



NEWCASTLE MUNICIPALITY



FINAL MEDIUM TERM BUDGET

2024/25—2026/27

EXTRACT FROM THE MINUTES OF THE SPECIAL MEETING OF THE NEWCASTLE MUNICIPAL COUNCIL HELD IN THE COUNCIL CHAMBERS, NEWCASTLE ON WEDNESDAY, 15 MAY 2024 AT 10:00

PRESENT

| | | | | | |
|------------|---|---|--------------|---|------------------------|
| Councillor | T | M | Zulu | : | Speaker |
| Councillor | M | E | Buthelezi | | |
| Councillor | F | | Cassim | | |
| Councillor | E | J | Cronje | | |
| Councillor | D | X | Dube | : | Mayor |
| Councillor | N | C | Dube | | |
| Councillor | F | L | Duma | | |
| Councillor | V | F | Hadebe | : | Left at 10:39 |
| Councillor | P | | Hariram | : | Logged in via MS Teams |
| Councillor | M | E | Hlatshwayo | | |
| Councillor | M | M | E Hlatshwayo | | |
| Councillor | L | M | Khumalo | | |
| Councillor | C | B | Kubeka | | |
| Councillor | M | T | Lethea | | |
| Councillor | C | Y | Liu | | |
| Councillor | B | G | Madi | | |
| Councillor | Z | E | Madi | | |
| Councillor | M | T | D Makhoba | : | Logged in via MS Teams |
| Councillor | X | S | Makhubo | : | Left at 10:39 |
| Councillor | F | A | Malinga | | |
| Councillor | S | B | Mashazi | : | Left at 10:39 |
| Councillor | N | S | F Masondo | | |
| Councillor | S | P | Masuku | | |
| Councillor | B | D | Mathunjwa | | |
| Councillor | L | P | Mazibuko | | |
| Councillor | M | V | Mbatha | | |
| Councillor | N | I | Mdluli | | |
| Councillor | A | P | Meiring | | |
| Councillor | P | F | Mnisi | | |
| Councillor | S | W | Mngomezulu | | |
| Councillor | M | V | Molefe | | |
| Councillor | T | E | Mthembu | | |
| Councillor | L | P | Ndebele | | |
| Councillor | M | O | Ndlovu | | |
| Councillor | C | S | Ngcobo | | |
| Councillor | R | N | Ngcobo | : | Logged in via MS Teams |
| Councillor | N | | Njoko | | |
| Councillor | A | T | Nkosi | : | Logged in via MS Teams |
| Councillor | W | P | Nkosi | | |
| Councillor | S | | Ntsele | | |
| Councillor | M | E | Radebe | | |
| Councillor | R | B | S Russell | | |
| Councillor | N | P | Shabalala | | |
| Councillor | S | E | Shabangu | | |
| Councillor | V | N | Sibeko | | |
| Councillor | S | | Singh | | |
| Councillor | F | N | Sithole | | |
| Councillor | B | R | Thusi | | |
| Councillor | N | P | Thela | | |
| Councillor | L | P | Ximba | | |
| Councillor | V | G | Zondo | | |
| Councillor | S | A | Yende | : | Logged in via MS Teams |
| Councillor | M | N | Zulu | | |
| Councillor | N | S | Zulu | | |
| Councillor | Z | E | Zwane | | |

(ii)

ABSENT WITH APOLOGY

| | | | | |
|---------------|---|---|------------|---------------------|
| Councillor | S | B | Buthelezi | : Other commitments |
| Councillor | T | N | Dlamini | : Other commitments |
| Councillor | N | P | Maseko | : Other commitments |
| Councillor | A | E | Mkhwanazi | : Other commitments |
| Councillor | N | P | Mthabela | : Other commitments |
| Councillor | S | E | Nkosi | : Other commitments |
| Councillor | M | J | Ntshangase | : Other commitments |
| Councillor | M | H | Simelane | : Other commitments |
| Councillor | L | C | Sithebe | : Other commitments |
| Councillor Dr | J | A | Vorster | : Other commitments |

TRADITIONAL LEADERS

| | | | | |
|--------|---|---|---------|---------------|
| iNkosi | C | S | Kubheka | : Not Present |
| iNkosi | B | S | Radebe | : Not Present |

ALSO PRESENT

| | | | |
|----------------------|------|---|---------|
| Media Representative | : Mr | Q | Boucher |
|----------------------|------|---|---------|

VACANCIES

| | | | |
|----------------------|---|---|---------|
| Ex – ward Councillor | H | N | Khumalo |
| Ex – war Councillor | S | M | Thwala |

OFFICIALS PRESENT

| | | | | |
|---|-------|---|---|--------------|
| Municipal Manager | : Mr | Z | W | Mcineka |
| Strategic Executive Director : BTO | : Mrs | P | H | Kubheka |
| Strategic Executive Director : Corporate Services | : Dr | P | D | Thabethe |
| Strategic Executive Director : Community Services | : Mr | G | B | Dlamini |
| Strategic Executive Director : DP&HS | : Mrs | N | P | Khathide |
| Strategic Executive Director : Technical Services | : Mr | B | P | Mnguni |
| Director : Administration | : Mrs | D | R | Molefe |
| Acting Director : Governance and Support Services | : Mrs | K | A | Pentz-Coates |
| Manager : General Administration and Secretariat | : Mrs | Z | | Sibeko |
| Committee Clerk | : Mr | K | S | Mbonane |
| Intern : Administration | : Mr | A | | Kunene |

CM 21 : FINAL MEDIUM-TERM BUDGET 2024/2025 (BTO 5/1/1)

RESOLVED

- (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 2024/25; and indicative allocations for the two projected outer years 2025/26 and 2026/27; 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.

(iii)

- (c) That, the Municipality's annual allocation of R 170.1 million 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 01 July 2024 for all services, except water and electricity consumption, which will be levied on the new tariff with effect from 01 August 2024.
- (e) That, the Tariff of Charges be approved and be applicable from 01 July 2024.
- (f) That, water, refuse, sewer and sundry tariffs be increased by 6% with effect from 01 July 2024.
- (g) That, rates tariff be set for the new valuation roll which is applicable from 01 July 2024, as calculated and included in the Tariff of Charges, and that the impermissible rate for all residential properties be capped at R 85 000 with effect from 01 July 2024.
- (h) That the tariffs of property rates categories be adjusted as follows with effect from 01 July 2024 :

| Category | 2023/24 | 2024/25 | % Change |
|-----------------------------|---------|---------|----------|
| Business and Commercial | 0,03634 | 0,03970 | 9,25% |
| Farms - Agriculture | 0,00323 | 0,00282 | -12,69% |
| Industrial | 0,03634 | 0,02990 | -17,72% |
| Mining and Quarries | 0,03634 | 0,03680 | 1,27% |
| Public Benefit Organisation | 0,00323 | 0,00282 | -12,69% |
| Residential | 0,01454 | 0,01197 | -17,68% |
| Public Service Purposes | 0,00363 | 0,00385 | 6,06% |
| Vacant Land | 0,04362 | 0,04045 | -7,27% |

- (i) That, the electricity tariffs be set for the new financial year be increased by 11.23% with effect from 01 July 2024 and it be noted that the municipality is still awaiting approval of the municipal electricity tariff increase from NERSA.
- (j) That, bulk electricity purchases be increased by 12.75% as per NERSA's guideline of the Eskom tariff increase.
- (k) That, in terms of the Indigent Policy, the monthly household earnings of an indigent application be capped at R 5000.00 per month (under 60 years) and R 6000.00 per month (over 60 years).
- (l) That indigent benefit packages be approved as follows :
- Electricity consumption : 50 kW/H
Water consumption : 6 KI

(iv)

| | |
|------------------------------|--------|
| Electricity availability | : 100% |
| Water availability | : 100% |
| Sewer | : 100% |
| Refuse | : 100% |
| Property rates | : 100% |
| Rental on municipal property | : 75% |

(m) 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 R 50 million : | |
| from 0 – 4 years | : 40% |
| from 5 – 6 years | : 25% |
| from 7 – 8 years | : 10% |
| from 9 years onwards | : 0% |

(n) That, the Service Standards be noted and approved.

(o) That, the Retention policy be noted and approved.

(p) That, the Budget Funding Plan be noted and approved.

(q) That, the Budget policy be noted and approved.

(r) That, the Tarriff policy be noted and approved.

(s) That, the Rates policy be noted and approved.

(t) That, the Indigent policy be noted and approved.

(u) That, the Customer Care, Credit Control, and Debt Collection policy be noted and approved.

(v) That, the Provision for Doubtful Debt and Debtors Write-off policy be noted and approved.

(w) That, the Supply Chain Management policy be noted and approved.

(x) That, the Cash and Investment Management policy be noted and approved.

(y) That, the Asset Management policy be noted and approved.

(z) That, The Petty Cash policy be noted and approved.

(aa) That, the Virement Transfer policy be noted and approved.

(bb) That, the funding and Reserves policy be noted and approved.

(cc) That, the Borrowing policy be noted and approved.

(dd) That, the Loss control policy be noted and approved.

(ee) That, the Short-term insurance policy be noted and approved.

(v)

- (ff) That, the Cost Containment policy be noted and approved.
- (gg) That, the Protective clothing policy be noted and approved.
- (hh) That, the Property Rates by-laws be noted and approved.
- (ii) That, Tarriff by-laws be noted and approved.
- (jj) That, the Credit Control and Debt Collection by-laws be noted and approved.
- (kk) That, the Internship policy be noted and approved.
- (ll) That, the Skills programme policy be noted and approved.
- (mm) That, the Recruitment policy be noted and approved.
- (nn) That, the IT Security policy be noted and approved.
- (oo) That, the Bursary policy be noted and approved.
- (pp) That, it be noted that the ANC does not support the recommendations.
- (qq) That, Council notes that Cllr. V.F. Hadebe and Cllr. S.B. Mashazi of the TSSA walked out at 10:39.

I, the undersigned, **ZAMOKWAKHE WESLEY MCINEKA**, in my capacity as **MUNICIPAL MANAGER** to the Newcastle Municipal Council, hereby certify the above as a true extract from the minutes of the special Council meeting held on 15 May 2024.


Z.W. MCINEKA
MUNICIPAL MANAGER

15/05/2024
DATE

Newcastle

Annexure A
Budget Document

NEWCASTLE MUNICIPALITY



FINAL BUDGET DOCUMENT ANNEXURE A

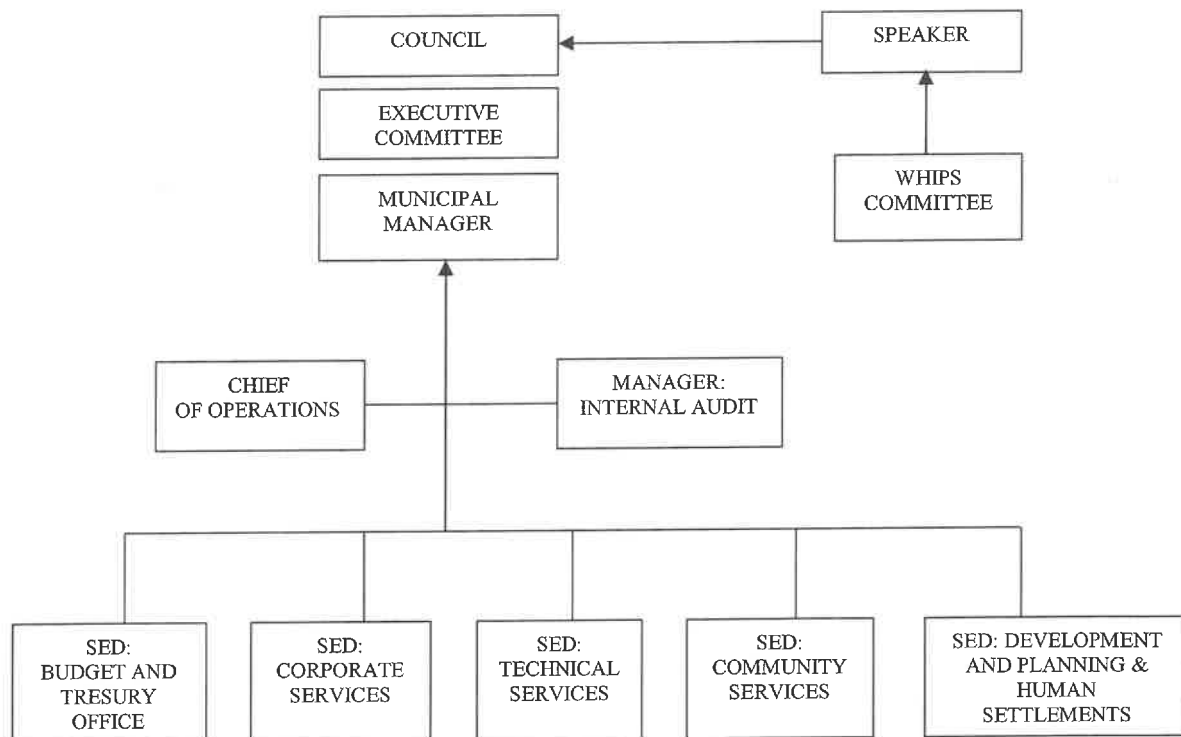
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I. ABBREVIATIONS AND ACRONYMS

| | |
|-------|--|
| 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 |

3.2 NEWCASTLE MUNICIPALITY: ORGANOGRAM



3.4 COUNCILLORS, EXECUTIVE COMMITTEE AND OFFICIALS

EXECUTIVE COMMITTEE

| DESIGNATION | SURNAME & INITIALS | PORTFOLIO COUNCILLOR | POLITICAL PARTY | WARD |
|--------------|--------------------|---|-----------------|------|
| Mayor | DUBE D X | Budget & Treasury | IFP | 18 |
| Deputy Mayor | VACANT | Technical Services | TSSA | 28 |
| Exco Member | HLATSHWAYO ME | Community Services | IFP | 6 |
| Exco Member | KUBHEKA CB | Corporate Services | IFP | PR |
| Exco Member | MEIRING AP | Planning, Development and Human Settlements | DA | 4 |
| Exco Member | VACANT | Technical Services | | |
| Exco Member | SITHEBE LC | Corporate Services | EFF | PR |
| Exco Member | CASSIM F | Planning, Development and Human Settlements | ASA | PR |
| Exco Member | YENDE SA | Budget & Treasury O | ANC | PR |
| Exco Member | ZONDO VG | Community Services | ANC | 27 |

COUNCIL

| DESIGNATION | SURNAME & INITIALS | POLITICAL PARTY | WARD |
|--------------------|-------------------------------|------------------------|-------------|
| Speaker | ZULU TM | IFP | PR |
| Mayor | DUBE DX | IFP | 18 |
| Deputy Mayor | VACANT | 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 | VACANT | | 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 | KHUMALO NR | TSSA | 31 |
| Councillor | KUBHEKA CB | IFP | PR |
| Councillor | VACANT | | 19 |
| Councillor | LETHEA MT | ANC | 10 |
| Councillor | LUI C | IFP | PR |
| Councillor | MADI BG | ANC | 8 |
| Councillor | MADI ZE | IFP | PR |
| Councillor | MAKHOPA 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 | VACANT | | 23 |
| Councillor | MNGOMEZULU SW | ANC | 22 |
| Councillor | MNISI PF | ANC | 15 |
| Councillor | VACANT | 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 | K | 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 |
| Strategic Executive Director: Budget and Treasury Office | Kubheka PHZ |
| Strategic Executive Director: Corporate Services | Thabethe PD |
| Strategic Executive Director: Technical Services | Mnguni BP |
| Strategic Executive Director: Community Services | Dlamini GB |
| Strategic Executive Director: Development, Planning and Human Settlements | Khathide NP |

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 of 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 Dannhauser 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. ArcelorMittal produces over 105 million tons of steel products annually. Although the ArcelorMittal 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 FINAL BUDGET: 2024/25

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 Section 24 of the Municipal Finance Management Act, No. 56 of 2003 to table the annual 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 administration, it has placed us at a very disadvantaged 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 mainly in our townships and rural settlements this has been accorded primarily by the poor allocation of around R8 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 allocations do not even by no stretch of imagination begin to address the issue of aging infrastructure and our inability to do maintenance, however we must acknowledge the improvements 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 167 million remains National and Provincial Organs of 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 pattens on conditional grants is an undesirable position for the Municipality to find itself in.

The current circumstances compel the municipality to develop internal funding strategies that will enhance the revenue and financial sustainability 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, therefore by August 2024 we intend to start settling the uThukela Water outstanding debt.

Although there are inaccuracies with our electricity tariffs given that we are permitted by National Treasury to only increase our electricity tariff by 11.23%, 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 Treasury. The inability to collect R1.8 billion owed to the Municipality by households mainly in the Eastern 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 developed an intensive revenue collection strategy with the anticipation that it will help us to improve revenue collection.

The increase in the employee related costs due to the returning of 223 employees who were previously dismissed 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 sits at R284 million. Regardless 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 final budget for 2024/25 financial year for approval.

By D X Dube

Mayor: Newcastle Municipality

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 2024/25; and indicative allocations for the two projected outer years 2025/26 and 2026/27; and the multi-year and single year capital appropriations be approved;
- (b) That the funding sources to fund both the operating and capital budgets be noted and approved;
- (c) That the Municipality's annual allocation of R170.1 million 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 2024 for all services, except for water and electricity consumption, which be levied on the new tariff with effect from 01 August 2024;
- (e) That the Tariff of Charges be approved and be applicable with effect from 01 July 2024;
- (f) That water, refuse, sewer and sundry tariffs be increased by 6% with effect from 01 July 2024.
- (g) That property rates tariff be set for the new valuation roll which is applicable from 1 July 2024, as calculated and included in the Tariff of Charges, and that the impermissible rate for all residential properties be capped at R 85 000 with effect from 1 July 2024.
- (h) That the tariffs of property rates categories be adjusted as follows with effect from 01 July 2024:

| CATEGORY | 2023/24 | 2024/25 | % change |
|-----------------------------|---------|---------|----------|
| Business and Commercial | 0,03634 | 0,03970 | 9,25% |
| Farms - Agriculture | 0,00323 | 0,00282 | -12,69% |
| Industrial | 0,03634 | 0,02990 | -17,72% |
| Mining & Quarries | 0,03634 | 0,03680 | 1,27% |
| Public Benefit Organisation | 0,00323 | 0,00282 | -12,69% |
| Residential | 0,01454 | 0,01197 | -17,68% |
| Public Service Purposes | 0,00363 | 0,00385 | 6,06% |
| Vacant Land | 0,04362 | 0,04045 | -7,27% |

- (i) That the electricity tariff be increased by 11.23% with effect from 01 July 2024 and it be noted that the municipality is still waiting for the approval of the municipal electricity tariff increase from NERSA.
- (j) That bulk electricity purchases be increased by 12.75% as per NERSA's guideline of the Eskom tariff increase.
- (k) 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)
- (l) That indigent benefit package be approved as follows:

| | |
|------------------------------|-----------|
| Electricity consumption | : 50 kW/h |
| Water consumption | : 6 KI |
| Electricity availability | : 100% |
| Water availability | : 100% |
| Sewer | : 100% |
| Refuse | : 100% |
| Property rates | : 100% |
| Rental on municipal property | : 75% |
- (m) That the rate rebates be capped and approved as follows:

| | |
|------------------------------------|-------|
| Pensioners | : 25% |
| Flood victims | : 50% |
| Bed 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% |
- (n) That the Service standards be noted and approved;
- (o) That the Retention Policy be noted and approved
- (p) That the Budget Funding Plan be noted and approved;
- (q) That the Budget Policy be noted and approved;
- (r) That the Tariff Policy be noted and approved;
- (s) That the Rates Policy be noted and approved;
- (t) That the Indigent Policy be noted and approved;
- (u) That the Customer Care, Credit Control and Debt Collection Policy be noted and approved;
- (v) That the Provision for Doubtful Debt and Debtors Write-Off Policy be noted and approved;
- (w) That the Supply Chain Management Policy be noted and approved;
- (x) That the Cash and Investment Management Policy be noted and approved;

- (y) That the Asset Management Policy be noted and approved;
- (z) That the Petty Cash Policy be noted and approved;
- (aa) That the Virement Policy be noted and approved;
- (bb) That the Funding and Reserves Policy be noted and approved;
- (cc) That the Borrowing Policy be noted and approved;
- (dd) That the Loss control Policy be noted and approved;
- (ee) That the Short-term Insurance Policy be noted and approved;
- (ff) That the Cost Containment Policy be noted and approved ;
- (gg) That the Personal Protective Equipment Policy be noted and approved;
- (hh) That the Property Rates By-Laws be noted and approved;
- (ii) That the Tariff By-Laws be noted and approved.
- (jj) That the Credit Control and Debt Collection By-Laws be noted and approved.
- (kk) That the Internship Policy be noted and approved.
- (ll) That the Skills Programme Policy be noted and approved.
- (mm) That the Recruitment Policy be noted and approved.
- (nn) That the IT Security Policy be noted and approved.
- (oo) That the Bursary Policy be noted and approved.

3. EXECUTIVE SUMMARY

3.1 INTRODUCTION

The 2024/2025 final budget is a consolidated operational and capital budget of R3.0 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 2024/25 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 Budget Funding Plan (BFP) strategies to enhance revenues, 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 considering 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 2024/25 budget. Furthermore, the budget format and the content incorporate 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;

- Repayment of old debts on bulk supplies;
- 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;
- 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 the approved organogram in line with mSCOA regulations;
- Bulk electricity and water tariff increase above the increase in revenue tariff increase, which implies additional burden to the municipality to provide electricity and water function.

3.2 OVERVIEW OF THE 2024/2025 BUDGET

OPERATING BUDGET

The operating budget, which funds the continued provision of services provided by the municipality, is projected to increase from the adjusted budget of R2.8 billion in 2023/24 to R2.9 billion in 2024/25, representing an increase of R117 million. The bulk of the operational budget is consumed by the fixed costs of the municipality of which R22.7 is funded through Provincial and National grants. This includes employee cost, SALGA membership fees, bulk water and bulk electricity purchases, IT licences, Cemeteries Licences, Finance charges, Insurance, Bank Charges, Property valuations, depreciation, debt impairment to mention but few.

There has been a reduction in the provision for finance charges due to the cost containment measures being implemented by the municipality. This indicates 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 R2.8 billion in the 2024/25 financial year, representing an increase of R154.8 million from the current year's adjusted budget of R2.6 billion.

The major items of the operating revenue for the 2024/25 financial year are as follows:

| Details | 2024/2025 R'000 | % of Total Revenue |
|---------------------------------|--------------------|--------------------|
| Electricity | 870 386 | 31.07% |
| Water | 237 039 | 8.46% |
| Sanitation / sewer | 142 374 | 5.08% |
| Refuse | 114 956 | 4.10% |
| Property rates | 423 760 | 15.13% |
| Grants and subsidies | 689 094 | 24.75% |
| Other revenue | 19 487 | 0.55% |
| Interest on outstanding debtors | 4 140 | 0.15% |
| Rental of facilities | 11 643 | 0.42% |

| | | |
|-------------------------|-------|-------|
| Fines | 7 600 | 0.27% |
| Interest on investments | 5 591 | 0.20% |

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

- **Electricity services: R870.4 million, increase of R6.5 million (0.75%)**

Electricity tariffs will increase by 11.23%. It must be noted that this tariff increases are as per the NERSA tool, which was recommended by NERSA that all municipalities must use to come up with their tariff of charges for electricity. The tariff seems to be lesser when compared to the previous year's tariff of 16.65%, which then have the impact of R6.5 on the budget 2024/25. Cognisance should also be taken that this percentage increase of 11.23% above the inflation rate of 4.9%, however this increase is based on the cost the municipality has incurred in the 2023/24 in providing the electricity. The revenue figure of R870.4 million is net of the cost of free basic service of R7.4 million in respect of electricity as required in terms of the Budget and Reporting Regulations.

- **Water services: R237.0 million, increase of R16.9 million (7.71%)**

Water tariffs are expected to increase by 6% in the 2024/25 financial year. The increase of 6% in tariffs is expected to generate additional revenue of R16.9 million (7.71%), from R220.1 million in the current adjusted budget to R237.0 million in the 2024/25 financial year. The revenue figure of R237.0 million is net of the cost of free basic services of R11.5 million in respect of water as required in terms of the Budget and Reporting Regulations.

It must be mentioned that National Treasury has also issued the Budget Circular which requires all municipalities to use the tariff budget tool to determine their tariffs. The percentage increase of 6% in all services charges and property other than electricity have been used as per the old approach. However, we have started to complete the tariff tool which still requires National Treasury's reviews.

- **Refuse removal: R114.9 million, increase of R5.2 million (4.71%)**

Refuse removal tariffs are expected to increase by 6% in the 2024/25 financial year. The increase of 6% in tariffs is expected to result in an increase in revenue of R5.2 million (4.71%), from R109.8 million in the current

year's adjusted budget to R114.9 million in the 202/25 financial year. The revenue figure of R114.9 million is net of the cost of free basic services of R17.3 million in respect of refuse removal as required in terms of the Budget and Reporting Regulations.

- **Sanitation: R142.4 million, increase of R11.9 million (7.72%)**

Sanitation tariffs are expected to increase by 6% in the 2024/25 financial year. The increase of 6% expected to generate additional revenue of R11.9 million (7.72%), from R154.3 million in the current year's adjusted budget to R142.4 million in the 2024/25 financial year. The revenue figure of R142.4 million is net of the cost of free basic services of R19.6 million in respect of sanitation as required in terms of the Budget and Reporting Regulations.

- **Property rates: R423.8 million, increase of R27.1 million (6.84%)**

Property rates tariffs are expected to increase by 6% in the 2024/25 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 R27.1 million (6.84%), from R396.6 million in the current year's adjusted budget to R423.8 million in the 2024/25 financial year. The revenue figure of R423.8 million is net of the rates rebates and indigent benefit of R73.8 million as required in terms of the Budget and Reporting Regulations. Furthermore, it must be noted that the municipality has embarked in the general valuation of properties in line with the Local Government Property Rates Act 6 of 2000. The impact of the draft valuation roll has been taken into account in the budget for the property rates.

- **Sale of goods & rendering of Services: R14.2 million, increase of R661 thousands (4%)**

Sale of goods and rendering of Services has been appropriated to comply with the mSCOA reporting requirements. This component includes revenue generated from rendering of service other than service charges. These are services that the municipality produces or partly produces. While other revenue includes all other income not elsewhere classified. This item has been projected to increase by 6% from the adjusted budget of R13.6 million to R14.2 million in the 2024/25 final budget.

- **Other revenue: R8.3 million, increase of R387 thousand (4.90%)**

Sundry tariffs will be increased by 6% and are expected to generate revenue of R8.3 million in the 2024/25 financial year. This represents an increase of R387 thousand (4.9%) from the budget of R87.9 million in the current year's adjusted budget to R8.3 million in the 2024/25 financial year.

- **Operational Transfers recognised: R686.0 million, increase of R82 million (10%)**

Revenue from grants and subsidies is expected to generate operating revenue of R686.0 million in the 2024/25 financial year. This represents an increase of R34.2 million (5.2%) from the budget of R604.2 million in the current year's adjusted budget to R686.0 million in the 2024/25 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, disaster grant is also included to deal with the maintenance of floods events within jurisdiction of Newcastle. In addition is the amount of R20 million for housing projects which was received years ago for the completion of housing projects. It must be further mentioned that in the Provincial Gazette the municipality has noted allocations from Housing for the implementation of Informal Human Settlements, that allocation is not included as part of our revenue, since it does not meet the criteria to be recorded in our books. The appropriation of grant transfers in the budget has been made in accordance with the Division of Revenue Act and the provincial gazette.

- **Fines: R7.6 million, increase of R355 thousand (4.90%)**

Revenue for fines is expected to generate revenue of R7.6 million in the 2024/25 financial year. This represents an increase of R355 thousand (4.90%) from the budget of R7.2 million in the current year's adjusted budget to R7.6 million in the 2024/25 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: R5.6 million, increase of R261.2 thousands (4.90%)**

Interest on investments is expected to generate revenue of R5.6 million in the 2024/25 financial year. This represents R261.2 increase of (4.90%) from the budget of R5.3 million in the current year to R5.6 million in

the 2024/25 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 exchanged & non-exchanged outstanding receivables: R993 thousands, increase of R46 thousands (0%)**

Interest from receivables (debtors) has been split to cater for interest charged on outstanding debtors from exchanged revenue and non-exchange revenue, in line with the mSCOA version 6.8 chart. The interest charged on exchanged revenue is projected to be R993 thousands while non-exchanged revenue is projected at zero. Interest on exchanged revenues includes interest that is levied on overdue business accounts, this includes interest on electricity, water, refuse and sanitation; while non-exchanged receivables is interest levied on businesses for property rates, the municipality is not planning to charge interest on property rates.

- **Rental of facilities: R11.6 million, increase of R543 thousand (4.9%)**

Tariffs from rental of municipal facilities will be increased by 6% and is expected to generate revenue of R11.6 million in the 2024/25 financial year. This represents an increase of R543 thousand (4.9%) from the adjusted budget of R11.1 million in the current year to R11.6 million in the 2024/25 financial year.

- **Licences: R35 thousand, increase of R1 thousand (4.9%)**

Tariffs from licences will be increased by 6% and is expected to generate revenue of R35 thousand in the 2024/25 financial year. This represents an increase of R1 thousand (4.9%) from the budget of R34 thousand in the current year's budget to R35 thousand in the 2024/25 financial year.

