SERVICES</u>															
1102	Admin. Support Services	5,032,000	1,790,500	780,900	194,500	-	7,797,900	1,716,100	-	9,514,000	-	-	-	-	9,514,000
1100	Corporate Services	1,368,300	383,000	5,500	11,500	-	1,768,300	255,000	-	2,023,300	-	-	-	-	2,023,300
1010	Public Relations	1,001,900	1,418,000	4,500	-	-	2,424,400	119,100	-	2,543,500	-	-	-	-	2,543,500
1110	Human Resources Management	3,606,000	6,191,300	6,600	-	-	9,803,900	357,400	-	10,161,300	-960,200	-	-	-960,200	9,201,100
1164	Property Management	3,358,000	4,760,900	18,300	3,952,500	-	12,089,700	-11,977,800	111,900	111,900	-111,900	-	-	-111,900	-
1166	Communication / Telephone	509,200	3,053,300	9,800	-	-	3,572,300	6,300	-3,313,200	265,400	-265,400	-	-	-265,400	-
1310	Transport Pool	-	4,153,100	384,800	2,087,600	-	6,625,500	-	-6,625,500	-	-	-	-	-	-
1210	Information Technology	1,563,600	447,600	798,500	216,900	-	3,026,600	568,200	-482,600	3,112,200	-40,700	-	-	-40,700	3,071,500
		16,439,000	22,197,700	2,008,900	6,463,000	-	47,108,600	3,022,100	-22,399,100	27,731,600	-1,378,200	-	-	-1,378,200	26,353,400

Cost centre	Cost centre description	Expenditure						Income							
		Salaries, Wages & Allowances	General Expenses	Repair & Maintenance work	Contribution to Funds & Provisions	Projects	Sub Total	Departmental Charges	Departmental Recoveries	Net Expenditure	General Income	Service Levies & Interest	Contributions Received	Total Income	-Surplus / Deficit
<u>OFFICE OF THE MUNICIPAL MANAGER</u>															
1001	Office of the Municipal Manager	1,213,000	437,200	8,500	55,700	-	1,714,400	442,400	-	2,156,800	-	-	-	-	2,156,800
1104	Soccer 2010	172,800	77,400	-	-	-	250,200	-	-	250,200	-	-	-	-	250,200
1020	Audit	1,421,600	556,500	5,000	9,600	-	1,992,700	180,000	-	2,172,700	-	-	-	-	2,172,700
1021	Risk Management	413,800	242,500	5,500	8,800	-	670,600	83,100	-	753,700	-	-	-	-	753,700
1511	Performance Management	766,600	221,000	14,500	5,500	550,000	1,557,600	69,300	-	1,626,900	-	-	-550,000	-550,000	1,076,900
1512	IDP	946,700	943,400	15,000	5,000	750,000	2,660,100	141,900	-	2,802,000	-	-	-	-	2,802,000
1513	Shared Service Center	678,700	216,400	2,500	21,800	1,000,000	1,919,400	164,200	-	2,083,600	-	-	-735,000	-735,000	1,348,600
		5,613,200	2,694,400	51,000	106,400	2,300,000	10,765,000	1,080,900	-	11,845,900	-	-	-1,285,000	-1,285,000	10,560,900
<u>GOVERNANCE and COUNCILLOR SUPPORT</u>															
1000	Expenditure of the Council	5,503,300	2,084,400	-	500	-	7,588,200	-	-	7,588,200	-	-	-	-	7,588,200
1002	Sundry Expenditure of Council	1,472,300	14,463,200	36,300	-	-	15,971,800	4,583,800	-9,304,100	11,251,500	-42,003,000	-	-15,112,000	-57,115,000	-45,863,500
1003	Office of the Mayor	2,424,700	3,088,700	8,000	3,300	-	5,524,700	457,600	-	5,982,300	-	-	-	-	5,982,300
1005	Office of the Speaker	1,329,400	154,100	1,600	3,300	-	1,488,400	135,600	-	1,624,000	-	-	-	-	1,624,000
1101	Councillor Support	1,515,200	89,500	7,000	-	-	1,611,700	99,500	-	1,711,200	-	-	-	-	1,711,200
		12,244,900	19,879,900	52,900	7,100	-	32,184,800	5,276,500	-9,304,100	28,157,200	-42,003,000	-	-15,112,000	-57,115,000	-28,957,800
<u>FINANCIAL SERVICES</u>															
1201	Finance Dept.: Management and Finance	1,602,400	251,300	10,300	29,800	-	1,893,800	259,900	-	2,153,700	-88,800	-	-	-88,800	2,064,900
1202	Financial Management Grant	508,400	734,300	1,200	-	-	1,243,900	6,100	-	1,250,000	-	-	-1,250,000	-1,250,000	-
1205	Budget & Financial Service	1,906,600	118,200	6,800	256,100	-	2,287,700	315,600	-	2,603,300	-	-	-	-	2,603,300
1225	Income and Collection of Levies	1,716,600	840,100	7,400	-	-	2,564,100	830,300	-	3,394,400	-67,400	-4,700	-182,783,000	-182,855,100	-179,460,700
1235	Procurement	1,833,000	942,800	5,200	-	-	2,781,000	1,889,900	-1,026,000	3,644,900	-120,000	-	-	-120,000	3,524,900
1238	Expenditure	2,337,000	211,600	8,400	-	-	2,557,000	666,900	-	3,223,900	-40,500	-	-	-40,500	3,183,400
		9,904,000	3,098,300	39,300	285,900	-	13,327,500	3,968,700	-1,026,000	16,270,200	-316,700	-4,700	-184,033,000	-184,354,400	-168,084,200

Cost centre	Cost centre description	Expenditure							Income					-Surplus / Deficit	
		Salaries, Wages & Allowances	General Expenses	Repair & Maintenance work	Contribution to Funds & Provisions	Projects	Sub Total	Departmental Charges	Departmental Recoveries	Net Expenditure	General Income	Service Levies & Interest	Contributions Received		Total Income
<u>COMMUNITY AND DEVELOPMENTAL SERVICES</u>															
1401	Manag.: Community and Developmental Service:	1,723,400	251,100	5,100	4,200	-	1,983,800	250,500	-	2,234,300	-	-	-	-	2,234,300
1441	Municipal Health Services	20,594,100	2,909,600	49,100	170,500	5,708,000	29,431,300	2,211,700	-	31,643,000	-	-	-	-	31,643,000
1610	Disaster Management	2,552,800	2,504,800	89,800	350,000	660,000	6,157,400	255,400	-	6,412,800	-	-	-	-	6,412,800
1620	Fire Service	19,798,200	13,890,600	162,500	2,761,000	-	36,612,300	2,623,300	-	39,235,600	-220,000	-	-	-220,000	39,015,600
		44,668,500	19,556,100	306,500	3,285,700	6,368,000	74,184,800	5,340,900	-	79,525,700	-220,000	-	-	-220,000	79,305,700
<u>RURAL AND SOCIAL DEVELOPMENT</u>															
1475	Social Development	2,055,600	973,400	4,200	29,700	7,424,300	10,487,200	222,900	-	10,710,100	-	-	-	-	10,710,100
1476	Safe House	112,500	245,700	3,600	12,300	-	374,100	125,200	-	499,300	-	-	-	-	499,300
1477	Rural Development	1,329,000	17,300	-	-	-	1,346,300	-	-	1,346,300	-	-	-	-	1,346,300
1478	Management: Rural and Social Development	1,284,400	283,900	12,000	-	-	1,580,300	1,800	-	1,582,100	-	-	-	-	1,582,100
		4,781,500	1,520,300	19,800	42,000	7,424,300	13,787,900	349,900	-	14,137,800	-	-	-	-	14,137,800
<u>ENGINEERING and INFRASTRUCTURE</u>															
1165	Buildings : Maintenance	972,600	456,700	2,640,000	781,000	-	4,850,300	-	-4,807,900	42,400	-42,400	-	-	-42,400	-
1301	Eng. & Infrastructure Serv. : Management	1,230,300	160,100	1,200	23,900	-	1,415,500	387,700	-	1,803,200	-	-	-	-	1,803,200
1330	Projects and Housing	2,905,700	1,454,000	1,600	162,700	38,700,000	43,224,000	330,700	-	43,554,700	-1,201,900	-	-18,120,000	-19,321,900	24,232,800
1331	WORKING FOR WATER (DWAF)	1,281,100	2,370,000	-	-	6,997,600	10,648,700	-	-	10,648,700	-	-	-10,648,700	-10,648,700	-
1334	WORKING FOR WATER (WORC)	1,281,100	1,550,000	-	-	1,316,800	4,147,900	-	-	4,147,900	-	-	-4,147,900	-4,147,900	-
1327	Technical Support Services	756,200	148,000	66,500	60,500	-	1,031,200	173,900	-	1,205,100	-1,300	-	-	-1,300	1,203,800
		8,427,000	6,138,800	2,709,300	1,028,100	47,014,400	65,317,600	892,300	-4,807,900	61,402,000	-1,245,600	-	-32,916,600	-34,162,200	27,239,800
<u>PUBLIC TRANSPORT REGULATION</u>															
1615	Public Transport Regulation	1,018,400	1,004,600	6,800	19,600	12,430,000	14,479,400	129,000	-	14,608,400	-	-	-	-	14,608,400

Cost centre	Cost centre description	Expenditure						Income					-Surplus / Deficit		
		Salaries, Wages & Allowances	General Expenses	Repair & Maintenance work	Contribution to Funds & Provisions	Projects	Sub Total	Departmental Charges	Departmental Recoveries	Net Expenditure	General Income	Service Levies & Interest		Contributions Received	Total Income
ROADS															
<u>1360</u>	Roads-Main/Div. Direct	-	-	72,120,000	-	-	72,120,000	-	-	72,120,000	-	-	-72,120,000	-72,120,000	-
<u>1361</u>	Roads-Main/Div. Indirect	31,787,100	1,998,600	7,058,200	-	4,872,800	45,716,700	5,912,000	-51,628,700	-	-	-	-	-	-
<u>1362</u>	Roads Management	4,662,900	36,400	-	-	-	4,699,300	-	-4,699,300	-	-	-	-	-	-
<u>1363</u>	Roads - Workshop	4,561,200	587,900	261,400	-	-	5,410,500	-	-5,410,500	-	-	-	-	-	-
<u>1364</u>	Roads - Plant	-	16,795,600	-	-	-	16,795,600	-	-16,795,600	-	-	-	-	-	-
TOTAL AGENCY FUNCTIONS		41,011,200	19,418,500	79,439,600	-	4,872,800	144,742,100	5,912,000	-78,534,100	72,120,000	-	-	-72,120,000	-72,120,000	-
		149,821,500	104,323,400	84,687,300	11,390,100	89,541,600	439,763,900	27,008,100	-116,071,200	350,700,800	-45,229,500	-4,700	-305,466,600	-350,700,800	-

SUMMARY OF MTREF 2011/2012

Cost centre	Cost centre description	Expenditure						Income					Total Income	-Surplus / Deficit	
		Salaries, Wages & Allowances	General Expenses	Repair & Maintenance work	Contribution to Funds & Provisions	Projects	Sub Total	Departmental Charges	Departmental Recoveries	Net Expenditure	General Income	Service Levies & Interest			Contributions Received
<u>ECONOMIC DEVELOPMENT</u>															
1600	Manag.: Economic Development and Planni	1,284,400	297,800	17,400	13,300	-	1,612,900	556,800	-	2,169,700	-	-	-	-	2,169,700
1004	Local Economic Development	1,663,200	921,300	29,600	121,900	3,322,000	6,058,000	79,800	-	6,137,800	-	-	-	-	6,137,800
		2,947,600	1,219,100	47,000	135,200	3,322,000	7,670,900	636,600	-	8,307,500	-	-	-	-	8,307,500
<u>TOURISM</u>															
1103	Tourism	2,268,100	8,016,000	4,500	18,100	2,086,600	12,393,300	279,500	-	12,672,800	-50,000	-	-	-50,000	12,622,800
<u>LAND- USE and SPATIAL PLANNING</u>															
1521	Land-use and Spatial Planning	1,070,600	511,900	7,100	14,200	1,350,000	2,953,800	223,400	-	3,177,200	-17,600	-	-	-17,600	3,159,600
1522	Environmental Planning	-	-	-	-	2,018,500	2,018,500	-	-	2,018,500	-	-	-	-	2,018,500
		1,070,600	511,900	7,100	14,200	3,368,500	4,972,300	223,400	-	5,195,700	-17,600	-	-	-17,600	5,178,100
<u>CORPORATE SERVICES</u>															
1102	Admin. Support Services	5,564,000	1,969,000	858,900	213,900	-	8,605,800	1,890,700	-	10,496,500	-	-	-	-	10,496,500
1100	Corporate Services	1,522,100	379,500	6,000	12,600	-	1,920,200	280,500	-	2,200,700	-	-	-	-	2,200,700
1010	Public Relations	1,104,800	1,559,200	5,000	-	-	2,669,000	131,000	-	2,800,000	-	-	-	-	2,800,000
1110	Human Resources Management	3,944,000	6,810,500	7,200	-	-	10,761,700	393,200	-	11,154,900	-1,056,400	-	-	-1,056,400	10,098,500
1164	Property Management	3,693,700	5,236,700	20,100	4,347,800	-	13,298,300	-13,175,200	123,100	-123,100	-	-	-	-123,100	-
1166	Communication / Telephone	560,000	3,358,600	10,800	-	-	3,929,400	6,900	-3,644,400	291,900	-291,900	-	-	-291,900	-
1310	Transport Pool	-	4,567,800	423,300	2,296,400	-	7,287,500	-	-7,287,500	-	-	-	-	-	-
1210	Information Technology	1,725,800	492,200	878,300	238,500	-	3,334,800	624,900	-530,900	3,428,800	-44,700	-	-	-44,700	3,384,100
		18,114,400	24,373,500	2,209,600	7,109,200	-	51,806,700	3,327,200	-24,638,000	30,495,900	-1,516,100	-	-	-1,516,100	28,979,800

Cost centre	Cost centre description	Expenditure						Income							
		Salaries, Wages & Allowances	General Expenses	Repair & Maintenance work	Contribution to Funds & Provisions	Projects	Sub Total	Departmental Charges	Departmental Recoveries	Net Expenditure	General Income	Service Levies & Interest	Contributions Received	Total Income	-Surplus / Deficit
<u>OFFICE OF THE MUNICIPAL MANAGER</u>															
1001	Office of the Municipal Manager	1,328,900	469,600	9,000	61,500	-	1,869,000	486,300	-	2,355,300	-	-	-	-	2,355,300
1104	Soccer 2010	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1020	Audit	1,559,600	641,700	5,500	10,600	-	2,217,400	198,100	-	2,415,500	-	-	-	-	2,415,500
1021	Risk Management	457,200	266,400	6,000	10,000	-	739,600	91,400	-	831,000	-	-	-	-	831,000
1511	Performance Management	861,500	243,000	15,900	6,000	550,000	1,676,400	77,000	-	1,753,400	-	-	-550,000	-550,000	1,203,400
1512	IDP	1,036,600	1,037,000	16,500	5,000	595,000	2,690,100	155,900	-	2,846,000	-	-	-	-	2,846,000
1513	Shared Service Center	747,900	238,100	2,700	23,900	1,100,000	2,112,600	180,500	-	2,293,100	-	-	-735,000	-735,000	1,558,100
		5,991,700	2,895,800	55,600	117,000	2,245,000	11,305,100	1,189,200	-	12,494,300	-	-	-1,285,000	-1,285,000	11,209,300
<u>GOVERNANCE and COUNCILLOR SUPPORT</u>															
1000	Expenditure of the Council	6,053,400	2,292,000	-	500	-	8,345,900	-	-	8,345,900	-	-	-	-	8,345,900
1002	Sundry Expenditure of Council	1,619,500	16,766,800	39,900	-	-	18,426,200	5,042,200	-10,234,500	13,233,900	-42,003,000	-	-17,212,500	-59,215,500	-45,981,600
1003	Office of the Mayor	2,667,000	3,295,400	9,000	3,600	-	5,975,000	503,300	-	6,478,300	-	-	-	-	6,478,300
1005	Office of the Speaker	1,555,600	169,300	1,700	3,700	-	1,730,300	149,400	-	1,879,700	-	-	-	-	1,879,700
1101	Councillor Support	1,678,900	98,300	8,000	-	-	1,785,200	109,500	-	1,894,700	-	-	-	-	1,894,700
		13,574,400	22,621,800	58,600	7,800	-	36,262,600	5,804,400	-10,234,500	31,832,500	-42,003,000	-	-17,212,500	-59,215,500	-27,383,000
<u>FINANCIAL SERVICES</u>															
1201	Finance Dept.: Management and Finance	1,764,600	278,400	11,300	32,700	-	2,087,000	285,900	-	2,372,900	-97,600	-	-	-97,600	2,275,300
1202	Financial Management Grant	559,100	682,900	1,300	-	-	1,243,300	6,700	-	1,250,000	-	-	-1,250,000	-1,250,000	-
1205	Budget & Financial Service	2,083,600	129,100	7,500	281,700	-	2,501,900	347,100	-	2,849,000	-	-	-	-	2,849,000
1225	Income and Collection of Levies	1,870,600	874,000	8,100	-	-	2,752,700	913,300	-	3,666,000	-74,100	-5,200	-188,278,000	-188,357,300	-184,691,300
1235	Procurement	2,055,000	1,036,800	5,700	-	-	3,097,500	2,078,800	-1,128,600	4,047,700	-120,000	-	-	-120,000	3,927,700
1238	Expenditure	2,635,000	232,700	9,300	-	-	2,877,000	733,600	-	3,610,600	-44,500	-	-	-44,500	3,566,100
		10,967,900	3,233,900	43,200	314,400	-	14,559,400	4,365,400	-1,128,600	17,796,200	-336,200	-5,200	-189,528,000	-189,869,400	-172,073,200

Cost centre	Cost centre description	Expenditure							Income						
		Salaries, Wages & Allowances	General Expenses	Repair & Maintenance work	Contribution to Funds & Provisions	Projects	Sub Total	Departmental Charges	Departmental Recoveries	Net Expenditure	General Income	Service Levies & Interest	Contributions Received	Total Income	-Surplus / Deficit
<u>COMMUNITY AND DEVELOPMENTAL SERVICES</u>															
1401	Manag.: Community and Developmental Ser	1,895,300	275,800	5,500	4,500	-	2,181,100	275,500	-	2,456,600	-	-	-	-	2,456,600
1441	Municipal Health Services	22,652,900	3,199,800	54,000	187,500	6,278,800	32,373,000	2,432,700	-	34,805,700	-	-	-	-	34,805,700
1610	Disaster Management	2,783,700	2,754,200	98,600	385,000	726,000	6,747,500	280,900	-	7,028,400	-	-	-	-	7,028,400
1620	Fire Service	21,839,500	15,278,100	178,700	3,037,100	-	40,333,400	2,885,600	-	43,219,000	-220,000	-	-	-220,000	42,999,000
		49,171,400	21,507,900	336,800	3,614,100	7,004,800	81,635,000	5,874,700	-	87,509,700	-220,000	-	-	-220,000	87,289,700
<u>RURAL AND SOCIAL DEVELOPMENT</u>															
1475	Social Development	2,266,900	1,054,400	4,600	32,600	8,166,700	11,525,200	245,200	-	11,770,400	-	-	-	-	11,770,400
1476	Safe House	134,600	268,800	4,000	13,500	-	420,900	137,700	-	558,600	-	-	-	-	558,600
1477	Rural Development	1,537,000	18,900	-	-	-	1,555,900	-	-	1,555,900	-	-	-	-	1,555,900
1478	Management: Rural and Social Developmen	1,466,800	312,100	13,200	-	-	1,792,100	1,900	-	1,794,000	-	-	-	-	1,794,000
		5,405,300	1,654,200	21,800	46,100	8,166,700	15,294,100	384,800	-	15,678,900	-	-	-	-	15,678,900
<u>ENGINEERING and INFRASTRUCTURE</u>															
1165	Buildings : Maintenance	1,070,000	502,200	2,904,000	859,100	-	5,335,300	-5,288,800	46,500	-46,500	-	-	-	-46,500	-
1301	Eng. & Infrastructure Serv. : Management	1,352,900	174,800	1,300	26,300	-	1,555,300	426,500	-	1,981,800	-	-	-	-	1,981,800
1330	Projects and Housing	3,084,300	1,597,200	1,700	178,900	38,200,000	43,062,100	363,800	-	43,425,900	-1,322,900	-	-32,520,000	-33,842,900	9,583,000
1331	WORKING FOR WATER (DWAF)	1,409,200	2,605,800	-	-	7,698,600	11,713,600	-	-	11,713,600	-	-	-11,713,600	-11,713,600	-
1334	WORKING FOR WATER (WORC)	1,409,200	1,705,100	-	-	1,430,500	4,544,800	-	-	4,544,800	-	-	-4,544,800	-4,544,800	-
1327	Technical Support Services	844,300	162,900	73,200	66,500	-	1,146,900	191,300	-	1,338,200	-1,400	-	-	-1,400	1,336,800
		9,169,900	6,748,000	2,980,200	1,130,800	47,329,100	67,358,000	981,600	-5,288,800	63,050,800	-1,370,800	-	-48,778,400	-50,149,200	12,901,600
<u>PUBLIC TRANSPORT REGULATION</u>															
1615	Public Transport Regulation	1,119,800	1,124,700	7,500	21,600	14,873,000	17,146,600	141,900	-	17,288,500	-	-	-	-	17,288,500

Cost centre	Cost centre description	Expenditure						Income							
		Salaries, Wages & Allowances	General Expenses	Repair & Maintenance work	Contribution to Funds & Provisions	Projects	Sub Total	Departmental Charges	Departmental Recoveries	Net Expenditure	General Income	Service Levies & Interest	Contributions Received	Total Income	-Surplus / Deficit
ROADS															
1360	Roads-Main/Div. Direct	-	-	79,900,000	-	-	79,900,000	-	-	79,900,000	-	-	-79,900,000	-79,900,000	-
1361	Roads-Main/Div. Indirect	36,457,400	2,090,100	7,185,100	-	5,404,000	51,136,600	6,500,000	-57,636,600	-	-	-	-	-	-
1362	Roads Management	5,361,700	40,100	-	-	-	5,401,800	-	-5,401,800	-	-	-	-	-	-
1363	Roads - Workshop	5,245,300	628,400	281,600	-	-	6,155,300	-	-6,155,300	-	-	-	-	-	-
1364	Roads - Plant	-	17,865,500	-	-	-	17,865,500	-	-17,865,500	-	-	-	-	-	-
TOTAL AGENCY FUNCTIONS		47,064,400	20,624,100	87,366,700	-	5,404,000	160,459,200	6,500,000	-87,059,200	79,900,000	-	-	-79,900,000	-79,900,000	-
		166,865,500	114,530,900	93,138,600	12,528,500	93,799,700	480,863,200	29,708,700	-128,349,100	382,222,800	-45,513,700	-5,200	-336,703,900	-382,222,800	-

ANNEXURE " B "



ASSET MANAGEMENT POLICY

1. LEGAL COMPLIANCE

- 1.1 This policy gives effect to section 63(1) of the Municipal Finance Management Act (Act 56 of 2003) for the safeguarding and maintenance of Council's assets.

2. OBJECTIVES OF THE POLICY

- 2.1 This policy sets out the procedures to be followed by the Municipal Manager, Executive Directors and their staff, to whom functions are delegated, for the management of the Cape Winelands District Municipality's assets and the reporting to Council on such functions wherever applicable.
- 2.2 The objective of this policy is further to improve the custodianship over assets and institute steps for the proper administration and accounting of assets.
- 2.3 This policy has been prepared in terms of the new accounting standards for local government, GAMAP (Generally Accepted Municipal Accounting Practice), GRAP (General Recognized Accounting Practises), GAAP (General Accepted Accounting Practices), IAS (International Accounting Standards).
- 2.4 These assets will be used in the production or supply of goods and services or for administrative purposes in providing services to all the residents within the community of the Cape Winelands District Municipality and must accordingly be protected and maintained over their useful life.
- 2.5 All municipal property, plant and equipment are classified into infrastructure assets, community assets, heritage assets, investment properties and other assets.

2.6 The policy will enable Council to reflect the market value of the fixed assets on the balance sheet and improve Council's financial standing.

3. DEFINITIONS

3.1 **Accounting Officer** – means the Municipal Manager appointed in terms of Section 82 of the Municipal Structures Act 1998 (Act 117 of 1998).

3.2 **Accumulated Depreciation** – comprises the collective sum of all annual depreciation charges raised from the date of acquisition of an asset up to a specific balance sheet date during the assets useful life.

3.3 **Acquisition Date** – refers to the actual date the asset was purchased or constructed or, where this information is not available, it is the assumed date determined by taking into account the assets age and condition. Acquisition dates must be decided upon in order to determine backlog depreciation.

3.4 **Asset Type** – defines the meaning ascribed to the three types of asset categories to be administered in the Fixed Asset Register of Council, viz.:-

3.4.1 **"Assets"** – are tangible assets of durable nature with a useful life longer than 5 years comprising, immovable property as well as moveable plant and equipment. Their net book value (cost less accumulated depreciation) is included in the balance sheet and accounting records. These assets are normally funded on the capital budget and are then capitalized in the year of acquisition or completion.

3.4.2 **"Inventory"** – are more expensive moveable furniture, tools and equipment which will, due to usage and nature, be subject to wear, loss in durability and loss in value and thereby have a life expectancy of 5 years or less. Their cost is not included in the balance sheet and accounting records but they are recorded on an inventory list to facilitate control and accountability. The purchase price of these assets is normally expensed in the operating budget.

3.4.3 **"Toolbox"** – are less expensive moveable small loose tools and equipment which are subject to much wear and tear with a limited life span of 3 to 5 years. Their cost is not included in the balance sheet and accounting records but they are recorded on an inventory list to facilitate control and accountability. The purchase price of these assets is normally expensed in the operating budget.

3.5 **Backlog Depreciation** – must be calculated on the implementation of GAMAP in order to determine the historical carrying amount or book value

(original cost less accumulated depreciation) of each asset. In order to introduce an annual depreciation charge on assets it is necessary to calculate the backlog depreciation (or accumulated depreciation) that should be in place on date of implementation. The carrying amount and backlog depreciation will be used to unbundle the Loans Redeemed & Other Capital Receipts vote.

- 3.6 **Benchmark Treatment** – refers to the periodical review of the carrying amount of an item or a group of items of Property, Plant and Equipment (PPE) in order to assess whether the recoverable amount has declined below the carrying amount. When such a decline has occurred, the carrying amount should be reduced to the recoverable amount. The treatment is set out in detail in GAMAP 113 page 10 paragraph 52.
- 3.7 **Book Value** – refers to an assets' original cost less any accumulated depreciation.
- 3.8 **Capitalization Policy** – as it refers to assets, means that only assets above a minimum Rand value or cost will be capitalized as Property, Plant and Equipment to reflect the original cost of acquisition of such assets in the books of account and be recorded in the fixed asset register. All other items below the minimum Rand value or cost will be considered inventory or toolbox items, which are not part of the asset value disclosed under Property, Plant and Equipment in the balance sheet.
- 3.9 **Carrying Amount** – is the amount at which an asset is included in the balance sheet after deducting any accumulated depreciation thereon.
- 3.10 **Chief Financial Officer** – means an officer of a municipality designated by the Municipal Manager to be administratively in charge of the budgetary and treasury functions in terms of sec 80(2)(a) of the *MFMA*.
- 3.11 **Community Assets** are defined as any asset that contributes to the community's well being. Examples are Parks, Libraries and Fire Stations.
- 3.12 **Cost** – is the amount of cash or equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction.
- 3.13 **Depreciable Amount** – is the cost of an asset, or other amount substituted for cost in the financial statements, less its residual value.

- 3.14 **Depreciation Method** – refers to the methods of calculating depreciation. For example, the Straight-Line method applied to motor vehicles and the Units Of Production method applied to tip sites.
- 3.15 **Depreciation** – is the systematic allocation of the annual depreciable amount of an asset over its useful life.
- 3.16 **Fair Value** – is the amount for which an asset could be exchanged between two knowledgeable, willing parties in an arms length transaction.
- 3.17 **Head Of Department** – is the Departmental Manager or Departmental Head appointed on contract to manage a service or departmental function for which he/she is directly responsible to the Municipal Manager.
- 3.18 **Heritage Assets** – are defined as culturally significant resources. Examples are works of art, historical buildings and statues.
- 3.19 **Infrastructure Assets** – are defined as any asset that is part of a network of similar assets, which are connected to perform a specific function. Examples are roads, water reticulation and purification schemes, sewerage reticulation and treatment, transport terminals and car parks.
- 3.20 **Inventories** - are assets:
- 3.20.1 held for sale in the ordinary course of municipal activities,
- 3.20.2 in the process of production for such sale, or
- 3.20.3 in the form of materials or supplies to be consumed in the production process or in the rendering of services.
- 3.21 **Investment Properties** – are defined as properties that are acquired from economic and capital gains. Examples are office parks and undeveloped land acquired for the purpose of resale in future years.
- 3.22 **Other Assets** – are defined as assets utilized in normal operations. Examples are plant and equipment, motor vehicles, personal computers, furniture and fittings.
- 3.23 **Net realizable value** - is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.
- 3.24 **Property, Plant and Equipment** – are tangible assets that:-
- 3.24.1 are held by the municipality for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and

- 3.24.2 are expected to be used during more than one period.
- 3.25 **Recoverable Amount** – is the amount that the municipality expects to recover from the future use of an asset, including its residual value on disposal.
- 3.26 **Residual Value** – is the net amount the municipality expects to obtain for an asset at the end of its useful life after deducting the expected costs of disposal.
- 3.27 **Useful Life** – refers to the life span of an asset and is either:-
- 3.27.1 the period of time measured in years over which an asset is expected to be used by the municipality, or
- 3.27.2 the number of production or similar units expected to be obtained from the asset by the municipality' Chief Financial Officer.

4 ROLE OF MUNICIPAL MANAGER

- 4.1 As accounting officer of the municipality, the municipal manager shall be the principal custodian of all the municipality's fixed assets, and shall be responsible for ensuring that the fixed asset management policy is scrupulously applied and adhered to.

5 ROLE OF CHIEF FINANCIAL OFFICER

- 5.1 The chief financial officer shall be the fixed asset registrar of the municipality, and shall ensure that a complete, accurate and up-to-date computerised fixed asset register is maintained.
- 5.2 No amendments, deletions or additions to the fixed asset register shall be made other than by the chief financial officer or by an official acting under the written instruction of the chief financial officer.

6 FORMAT OF FIXED ASSET REGISTER

- 6.1 The fixed asset register shall be maintained in the format determined by the Chief Financial Officer, which format shall comply with the requirements of generally recognised accounting practice (GRAP) and generally accepted municipal accounting practice (GAMAP) and any other accounting requirements which may be prescribed.
- 6.2 The fixed asset register shall reflect the following information:
- a brief but meaningful description of each asset
 - the date on which the asset was acquired or brought into use
 - the location of the asset

- the department(s) or vote(s) within which the assets will be used
 - the title deed number, in the case of fixed property
 - the stand number, in the case of fixed property
 - where applicable, the identification number, as determined in compliance with part 11 below
 - the original cost, or the revalued amount determined in compliance with part 26 below, or the fair value if no costs are available
 - the (last) revaluation date of the fixed assets subject to revaluation
 - the revalued value of such fixed assets
 - who did the (last) revaluation
 - accumulated depreciation to date
 - the depreciation charge for the current financial year
 - the carrying value of the asset
 - the method and rate of depreciation
 - impairment losses incurred during the financial year (and the reversal of such losses, where applicable)
 - the source of financing
 - the current insurance arrangements
 - whether the asset is required to perform basic municipal services
 - whether the asset has been used to secure any debt, and – if so – the nature and duration of such security arrangements
 - the date on which the asset is disposed of
 - the disposal price
 - the date on which the asset is retired from use, if not disposed of.
- 6.3 All heads of department under whose control any fixed asset falls shall promptly provide the Chief Financial Officer in writing with any information required to compile the fixed asset register, and shall promptly advise the chief financial officer in writing of any material change which may occur in respect of such information.
- 6.4 A fixed asset shall be capitalised, that is, recorded in the fixed assets register, as soon as it is acquired.
- 6.5 If the asset is constructed over a period of time, it shall be recorded as work-in-progress until it is available for use, thereafter it shall be appropriately capitalised as a fixed asset.

- 6.6 A fixed asset shall remain in the fixed assets register for as long as it is in physical existence.
- 6.7 The fact that a fixed asset has been fully depreciated shall not in itself be a reason for writing-off such an asset.

7 CLASSIFICATION OF FIXED ASSETS

7.1 In compliance with the requirements of the National Treasury, the chief financial officer shall ensure that all fixed assets are classified under the following headings in the fixed assets register, and heads of departments shall in writing provide the chief financial officer with such information or assistance as is required to compile a proper classification:

7.2 PROPERTY, PLANT AND EQUIPMENT

- o land (not held as investment assets)
- o infrastructure assets (assets which are part of a network of similar assets)
- o community assets (resources contributing to the general well-being of the community)
- o heritage assets (culturally significant resources)
- o other assets (ordinary operational resources)

7.3 INVENTORY

- o housing (rental stock or housing stock not held for capital gain)

7.4 INVESTMENT PROPERTY

- o investment assets (resources held for capital or operational gain)

7.5 The Chief Financial Officer shall adhere to the classifications indicated in the annexure on fixed asset lives (see part 33 below), and in the case of a fixed asset not appearing in the annexure shall use the classification applicable to the asset most closely comparable to the asset in question.

8 INVESTMENT PROPERTY

- 8.1 Investment assets shall be accounted for in terms of IAS 40 and shall not be classified as property, plant and equipment for purposes of preparing the municipality's statement of position.
- 8.2 Investment assets shall comprise land or buildings (or parts of buildings) or both held by the municipality, as owner or as lessee under a finance lease, to earn rental revenues or for capital appreciation or both.

- 8.3 Investment assets shall be recorded in the fixed assets register in the same manner as other fixed assets, but a separate section of the fixed assets register shall be maintained for this purpose.
- 8.4 Investment assets shall not be depreciated, but shall be annually valued on balance sheet date to determine their fair (market) value.
- 8.5 Investment assets shall be recorded in the balance sheet at such fair value.
- 8.6 Adjustments to the previous year's recorded fair value shall be accounted for as either gains (revenues) or losses (expenses) in the accounting records of the department or service controlling the assets concerned.
- 8.7 An expert valuer shall be engaged by the municipality to undertake such valuations.
- 8.8 If Council resolves to construct or develop a property for future use as an investment property, such property shall in every respect be accounted for as an ordinary fixed asset until it is ready for its intended use – thereafter it shall be reclassified as an investment asset.

9 FIXED ASSETS TREATED AS INVENTORY

- 9.1 Any land or buildings owned or acquired by the municipality with the intention of selling such property in the ordinary course of business, or any land or buildings owned or acquired by the municipality with the intention of developing such property for the purpose of selling it in the ordinary course of business, shall be accounted for as inventory, and not included in either property, plant and equipment or investment property in the municipality's statement of position.
- 9.2 Such inventories shall, however, be recorded in the fixed assets register in the same manner as other fixed assets, but a separate section of the fixed assets register shall be maintained for this purpose.

10 RECOGNITION OF HERITAGE ASSETS IN THE FIXED ASSET REGISTER

- 10.1 If no original costs or fair values are available in the case of one or more or all heritage assets, the Chief Financial Officer may, if it is believed that the determination of a fair value for the assets in question will be a laborious or expensive undertaking, record such asset or assets in the fixed asset register without an indication of the costs or fair value concerned.
- 10.2 For balance sheet purposes, the existence of such heritage assets shall be disclosed by means of an appropriate note.

11 RECOGNITION OF DONATED ASSETS

- 11.1 Where a fixed asset is donated to the municipality, or a fixed asset is acquired by means of an exchange of assets between the municipality and one or more other parties, the asset concerned shall be recorded in the fixed asset register at its fair value, as determined by the Chief Financial Officer.

12 SAFEKEEPING OF ASSETS

- 12.1 Every head of department shall be directly responsible for the physical safekeeping of any fixed asset controlled or used by the department in question.
- 12.2 In exercising this responsibility, every head of department shall adhere to any written directives issued by the Municipal Manager to the department in question, or generally to all departments, in regard to the control of or safekeeping of the municipality's fixed assets.

13 IDENTIFICATION OF FIXED ASSETS

- 13.1 The Municipal Manager shall ensure that Council maintains a fixed asset identification system which shall be operated in conjunction with its computerised fixed asset register.
- 13.2 The identification system shall be determined by the Municipal Manager, acting in consultation with the Chief Financial Officer and other heads of departments, and shall comply with any legal prescriptions, as well as any recommendations of the Auditor-General as indicated in the municipality's audit report(s), and shall be decided upon within the context of the municipality's budgetary and human resources.
- 13.3 Every head of department shall ensure that the asset identification system approved for the municipality is scrupulously applied in respect of all fixed assets controlled or used by the department in question.

14 PROCEDURE IN CASE OF LOSS, THEFT, DESTRUCTION, OR IMPAIRMENT OF FIXED ASSETS

- 14.1 Every head of department shall ensure that any incident of loss, theft, destruction, or material impairment of any fixed asset controlled or used by the department in question is promptly reported in writing to the Chief Financial Officer, to the internal auditor, and – in cases of suspected theft or malicious damage – also to the South African Police Service.

15 CAPITALISATION CRITERIA: MATERIAL VALUE

- 15.1 Every head of department shall, however, ensure that any item with an estimated useful life of more than one year, and has future financial gain when disposed, shall be recorded on an inventory list.
- 15.2 Every head of department shall moreover ensure that the existence of items recorded on such inventory list is verified from time to time, and at least once in every financial year, and any amendments which are made to such inventory list pursuant to such stock verifications shall be retained for audit purposes.

16 CAPITALISATION CRITERIA: INTANGIBLE ITEMS

- 16.1 Intangible assets are treated in accordance with the provisions of International Accounting Standard (IAS) 38. In accordance with these provisions intangible assets are initially recorded at their cost price and are subsequently amortised over their useful lives. An intangible asset is defined as an identifiable non – monetary asset without physical substance held for use in the production or supply of goods or services, for rental, to others, or for administrative purposes. The intangible assets under the control of the Municipality, such as the general valuation roll (4 years), is amortised.

17 CAPITALISATION CRITERIA: REINSTATEMENT, MAINTENANCE AND OTHER EXPENSES

- 17.1 Only expenses incurred in the enhancement of a fixed asset (in the form of improved or increased services or benefits flowing from the use of such asset) or in the material extension of the useful operating life of a fixed asset shall be capitalised.
- 17.2 Expenses incurred in the maintenance or reinstatement of a fixed asset shall be considered as operating expenses incurred in ensuring that the useful operating life of the asset concerned is attained, and shall not be capitalised, irrespective of the quantum of the expenses concerned.
- 17.3 Expenses which are reasonably ancillary to the bringing into operation of a fixed asset may be capitalised as part of such fixed asset.
- 17.4 Such expenses may include but need not be limited to import duties, forward cover costs, transportation costs, and installation, assembly and communication costs.

18 MAINTENANCE PLANS

- 18.1 Every head of department shall ensure that a maintenance plan in respect of every new infrastructure asset with a value of R100 000 (one hundred

thousand rand) or more is promptly prepared and submitted to the council of the municipality for approval.

- 18.2 If so directed by the Municipal Manager, the maintenance plan shall be submitted to the council prior to any approval being granted for the acquisition or construction of the infrastructure asset concerned.
- 18.3 The head of department controlling or using the infrastructure asset in question, shall annually report to Council, not later than end of July, the extent to which the relevant maintenance plan has been complied with, and of the likely effect which any non-compliance may have on the useful operating life of the asset concerned.

19 DEFERRED MAINTENANCE

- 19.1 If there is material variation between the actual maintenance expenses incurred and the expenses reasonably envisaged in the approved maintenance plan for any infrastructure asset (see part 18 above), the Chief Financial Officer shall disclose the extent of and possible implications of such deferred maintenance in an appropriate note to the financial statements.
- 19.2 Such note shall also indicate any plans which the council of the municipality has approved in order to redress such deferral of the maintenance requirements concerned.
- 19.3 If no such plans have been formulated or are likely to be implemented, the Chief Financial Officer shall re-determine the useful operating life of the fixed asset in question, if necessary in consultation with the head of department controlling or using such asset, and shall recalculate the annual depreciation expenses accordingly.

20 GENERAL MAINTENANCE OF FIXED ASSETS

- 20.1 Every head of department shall be directly responsible for ensuring that all assets (other than infrastructure assets which are dealt with in part 18 and part 19 above) are properly maintained and in a manner which will ensure that such assets attain their useful operating lives.

21 DEPRECIATION OF FIXED ASSETS

- 21.1 All fixed assets, except land and heritage assets, shall be depreciated – or amortised in the case of intangible assets.

- 21.2 Depreciation may be defined as the monetary quantification of the extent to which a fixed asset is used or consumed in the provision of economic benefits or the delivery of services.
- 21.3 Depreciation shall generally take the form of an expense both calculated and debited on a monthly basis against the appropriate line item in the department or vote in which the asset is used or consumed.
- 21.4 Depreciation shall be calculated from the 1st day of the month following the month in which the asset was brought into use.
- 21.5 Depreciation shall be calculated on cost less residual values.
- 21.6 Residual values are only applicable on vehicles. The Auto Dealers Guide was used to determine the following percentages for residual values:
- Motor Cars 40%
 - LDV's 50%
 - Combi's 30%
 - Specialised Fire Vehicles 60%
 - Trucks 60%
- 21.7 Each head of department, acting in consultation with the Chief Financial Officer, shall ensure that reasonable budgetary provision is made annually for the depreciation of all applicable fixed assets controlled or used by the department in question or expected to be controlled or used during the ensuing financial year.
- 21.8 The procedures to be followed in accounting and budgeting for the amortisation of intangible assets shall be identical to those applying to the depreciation of other fixed assets.

22 RATE OF DEPRECIATION

- 20.1 The Chief Financial Officer shall assign a useful operating life to each depreciable asset recorded on the municipality's fixed asset register. In determining such a useful life the Chief Financial Officer shall adhere to the useful lives set out in the annexure to this document (see part 33 below).
- 20.2 In the case of a fixed asset which is not listed in this Annexure, the Chief Financial Officer shall determine a useful operating life, if necessary in consultation with the head of department who shall control or use the fixed asset in question, and shall be guided in determining such useful life by the likely pattern in which the asset's economic benefits or service potential will be consumed.

23 METHOD OF DEPRECIATION

- 23.1 Except in those cases specifically identified in part 35 below, the Chief Financial Officer shall depreciate all depreciable assets on the straight-line method of depreciation over the assigned useful operating life of the asset in question.

24 AMENDMENT OF ASSET LIVES AND DIMINUTION IN THE VALUE OF FIXED ASSETS

- 24.1 Only the Chief Financial Officer may amend the useful operating life assigned to any fixed asset, and when any material amendment occurs the chief financial officer shall inform Council of such amendment.
- 24.2 The Chief Financial Officer shall amend the useful operating life assigned to any fixed asset if it becomes known that such asset has been materially impaired or improperly maintained to such an extent that its useful operating life will not be attained, or any other event has occurred which materially affects the pattern in which the asset's economic benefits or service potential will be consumed.
- 24.3 If the value of a fixed asset has been diminished to such an extent that it has no or a negligible further useful operating life or residual value such fixed asset shall be fully depreciated in the financial year in which such diminution in value occurs.
- 24.4 Similarly, if a fixed asset has been lost, stolen or damaged beyond repair, it shall be fully depreciated in the financial year in which such event occurs, and if the fixed asset has physically ceased to exist, it shall be written off the fixed asset register.
- 24.5 In all the foregoing instances, the additional depreciation expenses shall be debited to the department or vote controlling or using the fixed asset in question.
- 24.6 If any of the foregoing events arises in the case of a normally non-depreciable fixed asset, and such fixed asset has been capitalised at a value other than a purely nominal value, such fixed asset shall be partially or fully depreciated, as the case may be, as though it were an ordinary depreciable asset, and the department or vote controlling or using the fixed asset in question shall bear the full depreciation expenses concerned.

25 ALTERNATIVE METHODS OF DEPRECIATION IN SPECIFIC INSTANCES

- 25.1 The Chief Financial Officer may employ the sum-of-units method of depreciation in the case of fixed assets which are physically wasted in providing economic benefits or delivering services.
- 25.2 The Chief Financial Officer shall only employ this method of depreciation if the head of department controlling or using the fixed asset in question gives a written undertaking to the Municipal Manager to provide:
- estimates of statistical information required by the Chief Financial Officer to prepare estimates of depreciation expenses for each financial year; and
 - actual statistical information, for each financial year.
- 25.3 The head of department concerned shall moreover undertake to provide such statistical information at the specific times stipulated by the Chief Financial Officer.
- 25.4 Where the Chief Financial Officer decides to employ the sum-of-units method of depreciation, and the requirements set out in the preceding paragraph have been adhered to, the Chief Financial Officer shall inform Council of the decision in question.

26 CREATION OF NON-DISTRIBUTABLE RESERVES FOR FUTURE DEPRECIATION

- 26.1 NOTE: Part 24 has been prepared on the assumption that these reserves are allowed.
- 26.2 The Chief Financial Officer shall ensure that in respect of all fixed assets financed from the municipality's asset financing reserve, or from grants or subsidies or contributions received from other spheres of government or from the public at large, as well as in respect of fixed assets donated to the municipality, a non-distributable reserve for future depreciation is created equal in value to the capitalised value of each fixed asset in question.
- 26.3 The Chief Financial Officer shall thereafter ensure that in the case of depreciable fixed assets an amount equal to the monthly depreciation expenses of the fixed asset concerned is transferred each month from such non-distributable reserve to the municipality's appropriation account.
- 26.4 Where there is a difference between the budgeted monthly depreciation expenses and the actual total depreciation expenses for each financial year, the chief financial officer shall appropriately adjust the aggregate transfer from the non-distributable reserve for the year concerned.

27. CARRYING VALUES OF FIXED ASSETS

- 27.1 All fixed assets shall be carried in the fixed asset register, and appropriately recorded in the annual financial statements, at their original cost or fair value less any accumulated depreciation.
- 27.2 The only exceptions to this rule shall be revalued assets (see part 28 below) and heritage assets in respect of which no value is recorded in the fixed asset register (see part 6 above).

28. REVALUATION OF FIXED ASSETS

- 28.1 All land and buildings recorded in the municipality's fixed asset register shall be revalued with the adoption by the municipality of each new valuation roll (or, if the land and buildings concerned fall within the boundary of another municipality, with the adoption by such municipality of each new valuation roll).
- 28.2 The Chief Financial Officer shall adjust the carrying value of the land and buildings concerned to reflect in each instance the value of the fixed asset as recorded in the valuation roll, provided the Chief Financial Officer is satisfied that such value reflects the fair value of the fixed asset concerned.
- 28.3 The Chief Financial Officer shall also, where applicable, create a revaluation reserve for each such fixed asset equal to the difference between the value as recorded in the valuation roll and the carrying value of the fixed asset before the adjustment in question.
- 28.4 The fixed asset concerned shall, in the case of buildings, thereafter be depreciated on the basis of its revalued amount, over its remaining useful operating life, and such increased depreciation expenses shall be budgeted for and debited against the appropriate line item in the department or vote controlling or using the fixed asset in question.
- 28.5 The Chief Financial Officer shall ensure that an amount equal to the difference between the new (enhanced) monthly depreciation expense and the depreciation expenses determined in respect of such fixed asset before the revaluation in question is transferred each month from the revaluation reserve to the municipality's appropriation account.
- 28.6 An adjustment of the aggregate transfer shall be made at the end of each financial year, if necessary (see part 24 above).
- 28.7 If the amount recorded on the valuation roll is less than the carrying value of the fixed asset recorded in the fixed asset register, the Chief Financial Officer shall adjust the carrying value of such asset by increasing the accumulated depreciation of the fixed asset in question by an amount

sufficient to adjust the carrying value to the value as recorded in the valuation roll.

- 28.8 Such additional depreciation expenses shall form a charge, in the first instance, against the balance in any revaluation reserve previously created for such asset, and to the extent that such balance is insufficient to bear the charge concerned, an immediate additional charge against the department or vote controlling or using the asset in question.
- 28.9 Revalued land and buildings shall be carried in the fixed asset register, and recorded in the annual financial statements, at their revalued amount, less accumulated depreciation (in the case of buildings).

29. VERIFICATION OF FIXED ASSETS

- 29.1 Every head of department shall at least once during every financial year undertake a comprehensive verification of all fixed assets controlled or used by the department concerned.
- 29.2 Every head of department shall promptly and fully report in writing to the Chief Financial Officer in the format determined by the Chief Financial Officer, all relevant results of such fixed asset verification, provided that each such asset verification shall be undertaken and completed as closely as possible to the end of each financial year, and that the resultant report shall be submitted to the Chief Financial Officer not later than 30 June of the year in question.

30. ALIENATION OF FIXED ASSETS

- 30.1 NOTE: The reference to the asset financing reserve below is based on the assumption that the reserve is allowed.
- 30.2 In compliance with the principles and prescriptions of the Municipal Finance Management Act, the transfer of ownership of any fixed asset shall be fair, equitable, transparent, competitive and consistent with the municipality's supply chain management policy.
- 30.3 Every head of department shall report in writing to the Chief Financial Officer on 31 October and 30 April of each financial year on all fixed assets controlled or used by the department concerned which such head of department wishes to alienate by public auction or public tender.
- 30.4 The Chief Financial Officer shall thereafter consolidate the requests received from the various departments, and shall promptly report such consolidated information to the council or the Municipal Manager of the municipality, as the case may be, recommending the process of alienation to be adopted.

