



NEWCASTLE MUNICIPALITY



DRAFT MEDIUM-TERM BUDGET

2023/24 TO 2025/26

DRAFT MEDIUM TERM BUDGET 2022/23 (T 6/1/1-2022/23): BUDGET AND TREASURY OFFICE
29 MARCH 2023

Ref. No	: T 6/1/1 (2022/23)
Author	: B.N Khumalo
1 st Level	: Finance Portfolio Committee
2 nd Level	: Municipal Public Accounts Committee
3 rd Level	: Executive Committee
4 th Level	: Council
5 th Level	: KZN Provincial Treasury

1. PURPOSE

The purpose of this report is to request council approval of the Draft Medium Term Expenditure and Revenue Framework (MTREF) in terms of section 16(2) of the Municipal Finance Management Act 56 of 2003 (MFMA). The report further seeks to obtain council approval Budget Funding Plan which is aligned to the annual budget. The report allows council to exercise its oversight on the implementation of the budget and also serves as a tool for future planning. The report is also be submitted to the Provincial Treasuries as required by the same section of the Act. In the main, the report seeks council to ensure that the state of finance of the municipality improve continuously.

2. BACKGROUND

Section 16(2) of the Municipal Finance Management Act No.56 of 2003 (MFMA) stipulates that the Mayor of a municipality must table the budget to Council for approval at least 90 days before the start of the financial year. The approval of the draft budget is then followed by a wide range of public consultations and the assessment of the draft budget by National and Provincial Treasuries. 30 days before the start of the financial year, the Council must is required to approve the annual budget, having considered the comments of local communities, relevant stakeholders as well as Provincial and National Treasuries, failing which, the Council is required by section 25 of MFMA to convene meetings within every seven days until the budget is approved. Should Council fail to approve its annual budget before the commencement of the financial year, the mayor is required to submit reasons in terms of section 55 of MFMA. In terms of section 139(4) of the Constitution, the Provincial Executive of the relevant province may intervene where Council has failed to approve its annual budget prior to commencement of the financial year.

3. DISCUSSION

The high-level summary of the Draft Operating Budget is attached as Annexure B. Capital budget per project, per department, per funding source and per asset class are all attached in Annexure C hereto.

3. LEGAL IMPLICATIONS

The submission seeks to comply with section 16 of the Municipal Finance Management Act, No. 56 of 2003, read together with regulations 9-14 of the Municipal Budget and Reporting Regulations require, inter alia, that the Accounting Officer submit the Draft Budget to the Mayor, Provincial and National Treasury by the 31st of

March of each year. Failure to have the budget approved within stipulated timeframe will result in non-compliance with the legislation and unfavourable actions from National and Provincial Treasuries.

4. POLICY IMPLICATIONS

The submission of the Draft MTREF Budget is a requirement and compliance along with the approved Budget Related Policies of Council, which are reviewed annually as part of the section 17 of the MFMA.

5. FINANCIAL IMPLICATIONS

5.1 OPERATIONAL BUDGET

The total estimated operational revenue for the 2023/24 financial year is R2.331 billion while total estimated operational expenditure is R2.615 billion yielding to an operating deficit of R283.9 million. A detailed narrative of the operational budget is contained in the Budget Document attached as Annexure B hereto.

5.2 CAPITAL BUDGET

The total capital expenditure for the 2023/24 is projected at R242.6 million, which will be funded as follows:

- Grants : R 229.6 million
- Internal Reserves : R 12.9 million

The list of capital projects to be implemented are contained in the draft budget document and Annexure C and Annexure D attached hereto. A detailed narrative of the capital budget is contained in the Budget Document attached as Annexure A hereto.

6. RISKS

Failure to submit this report with result to non-compliance with the MFMA..

7. MANAGEMENT OF RISKS

This report has been submitted timeously to the Executive Committee and Council to ensure that the draft budget is approved on or before 31 March 2023.

8. BUDGET DOCUMENTS

The budget related documents are attached as follows:

Budget Document	: Annexure A
High Level Operating Budget	: Annexure B
Capital Budget	: Annexure C
A Schedule Budget Tables	: Annexure D
Tariff of Charges	: Annexure E

Budget Funding Plan	: Annexure F
Budget Related Policies	: Annexure G
uThukela Water Draft Budget submission	: Annexure H
Draft Service Standards	: Annexure I

9. RECOMMENDATIONS

- (a) That in terms of section 24 of the Municipal Finance Management Act, 56 of 2003, the annual budget of the municipality for the financial year 2023/24; and indicative allocations for the two projected outer years 2024/25 and 2025/26; and the multi-year and single year capital appropriations be approved;
- (b) That the funding sources to fund both operating and capital budgets be noted and approved;
- (c) That the Municipality's annual allocation of R155 540 970 to uThukela Water for the provision of bulk water be approved;
- (d) That in terms of section 24(2)(c)(i) of the Municipal Finance Management Act, 56 of 2003, and sections 74 and 75A of the Local Government Municipal Systems Act, 32 of 2000 as amended, the tariffs for the supply of water, electricity, waste services, sanitation services and property rates as set out in the Tariff of Charges that were used to prepare the estimates of revenue by source, be approved with effect from 1 July 2023 for all services, except for water and electricity consumption, which be levied on the new tariff with effect from 01 August 2023;
- (e) That the Tariff of Charges be approved and be applicable with effect from 01 July 2023;
- (f) That water, refuse, sewer and sundry tariffs be increased by 6% with effect from 01 July 2023.
- (g) That property rates tariffs be increased by 6% and impermissible for all properties be capped at 85 000 with effect from 01 July 2023;
- (h) That the electricity tariff be increased by 16.65% with effect from 01 July 2023 and it be noted that the municipality is still awaiting for the approval of the municipal electricity tariff increase from NERSA;
- (i) That bulk electricity purchases be increased by 18.49% as per NERSA's guideline of the Eskom tariff increase.
- (j) That in terms of the Indigent Policy, the monthly household earnings of an indigent application be capped at R5000.00 per month (under 60 years) and R6000.00 per month (over 60 years).
- (k) That indigent benefit package be approved as follows:

ASED: BTC

Electricity consumption	: 50 kW/h
Water consumption	: 6 Kl
Electricity availability	: 100%
Water availability	: 100%
Sewer	: 100%
Refuse	: 100%
Property rates	: 100%
Rental on municipal property	: 75%

(l) That the rate rebates be capped and approved as follows:

Pensioners	: 25%
Flood victims	: 50%
Bread and breakfasts businesses	: 10%
Business development with Property greater than R50 million:	
from 0-4 years	: 40%
from 5-6 years	: 25%
from 7-8 years	: 10%
from 9 years onwards	: 0%

(m) That the Draft Service standards be noted and approved;

(n) That the Budget Funding Plan be noted and approved;

(o) That the Budget Policy be noted and approved;

(p) That the Tariff Policy be noted and approved;

(q) That the Rates Policy be noted and approved;

(r) That the Indigent Policy be noted and approved;

(s) That the Customer Care, Credit Control and Debt Collection Policy be noted and approved;

(t) That the Provision for Doubtful Debt and Debtors Write-Off Policy be noted and approved;

(u) That the Supply Chain Management Policy be noted and approved;

(v) That the Cash and Investment Management Policy be noted and approved;

(w) That the Asset Management Policy be noted and approved;

ASED: BTO

- (x) That the Petty Cash Policy be approved;
- (y) That the Virement Policy be approved;
- (z) That the Funding and Reserves Policy be approved;
- (aa) That the Borrowing Policy be approved;
- (bb) That the Loss control Policy be approved;
- (cc) That the Short-term Insurance Policy be approved;
- (dd) That the Cost Containment Policy be approved ;
- (ee) That the Protective clothing be noted and approved;
- (ff) That the Property Rates By-Laws be approved;
- (gg) That the Tariff By-Laws be approved.

ASED:
BTO

Report prepared by:



Report seen by:



ZW MCINEKA
MUNICIPAL MANAGER

DX DUBE
PORTFOLIO COUNCILLOR
BUDGET AND TREASURY OFFICE



BUDGET DOCUMENT

Annexure A

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I. ABBREVIATIONS AND ACRONYMS

CPIX	Consumer Price Index
DoRA	Division of Revenue Act
DOHS	Department of Human Settlements
DPLG	Department of Provincial and Local Government
EXCO	Executive Committee
GDP	Gross Domestic Product
GRAP	Generally Accepted Accounting Practice
IDP	Integrated Development Plan
IT	Information Technology
Kl	Kilolitre
Km	Kilometre
Kh	Kilo watt hours
MFMA	Municipal Finance Management Act
MPRA	Municipal Property Rates Act
MSCOA	Municipal Standard Chart of Accounts
MTREF	Medium Term Revenue and Expenditure Framework
NDP	National Development Plan
NERSA	National Electrification Regulator of South Africa
NT	National Treasury
SALGA	South African Local Government Association
SDBIP	Service Deliver and Budget Implementation Plan

II. ORGANISATIONAL STRUCTURE AND COUNCIL

EXECUTIVE COMMITTEE

DESIGNATION	SURNAME & INITIALS	PORTFOLIO COUNCILLOR	POLITICAL PARTY	WARD
Mayor	DUBE D X	Budget & Treasury Office	IFP	18
Deputy Mayor	THWALA SM	Technical Services	TSSA	28
Exco Member	HLATSHWAYO ME	Community Services	IFP	6
Exco Member	KUBHEKA CB	Governance	IFP	PR
Exco Member	MEIRING AP	Planning, Development and Human Settlements	DA	4
Exco Member	MOLELEKOA R M	Technical Services	ANC	12
Exco Member	SITHEBE LC	Corporate Services	EFF	PR
Exco Member	YENDE SA	Budget & Treasury Office	ANC	PR
Exco Member	ZONDO VG	Community Services	ANC	27
Exco Member	ZULU NS	Community Services	IFP	PR

COUNCIL

DESIGNATION	SURNAME & INITIALS	POLITICAL PARTY	WARD
Speaker	ZULU TM	IFP	PR
Councillor	DUBE DX	IFP	18
Councillor	THWALA SM	TSSA	28
Councillor	ALLY YA	PA	PR
Councillor	BAM VV	IFP	PR
Councillor	BUTHELEZI ME	IFP	33
Councillor	BUTHELEZI SB	EFF	PR
Councillor	CASSIM F	ASA	PR
Councillor	CRONJE EJC	DA	2
Councillor	DLADLA MJ	ANC	11
Councillor	DLAMINI TN	EFF	PR
Councillor	DUBE NC	DA	PR
Councillor	DUMA FL	NFP	PR
Councillor	HADEBE VF	TSSA	PR
Councillor	HARIRAM P	DA	3
Councillor	HLATSHWAYO MME	ANC	17
Councillor	HLATSHWAYO ME	IFP	6
Councillor	KHUMALO HN	ANC	5
Councillor	KHUMALO LM	IFP	PR
Councillor	MASHAZI S.B.	TSSA	31

Councillor	KUBHEKA CB	IFP	PR
Councillor	KUNENE NZB	ANC	19
Councillor	LETHEA MT	ANC	10
Councillor	LUI C	IFP	PR
Councillor	MADI BG	ANC	8
Councillor	MADI ZE	IFP	PR
Councillor	MAKHOBABA MTD	ANC	21
Councillor	MAKHUBO XM	ANC	29
Councillor	MALINGA FA	IFP	PR
Councillor	MASEKO NP	TSSA	PR
Councillor	MASONDO NSF	TSSA	PR
Councillor	MASUKU SP	IFP	PR
Councillor	MATHE LI	EFF	PR
Councillor	MATHUNJWA BD	ANC	20
Councillor	MAZIBUKO LP	IFP	9
Councillor	MBATHA MV	ASA	PR
Councillor	MEIRING AP	DA	4
Councillor	MKHWANAZI AE	EFF	PR
Councillor	MKHWANAZI MP	ANC	23
Councillor	MNGOMEZULU SW	ANC	22
Councillor	MNISI PF	ANC	15
Councillor	MOLELEKOA RM	ANC	12
Councillor	MTHABELA NP	EFF	PR
Councillor	MTHEMBU TE	IFP	PR
Councillor	NDEBELE LP	ANC	7
Councillor	NDLOVU MO	ANC	13
Councillor	NGCOBO CS	TSSA	PR
Councillor	NGCOBO RN	DA	34
Councillor	NKOSI AT	TSSA	PR
Councillor	NKOSI SE	EFF	PR
Councillor	NKOSI WP	ANC	26
Councillor	NTSELE S	IFP	16
Councillor	NTSHANGASE MJ	EFF	PR
Councillor	RUSSEL RBS	VFP	PR
Councillor	SHABALALA NP	ANC	1
Councillor	SHABANGU	ANC	24
Councillor	SIBEKO VN	IFP	32
Councillor	SINGH S	ASA	25
Councillor	SITHEBE LC	EFF	PR
Councillor	SITHOLE	IFP	PR
Councillor	THUSI BR	ATM	PR
Councillor	VORSTER JA DR	IFP	PR
Councillor	XIMBA LP	ANC	14
Councillor	YENDE SA	ANC	PR
Councillor	ZONDO VG	ANC	27
Councillor	ZULU NS	IFP	PR
Councillor	ZWANE ZE	ANC	30

Traditional Leader	KHUMALO DO		
Traditional Leader	RADEBE B S		

SENIOR MANAGERS

DESIGNATION	SURNAME & INITIALS
Municipal Manager	Mcineka ZW
Acting Strategic Executive Director: Budget and Treasury Office	Ndlovu MS
Strategic Executive Director: Corporate Services	Thabede PD
Strategic Executive Director: Technical Services	Mnguni BP
Strategic Executive Director: Community Services	Vacant
Strategic Executive Director: Development, Planning and Human Settlements	Khathide NP
Strategic Executive Director: Governance and Strategic Support Services	Vacant

PART 1 – ANNUAL BUDGET

NEWCASTLE MUNICIPALITY PROFILE

III. NEWCASTLE MUNICIPALITY PROFILE

According to the recent Community Survey (2016) conducted by Statistics SA, Newcastle Local Municipality (KZN252) remains the highest contributor in terms of population growth within Amajuba District Municipality. As of 2016, the population of Newcastle is recorded at 389 117 people, thus marking a 7.1 % increase (25 881 people) over a 5-year period from the year 2011 (363 236 people). This means that on average, Newcastle has experienced a 1,42% annual growth rate, which translates to 5 176 people per year. Newcastle has also experienced a significant increase in the total youth proportion of the population. In terms of the wider KwaZulu-Natal Province, Newcastle ranks 2nd as the local municipality with the highest number of people when compared to other local municipalities, with the highest being the Msunduzi Local Municipality. The population of Newcastle is spread unevenly over 34 wards as per the outcomes of the recent delimitation process by the Demarcation Board, marking a 3 wards increase.

Furthermore, there has been a 7% increase (6 075) in the number of households within Newcastle from 84 272 in 2011 to 90 347 in 2016, with the average household size remaining constant at 4.3 people per dwelling unit. In relation to other local municipalities within the KwaZulu-Natal Province, in the year 2011, Newcastle Local Municipality was ranked 3rd after the Msunduzi and uMhlathuze Local Municipalities respectively. However, recent statistical figures reveal that Newcastle Local Municipality has dropped to 4th place after the Msunduzi, uMhlathuze, and KwaDukuza Local Municipalities respectively. In terms of the 2nd and 3rd ranked local municipalities, the reason for growth in the number of households without any significant growth in the population thereof may be attributed to a general decrease in the average household size thereof, from 3,9 to 3,6 people, and 3,3 to 3,0 people per household respectively.

Traditionally, the town of Newcastle started off as Post-Halt Number 2 on the journey between Durban (then Port Natal) and the Zuid-Afrikaansche Republiek (Transvaal) and Johannesburg. It was strategically positioned in the year 1854, by the Surveyor General of the Natal Colony, Dr. P.

C. Sutherland. The city was later known as the Waterfall River Township because of the Ncandu River and, in 1864, the town of Newcastle was founded on the site becoming the fourth settlement to be established in natal after Durban, Weenen and Pietermaritzburg. Newcastle was named after the British Colonial Secretary, the Duke of Newcastle and, in 1873 Newcastle became a separate electoral division. In the year 1876, the Fort Amiel was built as a barrier against the Zulus, Fort Amiel now being embraced as one of the significant national heritage sites.

In 1897, a sandstone construction of the town hall started and it was completed two years later in 1899. The town hall was constructed in commemoration of Queen Victoria's diamond, the '60th Jubilee.' The town was also used as a depot by the British during the First and Second Boer War. It also functioned as a major transport junction and a popular stopover for wagons and post chaises during the late 19th century. Newcastle also served as an arena when the British preparation work for the Pretoria Convention of 1881 was done. In 1890, the first train arrived in Newcastle and in the year 1891, Newcastle was declared a district with its own administrative unit. The discovery of coal reserves brought a new era of prosperity and the planning of several ambitious building projects.

Newcastle Local Municipality is one the three local municipalities that make up Amajuba District Municipality, with the others being Dannhauser and eMadlangeni Local Municipalities. It is located on the North-Western of the KwaZulu-Natal Province and borders onto Free State and Mpumalanga Provinces to the West and North respectively. The local municipalities of eMadlangeni and Dannahauser Local Municipalities are located along the Eastern and Southern boundaries of Newcastle. Spatially Newcastle covers an area of approximately 1 854km² in extent. A high majority of the people (80%) within Newcastle resides within the Newcastle East area, which is predominantly township and semi-rural areas characterised by a general lack of adequate infrastructure.

The boundaries of Newcastle Local Municipality were delineated in terms of the Municipal Demarcation Act, 1998 (Act No. 27 of 1998), and takes in account population movement trends, regional economic patterns and the current land use pattern. Currently Newcastle has 34 wards and out of these wards, wards 1, 6, 7, and 30 fall under the custodianship of the Tribal Authorities (Inkosi u-Khathide and Inkosi u-Hadebe) held in trust on behalf of the Ingonyama Trust Board, in terms of the KwaZulu-Natal Ingonyama Trust Act, 1994 (Act No. 3KZ of 1994). As mentioned above, the population is spread unevenly amongst 34 wards with the majority of the population residing in the Newcastle-East area. The boundaries are not just administrative, but are also intended towards the promotions of social cohesion and economic development that's mindful to environmental

sustainability, whilst at the same time strengthening the existing regionally significant economic and functional linkages.

Newcastle Local Municipality is well placed to benefit from regional economic growth given its strategic location at the nexus of major tourism, logistics, farming and industrial routes, and as the seat of government in KwaZulu-Natal Province. It is located halfway between Johannesburg and the harbours of Durban and Richards Bay, hence contributing to the export of manufactured goods and supply to the large Gauteng market. Newcastle is also endowed with good access infrastructure to the areas mentioned above, and such includes quality road and railway networks. The town is situated on the national rail route between the Durban Container Terminal and City Deep in the Gauteng Province, and has within its confines, a major rail exchange terminal, supporting railway stations and extensive goods conversion/warehousing facilities.

The city's local authority has jurisdiction over the surrounding maize, livestock and dairy farms including the industrial areas such as Karbochem, Mittal Steel South Africa (previously ISPAT/ISCOR), and the textile service industry. In addition, the city is also well endowed with coal reserves hence opportunities for coal mining within the area. Arcelor Mittal produces over 105 million tons of steel products annually. Although the Arcelor Mittal steelworks and the Karbochem synthetic rubber plant dominate the Newcastle industrial portfolio, there is a wide range of manufacturing undertakings sharing in the success of the region. Newcastle has welcomed many Chinese and Taiwanese into the region with the addition of over a hundred textile factories.

During the year 2002, the chrome chemical plant was completed in Newcastle which comes as a clear reflection of the city's industrial future. The joint venture project between Karbochem and the German specialist manufacturing giant LANXESS has made Newcastle the largest producer of chrome chemical in Africa. The company announced an investment of €40 million (almost R600 million) in 2012 towards the construction of a CO₂ plant at its site. Mittal Steel also completed a R400 million project to rebuild one of its coke batteries. Other large operations include a diamond cutting works, various heavy engineering companies, steel reinforcement and slag cement factories.

The Blackrock Casino and Entertainment Hotel provides much entertainment to Newcastle and the surrounding areas. The Newcastle Mall which was constructed by Zen Prop as a R500 million investment, is found adjacent to the Black Rockcasino and Entertainment Hotel, and it serves as a one-stop shopping destination for the wider region of Northern KwaZulu-Natal. Current and

planned urban developments within Newcastle entail the new multi-storey Civic Centre, the 80 million expansion of the Victoria Mall, the Meadowlands Estate in Madadeni (residential estate), major extensions and upgrade of the Madadeni Hospital (Northern KwaZulu-Natal Regional Hospital), a R100 million upgrade of the Madadeni Police Station, the Vulintaba Estate, more development at the corner of Allen street along the Trim Park, the new Audi dealership next to Newcastle Mall (Aquarand), Spar at corner Allen and Memel Road, planned Mercedes-Benz and dealership next to the Newcastle Mall (Aquarand), the development of the Heartlands Dry Port next to the train station, and the possible extension of the Newcastle Airport (Newcastle Airport Techno-hub). From the 1880s, Newcastle experienced rapid economic growth. Today Newcastle has the largest concentration of industry in the North-Western KwaZulu-Natal region.

There has been a 23.04% decline in the level of unemployment within Newcastle, from 87 619 (60.48%) in 2001 to 37 686 (37.44%) in 2011. In terms of unemployment by gender, the highest concentration is amongst the female population. With regards to formal employment by sector within Newcastle Municipality, trade/retail is the highest employer of the population at 8 888 as of July 2012, followed by Government services at 18 324. Government services as an employment sector is closely followed by manufacturing at 6 419, and subsequently finance at 5 375. As of 2013 the GDP of Newcastle was recorded as occupying 80.20% of the total GDP (0.7%) generated by Amajuba District within the KwaZulu-Natal Province.

In terms of the Human Development Index (HDI – the composite measure of life expectancy, education, and income used to measure human development), Newcastle is currently sitting at 0.57 which is deemed by the United Nations Development Programme as being medium human development index. The Gini Coefficient (the measure of inequalities) in Newcastle assumes a municipality working towards addressing inequalities. In the year 2002 inequality was estimated at 0.65 and in 2012 it was estimated to be 0.62 hence marking a move towards perfect equality. Regarding the levels of poverty, Newcastle has also experienced a decrease from 56.0% in 2002, 51.0% in 2006 and 44,4% in 2012. The annual income per capita of Newcastle Municipality is currently sitting at 29 264 thus meaning that the majority of individuals within Newcastle earn R2 438,66 per month hence falling above the global poverty line of \$1,25 per day based on the dollar – rand exchange rate.

1.1 MAYOR'S REPORT

MAYORAL FOREWARD DRAFT BUDGET: 2023/24

Newcastle Municipality has been constitutionally tasked with providing sustainable and effective services, such a realisation is not as easy as it may seem. There are many different aspects that must integrate with one another before a municipality will be able to succeed in this mammoth task. As obligated by the Municipal Finance Management Act in terms of section 24 to table a draft budget for adoption it is my duty to provide an accurate account of the state of this Municipality although it is with a heavy heart because of the financial Constraints faced by this institution. Having inherited an unfunded budget as the New Councillor, it has placed us at a very disadvantageous position in our efforts to fulfilling our service delivery objectives.

I must however ,acknowledge the setbacks that have decelerated our speed of improving our road infrastructure in terms of connectivity and accessibility of roads in mainly our township and rural settlements this has been accorded primarily by the poor allocation of around R 8 million for resealing and re-graveling of Roads, regardless of inadequate resources we have managed to allocate just over R 21 million towards improving our road infrastructure, a further R 127 million to upgrade our bulk sewer ,water pipelines and waste water treatment plant.

The abovementioned allocate does not even by a stretch of margin begin to address the issue of aging infrastructure and our inability to do maintenance, however we must acknowledge the improves in the Human Settlements department having completed over 158 housing units in the Khathide Phase 2 and the handover of over 100 completed units in the Charlestown Housing Project. Nevertheless, the Provincial Department of Human Settlements unjustifiably still decided to withdraw its Housing Grant allocation for Newcastle Municipality which is unprecedented and clearly proves that our political intolerance will always take preference over service delivery.

Although our major funding sources for our capital budget which is around R 242 million remains National and provincial organs of the state it is without a doubt that the allocated financial resources are inadequate to complement the growing service delivery demands in our communities, however we must acknowledge that our failure to ameliorate spending patents on conditional grants is an undesirable position for the Municipality to find itself.

The current circumstances compel the Municipality to development internal funding strategies that will enhance the revenue and financial sustainable of the institution in the long-term. Hence, we have reprioritized our financial commitments to ensure that we drastically reduce the financial burden on the Municipality, therefor by August 2023 we intend to settle our R 108 million Eskom debt which we have reduced significantly by R 71 million within 15 months of the new council subsequently we are structuring a new payment arrangement with uThukela water which will ensure that our debt is settled, furthermore the budget reflects a clear reduction in the cost associated with contracted services of R 69 million this because are planning to ring-fence capital to acquire new plant and equipment in to order maximize capacity internal.

Although there are inaccuracies with our electricity tariffs given that we are permitted by National treasure to only increase our electricity tariff by 7.47%, yet NERSA the national energy regulator has increased the electricity tariff by 18%, this directly affects our revenue because the 18% increase is imposed, however we cannot effect the same increases in-line with the National Energy. The inability to collect R1.3 billion owned to the Municipality by Households mainly by households in the East parts of Newcastle remains a concern as it dispossess the Municipality's ability to effectively fund its Operational budget and most importantly dispense resources for the maintenance of its infrastructure, however council has development an intensive revenue collection strategy with the anticipation that it will help us to collect around R 2,5 billion.

The increase in the Employee related costs due to the returning of 223 employees who were dismissed unfairly does arguably has material repercussions on the budget as it places a heavy

burden on the institution and its salary threshold, hence, we do not intend to further seek any loans till we have settled our current loans by 2030, which currently sets R321 million. Regards of the challenges we continue to face we remain optimistic of the future ahead; we will remain focussed on maximising the limited resources to maximise our output towards service delivery. With that said I wish to thank and encourage all staff members to continue working with us to turn things around.

I hereby formally table the draft budget for 2023/24 financial year for approval.

1.2 BUDGET RESOLUTIONS

It is hereby recommended:

- (a) That in terms of section 24 of the Municipal Finance Management Act, 56 of 2003, the annual budget of the municipality for the financial year 2023/24; and indicative allocations for the two projected outer years 2024/25 and 2025/26; and the multi-year and single year capital appropriations be approved;
- (b) That the funding sources to fund both operating and capital budgets be approved;
- (c) That the Municipality's annual allocation of R155 540 970 to uThukela Water for the provision of bulk water be approved;
- (d) That in terms of section 24(2)(c)(i) of the Municipal Finance Management Act, 56 of 2003, and sections 74 and 75A of the Local Government Municipal Systems Act, 32 of 2000 as amended, the tariffs for the supply of water, electricity, waste services, sanitation services and property rates as set out Tariff of Charges that were used to prepare the estimates of revenue by source, be approved with effect from 1 July 2023 for all services, except for water and electricity consumption, which be levied on the new tariff with effect from 01 August 2023;
- (e) That the Tariff of Charges be approved and be applicable with effect from 01 July 2023;
- (f) That water, refuse, sewer and sundry tariffs be increased by 6% with effect from 01 July 2023.
- (g) That property rates tariffs be increased by 6% and impermissible rates on the first R85 000 with effect from 01 July 2023;
- (h) That the electricity tariff be increased by 16.65% with effect from 01 July 2023 and it be noted that the municipality is still awaiting for the approval of the municipal electricity tariff increase from NERSA;
- (i) That bulk electricity purchases be increased by 18.49% as per NERSA's guideline of the Eskom tariff increase.

- (j) That in terms of the Indigent Policy, the monthly household earnings of an indigent application be capped at R5000.00 per month (under 60) and R6000.00 per month (over 60)
- (k) That indigent benefit package be approved as follows:
- | | |
|------------------------------|-----------|
| Electricity consumption | : 50 kW/h |
| Water consumption | : 6 Kl |
| Electricity availability | : 100% |
| Water availability | : 100% |
| Sewer | : 100% |
| Refuse | : 100% |
| Property rates | : 100% |
| Rental on municipal property | : 75% |
- (l) That the rate rebates be capped and approved as follows:
- | | |
|------------------------------------|-------|
| Pensioners | : 25% |
| Flood victims | : 50% |
| Bread and breakfasts businesses | : 10% |
| Business development with | |
| Property greater than R50 million: | |
| from 0-4 years | : 40% |
| from 5-6 years | : 25% |
| from 7-8 years | : 10% |
| from 9 years onwards | : 0% |
- (m) That the Draft Service standards be noted and approved;
- (n) the Budget Funding Plan be approved;
- (o) That the Budget Policy be approved;
- (p) That the Tariff Policy be approved;
- (q) That the Rates Policy be approved;

- (r) That the Indigent Policy be approved;
- (s) That the Customer Care, Credit Control and Debt Collection Policy be approved;
- (t) That the Provision for Doubtful Debt and Debtors Write-Off Policy be approved;
- (u) That the Supply Chain Management Policy be approved;
- (v) That the Cash and Investment Management Policy be approved;
- (w) That the Asset Management Policy be approved;
- (x) That the Petty Cash Policy be approved;
- (y) That the Virement Policy be approved;
- (z) That the Funding and Reserves Policy be approved;
- (aa) That the Borrowing Policy be approved;
- (bb) That the Loss control Policy be approved;
- (cc) That the Short-term Insurance Policy be approved;
- (dd) That the Cost Containment Policy be approved;
- (ee) That the Protective Clothing Policy be approved
- (ff) That the Property Rates By-Laws be approved;
- (gg) That the Tariff By-Laws be approved.

1.3 EXECUTIVE SUMMARY

1.3.1 INTRODUCTION

The 2023/2024 draft budget is a consolidated operational and capital budget of R2.8 billion which has been developed with an overall planning framework and includes the programmes and projects to achieve the minimum strategic objectives of Newcastle Municipality as per the IDP. This budget has been set against the back and the current slow economic growth, escalating debtors, historical commitments on loans and creditors, while at the same time take cognisance in respect of burden to consumers through rates and services. Economic challenges continue to put pressure on municipal revenue generation and its ability to collect revenue in the 2023/24 financial year, hence a very conservative approach was adopted when projecting revenue and receipts based on the current payment factors. It is however hoped that, with easing of the Covid-19 restrictions, the payment factor will start to show a positive trend during the budget year.

Despite these challenges, it remains the mandate and responsibility of the municipality to sustain service delivery through this budget by reprioritising expenditure to ensure key objectives are achieved. Provision in this budget continue to support government's commitment to broadening service delivery and expanding investment in infrastructure, especially through capital projects, while at the same time taking into account the limited fiscal environment upon which this budget was prepared. The budget has further been structured to contribute to the municipality achieving the minimum strategic objectives of the IDP, taking into account the effect of limited resources. The National Treasury's MFMA circulars were used to guide the compilation of the 2023/24 budget. Furthermore, the budget format and the content incorporates the requirements of the Municipal Budget and Reporting Regulations.

The following principles were applied in formulating the draft budget:

- The municipality's Budget Funding Plan;
- Cost containment strategies;
- National economic outlook and its impact on local government;
- Affordable, realistic budget;
- Realistic and achievable collection rates;
- Budget to contribute to achieving strategic objectives of the IDP;
- Repayment of loans to be properly provided for, with no new loans planned for;

- Capital expenditure to be mainly funded from grants;
- Indigent subsidy for water and electricity be limited to the national guidelines;
- Indigent subsidy package to include property rates;
- Revenue driven budget with a view to achieve affordability;

This budget was not crafted without challenges. The main challenges experienced can be summarised as follows:

- The on-going difficulties in the national and local economy which necessitated costs containment measures as required by Treasury circulars;
- The ongoing military conflict between Russia and Ukraine, which project a bleak economic future globally;
- National Treasury austerity measures with minimal growth on conditional grants;
- Slow economic growth and unemployment, coupled with the fact that, a number of key industries are shutting down businesses in the area of Newcastle;
- Inadequate allocation for repairs and maintenance due to funds limited;
- Limited capital infrastructure injection with limited provision for future maintenance due to limited resources
- Inability to extend capital budget projects in terms of the IDP, other than those funded by grants and already on the business plans.
- Inability to provide for adequate vacant and critical positions due to limited funding.
- Bulk electricity tariff increase above the increase in revenue tariff increase, which implies additional burden to the municipality to provide electricity function.

1.3.2 OVERVIEW OF THE 2023/2024 BUDGET

OPERATING BUDGET

The operating budget, which funds the continued provision of services provided by the municipality, is projected to increase from R2.447 billion in 2022/23 to R2.615 billion in 2023/24, representing an increase of R168.1 million (6.87%). The increase is mainly due to the increase in employee cost, bulk water and bulk electricity purchases.

There has been a reduction in the provision for finance charges due to the cost containment measures being implemented by the municipality. This is the indication that the municipality is serious about its path towards cost containment of non-core functions and reprioritisation of service delivery functions. The increase in the overall operating budget is mainly due to the provision of the following:

- Costs of bulk purchases of electricity and water due to tariff increases;
- Increased costs of employee related costs due projected annual salary increase;

OPERATING REVENUE

Total operating revenue is projected at R2.331 billion in the 2023/24 financial year, representing an increase of R82.9million (3.7%) from the current year's adjusted budget of R2.248 billion.

The major items of the operating revenue for the 2023/24 financial year are as follows:

Details	2023/2024 R'000	% of Total Revenue
Electricity	885 680	38.0%
Water	223 721	9.6%
Sanitation / sewer	133 580	5.7%
Refuse	109 382	4.7%
Property rates	396 741	17.0%
Grants and subsidies	546 823	23.5%
Other revenue	19 487	0.4%
Interest on outstanding debtors	5 877	0.4%
Rental of facilities	8 306	0.4%
Fines	4 557	0.2%
Interest on investments	5 330	0.2%

The following is the analysis of the revenue sources which have had the main impact in the increase in revenue:

- **Electricity services: R885.7 million, increase of R118.4 million (15.44%)**

Electricity tariffs are expected to increase by 16.65%. It must be noted that this tariff increase as per the NERSA guidelines on municipal tariff increase. With the tariff increase of 16.65%, electricity revenue is expected to increase by R118.4 million (15.44%) in the 2023/24 financial year. Cognisance should also be taken that this percentage increase of 16.65% above the inflation rate of 5.4%, however this increase is based on the NERSAs tariff approval for municipal tariffs. The revenue figure of R885.7 million is also net of the cost of free basic service of R10.3 million in respect of electricity as required in terms of the Budget and Reporting Regulations.

- **Water services: R223.7 million, increase of R10.9 million (5.1%)**

Water tariffs are expected to increase by 6% in the 2023/24 financial year. The increase of 6% in tariffs is expected to generate additional revenue of R10.9 million (5.1%), from R212.8 million in the current year to R223.7 million in the 2023/24 financial year. The revenue figure of R223.7

million is net of the cost of free basic services of R10.6 million in respect of water as required in terms of the Budget and Reporting Regulations.

- **Refuse removal: R109.4 million, increase of R5.6 million (5.4%)**

Refuse removal tariffs are expected to increase by 6% in the 2023/24 financial year. The increase of 6% in tariffs is expected to result in an increase in revenue of R5.6 million (5.4%), from R103.8 million in the current year to R109.4 million in the 2023/24 financial year. The revenue figure of R109.4 million is net of the cost of free basic services of R16.9 million in respect of refuse removal as required in terms of the Budget and Reporting Regulations.

- **Sanitation: R133.6 million, increase of R5.6 million (5.4%)**

Sanitation tariffs are expected to increase by 6% in the 2023/24 financial year. The increase of 6% expected to generate additional revenue of R5.6 million (5.4%), from R127.9 million in the current year to R133.6 million in the 2023/24 financial year. The revenue figure of R133.6 million is net of the cost of free basic services of R19.4 million in respect of sanitation as required in terms of the Budget and Reporting Regulations.

- **Property rates: R396.7 million, increase of R20.6 million (5.5%)**

Property rates tariffs are expected to increase by 6% in the 2023/24 financial year, while the impermissible amount will remain at R85 000. The increase in the property rates tariffs is expected to result in an increase in revenue of R20.6 million (5.5%), from R376.1 million in the current year to R396.7 million in the 2023/24 financial year. The revenue figure of R396.7 million is net of the rates rebates and indigent benefit of R84.7 million as required in terms of the Budget and Reporting Regulations.

- **Transfers recognised: R546.8 million, decrease of R79.6 million (12.7%)**

Revenue from grants and subsidies is expected to generate operating revenue of R546.8 billion in the 2023/24 financial year. This represents a decrease of 79.6 million (12.7%) from the budget of R626.4 million in the current year to the budget of R546.8 billion in the 2023/24 financial year. These operating grants include the equitable share, the Finance Management Grant (FMG), Expanded Public Works Programme and various other provincial grants from department of Arts

and Culture and the Department of Human Settlements. A portion of the Municipal Infrastructure Grant (MIG) and Water Services Infrastructure Grant (WSIG) have also been included in the operating grants in order to deal with capacity operational issues in the department of Technical Services. The appropriation of grant transfers in the budget has been made in accordance with the Division of Revenue Act and the provincial gazette.

- **Fines: R4.8 million, increase of R273 thousand (6%)**

Revenue for fines is expected to generate revenue of R4.8 million in the 2023/24 financial year. This represents an increase of R273 thousand (6%) from the budget of R4.6 million in the current year, to R4.8 million in the 2023/24 financial year. Fines will be imposed in accordance with the traffic laws and regulations and will be influenced by law enforcement and the behaviour of road users in the jurisdiction of Newcastle.

- **Interest on investments: R5.3 million, with no increase**

Interest on investments is expected to generate revenue of R5.3 million in the 2023/24 financial year. This represents R0 increase of R0 (0%) from the budget of R5.3 million in the current year to R5.3 million in the 2023/24 financial year. Interest will be earned based on the value of the investments that the municipality will make with various financial institutions for any additional funds during the financial year.

- **Interest on outstanding debtors: R 5.9million, with no increase**

Interest on outstanding debtors is expected to generate revenue of R5.9 million in the 2023/24 financial year. This represents a R0 increase of R0 (0%) from the budget of R5.9 million in the current year to R5.9 million in the 2023/24 financial year. Interest will be earned based overdue business accounts without any arrangements in place.

- **Rental of facilities: R8.8 million, increase of R498 thousand (6%)**

Tariffs from rental of municipal facilities will be increased by 6% and is expected to generate revenue of R8.8 million in the 2023/24 financial year. This represents an increase of R498 thousand (6%) from the budget of R8.3 million in the current year to R8.8 million in the 2023/24 financial year.

- **Licences: R34 thousand, increase of R1 937 (6%)**

Tariffs from licences will be increased by 6% and is expected to generate revenue of R34 thousand in the 2023/24 financial year. This represents an increase of R1 937 (6%) from the budget of R34 thousand in the current year to R32 thousand in the 2023/24 financial year.

- **Other revenue: R8.5 million, increase of R480 thousand (6%)**

Sundry tariffs will be increased by 6% and are expected to generate revenue of R8.5 million in the 2023/24 financial year. This represents an increase of R480 thousand (6%) from the budget of R8 million in the current year to the budget of R8.5 million in the 2023/24 financial year.

- **Inflation target**

In terms of the National Treasury's budget circular No.123, the projected inflation rate for 2023/24 is 5.3%. It is noted that the tariff increase of 6% for rates and services and 16.67% for the electricity are slightly above the projected CPI projection but within the South African Reserve Bank inflation ceiling of 6% for rates, water, sewer, refuse and sundry services.

OPERATIONAL EXPENDITURE

Total operating expenditure is projected at R2.6 billion in the 2023/24 financial year, representing an increase of R168.3 million (22.5%) from the current financial year's budget of R2.446 billion. The municipality's expenditure for the 2023/24 budget is informed by:

- National Treasury budget and cost containment measures circulars
- Relevant legislative imperatives,
- Expenditure limits set by realistic and realisable revenue levels,
- National, provincial and local economic and fiscal conditions,
- Electricity load shedding challenges.

The major items of the operating expenditure for the 2023/24 financial year are as follows:

Details	2023/2024 R'000	% of Total Budget
Bulk purchases	664 933	25.4%
Other materials	159 854	6.1%
Employee related costs	724 536	27.7%
Depreciation	379 139	14.5%
Debt impairment	311 264	11.9%
Other expenditure	135 462	5.2%
Finance Charges	32 205	1.2%
Remuneration of councillors.	28 443	1,1%
Contracted services	135 462	5.2%

The following are expenditure items included in the budget:

- **Employee Related Costs: R724.5 million, increase of R88.1 million (13.84%)**

Employee related costs has increased from R636.4 million to R724.5 million, representing an increase of R88.1 million (13.84%). Included in the employee related costs is an amount of R20 million for overtime. This constitute 2.8% of the total employee related costs, which is also within the National Treasury norm of 5%. The bulk of this provision relates to overtime for essential services which the municipality cannot avoid. These services include waste management, electricity maintenance, water maintenance, waste management, public safety and other essential services which the municipality is required to provide to communities. It must be noted that the municipality is currently implementing a number of measures to ensure that overtime is not abused and is kept to the bare minimum.

- **Remuneration of Councillors: R28.4 million, an increase of R1.3 million (4.7%)**

Remuneration of councillors is projected to be R28.4 million, representing an increase of R1.3million (4.7%) from the current financial year budget of R28.4 million. The projection is based on the 2023/24 expenditure trends and the fact the MEC has not made any increases on the councillors' upper limited for the past 3 years.

- **Bulk Electricity Purchases: R664.9, an increase of R101.4 million (18%)**

Expenditure on bulk electricity purchases is projected at R664.9 million, representing an increase of R101.4 million (18%) from the current financial year budget of R557.1 million. The provision of R664.9 million is informed by the NERSA guidelines and the expected demand for electricity to the municipal consumers in the 2023/24 financial year.

- **UThukela Water Entity: R155.5 million, an increase of R8.8 million (6%)**

The municipality's contribution to uThukela Water increased from R146.7 million to R155.5 million which represents an increase of R8.8 million (6%) from the current financial year. This provision is in line with the entity initial submission. It must be mentioned that the entity submitted another version of its budget of R164.4 million, which cannot be afforded by the municipality given the financial constraints that it currently going through.