- **Inflation target**

The municipality has noted MFMA, Circular 128 which came while the municipality had already resumed the process of the draft budget. The municipality has used MFMA, Circular 126 in the compilation of the draft budget 2024/25 financial year. In terms of the National Treasury's budget circular No.126, the projected inflation rate for 2024/25 is 4.9%. It is noted that the tariff increases of 6% for rates and services and 11.23% for the electricity are slightly above the projected CPIX projection of 4.9 but within the South African Reserve Bank inflation ceiling of 6% for rates, water, sewer, refuse and sundry services. Cognisance must be taken that these tariffs might be far lower than the cost to provide for a particular service. This is evidenced by the electricity tariff of R11.23, which was derived by the NERSA tariff tool which considered all the costs involved

in providing for electricity. With all tariffs the municipality will consider using NERSA tool and National Treasury tariff tool.

OPERATIONAL EXPENDITURE

Total operating expenditure is projected at R2.793 billion in the 2024/25 financial year, representing an increase of R116.5 million (4.21%) from the current financial year's budget of R2.771 billion to the final budget of R2.8 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,
- NERSA bulk tariff for electricity.

The major items of the operating expenditure for the 2024/25 financial year are as follows:

| Details | 2024/2025 R'000 | % of Total Budget |
|------------------------------|--------------------|-------------------|
| Bulk purchases | 725 201 | 25.9% |
| Other materials | 184 859 | 6.6% |
| Employee related costs | 762 698 | 27.3% |
| Depreciation | 352 716 | 12.6% |
| Debt impairment | 200 548 | 7.2% |
| Other operational costs | 183 583 | 6.6% |
| Finance Charges | 30 300 | 1.1% |
| Remuneration of councillors. | 28 443 | 1.0% |
| Contracted services | 231 191 | 8.3% |

The following are expenditure items included in the budget:

- **Employee Related Costs: R762.6 million, increase of R54.3 million (7.6%)**

Employee related costs has increased from R708.4 million of the adjusted budget to R762.6 million, representing an increase of R54.3 million (7.6%). The assumptions are based on the budget funding plan

strategies to keep the existing warm bodies, this includes all positions which are on the VIP system from July 2023 to date. Another assumption is made to the municipality's affordability and reprioritization where we intend on improving service delivery and not to increase salaries by CPIX and Notch, in the current year, rather in the new MTREF where it is believed that our revenue based would have been improved by then. Furthermore, in a past 2 years the group life benefit was removed after taking into consideration the outcry of officials with the level of poor service and reduced benefits from the scheme. This employee cost is 26.4% of the total operational budget which is within the accepted benchmark of 25%-40%. In addition, it must be further mentioned that the municipality can only afford this percentage at this stage due to cash flow challenges.

- **Remuneration of Councillors: R28.4 million, an increase of R1.5 million (5.4%)**

Remuneration of Councillors is projected to be R28.4 million, representing an increase of R1.5 million (4.40%) from the current year's adjusted budget of R26.9 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 4 years.

- **Bulk Electricity Purchases: R725.2, an increase of R71.1 million (9.80%)**

Expenditure on bulk electricity purchases is projected at R725.2 million, representing an increase of R71.0 million (10.8%). The tariff used on bulk is from NERSA which is projected to be 11.75%. This tariff is slightly higher than the electricity tariff levied to consumers which demonstrate that the municipality is already budgeting for deficit on electricity charges.

- **UThukela Water Entity: R170.1 million, an increase of R14.6 million (9.39%) & other materials R14.7 million**

The municipality's contribution to uThukela Water increased from R155.5 million to R170.1 million which represents an increase of R14.6 million. This provision is in line the with MFMA, Circular 14, which requires bulk water to be treated as inventory. On the statement of financial performance (A4) is the projection for bulk water planned to be consumed while statement of financial position (A6) reflects water purchased from uThukela which is on stock. This circular requires lot of engagement with engineers, technical officials to ensure that everything as stipulated is budgeted for. The municipality will ensure that contents of the Circular are understood by all stakeholders involved in technically, budgeting and reporting.

Furthermore, the municipality has engaged uThukela water on their draft budget 2024/25 in line with Chapter 4 of the MFMA, Section 21. After careful consideration of their request the municipality concluded by budgeting the average percentage from their requests which is 9.3%, that percentage has been used to project for the

2024/25 budget bulk water. The municipality is still trying different ways to prevent water losses which adds a strain to the budget.

- **Debt impairment: R200.5 million, an increase of increase of 9 million (3%) & Irrecoverable debts written off: R93.7 a decrease of R0 rands (0%)**

The municipality has projected to incur R200.5 million on debt impairment representing an increase of R9 million (3%) from the original budget of adjusted budget of R285 million. The provision is based on the collection rate versus the amount expected to be billed in the budget year and the write offs projected in line with the Debt Management Policy. This provision is also based on the bad debts written-off in the current year as accounting entry.

Irrecoverable debts written-off are receivables which cannot be traced and collected. In the current year the Council has approved write-offs amounting to R93.7 million, this has no effect on the budget and cash flow.

- **Depreciation: R352.7 million, a decrease of R26.4 million (7%)**

Provision for depreciation has been projected to be R352.7 million, representing a decrease of R26.4 million (7%) from the adjusted budget of R379.1 million. The provision is based on the municipality's asset register's 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 asset register is being monitored and the municipality is embarking on the plans to dispose old items which might change the value of municipal assets. This item will be looked at closely on the finalisation of the 2024/25 – 2026/27 MTREF.

- **Finance Charges: R30.3 million, a decrease of R2.2 million (6.90%)**

Expenditure on interest on loans is projected to be R30.3 million, representing a decrease of R2.2 million (6.90%) from the current year's adjusted budget of R32.5 million. The estimation of finance charges of R30.3 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 the next seven years. The decrease is also based on the fact that the municipality won't be taking new loans but rather the fleet will be purchase on rent to buy basis.

- **Contracted services: R231.2 million, a decrease of R36 million (4%)**

Expenditure on contracted services is projected to be R231.2 million, representing a decrease of R36 million (4%) from the current year's adjusted budget of R267.2 million. The decrease is due to the removal of the Human Settlement Grant for the implementation of informal houses. It must further be mentioned that included on the contracted services is repairs and maintenance which are outsourced, professional fees outsourced due to expertise required which the municipality do not have. Contracted Services are funded from Grants R130.7 million and internal funding R128.8 million.

- **Other operational costs: R183.6 million, an increase of R28 million (12%)**

Other expenditure is projected to be R183.6 million, representing an increase of R28 million (12%) from the current year's adjusted budget of R155.6 million. The increase is mainly due to the additional provision for departmental rates, purchase of new plant, vehicle tracking system and services due to revenue tariff increases. While it is noted that this draft budget seems to compromise operations however, it is hoped that measured employed to increase the revenue base will work at the benefit of the municipality.

OPERATING SURPLUS/DEFICIT

The operational budget therefore yields an operating deficit of R105.9 million. It is noted that the operating deficit has decreased by R38.2 million when compared with the budgeted deficit of R141.9 million in the current year's adjusted budget. It remains the commitment of the municipality to comply with MFMA Circular No.72 and 126, 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 is 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 2026/27 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 R173.4 million, consisting of R162.3 million to be funded from government grants, and R11.1 million to be funded from internally generated funds. This is in line with

the strategies on the BFP which encourage grant funding. The summary of the capital budget over the medium terms is depicted as follows:

| Details | 2024/2025 R'000 | % of total expenditure |
|---------------------------|--------------------|---------------------------|
| Total Capital Budget | 173 486 | 100% |
| <u>Funded as follows:</u> | | |
| Grant funding | 162 376 | 94% |
| Internal funding | 11 110 | 6% |
| | 173 486 | 100% |

Government grants continue to fund the bulk of capital programme over the next three financial years, covering about 97% of the capital expenditure in the 2024/25 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 | 2024/2025 R'000 | % of total Expenditure |
|-----------------------------|--------------------|---------------------------|
| Energy sources | 22 344 | 12.88% |
| Water distribution | 52 191 | 30.08% |
| Waste water management | 12 000 | 6.92% |
| Machinery and Equipment | 1 560 | 0.90% |
| Roads & Transport | 56 051 | 32.31% |
| Furniture & Equipment | 1 230 | 0.71% |
| Sport | 18 964 | 10.93% |
| Community & Social Services | 29 | 0.02% |
| Computer Equipment | 3 050 | 1.76% |
| Heritage Assets | 267 | 0.15% |
| Transport Assets | 5 800 | 3.34% |
| TOTAL CAPITAL BUDGET | 173 486 | 100% |

The municipality will be spending the bulk of its capital programme towards basic infrastructure, with R56.1 million towards roads and storm water, R52.2 million towards water infrastructure, R12 million towards sanitation infrastructure, R22.3 towards electricity infrastructure as well as R18.9 million towards sports infrastructure. A further R2 million will be spend on tools of trade and other community assets.

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

| FINAL CAPITAL BUDGET 2024/25 -2026/27 MTREF | | | | |
|--|---|-----------------------|------------------------|------------------------|
| Directorate Description | mSCOA Config Description | 2024/25 FINAL BUDGET | 2025/2026 FINAL BUDGET | 2026/2027 FINAL BUDGET |
| CORPORATE SERVICES | | | | |
| ADMINISTRATION | OVERHEAD PROJECTOR AND PROJECTION SCREEN | 50 000,00 | | |
| ADMINISTRATION | PURCHASES OF VEHICLES | 800 000,00 | | |
| | | 850 000,00 | - | - |
| COMMUNITY SERVICES | | | | |
| COMMUNITY SERVICES | CONSTRUCTION OF SPORTS FACILITY (OLD CASINO) | 10 000 000,00 | 10 000 000,00 | 10 000 000,00 |
| COMMUNITY SERVICES | GRASS CUTTER | 70 000,00 | | |
| COMMUNITY SERVICES | FURNITURE FOR COMMUNITY HALLS | 400 000,00 | | |
| COMMUNITY SERVICES | BULK REFUSE CONTAINERS | - | 800 000,00 | 800 000,00 |
| COMMUNITY SERVICES | ROAD MAKING MACHINE | 90 000,00 | | |
| COMMUNITY SERVICES | AMPHITHEATRE: PHASE 3 | 217 000,00 | 320 000,00 | 320 000,00 |
| COMMUNITY SERVICES | ART PURCHASES | 29 000,00 | | |
| COMMUNITY SERVICES | CONSTRUCTION OF WHEELCHAIR RAMP AT ART GALLERY | 50 000,00 | | |
| | | 10 856 000,00 | 11 120 000,00 | 11 120 000,00 |
| DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS | | | | |
| TOWN PLANNING | NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT | 20 000 000,00 | 2 000 000,00 | 5 000 000,00 |
| HOUSING | FURNITURE AND EQUIPMENT | 500 000,00 | 500 000,00 | 500 000,00 |
| ECONOMIC DEVELOPMENT | CONSTRUCTION OF ATNS TOWER | 4 500 000,00 | | |
| ECONOMIC DEVELOPMENT | REFURBISHMENT OF HANGER BUILDING | 500 000,00 | | |
| ECONOMIC DEVELOPMENT | AIRPORT SOFTWARE | 1 000 000,00 | | |
| | | 26 500 000,00 | 2 500 000,00 | 5 500 000,00 |
| BUDGET AND TREASURY OFFICE | | | | |
| FINANCIAL TREASURY SERVICES | FURNITURE AND EQUIPMENT | 300 000,00 | 300 000,00 | 300 000,00 |
| FINANCIAL TREASURY SERVICES | MACHINERY & EQUIPMENT | 100 000,00 | 100 000,00 | 100 000,00 |
| FINANCIAL TREASURY SERVICES | IT EQUIPMENT | 2 000 000,00 | 2 000 000,00 | 2 000 000,00 |
| | | 2 400 000,00 | 2 400 000,00 | 2 400 000,00 |
| TECHNICAL SERVICES | | | | |
| INFRASTRUCTURE CIVIL | BLAAUWBOSCH BULK WATER | 8 703 374,76 | - | - |
| INFRASTRUCTURE CIVIL | CONSTRUCTION & REHABILITATION OF JR2 ROAD | 10 000 000,00 | - | - |
| INFRASTRUCTURE CIVIL | VILJOENPARK BULK WATER & SANITATION | 13 000 000,00 | 31 488 878,95 | 9 006 169,36 |
| INFRASTRUCTURE CIVIL | UPGRADE OF MADADENI WASTE WATER TREATMENT | 1 000 000,00 | - | - |
| INFRASTRUCTURE CIVIL | UPGRADE & REFURBISHMENT OF BULK SEWER PIPELINE FROM SIYAHALAL | 11 000 000,00 | 28 837 541,22 | - |
| INFRASTRUCTURE CIVIL | CONSTRUCTION OF SPORTS FACILITY - MIG | 8 964 576,32 | 10 558 042,13 | - |
| INFRASTRUCTURE CIVIL | PIPE REPLACEMENT AND UPGRADE PROJECT | 30 487 876,00 | - | - |
| INFRASTRUCTURE CIVIL | FURNITURE EQUIPMENT | 30 000,00 | 100 000,00 | 150 000,00 |
| INFRASTRUCTURE CIVIL | CONSTRUCTION OF MADADENI TARED ACCESS ROADS Ward 28 & 29 | 13 050 546,38 | 20 269 782,72 | 29 335 851,90 |
| INFRASTRUCTURE CIVIL | CONSTRUCTION OF OSIZWENI TARRRED ROADS ward 9, 10 & 32 | 13 000 000,00 | 20 879 209,60 | 34 426 939,07 |
| INFRASTRUCTURE CIVIL | CHARLESTOWN BULK WATER SUPPLY | - | 4 812 844,41 | 30 000 000,00 |
| INFRASTRUCTURE CIVIL | UPGRADE OF VOORTREKKER PUMPSTATION & ASSOCIATED WORKS | - | 4 000 000,00 | 28 799 461,60 |
| INFRASTRUCTURE CIVIL | CONSTRUCTION OF 11kv SWITCHING STATION- CAPRICORN | 7 700 000,00 | 6 000 000,00 | 6 500 000,00 |
| INFRASTRUCTURE CIVIL | CONSTRUCTION OF 132/11kv STATION- EQUARAND | 14 644 000,00 | 12 000 000,00 | 12 000 000,00 |
| INFRASTRUCTURE CIVIL | HIGH VOLTAGE TEST EQUIPMENT | 1 300 000,00 | | |
| | | 132 880 373,46 | 138 946 299,02 | 150 218 421,93 |
| | | | | |
| | | | | |
| | TOTAL FINAL CAPITAL BUDGET | 173 486 373,46 | 154 966 299,02 | 169 238 421,93 |

COST CONTAINMENT MEASURES

In line with S62(1)(a) of the Municipal Finance Management Act No.5 of 2003 which requires the accounting officer to be responsible for managing financial administration of a municipality, the Minister of Finance in his budget speech on 24 February 2016 announced cost containment measures for the entire public sector. The

Minister emphasised the need to reduce excessive and wasteful expenditure, and that action be taken to manage unnecessary expenditure. The municipality is already implementing several measures in this regard. These measures have mainly been driven by the Municipal Manager's and the Budget and Treasury Offices. The municipality already adopted the Cost Containment Policy, which focuses on our high-cost drivers that must be contained and curtailed. Below are high-cost drivers for the municipality:

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 MANAGEMENT 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 there is a challenge of sewer infrastructure in areas currently not zoned under Newcastle Municipality, the municipality does reach out to such areas using the VIP desludging system. The municipality further distributes VIP toilets in areas where water-borne sewer is not yet available. The larger part of Newcastle Municipality does have the necessary sewer system.

BUDGET FUNDING PLAN

At the beginning of the financial year, the municipality had submitted its annual budget both to National and KZN Provincial Treasury, which budget was declared as unfunded upon assessment. The assessment was such that, it will be impractical for the municipality to come up with a funded budget within one financial year. The municipality was then required to adopt the Budget Funding Plan together with the Budget, which will be implemented until such time that the budget is fully funded. The Council of Newcastle Municipality had since tabled a Budget Funding Plan (BFP) as required by Treasury, which was developed in response to the municipality's current financial situation. Detailed explanation on Annexure F.

HIGHLIGHTS ON THE NEW BUDGET REPORTING STANDARD (mSCOA)

As all municipalities were required by National Treasury to be fully mSCOA compliant as of 01 July 2017, Newcastle municipality has made stride in ensuring compliance. The implementation of mSCOA is an ongoing process and the adjustment budget has been prepared in compliance with the regulations and in schedule A; V6.8; as attached in Annexure D. However, it must be mentioned that while the final budget has been prepared on the financial system other tables are still inaccurate pending finalization of other mSCOA business processes which should integrate. Furthermore, on A6, A7 and A8 of schedule A extracted from data strings the outer years 2024/25 and 2026/27 are still not balancing to the manually captured schedule A, this is due to the current configuration of the financial system. Developments to deal with this discrepancy are underway. The progress on the finalisation of budget module is around 70%. This integration will go a long way in ensuring alignment between the approved budget and monthly and quarterly budget statements.

COMPLIANCE WITH MUNICIPAL BUDGET REPORTING REGULATIONS

The final budget 2024/25 to 2026/27 MTREF has been prepared in compliance with the Municipal Budget Reporting Regulations format and all other requirements. Schedule A consisting of all required tables is attached as Annexure D for this purpose.

4. BUDGET TABLES AND RELATED CHARTS

As attached in Annexure D - Schedule A tables

1. OVERVIEW OF BUDGET PROCESS

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 2023 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 approved 2024/25 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 2024/25 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 2023, 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 and budget steering committee was held during February and March 2024 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.

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.

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 has conducted the public consultation meetings with the local communities, in line with Section 22 of the MFMA. The consultation process included newspaper platforms with various stakeholders. Accordingly, the approved budget will follow an extensive publication of the budget documentation in the local newspapers, libraries, and all municipal public areas. Copies of the approved budget in both electronic and printed formats were 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 approved budget will also be published on the municipal website. The key target groups for the budget hearings will include:

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

1.4 SCHEDULE OF KEY DEADLINES RELATING TO THE BUDGET PROCESS

The budget time schedule for the compilation of the 2024/25 budget cycle was tabled in August 2024, 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.

Key Deadlines

| DATE | ACTIVITY | RESPONSIBILITY |
|----------------|---|----------------|
| August 2023 | <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). • Roll over process begins | Mayor/MM |
| September 2023 | <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. • Preparation of Departmental financial Planner. | MM/CFO |

| DATE | ACTIVITY | RESPONSIBILITY |
|---------------|--|--------------------------|
| October 2023 | <ul style="list-style-type: none"> ▪ Meeting with Mayor, Exco and Manco to discuss the strategic direction and objectives for the 2023/24 fiscal strategies and to discuss the budget preparation process of the budget framework to provide parameters and request budget inputs for 2023/2024. ▪ Departmental Cost Reflective Tariffs. ▪ Assess impact on tariffs and charges. • Finalize inputs from bulk resource providers (NERSA, uThukela) and agree on proposed price increase. Submit all Budget related policies for review. | <p>MM/BTO</p> <p>BTO</p> |
| November 2023 | <ul style="list-style-type: none"> ▪ Revenue assumptions ▪ Fixed cost projections ▪ Preparation of budget guidelines. ▪ uThukela and Technical Service discussion of Bulk water and water losses. ▪ Submission of guidelines to Budget Steering Committee for comments. ▪ Invitation of Treasury for Annual Review of Budget related Policies. ▪ Invitation of Treasury to conduct training on cost reflective tariffs. | BTO/HR |
| December 2023 | <ul style="list-style-type: none"> • Submission of budget guidelines to Departments • Departmental visit to departments • MSCOA workshop. | BTO |
| January 2024 | <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 |

| DATE | ACTIVITY | RESPONSIBILITY |
|---------------|---|----------------------------|
| February 2024 | <ul style="list-style-type: none"> • Finalize operational and capital budget, finalize all budget related policies. • Adjustments budget approval • Bilateral engagement of mid-year review • Review of Budget Funding Plan. | Extended MANCO and EXCO |
| March 2024 | <p>Budget Workshop:</p> <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 2024 | <p>Draft Budget:</p> <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. • Provincial treasury engagement on Adjustment budget. • Alignment of IDP, Budget & SDBIP | MAYOR, MM, CFO |
| April 2024 | <p>Public Consultation Process:</p> <ul style="list-style-type: none"> • Submission of approved budget both printed and electronically to COGTA, National and Provincial Treasury. • Submission of the Draft Budget Data Strings • Make public notice in terms of S22, 75 of the MFMA and 21A of the Municipal Systems Act. • Public Consultation on draft budget throughout the municipality in terms of Chapter 4 of the Municipal Systems Act (including budget related Policies for Annual Budget & SDBIP). • Bilateral engagement with Provincial Treasury on the Draft Budget | MAYOR EXCO MM CFO |
| May 2024 | <p>Respond to Public Comments in terms of S23 of the MFMA.</p> | MAYOR BTO MM |

| DATE | ACTIVITY | RESPONSIBILITY |
|-------------------------|---|---------------------------------|
| | <ul style="list-style-type: none"> • Response to public comments and sector comments. Incorporate recommendations into draft budget. • Alignment of IDP, Budget & SDBIP <p>Approval of Final Budget – MFMA S24.</p> <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. • Submission of Data Strings for the Original Budget | <p>CONCIL</p> |
| <p>June 2024</p> | <p>Publication of Annual Budget.</p> <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. • Bilateral engagement with Provincial Treasury on the Final Budget • Validation of budget on the financial system. | <p>MM BTO</p> |
| <p>July 2024</p> | <ul style="list-style-type: none"> • Budget is uploaded on the production system. • Submission of locking certificate in terms of S74(1) of the MFMA | <p>BTO</p> |

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.

2.1 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 2024)

The State of the Nation address for the 2024 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 2024)

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 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.

2.3 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.

2.4 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 2024/25 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.

2.5 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 final IDP marks the new 5th generation of the five years period of the new Council which occupied office in November 2021.

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 final process plan for 2024/2025 was presented to the Executive Committee and is included in the final 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.

2.7 LINK BETWEEN THE IDP, BUDGET AND PERFORMANCE MANAGEMENT SYSTEM

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 2024/25 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.

3. MEASURABLE PERFORMANCE OBJECTIVES

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 2022/23 financial year:

| Financial Benchmark | Basis of calculation | 2024/2025 |
|--|---|-----------|
| Debt to Asset Ratio | Total debt / Total Assets | 0,10 |
| Debt to Revenue | Total debt / Total Income | 16.0% |
| Average Interest Paid on Debt | Interest Paid / Total Interest Bearing Debt | 7.0% |
| Capital Charges to Operating Expenditure | Interest and Principal Paid / Operating Expenditure | 21.0% |
| Interest as a % of Operating Expenditure | Interest Paid / Operating Expenditure | 1.0% |
| Current Ratio | Current Assets / Current Liabilities | 0.83 |
| 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 0.10 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 21%.

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 0.83 : 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.

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 2024/25 budget.

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.

4.1 FINAL POLICY AND POLICIES REVIEWED

The following policies have been amended and/or reviewed and attached with the budget for consideration. Final Budget Policies are attached as Annexure E:

- 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
- Retention Policy
- Protective Clothing Policy

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 (CPIX), being 4.9% for the 2024/25 financial year. Budget narratives has been explained in detail from page 19 to 29 of this document.

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 | 2024/2025 | 2025/2026 | 2026/2027 |
|----------------------------|-----------|-----------|-----------|
| Property rates | 6% | 6% | 6% |
| Electricity | 11.23% | 12.23% | 13.23% |
| Water | 6% | 6% | 6% |
| Sanitation | 6% | 6% | 6% |
| Waste/Refuse | 6% | 6% | 6% |
| General Sources of Revenue | 6% | 6% | 6% |

The projected increases in the expenditure items are as follows:

| Expenditure source | 2024/2025 | 2025/2026 | 2026/2027 |
|------------------------------|-----------|-----------|-----------|
| Employee related cost | 7.30% | 7.30% | 7.30% |
| Electricity budget purchases | 12.75 | 13.75% | 14.75% |
| Water budget purchases | 9.39 | 4.9% | 4.5% |

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 4.9% estimated increase during the 2024/25 financial year. The tariff increase of 12.75% 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 R162.4 million is expected to be received from government grants and the balance of R11.1 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.

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 R162.3 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. R11.1 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 R364.4 million from property rates, R1.139 billion from services charges, R11.6 million from rental of facilities, R5.5 million from interest income, R4.1 million from

interest on outstanding debtors, R689.0 million from operating grants, R23 million from other revenue. These receipts will assist with the payment of expenditure which is expected to be incurred during 2024/25.

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 2024/25 have been projected as follows:

| Revenue Source | Average 2024/2025 |
|-----------------------|------------------------------|
| Property rates | 86.00% |
| Electricity | 95.89% |
| Water | 58.00% |
| Sewer | 66.0% |
| Refuse | 64.0% |

The total average collection rate is projected at an average of at least 83% 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.

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 2024/25 Division of Revenue Act have been included in the medium term budget.

National allocations

| Grant Description | 2024/25 Estimate | 2025/26 Estimate | 2026/27 Estimate |
|---|---------------------|---------------------|---------------------|
| Equitable Share | 540 119 | 563 790 | 584 127 |
| Finance Management Grant | 1 800 | 1 900 | 2 100 |
| Neighbourhood Development Partnership | 20 000 | 2 000 | 2 250 |
| Water Services Infrastructure Grant | 70 000 | 75 000 | 85 000 |
| Municipal Infrastructure Grant | 131 792 | 138 424 | 150 767 |
| Integrated National Electrification | 22 344 | 18 000 | 18 500 |
| Municipal Disaster Recovery Grant | 6 891 | 6 891 | 0 |
| Expanded Public Works Programme Incentive | 1 896 | 1 896 | 1 896 |
| Total National Allocations | 794 842 | 807 901 | 844 890 |

Provincial allocations

| Grant Description | 2024/25 R'000 | 2025/26 R'000 | 2026/27 R'000 |
|-------------------------------------|------------------|------------------|------------------|
| Accredited Municipalities | 11 625 | 10 030 | 8 073 |
| Museum | 497 | 519 | 582 |
| Provincialisation of libraries | 7 300 | 7 627 | 7 969 |
| Community Library Services Grant | 3 230 | 3 108 | 3 274 |
| LGSETA | 1 000 | 1 000 | 1 000 |
| Sport, Recreation Grant | 10 000 | 10 000 | 10 000 |
| Total Provincial Allocations | 36 652 | 32 284 | 30 898 |

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).

9. COUNCILLOR ALLOWANCES AND EMPLOYEE BENEFITS

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

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

Please refer to table SA25 to SA30 of Schedule A (To be included in the draft budget)

11. ANNUAL BUDGET AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN – INTERNAL DEPARTMENTS

The SDBIP will be submitted separately.

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.

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.

14. CAPITAL EXPENDITURE DETAILS

Please refer to Annexure A5 of Schedule A

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.

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 R170.1 million has however been made in the annual budget.