- 30.5 The council shall delegate to the Municipal Manager the authority to approve the alienation of any fixed asset with a carrying value less than R5 000 (five thousand rand).
- 30.6 The council shall ensure that the alienation of any fixed asset with a carrying value equal to or in excess of R5 000 (five thousand rand) takes place in compliance with Section 14 of the Municipal Finance Management Act, 2004 (see part 34 below).
- 30.7 Once the fixed assets are alienated, the Chief Financial Officer shall delete the relevant records from the fixed asset register.
- 30.8 If the proceeds of the alienation are less than the carrying value recorded in the fixed asset register, such difference shall be recognised as a loss in the income statement of the department or vote concerned.
- 30.9 If the proceeds of the alienation, on the other hand, are more than the carrying value of the fixed asset concerned, the difference shall be recognised as a gain in the income statement of the department or vote concerned.
- 30.10 All gains realised on the alienation of fixed assets shall be appropriated annually to the municipality's asset financing reserve (except in the cases outlined below), and all losses on the alienation of fixed assets shall remain as expenses on the income statement of the department or vote concerned.
- 30.11 If, however, both gains and losses arise in any one financial year in respect of the alienation of the fixed assets of any department or vote, only the net gain (if any) on the alienation of such fixed assets shall be appropriated.
- 30.12 Transfer of fixed assets to other municipalities, municipal entities (whether or not under the municipality's sole or partial control) or other organs of state shall take place in accordance with the above procedures, except that the process of alienation shall be by private treaty.

31. OTHER WRITE-OFFS OF FIXED ASSETS

- 31.1 A fixed asset even though fully depreciated shall be written off only on the recommendation of the head of department controlling or using the asset concerned, and with the approval of the council of the municipality.
- 31.2 Every head of department shall report to the Chief Financial Officer on 31 October and 30 April of each financial year on any fixed assets which such head of department wishes to have written off, stating in full the reason for such recommendation.

- 31.3 The Chief Financial Officer shall consolidate all such reports, and shall promptly submit a recommendation to the council of the municipality on the fixed assets to be written off.
- 31.4 The only reasons for writing off fixed assets, other than the alienation of such fixed assets, shall be the loss, theft, and destruction or material impairment of the fixed asset in question.
- 31.5 In every instance where a “not fully depreciated” fixed asset is written off, the Chief Financial Officer shall immediately debit to such department or vote, as additional depreciation expenses, the full carrying value of the asset concerned (see also part 22).

32. REPLACEMENT NORMS

- 32.1 The Municipal Manager, in consultation with the Chief Financial Officer and other heads of departments, shall formulate norms and standards for the replacement of all normal operational fixed assets.
- 32.2 Such norms and standards shall be incorporated in a formal policy, which shall be submitted to the council of the municipality for approval.
- 32.3 This policy shall cover the replacement of motor vehicles, furniture and fittings, computer equipment, and any other appropriate operational items. Such policy shall also provide for the replacement of fixed assets which are required for service delivery but which have become uneconomical to maintain.

33. INSURANCE OF FIXED ASSETS

- 33.1 The Municipal Manager shall ensure that all movable fixed assets are insured at least against fire and theft, and that all municipal buildings are insured at least against fire and allied perils.
- 33.2 If the municipality operates a self-insurance reserve (assuming such reserve to be allowed), the chief financial officer shall annually determine the premiums payable by the departments or votes after having received a list of the fixed assets and insurable values of all relevant fixed assets from the heads of departments concerned.
- 33.3 The Municipal Manager shall recommend to council of the municipality, after consulting with the Chief Financial Officer, the basis of the insurance to be applied to each type of fixed asset: either the carrying value or the replacement value of the fixed assets concerned. Such recommendation shall take due cognisance of the budgetary resources of the municipality.

33.4 The Chief Financial Officer shall annually submit a report to the council of the municipality on any reinsurance cover which it is deemed necessary to procure for the municipality's self-insurance reserve.

34. BIOLOGICAL ASSETS

34.1 Accounting for biological assets shall take place in accordance with the requirements of IAS 41.

34.2 The Chief Financial Officer, in consultation with the head(s) of department concerned, shall ensure that all biological assets, such as livestock and crops, are valued at 30 June each year at fair value less estimated point-of-sales costs.

34.3 Such valuation shall be undertaken by a recognised valuer in the line of the biological assets concerned.

34.4 Any losses on such valuation shall be debited to the department or vote concerned as an operating expense, and any increase in the valuation shall be credited to the department or vote concerned as operating revenue.

34.5 If any biological asset is lost, stolen or destroyed, the matter – if material – shall be reported in writing by the head of department concerned in exactly the same manner as though the asset were an ordinary fixed asset.

34.6 Records of the details of biological assets shall be kept in a separate section of the fixed assets register or in a separate accounting record altogether and such details shall reflect the information which the Chief Financial Officer, in consultation with the head of department concerned and the internal auditor, deems necessary for accounting and control purposes.

34.7 The Chief Financial Officer shall annually insure the municipality's biological assets, in consultation with the head(s) of department concerned, provided the council of the municipality considers such insurance desirable and affordable.

35. ANNEXURE: FIXED ASSET LIVES

35.1 Depreciation is calculated on cost, using the straight line, method, over the estimated useful lives of the assets. The depreciation rates are based on the following estimated useful lives:

Buildings	30
Specialist Vehicles	10
Other Vehicles	5
Office Equipment	3
Furniture & Fittings	5
Specialist plant & equipment	10
Other plant & equipment	5

35.2 Heritage assets, which are defined as culturally significant resources are not depreciated as they are regarded as having an infinite life. Land is also not depreciated for the same reason.

36. ANNEXURE: PARAPHRASE OF SECTION 14 OF THE MUNICIPAL FINANCE MANAGEMENT ACT 2003

36.1 A municipality may not alienate any capital asset required to provide a minimum level of basic municipal services.

- 36.2 A municipality may alienate any other capital asset, but provided
- o the council, in a meeting open to the public, has first determined that the asset is not required to provide a minimum level of basic municipal services, and
 - o the council has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset.

AFRIKAANS

Cape Winelands
DISTRICT MUNICIPALITY

**CREDIT CONTROL,
DEBT COLLECTION**

Chapter 9 of the Local Government: Municipal Systems Act No. 32 of 2000

&

INDIGENT POLICIES

Approved by Council: C.6.4.1.12
30 September 2002

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1 OBJECTIVES OF THE POLICY

The objectives of the policy are to:

- Provide a framework within which the municipal Council can exercise its executive and legislative authority with regard to credit control and debt collection.
- Ensure that all monies due and payable to the municipality are collected and used to deliver municipal services in the best interests of the community, residents and ratepayers in a financially sustainable manner.

Section 96(a) of the Local Government Municipal Systems Act, 2000 (Act 32 of 2000) provides that a municipality must collect all money that is due and payable to it subject to this Act and any other applicable legislation.

- Focus on all outstanding debt as raised on the debtor's account as well as unpaid periods in terms of RSC levies and set realistic targets for collection.
- Outline credit control and debt collection policy procedures as well as indigent policy.
- Provide a framework to link the municipal budget to;
 - indigent support and
 - tariff policies
- Promote a culture of good payment habits amongst debtors and instill a sense of responsibility towards the payment of municipal accounts and reducing municipal debt.
- Subject to the principles provided for in this policy, Council must use innovative, cost effective, efficient and appropriate methods to collect as much of the debt in the shortest possible time without any interference in the process.
- Effectively and efficiently deal with defaulters in accordance with the terms and conditions of the policy.

2 DEFINITIONS

2.1	"arrears"	refers to any amount due to the Council not paid by the due date
2.2	"billing"	refers to the process of charging for services provided by issuing accounts
2.3	"credit control"	It deals with the conditions and procedures to render accounts and to regulate the payment for services rendered as well as RSC levies payable in terms of the Regional Services Councils, Act. No. 109 of 1985
2.4	"credit control policy"	refers to the regulation of day to day actions leading to the issuing of accounts and the payment thereof. This includes issues like service agreements, payment facilities, pay points, final dates for payment, interest and assistance to the poor
2.5	"debt collection"	refers to the debt recovery process and includes sanctions (warning, disconnection, adverse credit rating, legal process, etc.) to be applied in the event of non-payment of accounts.
2.6	"debt recovery policy"	refers to the regulating of actions pertaining to arrear accounts, including extensions granted, written arrangements to pay off arrears, the monitoring thereof and legal actions associated with unpaid accounts
2.7	"disconnection"	means interrupting the supply of water or electricity to a debtor as a consequence of ignoring Notice for payment
2.8	"due date"	refers to the final date of payment as shown on the debtor's municipal account, demand or notices and RSC declarations
2.9	"holistic"	refers to the combining of all debt in order to establish the total obligation of the debtor
2.10	"indigent amount"	refers to the applicable value of the indigent subsidy as determined by the Council from time to time

2.11	“interest on overdue accounts”	is based on a full month and part of a month shall be deemed to be a full month whilst interest on overdue RSC levies will be calculated on a daily basis
2.12	“non-residential debtors”	are classified as those debtors who do not qualify for or receive free electricity and/or water
2.13	“residential debtors”	are classified as those debtors who can qualify for and receive free electricity and/or water
2.14	“RSC levies”	refers to Regional Services Levies and Regional Establishment Levies
2.15	“sundry debt”	refers to any debt other than for rates, housing, metered services, sewerage and refuse removal
2.16	“supply”	means any metered supply of water or electricity
2.17	“standard rate”	A rate of interest which is one percent higher than the rate of interest payable by Council to its bank in respect of an overdraft.
2.18	“tampering”	means the unauthorized reconnection of a supply that has been disconnected for non-payment, the interference with the supply mains or bypassing of the metering equipment to obtain an un-metered service
2.19	“total household income or household income”	refers to the total formal and informal gross income of all people living permanently or temporarily on the property on which the account is based

3 PRINCIPLES

- The administrative integrity of the municipality must be maintained at all costs. The democratically elected officials (councillors) are responsible for policy-making, while it is the responsibility of the municipal manager to execute these policies.
- All customers must complete an official application form formally requesting the municipality to connect them to service supply lines.
- A copy of the application form, conditions of services and extracts of the relevant council’s credit control and debt collection policy and by-laws must be handed to every customer on request.
- Billing is to be accurate, timeous and understandable.
- The customer is entitled to reasonable access to pay points and to a variety of reliable payment methods.
- The customer is entitled to an efficient, effective and reasonable response to appeals and should suffer no disadvantage during the processing of a reasonable appeal.
- Enforcement of payment must be prompt, consistent and effective.
- Fraud/criminality will lead to loss of rights and heavy penalties and/or public prosecution.
- Incentives and disincentives may be used in collection procedures.
- The collection process will be cost-effective.
- Collection “Best Practices” will be pursued.
- Results will be regularly and efficiently reported.
- Application forms will be used to categorize customers and to determine whether the customer qualifies for indigent support, pre-payment or credit meters.
- Although customer care and debt collection are inter-related issues, they should be performed by two separate divisions.
- There must be legal cause between the municipality and its customer and customer debt must arise out of a legal framework and must be legally collectable.
- Indigent households will be identified and supported. Welfare is to be separated from tariff and credit control issues and will be supported by appropriate and affordable policies and practices. Indigent support will be introduced within council’s financial ability.
- Targets for performance in both customer service and debt collection will be set and pursued and remedies implemented for non-performance.
- Human dignity must be upheld at all times. The policy must be implemented with equity, fairness and consistency.
- Debts and arrangements to repay debts shall be treated holistically, but different repayment periods or methods may be determined for different types of service, debtors

or areas within the general rule that the repayment period should be in sympathy with the installments that the debtor can afford (not applicable on levy income).

- The implementation of the policy shall be based on sound business principles which may include credit worthiness checks.
- New applications for services will be subject to prescribed credit information and outstanding amounts may be transferred to the new account. All information furnished on the application form may be verified by Council with any or all data information institutions, credit information bureaus and, or any financial institutions as may be deemed necessary by Council in determining the applicant's credit worthiness.
- Debtors may be referred to third party debt collection agencies and may be placed on the National Credit Rating list.
- All recoverable costs incurred by Council relating to the collection process shall be recovered from the debtor.
- Interest charges on overdue accounts will be levied from the due date if not paid by the following due date and will be calculated for a full month(s) irrespective of when payment is made. The interest charged will appear in the following month's account.

4 DUTIES AND FUNCTIONS

4.1 *Duties and functions of Council*

- To approve a budget consistent with the needs of communities, ratepayers and residents.
- To impose rates and taxes and to determine service charges, fees and penalties to finance the budget.
- To provide sufficient funds to give access to basic services for the poor.
- To collect RSC levies to finance communal services and infrastructural development

Preferably, the total equitable share should be set aside for this purpose. If this amount is not enough an additional sustainable provision must be made according to the municipality's financial ability.

- To provide for a bad debt provision, in line with the payment record of the community, ratepayers and residents, as reflected in the financial statements of the municipality.

The bad debt provision should at least reflect the increase in debtors during the previous financial year. The amount provided for can only be reduced by the amount provided for working capital.

- To set an improvement target for debt collection, in line with acceptable accounting ratios and the ability of the Municipal Manager.

A realistic target would be to improve on the previous year's result by at least 2,5%. The target should be reviewed every year until the turnover rate of debtors is less than 60 days.

- To approve a reporting framework for credit control and debt collection.
- To consider and approve by-laws to give effect to the Council's policy.
- To monitor the performance of the Executive Mayor/Mayoral Committee and Municipal Manager regarding credit control and debt collection.
- To revise the budget should Council's targets for credit control and debt collection not be met.
- To take disciplinary action against councillors' officials and agents who do not execute council policies and by-laws.

Including credit control and debt collection.

- To approve a list of attorneys that may act for Council should any legal matters relating to debt collection arise. (Refer to Procurement Policy)
- To delegate the required authorities to monitor and execute the credit control and debt collection policy to the Executive Mayor/Mayoral Committee and Municipal Manager respectively.

- To provide sufficient capacity in the Treasure department for credit control and debt collection.
- To appoint debt collection agents to assist the Municipal Manager in the execution of his duties, if required.

4.2 **Duties and functions of Executive Mayor/Mayoral Committee**

- To ensure that Council's budget cash flow and targets for the debt collection are met and executed in terms of the policy and relevant by-laws.¹
- To monitor the performance of the Municipal Manager in implementing the policy and by-laws.²
- To review and evaluate the policy and by-laws in order to improve the efficiency of Council's credit control and debt collection procedures, mechanisms and processes.³
- To report to Council.⁴

Section 99 of the Local Government: Municipal Systems Act, 2000 provides that the Executive Mayor/Mayoral Committee must –

(a) Oversee and monitor -

- 1 *The implementation and enforcement of the municipality's credit control and debt collection policy and any by-laws enacted in terms of section 98; and*
- 2 *The performance of the municipal manager in implementing the policy and any by-laws.*
- 3 *When necessary, evaluate or review the policy and any by-law or the implementation of the policy or such by-laws, in order to improve efficiency of it's credit control and debt collection mechanisms, processes and procedures; and*
- 4 *At such intervals as may be determined by the Council report to a meeting of the Council, except when the Council itself performs the duties mentioned in paragraph 1, 2 and 3.*

4.3 **Duties and functions of the Municipal Manager**

- To implement good customer care management.
- To implement council's credit control and debt collection policy.
- To install and maintain an appropriate accounting system.
- To bill customers.
- To demand payment on due dates.
- To raise penalties for defaults.
- To appropriate payments received.
- To collect outstanding debt.
- To implement "Best Practices".
- To provide different payment methods.
- To determine credit control measures.
- To determine work procedures for public relations, arrangements, disconnections of services, summonses, attachments of assets, sales in execution, write-off of debts, sundry debtors and legal processes.
- To appoint firm/s of attorneys to complete the legal process (i.e. attachment and sale in execution of assets, emolument attachment orders etc.).
- To set performance targets for staff.
- To appoint staff to execute council's policy and by-laws in accordance with council's staff policy.
- To delegate certain functions to heads of department.
- To determine control procedures.
- To report to the Executive Mayor/Mayoral Committee.

4.4 **Duties and functions of Communities, ratepayers and residents**

- To fulfill certain responsibilities, as brought about by the privilege and or right to use and enjoy public facilities and municipal services.

- To pay service fees, rates on property and other taxes, levies and duties imposed by the municipality.
- To observe the mechanisms and processes of the municipality in exercising their rights.
- To allow municipal officials reasonable access to their property to execute municipal functions.
- To comply with the by-laws and other legislation of the municipality.
- To refrain from tampering with municipal services and property.
- To assist Council in determining indigent households.

4.5 ***Duties and functions of Ward Councillors and Political parties***

- To hold regular meetings.
- To adhere to and convey council policies to residents and ratepayers.
- To adhere to council's code of conduct for councillors.

5 **CUSTOMER CARE AND MANAGEMENT POLICY**

Section 95(a) of the Local Government Municipal Systems Act, 2000 provides that a municipality must within its financial and administrative capacity, establish a sound customer management system that aims to create a positive and reciprocal relationship between persons liable for payments and the municipality.

5.1 ***Communication and feedback***

5.1.1 The municipality will, within its financial and administrative capacity, conduct an annual process of compiling its budget which will include:

- a) A First Budget Meeting, in January, wherein Executive Mayor / Mayoral Committee will consider budget priorities, principles and a budget framework.
- b) A first round of public meetings will then be called, to invite at least the following: political parties; ratepayers and civic organizations; chambers of business and organized labour; the general public and other interested parties, at which the budget priorities, principles and framework will be outlined and debated.
- c) Need identification workshops will be conducted throughout the Region (IDP meetings), the objects of which will be:
 - i) To identify all the needs of B Municipalities and District Management area that are legitimately in the area of responsibility of the council.
 - ii) To involve the community in prioritizing these needs.
 - iii) To involve the community in Council's planning, and to provide the community with much basic information as to what Council does and what other levels of government do.
 - iv) To inform the community of the levels of payment and non-payment in specific areas, and to devise strategies in that regard.
- d) A council workshop, which will marry the results of the first budget meeting, the public meetings, and the need identification workshops with Council's Integrated Development Plan.
- e) Thereafter Council's draft Capital and Operating budgets, informed by the above processes, will go through Council's Executive Mayor/Mayoral Committee for the creation of a draft budget.
- f) This draft budget, with tariff and rate implications, will then be presented to a second round of public meetings.
- g) Thereafter a final draft of the budget appears before Council for approval.

5.1.2 Council's Customer Care and Management, and Debt Collection Policy, will be available in English, Afrikaans and Xhosa, and will be made available by general publication and on specific request, and will also be available at Council's cash collection points.

5.1.3 Council will endeavour to distribute a regular newsletter, which will give prominence to customer care and debt issues.

- 5.1.4 Councillors will be required to hold regular meetings, at which customer care and debt issues will be given prominence.
- 5.1.5 The press will be encouraged to give prominence to Council's Customer Care and Debt issues, and will be invited to Council meetings where these are discussed.
- 5.1.6 Council aims to establish:
 - a) Decentralised complaints/feedback offices according to the constituencies of direct elected Councillors;
 - b) A centralized complaints database to enhance co-ordination of complaints, their speedy resolution and effective communication with customers;
 - c) Appropriate training for officials dealing with the public to enhance communications and service delivery; and
 - d) A communication mechanism to give council feedback on service, debt and other issues of concern.

5.2 ***Service application and agreements***

- 5.2.1 All customers of services will be required to sign an agreement governing the supply, of, and cost of, municipal services. Owners may allow a tenant to sign a separate agreement with the municipality, which the municipality may accept. On default by a tenant, the owner is the debtor of last resort.
- 5.2.2 Prior to signing these agreements, owners and or tenants will be entitled to receive the policy document of the Council on request.
- 5.2.3 On the signing of the agreement, owners and or tenants will receive a copy thereof.
- 5.2.4 Within a specified period (in the agreement) of change of ownership, meters will be read and an account posted.
- 5.2.5 In the agreement, customers will acknowledge liability for costs of collection, and interest and penalties, in the event of delayed payment.

5.3 ***Customer screening and securities***

- 5.3.1 Applicants for municipal services may be checked for credit-worthiness including checking information from banks, credit bureau, local authorities, trade creditors, and employers. (Applicable to Businesses only)
- 5.3.2 Security deposits in cash will be taken, and may vary according to the risk. A deposit will be determined by Council from time to time.
- 5.3.3 Deposits can be increased by the municipality at any time at the sole discretion of the municipality.
- 5.3.4 Deposits can vary according to the credit-worthiness or legal category of the applicant.
- 5.3.5 The municipality will not pay any interest on deposits.
- 5.3.6 On the termination of the agreement the amount of the deposit less any outstanding amount due to the municipality will be refunded to the customer.

6 **ACCOUNTS AND BILLING**

Section 95(d) of the Local Government Municipal Systems Act, 2000 provides that a municipality must, within it's financial and administrative capacity take reasonable steps to ensure that the consumption of services has to be measured through accurate and verifiable metering systems.

- Customers will receive an understandable and accurate bill from the municipality, which will consolidate all service costs for that property.
- Accounts will be produced in accordance with the meter reading cycle and due dates are linked to the statement date.
- Accounts will be rendered monthly in cycles of approximately 30 days at the address last recorded with the municipality or its authorized agent.
- It is the client's responsibility to ensure timeous payment in the event of accounts not received.
- Settlement or due date is 14 days from date of statement.
- Accounts must be consumer friendly and must clearly reflect the following minimum information :
 - (a) the name, address and contact numbers of the Council;
 - (b) the name and postal address of the account holder;
 - (c) details of the property in respect of which the account is issued;
 - (d) the contents of the account must be reflected in the language of the account holder – at present, a choice between Afrikaans and English is offered;
 - (e) the balance brought forward from the previous account as well as a summary of transactions for the present period;
 - (f) all services for which the account is rendered as well as amounts billed for such services;
 - (g) the final amount payable;
 - (h) the final date for payment;
 - (i) soft reminders in respect of interest levies and discontinuation of services; and
 - (j) the situation of payment facilities and modes of payment accepted and hours for payment.
 - (k) VAT Registration number and account number.

6.1 **Metering**

Section 95(e) provides that a municipality must ensure that persons liable for payments receive regular and accurate accounts that indicate the basis for calculating the amount due.

- The municipality will endeavour within practical and financial limits to provide meters to every paying client for all meter-able services.
- All meters will be read monthly, if at all possible. If the meter is not read monthly the council will average the consumption for the preceding three months.
- Customers are entitled to request verification of meter readings and accuracy within reason, but may be held liable for the cost thereof.
- Customers will be informed of meter replacement.
- If a service is metered but it cannot be read due to financial and human resource constraints or circumstances out of the control of the municipality or its authorized agent, and the customer is charged for an average consumption the account following the reading of the metered consumption must articulate the difference between the actual consumption and the average consumption, and the resulting credit or debit adjustments.

6.2 **Right of access to premises**

- The owner and or occupier of premises give an authorized representative of the municipality access to the premises at all reasonable hours in order to read, inspect, install or repair any meter or service connection for reticulation, or to disconnect, stop or restrict, or reconnect, the provision of any service

Section 101 provides that the occupier of premises in a municipality must give an authorized representative of the municipality access at all reasonable hours to the premises in order to read, inspect, install or repair any meter or service connection for reticulation, or to disconnect stop or restrict the provision of any service.

- The owner accepts the cost of relocating a meter if satisfactory access is not possible.
- If a person contravenes right of access the municipality or its authorized agent may :

- (a) By written notice require such person to restore access at his/her own expense within a specified period.
- (b) If it is the opinion that the situation is a matter of urgency, without prior notice restore access and recover the cost from such person.

6.3 **Full and final settlement payments**

- Any part payment of an account in full and final settlement can only be tendered to the Executive Director of Finance or his delegated authority.
- Should such a payment not be tendered in accordance with abovementioned, cash or postal orders will be returned to the payer. If such payment is in the form of a cheque, credit card or electronic payment, the amount will be returned to the drawer thereof.
- The account will be adjusted accordingly and debt management actions will commence as if no payment has been tendered.

6.4 **Payment facilities and methods and stop orders and debit orders**

- The municipality will operate and maintain suitable banking and cash facilities which will be accessible to all users.
- The municipality will at its discretion allocate a payment between service debts – a debtor who has overdue debt may not specify that the payment is for a specific portion of the account.
- The municipality may with the consent of a customer approach an employer to secure a debit or stop order arrangement.
- The customer will acknowledge, in the customer agreements, that the use of customer agents in the transmission of payments to the municipality is at the risk of the customer – also for the transfer time of the payment.

6.5 **Arrangements**

Principles for Residential Debtors

- Notwithstanding that all debts should be treated holistically, certain categories of debt may be subject to category specific repayment parameters.
- Current charges must be paid in full. This is not negotiable.
- The debtor may be required to prove levels of income and must agree to a monthly payment towards arrears based on his ability to pay or based on his total liquidity if Council so requires.
- All negotiations with the debtor should strive to result in an agreement that is sustainable and is most beneficial to Council.
- Interest will be charged on arrears at standard rate.
- Interest on arrears in respect of all services and rates may be frozen whilst the debtor adheres to the conditions of the arrangement.
- Debtors who default on three occasions in respect of arrangements made will be denied the privilege of making further arrangements and the full amount becomes payable.
- All arrangements should be subject to periodic review.
- All services may be discontinued and legal action will be taken against debtors and/or such debt may be referred to third party debt collectors, for recovery.

Arrangement Criteria for Residential Debtors

All debtors who are in arrears and apply to make arrangements to reschedule their debt will be subject to the following payment requirements at the time of making the arrangement.
Full settlement of current account and on agreed amount towards arrears.

Principles for Non-residential Debtors

- Non-residential debtors may make arrangements to liquidate their arrears where it would be financially beneficial to the Council for them to do so.
- The final decision to make these arrangements will rest with the Executive Director of Finance with the right to sub delegate.

Arrangement Criteria for Non-residential debtors

If any non-residential debtor wishes to make an arrangement for a period of not longer than six months, and will pay the first installment immediately, interest on the arrangement amount may be suspended as long as the terms of the arrangement are maintained.

6.6 Enquiries, Appeals, Service complaints and Disputes

- If a customer is convinced that his or her account is inaccurate, he or she can lodge an appeal with the municipality for recalculation of this account.

Section 95(f) of the Local Government : Municipal Systems Act, 2000 provides that a municipality must provide accessible mechanisms for those persons to query or verify accounts and metered consumption and appeal procedures which allow such persons to receive prompt redress for inaccurate accounts.

- Queries regarding non-receipt of regular accounts must be followed up. This does not constitute a valid reason for non-payment of accounts.
- In the interim the debtor must pay the average of the last three months account. Where no such history is available the debtor is to pay an estimate provided by the municipality before payment due date until the matter is resolved.
- The relevant department will investigate and inform the debtor within one month.
- Failure to make such agreed interim payment or payments will make the customer liable for disconnection.
- A customer may appeal against the finding of the municipality or its authorized agent in paying the average of three months or an estimated amount.
- An appeal and request must be made and lodged with the municipality within 21 (twenty-one) days after the customer became aware of the finding and must :
 - (a) Set out the reasons for the appeal.
 - (b) Be accompanied by any security determined for the testing of a measuring device if applicable.
- Duplicate accounts must be available upon request.
- "Dispute" referred to in Section 102(2) of the Municipal Systems Act, No. 32 of 2000 as the instance when a debtor questions the correctness of any account by Council to him and such debtor lodges an appeal with Council.
- In order for a dispute to be registered with Council the following procedures must be followed :
 - The debtor must render the dispute in writing to Council and this must be actually received by Council.
 - The debtor must furnish his full personal particulars including his account number, telephone number, fax, e-mail addresses and any other relevant particulars.
 - The full nature of the dispute must be described in the correspondence.

On receipt of the dispute the Council will take the following actions:

- A Register must be kept in which all disputes received are to be entered.
- An authorized controlling official will keep custody of the register and conduct a daily or weekly check or follow-up on all disputes as yet unresolved.
- A written acknowledgement of receipt must be provided to the debtor.
- All appeals regarding disputed amounts must be unilaterally concluded by Council's authorized officials within 14 calendar days from receipt thereof.
- Council's authorized official's decision is final and will result in the immediate implementation of any debt collection and credit control measures after the debtor is provided with the outcome of the appeal.
- The same dispute will not be reconsidered and will not again be defined as a dispute.
- If the debtor is not satisfied with the outcome of his appeal he may under protest pay the amount in dispute and redress his action to a court of law.

7 BUSINESS WHO TENDER TO THE MUNICIPALITY

The Procurement Policy and Tender Conditions include the following:

- (i) When inviting tenders for the provision of services or delivery of goods, potential contractors may submit tenders subject to a condition that consideration and evaluation thereof will necessitate that the tenderer obtain from the municipality a certificate stating that all relevant municipal accounts owing by the tenderer or its directors, owners or partners have been paid or that suitable arrangements (which include the right to set off in the event of non-compliance) have been made for payment of any arrears.
- (ii) A municipal account to mean any municipal service charge, RSC levies tax or other fees, fines and penalties, due in terms of a contract or approved tariff or rate, which is outstanding after the due date normally appearing on the consolidated account or overdue in terms of the contract or any other due date that has passed.
- (iii) Tender conditions contain a condition allowing the municipality to deduct moneys owing to the municipality from contract payments in terms of a reasonable arrangement with the debtor.

8 INCENTIVES FOR PROMPT PAYMENT

- The municipality may, to encourage payment, and to reward good payers consider from time to time incentives for the payment of accounts.
- Such incentive schemes, if introduced, will be reflected in annual budgets as additional expenditure.

9 CUSTOMER ASSISTANCE PROGRAMMES

Water leakages

- If the leakage is on the side of the customer the customer is responsible for the payment of the full account.
- The customer has the responsibility to control and monitor his/her consumption.

Rate rebates

- Properties used exclusively for residential purposes may qualify for a rebated rate determined annually by Council.
- A rate rebate may be granted to social pensioners or the receiver of a State disability grant as determined by Council from time to time. To qualify for the concession the following criteria will apply: Application must be made each year and reach the Executive Director: Finance on or before 30 June. The applicant must be the registered owner of the property and should not sub-let any portion of the dwelling or take in boarders. The applicant should not own any other property. The property must be readily accessible to municipal staff for the purpose of carrying out of inspections.

Arrangements for settlements

- If a customer cannot pay his/her account with the municipality then the municipality may enter into an extended term of payment with the customer. He/she must:
 - (i) Sign an acknowledgement of debt;
 - (ii) Sign a consent to judgment;
 - (iii) Provide a garnishee order/emolument order/stop order (if he or she is in employment);
 - (iv) Acknowledge that interest will be charged at the prescribed rate;
 - (v) Pay the current portion of the account in cash; and
 - (vi) Sign an acknowledgement that, if the arrangements negotiated are later defaulted on, that no further arrangements will be possible and that disconnection of water and electricity will immediately follow, as will legal proceeding.

- Council reserves the right to raise the deposit/security requirement of debtors who seek arrangements.

Rates by installments

If the owner of ratable property notifies the Executive Director: Finance in writing not later than the thirty first day of May in any financial year or such later date in such financial year as the Executive Director: Finance may agree to, that he is desirous of paying all rates in respect of such property by installments, such owner shall be entitled to pay all rates for the financial year ensuing and for each succeeding financial year until such notice is in like manner withdrawn by him, in twelve installments which shall;

- (i) as far as possible, be equal, and;
- (ii) be due and payable on the last day of each month commencing with the month in which the relevant due date falls.
- (iii) These installments will be subjected to interest being added if not paid in accordance with (ii) above.

10 **DEBT COLLECTION POLICY**

10.1 ***Enforcement Mechanisms***

10.1.1 ***Interruption of service***

Section 97 (g) of the Local Government: Municipality Systems Act, 2000 provides that a credit control and debt collection policy must provide for termination of services or the restriction of the provision of services when payments are in arrears.

- Customers who are in arrears with their municipal bill and who have not made arrangements with the council will have their supply of water and other municipal services discontinued.
- Council reserves the right to deny or restrict the sale for water to customers who are in arrears with their rates or other municipal charges.
- Debtors except those who are charged according to the full domestic tariff should be required to pay all penalties and arrears in full before the supply is restored.
- The restriction and or discontinuation of water supplies will happen in accordance with a policy determined by council from time to time.
- A notice shall be left at the property advising that the supply has been disconnected and warn that all water outlets should be closed. The notice must also advise that the supply will only be reconnected after the total balance of the amount specified on the notice including the reconnection fee has been paid or an arrangement acceptable to Council has been made. This Notice must also warn of the consequences of unauthorized reconnection.
- Upon the liquidation of arrears, or the conclusion of arrangements for term payment, the restricted service will be reconnected as soon as conveniently possible.
- The cost of the restriction or disconnection, and the reconnection, will be determined by tariffs agreed by Council, and will be payable by the consumer before reconnection.
- The onus shall always be on the debtor to request reconnection and to prove that the full amount on the disconnection notice was paid or that an arrangement was entered into.

10.1.2 ***Unauthorized reconnection of water supply***

- It is considered a criminal offence which may result in legal action being taken. Where this has occurred the water supply will be effectively disconnected.

10.2 ***Interest and penalties***

- Interest will be raised as a charge on all accounts not paid by the due date in accordance with applicable legislation.

Section 97(e) of the Local Government: Municipal Systems Act, 2000 provides that a credit control and debt collection policy must provide for interest on arrears, where appropriate.

- The decision to waive interest in specific instances can only be taken by a decision of Council or its delegated Committee.

10.3 **Personal contact**

Telephonic contact

10.3.1 **Agents calling on clients**

- Council will endeavour, within the constraints of affordability, to make personal or telephonic contact with all arrear debtors to encourage their payment, and to inform them of their arrears state, and their rights (if any) to conclude arrangements or to indigence subsidies, and other related matters, and will provide information on how and where to access such arrangements or subsidies, and other related matters and will provide information on how and where to access such arrangements or subsidies.
- The municipality shall maintain a schedule of debtors with large amounts outstanding (the cut-off amount will be agreed by Council) and will maintain intensive contact with these debtors.
- Council may consider the use of agents and innovative debt collection methods and products. Cost effectiveness, the willingness of agents to work under appropriate codes of conduct and the success of such agents will be closely monitored by Council.
- Such contact is not a right that debtors enjoy – disconnection of services and other collection proceedings will continue in the absence of such contact for whatever reason.

10.4 **Legal Process/Use of attorneys/Use of credit bureaus**

- Council will, when a debtor is 60 days in arrears, commence legal process against that debtor, which process could involve final demands, summonses, court trials, judgements, garnishee orders and/or sales in execution of property.
- Council will exercise strict control over this process, to ensure accuracy and legality within it, and will require regular reports on progress from outside parties, be they attorneys or any other collection agents appointed by council.
- Council will establish procedures and codes of conduct with these outside parties be they attorneys, the courts, etc.
- Garnishee orders, in the case of employed debtors, are preferred to sales in execution, but both are part of Council's system of debt collection procedures.
- All steps in the credit control procedure will be recorded for Council's records and for the information of the debtor.
- All costs of this process are for the account of the debtor.
- Individual debtor accounts are protected and are not the subject of public information. However Council may release debtor information to credit bureaus. This release will be in writing and included in Council's agreement with its customers.
- Customers will be informed of the powers and duties of such agents and their responsibilities including the observation of agreed codes of conduct.
- Any agreement concluded with an agent or product vendor shall include a clause whereby breaches of the code of conduct by the agent or vendor will see the contract terminated.

10.5 **Theft and Fraud**

- Any person (natural or juristic) found to be illegally connected or reconnected to municipal services, tampering with meters, reticulation network or any other supply equipment or committing any unauthorized service associated with the supply of municipal services, as well as theft and damage to Council property, will be prosecuted and/or liable for penalties as determined from time to time.

Section 97 (h) of the Local Government: Municipal Systems Act, 2000 provides that a credit control and debt collection policy must provide for matters relating to unauthorized consumption of services theft and damages.

- Council will immediately terminate the supply of services to a customer should such conduct as outlined above be detected.
- The total bill owing, including penalties, assessment of unauthorized consumption and discontinuation and reconnection fees, and increased deposits as determined by Council if applicable, becomes due and payable before any reconnection can be sanctioned.
- Council will maintain monitoring systems and teams to detect and survey customers who are undertaking such illegal actions.
- Council may distinguish in its penalties between cases of vandalism and cases of theft.
- Subsequent acts of tampering will lead to penalties and deposits increasing in quantum.
- Council reserves the right to lay charges and to take any other legal action against both vandals and thieves.
- Any person failing to provide information or providing false information to the municipality may face immediate disconnection.

10.6 *Cost of collection*

- All costs of legal process, including interest, penalties, service discontinuation costs and legal costs associated with credit control are for the account of the debtor and should reflect at least the cost of the particular action.

10.7 *Dishonoured payments*

- Receipts issued in respect of dishonoured cheques and ACB deductions must be written back upon receipt of such notices. Interest on arrears must be raised where applicable. Debtors must be notified and debt recovery actions be instructed where necessary.
- Should payments be dishonoured regularly, the debtors system must be encoded to not accept cheques or debit order transactions of such a debtor and he/she must be informed in writing.
- Consumer deposits must be adjusted to cover the increased risk of regularly dishonoured payments.

Rates and General Services

- If the drawer of the cheque, or the customer who received value from the depositing of the cheque, is an existing debtor of Council, the reversal and penalty fee may be debited to an account of the drawer or beneficiary and a letter of notification must be sent to the debtor. Such fee shall be deemed to be a tariff charge and shall be recovered from the debtor. Council reserves the right to refuse to accept further cheques from the drawer or beneficiary, to place the matter on the National Adverse credit listing and also institute legal action which may include criminal charges against the offender.

Miscellaneous Services

- If the drawer of the cheque is not an existing debtor of Council, then a sundry debtor account is opened and the debit and penalty is raised. Once the account is submitted and the debtor fails to honour the cheque and pay the penalty within 14 days of receipt, a final demand is generated and submitted. If there is still no response, then the matter shall be handed over for placement on the National Adverse Credit listing and/or institute legal action that may include criminal charges against the offender.
- If the drawer of the cheque or the customer who received value from the depositing of the cheque is an existing debtor of Council, the reversal and penalty fee may be debited to an account of the drawer or beneficiary and a letter of notification must be sent to the debtor. Such fee shall be deemed to be a tariff charge and shall be recovered from the debtor. Council reserves the right to refuse to accept further cheques from the drawer or beneficiary and also institute legal action which may include criminal charges against the offender.

10.8 **Irrecoverable Debt**

Debt will be regarded as irrecoverable if:

- All reasonable notifications and cost effective legal avenues to recover a specific outstanding amount have been exhausted; or amount to be revised by the Executive Director: Finance annually.
- If the amount to be recovered is too small to warrant further endeavours to collect it; or
- The cost to recover the debt does not warrant further action; or
- The amount outstanding is the residue after payment of a dividend in the Rand from an insolvent estate; or
- A deceased estate has no liquid assets to cover the outstanding amount; or
- It has been proven that the debt has prescribed; or to be reported to Council.
- The debtor is untraceable or cannot be identified so as to proceed with further action.
- The outstanding amount is due to an administrative error by Council.

11 **AUTHORIZATION**

- As rates are deemed to be recoverable in all instances, all requests to write-off debt in respect of rates must be presented as individual items to Council.
- In respect of other debt, schedules indicating the debtor account number, the debtor's name, the physical address in respect of which the debt was raised, address erf number, if applicable, amount per account category as well as a reason to write off the amount must be compiled.
- These schedules with an item requesting authorization to write off the indicated debt must be presented to :
 - (i) The Executive Director: Finance for debts of R2 000 and less per debtor;
 - (ii) The Finance Committee for debts R2 000 or more per debtor; and
 - (iii) The Executive Director: Finance must submit a report to council before the end of the financial year to inform them of the amount written off during that financial year.
- Notwithstanding the above Council or its authorized officials will be under no obligation to write off any particular debt and will always have the sole discretion to do so.

12 **DISCRETION - NEGOTIABLE AMOUNTS**

- Discretion in terms of negotiable amounts as per this policy is delegated to the Executive Director of Finance with the right to sub-delegate.
- Officials with delegated powers may use discretion as a final tool by which decisions can be made in accordance with this policy.
- At all times and at all levels, discretion will only be used so as to apply the principles embodied within the policy and to ensure that some form of payment acceptable to Council is forthcoming from negotiations with the debtor.
- At all times the most financially beneficial arrangement to Council must be entered into whilst still retaining the principles of this policy.

13 **ABANDONMENT**

- The Municipal Manager, must ensure that all avenues are utilized to collect the town's debt.
- There are some circumstances that allow for the valid termination of debt collection procedures:
 - (i) The insolvency of the debtor, whose estate has insufficient funds.
 - (ii) A balance being too small to recover, for economic reasons considering the cost of recovery.
- The municipality will maintain audit trials in such an instance, and document the reasons for the abandonment of the debt.

14 **RATES CLEARANCE**

- On the sale of any property in the municipal jurisdiction, Council will withhold the transfer until all rates and service charges are paid by withholding a rates clearance certificate.

15 **PERFORMANCE EVALUATION**

15.1 ***Income Collection Targets***

Council to create targets that include:

- (i) Reduction in present monthly increase in debtors in line with performance agreements determined by council.

16 **CUSTOMER SERVICE TARGETS**

Council to create targets that would include:

- (i) Response time to customer queries.
- (ii) Date of first account delivery to new customers.
- (iii) Reconnection time lapse.
- (iv) Meter reading cycle.

17 **ADMINISTRATIVE PERFORMANCE**

Council to create targets that will include:

- (i) Cost efficiency of debt collection.
- (ii) Query rates.
- (iii) Enforcement mechanism ratios.

Council will create a mechanism wherein these targets are assessed; Council's performance is evaluated and remedial steps taken.

18 **REPORTING TO COUNCIL**

- The Executive Director: Finance shall report monthly to the Municipal Manager in a suitable format to enable the municipal Manager to report to Council. This report shall report on:
 - (i) Cash flow information for the capital and operating accounts, and combined situation, showing Council's actual performance against its cash flow budgets.
 - (ii) Cash collection statistics, showing high-level debt recovery information (numbers of customers; enquires; default arrangements; growth or reduction of arrear debtors; ideally divided into wards, business (commerce and industry) domestic, state, institutional and other such divisions.
 - (iii) Performance of all areas against targets agreed to in item 6 of this policy document.
 - (iv) Council's ongoing income and expenditure statements, comparing both billed income and cash receipt income, against ongoing expenditure in both the capital and operating accounts.
- If in the opinion of the Executive Director: Finance, Council will not achieve cash receipt income equivalent of the income projected in the annual budget as approved by Council, the Executive Director: Finance will report this with motivation to the Municipal Manager who will, if he agrees with the Executive Director: Finance, immediately move for a revision of the budget according to realistically realize-able income levels.

19 STRUCTURES OF THE FINANCE DEPARTMENT

- Council shall regularly receive a report from the Executive Director: Finance, if necessary after consultation with suitable consultants, on the manpower and systems requirements of treasury which requirements take into account Council's agreed targets of customer care and management, and debt collection, and, after considering this report, Council will within reason vote such resources as are necessary to ensure that treasury has the staffing and structures to meet Council's targets in this regard or to outsource the service.

20 CREDIT CONTROL

- In order to enhance the affectivity of credit checks it should be considered to subscribe to the services of a credit bureau.
- Should the applicant not be the owner of the property, the contract must be signed by the applicant and the owner or his/her proxy. The owner must also accept joint responsibility for the un-recovered debt of his/her tenant.
- The applicant shall be interviewed by an official who may carry out a full credit check and endeavour to trace all municipal debt owed by the applicant. This will require the provision of, inter alia and if applicable, an Identity document, binding lease agreement, title deed and other supporting documents as required by Council from time to time.
- The relevant application form as approved by Council from time to time forms an integral part of this Policy insofar as the contents of such application form is not in conflict with any of the provisions of this policy.
- Application for services for businesses including but not limited to, trusts, companies, close corporations, partnerships and sole proprietors should be approved subject to the provisions. The application must include the submission of a resolution delegating authority to the applicant and furnishing, if applicable, the business entity's registration number or IT number. The name, addresses and all relevant contact particulars of all the businesses directors or members or trustees or proprietors or partners must be submitted with the resolution. The relevant application form as approved by Council from time to time forms an integral part of this Policy insofar as the contents of such application form is not in conflict with any of the provisions of this policy.
- The payment of a service deposit based on minimum tariffs as determined by the Council or the applicant's payment and consumption record, if available, whichever the greatest.
- Adjustments to deposits will be determined by the debtor's payment record of municipal accounts and consumption levels.
- The provision of all services not regulated by acts and by-laws will be subject to the signing and acceptance of the conditions of supply contained in a service contract.

21 INDIGENT POLICY

Section 97(c) of the Local Government: Municipal Systems Act, 2000 provides that a municipality must make provision for indigent debtors that is consistent with it's rates and tariff policies and any national policy on indigent.

The indigent policy will apply to all Municipal services including assessment rates.

Criteria

A debtor is considered indigent if the joint income of all occupants over 18 years residing at the specific address does not exceed R800 or an amount as determined by Council from time to time.

Funding of subsidy

The source of funding of the indigence subsidy is that portion of the equitable share contribution to the municipality made from the national government's fiscus and as provided for in the budget. In exceptional circumstances this can be supplemented from other

revenues. The subsidy amount is to be crudely calculated by dividing the portion of the equitable share as budgeted by the estimated number of qualifying households. This figure is the approximate average subsidy per household.

Arrears

The indigent debtor who is in arrears will be required to pay a nominal amount to understand that the arrears debt has not been written off. Until an arrangement is made to pay arrears debt, interest may be charged on all overdue accounts at standard rate.

Financial Restraints

Indigent households will be subsidized in accordance with this policy subject to the Council funding available from time to time.

Registration

- A debtor should make application for indigent benefits at the nearest Municipal officer on a prescribed application form.
- The completed application form must be referred to a Committee consisting of 2 councillors, 2 members of the community and an official that will make recommendations to Council.
- Indigent debtors must re-apply every 6 months in order for Council to determine whether or not their financial circumstances have changed. Failure to comply will result in their indigent status being revoked and standardized tariffs and/or charges being reinstated.
- An indigent customer must immediately request de-registration by the municipality or its authorized agent if his/her circumstances have changed to the extent that he/she no longer meet the qualifications set out for indigency.

Proof of Income

- Applications for indigency must produce written proof of household income for each member of the household indicating unemployment or low income or reduction in income and/or medical certificates confirming inability to work acceptable to Council.
- All documentation must be supported by a sworn affidavit. This documentation should be current i.e. not more than one month old and should be submitted with the application form.

Investigation

- The Council reserves the right to verify above details.
- Council staff or its accredited agents may undertake house visits to confirm the indigent's claim and living conditions.
- Where an indigent debtor is found to be living at a standard inconsistent with his indigent application or fails to allow access or provide any further information as may be required, the indigent benefits may be cancelled at Council's sole discretion retrospective to the date of approval.

Households will be excluded from the scheme if:

- (i) The household head owns a second property;
- (ii) The application was filled in dishonesty; and
- (iii) Audits suggest improvement in the financial circumstances of the household.

Property Rates

- The monthly indigent subsidy for rates will not be based on the valuation of the property and/or improvements, but will be a monthly amount of 5% of the annual assessment determined by Council from time to time (subject to the availability of funds).

- The subsidy amount will differ where sewerage and refuse charges are included in the rates account or charged for separately.
- If the normal monthly rates charged are in excess of the relevant rates subsidies referred to in abovementioned, the excess must be paid in terms of Council's standard procedure.
- If the monthly rates account is less than the value of the relevant rates subsidies referred to the indigent rates subsidy will be limited to the value of the monthly rates installment.

Water

- Households with water supplied by Boland District Municipality receives 6kl free each month. However, an indigent household may receive a further 4kl of water free each month as part of the indigent assistance provided by Council subject to funding.
- Any indigent household which uses more than 20kl per month for any two months may after due written Notice lose their indigent status and return to standard tariffs and Council procedures.
- If the debtor uses more than the total free allocation of water and does not pay for the additional water by the due date, the water supply may be disconnected or limited. The water supply will remain disconnected or limited until such time as his current account is paid or an arrangement made.
- If the water supply was disconnected prior to the debtor applying for indigency, the debtor will be required to pay the appropriate fee levied by Council to have the water reconnected.

Sewerage

- The indigent debtor will be granted a monthly amount of 5% of the applicable tariff for sewerage usage and/or availability as determined by Council from time to time (subject to the availability of funds).
- The indigent debtor will be responsible for payment of the difference between the amount granted and the standard tariff determined by Council.
- If the monthly sewerage charge is less than the value of the indigent subsidy the subsidy will be limited to the value of the monthly sewerage charge.

Refuse Removal

- The indigent debtor will be granted a monthly amount of 50% of the applicable tariff for refuse removal as determined by Council from time to time (subject to the availability of funds).
- The indigent debtor will be responsible for payment of the difference between the amount granted and the standard tariff determined by Council for the method of refuse removal in that area.
- If the monthly refuse removal charge is less than the value of the indigent subsidy, the subsidy will be limited to the value of the refuse removal charge.

General

- If a consumer's consumption or use of a municipal service is less than the subsidized service the unused portion may not be accrued by the customer and will not entitle the customer to cash or a rebate in respect of the unused portion.
- If a customer's consumption or use of a municipal service is in excess of the subsidized service, the customer will be obliged to pay for such excess consumption at the applicable rate.