- **Debt impairment: R311.3 million, an increase of R12.3 million (4.1%)**

The municipal has projected to incur R311.3 million on debt impairment, representing an increase of R12.3 million (4.4%) from the current financial year budget of R299 million. The provision and the increase is based on the collection rate versus the amount expected to be billed in the budget year. It must however be mentioned that the recent campaign to collect outstanding debtors and to build the culture of payment of services in the townships has started to yield positive results.

- **Depreciation: R379.1 million, an increase of R15.9 million (4.4%)**

Provision for depreciation has been projected to be R379.11 million, representing an increase of R15.9 million (4.4%) from the current financial year's budget of R363.2 million. The provision is based on the municipality's asset register the expected lives of the assets. The increase is attributable to the projected capital expenditure and the infrastructure projects which were completed during the current financial year, the impact of the depreciation is expected fully during the budget year.

- **Finance Charges: R32.2 million, a decrease of R3.6 million (-10.16%)**

Expenditure on interest on loans is projected to be R32.2 million, representing a decrease of R3.6 million (-10.16%) from the current financial year budget of R35.8 million. The estimation of finance charges of R35.8 million is based on the amortisation schedules of the loan portfolios of the municipality and the loan agreements with the financial institutions, which is expected to last for at least for the next seven years. It must however be noted that no new loans will be taken by the municipality in the 2023/24 financial year.

- **Contracted services: R179.4 million, a decrease of R69.6 million (28%)**

Expenditure on contracted services is projected to be R179.4 million, representing a decrease of R69.6 million (28%) from the current financial year budget of R248.9 million. The increase is due to the increase in housing and other grants from national and provincial departments. It must be noted that, included under this provision is an amount of R13.5 million in respect of the housing grants for the various housing projects.

- **Other materials: R159.9 million, an increase of R6.2 million (4%)**

Expenditure on materials is projected at R159.9 million, representing an increase of R6.2 million (4%) from the current financial year budget of R153.6 million. Included under this item is the allocation for Uthukela Water for R146.7 million as well as the materials for the cleaning of municipal buildings, halls, chemicals, cleansing material, pest control.

- **Other expenditure: R135.4 million, an increase of R13.5 million (11%)**

Other expenditure is projected to be R135.5 million, representing an increase of R13.5 million (11%) from the current financial year budget of R118.3 million. The increase is mainly due to the additional provision for departmental rates and services due to revenue tariff increases.

OPERATING SURPLUS/DEFICIT

The operational budget therefore yields an operating deficit of R283.9 million. It is noted that the operating deficit has increase of R93.6 (47%) million when compared with the budgeted deficit of R198.7 million in the current financial year. It remains the commitment of the municipality to comply with MFMA Circular No.72, which encourages municipalities to adopt a surplus position over the MTREF with a view to achieve and maintain financial stability of the municipality. It must also be recorded that the municipality's budget is not yet funded as it unable to provide all provision as indicated in table A8. The municipality has however submitted a Budget Funding Plan, which is aimed to achieve a funded budget by 2024/25 financial year. At this stage, it is important that the municipality remains committed to the strategies and targets of the funding plan.

CAPITAL BUDGET

The municipality's capital budget is projected to be R242.6 million, consisting of R229.6 million to be funded from government grants, and R13 million to be funded from internally generated funds. The summary of the capital budget over the medium terms is depicted as follows:

Details	2023/2024 R'000	% of total expenditure
Total Capital Budget	242 600	100%
<u>Funded as follows:</u>		
Grant funding	229 632	95%
Internal funding	12 968	5%
	242 600	100%

Government grants continue to fund the bulk of capital programme over the next three financial years, covering about 95% of the capital expenditure in the 2023/24 financial year. Due to the current cash flow position, the municipality has no plans to take new loans.

The capital budget summarised by asset type can summarised as follows:

ASSET CLASS	2023/2024 R'000	% of total Expenditure
Energy sources	21 550	8.90%
Water distribution	108 185	44.59%
Waste water management	28 484	11.74%
Waste Management	450	0.19%
Roads & Transport	54 635	22.52%
Furniture & Equipment	3 900	1.61%
Sport	24 039	9.91%
Community & Social Services	858	0.35%
Housing	500	0.21%
TOTAL CAPITAL BUDGET	242 600	100%

The municipality will be spending the bulk of its capital programme towards basic infrastructure, with R54.6 million towards roads and storm water, R108.2 million towards water infrastructure, R28.5 million towards sanitation infrastructure, R21.6 towards electricity infrastructure as well as R24 million towards sports infrastructure. A further R2.4 million will be spend on tools of trade, R1.5 million for the uninterrupted power supply.

The following is the list of capital projects which will be implemented over the medium term period:

DEPARTMENT	PROJECT DESCRIPTION	Finance Source Description	DRAFT BUDGET 23/24
COMMUNITY SERVICES	Amphitheatre phase 2	Museum Art Gallery Grant	190 000
COMMUNITY SERVICES	Art Purchases	Museum Art Gallery Grant	80 000
COMMUNITY SERVICES	Printing Press	Museum Art Gallery Grant	50 000
COMMUNITY SERVICES	Refuse Bulk Containers	Internal Funding	450 000
COMMUNITY SERVICES	CONSTRUCTION OF CANTEEN BUILDING	Insurance Claim	617 705
BUDGET AND TREASURY OFFICE	IT EQUIPMENT	Internal Funding	2 000 000
BUDGET AND TREASURY OFFICE	UNINTERRUPTED POWER SUPPLY	Internal Funding	1 500 000
BUDGET AND TREASURY OFFICE	FURNITURE AND EQUIPMENT	Internal Funding	300 000
BUDGET AND TREASURY OFFICE	MACHINERY & EQUIPMENT	Internal Funding	100 000
DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS	Construction of Road	Neighbourhood Development Partnership Grant	24 514 000
DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS	Purchase of office equipment	Housing Level 2 Accreditation Grant	500 000
TECHNICAL SERVICES	Siyahlala la Phase 3 Electrification	INEP	7 950 000
TECHNICAL SERVICES	Construction of 11KV switching station - Capricorn/Lennoxton	INEP	1 100 000
TECHNICAL SERVICES	Construction of 132/11kv substation - Equarand	INEP	12 500 000
TECHNICAL SERVICES	RESEALING OF ROADS MADADENI	Internal Funding	2 000 000
TECHNICAL SERVICES	RESEALING OF ROADS OSIZWENI	Internal Funding	2 000 000
TECHNICAL SERVICES	RESEALING OF ROADS NEWCASTLE	Internal Funding	2 000 000
TECHNICAL SERVICES	RESEALING OF ROADS - RESIDENTIAL WEST	Internal Funding	2 000 000
TECHNICAL SERVICES	Furniture Equipment	Municipal Infrastructure Grant	191 000
TECHNICAL SERVICES	Upgrade & Refurbishment of bulk sewer pipeline from Siyahlala to Voortrekker	Municipal Infrastructure Grant	7 000 000
TECHNICAL SERVICES	Construction of ME26 & ME27 roads	Municipal Infrastructure Grant	1 878 667
TECHNICAL SERVICES	Construction of sports facility - MIG	Municipal Infrastructure Grant	15 958 608
TECHNICAL SERVICES	Upgrade of Madadeni Waste Water Treatment	Municipal Infrastructure Grant	8 443 781
TECHNICAL SERVICES	Blaauwbosch bulk water	Municipal Infrastructure Grant	27 884 602
TECHNICAL SERVICES	Pipe replacement and upgrade project	Municipal Infrastructure Grant	30 300 000
TECHNICAL SERVICES	Viljoenpark : Ncandu Sewer Rising main	Municipal Infrastructure Grant	13 040 333
TECHNICAL SERVICES	Construction of MC21 & MC22 roads	Municipal Infrastructure Grant	6 298 500
TECHNICAL SERVICES	Construction of OA65, OA64 & OA66 roads	Municipal Infrastructure Grant	13 252 500
TECHNICAL SERVICES	Purchase of Vehicle	Municipal Infrastructure Grant	500 000
TECHNICAL SERVICES	Upgrade of Masihambisane Sports Facility	Municipal Infrastructure Grant	8 000 000
TECHNICAL SERVICES	Newcastle extension and upgrade of water pipelines in Manzana, Dickshalt Phase 2 and Jakkalpan rural settlements	Water Services Infrastructure Grant	50 000 000
TOTAL CAPITAL BUDGET			242 599 695

COST CONTAINMENT MEASURES

The municipality adopted the its cost containment policy in the 2019/20 financial year in line with the Circular No.82 with regards to the implementation of the cost containment measures. This policy has been updated annual as the municipality seeks to finds ways of containing non-core expenditure in its quest to achieve a funded budget. The municipality has also put measures through the curbing of unnecessary expenditure and reduction of other expenditure through the implementation of its Budget Funding Plan strategies. This is however done without compromising service delivery and within the available cash resources.

DRINKING WATER QUALITY

The municipality complies within the required Blue Drop status in terms of the quality of water being provided to the citizens of Newcastle. Water test samples are being provided in all water storages to ensure that necessary standards is being met before water is distributed to communities.

WASTE WATER MENEAGEMENT QUALITY

The municipality complies within the required Green Drop status in terms of the quality of waste water management being provided to the citizens of Newcastle. While it is acknowledged that the is a challenge of sewer infrastructure in areas currently not zoned under Newcastle Municipality, the municipality doe reach out to such areas using the VIP desludging system. The municipality further distributes VIP toilets in areas where water-bone sewer is not yet available. The larger part of Newcastle Municipality does have the necessary sewer system.

BUDGET FUNDING PLAN

The municipality is currently facing financial challenges and is operating with an unfunded budget. This is reflected in table A8 of the A Schedule table. While this is fact, the municipality is however confident that it will be able to generate adequate cash to deal with all its operational needs during the budget year, including the payment of the Eskom debt. This is reflected in table A7 of the A Schedule.

In order to respond to the above situation, the municipality has put together the Budget Funding Plan, which seek to acknowledge the municipality's budget is currently not funded, but also putting

measures and strategies which will ensure that the budget of the municipality is eventually funded. A detailed Budget Funding plan is which is aligned to the draft budget is attached. It is therefore critical that the draft budget is approved together with a revised funding plan as the figures have changed since the initial plan adopted has changed somewhat.

1.4 BUDGET TABLES AND RELATED CHARTS

As attached in Annexure D - Schedule A tables

2.1 OVERVIEW OF BUDGET PROCESS

2.1.1 OVERVIEW

Budgeting is primarily about the choices that the municipality has to make between competing priorities and fiscal realities. The budget process is an effective process that every local government must undertake to ensure good governance and accountability. The process outlines the current and future direction that the municipality would follow in order to meet legislative stipulations. The budget process enables the municipality to optimally involve residents and other stakeholders in the budgeting process.

The budget preparation process is guided by the following legislative requirements:

- Municipal Finance Management Act;
- Municipal Budget and Reporting Regulations;
- Municipal Systems Act; and
- Municipal Structures Act.

Section 21 of the MFMA requires that a time schedule setting out the process to draft the IDP and the budget be tabled ten months before the financial year. In compliance with this requirement the IDP and budget time schedule was tabled before council in August 2022 as per the provisions of the act. The main objective of the timetable is to ensure integration between the Integrated Development Plan, the budget and aligned process towards tabling a balanced budget. The tabling of the 2023/24 Medium Term Budget for the Newcastle Municipality laid the foundation by which strategic functions within the municipality could apply sound financial planning and management over the medium to long term. It facilitates the critical alignment of planning, budgeting and sustainable service delivery in line with Newcastle's vision as enshrined in the IDP.

The purpose of the 2023/24 budget is to comply with the Municipal Finance Management Act (No. 56 of 2003) and is a financial plan to enable the municipality to achieve its vision and mission through the IDP which is informed by our five year programme and community/stakeholder inputs. The tabled budget is a start of a journey towards the final budget for approval. It will be followed by many processes both politically and administratively, amongst others, consultations with communities in the municipal area. In December 2022, budget instructions were issued to

departments by the Budget and Treasury Office. Staff budget requirements were also reviewed for budgetary purposes with an intense scrutiny of human resource needs and assessment of the critical vacancies.

A budget workshop was held during March 2023 with extended management committee and in March 2023 with the members of the Executive Committee of Council, which focused on the state of financial affairs, limited resources and how the budget will be allocated to departments. The workshop further dealt with past performance trends of operating budget and capital budget, identified budget approach going forward and set the criteria and basis to be used in the appropriating financial resources amongst municipality's functions during budget processes. Budget meetings were also held with various departments and the Management Committees to provide detailed clarity on the budget preparation. At these meetings, budget strategy, budget policies and the alignment of the budget with the IDP were discussed. The IDP's strategic focus areas informed the development of the budget, in addition to assessing the relative capacity to implement the budget, taking affordability considerations into account.

2.1.2 POLITICAL OVERSIGHT OF THE BUDGET PROCESS

The key to strengthening the link between priorities and spending plans lies in enhancing political oversight of the budget process. Strengthening the link between Government's priorities and spending plans is not an end in itself, but the goal should be enhanced service delivery aimed at improving the quality of life for all people within the municipality. Section 53(1) (a) of the MFMA, states that, the mayor of a municipality must provide political guidance over the budget process and the priorities that must guide the preparation of the budget. The Management Committee and the Executive Committee will use the budget process to advise Council accordingly in this regard. Political oversight of the budget process allows government, and in particular, the municipality to manage the tensions between competing policy priorities and fiscal realities.

2.1.3 PROCESS FOR CONSULTATIONS WITH EACH GROUP OF STAKEHOLDERS AND OUTCOMES

Local government policy and legislation put great emphasis on municipalities developing a culture of community participation and the creation of appropriate and relevant community participation mechanisms, processes and procedures. The municipality prides itself of enjoying the reputation of actively engaging many of its citizens as possible in its planning, budgeting, implementation and

monitoring processes. In order to strengthen public participation, the municipality will be rolling out its budget programme to all wards in the municipal area, during the year.

The municipality will be conducting the public consultation meetings with the local communities, in order to engage on the draft budget. The consultation process will also include the radio, newspaper platforms with various stakeholders. Accordingly, the tabling of the draft Budget in council will be followed by the extensive publication of the budget documentation in the local newspapers, libraries, and all municipal public areas. Copies of the tabled budget in both electronic and printed formats will be submitted to National Treasury as well as the Kwazulu-Natal Provincial Treasury and the Provincial Department of Co-operative Governance and Traditional Affairs. The tabled budget will also be published on the council's website. In terms of the Municipal Systems Act and in conjunction with the Municipal Finance Management Act, hearings on the budgets are planned to take place physically prior to the final budget being adopted by council May 2023, where the Mayor will officially respond to budget submissions expected to be made by various stakeholders. The key target groups for the budget hearings will include:

- Ratepayers Association
- Newcastle Business Chambers;
- Farmers Association; and
- Political Parties

2.1.4 SCHEDULE OF KEY DEADLINES RELATING TO THE BUDGET PROCESS

The budget time schedule for the compilation of the 2023/24 budget cycle was tabled in August 2021, well before the start of the budget year and in compliance with the MFMA. The plan was accordingly implemented and reviewed where considered necessary to do so.

The following table reflect the activities and key deadlines that were included in the schedule.

DATE	ACTIVITY	RESPONSIBILITY
August 2022	<ul style="list-style-type: none"> • 10 months before start of the budget year: Tabling of time schedule outlining key deadlines to the municipal Council as per MFMA S21 (b). • mSCOA and Budget Steering Committee meets to discuss new mSCOA requirements • Roll over process begins 	Mayor/MM
September 2022	<ul style="list-style-type: none"> • Advertising of budget and IDP time schedule. • Conclude initial consultation and review policies, confirm priorities, identify other financial and non-financial parameters including government allocations, and the financial outlook in order to needs and to review fiscal strategies. 	MM/CFO
October 2022	<ul style="list-style-type: none"> ▪ Meeting with Mayor, Exco and Manco to discuss the strategic direction and objectives for the 2019/20 fiscal strategies and to discuss the budget preparation process of the budget framework to provide parameters and request budget inputs for 2019/2020. ▪ Compilation of Salary Budget. ▪ Assess impact on tariffs and charges. • Finalize inputs from bulk resource providers (NERSA, uThukela) and agree on proposed price increase. <p>Submit all Budget related policies for review.</p>	MM/BTO BTO
November 2022	<ul style="list-style-type: none"> ▪ Revenue assumptions ▪ Fixed cost projections ▪ Preparation of budget guidelines • Submission of guidelines to portfolio for comments Submission of budget guidelines to EXCO for approval 	BTO/HR
December 2022	<ul style="list-style-type: none"> • Submission of budget guidelines to Departments(First week) • Departmental visit to departments (second week December) • Budget will be captured on the financial system 	BTO
January 2023	<ul style="list-style-type: none"> • Preparation of Mid-year Review • Mid-year submitted to portfolio, EXCO & Council (before 25 January) • Review the proposed National and Provincial allocations for incorporation into the draft budget. • Report back on progress with Budget inputs. 	BTO/MANCO
February 2023	<ul style="list-style-type: none"> • Finalize detailed operational and capital budget, finalize all budget related policies. • Budget/IDP Strategic Workshop to discuss budget inputs, link capital and operational plans to the IDP, and determine proposed tariffs. • Link all IDP projects to budget & PMS 	Extended MANCO and EXCO

DATE	ACTIVITY	RESPONSIBILITY
March 2023	Budget Workshop: <ul style="list-style-type: none"> • Discussion of budget inputs, link capital and operational plans to IDP and determine proposed tariffs. • Validation of budget on the financial system 	EXCO MANCO
March 2023	Draft Budget: <ul style="list-style-type: none"> • 90 days before the start of the budget year, Council must consider approval of the draft budget. • Submit the draft multi-term operational and capital budget and all budget related policies for approval. • Submission of approved budget both printed and electronically to COGTA, National and Provincial Treasury. • Make public notice in terms of S22, 75 of the MFMA and 21A of the Municipal Systems Act. 	MAYOR, MM, CFO
April 2023	Public Consultation Process: <ul style="list-style-type: none"> ▪ Public Consultation on draft budget throughout the municipality in terms of Chapter 4 of the Municipal Systems Act. ▪ Engagement with Provincial Treasury to discuss draft budget 	MAYOR EXCO MM CFO
May 2023	Respond to Public Comments in terms of S23 of the MFMA. <ul style="list-style-type: none"> • Response to public comments and sector comments. Incorporate recommendations into draft budget. • Bilateral engagement with Provincial Treasury. 	MAYOR BTO MM
May 2023	Approval of Final Budget – MFMA S24. <ul style="list-style-type: none"> • Approve the final multi-term operational and capital budget together with the adoption of resolutions that may be necessary. 	COUNCIL
June 2023	Publication of Annual Budget. <ul style="list-style-type: none"> • Submission of the approved budget printed and electronically to COGTA, National and Provincial Treasury, S22(b). • Make public notice in terms of S22(a), 75 of the MFMA and 21A of the Municipal Systems Act. • Validation of budget on the financial system. • Submission of locking certificate in terms of S74(1) of the MFMA. 	MM BTO

2.2. OVERVIEW ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN

The municipality's Integrated Development Plan (IDP) is its principal strategic planning instrument, which guides and informs its on-going planning, management and development actions. The IDP represents the municipality's administration's commitment to exercise its executive authority (except in cases where it is in conflict with national or provincial legislation, in which case such legislation prevails), and is effectively the local government's blueprint by which it strives to realise its vision for Newcastle in the short, medium and long term. However, while the IDP represents the strategic intent of the municipality, it is also compiled with the understanding that a number of challenges will need to be overcome in order to achieve the strategic objectives it sets out. Some of these challenges are known, while others are as yet unknown and may arise at any time due to any number of local, national and international economic, political or social events.

2.2.1 KEY NATIONAL AND PROVINCIAL GUIDING DOCUMENTS

To ensure that the municipality is a more responsive, efficient, effective and accountable local government, we will outline, precisely how we intend to translate our long term 2035 Municipality Vision into an effective plan that aligns the municipal budgets, monitoring and evaluating mechanisms as well as timeframes for delivery. The municipality has taken the strategic direction to achieve closer alignment between the Long Term Development objectives and its IDP. The development of the strategic approach for the municipality is guided by – but not limited to – the following;

National Development Plan (Vision 2030)

The intention of this plan is to improve service delivery for citizens of South Africa, whilst integrating national, provincial and local policies and programmes into a single, target orientated and long term based plan. In this plan a collective approach of improving the lives of the citizens is applied, and communities themselves have a role to play in this regard. The Spatial component of the NDP which is the Integrated Urban Development Framework provides a macro spatial context for urban development at a national level.

Delivery Agreement Outcome 9

The aim of Delivery Agreement: Outcome 9 is to ensure a responsive, accountable, effective and efficient local government system so as to restore the confidence of citizens in the local government

sphere. As such municipalities need to ensure that the basic needs of communities are met; build clean, effective, efficient, responsive and accountable local government; improve performance and professionalism and strengthen partnerships between local government, communities and civil society. Whilst primarily there is a reporting line to Outcome 9, the municipality also reports on Outcome 8 which concentrates on human settlements.

National Priorities: SONA (State of the Nations Address 2023)

The State of the Nation address for the 2023 confirmed the President Cyril Ramaphosa's commitment to the electricity crisis and improve the economy of the country which has been hit by the impact of the pandemic. The President admitted that the country is facing serious challenges but said action was being taken to address them. The following are some key points from the State of Nation Address:

- Economic reconstruction and recovery planning – Infrastructure development;
- Economic reconstruction and recovery planning – Industrialisation and local production;
- Economic reconstruction and recovery planning – Energy security;
- Economic reconstruction and recovery planning – Employment stimulus;
- Strengthening economic reforms: State –owned enterprises
- Strengthening economic reforms: Building a capable state;
- Strengthening economic reforms: State –owned enterprises
- Fighting crime and corruption by giving focus to Gender Based Violence;

Towards an Integrated Urban Development Framework

A key objective of government is to facilitate economic growth, job creation and reduce poverty and income inequality. The framework for integrated urban development is a key governmental initiative to realise this objective because it leverages the potential of our cities and towns, which are South Africa's engines of growth and job creation. Urban areas offer the advantages of economic concentration, connectivity to global markets, the availability of new technologies and the reality of knowledge economies. Given the challenges that urban areas face, there is a need to forge a sustainable growth vision for our urban and rural spaces that will guide our development priorities and choices. As such the framework begins to identify key levers.

Provincial Priorities (State of the Province Address 2023)

The Premier, Honourable Nomsa Dube, highlighted key intervention areas for the province that would influence the IDP for municipalities. In the SOPA the alignment of the IDP, PGDS and the

NDP were stressed. In the speech the KZN Premier listed the priority Interventions which remain the foundation of the Provincial Growth and Development Plan. The Interventions are:

- Building a thriving economy and job creation;
- Industrialisation through Special Economic Zones;
- Promoting clothing and textile industry
- Harnessing export capacity;
- Promoting tourism growth and development;
- Promoting regional airports;
- Digital Hubs, ICT and innovation;
- Establishment of coastal smart cities to realise Vision 2030;
- Radical Economic Transformation through Operation Vula Programme;
- Radical Agrarian Socio-economic Transformation;
- Environmental sustainability;
- Re-igniting economic growth through infrastructure development;

The Premier also stressed on the alignment of all the above interventions with a view to create a progressive and a viable province aimed at achieving national strategies. The alignment of the provincial action plan with the President's State of the Nation Address remain the priority of the provincial government of KwaZulu Natal.

Provincial Growth and Development Strategy

In line with the National vision 2030, the Provincial Growth and developmental Strategy will ensure economic growth and improved quality of life in KwaZulu-Natal. An integrated service delivery mechanism will be applied by various stakeholders in an effort to create employment opportunities, skills enhancement, effective and efficient governance, human and community development, improved infrastructure and adequate utilization of spatial form. The PGDS is currently under review to ensure that the plan meets the objectives of the National Planning Commission as well as the SDG's.

Long Term Development Framework

Many town and cities around the world are competing with one another on the local global open market to become economically competitive and in doing so, are inadvertently creating unsustainable environments. Against this background then, it is clear that the municipality has

indeed a direct role to play in the facilitation and management of long-term planning and development processes that consider the issue of sustainability.

2.2.2 DEVELOPMENT CHALLENGES

Significant strides have been made to address the key development challenges in the municipality. While significant progress has been made in all areas, there is still some distance to go towards addressing the following challenges:

- High rates of unemployment and low economic growth;
- High levels of poverty;
- Low levels of skills development and literacy;
- Limited access to basic household and community services;
- Increased incidents of HIV/AIDS and communicable diseases;
- Unsustainable developmental practises;
- Ensuring adequate energy and water supply;
- Infrastructure degradation;
- Ensuring financial sustainability;
- Ineffectiveness and inefficiency of inward-looking local government still prevalent in the municipality.

The essence of the Newcastle Municipality's IDP is to achieve a balance between meeting basic needs, strengthening the economy and developing people skills and a technology base for the future.

2.2.3 MUNICIPAL STRATEGIC PRIORITY AREAS

In order to achieve our vision and to address the development challenges, there are a number of key strategic priority areas which need to be taken into consideration. These priorities lead to the creation of structures which support, house and associate other actions and activities – the building blocks around which actions and prioritisation take place. It also acts as a point of leverage for creating a sustainable municipality that is caring and liveable.

2.2.4 POLITICAL PRIORITIES AND LINKAGES TO THE IDP

The IDP is an all-encompassing plan which provides the framework for development within a municipality. It aims to co-ordinate the work of local and other spheres of government in coherent plans to improve the quality of life for all the people living in the area. All operating and capital programs in the 2023/24 medium-term budget have been assessed through a prioritisation mechanism that was developed to ensure that there is alignment to the development strategy of the municipality. The IDP formed the basis of the priorities identified in the strategic plan and all resources are focused on the achievement of the priorities. The Mayor, Ward councillors, ward committees, and the full council full an active part in the community based planning and ensuring that budget takes to the priorities of the IDP.

2.2.5 IDP OVERVIEW

The Municipal Systems Act requires that each Municipality prepare an Integrated Development Plan to serve as a tool for transforming local governments towards facilitation and management of development within their areas of jurisdiction. The IDP is a five year plan whose principal purpose is to ensure the development of the local community in an integrated manner which involves strategic business units within the municipality, relevant strategic stakeholders and the community. This draft IDP marks the new 5th generation of the five years period of the new Council which occupied office in November 2021.

2.2.6 IDP PROCESS AND STAKEHOLDER PARTICIPATION

The IDP is prepared every five years and reviewed yearly to inculcate a democratic approach to local governance by ensuring all stakeholders get an opportunity to voice their opinions in influencing the shape, form, direction and pace of development in their localities. The municipality is committed to addressing the needs of the people and values the inputs from communities and stakeholders. The IDP draft process plan for 2022/2023 was presented to the Executive Committee and is included in the draft IDP for consideration. The plan specified timeframes, actions and procedures and appropriate mechanisms for public participation and alignment.

The fifth generation of Newcastle's Integrated Development Plan (IDP) was initiated in 2021 and seeks to address community needs and how the municipality will achieve same over the next five years. As set out in the Municipal Systems Act (2000), a stakeholder consultation process is

necessary. Of critical importance is for the municipality to ensure that there is thorough consultation with the community and strategic stakeholders. The review of the five year plan in 2021/22 has provided further opportunity for the citizens to actively participate in the development of the IDP.

2.2.7 LINK BETWEEN THE IDP AND THE BUDGET

In compliance with the Municipal Structures Act (1998) and Municipal Financial Management Act (2003), our municipal budget is informed and aligned to the IDP objectives. The IDP determines and prioritises the needs of the community. The budgetary allocations for both the capital and operating expenditure are undertaken in a manner that will not only ensure that our IDP outcomes are achieved but also to ensure that our municipality's 2035 vision is realised. The 2023/24 Annual Budget has therefore been directly informed by the revised 5th generation IDP process.

We have come a long way in capital budgeting – away from departmental budgeting. Based on such nationally developed models, the municipality is able to link its budget with its programmes, and is able to adequately spread its capital budget geographically as well in accordance with the IDP. In terms of the operating budget we have made excellent progress but are now more committed than ever to ensure that critical operating budget resources are prioritised in terms of stated IDP outcomes. More importantly, the Performance Management System (PMS) allows the municipality an opportunity to monitor and evaluate organisational performance in meeting our IDP outcomes and vision. As with previous year's, our IDP remains the strategic driver of both our budget and performance management system.

2.3. MEASURABLE PERFORMANCE OBJECTIVES

2.3.1 KEY FINANCIAL RATIOS / INDICATORS

The benchmarks reflected in the table below are based on the actual audited results of the municipality for the 2020/21 financial year:

Financial Benchmark	Basis of calculation	2023/2024
Debt to Asset Ratio	Total debt / Total Assets	0,050
Debt to Revenue	Total debt / Total Income	19.3%
Average Interest Paid on Debt	Interest Paid / Total Interest Bearing Debt	16.5%
Capital Charges to Operating Expenditure	Interest and Principal Paid / Operating Expenditure	21.0%
Interest as a % of Operating Expenditure	Interest Paid / Operating Expenditure	2.9%
Current Ratio	Current Assets / Current Liabilities	0.94
Creditors System Efficiency	% of Creditors paid within terms	75%
Electricity Distribution Losses	Total units purchased less units sold / Total units purchased	8%
Water Distribution Losses	Total units purchased less units sold / Total units purchased	34%

The financial benchmarks reflected in the table indicate a favourable financial state, however, one needs to indicate that the bulk of assets of the municipality include Property Plant and Equipment, as well as consumer debtors, which the municipality is struggling to convert into liquid cash.

Debt to Asset Ratio:

The ratio indicate the leverage ratio that defines the total amount of debt to assets. The ratio of 0.050 indicates the ability of council total debtors to cover for total liabilities.

Debt to Revenue:

The ratio indicate the extent of total borrowings in relation to total operating revenue. The purpose of to provide assurance that sufficient revenue will be generated to repay liabilities.

Capital charges to Operating Expenditure:

Capital charges to operating expenditure (the measure of cost of borrowing in relation to the operating expenditure) compares unfavourably to the acceptable norm of around 9%.

Current ratio:

This ratio measures the short-term liquidity, that is, the extent to which the current liabilities can be paid from the current assets. The higher the ratio, the healthier is the situation. The ratio of 0.84 : 1 is below the norm of 1.5 and indicates that the municipality's current assets are not adequate to cover for short term liabilities. This is a clear indication that the municipality facing serious cash-flow challenges.

2.3.2 FREE AND SUBSIDISED BASIC SERVICES

Municipalities play central role in supporting economic development and alleviating poverty. The provision of basic services is a critical input to social well-being and economic activity. Newcastle Municipality comprises both rural and urban areas as well as wide spread of income groups. Due to variation in living environment, the municipal area has a number of households who currently do not have access to all services.

The basic social package is an affirmation of the municipality's commitment to push back the frontiers of poverty by providing a social welfare to those residents who cannot afford to pay, because of adverse social and economic realities. The social package will also assist the municipality in meeting its constitutional obligations. The estimated cost of social package amounts to R74.7 million for the 2023/24 budget year.

Details of initiatives carried out by Newcastle Council in this regard are detailed below:

Service	Social Package	Million (R)
Assessment Rates	All residential property owners are exempt from paying rates on the first R85,000 of the property value. Indigent residents will receive 100% rebates on rates.	17.4
Water	The first 6kl of water is free to all residents qualified as indigents in terms of the policy	10.6
Electricity	The first 50kwh of electricity is free to all residents qualified as indigents in terms of the policy	10.3

Refuse	Refuse is free to all residents qualified as indigents in terms of the policy	16.9
Sewer	Sewer is free to all residents qualified as indigents in terms of the policy	19.4
Indigent Support		74.7

The cost of indigent benefit to the tune of R74.7 million is funded from the equitable share provided by the National Government, which amount is based on the estimated ±9 000 number of indigents currently in the Indigent Register. The assistance to the qualifying households is regulated by Council budget related policies which are reviewed annually based on modelling the impacts of the tariffs on all residential properties. An additional R67.3 in respect of rates rebates will be funded internally by the municipality and will be recognised as revenue foregone in the 2023/24 budget.

2.4 OVERVIEW OF BUDGET RELATED POLICIES

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

2.4.1 DRAFT POLICY AND POLICIES REVIEWD

The following policies have been amended and/or reviewed and attached with the budget for consideration.

- Budget Policy
- Tariff Policy
- Rates Policy
- Indigent Policy
- Credit Control & Debt Collection Policy
- Bad write off Policy
- Supply Chain Management Policy
- Cash and Investment Management Policy
- Asset Management Policy
- Petty Cash Policy
- Virement Policy
- Funding and Reserves Policy
- Borrowing Policy
- Loss Control Policy
- Short-term Insurance Policy
- Cost Containment Policy
- Protective Clothing and Equipment Policy
- Property Rates ByLaw
- Tariff ByLaw

2.4.2 RATES POLICY

As required in terms of section 5 of the MPRA, the Rates Policy has been reviewed for the 2023/24 financial year. The policy is to be amended with the current budget prior to implementation.

2.4.3 CREDIT CONTROL AND DEBT COLLECTION POLICY

The primary objective of the policy is to ensure that all monies due and payable to the municipality in respect of services are collected efficiently and promptly. As required in terms of sections 97 of the Municipal Systems Act, the credit control and debt collection policy for the 2023/24 financial year has been reviewed and is to be adopted with the current budget.

2.4.4 TARIFF POLICY

The Municipal Systems Act requires a municipality to have a Tariff Policy on the levying of fees for municipal services provided by the municipality itself or by way of service delivery, and which complies with the provisions of that Act, the MFMA and other legislation. Accordingly, a Tariff Policy which is attached with the budget for Council adoption. No amendments have been made to the Tariff Policy.

2.5 OVERVIEW OF BUDGET ASSUMPTIONS

Budget assumptions and parameters are determined in advance of the budget process to allow budgets to be constructed to support achievement of the long-term financial and strategic targets. The assumptions and principles applied in the development of this budget are mainly based upon the guidelines from National Treasury and other external bodies such as NERSA, SALGA, Government Departments and the major service providers. A number of assumptions that guide growth parameters have been built around the projected increase in the inflation (CPI), being 4.8% for the 2023/24 financial year.

OPERATIONAL BUDGET

The municipal fiscal environment is influenced by a variety of macroeconomic control measures. National Treasury determine the ceiling of year-on-year increases in the total operating budget, whilst NERSA regulates electricity tariff increases. Various government departments also effect municipal service delivery through the level of grants and subsidies.

The following key assumptions underpinned the preparation of the medium term budget. Revenue are projected to increase by the following percentages:

Revenue source	2023/2024	2024/2025	2026/2027
Property rates	6%	6%	6%
Electricity	16.65%	12.7%	12.7%
Water	6%	6%	6%
Sanitation	6%	6%	6%
Waste/Refuse	6%	6%	6%
General Sources of Revenue	6%	6%	6%

Over the years, the municipality has been increasing tariffs for rates, service charges and sundry services for not more than 7%. Guided by the National Treasury and South African Reserve Bank inflation range, the tariffs for 2023/24 will be 6% for rates, water, sewer, refuse and sundry services. A tariff increase of 16.65% will be applied for electricity based on the NERSA's bulk tariff increase guideline.

The projected increases in the expenditure items are as follows:

Expenditure source	2023/2024	2024/2025	2026/2027
Employee related cost	7.2%	7.2%	7.2%
Electricity budget purchases	18.49%	12.7%	12.7%

The increase in employee related costs is based on the South African Local Government Bargaining Council multi-year wage agreement. The projected increases in the upper limits of councillors is based on the upper limits for the remuneration of councillors for the current financial year, and the 2% estimated increase during the 2023/24 financial year. The tariff increase of 18.49% is based on the NERSA's guideline on municipal tariffs increase for ESKOM bulk electricity purchases.

Expenditure in respect of repairs and maintenance has been increased by 4%. While it is acknowledged that the costs of providing such goods and services may be more or less than what is projected, the municipality will however employ stringent budget monitoring and control measures to ensure that the municipality operates with the approved budget on these items. Also, the municipality has been very effective in ensuring that expenditure is prioritised and reallocated on service delivery functions, such as the repairs and maintenance.

CAPITAL EXPENDITURE

The municipality's capital expenditure has been funded from a mix of government grants and internally generated funds. About R158.0 million is expected to be received from government grants and the balance of R12.9 million from internally funds. Based on DORA and the provincial gazette, it is expected that all grants appropriated in the medium term budget will made available by the National and Provincial governments. Where grants are withheld or additional grants made available during the budget year, such will be addressed by way of an adjustment budget. Internally generated funds is expected to be realised from refunds which will be claimed from the SARS capital VAT input as well as from the disposal of the municipal land or properties.

2.6 OVERVIEW OF FUNDING THE BUDGET

FISCAL OVERVIEW

Although the financial profile of the municipality is not healthy and liquid due to commitments from the previous financial years, the municipality has ensured that realistic revenues and affordable expenditure are projected in the medium term budget. This has been achieved through the following measures:

- Adequate revenue and collection rates to ensure that normal operations are funded (Funded Table A7).
- Measures will be put in place to ensure that the municipality operates within the budget as approved by Council. There is no intention to incur unauthorised expenditure.
- The municipality will ensure that it strives to develop and maintain a positive cash and investment position (cash and cash equivalents).
- Budget Funding Plan will approved with the budget to ensure that the municipality moves towards a funded position over time.

FUNDING OF CAPITAL BUDGET

The capital budget is funded mainly from allocations to be made to the municipality by National and Provincial governments in the form of grants, as well a minor portion to be generated internally. No external loans will be taken by the municipality to fund its capital programme. Furthermore, no reserves are available or earmarked for the purpose of funding the capital budget.

The municipality has appropriated R229.6 million from grant receipts to fund the capital budget, both from National and Provincial Governments. This amount is made up of MIG, WSIG, NDPG as well as provincial allocations from the Departments of Sports and Recreation. R12.9 million worth of projects will be funded from internal funds to be generated through Vat refunded on conditional grants as per Circular 58 of the MFMA, and the sale of municipal properties.

FUNDING OF OPERATING BUDGET

Funding of operational budget is achieved through various sources of revenue, the major ones being service charges of electricity, water, sanitation, refuse, property rates as well as grants and subsidies from National and Provincial governments. The municipality is expecting to collect R299.5 million from property rates, R1.1 billion from services charges, R8.8 million from rental of facilities, R5.3 million from interest income, R5.8 million from interest on outstanding debtors, R546.8 million from operating grants, R8.5 million from other revenue. These receipts will assist with the payment of expenditure which is expected to be incurred during 2023/24. This amount is also expected to assist with the payment of the outstanding Eskom debt and capital loan repayment of R10 million and R34 million respectively

COLLECTION RATES FOR EACH REVENUE SOURCE

In accordance with the relevant legislation and national directives, the municipality's projected revenue collection rates as based on realistic and sustainable trends. The rate of revenue collection is the cash collected from consumers expressed as the percentage of the amount billed.

The average collection rates for 2023/24 have been projected as follows:

Revenue Source	Average 2023/2024
Property rates	75.50%
Electricity	96.80%
Water	62.0%
Sewer	57.0%
Refuse	71.0%

The total average collection rate is projected at an average of at least 82% and is based on the combination of actual collection rates achieved to date, and is the estimated outcome for the current financial period. The intervention of council through the intensive scheme and the consumer outreach programmes which are aimed at encouraging and building the culture of payment of services is expected to improve the payment factor by even a larger margin than currently projected.

The credit control measure of service disconnection is being applied on consumers whose electricity is supplied by the municipality. A programme of water meter testing is currently underway in order

to identify unmetered water supply and encourage the payment of services. By and large, these are areas from which a substantial and long overdue debtors of the municipality is being owed. The water meter testing programme is expected to improve the collection of outstanding debtors, and to build a culture of payment. It will also assist the municipality to clean-up its indigent register by identifying those consumers who can and those who cannot afford to pay.

2.7 GRANT ALLOCATIONS AND PROGRAMMES

Municipalities play a critical role in furthering government's objective of providing services to all, while facilitating local economic development. Local government conditional grants are being reformed to provide targeted support to different types of municipalities.

The following are the projected grants allocations to the municipality in terms of the 2023/24 Division of Revenue Act have been included in the medium-term budget.

National allocations

Grant Description	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
Equitable Share	506 803	546 257	570 897
Finance Management Grant	1 850	1 850	1 950
Neighbourhood Development Partnership	24 514	20 000	20 000
Water Services Infrastructure Grant	50 000	50 700	52 987
Municipal Infrastructure Grant	143 068	141 375	147 949
Integrated National Electrification Energy Efficiency and Demand side Management	0	0	20 896
Expanded Public Works Programme Incentive	3 106	3 106	3 106
Total National Allocations	750 891	783 288	817 785

Provincial allocations

Grant Description	2023/24 R'000	2024/25 R'000	2025/26 R'000
Accredited Municipalities	15 501	15 501	15 501
Museum	476	497	519
Provincialisation of libraries	6 992	7 300	7 627
Community Library Services Grant	2 595	2 709	3 108
Total Provincial Allocations	25 564	26 007	26 755

Grant Description	2023/24 R'000	2024/25 R'000	2025/26 R'000
Total Grant Allocations	776 455	809 295	844 540

2.8 ALLOCATIONS AND GRANTS MADE BY NEWCASTLE MUNICIPALITY

No grants will be paid by the municipality to other organs during the medium-term budget.

Please refer to tables SA 21 of Schedule A (To be included in draft budget).

2.9 COUNCILLOR ALLOWANCES AND EMPLOYEE BENEFITS

Please refer to tables SA22 and SA24 of Schedule A (To be included in the Draft budget)

2.10 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOWS (Table 15a)

Please refer to table SA.25 to SA.30 of Schedule A (To be included in the draft budget)

2.11 ANNUAL BUDGET AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN – INTERNAL DEPARTMENTS

The SDBIP will be submitted separately.

2.12 ANNUAL BUDGET AND SERVICE DELIVERY AGREEMENTS – MUNICIPAL ENTITIES AND OTHER EXTERNAL MECHANISMS

Municipal Entities

The agreement in currently in force in the following brief details:

- (a) Name of Entity : Uthukela Water (Pty) Ltd
- (b) Period of agreement : 30 years
- (c) Service provided : Water and sanitation
- (d) Expiry date : 24 May 2034

The Entity is currently under Provincial Administration and being investigated in terms of section 78 of the Municipal Systems Management Act, 32 of 2000.