Annexure D
A Schedule Budget Tables

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

| Functional Classification Description | Ref | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | 2024/25 medium term Revenue & Expenditure Framework | | |
|--|-----|------------------|------------------|------------------|----------------------|------------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousand | 1 | | | | | | | | | |
| Revenue - Functional | | | | | | | | | | |
| <i>Governance and administration</i> | | 535 705 | 484 385 | 521 000 | 565 717 | 574 723 | 574 723 | 643 050 | 638 683 | 675 349 |
| Executive and council | | 7 149 | 13 647 | 20 452 | 15 251 | 15 251 | 15 251 | 25 293 | 25 627 | 30 413 |
| Finance and administration | | 528 556 | 470 738 | 500 548 | 550 466 | 569 472 | 569 472 | 617 757 | 613 056 | 644 935 |
| Internal audit | | - | - | - | - | - | - | - | - | - |
| <i>Community and public safety</i> | | 204 643 | 390 530 | 46 287 | 77 025 | 86 184 | 86 184 | 67 058 | 66 515 | 51 748 |
| Community and social services | | 12 903 | 14 475 | 14 994 | 11 656 | 12 117 | 12 117 | 12 699 | 13 161 | 14 360 |
| Sport and recreation | | 697 | 11 132 | 4 683 | 12 086 | 12 086 | 12 086 | 10 155 | 10 162 | 10 235 |
| Public safety | | 9 676 | 3 903 | 6 059 | 4 757 | 7 172 | 7 172 | 7 524 | 7 870 | 11 411 |
| Housing | | 181 306 | 361 015 | 20 539 | 48 522 | 54 805 | 54 805 | 36 677 | 35 317 | 15 735 |
| Health | | 61 | 4 | 12 | 4 | 4 | 4 | 4 | 5 | 7 |
| <i>Economic and environmental services</i> | | 136 126 | 142 356 | 157 172 | 171 944 | 183 955 | 183 955 | 161 897 | 150 589 | 159 662 |
| Planning and development | | 100 860 | 134 316 | 28 031 | 28 876 | 29 804 | 29 804 | 23 214 | 5 274 | 8 895 |
| Road transport | | 35 266 | 8 040 | 129 141 | 143 068 | 154 151 | 154 151 | 138 683 | 145 315 | 150 767 |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | | 1 274 360 | 1 517 005 | 1 566 831 | 1 781 356 | 1 784 008 | 1 784 008 | 1 908 752 | 2 063 113 | 2 255 331 |
| Energy sources | | 618 090 | 822 980 | 804 988 | 994 494 | 975 379 | 975 379 | 995 702 | 1 100 539 | 1 253 734 |
| Water management | | 264 361 | 311 775 | 359 037 | 366 795 | 367 379 | 367 379 | 369 514 | 387 567 | 401 458 |
| Waste water management | | 259 788 | 241 210 | 254 821 | 263 058 | 283 768 | 283 768 | 369 989 | 392 460 | 410 606 |
| Waste management | | 132 122 | 141 040 | 147 985 | 157 009 | 157 483 | 157 483 | 173 567 | 182 547 | 189 533 |
| <i>Other</i> | 4 | 167 | 174 | 160 | 195 | 195 | 195 | 205 | 214 | 311 |
| Total Revenue - Functional | 2 | 2 151 001 | 2 534 450 | 2 291 449 | 2 596 238 | 2 629 066 | 2 629 066 | 2 780 962 | 2 919 115 | 3 142 401 |
| Expenditure - Functional | | | | | | | | | | |
| <i>Governance and administration</i> | | 464 026 | 463 170 | 653 078 | 526 515 | 586 660 | 586 660 | 630 166 | 618 566 | 621 079 |
| Executive and council | | 80 202 | 95 154 | 122 855 | 87 849 | 90 162 | 90 162 | 99 910 | 102 892 | 106 743 |
| Finance and administration | | 377 060 | 367 278 | 528 385 | 431 359 | 489 309 | 489 309 | 522 676 | 507 767 | 506 092 |
| Internal audit | | 6 744 | 737 | 1 838 | 7 308 | 7 189 | 7 189 | 7 579 | 7 906 | 8 243 |
| <i>Community and public safety</i> | | 314 205 | 517 110 | 253 589 | 305 267 | 302 024 | 302 024 | 282 173 | 291 139 | 274 550 |
| Community and social services | | 33 738 | 42 032 | 42 542 | 46 305 | 44 725 | 44 725 | 46 078 | 48 066 | 48 295 |
| Sport and recreation | | 75 287 | 71 745 | 74 021 | 81 375 | 80 053 | 80 053 | 81 062 | 84 366 | 85 452 |
| Public safety | | 54 430 | 67 611 | 97 424 | 94 712 | 93 192 | 93 192 | 94 243 | 98 386 | 101 245 |
| Housing | | 141 786 | 326 119 | 29 985 | 72 572 | 73 933 | 73 933 | 50 120 | 49 188 | 27 938 |
| Health | | 8 963 | 9 603 | 9 616 | 10 303 | 10 121 | 10 121 | 10 670 | 11 133 | 11 621 |
| <i>Economic and environmental services</i> | | 240 268 | 271 605 | 286 897 | 276 739 | 270 327 | 270 327 | 251 584 | 263 929 | 344 931 |
| Planning and development | | 83 736 | 80 996 | 86 124 | 86 004 | 86 797 | 86 797 | 81 268 | 84 769 | 86 776 |
| Road transport | | 156 522 | 190 601 | 200 765 | 190 732 | 183 526 | 183 526 | 170 313 | 179 157 | 258 152 |
| Environmental protection | | 10 | 8 | 7 | 3 | 3 | 3 | 3 | 3 | 3 |
| <i>Trading services</i> | | 1 157 695 | 1 399 012 | 1 452 921 | 1 613 058 | 1 609 537 | 1 609 537 | 1 720 599 | 1 736 005 | 1 827 636 |
| Energy sources | | 583 970 | 705 018 | 557 690 | 811 505 | 828 031 | 828 031 | 869 147 | 887 130 | 984 273 |
| Water management | | 491 897 | 595 992 | 707 439 | 612 122 | 478 671 | 478 671 | 451 331 | 458 894 | 450 561 |
| Waste water management | | 45 176 | 55 661 | 104 648 | 62 470 | 154 593 | 154 593 | 232 637 | 236 940 | 234 745 |
| Waste management | | 36 652 | 42 342 | 83 145 | 126 961 | 148 243 | 148 243 | 147 483 | 153 041 | 168 059 |
| <i>Other</i> | 4 | 1 026 | 3 356 | 2 955 | 3 010 | 2 501 | 2 501 | 2 346 | 2 468 | 1 718 |
| Total Expenditure - Functional | 3 | 2 177 220 | 2 654 252 | 2 649 439 | 2 724 589 | 2 771 049 | 2 771 049 | 2 886 868 | 2 912 107 | 3 069 916 |
| Surplus/(Deficit) for the year | | (26 219) | (119 803) | (357 990) | (128 351) | (141 982) | (141 982) | (105 907) | 7 008 | 72 484 |

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

| Vote Description | Ref | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|---|-----|------------------|------------------|------------------|----------------------|------------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| Revenue by Vote | 1 | | | | | | | | | |
| Vote 1 - CORPORATE SERVICES | | 145 940 | 85 078 | 110 294 | 124 961 | 125 961 | 125 961 | 135 377 | 140 962 | 146 313 |
| Vote 2 - COMMUNITY SERVICES | | 155 449 | 170 596 | 173 752 | 185 534 | 187 068 | 187 068 | 195 844 | 206 038 | 218 198 |
| Vote 3 - BUDGET AND TREASURY | | 388 294 | 399 306 | 410 706 | 440 756 | 444 516 | 444 516 | 477 859 | 469 279 | 501 873 |
| Vote 4 - MUNICIPAL MANAGER | | 1 500 | - | - | - | - | - | - | - | - |
| Vote 5 - DEVELOPMENT PLANNING AND HUMAN SET | | 202 900 | 381 375 | 44 957 | 74 467 | 82 904 | 82 904 | 58 178 | 38 887 | 23 011 |
| Vote 6 - TECHNICAL SERVICES | | 595 144 | 675 115 | 746 752 | 776 027 | 813 239 | 813 239 | 831 297 | 891 959 | 929 971 |
| Vote 7 - ELECTRICAL AND MECHANICAL SERVICES | | 661 775 | 822 980 | 804 988 | 994 494 | 975 379 | 975 379 | 1 082 407 | 1 171 990 | 1 323 035 |
| Vote 8 - GOVERNANCE UNIT | | - | - | - | - | - | - | - | - | - |
| Total Revenue by Vote | 2 | 2 151 001 | 2 534 450 | 2 291 449 | 2 596 238 | 2 629 067 | 2 629 067 | 2 780 962 | 2 919 115 | 3 142 401 |
| Expenditure by Vote to be appropriated | 1 | | | | | | | | | |
| Vote 1 - CORPORATE SERVICES | | 148 052 | 102 856 | 121 912 | 110 707 | 107 828 | 107 828 | 111 126 | 115 663 | 116 172 |
| Vote 2 - COMMUNITY SERVICES | | 254 095 | 298 538 | 393 037 | 425 983 | 425 117 | 425 117 | 433 053 | 438 344 | 448 318 |
| Vote 3 - BUDGET AND TREASURY | | 171 711 | 192 008 | 336 565 | 238 236 | 225 132 | 225 132 | 307 753 | 298 974 | 299 305 |
| Vote 4 - MUNICIPAL MANAGER | | 90 589 | 88 499 | 97 601 | 100 353 | 98 762 | 98 762 | 111 529 | 115 925 | 120 781 |
| Vote 5 - DEVELOPMENT PLANNING AND HUMAN SET | | 172 310 | 357 475 | 57 125 | 98 555 | 103 417 | 103 417 | 72 421 | 52 264 | 51 108 |
| Vote 6 - TECHNICAL SERVICES | | 802 239 | 894 952 | 1 068 373 | 920 360 | 1 008 008 | 1 008 008 | 858 815 | 889 236 | 959 211 |
| Vote 7 - ELECTRICAL AND MECHANICAL SERVICES | | 538 224 | 719 925 | 574 826 | 830 394 | 802 785 | 802 785 | 992 171 | 1 001 700 | 1 075 021 |
| Vote 8 - GOVERNANCE UNIT | | - | - | - | - | - | - | - | - | - |
| Total Expenditure by Vote | 2 | 2 177 220 | 2 654 252 | 2 649 439 | 2 724 589 | 2 771 049 | 2 771 049 | 2 886 868 | 2 912 107 | 3 069 916 |
| Surplus/(Deficit) for the year | 2 | (26 219) | (119 803) | (357 990) | (128 351) | (141 982) | (141 982) | (105 907) | 7 008 | 72 484 |

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

| Description | Ref | Current Year 2023/24 | | | | | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-------------------------|-------------------------|-------------------------|------------------|------------------|--------------------|-------------------|---|------------------------|------------------------|
| | | 2020/21 Audited Outcome | 2021/22 Audited Outcome | 2022/23 Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| Revenue | | | | | | | | | | | |
| Exchange Revenue | | | | | | | | | | | |
| Service charges - Electricity | 2 | 619 100 | 726 407 | 710 069 | 882 022 | 863 907 | 853 907 | 863 907 | 870 387 | 979 185 | 1 111 375 |
| Service charges - Water | 2 | 167 535 | 187 084 | 208 841 | 219 986 | 220 070 | 220 070 | 220 070 | 237 040 | 251 262 | 266 338 |
| Service charges - Waste Water Management | 2 | 116 274 | 120 014 | 127 581 | 133 580 | 154 290 | 154 290 | 154 290 | 142 375 | 150 917 | 159 972 |
| Service charges - Waste Management | 2 | 92 725 | 99 017 | 103 346 | 110 148 | 109 788 | 109 788 | 109 788 | 114 957 | 121 854 | 129 165 |
| Sale of Goods and Rendering of Services | | | | | | 13 506 | 13 505 | 13 505 | 14 168 | 14 818 | 21 488 |
| Agency services | | | | | | - | - | - | - | - | - |
| Interest | | | | | | | | | | | |
| Interest earned from Receivables | | 5 707 | 4 247 | 5 406 | 5 877 | 947 | 947 | 947 | 993 | 1 039 | 1 597 |
| Interest earned from Current and Non Current Assets | | 2 973 | 2 294 | 6 529 | 5 330 | 5 300 | 5 300 | 5 300 | 5 582 | 5 649 | 8 451 |
| Dividends | | - | - | - | - | - | - | - | - | - | - |
| Rent on Land | | - | - | - | - | - | - | - | - | - | - |
| Rental from Fixed Assets | | 7 442 | 8 917 | 7 988 | 8 804 | 11 099 | 11 099 | 11 099 | 11 943 | 12 179 | 17 609 |
| Licence and permits | | - | - | - | - | - | - | - | - | - | - |
| Operational Revenue | | 19 560 | 18 364 | 20 608 | 8 490 | 1 292 | 1 292 | 1 292 | 1 355 | 1 417 | 2 955 |
| Non-Exchange Revenue | | | | | | | | | | | |
| Property rates | 2 | 348 822 | 352 426 | 376 279 | 396 741 | 396 614 | 396 614 | 396 614 | 423 760 | 412 860 | 437 631 |
| Surcharges and Taxes | | - | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | | 3 212 | 3 944 | 5 729 | 4 831 | 7 249 | 7 248 | 7 248 | 7 601 | 7 951 | 11 528 |
| Licences or permits | | 15 | 41 | 82 | 34 | 34 | 34 | 34 | 38 | 38 | 58 |
| Transfer and subsidies - Operational | | 639 932 | 842 932 | 568 095 | 677 820 | 604 152 | 604 152 | 604 152 | 685 118 | 709 681 | 713 250 |
| Interest | | - | - | - | - | 3 600 | 3 600 | 3 600 | 3 147 | 3 292 | 4 773 |
| Fuel Levy | | - | - | - | - | - | - | - | - | - | - |
| Operational Revenue | | - | - | - | - | - | - | - | - | - | - |
| Gains on disposal of Assets | | - | 2 638 | 1 151 | 2 000 | - | - | - | - | - | - |
| Other Gains | | - | - | - | - | 5 757 | 5 757 | 5 757 | 99 416 | 95 108 | 91 087 |
| Discontinued Operations | | | | | | | | | | | |
| Total Revenue (excluding capital transfers and contributions) | | 2 042 097 | 2 378 344 | 2 132 538 | 2 355 468 | 2 397 032 | 2 397 032 | 2 397 032 | 2 618 585 | 2 767 349 | 2 976 362 |
| Expenditure | | | | | | | | | | | |
| Employee related costs | 2 | 546 878 | 572 674 | 677 337 | 724 604 | 708 366 | 708 366 | 708 366 | 762 698 | 781 181 | 815 615 |
| Remuneration of councillors | | 26 612 | 28 662 | 26 993 | 28 441 | 26 987 | 26 987 | 26 987 | 28 443 | 26 751 | 31 090 |
| Bulk purchases - electricity | 2 | 436 881 | 557 138 | 527 905 | 660 933 | 654 133 | 654 133 | 654 133 | 725 201 | 716 079 | 823 491 |
| Inventory consumed | 8 | - | - | - | 4 313 | 161 759 | 161 759 | 161 759 | 184 865 | 192 861 | 200 570 |
| Debt impairment | 3 | 202 430 | 274 982 | 252 510 | 308 145 | 285 207 | 285 207 | 285 207 | 294 207 | 289 425 | 306 165 |
| Depreciation and amortisation | | 351 084 | 365 084 | 347 534 | 379 139 | 379 139 | 379 139 | 379 139 | 352 716 | 371 011 | 369 732 |
| Interest | | 64 380 | 39 754 | 76 097 | 52 206 | 32 942 | 32 942 | 32 942 | 39 302 | 26 545 | 22 467 |
| Contracted services | | 264 109 | 564 999 | 260 392 | 207 361 | 267 155 | 267 155 | 267 155 | 230 991 | 216 304 | 202 996 |
| Transfers and subsidies | | - | - | - | - | - | - | - | - | - | - |
| Irrecoverable debts written off | | - | - | 192 307 | 69 312 | 93 693 | 93 693 | 93 693 | 93 698 | 86 251 | 86 330 |
| Operational costs | | 284 245 | 250 080 | 345 156 | 134 594 | 162 099 | 162 099 | 162 099 | 183 777 | 187 598 | 193 472 |
| Losses on disposal of Assets | | - | - | - | - | - | - | - | - | - | - |
| Other Losses | | 1 | 609 | - | - | - | - | - | - | - | - |
| Total Expenditure | | 2 177 220 | 2 654 252 | 2 616 175 | 2 569 048 | 2 771 049 | 2 771 049 | 2 771 049 | 2 886 858 | 2 912 107 | 3 069 916 |
| Surplus/(Deficit) | | (135 124) | (275 908) | (483 637) | (213 580) | (374 017) | (374 017) | (374 017) | (268 273) | (144 758) | (93 554) |
| Transfers and subsidies - capital (monetary allocations) | 6 | 108 904 | 156 106 | 158 912 | 240 770 | 232 035 | 232 035 | 232 035 | 152 376 | 151 769 | 166 938 |
| Transfers and subsidies - capital (in-kind) | 6 | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | | (26 219) | (119 803) | (324 725) | 27 190 | (141 982) | (141 982) | (141 982) | (105 896) | 7 008 | 72 484 |
| Income Tax | | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after Income tax | | (26 219) | (119 803) | (324 725) | 27 190 | (141 982) | (141 982) | (141 982) | (105 896) | 7 008 | 72 484 |
| Share of Surplus/Deficit attributable to Joint Venture | | - | - | - | - | - | - | - | - | - | - |
| Share of Surplus/Deficit attributable to Minorities | | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) attributable to municipality | | (26 219) | (119 803) | (324 725) | 27 190 | (141 982) | (141 982) | (141 982) | (105 896) | 7 008 | 72 484 |
| Share of Surplus/Deficit attributable to Associate | | - | - | - | - | - | - | - | - | - | - |
| Intercompany/Parent subsidiary transactions | 7 | - | - | (33 264) | - | - | - | - | - | - | - |
| Surplus/(Deficit) for the year | 1 | (26 219) | (119 803) | (357 990) | 27 190 | (141 982) | (141 982) | (141 982) | (105 896) | 7 008 | 72 484 |

| Vote Description | Ref | Current Year 2023/24 | | | | | | | 2022/23 Medium Term Revenue & Expenditure Framework | | |
|---|-----|-------------------------------|-------------------------------|-------------------------------|--------------------|--------------------|-----------------------|----------------------|---|---------------------------|---------------------------|
| | | 2020/21 Audited Outcome | 2021/22 Audited Outcome | 2022/23 Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| 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 | | - | - | 120 | - | 700 | 700 | 700 | 850 | - | - |
| Vote 2 - COMMUNITY SERVICES | | 5 970 | 13 812 | 4 448 | 13 326 | 19 311 | 19 311 | 19 311 | 19 821 | 20 878 | - |
| Vote 3 - BUDGET AND TREASURY | | 2 904 | 2 068 | 2 999 | 3 900 | 4 073 | 4 073 | 4 073 | 2 400 | 2 400 | 2 400 |
| Vote 4 - MUNICIPAL MANAGER | | - | 239 | - | 800 | 3 096 | 3 096 | 3 096 | - | - | - |
| Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS | | 30 107 | 26 405 | 24 472 | 500 | 2 313 | 2 313 | 2 313 | 26 500 | 2 500 | 5 500 |
| Vote 6 - TECHNICAL SERVICES | | 111 409 | 139 971 | 141 832 | 215 262 | 193 973 | 193 973 | 193 973 | 100 272 | 111 188 | 142 838 |
| Vote 7 - ELECTRICAL AND MECHANICAL SERVICES | | - | 2 900 | - | 21 550 | 27 436 | 27 436 | 27 436 | 23 644 | 18 000 | 18 500 |
| Vote 8 - GOVERNANCE UNIT | | - | - | - | - | - | - | - | - | - | - |
| Capital single-year expenditure sub-total | | 150 390 | 185 393 | 173 869 | 255 338 | 250 902 | 250 902 | 250 902 | 173 486 | 154 966 | 169 238 |
| Total Capital Expenditure - Vote | | 150 390 | 185 393 | 173 869 | 255 338 | 250 902 | 250 902 | 250 902 | 173 486 | 154 966 | 169 238 |
| Capital Expenditure - Functional | | | | | | | | | | | |
| Governance and administration | | 2 904 | 5 205 | 3 119 | 4 700 | 7 330 | 7 330 | 7 330 | 3 250 | 2 400 | - |
| Executive and council | | - | 239 | - | - | 1 757 | 1 757 | 1 757 | - | - | - |
| Finance and administration | | 2 904 | 4 966 | 3 119 | 4 700 | 5 573 | 5 573 | 5 573 | 3 250 | 2 400 | - |
| Internal audit | | - | - | - | - | - | - | - | - | - | - |
| Community and public safety | | 7 554 | 13 637 | 5 125 | 37 334 | 41 277 | 41 277 | 41 277 | 20 231 | 22 178 | 11 120 |
| Community and social services | | 3 927 | 1 490 | 557 | 858 | 1 308 | 1 308 | 1 308 | 766 | 1 120 | 1 120 |
| Sport and recreation | | 196 | 11 098 | 3 891 | 35 977 | 39 169 | 39 169 | 39 169 | 18 965 | 20 558 | 10 000 |
| Public safety | | 1 709 | - | - | - | - | - | - | - | - | - |
| Housing | | 1 722 | 1 045 | 678 | 500 | 800 | 800 | 800 | 500 | 500 | - |
| Health | | - | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | | 90 502 | 58 384 | 56 127 | 54 635 | 65 620 | 65 620 | 65 620 | 62 081 | 52 062 | 92 820 |
| Planning and development | | 28 386 | 25 471 | 23 867 | - | 6 278 | 6 278 | 6 278 | 6 030 | 100 | - |
| Road transport | | 62 116 | 32 913 | 32 240 | 54 635 | 59 342 | 59 342 | 59 342 | 56 051 | 51 962 | 92 820 |
| Environmental protection | | - | - | - | - | - | - | - | - | - | - |
| Trading services | | 49 431 | 108 167 | 109 499 | 158 669 | 136 665 | 136 665 | 136 665 | 87 925 | 78 328 | 65 298 |
| Energy sources | | - | - | - | 21 550 | 27 836 | 27 836 | 27 836 | 23 644 | 18 000 | 6 500 |
| Water management | | 21 988 | 64 577 | 83 284 | 108 185 | 100 054 | 100 054 | 100 054 | 52 191 | 31 489 | 30 000 |
| Waste water management | | 27 305 | 42 366 | 26 214 | 28 484 | 7 941 | 7 941 | 7 941 | 12 000 | 28 838 | 28 798 |
| Waste management | | 138 | 1 224 | - | 450 | 834 | 834 | 834 | 90 | - | - |
| Other | | - | - | - | - | 10 | 10 | 10 | - | - | - |
| Total Capital Expenditure - Functional | 3 | 150 390 | 185 393 | 173 869 | 255 338 | 250 902 | 250 902 | 250 902 | 173 486 | 154 966 | 169 238 |
| Funded by: | | | | | | | | | | | |
| National Government | | 108 538 | 132 942 | 149 800 | 228 012 | 213 181 | 213 181 | 213 181 | 151 580 | 140 946 | 155 218 |
| Provincial Government | | 367 | 23 163 | 9 112 | 12 758 | 18 854 | 18 854 | 18 854 | 10 796 | 10 820 | 10 820 |
| District Municipality | | - | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions) | | - | - | - | - | - | - | - | - | - | - |
| Transfers recognised - capital | 4 | 108 904 | 156 105 | 158 912 | 240 770 | 232 035 | 232 035 | 232 035 | 162 376 | 151 766 | 166 038 |
| Borrowing | 6 | | | | | | | | | | |
| Internally generated funds | | 41 485 | 29 289 | 14 958 | 14 568 | 18 867 | 18 867 | 18 867 | 11 110 | 3 200 | 3 200 |
| Total Capital Funding | 7 | 150 390 | 185 393 | 173 869 | 255 338 | 250 902 | 250 902 | 250 902 | 173 486 | 154 966 | 169 238 |

KZN252 Newcastle- Table A6 Budgeted Financial Position

| Description | Ref | 2020/21 | | | 2021/22 | | | 2022/23 | | | Current Year 2023/24 | | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|---|-----|------------------|------------------|------------------|------------------|------------------|--------------------|-------------------|---------------------|------------------------|------------------------|--|--|--|---|--|--|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 | | | | | | |
| ASSETS | | | | | | | | | | | | | | | | | |
| Current assets | | | | | | | | | | | | | | | | | |
| Cash and cash equivalents | | 9 500 | 76 167 | 12 227 | 19 688 | 6 839 | 6 839 | 6 839 | 68 159 | 337 758 | 654 994 | | | | | | |
| Trade and other receivables from exchange transactions | 1 | 645 126 | 787 448 | 689 996 | 951 655 | 392 917 | 392 917 | 392 917 | 703 567 | 738 042 | 774 206 | | | | | | |
| Receivables from non-exchange transactions | 1 | 112 860 | 101 920 | 121 850 | 83 155 | 121 850 | 121 850 | 121 850 | 135 961 | 142 623 | 149 612 | | | | | | |
| Current portion of non-current receivables | | | | | | | | | | | | | | | | | |
| Inventory | 2 | 18 806 | 24 543 | 24 696 | 12 985 | 182 455 | 182 455 | 182 455 | 345 585 | 514 467 | 690 347 | | | | | | |
| VAT | | 36 095 | | | | | | | | | | | | | | | |
| Other current assets | | | | | | | | | | | | | | | | | |
| Total current assets | | 822 388 | 990 078 | 848 769 | 1 067 493 | 704 060 | 704 060 | 704 060 | 1 253 253 | 1 732 890 | 2 269 159 | | | | | | |
| Non current assets | | | | | | | | | | | | | | | | | |
| Investments | | 173 928 | 142 171 | 72 154 | 110 954 | - | - | - | | | | | | | | | |
| Investment property | | 327 735 | 372 224 | 373 698 | 352 224 | 373 698 | 373 698 | 373 698 | 371 568 | 383 775 | 408 674 | | | | | | |
| Property, plant and equipment | 3 | 6 460 679 | 6 174 454 | 5 999 100 | 5 440 429 | 5 905 716 | 5 905 716 | 5 905 716 | 5 883 676 | 6 171 976 | 6 727 454 | | | | | | |
| Biological assets | | | | | | | | | | | | | | | | | |
| Living and non-living resources | | | | | | | | | | | | | | | | | |
| Heritage assets | | 11 758 | 11 623 | 11 962 | 11 863 | 11 891 | 11 891 | 11 891 | 11 982 | 12 569 | 13 185 | | | | | | |
| Intangible assets | | 1 258 | 382 | 254 | 200 | 254 | 254 | 254 | 119 | 125 | 131 | | | | | | |
| Trade and other receivables from exchange transactions | | | | | | | | | | | | | | | | | |
| Non-current receivables from non-exchange transactions | | | | | | | | | | | | | | | | | |
| Other non-current assets | | | | | | 101 793 | 101 793 | 101 793 | 101 739 | 106 724 | 111 954 | | | | | | |
| Total non current assets | | 6 995 357 | 6 701 054 | 6 457 187 | 5 915 689 | 6 393 352 | 6 393 352 | 6 393 352 | 6 369 083 | 6 681 169 | 7 261 597 | | | | | | |
| TOTAL ASSETS | | 7 817 745 | 7 691 132 | 7 305 956 | 6 983 183 | 7 097 412 | 7 097 412 | 7 097 412 | 7 622 336 | 8 414 059 | 9 530 756 | | | | | | |
| LIABILITIES | | | | | | | | | | | | | | | | | |
| Current liabilities | | | | | | | | | | | | | | | | | |
| Bank overdraft | | | | | | | | | | | | | | | | | |
| Financial liabilities | | 31 182 | 47 260 | 65 978 | 34 082 | 69 364 | 69 364 | 69 364 | 32 986 | 36 789 | 40 305 | | | | | | |
| Consumer deposits | | 27 502 | 33 418 | 35 599 | 35 649 | 35 649 | 35 649 | 35 649 | 37 149 | 38 969 | 40 679 | | | | | | |
| Trade and other payables from exchange transactions | 4 | 821 701 | 778 082 | 857 235 | 571 301 | 522 629 | 522 629 | 522 629 | 795 511 | 834 491 | 875 381 | | | | | | |
| Trade and other payables from non-exchange transactions | 5 | | | 134 074 | | 259 989 | 259 989 | 259 989 | 190 488 | 199 822 | 209 613 | | | | | | |
| Provision | | 11 406 | 11 105 | 14 261 | 10 513 | 14 261 | 14 261 | 14 261 | | | | | | | | | |
| VAT | | | 3 038 | 7 052 | | | | | | | | | | | | | |
| Other current liabilities | | 36 129 | 206 221 | | 115 115 | 81 499 | 81 499 | 81 499 | 15 115 | 15 856 | 16 633 | | | | | | |
| Total current liabilities | | 929 920 | 1 079 124 | 1 114 198 | 766 659 | 983 390 | 983 390 | 983 390 | 1 071 249 | 1 125 927 | 1 182 811 | | | | | | |
| Non current liabilities | | | | | | | | | | | | | | | | | |
| Financial liabilities | 6 | 362 080 | 315 529 | 263 234 | 321 905 | 228 363 | 228 363 | 228 363 | 249 099 | | | | | | | | |
| Provision | 7 | 214 608 | 229 340 | 257 584 | 229 340 | 257 584 | 257 584 | 257 584 | 260 798 | 273 577 | 286 982 | | | | | | |
| Long term portion of trade payables | | | | | 63 165 | | | | | | | | | | | | |
| Other non-current liabilities | | | | | | | | | | | | | | | | | |
| Total non current liabilities | | 576 688 | 544 869 | 520 818 | 614 410 | 485 947 | 485 947 | 485 947 | 509 897 | 273 577 | 286 982 | | | | | | |
| TOTAL LIABILITIES | | 1 506 608 | 1 623 992 | 1 635 016 | 1 381 069 | 1 469 337 | 1 469 337 | 1 469 337 | 1 581 146 | 1 399 504 | 1 469 793 | | | | | | |
| NET ASSETS | | 6 311 137 | 6 067 139 | 5 670 940 | 5 602 113 | 5 628 075 | 5 628 075 | 5 628 075 | 6 041 190 | 7 014 555 | 8 060 963 | | | | | | |
| COMMUNITY WEALTH/EQUITY | | | | | | | | | | | | | | | | | |
| Accumulated surplus/(deficit) | 8 | 6 280 895 | 6 036 252 | 5 638 648 | 5 587 259 | 5 595 443 | 5 595 443 | 5 595 443 | 5 996 247 | 6 957 200 | 7 991 596 | | | | | | |
| Reserves and funds | 9 | 30 242 | 30 887 | 32 292 | 34 854 | 32 633 | 32 633 | 32 633 | 34 232 | 35 909 | 37 669 | | | | | | |
| Other | | | | | | | | | | | | | | | | | |
| TOTAL COMMUNITY WEALTH/EQUITY | 10 | 6 311 137 | 6 067 139 | 5 670 940 | 5 602 113 | 5 628 075 | 5 628 075 | 5 628 075 | 6 030 479 | 6 993 109 | 8 029 265 | | | | | | |