RATES

Annual Rates (and other annual levies)

- Annual rates are payable on 30 September.
- Interest will be charged on all overdue accounts at standard rate.

- If the account is not paid by the due date as displayed on the account, a Notice shall be issued showing the total amount owed to Council.
- If the account is not settled or there is no response from the debtor to make acceptable arrangements to repay the debt, summons shall be issued and the legal process followed.
- In instances where the rates debt is in respect of Municipal property sold by suspensive sale agreement, the collection thereof will be done in terms of the Deed of Sale or any subsequent applicable written agreement between Council and the debtor.
- At any stage while the debt is outstanding all reasonable steps shall be taken to ensure that the ultimate sanction of a sale-in-execution is avoided or taken as a last resort. The Council however, has total commitment to a sale-in-execution should the debtor fail to make use of the alternatives provided for by the Council from time to time.
- Any debtor may be granted the opportunity of converting to paying rates monthly for the following financial year.

Monthly Rates

- Interest will be charged on all overdue accounts at standard rate.
- Debtors can make application to the Council to pay current and future rates monthly, the approval of which is at the sole discretion of Executive Director of Finance with the right to sub-delegate.
- The monthly amount payable for current annual rates will be calculated to allow the total balance of such amount to be paid in equal installments by the end of that financial year.
- Should the debtors' rates arrears equal the amount of any three monthly installments or more the full balance of the annual rates will become due and payable and the account status should be converted from monthly to annual.

Parked Arrears

- Interest will not be raised on "Parked Arrears".
- Parked arrears must be included in arrangements.
- Notwithstanding anything to the contrary contained in this policy, parked arrears must be collected in full before transfer of the property.

Services

- Accounts must be paid by the due date as shown on the account.
- Interest will be charged on all overdue accounts at an interest rate that shall be determined by Council from time to time.
- The debtor must be warned on the monthly account in the two/three official languages of the Western Cape, of possible disconnection if payment is not received by the due date.
- If payment is not received by the due date as shown on the Notice the supply will be disconnected.

23 REGIONAL SERVICES LEVY

Definitions

In this Paragraph :

"The Act" means the Regional Services Council Act No. 109 of 1985 including any regulation made under the Act and any notice published under the Act by the Minister of Finance in the gazette;

"Due date" means the 20th day of the calendar month after the month during which:

- (a) in the case of a regional services levy

- (i) any remuneration is paid or becomes payable by any employer to an employee;
 - (ii) any drawings take place in relation to any person carrying on an enterprise as contemplated in paragraph (b) of the definition of “regional services levy” in Section 1 of the Act; or
- (b) in the case of a regional establishment levy, any amount that is levied is determined in accordance with the Act in relation to any enterprise.

“Levy payer” means any person who is liable for the payment of a regional services levy or regional establishment levy.

“SARS” means the South African Revenue Services.

Collection of Levies and Credit Control

- The Council shall collect from every levy payer a regional services levy and/or a regional establishment levy, as the case may be, in accordance with The Act.
- Interest on overdue accounts will be charged at a rate as determined from time-to-time in terms of Section 80(1)(b) of the Public Finance Management Act No. 1 of 1999, as amended. (<http://www.treasury.gov.za/showpfma.htm>)

Payments will be allocated per assessment period in the following sequence:

- Legal costs incurred
- Interest levied
- Establishment levies
- Services levies

The head of the department responsible for collection of levies due to Council shall take the following steps to collect amounts still outstanding after the due date on behalf of the Council:

- If the levy payer fails to comply, Council shall raise within 30 (thirty) days, and assessment in regards to the regional services levy and/or a regional establishment levy at it's own discretion and claim said amount from the levy payer in accordance with The Act.
- Should an assessment period remain outstanding 30 (thirty) days after due date of the assessment, any of the following appropriate action, depending on the case in question, will be taken against the defaulting levy payer :
 - (i) A first and final notice of intention to proceed (within 30 days) with an action for the recovery of debt in the Court of Civil Justice; and
 - (ii) Council may make use of a third party for the collection of the arrears debt.

REFERENCES:

- 1 LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT, 2000 (ACT 32 OF 2000)
- 2 THE CONSTITUTIONAL ACT OF THE REPUBLIC OF SOUTH AFRICA, 1996 (ACT 108 OF 1996)
- 3 DEBT MANAGEMENT POLICY – CITY OF CAPE TOWN
- 4 CREDIT CONTROL – WEST COAST DISTRICT COUNCIL
- 5 CUSTOMER CARE MANAGEMENT AND DEBT COLLECTION POLICY – BREEDE VALLEY MUNICIPALITY

~~(b) differentiate between different kinds of municipalities according to their respective capacities.~~

~~(4) The Minister, by notice in the *Gazette*, may phase in the application of the provisions of this Chapter which place a financial or administrative burden on municipalities.~~

~~(5) A notice in terms of subsection (4) may —~~

~~(a) determine different dates on which different provisions of this Chapter becomes applicable to municipalities;~~

~~(b) apply to all municipalities generally;~~

~~(c) differentiate between different kinds of municipalities which may, for the purpose of the phasing in of the relevant provisions, be defined in the notice in relation to categories or types of municipalities or in any other way; or~~

~~(d) apply to a specific kind of municipality only, as defined in the notice.~~

CHAPTER 9 CREDIT CONTROL AND DEBT COLLECTION

95. Customer care and management.—In relation to the levying of rates and other taxes by a municipality and the charging of fees for municipal services, a municipality must, within its financial and administrative capacity—

(a) establish a sound customer management system that aims to create a positive and reciprocal relationship between persons liable for these payments and the municipality, and where applicable, a service provider;

(b) establish mechanisms for users of services and ratepayers to give feedback to the municipality or other service provider regarding the quality of the services and the performance of the service provider;

(c) take reasonable steps to ensure that users of services are informed of the costs involved in service provision, the reasons for the payment of service fees, and the manner in which monies raised from the service are utilised;

(d) where the consumption of services has to be measured, take reasonable steps to ensure that the consumption by individual users of services is measured through accurate and verifiable metering systems;

(e) ensure that persons liable for payments, receive regular and accurate accounts that indicate the basis for calculating the amounts due;

(f) provide accessible mechanisms for those persons to query or verify accounts and metered consumption, and appeal procedures which allow such persons to receive prompt redress for inaccurate accounts;

(g) provide accessible mechanisms for dealing with complaints from such persons, together with prompt replies and corrective action by the municipality;

(h) provide mechanisms to monitor the response time and efficiency in complying with paragraph (g); and

- (i) provide accessible pay points and other mechanisms for settling accounts or for making pre-payments for services.

96. Debt collection responsibility of municipalities.—A municipality—

- (a) must collect all money that is due and payable to it, subject to this Act and any other applicable legislation; and
- (b) for this purpose, must adopt, maintain and implement a credit control and debt collection policy which is consistent with its rates and tariff policies and complies with the provisions of this Act.

97. Contents of policy.—(1) A credit control and debt collection policy must provide for—

- (a) credit control procedures and mechanisms;
- (b) debt collection procedures and mechanisms;
- (c) provision for indigent debtors that is consistent with its rates and tariff policies and any national policy on indigents;
- (d) realistic targets consistent with—
 - (i) general recognised accounting practices and collection ratios, and
 - (ii) the estimates of income set in the budget less an acceptable provision for bad debts;
- (e) interest on arrears, where appropriate;
- (f) extensions of time for payment of accounts;
- (g) termination of services or the restriction of the provision of services when payments are in arrears;
- (h) matters relating to unauthorised consumption of services, theft and damages; and
- (i) any other matters that may be prescribed by regulation in terms of section 104.

(2) A credit control and debt collection policy may differentiate between different categories of ratepayers, users of services, debtors, taxes, services, service standards and other matters as long as the differentiation does not amount to unfair discrimination.

98. By-laws to give effect to policy.—(1) A municipal council must adopt by-laws to give effect to the municipality's credit control and debt collection policy, its implementation and enforcement.

(2) By-laws in terms of subsection (1) may differentiate between different categories of ratepayers, users of services, debtors, taxes, services, service standards and other matters as long as the differentiation does not amount to unfair discrimination.

99. Supervisory authority.—A municipality's executive committee or executive mayor or, if a municipality does not have an executive committee or executive mayor, the municipal council itself or a committee appointed by it, as the supervisory authority must—

- (a) oversee and monitor—
 - (i) the implementation and enforcement of the municipality's credit control and debt

collection policy and any by-laws enacted in terms of section 98; and

- (ii) the performance of the municipal manager in implementing the policy and any by-laws;
- (b) when necessary, evaluate or review the policy and any by-laws, or the implementation of the policy and any such by-laws, in order to improve efficiency of its credit control and debt collection mechanisms, processes and procedures; and
- (c) at such intervals as may be determined by the council report to a meeting of the council, except when the council itself performs the duties mentioned in paragraphs (a) and (b).

100. Implementing authority.—The municipal manager or service provider must—

- (a) implement and enforce the municipality’s credit control and debt collection policy and any by-laws enacted in terms of section 98;
- (b) in accordance with the credit control and debt collection policy and any such by-laws, establish effective administrative mechanisms, processes and procedures to collect money that is due and payable to the municipality; and
- (c) at such intervals as may be determined by the council report the prescribed particulars to a meeting of the supervisory authority referred to in section 99.

101. Municipality’s right of access to premises.—The occupier of premises in a municipality must give an authorised representative of the municipality or of a service provider access at all reasonable hours to the premises in order to read, inspect, install or repair any meter or service connection for reticulation, or to disconnect, stop or restrict the provision of any service.

102. Accounts.—(1) A municipality may—

- (a) consolidate any separate accounts of persons liable for payments to the municipality;
- (b) credit a payment by such a person against any account of that person; and
- (c) implement any of the debt collection and credit control measures provided for in this Chapter in relation to any arrears on any of the accounts of such a person.

(2) Subsection (1) does not apply where there is a dispute between the municipality and a person referred to in that subsection concerning any specific amount claimed by the municipality from that person.

103. Agreements with employers.—A municipality may—

- (a) with the consent of a person liable to the municipality for the payment of rates or other taxes, or fees for municipal services, enter into an agreement with that person’s employer to deduct from the salary or wages of that person—
 - (i) any outstanding amounts due by that person to the municipality; or
 - (ii) regular monthly amounts as may be agreed; and
- (b) provide special incentives for—
 - (i) employers to enter into such agreements; and

- (ii) employees to consent to such agreements.

104. Regulations and guidelines.—(1) The Minister may for the purposes of this Chapter make regulations or issue guidelines in accordance with section 120 to provide for or regulate the following matters:

- (a) the particulars that must be contained in the municipal manager's report in terms of section 100 (c);
- (b) the identification of municipal services provided by the municipality or other service providers to users of services where the use of the service by the user can reasonably be determined, measured or estimated per quantity used or per frequency of such use;
- (c) the determination, measurement or estimate of the use by each user of each service so identified;
- (d) user agreements, and deposits and bank guarantees for the provision of municipal services;
- (e) the rendering of accounts to ratepayers and users and the particulars to be contained in the accounts;
- (f) the action that may be taken by municipalities and service providers to secure payment of accounts that are in arrear, including—
 - (i) the termination of municipal services or the restriction of the provision of services;
 - (ii) the seizure of property;
 - (iii) the attachment of rent payable on a property; and
 - (iv) the extension of liability to a director, a trustee or a member if the debtor is a company, a trust or a close corporation;
- (g) appeals against the accuracy of accounts for municipal taxes or services;
- (h) the manner in and time within which such appeals must be lodged and determined and the consequences of successful and unsuccessful appeals;
- (i) extensions for the payment of arrears and interest payable in respect of such arrears;
- (j) service connections and disconnections, and the resumption of discontinued services;
- (k) the combating of unauthorised consumption, connection and reconnection and theft of municipal services;
- (l) the development and implementation of an indigent policy;
- (m) the tampering with or theft of meters, service supply equipment and reticulation network and any other fraudulent activity in connection with the provision of municipal services; and
- (n) any other matter that may facilitate—
 - (i) effective and efficient systems of credit control and debt collection by municipalities; or
 - (ii) the application of this Chapter.

(2) When making regulations or issuing guidelines in terms of section 120 to provide for or to regulate the matters mentioned in subsection (1) of this section, the Minister must—

- (a) take into account the capacity of municipalities to comply with those matters; and
- (b) differentiate between different kinds of municipalities according to their respective capacities.

~~CHAPTER 10~~

~~PROVINCIAL AND NATIONAL MONITORING AND STANDARD SETTING~~

~~Part 1: Provincial monitoring~~

~~**105. Provincial monitoring of municipalities.**—(1) The MEC for local government in a province must establish mechanisms processes and procedures in terms of section 155 (6) of the Constitution to—~~

- ~~(a) monitor municipalities in the province in managing their own affairs, exercising their powers and performing their functions;~~
- ~~(b) monitor the development of local government capacity in the province; and~~
- ~~(c) assess the support needed by municipalities to strengthen their capacity to manage their own affairs, exercise their powers and perform their functions.~~

~~(2) The MEC for local government in a province may by notice in the *Provincial Gazette* require municipalities of any category or type specified in the notice or of any other kind described in the notice, to submit to a specified provincial organ of state such information as may be required in the notice, either at regular intervals or within a period as may be specified.~~

~~(3) When exercising their powers in terms of subsection (1) MECs for local government—~~

- ~~(a) must rely as far as is possible on annual reports in terms of section 46 and information submitted by municipalities in terms of subsection (2); and~~
- ~~(b) may make reasonable requests to municipalities for additional information after taking into account—~~
 - ~~(i) the administrative burden on municipalities to furnish the information;~~
 - ~~(ii) the cost involved; and~~
 - ~~(iii) existing performance monitoring mechanisms, systems and processes in the municipality.~~

~~**106. Non-performance and maladministration.**—(1) If an MEC has reason to believe that a municipality in the province cannot or does not fulfil a statutory obligation binding on that municipality or that maladministration, fraud, corruption or any other serious malpractice has occurred or is occurring in a municipality in the province, the MEC must—~~

- ~~(a) by written notice to the municipality, request the municipal council or municipal manager to provide the MEC with information required in the notice; or~~
- ~~(b) if the MEC considers it necessary, designate a person or persons to investigate the matter.~~

~~(2) In the absence of applicable provincial legislation, the provisions of sections 2, 3, 4, 5 and 6 of~~



CASH MANAGEMENT AND INVESTMENT POLICY FOR THE CAPE WINELANDS DISTRICT MUNICIPALITY

1. LEGAL COMPLIANCE

- 1.1 This policy gives effect to section 13(2) of the Municipal Finance Management Act (Act 56 of 2003) as well as the Municipal Investment Regulations (No. R. 308) dated 1 April 2005.
- 1.2 The Cape Winelands District Municipality shall at all times manage its banking arrangements and investments and conduct its cash management policy in compliance with the provisions of and any further prescriptions made by the Minister of Finance in terms of the Municipal Finance Management Act No. 56 of 2003.

2. OBJECTIVE OF INVESTMENT POLICY

- 2.1 The council of the municipality is the trustee of the public revenues, which it collects, and it therefore has an obligation to the community to ensure that the municipality's cash resources are managed effectively and efficiently.
- 2.2 The council therefore has a responsibility to invest these public revenues knowledgeably and judiciously, and must be able to account fully to the community in regard to such investments.
- 2.3 The investment policy of the municipality is therefore aimed at gaining the optimal return on investments, without incurring undue risks, during those periods when cash revenues are not needed for capital or operational purposes.

- 2.4 The effectiveness of the investment policy is dependent on the accuracy of the municipality's cash management programme, which must identify the amounts surplus to the municipality's needs, as well as the time when and period for which such revenues are surplus.

3. DEFINITIONS

- 3.1 For the purpose of this policy-

- (a) **"Council"** shall mean the Council of the municipality, any committee or person to which or to whom an instruction has been given or any power has been delegated or sub-delegated in terms of, or as contemplated in, section 59 of the Local Government: Municipal Systems Act, 2000 or a service provider in respect of any power, function or duty of the Council.
- (b) **"Councillor"** shall mean a member of the municipal Council of the Cape Winelands District Municipality.
- (c) **"Chief Financial Officer"** shall mean the head of the Financial Services Department as contemplated in *sec 80* of the *MFMA*.
- (d) **"Municipal Manager"** means the person appointed by the Municipal Council as the Municipal Manager for the municipality in terms of section 82 of the Local Government Municipal Structures Act, 1998 (Act No. 117 of 1998) and includes any person:
 - to whom the Municipal Manager has delegated a power, function or duty in respect of such a delegated power, function or duty.
- (e) **"Official"** shall mean all persons in the employment of the Cape Winelands District Municipality.

4 EFFECTIVE CASH MANAGEMENT

4.1 Cash Collection

- 4.1.1 All monies due to the municipality must be collected as soon as possible, either on or immediately after due date, and banked on a daily basis except in the case of satellite offices, i.e. Ceres, Montagu, Robertson and Worcester.
- 4.1.2 The respective responsibilities of the chief financial officer and other heads of departments in this regard is defined in a code of financial

practice approved by the municipal manager and the chief financial officer, and this code of practice is attached as Annexure II to this policy.

- 4.1.3 The unremitant support of and commitment to the municipality's credit control policy, both by the council and the municipality's officials, is an integral part of proper cash collections, and by approving the present policy the council pledges itself to such support and commitment.

4.2 **Payments to Creditors**

- 4.2.1 The chief financial officer shall ensure that all tenders and quotations invited by and contracts entered into by the municipality stipulate payment terms favourable to the municipality, that is, payment to fall due not sooner than the conclusion of the month following the month in which a particular service is rendered to or goods are received by the municipality.
- 4.2.2 This rule shall be departed from only where there are financial incentives for the municipality to effect earlier payment, and any such departure shall be approved by the chief financial officer before any payment is made.
- 4.2.3 In the case of small, micro and medium enterprises, where such a policy may cause financial hardship to the contractor, payment may be effected at the conclusion of the month during which the service is rendered or within fourteen days of the date of such service being rendered, whichever is the later. Any such early payment shall be approved by the chief financial officer before any payment is made.
- 4.2.4 Notwithstanding the foregoing policy directives, the chief financial officer shall make full use of any extended terms of payment offered by suppliers and not settle any accounts earlier than such extended

due date, except if the chief financial officer determines that there are financial incentives for the municipality to do so.

4.2.5 The chief financial officer shall not ordinarily process payments, for accounts received, more than once in each calendar month, such processing to take place on or about the end of the month concerned.

4.2.6 Wherever possible, payments shall be effected by means of electronic transfers rather than by cheques.

4.2.7 Special payments to creditors shall only be made with the express approval of the chief financial officer, who shall be satisfied that there are compelling reasons for making such payments prior to the normal month end processing.

4.3 **Management of Inventory**

4.3.1 Each head of department shall ensure that such department's inventory levels do not exceed normal operational requirements in the case of items which are not readily available from suppliers, and emergency requirements in the case of items which are readily available from suppliers.

4.3.2 Each head of department shall periodically review the levels of inventory held, and shall ensure that any surplus items be made available to the chief financial officer for sale at a public auction or by other means of disposal, as provided for in the municipality's supply chain management policy.

4.4 **Cash Management Programme**

4.4.1 The chief financial officer shall prepare an annual estimate of the municipality's cash flows divided into calendar months, and shall update this estimate on a monthly basis.

- 4.4.2 The estimate shall indicate when and for what periods and amounts surplus revenues may be invested, when and for what amounts investments will have to be liquidated, and when – if applicable – either long-term or short-term debt must be incurred.
- 4.4.3 Heads of departments shall in this regard furnish the chief financial officer with all such information as is required, timeously and in the format indicated.
- 4.4.4 The chief financial officer shall report to the mayoral committee on a monthly basis and to every ordinary council meeting the cash flow estimate or revised estimate for such month or reporting period respectively, together with the actual cash flows for the month or period concerned, and cumulatively to date, as well as the estimates or revised estimates of the cash flows for the remaining months of the financial year, aggregated into quarters where appropriate.
- 4.4.5 The cash flow estimates shall be divided into calendar months, and in reporting the chief financial officer shall provide comments or explanations in regard to any significant cash flow deviation in any calendar month forming part of such report. Such report shall also indicate any movements in respect of the municipality's investments, together with appropriate details of the investments concerned.

5 INVESTMENT ETHICS

- 5.1 The chief financial officer shall be responsible for investing the surplus revenues of the municipality, and shall manage such investments in consultation with the municipal manager or mayoral committee and in compliance with any policy directives formulated by the council and prescriptions made by the Minister of Finance.
- 5.2 All investments made, shall be in the name of the Cape Winelands District Municipality.

- 5.3 In making such investments the chief financial officer, shall at all times have only the best considerations of the municipality in mind, and, except for the outcome of the consultation process with the executive mayor or mayoral committee, shall not accede to any influence by or interference from councillors, investment agents or institutions or any other outside parties.
- 5.4 The Chief Financial Officer must at all times, when making an investment, consider:
- (a) The safety of the investment.
 - (b) The liquidity needs of the Cape Winelands District Municipality.
 - (c) Probable income derived from the investment.
- 5.5 Neither the municipal manager or chief financial officer nor members of the mayoral committee, may accept any gift, other than an item having such negligible value of not more than R 150.00 that it cannot possibly be construed as anything other than a token of goodwill by the donor, from any investment agent or institution or any party with which the municipality has made or may potentially make an investment.

6 INVESTMENT PRINCIPLES

6.1 Permitted Investments

- 6.1.1 The Account Officer must ensure that only the following investment types are utilized in terms of sec 6 of the Municipal Investment Regulations (No. R. 308) dated 1 April 2005:
- (a) Securities issued by national government.
 - (b) Listed corporate bonds with an investment grade rating from a recognized credit rating agency.
 - (c) Deposits with banks registered in terms of the Banks Act (Act 45 of 1984).
 - (d) Deposits with the Public Investment Commissioners.
 - (e) Deposits with the Corporation for Public Deposits.

- (f) Banker's acceptance certificate or negotiable certificates of deposits of registered banks.
- (g) Guaranteed endowment policies with the intention of establishing a sinking fund.
- (h) Repurchase agreements with registered banks.
- (i) Municipal bonds issued by a municipality.
- (j) Any other investment type as identified by the Minister of Finance in consultation with the Financial Services Board.

6.2 **Limiting Exposure**

- 6.2.1 The chief financial officer shall ensure that the Cape Winelands District Municipality diversifies its investment portfolio across institutions, types of investment and investment maturities in order to limit the risk exposure of the municipality.

6.3 **Risk and Return**

- 6.3.1 Although the objective of the chief financial officer in making investments on behalf of the municipality shall always be to obtain the best interest rate on offer, this consideration must be tempered by the degree of risk involved in regard to both the financial institution and the investment instrument concerned.
- 6.3.2 No investment shall be made with an institution where the degree of risk is perceived to be higher than the average risk associated with investment institutions. Deposits shall only be made with deposit-taking institutions registered in terms of the Banks Act (Act 45 of 1984).
- 6.3.3 No investment is allowed which is effected by fluctuations in the value of the Rand against any foreign currency.

6.4 **Payment of Commission**

6.4.1 Every financial institution with which the municipality makes an investment must issue a certificate to the chief financial officer in regard to such investment, stating that such financial institution has not paid and will not pay any commission and has not and will not grant any other benefit to any party for obtaining such investment, including councilors, officials or related spouses or family members.

6.5 **Call Deposits and Fixed Deposits**

6.5.1 Before making any call or fixed deposits, the chief financial officer, shall obtain quotations from at least three financial institutions.

6.5.2 Given the volatility of the money market, the chief financial officer, shall, whenever necessary, request quotations telephonically, and shall record in an appropriate register the name of the institution, the name of the person contacted, and the relevant terms and rates offered by such institution, as well as any other information which may be relevant (for example, whether the interest is payable monthly or only on maturity, and so forth).

6.5.3 Once the best investment terms have been identified, written confirmation of the telephonic quotation must be immediately obtained (by facsimile, e-mail or any other expedient means).

6.5.4 Any monies paid over to the investing institution in terms of the agreed investment (other than monies paid over in terms of section 7 below) shall be paid over only to such institution itself and not to any agent or third party.

6.5.5 Once the investment has been made, the chief financial officer shall ensure that the municipality receives a properly documented receipt or

certificate for such investment, issued by the institution concerned in the name of the municipality.

6.6 Restriction on Tenure of Investments

- 6.6.1 No investment with a tenure exceeding twelve months shall be made without the prior approval of the executive mayor or the mayoral committee, as the case may be.

7 CONTROL OVER INVESTMENTS

- 7.1 The chief financial officer shall ensure that proper records are kept of all investments made by the municipality.
- 7.2 Such records shall indicate the date on which the investment is made, the institution with which the monies are invested, the amount of the investment, the interest rate applicable, and the maturity date.
- 7.3 If the investment is liquidated at a date other than the maturity date, such date shall be indicated.
- 7.4 The chief financial officer shall ensure that all interest and capital properly due to the municipality are timeously received, and shall take appropriate steps or cause such appropriate steps to be taken if interest or capital is not fully or timeously received.
- 7.5 The chief financial officer shall ensure that all investment documents and certificates are properly secured in a fireproof safe with segregated control over the access to such safe, or are otherwise lodged for safekeeping with the municipality's bankers or attorneys.

8 OTHER EXTERNAL INVESTMENTS

- 8.1 From time to time it may be in the best interests of the municipality to make longer-term investments in secure stock issued by the national

government, Eskom or any other reputable parastatal or institution, or by another reputable municipality.

- 8.2 In such cases the chief financial officer, must be guided by the best rates of interest pertaining to the specific type of investment, which the municipality requires, and to the best and most secure instrument available at the time.
- 8.3 No investment with a tenure exceeding twelve months shall be made without the prior approval of the executive mayor or mayoral committee, as the case may be, and without guidance having been sought from the municipality's bankers or other credible investment advisers on the security and financial implications of the investment concerned.

9 BANKING ARRANGEMENTS

- 9.1 The municipal manager is responsible for the management of the municipality's bank accounts, but may delegate this function to the chief financial officer.
- 9.2 The municipal manager and chief financial officer are authorised at all times to sign cheques and any other documentation associated with the management of such accounts.
- 9.3 The municipal manager, in consultation with the chief financial officer, is authorised to appoint two or more additional signatories in respect of such accounts, and to amend such appointments from time to time.
- 9.4 The list of current signatories shall be reported to the executive mayor or the mayoral committee, as the case may be, on a monthly basis, as part of the report dealing with the municipality's investments.
- 9.5 In compliance with the requirements of good governance, the municipal manager shall open a Primary Bank Account for ordinary operating

- purposes, and shall further maintain a separate ledger account for each of the following: the administration of the external finance fund and of the Capital Replacement Reserve (if these accounts are legally permissible).
- 9.6 One or more separate accounts shall also be maintained for the following: capital receipts in the form of grants, donations or contributions from whatever source; trust funds; and the municipality's self-insurance reserve (if legally permissible).
- 9.7 In determining the number of additional accounts to be maintained, the municipal manager, in consultation with the chief financial officer, shall have regard to the likely number of transactions affecting each of the accounts referred to.
- 9.8 Unless there are compelling reasons to do otherwise, and the council expressly so directs, all the municipality's bank accounts shall be maintained with the same banking institution to ensure pooling of balances for purposes of determining the interest payable to the municipality.
- 9.9 The municipal manager shall invite tenders for the placing of the municipality's bank accounts within six months after the election of each new council, such new banking arrangements to take effect directly after the procurement of a new banking service as prescribed by the procurement policy of Council.
- 9.10 However, such tenders may be invited at any earlier stage, if the municipal manager, in consultation with the chief financial officer, is of the opinion that the services offered by the municipality's current bankers are materially defective, or not cost-effective, and the executive mayor or the mayoral committee, as the case may be, agrees to the invitation of such tenders.

10 RAISING OF DEBT

- 10.1 The municipal manager is responsible for the raising of debt, but may delegate this function to the chief financial officer, who shall then manage this responsibility in consultation with the municipal manager.
- 10.2 All debt shall be raised in strict compliance with the requirements of the Municipal Finance Management Act 2003, and only with the prior approval of the council.
- 10.3 Long-term debt shall be raised only to the extent that such debt is provided for as a source of necessary finance in the capital component of the approved annual budget or adjustments budget.
- 10.4 Short-term debt shall be raised only when it is unavoidable to do so in terms of cash requirements, whether for the capital or operating budgets or to settle any other obligations, and provided the need for such short-term debt, both as to extent and duration, is clearly indicated in the cash flow estimates prepared by the chief financial officer.
- 10.5 Short-term debt shall be raised only to anticipate a certain long-term debt agreement or a certain inflow of operating revenues.

11 REPORTING ON INVESTMENTS

- 11.1 The Chief Financial Officer must submit, as part of the Section 71 report of the Municipal Finance Management Act (Act 56 of 2003), a report to the Accounting Officer describing, in accordance with GRAP, the investment portfolio of the Cape Winelands District Municipality at the end of the month.
- 11.2 The monthly report on Investments must include:
 - (a) Market value of each investment – beginning and end period.
 - (b) Any changes to the Investment portfolio.
 - (c) Accrued interest.

- (d) Liquidated investments that have no minimum acceptable credit rating.

12 INVESTMENTS FOR THE REDEMPTION OF LONG-TERM LIABILITIES

- 12.1 In managing the municipality's investments, the chief financial officer shall ensure that, whenever a long-term (non-annuity) loan is raised by the municipality, an amount is invested at least annually equal to the principal sum divided by the period of the loan.
- 12.2 Such investment shall be made against the bank account maintained for the external finance fund, and shall be accumulated and used only for the redemption of such loan on due date.
- 12.3 The making of such investment shall be approved by the council at the time that the loan itself is approved.
- 12.4 If the loan raised is not a fixed term loan, but an annuity loan, the chief financial officer shall ensure that sufficient resources are available in the account maintained for the external finance fund to repay the principal amounts due in respect of such loan on the respective due dates.

13 INTEREST ON INVESTMENTS

- 13.1 The interest accrued on all the municipality's investments shall, in compliance with the requirements of generally accepted municipal accounting practice, be recorded in the first instance in the municipality's operating account as ordinary operating revenues, and shall thereafter be appropriated, every six months, to the fund or account in respect of which such investment was made.

13.2 In the case of the external finance fund, the chief financial officer may reduce the amount which must be annually invested to redeem any particular loan by the amount of interest so accrued.

13.3 If the accrual of interest to the external finance fund, unutilised capital receipts and trust funds results in a surplus standing to the account of any such funds, that is, an amount surplus to the resources required in respect of such funds or accounts, such surplus amount shall be credited by the chief financial officer to the appropriation account and reappropriated to the asset financing reserve.

14 AMMENDMENTS

14.1 The municipal manager or his/her delegate must review the policy on an annual basis.

3. ANNEXURE I: PARAPHRASE OF REQUIREMENTS OF MUNICIPAL FINANCE MANAGEMENT ACT NO 56 OF 2003

Note: In terms of Section 60(2) of the Municipal Systems Act No. 32 of 2000 the council may delegate the authority to take decisions on making investments on behalf of the municipality only to the executive mayor, executive committee or chief financial officer. The foregoing policy is based on the assumption that such authority has been delegated to the chief financial officer.

SECTION 7: OPENING OF BANK ACCOUNTS

- Every municipality must open and maintain at least one bank account. This bank account must be in the name of the municipality, and all monies received by the municipality must be paid into this bank account or accounts, promptly and in accordance with any requirements that may be prescribed.

- A municipality may not open a bank account:
 - otherwise than in the name of the municipality;
 - abroad; or
 - with an institution not registered as a bank in terms of the Banks Act 1990.

- Money may be withdrawn from the municipality's bank account only in accordance with the requirements of Section 11 of the present Act.

SECTION 8: PRIMARY BANK ACCOUNT

- Every municipality must have a primary bank account, and if the municipality has only one bank account that account is its primary bank account. If the municipality has more than one bank account, it must designate one of those bank accounts as its primary bank account.

- The following must be paid into the municipality's primary account:
 - all allocations to the municipality;
 - all income received by the municipality on its investments;
 - all income received by the municipality in connection with its interest in any municipal entity;
 - all money collected by a municipal entity or other external mechanism on behalf of the municipality, and;
 - any other monies as may be prescribed.

- The accounting officer of the municipality must submit to the national treasury, the provincial treasury and the Auditor-General, in writing, the name of the bank where the primary bank account of the municipality is held, and the type and number of the account. If the municipality wants to change its

primary bank account, it may do so only after the accounting officer has informed the national treasury and the Auditor-General, in writing, at least 30 days before making such change.

SECTION 9: BANK ACCOUNT DETAILS TO BE SUBMITTED TO PROVINCIAL TREASURIES AND AUDITOR-GENERAL

- The accounting officer of the municipality must submit to the provincial treasury and to the Auditor-General, in writing, within 90 days after the municipality has opened a new bank account, the name of the bank where the account has been opened, and the type and number of the account; and annually, before the start of each financial year, the name of each bank where the municipality holds a bank account, and the type and number of each account.

SECTION 10: CONTROL OF MUNICIPAL BANK ACCOUNTS

- The accounting officer of the municipality must administer all the municipality's bank accounts, is accountable to the municipal council for the municipality's bank accounts, and must enforce compliance with Sections 7, 8 and 11 of the present Act.
- The accounting officer may delegate the duties referred to above only to the municipality's chief financial officer.

SECTION 11: WITHDRAWALS FROM MUNICIPAL BANK ACCOUNTS

- Only the accounting officer or the chief financial officer of the municipality (presumably where this power has been appropriately delegated), or any other senior financial official of the municipality acting on the written authority of the accounting officer, may withdraw money or authorise the withdrawal of money from any of the municipality's bank accounts. Such withdrawals may be made only to:

- defray expenditure appropriated in terms of an approved budget;
- defray expenditure authorised in terms of Section 26(4) (this Section deals with situations in which the budget was not timeously approved, and the province has been compelled to intervene);
- defray unforeseeable and unavoidable expenditure authorised in terms of Section 29(1);
- in the case of a bank account opened in terms of Section 12, make payments from the account in accordance with Section 12(4);
- pay over to a person or organ of state money received by the municipality on behalf of such person or organ of state, including money collected by the municipality on behalf of such person or organ of state by agreement, or any insurance or other payments received by the municipality for such person or organ of state;
- refund money incorrectly paid into a bank account;
- refund guarantees, sureties and security deposits;
- make investments for cash management purposes in accordance with Section 13;
- defray increased expenditure in terms of Section 31; or
- for such other purposes as may be prescribed.

(Note that Section 11(1) does not expressly provide for the withdrawal of monies to pay creditors, where the relevant obligations arose in terms of the previous budget; to repay loans; or to repay consumer deposits).

- Any authorisation to a senior financial official to withdraw money or to authorise the withdrawal of money from a bank account must be in accordance with the framework as may be prescribed. The accounting officer may not authorise any official other than the chief financial officer to withdraw money or to authorise the withdrawal of money from the

municipality's primary bank account if the municipality has a primary bank account which is separate from its other bank accounts.

- The accounting officer must, within 30 days after the end of each quarter, table in the council a consolidated report of all withdrawals made other than withdrawals to defray expenditure appropriated in terms of the approved budget, and submit a copy of the report to the relevant provincial treasury and the Auditor-General.

SECTION 12: RELIEF, CHARITABLE, TRUST OR OTHER FUNDS

- No political structure or office bearer of the municipality may set up a relief, charitable, trust or other fund of whatever description, except in the name of the municipality. Only the municipal manager may be the accounting officer of any such fund.
- A municipality may open a separate bank account in the name of the municipality for the purpose of such relief, charitable, trust or other fund. Money received by the municipality for the purpose of such fund must be paid into the bank account of the municipality, or if a separate bank account has been opened for such fund, into that account.
- Money in a separate account opened for such fund may be withdrawn from the account without appropriation in terms of the approved budget, but only by or on the written authority of the accounting officer, acting in accordance with decisions of the council, and for the purposes for which, and subject to any conditions on which, the fund was established or the money in the fund was donated.

SECTION 13: CASH MANAGEMENT AND INVESTMENTS

- The Minister, acting with the concurrence of the cabinet member responsible for local government, may prescribe a framework within which municipalities

must conduct their cash management and investments, and invest money not immediately required.

- A municipality must establish an appropriate and effective cash management and investment policy in accordance with any framework that may be so prescribed.
- A bank where the municipality at the end of the financial year holds a bank account, or held a bank account at any time during such financial year, must, within 30 days after the end of such financial year, notify the Auditor-General, in writing, of such bank account, indicating the type and number of the account, and the opening and closing balances of that account in that financial year. The bank must also promptly disclose any information regarding the account when so requested by the national treasury or the Auditor-General.
- A bank, insurance company or other financial institution which the end of the financial year holds, or at any time during the financial year held, an investment for the municipality, must, within 30 days after the end of that financial year, notify the Auditor-General, in writing, of that investment, including the opening and closing balances of that investment in that financial year. Such institution must also promptly disclose any information regarding the investment when so requested by the national treasury or the Auditor-General.

SECTION 17: CONTENTS OF ANNUAL BUDGETS AND SUPPORTING DOCUMENTS

- The following documents must accompany each tabled draft annual budget (inter alia):

- a projection of cash flows for the budget year by revenue source, divided into calendar months
- particulars of the municipality's investments.

SECTION 22: PUBLICATION OF ANNUAL BUDGETS

- The accounting officer must make public, immediately after a draft annual budget is tabled, the budget itself and all the prescribed supporting documents, and invite comments from the local community in connection with such budget (and documents).

SECTION 36: NATIONAL AND PROVINCIAL ALLOCATIONS TO MUNICIPALITIES

- In order to provide predictability and certainty about the sources and levels of intergovernmental funding for municipalities, the accounting officer of a national or provincial department and the accounting authority of a national or provincial public entity responsible for the transfer of any proposed allocations to a municipality, must by no later than 20 January of each year notify the national treasury or the relevant provincial treasury as may be appropriate, of all proposed allocations and the projected amounts of those allocations to be transferred to each municipality during each of the next 3 financial years.
- The Minister or the MEC responsible for finance in the province must, when tabling the national annual budget in the national assembly or the provincial annual budget in the provincial legislature, make public particulars of any allocations due to each municipality in terms of that budget, including the amount to be transferred to the municipality during each of the next 3 financial years.

SECTION 37: PROMOTION OF CO-OPERATIVE GOVERNMENT BY MUNICIPALITIES

- In order to enable municipalities to include allocations from other municipalities in their budgets and to plan effectively for the spending of such allocations, the accounting officer of every municipality responsible for the transfer of any allocation to another municipality, must, by no later than 120 days before the start of its budget year, notify the receiving municipality of the projected amount of any allocation proposed to be transferred to that municipality during each of the next 3 financial years.

SECTION 45: SHORT-TERM DEBT

- The municipality may incur short-term debt only in accordance with and subject to the provisions of the present Act, and only when necessary to bridge shortfalls within a financial year during which the debt is incurred, in expectation of specific and realistic income to be received within that financial year; or to bridge capital needs within a financial year, to be repaid from specific funds to be received from enforceable allocations or long-term debt commitments.
- The council may approve a short-term debt transaction individually, or may approve an agreement with a lender for a short-term credit facility to be accessed as and when required, including a line of credit or bank overdraft facility, provided that the credit limit must be specified in the resolution of the council; the terms of the agreement, including the credit limit, may be changed only by a resolution of the council; and if the council approves a credit facility limited to emergency use, the accounting officer must notify the council in writing as soon as practicable of the amount, duration and cost of any debt incurred in terms of such a credit facility, as well as the options available for repaying such debt.
- The municipality must pay off short-term debt within the financial year in which it was incurred, and may not renew or refinance short-term debt, whether its own debt or that of any municipal entity, where such renewal or

refinancing will have the effect of extending the short-term debt into a new financial year.

SECTION 46: LONG-TERM DEBT

- A municipality may incur long-term debt only in accordance with and subject to any applicable provisions of the present Act, and only for the purpose of capital expenditure on property, plant or equipment to be used for the purpose of achieving the objects of local government as set out in Section 152 of the Constitution; or refinancing existing long-term debt subject to the requirements of Section 46(5).

SECTION 47: CONDITIONS APPLYING TO BOTH SHORT-TERM AND LONG-TERM DEBT

- The municipality may incur debt only if the debt is denominated in rand and is not indexed to, or affected by, fluctuations in the value of the rand against any foreign currency.

SECTION 64: REVENUE MANAGEMENT (EXCERPTS)

- The accounting officer of the municipality is responsible for the management of the revenue of the municipality.
- The accounting officer, must, among other things, take all reasonable steps to ensure that all money received is promptly deposited in accordance with the requirements of the present Act into the municipality's primary and other bank accounts.
- The accounting officer must also ensure that all revenue received by the municipality, including revenue received by any collecting agent on its behalf, is reconciled on at least a weekly basis.

- The accounting officer must take all reasonable steps to ensure that any funds collected by the municipality on behalf of another organ of state are transferred to that organ of state at least on a weekly basis, and that such funds are not used for purposes of the municipality.

SECTION 65: EXPENDITURE MANAGEMENT (EXCERPTS)

- The accounting officer of the municipality is responsible for the management of the expenditure of the municipality.
- The accounting officer must take all reasonable steps to ensure, among other things, that payments made by the municipality are made direct to the person to whom they are due, unless agreed otherwise for reasons as may be prescribed, and either electronically or by way of non-transferable cheques, provided that cash payments and payments by way of cash cheques may be made for exceptional reasons only, and only up to a prescribed limit.
- The accounting officer must also ensure that all money owing by the municipality is paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure.
- The accounting officer must further ensure that the municipality's available working capital is managed effectively and economically in terms of the prescribed cash management and investment framework.

PART 13: ANNEXURE II: CODE OF PRACTICE IN REGARD TO PAYMENTS, REVENUE COLLECTION AND STORES

1. STORES ADMINISTRATION

- 1.1 The chief financial officer shall be responsible for the proper administration of all stores.
- 1.2 If sub-stores are established under the control of any head of department, such head of department shall be similarly responsible for the proper administration of such sub-store, and in doing so shall comply with the stock level policies as determined from time to time by the chief financial officer, acting in consultation with the head of department concerned.
- 1.3 No sub-store may be established without the prior written consent of the chief financial officer.

2. CONTRACTS: MANAGEMENT OF

- 2.1 Within such general buying and related procedures as the chief financial officer shall from time to time determine, and further within the confines of any relevant legislation and of such rules and procedures as may be determined by the executive mayor or mayoral committee, as the case may be:
 - all buying contracts shall be administered by the chief financial officer, and all payments relating to such contracts shall be authorised by the chief financial officer or the head of department concerned; and
 - all other contracts, including building, engineering and other civil contracts shall be administered by the head of department concerned, and all payments relating to such contracts shall be authorised by such head of department in accordance with the provisions of Section 3 below. The head of department concerned shall ensure that all payment certificates in regard to contracts are

properly examined and are correct in all respects - before being submitted to the chief financial officer for payment.

3. PAYMENTS

- 3.1 All payments, other than petty cash disbursements, shall be made through the municipality's bank account(s).
- 3.2 The chief financial officer shall draw all cheques on this account, and shall, in consultation with the municipal manager and with due regard to the council's policy on banking and investments, determine the rules and procedures relating to the signing of cheques, and from time to time jointly with the municipal manager decide on appropriate signatories.
- 3.3 All requests for payments of whatever nature shall be submitted on payment vouchers, the format of which shall be determined by the chief financial officer. Such vouchers shall be authorised in terms of such rules and procedures as are determined from time to time by the chief financial officer.
- 3.4 The maximum amount and nature of petty disbursements, where not covered by the general buying procedures referred to in Section 2, shall be generally determined from time to time by the chief financial officer. No cash float shall be operated without the authority of the chief financial officer, who may prescribe such procedures relevant to the management of such float as are considered necessary.

- 3.5 The chief financial officer shall be responsible for the payment of all salaries and remuneration benefits to employees and councillors, and for the determination of the payment system to be used.

4. REVENUE AND CASH COLLECTION

- 4.1 Every head of department shall be responsible for the collection of all moneys falling within the ambit and area of his or her designated functions.
- 4.2 The chief financial officer shall ensure that all revenues are properly accounted for.
- 4.3 The collection of all arrear revenues and the control of arrear accounts shall be coordinated by the chief financial officer in terms of any policies determined by the council. If it is clear that any revenues are not recovered or likely to be recovered after the necessary steps have been taken, the chief financial officer shall report the matter adequately and timeously to the finance and executive committees.
- 4.4 The chief financial officer shall ensure that adequate provision is maintained to cover the writing off of irrecoverable revenues, having due regard to the council's policy on rates and tariffs.

5. BANKING OF RECEIPTS

- 5.1 Guidelines and procedures for the banking of cheques and other receipts shall, if necessary, be determined from time to time by the chief financial officer.

- 5.2 Where applicable, every head of department shall ensure that all revenues are banked daily with the municipality's banker(s), or less frequently if so approved by the chief financial officer.

CAPE WINELANDS

DISTRICT MUNICIPALITY



MUNICIPAL SUPPLY CHAIN MANAGEMENT POLICY

The **Council** resolves in terms of section 111 of the Local Government Municipal Finance Management Act (No. 56 of 2003), to adopt the following proposal as the Supply Chain Management Policy of the CAPE WINELANDS DISTRICT MUNICIPALITY.

Adopted: 23 January 2006 (C.14.3)
1st amendment: 22 August 2006 (C.9.4)
2nd amendment: 27 March 2008(C.14.5)

OBJECTIVE OF THE SUPPLY CHAIN MANAGEMENT POLICY

The objective of this policy is to provide a policy framework within which the municipal manager and chief financial officer can institute and maintain a supply chain management system which is transparent, efficient, equitable, competitive, which ensures best value for money for the municipality, applies the highest possible ethical standards, and promotes local economic development.

The aim of this policy is to transform the outdated procurement and provisioning practises into an integrated SCM function and to ensure that SCM forms an integral part of the financial management system of the Cape Winelands District Municipality. This policy further aims to promote consistency in respect of supply chain management policy and other related policy initiatives in Government as well as aligning with global trends and ensure that South Africa adheres to international best practices.

By adopting this policy the council further pledges itself and the municipal administration, to the full support of the Proudly SA campaign and to the observance of all applicable national legislation, including specifically the:

- Preferential Procurement Policy Framework Act No. 5 of 2000 and its regulations;
- Broad Based Black Economic Empowerment Act No. 53 of 2003 and any applicable code of practice promulgated in terms of that Act; and
- Municipal Finance Management Act No. 56 of 2003, including the regulations relating to the prescribed framework for supply chain management.
- The Construction Industry Development Board Act No. 38 of 2000 and its regulations.

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Definitions

1. In this Policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act, and –

“**competitive bidding process**” means a competitive bidding process referred to in paragraph 12(1) of this Policy;

“**competitive bid**” means a bid in terms of a competitive bidding process;

“**Council**” means the elected Council of the Cape Winelands District Municipality;

“**emergency**” An emergency is considered an unforeseeable and sudden event with materially harmful or potentially materially harmful consequences for the municipality which requires urgent action to address.

“**final award**”, in relation to bids or quotations submitted for a contract, means the final decision on which bid or quote to accept;

“**formal written price quotation**” means three quotations for procurement above R 10,000 and must be advertised. Refer to paragraph 12(1) and 18(b) of this Policy;

“**in the service of the state**” means to be –

- (a) a member of –
 - (i) any municipal council;
 - (ii) any provincial legislature; or
 - (iii) the National Assembly or the National Council of Provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature;

“**long term contract**” means a contract with a duration period exceeding one year;

“**list of accredited prospective providers**” means the list of accredited prospective providers which the **Cape Winelands District Municipality** must keep in terms of paragraph 14 of this policy;

“**manager**” an official directly accountable to the chief financial officer or a senior manager (par.5(2)(c)(iii));

“**other applicable legislation**” means any other legislation applicable to municipal supply chain management, including –

- (a) the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);
- (b) the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003); and
- (c) the Construction Industry Development Board Act, 2000 (Act No.38 of 2000);

“**senior manager**” means a manager referred to in section 56 of the Municipal Systems Act and who is directly accountable to the municipal manager (Executive Director);

“**Treasury guidelines**” means any guidelines on supply chain management issued by the Minister in terms of section 168 of the Act;

“**the Act**” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

“**the Regulations**” means the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations published by Government Notice 868 of 2005;

“**written quotations**” means three quotations for procurement of R 2,000 and above but not exceeding R 10,000 as referred to in paragraph 12(1) & 16(a) of this Policy.

CHAPTER 1

IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

Supply chain management policy

2. (1) All officials and other role players in the supply chain management system of the Cape Winelands District Municipality must implement this Policy in a way that –
 - (a) gives effect to –
 - (i) section 217 of the Constitution; and
 - (ii) Part 1 of Chapter 11 and other applicable provisions of the Act;
 - (b) is fair, equitable, transparent, competitive and cost effective;
 - (c) complies with –
 - (i) the Regulations; and
 - (ii) any minimum norms and standards that may be prescribed in terms of section 168 of the Act;
 - (d) is consistent with other applicable legislation;
 - (e) does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and
 - (f) is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.

- (2) This Policy applies when the Cape Winelands District Municipality –
 - (a) procures goods or services;
 - (b) disposes goods no longer needed;
 - (c) selects contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies; or
 - (d) selects external mechanisms referred to in section 80 (1) (b) of the Municipal Systems Act for the provision of municipal services in circumstances contemplated in section 83 of that Act.

- (3) This Policy, except where provided otherwise, does not apply in respect of the procurement of goods and services contemplated in section 110(2) of the Act, including –
 - (a) water from the Department of Water Affairs or a public entity, another municipality or a municipal entity; and
 - (b) electricity from Eskom or another public entity, another municipality or a municipal entity.