2.13 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS

In terms of the municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework unless section 33 of the MFMA has been complied with.

In ensuring adherence to this time frame limitations, all reports submitted to either Bid Evaluation or Bid Adjudication Committees must obtain financial comments from the Budget and Treasury Office.

2.14 CAPITAL EXPENDITURE DETAILS

Please refer to Annexure A5 of Schedule A

2.15 LEGISLATION COMPLIANCE STATUS

DISCLOSURE ON IMPLEMENTATION OF MFMA AND OTHER LEGISLATION

Compliance with the MFMA implementation requirements has been substantially adhered to through the following activities:

BUDGET AND TREASURY OFFICE

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

BUDGET

This draft annual budget has been crafted taking into account MFMA, Municipal Budget and Reporting Regulations, and National Treasury circulars into account. Budgets are being tabled, adopted and submitted to National and Provincial Treasuries within the required legislative frameworks.

IN-YEAR MONITORING

100% compliance with regards to monthly, quarterly, mid-year and annual reports to Council, Provincial and National Treasuries.

IDP

The 2023/24 to 2025/26 Budget Process has been prepared to align with the Budget in accordance with the MFMA and the Municipal Systems Act requirements.

ANNUAL REPORT

The 2020/21 Annual Report has been developed taking into account the MFMA and National Treasury requirements. The report was tabled to Council at the meeting held on 31 January 2022 and entered the public participation phase for comments immediately thereafter.

AUDIT COMMITTEE

The audit Committee, an independent external committee, provides an oversight function over the financial management and performance of the municipality.

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

The committee ensures that the administration and municipal entity are held accountable for their management of municipal funds and assets, and to ensure the efficient and effective utilisation of council resources.

MUNICIPAL STANDARD CHART OF ACCOUNTS

As all municipalities are required by National Treasury to be fully mSCOA compliant as of 01 July 2021, the municipality was 95% ready to comply with this requirement. The following is the progress on the implementation of mSCOA thus far:

- The mSCOA champion has been appointed
- Steering committee has been established
- Implementation Plan developed
- Proof of concept has been presented to NT
- Data clean-up issues has been identified and resolved
- Changes to chart are attended to on an on-going basis
- System are currently in the process of being integrated
- The municipality went live on 01 July 2017, but still cleaning up as per developments
- Projects has been identified and linked in terms of the IDP and the budget.
- The municipality is addressing issues integration of systems
- The municipality is addressing challenges on alignment between budget schedules and data strings.

2.16. ANNUAL BUDGET OF MUNICIPAL ENTITY ATTACHED TO THE MUNICIPALITY'S ANNUAL BUDGET

The budget of the Entity Uthukela Water has not yet been received for Council consideration. A provision of R155.5 million has however been made in the annual budget.

21. MUNICIPAL MANAGER’S QUALITY CERTIFICATE

I, ZW Mcineka, the Municipal Manager of **Newcastle Municipality**, hereby certify that the annual budget and supporting documentation of the 2023/24 Operating and Capital Budget have been prepared in accordance with the Municipal Finance Management Act, 56 of 2003, and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name : MCINEKA Z.W.

Municipal Manager of : NEWCASTLE MUNICIPALITY

Signature :

Date :

Annexure D

A Schedule Budget Tables

KZN252 Newcastle - Table A1 Budget Summary

Description	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands										
Financial Performance										
Property rates	319 656	348 822	362 426	363 413	376 103	376 103	376 103	396 741	420 545	445 778
Service charges	950 988	1 015 634	1 132 522	1 176 842	1 211 762	1 211 762	1 211 762	1 352 364	1 492 846	1 649 294
Investment revenue	2 690	2 373	2 294	3 131	5 330	5 330	5 330	5 330	5 650	5 989
Transfers and subsidies - Operational	611 725	724 384	842 932	1 112 707	626 424	626 424	626 424	546 823	605 701	605 020
Other own revenue	53 667	40 040	38 170	37 169	28 782	28 782	28 782	30 037	29 719	31 502
	1 938 707	2 131 252	2 378 344	2 693 263	2 246 402	2 246 402	2 246 402	2 331 295	2 554 462	2 737 583
Total Revenue (excluding capital transfers and contributions)										
Employee costs	540 376	544 453	572 674	601 653	636 414	636 414	636 414	724 513	776 199	831 826
Remuneration of councilors	25 106	27 352	28 882	29 060	27 163	27 163	27 163	28 443	29 580	31 710
Depreciation and amortisation	338 886	390 035	365 084	363 160	363 160	363 160	363 160	379 139	397 716	416 409
Finance charges	51 592	42 882	39 754	35 846	35 846	35 846	35 846	32 205	30 525	28 549
Inventory and bulk purchases	526 370	632 410	696 716	758 296	717 179	717 179	717 179	624 786	917 095	1 022 283
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-
Other expenditure	567 261	758 576	951 142	1 222 862	667 296	667 296	667 296	626 067	630 245	680 881
Total Expenditure	2 049 591	2 395 707	2 654 252	3 010 876	2 447 060	2 447 060	2 447 060	2 615 173	2 781 360	3 011 659
Surplus/(Deficit)	(110 884)	(264 455)	(275 908)	(317 613)	(198 658)	(198 658)	(198 658)	(283 878)	(226 898)	(274 076)
Transfers and subsidies - capital (monetary allocations)	76 576	108 904	156 106	191 032	189 605	189 605	189 605	229 632	206 053	202 234
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(34 308)	(155 551)	(119 803)	(126 581)	(9 053)	(9 053)	(9 053)	(54 246)	(20 836)	(71 842)
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(34 308)	(155 551)	(119 803)	(126 581)	(9 053)	(9 053)	(9 053)	(54 246)	(20 836)	(71 842)
Capital expenditure & funds sources										
Capital expenditure	105 605	150 390	165 393	209 033	214 299	214 299	214 299	242 600	216 463	212 634
Transfers recognised - capital	76 576	108 904	156 106	191 032	189 605	189 605	189 605	229 632	206 053	202 234
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	29 029	41 486	29 289	18 001	24 694	24 694	24 694	12 968	10 400	10 400
Total sources of capital funds	105 605	150 390	165 393	209 033	214 299	214 299	214 299	242 600	216 463	212 634
Financial position										
Total current assets	908 358	900 943	646 675	676 443	610 223	610 223	610 223	849 199	1 010 152	1 073 600
Total non current assets	7 175 644	7 241 364	6 962 268	7 238 673	7 238 673	7 238 673	7 238 673	6 223 850	6 036 339	5 858 489
Total current liabilities	878 251	515 385	741 635	692 762	673 249	673 249	673 249	765 926	679 320	567 909
Total non current liabilities	568 829	791 498	548 117	351 099	351 099	351 099	351 099	608 304	533 797	444 459
Community wealth/Equity	6 539 123	6 536 425	6 338 190	6 671 255	6 624 547	6 624 547	6 624 547	5 898 820	5 833 373	5 919 731
Cash flows										
Net cash from (used) operating	152 459	123 838	202 958	184 505	176 433	176 433	176 433	251 891	322 767	226 321
Net cash from (used) investing	(101 042)	(132 390)	(174 393)	(209 033)	(199 459)	(199 459)	(199 459)	(222 600)	(206 463)	(212 634)
Net cash from (used) financing	(25 671)	(26 757)	(31 884)	(32 106)	(47 260)	(47 260)	(47 260)	(34 082)	(35 156)	(38 526)
Cash/cash equivalents at the year end	35 546	936	6 181	(14 037)	5 881	5 881	5 881	1 091	82 239	57 400
Cash backlogs/surplus reconciliation										
Cash and investments available	35 546	936	6 181	(14 037)	5 881	5 881	5 881	1 091	82 239	57 400
Application of cash and investments	32 365	12 302	148 646	132 753	92 713	92 713	92 713	134 028	62 252	(1 909)
Balance - surplus (shortfall)	3 181	(11 366)	(142 465)	(146 790)	(86 831)	(86 831)	(86 831)	(132 937)	19 887	59 309
Asset management										
Asset register summary (WDV)	22 228 652	6 638 512	6 982 268	7 261 558	7 261 558	7 261 558	7 261 558	7 646 421	8 021 098	8 398 087
Depreciation	338 886	390 035	365 084	363 160	363 160	363 160	363 160	379 138	397 716	416 409
Renewal and Upgrading of Existing Assets	46 966	51 140	115 314	102 648	126 193	126 193	126 193	91 455	121 700	95 987
Repairs and Maintenance	73 298	30 685	78 929	76 707	47 470	47 470	47 470	44 492	29 609	40 821
Free services										
Cost of Free Basic Services provided	37 450	44 703	45 157	54 689	54 689	54 689	54 689	57 598	57 598	57 598
Revenue cost of free services provided	71 961	76 194	80 527	84 859	89 192	89 192	89 524	97 857	102 189	106 522
Households below minimum service level										
Water	290	307	307	313	313	314	305	330	346	362
Sanitation/sewerage	29	35	35	35	35	35	35	38	40	42
Energy	-	-	-	-	-	-	-	-	-	-
Refuse	71	31	31	31	31	31	31	34	35	37

KZN252 Newcastle - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
Revenue - Functional										
<i>Governance and administration</i>		435 104	535 705	484 385	514 453	534 732	534 732	565 717	600 551	634 254
Executive and council		8 859	7 149	13 647	12 367	14 566	14 566	15 251	16 251	17 150
Finance and administration		426 246	528 556	470 738	502 086	520 166	520 166	550 466	584 300	617 104
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		106 328	204 643	390 530	640 739	146 058	146 058	34 587	37 458	38 894
Community and social services		12 704	12 903	14 475	13 877	12 360	12 360	11 656	12 081	13 044
Sport and recreation		410	697	11 132	11 139	11 139	11 139	148	157	166
Public safety		10 596	9 676	3 903	4 138	4 488	4 488	4 757	5 043	5 345
Housing		82 579	181 306	361 016	611 581	118 066	118 066	18 022	20 173	20 333
Health		39	61	4	4	4	4	4	4	5
<i>Economic and environmental services</i>		180 902	136 126	142 356	168 208	159 079	159 079	171 944	165 813	132 597
Planning and development		18 647	100 860	134 316	39 067	29 938	29 938	28 876	24 438	24 517
Road transport		162 256	35 266	8 040	129 141	129 141	129 141	143 068	141 375	108 080
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		1 292 795	1 363 516	1 517 005	1 560 710	1 597 954	1 597 954	1 788 483	1 936 496	2 133 852
Energy sources		655 124	702 391	822 980	835 626	851 014	851 014	998 152	1 096 152	1 248 245
Water management		309 037	269 215	311 775	337 581	350 463	350 463	371 030	392 729	413 976
Waste water management		209 851	259 788	241 210	243 101	249 498	249 498	263 058	281 152	295 943
Waste management		118 782	132 122	141 040	144 402	146 958	146 958	156 243	166 453	176 689
Other	4	154	167	174	184	184	184	195	207	220
Total Revenue - Functional	2	2 015 283	2 240 157	2 534 450	2 884 295	2 438 007	2 438 007	2 560 927	2 740 524	2 939 817
Expenditure - Functional										
<i>Governance and administration</i>		392 249	464 026	463 170	469 276	516 248	516 248	526 515	540 328	569 438
Executive and council		65 659	80 202	95 154	101 198	101 254	101 254	87 849	88 080	94 121
Finance and administration		325 857	377 080	367 278	367 328	414 251	414 251	431 359	444 394	466 920
Internal audit		733	6 744	737	750	744	744	7 308	7 854	8 397
<i>Community and public safety</i>		266 880	314 205	517 110	827 731	333 565	333 565	277 367	283 381	301 334
Community and social services		27 069	33 738	42 032	43 629	42 205	42 205	46 305	49 150	52 336
Sport and recreation		67 072	75 287	71 745	73 339	72 935	72 935	81 475	86 258	91 195
Public safety		68 334	54 430	67 611	70 215	78 507	78 507	94 712	100 991	108 088
Housing		98 365	141 786	326 119	630 591	129 716	129 716	44 572	37 270	39 315
Health		6 040	8 963	9 603	9 956	10 202	10 202	10 303	9 712	10 400
<i>Economic and environmental services</i>		304 847	294 890	271 605	266 056	266 069	266 069	276 739	292 582	319 024
Planning and development		86 389	83 736	80 966	85 041	85 664	85 664	86 004	95 063	101 039
Road transport		218 450	211 144	190 801	181 008	180 398	180 398	190 732	197 516	217 982
Environmental protection		8	10	8	7	7	7	3	4	4
<i>Trading services</i>		1 083 921	1 321 560	1 399 012	1 444 445	1 328 036	1 328 036	1 531 642	1 641 626	1 818 467
Energy sources		552 417	638 582	705 018	742 466	712 622	712 622	815 505	881 982	1 007 973
Water management		408 372	546 519	595 962	597 907	402 925	402 925	498 280	522 083	556 234
Waste water management		56 658	99 798	55 861	60 542	110 304	110 304	90 896	103 479	110 474
Waste management		66 474	36 852	42 342	43 530	102 165	102 165	126 961	134 283	143 787
Other	4	1 694	1 026	3 356	3 369	3 142	3 142	3 010	3 243	3 395
Total Expenditure - Functional	3	2 049 591	2 395 707	2 654 252	3 010 876	2 447 060	2 447 060	2 615 273	2 761 360	3 011 659
Surplus/(Deficit) for the year		(34 308)	(155 551)	(119 803)	(126 581)	(9 053)	(9 053)	(54 346)	(20 836)	(71 842)

Road transport	218 450	211 144	190 601	181 008	180 398	180 398	190 732	197 516	217 982	
Public Transport	-	-	-	-	-	-	-	-	-	
Road and Traffic Regulation	542	606	963	876	1 076	1 076	679	281	292	
Roads	217 908	210 538	189 637	180 132	179 322	179 322	190 053	197 235	217 690	
Taxi Ranks	-	-	-	-	-	-	-	-	-	
Environmental protection	8	10	8	7	7	7	3	4	4	
Biodiversity and Landscape	8	10	8	7	7	7	3	4	4	
Coastal Protection	-	-	-	-	-	-	-	-	-	
Indigenous Forests	-	-	-	-	-	-	-	-	-	
Nature Conservation	-	-	-	-	-	-	-	-	-	
Pollution Control	-	-	-	-	-	-	-	-	-	
Soil Conservation	-	-	-	-	-	-	-	-	-	
Trading services	1 083 921	1 321 560	1 399 012	1 444 445	1 328 036	1 328 036	1 531 642	1 641 826	1 818 467	
Energy sources	552 417	638 592	705 018	742 466	712 622	712 622	815 505	881 982	1 007 973	
Electricity	547 440	634 865	696 228	733 425	703 581	703 581	807 887	875 357	1 001 045	
Street Lighting and Signal Systems	4 977	3 728	8 790	8 041	9 041	9 041	7 617	6 625	6 928	
Nonelectric Energy	-	-	-	-	-	-	-	-	-	
Water management	408 372	546 519	595 992	597 907	402 925	402 925	498 280	522 083	556 234	
Water Treatment	-	-	-	-	-	-	-	-	-	
Water Distribution	408 372	546 519	595 992	597 907	402 925	402 925	498 280	522 083	556 234	
Water Storage	-	-	-	-	-	-	-	-	-	
Waste water management	56 658	99 798	55 661	60 542	110 304	110 304	90 896	103 479	110 474	
Public Toilets	131	258	330	353	353	353	265	246	256	
Sewerage	56 527	99 540	55 331	60 189	109 951	109 951	90 631	103 232	110 216	
Storm Water Management	-	-	-	-	-	-	-	-	-	
Waste Water Treatment	-	-	-	-	-	-	-	-	-	
Waste management	66 474	36 652	42 342	43 530	102 185	102 185	126 961	134 283	143 787	
Recycling	-	-	-	-	-	-	-	-	-	
Solid Waste Disposal (Landfill Sites)	-	-	-	-	-	-	-	-	-	
Solid Waste Removal	66 474	36 652	42 342	43 530	102 185	102 185	126 961	134 283	143 787	
Street Cleaning	-	-	-	-	-	-	-	-	-	
Other	1 694	1 026	3 356	3 369	3 142	3 142	3 010	3 243	3 395	
Abattoirs	-	-	-	-	-	-	-	-	-	
Air Transport	1 694	1 026	3 356	3 369	3 142	3 142	3 010	3 243	3 395	
Forestry	-	-	-	-	-	-	-	-	-	
Licensing and Regulation	-	-	-	-	-	-	-	-	-	
Markets	-	-	-	-	-	-	-	-	-	
Tourism	-	-	-	-	-	-	-	-	-	
Total Expenditure - Functional	3	2 049 591	2 395 707	2 654 252	3 010 676	2 447 060	2 447 060	2 615 273	2 761 360	3 011 659
Surplus/(Deficit) for the year		(34 308)	(155 551)	(119 803)	(126 581)	(9 053)	(9 053)	(54 346)	(20 836)	(71 842)

KZN252 Newcastle - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue by Vote										
Vote 1 - CORPORATE SERVICES	1	73 746	145 940	85 078	113 447	117 159	117 159	124 961	135 078	141 316
Vote 2 - COMMUNITY SERVICES		142 531	155 449	170 598	173 608	174 969	174 989	172 829	183 760	194 272
Vote 3 - BUDGET AND TREASURY		361 355	388 294	399 306	401 006	417 572	417 572	440 756	465 472	492 938
Vote 4 - MUNICIPAL MANAGER		-	1 500	-	-	-	-	-	-	-
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS		101 380	202 900	381 975	647 031	144 418	144 416	43 967	41 690	41 941
Vote 6 - TECHNICAL SERVICES		681 144	643 683	675 115	713 576	732 876	732 876	780 262	818 363	821 105
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		655 124	702 391	822 980	835 626	851 014	851 014	998 152	1 118 161	1 248 245
Vote 8 - GOVERNANCE UNIT		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	2 015 283	2 240 157	2 534 450	2 884 295	2 438 007	2 438 007	2 560 927	2 760 524	2 939 817
Expenditure by Vote to be appropriated										
Vote 1 - CORPORATE SERVICES	1	121 205	148 052	102 856	106 832	107 805	107 805	110 707	117 342	124 958
Vote 2 - COMMUNITY SERVICES		287 455	254 095	298 538	306 664	370 022	370 022	425 883	450 494	479 851
Vote 3 - BUDGET AND TREASURY		139 896	171 711	192 008	192 074	243 196	243 196	238 236	248 712	260 116
Vote 4 - MUNICIPAL MANAGER		52 281	82 253	60 150	95 570	91 426	91 426	101 153	93 431	99 073
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS		152 199	200 646	385 824	658 813	158 627	158 627	70 555	68 863	72 949
Vote 6 - TECHNICAL SERVICES		744 037	911 483	894 652	895 287	746 972	746 972	834 144	881 032	946 596
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		552 417	647 467	719 625	757 837	729 012	729 012	834 394	921 495	1 028 115
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	2 049 591	2 395 707	2 654 252	3 010 876	2 447 060	2 447 060	2 615 173	2 781 360	3 011 659
Surplus/(Deficit) for the year	2	(34 308)	(155 551)	(119 803)	(126 581)	(9 053)	(9 053)	(54 246)	(20 836)	(71 842)

8,6 - Risk Management		-	-	-	-	-	-	-	-	
0		-	-	-	-	-	-	-	-	
0		-	-	-	-	-	-	-	-	
0		-	-	-	-	-	-	-	-	
0		-	-	-	-	-	-	-	-	
Total Revenue by Vote	2	2 015 283	2 240 157	2 534 450	2 884 295	2 438 007	2 438 007	2 560 927	2 760 524	2 939 817
Expenditure by Vote	1									
Vote 1 - CORPORATE SERVICES		121 205	148 052	102 856	106 832	107 805	107 805	110 707	117 342	124 958
1.1 - Administration		94 556	119 025	73 935	78 164	78 388	78 388	80 255	84 502	89 914
1.2 - Human Resources		26 649	29 027	29 922	28 667	29 417	29 417	30 451	32 840	35 045
0										
0										
0										
0										
0										
0										
0										
0										
Vote 2 - COMMUNITY SERVICES		287 455	254 095	298 538	306 664	370 022	370 022	425 983	450 494	479 851
2.1 - Culture & Amenities		90 313	103 277	111 258	114 335	112 365	112 365	124 635	132 144	140 033
2.2 - community services		197 142	150 818	187 280	192 328	257 657	257 657	301 347	318 350	339 818
0										
0										
0										
0										
0										
0										
0										
Vote 3 - BUDGET AND TREASURY		139 996	171 711	192 008	192 074	243 196	243 196	238 236	248 712	260 116
3.1 - Financial Services		139 967	160 674	181 932	180 171	225 719	225 719	220 672	230 286	240 824
3.2 - Data Processing		-	-	-	-	-	-	-	-	-
3.3 - Supply Chain Unit		29	11 037	10 076	11 904	17 477	17 477	17 565	18 425	19 291
0										
0										
0										
0										
0										
0										
Vote 4 - MUNICIPAL MANAGER		76 740	90 589	88 499	95 570	91 426	91 426	101 153	93 431	99 073
4.1 - Municipal Manager		39 034	37 291	50 494	54 237	57 288	57 288	33 851	36 317	38 893
4.2 - Internal Audit Unit		733	6 814	737	750	744	744	7 308	7 854	8 397
4.3 - Mayoral Services		12 515	18 148	8 919	4 483	4 983	4 983	3 566	56	56
4.4 - Legal Services		406	2 334	3 637	5 092	4 080	4 080	5 602	5 752	5 912
4.5 - Public Relations Office		58	3 547	3 077	741	741	741	3 150	2 437	2 603
4.6 - Governance		244	1 150	785	2 984	629	629	8 324	8 609	9 186
4.7 - Performance Manager		11	137	55	55	55	55	39	64	67
4.8 - Information Technology		25 730	21 040	20 676	20 872	16 570	16 570	26 159	18 949	19 983
4.9 - Risk Management		9	128	118	120	110	110	4 598	4 954	5 313
4.10 - Public Participation Unit					8 235	6 227	6 227	8 555	8 540	8 863
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS		125 741	172 310	357 475	656 613	158 627	158 627	70 555	68 863	72 949
5.1 - Economic Development		5 595	4 691	7 947	8 184	10 266	10 266	8 210	8 914	9 462
5.2 - Housing and Land		98 365	141 786	326 119	630 591	129 716	129 716	44 572	37 270	39 315
5.3 - Town Planning		15 974	17 635	17 100	17 838	18 645	18 645	17 774	22 679	24 172
5.4 - Integrated Development Planning		5 807	8 198	6 309	-	-	-			
0										
0										
0										
0										
0										
Vote 6 - TECHNICAL SERVICES		744 037	911 483	894 952	895 287	746 972	746 972	834 144	881 032	946 598
6.1 - Civil Services		279 138	313 677	234 029	237 191	234 096	234 096	245 233	255 717	280 148
6.2 - Water and Sanitation Services		464 899	597 806	660 922	658 096	512 876	512 876	588 911	625 315	666 449
0										
0										
0										
0										
0										
0										
0										
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		552 417	647 467	719 925	757 837	729 012	729 012	834 394	921 485	1 028 115
7.1 - Electrical Services		552 417	647 467	719 925	757 837	729 012	729 012	834 394	921 485	1 028 115
0										
0										
0										
0										
0										
0										
Total Expenditure by Vote	2	2 049 591	2 395 707	2 654 252	3 010 876	2 447 060	2 447 060	2 615 173	2 781 360	3 011 659
Surplus/(Deficit) for the year	2	(34 308)	(155 551)	(119 803)	(126 581)	(9 053)	(9 053)	(54 246)	(20 836)	(71 842)

KZN252 Newcastle - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue											
Exchange Revenue											
Service charges - Electricity	2	581 207	619 100	726 407	751 892	767 251	767 251	767 251	885 680	998 162	1 124 928
Service charges - Water	2	178 584	187 535	187 084	199 933	212 835	212 835	212 835	223 721	237 144	251 373
Service charges - Waste Water Management	2	108 915	118 274	120 014	123 818	127 901	127 901	127 901	133 580	141 595	150 051
Service charges - Waste Management	2	82 251	92 725	99 017	101 229	103 774	103 774	103 774	109 382	115 945	122 807
Sale of Goods and Rendering of Services		-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		5 758	5 107	4 247	4 001	5 877	5 877	5 877	5 877	5 230	6 803
Interest earned from Current and Non Current Assets		2 690	2 373	2 294	3 131	5 330	5 330	5 330	5 330	5 650	5 989
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		7 817	7 442	8 917	9 452	8 306	8 306	8 306	8 604	9 333	9 593
Licence and permits		8	16	41	48	32	32	32	34	36	38
Operational Revenue		31 634	18 802	16 384	19 487	8 910	8 910	8 910	2 490	3 000	7 540
Non-Exchange Revenue											
Property rates	2	319 656	348 822	382 426	363 413	376 103	376 103	376 103	396 741	420 545	445 778
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		9 354	8 814	3 944	4 180	4 657	4 587	4 587	4 801	5 121	5 438
Licences or permits		-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		611 735	724 384	842 932	1 112 707	626 424	626 424	626 424	546 823	605 701	605 020
Interest		-	-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	2 838	-	2 000	2 000	2 000	2 000	-	-
Discontinued Operations											
Total Revenue (excluding capital transfers and contributions)		1 938 707	2 131 252	2 378 344	2 693 253	2 248 402	2 248 402	2 248 402	2 331 295	2 554 462	2 737 583
Expenditure											
Employee related costs	2	540 376	544 453	572 674	601 653	636 414	636 414	636 414	724 513	776 199	831 826
Remuneration of councillors		25 106	27 862	28 892	29 000	27 163	27 163	27 163	28 442	29 580	31 710
Bulk purchases - electricity	2	524 253	489 675	557 138	605 107	563 502	563 502	563 502	664 933	748 379	844 560
Inventory consumed	8	2 117	132 735	139 578	153 188	153 677	153 677	153 677	159 854	167 716	177 733
Debt impairment	3	137 833	253 500	274 882	286 041	299 957	299 957	299 957	148 360	158 142	168 312
Depreciation and amortisation		338 886	380 035	385 084	363 180	363 180	363 180	363 180	379 138	397 716	416 400
Interest		11 592	12 882	30 764	35 846	35 846	35 846	35 846	32 205	30 525	28 548
Contracted services		215 154	385 428	584 999	818 629	248 981	248 981	248 981	179 361	164 106	162 483
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-	-
Operational costs		214 115	120 147	110 501	118 182	118 360	118 360	118 360	135 462	135 044	142 384
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-
Other Losses		100	1	658	-	-	-	-	-	-	-
Total Expenditure		2 049 591	2 395 707	2 654 252	3 010 876	2 447 060	2 447 060	2 447 060	2 615 173	2 781 360	3 011 659
Surplus/(Deficit)											
Surplus/(Deficit)		(110 884)	(264 455)	(275 908)	(317 613)	(198 658)	(198 658)	(198 658)	(283 878)	(226 898)	(274 076)
Transfers and subsidies - capital (monetary)	6	76 576	108 904	156 106	191 032	189 605	189 605	189 605	279 832	208 063	202 234
Transfers and subsidies - capital (n-kind)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(34 308)	(155 551)	(119 803)	(126 581)	(9 053)	(9 053)	(9 053)	(54 246)	(20 835)	(71 842)
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		(34 308)	(155 551)	(119 803)	(126 581)	(9 053)	(9 053)	(9 053)	(54 246)	(20 835)	(71 842)
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(34 308)	(155 551)	(119 803)	(126 581)	(9 053)	(9 053)	(9 053)	(54 246)	(20 835)	(71 842)
Share of Surplus/Deficit attributable to Associates		-	-	-	-	-	-	-	-	-	-
Intercompany/Parent/subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	(34 308)	(155 551)	(119 803)	(126 581)	(9 053)	(9 053)	(9 053)	(54 246)	(20 835)	(71 842)

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure - to be appropriated	2										
Vote 1 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 2 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 3 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-	-
Vote 4 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS		-	-	-	-	-	-	-	-	-	-
Vote 6 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 8 - GOVERNANCE UNIT		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure - to be appropriated	2										
Vote 1 - CORPORATE SERVICES		-	-	-	-	582	582	582	-	-	-
Vote 2 - COMMUNITY SERVICES		1 664	5 970	13 812	11 345	12 197	12 197	12 197	1 388	283	271
Vote 3 - BUDGET AND TREASURY		360	2 904	2 066	2 900	3 330	3 330	3 330	3 900	2 400	2 400
Vote 4 - MUNICIPAL MANAGER		-	-	239	-	-	-	-	-	-	-
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS		19 038	30 107	26 405	25 001	29 366	29 366	29 366	500	-	-
Vote 6 - TECHNICAL SERVICES		83 619	111 409	139 971	169 788	168 824	168 824	168 824	215 282	193 780	189 056
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		424	-	2 900	-	-	-	-	21 550	20 000	20 696
Vote 8 - GOVERNANCE UNIT		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Vote		105 605	150 390	185 393	209 033	214 299	214 299	214 299	242 600	216 463	212 633
Capital Expenditure - Functional											
Governance and administration		360	2 904	5 205	2 900	3 912	3 912	3 912	3 900	2 400	2 400
Executive and council		-	-	239	-	-	-	-	-	-	-
Finance and administration		360	2 904	4 666	2 900	3 912	3 912	3 912	3 900	2 400	2 400
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		1 719	7 554	13 637	11 345	13 186	13 186	13 186	25 396	30 283	35 271
Community and social services		661	3 627	1 490	345	642	642	642	658	183	171
Sport and recreation		230	196	11 098	11 000	11 544	11 544	11 544	24 039	30 100	35 100
Public safety		446	1 708	-	-	-	-	-	-	-	-
Housing		180	1 722	1 049	-	1 000	1 000	1 000	500	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		97 564	90 502	58 384	118 141	73 808	73 808	73 808	54 635	28 080	78 080
Planning and development		18 658	28 386	25 471	25 101	28 466	28 466	28 466	-	-	-
Road transport		78 706	62 116	32 913	93 040	45 342	45 342	45 342	54 635	28 080	78 080
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		5 962	49 431	108 167	76 648	123 393	123 393	123 393	158 669	155 700	96 883
Energy sources		424	-	-	-	-	-	-	21 550	20 000	20 696
Water management		5 113	21 988	64 577	49 643	97 361	97 361	97 361	108 185	62 700	57 987
Waste water management		425	27 305	42 366	27 000	26 021	26 021	26 021	28 484	63 000	18 000
Waste management		-	138	1 224	-	11	11	11	450	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	105 605	150 390	185 393	209 033	214 299	214 299	214 299	242 600	216 463	212 634
Funded by:											
National Government		76 578	106 538	132 942	174 698	171 638	171 638	171 638	226 672	205 780	201 963
Provincial Government		-	387	23 163	16 345	17 967	17 967	17 967	620	283	271
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (m-kind)		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	76 578	108 904	156 105	191 032	189 605	189 605	189 605	229 632	206 063	202 234
Borrowing	6										
Internally generated funds		29 028	41 486	29 289	18 001	24 694	24 694	24 694	12 968	10 400	10 400
Total Capital Funding	7	105 605	150 390	185 393	209 033	214 299	214 299	214 299	242 600	216 463	212 634

KZN252 Newcastle - Table A6 Budgeted Financial Position

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
ASSETS											
Current assets											
Cash and cash equivalents		35 545	936	6 181	(14 037)	5 681	5 881	5 881	1 091	97 239	57 400
Trade and other receivables from exchange transactions	1	617 310	549 655	544 148	594 134	507 995	507 995	507 995	581 419	639 561	703 517
Receivables from non-exchange transactions	1	241 621	38 838	81 351	81 351	81 351	81 351	81 351	157 532	173 285	190 614
Current portion of non-current receivables											
Inventory	2	13 883	13 514	14 995	14 995	14 995	14 995	14 995	25 028	22 525	20 273
VAT											
Other current assets									84 129	92 542	101 766
Total current assets		908 359	600 943	646 675	676 443	610 223	610 223	610 223	849 199	1 010 152	1 073 600
Non current assets											
Investments		234 928	234 928	217 333	217 333	217 333	217 333	217 333	127 954	115 159	103 643
Investment property		355 564	355 564	341 874	341 874	341 874	341 874	341 874	352 224	332 224	365 446
Property, plant and equipment	3	6 573 347	6 638 512	6 410 126	6 686 531	6 666 531	6 666 531	6 666 531	5 731 600	5 576 473	5 378 527
Biological assets											
Living and non-living resources											
Heritage assets											
Intangible assets		517	690	1 224	1 224	1 224	1 224	1 224	200	500	600
Trade and other receivables from exchange transactions											
Non-current receivables from non-exchange transactions											
Other non-current assets		11 488	11 870	11 711	11 711	11 711	11 711	11 711	11 883	11 983	12 063
Total non current assets		7 175 844	7 241 364	6 982 288	7 238 673	7 238 673	7 238 673	7 238 673	6 223 850	6 036 339	5 858 499
TOTAL ASSETS		8 084 203	7 842 307	7 628 963	7 915 116	7 848 895	7 848 895	7 848 895	7 073 049	7 046 490	6 932 099
LIABILITIES											
Current liabilities											
Bank overdraft											
Financial guarantees		12 149	28 757	15 118	32 106	32 106	32 106	32 106	34 082	35 156	36 528
Consumer deposits		24 483	24 914	27 095	27 095	27 095	27 095	27 095	35 649	37 149	38 849
Trade and other payables from exchange transactions	4	832 841	451 862	689 671	623 810	804 297	804 297	804 297	529 385	493 385	430 220
Trade and other payables from non-exchange transactions	5										
Provision		8 668	9 752	9 752	9 752	9 752	9 752	9 752	10 513	11 333	12 217
VAT											
Other current liabilities									156 298	102 298	48 298
Total current liabilities		878 251	515 385	741 635	692 762	873 249	873 249	873 249	765 926	679 320	567 909
Non current liabilities											
Financial liabilities	6	389 630	584 012	345 654	260 654	260 654	260 654	260 654	258 741	223 584	185 059
Provision	7	177 199	207 485	202 464	90 445	90 445	90 445	90 445	230 586	247 048	269 400
Long term portion of trade payables		566 820	791 498	548 117	351 099	351 099	351 099	351 099	608 304	533 797	444 459
Other non-current liabilities											
Total non current liabilities		1 133 719	1 592 995	1 156 235	711 198	711 198	711 198	711 198	1 097 671	994 429	898 918
TOTAL LIABILITIES		2 011 970	1 108 380	1 897 870	1 403 960	1 584 447	1 584 447	1 584 447	1 863 600	1 773 749	1 466 827
NET ASSETS		6 072 233	6 733 927	5 731 093	6 511 156	6 264 447	6 264 447	6 264 447	5 209 449	5 272 741	5 465 272
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8	6 510 091	6 505 984	6 313 348	8 841 013	6 593 880	6 593 880	6 593 660	5 863 965	5 796 044	5 879 752
Reserves and funds	9	29 032	29 441	25 942	30 242	30 887	30 887	30 887	34 854	37 329	38 979
Other											
TOTAL COMMUNITY WEALTH/EQUITY	10	6 539 123	6 535 425	6 339 290	8 871 255	6 624 767	6 624 767	6 624 547	5 898 820	5 833 373	5 918 731

KZN252 Newcastle - Table A7 Budgeted Cash Flows

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		247 108	262 888	271 820	272 580	282 077	282 077	282 077	299 539	328 655	348 406
Service charges		1 098 265	842 956	955 548	989 000	1 015 802	1 015 802	1 015 802	1 149 848	1 260 696	1 400 441
Other revenue		84 300	27 611	257 709	315 172	264 327	294 327	294 327	16 285	19 393	20 556
Transfers and Subsidies - Operational	1	535 551	701 384	828 432	1 112 707	510 460	510 460	510 460	546 823	805 701	565 151
Transfers and Subsidies - Capital	1	119 740	108 904	152 677	191 032	166 286	166 286	166 286	229 632	205 063	202 234
Interest		8 444	2 373	2 294	3 131	5 330	5 330	5 330	11 207	11 880	12 593
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(1 887 448)	(1 779 378)	(2 225 786)	(2 683 251)	(2 082 004)	(2 082 004)	(2 082 004)	(1 971 248)	(2 079 125)	(2 294 510)
Finance charges		(51 582)	(42 682)	(39 754)	(35 846)	(35 846)	(35 846)	(35 846)	(32 205)	(30 525)	(28 549)
Transfers and Subsidies	1	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/USED OPERATING ACTIVITIES		152 459	123 639	202 958	164 505	176 433	176 433	176 433	251 891	322 767	226 321
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-	18 000	11 000	-	14 841	14 841	14 841	20 000	10 000	-
Decrease (increase) in non-current receivables		4 563	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(105 605)	(150 380)	(165 393)	(209 033)	(214 299)	(214 299)	(214 299)	(242 600)	(216 463)	(212 634)
NET CASH FROM/USED INVESTING ACTIVITIES		(101 042)	(132 380)	(174 393)	(209 033)	(199 459)	(199 459)	(199 459)	(222 600)	(206 463)	(212 634)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	2 000	-	-	-	-	-	-	-	-
Payments											
Repayment of borrowings		(25 871)	(26 757)	(31 684)	(32 106)	(47 260)	(47 260)	(47 260)	(34 082)	(35 156)	(38 526)
NET CASH FROM/USED FINANCING ACTIVITIES		(25 871)	(26 757)	(31 684)	(32 106)	(47 260)	(47 260)	(47 260)	(34 082)	(35 156)	(38 526)
NET INCREASE/ (DECREASE) IN CASH HELD		25 547	(35 308)	(3 319)	(76 633)	(70 286)	(70 286)	(70 286)	(4 791)	81 148	(24 838)
Cash/cash equivalents at the year begin	2	9 999	36 244	9 500	62 896	76 167	76 167	76 167	5 881	1 091	82 239
Cash/cash equivalents at the year end	2	35 546	936	6 181	(14 037)	5 881	5 881	5 881	1 091	82 239	57 400

KZN252 Newcastle - Table A6 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Cash and investments available											
Cash/cash equivalents at the year end	1	35 546	936	6 181	(14 037)	5 881	5 881	5 881	1 091	82 239	57 400
Other current investments > 90 days		-	-	-	-	-	-	-	-	-	-
Investments - Property, plant and equipment	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		35 546	936	6 181	(14 037)	5 881	5 881	5 881	1 091	82 239	57 400
Application of cash and investments											
Trade payables from Non-exchange transactions: Other						-	-	-	-	-	-
Unspent borrowing		27 155	15 402	26 776	26 732	-	-	-	156 298	102 298	48 298
Statutory requirements	2		(3 847)	45 229	17 547	22 874	22 874	22 874	23 808	21 538	19 581
Other working capital requirements	3	(20 256)	(36 744)	41 075	48 119	16 843	16 843	16 843	(104 357)	(122 967)	(135 263)
Other provisions		9 711	6 150	9 723	10 112	22 308	22 308	22 308	23 423	24 053	25 496
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	(15 754)	(29 641)	(25 842)	(30 242)	(30 887)	(30 867)	(30 887)	(34 654)	(37 328)	(39 978)
Total Application of cash and investments:		32 365	12 302	148 846	132 753	92 713	92 713	92 713	134 028	62 252	(1 909)
Surplus/shortfall		3 181	(11 366)	(142 665)	(146 790)	(86 831)	(86 831)	(86 831)	(132 937)	19 987	59 309