KZN252 Newcastle - Table A7 Budgeted Cash Flows

| R thousand | Description | Ref | 2024/25 Medium Term Revenue & Expenditure Framework | | | | | | | | | | | |
|---|--|-----|---|-------------------------|-------------------------|----------------------|------------------|------------------|---------------------|------------------------|------------------------|------------------|------------------|--|
| | | | 2020/21 Audited Outcome | 2021/22 Audited Outcome | 2022/23 Audited Outcome | Current Year 2023/24 | | | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 | | | |
| | | | | | | | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | | | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | | | | | |
| | Receipts | | | | | | | | | | | | | |
| | Property rates | | 262 868 | 271 820 | 282 077 | 299 539 | 337 122 | 337 122 | 337 122 | 337 122 | 364 434 | 373 127 | 363 595 | |
| | Service charges | | 842 958 | 955 548 | 1 015 802 | 1 144 535 | 1 128 137 | 1 128 137 | 1 128 137 | 1 128 137 | 1 139 810 | 1 230 391 | 1 344 400 | |
| | Other revenue | | 27 611 | 257 709 | 294 327 | 231 189 | 278 927 | 278 927 | 278 927 | 278 927 | (58 789) | 63 508 | 54 679 | |
| | Transfers and Subsidies - Operational | 1 | 701 384 | 828 432 | 510 460 | 547 623 | 559 406 | 559 406 | 559 406 | 559 406 | 666 118 | 689 581 | 713 250 | |
| | Transfers and Subsidies - Capital | 1 | 108 904 | 152 677 | 186 286 | 240 770 | 232 035 | 232 035 | 232 035 | 232 035 | 162 376 | 151 766 | 166 038 | |
| | Interest | | 2 373 | 2 294 | 5 330 | 5 330 | 5 330 | 5 330 | 5 330 | 5 330 | 5 592 | 5 949 | 8 481 | |
| | Dividends | | - | - | - | - | - | - | - | - | - | - | - | |
| | Payments | | | | | | | | | | | | | |
| | Suppliers and employees | | (1 779 378) | (2 225 766) | (2 060 403) | (2 175 156) | (2 248 817) | (2 248 817) | (2 248 817) | (2 248 817) | (2 005 421) | (2 256 917) | (2 364 553) | |
| | Interest | | (42 882) | (39 754) | (35 846) | (32 205) | (32 545) | (32 545) | (32 545) | (32 545) | (30 300) | (26 545) | (22 467) | |
| | Transfers and Subsidies | 1 | - | - | - | - | - | - | - | - | - | - | - | |
| | NET CASH FROM/(USED) OPERATING ACTIVITIES | | 123 839 | 202 958 | 498 033 | 261 626 | 259 595 | 259 595 | 259 595 | 259 595 | 242 819 | 230 760 | 293 424 | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | | | | | |
| | Receipts | | | | | | | | | | | | | |
| | Proceeds on disposal of PPE | | 18 000 | 11 000 | 14 841 | 20 000 | 20 000 | 20 000 | 20 000 | 20 000 | 10 000 | 20 000 | 10 000 | |
| | Decrease (increase) in non-current receivables | | - | - | - | - | - | - | - | - | - | - | - | |
| | Decrease (increase) in non-current investments | | - | - | - | - | - | - | - | - | - | - | - | |
| | Payments | | | | | | | | | | | | | |
| | Capital assets | | (150 390) | (185 393) | (214 299) | (255 338) | (250 902) | (250 902) | (250 902) | (250 902) | (167 486) | (154 966) | (169 238) | |
| | NET CASH FROM/(USED) INVESTING ACTIVITIES | | (132 390) | (174 393) | (199 459) | (235 338) | (230 902) | (230 902) | (230 902) | (230 902) | (157 486) | (134 966) | (159 238) | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | | | | | |
| | Receipts | | | | | | | | | | | | | |
| | Short term loans | | - | - | - | - | - | - | - | - | - | - | - | |
| | Borrowing long term/financing | | - | - | - | - | - | - | - | - | - | - | - | |
| | Increase (decrease) in consumer deposits | | 2 000 | - | - | - | - | - | - | - | - | - | - | |
| | Payments | | | | | | | | | | | | | |
| | Repayment of borrowing | | (28 757) | (31 884) | (47 260) | (34 082) | (34 082) | (34 082) | (34 082) | (34 082) | (32 986) | (36 789) | (40 305) | |
| | NET CASH FROM/(USED) FINANCING ACTIVITIES | | (26 757) | (31 884) | (47 260) | (34 082) | (34 082) | (34 082) | (34 082) | (34 082) | (32 986) | (36 789) | (40 305) | |
| | NET INCREASE/ (DECREASE) IN CASH HELD | | (35 308) | (3 319) | (48 665) | (7 794) | (5 388) | (5 388) | (5 388) | (5 388) | 52 347 | 59 004 | 93 880 | |
| | Cash/cash equivalents at the year begin: | 2 | 36 244 | 9 500 | 76 167 | 27 482 | 12 227 | 12 227 | 12 227 | 12 227 | 6 839 | 59 186 | 118 190 | |
| | Cash/cash equivalents at the year end: | 2 | 836 | 6 181 | 27 482 | 19 688 | 6 839 | 6 839 | 6 839 | 6 839 | 59 186 | 118 190 | 212 071 | |

KZN252 Newcastle- Table A8 Cash backed reserves/accumulated surplus reconciliation

| Description | Ref | 2020/21 | | | Current Year 2023/24 | | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|---|-----|-----------------|------------------|------------------|----------------------|------------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousand | | | | | | | | | | | |
| Cash and investments available | | | | | | | | | | | |
| Cash/cash equivalents at the year end | 1 | 936 | 6 161 | 27 462 | 19 688 | 6 639 | 6 639 | 6 639 | 59 186 | 118 190 | 212 071 |
| Other current investments > 90 days | | 8 564 | 69 986 | (15 255) | - | - | - | - | | | |
| Non-current investments | 1 | - | - | - | - | - | - | - | | | |
| Cash and investments available: | | 9 500 | 76 167 | 12 227 | 19 688 | 6 639 | 6 639 | 6 639 | 59 186 | 118 190 | 212 071 |
| Application of cash and investments | | | | | | | | | | | |
| Unspent conditional transfers | | 38 130 | 206 298 | - | 115 115 | 124 410 | 124 410 | 124 410 | 124 410 | 94 410 | 85 627 |
| Unspent borrowing | | 15 402 | 26 776 | 143 479 | 113 479 | - | - | - | | | |
| Statutory requirements | 2 | (3 947) | 45 229 | 22 674 | 26 678 | 26 976 | 26 978 | 26 978 | 62 819 | 60 253 | 66 588 |
| Other working capital requirements | 3 | (36 744) | 41 075 | 16 843 | (6 459) | (15 304) | (15 304) | (15 304) | 225 036 | 100 245 | 223 012 |
| Other provisions | | 8 150 | 9 723 | 22 308 | 11 105 | 14 261 | 14 261 | 14 261 | 14 261 | 14 832 | 15 425 |
| Long term investments committed | 4 | - | - | - | - | - | - | - | - | - | - |
| Reserves to be backed by cash/investments | 5 | 29 441 | 25 842 | 30 887 | 30 887 | 32 292 | 32 292 | 32 292 | 32 292 | 34 053 | 35 756 |
| Total Application of cash and investments: | | 50 432 | 354 944 | 236 192 | 291 105 | 182 637 | 182 637 | 182 637 | 458 818 | 303 793 | 426 608 |
| Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits | | (40 932) | (278 777) | (223 964) | (271 416) | (175 798) | (175 798) | (175 798) | (399 632) | (185 603) | (214 538) |
| Creditors transferred to Debt Relief - Non-Current portion | | - | - | - | - | - | - | - | - | - | - |
| Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits | | (40 932) | (278 777) | (223 964) | (271 416) | (175 798) | (175 798) | (175 798) | (399 632) | (185 603) | (214 538) |

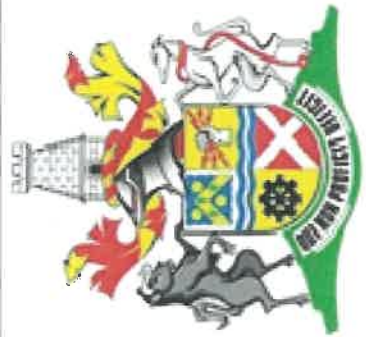
| | | | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Coastal Infrastructure | - | - | 1 811 | 2 600 | (400) | (400) | 2 727 | 2 853 | 2 981 |
| Information and Communication Infrastructure | - | - | - | - | - | - | - | - | - |
| Infrastructure | 20 481 | 62 320 | 55 465 | 27 765 | 28 364 | 28 364 | 19 559 | 20 459 | 21 379 |
| Community Facilities | 1 002 | - | - | - | - | - | - | - | - |
| Sport and Recreation Facilities | 298 | 295 | 85 | 134 | 354 | 354 | 141 | 147 | 154 |
| Community Assets | 1 300 | 295 | 85 | 134 | 354 | 354 | 141 | 147 | 154 |
| Heritage Assets | - | - | - | - | - | - | - | - | - |
| Revenue Generating | - | - | - | - | - | - | - | - | - |
| Non-revenue Generating | - | - | - | - | - | - | - | - | - |
| Investment properties | - | - | - | - | - | - | - | - | - |
| Operational Buildings | - | 3 266 | 2 659 | 1 515 | 2 093 | 2 093 | 1 608 | 1 698 | 1 768 |
| Housing | 233 | 806 | 1 030 | 564 | 564 | 564 | 592 | 619 | 647 |
| Other Assets | 233 | 4 072 | 3 689 | 2 079 | 2 657 | 2 657 | 2 199 | 2 317 | 2 415 |
| Biological or Cultivated Assets | - | - | - | - | - | - | - | - | - |
| Servitudes | - | - | - | - | - | - | - | - | - |
| Licences and Rights | 3 739 | 3 009 | 4 585 | 2 784 | 2 605 | 2 605 | - | - | - |
| Intangible Assets | 3 739 | 3 009 | 4 585 | 2 784 | 2 605 | 2 605 | - | - | - |
| Computer Equipment | - | 1 639 | - | 22 | (22) | (22) | 2 733 | 2 858 | 2 730 |
| Furniture and Office Equipment | - | 37 | 14 | 93 | 38 | 38 | 111 | 102 | 106 |
| Machinery and Equipment | 4 931 | 6 070 | 6 147 | 3 671 | 4 843 | 4 843 | 3 874 | 4 052 | 4 235 |
| Transport Assets | - | - | 10 492 | 9 800 | 185 | 185 | 10 023 | 9 674 | 10 109 |
| Land | - | - | - | - | - | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | - | - | - | - | - | - | - | - | - |
| Mature | - | - | - | - | - | - | - | - | - |
| Immature | - | - | - | - | - | - | - | - | - |
| Living Resources | - | - | - | - | - | - | - | - | - |
| TOTAL EXPENDITURE OTHER ITEMS | 381 769 | 442 525 | 428 012 | 425 487 | 418 163 | 418 163 | 436 357 | 455 621 | 475 860 |
| <i>Renewal and upgrading of Existing Assets as % of total capex</i> | 34,7% | 62,2% | 61,7% | 36,1% | 48,1% | 48,1% | 51,1% | 52,2% | 56,2% |
| <i>Renewal and upgrading of Existing Assets as % of deprecn</i> | 14,9% | 31,6% | 34,5% | 24,3% | 31,8% | 31,8% | 22,3% | 19,4% | 21,9% |
| <i>R&M as a % of PPE & Investment Property</i> | 0,4% | 1,2% | 1,3% | 0,6% | 0,6% | 0,6% | 0,7% | 0,6% | 0,6% |
| <i>Renewal and upgrading and R&M as a % of PPE and Investment</i> | 1,3% | 3,1% | 3,3% | 2,5% | 2,7% | 2,7% | 2,3% | 2,0% | 2,1% |

KZN252 Newcastle - Table A10 Basic service delivery measurement

| Description | Ref | 2020/21 | 2021/22 | 2022/23 | Current Year 2023/24 | | | 2024/25 medium term | Revenue & Expenditure Framework | |
|---|-----|----------------|----------------|----------------|----------------------|-----------------|--------------------|---------------------|---------------------------------|------------------------|
| | | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| | | | | | | | | | | |
| Household service targets | 1 | | | | | | | | | |
| Water: | | | | | | | | | | |
| Piped water inside dwelling | | 134 217 | 142 538 | 151 637 | 151 639 | 154 672 | 154 672 | 162 251 | 169 714 | 177 351 |
| Piped water inside yard (but not in dwelling) | | 101 659 | 107 962 | 114 439 | 114 439 | 116 728 | 116 728 | 122 448 | 128 081 | 133 844 |
| Using public tap (at least min.service level) | 2 | 27 215 | 28 902 | 30 636 | 30 636 | 31 249 | 31 249 | 32 780 | 34 288 | 35 631 |
| Other water supply (at least min.service level) | 4 | 1 832 | 1 946 | 2 062 | 2 062 | 2 104 | 2 104 | 2 207 | 2 308 | 2 412 |
| <i>Minimum Service Level and Above sub-total</i> | | 264 922 | 281 347 | 298 775 | 298 777 | 304 753 | 304 753 | 319 685 | 334 391 | 349 438 |
| Using public tap (< min.service level) | 3 | 281 347 | 298 228 | 298 228 | 298 228 | 304 193 | 304 193 | 319 098 | 333 777 | 348 797 |
| Other water supply (< min.service level) | 4 | - | - | - | - | - | - | - | - | - |
| No water supply | | 8 249 | 8 744 | 8 744 | 8 744 | 8 919 | 8 919 | 9 356 | 9 786 | 10 227 |
| <i>Below Minimum Service Level sub-total</i> | | 289 597 | 306 972 | 306 972 | 306 972 | 313 112 | 313 112 | 328 454 | 343 563 | 359 023 |
| Total number of households | 5 | 554 519 | 588 320 | 605 972 | 605 972 | 617 864 | 617 864 | 648 140 | 677 954 | 708 462 |
| Sanitation/sewerage: | | | | | | | | | | |
| Flush toilet (connected to sewerage) | | 170 094 | 180 640 | 217 003 | 217 003 | 225 693 | 225 693 | 236 742 | 247 632 | 258 775 |
| Flush toilet (with septic tank) | | 5 429 | 5 786 | 1 300 | 1 300 | 1 352 | 1 352 | 1 418 | 1 483 | 1 550 |
| Chemical toilet | | - | - | - | - | - | - | - | - | - |
| Pit toilet (ventilated) | | 39 064 | 41 485 | 49 410 | 49 410 | 51 406 | 51 406 | 53 925 | 56 405 | 58 944 |
| Other toilet provisions (> min.service level) | | 12 863 | 13 470 | 16 043 | 16 043 | 16 691 | 16 691 | 17 509 | 18 314 | 19 138 |
| <i>Minimum Service Level and Above sub-total</i> | | 227 270 | 241 361 | 283 756 | 283 756 | 295 132 | 295 132 | 309 594 | 323 835 | 338 407 |
| Bucket toilet | | - | - | - | - | - | - | - | - | - |
| Other toilet provisions (< min.service level) | | 27 474 | 29 177 | 34 751 | 34 751 | 36 155 | 36 155 | 37 926 | 39 671 | 41 456 |
| No toilet provisions | | - | - | - | - | - | - | - | - | - |
| <i>Below Minimum Service Level sub-total</i> | | 27 474 | 29 177 | 34 751 | 34 751 | 36 155 | 36 155 | 37 926 | 39 671 | 41 456 |
| Total number of households | 5 | 254 744 | 270 538 | 318 506 | 318 506 | 331 287 | 331 287 | 347 520 | 363 506 | 379 863 |
| Energy: | | | | | | | | | | |
| Electricity (at least min.service level) | | 39 642 | 47 214 | 56 233 | 56 233 | 57 358 | 60 398 | 63 357 | 66 271 | 69 254 |
| Electricity - prepaid (min.service level) | | 2 233 | 2 660 | 3 168 | 3 168 | 3 231 | 3 402 | 3 569 | 3 733 | 3 901 |
| <i>Minimum Service Level and Above sub-total</i> | | 41 875 | 49 874 | 59 400 | 59 400 | 60 588 | 63 800 | 66 926 | 70 004 | 73 155 |
| 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 | 59 400 | 60 588 | 63 800 | 66 926 | 70 004 | 73 155 |
| Refuse: | | | | | | | | | | |
| Removed at least once a week | | 59 199 | 70 910 | 59 199 | 59 199 | 60 383 | 63 583 | 66 699 | 69 767 | 72 907 |
| <i>Minimum Service Level and Above sub-total</i> | | 59 199 | 70 910 | 59 199 | 59 199 | 60 383 | 63 583 | 66 699 | 69 767 | 72 907 |
| Removed less frequently than once a week | | - | - | - | - | - | - | - | - | - |
| Using communal refuse dump | | - | - | - | - | - | - | - | - | - |
| Using own refuse dump | | - | - | - | - | - | - | - | - | - |
| Other rubbish disposal | | - | - | - | - | - | - | - | - | - |
| No rubbish disposal | | - | - | - | - | - | - | - | - | - |
| <i>Below Minimum Service Level sub-total</i> | | - | - | - | - | - | - | - | - | - |
| Total number of households | 5 | 59 199 | 70 910 | 59 199 | 59 199 | 60 383 | 63 583 | 66 699 | 69 767 | 72 907 |
| Households receiving Free Basic Service | 7 | | | | | | | | | |
| Water (6 kilolitres per household per month) | | 9 139 | 9 139 | 9 139 | 9 139 | 9 139 | 9 139 | 8 908 | 8 908 | 8 908 |
| Sanitation (free minimum level service) | | 9 139 | 9 139 | 9 139 | 9 139 | 9 139 | 9 139 | 8 908 | 8 908 | 8 908 |
| Electricity/other energy (50kwh per household per month) | | 9 417 | 9 417 | 9 417 | 9 417 | 9 417 | 9 417 | 8 908 | 8 908 | 8 908 |
| Refuse (removed at least once a week) | | 9 139 | 9 139 | 9 139 | 9 139 | 9 139 | 9 139 | 8 908 | 8 908 | 8 908 |
| Informal Settlements | | | | | | | | | | |
| Cost of Free Basic Services provided - Formal Settlements (R'000) | | | | | | | | | | |
| Water (6 kilolitres per indigent household per month) | | 9 035 | 7 988 | 10 123 | 10 600 | 7 450 | 7 450 | 7 450 | 11 458 | 12 146 |
| Sanitation (free sanitation service to indigent households) | | 13 278 | 15 095 | 10 123 | 19 370 | 290 | 290 | 290 | 20 839 | 22 089 |
| Electricity/other energy (50kwh per indigent household per month) | | 8 136 | 8 855 | 9 881 | 10 334 | 7 450 | 7 450 | 7 450 | 8 286 | 9 322 |
| Refuse (removed once a week for indigent households) | | 14 254 | 13 218 | 16 196 | 16 941 | 17 301 | 17 301 | 17 301 | 18 339 | 19 440 |
| Cost of Free Basic Services provided - Informal Formal Settlements (R'000) | | | | | | | | | | |
| Total cost of FBS provided | 8 | 44 703 | 45 157 | 46 324 | 57 245 | 32 490 | 32 490 | 32 490 | 58 923 | 62 997 |
| Highest level of free service provided per household | | | | | | | | | | |
| Property rates (R value threshold) | | | | | | | | | | |
| Water (kilolitres per household per month) | | | | | | | | 225 | 225 | 225 |
| Sanitation (kilolitres per household per month) | | | | | | | | 51 | 51 | 51 |
| Sanitation (Rand per household per month) | | | | | | | | 1 817 | 1 817 | 1 817 |
| Electricity (kwh per household per month) | | | | | | | | 4 928 | 4 928 | 4 928 |
| Refuse (average litres per week) | | | | | | | | 199 | 199 | 199 |

| Revenue cost of subsidised services provided (R'000) | | 9 | | | | | | | | |
|--|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Property rates (tariff adjustment) (impermissible values per section 17 of MPRA) | | | | | | | | | | |
| Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA | | 76 194 | 79 176 | 95 398 | 84 710 | 84 836 | 84 836 | 84 836 | 77 895 | 82 568 |
| Water (in excess of 6 kilolitres per indigent household per month) | | - | - | - | - | - | - | 0 | 0 | 0 |
| Sanitation (in excess of free sanitation service to indigent households) | | - | - | - | - | - | - | 2 | 2 | 2 |
| Electricity/other energy (in excess of 50 kwh per indigent household per month) | | - | - | - | - | - | - | 5 | 5 | 5 |
| Refuse (in excess of one removal a week for indigent households) | | - | - | - | - | - | - | 0 | 0 | 0 |
| Municipal Housing - rental rebates | | | | | | | | | | |
| Housing - top structure subsidies | | | | | | | | | | |
| Other | 6 | | | | | | | | | |
| Total revenue cost of subsidised services provided | | 76 194 | 79 176 | 95 398 | 84 710 | 84 836 | 84 836 | 84 843 | 77 902 | 82 575 |

Annexure E
Tariff of Charges

| | |
|--|---|
| <p style="text-align: center;">NEWCASTLE MUNICIPALITY</p> | <p style="text-align: center;">FINAL TARIFF OF CHARGES 2024/2025</p> |
| <p style="text-align: center;">ANNEXURE E</p> |  |
| Empty grid area | Empty grid area |

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| | | Final Tariff 2023/24 | Final Tariff 2024/25 |
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| ASSESSMENT RATES | | | |
| Assessment rates be determined as follows: | | | |
| In terms of the Municipal Property Rates Act No. 6 of 2004, the general rate for the financial year is levied as follows: | | | |
| (a) (i) | Residential property (impermissible - R85 000) | | |
| (ii) | Business and commercial | R0.01434 | R0.01197 |
| (iii) | Industrial property | R0.03634 | R0.03570 |
| (iv) | Agricultural property | R0.03634 | R0.02590 |
| (v) | Public service infrastructure | R0.00223 | R0.00282 |
| (vi) | Mining & Quarries | Exempt | Exempt |
| (vii) | Rural communal land | R0.03634 | R0.03680 |
| (viii) | Places of public worship | R0.00000 | R0.00000 |
| (ix) | Public Benefit Organizations | Exempt | Exempt |
| (x) | Public Service Purposes | R0.00363 | R0.00382 |
| (xi) | Vacant land | R0.04363 | R0.00385 |
| (b) | Rebates granted in terms of the Rates Policy: | | |
| | Prisoners | 25% | 25% |
| | B&B Accommodation | 10% | 10% |
| | Properties affected by disaster | 50% | 50% |
| | Commercial Industrial Development with market value of at least R50 million | As per policy | As per policy |
| | Individual account holders are subsidised | 100% | 100% |
| (c) | Properties Situated Outside of the Proclaimed Boundaries of the Township: | | |
| (i) | Residential property | 60% | 60% |
| (ii) | Vacant Land | 40% | 40% |
| (e) | Public Benefit Organisation who qualify in terms of the policy are exempt from rates | | |
| FEES FOR ACCESS TO INFORMATION – PUBLIC BODIES | | | |
| 1. | The fee for a copy of the manual as contemplated in regulation 6 (c) for every photocopy of an A4 size page or part thereof | R2 | R2 |
| 2. | The fees for reproduction referred to in regulation 7 (1) are as follows: - | | |
| (a) | For every photocopy of an A4 size page or part thereof | R2 | 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 | R2 |
| (c) | (i) For a copy in a computer readable form on compact disc | R2 | R2 |
| (ii) | For a copy in a computer readable form on compact disc | R2 | R2 |
| (d) | (i) For a transcription of visual images for an A4 size page or part thereof | R2 | R2 |
| (ii) | For a copy of visual images | R2 | R2 |
| (e) | (i) For a transcription of an audio recording for an A4 size page or part thereof | R2 | R2 |
| (ii) | For a copy of an audio recording | R2 | R2 |
| 3. | The request fee payable by every requester other than a personal requester referred to in regulation 7 (2) | R2 | R2 |
| 4. | The access fees payable by a requester referred to in regulation 7 (3) are as follows: - | | |
| (a) | For every photocopy of an A4 size page or part thereof | R2 | 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 | R2 |
| (c) | (i) For a copy in a computer readable form on compact disc | R2 | R2 |
| (ii) | For a copy in a computer readable form on compact disc | R2 | R2 |
| (d) | (i) For a transcription of visual images for an A4 size page or part thereof | R2 | R2 |
| (ii) | For a copy of visual images | R2 | R2 |
| (e) | (i) For the transcription of an audio recording for an A4 size page or part thereof | R2 | R2 |
| (ii) | For a copy of an audio recording | R2 | 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 | R2 |
| All the abovementioned tariffs in respect of services rendered are subject to value added tax as determined from time to time. | | | |

| | Final Tariff 2023/24 | Final Tariff 2024/25 |
|--|----------------------|----------------------|
| MISCELLANEOUS SERVICES | | |
| (a) The following fees are payable for the production of documents (provision of certificates supplied) of plans and extracts from records etc.: | | |
| (i) Search fee, per account plan, document or file produced for inspection or duplicate accounts issued | R64 | R68 |
| (ii) Certified copy of extract from Council's minutes and/or hearings per 100 words or part thereof | R13 | R14 |
| (iii) Extracts of bills, per page or part thereof | R2 | R2 |
| (iv) Valuation certificate or any other certificate for each certificate | R68 | R72 |
| (v) Inspection of Council's minutes for each inspection | R13 | R14 |
| (vi) Sale of computerised data | Cost +6% | Cost +6% |
| (vii) Photostats prints of plans and Photostats prints of building plans | Cost +6% | Cost +6% |
| (viii) Certificates per application per property, in accordance with section 118(1) of the Systems Act, No. 32 of 2000 | R532 | R564 |
| (ix) Electronic Certificate, per application per property, in accordance with section 118(1) of the Systems Act, No. 32 of 2001 | R422 | R447 |
| (b) Debt collection summary tariffs | | |
| (i) Final demand | R0 | R0 |
| (ii) Preparation of summonses | R130 | R138 |
| (iii) Preparation of judgments | R155 | R164 |
| (iv) Restriction/reconnection of water supply | Cost +3.9% | Cost +3.9% |
| (v) Preparation of enforcement orders / rental | R130 | R138 |
| (vi) Preparation of Section 65 Notice (including appearance in court when necessary) | R232 | R246 |
| (vii) Preparation of warrant of arrest | R239 | R41 |
| (ix) Administrative charges for "Refer to Drawer" debit orders | R135 | R143 |
| (c) Telephone warning service | R0 | R0 |
| 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 date prior to the cut-off date | R25 | R25 |
| (d) Fees for land affairs | | |
| (i) Issue of bidding documents | R0 | R0 |
| - The fee for a copy of a bidding document based on price | R0 | R0 |
| A4 hard copy | R252 | R266.9% |
| Computer disc | R105 | R111.4% |
| - The fee for a copy of a bidding document based on price and development proposals | R0 | R0.80 |
| A4 hard copy | R374 | R396.7% |
| Computer disc | R132 | R139.6% |
| (ii) Where a property has to be closed, re-opened, subdivided and consolidated | Cost +6% | Cost +6% |
| (iii) Administrative charge where a land sale is cancelled, per cancellation | | |
| (iv) Interest on arrears amounts owing to Council in excess of 30 days (per annum), excluding all residential accounts | | |
| (e) All the above-mentioned tariffs in respect of services rendered are subject to value added tax as determined from time to time | | |
| PROPERTY RATES BYLAWS | | |
| The tariff for each meter raised against a property valuation | R163 | R173 |

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| 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 or cat (b) For each carcass of a sheep, calf or pig (c) For each carcass of a horse, beast or similar large animal (d) Removal of carcasses on request of societies for the protection of animals The aforesaid charges shall be payable in advance or upon demand or otherwise as may be arranged with the Council 2. Vacuum tanker services to and from the following of ventilated improved pit toilets (a) Per single draw (b) Stafford Hill and Osizweni Section E and F 3. Siphon tank and waste water (a) Charge for the emptying of septic tanks and removal of waste water in respect of a domestic sewage gully, situated within the municipal boundaries per 5000 litre load or part thereof (b) Removal of blood from the abattoir per load 4. Sewerage conservancy tanker services The following charges are payable in the Charlestown administrative unit :- (a) Residential properties per load (b) Non-residential properties per load All the abovementioned tariffs in respect of services rendered are subject to value added tax as determined from time to time | R65 R118 R577 Free R0 R0 R120 R120 R1,075 R1,290 R0 R49 R984 | R69 R125 R612 Free R0 R0 R127 R127 R1140 R1367 R0 R52 R1043 |
| BYLAWS RELATING TO THE KEEPING OF DOGS, ANIMALS, BIRDS AND BEES | | |
| 1. The following license fees are payable annually in respect of dogs kept within the municipal area for which rabies certificates have to be produced :- (a) For a first dog (b) For a second dog (c) For an additional dog and subject to submission of Council authorization for the keeping of additional dogs per dog 2. The following fees are payable in respect of each domestic animal (unrounded) (a) Pound fee per animal (b) Sterilization fee (c) Immunisation fee 3. The following fees are payable in respect of each other animal (unrounded) :- (a) Transport fee | R 42,40 R 74,20 R 230,02 Cost + 6% Cost + 6% | R45,00 R79,00 R244,00 Cost + 6% Cost + 6% |
| (b) All inclusive pound fees which include: (1) Pound fee (2) Tending fee (3) Draining or Straining fees (4) Wound dressing costs and fees (5) Medication costs and fees (6) Veterinarian fees All the abovementioned tariffs in respect of services rendered are subject to value added tax as determined from time to time | The Kilometer tariff for vehicle which in the discretion 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 Rates) South Africa (AA Rates) from time to time R 15 per day or part thereof, for animal, sheep or goat R30,00 per day or part thereof, of any other animal Cost + 6% administration fee Cost + 6% administration fee Cost + 6% administration fee Cost + 6% administration fee | The Kilometer tariff for vehicle which in the discretion 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 Rates) South Africa (AA Rates) from time to time R15,00 R50,00 Cost + 6% Cost + 6% Cost + 6% Cost + 6% |