Amendment of the supply chain management policy

3. (1) The accounting officer must –
 - (a) at least annually review the implementation of this Policy; and
 - (b) when the accounting officer considers it necessary, submit proposals for the amendment of this Policy to the Cape Winelands District Municipality

- (2) If the accounting officer submits proposed amendments to the Cape Winelands District Municipality that differs from the model policy issued by the National Treasury, the accounting officer must –
 - (a) ensure that such proposed amendments comply with the Regulations; and
 - (b) report any deviation from the model policy to the National Treasury and the relevant provincial treasury.

- (3) When amending this supply chain management policy the need for uniformity in supply chain practices, procedures and forms between organs of state in all spheres, particularly to promote accessibility of supply chain management systems for small businesses must be taken into account.

Delegation of supply chain management powers and duties

4. (1) The Council hereby delegate such additional powers and duties to the accounting officer so as to enable the accounting officer –
 - (a) to discharge the supply chain management responsibilities conferred on accounting officers in terms of –
 - (i) Chapter 8 of the Act; and
 - (ii) this Policy;
 - (b) to maximise administrative and operational efficiency in the implementation of this Policy;
 - (c) to enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of this Policy; and
 - (d) to comply with his or her responsibilities in terms of section 115 and other applicable provisions of the Act.

- (2) The Council hereby specifically delegate to the following Officials the power to make a final award, **not exceeding** the amount of R200,000-00 (VAT included). Provided that at least three (3) of the Officials, but not more than one (1) per Department, jointly makes the award: –
 - (a) Chief Financial Officer;
 - (b) Executive Directors;
 - (c) Directors; and
 - (d) Deputy Directors.

(2nd amendment: 27 March 2008 C.14.5)

- (3) The Council hereby specifically delegate the power to make a final award - **not exceeding** the following amounts (VAT included);
- (a) R 80,000-00 to the Chief Financial Officer;
 - (b) R 80,000-00 to the Director: Finance;
 - (c) R 80,000-00 to the Assistant/Deputy Director: Expenditure/SCM;
 - (d) R 30,000-00 to the Supply Chain Manager;
 - (e) R 30,000-00 to the Assistant Supply Chain Manager;
 - (f) R 30,000-00 to the Chief Accountant: Expenditure;
 - (g) R 10,000-00 to the Storeman/Buyer; and
 - (h) R 2,000-00 to the Assistant Storeman/Buyer.
- (2nd amendment: 27 March 2008 C.14.5)
- (4) Sections 79 of the Act apply to the subdelegation of powers and duties delegated to an accounting officer in terms of subparagraph (1).
- (5) The accounting officer may not subdelegate any supply chain management powers or duties to a person who is not an official of Cape Winelands District Municipality or to a committee which is not exclusively composed of officials of the Cape Winelands District Municipality;
- (6) This paragraph may not be read as permitting an official to whom the power to make final awards has been delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.

Subdelegations

5. (1) The accounting officer may in terms of section 79 of the Act subdelegate any supply chain management powers and duties, including those delegated to the accounting officer in terms of this Policy, but any such subdelegation must be consistent with subparagraph (2) of this paragraph and paragraph 4 of this Policy.
- (2) The power to make a final award –
- (a) above R10 million (VAT included) may not be subdelegated by the accounting officer;
 - (b) above R2 million (VAT included), but not exceeding R10 million (VAT included), may be subdelegated but only to –
 - (i) the chief financial officer;
 - (ii) a senior manager; or
 - (iii) a bid adjudication committee of which the chief financial officer or a senior manager is a member.
 - (c) not exceeding R2 million (VAT included) may be subdelegated but only to –
 - (i) the chief financial officer;
 - (ii) a senior manager;

- (iii) a manager directly accountable to the chief financial officer or a senior manager; or
 - (iv) a bid adjudication committee.
- (3) An official or bid adjudication committee to which the power to make final awards has been subdelegated in accordance with subparagraph (2) must within five days of the end of each month submit to the official referred to in subparagraph (4) a written report containing particulars of each final award made by such official or committee during that month, including–
- (a) the amount of the award;
 - (b) the name of the person to whom the award was made; and
 - (c) the reason why the award was made to that person.
- (4) A written report referred to in subparagraph (3) must be submitted –
- (a) to the accounting officer, in the case of an award by –
 - (i) the chief financial officer;
 - (ii) a senior manager; or
 - (iii) a bid adjudication committee of which the chief financial officer or a senior manager is a member; or
 - (b) to the chief financial officer or the senior manager responsible for the relevant bid, in the case of an award by –
 - (i) a manager referred to in subparagraph (2)(c)(iii); or
 - (ii) a bid adjudication committee of which the chief financial officer or a senior manager is not a member.
- (5) Subparagraphs (3) and (4) of this policy do not apply to procurements out of petty cash.
- (6) This paragraph may not be interpreted as permitting an official to whom the power to make final awards has been subdelegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.
- (7) No supply chain management decision-making powers may be delegated to an advisor or consultant.

Oversight role of council

6. (1) The Cape Winelands District Municipality reserves its right to maintain oversight over the implementation of this Policy.
- (2) For the purposes of such oversight the accounting officer must –
 - (a) (i) within 30 days of the end of each financial year, submit a report on the implementation of this Policy to the council of the municipality; and
 - (ii) whenever there are serious and material problems in the implementation of this Policy, immediately submit a report to the council.
- (3) The accounting officer must, within 10 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the council.
- (4) The reports must be made public in accordance with section 21A of the Municipal Systems Act.

Supply chain management unit

7. (1) A supply chain management unit is hereby established to implement this Policy.
- (2) The supply chain management unit operates under the direct supervision of the chief financial officer or an official to whom this duty has been delegated in terms of section 82 of the Act.
- (3) The procurement section is responsible for the co-ordination and oversight of the supply chain management function. It is headed by a Procurement Manager and comes under the management of the municipality's Chief Financial Officer.

Training of supply chain management officials

8. The training of officials involved in implementing this Policy should be in accordance with any Treasury guidelines on supply chain management training.

CHAPTER 2 SUPPLY CHAIN MANAGEMENT SYSTEM

Format of supply chain management system

9. This Policy provides systems for –
- (i) demand management;
 - (ii) acquisition management;
 - (iii) logistics management;
 - (iv) disposal management;
 - (v) risk management; and
 - (vi) performance management.

Part 1: Demand management

System of demand management

10. An effective system of demand management will be achieved through the successful implementation of the strategic operational commitments of the municipality, as identified in the Integrated Development Plan (IDP). Council's Performance Management System (PMS) must give the necessary support to ensure that the resources required to support the strategic and operational commitments of the municipality are delivered at the correct time, at the right price and at the right location, and that the quantity and quality satisfy the needs of the municipality or municipal entity.

Part 2: Acquisition management

System of acquisition management

11. (1) This policy provides for an effective system of acquisition management to ensure that –
- (a) goods and services are procured by the Cape Winelands District Municipality in accordance with authorised processes only;
 - (b) expenditure on goods and services is incurred in terms of an approved budget in terms of section 15 of the Act;
 - (c) the threshold values for the different procurement processes are complied with;

- (d) bid documentation, evaluation and adjudication criteria, and general conditions of a contract, are in accordance with any applicable legislation; and
 - (e) any Treasury guidelines on acquisition management are properly taken into account.
- (2) This Policy, except where provided otherwise in the Policy, does not apply in respect of the procurement of goods and services contemplated in section 110(2) of the Act, including –
- (a) water from the Department of Water Affairs or a public entity, another municipality or a municipal entity; and
 - (b) electricity from Eskom or another public entity, another municipality or a municipal entity.
- (3) When procuring goods or services through another organ of state as contemplated in section 110(2) of the Act, the municipality must make public the fact that such goods or services are procured otherwise than through the Cape Winelands District Municipality supply chain management system, including -
- (a) the kind of goods or services; and
 - (b) the name of the supplier.
- (4) All requests for the procurement of goods and services shall be submitted to the Procurement Manager within the Financial Services Department and must be:
- (a) in writing, clearly specifying the nature and quantity/duration of the goods and services required. Preparation of specifications aimed at procuring goods or services of specific suppliers and brand names should be avoided.
 - (b) certified by a senior official or person with delegated authority in the Finance Department, that:-
 - (i) there is sufficient provision in the relevant budget for the procurement;
 - (ii) the correct vote was used.
- (5) If the procurement is for a capital project, Section 19 of the MFMA regarding budgeting and costing of capital projects must also be complied with.
- (6) Where the procurement will have budgetary implications for future years (depreciation; contracts longer than one year, etc.), Section 33 of the MFMA regarding contracts must be complied with.

Range of procurement processes

12. (1) Goods and services may only be procured by way of –

Value of purchase (VAT Inclusive)	Cape Winelands District Municipality RANGE OF PROCUREMENT PROCESSES	Delegated authority
0 – R 2,000	Petty Cash (Refer to Policy: ANNEXURE “A”)	Municipal Manager Chief Financial Officer
0 – R 300	Petty Cash (Refer to Policy: ANNEXURE “A”)	As per CFO subdelegation
R 0 – R 2,000	Direct purchases – no quotations needed (Order to be obtained & Invoice to be submitted)	Assistant Storeman/Buyer
R 2,001 up to R 10,000	Three written quotations	Storeman/Buyer
R 10,001 up to R 30,000	Three formal written price quotations	Supply Chain Manager & Assistant Manager Chief Accountant: Expenditure
R 30,001 up to R 80,000	Three formal written price quotations and; (i) complying with the PPPFA; (<i>Specifically reg.16 - TAX Clearance for amounts above R30,000 - Treasury circular No:29 of 31 January 2006</i>) and; (ii) suppliers to be used on a rotational basis; and (iii) advertised for 7 (seven) days on notice boards and website of council.	Chief Financial Officer Director: Finance Deputy Director: Expenditure/SCM
R 80,001 up to R 200,000		Any three (3) but not more than one (1) per Department: CFO /Executive Directors / Directors / Dep. Directors
R 200,001 up to R 10 million	A competitive bidding process:- (i) advertised for 14 (fourteen) days on notice boards and website of council; and (ii) advertised for 14 (fourteen) days in news-papers commonly circulating locally but not limited thereto.	Bid Adjudication Committee
Above R 10 million and Long term contracts.	A competitive bidding process:- (i) advertised for 30 (thirty) days on notice boards and website of council; and (ii) advertised for 30 (thirty) days in newspapers commonly circulating locally but not limited thereto.	Accounting Officer and Bid Adjudication Committee for Long term contracts up to R 10 million

(2nd amendment: 27 March 2008 C.14.5)

(2) The accounting officer may, in writing, lower but not increase, the different threshold values in subparagraph (1) as specified in regulation 12 (1).

- (3) Goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of the policy. When determining transaction values, a requirement for goods or services consisting of different parts or items must as far as possible be treated and dealt with as a single transaction.
- (4) Transferring of municipal funds to an organisation or body outside any sphere of government otherwise than in compliance with a commercial or other business transaction must comply with Sec.67 of the MFMA (Act No.56 of 2003) and be in accordance with Council's Community Support Policy. In terms of Sec.67(4) Council determined a prescribed limit of R30,000-00 (Approved as per point C.14.2 dated 29 September 2005).

General preconditions for consideration of written quotations or bids

- 13.** A written quotation or bid may not be considered unless the provider who submitted the quotation or bid –
- (a) has furnished that provider's –
 - (i) full name and address;
 - (ii) identification number or company- or other registration number; and
 - (iii) tax reference number and VAT registration number, if any;
 - (b) has authorised the Cape Winelands District Municipality to obtain a tax clearance from the South African Revenue Services that the provider's tax matters are in order; and
 - (c) has indicated –
 - (i) whether he or she is in the service of the state, or has been in the service of the state in the previous twelve months;
 - (ii) if the provider is not a natural person, whether any of its directors, managers, principal shareholders or stakeholder is in the service of the state, or has been in the service of the state in the previous twelve months; or
 - (iii) whether a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to in subparagraph (ii) is in the service of the state, or has been in the service of the state in the previous twelve months.

Lists of accredited prospective providers

- 14.** (1) The accounting officer must –
- (a) keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements through written quotations and formal written price quotations; and

- (b) at least once a year through newspapers commonly circulating locally, but not limited thereto, the website and any other appropriate ways, invite prospective providers of goods or services to apply for evaluation and listing as accredited prospective providers;
 - (c) specify the listing criteria for accredited prospective providers; and
 - (d) disallow the listing of any prospective provider whose name appears on the National Treasury's database as a person prohibited from doing business with the public sector.
- (2) The list must be updated at least quarterly to include any additional prospective providers and any new commodities or types of services. Prospective providers must be allowed to submit applications for listing at any time.
- (3) The list should be used to promote participation of Black-owned Small, Medium and Micro Enterprises (SMMEs). The prescripts of the Preferential Procurement Policy Framework Act, Act No.5 of 2000 will be applied for procurement requirements above R30 000 (and with a lesser value where appropriate). (1st amendment: 22 August 2006 C.9.4)
- (4) Once a list has been compiled per commodity and per type of service, price quotations will be invited from the suppliers in a manner that promotes ongoing competition, including on a rotation basis, up to R 30,000 to be prepared by the Procurement Manager and approved by the senior manager on an annual basis.
- (5) The inclusion of any supplier in the database of suppliers does not exempt the supplier from the obligation to respond in the prescribed manner to notices of the municipality's supply chain management requirements.
- (6) Suppliers who wish to be included in the list of accredited suppliers without waiting for the next invitation may approach the Procurement Section for inclusion, provided that they supply the necessary documentation and information for evaluation. Once these requirements have been satisfied, the Procurement Section will ensure that the prospective supplier is evaluated and will provide a response as to approval or not within 14 days. Prospective suppliers will not be eligible to provide quotations until they have been approved as an accredited supplier, except where the prospective supplier provides a type of commodity or service for which no supplier is available from the list of accredited suppliers.
- (7) The list must be compiled per commodity and per type of service.

Petty cash purchases

15. Where there is a need to purchase any goods or services using a petty cash system, which involves an amount of less than or equal to R300 (three hundred rand), the Procedures and Guidelines for Petty Cash Purchases as contained in **ANNEXURE “A”** must be adhered to.

Written quotations

16. The conditions for the procurement of goods or services through written quotations, are as follows:
- (a) Quotations must be obtained from at least **three** different providers preferably from, but not limited to, providers whose names appear on the list of accredited prospective providers of the Cape Winelands District Municipality, provided that if quotations are obtained from providers who are not listed, such providers must meet the listing criteria set out in paragraph 14(1)(b) and (c) of this Policy;
 - (b) if it is not possible to obtain at least three quotations, the reasons must be recorded and reported quarterly to the accounting officer or another official designated by the accounting officer;
 - (c) the names of the potential providers requested to provide such quotations, with their quoted prices, must be recorded.

Formal written price quotations

17. (1) The conditions for the procurement of goods or services through formal written price quotations, are as follows:
- (a) quotations must be obtained in writing from at least **three** different providers whose names appear on the list of accredited prospective providers of the Cape Winelands District Municipality. All quotations must be inclusive of carriage/freight costs.
 - (b) quotations may be obtained from providers who are not listed, provided that such providers meet the listing criteria set out in paragraph 14(1)(b) and (c) of this Policy;
 - (c) if it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the chief financial officer or an official designated by the chief financial officer, and
 - (d) the accounting officer must record the names of the potential providers and their written quotations.
- (2) A designated official referred to in subparagraph (1) (c) must within three days of the end of each month report to the chief financial officer on any approvals given during that month by that official in terms of that subparagraph.

Procedures for procuring goods or services through written quotations and formal written price quotations

18. (1) The procedure for the procurement of goods or services through written quotations or formal written price quotations, is as follows:
- (a) when using the list of accredited prospective providers the accounting officer must promote ongoing competition amongst providers by inviting providers to submit quotations on a rotation basis;
 - (b) all requirements in excess of R30,000 (VAT included) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 17, be advertised for at least **seven days** on the website and an official notice board of the Cape Winelands District Municipality;
 - (c) offers received must be evaluated on a comparative basis taking into account unconditional discounts;
 - (d) the accounting officer or chief financial officer must on a monthly basis be notified in writing of all written quotations and formal written price quotations accepted by an official acting in terms of a subdelegation;
 - (e) offers below R30,000 (VAT included) must be awarded based on compliance to specifications and conditions of contract, ability and capability to deliver the goods and services and lowest price;
 - (f) acceptable offers, which are subject to the preference points system (PPPFA and associated regulations), must be awarded to the bidder who scored the highest points;
 - (g) the accounting officer must take all reasonable steps to ensure that the procurement of goods and services through written quotations or formal written price quotations is not abused.
 - (h) the supply chain management unit is responsible for proper record keeping and all
- (2) Notwithstanding the above requirements for consideration, quotations not to specification may not be accepted.
- (3) All quotations above the value of R 2,000 and up to R 30,000 shall be adjudicated by the relevant senior manager or his approved delegate,
- (4) Only quotations complying with the specifications will be considered to be accepted, provided that there are sufficient funds within the appropriate budget.
- (5) Where no quotation complies with the specification, as determined by the senior manager, the senior manager must recall for quotations.

- (6) Where the relevant senior manager has a direct or indirect interest in the procurement requirements, another senior manager must adjudicate in the manner specified above. An interest is where the relevant senior manager has direct or indirect personal advantage in the specific procurement of goods or services.

Competitive bids

19. (1) Goods or services above a transaction value of R200,000 (VAT included) and long term contracts may only be procured through a competitive bidding process, subject to paragraph 11(2) of this Policy.
- (2) The bid documentation will be prepared by the Procurement Manager in consultation with the relevant department and displayed on notice boards, placed on the council's website, and advertised in commonly circulated local newspapers, but not limited thereto, with a closing date of at least 14 days after the date that the advertisement first appears.
- (3) No requirement for goods or services above an estimated transaction value of R200,000 (VAT included), may deliberately be split into parts or items of lesser value merely for the sake of procuring the goods or services otherwise than through a competitive bidding process.

Process for competitive bidding

20. The procedures for the stages of a competitive bidding process are as follows:
- (a) Compilation of bidding documentation as detailed in paragraph 21;
 - (b) Public invitation of bids as detailed in paragraph 22;
 - (c) Site meetings or briefing sessions as detailed in paragraph 22;
 - (d) Handling of bids submitted in response to public invitation as detailed in paragraph 23;
 - (e) Evaluation of bids as detailed in paragraph 28;
 - (f) Award of contracts as detailed in paragraph 29;
 - (g) Administration of contracts
 - (i) After approval of a bid, the accounting officer and the bidder must enter into a written agreement.
 - (h) Proper record keeping
 - (i) Original / legal copies of written contract agreements should be kept in a secure place for reference purposes.

Bid documentation for competitive bids

- 21.** The criteria to which bid documentation for a competitive bidding process must comply, must –
- (a) take into account –
 - (i) the general conditions of contract (**ANNEXURE “B”**) and any special conditions of contract, if specified;
 - (ii) any Treasury guidelines on bid documentation; and
 - (iii) the requirements of the Construction Industry Development Board, in the case of a bid relating to construction, upgrading or refurbishment of buildings or infrastructure;
 - (b) include the preference points system to be used, goals as contemplated in the Preferential Procurement Regulations and evaluation and adjudication criteria, including any criteria required by other applicable legislation;
 - (c) include evaluation and adjudication criteria, including any criteria required by other applicable legislation;
 - (d) compel bidders to declare any conflict of interest they may have in the transaction for which the bid is submitted;
 - (e) if the value of the transaction is expected to exceed R10 million (VAT included), require bidders to furnish–
 - (i) if the bidder is required by law to prepare annual financial statements for auditing, their audited annual financial statements –
 - (aa) for the past three years; or
 - (bb) since their establishment if established during the past three years;
 - (ii) a certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days;
 - (iii) particulars of any contracts awarded to the bidder by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract;
 - (iv) a statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality is expected to be transferred out of the Republic; and
 - (f) stipulate that disputes must be settled by means of mutual consultation, mediation (with or without legal representation), or, when unsuccessful, in a South African court of law.

- (g) a requirement to supply tax references, tax clearance certificates, VAT registration numbers and identification or registration numbers;
- (h) details of any contracts above R200,000 carried out on behalf of the municipality within the last five years;
- (i) A contract management processes and procedures including provision for the Accounting Officer to cancel the contract on the grounds of unsatisfactory performance;
- (j) any other matters as required by the MFMA and the Supply Chain Management Regulations;
- (k) performance guarantees and retention.

Public invitation for competitive bids

- 22.** (1) The procedure for the invitation of competitive bids, is as follows:
- (a) Any invitation to prospective providers to submit bids must be by means of a public advertisement in newspapers commonly circulating locally, but not limited thereto, the website of the Cape Winelands District Municipality or any other appropriate ways (which may include an advertisement in the Government Tender Bulletin); and
 - (b) the information contained in a public advertisement, must include –
 - (i) the closure date for the submission of bids, which may not be less than 30 days in the case of transactions over R10 million (VAT included), or which are of a long term nature, or 14 days in any other case, from the date on which the advertisement is placed in a newspaper, subject to subparagraph (2);
 - (ii) a statement that bids may only be submitted on the bid documentation provided by the Cape Winelands District Municipality ;and
 - (ii) date, time and venue of any proposed site meetings or briefing sessions.
- (2) The accounting officer may determine a closure date for the submission of bids which is less than the 30 or 14 days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process.
- (3) Bids submitted must be sealed.

- (4) For a bid to be considered it must comply with all the requirements of the bid documentation and be placed in the official tender box of the Cape Winelands District Municipality.
- (5) The council may charge a non-refundable deposit for provision of bid documents. This is subject to annual review. Values of the deposits will be determined annually and included in the official lists of tariffs.
- (6) The Chief Financial Officer or delegated official will ensure that tender boxes are sealed until the time of their official opening, and ensure that they are properly secured.
- (7) At the advertised time, the tender box will be unlocked and opened by three officials – one from the Financial Services Department and one from Corporate Services and, where possible, an officer from the relevant Department for which the bid is being made. This will be done in public i.e. in the presence of the bidders or other interested parties. A Supply Chain Management official will open bid documents (usually in the council chamber or committee room) in the presence of an officer from Corporate Services, the relevant Department, and any other interested parties. The tender box can be opened without any members of public being present provided that the appropriate procedure for advertising the time and venue has been followed. Unmarked or incorrectly marked tenders will not be opened.
- (8) The names and total bid amounts will be read out and recorded in the tender register, which will be available for public inspection on request. A copy of the record must be kept in the Procurement Manager's office and the original must be retained by Corporate Services in Council's official filing system. In instances of bulk tender amounts that are too time-consuming to read out, only those requested by bidders will be read, and a complete schedule provided as soon as is practical. Bid results will be published on the municipality's web site.
- (9) Where bids are requested in electronic format, such bids must be supplemented by sealed hard copies.

Procedure for handling, opening and recording of bids

23. The procedures for the handling, opening and recording of bids, are as follows:

- (a) Bids–
 - (i) must be opened only in public;

- (ii) must be opened at the same time and as soon as possible after the period for the submission of bids has expired; and
 - (iii) received after the closing time should not be considered and returned unopened immediately.
- (b) Any bidder or member of the public has the right to request that the names of the bidders who submitted bids in time must be read out and, if practical, also each bidder's total bidding price;
 - (c) No information, except the provisions in subparagraph (b), relating to the bid should be disclosed to bidders or other persons until the successful bidder is notified of the award; and
 - (d) The accounting officer must –
 - (i) record in a register all bids received in time;
 - (ii) make the register available for public inspection; and
 - (iii) publish the entries in the register and the bid results on the website.

Negotiations with preferred bidders

- 24.** (1) The accounting officer may negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation –
- (a) does not allow any preferred bidder a second or unfair opportunity;
 - (b) is not to the detriment of any other bidder; and
 - (c) does not lead to a higher price than the bid as submitted.
- (2) Minutes of such negotiations must be kept for record purposes.

Two-stage bidding process

- 25.** (1) A two-stage bidding process is allowed for –
- (a) large complex projects;
 - (b) projects where it may be undesirable to prepare complete detailed technical specifications; or
 - (c) long term projects with a duration period exceeding three years.
- (2) In the first stage technical proposals on conceptual design or performance specifications should be invited, subject to technical as well as commercial clarifications and adjustments.
- (3) In the second stage final technical proposals and priced bids should be invited.

Committee system for competitive bids

26. (1) A committee system for competitive bids is hereby established, consisting of the following committees for each procurement or cluster of procurements as the accounting officer may determine:
- (a) a bid specification committee;
 - (b) a bid evaluation committee; and
 - (c) a bid adjudication committee;
- (2) The accounting officer appoints the members of each committee, taking into account section 117 of the Act; and
- (3) A neutral or independent observer, appointed by the accounting officer, must attend or oversee a committee when this is appropriate for ensuring fairness and promoting transparency.
- (4) The committee system must be consistent with –
- (a) paragraph 27, 28 and 29 of this Policy; and
 - (b) any other applicable legislation.
- (5) The accounting officer may apply the committee system to formal written price quotations.

Bid specification committees

27. (1) A bid specification committee must compile the specifications for each procurement of goods or services by the Cape Winelands District Municipality.
- (2) Specifications –
- (a) must be drafted in an unbiased manner to allow all potential suppliers to offer their goods or services;
 - (b) must take account of any accepted standards such as those issued by Standards South Africa, the International Standards Organisation, or an authority accredited or recognised by the South African National Accreditation System with which the equipment or material or workmanship should comply;
 - (c) must, where possible, be described in terms of performance required rather than in terms of descriptive characteristics for design;
 - (d) may not create trade barriers in contract requirements in the forms of specifications, plans, drawings, designs, testing and test methods, packaging, marking or labelling of conformity certification;

- (e) may not make reference to any particular trade mark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the word “equivalent”;
 - (f) must indicate each specific goal for which points may be awarded in terms of the points system set out in the Preferential Procurement Regulations 2001; and
 - (g) must be approved by the accounting officer prior to publication of the invitation for bids in terms of paragraph 22 of this Policy.
- (3) The bid specification committee must be composed of the following members:
- Standing members
- Two members from within the relevant department;
- Other members
- professionals with required technical expertise from the department for whom the goods or services are to be procured, as may be required for each committee meeting
 - external specialists (consulting engineers, architects, etc.) as deemed necessary, provided that no person, advisor or corporate entity involved with the bid specification committee, or director of such a corporate entity, may bid for any resulting contracts.
 - Statutory compliance officer of the Cape Winelands district municipality.
- (4) The quorum for each meeting of the specification committee is two standing members.
- (5) A member of the specification committee can also be a member of either the bid evaluation or bid adjudication committee, but not both committees, that considers any of the bids for the same goods or services
- (6) No person, advisor or corporate entity involved with the bid specification committee, or director of such a corporate entity, may bid for any resulting contracts.
- (7) The specifications must be approved by the Accounting Officer, or the official delegated by the Accounting Officer, prior to advertisement of the bid. In the absence of the Accounting Officer this may be delegated to the Acting Municipal Manager or the Chief Financial Officer.

Bid evaluation committees

- 28.** (1) A bid evaluation committee must –
- (a) evaluate bids in accordance with –
 - (i) the specifications for a specific procurement;

- (ii) compliant with requirements of the Supply Chain Management Framework including the supplier being up to date with all fees and charges due to the district municipality;
 - (iii) in accordance with the best value for money to the municipality; and
 - (iv) the points system set out in terms of paragraph 27(2)(f).
- (b) evaluate each bidder's ability to execute the contract and consider the prescripts of the Broad-Based Black Economic Empowerment Act.;
 - (c) check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears, and;
 - (d) submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter.
- (2) The bid evaluation committee must as far as possible be composed of –
- Standing members;
- two officials from the relevant department requiring the goods or services;
 - At least one supply chain management practitioner.
- Other members;
- One technical expert, consultant or advisor, provided that these experts can only actively contribute to discussions, and not vote on the items evaluated.
 - Statutory compliance officer of the Cape Winelands District Municipality.
- (3) The chairmanship of the bid evaluation committee is to be rotated as agreed by the standing members.
 - (4) The quorum for each meeting of the bid evaluation committee is two standing members, provided that one is the supply chain management practitioner.
 - (5) Members cannot serve on any adjudication committee(s) that adjudicates on any of the same items that they have considered on the evaluation committee(s).
 - (6) Notwithstanding the above requirements for consideration, bids not to specification may not be accepted and the evaluation committee must recall for tenders.
 - (7) All bid documents must be submitted before closure of tender.

Bid adjudication committees

29. (1) A bid adjudication committee must –
- (a) consider the report and recommendations of the bid evaluation committee; and
 - (b) either –

- (i) depending on its delegations, make a final award or a recommendation to the accounting officer to make the final award; or
- (ii) make another recommendation to the accounting officer how to proceed with the relevant procurement.

(2) The committee shall be composed of the following members:

Standing members;

- the chief financial officer or, if the chief financial officer is not available, another official in the budget and treasury office reporting directly to the chief financial officer and designated by the chief financial officer;
- At least one senior supply chain management practitioner who is an official of the municipality;
- Deputy Municipal manager;
- Executive Director Engineering and Infrastructural Services;
- Executive Director Community and Developmental Services;
- Executive Director Public Safety and Planning Services;

Other members

- any technical experts in the relevant field, when deemed necessary by the chairperson provided that these experts can only actively contribute to discussions, and not vote on the items being adjudicated.
- Statutory compliance officer of the Cape Winelands District Municipality.

The quorum for each meeting of the bid adjudication committee is:

- 4 standing members

- (3) Members of the adjudication committee(s) cannot be members on the evaluation committee(s) that consider any of the same items to be adjudicated on. This includes any members who are appointed by nomination or delegation.
- (4) Members of the Bid Evaluation Committee may present their reports to the Bid Adjudication Committee and clarify any uncertainties. However, such members will not have any voting power on the Bid Adjudication Committee.
- (5) The accounting officer must appoint the chairperson of the committee. If the chairperson is absent from a meeting, the members of the committee who are present must elect one of them to preside at the meeting.
- (6) Neither a member of a bid evaluation committee, nor an advisor or person assisting the evaluation committee, may be a member of a bid adjudication committee.

- (7) (a) If the bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee, the bid adjudication committee must prior to awarding the bid-
- (i) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears, and;
 - (ii) notify the accounting officer.
- (b) The accounting officer may –
- (i) after due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in paragraph (a); and
 - (ii) if the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.
- (8) The accounting officer may at any stage of a bidding process, refer any recommendation made by the evaluation committee or the adjudication committee back to that committee for reconsideration of the recommendation.
- (9) The accounting officer must comply with section 114 of the Act within 10 working days.
- (10) For all quotations and tenders with an estimated value between R 30,000 and R1,000,000 preference points will be allocated as follows:
- | | <u>POINTS</u> | (ANNEXURE “C”) |
|--|---------------|-----------------------|
| Value for money substantially to specification (price) | 80 | |
| Other Preference points | <u>20</u> | |
| Total | <u>100</u> | |
- (11) Other preference points will be as per the Balanced Scorecard provided in the Procurement Regulations of the Preferential Procurement Policy Framework Act, 2000. This scorecard is provided in the Annexures to this policy. If all bids exceed R1,000,000 the bid invitation is to be cancelled and re-invited with the correct preference points.
- (12) Prior to the award of a bid, the Municipality may cancel the bid due to changed circumstances, or if there are insufficient funds to proceed, or if no acceptable bid is received.

- (13) For all tenders with an estimated value above R1,000,000 preference points will be allocated as follows:

	<u>POINTS</u>	(ANNEXURE “C”)
Value for money substantially to specification (price)	90	
Other Preference points	<u>10</u>	
Total	<u>100</u>	

- (14) Other preference points will be as per the Balanced Scorecard provided in the Procurement Regulations of the Preferential Procurement Policy Framework Act, 2000. This scorecard is provided in the Annexure to this policy. If all bids are less than R1,000,000 the bid invitation is to be cancelled and re-invited with the correct preference points.

- (15) ADVISING OF RESULTS:

All approved bids will be listed on the municipality's website and on the official notice board in the week following their approval, for a period of 7 days.

Procurement of banking services

- 30.** (1) A contract for banking services –
- (a) must be procured through competitive bids;
 - (b) must be consistent with section 7 of the Act; and
 - (c) may not be for a period of more than five years at a time.
- (2) The process for procuring a contract for banking services must commence at least nine months before the end of an existing contract.
- (3) The closure date for the submission of bids may not be less than 60 days from the date on which the advertisement is placed in a newspaper in terms of paragraph 22(1). Bids must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990).

Procurement of IT related goods or services

- 31.** (1) The accounting officer may request the State Information Technology Agency (SITA) to assist with the acquisition of IT related goods or services through a competitive bidding process.
- (2) Both parties must enter into a written agreement to regulate the services rendered by, and the payments to be made to, SITA.
- (3) The accounting officer must notify SITA together with a motivation of the IT needs if –

- (a) the transaction value of IT related goods or services required in any financial year will exceed R50 million (VAT included); or
 - (b) the transaction value of a contract to be procured whether for one or more years exceeds R50 million (VAT included).
- (4) If SITA comments on the submission and the Cape Winelands District Municipality disagrees with such comments, the comments and the reasons for rejecting or not following such comments must be submitted to the council, the National Treasury, the relevant provincial treasury and the Auditor General.

Procurement of goods and services under contracts secured by other organs of state

- 32.** (1) The accounting officer may procure goods or services under a contract secured by another organ of state, but only if –
- (a) the contract has been secured by that other organ of state by means of a competitive bidding process applicable to that organ of state;
 - (b) there is no reason to believe that such contract was not validly procured;
 - (c) there are demonstrable discounts or benefits to do so; and
 - (d) that other organ of state and the provider have consented to such procurement in writing.
- (2) Subparagraphs (1)(c) and (d) do not apply if –
- (a) a municipal entity procures goods or services through a contract secured by its parent municipality; or
 - (b) a municipality procures goods or services through a contract secured by a municipal entity of which it is the parent municipality.

Procurement of goods necessitating special safety arrangements

- 33.** (1) The acquisition and storage of goods in bulk (other than water), which necessitate special safety arrangements, including gasses and fuel, should be avoided where ever possible.
- (2) Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership, cost advantages and environmental impact and must be approved by the accounting officer.

Proudly SA Campaign

- 34.** The Cape Winelands District Municipality supports the Proudly SA Campaign to the extent that, all things being equal, preference is given to procuring local goods and services from:
- Firstly – suppliers and businesses within the municipality or district;
 - Secondly – suppliers and businesses within the relevant province;
 - Thirdly – suppliers and businesses within the Republic.

Appointment of consultants

- 35.** (1) The accounting officer may procure consulting services provided that any Treasury guidelines in respect of consulting services are taken into account when such procurements are made. (Detailed guidelines are available in the National Treasury's Supply Chain Management Office, Practice Note Number SCM 3 of 2003. This incorporates the provision to establish a panel of consultants/list of approved service providers for the rendering of services required on a recurring basis. This panel should be reviewed at least every two years). Chapter 5: "A Guide for Accounting Officers of Municipalities" issued by National Treasury (Circular 25 – October 2005).
- (2) Consultancy services must be procured through competitive bids if –
- (a) the value of the contract exceeds R200,000 (VAT included); or
 - (b) the duration period of the contract exceeds one year.
- (3) In addition to any requirements prescribed by this policy for competitive bids, bidders must furnish particulars of –
- (a) all consultancy services provided to an organ of state in the last five years; and
 - (b) any similar consultancy services provided to an organ of state in the last five years.
- (4) The accounting officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the Cape Winelands District Municipality.
- (5) The appointment of advisors must also follow the same competitive bidding process as set out in this Policy.
- (6) No advisor will take any part in the final decision-making process regarding the award of bids.
- (7) No decision-making authority can be delegated to an advisor.

Deviation from, and ratification of minor breaches of, procurement processes

- 36.** (1) The accounting officer may –
- (a) dispense with the official procurement processes established by this Policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –
 - (i) in an emergency;
 - (ii) Where the accounting officer determines that it is impractical to invite competitive bids for specific procurement such as urgent or emergency cases, or in the case of a sole supplier, he may in consultation with the Chief Financial Officer procure the

goods or services by other means such as price quotations or negotiations, or reduce the required advertising period from 14 days to an appropriately deemed period. The reasons for deviation from inviting competitive bids must be recorded and approved by the Accounting Officer.

- (iii) Where it can be demonstrated that only one service provider can supply a particular service then a contract can be awarded by the Accounting Officer to that service provider subject to approval by the Bid Adjudication Committee
 - (iv) for the acquisition of special works of art or historical objects where specifications are difficult to compile;
 - (v) acquisition of animals for zoos and/or nature and game reserves; or
 - (vi) in any other exceptional case where it is impractical or impossible to follow the official procurement processes; and
- (b) ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.
- (2) The accounting officer must record the reasons for any deviations in terms of subparagraphs (1)(a) and (b) of this policy and report them to the next meeting of the council and include as a note to the annual financial statements.
- (3) Subparagraph (2) does not apply to the procurement of goods and services contemplated in paragraph 11(2) of this policy.

Unsolicited bids

37. (1) In accordance with section 113 of the Act there is no obligation to consider unsolicited bids received outside a normal bidding process.
- (2) The accounting officer may decide in terms of section 113(2) of the Act to consider an unsolicited bid, only if –
- (a) the product or service offered in terms of the bid is a demonstrably or proven unique innovative concept;
 - (b) the product or service will be exceptionally beneficial to, or have exceptional cost advantages;
 - (c) the person who made the bid is the sole provider of the product or service; and
 - (d) the reasons for not going through the normal bidding processes are found to be sound by the accounting officer.

- (3) If the accounting officer decides to consider an unsolicited bid that complies with subparagraph (2) of this policy, the decision must be made public in accordance with section 21A of the Municipal Systems Act, together with –
 - (a) reasons as to why the bid should not be open to other competitors;
 - (b) an explanation of the potential benefits if the unsolicited bid were accepted; and
 - (c) an invitation to the public or other potential suppliers to submit their comments within 30 days of the notice.
- (4) The accounting officer must submit all written comments received pursuant to subparagraph (3), including any responses from the unsolicited bidder, to the National Treasury and the relevant provincial treasury for comment.
- (5) The adjudication committee must consider the unsolicited bid and may award the bid or make a recommendation to the accounting officer, depending on its delegations.
- (6) A meeting of the adjudication committee to consider an unsolicited bid must be open to the public.
- (7) When considering the matter, the adjudication committee must take into account –
 - (a) any comments submitted by the public; and
 - (b) any written comments and recommendations of the National Treasury or the relevant provincial treasury.
- (8) If any recommendations of the National Treasury or provincial treasury are rejected or not followed, the accounting officer must submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following those recommendations.
- (9) Such submission must be made within seven days after the decision on the award of the unsolicited bid is taken, but no contract committing the Cape Winelands District Municipality to the bid may be entered into or signed within 30 days of the submission.

Combating of abuse of supply chain management system

- 38.** (1) The accounting officer must–
- (a) take all reasonable steps to prevent abuse of the supply chain management system;
 - (b) investigate any allegations against an official or other role player of fraud, corruption, favouritism, unfair or irregular practices or failure to comply with this Policy, and when justified –
 - (i) take appropriate steps against such official or other role player; or
 - (ii) report any alleged criminal conduct to the South African Police Service;

- (c) check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector;
- (d) reject any bid from a bidder–
 - (i) if any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the Cape Winelands District Municipality, or to any other municipality or municipal entity, are in arrears for more than three months; or
 - (ii) who during the last five years has failed to perform satisfactorily on a previous contract with the Cape Winelands District Municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory;
- (e) reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract;
- (f) cancel a contract awarded to a person if –
 - (i) the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or
 - (ii) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person; and
- (g) reject the bid of any bidder if that bidder or any of its directors –
 - (i) has abused the supply chain management system of the Cape Winelands District Municipality or has committed any improper conduct in relation to such system;
 - (ii) has been convicted for fraud or corruption during the past five years;
 - (iii) has wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - (iv) has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- (h) No person placing a procurement requisition for goods or services shall understate the requirements of the estimated value with the intention of avoiding a more stringent procurement process. This includes the deliberate splitting of requirements to reduce individual order values. Procurement is limited to R 200,000 per commodity type per month unless a competitive bidding process has been undertaken. The Municipal Manager shall promptly institute disciplinary action against any person infringing this requirement.
- (i) No official shall engage in contact with a prospective supplier in respect of a quotation or tender which the supplier intends to submit except where clarification of requirements is required from either party, or where the accounting officer may negotiate with identified

preferred bidders. Any such communication must be recorded and appropriately filed with the bid documentation.

- (2) The accounting officer must inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of subparagraphs (1)(b)(ii), (e) or (f) of this policy.

Part 3: Logistics, Disposal, Risk and Performance Management

Logistics management

- 39.** The accounting officer must establish and implement an effective system of logistics management, which must include -
- (a) the monitoring of spending patterns on types or classes of goods and services incorporating, where practical, the coding of items to ensure that each item has a unique number;
 - (b) the setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock;
 - (c) the placing of manual or electronic orders for all acquisitions other than those from petty cash;
 - (d) before payment is approved, certification by the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract;
 - (e) appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased;
 - (f) regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes; and
 - (g) monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.

Disposal management

- 40.** (1) The criteria for the disposal or letting of assets, including unserviceable, redundant or obsolete assets, subject to sections 14 and 90 of the Act, and council's GRAP policy and procedures.

- (2) Assets may be disposed of by –
- (i) transferring the asset to another organ of state in terms of a provision of the Act enabling the transfer of assets;
 - (ii) transferring the asset to another organ of state at market related value or, when appropriate, free of charge;
 - (iii) selling the asset; or
 - (iv) destroying the asset.
- (3) The accounting officer must ensure that –
- (a) immovable property is sold only at market related prices except when the public interest or the plight of the poor demands otherwise;
 - (b) movable assets are sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous;
 - (c) firearms are not sold or donated to any person or institution within or outside the Republic unless approved by the National Conventional Arms Control Committee;
 - (d) immovable property is let at market related rates except when the public interest or the plight of the poor demands otherwise;
 - (e) all fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed;
 - (f) where assets are traded in for other assets, the highest possible trade-in price is negotiated; and
 - (g) in the case of the free disposal of computer equipment, the provincial department of education is first approached to indicate within 30 days whether any of the local schools are interested in the equipment.
- (4) In disposing of movable assets the adjudication committee will determine the most advantageous method for sale and adhere to the communication requirements prescribed for quotations. If deemed necessary notification may also be by advertisement in a widely circulated local newspaper, but not limited thereto. In sales by private treaty the adjudication committee will adjudicate and approve quotations received. Adjudication will include provision for the Preferential Procurement Points as per the attached scorecard for assets with a value greater than R30 000. The adjudication committee reserves the right not to accept any bids offered.

Risk management

- 41.** (1) The accounting officer must establish an effective system of risk management for the identification, consideration and avoidance of potential risks in the supply chain management system.
- (2) Risk management must include –
- (a) the identification of risks on a case-by-case basis;
 - (b) the allocation of risks to the party best suited to manage such risks;
 - (c) acceptance of the cost of the risk where the cost of transferring the risk is greater than that of retaining it;
 - (d) the management of risks in a pro-active manner and the provision of adequate cover for residual risks; and
 - (e) the assignment of relative risks to the contracting parties through clear and unambiguous contract documentation.

Performance management

- 42.** The accounting officer must establish and implement an internal monitoring system in order to determine, on the basis of a retrospective analysis, whether the authorised supply chain management processes were followed and whether the objectives of this Policy were achieved.

Part 4: Other matters

Prohibition on awards to persons whose tax matters are not in order

- 43.** (1) No award above R30 000 may be made in terms of this Policy and *regulation* 16 of the Preferential Procurement Policy Framework Act, 2000 to a person whose tax matters have not been declared by the South African Revenue Service to be in order.

* MFMA Circular No.29

(1st amendment: 22 August 2006 C.9.4)

- (2) Before making an award to a person the accounting officer must first check with SARS whether that person's tax matters are in order.
- (3) If SARS does not respond within 7 days such person's tax matters may for purposes of subparagraph (1) be presumed to be in order.

Prohibition on awards to persons in the service of the state

- 44.** Irrespective of the procurement process followed, no award may be made to a person in terms of this Policy –
- (a) who is in the service of the state;
 - (b) if that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or
 - (c) a person who is an advisor or consultant contracted with the Cape Winelands District Municipality.

Awards to close family members of persons in the service of the state

- 45.** The accounting officer must ensure that the notes to the annual financial statements disclose particulars of any award of more than R2000 to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months, including –
- (a) the name of that person;
 - (b) the capacity in which that person is in the service of the state; and
 - (c) the amount of the award.

Ethical standards

- 46.** (1) A code of ethical standards as set out in subparagraph (2) is hereby established for officials and other role players in the supply chain management system of the Cape Winelands District Municipality in order to promote –
- (a) mutual trust and respect; and
 - (b) an environment where business can be conducted with integrity and in a fair and reasonable manner.
- (2) An official or other role player involved in the implementation of this Policy –
- (a) must treat all providers and potential providers equitably;
 - (b) may not use his or her position for private gain or to improperly benefit another person;
 - (c) may not accept any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of that person, of a value more than R350;
 - (d) notwithstanding subparagraph (2) (c), must declare to the accounting officer details of any reward, gift, favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person;

- (e) must declare to the accounting officer details of any private or business interest which that person, or any close family member, partner or associate, may have in any proposed procurement or disposal process of, or in any award of a contract by, the Cape Winelands District Municipality;
 - (f) must immediately withdraw from participating in any manner whatsoever in a procurement or disposal process or in the award of a contract in which that person, or any close family member, partner or associate, has any private or business interest;
 - (g) must be scrupulous in his or her use of property belonging to Cape Winelands District Municipality;
 - (h) must report to the accounting officer any alleged irregular conduct in the supply chain management system which that person may become aware of, including –
 - (i) any alleged fraud, corruption, favouritism or unfair conduct;
 - (ii) any alleged contravention of paragraph 47(1) of this Policy; or
 - (iii) any alleged breach of this code of ethical standards.
 - (i) must assist the accounting officer in combating fraud, corruption, favouritism and unfair and irregular practices in the supply chain management system; and
 - (i) must report to the accounting officer any alleged irregular conduct in the supply chain management system which that person may become aware of, including –
 - (i) any alleged fraud, corruption, favouritism or unfair conduct;
 - (ii) any alleged contravention of paragraph 47(1) of this Policy; or
 - (iii) any alleged breach of this code of ethical standards.
- (3) Declarations in terms of subparagraphs (2)(d) and (e) -
- (a) must be recorded in a register which the accounting officer must keep for this purpose;
 - (b) by the accounting officer must be made to the Mayor of the Cape Winelands District Municipality who must ensure that such declarations are recorded in the register.
- (4) The National Treasury's code of conduct (**ANNEXURE "E"**) must also be taken into account by supply chain management practitioners and other role players involved in supply chain management.
- (5) A breach of the code of ethics must be dealt with as follows -
- (a) in the case of an employee, in terms of the disciplinary procedures of the Cape Winelands District Municipality envisaged in section 67(1)(h) of the Municipal Systems Act;
 - (b) in the case a role player who is not an employee, through other appropriate means in recognition of the severity of the breach.
 - (c) In all cases, financial misconduct must be dealt with in terms of chapter 15 of the Act.

Inducements, rewards, gifts and favours to the Cape Winelands District Municipality, officials and other role players

- 47.** (1) No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may either directly or through a representative or intermediary promise, offer or grant –
- (a) any inducement or reward to the Cape Winelands District Municipality for or in connection with the award of a contract; or
 - (b) any reward, gift, favour or hospitality to –
 - (i) any official; or
 - (ii) any other role player involved in the implementation of this Policy.
- (2) The accounting officer must promptly report any alleged contravention of subparagraph (1) to the National Treasury for considering whether the offending person, and any representative or intermediary through which such person is alleged to have acted, should be listed in the National Treasury's database of persons prohibited from doing business with the public sector.
- (3) Subparagraph (1) does not apply to gifts less than R350 in value.

Sponsorships

- 48.** The accounting officer must promptly disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted, whether directly or through a representative or intermediary, by any person who is –
- (a) a provider or prospective provider of goods or services; or
 - (b) a recipient or prospective recipient of goods disposed or to be disposed.

Objections and complaints

- 49.** Persons aggrieved by decisions or actions taken in the implementation of this supply chain management system, may lodge within 14 days of the decision or action, a written objection or complaint against the decision or action.

Resolution of disputes, objections, complaints and queries

- 50.** (1) The accounting officer must appoint an independent and impartial person, not directly involved in the supply chain management processes –
- (a) to assist in the resolution of disputes between the Cape Winelands District Municipality and other persons regarding -
 - (i) any decisions or actions taken in the implementation of the supply chain management system; or

- (ii) any matter arising from a contract awarded in the course of the supply chain management system; or
 - (b) to deal with objections, complaints or queries regarding any such decisions or actions or any matters arising from such contract.
 - (c) Suppliers must provide details of the reasons for their appeal including any non-compliance with this Policy, the MFMA and related legislation. The Accounting Officer shall provide written acknowledgement of the receipt of appeals to the appellant and endeavour to finalise appeals within 10 working days of their receipt. Where this is not possible, the Accounting Officer shall advise the appellant in writing of the reasons for the delay.
 - (d) If the appeal is based on a technically complex matter, the Accounting Officer may engage an impartial external advisor, provided that their engagement is compliant with this Policy and sufficient budgetary provision exists. The Accounting Officer is not bound by any opinion provided.
 - (e) The Accounting Officer will decide if an appeal constitutes sufficient grounds for delay of procurement from the approved supplier, and if a delay is practical. If the Accounting Officer determines there are grounds for delay, the approved supplier will be advised in writing of the reasons for the delay.
 - (f) When a ruling on an appeal has been made, the Accounting Officer will advise the appellant in writing of the outcome.
- (2) The accounting officer, or another official designated by the accounting officer, is responsible for assisting the appointed person to perform his or her functions effectively.
- (3) The person appointed must –
- (a) strive to resolve promptly all disputes, objections, complaints or queries received; and
 - (b) submit monthly reports to the accounting officer on all disputes, objections, complaints or queries received, attended to or resolved.
- (4) A dispute, objection, complaint or query may be referred to the relevant provincial treasury if –
- (a) the dispute, objection, complaint or query is not resolved within 60 days; or
 - (b) no response is forthcoming within 60 days.
- (5) If the provincial treasury does not or cannot resolve the matter, the dispute, objection, complaint or query may be referred to the National Treasury for resolution.