KZN252 Newcastle - Table A10 Basic service delivery measurement

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Household service targets										
Water:										
Piped water inside dwelling	1	142 538	151 090	151 639	154 672	154 672	154 672	162 869	170 850	178 860
Piped water inside yard (but not in dwelling)		107 902	114 439	114 439	116 728	116 728	116 728	122 915	128 938	134 698
Using public tap (at least min service level)	2	28 902	30 636	30 636	31 249	31 249	31 249	32 905	34 518	36 140
Other water supply (at least min service level)	4	1 946	2 052	2 062	2 104	2 104	2 104	2 215	2 324	2 433
<i>Minimum Service Level and Above sub-total</i>		281 347	298 228	298 777	304 753	304 753	304 753	320 904	336 628	352 450
Using public tap (< min service level)	3	281 347	288 228	298 228	304 753	304 753	304 753	320 315	336 011	351 803
Other water supply (< min service level)	4	-	-	-	-	-	-	-	-	-
No water supply		8 249	8 744	8 744	8 744	8 744	8 919	9 392	9 852	10 315
<i>Below Minimum Service Level sub-total</i>		289 597	305 672	306 972	313 496	313 496	313 671	329 707	345 862	362 118
Total number of households	5	570 944	605 201	605 749	618 249	618 249	618 424	650 611	682 491	714 588
Sanitation/Sewerage:										
Flush toilet (connected to sewerage)		180 640	215 145	217 003	221 343	221 343	221 343	237 644	249 289	281 005
Flush toilet (with septic tank)		5 768	6 887	1 300	1 326	1 326	1 326	1 424	1 483	1 564
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		41 485	49 410	49 410	50 398	50 398	50 398	54 131	56 783	59 452
Other toilet provisions (> min service level)		13 470	16 043	16 043	16 364	16 364	16 364	17 575	-	-
<i>Minimum Service Level and Above sub-total</i>		241 361	287 485	263 756	288 431	288 431	288 431	310 774	307 565	322 021
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min service level)		29 177	34 751	34 751	35 446	35 446	35 446	38 071	39 936	41 813
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		29 177	34 751	34 751	35 446	35 446	35 446	38 071	39 936	41 813
Total number of households	5	270 538	322 215	318 506	324 876	324 876	324 876	348 845	347 502	363 834
Energy:										
Electricity (at least min service level)		39 642	47 214	56 233	57 358	57 358	57 358	60 396	63 357	66 335
Electricity - prepaid (min service level)		2 233	2 680	3 188	3 231	3 231	3 231	3 402	3 569	3 737
<i>Minimum Service Level and Above sub-total</i>		41 875	49 894	59 400	60 588	60 588	60 588	63 800	66 926	70 071
Electricity (< min service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	41 875	49 874	59 400	60 588	60 588	60 588	63 800	66 926	70 071
Refuse:										
Removed at least once a week		70 910	69 199	58 199	60 383	60 383	60 383	63 583	66 445	69 567
<i>Minimum Service Level and Above sub-total</i>		70 910	69 199	58 199	60 383	60 383	60 383	63 583	66 445	69 567
Removed less frequently than once a week		70 910	2 066	2 066	2 107	2 107	2 107	2 263	2 373	2 485
Using communal refuse dump		-	1 451	1 451	1 480	1 480	1 480	1 589	1 667	1 745
Using own refuse dump		-	23 805	23 805	24 281	24 281	24 281	26 069	27 347	28 632
Other rubbish disposal		-	2 334	2 334	2 381	2 381	2 381	2 556	2 681	2 807
No rubbish disposal		-	1 024	1 024	1 044	1 044	1 044	1 121	1 176	1 232
<i>Below Minimum Service Level sub-total</i>		70 910	30 680	30 680	31 294	31 294	31 294	33 598	35 245	36 901
Total number of households	5	141 820	89 879	89 879	91 677	91 677	91 677	93 598	95 245	96 901
Households receiving Free Basic Service										
Water (6 kilolitres per household per month)		9 000	9 139	9 139	9 322	9 322	9 322	9 322	9 322	9 322
Sanitation (free minimum level service)		8 000	9 139	9 139	9 322	9 322	9 322	9 322	9 322	9 322
Electricity/other energy (50kwh per household per month)		9 000	9 417	9 417	9 605	9 605	9 605	9 605	9 605	9 605
Refuse (removed at least once a week)		9 000	9 139	9 139	9 322	9 322	9 322	9 322	9 322	9 322
Informal Settlements										
Cost of Free Basic Services provided - Formal Settlements (R'000)										
Water (6 kilolitres per indigent household per month)		7 000	9 035	7 988	10 123	10 123	10 123	10 680	10 680	10 680
Sanitation (free sanitation service to indigent households)		10 000	13 278	15 095	18 498	18 498	18 498	19 479	19 479	19 479
Electricity/other energy (50kwh per indigent household per month)		7 000	8 136	8 855	9 881	9 881	9 881	10 405	10 405	10 405
Refuse (removed once a week for indigent households)		13 450	14 254	13 218	16 196	16 196	16 196	17 055	17 055	17 055
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)										
Total cost of FBS provided	8	37 450	44 703	45 157	54 699	54 699	54 699	57 598	57 598	57 598
Highest level of free service provided per household										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (averaged litres per week)										
Revenue cost of subsidised services provided (R'000)										
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		71 861	76 194	79 176	95 398	95 398	95 398	95 398	95 398	95 398
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of subsidised services provided	6	71 861	76 194	80 527	84 859	89 192	93 524	97 857	102 189	106 522

References

1. Include services provided by another entity; e.g. Eskom
2. Stand distance <= 200m from dwelling
3. Stand distance > 200m from dwelling
4. Borehole, spring, rain-water tank, etc.
5. Must agree to total number of households in municipal area (informal settlements receiving services must be included)
6. Include value of subsidy provided by municipality above provincial subsidy level
7. Show number of households receiving at least these levels of services completely free (informal settlements must be included)
8. Must reflect the cost to the municipality of providing the Free Basic Service

Approved for publication by the Public Information Officer, Department of Public Works and Infrastructure, KwaZulu-Natal Province

Annexure E

Tariff of Charges

NEWCASTLE MUNICIPALITY

ANNEXURE B



DRAFT
TARIFF OF CHARGES
2023/2024

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ASSESSMENT RATES	Final Tariff 2023/24	Draft Tariff 2023/24
Assessment rates be determined as follows		
In terms of the Municipal Property Rates Act, No. 6 of 2004, the annual rates for the financial year is listed as follows		
(a) Residential property (dependable - R85 000)	1,372 Cents in the Rand	1 406 Cents in the Rand
(a) Business and commercial	3,428 Cents in the Rand	3 594 Cents in the Rand
(a) Industrial property	3,428 Cents in the Rand	3 594 Cents in the Rand
(a) Agricultural property	0,305 Cents in the Rand	0 320/25 Cents in the Rand
(a) Public service infrastructure	3,428 Cents in the Rand	3 594 Cents in the Rand
(a) Mining property	0,305 Cents in the Rand	Exempt
(a) Rural commercial land	Exempt	Exempt
(a) Places of public worship	0,342 Cents in the Rand	0 3591 Cents in the Rand
(a) Public Benefit Organizations	0,342 Cents in the Rand	0 3591 Cents in the Rand
(a) Public Service Properties	4,115 Cents in the Rand	4 2079 Cents in the Rand
(a) Vacant land		
(b) Rebates granted in terms of the Rates Policy		
Agriculture	5%	5%
Public amenity/charity	10%	10%
Discounts offered to tenants	50%	50%
Commercial Industrial Development with market value of at least R50 million	At the discretion of the Council	At the discretion of the Council
(c) Industrial accommodation for individuals	100%	100%
(d) Properties situated outside of the proclaimed boundaries of the Townships		
(i) Residential property	60%	60%
(ii) Vacant Land	40%	40%
(e) Public Benefit Organizations, who qualify in terms of the act exempt from rates		

	Final Tariff 2012/23	Draft Tariff 2024/24
FEES FOR ACCESS TO INFORMATION – PUBLIC BODIES		
1	The fee for a copy of the manual as contemplated in regulation 6(1) for every photocopy of an A4 size page or part thereof	R2
2	The fee for reproduction referred to in regulation 7(1) are as follows -	R2
(a)	For every photocopy of an A4 size page or part thereof	R2
(b)	For every printed copy of an A4 size page or part thereof held on a computer or in electronic or machine readable form	R2
(c)	(i) For a copy in a computer readable form on soft disc	R2
	For a copy in a computer readable form on compact disc	R2
(d)	(i) For a transcription of visual images for an A4 size page or part thereof	R2
	For a copy of visual images	R2
(e)	(i) For a transcription of an audio record for an A4 size page or part thereof	R2
	For a copy of an audio recording	R2
3	The request fee payable by a requester other than a personal requester referred to in regulation 7(1)	R2
4	The access fees payable by a requester referred to in regulation 7(2) are as follows -	R2
(a)	For every photocopy of an A4 size page or part thereof	R2
(b)	For every printed copy of an A4 size page or part thereof held on a computer or in electronic or machine readable form	R2
(c)	(i) For a copy in a computer readable form on soft disc	R2
	For a copy in a computer readable form on compact disc	R2
(d)	(i) For a transcription of visual images for an A4 size page or part thereof	R2
	For a copy of visual images	R2
(e)	(i) For the transcription of an audio record for an A4 size page or part thereof	R2
	For a copy of an audio recording	R2
(f)	To search for and prepare the record for disclosure for each hour or part of an hour, excluding the first hour, reasonable required for such search and preparation	R2
All the abovementioned tariffs in respect of services rendered are subject to value added tax as determined from time to time		
INDEPENDENT SERVICES		
(a)	The fee payable for the production of documents, photocopies, search of files and extracts from records, etc. -	
(i)	Search fee per document, document or file produced in connection of duplicate accounts found	R11
(ii)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R12
(iii)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R13
(iv)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R14
(v)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R15
(vi)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R16
(vii)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R17
(viii)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R18
(ix)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R19
(x)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R20
(xi)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R21
(xii)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R22
(xiii)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R23
(xiv)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R24
(xv)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R25
(xvi)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R26
(xvii)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R27
(xviii)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R28
(xix)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R29
(xx)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R30
(xxi)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R31
(xxii)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R32
(xxiii)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R33
(xxiv)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R34
(xxv)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R35
(xxvi)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R36
(xxvii)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R37
(xxviii)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R38
(xxix)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R39
(xxx)	Search fee per account, file, document or file produced in connection of duplicate accounts found	R40
(a)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
(b)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
(c)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
(d)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
(e)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
(f)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
(g)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
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(k)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
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(m)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
(n)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
(o)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
(p)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
(q)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
(r)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
(s)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
(t)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
(u)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
(v)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
(w)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
(x)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
(y)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
(z)	For one local telephone call during office hours, once per month, payable by the consumer, who requested in writing a warning regarding non-payment of consumer accounts on the day on which the call is made	R25
All the abovementioned tariffs in respect of services rendered are subject to value added tax as determined from time to time		
PROPERTY RATES BY LAWS		
	The tariff for each meter used against a property valuation	R14

	Final Tariff 2023/24	Draft Tariff 2023/24
BYLAWS RELATING TO PUBLIC HEALTH		
1 Removal of dead animals		
The charges for the removal and disposal of dead animals within the municipality shall be as follows -		
(a) For each carcass of a dog, cat or pig	R61	
(b) For each carcass of a horse, bull, ox, pig	R111	
(c) For each carcass of a sheep, goat or similar large animal	R245	
(d) For each carcass of a horse, bull or similar large animal	R111	
(e) Removal of carcasses on account of poxities for the protection of animals	R0	
The additional charges shall be payable in advance or upon demand or otherwise as may be arranged with the Council		
2 Veterinary visits to and removal of vermin (approved no insects)		
(a) For each visit	R113	
(b) Removal of vermin and Disinfectants Section II and F	R113	
(c) Sewer tank and waste water	R104	
(d) Charge for the emptying of septic tanks and removal of waste water in respect of a domestic sewage gully, industrial sewage gully, situated within the municipal boundaries per 1000 litres load or part thereof	R1217	
(e) Removal of blood from the district, per load	R1217	
3 Sewer and conservator tank services		
The following charges are payable in the Chamberlain administrative unit -		
(a) Residential properties, per load	R46	
(b) Non-residential properties, per load	R298	
All the abovementioned tariffs in respect of services rendered are subject to value added tax as determined from time to time		
BYLAWS RELATING TO THE KEEPING OF DOGS, ANIMALS, BIRDS AND BEES		
1 The following items are payable annually in respect of dogs kept within the municipality for which rabies certificates have to be obtained		
(a) For a first dog	R61	R 41 - 40
(b) For a second dog	R22	R 24 - 20
(c) For any additional dog and subject to submission of Council authorisation for the keeping of additional dogs, see 2.1		
2 The following fees are payable in respect of such domestic animal (pets)		
(a) Ground fees per animal	R17	R 200 - 03
(b) Sterilisation fee	Cost + 6%	Cost + 6%
(c) Vaccination fee	Cost + 6%	Cost + 6%
3 The following fees are payable in respect of each other animal impounded		
(a) Transport fee	The Kilometer tariff for vehicle which incineration of the pound keeper is reasonably necessary to transport the relevant animal to the pound, as determined by the Automobile Association of South Africa (AA) from time to time	The Kilometer tariff for vehicle which incineration of the pound keeper is reasonably necessary to transport the relevant animal to the pound, as determined by the Automobile Association of South Africa (AA) from time to time
(b) All inclusive pound fees which include	R15,00 per day or part thereof, for any pig, sheep or goat	R15 per day or part thereof, for any pig, sheep or goat
(1) Pound fee	R50,00 per day or part thereof of any other animal	R50,00 per day or part thereof, of any other animal
(2) Tending fee	Cost + 6% administration fee	Cost + 6% administration fee
(c) Dipping or Spraying fees	Cost + 6% administration fee	Cost + 6% administration fee
(d) Wound dressing costs and fees, medication costs and fees	Cost + 6% administration fee	Cost + 6% administration fee
(e) Veterinarian fees	Cost + 6% administration fee	Cost + 6% administration fee
All the abovementioned tariffs in respect of services rendered are subject to value added tax as determined from time to time		
CLEANING SERVICES BYLAWS		
1 Removal charges and charges for refuse removal services		
(a) Household refuse - for residential refuse - bulky refuse - per load of 5 cubic metres (5 tons) or part thereof	R116	R143
(b) Daily and/or refuse from premises within the municipality - per load not exceeding 2 cubic metres shall be removed at per load or part thereof	R116	R143
(c) Industrial and commercial refuse from premises within the municipality - per load not exceeding 5 cubic metres shall be removed at per load or part thereof	R116	R143
(d) Mixed refuse (garbage, domestic, trade, business refuse) from premises within the municipality, for loads not exceeding 5 cubic metres shall be removed at per load or part thereof	R116	R143
(e) Special Industrial Refuse	Cost + 1%	
(f) Charges for domestic and business refuse removal services		
(i) Residential and non-residential properties in Newcastle West, except where the account holder is registered as indigent - not exceeding one removal per week, per month	R161	R149
(ii) Residential properties in Newcastle West, except where the account holder is registered as indigent - not exceeding one removal per week, per month	R161	R149
(iii) Non-residential properties in Newcastle West - not exceeding one removal per week, per month	R161	R149
(iv) Residential and non-residential properties in Johannesburg/Johannesburg - not exceeding one removal per week, per month	R161	R149
(v) Residential and non-residential properties in Chatsworth - not exceeding one removal per week, per month	R161	R149
(vi) Residential and non-residential properties in Chatsworth - not exceeding one removal per week, per month	R161	R149
(vii) Residential and non-residential properties in Chatsworth - not exceeding one removal per week, per month	R161	R149
(viii) Residential and non-residential properties in Chatsworth - not exceeding one removal per week, per month	R161	R149

	Final Tariff 2023/24	Final Tariff 2023/24
2. The charges for the removal and disposal of domestic containers only and business refuse bulk containers within the municipality shall be as follows -		
(a) Charge for a 0.85m ³ container per month	R160	R160
(b) Rental of bulk containers of 1.1m ³ per month (includes service before removal)		
1 removal per week	R1 000	R1 000
2 removals per week	R1 200	R1 200
3 removals per week	R1 400	R1 400
4 removals per week	R1 600	R1 600
5 removals per week	R1 800	R1 800
6 removals per week	R2 000	R2 000
7 removals per week	R2 200	R2 200
(c) Rental of bulk containers of 1.1m ³ per month		
1 removal per week	R1 100	R1 100
2 removals per week	R1 200	R1 200
3 removals per week	R1 300	R1 300
4 removals per week	R1 400	R1 400
5 removals per week	R1 500	R1 500
6 removals per week	R1 600	R1 600
7 removals per week	R1 700	R1 700
(d) Bulk containers less		
1 removal per week	R1 100	R1 100
2 removals per week	R1 200	R1 200
3 removals per week	R1 300	R1 300
4 removals per week	R1 400	R1 400
5 removals per week	R1 500	R1 500
6 removals per week	R1 600	R1 600
7 removals per week	R1 700	R1 700
3. The charge for the rental of bulk refuse containers with the under mentioned sizes and removal of domestic and business refuse within 4 km of the Municipal Waste Facility, shall be as follows:-		
(a) Rental per container per month		
1 m ³ Bulk Containers	R1 480	R1 480
10 m ³ Bulk Containers	R1 480	R1 480
20 m ³ Bulk Containers	R1 480	R1 480
30 m ³ Bulk Containers	R1 480	R1 480
40 m ³ Bulk Containers	R1 480	R1 480
50 m ³ Bulk Containers	R1 480	R1 480
(b) Rental per container per week		
1 m ³ Bulk Containers	R120	R120
10 m ³ Bulk Containers	R120	R120
20 m ³ Bulk Containers	R120	R120
30 m ³ Bulk Containers	R120	R120
40 m ³ Bulk Containers	R120	R120
50 m ³ Bulk Containers	R120	R120
(c) Rental per container per day		
1 m ³ Bulk Containers	R48	R48
10 m ³ Bulk Containers	R48	R48
20 m ³ Bulk Containers	R48	R48
30 m ³ Bulk Containers	R48	R48
40 m ³ Bulk Containers	R48	R48
50 m ³ Bulk Containers	R48	R48
(d) For a seasonal refuse per container		
1 m ³ Bulk Containers	R1 200	R1 200
10 m ³ Bulk Containers	R1 200	R1 200
20 m ³ Bulk Containers	R1 200	R1 200
30 m ³ Bulk Containers	R1 200	R1 200
40 m ³ Bulk Containers	R1 200	R1 200
50 m ³ Bulk Containers	R1 200	R1 200
(e) For a seasonal refuse per container		
1 m ³ Bulk Containers	R1 200	R1 200
10 m ³ Bulk Containers	R1 200	R1 200
20 m ³ Bulk Containers	R1 200	R1 200
30 m ³ Bulk Containers	R1 200	R1 200
40 m ³ Bulk Containers	R1 200	R1 200
50 m ³ Bulk Containers	R1 200	R1 200
(f) For a seasonal refuse per container		
1 m ³ Bulk Containers	R1 200	R1 200
10 m ³ Bulk Containers	R1 200	R1 200
20 m ³ Bulk Containers	R1 200	R1 200
30 m ³ Bulk Containers	R1 200	R1 200
40 m ³ Bulk Containers	R1 200	R1 200
50 m ³ Bulk Containers	R1 200	R1 200
Charges as stated in this schedule shall be made in advance		
unless otherwise stated herein from which the Director of Communities Services or a duly authorized officer		
All services used by Council may be considered an exempt charge		
4. The removal of containers in (3) will be done on the following basis		
(a) For a month or longer - A minimum of 1 removal per month		
(b) For a seasonal - A minimum of 1 removal per month		
(c) For a seasonal - A minimum of 1 removal per month		
(d) Short term rental - other than seasonal - A minimum of 2 removals within a period of two days or less, excluding Sundays		
All services used by Council may be considered an exempt charge		
5. Charges for the disposal of refuse at the Newcastle landfill (see Waste Schedule)		
(a) General refuse (garden, domestic, white refuse, including builders rubble) see R 200 in part three off	R200	R200
(b) Builders rubble and excavated material, see R 200 in part three off	R200	R200
(c) Bulk household waste and cooked food, see R 200 in part three off	R200	R200
(d) Garden refuse, see R 200 in part three off	R200	R200
(e) Salvaged and wood, see R 200 in part three off	R200	R200
(f) For the removal and disposal of vehicles (including Council vehicles) see tariff	R200	R200
(g) Special (Special see R 200 in part three off)	R200	R200
(h) The tariff in (b) and (d) may be waived if material is returned to the WDF		
6. Bulk of material		
(a) per 10 ton	R310	R310
(b) per 10 ton	R310	R310
7. Bulk of material, per kg		
(a) Plastic	R0.11	R0.11
(b) Glass	R0.11	R0.11
(c) Metal	R0.11	R0.11
(d) Paper/Cardboard	R0.11	R0.11

	First Tariff 2023/24	2023/24	2023/24
CERTIFICATE OF REGISTRATION			
Services rendered to all residents, residents and non residents (Rural)			
Fee for a certificate plus one certified copy	R730		R45
All the above-mentioned tariff in respect of services rendered is subject to value added tax as determined from time to time			
STREET TRAFFIC AND ENTERTAINMENT BYLAWS			
1 Application for permit to use taxi rank, per annum	R590-00 to be capped at this rate. This is consistent according to discussions with the Council.		
2 Application for permit to use taxi rank, one session			
3 Application for duplicate permit to use taxi rank card	R10		R10
4 Escort of abnormal loads, etc, one hour or part thereof	Cost + 6%		Cost + 6%
5 Abnormal vehicles	Cost + 6%		Cost + 6%
6 Charge for removal, one vehicle			
6.1 Charge for storage for a period not exceeding 1 month, per day	R75		R10
6.2 Parking Meter Tariff for On-Street Parking	R3		R0.00
6.3 Parking meter fee - Tariff for 0 - 30 minutes	R6		R0.00
6.4 Parking meter fee - Tariff for 31 minutes - 1 hour	R14		R0.00
6.5 Parking meter fee - Tariff for 1 - 2 hours	R27		R0.00
6.6 Parking meter fee - Tariff for 2 - 4 hours	R53		R0.00
6.7 Parking meter fee - Tariff for 4 - 6 hours	R50		R0.00
6.8 Parking meter fee - Tariff for 6 - 8 hours	R50		R0.00
6.9 Parking meter fee - Tariff for 8 - 10 hours	R50		R0.00
6.10 Parking meter fee - Tariff for 10 - 12 hours	R50		R0.00
6.11 Parking meter fee - Tariff for 12 - 14 hours	R50		R0.00
6.12 Parking meter fee - Tariff for 14 - 16 hours	R50		R0.00
6.13 Parking meter fee - Tariff for 16 - 18 hours	R50		R0.00
6.14 Parking meter fee - Tariff for 18 - 20 hours	R50		R0.00
6.15 Parking meter fee - Tariff for 20 - 22 hours	R50		R0.00
6.16 Parking meter fee - Tariff for 22 - 24 hours	R50		R0.00
6.17 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.18 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.19 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.20 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.21 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.22 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.23 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.24 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.25 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.26 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.27 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.28 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.29 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.30 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.31 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.32 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.33 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.34 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.35 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.36 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.37 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.38 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.39 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.40 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.41 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.42 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.43 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.44 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.45 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.46 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.47 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.48 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.49 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.50 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.51 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.52 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.53 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.54 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.55 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.56 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.57 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.58 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.59 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.60 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.61 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.62 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.63 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.64 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.65 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.66 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.67 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.68 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.69 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.70 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.71 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.72 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.73 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.74 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.75 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.76 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.77 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.78 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.79 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.80 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.81 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.82 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.83 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.84 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.85 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.86 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.87 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.88 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.89 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.90 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.91 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.92 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.93 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.94 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.95 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.96 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.97 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.98 Parking meter fee - Tariff for 24 hours	R50		R0.00
6.99 Parking meter fee - Tariff for 24 hours	R50		R0.00
7.1 Supervisor, per hour or part thereof Monday to Saturday	R456.26		R471.32
7.2 Supervisor, per hour or part thereof Sunday and Public Holidays	R210.54		R265.11
7.3 Traffic Officer, per hour or part thereof Monday to Saturday	R389.02		R442.30
7.4 Traffic Officer, per hour or part thereof Sunday and Public Holidays	R761.08		R866.74
7.5 Traffic Officer, per hour or part thereof Monday to Saturday	R555.10		R676.41
7.6 Traffic Officer, per hour or part thereof Sunday and Public Holidays	R711.26		R851.92
All the above-mentioned tariff in respect of services rendered are subject to value added tax as determined from time to time			
BYLAWS RELATING TO THE REGISTRATION AND REGULATION OF DAIRIES, COW SHEDS, MILK SHOPS, MILK DEALERS AND PURVEYORS			
Bylaw in terms of Section 11 per below	R2		
All the above-mentioned tariff in respect of services rendered is subject to value added tax as determined from time to time			
CEMETERY BYLAWS			
The following fees are payable upon request to bury a deceased within the cemetery, the control of which is vested in Council			
ROY POINT CEMETERY			
1			
(A) Residents Rural sites - headstones only			
1.1 1.2m x 1.2m	R1,247.41		R1,447.44
1.2 1.2m x 0.7m x 1.2m	R1,489.21		R1,689.24
1.3 1.2m x 0.7m x 2.4m	R1,510.74		R1,710.77
1.4 2.4m x 1.2m	R2,456.38		R2,656.41
1.5 2.4m x 1.2m	R2,466.78		R2,666.81
1.6 2.4m x 0.7m x 1.2m	R2,571.64		R2,771.67
1.7 2.4m x 0.7m x 2.4m	R2,441.77		R2,641.80
1.8 2.4m x 1.2m x 2.4m	R4,468.81		R4,668.84
1.9 2.4m x 1.2m	R4,658.74		R4,858.77
1.10 2.4m x 0.7m x 1.2m	R4,811.70		R5,011.73
1.11 2.4m x 0.7m x 2.4m	R2,461.94		R2,661.97
1.12 2.4m x 1.2m x 2.4m	R10,600.00		R10,800.03
1.13 2.4m x 1.2m	R7,434.34		R7,634.37
1.14 2.4m x 0.7m x 1.2m	R10,690.14		R10,890.17
1.15 2.4m x 0.7m x 2.4m	R11,418.61		R11,618.64
1.16 2.4m x 1.2m x 2.4m	R13,497.71		R13,697.74
1.17 2.4m x 1.2m	R13,497.71		R13,697.74
1.18 2.4m x 0.7m x 1.2m	R13,497.71		R13,697.74
1.19 2.4m x 0.7m x 2.4m	R13,497.71		R13,697.74
1.20 2.4m x 1.2m x 2.4m	R13,497.71		R13,697.74
1.21 2.4m x 1.2m	R13,497.71		R13,697.74
1.22 2.4m x 0.7m x 1.2m	R13,497.71		R13,697.74
1.23 2.4m x 0.7m x 2.4m	R13,497.71		R13,697.74
1.24 2.4m x 1.2m x 2.4m	R13,497.71		R13,697.74
1.25 2.4m x 1.2m	R13,497.71		R13,697.74
1.26 2.4m x 0.7m x 1.2m	R13,497.71		R13,697.74
1.27 2.4m x 0.7m x 2.4m	R13,497.71		R13,697.74
1.28 2.4m x 1.2m x 2.4m	R13,497.71		R13,697.74
1.29 2.4m x 1.2m	R13,497.71		R13,697.74
1.30 2.4m x 0.7m x 1.2m	R13,497.71		R13,697.74
1.31 2.4m x 0.7m x 2.4m	R13,497.71		R13,697.74
1.32 2.4m x 1.2m x 2.4m	R13,497.71		R13,697.74
1.33 2.4m x 1.2m	R13,497.71		R13,697.74
1.34 2.4m x 0.7m x 1.2m	R13,497.71		R13,697.74
1.35 2.4m x 0.7m x 2.4m	R13,497.71		R13,697.74
1.36 2.4m x 1.2m x 2.4m	R13,497.71		R13,697.74
1.37 2.4m x 1.2m	R13,497.71		R13,697.74
1.38 2.4m x 0.7m x 1.2m	R13,497.71		R13,697.74
1.39 2.4m x 0.7m x 2.4m	R13,497.71		R13,697.74
1.40 2.4m x 1.2m x 2.4m	R13,497.71		R13,697.74
1.41 2.4m x 1.2m	R13,497.71		R13,697.74
1.42 2.4m x 0.7m x 1.2m	R13,497.71		R13,697.74
1.43 2.4m x 0.7m x 2.4m	R13,497.71		R13,697.74
1.44 2.4m x 1.2m x 2.4m	R13,497.71		R13,697.74
1.45 2.4m x 1.2m	R13,497.71		R13,697.74
1.46 2.4m x 0.7m x 1.2m	R13,497.71		R13,697.74
1.47 2.4m x 0.7m x 2.4m	R13,497.71		R13,697.74
1.48 2.4m x 1.2m x 2.4m	R13,497.71		R13,697.74
1.49 2.4m x 1.2m	R13,497.71		R13,697.74
1.50 2.4m x 0.7m x 1.2m	R13,497.71		R13,697.74
1.51 2.4m x 0.7m x 2.4m	R13,497.71		R13,697.74
1.52 2.4m x 1.2m x 2.4m	R13,497.71		R13,697.74
1.53 2.4m x 1.2m	R13,497.71		R13,697.74
1.54 2.4m x 0.7m x 1.2m	R13,497.71		R13,697.74
1.55 2.4m x 0.7m x 2.4m	R13,497.71		R13,697.74
1.56 2.4m x 1.2m x 2.4m	R13,497.71		R13,697.74
1.57 2.4m x 1.2m	R13,497.71		R13,697.74
1.58 2.4m x 0.7m x 1.2m	R13,497.71		R13,697.74
1.59 2.4m x 0.7m x 2.4m	R13,497.71		R13,697.74
1.60 2.4m x 1.2m x 2.4m	R13,497.71		R13,697.74
1.61 2.4m x 1.2m	R13,497.71		R13,697.74
1.62 2.4m x 0.7m x 1.2m	R13,497.71		R13,697.74
1.63 2.4m x 0.7m x 2.4m	R13,497.71		R13,697.74
1.64 2.4m x 1.2m x 2.4m	R13,497.71		R13,697.74
1.65 2.4m x 1.2m	R13,497.71		R13,697.74
1.66 2.4m x 0.7m x 1.2m	R13,497.71		R13,697.74
1.67 2.4m x 0.7m x 2.4m	R13,497.71		R13,697.74
1.68 2.4m x 1.2m x 2.4m	R13,497.71		R13,697.74
1.69 2.4m x 1.2m	R13,497.71		R13,697.74
1.70 2.4m x 0.7m x 1.2m	R13,497.71		R13,697.74
1.71 2.4m x 0.7m x 2.4m	R13,497.71		R13,697.74
1.72 2.4m x 1.2m x 2.4m	R13,497.71		R13,697.74
1.73 2.4m x 1.2m	R13,497.71		R13,697.74
1.74 2.4m x 0.7m x 1.2m	R13,497.71		R13,697.74
1.75 2.4m x 0.7m x 2.4m	R13,497.71		R13,697.74
1.76 2.4m x 1.2m x 2.4m	R13,497.71		R13,697.74
1.77 2.4m x 1.2m	R13,497.71		R13,697.74
1.78 2.4m x 0.7m x 1.2m	R13,497.71		R13,697.74
1.79 2.4m x 0.7m x 2.4m	R13,497.71		R13,697.74
1.80 2.4m x 1.2m x 2.4m	R13,497.71		R13,697.74
1.81 2.4m x 1.2m	R13,497.71		R13,697.74
1.82 2.4m x 0.7m x 1.2m	R13,497.71		R13,697.74
1.83 2.4m x 0.7m x 2.4m	R13,497.71		R13,697.74
1.84 2.4m x 1.2m x 2.4m	R13,497.71		R13,697.74
1.85 2.4m x 1.2m	R13,497.71		R13,697.74
1.86 2.4m x 0.7m x 1.2m	R13,497.71		R13,697.74
1.87 2.4m x 0.7m x 2.4m	R13,497.71		R13,697.74
1.88 2.4m x 1.2m x 2.4m	R13,497.71		R13,697.74
1.89 2.4m x 1.2m	R13,497.71		R13,697.74
1.90 2.4m x 0.7m x 1.2m	R13,497.71		R13,697.74
1.91 2.4m x 0.7m x 2.4m	R13,497.71		

		Final Tariff 2023/24	Final Tariff 2023/24
CHARLESTOWN CEMETRIES			
1	Residents		
(a)	Burial plot		
	1.5m x 1.2m	R375	R395.51
	1.2m x 0.7m x 1.1m	R505	R518.31
	Casket	R684	R724.72
(b)	Non-residents		
	Burial plot		
	1.5m x 1.2m	R851	R912.56
	1.2m x 0.7m x 1.1m	R1 013	R1 105.02
	Casket	R1 872	R1 676.41
	Per square metre for columbarium and fillings thereof	R1 752	R1 369.82
5	Transfer of plot to an extended burial Plot 100mm or more thereof	R124	R145.04
6	Funeral fee included in the total price of a burial plot		
7	Adult Urns system Garden of remembrance		
(a)	Registration fee (for 2 urns)		
(i)	Residents	R565	R588.88
(ii)	Non-residents	R1 607	R1 793.38
(b)	Funerals Per funeral	R190	R211.72
(i)	Residents		
(ii)	Non-residents	R623	R660.01
8	This area remains as reserved on the conditions at the family's cost		
NOTE: Permanent residence in relation to any person means a ratepayer or consumer of municipal services and their immediate families where such person has been resident in the Council's area of jurisdiction for a continuous period exceeding 3 months. The submission of a current taxpayer account will serve as proof of permanent residence.			
PUBLIC SWIMMING POOL BY-LAW			
1	Entrance fee	R8	R9.00
(a)	Children, up to 12	R16	R17.00
(b)	Adults, up to 12		
2	Season tickets		
(a)	Per child under 18 years	R250	R264.11
(b)	Per adult	R501	R531.40
(c)	Parents who cannot afford the prescribed tariffs may apply in writing to the Director Culture and Amusements who, after due consideration, may decide to issue a free season ticket for the aforementioned subject's children		
3	Membership cards		
(a)	Per child under 18 years	R73	R75.53
(b)	Per adult	R195	R172.50
4	Persons who are not members of the Recreation Centre shall be charged the following rates for admission to the swimming pool		
(a)	10.00 - 14.00 (in most cases)	R230	R243.87
(b)	14.01 - 18.00 (in most cases)	R390	R391.89
(c)	18.01 - 24.00 (in most cases)	R527	R504.91
(d)	24.01 - 28.00 (in most cases)	R1 151	R1 328.10
(e)	Insurers making use of motor-epa swimming pool for their own account shall pay R5.00 per lane per hour and shall further be required to purchase a season or monthly ticket	R0.60	R0.00
(f)	Parents of members of swimming clubs during practice sessions, with proof of identity to the satisfaction of the Director Culture and Amusements, including the personal use of the swimming pool facilities		Free
(g)	The tariff of charges per floodlight standard for the use of floodlights at the Newcastle swimming pool shall be determined according to the formula [(T+N) x Z T = tariff of charge, N = number of lamps, Z = maximum number of lamps in T and Z as determined by Council from time to time]		
6	Use of Newcastle swimming pool hall		
(a)	Hire for 3 hours		
(i)	Hall	R175.00	R243.81
(ii)	Safe room	R115.54	R172.47
(iii)	Kitchen	R0.00	R0.00
(b)	Hire for 4 hours		
(i)	Hall	R161.12	R170.75
(ii)	Safe room	R8.62	R8.62
(iii)	Kitchen	R31.62	R36.52
(c)	Hire for 6 hours		
(i)	Hall	R193.98	R205.02
(ii)	Safe room	R97.52	
(iii)	Kitchen		
(d)	Hire for 8 hours		
(i)	Hall	R111.80	R117.88
(ii)	Safe room	R46.64	R49.44
(iii)	Kitchen	R66.04	R69.84
(e)	Provision for furniture contained in 6.1(i) above, per hour	R62.54	R66.27
(f)	Hire for sport and recreational activities by member groups of the Recreation Centre residing in Newcastle - identical to Sunday		
(g)	Hire for sport and recreational activities by member groups of which more than 50% of the group members are non-residents of Newcastle and not owning any fixed membership in the area - identical to Sunday		
7	Hire of public address system, see 4.1 or 4.2 thereof	R14.12	R26.94
8	Hire of truck above 4.5t or 4.5t thereof	R180.00	R197.25
9	Travels and Saturdays the tariff to hire the Newcastle swimming pool hall and truck shop	Normal tariff = 5x) to (c)	
		above = 20%	
10	Sundays and public holidays the tariff to hire the Newcastle swimming pool hall and truck shop	Normal tariff = 5x) to (c)	
		above + 24%	
11	Hire of hall and facilities for non-residents	Normal rate = 25%	
12	Refundable deposit per function, meeting, etc	R1 320.00	R1 525.24
13	Subsidy obtained a municipal swimming pool during the summer season for electrical expenses for all their pools, see 4.1	R468.14	R 777.11

	Final Tariff 2023/24	Draft Tariff 2023/24	
NEWCASTLE RECREATION CENTRE			
The tariffs of charges set out below shall be applicable to the hire of the hall or any of the facilities in connection therewith and shall be payable in advance together with a refundable deposit. The hall and all facilities and services shall, in the discretion of Council be made available free of charge for civic, musical, receptions, functions and meetings held by persons, municipal functions, functions, meetings, meetings by Council.			
1	Hire for commercial purposes, dances, banquets, performances, concerts, film shows, bazaars, boxing and wrestling matches, beer festivals, weddings, anniversary and children's parties, per hour	R289.32	R365.83
2	Hire for medical per hour	R231.08	R244.84
3	Hire for exhibitions of art and crafts, archaeological, industrial and commercial exhibitions, where the hall is required	R239.50	R252.81
4	For use day or over several per hour	R8.19.13	R888.24
5	For more than one day, per day	R190.80	R202.24
6	Hire for non-profit organisations by holding general meeting bodies Member groups on Fridays, per hour	R84.66	R88.54
7	Programme for functions, entertainment 1 to 4 above, per hour	R145.23	R153.83
8	Hire of bar room, per hour	50% of tariff under 1-4	above
9	Hire of public address system, per day in most cases	R249.10	R244.00
10	Hire for sport and recreation activities by member group residing in Newcastle - Mondays to Saturdays	50% of group membership	above
11	Hire for sport and recreation activities by member groups of which more than 50% of the group membership members are non-residents of Newcastle and not owing and fixed members to the centre - Mondays to Saturdays	15% of group membership	above
12	Fridays and Saturdays The tariff to hire the Newcastle Recreation Hall	Normal tariff for hire	above
13	Sundays and Public Holidays The tariff to hire the Newcastle recreation hall	mentioned 1-4 above + 50%	above
14	Hire of hall and facilities by non-residents	Normal tariff + 25%	above
15	Refundable deposit per function, reception, etc.	R2.18.05	R2.18.05
16	Hire for special occasions, etc.	4% of monthly amount	above
17	Membership fee per month	R6.16	R6.14
18	Non-residential membership	R3.80	R3.75
19	Family membership - 2 or more family members entitled for activities at the centre	R3.18	R3.17
20	Hire for special occasions, etc. without 4% uplift per month	R23.52	R24.12
21	Membership fee per month monthly	R6.36	R6.18
22	Non-residential membership fee per month	R3.48	R3.50
23	Hire for recreational activities by member groups in a smaller designated area, per month	4% of monthly amount	above
24	Membership fee per month monthly	R3.18	R3.10
25	Non-residential membership fee per month	R1.18	R1.17
26	Hire of equipment per month monthly	R1.18	R1.17
TARIF OF SPECIAL EVENTS			
The tariff of charges set out below shall be applicable to the hire of events grounds and various fixed costs items and shall be payable in advance -			
27	For public or private use by profit making organisations	R3.085.44	R1.180.57
28	For the day after, etc., per day, excluding services	R265.64	R217.88
29	Thereafter, per day or part thereof, excluding services	R247.68	R208.54
30	For special facilities, per facility per day		
31	For non-profit organisations, etc., or not-for-profit clubs, etc., per month	Free	
32	For the first three days, including services		
33	Thereafter, per day or part thereof, including services	R205.64	R217.88
CAMP AND CARAVAN PARK BYLAWS			
34	Fees payable in respect of permits for camp and caravan sites	R108	R114.48
35	Per site per day for groups with more than 10 caravans	R81	R81
36	Per person over five years of age, per day, including services	R30	R30
37	Per person under five years of age, per day, including services	R21	R22.28
38	Per person over five years of age, per day for groups with more than 10 caravans. Maximum of six persons per site	R21	R21.00
39	Per site per day, per site	R31	R31.00
40	Per site per day, per site for groups with more than 10 caravans	R30	R30
41	Form for use of the following	R21	R22.06
42	Washing machine, per load	R7	R7.00
43	Washing machine, per load	R124	R131.44
44	Form for use of the following	R10	R10
45	Fees payable to the Anson Dam Recreation Resort, including admission to the swimming pool, but excluding the use of facilities limited to bona fide visitors to the caravan park only		
46	Admission, per day	R12	R18.02
47	Admission, per day (17 years and under)	R8	R8.00
48	Deposit, per day, per day	R400	R24.00
49	Entrance fee to the Brookbank Dam camp area	R14	R14
50	Admission, per day	R8	R8.48
51	Children, per day	R8	R8.48
52	Hire of Anson Dam for public or private use by profit motivated organisations	R24.883	R26.380.00
53	For the first day, excluding the cost of services	R12.441	R13.180.00
54	Thereafter, per day, excluding the cost of services	R4.876	R5.24.54
55	Refundable deposit, per function		
56	Hire of Anson Dam by non-profit motivated organisations	R7.488	R7.994.88
57	For the first day, excluding the cost of services	R1.249	R1.333.84
58	Thereafter, per day, excluding the cost of services	R2.413	R2.537.88
59	Refundable deposit, per function	R2.413	R2.537.88
60	Hire of caravan site, per person, per month	R1.1	R1.10.00
61	Deposit of caravan, per day	R1.1	R1.10.00

	Final Tariff 2022/23			Draft Tariff 2023/24			
CLEANING OF PLOTS/VACANT DRYS							
1	Plots of area - up to 1000sqm						
(a)	From and including 1 000sqm ²	R1 751.95		R1 857.07			
(b)	From 1 000sqm ² to 2 000sqm ²	R1 003.10		R1 113.70			
(c)	From 2 000sqm ² to 4 000sqm ²	R5 599.90		R5 815.71			
(d)	From 4 000sqm ² to 10 000sqm ²	R13 315.00		R11 190.60			
(e)	From in excess of 10 000sqm ²	R13 017.75		R13 793.03			
* Figures to be rounded up to the nearest whole number.							