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| CLEANSING SERVICES BYLAWS | | | |
| 1. | Special charges and charges for refuse removal services | | |
| | (a) Builders refuse (by industrial refuse, bulk refuse - per load of 5 cubic metres (5 tons or part thereof | R865 | R917 |
| | (b) Bulk garden refuse from premises within the municipality, for loads not exceeding 5 cubic metres shall be removed at per load or part thereof | R865 | R917 |
| | (c) Sawdust and wood waste from premises within the municipality, for loads not exceeding 5 cubic metres shall be removed at per load or part thereof | R865 | R917 |
| | (d) Mixed refuse (garden, domestic, trade, builders rubble) from premises within the municipality, for loads not exceeding 5 cubic metres shall be removed at per load or part thereof | | |
| | (e) Special Industrial Refuse | Cost + 6% | Cost + 6% |
| | (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 | R171 | R181 |
| | (ii) Residential properties in Newcastle East, except where the account holder is registered as indigent - not exceeding one removal per week, per month | R171 | R181 |
| | (iii) Non-residential properties in Newcastle East - not exceeding one removal per week, per month | R171 | R181 |
| | (iv) Residential and Non-residential properties in Ingama/Kibarchan - not exceeding one removal per week, per month | R171 | R181 |
| | (v) Residential and Non-residential properties in Charlestown - not exceeding one removal per week, per month | R171 | R181 |
| | (vi) Registered indigent account holders | R171 | R181 |
| 2. | The charge for the removal and disposal of domestic containers and business refuse bulk containers within the municipality shall be as follows:- | | |
| | (a) Service fee for a 0.85m ³ container per month: | | |
| | 1 removal per week | R171 | R181 |
| | (b) Rental of bulk container of 1.1m ³ per month (existing service being phased out) | | |
| | 1 removal per week | R1 062 | R1 126 |
| | 2 removals per week | R2 092 | R2 218 |
| | 3 removals per week | R3 181 | R3 351 |
| | 4 removals per week | R4 224 | R4 477 |
| | 5 removals per week | R5 218 | R5 595 |
| | (c) Rental of bulk container of 1.75m ³ per month: | | |
| | 1 removal per week | R1 289 | R1 366 |
| | 2 removals per week | R2 577 | R2 732 |
| | 3 removals per week | R3 871 | R4 103 |
| | 4 removals per week | R5 190 | R5 501 |
| | 5 removals per week | R6 454 | R6 841 |
| | 6 removals per week | R7 741 | R8 205 |
| | 7 removals per week | R9 030 | R9 572 |
| | 240L wheeler bin | | |
| | (d) 1 removal per week | R753 | R798 |
| | 2 removals per week | R1 506 | R1 596 |
| | 3 removals per week | R2 260 | R2 396 |
| | 4 removals per week | R3 013 | R3 194 |
| | 5 removals per week | R3 761 | R3 987 |
| 3. | The charge for the rental of bulk refuse containers with the under mentioned sizes and removal of domestic and business refuse, shall be as follows: | | |
| | (a) Rental per container per month: | | |
| | 8 m ³ Bulk Containers | R1 482 | R1 571 |
| | 10 m ³ Bulk Containers | R2 465 | R2 613 |
| | 30 m ³ Bulk Containers | R4 875 | R5 168 |
| | 6 m ³ Skip Containers | R169 | R181 |
| | 19 m ³ Skip Containers | R2 389 | R2 532 |

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| (b) Rental per container per week | | |
| 8 m³ Bulk Containers | R370 | R392 |
| 10 m³ Bulk Containers | R617 | R654 |
| 30 m³ Bulk Containers | R1220 | R1293 |
| 6 m³ SK1 Containers | R189 | R200 |
| 19 m³ SK1 Containers | R598 | R634 |
| (c) Rental per container per day | | |
| 8 m³ Bulk Containers | R92 | R98 |
| 10 m³ Bulk Containers | R148 | R157 |
| 30 m³ Bulk Containers | R260 | R276 |
| 6 m³ SK1 Containers | R41 | R43 |
| 19 m³ SK1 Containers | R126 | R134 |
| (d) For a removal service per container: | | |
| 8 m³ Bulk Containers | R3061 | R2185 |
| 10 m³ Bulk Containers | R2061 | R2185 |
| 30 m³ Bulk Containers | R2061 | R2185 |
| 6 m³ SK1 Containers | R1006 | R1066 |
| 19 m³ SK1 Containers | R1538 | R1630 |
| (e) For delivery of containers rented for a period less than one month per container: | | |
| 8 m³ Bulk Containers | R1030 | R1092 |
| 10 m³ Bulk Containers | R1030 | R1092 |
| 30 m³ Bulk Containers | R1030 | R1092 |
| 6 m³ SK1 Containers | R819 | R868 |
| 19 m³ SK1 Containers | R819 | R868 |
| Charges in respect of services mentioned in (d) & (e) shall be made in advance unless other arrangements have been made with the Director of Community Services or a duly authorised 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 weekend: Delivery of container on Friday and the collection thereof on Monday. | | |
| (c) For a day: Removal of container within a period of 48 hours of delivery. | | |
| (d) Short-term rental - other than weekend: A minimum of 2 removals within a period of five 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 site (waste disposal): | | |
| (a) Mixed refuse (garden, domestic, trade refuse, including builders rubble) per R 250 kJ or part thereof | R62 | R66 |
| (b) Builders rubble and excavated material per R 250 kJ or part thereof | R20 | R21 |
| (c) Bulk food waste and condemned food per R 250 kJ or part thereof | R169 | R179 |
| (d) Garden refuse per R 250 kJ or part thereof | R20 | R21 |
| (e) Sawdust and wood waste per R 250 kJ or part thereof | R62 | R66 |
| (f) (a) to (e) above are not applicable for private LDVs, cars and cars with trailers limited to 1 tonne per week. | R100 | R106 |
| (g) Special Disposal per R 250 kJ or part thereof | R168 | R178 |
| (h) The tariff in (f) and (g) may be waived if material is recycled by the WDS. | | |
| 6. Sale of contents: | | |
| (a) per 10kg bag | R34 | R36 |
| (b) per Ton | R357 | R357 |
| 7. Sale of materials (per kg): | | |
| (a) Plastic | R012 | R0 |
| (b) Glass | R012 | R0 |
| (c) Metals | R012 | R0 |
| (d) Paper/Cardboard | R012 | R0 |

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| 1. | FIRE BRIGADE BYLAWS | | |
| | Fire and rescue services rendered within Council's area of jurisdiction. | | |
| | (a) Services rendered in respect of fire-fighting and/or rescue services to residents/ratepayers of Newcastle. | Free | Free |
| | (b) Services rendered in respect of fire-fighting, lifts and/or rescue services to non-residents/ratepayers as set out of Newcastle in 2) below | Tariff as set out in 2) | Tariff as set out in 2) |
| | (c) Services rendered regarding call-out cost for a grass fire on an undeveloped lot, payable by the owner. (Note that one lot is involved, the actual cost to be paid pro-rata by the owners) | Cost +10% | Cost +6% |
| | (d) Chemical additives used for fire-fighting services, in table b) the owner | Cost +6% | Cost +6% |
| 2. | Fire and rescue services rendered outside Council's area of jurisdiction, per kilometre | | |
| | 1 to 5 kilometres | R55 | R59 |
| | 6 to 15 kilometres | R28 | R30 |
| | 16 to 20 kilometres | R42 | R45 |
| | 21 to 30 kilometres | R34 | R37 |
| | 31 to 50 kilometres | R28 | R30 |
| | 51 + kilometres | R27 | R29 |
| | (a) Call-out cost, per officer | R361 | R383 |
| | (b) Services rendered by officers, per hour or part thereof, per officer | Cost + 6% | Cost + 6% |
| | (c) Call-out cost, per fire-fighter | R262 | R384 |
| | (d) Services rendered by fire-fighters, per hour or part thereof, per fire-fighter | Cost + 6% | Cost + 6% |
| | (e) Call-out cost, per fire engine | R830 | R880 |
| | (f) Cost for use or availability, per hour or part thereof | R412 | R437 |
| | (g) Additional cost for distances travelled, per km | R0 | R0 |
| | 1 to 5 kilometres | R57 | R61 |
| | 6 to 15 kilometres | R52 | R56 |
| | 16 to 20 kilometres | R40 | R43 |
| | 21 to 30 kilometres | R31 | R33 |
| | 31 to 50 kilometres | R28 | R30 |
| | 51 + kilometres | R28 | R30 |
| | (h) Call-out cost for rescue vehicle | R507 | R538 |
| | (i) Cost for use or availability, per hour or part thereof | R252 | R268 |
| | (j) Additional cost for distances travelled, per km | R0 | R0 |
| | 1 to 5 kilometres | R44 | R47 |
| | 6 to 15 kilometres | R40 | R43 |
| | 16 to 20 kilometres | R34 | R37 |
| | 21 to 30 kilometres | R28 | R30 |
| | 31 to 50 kilometres | R24 | R26 |
| | 51 + kilometres | R20 | R22 |
| | (k) Call-out cost for service vehicle | R255 | R345 |
| | (l) Cost for use or availability, per hour or part thereof | R162 | R172 |
| | (m) Cost for use of combination service vehicle and fire-fighter, trailer | R489 | R519 |
| | (n) Cost for use or availability, per hour or part thereof | R162 | R172 |
| | (o) Additional cost for distances travelled, per km | R0 | R0 |
| | 1 to 5 kilometres | R7 | R8 |
| | 6 to 15 kilometres | R7 | R8 |
| | 16 to 20 kilometres | R7 | R8 |
| | 21 to 30 kilometres | R7 | R8 |
| | 31 to 50 kilometres | R7 | R8 |
| | 51 + kilometres | R7 | R8 |
| 3. | Services rendered in respect of special services to residents and/or non-residents/ratepayers of Newcastle. | | |
| | (a) Call-out cost, per service | R321 | R341 |
| | (b) Services rendered by officers, per hour or part thereof, per officer | Cost + 6% | Cost + 6% |
| | (c) Call-out cost, per fire-fighter | R321 | R341 |
| | (d) Services rendered by fire-fighters, per hour or part thereof | Cost + 6% | Cost + 6% |
| | (e) Call-out cost, per fire engine | R830 | R880 |
| | (f) Cost for use or availability, per hour or part thereof | R422 | R448 |
| | (g) Call-out cost, per portable pump/drainaw | R162 | R172 |
| | (h) Cost for use or availability, per hour or part thereof | R155 | R165 |
| | (i) Cost for use of breathing apparatus compressor, per hour or part thereof | R162 | R172 |
| | All the abovementioned tariffs in respect of services rendered are subject to value added tax as determined from time to time. | | |

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| TRAINING AND SPECIFIC INSPECTIONS | | |
| a) Cost of binometer per hour or part thereof | Cost +6% | Cost +6% |
| b) Cost of material/gramin aids | Cost +6% | Cost +6% |
| c) Call-out cost per fire fighter | Cost +6% | Cost +6% |
| d) Printing of certificates | 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. | | |
| CERTIFICATE OF REGISTRATION | | |
| Services rendered to referees/residents and non-residents/participants Issuance of a certificate plus one certified copy | R251 | R267 |
| All the above-mentioned tariffs 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 | R390.00 to be capped at this rate. This is consistent according to discussions throughout the Finance. | R390.00 to be capped at this rate. This is consistent according to discussions throughout the Finance. R150.00 R200.00 - no escalation R100.00 |
| 2. Issuance of duplicate rank permit | | |
| 3. Application for meter taxi permit | | |
| 4. Issuance of duplicate meter taxi or scholar transport permit | | |
| 5. Application for permit to use bus rank, per annum | | |
| 6. Application for duplicate permit to use bus/rickshaw rank | | |
| 7. Issuance of duplicate permit to use bus/rickshaw rank | R70 | R74.20 |
| 8. Application for permit to use bus/rickshaw rank | Cost +6% | Cost +6% |
| 9. Escort of abnormal loads, etc. per hour or part thereof | | |
| 10. Abandoned vehicles | | |
| a) Charge for removal of vehicle | Cost +6% | Cost +6% |
| b) Charge for storage for a period not exceeding 3 months per day | R0.00 | R0.00 |
| 11. Parking Meter Tariffs for On-Street Parking | | |
| 11.1.1. Parkin meter fees - Tariff for 0-30 minutes | R0.00 | R0.00 |
| 11.2. Parkin meter fees - Tariff for 31 minutes - 1 hour | R0.00 | R0.00 |
| 11.3. Parkin meter fees - Tariff for 1 - 2 hours | R0.00 | R0.00 |
| 11.4. Parkin meter fees - Tariff for 2 - 3 hours | R0.00 | R0.00 |
| 11.5. Parkin meter fees - Tariff for 3 - 4 hours | R0.00 | R0.00 |
| 11.6. Parkin meter fees - Tariff for > 4 hours | R0.00 | R0.00 |
| 11.7. Parkin meter fees - Tariff for monthly parkers | R0.00 | R0.00 |
| 11.8. Parkin Meter Tariffs for On-Street Parking | | |
| 11.9. Parkin meter fees - Tariff for 31 minutes - 1 hour | R4 | R0.00 |
| 11.10. Parkin meter fees - Tariff for 0 - 2 hours | R9 | R0.00 |
| 11.11. Parkin meter fees - Tariff for 2 - 3 hours | R15 | R0.00 |
| 11.12. Parkin meter fees - Tariff for 3 - 4 hours | R21 | R0.00 |
| 11.13. Parkin meter fees - Tariff for > 4 hours | R30 | R0.00 |
| 12. Residents of services during special occasions contemplated in section 113A, per hour or part thereof | R60 | R0.00 |
| (a) Superintendent, per hour or part thereof: Monday to Saturday | R471.32 | R499.60 |
| (b) Sunday and Public Holidays | R965.17 | R1 023.08 |
| (c) Traffic Officer, per hour or part thereof: Monday to Saturday | R412.36 | R437.10 |
| (d) Sunday and Public Holidays | R806.74 | R855.14 |
| (e) Traffic escorts with funerals, per Traffic Officer, per hour or part thereof: Monday to Saturday | R376.40 | R398.98 |
| (f) Sunday and Public Holidays | R753.93 | R799.17 |
| 13. Impoundment of a vehicle | | R2 000.00 |
| 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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| BYLAWS RELATING TO THE REGISTRATION AND REGULATION OF DAIRIES, COW SHEDS, MILK SHOPS, MILK DEALERS AND PURVEYORS | | | |
| | Badges in terms of Section 11, per badge | R2 | R2 |
| | All the abovementioned 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 cemeteries the control of which is vested in Council. | | |
| ROY POINT CEMETERY | | | |
| 1 | (a) Residents | | |
| | Burial plot - headstones only | | |
| | 1.5m x 1.2m | R1 449.44 | R1 536.41 |
| | 2.2m x 0.7m x 1.8m | R1 980.91 | R2 095.76 |
| | 2.2m x 0.7m x 2.4m | R2 279.80 | R2 416.59 |
| | Casket | R2 497.76 | R2 647.63 |
| | Burial plot - full-sized tombstones | | |
| | 1.5m x 1.2m | R2 402.26 | R2 546.40 |
| | 2.2m x 0.7m x 1.8m | R2 465.18 | R2 613.09 |
| | 2.2m x 0.7m x 2.4m | R2 589.34 | R2 744.10 |
| | Casket | R3 668.53 | R3 888.66 |
| | (b) Non-residents | | |
| | Burial plot - headstones | | |
| | 1.5m x 1.2m | R4 302.26 | R4 560.40 |
| | 2.2m x 0.7m x 1.8m | R6 302.27 | R6 574.41 |
| | 2.2m x 0.7m x 2.4m | R8071.94 | R8 556.26 |
| | Casket | R10 095.40 | R11 337.12 |
| | Burial plot - full-sized tombstones | | |
| | 1.5m x 1.2m | 7880.93 | R8 553.79 |
| | 2.2m x 0.7m x 1.8m | R10 695.35 | R11 337.28 |
| | 2.2m x 0.7m x 2.4m | R 12 146.12 | R12 874.89 |
| | Casket | R14 434 | R15.30 |
| 2. | (a) MADDENOSIZWENT CEMETERIES | | |
| | Residents Burial plot | | |
| | 1.5m x 0.7m x 1.2m | R397.26 | R426.86 |
| | 2.2m x 0.7m x 1.8m | R534.83 | R566.92 |
| | Casket | R739.33 | R783.69 |
| | (b) Non-residents Burial plot | | |
| | 1.5m 0.7m x 1.2m | R911.24 | R965.91 |
| | 2.2m x 0.7m x 1.8m | R1 138.21 | R1 206.50 |
| | Casket | R1 682.03 | R1 782.95 |
| | Cleaning of plots | Cost +6% | Cost +6% |

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| 3. | CHARLESTOWN CEMETERIES Burial plot | | |
| | (a) Residents | R395.51 | R419.24 |
| | 1.5m x 1.2m | R534.33 | R566.39 |
| | 2.2m x 0.7m x 1.8m | R747.72 | R768.20 |
| | Casket | | |
| | (b) Non-residents | R919.36 | R768.20 |
| | Burial plot | R1105.62 | R1171.96 |
| | 1.5m x 1.2m | R1576.91 | R1776.99 |
| | 2.2m x 0.7m x 1.8m | R1395.87 | R1451.85 |
| | Casket | R142.04 | R150.56 |
| 4. | For to entia is a grave for exhumation and filling in thereof | | |
| 5. | For to entia is a grave for exhumation and filling in thereof | | |
| 6. | Perpetual rights are included in the total price of a burial plot | | |
| 7. | Ash Burial system - Gardening of remembrance | | |
| | (a) Reservation (5 seats for 2 years) | | |
| | (i) Residents | R598.88 | R634.81 |
| | (ii) Non-residents | R1703.38 | R1805.58 |
| | (b) Funerals: Per funeral | | |
| | (i) Residents | R201.12 | R213.19 |
| | (ii) Non-residents | R660.68 | R700.32 |
| 8. | The grave number is engraved on the tombstone at the family's cost | | |
| | NOTE: Permanent residence in relation to any person means a taxpayer 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 consumer account will serve as proof of permanent residence. | | |
| | PUBLIC SWIMMING POOL BYLAWS | | |
| 1. | Entrance fee | | |
| | (a) Seniors - per day | R9.00 | R9.54 |
| | (b) Adults - per day | R17.00 | R18.02 |
| 2. | Season tickets | | |
| | (a) Per child under 13 years | R265.17 | R281.08 |
| | (b) Per adult | R531.46 | R563.35 |
| 3. | Monthly tickets | | |
| | (a) Per child under 13 years | R77.53 | R82.18 |
| | (b) Per adult | R112.36 | R119.10 |
| 4. | Patrons are exempted provided application has been made for patrons' entrance ticket concessions | | |
| 5. | Hire of Newcastle swimming pools | | |
| | (a) 10.00 - 14.00 (or part thereof) | R243.82 | R258.45 |
| | (b) 14.00 - 18.00 (or part thereof) | R201.12 | R213.19 |
| | (c) 18.00 - 24.00 (or part thereof) | R504.50 | R532.77 |
| | (d) Gals - Newcastle swimming pool | R1328.10 | R1407.79 |
| | (e) Instructions making use of municipal swimming pools for their own account shall pay R25.00 per lane per hour and shall further be required to purchase a season or monthly ticket | R0.00 | R0.00 |
| | (f) Parents of members of swimming clubs during practice sessions, with proof of identity to the satisfaction of the Director - Culture and Amenities, excluding the personal use of the swimming pool facilities | Free | Free |
| 6. | 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 = maintenance costs, Z = percentage increase or decrease in T and N as determined by Council from time to time | | |
| | Hire of Newcastle swimming pool hall | | |
| | Monday to Thursday | | |
| | (a) Hire for commercial purposes - per hour | | |
| | (i) Hall | R245.82 | R258.45 |
| | (ii) Side room | R122.47 | R129.82 |
| | (iii) Kitchen | R0.00 | R0.00 |
| | (b) Hire for meetings, weddings, anniversaries children's parties & events functions - per hour | | |
| | (i) Hall | R176.79 | R181.04 |
| | (ii) Side room | R86.52 | R91.71 |
| | (iii) Kitchen | R86.52 | R91.71 |
| | (c) Hire for exhibitions - per hour | | |
| | (i) Hall | | |
| | (ii) Side room | R205.62 | R217.96 |
| | (iii) Kitchen | | |
| | (d) Hire for non-profit organisations - per hour | | |
| | (i) Hall | R117.98 | R125.06 |
| | (ii) Side room | R49.44 | R52.41 |
| | (iii) Kitchen | R49.44 | R51.41 |
| | (e) Preparation for functions contemplated in a & (d) above - per hour | R66.27 | R70.25 |
| | (f) Hire for sport and recreational activities by member clubs of the Recreation Centre residing in Newcastle - Monday to Sunday | | |

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| (6) 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 premises in the town - Mondays to Saturdays | R246.97 | |
| Hire of public-address system, per day or part thereof | R197.75 | R240.59 |
| Hire of lock shop, per day or part thereof | Normal tariff in 5(6) to (e) above + 25% | R202.62 |
| Fridays and Saturdays the tariff to hire the Newcastle swimming pool hall and lock shop | Normal tariff in 5(6) to (e) above + 25% | Normal tariff in 5(6) to (e) above + 25% |
| Sundays and public holidays the tariff to hire the Newcastle swimming pool hall and lock shop | Normal tariff in 5(6) to (e) above + 25% | Normal tariff in 5(6) to (e) above + 25% |
| Hire of hall and facilities by non-residents | Normal rate + 25% | Normal rate + 25% |
| Refundable deposit, per function, meeting, etc | R3 520.24 | R3 712.37 |
| School utilizing a municipal swimming pool during the swimming season for physical exercise for all their pupils, per session | R271.31 | R770.95 |
| 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, mayoral, receptions, functions and meetings held by Council, municipal elections, functions, special, approved by Council. | | |
| Hire for commercial purposes, dances, banquets, performances, concerts, film shows, bazaars, boxing and wrestling matches, beer festivals, weddings, anniversaries and children's parties, per hour | R305.62 | R323.96 |
| Hire for political, per hour | R244.94 | R259.64 |
| Hire for exhibitions of arts and crafts, art exhibitions, industrial and commercial exhibitions where the hall is required | R252.81 | R267.98 |
| (a) For one day or part thereof, per hour | R868.54 | R920.65 |
| (b) For ten or more days, per day | R202.25 | R214.39 |
| Hire for non-profit organisations including external sporting bodies: Member groups on Sundays, per hour | R68.54 | R72.65 |
| Preparation for functions contemplated in 1 to 4 above, per hour | R153.93 | R163.17 |
| Hire of kitchen, per hour | | |
| Hire of side room, per hour | | |
| Hire of public-address system, per day or part thereof | R264.05 | R279.89 |
| Hire for sport and recreation activities by member groups residing in Newcastle - Mondays to Saturdays | 50% of group membership fees | 50% of group membership |
| 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 owning any fixed premises in the town - Mondays to Saturdays | derived per month | fees derived per month |
| Fridays and Saturdays. The tariff to hire the Newcastle Recreation Hall | 15% of group membership fees | 15% of group membership fees |
| Sundays and Public Holidays: The tariff to hire the Newcastle recreation hall | Normal tariff for hire mentioned 1-4 above + 50% | Normal tariff for hire mentioned 1-4 above + 50% |
| Hire of hall and facilities by non-residents | Normal tariff for hire mentioned 1-4 above + 50% | Normal tariff for hire mentioned 1-4 above + 50% |
| Refundable deposit, per function, meeting, etc | Normal rate + 25% | Normal rate + 25% |
| Hire for sport by member group | R2 300.01 | R24 381.07 |
| Membership fee, per month | 6% of monthly income | 6% of monthly income |
| Non-residential members | R6.74 | R7.14 |
| Family membership, 3 or more family members enrolled for activities at the centre | R9.33 | R9.89 |
| Hire for sport by member group without an instructor, per month | R3.37 | R3.57 |
| Membership fee, per member monthly | R24.72 | R26.20 |
| Non-residential members monthly fee, per member | R6.74 | R7.14 |
| Hire for recreational activities by member groups (e.g. toddler table group, after care group) | R9.00 | R9.54 |
| Membership fee, per member monthly | 6% of monthly income | 6% of monthly income |
| Non-residential, per member monthly | R6.74 | R7.14 |
| Holiday, per name, per member monthly | R9.00 | R9.54 |
| | R3.37 | R3.57 |
| HIRE OF SPORTS GROUNDS | | |
| The tariff of charges set out below shall be applicable to the hire of sports grounds and unsurfaced open spaces and shall be payable in advance. | | |
| (a) For public or private use by profit-making organisations | | |
| (i) For the first three days, per day, excluding services | R1 150.57 | R1 219.60 |
| (ii) Thereafter, per day or part thereof, excluding services | R217.98 | R211.06 |
| (iii) For sports facilities, per facility, per day | R368.54 | R390.65 |
| (b) For non-profit organisations, groups or individuals other than for private gain | | |
| (i) For the first three days, excluding services | Free | Free |
| (ii) Thereafter, per day or part thereof, excluding services | R217.98 | R211.06 |

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| CAMP AND CARAVAN PARK BYLAWS | | | |
| 1. | Fees payable in respect of permits for camp and caravan sites | | |
| | (a) Site fee per day | R114.48 | R121.35 |
| | (b) Site fee per day for plots with more than 10 caravans | R86.00 | R91.16 |
| | (c) Per person over five years of age per day. Maximum of six persons per site. | R32.00 | R33.92 |
| | (d) Per person over five years of age per day for plots with more than 10 caravans. Maximum of six persons per site. | R22.26 | R23.60 |
| | (e) Use of electricity per day per site | R54.06 | R57.30 |
| | (f) Use of electricity per day per site for plots with more than 10 caravans | R32.00 | R33.92 |
| 2. | Fees for use of the following: | | |
| | (a) Washing machine per load | R22.06 | R23.38 |
| | (b) Tumble dryer per load | R22.06 | R23.38 |
| 3. | Fees for persons working in Newcastle per day per person | R131.44 | R139.33 |
| 4. | Fee payable by bona fide travellers for the use of ablution facilities per person | R32.00 | R33.92 |
| 5. | Entrance fee to the Amcor 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. | | |
| | (a) Adults per day | R18.01 | R19.10 |
| | (b) Scholars per day (12 years and under) | R8.48 | R8.99 |
| | (c) Busses per bus per day | R424.00 | R449.44 |
| 6. | Entrance fee to the Boasbroek Dam picnic area | | |
| | (a) Adults per day | R15.00 | R15.90 |
| | (b) Children per day | R8.46 | R8.99 |
| 7. | Hire of Amcor Dam for public or private use by profit motivated organisation | | |
| | (a) For the first day, excluding the cost of services | R26 366.08 | R27 941.68 |
| | (b) Thereafter per day, excluding the cost of services | R13 180.04 | R13 970.80 |
| | (c) Refundable deposit per function | R5 274.56 | R5 591.03 |
| 8. | Hire of Amcor Dam by non profit motivated organisation | | |
| | (a) For the first day, excluding the cost of services | R2 594.88 | R2 750.57 |
| | (b) Thereafter per day, excluding the cost of services | R1 321.94 | R1 403.38 |
| | (c) Refundable deposit per function | R2 657.28 | R2 795.52 |
| 9. | Hire of caravan site per person, per month | R3 832.96 | R4 062.94 |
| 10. | Storage of caravan, per day | R65.00 | R68.00 |
| CLEANING OF PLOTS / VACANT ERVEN | | | |
| 1. | Cleaning of plots / vacant erven: | | |
| | (a) Erven not exceeding 1 000m² | R1 857.07 | R1 968.49 |
| | (b) Erven from 1 000m² to 2 000m² | R3 183.29 | R3 374.29 |
| | (c) Erven from 2 000m² to 4 000m² | R5 835.72 | R6 185.86 |
| | (d) Erven from 4 000m² to 10 000m² | R11 140.60 | R11 809.04 |
| | (e) Erven in excess of 10 000m² | R13 795.03 | R14 620.61 |
| | (f) Amounts to be recouped against cost centre (item 403034) | | |

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| 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 date 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, excluding the deposit, will be forfeited to Council when the hire cancels or postpones a reservation, unless Council is notified in writing at least 30 days prior to the reserved date about the cancellation. | | |
| Any hall reserved to be used for 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 specified as approved by Council. | | |
| A hire shall re-arrange and clean the premises and exterior surrounding of the under mentioned halls and/or facilities within the time permitted by the Canteen, failing which the hire shall forfeit the deposit. The Director, Culture and Amenities may, if required, increase the minimum deposit. | | |
| Should the hall or facility be booked by a hire, and the facility is required for use by Council, the hire will be requested to use an alternative hall or facility available from Council. | | |
| Halls shall not be used as overnight accommodation and will be available daily from 08h00 to 24h00. Penalty fees of R300,00 per hour or part thereof shall be levied in instances where the halls are not vacated by 24h00. (Shows and exhibitions with a duration of more than one day, exempted.) | | |
| A. TOWN HALL | | |
| Mondays to Thursdays | | |
| 1. Hire for commercial purposes, dances, banquets, performances, concerts, film shows, bazaars and beer festivals, per hour or part thereof (including SAMRO fees) | R431,46 | R557,33 |
| 2. Hire for weddings, anniversaries, children's parties and exhibitions of arts and crafts, art exhibitions, per hour or part thereof (including SAMRO fees) | R337,08 | R457,30 |
| 3. Hire for political meetings, per hour or part thereof | R337,08 | R357,30 |
| 4. Hire for industrial and commercial exhibitions where the hall is required for one day only, or part thereof, per hour (including SAMRO fees) | R346,07 | R466,83 |
| 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 (including SAMRO fees) | R1,176,41 | R1,347,00 |
| 6. Hire for non-profit organisations, per hour or part thereof | R229,21 | R242,96 |
| 7. Hire for religious purposes, per hour or part thereof (including SAMRO fees) | R189,89 | R101,28 |
| 8. Preparation of functions contemplated in 1 to 7 above, per hour or part thereof | R103,37 | R109,57 |
| 9. Rehearsals, per day or part thereof | R206,74 | R219,14 |
| 10. Hire of Superior Room: Tariffs applicable as per 1 to 9 above | 50% of tariffs | 50% of tariffs |
| 11. Hire of kitchen, per hour or part thereof | R189,89 | R201,28 |
| 12. Hire of upright piano, per day or part thereof | R189,89 | R201,28 |
| 13. Hire of public-address system, per day or part thereof | R320,23 | R339,44 |
| 14. Hire of hall for sport purposes, per hour or part thereof | R346,07 | R366,83 |
| 15. Hire of hall and facilities by non-residents | Normal rate + 25% | Normal rate + 25% |
| 16. Fridays and Saturdays: Tariff to hire the Town Hall | Normal tariff for hire mentioned in 1-15 above + 50% | Normal tariff for hire mentioned in 1-15 above + 50% |
| 17. Sundays and Public Holidays: Tariff to hire the Town Hall | Normal tariff for hire mentioned in 1-15 above + 50% | Normal tariff for hire mentioned in 1-15 above + 50% |
| 18. Refundable deposit per function, meeting, etc. | R2,886,53 | R3,059,72 |
| 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. crime aids 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 persons | Tariffs as applicable to private persons |
| B. FARMERS HALL | | |
| Mondays to Thursdays | | |
| 1. Hire for commercial purposes, dances, banquets, performances, concerts, film shows, bazaars and beer festivals, per hour or part thereof (including SAMRO fees) | R228,09 | R447,78 |
| 2. Hire for weddings, anniversaries, children's parties and exhibitions of arts and crafts, art exhibitions, per hour or part thereof (including SAMRO fees) | R276,41 | R393,00 |
| 3. Hire for political meetings, per hour or part thereof | R292,14 | R309,67 |
| 4. Hire for industrial and commercial exhibitions where the hall is required for one day only, or part thereof, per hour (including SAMRO fees) | R286,52 | R403,71 |
| 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 (including SAMRO fees) | R724,72 | R868,20 |
| 6. Hire for religious purposes, per hour or part thereof (including SAMRO fees) | R121,35 | R216,63 |
| 7. Hire for non-profit organisations, per hour or part thereof | R233,71 | R247,73 |
| 8. Preparation for functions contemplated in 1 to 7 above, per hour or part thereof | R105,62 | R111,96 |