- (6) This paragraph must not be read as affecting a person's rights to approach a court at any time.

Contracts providing for compensation based on turnover

- 51.** If a service provider acts on behalf of the Cape Winelands District Municipality to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to the service provider is fixed as an agreed percentage of turnover for the service or the amount collected, the contract between the service provider and the Cape Winelands District Municipality must stipulate –
- (a) a cap on the compensation payable to the service provider; and
 - (d) that such compensation must be performance based.

Unbundling strategies

- 52** In order to encourage increased participation and the sustainable growth of the small business sector, the unbundling of larger projects into smaller, more manageable, contracts is encouraged.

Unbundling must however be considered in the context of:

- economies of scale being lost,
- abortive work becoming necessary,
- additional demands (not only financial) being placed on the areas resources,
- the risk of later phases not being completed as a result of budget cuts becoming necessary in the future.

Unbundling, and all of its associated implications, must therefore be carefully considered at the planning stage of any project and the budgets for, and design thereof, should be structured accordingly.

It is important to note that while it is the Cape Winelands District Municipality's policy to procure works in the smallest practicable quantities, the practice of breaking out projects in order to circumvent the formal tender process is not permitted.

Increasing employment opportunities

- 53** It should be noted that one of the municipality's key socio-economic objectives is to facilitate the creation of employment for the people of the Cape Winelands District Municipality.

Increasing employment opportunities through procurement may be achieved by specifying labour friendly technologies and/or labour intensive methods of construction in the tender documents.

The options available in this regard should be investigated to evaluate the positive versus negative impact of any proposals, and to specify labour friendly technologies and/or methods where appropriate.

Sureties for Due performance

54 Obtaining sureties (guarantees) from financial institutions is one of the major obstacles preventing emerging businesses from participating in Local Government Procurement. The value of the sureties required by the Cape Winelands District Municipality has therefore been reduced, or waived altogether, in accordance with the class (value) of the contract.

The sureties required for each class of contract are as follows:

- **Micro** waived (that is, no surety is required)
- **Minor (under R 500 000)** 2.5% of the tender sum
- **Minor (over R 500 000)** 5% of the tender sum

Sureties in respect of the procurement of goods and services will not generally be called for, but where required, will be in accordance with the limits described above.

Retention

55 Having a large percentage of the value of work carried out withheld as retention, presents most contractors with serious cash flow problems, especially in the case of the higher value Major contracts. In order therefore, to lessen the impact of retention monies withheld and to assist less established contractors in the execution of a contract, retention, on Major contracts only, should be limited to 5% of the tender sum. In order however, to protect the Cape Winelands District Municipality's interests on Minor contracts, where the value of the surety required has been reduced, or even waived, the usual 10% retention shall apply. The value of retention deducted will therefore be as follows:

- **Micro and Minor** : 10% of the value of work carried out with no limit, reducing to 5% for the duration of the maintenance period.
- **Major** : 10 % of the value of the work carried out, up to a limit of 5% of the tender sum, with no reduction for the duration of the maintenance period.

Retention in respect of the procurement of goods and services will not generally be called for, but where required, will be in accordance with the limits described above.

Financial guarantees may be submitted in lieu of retention.

Payment Terms

56 Payments to SMMEs/HDIs will be made within 14 days of invoice or statement. Other payments will be made within 30 days in terms of the MFMA.

(In order to qualify for more frequent or earlier payments, a contractor must be classified as a SMME with a HDI equity ownership of not less than 50 %).

Commencement

57 This Policy takes effect on 1st January 2006.

ANNEXURES

ANNEXURE: A POLICY AND PROCEDURES FOR HANDLING OF PETTY CASH

ANNEXURE: B NATIONAL TREASURY - GENERAL CONDITIONS OF CONTRACT

ANNEXURE: C SUMMARY OF PREFERENTIAL PROCUREMENT REQUIREMENTS

ANNEXURE: D EXTRACTS FROM LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT NO. 56 OF 2003 (MFMA)

ANNEXURE: E NATIONAL TREASURY - CODE OF CONDUCT FOR SUPPLY CHAIN MANAGEMENT PRACTITIONERS AND OTHER ROLE PLAYERS

ANNEXURE “A”

POLICY AND PROCEDURES FOR HANDLING OF PETTY CASH

A. INTRODUCTION

1. POLICY PRINCIPLES

Petty Cash means a small amount of cash kept on hand for incidental purchases of low value goods and services (ie. Postages, office supplies, reimbursement out-of-pocket expenditure) which cannot be accommodated through normal purchasing procedures.

It is ***not*** the intention of petty cash to circumvent the existing acquisition procedures and payment of creditors or the provisions of the Supply Chain Management Policy.

No payment of a cash advance (IOU) will be done seeing that petty cash funds are ***not*** meant to grant short-term loans for acquisitions of any nature whatsoever to officials.

2. PROVISIONS

Supply Chain Management Regulation 12(1)(a) provide for the procurement of goods and services by way of petty cash purchases, up to a transaction value of R2,000 (VAT included); however the Accounting Officer decided in terms of his delegated powers that the maximum permissible amount for financing from petty cash will be limited to R300.00 per transaction.

The total amount that may be purchased from petty cash during one specific month shall not exceed one twelfth of the budgeted amount for that budget vote/line item.

The policy for provision of funds for petty cash expenditure, procedures for the administration thereof and control of the eventual allocation of costs against the various Ledger Votes is and remains the responsibility of the Executive Director: Finance and his/her assignees.

Additions to and/or amendments of this policy may be effected by the above with or without prior notice, without prejudice.

B. PROCEDURES

1. NON PERMISSIBLE & PERMISSIBLE ACQUISITIONS

- 1.1 The acquisition of items that will be financed from “Capital or inventory Votes” does not qualify for payment from Petty Cash – such items are purchased according to normal procedures.
- 1.2 No salary-, wage- or entertainment cost will qualify for payment through petty cash - such payments will be handled through the normal payroll procedures.
- 1.3 Registration fees for the attendance of courses/congresses will not qualify for payment through petty cash - a requisition for payment per cheque, accompanied by the nomination must be submitted.
- 1.4 No funds for payment of travelling and subsistence or other personal obligations will be financed through petty cash – these costs will be claimed in the normal way and paid with the applicant’s salary or by cheque.

- 1.5 Purchasing of shoes, uniforms and protective clothing will not qualify for payment through petty cash – such acquisitions must be acquired per requisition / invoice and paid by cheque.
- 1.6 Supplies such as stationery, cleaning materials, toiletries, sugar, tea and coffee that are listed on Council's store stock index will not qualify for payment from petty cash – such items will be issued on request.
- 1.7 The acquisition of items or the delivery of services other than those referred to in points B 1.1 to B 1.6 does qualify for payment from Petty Cash, provided that:
 - The transaction is not contrary to the purpose as defined in Section A;
 - A fully completed and approved Petty Cash voucher is submitted for each transaction;
 - An invoice or till slip that complies with generally accepted minimum requirements is attached to the Petty Cash voucher.
- 1.8 Only personnel who received the necessary delegations may approve purchases. (No Councillor has, in terms of section 79(2) of the Local Government: Municipal Finance Management Act No. 56 of 2003, any authority to incur expenditure.)

2. PAYMENT

- 2.1 Payment of Petty Cash by approved Petty Cash voucher will only be done at the Cape Winelands District Municipality's cash offices at Stellenbosch and Worcester.
- 2.2 Cashiers / Petty Cash Officials will not do any payments if the Petty Cash vouchers are not completed, approved and authorised in the prescribed manner.

3. REGISTERS

- 3.1 All transactions must be recorded in a separate register, which is kept at each cash office of the Cape Winelands District Municipality.
- 3.2 These registers with concomitant Petty Cash vouchers must be checked by a senior official and kept for audit purposes.

4. REPLENISHMENT OF FUNDS

- 4.1 The above-mentioned registers will be made up each Monday (or if the Monday is a public holiday, the next working day) in order to be balanced against the paid petty cash vouchers plus the cash on hand. (This arrangement is obligatory and may only be deviated from if mutually arranged with the Executive Director: Finance)
- 4.2 A sundry voucher to the value of the issued petty cash vouchers will be prepared, the appropriate petty cash vouchers attached to it and forwarded to the Expenditure section at Stellenbosch where a cheque for the replenishment of the funds will issued.

5. ALLOCATION OF COSTS

- 5.1 On receipt of such sundry voucher the costs of the transactions concerned will be recorded against the various Ledger Votes and a cheque for the replenishment of funds will be issued.
- 5.2 However, should a specific Ledger Vote be over-spent when the value of a batch of petty cash vouchers is captured, the amount of the transaction affected will summarily be posted against the Sundry Expenditure vote of the cost centre concerned – it will then be the responsibility of the head of the concerned department to ensure that the funds are reallocated to provide for future allocations.

C. CONTROL

1. OFFICIAL DOCUMENTS

- 1.1 Only the official petty cash voucher of the Cape Winelands District Municipality (example **attached**) will be accepted as valid document for the payment of purchases from the petty cash.
- 1.2 The official petty cash voucher must be completed in full using capital letters and the **ITEM DESCRIPTION** or **REASON FOR EXPENDITURE** must be clearly defined.
- 1.3 A separate petty cash voucher must be prepared for purchases from different suppliers.

2. APPROVAL OF EXPENDITURE

Executive Directors of departments or their assignees approve the incurring of specific costs, as indicated on the petty cash voucher concerned, and the responsibility for ensuring that if votes are over-spent, funds are transferred to provide for this.

3. AUTHORISATION FOR PAYMENT

The Executive Director: Finance or his/her assignee checks that the petty cash voucher is properly completed and whether sufficient funds are, at that stage, available for payment on the indicated vote/s.

D. LIABILITY

1. Executive Directors of departments or their assignees who approve the incurring of costs thereby also accept responsibility for:
 - future enquiries and/or explanations regarding the desirability of the expenditure concerned;
 - any irregularities regarding a specific transaction that may be revealed during an audit of the petty cash;
 - transfer of funds in respect of votes that may be overspent due to some unavoidable reason, eg. the circumstances as indicated in Section B, point 5.2.
2. The Executive Director: Finance and his/her assignees who authorize the payment of petty cash expenditure thereby also accept responsibility for compliance with all financial provisions and delegations that are applicable in the normal performance of their duties.

ANNEXURE “B”**THE NATIONAL TREASURY
Republic of South Africa**

GOVERNMENT PROCUREMENT:**GENERAL CONDITIONS OF CONTRACT
TABLE OF CLAUSES**

INSERT DOCUMENT

ANNEXURE “C”

SUMMARY OF PREFERENTIAL PROCUREMENT REQUIREMENTS

SECTION 1: PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT No 5. of 2000,
PREFERENTIAL PROCUREMENT REGULATIONS 2004

The municipality must determine a preferential procurement policy.

This policy must be implemented within a framework which follows the following preference point system:

- For contracts with a rand value equal to or below a prescribed amount, a maximum of 20 points is allocated for specific goals as contemplated below, provided that the lowest acceptable tender scores 80 points for price.
- For contracts with a rand value above a prescribed amount, a maximum of 10 points is allocated for specific goals as contemplated below, provided that the lowest acceptable tender scores 90 points for price;

Other acceptable tenders that are higher in price must score fewer points, on a pro-rata basis, calculated on their tender prices in relation to the lowest acceptable tender, in accordance with the prescribed formula.

The specific goals set by the municipality for preferential procurement must include contracting with persons, or categories of persons, who have been historically disadvantaged by unfair discrimination on the basis of race, gender or disability.

The specific goals of the policy must further include the implementation of programmes of the reconstruction and development programme, as published in *Government Gazette no. 16085 dated 23 November 1994 or subsequent regulations*.

Any specific criteria for which a point is awarded must be clearly specified in the invitation to submit tenders. The municipality must *normally* award its contract to the tenderer who scores the highest points. If not, the municipality must be able to produce objective criteria in addition to those contemplated above to justify the award to another tenderer. The specific goals determined by the municipality for its preferential procurement policy must be measurable, quantifiable and monitored for compliance.

SECTION 2: BROAD BASED BLACK ECONOMIC EMPOWERMENT ACT NO. 53 OF 2003

The Minister of trade and Industry may by notice in the gazette issue codes of good practice on black economic empowerment that may include (inter alia) the following:

- further interpretation and definition of broad based black economic empowerment and the interpretation and definition of different categories of black empowerment entities;
- qualification criteria for preferential purposes for procurement and other economic activities;
- indicators to measure broad based black economic empowerment; and
- the weighting to be attached to broad based black economic empowerment indicators as referred to above.

Every organ of state and public entity must take into account and, as far as it may be reasonably possible, apply any relevant code of good practice issued in terms of the present Act in:

- determining qualification criteria for the issuing of licences, concessions or other authorisations in terms of any laws;
- developing and implementing a preferential procurement policy;
- determining qualification criteria for the sale of state-owned enterprises; and
- developing criteria for entering into partnerships with the private sector.

The Minister must also issue a strategy for broad based black economic empowerment. This strategy must:

- provide for an integrated, co-ordinated and uniform approach to broad based black economic empowerment by all organs of state, public entities, the private sector, non-governmental organisations, local communities and other stakeholders,
- develop a plan for financing broad based black economic empowerment; and
- provide a system for organs of state, public entities and other enterprises to prepare broad based black economic empowerment plans and to report on compliance with those plans.

BROAD-BASED BLACK ECONOMIC EMPOWERMENT (BBBEE)

PRICE:

1. 80/20 PREFERENCE POINT SYSTEM

For competitive bids/price quotations equal to or above **R 30,000 and up to a Rand value of R 1,000,000** (but can be used for quotations of less than R30,000 if deemed appropriate)

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P_s = points scored for comparative price of bid/offer under consideration

P_t = comparative price of bid/offer under consideration

P_{\min} = comparative price of lowest acceptable bid/offer

A maximum of 20 points is then added to the above score based on the assessment against the Broad-Based Black Economic Empowerment scorecard.

2. 90/10 PREFERENCE POINT SYSTEM

For competitive bids/price quotations with a Rand value above R1,000,000.

$$P_s = 90 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)$$

Where

P_s = points scored for comparative price of bid/offer under consideration
 P_t = comparative price of bid/offer under consideration
 P_{min} = comparative price of lowest acceptable bid/offer

A maximum of 10 points is then added to the above score based on the assessment against the Broad-Based Black Economic Empowerment scorecard.

3. 80/20 PREFERENCE POINT SYSTEM FOR THE SALE AND LETTING OF ASSETS.

The following formula must be used to calculate the points for price in respect of tenders with a Rand value equal to, or above **R30,000 and up to a Rand value of R 1,000,000** and which relate to the sale and letting of assets.

$$P_s = 80 \left(1 + \frac{P_t - P_h}{P_h} \right)$$

Where

P_s = Points scored for price of tender under consideration
 P_t = Rand value of tender under consideration
 P_h = Rand value of highest acceptable tender

A maximum of 20 points is then added to the above score based on the assessment against the Broad-Based Black Economic Empowerment scorecard. Only the tender with the highest number of points scored may be selected.

4. 90/10 PREFERENCE POINT SYSTEM FOR THE SALE AND LETTING OF ASSETS.

The following formula must be used to calculate the points for price in respect of tenders with a Rand value **above R 1,000,000** and which relate to the sale and letting of assets:

$$P_s = 90 \left(1 + \frac{P_t - P_h}{P_h} \right)$$

Where

P_s = Points scored for price of tender under consideration
 P_t = Rand value of tender under consideration
 P_h = Rand value of highest acceptable tender

A maximum of 10 points is then added to the above score based on the assessment against the Broad-Based Black Economic Empowerment scorecard. Only the tender with the highest number of points scored may be selected.

NB: Until the Preferential Procurement Regulations, 2001 as per Government Notice R725 of 10 August 2001 are repealed by the promulgation of the draft Preferential Procurement Regulations, 2004 set out in Government Gazette No. 26863 of 4 October 2004, the threshold value as indicated above, will be R 500,000.

BROAD-BASED BLACK ECONOMIC EMPOWERMENT (BBBEE)**BALANCED SCORECARD 1:****(80/20 PREFERENCE POINT SYSTEM)****For competitive bids/price quotations up to a Rand value of R1million**

Core Component Of BBBEE	Indicators	% Raw Score	% Weighting	% Score
Direct Empowerment (Ownership and Control) (OF THE COMPANY)				
Equity ownership	% owned by black persons		30	
	% owned by black disabled persons		5	
	% owned by black women		10	
Management	% black persons in executive management and/or executive board and board committees		20	
Human Resource Development				
Employment Equity	Weighted employment equity (% of black people as a proportion of total workforce)		5	
Skills development	Skills development expenditure as a proportion (%) of total payroll	5%= 5 1%=1	5	
Indirect empowerment				
Preferential Procurement	Procurement from black-owned and empowered enterprises as a proportion (%) of total procurement	SPECIFIC PROJECT	15	
Residual				
Local content	% local content in relation to the bid price	GOODS, MAT. TRANS	10	
Total score out of 100%			100	

NB: The total score out of 100% will be converted to a point out of a maximum of 20 points for BBBEE. No points will, however, be awarded if the total percentage score is less than 40% for BBBEE.

BROAD-BASED BLACK ECONOMIC EMPOWERMENT (BBBEE)**BALANCED SCORECARD 2:****(90/10 PREFERENCE POINT SYSTEM)****For competitive bids/price quotations with a Rand value above R1million**

Core Component Of BBBEE	Indicators	% Raw Score	% Weighting	% Score
Direct Empowerment (Ownership and Control) (OF COMPANY)				
Equity ownership	% owned by black persons		20	
	% owned by black disabled persons		5	
	% owned by black women		12	
Management	% black persons in executive management and/or executive board and board committees		13	
Human Resource Development				
Employment Equity	Weighted employment equity (% of black people as a proportion of total workforce)		6	
Skills development	Skills development expenditure as a proportion (%) of total payroll	6%=6 1%=1	6	
Indirect empowerment				
Preferential Procurement	Procurement from black-owned and empowered enterprises as a proportion (%) of total procurement	SPECIFIC PROJECT	8	
Enterprise Development	Investment in enterprises, owned 100% by black persons, as a proportion (%) of total assets		8	
	% of profit shared by a Black-owned enterprise as a consortium or joint venture for this contract OR % of this contract that will be sub-contracted to a Black-owned Enterprise		12	
Residual				
Local content	% local content in relation to the bid price	GOODS, MAT, LABOUR	10	
Total score out of 100%			100	

NB: The total score out of 100% will be converted to a point out of a maximum of 10 points for BBBEE. No points will, however, be awarded if the total percentage score is less than 40% for BBBEE.

NB: Until the Preferential Procurement Regulations, 2001 as per Government Notice R725 of 10 August 2001 are repealed by the promulgation of the draft Preferential Procurement Regulations, 2004 set out in Government Gazette No. 26863 of 4 October 2004, the pointing system will be as follows.

1.1 80/20 POINTS SYSTEM FOR TENDERS WITH A VALUE OF >R30,000 TO R500,000

The points are awarded as follows:

- **80 points** are awarded for the **lowest price** if it complies with the tender conditions.
- **15 points** (percentage of persons or categories of persons historically disadvantaged because of unfair discrimination based on **race**.)
- **1 point** is rewarded for historically disadvantaged persons because of unfair discrimination based on **gender**. This point is allocated only if more than 20% of the shareholding is in the possession of woman.
- **1 point** for historically disadvantaged persons because of discrimination based on **disability**. This point is only allocated if at least 10% of the shareholding is in the possession of disabled persons.
- **1 point** for the use of **local labour** (job creation)
- **1 point** (persons or categories of persons established **within the area of jurisdiction** of the Cape Winelands District Municipality.)
- **1 point** for **social investment** and human resources policy that meets IDP objectives.

1.2 90/10 POINTS SYSTEM FOR TENDERS WITH A VALUE OF >R500,000

The points are awarded as follows:

- **90 points** are awarded for the **lowest price** if it complies with the tender conditions.
- **8 points** (percentage of persons or categories of persons historically disadvantaged because of unfair discrimination based on **race**.)
- **1 point** is rewarded for historically disadvantaged persons because of unfair discrimination based on **gender**. This point is allocated only if more than 20% of the shareholding is in the possession of woman.
- **1 point** for historically disadvantaged persons because of discrimination based on **disability**. This point is only allocated if at least 10% of the shareholding is in the possession of disabled persons.

1.3 80/20 POINTS SYSTEM IN THE ALIENATION / LEASE OF ASSETS WITH A VALUE > R 30,000 TOT R 500,000

The points are awarded as follows:

- **80 points** are awarded for the **highest tender**.
- **16 points** (percentage persons or categories of persons historically disadvantaged because of unfair discrimination based on **race**).
- **2 points** (percentage persons or categories of persons historically disadvantaged because of unfair discrimination based on **gender**).
- **2 points** (percentage persons or categories of persons historically disadvantaged because of unfair discrimination based on **disability**).

1.4 90/10 POINTS SYSTEM IN THE ALIENATION / LEASE OF ASSETS WITH A VALUE > R 500,000

The points are awarded as follows:

- **90 points** are awarded for the **highest tender**.
- **8 points** (percentage persons or categories of persons historically disadvantaged because of unfair discrimination based on **race**).
- **1 points** (percentage persons or categories of persons historically disadvantaged because of unfair discrimination based on **gender**).
- **1 points** (percentage persons or categories of persons historically disadvantaged because of unfair discrimination based on **disability**).

ANNEXUER “D”**EXTRACTS FROM LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT NO. 56 OF 2003 (MFMA)****SECTION 14: DISPOSAL OF CAPITAL ASSETS**

- 1) A municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of a capital asset needed to provide the minimum level of basic municipal services.
- 2) A municipality may transfer ownership or otherwise dispose of a capital asset other than one contemplated in subsection 1), but only after the municipal council, in meeting open to the public-
 - a) has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services; and
 - b) has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset.
- 3) A decision by a municipal council that a specific capital asset is not needed to provide the minimum level of basic municipal services, may not be reversed by the municipality after that asset has been sold, transferred or otherwise disposed of.
- 4) A municipal council may delegate to the accounting officer of the municipality its power to make the determinations referred to in subsection 2) a) and b) in respect of moveable capital assets below a value determined by the council.
- 5) Any transfer of ownership of a capital asset in terms of subsection 2) or 4) must be fair, equitable, transparent, competitive and consistent with the supply chain management policy which the municipality must have and maintain in terms of section 111.

SECTION 19: CAPITAL PROJECTS

- 1) A municipality may spend money on a capital project only if-
 - a) the money for the project, excluding the cost of feasibility studies conducted by and behalf of the municipality, has been appropriated in the capital budget referred to in section 17 (2);
 - b) the project, including the total cost, has been approved by council
 - c) section 33 has been complied with, to the extent that section may be applicable to the project; and
 - d) the sources of funding have been considered, are available and have not been committed for other purposes.
- 2) Before approving a capital project in terms of subsection 1) b), the council of a municipality must consider-

- a) the projected cost covering all financial years until the project is operational; and
- b) the future operational costs and revenue on the project, including municipal tax and tariff implications.

A municipal council may in terms of subsection 1) b) approve capital projects below a prescribed value either individually or as part of a consolidated capital programme.

SECTION 33: CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS

- 1) A municipality may enter into a contract which will impose financial obligations on the municipality beyond a financial year, but if the contract will impose financial obligations on the municipality beyond the three years covered in the annual budget for that financial year, it may do so only if-
 - a) the municipal manager, at least 60 days before the meeting of the municipal council at which the contract is to be approved-
 - i) has in accordance with section 21A of the Municipal Systems Act –
 - (aa) Made public the draft contract and an information statement summarising the municipality's obligations in terms of the proposed contract; and
 - (bb) Invited the local community and other interested persons to submit to the municipality comments or representations in respect of the proposed contract; and
 - ii) has solicited the views and recommendations of-
 - (aa) the National Treasury and the relevant provincial treasury
 - (bb) the national department responsible for local government; and
 - (cc) if the contract involves the provision of water, sanitation, electricity, or any other service as may be prescribed, the responsible national department;
 - b) the municipal council has taken into account-
 - i) the municipality's projected financial obligations in terms of the proposed contract for each financial year covered by the contract;
 - ii) the impact of those financial obligations on the municipality's future municipal tariffs and revenue;
 - iii) any comments or representations on the proposed contracts received from the local community and other interested persons
 - iv) any written views and recommendations on the proposed contract by National Treasury, the relevant provincial treasury, the national department responsible for local government and any national department referred to in paragraph (a) (ii) (cc); and
 - c) the municipal council has adopted a resolution in which-
 - i) it determines that the municipality will secure a significant capital investment or will derive a significant financial economic of financial benefit from the contract;

- ii) it approves the entire contract exactly as it is to be executed; and it authorises the municipal manager to sign the contract on behalf of the municipality.
- 2) The process set out in subsection 1) does not apply to-
 - a) contracts for long-term debt regulated in terms of section 46 (3);
 - b) employment contracts; or
 - c) contracts-
 - i) for categories of goods as may be prescribed; or
 - ii) in terms of which the financial obligation on the municipality is below-
 - (aa) a prescribed value; or
 - (bb) a prescribed percentage or the municipality's approved budget for the year in which the contract is concluded
 - 3) (a) All contracts referred to in subsection 1) and all other contracts that impose a financial obligation on the municipality-
 - i) must be made available in their entirety to the municipal council: and
 - ii) may not be withheld from public scrutiny except as provided for in terms of the Promotion of Access of Information Act 2000 (Act No. 2 of 2000).

b) Paragraph (a) i) does not apply to contracts in respect of which the financial obligation on the municipality is below a prescribed value.
 - 4) This section may not be read as exempting the municipality from the provisions of Chapter 11 to the extent that those provisions are applicable in a particular case.

SECTION 90: DISPOSAL OF CAPITAL ASSETS

- 1) A municipal entity may not transfer ownership as a result of a sale or other transaction or otherwise dispose of a capital asset needed to provide the minimum level of basic municipal services.
- 2) A municipal entity may transfer ownership or otherwise dispose of a capital asset other than an asset contemplated in subsection (1), but only after the council of its parent municipality, in a meeting open to the public—
 - (a) has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services; and
 - (b) has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset.

- 3) A decision by a municipal council that a specific capital asset is not needed to provide the minimum level of basic municipal services may not be reversed by the municipality after that asset has been sold, transferred or otherwise disposed of.
- 4) A municipal council may delegate to the accounting officer of a municipal entity its power to make the determinations referred to in subsection (2)(a) and (b) in respect of movable capital assets of the entity below a value determined by the council.
- 5) Any transfer of ownership of a capital asset in terms of subsection (2) or (4) must be fair, equitable, transparent and competitive and consistent with the supply chain management policy which the municipal entity must have and maintain in terms of section 111.
- 6) This section does not apply to the transfer of a capital asset to a municipality or another municipal entity or to a national or provincial organ of state in circumstances and in respect of categories of assets approved by the National Treasury provided that such transfers are in accordance with a prescribed framework.

SECTION 110: APPLICATION OF THIS PART

Chapter 11 Part 1, which deals with supply chain management, applies to-

- a) the procurement by a municipality of goods and services;
- b) the disposal by a municipality of goods no longer needed;
- c) the selection of contractors to provide assistance in the provision of municipal services otherwise than in the circumstances envisaged in Chapter 8 of the Municipal Systems Act; and
- d) the selection of external mechanisms as referred in Section 80 of the Municipal Systems Act for the provision of municipal services in the circumstances contemplated in section 83 of that Act.

Except where specified, this part of the Act does not apply if a municipality contracts with another organ of state for:

- a) the provision of goods and services to the municipality;
- b) the provision of a municipal service or assistance in the provision of a municipal service; and
- c) the procurement of goods and services under a contract secured by such other organ of state, provided that the relevant supplier has agreed to such procurement.

SECTION 111: SUPPLY CHAIN MANAGEMENT POLICY

Each municipality and municipal entity must have and implement a supply chain management policy which gives effect to the provisions of this part of the present Act.

SECTION 112: SUPPLY CHAIN MANAGEMENT POLICY TO COMPLY WITH PRESCRIBED FRAMEWORK

The supply chain management policy of a municipality must be fair, equitable, transparent, competitive and cost-effective and comply with a prescribed regulatory framework for municipal supply chain management, which must cover at least the following:

- a) the range of supply chain management processes that municipalities and municipal entities may use, including tenders, quotations, auctions and other types or competitive bidding;
- b) when a municipality may or must use a particular type of process;
- c) procedures and mechanisms applicable to each type of process;
- d) procedures and mechanisms for more flexible processes where the value of a contract is below a prescribed amount;
- e) open and transparent pre-qualification processes for tenders or other bids;
- f) competitive bidding processes in which only pre-qualified persons may participate,
- g) bid documentation, advertising of and invitation for contracts;
- h) procedures and mechanisms for:
 - i. the opening, registering and recording of bids in the presence of interested persons;
 - ii. the evaluation of bids to ensure best value for money;
 - iii. negotiating the final terms of contracts; and
 - iv. the approval of bids;
- i) screening processes and security clearances for prospective contractors on tenders or other bids above a prescribed value;
- j) compulsory disclosure of any conflicts of interests prospective contractors may have in specific tenders, and the exclusion of such prospective contractors from those tenders or bids;
- k) participation in the supply chain management system of persons who are not officials of the municipality;
- l) the barring of persons from participating in tendering or other bidding processes, including persons:
 - i. who were convicted for fraud or corruption during the past 5 years;
 - ii. who wilfully neglected, reneged or failed to comply with a government contract during the past 5 years; or
 - iii. whose tax matters are not clearer by the South African Revenue Service;
- m) measures for:
 - i. combating fraud, corruption, favouritism and unfair and irregular practices in municipal supply chain management; and
 - ii. promoting the ethics of officials and other role players involved in municipal supply chain management;

- n) the invalidation of recommendations or decisions that were unlawfully or improperly made, taken or influenced, including recommendations or decisions that were made, taken or in any way influenced by:
 - i. councillors in contravention of item 5 or 6 of the code of conduct for councillors set out in Schedule 1 to the Municipal Systems Act; or
 - ii. municipal officials in contravention of item 4 or 5 of the code of conduct for municipal staff members set out in Schedule 2 to that Act;
- o) the procurement of goods and services by municipalities or municipal entities through contracts procured by other organs of state;
- p) contract management and dispute settling procedures: and
- q) the delegation of municipal supply chain management powers and duties, including to officials.

The regulatory framework for municipal supply chain management must be fair, equitable, transparent, competitive and cost-effective.

SECTION 113: UNSOLICITED BIDS

A municipality is not obliged to consider an unsolicited bid received outside its normal bidding process.

If a municipality does decide to consider an unsolicited bid it may do so only in accordance with the prescribed framework.

SECTION 114: APPROVAL OF TENDERS NOT RECOMMENDED

If a tender other than the one recommended in the normal course of implementing the supply chain management policy is approved, the accounting officer of the municipality must, in writing, notify the Auditor-General, the provincial treasury and the national treasury and, in the case of a municipal entity, also the parent municipality, of the reasons for deviating from such recommendation.

The above requirements do not apply if a different tender is approved purely to rectify an irregularity.

SECTION 115: IMPLEMENTATION OF SYSTEM.

The accounting officer of a municipality must implement the supply chain management policy and must take all reasonable steps to ensure that proper mechanisms and separation of duties in the supply chain management system are in place to minimise the likelihood of fraud, corruption, favouritism and unfair and irregular practices.

No person may impede the accounting officer in fulfilling this responsibility.

SECTION 116: CONTRACTS AND CONTRACT MANAGEMENT

A contract or agreement procured through the supply chain management system must be in writing and must stipulate the terms and conditions of the contract or agreement, which must include provisions which allow for:

- i. the termination of the contract or agreement in the case of non- or under- performance;
- ii. dispute resolution mechanisms to settle disputes between the parties; and
- iii. a periodic review of the contract or agreement once every 3 years in the case of a contract or agreement for longer than 3 years.

The accounting officer must:

- a) take all reasonable steps to ensure that a contract or agreement procured through the supply chain management supply is properly enforced;
- b) monitor on a monthly basis the performance of the contractor under the contract or agreement;
- c) establish capacity in the administration to assist the accounting officer in carrying out the foregoing responsibilities. and in overseeing the day-to-day management of contracts and agreements; and
- d) regularly report to the council or the board of directors, as the use may be, on the management of the contract or agreement and the performance of the contractor.

A contract or agreement procured through the supply chain management policy may be amended by the parties, but only after:

- a) the reasons for the proposed amendment have been tabled in the council of the municipality or, in the case of the municipal entity, in the council of its parent municipality; and
- b) the local community has been given reasonable notice of the intention to amend the contract or agreement, and has been invited to submit representations to the municipality.

SECTION 117: COUNCILLORS BARRED FROM SERVING ON MUNICIPAL TENDER COMMITTEES

No councillor of any municipality may be a member of a municipal bid committee or any other committee evaluating or approving tenders, quotations, contracts or other bids, nor attend any such meeting as an observer.

SECTION 118: INTERFERENCE

No person may interfere with the supply chain management system of the municipality, or amend or tamper with any tenders, quotations, contracts or bids after their submission.

SECTION 119: COMPETENCY LEVELS OF OFFICIALS INVOLVED IN MUNICIPAL SUPPLY CHAIN MANAGEMENT (EFFECTIVE 1 JULY 2006)

The accounting officer and all other officials of the municipality involved in the implementation of the supply chain management policy must meet the prescribed competency levels. The municipality must provide resources or opportunities for the relevant training of the officials referred to in order to ensure that the prescribed competency levels are met.

ANNEXURE “E”

THE NATIONAL TREASURY



MUNICIPALITY / MUNICIPAL ENTITY

CODE OF CONDUCT FOR SUPPLY CHAIN MANAGEMENT PRACTITIONERS
AND OTHER ROLE PLAYERS

In accordance with regulation 46(4) and 46(5) of the Local Government Municipal Finance Management Act, 2003: Municipal Supply Chain Management Regulations, the supply chain management policy of a municipality or municipal entity is required take into account the National Treasury’s code of conduct for supply chain management practitioners and other role players. Alternatively a municipality or municipal entity may adopt the National Treasury code of conduct. When adopted, such code of conduct becomes binding on all officials and other role players involved in the implementation of the supply chain management policy of the municipality or municipal entity.

The purpose of this Code of Conduct is to promote mutual trust and respect and an environment where business can be conducted with integrity and in a fair and reasonable manner.

1 General Principles

- 1.1 The municipality commits itself to a policy of fair dealing and integrity in the conducting of its business. Officials and other role players involved in supply chain management (SCM) are in a position of trust, implying a duty to act in the public interest. Officials and other role players should not perform their duties to unlawfully gain any form of compensation, payment or gratuities from any person, or provider/contractor for themselves, their family or their friends.
- 1.2 Officials and other role players involved in SCM should ensure that they perform their duties efficiently, effectively and with integrity, in accordance with the relevant legislation, policies and guidelines. They should ensure that public resources are administered responsibly.
- 1.3 Officials and other role players involved in SCM should be fair and impartial in the performance of their functions. They should at no time afford any undue preferential treatment to any group or individual or unfairly discriminate against any group or individual. They should not abuse the power and authority vested in them.

2 *Conflict of interest*

2.1 An official or other role player involved with supply chain management –

- (a) must treat all providers and potential providers equitably;
- (b) may not use his or her position for private gain or to improperly benefit another person;
- (c) may not accept any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of that person, of a value more than R350;
- (d) must declare to the accounting officer details of any reward, gift, favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person;
- (e) must declare to the accounting officer details of any private or business interest which that person, or any close family member, partner or associate, may have in any proposed procurement or disposal process, or in any award of a contract by the municipality;
- (f) must immediately withdraw from participating in any manner whatsoever in a procurement or disposal process or in the award of a contract in which that person, or any close family member, partner or associate, has any private or business interest;
- (g) must declare any business, commercial and financial interests or activities undertaken for financial gain that may raise a possible conflict of interest;
- (h) should not place him/herself under any financial or other obligation to outside individuals or organizations that might seek to influence them in the performance of their official duties; and
- (i) should not take improper advantage of their previous office after leaving their official position.

3 *Accountability*

3.1 Practitioners are accountable for their decisions and actions to the public.

3.2 Practitioners should use public property scrupulously.

3.3 Only accounting officers or their delegates have the authority to commit the to any transaction for the procurement of goods and / or services.

3.4 All transactions conducted by a practitioner should be recorded and accounted for in an appropriate accounting system. Practitioners should not make any false or misleading entries into such a system for any reason whatsoever.

3.5 Practitioners must assist the accounting officer in combating fraud, corruption, favouritism and unfair and irregular practices in the supply chain management system.

3.6 Practitioners must report to the accounting officer any alleged irregular conduct in the supply chain management system which that person may become aware of, including

- (i) any alleged fraud, corruption, favouritism or unfair conduct;
- (ii) any alleged contravention of the policy on inducements, rewards, gifts and favours to municipalities or municipal entities, officials or other role players; and
- (iii) any alleged breach of this code of conduct.

- 3.7 Any declarations made must be recorded in a register which the accounting officer must keep for this purpose. Any declarations made by the accounting officer must be made to the mayor who must ensure that such declaration is recorded in the register.

4 *Openness*

- 4.1 Practitioners should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only if it is in the public interest to do so.

5 *Confidentiality*

- 5.1 Any information that is the property of the municipality or its providers should be protected at all times. No information regarding any bid / contract / bidder / contractor may be revealed if such an action will infringe on the relevant bidder's / contractor's personal rights.
- 5.2 Matters of confidential nature in the possession of officials and other role players involved in SCM should be kept confidential unless legislation, the performance of duty or the provisions of law requires otherwise. Such restrictions also apply to officials and other role players involved in SCM after separation from service.

6 *Bid Specification / Evaluation / Adjudication Committees*

- 6.1 Bid specification, evaluation and adjudication committees should implement supply chain management on behalf of the municipality in an honest, fair, impartial, transparent, cost-effective and accountable manner.
- 6.2. Bid evaluation / adjudication committees should be familiar with and adhere to the prescribed legislation, directives and procedures in respect of supply chain management in order to perform effectively and efficiently.
- 6.3 All members of bid adjudication committees should be cleared by the accounting officer at the level of "CONFIDENTIAL" and should be required to declare their financial interest annually.
- 6.4 No person should-
- 6.4.1 interfere with the supply chain management system of the municipality; or
- 6.4.2 amend or tamper with any price quotation / bid after its submission.

7 *Combative Practices*

7.1 Combative practices are unethical and illegal and should be avoided at all cost. They include but are not limited to:

- (i) Suggestions to fictitious lower quotations;
- (ii) Reference to non-existent competition;
- (iii) Exploiting errors in price quotations / bids;
- (iv) Soliciting price quotations / bids from bidders / contractors whose names appear on the Register for Tender Defaulters.



CAPE WINELANDS DISTRICT
MUNICIPALITY • MUNISIPALITEIT • UMASIPALA

The background is a photograph of a rural landscape at dawn or dusk. Several tall, dark trees are silhouetted against a hazy, golden sky. In the distance, a line of trees is visible on a hillside. A few birds are flying in the sky. A fence is partially visible in the foreground.

TARIFFS 2009/2010

**CAPE WINELANDS DISTRICT MUNICIPALITY
RATES AND TAXES**

BY-LAW RELATING TO TARIFFS, CHARGES AND FEES

2009/2010

	2008/2009	2009/2010
<u>DISTRICT MANAGEMENT AREA</u> <i>(Income Vote = 1 1700 / 0870)</i>	0,3071c/R (100%)	0,0c/R (100%) <i>(Subject to changes as a result of revised valuation roll due to a supplementary valuation to be implemented on 01/07/2007)</i>

Interest at the Standard rate, in terms of section 97(e) of the Local Government: Municipal Systems Act, 32 of 2000, as determined from time to time, will be added to all unpaid rates.

PROPERTY RATES NOT SUBJECT TO V.A.T



CAPE WINELANDS DISTRICT MUNICIPALITY

BUILDING PLAN FEES

BY-LAW RELATING TO TARIFFS, CHARGES AND FEES

2009/2010

1. **BUILDING PLAN FEES:**

(Income Vote = 1 1521 / 0709)

(V.A.T. Vote = 3 1075 / 502 1)

The following fees are payable to Council in advance according to the following tariff for building plan scrutiny in respect of new buildings or changes to existing buildings:

- 1.1 R4.96 + R0.69 (V.A.T.) = **R5.65** per m² or part of m².
Minimum building plan fee of R166.67 + R23.33 (V.A.T.) = **R190.00**
- (2008/2009)* R4.51 + R0.63 (V.A.T.) = **R5.14** per m² or part of m².
Minimum fee of R151.75+ R21.25 (V.A.T.) = **R173,00**
- 1.2 Temporary structures (Small structures as described in National Building Regulations) R166.67+ R23.33 (V.A.T.) = **R190.00**
- (2008/2009)* R142.98 + R20.01 (V.A.T.) = **R173,00**
- 1.3 Extension of expiry date of approved building plan R166.67 + R23.33 (V.A.T.) = **R190.00**
- (2008/2009)* R151.75 + R21.25 (B.T.W) = **R173.00.**

2. **BUILDING PLAN FEES ON LATE SUBMISSION OF BUILDING PLANS:**

R11.58+ R1.62 (V.A.T.) = **R13.20** per m² or part of m².
Minimum building plan fee of R317.54 + R44.46 (V.A.T.) = **R362.00**
In cases where building has commenced without approved building plans.

(2008/2009) R10.53 + R1.47 (V.A.T.) = **R12.00** per m² or part of m².
Minimum building plan fee of R288.60 + R40.40 (V.A.T.) = **R329,00**
In cases where building has commenced without approved building plans.

3. TARIFFS FOR AMENDED BUILDING PLANS:

(Income Vote = 1 1521 / 0709)

(V.A.T. Vote = 3 1075 / 502 1)

R159.65+ R22.35(V.A.T.) = **R182.00** per building plan.

Provided that where proposed amendments to building plans result in major changes, the Chief Engineer may regard such applications as new applications.

(2008/2009) = R144.74 + R20.26 (V.A.T.) = **R165.00** per building plan.

V.A.T., AS INDICATED, IS APPLICABLE TO THE ABOVE TARIFFS.

(V.A.T. Vote = 3 1075/502 1)

=====

4. GENERAL:

- 4.1 No plans of any nature whatsoever shall be considered by Council unless and until such time as the appropriate fees have been paid.
- 4.2 No provision contained in this schedule may be interpreted as barring Council from waiving the further payment of any fees or part of any fees which otherwise would have been payable in terms of this schedule in respect of any plans as aforementioned, in respect of which such fees have been paid.
- 4.3 Council may repay money to any person who has paid the fees as determined in paragraph (1.1), to a maximum of 75% of such fees if such person's application for the approval of building plans is withdrawn before Council has made a decision with regard to the plans, provided that a minimum amount of R180.70 (including V.A.T.) shall be retained.

IMPORTANT:

SECTION HEADS MUST ENSURE THAT FEES PAYABLE IN ADVANCE, WHERE APPLICABLE, ARE PAID PRIOR TO THE RENDERING OF THAT SPECIFIC SERVICE.

ONLY THE EXECUTIVE DIRECTOR: FINANCE, MAY GRANT APPROVAL TO THE CONTRARY.

CAPE WINELANDS DISTRICT MUNICIPALITY

WATER SERVICES

BY-LAW RELATING TO TARIFFS, CHARGES AND FEES

2009/2010

CAPITAL CONTRIBUTIONS

(Income Vote = 1 1330 / 0720)

(Wellington and Hermon)

1. (per kl per day)

2008/2009

2009/2010

R 0.00 | R 5 500.00 R770.00 **R6 270.00**

V.A.T., AS INDICATED IN BRACKETS, IS INCLUDED IN THE ABOVE TARIFFS.

(V.A.T. Vote = 3 1075 / 502 1)

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IMPORTANT:

THE HEADS OF SECTIONS HAVE TO ENSURE THAT ALL FEES PAYABLE IN ADVANCE, ARE BEING PAID PRIOR TO THE RENDERING OF SERVICES.

ONLY THE EXECUTIVE DIRECTOR: FINANCE MAY GRANT APPROVAL TO THE CONTRARY.

CAPE WINELANDS DISTRICT MUNICIPALITY

SUNDRY TARIFFS

BY-LAW RELATING TO TARIFFS, CHARGES AND FEES

2009/2010

	2008/2009	Tariff	2009/2010 V.A.T.	Total
1. SUPPLY OF INFORMATION TO THE PUBLIC:				
1.1 Plan-& Photo-copies other than A/3: (<i>Income Vote = 1 1327 / 0720</i>)				
1.1.1 Copies				
<u>Paper</u>				
A/0	R39.10	R37.72	R 5.28	<u>R43.00</u>
A/1	R23.20	R22.37	R 3.13	<u>R25.50</u>
A/2	R15.40	R14.83	R 2.07	<u>R16.90</u>
A/3	R9.90	R9.56	R 1.34	<u>R10.90</u>
A/4	R6.30	R6.05	R 0.85	<u>R6.90</u>
<u>Tracing paper</u>				
A/0	R71.20	R68.68	R 9.62	<u>R78.30</u>
A/1	R42.90	R41.40	R 5.80	<u>R47.20</u>
A/2	R23.20	R22.37	R 3.13	<u>R25.50</u>
A/3	R15.40	R14.83	R 2.07	<u>R16.90</u>
A/4	R9.90	R9.56	R 1.34	<u>R10.90</u>
<u>Film</u>				
A/0	R139.80	R134.91	R 18.89	<u>R153.80</u>
A/1	R84.20	R81.23	R 11.37	<u>R92.60</u>
A/2	R42.90	R41.40	R 5.80	<u>R47.20</u>
A/3	R23.20	R22.37	R 3.13	<u>R25.50</u>
A/4	R14.40	R13.86	R 1.94	<u>R15.80</u>
1.3 Deeds Enquiries: (<i>Inc. Vote. = 1 1201 / 0720</i>)	R14.80	R14.30	R 2.00	<u>R16.30</u>
1.4 Valuation Certificates: (<i>Inc. Vote. = 1 1201 / 0720</i>)	R74.00	R71.40	R 10.00	<u>R81.40</u>
1.5 Clearance Certificates: (Financial) (<i>Inc. Vote. = 1 1225 / 0720</i>) (Ander) (<i>Inc. Vote. = 1 1700 / 0720</i>) (DMA)	R66.60	R64.30	R 9.00	<u>R73.30</u>
1.6 Information from Computer: (<i>Inc. Vote. = 1 1210 / 0720</i>)				
(Per Master)	R11.30	R10.88	R 1.52	<u>R12.40</u>
(Per Local Area or Ward)	R103.80	R100.17	R 14.03	<u>R114.20</u>
1.7 Search fees: (<i>Inc. Vote. = 1 1201 / 0720</i>) Information not readily available - (<i>Per hour or part thereof</i>)	R103.80	R100.17	R 14.03	<u>R114.20</u>

	2008/2009	2009/2010		
		<u>Tariff</u>	<u>V.A.T.</u>	<u>Total</u>
2. <u>DEPOSIT FOR DISPLAY OF ELECTION POSTERS AND OTHER</u> <i>(Income Vote. = 1 1002 / 0720)</i>	R1,398.00	R1,348.95	R 188.85	<u>R1,537.80</u>
3. <u>NON - REFUNDABLE FEE FOR ISSUING OF TENDER DOCUMENTS</u> <i>(Income Vote.= 1 1235 / 0720)</i>				
Standard document / max. 50 pages	R 100.00	R 96.49	R 13.51	<u>R 110.00</u>
Extended document / exceeding 50 pages	R 200.00	R 192.98	R 27.02	<u>R 220.00</u>

V.A.T., AS INDICATED, IS APPLICABLE TO THE ABOVE TARIFFS.

(V.A.T. Vote = 3 1075 / 502 1)

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IMPORTANT:

SECTION HEADS MUST ENSURE THAT ALL FEES PAYABLE IN ADVANCE, WHERE APPLICABLE, ARE PAID PRIOR TO THE RENDERING OF THAT SPECIFIC SERVICE. ONLY THE EXECUTIVE DIRECTOR: FINANCE MAY GRANT APPROVAL TO THE CONTRARY.