		Final Tariff 2024/25	Final Tariff 2023/24
Halls			
General			
The tariffs of charges set out under the various categories below shall include all the facilities in connection therewith and shall be payable in advance. No reservation will be made or site for any hall will be reserved unless the amount for the hired accommodation together with the refundable deposit, has been paid in full.			
The full rental amount, including the deposit, will be forfeited to Council when the hiree cancels or postpones a reservation, unless Council is notified in writing at least 30 days prior to the required date for cancellation.			
Any hall referred to below and all facilities and services concerned shall, at the discretion of Council, be made available free of charge for civic/mayoral functions, functions and meetings held by Council, municipal elections and functions generally approved by Council.			
A hiree shall not arrange or claim the premises and convene proceedings of the under mentioned halls and/or facilities within the time permitted by the Cereatker, failing which he/she shall forfeit the amount paid. The hiree shall be responsible for any damage to the premises and the hiree shall be responsible for any damage to the premises.			
Halls shall not be used as overnight accommodation and will be available daily from 08:00 to 24:00. Penalty fees of R500.00 per hour or part thereof shall be levied in instances where the hall is not vacated by 24:00. (Where not exhibition with a duration of more than one day mentioned.)			
TOWN HALL			
Children's Theatre			
1	Hire for commercial purposes, dances, banquets, performances, sports, film shows, bazaars and beer festivals, per hour or part thereof	R407.04	R431.46
2	Hire for weddings, anniversaries and children's parties, per hour or part thereof	R218.15	R111.08
3	Hire for school functions, per hour or part thereof	R118.00	R118.00
4	Hire for exhibitions of arts and crafts, art exhibitions, industrial and commercial exhibitions where the hall is required for one day, per day or part thereof, per hour	R121.01	R126.07
5	Hire for exhibitions of arts and crafts, art exhibitions, industrial and commercial exhibitions where the hall is required for longer than one day, per day or part thereof	R1,109.82	R1,176.41
6	Hire for non profit organisations, per hour or part thereof	R118.70	R120.21
7	Hire for religious purposes, per hour or part thereof	R179.14	R188.89
8	Preparation of functions contemplated in 1 to 7 above, per hour or part thereof	R17.52	R181.72
9	Refreshments, per day or part thereof	R192.04	R106.74
10	Hire of kitchen, per day or part thereof	R479.14	R188.89
11	Hire of kitchen, per hour or part thereof	R179.14	R188.89
12	Hire of small tables, per day or part thereof	R305.11	R320.74
13	Hire of small tables, per hour or part thereof	R179.14	R188.89
14	Hire of hall for most purposes, per hour or part thereof	R128.01	R128.01
15	Hire of hall and facilities for non-residents	Normal rate + 25%	Normal tariff for hire mentioned in 1-15 above + 25%
16	Fridays and Saturdays Tariff to hire the Town Hall	Normal tariff for hire mentioned in 1-15 above + 25%	Normal tariff for hire mentioned in 1-15 above + 25%
17	Sundays and Public Holidays Tariff to hire the Town Hall	Normal tariff for hire mentioned in 1-15 above + 25%	Normal tariff for hire mentioned in 1-15 above + 25%
18	Refundable deposit per function, minimum etc.	R123.14	R123.14
19	Municipal Councillors utilizing the halls with special written consent from the Municipal Manager, for the purpose of ward meetings, information sessions to the public, e.g. urms etc.	Free of charge	Free of charge
20	Municipal Councillors and Municipal officials for private use (payment due immediately with booking of facility)	Tariffs as applicable to private users	Tariffs as applicable to private users
FARMERS HALL			
Children's Theatre			
1	Hire for commercial purposes, dances, banquets, performances, concerts, film shows, bazaars and beer festivals, per hour or part thereof	R309.52	R328.09
2	Hire for weddings, anniversaries and children's parties, per hour or part thereof	R170.70	R174.41
3	Hire for school functions, per hour or part thereof	R225.60	R202.14
4	Hire for exhibitions of arts and crafts, art exhibitions, industrial and commercial exhibitions where the hall is required for one day, per day or part thereof, per hour	R170.70	R170.70
5	Hire for exhibitions of arts and crafts, art exhibitions, industrial and commercial exhibitions where the hall is required for longer than one day, per day or part thereof	R445.70	R224.72
6	Hire for religious purposes, per hour or part thereof	R114.48	R121.33
7	Hire for non profit organisations, per hour or part thereof	R118.48	R121.71
8	Preparation of functions contemplated in 1 to 7 above, per hour or part thereof	R99.84	R106.69
9	Refreshments, per day or part thereof	R191.04	R106.74
10	Hire of kitchen, per hour or part thereof	R169.60	20% of tariff
11	Hire of kitchen, per day or part thereof	R619.52	R188.89
12	Hire of small tables, per day or part thereof	R64.66	R64.66
13	Hire of small tables, per hour or part thereof	R48.70	R11.62
14	Hire of table facilities, per day or part thereof	R240.48	R21.71
15	Hire of hall for most purposes, per hour or part thereof	R179.84	Normal rate + 25%
16	Additional charge for special preparation of the arena, per day or part thereof	R179.84	Normal tariff for hire mentioned in 1-17 above + 25%
17	Hire of hall and facilities for non-residents	Normal rate + 25%	Normal tariff for hire mentioned in 1-17 above + 25%
18	Fridays and Saturdays The tariff to hire the Farmers Hall	Normal tariff for hire mentioned in 1-17 above + 25%	Normal tariff for hire mentioned in 1-17 above + 25%
19	Sundays and Public Holidays The tariff to hire the Farmers Hall	Normal tariff for hire mentioned in 1-17 above + 25%	Normal tariff for hire mentioned in 1-17 above + 25%
20(a)	Refundable deposit per function, minimum etc.	R132.00	R132.00
20(b)	Refundable deposit for cleaning of tables	R1,170.74	R1,170.74
21	Municipal Councillors utilizing the halls with special written consent from the Municipal Manager, for the purpose of ward meetings, information sessions to the public, e.g. urms etc.	Free of charge	Free of charge
22	Municipal Councillors and Municipal officials for private use (payment due immediately with booking of facility)	Tariffs as applicable to private users	Tariffs as applicable to private users

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6. RICHVIEW CIVIC CENTRE		
<i>Mondays to Thursdays</i>		
1 Hire for commercial purposes, banquets, performances, concerts, film shows, business and beer (open), per hour or part thereof	R385.72	R406.72
2 Hire for weddings, anniversaries and children's parties, per hour or part thereof	R350.52	R371.52
3 Hire for medical meetings, per hour or part thereof	R309.52	R328.00
4 Hire for religious purposes, exhibitions of arts and crafts, art exhibitions, industrial and commercial exhibitions where the hall is required for one day only or part thereof, per hour	R331.90	R353.90
5 Hire for religious purposes, exhibitions of arts and crafts, art exhibitions, industrial and commercial exhibitions where the hall is required for longer than one day, per day or part thereof	R872.38	R924.72
6 Hire for non-profit organisations, per hour or part thereof	R211.71	R229.44
7 Hire for religious purposes, per hour or part thereof	R281.58	R304.49
8 Hire for religious purposes, per hour or part thereof	R151.54	R166.74
9 Hire for religious purposes, per hour or part thereof	R57.52	R61.77
10 Hire for religious purposes, per hour or part thereof	R119.54	R126.90
11 Hire of public address system, per day or part thereof	R277.77	R294.38
12 Hire of hall for sport purposes, per hour or part thereof	R78.48	R83.67
13 Hire of hall and facilities for non-residents	Normal rate + 25%	Normal rate + 25%
14 Fridays and Saturdays - The tariff to hire the Richview Civic Centre	Normal tariff for hire mentioned in 1-13 above + 25%	Normal tariff for hire mentioned in 1-13 above + 25%
15 Sundays and Public Holidays - The tariff to hire the Richview Civic Centre	Normal tariff for hire mentioned in 1-13 above + 25%	Normal tariff for hire mentioned in 1-13 above + 25%
16 Refundable deposit per function, meeting, etc.	R120.00	R120.00
17 Municipal Councilors utilizing the halls with special written consent from the Municipal Manager, for the purpose of ward meetings, information sessions to the public, e.g. crime talks etc.	Free of charge	Free of charge
18 Municipal Councilors and Municipal officials for private use (payment due immediately with booking of facility)	Tariffs as applicable to private purposes	Tariffs as applicable to private purposes
7. FAIRLEIGH COMMUNITY HALL		
<i>Mondays to Thursdays</i>		
1 Hire for commercial purposes, banquets, performances, concerts, film shows, business and beer (open), per hour or part thereof	R209.76	R224.68
2 Hire for weddings, anniversaries and children's parties, per hour or part thereof	R206.76	R221.61
3 Hire for medical meetings, per hour or part thereof	R260.76	R276.41
4 Hire for religious purposes, exhibitions of arts and crafts, art exhibitions, industrial and commercial exhibitions where the hall is required for one day only or part thereof, per hour	R272.72	R289.18
5 Hire for religious purposes, exhibitions of arts and crafts, art exhibitions, industrial and commercial exhibitions where the hall is required for longer than one day, per day or part thereof	R688.76	R724.72
6 Hire for non-profit organisations, per hour or part thereof	R195.04	R206.74
7 Hire for religious purposes, per hour or part thereof	R28.18	R29.51
8 Hire for religious purposes, per hour or part thereof	R195.04	R206.74
9 Hire for religious purposes, per hour or part thereof	R111.48	R117.73
10 Hire for religious purposes, per hour or part thereof	R260.76	R276.41
11 Hire of public address system, per day or part thereof	R277.77	R294.38
12 Hire of hall for sport purposes, per hour or part thereof	R78.48	R83.67
13 Hire of hall and facilities for non-residents	Normal rate + 25%	Normal rate + 25%
14 Fridays and Saturdays - The tariff to hire the Fairleigh Community Hall	Normal tariff for hire mentioned in 1-13 above + 25%	Normal tariff for hire mentioned in 1-13 above + 25%
15 Sundays and Public Holidays - The tariff to hire the Fairleigh Community Hall	Normal tariff for hire mentioned in 1-13 above + 25%	Normal tariff for hire mentioned in 1-13 above + 25%
16 Refundable deposit per function, meeting, etc.	R120.00	R120.00
17 Municipal Councilors utilizing the halls with special written consent from the Municipal Manager, for the purpose of ward meetings, information sessions to the public, e.g. crime talks etc.	Free of charge	Free of charge
18 Municipal Councilors and Municipal officials for private use (payment due immediately with booking of facility)	Tariffs as applicable to private purposes	Tariffs as applicable to private purposes
8. NEWCASTLE SHOW HALL		
<i>Mondays to Thursdays</i>		
1 Hire for commercial purposes, banquets, performances, concerts, film shows, business and beer (open), per hour or part thereof	R407.04	R431.56
2 Hire for weddings, anniversaries and children's parties, per hour or part thereof	R318.00	R337.00
3 Hire for medical meetings, per hour or part thereof	R317.00	R331.00
4 Hire for religious purposes, exhibitions of arts and crafts, art exhibitions, industrial and commercial exhibitions where the hall is required for one day only or part thereof, per hour	R349.52	R365.17
5 Hire for religious purposes, exhibitions of arts and crafts, art exhibitions, industrial and commercial exhibitions where the hall is required for longer than one day, per day or part thereof	R1,085.44	R1,150.57
6 Hire for non-profit organisations, per hour or part thereof	R220.48	R231.71
7 Hire for religious purposes, per hour or part thereof	R220.48	R231.71
8 Hire for religious purposes, per hour or part thereof	R220.48	R231.71
9 Hire for religious purposes, per hour or part thereof	R220.48	R231.71
10 Hire for religious purposes, per hour or part thereof	R220.48	R231.71
11 Hire of public address system, per day or part thereof	R277.77	R294.38
12 Hire of hall for sport purposes, per hour or part thereof	R78.48	R83.67
13 Hire of hall and facilities for non-residents	Normal rate + 25%	Normal rate + 25%
14 Fridays and Saturdays - The tariff to hire the Show Hall	Normal tariff for hire mentioned in 1-13 above + 25%	Normal tariff for hire mentioned in 1-13 above + 25%
15 Sundays and Public Holidays - The tariff to hire the Show Hall	Normal tariff for hire mentioned in 1-13 above + 25%	Normal tariff for hire mentioned in 1-13 above + 25%
16 Refundable deposit per function, meeting, etc.	R340.00	R340.00
17 Municipal Councilors utilizing the halls with special written consent from the Municipal Manager, for the purpose of ward meetings, information sessions to the public, e.g. crime talks etc.	Free of charge	Free of charge
18 Municipal Councilors and Municipal officials for private use (payment due immediately with booking of facility)	Tariffs as applicable to private purposes	Tariffs as applicable to private purposes
9. MADRIDINI COMMUNITY HALL		
<i>Mondays to Thursdays</i>		
1 Hire for commercial purposes, banquets, performances, concerts, film shows, business and beer (open), per hour or part thereof	R369.57	R378.00
2 Hire for weddings, anniversaries and children's parties, per hour or part thereof	R369.57	R378.00
3 Hire for medical meetings, per hour or part thereof	R372.72	R384.38
4 Hire for religious purposes, exhibitions of arts and crafts, art exhibitions, industrial and commercial exhibitions where the hall is required for one day only or part thereof, per hour	R71.44	R74.44
5 Hire for religious purposes, exhibitions of arts and crafts, art exhibitions, industrial and commercial exhibitions where the hall is required for longer than one day, per day or part thereof	R714.44	R744.44
6 Hire for religious purposes, per hour or part thereof	R114.48	R117.73
7 Hire for religious purposes, per hour or part thereof	R170.48	R176.11
8 Hire for religious purposes, per hour or part thereof	R20.18	R21.11
9 Hire for religious purposes, per hour or part thereof	R195.04	R206.74
10 Hire of public address system, per day or part thereof	R277.77	R294.38
11 Hire of hall for sport purposes, per hour or part thereof	R78.48	R83.67
12 Hire of hall and facilities for non-residents	Normal rate + 25%	Normal rate + 25%
13 Fridays and Saturdays - The tariff to hire the Community Hall	Normal tariff for hire mentioned in 1-12 above + 25%	Normal tariff for hire mentioned in 1-12 above + 25%
14 Sundays and Public Holidays - The tariff to hire the Community Hall	Normal tariff for hire mentioned in 1-12 above + 25%	Normal tariff for hire mentioned in 1-12 above + 25%
15 Refundable deposit per function, meeting, etc.	R120.00	R120.00
16 Municipal Councilors utilizing the halls with special written consent from the Municipal Manager, for the purpose of ward meetings, information sessions to the public, e.g. crime talks etc.	Free of charge	Free of charge
17 Municipal Councilors and Municipal officials for private use (payment due immediately with booking of facility)	Tariffs as applicable to private purposes	Tariffs as applicable to private purposes
10. CHURCHILL COMMUNITY HALL		
<i>Mondays to Thursdays</i>		
1 Hire for commercial purposes, banquets, performances, concerts, film shows, business and beer (open), per hour or part thereof	R313.90	R323.01
2 Hire for weddings, anniversaries and children's parties, per hour or part thereof	R312.10	R321.21
3 Hire for medical meetings, per hour or part thereof	R362.10	R373.31
4 Hire for religious purposes, exhibitions of arts and crafts, art exhibitions, industrial and commercial exhibitions where the hall is required for one day only or part thereof, per hour	R315.10	R326.31
5 Hire for religious purposes, exhibitions of arts and crafts, art exhibitions, industrial and commercial exhibitions where the hall is required for longer than one day, per day or part thereof	R947.64	R1,004.50
6 Hire for non-profit organisations, per hour or part thereof	R22.48	R23.71
7 Hire for religious purposes, per hour or part thereof	R114.48	R117.73
8 Hire for religious purposes, per hour or part thereof	R20.18	R21.11
9 Hire for religious purposes, per hour or part thereof	R195.04	R206.74
10 Hire of public address system, per day or part thereof	R277.77	R294.38
11 Hire of hall for sport purposes, per hour or part thereof	R78.48	R83.67
12 Hire of hall and facilities for non-residents	Normal rate + 25%	Normal rate + 25%
13 Fridays and Saturdays - The tariff to hire the Community Hall	Normal tariff for hire mentioned in 1-12 above + 25%	Normal tariff for hire mentioned in 1-12 above + 25%
14 Sundays and Public Holidays - The tariff to hire the Community Hall	Normal tariff for hire mentioned in 1-12 above + 25%	Normal tariff for hire mentioned in 1-12 above + 25%
15 Refundable deposit per function, meeting, etc.	R120.00	R120.00
16 Municipal Councilors utilizing the halls with special written consent from the Municipal Manager, for the purpose of ward meetings, information sessions to the public, e.g. crime talks etc.	Free of charge	Free of charge
17 Municipal Councilors and Municipal officials for private use (payment due immediately with booking of facility)	Tariffs as applicable to private purposes	Tariffs as applicable to private purposes
11. CHARLESTOWN COMMUNITY HALL		
<i>Mondays to Thursdays</i>		
1 Hire for commercial purposes, banquets, performances, concerts, film shows, business and beer (open), per hour or part thereof	R310.00	R328.01
2 Hire for weddings, anniversaries and children's parties, per hour or part thereof	R310.00	R328.01
3 Hire for medical meetings, per hour or part thereof	R362.10	R373.31
4 Hire for religious purposes, exhibitions of arts and crafts, art exhibitions, industrial and commercial exhibitions where the hall is required for one day only or part thereof, per hour	R315.10	R326.31
5 Hire for religious purposes, exhibitions of arts and crafts, art exhibitions, industrial and commercial exhibitions where the hall is required for longer than one day, per day or part thereof	R947.64	R1,004.50
6 Hire for non-profit organisations, per hour or part thereof	R22.48	R23.71
7 Hire for religious purposes, per hour or part thereof	R114.48	R117.73
8 Hire for religious purposes, per hour or part thereof	R20.18	R21.11
9 Hire for religious purposes, per hour or part thereof	R195.04	R206.74
10 Hire of public address system, per day or part thereof	R277.77	R294.38
11 Hire of hall for sport purposes, per hour or part thereof	R78.48	R83.67
12 Hire of hall and facilities for non-residents	Normal rate + 25%	Normal rate + 25%
13 Fridays and Saturdays - The tariff to hire the Community Hall	Normal tariff for hire mentioned in 1-12 above + 25%	Normal tariff for hire mentioned in 1-12 above + 25%
14 Sundays and Public Holidays - The tariff to hire the Community Hall	Normal tariff for hire mentioned in 1-12 above + 25%	Normal tariff for hire mentioned in 1-12 above + 25%
15 Refundable deposit per function, meeting, etc.	R120.00	R120.00
16 Municipal Councilors utilizing the halls with special written consent from the Municipal Manager, for the purpose of ward meetings, information sessions to the public, e.g. crime talks etc.	Free of charge	Free of charge
17 Municipal Councilors and Municipal officials for private use (payment due immediately with booking of facility)	Tariffs as applicable to private purposes	Tariffs as applicable to private purposes

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14	Friday and Saturdays The tariff to hire the Community Hall	Normal tariff for hire mentioned in 1-13 above + 25%			Normal tariff for hire mentioned in 1-13 above + 25%				
15	Sundays and Public Holidays The tariff to hire the Community Hall	Normal tariff for hire mentioned in 1-13 above + 50%			Normal tariff for hire mentioned in 1-13 above + 50%				
16	Refreshments, drinks and beverages, meetings, etc.	Free of charge			Free of charge				
17	Municipal Councillors utilizing the hall with special written consent from the Municipal Manager, for the purpose of ward meetings, information sessions to the public, e.g. crime talks etc.	Free of charge			Free of charge				
18	Municipal Councillors and Municipal officials for private use (payment due immediately with booking of facility)	Tariff as applicable to private use only			Tariff as applicable to private use only				

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K FORT ABNEY MUSEUM		
General		
1 Functions and programmes arranged to be done in liaison with the Directorate Culture and Amenities	Free of charge	
2 Hire of facility and/or grounds for purposes of meetings, functions, private parties, children's parties, for periods below 20 people	R150.00	R150.00
3 Hire of facility and/or grounds for commercial purposes, functions, trade, social, child or party, for more than 20 people	R191.80	R200.00
4 Hire for exhibition of arts and crafts and boxes where the facility is required for longer than one day only, per hour or part thereof, per hour	R1.00	R1.00
5 Hire for exhibition of arts and craft where the facility is required for longer than one day, per day	R1.00	R1.00
6 Hire for more than one day, per day	R6.00	R6.00
7 Provision for functions contemplated in 4-6 above		
8 Usage of rooms (including of the museum store)		
9 Refundable deposit on function, parties, etc	R500.00	R500.00
10 Municipal Councilors and officials for private use (payment due immediately with booking of facility)		
RELAIS RELATING TO PUBLIC LIBRARIES		
1 In instances where the Mayor/official is required after the specified return date, a portion of such material shall be liable to pay a fee:-		
(a) In the case of audio-visual material, per item per day or part thereof	R1.00 subject to maximum fee of R5.00	R1.00 subject to maximum fee of R5.00
(b) In the case of books for which there is a waiting list of more than ten members per day or part thereof	R1.00 subject to a maximum fee of R10.00	R1.00 subject to a maximum fee of R10.00
(c) In the case of any other library material, including books, for which there is no waiting list of more than ten members per week or part thereof	R1.00 subject to a maximum fee of R1.00 per item	R1.00 subject to a maximum fee of R5.00 per item
(d) In the case where reminders have been sent to members, an administrative fee	R1.00	R1.00
2 Membership fees	R177.82	R177.82
(a)(i) Membership fees for borrowers living outside the municipal area of Newcastle and who do not own property within the said area, per annum in advance	Free of charge	Free of charge
(a)(ii) Membership fees for children of school-going age or younger, living outside the municipal area of Newcastle and whose parents or legal guardian do not own property within the said area, on condition that at least one of the parents or guardian is a member of the library		
(b)(i) The following refundable deposit is payable by persons not usually resident in Newcastle (visitors) and can be forfeited in total or partially if the books are not returned or returned in a damaged condition which is not due to normal wear and tear	R499.70	R1.00
(b)(ii) Persons not usually resident in Newcastle (visitors) must supply a fixed residential address and are limited to borrow 3 items only per person		
3 Photocopy Cards		
(a) Fee for the return card	R14.15	R13
(b) Thereafter, per hour card	R2.30	R2
4 Photostat copies		
(a) Photostat copies - per A4 copy (Black and White)	R0.87	R1
(b) Photostat copies - per A4 copy (Colour)	R5.22	R7
(c) Photostat copies - per A3 copy (Black and White)	R1.24	R3
(d) Photostat copies - per A3 copy (Colour)	R10.43	R14
5 Public access computers (internet)		
(a) Fee for use of the public access computers at the library	Free of charge	Free of charge
(b) Fee for printing per A4 copy (Black and White)	R1.74	R2
(c) Fee for printing per A4 copy (Colour)	R4.06	R7
(d) Fee for printing per A3 copy (Black and White)	R3.47	R3
(e) Fee for printing per A3 copy (Black and White)	R14.79	R19
6 Damages to books	Estimated value of book as determined by the librarian at the time of damage, but not exceeding the cost of the item	Estimated value of book as determined by the librarian at the time of damage, but not exceeding the cost of the item
(a) Lost books	Full cost of item	Full cost of item
(b) Damage to loss of research, videos, films or any other library material	Full cost of item	Full cost of item
M GROUP ACTIVITIES ROOMS		
Newcastle Library		
1 Not to be used for religious and/or political purposes		
2 The tariff of charges shall be available to the user of any group activities room at any of the facilities in connection therewith and shall be payable in advance		
3 Any group activity room and all facilities and services shall, at the discretion of the Council, be made available free of charge for civic mayoral functions, functions and meetings held by the Council and functions generally approved by the Council		
4 Cultural and/or educational purposes or activities approved by the Directorate Culture and Amenities	Free of Charge	Free of Charge
5 Where the group activity room is reserved for one day, only, no part thereof, per hour	R117.82	R167.00
6 (a) Use of private activity rooms where it is required for periods longer than one day, per day or part thereof (normal office hours 0800 - 1700 only)	R106.05	R110.00
(b) Use of private activity rooms for periods longer than one day, per day or part thereof (normal office hours 0800 - 1700 only)		
7 (a) The normal hours of use are:-	R499.15	R530
(b) Refundable deposit on function, parties, etc	Approved tariffs as applicable to private persons only	Approved tariffs as applicable to private persons only
8 Municipal Councilors and Municipal Officials for private use (payment due immediately with booking of facility)		

ELECTRICITY SUPPLY BYLAWS		Final Tariff 2023/24	Final Tariff 2023/24						
Abbreviations and Definitions									
(a) Abbreviations									
<	Less than								
>	Greater than								
≥	Greater than or equal to								
A	Amperes								
c	Cents								
c/kWh	Cents per kilowatt-hour								
cm	Centimetre								
cmh	Centimetre-hour								
dm	Decimetre								
kVA	Kilovolt-ampere								
kVAh	Kilovolt-ampere-hour								
kV	Kilovolt								
kWh	Kilowatt-hour								
MPELA	Municipal Police Management Act, No. 56 of 2003								
MVA	Megavolt-ampere								
N/A	Not applicable								
NERSA	National Energy Regulator of South Africa								
NEDL	Notified maximum demand								
PF	Power factor								
R	Rand								
h.kVA	Hour per kilovolt-ampere								
TOU	Time of use								
V	Volt								
VAT	Value added tax								
W	Watt								
(b) Definitions									
Account	Is a record of transactions of delivery of electricity to the meter within an instalment								
(Active) Energy Charge	Is a charge for each unit of energy consumed typically charged for in c/kWh or R/kWh. For some tariffs the charge may be time and/or seasonally differentiated								
Administration Charge / Basic Charge	Is a contribution towards fixed costs such as meter reading, billing, administration and maintenance input and is a fixed charge payable over a month period typically a contractual period								
Annual Notified Capacity	Is the higher of the customer's NEDL or maximum demand measured in kVA, recorded during a rolling twelve month period								
Billing	Is the process of producing and delivering a bill (an account or invoice) for payments by a customer, calculated from the tariff schedule or as per agreement between the customer in a specific invoice jurisdiction and for the quantity of electricity that is consumed, measured and recorded by the meter and meter								
Billing Period	Is the period from one meter reading date (actual or estimated) to the following meter reading date (actual or estimated)								
Chargeable Demand	Is the highest average demand measured in kVA in a billing month during the chargeable time periods specified for each tariff								
Chargeable Time Periods	Are the time periods when demand registered will be charged for. The chargeable time periods differ and are described with the respective tariff								
Cost-effective Tariffs	Are tariffs that distinguish between the unique cost components (or cost drivers) for a specific customer or customer class and where the cost components recover the full associated cost to supply electricity to that customer								
Energy Demand Charge	Applicable to Scale 4 and 5 tariffs, is a R/kVA charge per annum which is seasonally differentiated and is based on the chargeable demand registered during the month in which the meter reads								
Estimated Load	The total connected load of an installation regulated by the Electricity Regulator according to SABS 0142:1997								
High Voltage	A nominal voltage of 132 000 Volt (± 5%) between any of the three phase conductors (SABS 1019)								
Key Customer	Is a customer identified by the Municipality that receives special services or consumes more than four 500 kVA recordings on contiguous sites								
Licensed Area of Supply	Is an area for which the National Energy Regulator of South Africa (NERSA) has issued a licence to the Municipality under the provisions of the Electricity Act, No. 41 of 1987, as amended, for supply of electricity in that area. Newcastle Municipality tariffs are only applicable where the Municipality is licensed to supply								
Load Factor	Is a ratio between the actual energy consumed and the energy that could have been consumed had the demand remained at the maximum for a usage period								
Low Voltage	A nominal voltage of 400 Volt (± 10%) between any of the three phase conductors and 230 volt (± 10%) between any phase and the neutral conductor (SABS 1019)								
Maximum Demand	Is the highest averaged demand measured in kVA or kW during any integrating period (normally 30 minutes) within a designated billing period (during all time available)								
Maximum Demand Charge	Payable for each kilovolt-ampere (kVA) supplied by the Council to a consumer during the demand integrating period of 30 (thirty) consecutive minutes in the month in which the meter reads in the month as per the applicable								
Medium Voltage	A nominal voltage of 11 000 Volt (± 5%) between any of the three phase conductors (SABS 1019)								
Monthly Notified Capacity	Is the higher of the customer's NEDL or maximum demand, measured in kVA, recorded during the billing month								
Network Charge	Is a charge payable per annum every month. The purpose of the network charge is to recover part of the fixed network costs (including capital, operations, maintenance and refurbishment) associated with the provision of network capacity required and reserved by the customer. For some tariffs the network charge is unbundled into a Network Capacity Charge (NCC) and a Network Access Charge (NAC).								

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5	Scale 3: Large domestic premises and small business premises (a) This scale shall apply to all other, chargeable premises and sporting bodies with a load under than 650 kVA supplied at low voltage (b) This scale shall apply to the small business consumer where the notified maximum demand is less than 650 kVA supplied at low voltage	
5.1	Monthly basic charge	R976
5.2	For a vacant stand where electricity can be connected	R905 05
5.3	(a) For a vacant domestic stand where electricity can be connected	R 13 67
5.4	Active energy charge	
5.4.1	Standard tariff per kWh consumed during the month	R 1 817
5.4.2	Time-of-use tariff per kWh consumed during the month in accordance with Eskom's specified time schedule	
5.4.2.1	TOU-Tariff High Season	
5.4.2.1.1	(a) Peak	R 3 11
5.4.2.1.2	(b) Standard	R 1 506
5.4.2.1.3	(c) Off-peak	R 0 735
5.4.2.2	TOU-Tariff Low Season	
5.4.2.2.1	(a) Peak	R 1 867
5.4.2.2.2	(b) Standard	R 1 362
5.4.2.2.3	(c) Off-peak	R 0 679
6	Scale 4: Medium business and industrial premises (a) This scale shall apply where the notified maximum demand is 65 kVA but less than 500 kVA supplied at low voltage Where the notified maximum demand on the premises of a consumer exceeds 100 kVA, the Council may require the consumer to be connected to the medium or high voltage system	
6.1	Monthly basic charge	R905 12
6.2	For a vacant stand where electricity can be connected	R 17 05
6.3	Maximum Demand Charge	
6.3.1	Standard Network demand charge per kVA supplied per month	R 180 95
6.3.2	Network access charge per kVA supplied per month	R 152 38
6.3.3	Time of Use Network demand charge per kVA supplied per month	R 56 83
6.3.4	Network access charge per kVA supplied per month	R 49 29
6.4	Active energy charge	
6.4.1	Standard tariff per kWh consumed during the month	R 1 032
6.4.2	Time of Use tariff per kWh consumed during the month in accordance with Eskom's specified time schedule	
6.4.2.1	TOU-Tariff High Season	
6.4.2.1.1	(a) Peak	R 4 038
6.4.2.1.2	(b) Standard	R 2 042
6.4.2.1.3	(c) Off-peak	R 1 139
6.4.2.2	TOU-Tariff Low Season	
6.4.2.2.1	(a) Peak	R 3 402
6.4.2.2.2	(b) Standard	R 1 846
6.4.2.2.3	(c) Off-peak	R 0 948
7	Scale 5: Large business and industrial premises (a) This scale shall apply where the notified maximum demand is 500 kVA but less than 4500 kVA supplied at medium or high voltage	
7.1	Monthly basic charge	R905 12
7.2	For a vacant stand where electricity can be connected	R 150 10
7.3	Maximum Demand Charge	
7.3.1	Standard Network demand charge per kVA supplied per month	R 164 49
7.3.2	Network access charge per kVA supplied per month	R 141 83
7.3.3	Time demand charge is payable at the notified demand according to Eskom's night save tariff	
7.3.4	Off Peak tariff shall be between 22:00 and 06:00 on weekdays excluding Saturdays, Sundays and public holidays, as extended from time to time	
7.3.5	Time of use tariff per kVA supplied per month in peak and standard periods on weekdays and Saturdays	
7.3.6	Time of Use Network demand charge per kVA supplied per month	R 52 48
7.3.7	Network access charge per kVA supplied per month	R 42 96
7.3.8	Time demand charge is payable at the notified demand according to Eskom's standard time schedule	
7.4	Active energy charge	
7.4.1	Standard tariff per kWh consumed during the month	R 1 053
7.4.2	Time of Use tariff per kWh consumed during the month in accordance with Eskom's specified time schedule	
7.4.2.1	TOU-Tariff High Season	
7.4.2.1.1	(a) Peak	R 3 334
7.4.2.1.2	(b) Standard	R 1 807
7.4.2.1.3	(c) Off-peak	R 0 735
7.4.2.2	TOU-Tariff Low Season	
7.4.2.2.1	(a) Peak	R 2 827
7.4.2.2.2	(b) Standard	R 1 302
7.4.2.2.3	(c) Off-peak	R 0 726
7.5	Value added charge (only applicable on the Time-of-Use tariff)	
7.5.1	Calculated as a percentage of the network demand, network access and active energy charges	
7.5.2	Network demand > 200 kVA and < 66 kV	10.07%
7.5.3	Network demand > 200 kVA and < 66 kV	17.30%
7.5.4	Network demand > 200 kVA and < 66 kV	3.12 C/mwh
7.5.5	Applied to the total active energy consumption per Eskom flow	
8	Scale 6: Standalone premises The Council reserves the right to negotiate special agreements and the applicable tariff with consumers where the notified maximum demand is 4 500 kVA and higher supplied at medium or high voltage	
9	Scale 7: Unmetered All electrical services used by Council may be considered an exempt charge. This applies to the consumption and availability charges	
10	Standards Charges	
10.1	Replacement of the minimum supply cable meter with another size of supply cable meter / arrester / standard	R 3 188 48
10.2	Removal of the minimum supply cable meter with another size of supply cable meter / arrester / standard	R 3 477 96
10.3	A form of new meter	R 4 350 48
10.4	A three phase meter (not available)	R 4 411 44
10.5	Replacement of the minimum supply cable meter with another size of supply cable meter / arrester / standard	
10.6	Any electrical service connection up to 1500 ampere as described in scale 1, 2, 3, 4, 5 and 7 shall comprise of the basic charge as indicated in schedule A, B and C as well as the amount indicated in schedule D. All sums are final inclusive VAT.	
SCHEDULE A -		
SINGLE-PHASE DOMESTIC SUPPLY (SCALE 1, 2 & 3)		
AMPERE	kVA	
50	15.8	R 8 954 88
75	18.4	R 12 772 62
100	23.0	R 14 913 14
SCHEDULE B -		
BUSINESS INDUSTRIAL SINGLE-PHASE		
AMPERE	kVA	
50	13.8	R 15 450 30
75	18.4	R 21 268 10
100	23.0	R 31 573 56
SCHEDULE C -		
THREE-PHASE SCALE 4, 5 & 7		
AMPERE	kVA	
50	15.8	R 21 004 48
75	18.4	R 27 811

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40	55	R94 136.67	R109 555.55
100	70	R117 479.38	R138 503.33
150	87	R170 961.56	R199 973.33
175	100	R244 630.44	R283 760.00
200	118	R372 080.24	R438 578.00
225	135	R534 693.94	R618 243.33
250	153	R695 612.76	R800 111.11
300	207	R1065 465.64	R1230 000.00
350	242	R1484 232.12	R1739 109.09
400	285	R2127 307.04	R2450 561.11
450	333	R2929 107.80	R3370 000.00
500	387	R3948 487.50	R4520 000.00
550	447	R5338 454.37	R6050 000.00
INTERING AND CIRCUIT BREAKER (PUSH DOWN SET)			
These Phase KVA standard tariff (consumption) per use tariff			
Three Phase KVA standard tariff			
These Phase KVA standard tariff (consumption) per use tariff			
These Phase KVA standard tariff (consumption) per use tariff			
(f) The tariffs contained in Schedule E shall be payable for circuit breaker (CB) components when requested by the consumer for a reduction in tariff			
CIRCUIT BREAKER (PUSH DOWN SET)			
Single phase in a maximum 100 ampere for scale 1 consumer			
Single phase in a maximum 100 ampere			
Single phase in a maximum 150 ampere			
(g) All service connections above 1500 ampere as described in Scale 5, 6 and 7 are based on cost plus 10% plus extra metering costs as indicated above in Schedule E as determined by the Director Technical Services (Electrical/Mechanical Services)			
(h) Any alterations to existing service connections shall be charged at cost plus 10% which shall include the contribution to the additional transformer capacity requirements. The maximum amount payable when only a circuit breaker change is required for the upgrade, shall be the difference between the old and new scale as indicated in schedule A, B and C unless the client is within the capacity originally applied and paid for, or as determined by the Director Technical Services (Electrical/Mechanical Services) Domestic premises (residential) where above mentioned shall be charged at cost plus 10% as indicated in schedule C and D.			
The existing service connection of 55 KVA, the greater of the two, shall be deducted from the transformer capacity costs where after the consumer will be liable for payment of the balance of the KVA (KVA) not available for the proposed requirements in a substation capacity.			
Where the consumer has originally contributed in full for the total transformer capacity or a larger transformer is installed against the consumer's protest, no KVA contribution charge will be levied.			
Store stock material which is re-usable shall be returned to the municipal stores. The consumer will be credited 50% of the current store stock value of these materials. When a service connection is reduced the consumer shall bear the full cost of all the material, transport and labour and no refund of any monies on material will be allowed.			
Use that one supply or remaining used on domestic premises shall be charged for as per three phase supply in Schedule C. This meter use as required.			
Upgrades from single phase to three phase supply shall be calculated by subtracting the existing KVA from the required upgrade and charged per KVA as per the Network Charge (NC).			
Individual domestic units in a group and other similar shall have separate metering.			
(i) The following shall apply to the supply of service connections and service connections above 1500 ampere:			
The consumer may supply material and labour or appoint an electrical contractor. All material supplied and work carried out shall be to the specifications and satisfaction of the Director Technical Services (Electrical/Mechanical Services) (second-hand materials his time guarantee). A clerk of works shall be appointed by the Director Technical Services (Electrical/Mechanical Services) to oversee the project. Tools and materials as determined by the Director Technical Services (Electrical/Mechanical Services) shall be deducted outpocketed by the Department Electrical/Mechanical Services. The project shall be approved in writing by the Director Technical Services (Electrical/Mechanical Services) prior to the commencement of any work. When a consumer supplies material and/or labour or appoints a contractor, all existing materials shall be returned to Council and the consumer will pay for installation to new standards.			
All material supplied by the consumer, and workmanship, shall be guaranteed for a minimum of twelve months or longer as required by the Director Technical Services (Electrical/Mechanical Services). All maintenance costs as determined by the Director Technical Services (Electrical/Mechanical Services) during the guarantee period, shall be for the consumer's account. All material as determined by the Director Technical Services (Electrical/Mechanical Services) shall be added to Council upon completion of the project. All material, transport and labour supplied by Council shall be at cost plus 10% as determined by the Director Technical Services (Electrical/Mechanical Services).			
(j) The cost of service connections shall be a fixed cost calculated at cost plus 10% and valid for sixty days from date of application unless the consumer requests alterations to the premises (dwelling).			
(k) The point of service connections at the point at which the installation on the consumer's premises is connected to the Council's supply mains, as determined by the Director Technical Services (Electrical/Mechanical Services)			
(l) The following shall be the responsibility of the electrical contractor:			
(a) The point of the cables between the property and Council at the point of supply.			
(b) An additional length (as determined by the Director Technical Services (Electrical/Mechanical Services)) of cable for the connection between the property and Council's equipment.			
(m) A security deposit shall be payable by all consumers as determined by Council from time to time. When the application for the provision of services is made by a corporate body/legal person, a natural person together with the corporate body/legal person, shall be accountable for the payment of all levies due to Council for services rendered. Deposits may be established to secure an estimated two and a half months supply as determined by Council from time to time.			
Where accounts for residential premises			
Consumer account for residential premises (scale 2)			
Consumer business account with water meter			
Consumer business account with both electricity and water			
Three phase residential/business (scale 3)			
Business account (scale 4)			
Industrial/business (scale 5)			
Consumer account for business premises			
Business account of building department			
(n) If the Consumer posts a credit card, the value of the original deposit paid or a existing guarantee held by the Municipality, may be reviewed from time to time by the CFO. The following deposit is available such time the payment is discontinued for non-payment.			
Domestic			
Business			
(o) Disconnection fees / late payment charges			
(i) Business disconnection fee / late payment for residential			
(ii) Residential non-payment disconnection fee / late payment for residential			
(iii) Residential (industrial) disconnection fee / late payment for residential			
(iv) Residential (industrial) meter 20 AMP (industrial) meter			
(v) Business water restriction fee			
(vi) Residential (industrial) water restriction fee			
(vii) Business (residential) late payment (scale 2)			
(viii) Residential (industrial) late payment (scale 2)			
(ix) Residential (industrial) late payment (scale 2)			
(x) Residential (industrial) late payment (scale 2)			
(xi) Residential (industrial) late payment (scale 2)			
(xii) Residential (industrial) late payment (scale 2)			
(xiii) Residential (industrial) late payment (scale 2)			
(xiv) Residential (industrial) late payment (scale 2)			
(xv) Residential (industrial) late payment (scale 2)			
(xvi) Residential (industrial) late payment (scale 2)			
(xvii) Residential (industrial) late payment (scale 2)			
(xviii) Residential (industrial) late payment (scale 2)			
(xix) Residential (industrial) late payment (scale 2)			
(xx) Residential (industrial) late payment (scale 2)			
(p) (i) Fee payable for the reading of meters on finishing an account, supplementary meter readings requested by consumers and report sent due to lack of normal access for portable meter readings, per visit.			
(ii) Fee for new service connection - meter of which was removed after 12000 for scale 01, meter			
(iii) Fee for the reading as well as analysis of special meters which are equipped with memory-bank facilities, depending on the total data available in the memory-bank of the meter			
(q) Fees for each visit of a representative of the Electrical Department to the consumer's premises:			
(i) Domestic			
(ii) Business (Industrial)			
(r) Metering fees:			
(i) Initial inspection of an installation			
(ii) The following tariffs shall be applied for the suspension of an existing installation of electricity by the consumer:			
(a) Domestic			
(b) Business (Industrial)			
(s) Fees payable for the metering of energy meters:			
(i) Tariff of each single phase meter			
(ii) Tariff of each three-phase meter			
(iii) Tariff of 400 AMP (industrial) meter			
(t) A fee of R1 073.95 is payable per 24 hour (this a fee of R336.00 per 24 hour period and thereafter for the following:			
(i) Single phase voltage recorder			
(ii) Single phase current recorder			
(iii) Three phase current recorder			
(iv) Three phase voltage recorder			
(v) Power factor recorder			
(u) Details of meters to be submitted to the municipality as per the requirements of 2018 OHS			
(v) Temporary connections shall be restricted to unoccupied premises, gatherings and functions. Temporary connections may not exceed a period of sixty days unless written approval has been obtained from the Director Technical Services (Electrical/Mechanical Services). After sixty days the electricity shall be turned off without further notice.			
Temporary meter connections shall be charged at the same rate as a permanent connection as indicated in schedules A, B, C and D. For consumption as well as connection, the normal of daily use shall apply.			
The following shall apply to unsecured temporary connections. Should the electricity be turned off and the consumer requests an extension of time, the consumer shall be charged for a new connection. Should the consumer request an extension of time prior to disconnection, then only the daily rate will apply (a minimum of 24-hours written notice shall be required for an extension of time). A call-out charge of R569.87 shall be payable for the connection and disconnection of an unsecured temporary electrical connection. The tariff shall be valid from 01 September 2023 until 31 August 2024.			
Electricity consumption fees for unsecured (scale 4) temporary connections as indicated in schedule F shall apply per 24 hour period of each day.			
		R726 10	R770

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SCHEDULE 1*		
Single Phase		
AMPERE		
20	R48.76	R42
40	R84.80	R80
60	R119.91	R124
80	R171.73	R162
100	R214.47	R211
Three-Phase		
AMPERE		
20	R143.10	R132
40	R281.00	R271
60	R399.56	R422
80	R520.46	R521
100	R643.30	R640
*Not refund will be allowed after disconnection of any temporary electricity connection.		
(a) Foundations for accessory equipment shall be installed on the following conditions -		
(i) A consumer requiring floodlighting for security purposes shall be responsible for the total installation costs thereof. The installation shall be performed by Council.		
(ii) Flood amount payable on a monthly basis for electricity consumed as indicated below -		
125-watt	R99.10	R96
250-watt	R172.22	R168
400-watt	R246.88	R242
(iii) Consumers shall be responsible for removal, however, payment of rental shall terminate at the end of the month following the date of removal thereof.		
(iv) Removal of the lamp(s) shall be done by the consumer and associated equipment shall remain the property of Council.		
(v) Repair costs shall be the responsibility of the consumer, in the event of vandalism. Repairs shall be performed by the Council.		
(vi) Amount payable for the supply and installation of floodlights are: floodlight		
125 wattary sodium fitting	R638.74	R740
250 watt-mercury sodium fitting	R638.74	R638
400 watt-mercury sodium fitting	R638.74	R638
(vii) Amount payable for the installation of a floodlight fitting supplied by the client. Only floodlight fittings approved by the Director: Technical Services (Electrical/Mechanical Services) shall be approved.		
(viii) Amount payable to erect a streetlight pole by the provision of a floodlight		
	R51,481.57	R50,811
(ix) Fees payable for the replacement of streetlight poles -		
(i) - 3 metre mercury fitting	R9,545.18	R10,161
(ii) - 7.5 and 10 metre mercury fitting	R11,201.02	R11,873
(x) Temporary floodlights installed on private streets only:		
Installation and removal	R5,103.18	R4,447
400 W	R2,303.33	R2,447
250 W	R2,013.11	R1,448
125 W		
Hours and electricity consumption per 24 hour period		
400 W	R14,713.32	R16,183
250 W	R84.25	R101
125 W	R42.13	R42
(xi) The following shall apply to illuminated signs/signage with exception from streetlights circuit		
(i) The installation costs shall be as per schedule B in C		
(ii) Monthly fee payable per 100W or portion thereof. Payment shall terminate at the end of the month following the date of removal thereof		
(iii) Monthly fee payable per 100W or portion thereof		
(iv) Demand control relays shall be installed on the installation of electronic signage.		
(v) The electrical consumer appointed by the property owner shall install the demand control relay at no cost to Council and according to the requirements of the Director: Technical Services (Electrical/Mechanical Services). The said relays shall remain the property of Council.		
Demand control relays are obtainable from the offices of the Director: Technical Services (Electrical/Mechanical Services).		
Domestic consumers on the standard tariff shall have a demand control relay installed on their premises.		
Domestic consumers on the time-of-use tariff may have the demand control relay removed in which instance the relay shall be returned to the Director: Technical Services (Electrical/Mechanical Services).		
(c) The Director: Technical Services (Electrical/Mechanical Services) will provide, free of charge, such technical assistance which may be required to comply with the regulations as set out in the Statutory (Health and Safety) Act No. 81 of 1977.		
(d) The following will be deemed to be a fire alarm system		
(i) The installation cost for a sub-division of an existing residential property will be:		
(ii) Where an electrical control is found to have been tampered with or the system is found to be faulty, the following temporary fee shall apply:		
Temporary fee - Existing Single or Applicable Network Charge as per Schedule B in C		
Water reticulation fee as per Item 1.6. Security Charge of Schedule D, which depends on the type of meter used		
Security Alarm as per Item 1.6. Alarm		
Electricity consumption as per the "Domestic Consumer or the Provision of Meter - Domestic Consumer" Chapter 17 of the Supply By-Laws		
Security Charge shall be applied for payment from date of meter delivery. Failure to comply shall result in the electrical tower to be switched off immediately.		
Payment Arrangements to be made as the By-Laws and Domestic Consumer, in the event of payment arrangements to be provided.		
Payment in respect of damage made to the electrical works will be the full cost of the work.		
(iii) Damages to Traffic Control Equipment, in cases of an accident, involving of damages to any electrical equipment		
All the above-mentioned tariffs in respect of services rendered are subject to Value Added Tax as determined from time to time.		