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| 9. | Rehearsals, per day or part thereof | R206.74 | R219.14 |
| 10. | Hire of kitchen facilities, per hour or part thereof | R179.14 | R189.89 |
| 11. | Hire of Farmers Hall grounds, per day or part thereof | R889.89 | R943.28 |
| 12. | Hire of new stables, per stable, per day or part thereof | R68.54 | R72.65 |
| 13. | Hire of old stables, per stable, per day or part thereof | R51.69 | R54.79 |
| 14. | Hire of toilet facilities, per day or part thereof | R233.71 | R247.73 |
| 15. | Hire of hall for sport purposes, per hour or part thereof | Normal rate + 25% | R420.66 |
| 16. | Additional charge for special preparation of the arena, per day or part thereof | Normal tariff for hire | R360.35 |
| 17. | Hire of hall and facilities, by non-residents | Normal tariff for hire | Normal rate + 45% |
| 18. | Fridays and Saturdays: The tariff to hire the Farmers Hall | Normal tariff for hire mentioned in 1-17 above + | Normal tariff for hire mentioned in 1-17 above |

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| 19 | Sundays and Public Holidays: The tariff to hire the Farmers Hall | Normal tariff for hire mentioned in 1-17 above + 50% | Normal tariff for hire mentioned in 1-17 above + 50% |
| 20(a) | Refundable deposit per function meeting, etc. | R2,471.92 | R2,620.24 |
| (b) | Refundable deposit for cleaning of stables | R1,240.45 | R1,314.88 |
| 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. crime aids 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 persons | Tariffs as applicable to private persons |
| C. RICHVIEW CIVIC CENTRE | | | |
| | Mondays to Thursdays | | |
| 1. | Hire for commercial purposes, dances, banquets, performances, concerts, film shows, bazaars and beer festivals, per hour or part thereof (including SAMRO fees) | R406.74 | R531.14 |
| 2. | Hire for weddings, anniversaries, children's parties and exhibitions of arts and crafts, art exhibitions, per hour or part thereof (including SAMRO fees) | R328.09 | R447.78 |
| 3. | Hire for political meetings, per hour or part thereof | R328.09 | R347.78 |
| 4. | Hire for industrial and commercial exhibitions where the hall is required for one day only, or part thereof, per hour (including SAMRO fees) | R353.93 | R475.17 |
| 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 (including SAMRO fees) | R924.72 | R1,080.20 |
| 6. | Hire for non-profit organisations, per hour or part thereof | R249.44 | R264.41 |
| 7. | Preparation for functions contemplated in 1 to 6, per hour or part thereof | R104.49 | R110.76 |
| 8. | Rehearsals, per day or part thereof | R206.74 | R219.14 |
| 9. | Hire for religious purposes, per hour or part thereof (including SAMRO fees) | R103.37 | R109.57 |
| 10. | Hire of cooking area, per hour or part thereof (including gas) | R380.90 | R403.75 |
| 11. | Hire of public-address system, per day or part thereof | R294.38 | R312.04 |
| 12. | Hire of hall for sport purposes, per hour or part thereof | R346.07 | R366.83 |
| 13. | Hire of hall and facilities by non-residents | Normal rate + 25% | Normal rate + 25% |
| 14 | Fridays and Saturdays: The tariff to hire the Richview Civic Centre | | |
| 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. | Normal tariff for hire mentioned in 1-13 above + 50 % | Normal tariff for hire mentioned in 1-13 above + 50 % |
| 17 | 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. crime aids etc. | R3,264.06 | R3,459.90 |
| 18 | Municipal Councillors and Municipal officials for private use (payment due immediately with booking of facility) | Free of charge | Free of charge |
| | Tariffs as applicable to private persons | Tariffs as applicable to private persons | Tariffs as applicable to private persons |
| D. FAIRBRIGHT COMMUNITY HALL | | | |
| | Mondays to Thursdays | | |
| 1. | Hire for commercial purposes, dances, banquets, performances, concerts, film shows, bazaars and beer festivals per hour or part thereof (including SAMRO fees) | R328.09 | R447.78 |
| 2. | Hire for weddings, anniversaries, children's parties and exhibitions of arts and crafts, art exhibitions, per hour or part thereof (including SAMRO fees) | R276.41 | R392.99 |
| 3. | Hire for political meetings, per hour or part thereof | R276.41 | R292.99 |
| 4. | Hire for industrial and commercial exhibitions where the hall is required for one day only, or part thereof, per hour (including SAMRO fees) | R294.38 | R412.04 |
| 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 (including SAMRO fees) | R724.72 | R868.20 |
| 6. | Hire for non-profit organisations, per hour or part thereof | R206.74 | R219.14 |
| 7. | Preparation for functions contemplated in 1 - 6, per hour | R95.51 | R101.24 |
| 8. | Rehearsals, per day or part thereof | R206.74 | R219.14 |
| 9. | Hire for religious purposes, per hour or part thereof (including SAMRO fees) | R121.35 | R228.63 |

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| 10. | For the purpose of conducting playgroups by any organisations referred to in 6 above, during week days: For every group of 30 children or part thereof, per month (including SAMRO fees) | R2,76.41 | R392.99 |
| 11. | Hire of public-address system, per day or part thereof | R294.38 | R312.04 |
| 12. | Hire of hall for sport purposes, per hour or part thereof | R346.07 | R366.83 |
| 13. | Hire of hall and facilities by 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 + 50% | Normal tariff for hire mentioned in 1-13 above + 50% |
| 16. | Refundable deposit per function, meeting, etc. | R2,447.20 | R2,594.03 |
| 17. | 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. crime aids etc. | Free of charge | Free of charge |
| 18. | Municipal Councillors and Municipal officials for private use (payment due immediately with booking of facility) | Tariffs as applicable to private persons | Tariffs as applicable to private persons |

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| E. | NEWCASLE SHOW HALL. | | |
| | Monday to Thursday | | |
| 1. | Hire for commercial purposes, dances, banquets, performances, concerts, film shows, bazaars and beer festivals, per hour or part thereof (including SAMRO fees) | R431.46 | R557.35 |
| 2. | Hire for weddings, anniversaries, children's parties and exhibitions of arts and crafts, art exhibitions, per hour or part thereof (including SAMRO fees) | R337.08 | R457.30 |
| 3. | Hire for political meetings, per hour or part thereof | R337.08 | R357.30 |
| 4. | Hire for industrial and commercial exhibitions where the hall is required for one day only, or part thereof, per hour (including SAMRO fees) | R365.17 | R487.08 |
| 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 (including SAMRO fees) | R1,150.57 | R1,319.60 |
| 6. | Hire for non-profit organization, per hour or part thereof | R233.71 | R247.73 |
| 7. | Hire for religious purposes, per hour or part thereof (including SAMRO fees) | R233.71 | R347.73 |
| 8. | Preparation for functions contemplated in 1 to 7 above, per hour or part thereof | R147.19 | R156.02 |
| 9. | Rehearsals, per day or part thereof | R249.44 | R264.41 |
| 10. | Hire of toilet facilities, per day or part thereof | R276.41 | R292.99 |
| 11. | Hire of the kitchen, per hour or part thereof | R233.71 | R247.73 |
| 12. | Hire of public-address system, per day or part thereof | R605.62 | R641.96 |
| 13. | Cost of operator for public-address system | Costs + 10% | Costs + 10% |
| 14. | Use of air-conditioner, per hour or part thereof | R535.96 | R568.12 |
| 15. | Hire of hall for sport purposes, per hour or part thereof | R346.07 | R366.83 |
| 16. | Hire of hall and facilities by non-residents | Normal rate + 25% | Normal rate + 25% |
| 17. | Fridays and Saturdays: -The tariff to hire the Show Hall | Normal tariff for hire mentioned in 1-16 above + 50% | Normal tariff for hire mentioned in 1-16 above + 50% |
| 18. | Sundays and Public Holidays: -The tariff to hire the Show Hall | Normal tariff for hire mentioned in 1-16 above + 50% | Normal tariff for hire mentioned in 1-16 above + 50% |
| 19. | Refundable deposit per function, meeting, etc. | R3,614.60 | R3,831.48 |
| 20. | 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. crime aids etc. | Free of charge | Free of charge |
| 21. | Municipal Councillors and Municipal officials for private use (payment due immediately with booking of facility) | Tariffs as applicable to private persons | Tariffs as applicable to private persons |
| F. | MADADENI COMMUNITY HALL. | | |
| | Monday to Thursday | | |
| 1. | Hire for commercial purposes, dances, banquets, performances, concerts, film shows, bazaars and beer festivals, per hour or part thereof (including SAMRO fees) | R328.09 | R447.73 |
| 2. | Hire for weddings, anniversaries, children's parties and exhibitions of arts and crafts, art exhibitions, per hour or part thereof (including SAMRO fees) | R276.41 | R392.99 |
| 3. | Hire for political meetings, per hour or part thereof | R294.38 | R312.04 |
| 4. | Hire for industrial and commercial exhibitions where the hall is required for one day only, or part thereof, per hour (including SAMRO fees) | R757.31 | R902.75 |
| 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 (including SAMRO fees) | R757.31 | R902.75 |
| 6. | Hire for religious purposes, per hour or part thereof (including SAMRO fees) | R121.35 | R228.63 |
| 7. | Hire for non-profit organisations, per hour or part thereof | R233.71 | R247.73 |
| 8. | Preparation for functions contemplated in 1 to 7 above, per hour or part thereof | R95.51 | R101.24 |
| 9. | Rehearsals, per day or part thereof | R206.74 | R219.14 |
| 10. | Hire of public-address system, per day or part thereof | R320.23 | R339.44 |
| 11. | Hire of hall for sport purposes, per hour or part thereof | R346.07 | R366.83 |
| 12. | Hire of hall and facilities by 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 + 50% | Normal tariff for hire mentioned in 1-12 above + 50% |

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| 14 | Sundays and Public Holidays: The tariff to hire the Community Hall | Normal tariff for hire mentioned in 1-12 above + 50% | Normal tariff for hire mentioned in 1-12 above + 50% |
| 15 | Refundable deposit per function, meeting, etc | R2,653.94 | R2,813.18 |
| 16 | Municipal Councillors utilizing the halls with special consent from the Municipal Manager, for the purpose of ward meetings, information sessions to the public, e.g. crime aids etc. | Free of charge | Free of charge |
| 17 | Municipal Councillors and Municipal officials for private use (payment due immediately with booking of facility) | Tariffs as applicable to private persons | Tariffs as applicable to private persons |
| G. | OSIZWENI COMMUNITY HALL | | |
| | Mondays to Thursdays | | |
| 1. | Hire for commercial purposes, dances, banquets, performances, concerts, film shows, bazaars and beer festivals, per hour or part thereof (including SAMRO fees) | R353.93 | R475.17 |
| 2. | Hire for weddings, anniversaries, children's parties and exhibitions of arts and crafts, art exhibitions, per hour or part thereof (including SAMRO fees) | R320.23 | R439.44 |
| 3. | Hire for political meetings, per hour or part thereof | R320.23 | R339.44 |
| 4. | Hire for industrial and commercial exhibitions where the hall is required for one day only, or part thereof, per hour (including SAMRO fees) | R320.23 | R439.44 |
| 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 (including SAMRO fees) | R1,004.50 | R1,164.77 |
| 6. | Hire for non-profit organisations, per hour or part thereof | R233.71 | R247.73 |
| 7. | Hire for religious purposes, per hour or part thereof (including SAMRO fees) | R121.35 | R228.63 |
| 8. | Preparation for functions contemplated in 1 - 7 above, per hour or part thereof | R104.49 | R110.76 |
| 9. | Rehearsals, per day or part thereof | R206.74 | R219.14 |
| 10 | Hire of hall for sport purposes, per hour or part thereof | R346.07 | R366.83 |
| 11 | Hire of supper room, per hour or part thereof | 50% of tariff mentioned | 50% of tariff mentioned |
| 12 | Hire of public-address system, per day or part thereof | R394.38 | R418.04 |
| 13 | Hire of hall and facilities by non-residents | Normal rate + 25% | Normal rate + 25% |
| 14 | Fridays and Saturdays: 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 |
| 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 | Refundable deposit per function, meetings, etc. | R3,079.79 | R3,264.58 |
| 17 | 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. crime aids etc. | Free of charge | Free of charge |
| 18 | Municipal Councillors and Municipal officials for private use (payment of amenity immediately with booking of facility) | Tariffs as applicable to private persons | Tariffs as applicable to private persons |
| H. | CHARLESTOWN COMMUNITY HALL | | |
| | Mondays to Thursdays | | |
| 1. | Hire for commercial purposes, dances, banquets, performances, concerts, film shows, bazaars and beer festivals, per hour or part thereof (including SAMRO fees) | R328.60 | R448.32 |
| 2. | Hire for weddings, anniversaries, children's parties and exhibitions of arts and crafts, art exhibitions, per hour or part thereof (including SAMRO fees) | R276.66 | R393.26 |
| 3. | Hire for political meetings, per hour | R294.68 | R312.36 |
| 4. | Hire for industrial and commercial exhibitions where the hall is required for one day only, or part thereof, per hour (including SAMRO fees) | R756.84 | R902.25 |
| 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 (including SAMRO fees) | R756.84 | R902.25 |
| 6. | Hire for non-profit organisations, per hour or part thereof | R233.20 | R247.19 |
| 7. | Preparation for functions contemplated in 1 to 6 above, per hour or part thereof | R0.00 | R109.57 |
| 8. | Rehearsals, per day or part thereof | R120.84 | R128.09 |
| 9. | Hire for religious purposes, per hour or part thereof (including SAMRO fees) | R51.69 | R154.79 |
| 10 | Hire of the kitchen, per hour or part thereof | R206.74 | R219.14 |
| 11 | Hire of public address system, per day or part thereof | R276.41 | R292.99 |
| 12 | Hire of hall for sport purposes, per hour or part thereof | R346.07 | R366.83 |

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| 13 | Hire of hall and facilities by non-residents | Normal rate + 25% | Normal rate + 25% |
| 14 | Fridays and Saturdays: 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% |
| 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 | Refundable deposit per function, meetings, etc. | R2 654,24 | R2 813,49 |
| 17 | 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. crime aids etc. | Free of charge | Free of charge |
| 18 | Municipal Councillors and Municipal officials for private use (payment due immediately with booking of facility) | Tariffs as applicable to private persons | Tariffs as applicable to private persons |

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| I | JBC HALL | | |
| | Mondays to Thursdays | | |
| 1. | Hire for commercial purposes, dances, banquets, performances, concerts, film shows, bazaars and beer festivals per hour or part thereof (including SAMRO fees) | R328.09 | R447.78 |
| 2. | Hire for weddings, anniversaries, children's parties and exhibitions of arts and crafts, art exhibitions, per hour or part thereof (including SAMRO fees) | R276.41 | R392.99 |
| 3. | Hire for political meetings, per hour or part thereof | R276.41 | R292.99 |
| 4. | Hire for industrial and commercial exhibitions where the hall is required for one day only, or part thereof, per hour (SAMRO fees) | R294.38 | R412.04 |
| 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 (including SAMRO fees) | R725.85 | R869.40 |
| 6. | Hire for non-profit organisations, per hour or part thereof | R206.74 | R219.14 |
| 7. | Preparation for functions contemplated in 1 - 6, per hour | R95.51 | R101.24 |
| 8. | Rehearsals, per day or part thereof | R206.74 | R219.14 |
| 9. | Hire for religious purposes, per hour or part thereof (including SAMRO fees) | R121.35 | R228.63 |
| 10. | For the purpose of conducting playgroups by any organisations referred to in 6 above, during week days: For every group of 30 children or part thereof, per month (including SAMRO fees) | R273.03 | R389.41 |
| 11. | Hire of public-address system, per day or part thereof | R294.38 | R312.04 |
| 12. | Hire of hall for sport purposes, per hour or part thereof | R346.07 | R366.83 |
| 13. | Hire of hall and facilities by 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 + 50% | Normal tariff for hire mentioned in 1-13 above + 50% |
| 16. | Refundable deposit per function, meeting, etc. | R2,335.96 | R2,476.12 |
| 17. | 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. crime aids etc. | Free of charge | Free of charge |
| 18. | Municipal Councillors and Municipal officials for private use (payment due immediately with booking of facility) | Tariffs as applicable to private persons | Tariffs as applicable to private persons |
| J | OSIZWENI ARTS CENTRE | | |
| | General | | |
| | The tariffs of charges shall be payable in advance. No reservation will be made or date will be reserved unless the amount for the hired accommodation together with a refundable deposit, has been paid in full. | | |
| | The full rental amount, excluding the deposit, will be forfeited to Council when the hirer cancels or postpones a reservation, unless Council is notified in writing at least 30 days prior to the reserved date about the cancellation. | | |
| | The facility, shall, at the discretion of Council, be made available free of charge for civic mayoral functions, functions and meetings held by Council, and functions specially approved by Council. | | |
| | A hirer shall re-arrange and clean the premises and exterior surrounding of the facility within the time permitted by the Caretaker, failing which he/she shall forfeit the deposit paid. The Director: Culture and Amenities may, if required, increase the minimum deposit. | | |
| | Mondays to Thursdays | | |
| 1. | Hire for commercial purposes, performances, concerts, film shows, per hour or part thereof (including SAMRO fees) | R276.41 | R392.99 |
| 2. | Hire for exhibitions of arts and crafts, where the Arts Centre is required for one day only or part thereof, per hour (including SAMRO fees) | R276.41 | R392.99 |
| 3. | Hire for exhibitions of arts and crafts, where the Arts Centre is required for longer than one day, per day or part thereof (including SAMRO fees) | R924.72 | R1,080.20 |
| 4. | Hire for religious purposes, per hour or part thereof (including SAMRO fees) | R95.51 | R201.24 |
| 5. | Hire for non-profit organisations, per hour or part thereof | R189.89 | R201.28 |
| 6. | Preparation for functions contemplated in 1 to 6 above, per hour or part thereof | R189.89 | R201.28 |
| 7. | Rehearsals, per day or part thereof | R189.89 | R201.28 |
| 8. | Hire of hall and facilities by non-residents | R139.33 | Normal rate + 25% |
| 9. | Fridays and Saturdays: The tariff to hire the Arts Centre | Normal tariff for hire mentioned in 1-8 above + 25% | Normal tariff for hire mentioned in 1-8 above + 25% |

| | | | | | | | |
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| 10 | Sundays and Public Holidays: The tariff to hire the Arts Centre | Final Tariff 2023/24 Normal tariff for hire mentioned in 1-8 above + 50% R2,533.72 | Final Tariff 2024/25 Normal tariff for hire mentioned in 1-8 above + 50% R2,685.74 | | | | |
| 11 | Refundable deposit per function, meeting, etc | | | | | | |
| | | | | | | | |
| | | | | | | | |

| K | Final Tariff 2023/24 | Final Tariff 2024/25 |
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| FORT AMIEL MUSEUM | | |
| General | | |
| 1 Functions and programmes organised by or done in liaison with the Directorate Culture and Amenities | | |
| 2 Hire of facility and/or grounds for commercial purposes, festivals, braais, picnics children's parties, for groups below 20 people | R159.00 | R168.54 |
| 3 Hire of facility and/or grounds for commercial purposes, festivals, braais, picnics, children's parties, for groups over 20 people | R203.37 | R215.57 |
| 4 Hire for exhibitions of arts and crafts and braais where the facility is required for one day only, per hour or part thereof, per hour | R203.37 | R215.57 |
| 5 Hire for exhibitions of arts and craft where the facility is required for longer than one day, per day | R0.00 | R0.00 |
| 6 Hire for non-profit organisations per hour or part thereof | R0.00 | R0.00 |
| 7 Preparation for functions contemplated in 1-5 above | R0.00 | R0.00 |
| 8 Use of piano (playing of the piano per hour) | R17.39 | R18.43 |
| 9 Refundable deposit per function, meeting, etc | R330.00 | R400.00 |
| 10 Municipal Councillors and officials for private use (payment due immediately with booking of facility) | R0.00 | R0.00 |
| BYLAWS RELATING TO PUBLIC LIBRARIES | | |
| 1 In instances where the library material is returned after the specified return date, a borrower of such material shall be liable to pay a fine - In the case of audio visual material, per item per day or part thereof | R1.00 subject to maximum fine of R5.00 | R2.00 subject to maximum fine of R10.00 |
| (a) | R1.00 subject to a maximum of R10.00 | R2.00 subject to maximum fine of R20.00 |
| (b) In the case of books for which there is a waiting list, per day or part thereof | R1.00 subject to a maximum fine of R5.00 per item | R2.00 subject to maximum fine of R10.00 |
| (c) In the case of any other library material, including books, per week or part thereof | R29.57 | R31.30 |
| (d) In the case where a library member has been defaulted, an administrative fee per member | | |
| 2. Membership fees | | |
| (a)(i) Membership fees for borrowers living outside the municipal area of Newcastle and who do not own property within the said area, payable annually in advance | R347.83 | R368.70 |
| (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 | Free of charge | Free of charge |
| (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 ordinary wear and tear | R528.70 | R560.43 |
| (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 Patron Cards | | |
| (a) Fee for the patron card | R15.22 | R16.08 |
| (b) Thereafter, per lost card | R22.61 | R23.91 |
| 4 Photostat copies | | |
| (a) Photostat copies - per A4 copy (Black and White) | R1.30 | R1.30 |
| (b) Photostat copies - per A4 copy (Colour) | R6.96 | R6.96 |
| (c) Photostat copies - per A3 copy (Black and White) | R2.61 | R2.61 |
| (d) Photostat copies - per A3 copy (Colour) | R12.17 | R12.17 |
| 5 Public access computers/Internet | | |
| (a) For the use of the public access computers or the internet | Free of charge | Free of charge |
| (b) For printing, per A4 copy (Black and White) | R1.74 | R1.74 |
| (c) For printing, per A4 copy (Colour) | R6.96 | R6.96 |
| (d) For printing, per A3 copy (Black and White) | R3.47 | R3.47 |
| e) For printing, per A3 copy (Colour) | R14.78 | R14.78 |
| 6 Damage or loss of library material | | |
| (a) Damage 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 |
| (b) Lost books | Full cost of item | Full cost of item |
| (c) Damage or loss of records, videos, films or any other library material | Full cost of item | Full cost of item |

| | | Final Tariff 2023/24 | Final Tariff 2024/25 |
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| M | GROUP ACTIVITIES ROOMS | | |
| | Newcastle Library | | |
| | May not be used for religious and/or political purposes. | | |
| | The tariff of charges shall be applicable to the hire of any group activities room or any of the facilities in connection therewith and shall be payable in advance. | | |
| | 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 specially approved by the Council | | |
| 1 | Cultural and/or educational purposes organised/arranged by the Directorate Culture and Amenities | Free of Charge | Free of Charge |
| 2 | Where the group activity room is required for one day only or part thereof, per hour | R1 677.39 | R1 777.39 |
| 3 | (a) Use of group activity room where it is required for periods longer than one day, per day, or part thereof (normal office hours 08h00 - 17h00 only) | R1, 130.43 | R1, 200.00 |
| | (b) The after normal hourly tariffs apply | | |
| 4 | Refundable deposit per function, meeting, etc. | R530.43 | R565.22 |

| | Municipal Councilors and Municipal Officials for private use (payment due immediately with booking of facility) | Final Tariff 2023/24 Approved tariffs as applicable to private persons apply | Final Tariff 2024/25 Approved tariffs as applicable to private persons apply | |
|---|---|---|---|--|
| 5 | <p>ELECTRICITY SUPPLY BYLAWS</p> <p>Abbreviations and Definitions</p> <p>Abbreviations</p> <p>< Less than</p> <p>≤ Less than or equal to</p> <p>> Greater than</p> <p>> Greater than or equal to</p> <p>A. Any one</p> <p>c. Cents</p> <p>kVAh. Kilo volt-ampere-hour</p> <p>CPI Consumer price index</p> <p>GWh Gigawatt-hour</p> <p>km Kilometre</p> <p>kVA Kilovolt-ampere</p> <p>kVh Reactive kilovolt-ampere-hour</p> <p>kWh Kilowatt-hour</p> <p>M&A Municipal Finance Management Act, No. 56 of 2003</p> <p>MVA Megavolt-ampere</p> <p>N/A Not applicable</p> <p>NERSA National Energy Regulator of South Africa</p> <p>NMD Notified maximum demand</p> <p>PF Power factor</p> <p>R Rand</p> <p>RkVA Rated kilovolt-ampere</p> <p>TOU Time-of-use</p> <p>V Volt</p> <p>VAT Value added tax</p> <p>W Wait</p> <p>Definitions</p> <p>Account: Is a point of premises/points of delivery, according to the same voltage or location.</p> <p>(Active) Energy Charge: Is a charge for each unit of energy consumed typically charged for as kWh or R/kWh. For some tariffs the charge may be time and/or seasonally differentiated.</p> <p>Administration Charge / Basic Charge: It is a contribution towards fixed costs such as meter reading, billing, administration and maintenance input and is a fixed charge payable every month whether electricity is consumed or not.</p> <p>Annual Utilised Capacity: Is the higher of the customer's NMD or maximum demand, measured in kVA, registered during a rolling twelve month period.</p> <p>Billing: Is the process of producing and delivering a bill (an account or invoice) for payment by a customer, calculated from the tariff schedule or as per agreement between the parties (e.g. special terms, agreements), and for the month of customers' consumption measured and recorded by the premises meter.</p> <p>Billing Period: Is the period from one meter reading date (actual or estimated) to the following meter reading date (actual or estimated).</p> <p>Chargeable Demand: Is the highest average demand measured in kVA in a billing month during the chargeable time periods specified for each tariff.</p> <p>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.</p> <p>Cost-reflective 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 economic cost to supply electricity to that customer.</p> <p>Energy Demand Charge: Applicable to Scales 4 and 5 tariffs, is a R/kVA charge per premise which is seasonally differentiated and is based on the chargeable demand registered during the month in order to recover peak energy costs.</p> <p>Estimated Load: The total connected load of an installation reduced by the diversity factors according to SABS 0142 : 1993.</p> <p>High Voltage: A nominal voltage of 132,000 Volt (± 5% between any of the three phase conductors SABS 1019).</p> <p>Key Customer: Is a customer identified by the Municipality that receives special services or consumes more than four 500 kVA recordings on contiguous sites.</p> <p>Licensed Area of Supply: Is an area for which the National Electricity Regulator of South Africa (NERSA) has issued a license 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 electricity.</p> <p>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.</p> <p>Low Voltage: A nominal voltage of 600 Volt (± 10%) between any of the three phase conductors and 230 volt (± 10%) between any phase and the neutral conductor (SABS 1019).</p> <p>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 periods).</p> <p>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 or such time periods in the month as may be applicable.</p> <p>Medium Voltage: A nominal voltage of 11,000 Volt (± 5% between any of the three phase conductors SABS 1019).</p> <p>Monthly Utilised Capacity: Is the higher of the customer's NMD or maximum demand, measured in kVA, registered during the billing month.</p> | | | |

| | Final Tariff 2022/24 | Final Tariff 2024/25 |
|---|---|---|
| <p>Network Charge: Is a charge payable per premise 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 Demand Charge (NDC) and/or a Network Access Charge (NAC).</p> <p>Network Demand Charge: Is a charge that recovers network costs on a variable basis and is based on the annual utilised capacity.</p> <p>Network Access Charge: Is a charge that recovers network costs on a fixed basis and is based on the annual utilised capacity.</p> <p>Notified Maximum Demand (NMD): Is the maximum demand notified in writing by the customer and accepted by the Municipality, that the customer requires the Municipality to be in a position to supply on demand during all time periods. It is normally the capacity that the Municipality will reserve for a customer for the short term, i.e. the following year. One calendar-months notice must be given in writing by the consumer to the Council of any increase or decrease in the notified maximum demand and of the date upon which the revised supply is made available, the notified maximum demand shall be increased or decreased accordingly. <i>Note: The notification of demand is governed by a set of rules called the MTD rules.</i></p> <p>Point of Supply: Means a physical point on the electrical network where electricity is supplied to the customer or where the customer's network connects to that of the Municipality (also see article below 0.65).</p> <p>Power Factor: Is the ratio of kW to kVA measured over the same integrating period. <i>Note: Contractually a customer may not have a leading power factor or a power factor below 0.95.</i></p> <p>Premise or Point of Delivery: Means either a single Point of Supply or a specific group of Points of Supply located within a single substation, at which electricity is supplied to the customer at the same declared voltage and tariff, and can be a metered or un-metered point.</p> <p>Rate (or points): Are the different charges associated with a tariff that recover different costs, for example energy charge.</p> <p>Rate-rebalancing Levy: Is a separate rate component, shown on Scale 5, Time-of-Use tariff for customers' bills and indicating inter-tariff subsidies (subsidies between tariffs) in a more transparent manner. The rate-balancing levy is applied to the total active energy consumption and is not subject to the voltage and/or transmission surcharge.</p> <p>Reactive Energy Charge: Is a charge applicable if applied, to Time-of-Use tariff and is based on the reactive power used. It is levied on every kWh_r (reactive energy) which is registered in excess of 30% of the kWh (active energy) supplied during the specified periods of the month. There is no reactive energy charge for a customer operating with a maximum power factor of 0.95 or better. The method of calculation of this charge differs and is linked with the respective tariff.</p> <p>Single-phase Supply: A 50 Hz a.c. supply at 230 V r.m.s. phase-to-neutral.</p> <p>Three-phase Supply: A 50 Hz a.c. supply at 230 V r.m.s. phase-to-neutral, 400 V r.m.s. phase-to-phase (L20* vector phase displacement).</p> <p>Time-of-Use (TOU) Tariff: Is a tariff that has different energy rates for different time periods and seasons in order to more accurately reflect the shape of the Municipality's long run marginal cost of supply at different times.</p> <p>Voltage Surcharge: Is a percentage surcharge levied to customers with lower supply voltages as a contribution to the cost to transform electricity from 11 kV to lower voltages. It is calculated as a percentage of the active energy charge, the energy demand charge (where applicable) and the network charge to reflect the higher cost at lower voltage.</p> | | |
| <p>2. Conditions applicable to all tariffs rates</p> <p>(a) A consumer may apply for the Council to be billed on either the standard or the Time-of-Use tariff. A consumer may not apply to change over from the standard to the Time-of-Use tariff from the Time-of-Use to the standard tariff more than once in a period of 12 months.</p> <p>(b) A consumer may apply to the Council to reduce or to increase the size of a current tender (TCCB) or the notified maximum demand. A consumer may not apply to reduce a current tender or to increase the notified maximum demand more than once in a period of 12 months.</p> <p>(c) Conditions not covered by the Council's By-laws will be the same as those recorded in the Eskom Tariff of Charges.</p> <p>(d) All infrastructure up to the point of supply remains the property of the Newcastle Municipality and shall be handed over in accordance with the Electricity Department's standards. Maintenance of these assets and replacement will therefore be for the Newcastle Municipality's account.</p> | | |
| <p>3. Scale 1 : 20A domestic supplies</p> <p>(a) This scale shall apply to metered loads with a maximum estimated load of 20A single phase.</p> <p>(b) Monthly basic charge per metered connection point of supply whether electricity is consumed or not.</p> <p>(c) Active energy charge per kWh consumed during the month.</p> <p>(d) Pre-emption meter tariff.</p> | R73.30 R1.5555 R2.2106 | R81.53 R1.7402 R2.4811 |
| <p>4. Scale 2 : 60A domestic supplies</p> <p>(i) Active energy charge per kWh consumed</p> <p>(ii) Monthly basic charge.</p> <p>(i) Per metered connection point of supply whether electricity is consumed or not.</p> <p>(ii) Per vacant lot where electricity can be connected.</p> <p>(c) Active energy charge applicable to conventional or prepaid use</p> <p>(i) Standard tariff per kWh consumed during the month.</p> <p>(ii) Inclination Block Rate Tariff (IBRT) for residential/domestic customers as follows: Domestic Conventional Block 1 : (0-50kWh) Block 2 : (51-350kWh) Block 3 : (351-600kWh) Block 4 : (600kWh)</p> <p>(iii) Time-of-Use tariff per kWh consumed during the month in accordance with Eskom's specified time schedule TOU-Tariff High Season</p> <p>(a) Peak (b) Standard (c) Off-peak</p> | R335.93 R326.50 R1.5665 R1.9956 R2.2395 R2.3104 R5.3445 R2.0509 R1.2138 | R171.65 R363.17 R1.7313 R2.2230 R2.4910 R2.5699 R5.3446 R2.2813 R1.3501 |
| <p>Network Supply Codes to be exempted from their electricity consumption during off-peak tariff 23H00.</p> <p>TOU-Tariff Low Season</p> <p>(a) Peak (b) Standard (c) Off-peak</p> | R3.2403 R1.6913 R0.9211 | R3.0442 R1.8812 R1.0244 |