**CAPE WINELANDS DISTRICT MUNICIPALITY
GENERAL WORKS**

BY-LAW RELATING TO TARIFFS, CHARGES AND FEES

2009/2010

1. REPAIR OF INTERSECTIONS: (Income Vote = 1 1361 / 0720)

1.1 The following tariffs apply in a radius of 30 km from the works depot concerned:

	2008/2009	2009/2010		
		Tariff	V.A.T.	Total
Bitumen layer and other layers	R480,00	R464,91	R65,09	<u>R530,00/m²</u>
Bitumen layer only	R300,00	R289,47	R40,53	<u>R330,00/m²</u>
Gravel layers on gravel road	R160,00	R154,39	R21,61	<u>R176,00/m²</u>

1.2 *In case of a departure from the conditions stipulated in 1.1, the (real cost + 20% admin. fee) plus V.A.T., as determined by the Executive Director, will be payable.*

2. GRADING OF PRIVATE ACCESS ROAD: (Income Vote = 1 1361 / 0720)

	2008/2009	2009/2010		
		Tariff	V.A.T.	Total
2.1 Per road for a period of a maximum of one hour, but also linked to the grading cycle of the public road network	R 1,030.00	R993,86 +	R139,14	<u>R1 133,00</u> <i>(Dry grading of road)</i>
	R1,110.00	R1071,05 +	R149,95	<u>R1 221,00</u> <i>(Wet grading of road)</i>

2.2 *In case of a departure from the conditions stipulated in 2.1, the (real cost + 20% admin. fee) plus V.A.T., as determined by the Executive Director, will be payable.*

3. ERECTION OF TOURISM SIGNS: (Income Vote = 1 1361 / 0720)

	2008/2009	2009/2010		
3.1 Per facility sign within a radius of 30 km from the works depot concerned	R600,00	R631.58 +	R88,42	<u>R720,00</u>

	2008/2009	2009/2010		
		Tariff	V.A.T.	Total
3.2 Per facility sign within a radius of 31 – 51Km from the works depot concerned	R800.00	R842.11	+ R117,89	<u>R960.00</u>

3.3 In case of a departure from the conditions stipulated in 3.2, the (real cost + 20% admin. fee) plus V.A.T., as determined by the Executive Director, will be payable.

**3. REMOVAL OF ILLEGAL SIGNS:
(Income Vote = 1 1361 / 0720)**

	2008/2009	2009/2010		
		Tariff	V.A.T.	Total
4.1 Inside or outside road-reserve with a maximum area not exceeding 2m ²	R800,00	R842,11	+ R117,89	<u>R960,00</u>

4.2 In case of a departure from the conditions stipulated in 4.1, the (real cost + 20% admin. fee) plus V.A.T., as determined by the Executive Director, will be payable.

	2008/2009	2009/2010		
		Tariff	V.A.T.	Total
5. <u>ADMINISTRATION FEE FOR CLEARING ERVEN:</u> (Income Vote = 1 1361 / 0720)	R138,00	R133,33	+ R18,67	<u>R152,00</u>
6. <u>ENCROACHMENTS:</u> (Income Vote = 1 1225 / 0720)	R160,00 p.a.	R153,51	+ R21,49	<u>R175,00 p.a.</u>
7. <u>TEMPORARY STRUCTURE:</u> (Income Vote = 1 1521 / 0720)	R165.00 p.a.	R157,90	+ R22,10	<u>R180,00 p.a.</u>
8. <u>TRANSFER/CLEARANCE CERTIFICATE:</u> (Income Vote = 1 1521 / 0720) (New erven by building developers)	R160,00	R153,51	+ R21,49	<u>R175,00</u>

**V.A.T., AS INDICATED, IS APPLICABLE TO THE ABOVE TARIFFS.
(V.A.T. Vote = 3 1075/502 1)**

IMPORTANT:

SECTION HEADS MUST ENSURE THAT FEES PAYABLE IN ADVANCE, WHERE APPLICABLE, ARE PAID PRIOR TO THE RENDERING OF THAT SPECIFIC SERVICE.

ONLY THE EXECUTIVE DIRECTOR: FINANCE MAY GRANT APPROVAL TO THE CONTRARY.

CAPE WINELAND DISTRICT MUNICIPALITY

TAKING OF SAMPLES, MEAT INSPECTIONS AND FEES FOR DELIVERING OF NON-MUNICIPAL HEALTH SERVICES TO B-MUNICIPALITIES

BY-LAW RELATING TO TARIFFS, CHARGES AND FEES

2009/2010

1. **TAKING SAMPLES** (Payable in advance)
(Income Vote = 1 1441 / 0720)
(V.A.T. Vote = 3 1075 / 502 1)

2009/2010

Water, Milk and Food samples taken on request from private persons:
Lab tariff + 20 % administrative fee plus transport cost @ R3.16/km
As alternative samples is addressed for account of applicant

2008/2009

Water, Milk and Food samples taken on request from private persons:
Lab tariff + 20 % administrative fee plus transport cost @ R2.87/km.
As alternative samples is addressed for account of applicant

2. **MEAT INSPECTIONS** (Payable in advance):
(Income Vote = 1 1441 / 0720)
(V.A.T. Vote = 3 1075 / 502 1)

2009/2010

R121.93 + R17.07 (V.A.T.) = **R139** per hour within working hours } Plus transport
R157.02 + R21.98 (V.A.T.) = **R179** per hour after hours } cost @ R3.16/km

2008/2009

R110.52 + R15.47 (V.A.T.) = **R126** per hour within working hours } Plus transport
R142.98 + R20.01 (V.A.T.) = **R163** per hour after hours } cost @ R2.87/km

3. DELIVERING OF NON-MUNICIPAL HEALTH SERVICES TO B-MUNICIPALITIES.

2008 / 2009		2009/2010		
		<u>Tarrif</u>	<u>V.A.T.</u>	<u>Total</u>
Inspections - Air Pollution Control	R180.00	R173.68	R24.32	<u>R198.00</u> per hour
Inspections - Noise Pollution Control	R180.00	R173.68	R24.32	<u>R198.00</u> per hour

Plus Transport cost = R3.16/km

When an expert's advice is required, it will be done in consultation with the concerned Municipality and such cost will be additional to the above mentioned.

**V.A.T., AS INDICATED, IS APPLICABLE TO THE ABOVE TARIFFS.
(When an account is rendered – V.A.T. is to be calculated separately.)
(V.A.T. Votes = 3 1075 / 502 1)**

IMPORTANT:

SECTION HEADS MUST ENSURE THAT FEES PAYABLE IN ADVANCE, WHERE APPLICABLE, ARE PAID PRIOR TO THE RENDERING OF THAT SPECIFIC SERVICE. ONLY THE EXECUTIVE DIRECTOR: FINANCE MAY GRANT APPROVAL TO THE CONTRARY.

CAPE WINELANDS DISTRICT MUNICIPALITY

LEVYING OF APPLICATION FEES AS DETERMINED BY PROVINCIAL LAND-USE PLANNING ORDINANCE

2009/2010

(Income vote = 1 1521 / 0720)

	2008/2009	2009/2010		
		<u>Tariff</u>	<u>V.A.T.</u>	<u>Total</u>
1. Consent use application	R1,140.00	R1,100.00	R154,00	<u>R1,254.00</u>
2. Rezoning application	R1,140.00	R1,100.00	R154.00	<u>R1,254.00</u>
3. Departures:				
– Section 15(1)(a)(i)				
Erven less than 500 m ²	R 85,50	R 82,46	R11,54	<u>R 94,00</u>
Erven 500 – 750 m ²	R142.50	R135,97	R19,03	<u>R155,00</u>
Erven more than 750 m ²	R228.00	R219,30	R30,70	<u>R250,00</u>
– Section 15(1)(a)(ii)	R1,140.00	R1,100.00	R154.00	<u>R1,254.00</u>
4. Subdivisions:				
– Up to 20 erven	R 570.00	R552,63	R77.37	<u>R 630.00</u>
– More than 20 erven	R500.00+ R10.00 + V.A.T	R570,00 + R10,00 + V.A.T. (for each additional erf more than 20)		

V.A.T., AS INDICATED, IS APPLICABLE TO THE ABOVE TARIFFS.

(V.A.T. Vote = 3 1075 / 502 1)

=====

*THE ABOVE-MENTIONED TARIFFS ARE SUBJECT TO AMENDMENTS IN TERMS
OF THE WESTERN CAPE PLANNING AND DEVELOPMENT ACT (ACT 7 OF 1999).*

IMPORTANT:

**SECTION HEADS MUST ENSURE THAT FEES PAYABLE IN ADVANCE, WHERE APPLICABLE, ARE PAID
PRIOR TO THE RENDERING OF THAT SPECIFIC SERVICE.**

ONLY THE EXECUTIVE DIRECTOR: FINANCE MAY GRANT APPROVAL TO THE CONTRARY.

CAPE WINELANDS DISTRICT MUNICIPALITY

FIRE SERVICES CHARGES

BY-LAW RELATING TO TARIFFS, CHARGES AND FEES

2009/2010

1. SPECIALIZED FIRE FIGHTING SERVICES:

(AS PER MUNICIPAL STRUCTURES ACT)

(Income Vote = 1 1620 / 0710)

	2008/2009	2009/2010		Total
		Tariff	V.A.T	
1.1 This will include all Fire vehicles, all manpower, water supplies and pump attendance during actual rendering of a specialized fire fighting services,exceeding 1 hour working time (excluding travelling time) <i>(Per hour or part thereof)</i>	R1,824.00	R1,700.00	R238.00	<u>R1,938.00</u>
1.2 Additional Consumables: Purchase Price		----- Purchase Price -----		
1.3 Standby: (excluding travelling time) <i>(Per hour or part thereof)</i>	R627.00	R600.00	R84.00	<u>R684.00</u>
1.4 Call-out: Less than 1 hour (excluded if additional resources has been activated)	Free	----- Free -----		
1.5 Air Support Services: Purchase Price		----- Purchase Price -----		
1.6 Assistance requested outside CWDM boundary:	R 2,280.00	R 2,200.00	R 308.00	<u>R 2,508.00</u>
1.7 Special Standby Services (Outside Municipal Structures Act)	R 2,280.00	R 2,200.00	R 308.00	<u>R 2,508.00</u>

V.A.T., AS INDICATED, IS APPLICABLE TO THE ABOVE TARIFFS.

(When an account rendered - V.A.T. is to be calculated seperately)

(V.A.T. Votes :- Inc. = 3 1075 / 502 1)

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CAPE WINELANDS DISTRICT MUNICIPALITY
ADVERTISING COSTS FOR LAND USE DEPARTURE
WHERE ADVERTISING FOR OBJECTIONS ARE CONCERNED
BY-LAW RELATING TO TARIFFS, CHARGES AND FEES
2009/2010

(Income Vote = 1 1521 / 0100)

	2008/2009	2009/2010		
		<u>Tariff</u>	<u>V.A.T.</u>	<u>Total</u>
One newspaper plus Provincial Gazette	R2,226.00	R2 147.37	R300.63	<u>R2,448.00</u>
More than one newspaper plus Prov. Gaz.	R3,784.00	R3 650.88	R511.12	<u>R4,162.00</u>

V.A.T., AS INDICATED, IS APPLICABLE TO THE ABOVE TARIFFS.
(V.A.T. Vote = 3 1075 / 502 1)

=====

This charge covers all administration and advertising costs that Council may incur. No repayment will be made to any applicant if advertising had already taken place.

If an application is withdrawn before advertising had taken place, 75% of the tariff will be repaid.

IMPORTANT:

SECTION HEADS MUST ENSURE THAT FEES PAYABLE IN ADVANCE, WHERE APPLICABLE, ARE PAID PRIOR TO THE RENDERING OF THAT SPECIFIC SERVICE.

ONLY THE EXECUTIVE DIRECTOR: FINANCE MAY GRANT APPROVAL TO THE CONTRARY.

CAPE WINELANDS DISTRICT MUNICIPALITY

EERSTE BEGIN

BY-LAW RELATING TO TARIFFS, CHARGES AND FEES

2009/2010

RENTAL OF HALL FACILITIES

(Income Vote = 1 1165 / 0741)

2008/2009

2009/2010

GROUPS:

		<u>Tariff</u>	<u>V.A.T.</u>	<u>Total</u>
1.	Consisting mainly of Children -	R 50.00	R48.25	R6.75
2.	Consisting mainly of Adults - (maximum 10 persons per group)	R 110.00	R106.14	R14.86
				<u>R55.00</u>
				<u>R121.00</u>

V.A.T., AS INDICATED IN BRACKETS, IS INCLUDED IN THE ABOVE TARIFFS.

(V.A.T. Vote = 3 1075 / 502 1)

IMPORTANT:

THE HEADS OF SECTIONS HAVE TO ENSURE THAT ALL FEES PAYABLE IN ADVANCE, ARE BEING PAID PRIOR TO THE RENDERING OF SERVICES.

ONLY THE EXECUTIVE DIRECTOR: FINANCE MAY GRANT APPROVAL TO THE CONTRARY.

CAPE WINELANDS DISTRICT MUNICIPALITY

FEES FOR ACCESS TO INFORMATION

(PROMOTION OF ACCESS TO INFORMATION, ACT NO. 2 OF 2000)

2009/2010

	2008/2009	2009/2010
1. Copy of "ACCESS TO INFORMATION MANUAL" R (available on request)		
2. <u>Request fee</u> , except for a personal requester, requesting personal information	R 58-00	R35-00
3. <u>Fees for reproduction:</u> Every photocopy of an A 4-size or a part thereof	R 1-20	R 0-60
Every printed copy of an A 4-size page or a part thereof held on a computer or in electronic or machine-readable form	R 1-00	R 0-40
A copy in a computer-readable form on: stiffy disc	R 8-40	R 5-00
compact disc	R 63-60	R 40-00
A transcription of visual images for an A 4-size page or part thereof	R 37-10	R 22-00
for a copy of visual images	R 84-80	R 60-00
for a transcription of an audio record, for an A 4-size page or part thereof	R 26-50	R 12-00
for a copy of an audio record	R 37-10	R 17-00
4. <u>Access Fees</u> (unless exempted under section 22 (8) of the Act: Every photocopy of an A 4-size page or a part thereof	R 1-20	R 0-60
Every printed copy of an A 4-size page or a part thereof held on a computer or in electronic or machine-readable form	R 1-00	R 0-40
A copy in a computer-readable form on: stiffy disc	R 8-40	R 5-00
compact disc	R 63-60	R 40-00

A transcription of visual images for an A 4-size page or part thereof	R 37-10	R 22-00
for a copy of visual images	R 84-80	R 60-00
for a transcription of an audio record,		
for an A 4-size page or part thereof	R 26-50	R 12-00
for a copy of an audio record	R 31-80	R 17-00

5. To search for the record for disclosure,
for each hour or part of an hour, excluding
the first hour
- | | | |
|--|---------|---------|
| | R 31-80 | R 15-00 |
|--|---------|---------|

6. Deposit:

A deposit is not required until six hours are exceeded in terms of
paragraph 5.

One-third of the access fee, listed in paragraph 4, is payable by the
requester as a deposit.

Postage is payable by the requester when a copy of the record must be
posted to the requester.

V.A.T. IS INCLUDED IN THE ABOVE TARIFFS.

(Fees to be paid into the Sundry Income Vote of the applicable cost centre)

(V.A.T. Vote = 3 1075 / 502 1)

=====

**THE HEADS OF SECTIONS HAVE TO ENSURE THAT ALL FEES PAYABLE IN ADVANCE, ARE
BEING PAID PRIOR TO THE RENDERING OF SERVICES. ONLY THE EXECUTIVE DIRECTOR: FINANCE
MAY GRANT APPROVAL TO THE CONTRARY.**

ANNEXURE " C "

CASHFLOW OF CAPE WINELANDS DISTRICT MUNICIPALITY FOR PERIOD 2009/2010

	TOTAL	Month 1 July	Month 2 Aug	Month 3 Sept	Month 4 Oct	Month 5 Nov	Month 6 Dec	Month 7 Jan	Month 8 Feb	Month 9 Mar	Month 10 Apr	Month 11 May	Month 12 June
Opening Cash Balance	1386788	1,386,788	9,339,116	10,370,102	13,946,051	3,287,649	4,436,865	9,428,966	15,888,366	9,248,194	5,033,028	9,127,342	14,935,685
Add : Receipts													
- REVENUE RECEIPTS (INCL CONSUMER	298,800	-	-	-	-	-	89,640	89,640	119,520	-	-	-	-
- GRANTS AND SUBSIDIES	282,784,552	66,563,583	11,170,139	7,001,383	8,321,383	62,804,683	7,321,383	81,405,783	7,221,383	7,001,383	7,001,383	7,001,383	7,001,783
- PUBLIC DONATIONS	2,500,000	1,000,000	1,200,000	300,000	-	-	-	-	-	-	-	-	-
- INVESTMENTS REDEEMED	880,000,000	40,000,000	80,000,000	120,000,000	60,000,000	20,000,000	60,000,000	20,000,000	110,000,000	80,000,000	130,000,000	80,000,000	80,000,000
- OTHER	35,617,200	2,951,400	2,951,400	2,951,400	2,951,000	3,151,400	2,951,400	2,951,600	2,951,400	2,951,100	2,951,500	2,951,400	2,952,200
SUB-TOTAL (RECEIPTS)	1,197,932,852	110,514,983	95,321,539	130,252,783	71,272,383	85,956,083	70,272,783	104,357,383	120,172,783	89,952,483	139,952,883	89,952,783	89,953,983
LESS : PAYMENTS													
- SALARIES, WAGES AND ALLOWANCES	133,623,500	10,775,250	10,808,643	10,932,289	10,790,000	14,205,490	10,957,476	10,759,743	10,889,339	10,785,238	10,784,954	10,762,029	11,173,050
- CASH AND CREDITOR PAYMENTS	316,912,052	15,845,603	31,691,205	47,536,808	14,261,042	3,565,261	15,845,603	3,169,121	47,536,808	31,691,205	47,536,808	31,691,205	26,541,384
- CAPITAL PAYMENTS	18,895,716	96,200	99,500	670,930	2,618,700	3,470,856	2,632,000	800,000	850,000	-	-	-	7,657,530
- INVESTMENTS MADE	410,000,000	60,000,000	20,000,000	20,000,000	40,000,000	60,000,000	20,000,000	80,000,000	20,000,000	20,000,000	30,000,000	10,000,000	30,000,000
SUB-TOTAL (PAYMENTS)	1,196,343,319	102,562,655	94,290,553	126,676,834	81,930,785	84,806,867	65,280,682	97,897,984	126,812,955	94,167,648	135,858,569	84,144,440	101,913,348
CLOSING BALANCE	2,976,321	9,339,116	10,370,102	13,946,051	3,287,649	4,436,865	9,428,966	15,888,366	9,248,194	5,033,028	9,127,342	14,935,685	2,976,321

ANNEXURE " D "

Cape Winelands District Municipality

PARTICULARS OF THE INVESTMENTS AS PRESCRIBED BY SECTION 17(1)(F)

Invested as at 28 FEBRUARY 2009 at the following A1 Banks as prescribed by

ABSA	90,000,000
FNB	75,000,000
INVESTEC	70,000,000
NEDCOR	95,000,000
STANDARD BANK	80,000,000
TOTAL INVESTMENTS	410,000,000.00
Call Account: ABSA	906,397.00
BANK /CASH - ABSA	23,491,296.00
TOTAL:CASH AND INVESTMENTS	434,397,693.00

ANNEXURE " E "

TOWN	CONTACT PERSON	CONTACT DETAILS	BUDGET
Breederiver Winelands Ashton	Mariette Barnes	023 - 615 8038 023 - 615 1563 (f) mariette@breeland.gov.za	R8300
Ceres	Shirley Wagenaar	023 - 316 1287/ 316 1051 023 - 312 3708 (f) manager@ceres.org.za	R8300
De Doorns	Melanie Viljoen	023 - 356 2041 023 - 356 3391 (f) hvtourism@telkomsa.net	R8300
Franschhoek	Siegfried Schafer	021 - 876 3603 021 - 876 2768 (f) ceo@franschhoek.org.za	R8300
Dwars River Valley Tourism / Pniel	Leon Taljaard	021 885 2662 021 885 2661 dwarsriver@telkomsa.net	R8300
Montagu	Mariza Klein	023 - 614 2471 023 - 614 2471 (f) info@montagu-ashton.info	R8300
Paarl	Riana Dempers	021 - 872 4842 / 872 6737 021 - 872 9376 (f) paarlinfo@drakenstein.gov.za	R8300
Breedekloof	Melody Botha	023 - 349 1791 023 - 349 1720 (f) melody@breedekloof.com	R8300
Robertson	Lettie van Zyl Cell: 082 332 8691	023 - 626 4437 023 - 626 4290 (f) info@robertson.org.za	R8300
Stellenbosch	Seranti Viljoen Cell: 084 562 8159	021 - 883 3584 ₁₈₁ 021 - 883 8017 (f) ceo@stellenboschtourism.co.za	R8300

**1. LIST OF LTA
BENEFICIARIES
FOR PROJECTS**

Tulbagh	Patty Nieuwoudt Cell: 072 159 4533	023 - 230 1348 023 - 230 1348 (f) tulbaghinfo@lando.co.za	R8300
Wellington	Jo-Ann Steenkamp Bonisile Tselelo	021 - 873 4604 021 - 873 4607 (f) wellingtoninfo@drakenstein.gov.za	R8300
Wolseley	Marie Loubser Cell: 082 835 7625	023 - 231 1021 023 - 231 1361 (f) wolstourism@witzenberg.gov.za	R8300
Worcester	Jacqui Damens Cell: 072 158 0532	023 - 348 2795 023 - 347 4678 (f) jcdamens@breedevallei.gov.za	R8300
TOTAL BUDGET			R116 600.00

2. THD Community Training List of beneficiaries

Names of THD's	Total p.m
Marian Mercur	R8500 x 10mths
Eugene Newman	R3500 x 10 mths
Yasmine Raziet	R3500 x 10 mths
Sub total	R155 000
Community training	R 78 200
Total	R233 200

4. Breedekloof Bursary fund

1 beneficiary – Breedekloof Wine & Tourism (Cape Winelands is one partner who only contribute a small amount towards Breedekloof's Bursary fund, therefore the money is paid over to Breedekloof to assist with the funding of the 4 students)

Total = R40 300.00

4 students:

J. De Koker

E. Botes

B. Maarman

O.Lewis

SURNAME	STUDY FIELD	ACADEMIC YEAR	MENTOR SHIP	ACCOMMODATION	MEALS	BOOKS	POCKET MONEY	TUITION	TOTAL COST	
Botes E	BScAgric(Viticul &Oeno)	5	1,000.00	18,200.00	11,010.00	4,000.00	5,000.00	25,500.00	64,710.00	64,710.00
De Koker J	BScAgric(Viticul &Oeno)	3	1,000.00	18,200.00	11,010.00	4,000.00	5,000.00	25,500.00	64,710.00	42,061.50
Lewis OV	BScAgric(Viticul &Oeno)	2	1,000.00	18,200.00	11,010.00	4,000.00	5,000.00	25,500.00	64,710.00	42,061.50
Maarman BC	BScAgric(Viticul &Oeno)	2	1,000.00	18,200.00	11,010.00	4,000.00	5,000.00	25,500.00	64,710.00	42,061.50
TOTAL			4,000.00	72,800.00	44,040.00	16,000.00	20,000.00	102,000.00	258,840.00	190,894.50

ANNEXURE " F "



DATUM / DATE : 2009-04-30

MEMORANDUM VAN / FROM : **UITVOERENDE DIREKTEUR : INGENIEURS- EN INFRASTRUKTUURDIENSTE**
MNR AN VAN TAAK

MEMORANDUM AAN / TO : **DIREKTEUR : FINANSIËLE DIENSTE**
MNR G MARAIS

LYS VAN SEKSIE 17(3) (J) ALLOKASIE

Ek verwys na jou Memo gedateer 21 April 2009.

Die inligting soos aangevra is as volg:

1. Opgradering van Landelike Paaie (R13 000 000)

Paaie wat opgradeer gaan word:

- Blaauwklippen pad - R9,0 miljoen
- Klaas Voogds Wes - R4,0 miljoen

2. Opgradering van skouers (R1 500 000)

- Blaauwklippen pad - R1, 5 miljoen

3. Lys van begunstigdes : Landelike Waterskema (R4 000 000 + R1 200 000)

- Lys alreeds by Finansies : Al die persone wat bydraes gelewer het tot die skema (R1 200 000). Daar gaan egter nog in die toekoms baie aansoeke kom vir aansluiting by die skema.

4. Lys van begunstigdes : Elektrisiteit op plase (R300 000 + R1 000 000)

- Lys nog nie beskikbaar. Daar sal sodra die begroting goedgekeur is geadverteer word vir aansoeke.

5. Lys van Munisipaliteite : Opgradering van Interne Strate en Sypaadjies (R5 000 000)

- Moontlike Munisipaliteite is: Witzenberg, Breërivier/Wynland en Breede Vallei.
- Lys van strate moet egter nog gefinaliseer word.

6. Lys van Munisipaliteite : Opgradering van toilet fasiliteite (R10 000 000)

- Moontlike Munisipaliteite is: Drakenstein, Breede Vallei, Breërivier/Wynland en Witzenberg. Die spesifieke begunstigdes moet egter nog geidentifiseer word na 'n sosiale studie wat deur konsultante onderneem moet word. Tans besig met die aanstelling van konsultant.

7. Lys van Munisipaliteite: Watervoorsiening Informele Nedersettings (R1 500 000)

- Moontlike Munisipaliteite is: Stellenbosch, Drakenstein, Breede Vallei, Breërivier/Wynland en Witzenberg. Spesifieke nedersettings moet nog geidentifiseer word.

8. Munisipaliteit: Freedom Square Projek

- Breede Vallei

Volgens my is dit nie nodig om bogenoemde name in terme van 17(3) (J) aan die Raad voor te lê nie. Daar is ander stelsels en prosedures wat deur die Raad bepaal is en waarvolgens delegasies gegee is om die begunstigdes te bepaal en goed te keur. Byvoorbeeld aan die Burgemeester om sekere lysse/name goed te keur (byvoorbeeld die voorsiening van elektrisiteit aan plase).

Verder word die fondse nie oorgedra aan die betrokke munisipaliteite of instansies nie, maar word die projekte deur die Raad self onderneem en uitgevoer.

Indien dit gaan oor alle persone en instansies wat bevoordeel word deur projekte van die Raad gaan dit baie lang lysse wees. Dit sal beteken dat elke munisipaliteit (B) wat water en elektrisiteit aan 'n persoon voorsien die lys van begunstigdes aan die Raad moet voorlê. So sal alle begunstigdes ten opsigte van alle behuisingsprojekte ook aan die Raad voorgelê moet word.

Wat my betref gaan dit oor "allocations or grants" en daarin verstaan ek finansiële "allocations" en "grants" aan die instansies soos genoem. Daar word ook nêrens na begunstigdes (persone) verwys nie.

**UITVOERENDE DIREKTEUR
INGENIEURS EN INFRASTRUKTUURDIENSTE**

ANNEXURE " G "

THE PROPOSED COST TO THE MUNICIPALITY FOR THE BUDGET YEARS OF THE SALARY,

SECTION 17(1)(k)(i)		2009/2010		2010/2011		2011/2012	
	Executive Mayor	R	792,550	R	880,000	R	960,000
	Executive Deputy Mayor	R	667,550	R	740,000	R	810,000
	Speaker	R	667,550	R	740,000	R	810,000
	Members of the EMC	R	3,347,100	R	3,700,000	R	4,100,000
Section 17(1)(k)(ii)	Members of Council	R	1,736,200	R	2,000,000	R	2,200,000
Section 17(1)(k)(iii)	District Municipal Manager	R	1,006,568	R	1,127,356	R	1,262,639
	Corporate Services	R	856,781	R	959,595	R	1,074,746
	Financial Management Services	R	850,790	R	952,885	R	1,067,231
	Engineering and Infrastructure Development Services	R	850,790	R	952,885	R	1,067,231
	Economic Development and Planning	R	838,807	R	939,464	R	1,052,200
	Community and Developmental Services	R	838,807	R	939,464	R	1,052,200
	Rural and Social Development	R	838,807	R	939,464	R	1,052,200
TOTAL		R	13,292,300	R	14,871,112	R	16,508,445

ANNEXURE " H "

ANNEXURE " I "

CAPITAL BUDGET 2009/2010

DEPARTMENT	DESCRIPTION	DATE OF PURCHASE	BUDGET 2009/2010	BUDGET 2010/2011	BUDGET 2011/2012
CAPITAL FINANCED FROM OWN FUNDS					
ENVIRONMENTAL PLANNING	GIS WORKSTATION	NOVEMBER 2009	30,000	-	-
ECONOMIC DEVELOPMENT	DESK	NOVEMBER 2009	5,448	-	-
ECONOMIC DEVELOPMENT	WASTE BIN	NOVEMBER 2009	372	-	-
ECONOMIC DEVELOPMENT	HIGH BACK CHAIR	NOVEMBER 2009	1,931	-	-
ECONOMIC DEVELOPMENT	2 X CHAIR	NOVEMBER 2009	1,576	-	-
ECONOMIC DEVELOPMENT	CABINET	NOVEMBER 2009	4,417	-	-
ECONOMIC DEVELOPMENT	SHELF SYSTEMS CABINET	NOVEMBER 2009	344	-	-
ECONOMIC DEVELOPMENT	4 DRAWER FILING CABINET	NOVEMBER 2009	6,606	-	-
ECONOMIC DEVELOPMENT	3 DRAWER MOBILE PEDESTAL	NOVEMBER 2009	2,258	-	-
ECONOMIC DEVELOPMENT	DESK	NOVEMBER 2009	5,448	-	-
ECONOMIC DEVELOPMENT	WASTE BIN	NOVEMBER 2009	372	-	-
ECONOMIC DEVELOPMENT	HIGH BACK CHAIR	NOVEMBER 2009	1,931	-	-
ECONOMIC DEVELOPMENT	2 X CHAIR	NOVEMBER 2009	1,576	-	-
ECONOMIC DEVELOPMENT	CABINET	NOVEMBER 2009	4,417	-	-
ECONOMIC DEVELOPMENT	SHELF SYSTEMS CABINET	NOVEMBER 2009	344	-	-
ECONOMIC DEVELOPMENT	4 DRAWER FILING CABINET	NOVEMBER 2009	6,606	-	-
ECONOMIC DEVELOPMENT	3 DRAWER MOBILE PEDESTAL	NOVEMBER 2009	2,258	-	-
PLANNING	DESK	NOVEMBER 2009	5,448	-	-
PLANNING	WASTE BIN	NOVEMBER 2009	372	-	-
PLANNING	HIGH BACK CHAIR	NOVEMBER 2009	1,931	-	-
PLANNING	2 X CHAIR	NOVEMBER 2009	1,576	-	-
PLANNING	CABINET	NOVEMBER 2009	4,417	-	-
PLANNING	SHELF SYSTEMS CABINET	NOVEMBER 2009	344	-	-
PLANNING	4 DRAWER FILING CABINET	NOVEMBER 2009	6,606	-	-
PLANNING	3 DRAWER MOBILE PEDESTAL	NOVEMBER 2009	2,258	-	-
PLANNING	LAPTOP	NOVEMBER 2009	8,000	8,000	8,000
PLANNING	PRINTER	NOVEMBER 2009	2,000	2,000	2,000
MANAGEMENT: PLANNING	COPY MACHINE	NOVEMBER 2009	130,000	-	-
DISASTER MANAGEMENT	DISASTER MANAGEMENT CENTRE: PLANNING	JUNE 2010	200,000	-	-
DISASTER MANAGEMENT	VEHICLES SEDAN	OCTOBER 2009	150,000	170,000	170,000
DISASTER MANAGEMENT	VEHICLE (4X4 BAKKIES)	NOVEMBER 2009	350,000	350,000	350,000
DISASTER MANAGEMENT	ALTERATIONS TO INCIDENT COMMAND VEHICLE	FEBRUARY 2010	450,000	-	-
DISASTER MANAGEMENT	2 X DESK	OCTOBER 2009	8,000	20,000	15,000
DISASTER MANAGEMENT	2 X OFFICE CHAIR	OCTOBER 2009	3,400	10,000	8,000
DISASTER MANAGEMENT	4 X VISITORS CHAIR	OCTOBER 2009	5,600	15,000	8,000
DISASTER MANAGEMENT	2 X SYSTEMS CABINET	OCTOBER 2009	7,000	30,000	20,000
DISASTER MANAGEMENT	2 X 3-TIER BOOKCASE	OCTOBER 2009	1,400	10,000	7,000
DISASTER MANAGEMENT	20 X CHAIRS	OCTOBER 2009	34,000	20,000	15,000
DISASTER MANAGEMENT	2 X CHAIRS	OCTOBER 2009	2,800	3,000	3,500
DISASTER MANAGEMENT	TENTS 5 x 10m	NOVEMBER 2009	12,000	15,000	17,000
DISASTER MANAGEMENT	TENTS 3 x 3m	NOVEMBER 2009	140,000	150,000	170,000
DISASTER MANAGEMENT	MOBILE WATER PUMPS	OCTOBER 2009	30,000	30,000	30,000
DISASTER MANAGEMENT	DIGITAL CAMERA	OCTOBER 2009	20,000	-	-
DISASTER MANAGEMENT	RISK DETECTOR	OCTOBER 2009	50,000	-	-
DISASTER MANAGEMENT	SATELLITE EQUIPMENT FOR SATELLITE CENTRES	FEBRUARY 2010	100,000	-	-
DISASTER MANAGEMENT	PRINTERS	OCTOBER 2010	-	2,000	3,000
DISASTER MANAGEMENT	GUILLOTINE	OCTOBER 2010	-	10,000	15,000
DISASTER MANAGEMENT	SHREDDER	OCTOBER 2010	-	12,000	15,000
DISASTER MANAGEMENT	FAX	OCTOBER 2010	-	3,000	3,500
DISASTER MANAGEMENT	COMPUTERS AND PRINTERS	OCTOBER 2010	-	50,000	50,000
MANAG: COMMUNITY AND DEVELOPMENTAL SERVICES	FAX MACHINE	AUGUST 2009	2,000	-	-
MANAG: COMMUNITY AND DEVELOPMENTAL SERVICES	DIGITAL CAMERA	AUGUST 2009	5,500	-	-
MANAG: COMMUNITY AND DEVELOPMENTAL SERVICES	WALL PICTURES	SEPTEMBER 2009	3,000	-	-
MANAG: COMMUNITY AND DEVELOPMENTAL SERVICES	LAPTOP	AUGUST 2009	20,000	-	-
MUNICIPAL HEALTH SERVICES	DESK X 4	SEPTEMBER 2009	19,800	-	-
MUNICIPAL HEALTH SERVICES	HIGH BACK CHAIRS X 3	SEPTEMBER 2009	3,550	-	-
MUNICIPAL HEALTH SERVICES	VISITORS CHAIRS X 12	SEPTEMBER 2009	9,580	-	-
MUNICIPAL HEALTH SERVICES	4 - DRAWER FILING CABINET X 6	SEPTEMBER 2009	21,300	-	-

CAPITAL BUDGET 2009/2010

DEPARTMENT	DESCRIPTION	DATE OF PURCHASE	BUDGET 2009/2010	BUDGET 2010/2011	BUDGET 2011/2012
MUNICIPAL HEALTH SERVICES	HINGED DOOR SYSTEMS CUPBOARD X 3	SEPTEMBER 2009	10,000	-	-
MUNICIPAL HEALTH SERVICES	FRIDGE	SEPTEMBER 2009	2,000	-	-
MUNICIPAL HEALTH SERVICES	LAMINATOR	SEPTEMBER 2009	600	-	-
MUNICIPAL HEALTH SERVICES	PROJECTOR SCREEN	SEPTEMBER 2009	900	-	-
MUNICIPAL HEALTH SERVICES	COMPUTER DESK	SEPTEMBER 2009	4,500	-	-
MUNICIPAL HEALTH SERVICES	BINDING MACHINE	SEPTEMBER 2009	5,000	-	-
MUNICIPAL HEALTH SERVICES	BOOKSHELF	SEPTEMBER 2009	1,500	-	-
MUNICIPAL HEALTH SERVICES	CARPET PROTECTOR X 7	SEPTEMBER 2009	3,500	-	-
MUNICIPAL HEALTH SERVICES	AIR CONDITIONER(MOBILE) X 2	SEPTEMBER 2009	10,000	-	-
MUNICIPAL HEALTH SERVICES	TYPIST CHAIR X 1	SEPTEMBER 2009	1,500	-	-
MUNICIPAL HEALTH SERVICES	AUTOCLAVE X 1	SEPTEMBER 2009	5,000	-	-
MUNICIPAL HEALTH SERVICES	SMART BOARD AND LAPTOP	SEPTEMBER 2009	75,000	-	-
MUNICIPAL HEALTH SERVICES	SMART BOARD AND LAPTOP	SEPTEMBER 2009	75,000	-	-
MUNICIPAL HEALTH SERVICES	GPS INSTRUMENTS X 2	SEPTEMBER 2009	5,000	-	-
FIRE SERVICES	FOAM GENERATOR	DECEMBER 2009	50,000	-	-
FIRE SERVICES	4 PLATE STOVES	AUGUST 2009	6,000	6,000	6,000
FIRE SERVICES	OFFICE DESKS	AUGUST 2009	4,000	2,000	2,000
FIRE SERVICES	FRIDGE x 2	AUGUST 2009	4,000	4,000	4,000
FIRE SERVICES	REPLACE MATTRESSES	AUGUST 2009	6,000	6,000	6,000
FIRE SERVICES	BEDS	AUGUST 2009	6,000	15,000	15,000
FIRE SERVICES	HYDRO BOIL	AUGUST 2009	6,000	6,000	7,000
FIRE SERVICES	FILING CABINETS	DECEMBER 2009	15,000	5,000	-
FIRE SERVICES	STUDENT DESKS AND CHAIRS FOR LECTURER ROOM	AUGUST 2009	20,000	5,000	-
FIRE SERVICES	CHAIRS FOR REST ROOM	AUGUST 2009	20,000	10,000	5,000
FIRE SERVICES	LOCKERS FOR QUARTERS	SEPTEMBER 2009	10,000	11,000	12,000
FIRE SERVICES	CLOSE CIRCUIT TELEVISION FOR CONTROL CENTRE	OCTOBER 2009	50,000	-	-
FIRE SERVICES	PRINTER	SEPTEMBER 2009	2,000	-	-
FIRE SERVICES	GUILLOTINE	SEPTEMBER 2009	10,000	-	-
FIRE SERVICES	SHREDDER	SEPTEMBER 2009	12,000	-	-
FIRE SERVICES	FAX	SEPTEMBER 2009	3,000	4,000	-
FIRE SERVICES	COMPUTERS AND PRINTERS	OCTOBER 2009	50,000	60,000	65,000
FIRE SERVICES	FIRE FIGHTING SIMULATORS	JANUARY 2010	100,000	120,000	-
FIRE SERVICES	PORTABLE HIGH PRESSURE PUMP	JANUARY 2010	60,000	65,000	80,000
FIRE SERVICES	INLINE INDUCTOR & FOAM BRANCHES	NOVEMBER 2009	30,000	35,000	40,000
FIRE SERVICES	SMOKE MACHINE	NOVEMBER 2009	30,000	-	35,000
FIRE SERVICES	CONTAINERS	NOVEMBER 2009	160,000	100,000	-
FIRE SERVICES	INFLATABLE TENT	DECEMBER 2009	40,000	-	60,000
FIRE SERVICES	CHLORINE KITS	NOVEMBER 2009	10,000	10,000	11,000
FIRE SERVICES	BREATHING APPARATUS	DECEMBER 2009	180,000	180,000	200,000
FIRE SERVICES	ALTERATIONS: HAZMAT RESPONSE VEHICLE	FEBRUARY 2010	200,000	-	-
FIRE SERVICES	BA AIR PACK WITH AIRLINE	DECEMBER 2009	90,000	-	-
FIRE SERVICES	REPLACEMENT OF SKID UNIT PUMPS	DECEMBER 2009	150,000	100,000	100,000
FIRE SERVICES	BUILDING ALTERATIONS	JUNE 2010	500,000	500,000	500,000
FIRE SERVICES	HAZMAT ATMOSPHERIC DETECTOR	JANUARY 2010	40,000	-	-
FIRE SERVICES	PHYSICAL FITNESS EQUIPMENT	NOVEMBER 2009	100,000	150,000	100,000
FIRE SERVICES	TRENCH RESCUE EQUIPMENT	OCTOBER 2009	150,000	-	-
FIRE SERVICES	PORTABLE RADIOS WITH SPARE BATTERIES	JANUARY 2010	100,000	190,000	200,000
FIRE SERVICES	MAJOR WILDLANDS FIRE FIGHTING PUMPER	NOVEMBER 2009	1,400,000	2,000,000	2,500,000
FIRE SERVICES	LIGHT WILDLANDS FIRE FIGHTING PUMPER	JANUARY 2010	500,000	550,000	600,000
FIRE SERVICES	RAPID RESPONSE VEHICLE WITH OFF-ROAD CAPABILITY	OCTOBER 2009	380,000	400,000	450,000
FIRE SERVICES	PNEUMATIC SEALING KITS FOR HAZMAT	FEBRUARY 2010	100,000	-	-
FIRE SERVICES	HIGH PRESSURE STEAM CLEANER	OCTOBER 2009	40,000	45,000	50,000
FIRE SERVICES	MINOR FIRE FIGHTER (WITZENBERG)	DECEMBER 2009	550,000	1,000,000	-
EXPENDITURE OF THE COUNCIL	WORKSTATION FOR FULL-TIME COUNCILLORS	SEPTEMBER 2009	30,000	-	-
EXPENDITURE OF THE COUNCIL	WORKSTATION	JULY 2011	-	-	35,000
SUNDRY EXPENDITURE OF THE COUNCIL	DATA PROJECTOR	JULY 2009	10,000	-	-
SUNDRY EXPENDITURE OF THE COUNCIL	2 X FLIP CHART	JULY 2011	-	-	1,000
SUNDRY EXPENDITURE OF THE COUNCIL	URN	JULY 2011	-	-	1,500
ADMINISTRATIVE SUPPORT SERVICES	COPIER, STELLENBOSCH OFFICE	SEPTEMBER 2009	184,700	-	-
ADMINISTRATIVE SUPPORT SERVICES	COPIER, WORCESTER OFFICE	SEPTEMBER 2009	67,300	-	-
ADMINISTRATIVE SUPPORT SERVICES	COPIER, WELLINGTON OFFICE	SEPTEMBER 2009	50,200	-	-

CAPITAL BUDGET 2009/2010

DEPARTMENT	DESCRIPTION	DATE OF PURCHASE	BUDGET 2009/2010	BUDGET 2010/2011	BUDGET 2011/2012
ADMINISTRATIVE SUPPORT SERVICES	FAX MACHINE, WORCESTER OFFICE	JULY 2009	7,800	-	-
ADMINISTRATIVE SUPPORT SERVICES	FAX MACHINE, STELLENBOSCH OFFICE	JULY 2009	7,800	-	-
ADMINISTRATIVE SUPPORT SERVICES	PC, SCREEN AND PRINTER, WELLINGTON OFFICE	JULY 2009	10,000	-	-
ADMINISTRATIVE SUPPORT SERVICES	RECEPTION WORK STATION, WELLINGTON OFFICE	JULY 2009	30,000	-	-
ADMINISTRATIVE SUPPORT SERVICES	COPIER, WORCESTER OFFICE	JULY 2010	-	55,200	-
ADMINISTRATIVE SUPPORT SERVICES	COPIER, WORCESTER OFFICE	JULY 2011	-	-	80,000
PROPERTY MANAGEMENT	MICROWAVE, STELLENBOSCH OFFICE	JULY 2009	1,800	-	-
PROPERTY MANAGEMENT	MICROWAVE, WELLINGTON OFFICE	JULY 2009	1,800	-	-
PROPERTY MANAGEMENT	WEED EATER, WELLINGTON OFFICE	JULY 2009	2,300	-	-
PROPERTY MANAGEMENT	FRIDGE, STELLENBOSCH OFFICE	JULY 2009	2,500	-	-
PROPERTY MANAGEMENT	VACUUM CLEANER, ROBERTSON OFFICE	JULY 2009	4,100	-	-
PROPERTY MANAGEMENT	FRIDGE, WORCESTER	JULY 2010	-	2,700	-
PROPERTY MANAGEMENT	MICROVAWE, EERSTE BEGIN	JULY 2010	-	2,000	-
PROPERTY MANAGEMENT	VACUUM CLEANER	JULY 2010	-	4,500	-
PROPERTY MANAGEMENT	FRIDGE, WORCESTER	JULY 2011	-	-	3,000
TRANSPORT POOL	VACUUM CLEANER, STELLENBOSCH OFFICE	JULY 2009	4,100	-	-
TRANSPORT POOL	INDUSTRIAL HIGH PRESSURE CLEANER, STELLENBOSCH WORKSHOP	SEPTEMBER 2009	45,000	-	-
TRANSPORT POOL	SEDAN MOTOR 1600CC	NOVEMBER 2009	140,000	-	-
TRANSPORT POOL	SEDAN MOTOR 1600CC	NOVEMBER 2009	140,000	-	-
TRANSPORT POOL	SEDAN MOTOR 1600CC	NOVEMBER 2009	140,000	-	-
TRANSPORT POOL	SEDAN MOTOR 1600CC	NOVEMBER 2009	140,000	-	-
TRANSPORT POOL	SEDAN MOTOR 1600CC	NOVEMBER 2009	140,000	-	-
TRANSPORT POOL	MINI BUS 1900CC	NOVEMBER 2009	300,000	-	-
TRANSPORT POOL	SEDAN MOTOR 1600CC	NOVEMBER 2010	-	150,000	-
TRANSPORT POOL	SEDAN MOTOR 1600CC	NOVEMBER 2010	-	150,000	-
TRANSPORT POOL	SEDAN MOTOR 1600CC	NOVEMBER 2010	-	150,000	-
TRANSPORT POOL	SEDAN MOTOR 1600CC	NOVEMBER 2010	-	150,000	-
TRANSPORT POOL	SEDAN MOTOR 1800CC	NOVEMBER 2010	-	160,000	-
TRANSPORT POOL	BAKKIE (500KG) 1600CC	NOVEMBER 2010	-	120,000	-
TRANSPORT POOL	BAKKIE (500KG) 1600CC	NOVEMBER 2010	-	120,000	-
TRANSPORT POOL	BAKKIE(4X4) 2000 CC	NOVEMBER 2011	-	-	260,000
TRANSPORT POOL	BAKKIE LAA 2000 CC	NOVEMBER 2011	-	-	190,000
TRANSPORT POOL	BAKKIE LAA 2000 CC	NOVEMBER 2011	-	-	190,000
TRANSPORT POOL	MINI BUS 1900 CC	NOVEMBER 2011	-	-	190,000
TRANSPORT POOL	MINI BUS 1900 CC	NOVEMBER 2011	-	-	360,000
INFORMATION TECHNOLOGY	UPGRADE OF PC' S	NOVEMBER 2009	700,000	-	-
IDP	DESK	OCTOBER 2009	25,000	-	-
IDP	HIGH BACK CHAIR	OCTOBER 2009	7,000	-	-
IDP	VISITORS CHAIRS X 2	OCTOBER 2009	8,000	-	-
IDP	CUPBOARD	OCTOBER 2009	10,000	-	-
IDP	LAPTOP	OCTOBER 2009	15,000	-	-
SHARED SERVICE CENTRE	DESK	JULY 2009	8,000	-	-
SHARED SERVICE CENTRE	VISITORS CHAIRS X 2	JULY 2009	3,000	-	-
SHARED SERVICE CENTRE	HIGH BACK CHAIR	JULY 2009	3,000	-	-
INCOME AND ADMINISTRATION	2 X HIGH BACK CHAIRS	DECEMBER 2009	4,000	-	-
INCOME AND ADMINISTRATION	2 X VISITORS CHAIRS	DECEMBER 2009	3,000	-	-
BUILDING MAINTENANCE	DISABLED ACCESSABILITY TO BUILDINGS	DECEMBER 2009	250,000	200,000	-
BUILDING MAINTENANCE	EERSTE BEGIN ACCES ROADS	DECEMBER 2009	800,000	-	-
BUILDING MAINTENANCE	WOLWEKLOOF: BUILDINGS AND SERVICES	DECEMBER 2009	500,000	550,000	600,000
PROJECTS AND HOUSING	RESTORATION OF HOUSES: HERMON		1,000,000	-	-
PROJECTS AND HOUSING	HERMON: UPGRADING OF STREETS		400,000	-	-
PROJECTS AND HOUSING	HERMON HOUSING: ABLUTION FACILITIES WPK		400,000	-	-
PROJECTS AND HOUSING	NIEUWEDRIFT HOUSING: PLANNING		400,000	-	-
PROJECTS AND HOUSING	NIEUWEDRIFT HOUSING: WATER SUPPLY (COUNCIL)		-	1,600,000	-
PROJECTS AND HOUSING	NIEUWEDRIFT HOUSING: SEWERAGE (COUNCIL)		-	1,200,000	-
PROJECTS AND HOUSING	NIEUWEDRIFT HOUSING: INTERNAL SERVICES (COUNCIL)		400,000	400,000	400,000