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SEWER		
Household levy		
(i) Residential waterborne sewer, excluding both intercept and separate by owner monthly	R299.91	R278
(ii) Both intercept and separate by owner monthly	R299.91	R278
(iii) Residential other than waterborne sewer, separate by owner monthly	R107.93	R114
(iv) Business and Industry per kiloliter of water consumed, separate monthly	R4.12	R4
The Lessee will be responsible for the availability levy charged against any State owned approved property which is administered by the Provincial Department of Public Works		
Industrial households will be fully subsidised		
MUNICIPAL OWN USE		
All water and sewer services used by Council may be considered as Council's charge. This also applies to the availability and flood charges.		
SEWERAGE		
A security deposit shall be payable by all consumers as determined by Council from time to time. When the application for the provision of services is made by a corporate body/legal person, a natural person together with the corporate body/legal person, shall be accountable for the payment of all fees due to Council for services rendered. Deposits shall be refundable to them on termination of the service, subject as determined by Council from time to time.		
Charges for sewerage services (sewerage) are as follows:-		
(i) Sewer connection - All areas except Blaarwoude, Dicks Hill and Marman	R8 214.54	R8 707
(ii) Sewer connection - Blaarwoude, Dicks Hill and Marman	R1 000.00	R1 120
(iii) Connection in excess of 20 metres	Cost + 6%	Cost + 6%
(iv) Charge for the laying of meters up to 50mm	R67.17	R71.11
(v) Charge for the laying of meters in excess of 50mm	Cost + 6%	Cost + 6%
(vi) Disconnection or restricted flow (see and recommendations to members of committee for default payments, per visit	R774.88	R818
(a) During normal office hours	R1 000.00	R1 070
(b) After normal office hours		
All the above-mentioned tariffs in respect of services rendered are subject to value added tax as determined from time to time		
MISCELLANEOUS SERVICES		
1. For executing the following services or hiring out of plant or equipment for the purpose envisaged in section 252 of the Local Authorities Ordinance, 1974, the following charges shall be levied and paid, provided that prior to these services being undertaken or the plant or equipment being hired out, arrangements to the satisfaction of the Strategic Executive Director, Budget and Treasury Office shall be made for the payment of the amount involved, except where it is specifically stated that the fees shall be paid in advance		
(a) Hire of plant or equipment	Cost + 6%	Cost + 6%
(b) Street drainage: Connecting with sewer drains and channels from private property to sewer channels adjacent to the street	Cost + 6%	Cost + 6%
(c) Restatement of road surfaces	Cost + 6%	Cost + 6%
(d) Hire of machinery (excluding operator during normal working hours)	Cost + 6%	Cost + 6%
(e) Above the street: erecting, painting, repairing, or demolishing to correct the erection of veranda columns or other structures	Cost + 6%	Cost + 6%
(f) Construction of gutter troughs or downpipes across street drains	Cost + 6%	Cost + 6%
(g) When street-paved simultaneously with the laying of any street drain, one vehicle entrance	No charge	No charge
(h) Additional vehicle entrance	Cost + 6%	Cost + 6%
(i) When constructed after the street drain has been completed	Cost + 6%	Cost + 6%
All the above-mentioned tariffs in respect of services rendered are subject to value added tax as determined from time to time		
(j) When constructed after the street drain has been completed	No charge	No charge
(k) When constructed after the street drain has been completed	Cost + 10%	Cost + 10%
(l) When constructed after the street drain has been completed	Cost + 10%	Cost + 10%
All the above-mentioned tariffs in respect of services rendered are subject to value added tax as determined from time to time		
BYLAWS FOR THE REGIONAL AIRPORT AND MUNICIPAL AIRPORT		
The following limited fees and charges are payable to the Council for the use of the Council's airport and facilities provided at the airport.		
Block landing		
(a) 10% of the tariff applicable to State airports as published in Government Gazette No. 10931 of 25 September 1987, under Government Notice No. R2120, as amended from time to time in the State		
(b) 10% of the charge for an aircraft of equal weight to that of the aircraft		
Block landing certificate		
(a) Companies, flying clubs and similar organisations operating one or more aircraft, or handling a number of aircraft in the course of their business or activities respectively may apply for block landing privileges as stipulated in terms of paragraph 2(b). Registration letters of aircraft to be charged under the block landing scheme shall be registered with the Director of Civil Aviation		
(b) The monthly charge raised under this scheme shall be calculated as follows: Number of landings per month calculated pro rata on the actual number of landings the previous month or such other period as a tariff committee may determine		
1 - 25	100%	100%
26 - 50	90%	90%
51 - 75	80%	80%
76 - 100	70%	70%
In excess of 100	60%	60%

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3 Special charges Pupil pilots shall pay a landing fee calculated at one fifth of the normal landing fee		
4 Flying clubs Landing fees for flying clubs shall be 50% of the fees prescribed in 1(a)	Above with a maximum of R20150 per month	Above with a maximum of R20150 per month
5 Exemptions (a) No landing fees shall be payable in respect of aircraft referred to in rule 6 of the airport charges as published in Government Gazette No. 20749 of 30 December 1999, under Notice No. 2817, as amended from time to time, in the Rules (b) In addition to (a) above, the under mentioned aircraft shall be exempted from paying landing fees - ambulance aircraft, vintage aircraft belonging to historical aircraft preservation organisations, and all helicopters to the South African Air Force and aircraft used by the President or the Premier of the Republic of South Africa		
6 Rental of hangars (a) Hangars constructed by Council, per month	R914,32pm	R914,32pm
(b) Hangars constructed by private individuals, per month	R457,16pm	R457,16pm
7 Administration fee Fee to be levied for non-payment for landing at the Newcastle Airport	R9 600	
BUILDING BYLAWS		
8 Every application for the approval of any building plan in terms of these bylaws shall be accompanied by the following fees	R9 600	
(a) For every new building, temporary building, addition to, or alteration of existing building	R1 125 577	R443 817
(b) For buildings in excess of 20m ² and up to 1500m ²	R440 54	R466 97
20-25m ²	R51 000	R54 31
26-30m ²	R56 82	R60 17
31-35m ²	R62 65	R66 03
36-40m ²	R68 47	R71 89
41-45m ²	R74 30	R77 75
46-50m ²	R80 12	R83 61
51-55m ²	R85 95	R89 47
56-60m ²	R91 77	R95 33
61-65m ²	R97 60	R101 19
66-70m ²	R103 42	R107 05
71-75m ²	R109 25	R112 91
76-80m ²	R115 07	R118 77
81-85m ²	R120 90	R124 63
86-90m ²	R126 72	R130 49
91-95m ²	R132 55	R136 35
96-100m ²	R138 37	R142 21
101-105m ²	R144 20	R148 07
106-110m ²	R150 02	R153 93
111-115m ²	R155 85	R159 79
116-120m ²	R161 67	R165 65
121-125m ²	R167 50	R171 51
126-130m ²	R173 32	R177 37
131-135m ²	R179 15	R183 23
136-140m ²	R184 97	R189 09
141-145m ²	R190 80	R194 95
146-150m ²	R196 62	R200 81
151-155m ²	R202 45	R206 67
156-160m ²	R208 27	R212 53
161-165m ²	R214 10	R218 39
166-170m ²	R219 92	R224 25
171-175m ²	R225 75	R230 11
176-180m ²	R231 57	R235 97
181-185m ²	R237 40	R241 83
186-190m ²	R243 22	R247 69
191-195m ²	R249 05	R253 55
196-200m ²	R254 87	R259 41
201-205m ²	R260 70	R265 27
206-210m ²	R266 52	R271 13
211-215m ²	R272 35	R276 99
216-220m ²	R278 17	R282 85
221-225m ²	R284 00	R288 71
226-230m ²	R289 82	R294 57
231-235m ²	R295 65	R300 43
236-240m ²	R301 47	R306 29
241-245m ²	R307 30	R312 15
246-250m ²	R313 12	R318 01
251-255m ²	R318 95	R323 87
256-260m ²	R324 77	R329 73
261-265m ²	R330 60	R335 59
266-270m ²	R336 42	R341 45
271-275m ²	R342 25	R347 31
276-280m ²	R348 07	R353 17
281-285m ²	R353 90	R359 03
286-290m ²	R359 72	R364 89
291-295m ²	R365 55	R370 75
296-300m ²	R371 37	R376 61
301-305m ²	R377 20	R382 47
306-310m ²	R383 02	R388 33
311-315m ²	R388 85	R394 19
316-320m ²	R394 67	R400 05
321-325m ²	R400 50	R405 91
326-330m ²	R406 32	R411 77
331-335m ²	R412 15	R417 63
336-340m ²	R417 97	R423 49
341-345m ²	R423 80	R429 35
346-350m ²	R429 62	R435 21
351-355m ²	R435 45	R441 07
356-360m ²	R441 27	R446 93
361-365m ²	R447 10	R452 79
366-370m ²	R452 92	R458 65
371-375m ²	R458 75	R464 51
376-380m ²	R464 57	R470 37
381-385m ²	R470 39	R476 23
386-390m ²	R476 22	R482 09
391-395m ²	R482 04	R487 95
396-400m ²	R487 87	R493 81
401-405m ²	R493 69	R499 67
406-410m ²	R500 52	R505 53
411-415m ²	R506 35	R511 39
416-420m ²	R512 17	R517 25
421-425m ²	R518 00	R523 11
426-430m ²	R523 82	R528 97
431-435m ²	R529 65	R534 83
436-440m ²	R535 47	R540 69
441-445m ²	R541 30	R546 55
446-450m ²	R547 12	R552 41
451-455m ²	R552 95	R558 27
456-460m ²	R558 77	R564 13
461-465m ²	R564 60	R570 00
466-470m ²	R570 42	R575 86
471-475m ²	R576 25	R581 72
476-480m ²	R582 07	R587 58
481-485m ²	R587 90	R593 44
486-490m ²	R593 72	R599 30
491-495m ²	R600 55	R605 16
496-500m ²	R606 37	R611 02
501-505m ²	R612 20	R616 88
506-510m ²	R618 02	R622 74
511-515m ²	R623 85	R628 60
516-520m ²	R629 67	R634 46
521-525m ²	R635 50	R640 32
526-530m ²	R641 32	R646 18
531-535m ²	R647 15	R652 04
536-540m ²	R652 97	R657 90
541-545m ²	R658 80	R663 76
546-550m ²	R664 62	R669 62
551-555m ²	R670 45	R675 48
556-560m ²	R676 27	R681 34
561-565m ²	R682 10	R687 20
566-570m ²	R687 92	R693 06
571-575m ²	R693 75	R698 92
576-580m ²	R700 58	R704 78
581-585m ²	R706 40	R710 64
586-590m ²	R712 23	R716 50
591-595m ²	R718 05	R722 36
596-600m ²	R723 88	R728 22
601-605m ²	R729 70	R734 08
606-610m ²	R735 53	R739 94
611-615m ²	R741 35	R745 80
616-620m ²	R747 18	R751 66
621-625m ²	R753 00	R757 52
626-630m ²	R758 83	R763 38
631-635m ²	R764 65	R769 24
636-640m ²	R770 48	R775 10
641-645m ²	R776 30	R780 96
646-650m ²	R782 13	R786 82
651-655m ²	R787 95	R792 68
656-660m ²	R793 78	R798 54
661-665m ²	R800 60	R804 40
666-670m ²	R806 43	R810 26
671-675m ²	R812 25	R816 12
676-680m ²	R818 08	R822 00
681-685m ²	R823 90	R827 86
686-690m ²	R829 73	R833 72
691-695m ²	R835 55	R839 58
696-700m ²	R841 38	R845 44
701-705m ²	R847 20	R851 30
706-710m ²	R853 03	R857 16
711-715m ²	R858 85	R863 02
716-720m ²	R864 68	R868 88
721-725m ²	R870 50	R874 70
726-730m ²	R876 33	R880 56
731-735m ²	R882 15	R886 42
736-740m ²	R887 98	R892 28
741-745m ²	R893 80	R898 14
746-750m ²	R899 63	R904 00
751-755m ²	R905 45	R909 86
756-760m ²	R911 28	R915 68
761-765m ²	R917 10	R921 54
766-770m ²	R922 93	R927 40
771-775m ²	R928 75	R933 26
776-780m ²	R934 58	R939 12
781-785m ²	R940 40	R944 98
786-790m ²	R946 23	R950 84
791-795m ²	R952 05	R956 70
796-800m ²	R957 88	R962 56
801-805m ²	R963 70	R968 42
806-810m ²	R969 53	R974 28
811-815m ²	R975 35	R980 14
816-820m ²	R981 18	R985 96
821-825m ²	R987 00	R991 82
826-830m ²	R992 83	R997 68
831-835m ²	R998 65	R1003 54
836-840m ²	R1004 48	R1009 40
841-845m ²	R1010 30	R1015 26
846-850m ²	R1016 13	R1021 12
851-855m ²	R1021 95	R1026 98
856-860m ²	R1027 78	R1032 84
861-865m ²	R1033 60	R1038 70
866-870m ²	R1039 43	R1044 56
871-875m ²	R1045 25	R1050 42
876-880m ²	R1051 08	R1056 28
881-885m ²	R1056 90	R1062 14
886-890m ²	R1062 73	R1067 96
891-895m ²	R1068 55	R1073 82
896-900m ²	R1074 38	R1079 68
901-905m ²	R1080 20	R1085 54
906-910m ²	R1086 03	R1091 40
911-915m ²	R1091 85	R1097 26
916-920m ²	R1097 68	R1103 12
921-925m ²	R1103 50	R1108 98
926-930m ²	R1109 33	R1114 84
931-935m ²	R1115 15	R1120 70
936-940m ²	R1120 98	R1126 56
941-945m ²	R1126 80	R1132 42
946-950m ²	R1132 63	R1138 28
951-955m ²	R1138 45	R1144 14
956-960m ²	R1144 28	R1150 00
961-965m ²	R1150 10	R1155 86
966-970m ²	R1155 93	R1161 72
971-975m ²	R1161 75	R1167 58
976-980m ²	R1167 58	R1173 44
981-985m ²	R1173 40	R1179 30
986-990m ²	R1179 23	R1185 16
991-995m ²	R1185 05	R1191 02
996-1000m ²	R1190 90	R1196 88

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480-485m ²	R6 771.54	R7 170.54
485-490m ²	R6 811.33	R7 190.54
490-495m ²	R6 851.13	R7 210.54
495-500m ²	R7 081.00	R7 230.54
500-505m ²	R7 221.76	R7 250.54
505-510m ²	R7 362.52	R7 270.54
510-515m ²	R7 503.28	R7 290.54
515-520m ²	R7 644.04	R7 310.54
520-525m ²	R7 784.80	R7 330.54
525-530m ²	R7 925.56	R7 350.54
530-535m ²	R8 066.32	R7 370.54
535-540m ²	R8 207.08	R7 390.54
540-545m ²	R8 347.84	R7 410.54
545-550m ²	R8 488.60	R7 430.54
550-555m ²	R8 629.36	R7 450.54
555-560m ²	R8 770.12	R7 470.54
560-565m ²	R8 910.88	R7 490.54
565-570m ²	R9 051.64	R7 510.54
570-575m ²	R9 192.40	R7 530.54
575-580m ²	R9 333.16	R7 550.54
580-585m ²	R9 473.92	R7 570.54
585-590m ²	R9 614.68	R7 590.54
590-595m ²	R9 755.44	R7 610.54
595-600m ²	R9 896.20	R7 630.54
600-605m ²	R10 036.96	R7 650.54
605-610m ²	R10 177.72	R7 670.54
610-615m ²	R10 318.48	R7 690.54
615-620m ²	R10 459.24	R7 710.54
620-625m ²	R10 600.00	R7 730.54
625-630m ²	R10 740.76	R7 750.54
630-635m ²	R10 881.52	R7 770.54
635-640m ²	R11 022.28	R7 790.54
640-645m ²	R11 163.04	R7 810.54
645-650m ²	R11 303.80	R7 830.54
650-655m ²	R11 444.56	R7 850.54
655-660m ²	R11 585.32	R7 870.54
660-665m ²	R11 726.08	R7 890.54
665-670m ²	R11 866.84	R7 910.54
670-675m ²	R12 007.60	R7 930.54
675-680m ²	R12 148.36	R7 950.54
680-685m ²	R12 289.12	R7 970.54
685-690m ²	R12 429.88	R7 990.54
690-695m ²	R12 570.64	R8 010.54
695-700m ²	R12 711.40	R8 030.54
700-705m ²	R12 852.16	R8 050.54
705-710m ²	R12 992.92	R8 070.54
710-715m ²	R13 133.68	R8 090.54
715-720m ²	R13 274.44	R8 110.54
720-725m ²	R13 415.20	R8 130.54
725-730m ²	R13 555.96	R8 150.54
730-735m ²	R13 696.72	R8 170.54
735-740m ²	R13 837.48	R8 190.54
740-745m ²	R13 978.24	R8 210.54
745-750m ²	R14 119.00	R8 230.54
750-755m ²	R14 259.76	R8 250.54
755-760m ²	R14 400.52	R8 270.54
760-765m ²	R14 541.28	R8 290.54
765-770m ²	R14 682.04	R8 310.54
770-775m ²	R14 822.80	R8 330.54
775-780m ²	R14 963.56	R8 350.54
780-785m ²	R15 104.32	R8 370.54
785-790m ²	R15 245.08	R8 390.54
790-795m ²	R15 385.84	R8 410.54
795-800m ²	R15 526.60	R8 430.54
800-805m ²	R15 667.36	R8 450.54
805-810m ²	R15 808.12	R8 470.54
810-815m ²	R15 948.88	R8 490.54
815-820m ²	R16 089.64	R8 510.54
820-825m ²	R16 230.40	R8 530.54
825-830m ²	R16 371.16	R8 550.54
830-835m ²	R16 511.92	R8 570.54
835-840m ²	R16 652.68	R8 590.54
840-845m ²	R16 793.44	R8 610.54
845-850m ²	R16 934.20	R8 630.54
850-855m ²	R17 074.96	R8 650.54
855-860m ²	R17 215.72	R8 670.54
860-865m ²	R17 356.48	R8 690.54
865-870m ²	R17 497.24	R8 710.54
870-875m ²	R17 638.00	R8 730.54
875-880m ²	R17 778.76	R8 750.54
880-885m ²	R17 919.52	R8 770.54
885-890m ²	R18 060.28	R8 790.54
890-895m ²	R18 201.04	R8 810.54
895-900m ²	R18 341.80	R8 830.54
900-905m ²	R18 482.56	R8 850.54
905-910m ²	R18 623.32	R8 870.54
910-915m ²	R18 764.08	R8 890.54
915-920m ²	R18 904.84	R8 910.54
920-925m ²	R19 045.60	R8 930.54
925-930m ²	R19 186.36	R8 950.54
930-935m ²	R19 327.12	R8 970.54
935-940m ²	R19 467.88	R8 990.54
940-945m ²	R19 608.64	R9 010.54
945-950m ²	R19 749.40	R9 030.54
950-955m ²	R19 890.16	R9 050.54
955-960m ²	R20 030.92	R9 070.54
960-965m ²	R20 171.68	R9 090.54
965-970m ²	R20 312.44	R9 110.54
970-975m ²	R20 453.20	R9 130.54
975-980m ²	R20 593.96	R9 150.54
980-985m ²	R20 734.72	R9 170.54
985-990m ²	R20 875.48	R9 190.54
990-995m ²	R21 016.24	R9 210.54
995-1000m ²	R21 157.00	R9 230.54

	Final Tariff 2023/24	Draft Tariff 2023/24
(c) For areas greater than 1500m ²	Final Tariff 2023/24 Sliding scale 1500m ² = R15,600 + 50% of rate R60 00 (R30 00) per 10m ² plus R380 for first 20m ²	Draft Tariff 2023/24 Sliding scale 1500m ² = R15,600 + 50% of rate R60 00 (R30 00) per 10m ² plus R380 for first 20m ²
2 Fees payable in some cases where the application has not been issued - 50% of the fees as provided in (1) above	R297.36	R317.20
3 Minor alterations to existing buildings, per certificate	R1 140.12	R1 144.57
4 Major alterations to existing commercial buildings	R773.80	R830.23
5 Alterations for the relaxation of building lines, side and rear setbacks, per application	- 50% of the fees provided in (1) above	- 50% of the fees provided in (1) above
6 Alterations to existing buildings, including alterations to floor layout plans, pedestrian malls, toilets, fire fighting equipment, refuse areas and substations	R174.46	R196.27
7 Temporary goods and miscellaneous fees tariff for plans for any building work and other applications (Additional to other plan fees)		
8 Fees as a result of notification. Per notified in accordance with section 144(1)		
9 Subsequent to notification in accordance with section 145		
(a) Per letter, per hour or part thereof	Cost + 10%	Cost + 10%
(b) Officer, per hour or part thereof	Cost + 10%	Cost + 10%
10 Plan in relation of street excavation, per job or amount	R10.67	R12.51
(a) Materials, per cubic metre	R3.61	R4.64
(b) Manpower and contractor, per labourer, per hour or part thereof	R10.06	R10.06
Under each category - 1 hour	R139.15	R139.15
Under each category - 1 day		
21 Commencement of building work, per month	R16.52	R17.51
(a) General building work including hoardings for construction work, demolition, material storage on Council property or encroachment on parking areas, per square metre or part	R16.52	R17.51
(b) All construction sites effective to metered parking bays the tariff shall be determined by the Director of Community Services with due regard to the parking tariff in that area per eight hour parking bay	R16.52	R17.51
(c) Hoardings also includes, per bay monthly	R363.66	R385.25
(d) The following fees shall be paid for the examination and approval of plans for the installation of essential services in terms of any applicable development		
(1) Plan fee	R275.34	R291.80
(b) Water reticulation, per linear metre	R4.41	R4.63
(c) Sewer reticulation, per linear metre	R4.41	R4.63
(d) Storm water reticulation, per linear metre	R4.41	R4.63
(e) Staff salaries	R4.41	R4.63
(f) Staff salaries	R4.41	R4.63
The Council may charge an additional fee should special circumstances arise resulting in additional inspection work not normally covered by the fees charged above	Cost plus 10%	Cost plus 10%
22 Search and handling fee on each business plan file	R68.11	R72.00
23 Rebuilding fee for on-site works	R1 750.12	R1 844.52
24 Laying of Fibre Optic Cables - per kilometre. Free from then to 10km	R4 367.95	R4 747.60
25 Laying of Fibre Optic Cables - per kilometre after 10km	R470.78	R4 972.14
26 Subsequent fee for installation for Lease of land	R131.71	R138.73
27 Making order effective and payment		
28 Offences	R0.00	R0.00
29 Building over by Local Government Authority	R17.52	R179.47
Commencement and erection of structures without approved building plans having been warned by Council (first offence)	R10,600.00	R11,266.00
Commencement and erection of structures without approved building plans having been warned by Council (second offence)	R31,800.00	R33,708.00
Commencement and erection of structures without approved building plans having been warned by Council (third offence)	R63,600.00	R67,416.00
Occupying a building prior to issue of occupation certificate by Local Authority	R5,198.32	R5,510.22
Changing the use of a building without consent of Local Authority and not complying with notice to cease the new use	R5,198.32	R5,510.22
Deviation from approved plans to material extent	R5,198.32	R5,510.22
Carrying out plumbing work by person other than a bonded plumber or exempted person	R5,198.32	R5,510.22
Piping into use a drainage system prior to inspection test and approval by Local Authority	R5,198.32	R5,510.22
No notice given for excavation and testing of sewer and drainage installations	R5,198.32	R5,510.22
Excavation, drainage, sewer installation, even to water and approval	R5,198.32	R5,510.22
No notice given for inspection to erect or demolish a building	R5,198.32	R5,510.22
No notice given for inspection of trenches or excavation prior to placing of concrete for foundation	R5,198.32	R5,510.22
Construction installations before approval of installation	R5,198.32	R5,510.22
Failing to comply with a notice to remove public nuisance and/or debris from a building site	R5,198.32	R5,510.22
Removal or destruction of a building without appropriate written permits for activities	R5,198.32	R5,510.22
Demolition of a building without permission from Local Authority	R5,198.32	R5,510.22
Removal or destruction of a building without erecting a building	R5,198.32	R5,510.22
Leaving a building in course of demolition in a state dangerous to the public or any adjoining property	R5,198.32	R5,510.22
Failure to comply with a notice to remove public nuisance and/or debris from a building site	R5,198.32	R5,510.22
Failing to comply with a notice to remove surplus material and water from the site or land or Public Street or place arising from building or demolition work	R5,198.32	R5,510.22
Permitting sewerage to enter a street, stormwater drain or stormwater system	R5,198.32	R5,510.22
Permitting storm water to enter any sewer installation	R5,198.32	R5,510.22
Failing to control access to a swimming pool	R5,198.32	R5,510.22
When an unoccupied vacant property is kept in a unsightly objectionable and not in the interest of good health and hygiene conditions	R6,134.46	R6,407.53
Hoarding or obstructing a building inspector (Authorized by the Council) in the exercise of his powers		
COSTS OF INFORMATION FROM GEOGRAPHIC INFORMATION SYSTEM (GIS)	R0.00	R0.00
A4 size - fully color information	R44.05	R46.75
A3 size - fully color information	R88.11	R93.50
A2 size - fully color information	R176.22	R187.00
A1 size - fully color information	R352.44	R374.00
All size - fully color information	R704.88	R748.00

	Final Tariff 2023/24	Draft Tariff 2023/24
ADVERTISING SIGN BYLAWS		
A1 OUTDOOR ADVERTISING		
All applications shall be in accordance with the Newcastle Municipality's Outdoor Advertising Policy and By-Laws		
(a) Removal of general advertisements of a commercial nature (rentals)	R0.00	R0.00
(b) Each poster with an approved sticker	R44.05	R46.75
(c) Removal of posters by Council for each poster	R66.08	R70.05
(d) In respect of general advertisements for awareness campaigns with commercial content logos	R0.00	R0.00
(e) Each poster with an approved sticker	R33.04	R33.04
(f) Removal of posters by Council for each poster	R66.08	R70.05
(g) In respect of general advertisements for non-profit organisations (subject to submission of a NZFCA Certificate from the relevant authority, as an exemption)	R0.00	R0.00
(h) Each poster with an approved sticker	R22.05	R23.31
(i) Removal of posters by Council for each poster	R66.08	R70.05
(j) In respect of election advertisements, that exceed per candidate:	R0.00	R0.00
(k) Posters (candidate number)	R3,116.75	R3,704.40
(l) Removal of posters by Council for each poster	R66.08	R70.05
(m) Posters:	R0.00	R0.00
(n) For Poster with an approved sticker	R1,156.81	R1,275.70
(o) Removal of posters by Council for each banner	R616.75	R655.76
(p) Aerial Advertisements	R0.00	R0.00
(q) Application Fee	R2,441.10	R2,696.24
(r) Advertiser's Vehicle	R14.99	R16.84
(s) Application Fee	R6,938.44	R7,154.71
(t) Annual charges fee per sign	R0.00	R0.00
(u) Building attachment Signs	R471.74	R497.66
(v) Application Fee	R1,740.12	R1,844.52
(w) Annual charges fee per sign on Private Building	R2,312.81	R2,451.58
(x) Annual charges fee per sign on Municipal Building	R0.00	R0.00
(y) Electric and Illuminated Signs	R1,740.12	R1,844.52
(z) Annual rental rate for electronic advertising signs irrespective of whether the sign is erected on private or Council property	R6,938.44	R7,354.72
(aa) Ground Signs, excluding Billboards	R0.00	R0.00
(ab) Application Fee	R3,307.69	R4,470.98
(ac) Attachments fee (Council land) per annum notice for each sign type	R41,529.91	R45,706.11
(ad) Annual charges fee per sign	R2,081.53	R2,206.42
(ae) Freestanding Signs	R60.00	R60.00
(af) Application Fee	R1,740.12	R1,844.52
(ag) Annual charges fee per sign	R2,654.23	R2,814.48
(ah) Attachments fee (Council land) for each sign type	R0.00	R0.00
(ai) Estate Agents Boards	R1,106.41	R1,254.70
(aj) Advertisers' Display Sign Application refundable	R5,198.22	R5,510.22
(ak) Annual charges fee	R0.00	R0.00
(al) Portable Boards	R693.84	R745.47
(am) Application Fee	R3,198.52	R3,510.22
(an) Annual charges fee per sign	R0.00	R0.00
(ao) Vertical Under Canopy Signs	R1,106.41	R1,254.70
(ap) Application Fee	R693.84	R745.47
(aq) Annual charges fee per sign	R0.00	R0.00
(ar) Wall Signs / Facade Signs	R1,740.12	R1,844.52
(as) Application Fee	R0.00	R0.00
(at) Street Furniture Signs	R2,312.81	R2,451.58
(au) Application Fee	R1,106.41	R1,254.70
(av) Annual charges fee per sign	R0.00	R0.00
(aw) Billboards	R2,172.11	R2,341.30
(ax) Annual charges fee per sign - Private property	R2,702.04	R2,876.26
(ay) Annual charges fee per sign - Council property	R27,724.14	R29,518.81
(az) Application Fee	R0.00	R0.00
(ba) Directional Posters	R1,081.54	R1,177.69
(bb) Application Fee	R3,006.66	R3,187.06
(bc) Posters:	Per Sign	Per Sign
(1) For the erection of any sign without approval, per week	R2,312.81	R2,451.58
(2) For the erection of any billboard without approval, per week	R6,611.77	R6,938.44
(3) For the erection of posters without approval, per week	R2,312.81	R2,451.58
SPATIAL PLANNING AND LAND USE MANAGEMENT ACT NO. 16 OF 2013		
In terms of Section 123(f) of the Planning and Development Act, the application forms must be accompanied by the fees as determined by the Municipality		
Deposit of documents - per A4	R4.41	R4.47
Deposit of documents - per A3	R5.51	R5.54
Formulation of Scheme	R4,652.93	R4,786.11
Provision of the information	R693.84	R734.47
1. Landmark fee		
Page of the certificate is:	R693.84	R734.47
1 to 5 ha	R1,048.77	R1,109.05
1 to 5 ha but > 3.0 ha	R1,187.69	R1,260.05
1 to 10 ha but < 5.0 ha	R2,081.43	R2,204.49
> 10 ha but < 10.0 ha	R3,492.42	R3,681.22
> 10.0 ha	R3,811.07	R4,013.04
2. Reduction of a building line in terms of the scheme	R1,762.21	R1,844.76
3. Change Certificate (if in the context of a requirement under) A4 Certificate	R1,106.41	R1,254.70
4. Change in terms of scheme	R1,106.41	R1,254.70
Submission and consolidation of land up to 5 persons of land	R3,469 + R352 per new submission	R3,469 + R352 per new submission
Submission and consolidation of land over 5 persons	R2,166.42	R2,301.32

Annexure F

Budget Funding Plan

NEWCASTLE MUNICIPALITY

BUDGET FUNDING PLAN 2023/24 – 2026/27

BUDGET FUNDING PLAN

1. Purpose

This Revised Budget Funding Plan 2023/24 (BFP) has been developed in order to take into account the impact of the recent developments due to the reinstatement of the previously dismissed and balance of the unspent conditional grants that we reported in the audited annual financial statements. This plan has also considered the financial performance of the revenue based on the first eight months of the financial year as well as the implementation of the cost containment measures in order to cut expenditure. The previous plan reflected approved by Council had reflected a surplus of R5.8 million in table A7/B7, which means the 2022/23 was funded and no longer required council to take an overdraft. The 2023/24 budget funding plan is submitted to ensure a positive position in the A7/B7 table.

2. Introduction

The 2023/24 medium term budget framework indicates that the municipality will be operating with an unfunded budget for at least the next two financial years. It is therefore imperative that a credible plan that will respond to the current situation be crafted and monitored by the Council. The importance of tabling funded budgets was indicated to council before through the various National Treasury circulars, however the situation in Newcastle Municipality warrants a budget funding plan be put in place and implemented since the budget is current unfunded. The purpose of the BFP is to ensure that the municipality implements strategies over time to move from an unfunded to a funded budget position. The plan must also ensure that the funding position is maintained even beyond the period in which the budget is projected to be funded in order to maintain a financial stability as required by MFMA Circular No.93.

The table below reflects a high level operating results of the municipality's budget over the next three years. Evidently, the municipality is projecting a deficit of R283.9 million, R226.9 million and R274.1 million for the 2023/24, 2024/25 and 2025/26 financial years respectively:

Table 1: Budget summary (financial and capital performance)

Description	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
	R'000	Budget R'000	
Total Revenue Budget	2 331 295	2 554 462	2 737 583
Total Expenditure Budget	2 615 173	2 781 360	3 011 659
Surplus/(Deficit)	(283 878)	(226 898)	(274 076)
Capital expenditure	229 632	206 063	202 234

From Table 1 the above, it is evident that the municipality is not financially viable and not having sufficient revenue and it will not be able to continue to provide services to the community if the situation is not addressed. The municipality is currently experiencing cash flow challenges resulting in insufficient cash to support its current service delivery mandate.

A high level assessment that performed by the municipality and KZN Provincial Treasury on a continuous basis has revealed that the following factors as the main contributors to the financial crisis that the Newcastle Municipality is faced with:

- The municipality is operating at an operating deficit;
- Escalation of outstanding debtors, especially the domestic consumers;
- Huge operating expenditure base from employee costs, contracted services and other expenditure;
- Over-commitment on external borrowing;
- Huge Eskom and Uthukela Water debts;
- Tariffs not cost-reflective, especially for water and sanitation;
- Limitation in other revenue generation streams;
- Reserves, conditional grants and reserves not cash-backed;
- Reduction in the equitable share allocation due to the unspent grants at each year-end;
- The high increase in the electricity bulk purchases tariffs compared to the revenue tariff increase;
- High water and electricity losses;
- Indigent consumers consuming more than what they can afford;
- Actions and spending that give rise to unplanned cash outflows.

3. Strategic objectives of the Budget Funding Plan (BFP) 2022/23

The principle objective of the BFP is to ensure financial viability and sustainability of the municipality, a funded budget and to subsequently ensure the ability of the municipality to meet its obligations in terms of the Service Delivery and Budget Implementation Plan (SDBIP) and Integrated Development Plan (IDP). In order to achieve these objectives, the municipality has developed strategies which are aimed at improving its financial status. These strategies have been developed by senior management of the municipality, in consultation with all other internal and external stakeholders. The plan indicates the key focus areas, the responsible officials, the time frames for implementation of activities, the revenue and costs projected to be generated or incurred over the duration of the plan.

The following table contains a list of the strategies that management has put together in order to ensure that the budget of the municipality will be funded within the next five years and beyond:

Table 2: Budget Funding Strategies

Budget Funding Plan									
STATUS & PERCENTAGE	Task completed: 100%	Task almost completed: 51% - 99%	Task commenced: 1% - 50%	Task not yet started: 0%					
No	Strategy	Focus Area	Key Activities	Responsible Person	Start Date	End Date	Status & percentage	Comments regarding status and progress related to activities	
1	Inflation linked tariff increase and improved collection rate	Property rates	Steadily increase increase revenue based on CPI target	MM & CFO	01/07/2018	Continuous	85%	Task almost completed:	5 9%
2	Inflation linked tariff increase and improved collection rate	Service charges	Steadily increase increase revenue based on CPI target	MM & CFO	01/07/2018	Continuous	85%	Task almost completed:	5 9%
3	Inflation linked tariff increase and improved collection rate	Other revenue	Steadily increase increase revenue based on CPI target	MM & CFO	01/07/2018	Continuous	90%	Task almost completed:	5 9%
4	Ensure full access to all government grants	Transfers recognised - capital	Submit business plans and ensure conditional grants are fully spent	MM & CFO	01/07/2020	Continuous	70%	Task almost completed:	5 9%
5	Dispose unused land and other assets	Proceeds on disposal of PPE	Identify unused land for residential and business use	MM & CFO	01/07/2022	30/06/2024	70%	Task almost completed:	5 9%
6	Curb recruitment on new personnel	Employee related costs	Do not fill any non-critical positions being vacated	MM & CFO	01/07/2022	30/06/2024	40%	Task commenced: 1%-50%	
7	No commitment on new loans - interest	Finance charges	No new capital expenditure will be financed through external loans	MM & CFO	01/07/2020	30/06/2030	70%	Task almost completed:	5 9%
8	No commitment on new loans - capital	Repayment of borrowing	No new capital expenditure will be financed through external loans	MM & CFO	01/07/2020	30/06/2030	70%	Task almost completed:	5 9%
9	Limit exorbitant increase in non-core expenditure	Contracted services	Reduction and very minimal increase on contracted services	MM & CFO	01/07/2020	Continuous	70%	Task almost completed:	5 9%
10	Limit exorbitant increase in non-core expenditure	Other expenditure	Reduction and very minimal increase on other expenditure	MM & CFO	01/07/2020	Continuous	70%	Task almost completed:	5 9%
11	Reduce internally funded capital expenditure	Internally generated funds	Separately invest conditional grants and fast-track early appointment of service providers	MM & CFO	01/07/2018	Continuous	85%	Task almost completed:	5 9%
12	Reduce unspent conditional grants	Unspent conditional transfers	Prioritise payment of grant related payments and clean up the grant register	MM & CFO	01/07/2018	Continuous	45%	Task commenced: 1%-50%	
13	Improve payment of creditors	Other working capital requirement	Keep up with the Eskom agreement and ensure timely payment of other creditors	MM & CFO	01/07/2020	Continuous	30%	Task almost completed:	5 9%
14	Ensure cash-backing of provisions	Other provisions	Build up reserves up ensuring increased cash and cash equivalents	MM & CFO	01/07/2020	Continuous	30%	Task commenced: 1%-50%	
15	Ensure cash-backing of reserves	Reserves to be cash-backed	Build up reserves up ensuring increased cash and cash equivalents	MM & CFO	01/07/2019	Continuous	45%	Task commenced: 1%-50%	
16	Claim all vat receivable from SARS	Statutory requirements	Ensure timely payment of invoices and submission of Vat returns	MM & CFO	01/07/2020	Continuous	85%	Task almost completed:	5 9%

3.1 Increase on the collections rates for service charges and property rates

The Newcastle Municipality is planning to apply a steady tariff increase of at most 6% in line with the consumer price index (CPIX) target, and in line with National Treasury budget guidelines. Electricity is projected to increase by about 16.47% in the next financial year, the tariffs increases is in line with NERSA guidelines. This will be done in order to bridge the gap between the achieve cost reflective tariffs and affordability over the same period. Furthermore, through an aggressive awareness campaign, incentive schemes aimed at instilling a culture of payment within our communities and arresting water losses, the collection rate is projected to steadily improve from 82% to 87% over the next five financial years. The incentive schemes that have been approved by council and being rolled-out to communities will ensure that the collection rate improves, which will assist to deal with the cost of the reinstatement employees and unspent conditional grants.