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| 5 | <p>Scale 3 : Large domestic premises and small business premises</p> <p>(a) This scale shall apply to churches, charitable or religious bodies with a load greater than 60VA single phase but not exceeding 90A three phase</p> <p>(b) This scale shall apply to the small business consumer where the notified maximum demand is less than 65KVA supplied at low voltage.</p> <p>(c) Monthly basic charge</p> <p>(i) Per point of supply whether electricity is consumed or not to metered connections for large domestic and small business consumers</p> <p>(ii) For a vacant business stand where electricity can be connected</p> <p>(d) Active energy charge applicable to conventional or prepaid use</p> <p>(i) Standard tariff per kWh consumed during the month</p> <p>(ii) Time-of-use tariff per kWh consumed during the month in accordance with Eskom's specific time schedule</p> <p>TOU-Tariff High Season</p> <p>(a) Peak</p> <p>(b) Standard</p> <p>(c) Off-peak</p> <p>TOU-Tariff Low Season</p> <p>(a) Peak</p> <p>(b) Standard</p> <p>(c) Off-peak</p> | <p>R978.98</p> <p>R426.61</p> <p>R326.50</p> <p>R2.1723</p> <p>R4.0674</p> <p>R1.7343</p> <p>R0.8420</p> <p>R2.3558</p> <p>R1.4991</p> <p>R0.7768</p> <p>R926.61</p> <p>R1.998.19</p> <p>R208.27</p> <p>R180.64</p> <p>R65.41</p> <p>R48.92</p> <p>R1.1777</p> <p>R4.6396</p> <p>R2.3529</p> <p>R1.3271</p> <p>R3.9251</p> <p>R1.7656</p> <p>R1.0990</p> <p>R926.61</p> <p>R3.924.68</p> <p>R189.29</p> <p>R167.85</p> <p>R65.01</p> <p>R49.33</p> <p>R1.1777</p> <p>R4.0680</p> <p>R1.7340</p> <p>R0.8425</p> <p>R2.3558</p> <p>R1.4991</p> <p>R0.7778</p> <p>10.07%</p> | <p>R1.033.30</p> <p>R1.030.67</p> <p>R363.17</p> <p>R2.4162</p> <p>R4.5242</p> <p>R1.9291</p> <p>R0.9166</p> <p>R2.6204</p> <p>R1.6674</p> <p>R0.8640</p> <p>R1.030.67</p> <p>R2.222.59</p> <p>R231.66</p> <p>R200.93</p> <p>R72.76</p> <p>R54.41</p> <p>R1.3100</p> <p>R5.1605</p> <p>R2.6121</p> <p>R1.4716</p> <p>R4.3659</p> <p>R1.9639</p> <p>R1.2224</p> <p>R1.030.67</p> <p>R4.365.42</p> <p>R210.55</p> <p>R186.70</p> <p>R72.31</p> <p>R54.87</p> <p>R1.3100</p> <p>R4.5248</p> <p>R1.9287</p> <p>R0.9371</p> <p>R2.6204</p> <p>R1.6674</p> <p>R0.8651</p> <p>10.07%</p> |
| 6 | <p>Scale 4 : Medium business and industrial premises</p> <p>(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.</p> <p>(b) Monthly basic charge</p> <p>(i) For a vacant stand where electricity can be connected</p> <p>(ii) For a metered stand per point of supply whether electricity is consumed or not</p> <p>(c) Maximum demand charge</p> <p>(i) Standard Network demand charge per KVA supplied per month</p> <p>(ii) Network access charge per KVA supplied per month</p> <p>(iii) Time of Use Network demand charge per KVA supplied per month</p> <p>(iv) Network access charge per KVA supplied per month</p> <p>(d) Active energy charge applicable to conventional or prepaid use</p> <p>(i) Standard tariff per kWh consumed during the month</p> <p>(ii) Time of Use tariff per kWh consumed during the month in accordance with Eskom's specified time schedule</p> <p>TOU-Tariff High Season</p> <p>(a) Peak</p> <p>(b) Standard</p> <p>(c) Off-peak</p> <p>TOU-Tariff Low Season</p> <p>(a) Peak</p> <p>(b) Standard</p> <p>(c) Off-peak</p> | <p>R926.61</p> <p>R1.998.19</p> <p>R208.27</p> <p>R180.64</p> <p>R65.41</p> <p>R48.92</p> <p>R1.1777</p> <p>R4.6396</p> <p>R2.3529</p> <p>R1.3271</p> <p>R3.9251</p> <p>R1.7656</p> <p>R1.0990</p> <p>R926.61</p> <p>R3.924.68</p> <p>R189.29</p> <p>R167.85</p> <p>R65.01</p> <p>R49.33</p> <p>R1.1777</p> <p>R4.0680</p> <p>R1.7340</p> <p>R0.8425</p> <p>R2.3558</p> <p>R1.4991</p> <p>R0.7778</p> <p>10.07%</p> | <p>R1.030.67</p> <p>R2.222.59</p> <p>R231.66</p> <p>R200.93</p> <p>R72.76</p> <p>R54.41</p> <p>R1.3100</p> <p>R5.1605</p> <p>R2.6121</p> <p>R1.4716</p> <p>R4.3659</p> <p>R1.9639</p> <p>R1.2224</p> <p>R1.030.67</p> <p>R4.365.42</p> <p>R210.55</p> <p>R186.70</p> <p>R72.31</p> <p>R54.87</p> <p>R1.3100</p> <p>R4.5248</p> <p>R1.9287</p> <p>R0.9371</p> <p>R2.6204</p> <p>R1.6674</p> <p>R0.8651</p> <p>10.07%</p> |
| 7 | <p>Scale 5 : Large business and industrial premises</p> <p>(a) This scale shall apply where the notified maximum demand is 500 KVA but less than 4500 KVA supplied at medium or high voltage</p> <p>(b) Monthly basic charge</p> <p>(i) For a vacant stand where electricity can be connected</p> <p>(ii) For a metered stand per point of supply whether electricity is consumed or not</p> <p>(c) Maximum demand charge</p> <p>(i) Standard Network demand charge per KVA supplied per month</p> <p>(ii) Network access charge per KVA supplied per month</p> <p>(iii) No demand charge is payable in the off-peak periods according to Eskom's 'night save tariff</p> <p>(iv) Off-peak period shall be between 22:00 and 06:00 on weekdays including Saturdays, Sundays and public holidays as amended from time to time</p> <p>(v) Time-of-use tariff per KVA supplied per month in accordance with Eskom's specified time schedule</p> <p>(vi) Time of Use Network demand charge per KVA supplied per month</p> <p>(vii) Network access charge per KVA supplied per month</p> <p>(viii) No demand charge is applicable during off-peak periods according to Eskom's specified time schedule</p> <p>(d) Active energy charge</p> <p>(i) Standard tariff per kWh consumed during the month</p> <p>(ii) Time of Use tariff per kWh consumed during the month in accordance with Eskom's specified time schedule</p> <p>TOU-Tariff High Season</p> <p>(a) Peak</p> <p>(b) Standard</p> <p>(c) Off-peak</p> <p>TOU-Tariff Low Season</p> <p>(a) Peak</p> <p>(b) Standard</p> <p>(c) Off-peak</p> <p>(e) Voltage surcharge (Only applicable on the Time-of-Use tariff)</p> <p>Calculated as a percentage of the network demand, network access and active energy charges</p> <p>Supply voltage >500 V and <566 kV</p> | <p>R926.61</p> <p>R1.998.19</p> <p>R208.27</p> <p>R180.64</p> <p>R65.41</p> <p>R48.92</p> <p>R1.1777</p> <p>R4.6396</p> <p>R2.3529</p> <p>R1.3271</p> <p>R3.9251</p> <p>R1.7656</p> <p>R1.0990</p> <p>R926.61</p> <p>R3.924.68</p> <p>R189.29</p> <p>R167.85</p> <p>R65.01</p> <p>R49.33</p> <p>R1.1777</p> <p>R4.0680</p> <p>R1.7340</p> <p>R0.8425</p> <p>R2.3558</p> <p>R1.4991</p> <p>R0.7778</p> <p>10.07%</p> | <p>R1.030.67</p> <p>R2.222.59</p> <p>R231.66</p> <p>R200.93</p> <p>R72.76</p> <p>R54.41</p> <p>R1.3100</p> <p>R5.1605</p> <p>R2.6121</p> <p>R1.4716</p> <p>R4.3659</p> <p>R1.9639</p> <p>R1.2224</p> <p>R1.030.67</p> <p>R4.365.42</p> <p>R210.55</p> <p>R186.70</p> <p>R72.31</p> <p>R54.87</p> <p>R1.3100</p> <p>R4.5248</p> <p>R1.9287</p> <p>R0.9371</p> <p>R2.6204</p> <p>R1.6674</p> <p>R0.8651</p> <p>10.07%</p> |

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| <500 V | 17.30% | 17.30% |
| (f) Rate-rebates (levy) (only applicable on the Time-of-Use tariff) applied to the total active energy consumption per kilowatt hour | 3.10 Cents | 3.10 Cents |
| Scale 6: Special agreement | | |
| 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. | | |
| Scale 7: Domestic | | |
| All electrical services used by Council may be considered an exempt charge. This applies to the consumption and availability charges. | | |
| Sundry Charges | | |
| (a) Re-claim, the existing single-phase meter with another type of single phase meter (pre-payment / standard) | R3,669.94 | R4,173.11 |
| (b) Re-claim, the existing standard three phase meter with:- | R32,778.13 | R34,744.82 |
| 1) A type of use meter | R0.00 | R0.00 |
| 2) A new three phase meter | R1,615.36 | R1,712.28 |
| (c) Re-claim, the existing billing programme in an electronic electricity meter to accommodate a change in tariff | R0.00 | R0.00 |
| (d) Re-claim, the existing demand limit device for maximum meter | R0.00 | R0.00 |
| (e) Any electrical service connection up to 1500 amperes 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 metering required as indicated in schedule D. All costs are fixed excluding VAT | | |
| SCHEDULE 'A' | | |
| SINGLE-PHASE DOMESTIC SCALE 1, 2 & 3 | | |
| AMPERE | | |
| 60 | R0.00 | R0.00 |
| 80 | R0.00 | R0.00 |
| 100 | R0.00 | R0.00 |
| 230 | R0.00 | R0.00 |
| SCHEDULE 'B' | | |
| BUSINESS INDUSTRIAL SINGLE-PHASE | | |
| AMPERE | | |
| 60 | R10,925.49 | R10,925.49 |
| 80 | R14,849.25 | R14,849.25 |
| 100 | R17,165.02 | R18,194.93 |
| 230 | R0.00 | R0.00 |
| SCHEDULE 'C' | | |
| THREE-PHASE SCALE 3, 4, 5 & 7 | | |
| AMPERE | | |
| 60 | R21,236.36 | R22,510.55 |
| 80 | R31,386.04 | R33,269.21 |
| 100 | R38,585.62 | R40,900.75 |
| 230 | R0.00 | R0.00 |
| 40 | R81,265.76 | R86,141.70 |

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| 80 | R108 374.77 | R114 874.73 |
| 55 | R105 374.77 | R111 874.73 |
| 100 | R135 483.62 | R143 575.54 |
| 125 | R136 483.98 | R145 575.90 |
| 150 | R242 035.50 | R248 537.63 |
| 175 | R281 538.13 | R298 451.61 |
| 200 | R313 072.28 | R331 856.61 |
| 225 | R385 227.72 | R408 346.69 |
| 250 | R301 972.95 | R332 091.32 |
| 300 | R694 758.29 | R736 443.78 |
| 350 | R744 082.87 | R788 727.84 |
| 400 | R787 551.17 | R834 804.24 |
| 450 | R952 115.30 | R1 009 242.22 |
| 500 | R1 069 333.79 | R1 133 493.81 |
| 600 | R1 276 335.27 | R1 352 915.38 |
| 700 | R1 319 607.14 | R1 398 783.56 |
| 900 | R1 540 566.10 | R1 633 000.07 |
| 1 200 | R0.00 | R0.00 |
| 1 500 | R0.00 | R0.00 |
| 1 800 | R3 669.94 | R3 890.14 |
| 2 100 | R6 065.40 | R7 001.73 |
| 2 400 | R23 046.93 | R24 429.75 |
| 2 700 | R23 046.93 | R24 429.75 |
| 3 000 | R0.00 | R0.00 |
| 3 300 | R0.00 | R0.00 |
| 3 600 | R1 863.03 | R1 974.81 |
| 3 900 | R2 363.26 | R2 505.05 |
| 4 200 | R4 874.14 | R5 166.59 |
| 4 500 | R0.00 | R0.00 |
| 4 800 | R0.00 | R0.00 |
| 5 100 | R805.24 | R853.35 |
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| | Final Tariff 2023/24 | Final Tariff 2024/25 |
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| Consumer Indirect account with both electricity and water | R1,600 | R1,700.00 |
| Three phase residential/small business (scale 3) | R3,150 | R3,340.00 |
| Large business (scale 4) | R5,250 | R5,565.00 |
| Industrial business (scale 5) | R10,500 | R11,130.00 |
| Consumer account for builders deposit | R1,600 | R1,700.00 |
| Business account for builders deposit | R10,500 | R11,130.00 |
| (n) If the Customer poses a credit risk, the value of the original deposit paid or an existing guarantee held by the Municipality, may be reviewed from time to time by the CFO. The following deposit is applicable each time the account is disconnected for non payment. | | |
| Domestic | R105 | R0.00 |
| Business | R315 | R333.30 |
| (o) Disconnection fees / late payment charges | | |
| (i) Business disconnection fee / late payment fee (electricity) | R350.65 | R0.00 |
| (ii) Residential (non-indirect) disconnection fee / late payment fee (electricity) | R350.65 | R371.69 |
| (iii) Residential (indirect) disconnection fee / late payment fee (electricity) | R350.65 | R371.69 |
| (iv) Residential prepaid meter 20 AMP/ blockage of meter | R0 | R0.00 |
| (v) Business water restriction fee | R202.77 | R214.94 |
| (vi) Residential (non-indirect) water restriction fee | R202.77 | R214.94 |
| (vii) Residential (indirect) water restriction fee | R202.77 | R214.94 |
| (viii) Business reminder fee notice (hand delivery) | R269.99 | R266.19 |
| (ix) Business reminder fee notice sms / mms/ email | R6.43 | R6.81 |
| (x) Residential reminder fee sms / mms/ email | R6.43 | R6.81 |
| (xi) Residential (non-indirect) fee notice (hand delivery) | R65.77 | R69.19 |
| (p) (i) Fee payable for the reading of meters on finalising an account, supplementary meter readings requested by consumers and repeat visits due to lack of normal access for monthly meter readings per visit | R413.39 | R239.88 |
| (ii) Fee for new service connection, notice of which was received after 13H00 for same day service | R1,391.93 | R436.19 |
| (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 | R0.00 | R1,687.45 |
| (ii) Business/Industrial | R197.40 | R813.44 |
| (r) Installation fees - | R955.61 | R1,012.94 |
| (i) Initial inspection of any installation | | |
| (ii) The following tariffs shall be applied for the installation of an existing installation if requested by the consumer | | |
| (a) Domestic | | |
| (i) Fees payable for the testing of energy meters - | | |
| (i) Testing of each single-phase meter | R2,083.15 | R2,208.14 |
| (ii) Testing of each three-phase meter | R3,005.63 | R3,185.97 |
| (iii) Testing of any other type of energy meter | R1,586.52 | R1,681.71 |
| (iv) A fee of R1,073.54 is payable per 24 hour plus a fee of R516.08 per each 24 hour period thereafter for the following: | | |
| (i) Single-phase voltage recordings | R1,451 | R1,538 |
| (ii) Single-phase current recordings | R725 | R766 |
| (iii) Three-phase current recordings | | |
| (iv) Three-phase voltage recordings | | |
| (v) Power-factor recordings | | |
| (vi) Quality of supply to a consumer according to the requirements of NRS 048 | | |
| (q) Temporary connections shall be restricted to unoccupied premises, garbages 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 metered 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 period of sixty days shall apply. | | |
| The following shall apply to unmetered electricity 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 unmetered temporary electrical connection. The tariff shall be indicated in connection loss centre Item 02692600892. | | |
| Business consumption fees for unmetered electrical connections as indicated in schedule F shall apply per 24-hour period of left thereof. | | |
| | R770 | R816 |

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| Single-Phase AMPERE | | |
| 20 | | |
| 40 | R52 | R55 |
| 60 | R90 | R95 |
| 80 | R148 | R157 |
| 100 | R182 | R193 |
| | R233 | R247 |
| Three-Phase AMPERE | | |
| 20 | | |
| 40 | R152 | R161 |
| 60 | R281 | R298 |
| 80 | R422 | R448 |
| 100 | R513 | R565 |
| | R680 | R721 |
| No refund will be allowed after disconnection of any temporary electrical connections. | | |
| (a) Floodlights for security purposes shall be supplied 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) Fixed amount payable on a monthly basis for electricity consumed as indicated below:- | | |
| 125-watt | R96 | R0 |
| 250-watt | R191 | R101 |
| 400-watt | R262 | R203 |
| | | R278 |
| (iii) Luminaires shall be removed upon request, however, payment of rental shall terminate at the end of the month following the date of removal thereof. | | |
| (iv) Removal of the luminaires shall be free of charge however, all luminaires 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, per floodlight:- | | |
| 125 watt (one per fitting) | R7 407 | R7 851 |
| 250 watt (one per fitting) | R9 929 | R10 525 |
| 400 watt (one per fitting) | R10 553 | R11 186 |
| | R2 707 | R2 869 |
| (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 accepted. | R58 811 | R62 340 |
| (viii) Fees payable for the repositioning of streetlight poles:- | | |
| (i) 5 metre mounting height | R10 161 | R10 770 |
| (ii) 7.5 and 10 metre mounting height | R11 873 | R12 585 |
| (ix) Fee for floodlights installed on existing streetlight poles only:- | | |
| Installation and removal: | | |
| 400 W | R2 442 | R2 588 |
| 250 W | R2 442 | R2 588 |
| 125 W | R2 442 | R2 588 |
| Hourly and electrical component per 24 hour period | | |
| 400 W | R15 193 | R16 105 |
| 250 W | R100 | R106 |
| 125 W | R52 | R55 |
| (x) The following shall apply to illuminated signs supplied with electrical fittings circuits: | | |
| (i) the installation costs shall be as per schedule B or 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. | R52 | R55 |
| (y) Demand control relay as shall be installed prior to the energizing of electricity supplies | | |
| The electrical contractor 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 relay 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 controlled by meters | | |
| 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) | | |
| (z) 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 Occupational Health and Safety Act No. 85 of 1993 | | |
| (aa) The installation cost for a subdivision of an existing residential property will be | | |
| (ab) Where an electrical supply is found to have been tampered with or the meter bypassed, the following (a) meter fee shall apply: | R8 107 90 | R8 594 37 |
| Turnover fee, Existing Supply & Applicable Network Charge of R585.14 (per meter) | | |
| Meter replacement fee as per Item 10, Schedule D, which depends on the type of meter used | | |
| Supply charges as per 11 above | | |
| Electricity consumption is per the "Official Certificate of the Institute of Electrical Engineers" | | |
| Screen 10 data (no fee) for payment from date of meter delivery by hand. Failure to comply shall result in the electrical power to be switched off immediately. | | |
| Payment/Arrangements to be made at the End of Term and Termination Document, proof of arrangements to be produced. | | |
| Payment in the event of damages made to the electrical kiosks will be the replacement cost at that time. | | |
| (ac) Damages to Traffic Control Equipment, in cases of an accident, inclusive of damages to any electrical equipment:- | | |
| (ad) Damages to Traffic Control Equipment, in cases of an accident, inclusive of damages to any electrical equipment:- | | |
| All the abovementioned tariffs in respect of services rendered are subject to value added tax as determined from time to time | | |

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| DRAINAGE BYLAWS | | | |
| The following fees shall be paid for blocked sewers and sewer connections - | | | |
| 1. | Fee for clean private sewer blocks (est.) | | |
| | (a) During normal office hours per block | R1,227 | R1,301 |
| | (b) After normal working hours per block | R249 | R300 |
| 2. | Fee for providing sewer connection - | | |
| | (a) 100mm connection | R9,150 | R9,699 |
| | (b) Connections in excess of 100mm | Cost + 6% | Cost + 6% |
| All the abovementioned tariffs in respect of services rendered are subject to value added tax as determined from time to time | | | |
| INDUSTRIAL EFFLUENT BYLAWS | | | |
| 1. | The monthly charge payable by the owner or occupier of any trade premises in respect of any industrial effluent discharged into the Council's sewers shall be assessed by the formula prescribed in paragraph (2) hereof, on the basis of the average result of not less than six analyses of the strength and quality of such effluent carried out at any time by the Council during the preceding six months, which analyses may be at the discretion of the Council. Water be based on individual snap samples or on composite samples collected in a manner and under conditions approved by them from time to time, provided that each time a sample for analysis is taken one half thereof shall on the request be made available to the owner or occupier of the premises. | | |
| 2. | The charge thus assessed shall be payable in respect of the volume of industrial effluent recorded or determined as having been discharged each month during the preceding six months with effect from the first reading of the industrial effluent or water meter as the case may be for the month of January or July in each year. In the case of trade premises from which industrial effluent is discharged into the Council's sewers for the first time, a charge shall be payable in respect of the interim period between the date of the first discharge and the 31st December or 30th June as the case may be. Such charge shall be assessed in accordance with the formula prescribed in paragraph (2) hereof on the basis of the average result of not less than six analyses carried out by the Council during the interim period. | | |
| 3. | The charge payable in terms of paragraphs 1) and 2) hereof shall be assessed in accordance with the following formula: $30.5 \times \text{OD} \times 30 \text{ cents per kilolitre}$ 20 OA = mg/l of 4hr KMnO4 | | |
| Where OA is the oxygen absorbed, expressed in milligrams per litre, from a 200 ml N/8 potassium permanganate in 4 hours and where the OA is determined by the well shaken sample in accordance with the method of chemical analysis given in Schedule D of the Council's Industrial Effluent Bylaws, or as he may deem proper, having regard to the nature of the industrial effluent to be analysed, details of such methods and the results obtained to be kept available for a period of 12 months for inspection by the owner or occupier of the premises from which the effluent is discharged. | | | |
| In the absence of any direct measurements, the volume or quantity of trade effluent discharged into the sewer each month from any trade premises shall be estimated and determined by the Council from the monthly quantity of water consumed on the premises concerned, whether obtained from the Council or from other sources, the allowance being made for water used for domestic purposes, water lost by reaction or evaporation during the process of manufacture and water present in the final products manufactured. | | | |
| All the abovementioned tariffs in respect of services rendered are subject to value added tax as determined from time to time | | | |
| WATER SUPPLY BYLAWS AND SEWER BYLAWS | | | |
| WATER | | | |
| Charges for the supply of water to all properties within the municipal area on condition that the property can be developed and can be connected to the water supply mains. | | | |
| 1. | Monthly availability levy | | |
| | (a) Vacant properties payable by the owner | R303.53 | R321.74 |
| | (b) All other properties metered connection of supply payable by the occupier | R61.87 | R65.58 |
| 2. | Consumption Charges | | |
| | Charges for the supply of water to consumers for every kilolitre metered over a monthly meter reading period where a measuring device has been installed - | | |
| | Residential: | | |
| | 0 - 05 kl | R13.66 | R14.48 |
| | 07 - 20 kl | R13.67 | R14.49 |
| | 21 - 40 kl | R15.55 | R16.27 |
| | 41 - 60 kl | R15.56 | R16.28 |
| | more than 60 kl | R17.07 | R18.09 |
| | Block Corporate, Sectional Titles, Cluster Homes & Old Age Pensioners Home | | |
| | Consumption Charge at the 3rd block of the residential tariff, per kl | R15.55 | R16.27 |
| | Indigent households will receive a minimum 6 kilolitres free basic water. | | |
| | Business: | | |
| | Industrial and business consumers | R13.66 | R14.48 |
| | (b) Bulk - Residential (Per apartment) | Per apartment | Per apartment |