CAPITAL BUDGET 2009/2010

DEPARTMENT	DESCRIPTION	DATE OF PURCHASE	BUDGET 2009/2010	BUDGET 2010/2011	BUDGET 2011/2012
PROJECTS AND HOUSING	3 x DESKS	OCTOBER 2009	20,000	25,000	30,000
PROJECTS AND HOUSING	3 x CHAIRS	OCTOBER 2009	7,500	13,000	15,000
PROJECTS AND HOUSING	4 X CHAIRS	OCTOBER 2009	4,000	-	-
PROJECTS AND HOUSING	2 X CHAIRS	OCTOBER 2009	3,000	3,500	4,000
PROJECTS AND HOUSING	3 X DESKS	OCTOBER 2009	12,000	12,000	12,000
MANAGEMENT: ENGINEERING	12 X CHAIRS	OCTOBER 2009	40,000	-	-
MANAGEMENT: ENGINEERING	DESK: SECRETARY	OCTOBER 2009	20,000	-	-
PUBLIC TRANSPORT REGULATION	5 X DESKS	OCTOBER 2009	10,000	25,000	20,000
PUBLIC TRANSPORT REGULATION	10 CHAIRS	OCTOBER 2009	40,000	-	-
PUBLIC TRANSPORT REGULATION	6 X COMPUTERS	OCTOBER 2009	60,000	30,000	20,000
PUBLIC TRANSPORT REGULATION	GPS (GARMIN AND SOFTWARE)	OCTOBER 2009	20,000	20,000	20,000
PUBLIC TRANSPORT REGULATION	DATA PROJECTOR	OCTOBER 2009	-	9,000	-
TECHNICAL SUPPORT SERVICES	WIDE FORMAT PRINTER/ PLOTTER	OCTOBER 2009	250,000	-	-
TECHNICAL SUPPORT SERVICES	SERVER	OCTOBER 2009	250,000	-	-
TECHNICAL SUPPORT SERVICES	GIS COMPUTER	OCTOBER 2009	50,000	-	-
			14,453,186	11,640,900	8,389,500
CAPITAL FINANCED FROM EXTERNAL FUNDS					
PROJECTS AND HOUSING	RESTORATION OF HOUSES: HERMON (GOV. GRANT)		574,000	-	-
PROJECTS AND HOUSING	RESTORATION OF HOUSES: HERMON (DONATION)		770,000	-	-
PROJECTS AND HOUSING	HERMON: UPGRADING OF STREETS (MIG)		2,250,000	-	-
PROJECTS AND HOUSING	NIEUWEDRIFT HOUSING: WATER SUPPLY (MIG)		463,530	4,136,470	-
PROJECTS AND HOUSING	NIEUWEDRIFT HOUSING: SEWERAGE (MIG)		300,000	1,431,000	-
PROJECTS AND HOUSING	NIEUWEDRIFT HOUSING: INT. AND TOPSTRUC. (GRANT)			14,000,000	8,403,700
ROADS AGENCY	CONFERENCE TABLE, 55 CHAIRS, 3 DESKS	OCTOBER 2009	85,000	90,000	95,000
			4,442,530	19,657,470	8,498,700
TOTAL			R 18,895,716.00	R 31,298,370.00	R 16,888,200.00

ANNEXURE " J "

PROJECTS BUDGET 2009/2010, 2010/2011. 2011/2010

VOTE NUMBER	DESCRIPTION	BUDGET 2009/2010	BUDGET 2010/2011	BUDGET 2011/2010	
LOCAL ECONOMIC DEVELOPMENT					
1	1004	5000 PUBLICATIONS	150,000	165,000	181,500
1	1004	5001 SMALL BUSINESS SUPPORT PROGRAMME	800,000	440,000	484,000
1	1004	5004 CWDM BUSINESS COUNCIL	50,000	55,000	60,500
1	1004	5008 LED INFORMATION MANAGEMENT	400,000	400,000	440,000
1	1004	5037 ENTREPRENURIAL SEED FUNDING	2,680,000	700,000	770,000
1	1004	5038 LED BASE-LINE STUDY & SECTOR REVIEWS	500,000	-	-
1	1004	5039 LED EXPOS	200,000	220,000	242,000
1	1004	5351 INCUBATOR	800,000	600,000	660,000
1	1004	5355 RENUWABLE ENERGIES	400,000	440,000	484,000
1	1004	5357 WESGRO	200,000	1,100,000	-
1	1004	1049 GROWTH AND DEVELOPMENT STRATEGY	100,000		
		6,280,000	4,120,000	3,322,000	
SOCCER 2010					
1	1104	5421 HOSTING: MEDIA, TV, INFLUENCERS	650,000	-	-
1	1104	5422 COMMUNICATION	650,000	-	-
1	1104	5423 CONTACT CENTRE	540,000	-	-
1	1104	5424 MULTIMEDIA 7 PRESENTATIONS	350,000	-	-
1	1104	5425 ONLINE CAMPAIGN	300,000	-	-
1	1104	5416 COLLATERAL	530,000	-	-
1	1104	5426 MARKETING & TOURISM	650,000	-	-
1	1104	5427 YOUTH ACTIVATION TOURNAMENT	650,000	-	-
1	1104	5428 COMMUNITY ACTIVATION	500,000	-	-
1	1104	5429 WORKSHOPS	70,000	-	-
1	1104	1084 LADUMA PROJECTS	300,000		
		5,190,000	-	-	
TOURISM					
1	1103	5019 SCHOOLS PROGRAMME	291,500	320,600	352,600
1	1103	5306 TOURISM TRAINING	165,000	181,500	199,600
1	1103	5307 TOURISM MONTH	100,000	110,000	121,000
1	1103	5308 ROAD SIGNAGE COMMITTEE	35,000	38,500	42,300
1	1103	5310 FREEDOM ROUTE	150,000	165,000	181,500
1	1103	5319 ARTS AND CULTURE	150,000	165,000	181,500
1	1103	5320 CAPE TOWN MARKET OUTLET	250,000	275,000	302,500
1	1103	5326 BREEDEKLOOF BURSARY FUND	40,300	44,200	48,600
1	1103	5328 COMMUNITY TRAINING	233,200	256,500	282,100
1	1103	5329 TOURISM INTERNSHIP PROGRAMME	93,300	102,600	112,800
1	1103	5412 LTA PROJECTS	116,600	128,200	141,100
1	1103	5430 WELCOME CAMPAIGN	-	110,000	121,000
1	1103	5431 TOURISM MARKETING STRATEGY	500,000	-	-
1	1103	5432 MUSEUM TOURISM - TIME TRAVEL	200,000	-	-
1	1103	1044 VISUAL AND PERFORMING ARTS	250,000	-	-
1	1103	1048 SPORT TOURISM EVENTS	250,000	-	-
		2,824,900	1,897,100	2,086,600	
LAND-USE AND SPATIAL PLANNING					
1	1521	5031 INVEST. THE EST. OF BIOSPHERE RESRV.	100,000	400,000	450,000
1	1521	5047 CWSDF - REVISION OF CWSDF	930,000	880,000	900,000
		1,030,000	1,280,000	1,350,000	

VOTE NUMBER	DESCRIPTION	BUDGET 2009/2010	BUDGET 2010/2011	BUDGET 2011/2010
ENVIRONMENTAL PLANNING				
1	1522	5136 ENVORN. MANAGEMENT FRAMEWORK	400,000	440,000
1	1522	5043 IMPLEMENTATION OF SEA	550,000	665,500
1	1522	5141 MAB CENTRE	600,000	550,000
1	1522	5137 ENVIRONMENTAL WEEK	150,000	181,500
1	1522	5138 BIOSPHERE MANAGEMENT ENTITY	100,000	121,000
1	1522	5139 ECLEI LAB PROGRAMME	50,000	60,500
1	1522	5140 LABOR INTENSIVE PROJECTS	900,000	-
		2,750,000	1,835,000	2,018,500
PROJECTS AND HOUSING				
1	1330	5060 MEERLUST HOUS: INT. SERV & TOP SRUCT (SUB:	-	15,000,000
1	1330	5079 MEERLUST HOUS: PLANNING (COUNCIL)	500,000	-
1	1330	5060 SEWERAGE: MEERLUST HOUS(COUNCIL)	-	1,000,000
1	1330	??? SEWERAGE: MEERLUST HOUS(BULK GRANT)	-	-
1	1330	??? WATER:MEERLUST HOUS (COUNCIL)	-	1,500,000
1	1330	??? WATER:MEERLUST HOUS (BULK GRANT)	-	-
1	1330	5151 UPGRADE RURAL ROADS: COUNCIL	10,000,000	7,000,000
1	1330	5151 UPGRADE RURAL ROADS (FARMERS)	1,000,000	1,000,000
1	1330	5153 UPGRADE ROAD SHOULDERS	1,500,000	4,000,000
1	1330	5183 PLANNING: WASTE MANAGEMENT PLAN	300,000	400,000
1	1330	5184 PLANNING: PAVEMENT MANAGEMENT SYSTEM	600,000	700,000
1	1330	5185 PLANNING: WATER AND SANITATION	500,000	600,000
1	1330	5186 PLANNING: ELECTRICITY PLAN	500,000	600,000
1	1330	5187 PLANNING: HUMAN SETTLEMENT PLAN	600,000	-
1	1330	5155 PROVISION OF WATER TO SCHOOLS: COUNCIL	400,000	400,000
1	1330	5076 RURAL WATER SCHEME: WELLINGTON: FARMER:	1,200,000	-
1	1330	5076 RURAL WATER SCHEME: WELLINGTON: COUNCIL	4,000,000	-
1	1330	5076 RURAL WATER SCHEME	300,000	-
1	1330	5089 WATER SANITATION TO RURAL DWELLERS (MIG)	500,000	-
1	1330	5100 PLANNING: REGIONAL LANDFILL SITE	400,000	1,000,000
1	1330	5101 INFRASTRUCTURE RURAL AREA (RENEWABLE EI	1,000,000	1,500,000
1	1330	5102 INFRASTRUCTURE RURAL AREA (REN. ELECT.) F.	300,000	500,000
1	1330	5103 UPGRADING OF SIGNAL CONTROL/ PEDESTRIAN:	800,000	-
1	1330	5099 UPGRADING OF INTERNAL STREETS AND SIDEW.	8,500,000	3,000,000
1	1330	5093 GRASS CUTTING	4,000,000	-
1	1330	5094 EPWP'S - GABIONS	800,000	-
1	1330	5096 RECREATIONAL AREA (FREEDOM SQUARE)	2,000,000	-
1	1330	5097 ACESS TO WATER- INFORMAL SETTLEMENTS	1,500,000	-
1	1330	5098 UPGRADING OF TOILETTE FACILITIES	10,000,000	-
1	1330	1035 SANDHILLS	300,000	-
1	1330	1036 RENEWABLE ENERGY	2,000,000	-
1	1330	1037 EPWP RIVER IMPROVEMENTS	1,200,000	-
		54,700,000	38,700,000	38,200,000
PUBLIC TRANSPORT REGULATION				
1	1615	5016 UPGRADE OF EXISIING PUBL. TRANSPORT FAC.	1,500,000	-
1	1615	5017 PUBL. SHELTERS AND EMBAYMENTS	1,500,000	4,000,000
1	1615	5018 ROAD SAFETY EDUCATION	750,000	750,000
1	1615	5030 EXTENSION OF SIDEWALKS	-	4,250,000
1	1615	5131 DRAKENSTEIN MOBILITY COORIDOR	1,300,000	1,573,000
1	1615	5132 WORCESTER TRANSPORT PLAN	2,500,000	2,500,000
1	1615	5133 PUBLIC TRANSPORT INTERCHANGES	-	1,800,000
1	1615	5134 PT OPERATOR BUSINESS SKILSS DEVELOPMENT	750,000	-
1	1615	5135 CWDM INTEGRATED TRANSPORT PLAN (DORA)	2,000,000	-
		10,300,000	12,430,000	14,873,000
WORKING FOR WATER (DWAF)				
1	1331	1420 CLEARING CONTRACTS	6,361,400	7,698,600

VOTE NUMBER		DESCRIPTION	BUDGET 2009/2010	BUDGET 2010/2011	BUDGET 2011/2010
WORKING FOR WATER (BERGRIVIER)					
1	1334	1420 CLEARING CONTRACTS	1,202,400	1,316,800	1,430,500
ROADS-MAIN.DIV. INDIRECT					
1	1361	1410 MATERIAL: RESEAL PROJECTS	4,395,300	4,872,800	5,404,000
1	1361	1421 UPGRADING PAARL DEPOT	1,000,000	-	-
			5,395,300	4,872,800	5,404,000
MUNICIPAL HEALTH SERVICE					
1	1441	5209 GUIDANCE: HEALTH AND HYGIENE	280,000	308,000	338,800
1	1441	5210 SUBSIDY: WATER/SEWERAGE - FARMS	3,000,000	2,000,000	2,200,000
1	1441	5218 CLEAN-UP CAMPAIGNS	2,000,000	900,000	990,000
1	1441	5219 ANNUAL ENVIRONMENTAL HEALTH EDUC. EXPO	400,000	440,000	484,000
1	1441	5220 BASE LINE INFO	50,000	55,000	60,500
1	1441	5189 HEALTH & HYGIENE IMPROVEMENT PROJECT: IN	150,000	165,000	181,500
1	1441	5188 RIVER IMPROVEMENT PROJECT	300,000	300,000	330,000
1	1441	5190 GREENING	200,000	200,000	220,000
1	1441	5223 AIR QUALITY PROJECT	300,000	330,000	363,000
1	1441	5225 WASTE RECYCLING PROJECT	1,000,000	900,000	990,000
1	1441	5433 BIOLOGICAL RODENT CONTROL PROGRAM	100,000	110,000	121,000
1	1441	1038 WATER QUALITY	1,500,000	-	-
1	1441	1043 WASTE REMOVEVAL	400,000	-	-
			9,680,000	5,708,000	6,278,800
DISASTER MANAGEMENT					
1	1610	0236 COMMUNITY SAFETY	600,000	660,000	726,000
			600,000	660,000	726,000
RURAL AND SOCIAL DEVELOPMENT					
1	1475	5203 HIV/AIDS PROJECTS	500,000	550,000	605,000
1	1475	5217 EARLY CHILDHOOD DEVELOPMENT	300,000	330,000	363,000
1	1475	1113 YOUTH	1,000,000	900,000	990,000
1	1475	1114 COMBATING SUBSTANCE ABUSE	250,000	250,000	275,000
1	1475	1115 ELDERLY	250,000	250,000	275,000
1	1475	1116 DISABLED	250,000	250,000	275,000
1	1475	1117 SUSTAINABLE LIVELYHOODS	250,000	250,000	275,000
1	1475	1118 FAMILIES AND CHILDREN	250,000	250,000	275,000
1	1475	1125 WOMEN	250,000	275,000	302,500
1	1475	1018 COMMUNITY SUPPORT PROGRAMME	800,000	500,000	550,000
1	1475	5040 SMALL FARMER SUPPORT	800,000	750,000	825,000
1	1475	0150 COMMUNITY DEVELOPMENT WORKERS (PGWC)	403,900	444,300	488,700
1	1475	1133 FOOD SECURITY	250,000	250,000	275,000
1	1475	1134 SPORT AND RECREATION	250,000	250,000	275,000
1	1475	1135 CAPACITY BUILDING DISTRICT SOC. RURAL DEV.	100,000	110,000	121,000
1	1475	1136 COMPILE SOC. DEV. SECTOR PLAN	250,000	275,000	302,500
1	1475	1137 COMPILE RURAL DEV. SECTOR PLAN	250,000	275,000	302,500
1	1475	1138 CAPACITY BUILDING HEALTH AND DEV. COM	400,000	440,000	484,000
1	1475	1139 SUPPORT RURAL DEV. INITIATIVES	750,000	825,000	907,500
1	1475	1128 OUES VAN DAE RETIREMENT VILLAGE	500,000	-	-
1	1475	1140 HOMELESS PEOPLE PROJECT	2,000,000	-	-
1	1475	1039 SPORT EVENTS	250,000	-	-
1	1475	1040 BIDDING FOR EVENTS	200,000	-	-
1	1475	1041 BOLAND CRICKET	250,000	-	-
1	1475	1042 MALIBONGWE TRUST	500,000	-	-
1	1475	1045 SPORT EDUCATION	150,000	-	-
1	1475	1046 DISTRICT RURAL DEVELOPMENT STRATEGY	250,000	-	-
1	1475	1047 RURAL DEVELOPMENT CONFERENCE	100,000	-	-
1	1475	0881 POVERTY AUDIT	750,000	-	-
			12,503,900	7,424,300	8,166,700

VOTE NUMBER		DESCRIPTION	BUDGET 2009/2010	BUDGET 2010/2011	BUDGET 2011/2010
PERFORMANCE MANAGEMENT					
1	1511	1009 DEVELOPMENT OF PMS	800,000	550,000	550,000
1	1511	1129 CONTAINERS- INTERNET CAFÉ	1,200,000	-	-
			2,000,000	550,000	550,000
IDP					
1	1512	1010 DEVELOP SECTORAL PLANS	384,000	250,000	315,000
1	1512	1027 PERCEPTION SURVEY	2,868,900	-	-
1	1512	1127 IDP CAPACITY BUILDING	200,000	200,000	200,000
1	1512	1141 SOCIO- ECONOMIC PROFILE	350,000	300,000	80,000
			3,802,900	750,000	595,000
SHARED SERVICE CENTRE					
1	1513	5408 IDP TRAINING - WARD COMMITTEES	400,000	500,000	550,000
1	1513	5413 PERFORMANCE MANAGEMENT	200,000	200,000	250,000
1	1513	5414 LEGISLATIVE REQUIREMENTS - BY LAWS	300,000	300,000	300,000
1	1513	1050 VECHICLE TRACKING SYSTEM	600,000	-	-
			1,500,000	1,000,000	1,100,000
OFFICE OF THE MAYOR					
1	1003	1034 CITIZEN SUPPORT	100,000	-	-
			100,000	-	-
			126,220,800	89,541,600	93,799,700

ANNEXURE " K "

CAPE WINELANDS DISTRICT MUNICIPALITY

MINUTES OF THE COUNCIL MEETING OF THE CAPE WINELANDS DISTRICT MUNICIPALITY HELD ON THURSDAY, 14 MAY 2009 AT 11:00 IN THE EIKESTAD HALL, STELLENBOSCH

A PRESENT

(3/2/1/2)

COUNCILLORS

Cllr. N.D. Hani (Speaker)
Ald. C.W. Johnson (Executive Mayor)

Cllr. J.J. Abrahams
Cllr. P.W. Biscombe
Cllr. R. Brand
Cllr. C.C. Brink
Cllr. E.N. Bushwana
Cllr. C.A. de Bruyn
Cllr. C. du Plessis
Cllr. C.G. du Plessis
Cllr. A.M. du Toit
Cllr. P.B.B. du Toit
Cllr. J.I.K. Gagiano
Cllr. S. Geldenhuys
Cllr. H.M. Jansen
Ald. (Dr.) N.E. Kahlberg
Cllr. L.N. Mbeshu
Cllr. A.N. Mhlambeni
Cllr. Z.J. Mthini
Cllr. J.F. Nel
Ald. D.J. Oosthuizen
Cllr. C. Philander
Cllr. L. Richards
Cllr. S. Ross
Cllr. L. Siwakamisa
Cllr. H.J. Smit
Cllr. M.M. Smith
Cllr. P.X. Swangaza
Cllr. J. Thomas
Cllr. S.W. van Eeden
Cllr. E.J. van Zyl

OFFICIALS

Mr. M. Mgajo (Municipal Manager)
Ms. K.S.C. le Keur
Dr. W.Z.C. Mahlangu
Mr. J.G. Marais
Mr. G.F. Qonde
Mr. C.V. Schroeder
Mr. E.F.C. Beukes
Ms. F.A. Qebenya
Mr. F. van Eck
Mr. R.W.B. van Wyk
Mr. G.J. West
Mr. C.J.M. Arangie
Ms. F.A. du Raan Groenewald
Mr. S. Johaar
Mr. B.N. Nieuwoudt
Ms. M. Nel
Mr. N. Ontong
Mr. D.A. Smit
Mr. A.R. Krotz
Mr. D.A. Heath
Mr. M. Lech
Ms. I. Willemse

C.1 OPENING AND INTRODUCTORY REMARKS (3/2/1/2)

Rev. S. Adams and Mr. G Hlwempu, respectively, in Afrikaans and isiXhosa, opens the meeting with prayer.

C.2 ELECTION OF ACTING SPEAKER, IF NECESSARY (3/1/3)

Not applicable.

C.3 APPLICATION FOR LEAVE OF ABSENCE (3/2/1/2)

COUNCILLORS

Cllr. H.P. Geyer

Alderman (Dr.) N.E. Kahlberg congratulates Councillor H.P. Geyer with his election as a member of the Western Cape Provincial Parliament and conveys Councillor Geyer's wishes on a successful Council meeting.

The Speaker, Councillor N.D. Hani congratulates Councillor H.P. Geyer on behalf of Council with his election as a member of the Western Cape Provincial Parliament.

C.4 STATEMENTS AND COMMUNICATIONS BY THE SPEAKER (*Verbatim*)
(3/2/1/3)

Honorable Executive Mayor, Clarence Johnson
Honorable Councillors
Municipal Manager, Mike Mgajo
Executive Directors & Directors
Business People
Community members
Municipal Officials

I am privileged to welcome all of you to this important council meeting, the people's budget. Eersten wil ek baie dankie sê dat Stellenbosch se mense almal uitgegaan het op die 22ste April om hul stem uit te bring. Jou stem is baie belangrik.

Ladies and gentlemen, before we go any further I invite all of you to join in with me in congratulating our country for the stable, healthy and vibrant democracy that has been displayed in the past month. Let me also use this opportunity to congratulate our State President Jacob Gedleyihlekisa Zuma on his election and also the new Premier, Ms. Helen Zille. Cape Winelands committed itself to work and involve the community in whatever they do. We had public participation meeting where the community gave input in terms of priorities. A government responding to the people's call will always remain a government for all.

The massive participation and the role that youth has played in the recent elections gives us hope that this country will be left in experienced hands.

We are here today to discuss the people's budget. It is the people's budget because it has its roots in the communities through the IDP meeting and other forms of participation. I'm confident that the budget that will be presented today by the Honorable Executive Mayor Clarence Johnson is a reflection and response to the expressed needs, hopes and aspirations of the Cape Winelands communities. Amongst others, this meeting is also about compliance and to fulfill our legal duties as dictated upon by the legislations such Municipal Systems Act and financial Management of 2003, respectively.

Mr. Mayor, we have all the confidences that you will present to us a budget that will take us step closer to a better life for all. We believe that it will encourage us to internalize the message that South Africa belongs to all who live in it black and white. In that message there is no room for sexism, racism, tribalism and xenophobia, without any delay. On behalf of Council I, would like to take this opportunity to convey our sincere condolences to Shaun Arnold's family, Cloeteville and also the Mayor's aunt, Mrs. Annie Pienaar. We will all rise and

give a moment of silence to pay our respect to the late Shaun Arnold and Annie Pienaar. I would like to invite the Executive Mayor to take through his budget as I trust that this council will unanimously approve this budget'.

With those few words I bid you welcome.

Thanks
Enkosi
dankie

**C.5 STATEMENTS AND COMMUNICATIONS BY THE EXECUTIVE MAYOR
(Verbatim) (3/2/1/3)**

None.

C.6 CONSIDERATION OF NOTICES OF MOTION

None.

C.7 CONSIDERATION OF NOTICES OF QUESTIONS

None.

C.8 CONSIDERATION OF MOTIONS OF EXIGENCY

C.8.1 MOTION BY COUNCILLOR C.A. DE BRUYN (5/11/2)

Councillor C.A. de Bruyn requests the Executive Mayor to address matters pertaining to the Municipal Councillors Pension Fund with SALGA in order to verify various matters regarding the fund.

RESOLVED :

That the Executive Mayor address matters pertaining to the Municipal Councillors Pension Fund with SALGA and a report be submitted to Council.

C.9 MINUTES

**C.9.1 CONFIRMATION OF THE MINUTES OF THE COUNCIL MEETING HELD ON
MONDAY, 9 MARCH 2009 (3/2/1/6)**

RESOLVED :

That the minutes of the Council meeting held on Monday, 9 March 2009, be taken as read and duly confirmed.

**C.9.2 CONFIRMATION OF THE MINUTES OF THE COUNCIL MEETING HELD ON
MONDAY, 30 MARCH 2009 (3/2/1/6)**

RESOLVED :

That the minutes of the Council meeting held on Monday, 30 March 2009, be taken as read and duly confirmed.

C.10 INTERVIEWS WITH OR PRESENTATIONS BY DEPUTATIONS

None.

C.11 URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER

None.

C.12 MATTERS FOR NOTIFICATION

None.

C.13.1 FINANCIAL QUARTERLY REPORT: FOR THE QUARTER ENDING 31 MARCH 2009 IN TERMS OF SECTION 52(d) OF THE LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003 (ACT NO. 56 OF 2003) (9/1/2/1)

PURPOSE OF SUBMISSION

That Council consider the financial quarterly report in terms of Section 52(d) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) of the Executive: Director: Financial Management Services.

BACKGROUND

In terms of Section 52(d) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), the mayor of a municipality must:

- (d) *within 30 days of the end of each quarter, submit a report to council on the implementation of the budget and the financial affairs of the municipality.*

The IDP as well as the Business Plans – as approved by the Executive Mayor, gives effect to the Budget and Service Delivery and Budget Implementation Plan (SDBIP). In order for council to effectively play its oversight role and ensure compliance with the Local Government: Finance Management Act, 2003 (Act No. 56 of 2003), as prescribed in Chapter 7, the mayor must submit a finance and budget implementation report to the council on a quarterly basis. Furthermore, the mayor must take appropriate action to identify and resolve any financial problems that are evident.

Includes in the agenda under separate cover the following financial reports:

1. Overview of Expenditure 31 March 2009
2. Budget vs Actual Expenditure per Strategic Objective – 2008/2009
3. Budget vs Actual Income per Strategic Objective – 2008/2009
4. Budget vs Actual Expenditure per Category- 2008/2009
5. Budget vs Actual Project Expenditure – 2008/2009
6. Capital items not purchased yet– 2008/2009

COMMENTS

The various Heads of Departments were requested to submit comments on over and under expenditure on their Capital and Project Budgets.

In terms of Section 69 of the Local Government: Municipal Management Finance Act, 2003 the municipal manager is responsible for implementing the approved budget of council and must properly monitor and report on all revenue and expenditure patterns as projected in the budget.

MAYORAL COMMITTEE : 28 APRIL 2009 : ITEM MC.8.5

RESOLVED : That -

- (a) It be recommend to Council to approve the financial report for the quarter ending 31 March 2009 as required by Section 52(d) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA);
- (b) All projects and budget allocations for Soccer 2010, SAFA Boland and other soccer related matters be transferred from the Department: Regional Development and Planning Services to the Office of the Municipal Manager;
- (c) The Executive Mayor be provided with a report within 15 working days regarding the allocation to SAFA Boland including their ability to execute projects;
- (d) A visit be arranged by Councillor M.M. Smith for an inspection of the installation of electrical infrastructure in the District Management Area of the Cape Winelands District Municipality;
- (e) Matters pertaining to the Cape Winelands District Municipality's Waste Recycling Project be addressed;
- (f) The following projects pertaining to the Community Safety Programme be addressed:
 - (i) Soccer 2010 Safety
 - (ii) Paarl Area – Misuse of cell phones by the youth;
 - (iii) Tourism Safety;
 - (iv) De Doorns Area – Xenophobia;
- (g) Support to Community Policing Forums focuses on Sectoral Policing;
- (h) The Provincial Government: Western Cape be notified that the two (2) offices in the Worcester office building currently utilized by the Community Development Workers (CDW's) be evacuated with immediate effect;
- (i) A list of all previous and current contractors in the area of the Cape Winelands District Municipality pertaining to the Working for Water Project be submitted to the Executive Mayor.

RECOMMENDATION :

That Council considers the financial report for the quarter ending 31 March 2009 as required by Section 52(d) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA).

COUNCIL MEETING : 14 MAY 2009 : ITEM C.13.1

The Executive Mayor welcomes members from the Department of Treasury in the Western Cape.

RESOLVED :

That the financial report for the quarter ending 31 March 2009 as required by Section 52(d) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA), be approved.

C.13.2 2009/2010, 2010/2011 AND 2011/2012 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) AND 2009/2010 INTEGRATED DEVELOPMENT PLAN (IDP) FOR THE CAPE WINELANDS DISTRICT MUNICIPALITY (5/1/12)

PURPOSE OF SUBMISSION

That Council consider to approve the draft 2009/2010, 2010/2011 and 2011/2012 Medium Term Revenue and Expenditure Framework (MTREF) and the draft 2009/2010 Integrated Development Plan (IDP) for the Cape Winelands District Municipality.

BACKGROUND

In terms of Section 17 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (*MFMA*), Council must, for each financial year approve an annual budget for the municipality before the start of the financial year. In order for a municipality to comply with Section 17(1), the Mayor must table the annual budget at a council meeting at least 90 days before the start of the financial year.

Section 15 of the *MFMA* (Act No. 56 of 2003) prescribes that a municipality may incur expenditure only:

- 15 (a) *In terms of an approved budget; and*
(b) *Within the limits of the amounts appropriated for the different votes in an approved budget.*

The contents of the annual budget must consist of the following documents as prescribed in Section 17 of the *MFMA*.

1. Realistically anticipated income and expenditure per vote for the financial year and the two financial years following the financial year;
2. Budget related policies of Council (Tariff, Rates & Credit Control Policies);
3. Projection of cash flow for the 2009/2010 financial year;

4. Details of Council's investments for the financial year;
5. Details of all proposed service delivery agreements, including material amendments to existing service delivery agreements;
6. Particulars of any proposed allocations or grants by the municipality in terms of Section 67 of the *MFMA*;
7. The proposed cost to the municipality for the financial year of the salary, allowances and benefits of political office bearers and senior managers;
8. Any proposed amendments to the municipality's Integrated Development Plan following the annual review of the Integrated Development Plan in terms of Section 34 of the Municipal Systems Act;
9. Capital expenditure and Projects to be undertaken within the financial year.

MTREF: 2009/2010; 2010/2011 and 2011/2012

In finalising the draft budget of Council, all heads of departments were consulted in preparing the 2009/2010, 2010/2011 and 2011/2012 budget. The MTREF can be summarised as follows:

Operating Budget:

YEAR	EXPENDITURE	INCOME	SURPLUS(-) DEFICIT
2009/2010	R 380, 232, 952	- R 380, 232, 952	R 0
2010/2011	R 366, 495, 800	- R 366, 495, 800	R 0
2011/2012	R 398, 987, 700	- R 398, 987, 700	R 0

Capital Budget:

YEAR	EXPENDITURE	INCOME	SURPLUS(-) DEFICIT
2009/2010	R 18, 195, 716	- R 18, 195, 716	R 0
2010/2011	R 31, 298, 370	- R 31, 298, 370	R 0
2011/2012	R 16, 888, 200	- R 16, 888, 200	R 0

*** Attached as Annexures "A" to "G" is a copy of the draft Medium Term Revenue and Expenditure Framework (MTREF) for the Cape Winelands District Municipality for the 2009/2010; 2010/2011 and 2011/2012 financial years as well as related documents as prescribed by the Local Government: Municipal Finance Management Act, 2003 (Act No 56, 2003).

*** Attached as Annexure "H" is a copy of the IDP document.

COMMENT

The IDP and Budget process for the 2009/2010 financial year was a consultative process – involving Executive Directors, Senior Managers, Councillors and other stakeholders. The MTREF (2010 – 2012) was adjusted based on current inflation related indicators (salaries: 10%, operating: 10%).

MAYORAL COMMITTEE : 3 MARCH 2009: ITEM MC.4

RESOLVED : That it be recommended to Council that –

- (a) Projects to be undertaken within the financial year as set out in Annexure “K” as contained in the draft Medium Term Revenue and Expenditure Framework (MTREF) 2009/2010, 2010/2011 and 2011/2012 financial years be amended as follows:
 - (i) **Economic Development and Tourism: Local Economic Development**
 - (a) Item Number 1 1004 5001 - Small Business Support Programme: The allocation be increased from R400 000 to R800 000
 - (b) Item Number 1 1004 5037 – Entrepreneurial Seed Funding
The allocation be increased from R700 000 to R1 100 000
 - (c) Item Number 1 1004 - WESGRO:
The allocation be decreased from R1 000 000 to R200 000
 - (ii) **Soccer 2010**
 - (a) Provision be made for the allocation of R30 000 for Collateral
 - (iii) **Economic Development and Tourism: Tourism**
 - (a) Provision be made for the allocation of R200 000 for Museum Tourism/Time Travel
 - (iv) **Housing and Infrastructure: Projects and Housing**
 - (a) Item Number 1 1330 5151 – Upgrade Rural Roads (Council):
The allocation be increased from R7 000 000 to R10 000 000
 - (b) Item Number 1 1330 5071 – Upgrading Parking Areas:
The allocation of R3 000 000 be referred to Council for consideration

- (v) **Community and Developmental Services: Municipal Health Services**
 - (a) Item 1 1441 5218 – Clean-Up Campaigns: The allocation be increased from R1 000 000 to R2 000 000
- (vi) **Community and Developmental Services: Social Development and Human Securities**
 - (a) That provision be made for an allocation of R2 000 000 for Homeless People Projects
- (vii) **Public Safety and Protection: Disaster Management**
 - (a) Item Number 1 1610 0236 that the project name, namely, “Municipal Policing” be substituted by “Community Safety”
- (viii) **Public Safety and Protection: Fire Services**
 - (a) That provision be made for an allocation of R500 000 for Fire Breaks
- (ix) **Land Use and Spatial Planning**
 - (a) That provision be made for an allocation of R900 000 for Spatial Development Framework Labour Intensive Projects
- (x) **Corporate and Strategic Services: Performance Management**
 - (a) Item 1 1511 1009 – Development of Performance Management System: The allocation be increased from R550 000 to R800 000
- (xi) **Corporate and Strategic Services : Shared Service Centre**
 - (a) Item Number 1 1513 5414 that the project name, namely, “Shared Service Centre” be substituted by “Legislative Requirements – By-Laws” and that provision be made for an allocation of R300 000
- (b) The additional projects and allocations in (a) above in an amount of R8 180 000 be funded from the accumulated surplus;
- (c) Consideration be granted for the approval of the allocation of R3 000 000 for the project Upgrading Parking Areas with Item Number 1 1330 5071 as provided for in the draft 2009/2010 Medium Term Revenue and Expenditure Framework (MTREF) (Provision has already been made for R1 900 000 in the 2008/2009 Operating Budget as well as an additional

amount of R1 100 000 on the 2008/2009 Adjustments Budget. The total project cost will amount to R6 000 000);

- (d) An amount of R75 000 000 be transferred from the accumulated surplus to the Capital Replacement Reserve to finance the 2009/2010 multi-year capital budget;
- (e) The draft 2009/2010; 2010/2011 and 2011/2012 Medium Term Revenue and Expenditure Framework (MTREF) for the Cape Winelands District Municipality be approved for consultation, as outlined in the following attached Annexures:
 - (i) The draft Medium Term Revenue and Expenditure Framework (MTREF) for the 2009/2010; 2010/2011 and 2011/2012 financial years as set out in Annexure "A";
 - (ii) Budget related policies, as set out in Annexure "B";
 - (iii) A projection of cash flow for the 2009/2010 financial year, as set out in Annexure "C";
 - (iv) Details of District Municipality's investments, as set out in Annexure "D";
 - (v) Details of all proposed service delivery agreements, including material amendments to existing service delivery agreements, as set out in Annexure "E" (Service delivery agreements will be available in May 2009 for final approval);
 - (vi) Details of employments costs – salaries, allowances and benefits – of all political office-bearers, Councillors and senior managers of the Cape Winelands District Municipality, as set out in Annexure "F";
 - (vii) Particulars of any proposed allocations or grants by the Cape Winelands District Municipality, as set out in Annexure "G" (The list of beneficiaries of allocations or grants will be submitted to Council during May 2009 with the final approval of the budget);
 - (viii) Proposed amendments to the Cape Winelands District Municipality's Integrated Development Plan following the annual review of the Integrated Development Plan in terms of Section 34 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) as set out in Annexure "H" (Chapter 1, Section 2.3, p18 – CWDM Key Priorities as a Framework for the IDP: Proposed Amendments to the Mission and Strategic Objectives);
 - (ix) Draft stakeholder input as set out in Annexure "I" (contained in IDP);

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- (x) The draft capital expenditure for the 2009/2010, 2010/2011 and 2011/2012 financial years as set out in Annexure "J";
- (xi) Projects to be undertaken within the 2009/2010 financial year as set out in Annexure "K", as amended;
- (xii) List of tariffs as set out in Annexure "L".

COUNCIL MEETING : 9 MARCH 2009 : ITEM C.14.2

RESOLVED : That -

- (a) Projects to be undertaken within the financial year as set out in Annexure "K" as contained in the draft Medium Term Revenue and Expenditure Framework (MTREF) 2009/2010, 2010/2011 and 2011/2012 financial years be amended as follows:
 - (i) **Economic Development and Tourism: Local Economic Development**
 - (a) Item Number 1 1004 5001 - Small Business Support Programme: The allocation be increased from R400 000 to R800 000
 - (b) Item Number 1 1004 5037 – Entrepreneurial Seed Funding
The allocation be increased from R700 000 to R1 100 000
 - (c) Item Number 1 1004 - WESGRO:
The allocation be decreased from R1 000 000 to R200 000
 - (ii) **Soccer 2010**
 - (a) Provision be made for the allocation of R30 000 for Collateral
 - (iii) **Economic Development and Tourism: Tourism**
 - (a) Provision be made for the allocation of R200 000 for Museum Tourism/Time Travel
 - (iv) **Housing and Infrastructure: Projects and Housing**
 - (a) Item Number 1 1330 5151 – Upgrade Rural Roads (Council):
The allocation be increased from R7 000 000 to R10 000 000.
 - (v) **Community and Developmental Services: Municipal Health Services**
 - (a) Item 1 1441 5218 – Clean-Up Campaigns: The allocation be increased from R1 000 000 to R2 000 000

(vi) **Community and Developmental Services: Social Development and Human Securities**

- (a) That provision be made for an allocation of R2 000 000 for Homeless People Projects

(vii) **Public Safety and Protection: Disaster Management**

- (a) Item Number 1 1610 0236 that the project name, namely, "Municipal Policing" be substituted by "Community Safety Programme"

(viii) **Public Safety and Protection: Fire Services**

- (a) That provision be made for an allocation of R500 000 for Fire Breaks

(ix) **Land Use and Spatial Planning**

- (a) That provision be made for an allocation of R900 000 for Spatial Development Framework Labour Intensive Projects

(x) **Corporate and Strategic Services: Performance Management**

- (a) Item 1 1511 1009 – Development of Performance Management System: The allocation be increased from R550 000 to R800 000

(xi) **Corporate and Strategic Services : Shared Service Centre**

- (a) Item Number 1 1513 5414 that the project name, namely, "Shared Service Centre" be substituted by "Legislative Requirements – By-Laws" and that provision be made for an allocation of R300 000

- (b) The additional projects and allocations in (a) above in an amount of R8 180 000 be funded from the accumulated surplus;

- (c) (i) The allocation of R3 000 000 for the project Upgrading Parking Areas with Item Number 1 1330 5071 as provided for in the draft 2009/2010 Medium Term Revenue and Expenditure Framework (MTREF) not be approved.

- (ii) The allocation of R3 000 000 in (c)(i) above be transferred to Item Number 1 1330 5099 – Upgrading of Internal Streets and Sidewalks;

- (iii) Bus- and taxi routes be identified by the Engineering and Infrastructure Services Committee;

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- (d) An amount of R75 000 000 be transferred from the accumulated surplus to the Capital Replacement Reserve to finance the 2009/2010 multi-year capital budget;
- (e) The draft 2009/2010; 2010/2011 and 2011/2012 Medium Term Revenue and Expenditure Framework (MTREF) for the Cape Winelands District Municipality be approved for consultation, as outlined in the following attached Annexures:
 - (i) The draft Medium Term Revenue and Expenditure Framework (MTREF) for the 2009/2010; 2010/2011 and 2011/2012 financial years as set out in Annexure "A";
 - (ii) Budget related policies, as set out in Annexure "B";
 - (iii) A projection of cash flow for the 2009/2010 financial year, as set out in Annexure "C";
 - (iv) Details of District Municipality's investments, as set out in Annexure "D";
 - (v) Details of all proposed service delivery agreements, including material amendments to existing service delivery agreements, as set out in Annexure "E" (Service delivery agreements will be available in May 2009 for final approval);
 - (vi) Details of employment costs – salaries, allowances and benefits – of all political office-bearers, Councillors and senior managers of the Cape Winelands District Municipality, as set out in Annexure "F";
 - (vii) Particulars of any proposed allocations or grants by the Cape Winelands District Municipality, as set out in Annexure "G" (The list of beneficiaries of allocations or grants will be submitted to Council during May 2009 with the final approval of the budget);
 - (viii) Proposed amendments to the Cape Winelands District Municipality's Integrated Development Plan following the annual review of the Integrated Development Plan in terms of Section 34 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) as set out in Annexure "H" (Chapter 1, Section 2.3, p18 – CWDM Key Priorities as a Framework for the IDP: Proposed Amendments to the Mission and Strategic Objectives);
 - (ix) Draft stakeholder input as set out in Annexure "I" (contained in IDP);
 - (x) The draft capital expenditure for the 2009/2010, 2010/2011 and 2011/2012 financial years as set out in Annexure "J";

- (xi) Projects to be undertaken within the 2009/2010 financial year as set out in Annexure “K”, as amended;
- (xii) List of tariffs as set out in Annexure “L”.

ADDITIONAL COMMENTS

- (a) The income of R14 907 900 in the Roads Plant cost centre should have been listed as an Departmental Recovery and not as income from the Provincial Government: Roads Department. Both the Departmental Recoveries and Income for the Roads Department in the draft Medium Term Revenue and Expenditure Framework (MTREF) 2009/2010, 2010/2011 and 2011/2012 should therefore be adjusted with R14 907 900.
- (b) In the process of compiling the draft Medium Term Revenue and Expenditure Framework (MTREF) 2009/2010, 2010/2011 and 2011/2012, the Division of Revenue Bill for the 2009/2010 financial year was use as source document for income. According to the above mentioned bill R4 100 000 was allocated to the Cape Winelands District Municipality Integrated Transport Plan. This amount was decreased to R2 000 000 in the Division of Revue Act for the 2009/2010 financial year. The allocation towards the Cape Winelands District Municipality Integrated Transport Plan should therefore be decreased to R2 000 000 in the draft Medium Term Revenue and Expenditure Framework (MTREF) 2009/2010, 2010/2011 and 2011/2012.
- (c) Council won the VUNA awards and was awarded an amount of R750 000 to be spent on poverty alleviation projects. At Item MC.8.7(c) of 28 April 2009 the Executive Mayor together with the Mayoral Committee resolved that a district poverty audit be conducted in the area of the Cape Winelands District Municipality.
- (d) The Cape Winelands District Municipality is currently busy to implement a vehicle tracking system within Breede Valley, Witzenberg and Breede River Winelands Municipalities. All the Service Level Agreements have been signed and the 150 tracking devices will be installed in identified vehicles of the said Municipalities. To sustain this project and to support the three Local Municipalities, a further R600 000 is required for the 2009/2010 financial year.

IMPLICATIONS:

FINANCIAL

- (a) Roads

Item number 1 1364 0830 Contribution Provincial Administration must be reduced with R14 907 900 and Item Number 113640620 Departmental Recoveries: Roads must be increased with R14 907 900.

(b) Public Transport Regulations

Item number 116150872 must be decrease to R2 000 000. This will cause a decrease in Councils budgeted Contributions from Government with R2 100 000.

(c) VUNA Awards

Council's Contributions from Government Item Number 1 1475 0881 (Poverty Audit) will increase with an amount of R750 000 therefore the operating expenditure will also increase with an amount of R750 000 allocated to Item Number 1 1475 1032 (Poverty Audit).

(d) Vehicle Tracking: Breede Valley, Witzenberg and Breede Valley/Winelands Municipalities

As no provision has been made in the 2009/2010 Operating Budget for the funding of the vehicle tracking system for the Breede Valley, Witzenberg and Breede Valley/Winelands Municipalities, the expenditure in the amount of R600 000 will have to be funded from savings on the 2009/2010 Operating Budget.

Comment prepared by : Mr. J.G. Marais

LEGAL

The draft MTREF is submitted to the mayoral committee in terms of Section 21(2)(d) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) for purposes of making recommendations to council regarding submissions on the consultation process due to the fact that council must consider any views submitted during the consultation process (see Section 23(1) of the MFMA).

Section 23(2) requires that the mayor of a municipality be given an opportunity to respond to the submissions in terms of sub-Section 23(1), after the council has considered all budget submissions, for purposes of tabling revision or amendments in view of the submissions for consideration by council. Any revision or proposed amendments by the mayor of a municipality must thus relate to the submissions obtained during the consultation process only.

Comments prepared by : Ms. M. Nel

RECOMMENDATION : That -

- (a) The draft 2009/2010; 2010/2011 and 2011/2012 Medium Term Revenue and Expenditure Framework (MTREF) and the draft 2009/2010 Integrated Development Plan (IDP) for the Cape Winelands District Municipality be approved, as outlined in the following attached Annexures:

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- (i) The draft Medium Term Revenue and Expenditure Framework (MTREF) for the 2009/2010; 2010/2011 and 2011/2012 financial years as set out in Annexure "A";
 - (ii) Budget related policies, as set out in Annexure "B";
 - (iii) A projection of cash flow for the 2009/2010 financial year, as set out in Annexure "C";
 - (iv) Details of District Municipality's investments, as set out in Annexure "D";
 - (v) Details of all proposed service delivery agreements, including material amendments to existing service delivery agreements, as set out in Annexure "E";
 - (vi) Details of employments costs – salaries, allowances and benefits – of all political office-bearers, Councillors and senior managers of the Cape Winelands District Municipality, as set out in Annexure "F";
 - (vii) Particulars of any proposed allocations or grants by the Cape Winelands District Municipality, as set out in Annexure "G";
 - (viii) Proposed amendments to the Cape Winelands District Municipality's Integrated Development Plan following the annual review of the Integrated Development Plan in terms of Section 34 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) as set out in Annexure "H" (Chapter 1, Section 2.3, p18 – CWDM Key Priorities as a Framework for the IDP: Proposed Amendments to the Mission and Strategic Objectives);
 - (ix) Draft stakeholder input as set out in Annexure "I" (contained in IDP);
 - (x) The draft capital expenditure for the 2009/2010, 2010/2011 and 2011/2012 financial years as set out in Annexure "J";
 - (xi) Projects to be undertaken within the 2009/2010 financial year as set out in Annexure "K", as amended;
 - (xii) List of tariffs as set out in Annexure "L";
- (b) With regard to the Roads Department, the Departmental Recoveries be increased with an amount of R14 907 900 and the Income be decreased with an amount of R14 907 900 in the draft 2009/2010, 2010/2011 and 2011/2012 Medium Term Revenue and Expenditure Framework (MTREF);

- (c) The allocation towards the Cape Winelands District Municipality Integrated Transport Plan be decreased to R2 000 000 in the draft 2009/2010, 2010/2011 and 2011/2012 Medium Term Revenue and Expenditure Framework (MTREF);
- (d) Council's contribution from Government Item Number 1 1475 0881 (Poverty Audit) be increased with an amount of R750 000 and the operating expenditure also be increased with an amount of R750 000 in the draft 2009/2010, 2010/2011 and 2011/2012 Medium Term Revenue and Expenditure Framework (MTREF) in order to finance the poverty audit;
- (e) Approval be granted for the funding of the vehicle tracking system of the Breede Valley, Witzenberg and Breede River/Winelands Municipalities in the amount of R600 000, subjected thereto that it be funded from savings on the 2009/2010 Operating Budget.

COUNCIL MEETING : 14 MAY 2009 : ITEM C.13.2

*** The Executive Mayor presents his State of the District Address to Council, a copy of which is attached as Annexure "A" to the minutes.

The following Councillors congratulated the Executive Mayor with his State of the District Address and indicated their support for the draft 2009/2010, 2010/2011 and 2011/2012 Medium Term Revenue and Expenditure Framework (MTREF) as well as the draft 2009/2010 Integrated Development Plan for the Cape Winelands District Municipality:

- Cllr. C.A. de Bruyn, Democratic Alliance (DA)
- Cllr. S. Ross, Independent Democrats (ID)
- Cllr. R. Brand, Freedom Front Plus (FF+)

*** Councillor E.N. Bushwana of the African National Congress (ANC) congratulated the Executive Mayor with his State of the District Address and indicated the ANC's support of the budget. Attached as Annexure "B" to the minutes is a copy of Councillor Bushwana's speech.

Councillor C.A. de Bruyn (on behalf of the Democratic Alliance) –

- (a) Requested that it be investigated whether the amount for the EPWP River Improvements in the district, should not be increased to address flood-related problems in the Montagu area;
- (b) Cautioned that it must be ensured that personnel expenditure is be limited to 30% of the budget.

RESOLVED (Unanimously) : That -

- (a) The 2009/2010; 2010/2011 and 2011/2012 Medium Term Revenue and Expenditure Framework (MTREF) and the 2009/2010 Integrated Development Plan (IDP) for the Cape Winelands District Municipality be approved, as outlined in the following attached Annexures:
- (i) The Medium Term Revenue and Expenditure Framework (MTREF) for the 2009/2010; 2010/2011 and 2011/2012 financial years as set out in Annexure "A";
 - (ii) Budget related policies, as set out in Annexure "B";
 - (iii) A projection of cash flow for the 2009/2010 financial year, as set out in Annexure "C";
 - (iv) Details of District Municipality's investments, as set out in Annexure "D";
 - (v) Details of all proposed service delivery agreements, including material amendments to existing service delivery agreements, as set out in Annexure "E";
 - (vi) Details of employments costs – salaries, allowances and benefits – of all political office-bearers, Councillors and senior managers of the Cape Winelands District Municipality, as set out in Annexure "F";
 - (vii) Particulars of any proposed allocations or grants by the Cape Winelands District Municipality, as set out in Annexure "G";
 - (viii) Proposed amendments to the Cape Winelands District Municipality's Integrated Development Plan following the annual review of the Integrated Development Plan in terms of Section 34 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) as set out in Annexure "H" (Chapter 1, Section 2.3, p18 – CWDM Key Priorities as a Framework for the IDP: Proposed Amendments to the Mission and Strategic Objectives);
 - (ix) Stakeholder input as set out in Annexure "I" (contained in IDP);
 - (x) The capital expenditure for the 2009/2010, 2010/2011 and 2011/2012 financial years as set out in Annexure "J";
 - (xi) Projects to be undertaken within the 2009/2010 financial year as set out in Annexure "K", as amended.