3.2 Full access to conditional grants.

The municipality will drive an aggressive strategy to submit business plans to ensure that its capital programme is gradually and eventually fully funded from government grants only. The departments are being encouraged to investigate and access all grant opportunities available with other external stakeholders in order lessen the impact of rates and service charges to deliver services. Equally, the municipality will be putting measures in place to

ensure that all grants are fully spent through budgeting for the portion of the unspent grant each year. This will also assist to ensure that no funds are reverted to the National Revenue Fund.

3.3 Disposal and rental of unused land and other properties.

The municipality has already identified and put a plan to service unused land for disposal for private and commercial purposes. For some of the properties, the municipality has already received bids from the public and some have since been awarded through the supply chain management system, with the transfer processes still underway. The municipality is also in a process of advertising a number of properties in order to generate more revenue. Strides are being made to rent out office space and to review rental agreements in other properties so that the municipality will generate more revenue. The strategies also plans include, but not limited, the upgrading of the Human Resources Development unit's building for use by University of South Africa (Unisa), servicing and disposal of land next to the Medical Precinct Centre next to Mediclinic, renting out of the office space to KZN CoGTA and review of the golf course rental. These processes are already at advanced stages.

3.4 Delay recruitment in new positions

This revised plan has been significantly impacted by the reinstatement of the 223 employees who were previously dismissed by the municipality in 2019. A settlement has been reached between the parties that employees will be reinstated with effect from 01 October 2022. The impact of such reinstatement as estimated to be R79 million being the twelve months backpay. In line with the GRAP 14 accounting standard, this amount has been accounted for in the 2021/22 employee costs and payables, however the its payments will be over the 2022/23 and 2023/24 financial years. Over and above the back pay settlement, the municipality will incur an additional R57million in the 2022/23 for the employee related cost with effect from October 2022. The impact of this was previously not incorporated into the plan as the outcome thereof was not known at the budget preparation stage.

While the above has been taken into account, the municipality is planning to delay recruitment on some of the positions, which are not considered to be critical. These include positions that will be exited during the six months of the financial year. The municipality will also reallocate the excess staff that has come as a result of the reinstatement in order to fill critical positions in other units in order to avoid new unnecessary recruitments as much as possible. The plan also projects a sharp reduction on overtime since the reinstated employees will be allocated to avoid more overtime. The budget for the employee related costs is however expected to increase steadily of the next four years in order to accommodate the expected annual increase on staff salaries and the impact of the backpay in 2023/2024. The municipality will also use the reinstated employees to limit the expenditure on overtime and to limit the rate of those above the threshold.

3.5 No commitment to new loans

One of the challenges of the Newcastle Municipality is faced with is its over-commitment on external loans. In order to deal with the funding position, the municipality is not planning to take any loans until a favourable funding position has been achieved. No loans are planned to be taken over the next five years in order to deal with the impact of finance charges in the budget.

3.6 Limit increase on non-core expenditure

The municipality will enforce its cost containment policy to ensure that non-core expenditure is reduced or eliminated to bear minimum over the next five years. In this case, focus shall be given to other expenditure and contracted services. The municipality will utilise monthly reports to this plan, as well as the quarterly reporting to trace and monitor expenditure in order to track and monitor expenditure. The municipality has also established

the Finance Committee which deals with scrutinising of all purchase requisitions in line with the budget and the cost containment policy.

3.7 Reduce internally funded capital expenditure

The municipality is planning to reduce the internally-funded capital expenditure over the next five years. While it is acknowledged that this cannot be done at one go due to current commitments, internal funding is expected to be reduced gradually over the next five years. To supplement this, the municipality is planning to improve the submission business plans to donor institutions to ensure that those projects that were funded internally are in future funded from grants instead. It is evidence from the 2022/23 budget and beyond, that the internally funded capital budget has been reduced drastically in line with this strategy.

3.8 Improve payment of creditors

The municipality will make use of the Finance Committee to ensure that the payment of key creditors is prioritised. These include the payment of current account and arrear debt to Eskom, Uthukela Water, SARS, 3rd party payments and loans. A strategy will also be put in place to ensure that all invoices are paid with 30 days as required by section 65 of the MFMA. This will assist to ensure the outstanding debt does not continue to escalate. It will also help to ensure that interest and penalties on late payment are not incurred and thereby curtailing incidences of fruitless and wasteful expenditure. The municipality will continue to ensure that the payment agreement entered with Eskom is monitored and executed successfully until the debt is fully paid in August 2023. The municipality is also in a process of concluding a payment agreement with Uthukela Water, which is placed to be finalised by not later than 28 February 2023.

3.9 Cash-backing of provisions and reserves

One of the key challenges to the funding position of the budget is that provisions and reserves of the municipality are not fully cash-backed. These include unspent grants, leave provision, Housing Development Grant and Insurance Reserve which need to be cash-backed in line with the Funding and Reserves Policy of Council. The municipality shall use the opportunity of each budget process to ensure all excess funds are invested to ensure funding of all provisions and reserves is achieved over the period of the plan. The revised plan has however been significantly affected by the balance of unspent conditional grants that were reported in the 2022/2023 annual financial statements. At the time where the plan was approved by Council, the municipality had anticipated a balance of R26.7m unspent conditional grants. This amount has been revised to R206 million as reported in the financial statements.

As a strategy, the municipality is planning to engage with the Department of Human Settlement to gradually reduce this balance over the next three financial years. Portfolio committees will also be engaged to scrutinise the grant expenditure of departments to ensure expenditure on conditional grants is fast-tracked to avoid unspent conditional grants at each year-end.

3.10 Claiming VAT Refunds from SARS

The municipality is already utilising the services of a specialist to ensure that VAT refunds due to the Municipality are claimed from SARS. While staff members of the municipality focus on the reconciliation and submission of VAT returns, the specialist is focusing on the VAT review covering the period of the past five years. The financial system has also been configured to ensure that VAT is accounted for correctly. This will assist in ensuring that accurate VAT returns are filed timeously and refunds received on time.

4. Financial Impact of the Budget Funding Plan

It is expected that the strategies and activities put in the plan will have a positive financial impact to the municipality over a long-term period, which will ensure that the municipality's budget is fully funded in the 2023/2024 financial year. Although some of the strategies reflect negative impact on the plan, it is however critical to reflect how these are likely to improve over a period, and eventually yield a positive long-term impact in funding the budget. The table below depicts the impact of each identified strategy on the budget:

Table 3: Financial Impact

Financial Impact of the Budget Funding Plan

No	Strategy	Focus Area	Key Activities	Key Activities			
				Draft Budget	Year 2	Year 3	Year 4
				2023/24	2024/25	2025/26	2026/27
1	Inflation linked tariff increase and improved collection rate	Property rates	Steadily increase increase revenue based on CPI target	17 462 000	29 146 000	19 721 000	20 904 360
2	Inflation linked tariff increase and improved collection rate	Service charges	Steadily increase increase revenue based on CPI target	134 045 961	110 848 000	139 745 000	84 026 460
3	Inflation linked tariff increase and improved collection rate	Other revenue	Steadily increase increase revenue based on CPI target	-276 031 628	1 098 000	1 163 000	0
4	Ensure full access to all government grants	Transfers recognised - operational	Submit business plans and ensure conditional grants are fully spent	36 362 532	58 878 000	-40 550 000	0
5	Ensure full access to all government grants	Transfers recognised - capital	Submit business plans and ensure conditional grants are fully spent	43 345 958	-23 569 000	-3 829 000	0
6	Dispose unused land and other assets	Proceeds on disposal of PPE	Identify unused land for residential and business use	20 000 000	10 000 000	10 000 000	10 000 000
7	Curb recruitment of new personnel	Employee related costs	Do not fill any non-critical positions being vacated	88 121 465	51 686 637	55 629 697	41 592 603
8	No commitment on new loans - interest	Finance charges	No new capital expenditure will be financed through external loans	-32 205 000	-30 525 000	-28 549 000	-26 300 000
9	No commitment on new loans - capital	Repayment of borrowing	No new capital expenditure will be financed through external loans	-34 082 441	-35 156 170	-38 526 000	-40 797 840
10	Limit exorbitant increase in non-core expenditure	Contracted services	Reduction and very minimal increase on contracted services	-69 620 409	-15 255 296	18 377 710	-1 806 765
11	Limit exorbitant increase in non-core expenditure	Other expenditure	Reduction and very minimal increase on other expenditure	17 102 075	-417 946	7 349 723	-48 544 359
12	Reduce internally funded capital expenditure	Internally generated funds	Separately invest conditional grants and fast-track early appointment of service providers	-11 726 234	0	0	-5 400 000
13	Reduce unspent conditional grants	Unspent conditional transfers	Prioritise payment of grant related payments and clean up the grant register	-50 000 000	-54 000 387	-54 000 000	-26 999 631
14	Improve payment of creditors	Other working capital requirement	Keep up with the Eskom agreement and ensure timely payment of other creditors	-155 947 000	-91 800 000	-126 330 000	0
15	Ensure cash-backing of provisions	Other provisions	Build up reserves up ensuring increased cash and cash equivalents	1 115 400	629 600	1 442 987	254 960
16	Ensure cash-backing of reserves	Reserves to be cash-backed	Build up reserves up ensuring increased cash and cash equivalents	3 967 578	2 474 510	2 650 000	799 580
17	Claim all vat receivable from SARS	Statutory requirements	Ensure timely payment of invoices and submission of Vat returns	22 360 028	25 686 280	5 000 000	5 000 000

The following sections seek to highlight the impact of each of the strategies in achieving a budgeted budget position.

4.1 Increase on the collections rates for service charges and property rates

The impact of an increase of a 2% per year basis points and above the consumer price index (CPIX) on the collection rate and the increase in tariffs within the CPIX on rate and services is expected to generate additional a cash-inflow over the next five years. The incentive schemes that have been approved by council and being rolled-out to communities will ensure that the collection rate improves, which will assist to deal with the payment of reinstatement employees and unspent conditional grants.

4.2 Full access to conditional grants.

Over the next five years, the municipality will implement measures to ensure full access to conditional and unconditional grants. This is expected to generate an additional R68 million over the five financial years.

4.3 Disposal of unused land and other properties.

As part of its revenue enhancement strategy, the municipality has already started rolling out its programme to service and dispose all unused land to generate more revenue. This is expected to generate about R42 million over the five financial years.

4.4 Limit increase on non-core expenditure

Through the containment and curtailment of other expenditure and contracted services, the municipality is expecting to save substantially over the five financial years. This will be done by steadily reducing expenditure on non-essential items by monitoring expenditure using the Finance Committee in line with the approved budget and the cost containment policy.

4.5 No commitment to new loans

The municipality will not save any costs by maintaining this position. However, through this commitment, it will ensure that additional costs on borrowing through finance charges is not incurred until the funding position has improved. The municipality will start realising savings as more loans are being paid up.

4.6 Reduce Internally Funded Capital Expenditure

The municipality is projecting to save about R17 million through the strategy of cutting its internally funded capital budget over the next three financial years. Currently the municipality is spending in excess of R20 million on internally funded capital expenditure, and this is expected to reduce to only R13 million in 2023/24 and then reduce to R5 million per year over the next five years. This will be supplemented by re-aligning capital grant funding.

4.7 Improve the working capital position

The municipality has put together an aggressive strategy to improve its collection of outstanding debtors over the next four years. Equally so, the municipality has also improved payment of its bulk and other key creditors in order to avoid interest and penalties and to improve the working capital position in which the municipality is committed to pay about R98.6 million in the current year and R73.7 million has already been paid and a balance of R24.9 million is remaining in 2022/23 and R10 million in 2023/24 financial year. This is in line with the payment agreement signed between the municipality and Eskom. The municipality is further planning to start the payment of Uthukela Water debt with effect from 2023/24 financial year at R36 million in the first year, and settle the debt over the period of three years. The payment agreement with Uthukela Water is planned to be concluded by not later than 30 April 2023.

4.8 Claiming of Vat Refunds

The municipality is projecting to receive in excess of over R46 million over the next five financial years through statutory requirements. The use of a VAT specialist, internal capacity and financial system configuration will ensure this strategy is attained.

5. Operating Financial Performance

The municipality will continue its strides to accelerate revenue as part of its long-term plan. Property rates, water, sewer, refuse and sundry tariffs will be increase by at least 6% while the electricity tariffs will be increased in line with the NERSA guide over the medium-term framework and over the next five years. This will ensure that the municipality is able to provide minimum level of basic services within the CPIX increases but also not putting pressure to consumers, who are already strained due to the dire economic circumstance. The municipality is also planning to ensure that non-essential expenditure is eliminated in order to ensure the operating deficit is recued on the period of the plan. While the increase will be noted on some of expenditure items like employee costs, councillor remuneration and bulk purchases however these increases be maintained at a bare minimum in order to continue to provide services within the projected increases. Expenditure items like contracted services and other expenditure have however been identified as those which need to be limited to bear minimum, except where the cost items are grant-funded.

The table below depicts the projected financial outcome of the plan.

Table 4: Financial Performance

Financial Impact of the Budget Funding Plan on the Financial Performance (Table A4/B4)

Description	Original Budget	Adjusted Budget	Increase / (Decrease)	Draft Budget	Year 2	Year 3	Year 4
R thousand	2022/23	2022/23	2022/23	2023/24	2024/25	2025/26	2026/27
Revenue By Source							
Property rates	363 412 847	376 103 456	12 690 609	396 740 939	420 545 395	445 778 119	472 524 806
Service charges - electricity revenue	751 862 363	767 251 186	15 388 823	885 680 363	998 161 769	1 124 928 314	1 192 424 013
Service charges - water revenue	199 932 763	212 835 332	12 902 569	223 721 070	237 144 334	251 372 994	266 455 374
Service charges - sanitation revenue	123 817 928	127 901 324	4 083 396	133 580 398	141 595 222	150 090 935	159 096 391
Service charges - refuse revenue	101 229 446	103 774 285	2 544 839	109 381 910	115 944 825	122 901 514	130 275 605
Rental of facilities and equipment	9 451 748	8 306 087	-1 145 661	8 804 450	9 332 717	9 892 680	10 486 241
Interest earned - external investments	3 131 415	5 330 350	2 198 935	5 330 350	5 650 171	5 989 181	6 348 532
Interest earned - outstanding debtors	4 001 328	5 877 010	1 875 682	5 877 010	6 229 631	6 603 408	6 999 613
Fines, penalties and forfeits	4 180 383	4 557 441	377 058	4 830 888	5 120 741	5 427 986	5 753 665
Licences and permits	47 919	32 286	-15 633	34 224	36 277	38 454	40 761
Transfers and subsidies	1 112 706 986	626 423 786	-486 283 200	546 823 010	605 700 967	605 019 967	641 321 165
Other revenue	19 487 488	8 009 602	-11 477 886	8 490 177	8 999 588	9 539 563	10 111 937
Gains on disposal of PPE		2 000 000	-2 000 000	2 000 000			
Total Revenue (excluding capital transfers and contributions)	2 693 262 614	2 248 402 145	-448 860 469	2 331 294 789	2 554 461 637	2 737 583 116	2 901 838 103
Expenditure By Type							
Employee related costs	601 652 651	636 414 267	34 761 616	724 535 732	776 222 369	831 852 066	873 444 670
Remuneration of councillors	29 060 117	27 162 611	-1 897 506	28 442 547	29 580 249	31 710 027	32 978 428
Debt impairment	286 041 087	299 957 140	13 916 053	311 263 829	331 095 743	356 004 186	366 684 312
Depreciation & asset impairment	363 159 586	363 159 586	0	379 138 608	397 716 400	416 409 071	424 737 252
Finance charges	35 845 953	35 845 953	0	32 205 273	30 524 500	28 549 152	19 843 103
Bulk purchases	605 107 462	563 502 121	-41 605 341	664 932 502	749 378 930	844 550 054	912 114 059
Other materials	153 188 322	153 677 108	488 786	159 853 634	167 716 043	177 732 682	181 287 336
Contracted services	818 628 833	248 981 282	-569 647 551	179 360 873	164 105 577	182 483 286	180 676 521
Transfers and subsidies	0	-	0	0	0	0	0
Other expenditure	118 191 994	118 359 891	167 898	135 461 967	135 044 021	142 393 744	93 849 385
Loss on disposal of PPE	0	-	0	0	0	0	0
Total Expenditure	3 010 876 005	2 447 059 959	-563 816 046	2 615 194 965	2 781 383 831	3 011 684 268	3 085 615 065
Surplus/(Deficit)	-317 613 391	-198 657 814	114 955 577	-283 900 176	-226 922 194	-274 101 152	-183 776 962
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	191 032 032	189 605 227	-1 426 805	229 631 990	206 062 500	202 233 500	145 230 143
Surplus/(Deficit) after capital transfers and	-126 581 359	-9 052 587	113 528 772	-54 268 186	-20 859 694	-71 867 652	-38 546 819

Table 4 above indicate that the strategies that are in place will assist to improve the deficit of the municipality of the next 4 years from the deficit of R283.9 million in 2023/24 to deficit of R183.7 million in 2026/27 financial years. When taking into account the capital transfers, the municipality will be sitting at the operating deficit of R54.3 million in the 2023/2024 financial year and at a deficit of R38.5 million in 2026/27. It therefore becomes critical that the municipality closely monitors this plan in order to achieve such favourable outcome. The plan has taken into account the revenue and expenditure performance of the eight months in 2022/23 financial year, however most importantly it has also focused on reducing the expenditure. In order improve the financial viability and to achieve a positive A7/B7 positions, the following has been budgeted for in 2023/24 budget.

Revenue is projected to increase in the current year and beyond due to the following reasons:

- Property rates is projected to increase from R376.1 million to R396.7, representing an increase of R20.6 million. The increase is based on the year-to-date performance due to the supplementary valuation from additional and improvements in properties. Property rates will then increase over the duration at an estimated 6% tariff increase.
- Electricity service charges is projected to increase from R767.2 million to R885.7 million, representing an increase of R118.4 million. The increase attributable to the increase in estimated consumption from the current financial year. This increase is in line with current year year-to-date performance. Electricity service charges will then increase due to a tariff increase 16.65%.
- Water service charges is projected to increase from R212.8 million to R223.7, representing an increase of R10.9 million. The increase attributable to the increase in estimated water consumption due to new developments. This increase is in line with the current year-to-date performance. Water service charges will then increase over the duration at an estimated 6% tariff increase.
- Sanitation service charges is projected to increase from R127.9 million to R133.6, representing an increase of R5.6 million. The increase attributable to the increase in estimated consumption as well as new developments in the jurisdiction of Newcastle. This increase is in line with the current year-to-date performance. Sanitation service charges will then increase over the duration at an estimated 6% tariff increase.
- Refuse service charges is projected to increase from R103.8 million to R109.4 million, representing an increase of R5.6 million. The increase attributable to the increase in estimated consumption as the covid-19 restrictions have been completely relaxed. Refuse service charges will then increase over the duration at an estimated 6% tariff increase.
- Rental of facilities is projected to increase from R8.3 million to R8.8 million, representing an increase of R498 thousand. The decrease is due to the properties which were disposed by the municipality in the previous financial year, the impact of which was still in the budget during the approval of the original budget. Rental of facilities will then increase over the duration at an estimated 6% tariff increase.
- Interest on investments is projected with no increase to remain at R5.3 million, representing a R0 increase. The municipality been very aggressive in investing the conditional grants and excess cash, which has seen huge increase from interest on investments in the first eight months of the financial year. This pattern is expected to continue for the remainder of the financial year. Interest on investments is not expected to increase in the next financial year.
- Interest on outstanding debtors is projected with no increase to remain at R5.9 million, representing a R0 increase. This is linked to the additional performance on billable revenue on businesses. Interest on outstanding debtors is expected to not increase in the 2023/24, even though the tariffs are estimated by 6%.
- Fines, penalties and forfeiters is projected to increase from R4.6 million to R4.8 million, representing an increase of R273 thousand. The increase attributable to the reinstatement of employees in the traffic

department, which has resulted in more law enforcement in the area. Fines will then increase in 2023/24 at an estimated 6% tariff increase.

- Licences and permits is projected to increase from R32 thousand to R34 thousand, representing an increase of R1 937. Licences and permits will then increase over the duration at an estimated 6% tariff increase.
- Transfers and subsidies – operational is projected to decrease from R626.4 million to R546.8 million, representing a decrease of R79.6 million. The decrease is attributable to the decrease of R79.6 million due to decreased allocations from national government. This provision in the current and outer years is in line with Division of Revenue (DORA).
- Other revenue is projected to increase from R8 million to R8.5 million, representing an increase of R480 thousand. While the year-to-date performance appears lower, however the budget includes an amount of the disposal of land and other properties, which are in the process of being finalised. It is expected that cash will be generated during the financial year. Other revenue will then increase over the duration at an estimated 6% tariff increase.

Expenditure is projected to increase by R168.1 million in the 2023/24 financial year due to the following reasons:

- Employee costs is projected to increase from R636.4 million to R724.5 million, representing an increase of R88.1 million. The increase is due to the reinstated employees with effect from 1st October 2022, which have now been budgeted for full 12 months in 2023/24 as compared to 9 months in 2023/24, as well as salary increases of 7.8% (2.4% notch increases & 5.4% normal salary increases as per the Bargaining Council agreement.) However, overtime, group life scheme have been further reduced by R4 million, R3.3 million as part of the cost containment measures to ensure a positive cash and cash equivalents during the year. The outer years have also been revised accordingly.
- Remuneration of councillors is projected to increase from R27.1 million to R28.4 million representing an increase of R1.3 million, representing an increase of 4.8%.
- Debt impairment is projected to increase from R299.9 million to R311.2 million, representing an increase of R11.3 million. The increase is due to the difference between the addition billable revenue appropriation and the collections on such revenue due to the collections rates currently achievable.
- Bulk electricity purchases is projected to increase from R563.5.1 million to R664.9 million, representing an increase of R101.4 million. During the preparation of the 2023/24 budget, the municipality has applied NERSA approved tariff based on the 2023/24 budget. Subsequent to the audited annual financial statements, the municipality has revised the 2023/24 based on the actual consumption and the approved NERSA tariff. The impact of load shedding is also expected to reduce the consumption of bulk purchases in the 2023/24 year.
- Contracted services is projected to decrease from R248.9 million to R179.4 million representing a decrease of R69.6 million. The decrease is attributable to proposed reduction in a number of expenditure items in order to achieve a more financially viable position. Some of the budget cuts include R2 million of security, R3.9 million on machinery hire, R2.6 million on desludging of VIP toilets, R1 million on service connections and R1 million on SALGA games. A number of other line items considered to be non-essential were also targeted for reduction. Strategies have been put in place to ensure that expenditure on these items if kept within the budget.
- Other expenditure is projected to increase from R118.3 million to R135.4 million representing an increase of R17.1 million. The increase is attributable to a number of budget items, which include R4.3 million for licences, R816 thousand on ward committees stipend, software licences R650 thousand orkmens compensation and R5.5 million for departmental services. A number of other line items considered to be non-essential were reduced. Strategies have been put in place to ensure that expenditure on these items if kept within the budget.

Although expenditure appear to increase steadily over the next five years, the increase is mainly due to the unavoidable increase particularly in the employee costs, bulk electricity purchases and other materials, which include the purchase of bulk waster. It however noted that, due to the improvement in revenue of the same period, the deficit is expected to reduce steadily.

6. Capital Financial Performance

The municipality will continue its drive to, by and large, the financing of its capital programme through the government grants. The municipality is also not planning to take any new loans over the next five financial years. This is necessary in order not to exert additional financial pressure to the Municipality. The Municipality is further planning to cut on funding the capital expenditure from internal reserves gradually over the next five years. The table below depicts the projected capital performance over the next five years.

Table 5: Capital Financial Performance

Financial Impact of the Budget Funding Plan on the Capital Financial Performance (Table A5/B5)							
Description	Original Budget	Adjusted Budget	Increase / (Decrease)	Draft Budget	Year 2	Year 3	Year 4
R thousand	2022/23	2022/23	2022/23	2023/24	2024/25	2025/26	2026/27
Capital Expenditure - Functional							
<i>Governance and administration</i>	2 900 000	3 912 481	-1 012 481	3 900 000	2 400 000	2 400 000	1 000 000
Executive and council	0	-	0	0	0		
Finance and administration	2 900 000	3 912 481	-1 012 481	3 900 000	2 400 000	2 400 000	1 000 000
Internal audit	0	-	0	0	0		
<i>Community and public safety</i>	11 344 500	13 185 933	-1 841 433	25 396 313	30 283 000	35 271 000	0
Community and social services	344 500	642 115	-297 615	857 705	183 000	171 000	0
Sport and recreation	11 000 000	11 543 818	-543 818	24 038 608	30 100 000	35 100 000	0
Public safety	0	-	0	0	0	0	0
Housing	0	1 000 000	-1 000 000	500 000	0	0	0
Health	0	-	0	0	0		
<i>Economic and environmental services</i>	118 141 000	73 807 704	44 333 296	54 634 667	28 080 000	78 080 000	50 309 735
Planning and development	25 101 000	28 465 529	-3 364 529	0	0	0	0
Road transport	93 040 000	45 342 175	47 697 825	54 634 667	28 080 000	78 080 000	50 309 735
Environmental protection	0	-	0	0	0		
<i>Trading services</i>	76 647 532	123 393 048	-46 745 516	158 668 715	155 700 000	96 883 000	99 789 490
Energy sources	0	-	0	21 550 000	20 000 000	20 896 000	21 522 880
Water management	49 647 532	97 360 852	-47 713 320	108 184 715	82 700 000	57 987 000	59 726 610
Waste water management	27 000 000	26 020 861	979 139	28 484 000	53 000 000	18 000 000	18 540 000
Waste management	0	11 335	-11 335	450 000	0		
Other	0	-	0	0	0	0	0
Total Capital Expenditure - Functional	209 033 032	214 299 166	-5 266 134	242 599 695	216 463 000	212 634 000	151 099 225
Funded by:							
National Government	174 687 532	171 638 457	3 049 075	228 811 990	205 780 000	201 963 000	209 792 026
Provincial Government	16 344 500	17 966 769	-1 622 269	820 000	283 000	271 000	0
District Municipality		-	0			0	0
Other transfers and grants		-	0			0	0
Transfers recognised - capital	191 032 032	189 605 226	1 426 806	229 631 990	206 063 000	202 234 000	209 792 026
Borrowing	0	-	0	0	0		
Internally generated funds	18 001 000	24 693 939	-6 692 939	12 967 705	10 400 000	10 400 000	5 000 000
Total Capital Funding	209 033 032	214 299 165	-5 266 133	242 599 695	216 463 000	212 634 000	214 792 026

Capital expenditure is planned to be R242.6 million in the budget for 2023/24 In the 2023/24 financial year, only R12.9 million (5%) is funded internally, while R229 million (95%) is funded from government grants. When comparing 2022/23 financial year and the 2023/24 budget year, internal funding of the capital expenditure has decreased from R24.7 million to R12.9 million, representing a reduction of R11.7 million (47%), which a clear

indication that the municipality is moving to the right trajectory. Internal funding is planned to reduce by at least R2.5 million in 2025/26, representing a reduction of almost R5 million.

7. Financial Position Plan

The municipality is projecting to remain within a favourable equity position, with the total assets exceeding total liabilities by a large margin. The net current position of the municipal is also projected to improve over the next three years, which is a good indicator of the ability of the municipality to meet its short-term obligations over the next three years.

The table below depicts the Financial Position Plan of the municipality for the next four years:

Table 6: Financial Position

Financial Impact of the Budget Funding Plan on the Financial Position (Table A6/B6)

Description	Original Budget	Adjusted Budget	Increase / (Decrease)	Draft Budget	Year 2	Year 3	Year 4
R thousand	2022/23	2022/23	2022/23	2023/24	2024/25	2025/26	2026/27
ASSETS							
Current assets							
Cash	-14 037 349	5 881 277	19 918 626	1 091 000	82 238 000	57 400 000	147 891 467
Call investment deposits		-	-				
Consumer debtors	594 134 391	507 995 391	-86 139 000	738 951 171	812 846 000	894 131 000	929 896 240
Other debtors	81 351 346	81 351 346	-	84 129 000	92 542 000	101 796 000	105 867 840
Current portion of long-term receivables	-	-	-				
Inventory	14 994 565	14 994 565	-	25 028 000	22 525 000	20 273 000	21 083 920
Total current assets	676 442 952	610 222 579	-66 220 373	849 199 171	1 010 151 000	1 073 600 000	1 204 739 467
Non current assets							
Long-term receivables		-	-				
Investments		-	-				
Investment property	341 873 618	341 873 618	-	352 224 000	332 224 000	365 446 000	372 754 920
Investment in Associate	217 333 222	217 333 222	-	127 954 000	115 159 000	103 643 000	99 656 731
Property, plant and equipment	6 666 531 114	6 666 531 114	-	5 731 590 000	5 576 473 000	5 376 527 000	5 430 292 270
Biological	-	-	-				
Intangible	1 223 846	1 223 846	-	200 000	500 000	800 000	856 000
Other non-current assets	11 710 932	11 710 932	-	11 883 000	11 983 000	12 083 000	12 928 810
Total non current assets	7 238 672 732	7 238 672 732	-	6 223 851 000	6 036 339 000	5 858 499 000	5 916 488 731
TOTAL ASSETS	7 915 115 684	7 848 895 311	-66 220 373	7 073 050 171	7 046 490 000	6 932 099 000	7 121 228 198
LIABILITIES							
Current liabilities							
Bank overdraft		-	-				
Borrowing	32 105 578	32 105 578	-	34 081 616	35 156 170	38 525 548	42 247 285
Consumer deposits	27 094 773	27 094 773	-	35 649 000	37 149 000	38 649 000	40 649 000
Trade and other payables	688 020 917	804 296 914	116 275 997	529 385 000	493 385 000	430 220 000	358 516 667
Provisions	9 752 000	9 752 000	-	10 513 000	11 333 000	12 217 000	12 950 020
Unspent Grants				156 298 000	102 298 000	48 298 000	41 053 300
Total current liabilities	756 973 268	873 249 265	116 275 997	765 926 616	679 321 170	567 909 548	495 416 272
Non current liabilities							
Borrowing	260 653 584	260 653 584	-	258 741 000	223 584 000	185 059 000	154 215 833
Provisions	90 445 062	90 445 062	-	230 598 000	247 048 000	259 400 000	274 964 000
Long term portion of trade payables				118 965 000	63 165 000	-	-
Total non current liabilities	351 098 646	351 098 646	-	608 304 000	533 797 000	444 459 000	429 179 833
TOTAL LIABILITIES	1 108 071 915	1 224 347 911	116 275 997	1 374 230 616	1 213 118 170	1 012 368 548	924 596 105
NET ASSETS	6 807 043 769	6 624 547 400	-182 496 370	5 698 819 555	5 833 371 830	5 919 730 452	6 196 632 093
COMMUNITY WEALTH/EQUITY							
Accumulated Surplus/(Deficit)	6 776 801 688	6 593 660 487	-183 141 201	5 663 965 555	5 796 042 830	5 879 751 452	6 155 053 933
Reserves	30 242 081	30 886 912	644 831	34 854 000	37 329 000	39 979 000	41 578 160
TOTAL COMMUNITY WEALTH/EQUITY	6 807 043 769	6 624 547 399	-182 496 370	5 698 819 555	5 833 371 830	5 919 730 452	6 196 632 093

The following changes in table A6/B6 have been noted from the original budget and the projected adjustments budget:

- Cash is projected to be R1.1 million at the end of 2023/24 financial year as indicated in table A4/B4 above.
- Consumer debtors is projected to be R738.9 million at end of 2023/24 financial year, the consumer debtors are projected to increase to R929.9 million in the 2026/27 financial year even though the debtors are increasing steadily over a period of 4 years, the current strategies indicate that the municipality will be able to collect a portion thereof, which will assist with the payment of creditors as indicated the other working capital requirements in table A8/B8 below.

- Trade and payables is projected to be R648.3 million it includes settlement for backpays of reinstated employees as well the debt for Uthukela Water. It is also noted that trade and payments will decrease gradually of the duration of the plan from R648.3 million in the 2023/24 financial year to R430 million in the 2025/26 financial year.
- Accumulated surplus is projected to be R6.1 billion in the 2023/24, the recalculation is based on the calculation of all items of assets and liabilities based on the changes in the projected financial performance.
- Reserves are projected to be R34.8 million in the 2023/24, it includes the Housing Development Fund of R34.5 million and Self Insurance Reserve of R300 thousand.

Overall, the equity position of the municipality appears to improve gradually over the duration of the plan, with R5.6 billion projected in the 2023/24 financial year to R6.2 billion in 2026/27 due to the increase in total assets over the total liabilities.

8. Cash Flow Plan

The municipality is also planning to improve its collection rate of the five financial years in order to ensure that adequate revenue is collected. The collection rate is projected to increase from 82% to 87% over the five years. The municipality will also put measures in place to ensure that all grant opportunities are being accessed fully. The municipality has already identified and put plans in place to ensure that unused land and other assets are disposed-off in order to enhance revenue. The repayment of borrowing is also expected to continue to decrease over the three financial years as no external borrowings will be taken.

The table below depicts Cash Flow Plan over the next five years.

Table 7: Cash Flow

Financial Impact of the Budget Funding Plan on the Cash Flow (Table A7/B7)

Description	Original Budget	Adjusted Budget	Increase / (Decrease)	Draft Budget	Year 2	Year 3	Year 4
R thousand	2022/23	2022/23	2022/23	2023/24	2024/25	2025/26	2026/27
CASH FLOW FROM OPERATING ACTIVITIES							
Receipts							
Property rates	272 559 636	282 077 000	9 517 364	299 539 000	328 685 000	348 406 000	369 310 360
Service charges	989 000 259	1 015 802 039	26 801 780	1 149 848 000	1 260 696 000	1 400 441 000	1 484 467 460
Other revenue	315 172 080	294 326 628	-20 845 452	18 295 000	19 393 000	20 556 000	20 556 000
Government - operating	1 112 706 896	510 460 468	-602 246 428	546 823 000	605 701 000	565 151 000	565 151 000
Government - capital	191 032 032	186 286 042	-4 745 990	229 632 000	206 063 000	202 234 000	202 234 000
Interest	3 131 415	5 330 350	2 198 935	11 207 000	11 880 000	12 593 000	12 844 860
Dividends	-	-	-	-	-	-	-
Payments							
Suppliers and employees	-2 683 251 104	-2 082 004 061	601 247 043	-1 971 248 000	-2 079 125 000	-2 294 510 000	-2 374 817 850
Finance charges	-35 845 953	-35 845 953	-	-32 205 000	-30 525 000	-28 549 000	-19 843 103
Transfers and Grants	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	164 505 261	176 432 513	11 927 252	251 891 000	322 768 000	226 322 000	259 902 727
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds on disposal of PPE	-	14 840 500	-14 840 500	20 000 000	10 000 000	-	-
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-
Payments							
Capital assets	-209 033 032	-214 299 166	5 266 134	-242 600 000	-216 463 000	-212 634 000	-128 159 843
NET CASH FROM/(USED) INVESTING ACTIVITIES	-209 033 032	-199 458 666	-9 574 366	-222 600 000	-206 463 000	-212 634 000	-128 159 843
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts							
Short term loans	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-
Payments							
Repayment of borrowing	-32 105 578	-47 259 876	15 154 298	-34 081 616	-35 156 170	-38 525 548	-41 253 082
NET CASH FROM/(USED) FINANCING ACTIVITIES	-32 105 578	-47 259 876	15 154 298	-34 081 616	-35 156 170	-38 525 548	-41 253 082
NET INCREASE/ (DECREASE) IN CASH HELD	-76 633 349	-70 286 029	-6 347 320	-4 790 616	81 148 830	-24 837 548	90 489 801
Cash/cash equivalents at the year begin:	62 596 000	76 167 306	-13 571 306	5 881 000	1 090 384	82 239 214	57 401 666
Cash/cash equivalents at the year end:	-14 037 349	5 881 277	-19 918 626	1 090 384	82 239 214	57 401 666	147 891 467

The table A7/B7 shows a positive cash surplus in the 2023/24 financial year to 2026/27 financial year.

- Receipts from property rates are projected to be R299.5 million based on the payment factor of 76% as planned in the 2023/24 budget. Receipts from property rates are expected to increase steadily of the duration of the plan from R299.5 million in the 2023/24 year to R348.4 million in the 2025/26 financial year.
- Receipts from service charges are projected to be R1.1 billion based on the collection rate of 97%, 62%, 56% and 70% for electricity service charges, water service charges, sanitation service charges and refuse service charges for the financial year 2023/24 budget. Receipts from service charges are expected to increase steadily of the duration of the plan from R1.1 billion in the current year to R1.4 billion in the 2025/26 financial year.
- Receipts from government – operational is projected to be R546.8 million in the 2023/24 financial year. Receipts are based on the projections as per the latest DORA allocations. The receipts from grants are expected to increase from R546.8 million to R565.2 million in 2025/26 financial year.

- Receipts from government – capital is projected to be R229.6 million in the 2023/24 financial year. Receipts are based on the projections as per the latest DORA allocations. The receipts for capital grant are showing a decrease from R229.6 million to R202.2 million in 2025/26 financial year which is not a good indication, but the DORA gets revised every year our allocations might increase in future.
- Receipts from other revenue are projected to be R11.2 million in the 2023/24 financial year. The collection rates of 100% have been for rental of facilities, licencing and permits, while 20% has been used for fines. Receipts from other revenue are projected to increase from R18.3 million in the 2023/24 financial year to R20.5 million in the 2026/27 financial year.
- Receipts from other interest are projected to be R11.2 million,. The collection rates of 100% have been used for the interest on investments and interest on outstanding debtors respectively. The receipts during the duration of the plan are based on the expected received from interest on investment as the municipality will be investing more funds as it receives grants The receipts from interest is expected to increase from R11.2 million to R12.8 million in the 2026/27 financial year.
- Supplies and employees have been projected to be R1.9 billion in the 2023/24 financial year. The operational expenditure is as per financial performance in table A4/B4. Although the projection of suppliers and employees appears to increase steady over the duration of the plan due to unavoidable increase in order expenditure items, the increase will be covered from the corresponding increase in the receipts for rates and service charges. Even though the municipality will have finished paying the Eskom debt in August 2023 it will not see a decrease in suppliers and employees as it will start paying the uThukela Water debt for a period of 3 years.
- Capital assets are projected to be R242.6 million in the 2023/24 financial year with a projected decrease to R216.5 million in the 2025/26 financial year, 95% of the capital projects are to be funded by grants with only 5% being funded internally.
- Repayment of borrowing is projected to be R34.1 million in the 2023/24 financial year. The remainder of the projection in the plan are based on the amortisation schedule for the loan repayments. The loan repayment is projected to increase from R34.1 million to R41.2 million in 2026/27 financial year, the capital portion is increasing as the finances are decreasing, as the loan terms are about to come to an end, in the next few years.
- Cash and cash equivalents is projected to be R1.1 million in the 2023/24 financial year. The cash and cash equivalents is projected to increase from R1.1 million to R147.9 million in the 2026/27 financial year.

Table 7 above indicates that the municipality's cash at the end of the 2022/23 financial year will be 2.2 million. This means that the municipality will be able to cover all its short-term cash requirements during the year. This position has been achieved mainly through the reduction of internally funded expenditure as well and identifying additional revenue during the year. The cash position of the municipality will then start to improve to positive R117 million in 2024/25 and even further beyond 202 with the implementation of it's the funding plan strategies.

9. Cash Backed Reserves Plan

Through its five-year plan, the municipality aims to ensure that adequate reserves are generated to cover for any unspent conditional grants, provisions and reserves that are required to be cash backed in terms of GRAP and the municipal policies. By far possible, the municipality will ensure that all provisions and reserves have been reliably and adequately provided for. The municipality will also ensure that its working capital position improves over the planning period.

Table 8: Cash-backed Reserves

Financial Impact of the Budget Funding Plan on the Cash backed reserves/accumulated surplus (Table A8/B8)

Description	Original Budget	Adjusted Budget	Increase / (Decrease)	Draft Budget	Year 2	Year 3	Year 4
R thousand	2022/23	2022/23	2022/23	2023/24	2024/25	2025/26	2026/27
Cash and investments available							
Cash/cash equivalents at the year end	-14 037 349	5 881 277	19 918 626	1 091 000	82 239 000	57 401 666	147 891 467
Other current investments > 90 days	-	-	-	-	-	-	-
Non current assets - Investments	-	-	-	-	-	-	-
Cash and investments available:	-14 037 349	5 881 277	19 918 626	1 091 000	82 239 000	57 401 666	147 891 467
Application of cash and investments							
Unspent conditional transfers	26 732 000	206 298 387	179 566 387	156 298 000	102 298 000	48 298 000	21 298 369
Unspent borrowing	-	-	-	-	-	-	-
Statutory requirements	17 103 140	22 674 485	5 571 345	23 808 000	21 538 581	19 580 528	17 800 480
Other working capital requirements	25 055 307	16 843 248	-8 212 059	-104 357 000	-122 966 538	-135 263 192	-143 378 984
Other provisions	11 406 000	22 308 000	10 902 000	23 423 400	24 053 000	25 496 000	25 750 960
Long term investments committed	-	-	-	-	-	-	-
Reserves to be backed by cash/investment	30 241 901	30 886 912	645 011	34 854 000	37 329 000	39 979 000	40 778 580
Total Application of cash and investment	110 538 348	299 011 032	188 472 684	134 026 400	62 252 042	-1 909 664	-37 750 595
Surplus(shortfall)	-124 575 698	-293 129 755	-168 554 057	-132 935 400	19 986 958	59 311 330	185 642 062

Table 8 above indicates that the budget is currently unfunded by R132.9 million. With the implementation of strategies mentioned above, as well as the monitoring of this plan, the municipality is planning to have a funded budget by the year 2024/25, where it is projecting to generate a surplus of R19.9 million.