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Having taken into account all the budget submissions and critical issues identified by the Executive Mayor, the following additional projects be approved:

Visual and Performing Arts	R 250 000
Sport Education	R 150 000
District Rural Development Strategy	R 250 000
Rural Development Conference	R 100 000
Community Support Programme	R 800 000
Sports Tourism Events	R 250 000
Training of Fire Reservists	R 500 000
Fire Breaks	R 200 000
Growth and Development Strategy	R 100 000
Laduma Project	R 300 000
Citizens Support	R 100 000
Communication	R1 000 000
Sandhills	R 300 000
Renewable Energy	R2 000 000
EPWP River Improvements	R1 200 000
Water Quality	R1 500 000
Sport Events	R 250 000
Bidding for Events	R 200 000
Fire Breaks	R 300 000
Boland Cricket	R 250 000
Waste Removal	R 400 000
Rural Women Development Programme	R 500 000

The amounts of the following projects be amended as follows:

Item Number 110045037 - Entrepreneurial Seed Funding: The allocation be increased from R1 100 000 to R2 680 000;

Item Number 110045351 - Incubator: The allocation be increased from R600 000 to R800 000;

Item Number 110020180 – Women’s Day: The allocation be increased from R80 000 to R250 000;

(xiii) List of tariffs as set out in Annexure “L”;

- (b) With regard to the Roads Department, the Departmental Recoveries be increased with an amount of R14 907 900 and the Income be decreased with an amount of R14 907 900 in the 2009/2010, 2010/2011 and 2011/2012 Medium Term Revenue and Expenditure Framework (MTREF);
- (c) The allocation towards the Cape Winelands District Municipality Integrated Transport Plan be decreased to R2 000 000 in the 2009/2010, 2010/2011 and 2011/2012 Medium Term Revenue and Expenditure Framework (MTREF);

- (d) Council's contribution from Government Item Number 1 1475 0881 (Poverty Audit) be increased with an amount of R750 000 and the operating expenditure also be increased with an amount of R750 000 in the 2009/2010, 2010/2011 and 2011/2012 Medium Term Revenue and Expenditure Framework (MTREF) in order to finance the poverty audit;
- (e) Approval be granted for the funding of the vehicle tracking system of the Breede Valley, Witzenberg and Breede River/Winelands Municipalities in the amount of R600 000, subjected thereto that it be funded from savings on the 2009/2010 Operating Budget;
- (f) Provision be made for the replacement of computers in the amount of R700 000 in the 2009/2010 capital budget.

C.13.3 REVISION OF BUDGET ESTIMATES: ROADS AGENCY FUNCTION (5/1/1/2)

PURPOSE OF SUBMISSION

That Council considers the revision of budget estimates for the Roads Agency Function for the financial year 2008/2009.

BACKGROUND

The Provincial Government Western Cape has indicated that in future, funding for the maintenance of roads and projects will be transferred according to provincial financial year, in this case, from 1 April 2009 to 31 March 2010 for the 2009/2010 financial year, funding will be transferred in advance from the Paarl Regional Office for the expected expenditure on a two-monthly basis.

*** This implies that, Council shall have to adjust the budget (Operating and Capital) for the Roads Agency Function taking into account an additional allocation for the remaining one month on Council's financial year. The Provincial: Paarl Regional Office indicated in writing (attached as Annexure "A") on 24 April 2009 that R49.44 million will be made available as from 1 April 2009 for the following twelve months (provincial financial year). Additional spending will only be allowed and funded on the agreed flood damage projects.

IMPLICATIONS:

PERSONNEL

None

Comment prepared by: Ms. K. Smit

LEGAL

In terms of Section 28 of the *Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003)* a municipality may adopt an adjustments budget that has been prepared by the municipal manager and submitted to the mayor for consideration and submission to Council for adoption.

In terms of section 28 (2), *the Adjustments Budget*:

- (a) may adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;
- (b) may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;
- (c) may, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
- (d) may authorise the utilisation of projected savings in one vote towards spending under another vote;
- (e) authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably be foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council;
- (f) may correct any errors in the annual budget; and
- (g) may provide for any other expenditure within a prescribed framework.
- (h) An Adjustments Budget must be in the prescribed form.
- (i) Only the mayor may table an Adjustments Budget in the municipal council, but an Adjustments Budget in terms of subsection (2)(b) to (g) may only be tabled within any prescribed limitations as to timing or frequency.
- (j) When an Adjustments Budget is tabled, it must be accompanied by –
 - (a) an explanation how the Adjustments Budget affects the annual budget;
 - (b) a motivation of any material changes to the annual budget;
 - (c) an explanation of the impact of any increased spending on the annual budget and the annual budgets for the next two financial years; and
 - (d) any other supporting documentation that may be prescribed.

- (k) Municipal tax and tariffs may not be increased during a financial year except when required in terms of a financial recovery plan.

Comment prepared by: Ms. M. Nel

FINANCIAL

There will be no financial burden placed on Council because "Roads" is an agency function and is fully funded from the principal. Province also agreed in principle that they will in the future indicate the roads maintenance funding on a three years basis to accommodate the difference in financial years. Attached as Annexure "B" is the proposed Adjustment Budget of the Roads Department.

SUMMARY OF THE PROPOSED ADJUSTMENT BUDGET

Cost Centre	Description	Appr. Adj Budget: 09 March 2009	Proposed Budget: 30 March 2009
1361	Roads – Main Division: Indirect	R 47,103,134	R 53,197,759
1362	Roads Management	R 3,555,866	R 3,555,866
1364	Roads Plant	R 13,797,000	R 11,487,000
		R 64,456,000	R 68,240,625
Capital	Furniture and Equipment	R 413,700	R 120,000
	New Oil Trap	R 500,000	
	Training Centre: CW Depot	R 500,000	
	Upgrade Roads CJ Depot: Paarl	R 2,500,000	
Total Budget		R 68,369,700	R 68,360,625

Comment prepared by: Mr. J.G. Marais

RECOMMENDATION :

That Council considers the revision of the budget estimates in the amount of R58 360 625 (Operational – R68 240 625 and Capital – R120 000) for the Roads Agency Function for the 2008/2009 financial year.

COUNCIL MEETING : 14 MAY 2009 : ITEM C.13.3

RESOLVED :

That the revision of the budget estimates in the amount of R58 360 625 (Operational – R68 240 625 and Capital – R120 000) for the Roads Agency Function for the 2008/2009 financial year, be approved.

C.13.4 DESIGNATION OF ACTING EXECUTIVE MAYOR (C.P. O/1 & 13/3/1)

COUNCIL MEETING : 14 MAY 2009 : ITEM C.13.4

RESOLVED :

That Councillor D.J. Oosthuizen be designated as Acting Executive Mayor in the place of the Executive Mayor, Alderman C.W. Johnson, for the period of his absence from Friday, 29 May 2009 to Sunday, 28 June 2009.

C.13.5 APPOINTMENT OF COUNCILLORS ON THE ECONOMIC DEVELOPMENT AND PLANNING SERVICES COMMITTEE (C.P. J/3, C.P. P/1 & 3/2/4/4)

PURPOSE OF SUBMISSION

That Council considers to designate additional Councillors as members of the Economic Development and Planning Services Committee.

BACKGROUND

At Item C.14.10 of 27 March 2008 Council resolved that the following Section 80 Committee, be established in terms of Section 79 of the *Local Government: Municipal Structures Act, 1998 (Act 117 of 1998)*, namely -

(v) Economic Development and Planning Services

consisting of the following Councillors :

Cllr. E.B. Pheko (Chairperson)
Cllr. P.W. Biscombe
Cllr. J.F. Nel

Cllr. H.G. Pheiffer
Cllr. L. Richards
Cllr. H.J. Smit

At the Mayoral Committee meeting held on Friday, 6 June 2008 the Executive Mayor announced that he had, *inter alia*, reallocated the Mayoral Committee Portfolio to Councillor C.C. Brink as chairperson to replace Councillor E.B. Pheko who is no longer a member of Council.

COMMENT

It has proven necessary to appoint two additional members to the relevant Committee, *inter alia*, to replace Councillor H.G. Pheiffer who is no longer a member of Council.

IMPLICATIONS :

PERSONNEL

None.

Comment prepared by: Mr. G.F. Qonde

FINANCIAL

Councillors will be reimbursed in terms of the provisions of the Public Office Bearers Act, 1998 (Act No. 20 of 1998).

Comment prepared by: Mr. J.G. Marais

LEGAL

In addition to the reference to Section 79 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998) in accordance with which the Section 80 Committees of the CWDM were established to assist the Executive Mayor, it should be noted that the Executive Mayor may in terms of Section 80(3) appoint the chairperson of each committee from the members of the Mayoral Committee. Section 80 committees may not in number exceed the number of members of the mayoral committee.

Comment prepared by: Ms. M. Nel

RECOMMENDATION :

That Council considers to designate the following two Councillors as additional members of the Economic Development and Planning Services Committee:

Cllr. L.E.J. Jantjies (Deputy Executive Mayor)
Cllr. C. Philander

COUNCIL MEETING : 14 MAY 2009 : ITEM C.13.5

RESOLVED :

That the following Councillors be designated as additional members of the Economic Development and Planning Services Committee:

Cllr. L.E.J. Jantjies (Deputy Executive Mayor)
Cllr. C. Philander

C.13.6 DESIGNATION OF COUNCILLORS TO REPRESENT COUNCIL ON THE LOCAL LABOUR FORUM (LLF) (3/2/5/4)

PURPOSE OF SUBMISSION

That Council considers to appoint a Councillor to replace Councillor H.P. Geyer on the Employer Component of the Local Labour Forum (LLF).

BACKGROUND

At Item C.14.3(a)(ii) of 6 December 2007, Council resolved that, *inter alia*, Councillor H.P. Geyer of the Democratic Alliance (DA) be appointed as a member of the Local Labour Forum.

COMMENT

During the 2009 General Election held on Wednesday, 22 April 2009, Councillor H.P. Geyer was duly elected as a Member of the Western Cape Provincial Parliament. Due to the afore-mentioned, Councillor Geyer ceased to be a Councillor of the Cape Winelands District Municipality and a vacancy has thus occurred on the Local Labour Forum.

IMPLICATIONS :

PERSONNEL

None.

Comment prepared by: Mr. G.F. Qonde

FINANCIAL

Councillors will be reimbursed in terms of the provisions of the Public Office Bearers Act, 1998 (Act No. 20 of 1998).

Comment prepared by: Mr. J.G. Marais

LEGAL

The establishment of a Local Labour Forum is a requirement of Clause 7 of the Organizational Rights Agreement which was concluded between SALGA, IMATU and SAMWU in terms of the Labour Relations Act, 1995 (Act No. 66 of 1995).

Comment prepared by: Ms. M. Nel

RECOMMENDATION :

That Council considers to appoint a Councillor to replace Councillor H.P. Geyer on the Local Labour Forum who was elected as a Member of the Western Cape Provincial Parliament.

COUNCIL MEETING : 14 MAY 2009 : ITEM C.13.6

RESOLVED : That -

- (a) Councillor P.W. Biscombe be appointed to replace Councillor H.P. Geyer, who was elected as a Member of the Western Cape Provincial Parliament, on the Local Labour Forum (LLF);
- (b) The Councillor who will fill Councillor H.P. Geyer's vacancy as a member of the Cape Winelands District Municipal Council, be designated as alternate for Councillor P.W. Biscombe on the Local Labour Forum (LLF).

C.13.7 COMMUNITY DEVELOPMENT WORKERS (CDW'S) (17/10/4)

Councillor C.A. de Bruyn requested that information be provided to Councillors regarding the decision taken by the Executive Mayor together with the Mayoral Committee at Item MC.8.5 of 28 April 2009, regarding the two (2) Community Development Workers (CDW's) stationed at the Worcester office building.

COUNCIL MEETING : 14 MAY 2009 : ITEM C.13.7

RESOLVED :

That Councillor C.A. de Bruyn submits a written request regarding the two (2) Community Development Workers (CDW's) stationed at die Worcester office building to the Municipal Manager on receipt of which the matter will be addressed.

C.14 CONCLUSION

The agenda was concluded at 12:45.

CONFIRMED ON THIS DAY OF 2009.

SPEAKER
DAH/iw

CAPE WINELANDS DISTRICT MUNICIPALITY

**COUNCIL MEETING
THURSDAY, 14 MAY 2009 AT 11:00**

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Appendix A

Forms to be completed by all metropolitan, local and district municipalities

RETURN FOR 2008/09

MUNICIPALITY	DC2 Cape Winelands	PROVINCE	WC WESTERN CAPE
WEB ADDRESS	www.capewinelands.gov.za	GRADE 1	4
E-MAIL ADDRESS	admin@bolanddm.co.za		

A. GENERAL INFORMATION

Postal address:		Deputy Mayor/Executive Mayor:	
P.O. Box	P.O. Box 100	Name	Clr. L. Jantjies
City / Town	STELLENBOSCH	Telephone number	021-870 3213
Postal Code	7599	Cell number	082 847 7845
Street address		Fax number	021-872 5228
Building		E-mail address	lilian@bolanddm.co.za
Street No. & Name	29 Du Toit Street	Municipal Manager:	
City / Town	STELLENBOSCH	Name	Mr. M. Mgajo
Postal Code	7600	Telephone number	021-888 5130
General Contacts		Cell number	082 411 0344
Telephone number	086 265 263	Fax number	021-887 3451
Fax number	021-883 8871	E-mail address	mm@bolanddm.co.za
Speaker:		Financial Manager	
Name	Clr. N.D. Hani	Name	Mr. J.G. Marais
Telephone number	021-888 5262	Telephone number	021-888 5154
Cell number	082 336 4651	Cell number	082 783 6559
Fax number	021-887 3451	Fax number	021-883 8871
E-mail address	hani@bolanddm.co.za	E-mail address	gawie@bolanddm.co.za
Mayor/Executive Mayor:			
Name	Clr. C.W. Johnson		
Telephone number	023-348 2301		
Cell number	082 798 8694		
Fax number	023-342 6768		
E-mail address	mayor@bolanddm.co.za		

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

Save file as: AppA_Muncde_ccyy.XLS
 ccyy = Financial Year End
 Muncde = Municipality Code
 (e.g. AppA_GT411_2007.XLS)

B. CAPITAL BUDGET		2008/09 Budget Return					
		A BUDGET 2008/09 R	B EXPECTED 2008/09 R	C BUDGET 2009/2010 R	C/A INCREASE / (DECREASE) %	BUDGET 2010/2011 R	BUDGET 2011/2012 R
EXPENDITURE ²							
1	INFRASTRUCTURE						
2	Land and buildings				0.00%		
3	Roads, pavements, bridges & stormwater	50,000	50,000	0	-100.00%		
4	Water reservoirs & reticulation				0.00%		
5	Car parks, bus terminals & taxi ranks				0.00%		
6	Electricity reticulation	4,305,700	4,305,700	0	-100.00%		
7	Sewerage purification & reticulation				0.00%		
8	Housing				0.00%		
9	Street lighting				0.00%		
10	Refuse sites				0.00%		
11	Gas				0.00%		
12	Other			1,750,000	0.00%	700,000	500,000
13	Sub-total (lines 2-12)	4,355,700	4,355,700	1,750,000	-59.82%	700,000	500,000
14	COMMUNITY						
15	Establishment of parks & gardens				0.00%		
16	Sport fields				0.00%		
17	Community halls				0.00%		
18	Libraries				0.00%		
19	Recreation facilities				0.00%		
20	Clinics				0.00%		
21	Museums & art galleries				0.00%		
22	Other	9,260,486	9,260,486	7,457,530	-19.47%	23,317,470	9,403,700
23	Sub-total (lines 15-22)	9,260,486	9,260,486	7,457,530	-19.47%	23,317,470	9,403,700

2 Show only expenditure of which funds are secured; otherwise, it must be gazetted or written confirmation of allocation must have been obtained.

B. CAPITAL BUDGET		2008/09 Budget Return					
		A BUDGET 2008/09 R	B EXPECTED 2008/09 R	C BUDGET 2009/2010 R	C/A INCREASE / (DECREASE) %	BUDGET 2010/2011 R	BUDGET 2011/2012 R
	EXPENDITURE ⁶						
24	OTHER ASSETS						
25	Other motor vehicles	1,699,999	1,699,999	1,500,000	-11.76%	1,520,000	1,350,000
26	Plant & equipment	3,264,826	3,264,826	2,334,472	-28.50%	1,647,200	1,597,500
27	Office equipment	2,510,186	2,510,186	2,750,714	9.58%	563,700	577,000
28	Abattoirs				0.00%		
29	Markets				0.00%		
30	Airports				0.00%		
31	Security Measures	400,000	400,000		-100.00%		
32	Other	730,300	730,300	3,000	-99.59%		
33	Sub-total (Lines 25-32)	8,605,311	8,605,311	6,588,186	-23.44%	3,730,900	3,524,500
34	SPECIALISED VEHICLES						
35	Refuse				0.00%		
36	Fire	2,500,500	2,500,500	3,100,000	23.98%	3,550,000	3,100,000
37	Conservancy				0.00%		
38	Ambulances				0.00%		
39	Buses				0.00%		
40	Sub-total (Lines 35-39)	2,500,500	2,500,500	3,100,000	23.98%	3,550,000	3,100,000
41	TOTAL (13+23+33+40)	24,721,997	24,721,997	18,895,716	-23.57%	31,298,370	16,528,200

⁶ Show only expenditure of which funds are secured; otherwise, it must be gazetted or written confirmation of allocation must have been obtained.

B. CAPITAL BUDGET		2008/09 Budget Return					
		A BUDGET 2008/09 R	B EXPECTED 2008/09 R	C BUDGET 2009/2010 R	C/A INCREASE / (DECREASE) %	BUDGET 2010/2011 R	BUDGET 2011/2012 R
42	SOURCES OF FINANCE: ¹⁰						
43	Grants and subsidies from National Government:						
44	a) Allocated 2009/2010			3,013,530	0.00%	19,657,470	8,403,700
45	b) Carry over from previous years				0.00%		
46	Sub-total (Lines 44-45)	0	0	3,013,530	0.00%	19,657,470	8,403,700
47	Grants and subsidies from Provincial Government:						
48	a) Allocated 2009/2010	6,210,215	6,210,215	1,429,000	-76.99%		95,000
49	b) Carry over from previous years				0.00%		
50	Sub-total (Lines 48-49)	6,210,215	6,210,215	1,429,000	-76.99%	0	95,000
51	Grant and subsidies from District Municipalities: ¹¹						
52	a) Allocated 2009/2010				0.00%		
53	b) Carry over from previous years				0.00%		
54	Sub-total (Lines 52-53)	0	0	0	0.00%	0	0
55	TOTAL (46+50+54)	6,210,215	6,210,215	4,442,530	-28.46%	19,657,470	8,498,700
56	External Loans				0.00%		
57	Internal Advances				0.00%		
58	Contribution from revenue ¹²	18,511,782	18,511,782	14,453,186	-21.92%	11,640,900	8,029,500
59	Public contributions/donations				0.00%		
60	Other Ad Hoc Financing Sources				0.00%		
61	Other				0.00%		
62	TOTAL (Lines 55-61)	24,721,997	24,721,997	18,895,716	-23.57%	31,298,370	16,528,200

10 Show only funding that has been secured; otherwise, it must be gazetted or written confirmation of allocation must have been obtained.

11 Must correspond with allocations to local municipalities in district municipalities' budget.

12 Must correspond with contributions to fixed assets under Form C (Operating Budget) on page 6.

C. OPERATING BUDGET				2008/09 Budget Return		
	A BUDGET 2007/08 R	B EXPECTED 2007/08 R	C BUDGET 2008/09 R	C/A INCREASE / (DECREASE) %	BUDGET 2009/10 R	BUDGET 2010/11 R
EXPENDITURE :						
Allocations to local municipalities ¹⁵				0.00%		
Salaries, wages and allowances	125,472,705	115,145,192	133,720,700	6.57%	149,821,500	166,865,500
<i>General expenditure -</i>						
Electricity bulk purchases				0.00%		
Water bulk purchases				0.00%		
Sewer payments				0.00%		
Contributions to municipalities for functions & services				0.00%		
Other	101,833,509	100,015,534	159,733,452	56.86%	116,192,000	122,218,700
Repairs and maintenance	89,948,127	71,824,056	83,470,900	-7.20%	84,687,300	93,138,600
<i>Capital charges -</i>						
External interest				0.00%		
Redemption of external debt				0.00%		
Internal interest and redemption				0.00%		
Contributions to fixed assets				0.00%		
Contributions to special funds				0.00%		
Provisions for working capital				0.00%		
<i>Total Gross budgeted expenditure</i>	317,254,341	286,984,782	376,925,052	18.81%	350,700,800	382,222,800
Less amounts reallocated				0.00%		
TOTAL: Net budgeted expenditure	317,254,341	286,984,782	376,925,052	18.81%	350,700,800	382,222,800

15 Only to be completed by district municipalities and must correspond with the total allocations under Form D (Allocations To Local Municipalities).

C. OPERATING BUDGET				2008/09 Budget Return		
	A BUDGET 2007/08 R	B EXPECTED 2007/08 R	C BUDGET 2008/09 R	C/A INCREASE / (DECREASE) %	BUDGET 2009/10 R	BUDGET 2010/11 R
INCOME :		16				
Regional Levies				0.00%	0	
Property rates				0.00%	0	
Electricity				0.00%		
Water				0.00%		
Sanitation				0.00%		
Refuse removal				0.00%		
Contributions by municipalities for functions & services				0.00%		
Grants ¹⁷	259,705,006	259,705,006	283,877,252	9.31%	302,265,100	333,287,400
<i>Interest and investment income:</i>						
External	35,000,000	38,000,000	35,000,000	0.00%	42,000,000	42,000,000
Internal				0.00%		
Other	7,580,470	4,561,000	6,417,800	-15.34%	6,435,700	6,935,400
Surplus funds appropriated	11,144,240	11,144,240	51,630,000	363.29%		
TOTAL	313,429,716	313,410,246	376,925,052	20.26%	350,700,800	382,222,800
Surplus/(Deficit)	-3,824,625	26,425,464	0	-100.00%	0	0

16 Actual income and not levied income should be shown.

17 Should match with what is gazetted or written confirmation if not gazetted.

D. ALLOCATIONS TO LOCAL MUNICIPALITIES				2008/09 Budget Return		
	A BUDGET 2007/08 R 20	B EXPECTED 2007/08 R	C BUDGET 2008/09 R 19&21	C/A INCREASE / (DECREASE) %	BUDGET 2009/10 R	BUDGET 2010/11 R
New allocations				0.00%		
Projects brought forward:						
Allocated 2009/10 budget						
Allocated 2008/09 budget						
Allocated 2007/08 budget						
Allocated 2006/07 budget				0.00%		
Allocated previous financial years				0.00%		
Total	0	0	0	0.00%	0	0

E. BREAKDOWN OF RECOVERABLE COSTS RELATING TO SERVICES				2008/09 Budget Return		
	Approved Establishment staff no.	Budgeted staff no.	Staff cost R	A Total cost R	B Income R	B-A Nett R
Property rates						0
Electricity						0
Water						0
Sewerage/Sanitation						0
Refuse removal						0
Health services						0
Housing services						0
Other						0
TOTAL	0	0	0	0	0	0

19 Must correspond with allocations to local municipalities under Form C.

20 The information furnished in the return for 2007/08 should be given.

21 A list of new allocation and a progress report on projects carried forward must be provided balancing with this column.

F. MONTHLY ACCOUNT FOR HOUSEHOLD - Large Household ²²					2008/09 Budget Return	
	A BUDGET 2007/08 R	B EXPECTED 2007/08 R	C BUDGET 2008/09 R	C/A INCREASE / (DECREASE) %	BUDGET 2009/10 R	BUDGET 2010/11 R
			²³			
Rates and services charges:						
- Property rates				0.00%		
- Electricity: Basic levy				0.00%		
Consumption				0.00%		
- Water: Basic levy				0.00%		
Consumption				0.00%		
Sanitation				0.00%		
Refuse removal				0.00%		
Other				0.00%		
VAT on Services	0.00	0.00	0.00	0.00%	0.00	0.00
TOTAL	0.00	0.00	0.00	0.00%	0.00	0.00

G. MONTHLY ACCOUNT FOR HOUSEHOLD - Small Household ²⁴					2008/09 Budget Return	
	A BUDGET 2007/08 R	B EXPECTED 2007/08 R	C BUDGET 2008/09 R	C/A INCREASE / (DECREASE) %	BUDGET 2009/10 R	BUDGET 2010/11 R
			²⁵			
Rates and services charges						
- Property rates				0.00%		
- Electricity: Basic levy				0.00%		
Consumption				0.00%		
- Water: Basic levy				0.00%		
Consumption				0.00%		
Sanitation				0.00%		
Refuse removal				0.00%		
Other				0.00%		
VAT on Services	0.00	0.00	0.00	0.00%	0.00	0.00
TOTAL	0.00	0.00	0.00	0.00%	0.00	0.00

22 Use as basis 1 000m² erf, 150m² improvements, 1 000 units electricity and 30kl water.

23 Increases necessary later due to financing the budget expenditure must be included.

24 Use as basis 300m² erf, 48m² improvements, 498 units electricity and 25kl water.

25 Increases necessary later due to financing the budget expenditure must be included.

H. LIQUIDITY DATA					2008/09 Budget Return	
	A	B	C	C/B		
	30 JUNE 2007	30 JUNE 2008	30 JUNE 2009	INCREASE /	30 JUNE 2010	30 JUNE 2011
	R	R	R	(DECREASE)	R	R
				%		
Cash/Bank Balance:						
Surplus		1,510,820	2,446,660	61.94%	3,000,000	3,000,000
Deficit	3,158,370			0.00%		
Working capital:						
Provision for bad debts to be written off				0.00%		
Provision for working capital				0.00%		
Accumulated provision for working capital				0.00%		
Debtors outstanding:						
Longer than 90 days	13,951,533	341,832,256	341,900,000	0.02%	344,000,000	345,000,000
61 to 90 days	328,236	1,974	1,900	-3.75%	2,000	3,000
31 to 60 Days	3,004	257,154	250,000	-2.78%	250,000	250,000
30 days or less	427,163,969	39,820	50,000	25.57%	50,000	50,000
TOTAL DEBTORS OUTSTANDING	441,446,742	342,131,204	342,201,900	0.02%	344,302,000	345,303,000
Creditors outstanding:						
Longer than 90 days	18,248,136	24,560,604	22,300,000	-9.20%	20,000,000	18,000,000
61 to 90 days	0	0	0	0.00%	0	0
31 to 60 Days	0	0	0	0.00%	0	0
30 days or less				0.00%		
TOTAL CREDITORS OUTSTANDING	18,248,136	24,560,604	22,300,000	-9.20%	20,000,000	18,000,000

I. EXTERNAL INVESTMENTS BY CATEGORY					2008/09 Budget Return	
	A	B	C	C/B		
	30 JUNE 2007	30 JUNE 2008	30 JUNE 2009	INCREASE /	30 JUNE 2010	30 JUNE 2011
	R	R	R	(DECREASE)	R	R
				%		
Unlisted:						
Municipal stock				0.00%		
Assurance stock				0.00%		
Long Term Deposits				0.00%		
Short Term Deposits	280,000,000	320,000,000	420,000,000	31.25%	300,000,000	300,000,000
Call Deposits	5,069,386	6,013,443	5,921,922	-1.52%	5,000,000	5,000,000
Other				0.00%		
Listed:						
Other Municipal Stock				0.00%		
Other				0.00%		
TOTAL EXTERNAL INVESTMENTS	285,069,386	326,013,443	425,921,922	30.65%	305,000,000	305,000,000

J. REMUNERATION PACKAGES					2008/09 Budget Return	
	A	B	C	C/A		
	BUDGET 2008/09 ²⁶	EXPECTED 2008/09	BUDGET 2009/10	INCREASE / (DECREASE)	BUDGET 2010/11	BUDGET 2011/2012
Municipal Manager						
Salary	760,780	704,780	986,832	29.71%	1,072,832	1,172,832
Travel expenses/allowances	14,000	56,000	0	-100.00%		
Entertainment				0.00%		
Other	264,537	150,000	178,694	-32.45%	256,694	281,694
TOTAL	1039317	910780	1165526	12.14%	1,329,526	1,454,526
Senior Managers						
Number	5	5	5		5	5
Salary ²⁷	4,069,068	3,800,000	4,975,278	22.27%	5,472,806	6,020,086
Travel expenses/allowances ²⁷	112,000	112,000	85,200	-23.93%	93,720	103,092
Entertainment ²⁷	0	0		0.00%		
Other ²⁷	1,432,113	1,300,000	820,268	-42.72%	902,294	992,524
TOTAL	5,613,181	5,212,000	5,880,746	4.77%	6,468,820	7,115,702

²⁶ The information furnished in the return for 2008/09 should be given.

²⁷ Total of: All managers one level below municipal manager.

K. COUNCILLOR ALLOWANCES								2008/09 Budget Return
	Number	Salary per Councillor R	Pension per Councillor R	Medical Aid per Councillor R	Housing allowance R	Use of Personal Facilities R	Cell- /Telephone Allowance R	Travelling Allowance R
Speaker								
Full-time	1	407,000	61,000	15,400	18,000		17,100	81,400
Part-Time								
Executive Mayor / Mayor								
Full-time	1	661,300	67,700	18,700			18,600	93,900
Part-Time								
Deputy Executive Mayor / Mayor								
Full-time	1	407,000	61,000	15,400	18,000		17,100	81,400
Part-Time								
Member of the Executive /Mayoral Committee	6	2,604,300	246,500	45,000	26,400	13,200	74,000	335,000
Chairperson of a sub-council								
Councillors determined in terms of section 20 of Act 117 of 98								
Councillors designated as fulltime in terms of section 18(4) of Act 117 of 98								
Councillors proportionally elected	8	713,000	138,000	28,850			16,500	162,000
Councillor appointed by councils of respective local municipalities	17	357,000						50,000
Councillors representing district management areas	1	114,000	17,000	28,850			9,700	0
Traditional leaders								
Councillors receiving sitting allowances	1	3,800						

L. FREE BASIC SERVICES (FBS)

2008/09 Budget Return

This information is required to assess the implementation of Free Basic Services

Please complete each section applicable.

Each question requiring an answer is marked with a number. E.g. "G.1" refers to "General, question 1"

Items without a question number will calculate automatically from other questions.

The summary table under the "General" heading must reflect all FBS provided to households (HH) in the municipal area.

FBS for Water, Sanitation, Electricity / Energy and Refuse have detailed sections. The totals will automatically populate the summary table.

GENERAL			
G.7	Definition of Poor Household		
G.8	Source of Definition of Poor Household		
		2008/09	2009/10
			2010/11
G.1	Total number of people in municipal area		
G.2	Total number of poor people in municipal area		
G.3	Total number of households in municipal area		
G.4	Total number of poor households in municipal area		

Summary table of FBS Provided in municipal area							
		2008/09		2009/10		2010/11	
		Number HH	Cost R	Number HH	Cost R	Number HH	Cost R
G.5	FBS provided for property rates (e.g. rebates for indigents etc)						
	FBS provided for water	0	0	0	0	0	0
	FBS provided for sanitation	0	0	0	0	0	0
	FBS provided for Electricity / Energy	0	0	0	0	0	0
	FBS provided for Refuse	0	0	0	0	0	0
G.6	Other FBS provided (any other FBS not included above)						
	Total FBS provided in municipal area (total social package)	0	0	0	0	0	0
	Total cost per HH per annum for all FBS		0		0		0

FREE BASIC SERVICES FOR WATER (see separate section for sanitation) **2008/09 Budget Return**

	2008/09	2009/10	2010/11
W.1	Are you authorised to provide the service		
W.2	Monthly unit used for definition of free basic service		
W.3	Free monthly units (enter a number corresponding to the unit above)		
	Method of identifying poor households (choose Y or N for each of the options below)		
W.4	Technical targeting (in terms of systems in place, e.g. prepaid meter)		
W.5	Application by customer (usually related to poverty measurement)		
W.6	Free basic to all households, increase rates for higher usage)		
W.7	Geographic targeting (e.g. poor areas)		
W.8	No. of households with piped water inside dwelling		
W.9	No. of households with piped water inside yard (but not in dwelling)		
W.10	No. of households using public tap (community stand:distance > 200m from dwelling)		
W.11	No. of households using public tap (community stand:distance < 200m from dwelling)		
W.12	No. of households with other water supply (borehole, spring, rain-water tank etc)		
W.13	No. of households with no water supply		
	Total No. of households (must agree to total No. of households in municipal area -G.3)	0	0

Summary of Water FBS Provided
 (HH = No. of HH receiving FBS, Cost = cost of providing FBS, Complete W.13 only, Other values will populate from detail)
 2008/09 figures mandatory, leave 2009/10 and 2010/11 blank if information not available

	2008/09		2009/10		2010/11	
	Number HH	Cost R	Number HH	Cost R	Number HH	Cost R
W.14	FBS provided by municipality (incl. wholly owned entities)					
	FBS provided by another Municipality	0	0	0	0	0
	FBS provided by public entities and private institutions	0	0	0	0	0
	Total FBS benefits in Municipal area	0	0	0	0	0
	Cost per HH per annum		0	0		

Detail of Water FBS from Other Providers
 (HH = No. of HH receiving FBS, Cost = cost of providing FBS)
 (Select whether Service Agreement has been signed or not)
 2008/09 figures mandatory, leave 2009/10 and 2010/11 blank if information not available

Water FBS Provided by another municipality
 (select the demarcation code from list for each municipality that provides Water FBS in your municipal area)

	Demarcation Code	Agreement Signed (Y/N)	2008/09		2009/10		2010/11	
			Number HH	Cost R	Number HH	Cost R	Number HH	Cost R
W.15	FBS provided by							
W.16	FBS provided by							
W.17	FBS provided by							
W.18	FBS provided by							
W.19	FBS provided by							
W.20	FBS provided by							
W.21	FBS provided by							
	TOTAL		0	0	0	0	0	0

Water FBS Provided By Public Entity
 (Complete each one applicable)

W.22	FBS provided by Water Board							
W.23	FBS provided by DWAF							
W.24	FBS provided by Other							
	TOTAL		0	0	0	0	0	0

W.25 **Water FBS Provided by Private Entity**
 (Includes Public Private Partnerships (PPP))

FREE BASIC SERVICES FOR SANITATION - SEWERAGE 2008/09 Budget Return

	2008/09	2009/10	2010/11
S.1	Are you authorised to provide the service		
S.2	How is sanitation generally billed to the consumer (separate tariff of part of another)		
S.3	How is Free Basic Service for Sanitation Provided		
	Method of identifying poor households (choose Y or N for each of the options below)		
S.4	Technical targeting (in terms of systems in place, e.g. prepaid meter)		
S.5	Application by customer (usually related to poverty measurement)		
S.6	Free basic to all households, increase rates for higher usage)		
S.7	Geographic targeting (e.g. poor areas)		
S.8	No. of households with flush toilet (connected to sewerage)		
S.9	No. of households with flush toilet (with septic tank)		
S.10	No. of households with chemical toilet		
S.11	No. of households with pit latrine (ventilated or not)		
S.12	No. of households with bucket latrine		
S.13	No. of households with other toilet provisions		
S.14	No. of households with no toilet provisions		
	0	0	0
	Total No. of households (agrees to total No. of households in municipal area - G.3)		

Summary of Sanitation FBS Provided
 (HH = No. of HH receiving FBS, Cost = cost of providing FBS, Complete S.13 only, Other values will populate from detail)
 2008/09 figures mandatory, leave 2009/10 and 2010/11 blank if information not available

	2008/09		2009/10		2010/11	
	Number HH	Cost R	Number HH	Cost R	Number HH	Cost R
S.15	FBS provided by municipality (incl. wholly owned entities)					
	0	0	0	0	0	0
	FBS provided by another Municipality					
	0	0	0	0	0	0
	FBS provided by public entities and private institutions					
	0	0	0	0	0	0
	Total FBS benefits in Municipal area					
	0	0	0	0	0	0
	Cost per HH per annum					
		0		0		0

Detail of Sanitation FBS from Other Providers
 (HH = No. of HH receiving FBS, Cost = cost of providing FBS)
 (Select whether Service Agreement has been signed or not)
 2008/09 figures mandatory, leave 2009/10 and 2010/11 blank if information not available

Sanitation FBS Provided by another municipality
 (select the demarcation code from list for each municipality that provides Sanitation FBS in your municipal area)

	Demarcation Code	Agreement Signed (Y/N)	2008/09		2009/10		2010/11	
			Number HH	Cost R	Number HH	Cost R	Number HH	Cost R
S.16	FBS provided by							
S.17	FBS provided by							
S.18	FBS provided by							
S.19	FBS provided by							
S.20	FBS provided by							
S.21	FBS provided by							
S.22	FBS provided by							
	TOTAL		0	0	0	0	0	0

Sanitation FBS Provided By Public Entity
 (Complete each one applicable)

S.23	FBS provided by Water Board							
S.24	FBS provided by DWAF							
S.25	FBS provided by Other							
	TOTAL		0	0	0	0	0	0

Sanitation FBS Provided by Private Entity
 (Includes Public Private Partnerships (PPP))

S.26								
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FREE BASIC SERVICES FOR ELECTRICITY / ENERGY (completed by category A and B municipalities only) 2008/09 Budget Return

	2008/09
E.1	Monthly unit used for definition of free basic service for Electricity
E.2	Free monthly units for electricity (enter a number corresponding to the unit above)
	Method of identifying poor households (choose Y or N for each of the options below)
E.3	Technical targeting (in terms of systems in place, e.g. prepaid meter)
E.4	Application by customer (usually related to poverty measurement)
E.5	Free basic to all households, increase rates for higher usage)
E.6	Geographic targeting (e.g. poor areas)
	Do you provide free basic energy for (select Yes or No for each. multiple allowed.)
E.7	Coal
E.8	Gas
E.9	Paraffin
E.10	Candle
E.11	Solar
E.12	Other

Summary of Electricity / Energy FBS Provided						
(HH = No. of HH receiving FBS, Cost = cost of providing FBS, Complete E.13 only, Other values will populate from detail)						
2008/09 figures mandatory, leave 2009/10 and 2010/11 blank if information not available						
	2008/09		2009/10		2010/11	
	Number HH	Cost R	Number HH	Cost R	Number HH	Cost R
E.13	FBS provided by municipality (incl. wholly owned entities)					
	FBS provided by another Municipality	0	0	0	0	0
	FBS provided by public entities and private institutions	0	0	0	0	0
	Total FBS benefits in Municipal area	0	0	0	0	0
	Cost per HH per annum		0	0		0

Detail of Electricity / Energy FBS from Other Providers								
(HH = No. of HH receiving FBS, Cost = cost of providing FBS)								
(Select whether Service Agreement has been signed or not)								
2008/09 figures mandatory, leave 2009/10 and 2010/11 blank if information not available								
Electricity / Energy FBS Provided by another municipality								
(select the demarcation code from list for each municipality that provides Electricity / Energy FBS in your municipal area)								
	Demarcation Code	Agreement Signed (Y/N)	2008/09		2009/10		2010/11	
			Number HH	Cost R	Number HH	Cost R	Number HH	Cost R
E.14	FBS provided by							
E.15	FBS provided by							
E.16	FBS provided by							
E.17	FBS provided by							
E.18	FBS provided by							
E.19	FBS provided by							
E.20	FBS provided by							
	TOTAL		0	0	0	0	0	0

Electricity / Energy FBS Provided By Public Entity								
(Complete each one applicable)								
E.21	FBS provided by Eskom							
E.22	FBS provided by Non-Grid Provider							
E.23	FBS provided by Other							
	TOTAL		0	0	0	0	0	0
E.24	Electricity / Energy FBS Provided by Private Entity							
	(Includes Public Private Partnerships PPP)							

FREE BASIC SERVICES FOR REFUSE - SOLID WASTE (completed by category A and B municipalities only) 2008/09 Budget Return

	2008/09	2009/10	2010/11
R.1	How is refuse generally billed to the consumer (separate tariff of part of another)		
R.2	How is Free Basic Service for refuse Provided		
	Method of identifying poor households (choose Y or N for each of the options below)		
R.3	Technical targeting (in terms of systems in place, e.g. prepaid meter)		
R.4	Application by customer (usually related to poverty measurement)		
R.5	Free basic to all households, increase rates for higher usage)		
R.6	Geographic targeting (e.g. poor areas)		
R.7	No. of households with refuse removed at least once a week		
R.8	No. of households with refuse removed less than once a week		
R.9	No. of households using communal refuse dump		
R.10	No. of households using own refuse dump		
R.11	No. of households with other rubbish disposal		
R.12	No. of households with no rubbish disposal		
	Total No. of households (must agree to total No. of households in municipal area - G.3)		
	0	0	0

Summary of Refuse FBS Provided

(HH = No. of HH receiving FBS, Cost = cost of providing FBS, Complete R.13 only, Other values will populate from detail)
 2008/09 figures mandatory, leave 2009/10 and 2010/11 blank if information not available

	2008/09		2009/10		2010/11	
	Number HH	Cost R	Number HH	Cost R	Number HH	Cost R
R.13	FBS provided by municipality (incl. wholly owned entities)					
	0	0	0	0	0	0
	FBS provided by another Municipality					
	0	0	0	0	0	0
	FBS provided by public entities and private institutions					
	0	0	0	0	0	0
	Total FBS benefits in Municipal area					
	0	0	0	0	0	0
	Cost per HH per annum					
		0		0		0

Detail of Refuse FBS from Other Providers

(HH = No. of HH receiving FBS, Cost = cost of providing FBS)
 (Select whether Service Agreement has been signed or not)
 2008/09 figures mandatory, leave 2009/10 and 2010/11 blank if information not available

Refuse FBS Provided by another municipality

(select the demarcation code from list for each municipality that provides Refuse FBS in your municipal area)

	Demarcation Code	Agreement Signed (Y/N)	2008/09		2009/10		2010/11	
			Number HH	Cost R	Number HH	Cost R	Number HH	Cost R
R.14	FBS provided by							
R.15	FBS provided by							
R.16	FBS provided by							
R.17	FBS provided by							
R.18	FBS provided by							
R.19	FBS provided by							
R.20	FBS provided by							
	TOTAL		0	0	0	0	0	0
R.21	Refuse FBS Provided by Private Entity							
	(Include Public Private Partnerships PPP)							

M. PROPERTY RATES **2008/09 Budget Return**

This information is being collected to assess readiness for implementation of the proposed new legislation on property rates
 Please complete each section applicable.
 Where a drop down list is provided, please select one of the alternatives.
 All numbers to be expressed as whole numbers except FTEs and Rates in the Rand
 Full Time Equivalent (FTE) should be expressed to one decimal place and takes into account full time and part time staff
 Rates in the Rand should be expressed to 6 decimal places maximum

GENERAL	
Are municipal by laws in place to give effect to rates policy ? (Y/N)	
Is a municipal valuer appointed? (Y/N)	
Number of assistant valuers used (Full Time Equivalents - FTE - expressed as a fraction)	
Number of data collectors used (FTE)	
Number of internal valuers used (FTE)	
Number of external valuers used (FTE)	
Number of additional valuers required to implement new system (FTE)	
Is a valuation appeal board established? (Y/N)	
How long will it take to implement a new valuation role? (select one)	
Is the residential rate used to determine rate for other categories? (Y/N)	

Summary for All Property Categories	
Total number of properties	0
Total Value used for rating 2008/09 (Rand)	0
Total Land Value 2008/09 (Rand)	0
Total Value of Improvements 2008/09 (Rand)	0
Total Market Value 2008/09 (Rand)	0
Total Rate Revenue Budget 2008/09 (Rand)	0
Total Rate Revenue Expected to Collect 2008/09 (Rand)	0
Expecteded Collection Rate 2008/09 (%)	0.00%
Total Rate Revenue Budget 2008/09 (Rand)	0
Total Rate Revenue Expected to Collect 2008/09 (Rand)	0
Expected Collection Rate 2008/09 (%)	0.00%

PROPERTY RATES BY CATEGORY		2008/09 Budget Return			
	Residential	Vacant Land	Business & Commercial	Industrial	
Do you currently levy property rates on this category? (Y/N)					
Total number of properties for category					
Are all properties currently valued? (Y/N)					
Estimated number of properties not valued. (answer if N to above)					
Number of Appeals in 2008/09					
Number of supplemental assessments					
Number of Appeals finalised in 2008/09					
Years since last valuation (select one)					
Frequency of valuation (select one)					
Method of valuation used for category (select one)					
Base of valuation (select one)					
Do you use a combination of rating types - uniform, variable, flat, other? (Y/N)					
Do you use a flat rate as part of your indigent policy to target lower valued properties? (Y/N)					
Other than the flat rate (above) is the balance rated by uniform rate or variable rate? (select one)					
Most common rate (average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026)					
Total Value used for rating 2008/09 (Rand)					
Total Land Value 2008/09 (Rand)					
Total Value of Improvements 2008/09 (Rand)					
Total Market Value 2008/09 (Rand)					
Exemptions/reductions/rebates (based on)					
Budgeted Income forgone 2008/09 through exemptions/reductions/rebates (Rand)					
Total Rate Revenue Budget 2008/09 (Rand)					
Total Rate Revenue Expected to Collect 2008/09 (Rand)					
Expecteded Collection Rate 2008/09 (%)	0.00%	0.00%	0.00%	0.00%	
Total Rate Revenue Budget 2008/09 (Rand)					
Total Rate Revenue Expected to Collect 2008/09 (Rand)					
Expected Collection Rate 2008/09 (%)	0.00%	0.00%	0.00%	0.00%	

PROPERTY RATES BY CATEGORY		2008/09 Budget Return			
	Public benefit organizations (i.e. Private schools, churches	State-owned	Communal land/State trust land	Public service infrastructure	
Do you currently levy property rates on this category? (Y/N)					
Total number of properties for category					
Are all properties currently valued? (Y/N)					
Estimated number of properties not valued. (answer if N to above)					
Number of Appeals in 2008/09					
Number of supplemental assessments					
Number of Appeals finalised in 2008/09					
Years since last valuation (select one)					
Frequency of valuation (select one)					
Method of valuation used for category (select one)					
Base of valuation (select one)					
Do you use a combination of rating types - uniform, variable, flat, other? (Y/N)					
Do you use a flat rate as part of your indigent policy to target lower valued properties? (Y/N)					
Other than the flat rate (above) is the balance rated by uniform rate or variable rate? (select one)					
Most common rate (average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026)					
Total Value used for rating 2008/09 (Rand)					
Total Land Value 2008/09 (Rand)					
Total Value of Improvements 2008/09 (Rand)					
Total Market Value 2008/09 (Rand)					
Exemptions/reductions/rebates (based on)					
Budgeted Income forgone 2008/09 through exemptions/reductions/rebates (Rand)					
Total Rate Revenue Budget 2008/09 (Rand)					
Total Rate Revenue Expected to Collect 2008/09 (Rand)					
Expected Collection Rate 2008/09 (%)	0.00%	0.00%	0.00%	0.00%	0.00%
Total Rate Revenue Budget 2008/09 (Rand)					
Total Rate Revenue Expected to Collect 2008/09 (Rand)					
Expected Collection Rate 2008/09 (%)	0.00%	0.00%	0.00%	0.00%	0.00%

PROPERTY RATES BY CATEGORY		2008/09 Budget Return		
	Agricultural	Mining Properties	Other	
Do you currently levy property rates on this category? (Y/N)				
Total number of properties for category				
Are all properties currently valued? (Y/N)				
Estimated number of properties not valued. (answer if N to above)				
Number of Appeals in 2008/09				
Number of supplemental assessments				
Number of Appeals finalised in 2008/09				
Years since last valuation (select one)				
Frequency of valuation (select one)				
Method of valuation used for category (select one)				
Base of valuation (select one)				
Do you use a combination of rating types - uniform, variable, flat, other? (Y/N)				
Do you use a flat rate as part of your indigent policy to target lower valued properties? (Y/N)				
Other than the flat rate (above) is the balance rated by uniform rate or variable rate? (select one)				
Most common rate (average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026)				
Total Value used for rating 2008/09 (Rand)				
Total Land Value 2008/09 (Rand)				
Total Value of Improvements 2008/09 (Rand)				
Total Market Value 2008/09 (Rand)				
Exemptions/reductions/rebates (based on)				
Budgeted Income forgone 2008/09 through exemptions/reductions/rebates (Rand)				
Total Rate Revenue Budget 2008/09 (Rand)				
Total Rate Revenue Expected to Collect 2008/09 (Rand)				
Expected Collection Rate 2008/09 (%)	0.00%	0.00%	0.00%	
Total Rate Revenue Budget 2008/09 (Rand)				
Total Rate Revenue Expected to Collect 2008/09 (Rand)				
Expected Collection Rate 2008/09 (%)	0.00%	0.00%	0.00%	

M. COMPLETED BY:	
Name:	Martin Lesch
Designation:	Chief Accountant: Budget and Financial Management
Telephone number:	021-888 5153
Cell number:	084 580 3764
Your reference number:	
Who to contact in your absence:	Stoffel Arangie