The following changes in table A8/B8 have been noted from the original budget and the projected adjustments budget:

- Cash is projected to be R1.1 million in the 2023/24 financial year as indicated in table A4/B4 above. As the municipality commits to may payments for finish paying of Eskom in August 2023 and reinstated employees in September 2023 then start to pay Uthukela Water from July 2023 for three (3) years while at the same time it implements other strategies, cash and cash equivalents is projected to increase from R1.1 million in the 2023/24 financial year to R185.6 million in 2026/27 financial year.
- Unspent conditional grants are projected to decrease from R156.3 million to R21.3 million, the municipality has budgeted to spend R54 million, R54 million and R27 million to be spent towards unspent conditional grants in 2023/24, 2024/25, 2025/26 and 2026/27 respectively. This will ensure that the balance of the unspent grants reduces as reflected in table A8/B8 above.
- Statutory requirements are projected to be R23.8 million in the 2023/24 financial year, expected to decrease to R17.8 million in the 2026/27 financial year. The decrease is attributable to the adjustments made in the revenue and expenditure items as indicated in table A4/B4 above.
- Other working capital requirements is projected to be negative R104.4 million in the 2023/24 financial year, it is projected to increase to negative R143.4 million in the 2026/27 financial year.
- Other provisions is projected to R23.4 million in the 2023/24 financial year to R25.7 million in 2026/27 financial year. The calculation of the provision is based on 30% of the leave provision reported in the 2022/23 interim financial statements and defined benefit based on the 2021/22 audited financial statements. Bonus provision was not included as it is already provided for under the employee costs.
- Reserves to be cash backed is projected to be R34.8 million in the 2023/24 financial predicted to be to R40.8 million in the 2026/27 financial year. The reserves increases is based on the current reserves plus interest to be earned on the money invested.

The municipality therefore appears to be currently unfunded until the end of 2023/24 financial year. With effect from 2024/25 and after the Eskom debt and the backpays of reinstated employees are paid, the table reflects that the municipality will be fully funded and will be able to provide some provisions and reserves. A positive and improving trend is anticipated to continue as the municipality will continue to implement the strategies even beyond the period of the plan.

10. Reporting timeframes

It is imperative that the progress and challenges be reported on quarterly basis to council, through the Finance Portfolio Committee. Other platforms of reporting will be the Management Committee and the Executive Committee of Council. Reporting on the implementation of the funding plan and revised alignment shall also take place during the tabling of each and every budget and the adjustment budget until the objectives of the plan are achieved.

11. Conclusion

This plan has been crafted with a view to address specific challenges of the unfunded budget. Over-commitment to the Eskom debt, lower collection rate, loan repayments, and high operating expenditure base are but some of the causes of the situation the municipality finds itself in. The plan therefore aims at addressing most of the challenges and to change business processes and financial culture in the municipality. It is therefore critical that councillors, senior management buys into the plan and that its implementation filters through all the municipal levels. It is also recorded that the Chief Financial Officer will be responsible for driving its implementation.

Lastly, it is also important to mention that the municipality must not easily deviate from the plan. While the municipality might be challenged to amend the plan especially during the preparation of each budget, it is however very key that the strategies contained therein are not easily altered. This will ensure that the long term objectives of the plan are eventually attained. Council is also encouraged to make use of the quarterly progress reports to guide and monitor implementation of the plan.

Annexure H
uThukela Water Draft Budget
submission



**DRAFT MTREF BUDGET
2023/2024**

**uTHUKELA WATER (PTY)
Ltd**

1. PURPOSE

To seek approval from the shareholder municipalities for the MTREF Budget 2023/2024 – 27 and the Capital Budget for 2023/2024-27

2. BACKGROUND TO THE MATTER

OPERATIONAL BUDGET:

2.1 SUBMISSION OF MTREF 2023/24-27 DRAFT OPERATING BUDGET

Attached hereto is a copy of the MTREF 2023/24-27 Draft Operational Budget, marked as Annexure A, and the Capital Budget marked as Annexure B.

The proposed draft operating budget depicts the cost of providing bulk water services to the municipalities in terms of the bulk water services agreement.

The draft capital budget reflects the Bulk Water Master Plan needs and other necessary infrastructure upgrades.

The 2023 draft operating budget reflects a growth of 11.4% from R 194 million in 2022/23, to R 216 million in 2023/24. The increase above inflationary increase is due to the Eskom increase of 18.65% and 12.74%, this equates to a total increase of 22% for the 2023/2024 financial year. The increase in the overall operating budget is mainly due to normal inflationary increases in the major cost drivers of the entity, i.e.

- Bulk purchases of raw water
- Electricity purchases
- Increased costs of employee related costs due to projected salary increase and the filling of Directors vacancies
- Chemical purchases
- Repairs and maintenance of infrastructure

Table 1 below, depicts a summary of the 2023/24-27 MTREF Operational Budget for the relevant period as required by legislation.

	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
	Budget	Budget Year (1)	Budget Year +1	Budget Year +2	Budget Year +3
OPERATING REVENUE BUDGET	196 063 555	218 305 832	230 312 652	242 979 848	256 343 740
OPERATING EXPENDITURE BUDGET	194 643 530	216 855 236	228 782 274	241 365 299	254 640 390
SURPLUS/(DEFICIT)	1 420 024	1 450 596	1 530 379	1 614 549	1 703 350

OPERATING REVENUE

Total operating revenue is projected at R 218 million, representing an increase of R 22 million (11.3%) from the current year's adjustment budget of R 196 million.

OPERATING EXPENDITURE

Total operating expenditure is projected at 216 855 236 in the 2023/24 financial, an increase of R 22 mil (11.4%) from the current year's adjustment budget of R 194 643 530.

Hereunder is a summary of the expenditure per category;

Table 2: Summary of the 2023/24 MTREF-Operating Expenditure Budget

DESCRIPTION	CURRENT YEAR			MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2023/2024	2022/2023			2024/2025	2025/2026
	Original Budget	Adjustment Budget (1)	Budget Difference %	Budget Year +1	Budget Year +2	Budget Year +3
EXPENDITURE PER CATEGORY						
Employee related costs	72 887 733	67 309 889	8.3%	76 896 558	81 125 869	85 587 792
Depreciation	2 062 748	1 970 151	4.7%	2 176 199	2 295 890	2 422 164
Operating Lease	1 801 773	1 720 891	4.7%	1 900 870	2 005 418	2 115 716
Bulk Water Purchases	31 289 265	29 884 685	4.7%	33 010 174	34 825 734	36 741 149
Materials & Supplies	10 116 933	9 662 782	4.7%	10 673 364	11 260 399	11 879 722
Contracted Services	12 608 341	11 564 795	9%	13 301 799	14 033 398	14 805 235
Other Expenditure	86 088 444	72 530 339	19%	90 823 308	95 818 590	101 088 611
TOTAL OPERATING EXPENDITURE	216 855 236	194 643 530	11.4%	228 782 274	241 365 299	254 640 391

All bulk water service expenditures including bulk raw water charges are included in the expenditures reflected above and this is consistent with the provisions of the Municipal Budget MTREF Circular number 89 of 2018.

Depreciation charges on capital grants transferred to the Entity are not included as these are written back against the capital grants received.

The following comments and motivations in support of each category of expenditure is provided herewith:

- **Employee Related Costs: R 72 887 733**

The salaries and allowance budget for the 2023/24 financial year reflects an increase of 8.3% over that of last year's budget. Employee costs represent 25% of total expenditure, including the full impact of depreciation costs, however it must be noted that due to the continual reduction in the municipalities budgets the staff cost percentage is continually escalating.

The increase in employee costs is due to annual salary adjustments (7%), the increase in Medical Aid membership and Medical aid annual consumer price adjustments, all new staff are required to contribute to the highest Pension Fund option of 18% company contribution increased from 9.75% and the budgeting for vacancies required on the fixed staff establishment, with the addition of the Company Secretary position added.

The Salary and Wage Collective Agreement for the period has not been concluded by the SALGBC and according to National Treasury the 2022/2023 average CPI is estimated to be 6.8%.

- **Depreciation and Impairment: R 1 970 151**

Provision for depreciation relating to external funding has been increased by 4.7% for capital increases. The full costs of depreciation is not provided for, shareholders should look at providing for the full costs of depreciation for the replacement and upgrade of the ageing infrastructure. As the current funding is not operationally sustainable.

- **Operating Lease: R 1 801 773**

The budget for Operating Lease has been increased by 4.7% from the 2022/23 adjustment budget.

- **Bulk Purchases: R 31 289 265**

Budgeted expenditure on bulk purchases of raw water increased by 4.7% from the 2022/2023 adjustments budget

- **Materials & Supplies: R 10 116 933**

Expenditure on contracted services is projected to increase by 4.57 from the 2022/23 adjustment budget.

- **Contracted services: R 12 608 341**

Expenditure on Repairs and Maintenance has increased by 4.7% from the 2022/23 adjustment budget.

Maintenance was under budgeted in the previous budget year due to the limits placed on the increase on the previous budgets, however, no adjustments were made except for inflationary increases.

The norm of maintenance budgets being 8% of the Fair Value of assets and not budget value, the current budget amounts to 1.75% of Fair Value. This provision is therefore well below the norm, but the entity will strive to ensure that the available infrastructure is maintained within available budget.

- **Other Expenditure: R 81 842 837**

Expenditure on General Expenses increased by 19% to 2022/23 adjustments budget. This is mainly attributable to the allowance for an increase in Eskom tariffs of 18.65% from July 2023 to March 2024 and 12.74% from April 2024 to June 2024. This equates to an actual increase of 22.4%.

2.2 FUNDING OF OPERATIONAL BUDGET AND PROPOSED BULK WATER TARIFF MODEL

The proposed funding of the MTREF 2023/2024 Operational Budget is provided herewith in terms of the requirements of the bulk water services provider agreement.

The proposed bulk water volumes to be supplied to each WSA for the 2023/2024 financial year is estimated herewith and is based on current usage patterns and historical use.

Being a volume based water business, these volumes are utilised to calculate the unit cost of recovering the costs of providing the bulk water service to each WSA.

The Entity has no other source of revenue to fund its bulk water services and is restricted to recovering its costs from the municipalities through a bulk water tariff.

The importance of tabling funded budgets is highlighted in MFMA Circular No. 74 to ensure financial stability.

Proposed bulk water volumes:

Table 3 below, depicts the proposed bulk water volumes per supply point to be supplied to each WSA during the 2023/2024 financial year.

The bulk water volumes are based on current usage data and historical volumes supplied. It must be noted that the volumes have been adjusted post the drought restrictions.

These volumes are utilised for the purposes of calculating the bulk water tariff for the year under review.

Table 3:

Bulk Production Water Volumes per Supply	Estimated Flows	%
Ngagane to Newcastle	33 215 000	75.53%
Biggersberg to Dundee Glencoe	5 500 000	12.51%
Biggersberg to Hattingspruit AMJ	90 000	0.20%
Ngagane to Allcockspruit/Steýldrift AMJ	3 400 000	7.73%
Ngagane to Emadlangeni	323 200	0.73%
Ngagane raw water direct to Durnacol AMD	1 450 000	3.30%
Total annual flows/production	43 978 200	100.00%

Table 4 below, depicts the bulk water volumes for the year grouped per WSA;

Bulk Production Water Volumes per WSA	Total flows	% attribute
Newcastle municipality	33 215 000	75.53%
Umzinyathi DM	5 500 000	12.51%
Amajuba DM	5 263 200	11.97%
Total Distribution	43 978 200	100.00%

Calculation of the proposed Bulk water tariff for the 2023/2024 financial year.

Utilising the above proposed bulk water volumes, Table 5 below depicts the calculation of the proposed bulk water tariff for the 2023/2024 financial year.

The bulk water tariff is arrived at by dividing the total bulk water supply volume divided by the total costs of providing the bulk water service. The relevant bulk water tariff is then recovered from each WSA based on their individual bulk water volumes to be supplied.

It will be noted that the costs of providing a Laboratory service to the Newcastle and Amajuba municipalities is charged for separately as a bulk unit cost and that this is also based on bulk water volumes supplied

Table 5: Proposed Bulk Tariff

WSA	Volumes supplied	Tariff	Lab Surcharge	Total Tariff	Bulk water	Lab surcharge	Total recovery
Newcastle municipality	33 215 000	4.93	0.02	4.95	163 782 207	664 300	164 446 507
Umzinyathi DM	5 500 000	4.93	-	4.93	27 120 341		27 120 341
Amajuba DM	5 263 200	4.93	0.02	4.95	25 952 687	105 264	26 057 951
Total Distribution	43 978 200	4.93	0.02		216 855 236	769 564	217 624 800

The bulk water tariff model provides for the fair and equitable sharing of bulk water costs amongst the WSA's based on their actual supply and demand.

The proposed bulk water tariff of R4.93 per kilolitre, excluding the R0.02 lab charge, measures favourably with the industry norm which is around R 7.75c per kilolitre.

The proposed bulk water tariff currently does not contain a capital element and also does not provide for the recovery of capital depreciation.

The municipalities are urged to look at the proposed capital tariff depicted in Annexure C (Proposed Capital Element to Tariff) in order to fund Capital projects identified by the municipalities in their IDP's and as proposed by the entity. This capital element of the tariff will be added to the operation bulk water tariff and a single tariff will be recovered accordingly.

It must be noted that, in terms of Municipal Budget Circular, 2019/2020 MTREF, MFMA Circular No.89, that the Entity and its municipal shareholder municipalities must ensure that their tariffs charged are able to cover for the cost of providing bulk water services, ongoing operations, as well as provision for future infrastructures.

These proposals are contained within and are included in the recommendations made herewith.

2.3 CAPITAL BUDGET:

In order to sustain the day to day operations of the entity as well as ensure adequacy of potable bulk water supply to the parent municipalities into the future, the entity compiles a capital budget. This is meant to ensure that the entity's infrastructure is sound to deliver the service. This infrastructure also includes support services such as IT and all the PPE necessary to provide an efficient and effective service.

2.3.1 NGAGANE WATER TREATMENT PLANT

The pump status at the Ngagane Water Purification Plant main pump station is as follows: Pump no's A1&A2, B2, C1&C2 and D2 are in operational order. B1 Pump Electrical motor has incurred high temperatures when operational, the motor was removed, inspected and tested. The procurement of a new electrical motor was included in the UTW Procurement plan for FY 2022/2023. D1 Electrical motor is to be connected and thereafter commissioned; this is an incomplete project. The present

pumping capacity and volumes being delivered by the existing pumps is sufficient and is meeting the required demand. In the event of pump failure, spare A, B&C pumps and electrical motors are available. Not all the six available pumps are being utilized simultaneously thereby resulting in spare pumping capacity.

The replacement and upgrading of the Electrical Motor Control Centre's (MCC) in the main pump station for the B&C pumps is required. The electrical panel switchgear in the electrical substations also requires replacement and upgrading. Capex funding is required for all the afore-mentioned replacements. The replacement of these assets is included in the 2022/2023 Capital Expenditure Budget.

The Ngagane River Pump Station has two pumps in operational order, these two pumps are meeting the demand. A third repaired pump was installed, a new soft starter was procured, installed and commissioned. The procurement of a new Immersible pump was included in the 2022/2023 Procurement Plan.

The Buffalo River supply pipeline requires upgrading (Capex funding is required), leaks were repaired. The cleaning of the inlet grid was carried out to remove blockages.

Ngagane WTP Capital Budget

WSA	Volumes supplied		2024	2025	2026	2027
Capital Required for Ngagane			39 700 000	20 166 667	7 366 667	4 366 667
Newcastle municipality	33 215 000	89.92%	35 698 423	18 133 960	6 624 141	3 926 527
Amajuba DM	3 723 200	10.08%	4 001 577	2 032 707	742 526	440 140
Total Distribution	36 938 200		39 700 000	20 166 667	7 366 667	4 366 667

2.3.2 BIGGARSBERG WATER TREATMENT PLANT

Tayside High Lift Pump Station

High Lift Pump no.2 is in operational order. High Lift pump no.1 will be removed in order for the installation of a new pump. High Lift Pump no.2 delivers substantially more than what the Low Lift pump station is delivering.

Note: As part of the upgrade project of the High Lift Pump Station, the appointed contractor is presently constructing a new Clarifier, upgrading the pumps, motors and electrical panels.

Tayside Low Lift Pump Station

Low lift pump no.1 is non-operational due to excessive vibration and mechanical failures. All three pumps were removed and initially replaced with four borehole pumps. These have however been refurbished and recommissioned. There used to be a submersible pump that acted as back up should all the three pumps fail. This has however failed and currently we do not have any back up pump should the three pumps fail again. An immersible pump needs to be procured to act as the backup pump.

Inspections to the Cathodic protection system on the Tayside raw water pipeline were carried out.

Biggarsberg WTP Capital Budget

WSA	Volumes supplied		2024	2025	2026	2027
Capital Required for Biggarsberg			111 400 000	179 500 000	227 550 000	216 550 000
Umzinyathi DM	5 500 000	98.39%	109 606 440	176 610 018	223 886 404	213 063 506
Amajuba DM	90 000	1.61%	1 793 560	2 889 982	3 663 596	3 486 494
Total Distribution	5 590 000		111 400 000	179 500 000	227 550 000	216 550 000

2.2.3 SHARED COSTS (HEAD OFFICE)

There is a need for capital expenditure for head office as per the attached capital budget, which include items such as vehicles, computer equipment and systems, office furniture, laboratory equipment and laboratory building.

3. LEGAL FRAMEWORK AND COMMENTARY

BUDGET LEGISLATIVE FRAMEWORK

The draft budget is prepared in terms of section 87 of the MFMA Act No. 56 of 2003. The MFMA requires, inter alia, that

(1) The board of directors of a municipal entity must for each financial year submit a proposed budget for the entity to its parent municipality not later than 150 days before the start of the entity's financial year or earlier if requested by the parent municipality.

(2) The parent municipality must consider the proposed budget of the entity and assess the entity's priorities and objectives. If the parent municipality makes any recommendations on the proposed budget, the board of directors of the entity must consider those recommendations and, if necessary, submit a revised budget to the parent municipality not later than 100 days before the start of the financial year.

(3) The mayor of the parent municipality must table the proposed budget of the municipal entity in the council when the annual budget of the municipality for the relevant year is tabled.

(4) The board of directors of a municipal entity must approve the budget of the municipal entity not later than 30 days before the start of the financial year, taking into account any hearings or recommendations of the council of the parent municipality.

(5) The budget of a municipal entity must—

(a) Be balanced;

(b) Be consistent with any service delivery agreement or other agreement between the entity and the entity's parent municipality;

- (c) Be within any limits determined by the entity's parent municipality, including any limits on tariffs, revenue, expenditure and borrowing;*
- (d) Include a multi-year business plan for the entity that—*
 - (i) sets key financial and non-financial performance objectives and measurement criteria as agreed with the parent municipality;*
 - (ii) is consistent with the budget and integrated development plan of the entity's parent municipality;*
 - (iii) is consistent with any service delivery agreement or other agreement between the entity and the entity's parent municipality*

Section 17(2) of the MFMA Act No 56 of 2003 stipulates that an entity is to compile an annual budget which must generally be divided into capital and an operating budget. For more than 12 years, the entity has operated without an approved capital budget from the WSAs. This has resulted in ad hoc projects being carried out using OPEX budget compromising on the effective maintenance of our infrastructure. Due to lack of capital funding, the entity has not been able to implement the recommendations suggested in its infrastructure master plan that was compiled back in 2012.

Due to lack of CAPEX, procurement of tools of trade such a PPE and motor vehicles has also suffered to an extent that the entity's fleet is aged and staff is finding it difficult to carry out their duties effectively. Planning and implementation of projects to secure future water resources has also been hampered due to lack of capital funding. Below is just a few examples of infrastructure high risk items.

FINANCIAL IMPLICATIONS

The Operational Budget requirements for the 2023/2024 financial year is R 216 855 236.

The Total Capital requirements for the 2023/2024 financial year is R 247 700 000 and for the next four years it amounts to R7 855 500 000

ANNEXURES

Annexure A – MTREF 2023-24 to 27 Draft Operational Budget

Annexure B – Capital Budget 2023/2024-27

Annexure C – Proposed Capital Element to Tariff

RECOMMENDATIONS:

It is recommended that the shareholder municipalities:

- Approve the proposed Operating Budget for 2023/2024-27 amounting to R 216 855 236
- Approve the Capital Budget for 2023/2024-27 amounting to R 247 700 000
- Approve the bulk water tariff of R 4.93 per kilolitre

ACCOUNTING OFFICER'S QUALITY CERTIFICATION

I, Mr. W.B. Nkosi, Managing Director of uThukela (Pty) Ltd, hereby certify that the draft budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations under the Act, and that the annual budget and documentation are consistent with the Integrated Development Plan of the parent municipalities and the business plan of the entity.

Budget 2023/2024

Account	Account Name	Old Vote Number	Proposed Budget 2023/2024	Adjusted Current 2022/2023 Budget	Budget % difference
	Revenue	Total			
	Water Sales				
	Newcastle LM		164,446,507	147,670,883	11.4%
	Umzimyathi DM		27,120,341	24,342,502	11.4%
	Amajuba DM		26,057,951	23,399,711	11.4%
	Consumers		501,061	478,568	4.7%
	Interest earned external investments		125,265	119,642	4.7%
	Other Revenue		54,706	52,250	4.7%
	Total Revenue		218,305,832	196,063,556	11.3%
				22,242,276	
			72,887,733	67,309,889	8.3%

Budget 2024/

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Account	Account Name	Old Vote Number	Proposed Budget 2023/2024	Adjusted Current 2022/2023 Budget	Budget % difference
	Employee related costs		72,887,733	67,309,889	8.3%
O0001/IE00036/F0932/X051/R5236/001	Municipal Running Cost/Basic Salary and Wa	2400 - Basic salaries	48,304,877	44,972,442	7.4%
O0001/IE00044/F0932/X051/R5236/001	Municipal Running Cost/Pension	2402 - Pension fund contributions	7,949,305	7,012,848	13.4%
O0001/IE00043/F0932/X051/R5236/001	Municipal Running Cost/Medical	2403 - Medical aid contributions	2,134,359	1,994,728	7.0%
O0001/IE00126/F0932/X051/R5236/001	Municipal Running Cost/Travel or Motor Veh	2404 - Travel or Motor vehicle	1,347,540	1,168,572	15.3%
O0001/IE01521/F0932/X051/R5236/001	Municipal Running Cost/Housing Benefits	2405 - Housing allowances	162,433	150,287	8.1%
O0001/IE01523/F0932/X051/R5236/001	Municipal Running Cost/Rental Subsidy	24052 - Rental Subsidy	123,120	129,600	-5.0%
O0001/IE03971/F0932/X051/R5236/001	Municipal Running Cost/Structured	2406 - Overtime & Stand-by	1,999,520	1,868,710	7.0%
O0001/IE01535/F0932/X051/R5236/001	Municipal Running Cost/Standby Allowance	24062 - Stand-by	1,689,342	1,578,824	7.0%
O0001/IE01526/F0932/X051/R5236/001	Municipal Running Cost/Bonus	2407 - Bonus	5,331,935	4,652,830	14.6%
O0001/IE03968/F0932/X051/R5236/001	Municipal Running Cost/Night Shift	2408 - Night shift allowance	514,721	481,048	7.0%
O0001/IE01525/F0932/X051/R5236/001	Municipal Running Cost/Acting and Post Rela	2410 - Acting Allowance	478,670	447,355	7.0%
O0001/IE00125/F0932/X051/R5236/001	Municipal Running Cost/Non-pensionable	2412 - Non Pensionable Allowance	230,063	142,681	61.2%
O0001/IE01533/F0932/X051/R5236/001	Municipal Running Cost/Long Service Award	2416 - Long Service	167,593	431,376	-61.1%
O0001/IE00045/F0932/X051/R5236/001	Municipal Running Cost/Unemployment Insu	2413 - UIF	193,315	191,293	1.1%
O0001/IE00040/F0932/X051/R5236/001	Municipal Running Cost/Bargaining Council	2414 - Bargaining Council	12,571	12,113	3.8%
O0001/IE01530/F0932/X051/R5236/001	Municipal Running Cost/Leave Pay	3202 - Leave pay 3155??	1,236,804	1,155,891	7.0%
O0001/IE00119/F0932/X051/R5236/001	Municipal Running Cost/Accommodation, Tr	3153 - Subsistence and transport costs	354,964	339,030	4.7%
O0001/IE00042/F0932/X051/R5236/001	Municipal Running Cost/Group Life Insurance	2415 - Group Life	656,601	580,261	13.2%
	Depreciation and asset impairment		2,062,748	1,970,151	4.7%
O0001/IE00711/F0932/X046/R5236/001	Municipal Running Cost/Furniture and Office	2002 - Provision for asset impairment	2,062,748	1,970,151	4.7%
	Operating Leases		1,801,773	1,720,891	4.7%

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1,9

Budget 2023/2024

Account	Account Name		Old Vote Number	Proposed Budget 2023/2024	Adjusted Current 2022/2023 Budget	Budget % difference
	Contracted services					
	Total			12,608,341	11,564,795	9.0%
O1551-1/IE00651/F0932/X148/R5236/001	KZN252_UTWSDDBIP_NGA_Transport Assets/3129 - Maintenance of motor vehicles and tr		3129 - Maintenance of motor vehicles and tr	260,115	248,438	4.7%
O1551-2/IE00651/F0932/X148/R0399/001	KZN293_UTWSDDBIP_BIG_Transport Assets/3129 - Maintenance of motor vehicles and tr		3129 - Maintenance of motor vehicles and tr	129,834	124,005	4.7%
O0005-1/IE00005/F0932/X148/R5236/001	KZN293_UTWSDDBIP_LAB_Drinking Water Q1/3158 - Water and sanitation test analyses		3158 - Water and sanitation test analyses	618,147	590,399	4.7%
O0001/IE00649/F0932/X045/R5236/001	Municipal Running Cost/Maintenance of Buil/3128 - Maintenance of buildings and fixtures		3128 - Maintenance of buildings and fixtures	83,573	79,821	4.7%
O1336-1/IE00843/F0932/X045/R5236/001/S	KZN252_UTWSDDBIP_STRAT_Administrative/3138 - Professional fees and consultant costs		3138 - Professional fees and consultant costs	850,117	334,400	154.2%
O0001/IE00830/F0932/X049/R5236/001/FIN	Municipal Running Cost/Auditing and Auditing			24,330	23,238	4.7%
O0001/IE00663/F0932/X148/R0399/001	Municipal Running Cost/Safeguard and Secur/3144 - Safety and security		3144 - Safety and security	931,988	890,151	4.7%
O0001/IE00698/F0932/X073/R5236/001	Municipal Running Cost/Security Services		3144 - Safety and security	90,759	86,684	4.7%
O0001/IE00685/F0932/X045/R5236/001/STH	Municipal Running Cost/Internal Auditors			565,703	540,309	4.7%
O0001/IE00842/F0932/X099/R5236/001	Municipal Running Cost/Occupational Health & Safety			71,159	67,965	4.7%
O0001/IE00650/F0932/X052/R5236/001	Municipal Running Cost/Maintenance of Equ/3116 - Maintenance of computer equipment		3116 - Maintenance of computer equipment	72,154	68,915	4.7%
O1293-1/IE00632/F0932/X148/R0399/001	KZN252_UTWSDDBIP_BIG_Special Events and/3102 - Board meeting and function costs		3102 - Board meeting and function costs	5,561	5,311	4.7%
O0001/IE00635/F0932/X101/R5236/001	Municipal Running Cost/Employee Wellness NEW _Employee Wellness		NEW _Employee Wellness	77,768	74,277	4.7%
O1293-3/IE00677/F0932/X148/R5236/001	KZN252_UTWSDDBIP_LAB_Special Events and/3102 - Board meeting and function costs		3102 - Board meeting and function costs	7,901	7,546	4.7%
O1293-2/IE00632/F0932/X148/R5236/001	KZN252_UTWSDDBIP_NGA_Special Events an/ New		New	13,903	13,279	4.7%
O0001/IE00677/F0932/X045/R5236/001	Municipal Running Cost/Catering Services		3102 - Board meeting and function costs	51,396	49,088	4.7%
O0001/IE00008/F0932/X045/R5236/001	Municipal Running Cost/Legal Advice and Lit/3112 - Legal expenses		3112 - Legal expenses	262,902	251,100	4.7%
O0001/IE00833/F0932/X051/R5236/001	Municipal Running Cost/Audit Committee			147,681	141,052	4.7%
O1416-1/IE00080/F0932/X101/R5236/001	KZN293_UTWSDDBIP_ENG_Water Treatment/3135 - Planning and document costs		3135 - Planning and document costs	40,057	38,259	4.7%
O1416-1/IE00081/F0932/X101/R5236/001	KZN293_UTWSDDBIP_ENG_Water Treatment/3135 - Planning and document costs		3135 - Planning and document costs	7,483	7,147	4.7%
O1416-1/IE00083/F0932/X101/R5236/001	KZN293_UTWSDDBIP_ENG_Water Treatment/3135 - Planning and document costs		3135 - Planning and document costs	7,483	7,147	4.7%
O1548-3/IE00650/F0932/X148/R0399/001	KZN293_UTWSDDBIP_BIG_Furniture and Offi/3117 - Maintenance of office furniture, equip		3117 - Maintenance of office furniture, equip	109,412	104,500	4.7%
O1548-12/IE00650/F0932/X046/R5236/001	KZN293_UTWSDDBIP_COM_Furniture and Of/3117 - Maintenance of office furniture, equip		3117 - Maintenance of office furniture, equip	17,717	16,922	4.7%
O1548-1/IE00650/F0932/X049/R5236/001	KZN293_UTWSDDBIP_FIN_Furniture and Offi/3117 - Maintenance of office furniture, equip		3117 - Maintenance of office furniture, equip	17,717	16,922	4.7%
O1555-1/IE00650/F0932/X052/R5236/001	KZN293_UTWSDDBIP ICT_Furniture and Offic/3117 - Maintenance of office furniture, equip		3117 - Maintenance of office furniture, equip	-	-	0.0%
O1548-8/IE00650/F0932/X148/R5236/001	KZN293_UTWSDDBIP_NGA_Furniture and Off/3117 - Maintenance of office furniture, equip		3117 - Maintenance of office furniture, equip	43,913	41,942	4.7%
O1548-10/IE00650/F0932/X045/R5236/001	KZN293_UTWSDDBIP_STRAT_Furniture and O/3117 - Maintenance of office furniture, equip		3117 - Maintenance of office furniture, equip	184,917	176,616	4.7%
O2523-1/IE00651/F0932/X148/R5236/001	KZN252_UTWSDDBIP_NGA_Pipe Work/Maint/3118 - Maintenance of pipelines and reticula		3118 - Maintenance of pipelines and reticula	432,947	413,512	4.7%
O2158-2/IE00651/F0932/X148/R0399/001	KZN293_UTWSDDBIP_BIG_Pipe Work/Mainte/3118 - Maintenance of pipelines and reticula		3118 - Maintenance of pipelines and reticula	328,235	313,500	4.7%
O2158-1/IE00651/F0932/X148/R5236/001	KZN293_UTWSDDBIP_NGA_Pipe Work/Maint/3118 - Maintenance of pipelines and reticula		3118 - Maintenance of pipelines and reticula	547,058	522,500	4.7%
O2579-4/IE00651/F0932/X148/R5236/001	KZN252_UTWSDDBIP_NGA_Mechanical Equip/3119 - Maintenance of plant operations		3119 - Maintenance of plant operations	1,718,841	1,641,682	4.7%
O2209-1/IE00651/F0932/X148/R0399/001	KZN293_UTWSDDBIP_BIG_Civil Structure/Mai/3120 - Maintenance of plant, equipment and		3120 - Maintenance of plant, equipment and	720,946	688,583	4.7%
O2214-1/IE00651/F0932/X148/R0399/001	KZN293_UTWSDDBIP_BIG_Mechanical Equip/3121 - Maintenance of water meters and con		3121 - Maintenance of water meters and con	244,585	233,606	4.7%
O2563-1/IE00651/F0932/X148/R5236/001	KZN293_UTWSDDBIP_NGA_Civil Structure/M/ New		New	166,859	159,369	4.7%
O2574-2/IE00651/F0932/X148/R5236/001	KZN252_UTWSDDBIP_NGA_Civil Structure/M/3124 - Maintenance storage dams		3124 - Maintenance storage dams	1,132,431	1,081,596	4.7%
O2526-1/IE00651/F0932/X148/R0399/001	KZN293_UTWSDDBIP_BIG_Earthworks/Maint/3124 - Maintenance storage dams		3124 - Maintenance storage dams	167,145	159,642	4.7%

Budget 2024/

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Budget 2023/2024

Account	Account Name	Old Vote Number	Proposed Budget 2023/2024	Adjusted Current 2022/2023 Budget	Budget % difference
Total			86,088,444	72,530,339	19%
Other Expenditure					
O0001/E00759/F0932/X049/R5236/001	Municipal Running Cost/Bank Accounts	3101 - Bank charges	88,421	84,452	4.7%
O0001/E00577/F0932/X148/R0399/001	Municipal Running Cost/Levies Paid - Water	3160 - Water Research Levy & Resources Ma	5,551,255	5,302,058	4.7%
O0001/E00595/F0932/X051/R5236/001	Municipal Running Cost/Skills Development	3147 - Skills development levy	549,274	514,307	6.8%
O0001/E00609/F0932/X051/R5236/001	Municipal Running Cost/Workmen's Compens	3159 - Workmans compensation commission	308,703	288,711	6.9%
O0001/E00607/F0932/X045/R5236/001	Municipal Running Cost/Wet Fuel	3108 - Fuel & Oil	2,155,845	2,059,068	4.7%
O0001/E00709/F0932/X052/R5236/001	Municipal Running Cost/Computer Equipme	3115 - Maintenance of communications data	0	0	4.7%
O0001/E00723/F0932/X148/R5236/001	Municipal Running Cost/Hire Charges	3109 - Hire of plant and machinery	180,739	172,626	4.7%
O0001/E00605/F0932/X148/R5236/001	Municipal Running Cost/Vehicle Tracking		76,205	72,784	4.7%
O0001/E00749/F0932/X045/R5236/001	Municipal Running Cost/Auctions	3100 - Advertising	31,891	30,460	4.7%
O0001/E00793/F0932/X052/R5236/001/ICT	Municipal Running Cost/Specialised Comput	New	122,483	116,985	4.7%
O0001/E00538/F0932/X052/R5236/001	Municipal Running Cost/Computer Equipme		94,230	90,000	4.7%
O0001/E00583/F0932/X052/R5236/001	Municipal Running Cost/Printing, Publications and Books		31,410	30,000	4.7%
O0001/E00059/F0932/X148/R5236/001	Municipal Running Cost/National	3105 - Conferences and seminars	160,974	153,748	4.7%
O3584/E00579/F0932/X035/R0399/001	Municipal Running Cost/ESKOM	3107 - Eskom electricity charges	69,967,055	57,149,086	22.4%
O0001/E00808/F0932/X045/R5236/001	Municipal Running Cost/Motor Vehicle Licen	3113 - Licensing of Motor Vehicles & Trailers	133,029	127,057	4.7%
O0001/E00810/F0932/X148/R5236/001	Municipal Running Cost/Professional and Re	3131 - Membership fees	8,357	7,982	4.7%
O0001/E00584/F0932/X045/R5236/001	Municipal Running Cost/Professional Bodies,	3131 - Membership fees	89,133	85,132	4.7%
O0001/E07550/F0932/X148/R0399/001	Municipal Running Cost/Electrical Infrastruc	3132 - Monitoring and condition assessment	46,801	44,700	4.7%
O0001/E00579/F0932/X045/R5236/001	Municipal Running Cost/Municipal Services	3133 - Municipal services water, electricity, r	343,150	327,746	4.7%
O0001/E00604/F0932/X045/R5236/001	Municipal Running Cost/Uniform and Protec	3140 - Protective clothing and uniforms	297,107	283,770	4.7%
O0001/E00770/F0932/X148/R5236/001	Municipal Running Cost/Licences (Radio and	3142 - Radio and communications costs	13,903	13,279	4.7%
O0001/E00776/F0932/X148/R0399/001	Municipal Running Cost/Telemetric Systems	3145 - Scada and telemetric costs	369,554	352,964	4.7%
O0001/E00769/F0932/X052/R5236/001	Municipal Running Cost/Cellular Contract (S	3154 - Telephone and communications	326,270	311,623	4.7%
O0001/E00778/F0932/X052/R5236/001	Municipal Running Cost/Telephone, Fax, Tel	3154 - Telephone and communications	164,117	156,750	4.7%
O0001/E00784/F0932/X052/R5236/001	Municipal Running Cost/Data Lines	New	566,771	541,328	4.7%
O0001/E00787/F0932/X052/R5236/001	Municipal Running Cost/Internet Charge	New	-	-	0.0%
O0001/E00795/F0932/X052/R5236/001	Municipal Running Cost/System Development	3122 - Maintenance of website	50,144	47,893	4.7%
O0001/E00760/F0932/X049/R5236/001	Municipal Running Cost/Fleet and Other Cre	New	20,967	20,025	4.7%
O0001/E00782/F0932/X045/R5236/001	Municipal Running Cost/Mayor	3106 - Chairman's Discretionary Fund	66,835	63,835	4.7%
O0001/E00062/F0932/X045/R5236/001	Municipal Running Cost/Food and Beverage		3,430	3,276	4.7%
O0001/E00567/F0932/X049/R5236/001	Municipal Running Cost/External Audit Fees	3138 - Professional fees and consultant costs	1,824,446	1,742,546	4.7%
O0001/E00801/F0932/X049/R5236/001	Municipal Running Cost/Excess Payments	3111 - Insurance and excess costs	41,708	39,836	4.7%
O0001/E00805/F0932/X049/R5236/001	Municipal Running Cost/Premiums	3111 - Insurance and excess costs	1,032,143	985,810	4.7%
O0001/E00559/F0932/X045/R5236/001	Municipal Running Cost/Courier and Deliver	3136 - Postage and courier services	18,034	17,225	4.7%
O0001/E00771/F0932/X049/R5236/001	Municipal Running Cost/Postage	3136 - Postage and courier services	19,706	18,821	4.7%
O0001/E00773/F0932/X045/R5236/001	Municipal Running Cost/Rent/Private Bag and	New	2,705	2,584	4.7%

Budget 2024/

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Annexure I
Draft Service Standards

	Three months	Three months	Three months	Three months
	No	No	No	No
Time taken to repair a single pothole on a major road? (Hours)	2	2	2	2
Time taken to repair a single pothole on a minor road? (Hours)	1	1	1	1
Time taken to repair a road following an open trench service crossing? (Hours)	4	4	4	4
Time taken to repair walkways? (Hours)	2	2	2	2
Property valuations				
How long does it take on average from completion to the first account being issued? (one month/three months or longer)	Increase	Increase	Increase	Increase
Do you have any special rating properties? (Yes/No)	No	No	No	No
Financial Management				
Is there any change in the situation of unfunded and vested expenditure over time? (Decrease/increase)	No	No	No	No
Are the financial statements outsource? (Yes/No)	30 Days	30 Days	30 Days	30 Days
Are there Council adopted business process launching the flow and management of documentation feeding to Trial Balance?	Partially	Partially	Partially	Partially
How long does it take for on Tied invoices to be paid from the date it has been received?	Partially	Partially	Partially	Partially
Is there evidence planning from SCM unit linking all departmental plans quarterly and annually including for the next two to three years procurement plans?	Partially	Partially	Partially	Partially
Administration				
Reaction time on enquiries and requests?	Immediately	Immediately	Immediately	Immediately
Time to respond to a verbal customer enquiry or request? (working days)	Immediately	Immediately	Immediately	Immediately
Time to respond to a written customer enquiry or request? (working days)	3days	3days	3days	3days
Time to resolve a customer enquiry or request? (working days)	4days	4days	4days	4days
What percentage of calls are not answered? (5%, 10%, or more)	>5%	>5%	>5%	>5%
How long does it take to respond to voice mails? (hours)	Immediately	Immediately	Immediately	Immediately
Does the municipality have control over locked engines? (Yes/No)	Yes	Yes	Yes	Yes
Is there a reduction in the number of complaints or not? (Yes/No)	No	No	No	No
How long does it take to open an account to a new customer? (1 day/ 2 days/ a week or longer)	Yes	Yes	Yes	Yes
How many times does SCM Unit, CFD's Unit and Technical unit all to review and resolve SCM process delays other than normal monthly management meetings?	No	No	No	No
Community safety and licensing services				
How long does it take to register a vehicle? (minutes)	Immediately	Immediately	Immediately	Immediately
How long does it take to renew a vehicle license? (minutes)	3days	3days	3days	3days
How long does it take to issue a duplicate registration certificate vehicle? (minutes)	4days	4days	4days	4days
How long does it take to de-register a vehicle? (minutes)	>5%	>5%	>5%	>5%
How long does it take to renew a drivers license? (minutes)	Immediately	Immediately	Immediately	Immediately
What is the average reaction time of the fire service to an incident? (minutes)	Yes	Yes	Yes	Yes
What is the average reaction time of the ambulance service to an incident in the urban area? (minutes)	Yes	Yes	Yes	Yes
What is the average reaction time of the ambulance service to an incident in the rural area? (minutes)	No	No	No	No
Economic development				
How many economic development projects does the municipality driver?	Decrease	Decrease	Decrease	Decrease
How many economic development programmes are deemed to be catalytic in creating an enabling environment to unlock key economic growth projects?	No	No	No	No
What percentage of the projects have created sustainable job security?	30 Days	30 Days	30 Days	30 Days
Does the municipality have any incentive plans in place to create an conducive environment for economic development? (Yes/No)	Partially	Partially	Partially	Partially
Other Service delivery and communication				
Is a information package handed to the new customer? (Yes/No)	Immediately	Immediately	Immediately	Immediately
Does the municipality have training or information sessions to inform the community? (Yes/No)	Yes	Yes	Yes	Yes
Are customers treated in a professional and humane manner? (Yes/No)	No	No	No	No