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| 3. | Levies (i) Residential properties connected to water supply mains, per month - not metered (ii) Residential properties served by standpipes, per month (iii) Non-residential properties connected to water supply mains, per month not metered Drought surcharge The drought surcharge will be charged as a percent, which will not exceed the limit of water use percentage as gazetted in terms of item 6 (1) of Schedule 3 of the National Water Act from time to time, that will apply to all customers only during a declared drought and only on the volume of water used. (FY16/17 drought surcharge maximum is 30% based on the Government Gazette No 39850) | | R340.89 R0.00 R340.89 | R361.34 R0.00 R361.34 |
| 4. | SEWER Availability Levy (i) Residential (water borne sewer, excluding body corporate unit, as able by owner monthly) (ii) Bod corporate unit, as able by owner monthly (iii) Residential other than water borne sewer, as able by owner monthly (iv) Business and industrial, per kilolitre of water consumed, as able monthly The Levy will be responsible for the availability Levy charged against any State owned improved property which is administered by the Provincial Department of Public Works Independent households will be full subsidised MUNICIPAL OWN USE All water and sewerage services used by Council may be considered an exempt charge. This also applies to the availability and fixed charges. GENERAL 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 recalculated to cover an estimated two and a half months supply as determined by Council from time to time. Charges for providing service connections are as follows: (i) 20mm connection - All areas except Blaauwskop, Dicks Halt and Manzana (ii) 20mm connection - Blaauwskop, Dicks Halt and Manzana (iii) Connections in excess of 20 mm Charge for the testing of meters up to 50mm Charge for the testing of meters in excess of 50mm Cleaning or operation of control valves, per visit Disconnection or restricted flow fee and reconnection or removal of restrictor fee for default payment, per visit (i) During normal office hours (ii) After normal office hours | | R275.50 R275.50 R114.41 R5.11 | R292.03 R292.03 R121.27 R5.42 |
| 5. | Charges for providing service connections are as follows: (i) 20mm connection - All areas except Blaauwskop, Dicks Halt and Manzana (ii) 20mm connection - Blaauwskop, Dicks Halt and Manzana (iii) Connections in excess of 20 mm Charge for the testing of meters up to 50mm Charge for the testing of meters in excess of 50mm Cleaning or operation of control valves, per visit Disconnection or restricted flow fee and reconnection or removal of restrictor fee for default payment, per visit (i) During normal office hours (ii) After normal office hours | | R8.707 R1.157 Cost + 5% R21.3 Cost + 5% Cost + 6% | R9.730 R1.226 Cost + 6% R356 Cost + 6% Cost + 6% |
| 6. | Charges for providing service connections are as follows: (i) 20mm connection - All areas except Blaauwskop, Dicks Halt and Manzana (ii) 20mm connection - Blaauwskop, Dicks Halt and Manzana (iii) Connections in excess of 20 mm Charge for the testing of meters up to 50mm Charge for the testing of meters in excess of 50mm Cleaning or operation of control valves, per visit Disconnection or restricted flow fee and reconnection or removal of restrictor fee for default payment, per visit (i) During normal office hours (ii) After normal office hours | | R51.9 R1.371 | R58.68 R1.453 |
| | All the abovementioned 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 222 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) Hardening of footpaths, including reinstatements of existing footpaths (b) Street drainage: Connecting storm water drains and channels from private property to open channels adjoining kerb (c) Reinstatement of road surfaces (d) Hire of machinery (including operator during normal working hours 2. Alteration of storm water culverts, channels, sewers, kerbs or footpaths to permit the erection of veranda columns or other structures 3. Construction of gutter bridges or kerb entrances across street drains (a) When constructed simultaneously with the laying of any street drain, one vehicle entrance (b) Additional vehicle entrance (c) When constructed after the street drain has been completed All the abovementioned tariffs in respect of services rendered are subject to value added tax as determined from time to time (c) When constructed after the street drain has been completed All the abovementioned tariffs in respect of services rendered are subject to value added tax as determined from time to time | | Cost + 6 % Cost + 6 % Cost + 6 % Cost + 6 % Cost + 6 % Cost + 6 % Cost + 6 % No charge Cost + 6 % Cost + 6 % Cost + 6 % Cost + 6 % Cost + 6 % Cost + 6 % Cost + 6 % Cost + 6 % Cost + 6 % No charge Cost + 10% Cost + 10% | Cost + 6 % Cost + 6 % Cost + 6 % Cost + 6 % Cost + 6 % Cost + 6 % Cost + 6 % No charge Cost + 6 % Cost + 6 % Cost + 6 % Cost + 6 % Cost + 6 % Cost + 6 % Cost + 6 % Cost + 6 % Cost + 6 % No charge Cost + 10% Cost + 10% |
| | BYLAWS FOR THE REGIONAL AIRPORT AND MUNICIPAL AERODROME The following landing fees and charges are payable to the Council for the use of the Council's runways and facilities provided at the airport: 1. Single landings (a) 70% 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 by the State (b) Helicopters: 20% of the charge for an aircraft of equal weight in paragraph (a) 2. Block landings concessions (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, Civilian and General. | | | |

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| (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 per 1000 Litres, as a tariff percentage of: | | | |
| 1 - 25 | 100% | 100% | 100% |
| 26 - 50 | 90% | 90% | 90% |
| 51 - 75 | 80% | 80% | 80% |
| 76 - 100 | 70% | 70% | 70% |
| In excess of 100 | 60% | 60% | 60% |

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| 3 | Special charges | | |
| 4 | Flying clubs | | |
| 5 | Exemptions | | |
| 6 | (a) 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. 2887 as amended from time to time by the State (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 organizations aircraft belong to the South African Air Force and aircraft used by the President or the Premier of the KwaZulu Natal Province (c) Helicopters (d) Helicopters constituted by Council, per month (e) Helicopters constituted by private individuals, per month | Above with a maximum of R220,00 per month | Above with a maximum of R220,00 per month |
| 7 | Administration fee | R914,32pm | R914,32pm |
| | Fee to be levied for non-scheduled flights at the Newcastle Airport | R457,16pm | R457,16pm |
| BUILDING BYLAWS | | | |
| 1. | Every application for the approval of any building plan in terms of these by-laws shall be accompanied by the following fees: | | |
| | (a) For every new building, temporary building, addition to or alteration of existing building | R443,62 | R470,24 |
| | (b) For alterations in excess of 20m² and up to 1500m²: | R0,00 | R0,00 |
| | 20-29m² | R466,97 | R494,99 |
| | 30-39m² | R595,38 | R631,11 |
| | 40-49m² | R700,45 | R742,48 |
| | 50-59m² | R817,19 | R866,23 |
| | 60-69m² | R945,61 | R1002,33 |
| | 70-79m² | R1062,35 | R1126,09 |
| | 80-89m² | R1190,77 | R1262,21 |
| | 90-99m² | R1307,51 | R1385,96 |
| | 100-109m² | R1412,38 | R1497,33 |
| | 110-119m² | R1524,67 | R1645,83 |
| | 120-129m² | R1669,41 | R1769,58 |
| | 130-139m² | R1797,83 | R1905,70 |
| | 140-149m² | R1891,22 | R2004,69 |
| | 150-159m² | R2007,96 | R2128,44 |
| | 160-169m² | R2124,71 | R2252,19 |
| | 170-179m² | R2264,80 | R2401,68 |
| | 180-189m² | R2393,21 | R2516,80 |
| | 190-199m² | R2509,95 | R2660,55 |
| | 200-209m² | R2626,70 | R2784,30 |
| | 210-219m² | R2743,44 | R2908,04 |
| | 220-229m² | R2871,85 | R3044,17 |
| | 230-239m² | R2988,60 | R3167,91 |
| | 240-249m² | R3093,66 | R3279,28 |
| | 250-259m² | R3222,08 | R3415,41 |
| | 260-269m² | R3467,24 | R3675,27 |
| | 270-279m² | R3583,98 | R3799,02 |
| | 280-289m² | R3689,05 | R3910,39 |
| | 290-299m² | R3817,46 | R4046,51 |
| | 300-309m² | R3922,53 | R4157,88 |
| | 310-319m² | R4062,62 | R4306,38 |
| | 320-329m² | R4179,37 | R4430,13 |
| | 330-339m² | R4296,11 | R4553,87 |
| | 340-349m² | R4436,20 | R4702,37 |
| | 350-359m² | R4541,27 | R4813,74 |
| | 360-369m² | R4658,01 | R4937,49 |
| | 370-379m² | R4786,42 | R5073,61 |
| | 380-389m² | R4891,49 | R5184,98 |
| | 390-399m² | R5008,23 | R5308,73 |
| | 400-409m² | R5136,65 | R5444,85 |
| | 410-419m² | R5265,07 | R5580,97 |
| | 420-429m² | R5393,48 | R5717,09 |
| | 430-439m² | R5521,90 | R5853,21 |
| | 440-449m² | | |

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| 450-450m² | R5 615.29 | R5 952.21 |
| 460-460m² | R5 732.03 | R6 075.96 |
| 470-470m² | R5 848.78 | R6 199.70 |
| 480-480m² | R6 000.34 | R6 360.57 |
| 490-490m² | R6 083.93 | R6 459.57 |
| 500-500m² | R6 210.68 | R6 583.32 |
| 510-510m² | R6 339.09 | R6 719.44 |
| 520-520m² | R6 455.83 | R6 843.18 |
| 530-530m² | R6 584.25 | R6 979.31 |
| 540-540m² | R6 700.99 | R7 101.05 |
| 550-550m² | R6 817.74 | R7 226.80 |
| 560-560m² | R6 922.80 | R7 348.17 |
| 570-570m² | R7 062.89 | R7 486.67 |
| 580-580m² | R7 179.64 | R7 610.41 |
| 590-590m² | R7 296.38 | R7 734.16 |
| 600-600m² | R7 413.12 | R7 857.91 |
| 610-610m² | R7 506.51 | R7 956.90 |
| 620-620m² | R7 658.28 | R8 117.77 |
| 630-630m² | R7 833.39 | R8 303.39 |
| 640-640m² | R7 903.44 | R8 477.64 |
| 650-650m² | R8 091.85 | R8 611.76 |
| 660-660m² | R8 148.59 | R8 637.51 |
| 670-670m² | R8 265.34 | R8 761.26 |
| 680-680m² | R8 382.08 | R8 885.00 |
| 690-690m² | R8 517.84 | R9 043.87 |
| 700-700m² | R8 677.24 | R9 144.87 |
| 710-710m² | R8 732.30 | R9 256.24 |
| 720-720m² | R8 860.72 | R9 392.36 |
| 730-730m² | R8 977.46 | R9 516.11 |
| 740-740m² | R9 082.53 | R9 627.48 |
| 750-750m² | R9 222.69 | R9 773.98 |
| 760-760m² | R9 327.69 | R9 887.35 |
| 780-780m² | R9 456.11 | R10 021.47 |
| 790-790m² | R9 572.85 | R10 147.22 |
| 800-800m² | R9 701.26 | R10 281.34 |
| 810-810m² | R9 829.68 | R10 419.46 |
| 820-820m² | R9 934.75 | R10 530.83 |
| 830-830m² | R10 051.49 | R10 654.58 |
| 840-840m² | R10 191.58 | R10 803.07 |
| 850-850m² | R10 296.65 | R10 914.45 |
| 860-860m² | R10 425.06 | R11 050.57 |
| 870-870m² | R10 530.13 | R11 161.94 |
| 880-880m² | R10 646.87 | R11 285.69 |
| 890-890m² | R10 786.96 | R11 434.18 |
| 900-890m² | R10 892.03 | R11 545.55 |
| 910-910m² | R11 008.77 | R11 669.30 |
| 920-920m² | R11 137.19 | R11 805.42 |
| 930-930m² | R11 253.93 | R11 929.17 |
| 940-940m² | R11 370.67 | R12 053.92 |
| 950-950m² | R11 487.42 | R12 176.66 |
| 960-960m² | R11 615.83 | R12 319.78 |
| 970-970m² | R11 744.25 | R12 448.98 |
| 980-980m² | R11 860.90 | R12 573.65 |
| 990-980m² | R11 983.41 | R12 708.77 |
| 1000-1000m² | R12 094.48 | R12 820.14 |
| 1010-1010m² | R12 222.89 | R12 936.27 |
| 1020-1020m² | R12 356.63 | R13 080.01 |
| 1030-1030m² | R12 456.38 | R13 203.76 |
| 1040-1040m² | R12 571.12 | R13 327.50 |
| 1050-1050m² | R12 701.53 | R13 465.63 |
| 1060-1060m² | R12 818.28 | R13 587.37 |
| 1070-1070m² | R12 935.02 | R13 711.12 |
| 1080-1080m² | R13 051.76 | R13 834.87 |
| 1090-1090m² | R13 156.83 | R13 946.74 |
| 1100-1100m² | R13 308.59 | R14 107.11 |
| 1110-1110m² | R13 425.33 | R14 230.85 |
| 1120-1120m² | R13 542.08 | R14 354.60 |
| 1130-1130m² | R13 647.14 | R14 465.97 |
| 1140-1140m² | R13 775.56 | R14 602.09 |
| 1150-1150m² | R13 903.98 | R14 738.22 |
| | R14 020.72 | R14 861.96 |

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| 1160-1169m² | R14 125.79 | R14 973.53 |
| 1170-1179m² | R14 265.88 | R15 121.83 |
| 1180-1189m² | R14 382.62 | R15 245.58 |
| 1190-1199m² | R14 476.01 | R15 344.57 |
| 1200-1209m² | R14 616.10 | R15 493.07 |
| 1210-1219m² | R14 721.17 | R15 604.44 |
| 1220-1229m² | R14 861.26 | R15 752.94 |
| 1230-1239m² | R14 978.09 | R15 876.68 |
| 1240-1249m² | R15 083.07 | R15 988.06 |
| 1250-1259m² | R15 211.49 | R16 124.18 |
| 1260-1269m² | R15 316.56 | R16 255.55 |
| 1270-1279m² | R15 468.32 | R16 396.42 |
| 1280-1289m² | R15 585.06 | R16 520.17 |
| 1290-1299m² | R15 690.13 | R16 631.54 |
| 1300-1309m² | R15 830.22 | R16 780.03 |
| 1310-1319m² | R15 935.29 | R16 891.41 |
| 1320-1329m² | R16 052.03 | R17 015.15 |
| 1330-1339m² | R16 180.45 | R17 151.27 |
| 1340-1349m² | R16 285.51 | R17 262.65 |
| 1350-1359m² | R16 425.61 | R17 411.14 |
| 1360-1369m² | R16 530.67 | R17 522.51 |
| 1370-1379m² | R16 647.41 | R17 646.26 |
| 1380-1389m² | R16 787.51 | R17 794.76 |
| 1390-1399m² | R16 892.57 | R17 906.13 |
| 1400-1409m² | R17 009.32 | R18 028.87 |
| 1410-1419m² | R17 126.06 | R18 153.69 |
| 1420-1429m² | R17 242.80 | R18 277.37 |
| 1430-1439m² | R17 382.89 | R18 425.86 |
| 1440-1449m² | R17 487.06 | R18 532.24 |
| 1450-1459m² | R17 616.37 | R18 673.36 |
| 1460-1469m² | R17 735.12 | R18 797.10 |
| 1470-1479m² | R17 869.86 | R18 920.85 |
| 1480-1489m² | R17 989.95 | R19 063.53 |
| 1490-1499m² | R18 095.02 | R19 180.72 |
| 1500m² | R18 211.76 | R19 304.46 |

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| (c) For areas greater than 1500m ² : | Sliding scale: 1500m ² = R15,600 + 50% of rate R60,000 (R30,000) per 10m ² plus R380 for first 20m ² | Sliding scale: 1500m ² = R19,304 + 50% of rate R62,000 (R31,000) per 10m ² plus R470 for first 20m ² |
| 2. Fees for areas greater than 1500m ² where the application has not yet been issued - 50% of the fees prescribed in (1) above. | R334.12 | R334.12 |
| 3. Minor alterations/renovations approved per certificate | R1,844.52 | R1,935.20 |
| 4. Minor alterations to industrial/commercial buildings | R820.23 | |
| 5. Applications for the relaxation of building lines, side and rear spaces, or applications for alterations to existing buildings, including alterations to floor layout plans, pedestrian malls, toilets, fire fighting equipment, refuse areas and substations | ~50% of the fees prescribed in (1) above | |
| 6. Swimming pools and miscellaneous fixed tariff for plans for swimming pools and other installations (Additional to other than fees) | R396.99 | R420.74 |
| 7. Site preparation in accordance with section 325 | | |
| 8. Fire pit, per hour or part thereof | Cost + 10% | Cost + 10% |
| 9. Other, per hour or part thereof | Cost + 10% | Cost + 10% |
| 10. Hire in respect of street projections, available per annum | R0.00 | |
| (a) Veranda, steps - each | R17.51 | R18.56 |
| (b) Veranda and cantilever catwalks, per square metre or part thereof | R5.84 | R6.19 |
| (c) Under each gate post - Minimum | R70.05 | R74.25 |
| (d) Under each gate post - Maximum | R128.42 | R136.12 |
| 11. Encroachments at building sites, available per month | R0.00 | R0.00 |
| (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 thereof | R17.51 | R18.56 |
| (b) At construction sites affecting or interfering with parking bays the tariff shall be determined by the Director of Community Services with due regard to the parking tariff in this area per half hour working days | R17.51 | R18.56 |
| 12. Building plan statistics, available annually | R395.25 | R408.36 |
| 13. The following fees shall be paid for the examination and approval of plans for the installation of essential services in respect of new townships development: | R0.00 | R0.00 |
| (a) Basic fee | R291.86 | R309.37 |
| (b) Water reticulation, per linear metre | R4.67 | R4.95 |
| (c) Sewerage reticulation, per linear metre | R4.67 | R4.95 |
| (d) Storm water drains, per linear metre | R4.67 | R4.95 |
| (e) Sheets, per linear metre | R4.67 | R4.95 |
| (f) Rain Siding | R4.67 | R4.95 |
| 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% |
| 14. Search and handling fee on each building plan file | R93.39 | R99.00 |
| 15. Submission fee for cellular masts | R1,844.52 | R1,955.20 |
| 16. Laying of Fibre Optic Cables - Application Fee from 0km to 10km | R6,747.69 | R7,152.55 |
| 17. Laying of Fibre Optic Cables - per kilometre after 10km | R677.10 | R717.73 |
| Submission fee for applications for leases of land | R618.73 | R655.86 |
| Buildings law offences and penalties | | |
| Offences | R0.00 | |
| Building prior to Local Government Approval | R128.42 | R136.12 |
| Commencement and erection of structures without approved building plans having been warned by Council (first offence) | R11,236.00 | R11,910.16 |
| Commencement and erection of structures without approved building plans having been warned by Council (second offence) | R33,706.00 | R35,730.48 |
| Commencement and erection of structures without approved building plans having been warned by Council (third offence) | R67,416.00 | R71,460.96 |
| Occupying a building prior to issue of occupation certificate by Local Authority (see compliance with occupation) | R5,510.22 | R5,840.84 |
| Changing the use of a building without consent of Local Authority and/or not complying with notice to cease the new use | R5,510.22 | R5,840.84 |
| Deviation from approved plans to material degree above 10% of the floor area | R5,510.22 | R5,840.84 |
| Carrying out plumbing work by person other than trained plumber or exempted person | R5,510.22 | R5,840.84 |
| Putting into use a drainage system prior to inspection testing and approval by Local Authority | R5,510.22 | R5,840.84 |
| No notice given for installation of sewer and drainage installation | R5,510.22 | R5,840.84 |
| Basinfilling drainage sewer installation prior to testing and approval | R5,510.22 | R5,840.84 |
| No notice given for installation of construction, erect or demolish a building | R5,510.22 | R5,840.84 |
| No notice given for inspection of trenches or excavation prior to placing of concrete for foundation | R5,510.22 | R5,840.84 |
| Construction of foundation before approval of trenches | R5,510.22 | R5,840.84 |
| Falling to comply with a notice to cut into or lay down work or to carry out tests | R5,510.22 | R5,840.84 |
| Erection or demolition of a building without providing sanitary facilities for employees | R5,510.22 | R5,840.84 |
| Demolish a building without permission from Local Authority | R5,510.22 | R5,840.84 |
| Erecting or demolishing a building without erecting a hoarding | R5,510.22 | R5,840.84 |

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| Leaving a building in course of demolition in a state dangerous to the public or any adjoining property | R5,510.22 | R5,840.84 |
| Failing to comply with a notice to remove rubble, rubbish and/or debris from a building site | R5,510.22 | R5,840.84 |
| Failing to comply with a notice to remove surplus material and matter from the site or land or Public Street or place arising from building or demolition work | R5,510.22 | R5,840.84 |
| Permitting sewers to enter a street, stormwater drain or stormwater system or the neighbours property | R5,510.22 | R5,840.84 |
| Permitting storm water to enter any sewer system | R5,510.22 | R5,840.84 |
| Failing to control access to a swimming pool | R5,510.22 | R5,840.84 |
| When an unoccupied/ vacant property is kept in a usefully objectionable and not in the interest of good health and hygiene condition | R5,502.53 | R6,892.68 |
| When a property is kept in a usefully objectionable and not in the interest of good health and hygiene condition | Amount was omitted | R 20,000.00 |
| Expropriation of land at a nominal value (not exceeding 10%) should the property be classified as usefully and objectionable to be determined by the Municipal valuer. | | |
| COSTS OF INFORMATION FROM GEOGRAPHIC INFORMATION SYSTEM (GIS) | | |
| A4 size - fully color information | R4670 | R49.50 |
| A3 size - fully color information | R9339 | R99.00 |
| A2 size - fully color information | R14008 | R148.50 |
| A1 size - fully color information | R18679 | R197.99 |
| A0 size - full - color information | R23348 | R247.49 |

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| ADVERTISING SIGN BYLAWS | | |
| A1 OUTDOOR ADVERTISING | | |
| All applications shall be in accordance with the Newcastle Municipality's Outdoor Advertising Policy and By-laws | | |
| (a) Temporal Advertising Signs | | |
| (i) In respect of general advertisements of a commercial nature (events): | | |
| (a) Each roster with an approved sticker | R46.70 | R49.50 |
| (b) Removal of rosters by Council for each roster | R70.05 | R74.25 |
| (ii) In respect of general advertisements for awareness campaigns with commercial content logo: | | |
| (a) Each roster with an approved sticker | R35.02 | R37.12 |
| (b) Removal of rosters by Council for each roster | R70.05 | R74.25 |
| (c) Each roster with an approved sticker | R0.00 | |
| (d) Removal of rosters by Council for each roster | R23.35 | R24.75 |
| (e) Removal of rosters by Council for each roster | R70.05 | R74.25 |
| (f) In respect of election advertisements, per party/candidate: | | |
| (i) For the creation of any sign without approval, per week | R3.303.80 | R3.502.03 |
| (ii) For the creation of any billboard without approval, per week | R70.05 | R74.25 |
| (v) Banners: | | |
| (a) Per Banner with an approval sticker | R1.225.79 | R1.299.34 |
| (b) Removal of banners by Council for each banner | R653.76 | R692.98 |
| (b) Aerial Advertisements | | |
| (i) Application Fee | R2.696.74 | R2.858.55 |
| (ii) Annual display fee per sign on Private Building | R863.89 | R915.72 |
| (iii) Annual display fee per sign on Municipal Building | R7.354.73 | R7.796.03 |
| (c) Advertising Vehicles | | |
| (i) Application Fee | R607.06 | R643.48 |
| (ii) Annual display fee per sign on Private Building | R1.844.52 | R1.955.20 |
| (iii) Annual display fee per sign on Municipal Building | R2.451.58 | R2.598.68 |
| (d) Electric and Illuminated Signs | | |
| (i) Application Fee | R1.844.52 | R1.955.20 |
| (ii) Annual rental rate for electronic advertisements, signs are inclusive of whether the sign is erected on private or Council property | R7.354.73 | R7.796.03 |
| (e) Ground Signs (excluding billboards) | | |
| (i) Application Fee | R1.470.95 | R1.559.21 |
| (ii) Enrolment fee, Council land (per square metre for each sign type) | R4.296.11 | R4.551.87 |
| (iii) Annual display fee per sign | R2.206.42 | R2.338.81 |
| (f) Projecting Signs | | |
| (i) Application Fee | R735.47 | R779.60 |
| (ii) Annual display fee per sign | R1.844.52 | R1.955.20 |
| (iii) Enrolment fee, Council land, for each sign type | R2.813.48 | R2.982.29 |
| (g) Estate Agents Boards | | |
| (i) Advertising Deposit (per Agent) - non refundable | R1.225.79 | R1.299.34 |
| (ii) Annual display fee | R3.510.22 | R3.840.84 |
| (h) Portable Boards | | |
| (i) Application Fee | R735.47 | R779.60 |
| (ii) Annual display fee per sign | R3.510.22 | R3.840.84 |
| (i) Veranda/Under Canopy Signs | | |
| (i) Application Fee | R1.225.79 | R1.299.34 |
| (ii) Annual display fee per sign | R735.47 | R779.60 |
| (j) Wall Signs/Pasola Signs | | |
| (i) Application Fee | R1.844.52 | R1.955.20 |
| (k) Street Furniture Signs | | |
| (i) Application Fee | R2.451.58 | R2.598.68 |
| (ii) Annual display fee per sign | R3.058.64 | R3.242.16 |
| (l) Billboards | | |
| (i) Application Fee | R2.451.58 | R2.598.68 |
| (ii) Annual display fee per sign-Private property | R6.128.96 | R6.496.69 |
| (iii) Annual display fee per sign-Council property | R24.515.83 | R25.986.78 |
| (m) Headline Poster | | |
| (i) Application Fee | R9.187.60 | R9.738.85 |
| (ii) Annual display fee per sign | R3.187.06 | R3.378.28 |
| (n) Penalties | | |
| (i) For the creation of any sign without approval, per week | R2.451.58 | R2.598.68 |
| (ii) For the creation of any billboard without approval, per week | R6.374.12 | R6.756.56 |
| (iii) For the creation of rosters without approval, per week | R2.451.58 | R2.598.68 |

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| In terms of Section 1(2)(f) of Schedule 1 of the Planning and Development Act, the application forms must be accompanied by the fees as determined by the Municipality. | | |
| Copies of documents - per A4 | R4.67 | R4.95 |
| Copies of documents - per A3 | R5.84 | R6.19 |
| Amendment of Scheme | | |
| - Processing of the Application | R4.296.11 | R4.553.87 |
| - Translation fee | R735.47 | R779.60 |
| Plus if the property is: | | |
| ≤ 0.5 ha | R735.47 | R779.60 |
| ≥ 0.5 ha but ≤ 1.0 ha | R1.09.05 | R1.175.59 |
| ≥ 1.0 ha but ≤ 5.0 ha | R1.470.95 | R1.559.21 |
| ≥ 5.0 ha but ≤ 10.0 ha | R2.206.42 | R2.338.81 |
| ≥ 10 ha | R3.070.32 | R3.254.53 |
| - Relaxation of a building line in terms of the scheme | R933.94 | R980.97 |
| - Zoning Certificate With the consent of the registered owner - A4 Certificate | R186.79 | R197.99 |
| - Consent in terms of scheme | R1.225.79 | R1.295.34 |
| - Subdivision and consolidation of land up to 5 portions of land | R3.608 + R366 per new subdivision | R3.874.50 + R387.96 per new subdivision |
| - Subdivision and consolidation of land over 5 portions | R3.012.38 + R425.89 per new subdivision | R3.193.12 + R452.41 per new subdivision |

| | | Final Tariff 2023/24 | 2nd OFFENCE | 3rd OFFENCE | 1st OFFENCE | Final Tariff 2024/25 | 2nd OFFENCE | 3rd OFFENCE |
|--|--|----------------------|-------------|-------------|-------------|----------------------|-------------|-------------|
| - Cancellation of a approved is out than | | R4,296.11 | | | | R4,555.87 | | |
| - Alteration, suspension and deletion of condition of title relating to land | | R3,070.32 | | | | R3,254.53 | | |
| - Alteration, suspension and deletion of condition | | R3,315.47 | | | | R3,500.16 | | |
| - Development situated outside the town planning scheme - For non-residential purposes | | R7,354.75 | | | | R7,796.03 | | |
| - Development situated outside the town planning scheme - For residential purposes | | R4,903.17 | | | | R5,197.36 | | |
| - Eastern Area | | R3,677.37 | | | | R3,898.02 | | |
| - Closure of municipal roads | | R3,677.37 | | | | R3,898.02 | | |
| - Closure of public place | | R3,677.37 | | | | R3,898.02 | | |
| - Fire | | | | | | | | |
| LAND USE ACTIVITY | | | | | | | | |
| Fit to level of an offence (This the value of the offence) | | | | | | | | |
| Accommodation and Dwelling | | R607.06 | | | | | | |
| Aerodrome | | R8,580.54 | R12,990.69 | R20,838.45 | R9,095.37 | R13,770.13 | R22,088.76 | |
| Archaeological, Cultural, Historical and Related | | R7,354.75 | R17,810.36 | R24,515.83 | R9,095.37 | R18,900.18 | R25,986.78 | |
| Artists' Studios | | R14,709.50 | R15,283.17 | R22,064.25 | R7,796.03 | R16,200.16 | R23,388.10 | |
| Builder's Yard | | R7,354.75 | R15,283.17 | R22,064.25 | R7,796.03 | R16,200.16 | R23,388.10 | |
| Car Wash Eastern Region | | R3,370.80 | R4,494.40 | R5,618.00 | R7,796.03 | R8,764.06 | R9,955.08 | |
| Car Wash Western Region | | R1,236.00 | R2,472.00 | R3,708.00 | R11,910.16 | R23,820.48 | R35,750.88 | |
| Cemeteries | | R735.47 | R1,528.32 | R2,206.42 | R779.60 | R1,620.02 | R2,338.81 | |
| Club Buildings | | R3,070.32 | R6,367.99 | R3,222.08 | R3,254.53 | R6,750.07 | R3,415.41 | |
| Conservational Activity and Related | | R7,354.75 | R15,283.17 | R22,064.25 | R7,796.03 | R16,200.16 | R23,388.10 | |
| Convention Centre | | R3,677.37 | R7,010.85 | R9,806.33 | R3,898.02 | R7,431.50 | R10,394.71 | |
| Conventional Facility | | R4,903.17 | R9,558.04 | R13,483.71 | R5,197.36 | R10,131.53 | R14,292.73 | |
| Correctional Facility | | R11,032.12 | R17,830.36 | R22,064.25 | R11,694.05 | R18,900.18 | R23,388.10 | |
| Crematoriums | | R4,903.17 | R9,558.04 | R13,483.71 | R5,197.36 | R10,131.53 | R14,292.73 | |
| Educational | | R11,032.12 | R15,283.17 | R22,064.25 | R11,694.05 | R16,200.16 | R23,388.10 | |
| Express Road | | R4,903.17 | R7,010.85 | R9,806.33 | R5,197.36 | R7,431.50 | R10,394.71 | |
| Expressive Industries | | R3,677.37 | R9,558.04 | R12,257.91 | R3,898.02 | R10,131.53 | R12,963.39 | |
| Funeral Parlour and Related | | R7,354.75 | R15,283.17 | R22,064.25 | R7,796.03 | R16,200.16 | R23,388.10 | |
| Funeral Road | | R4,903.17 | R7,010.85 | R9,806.33 | R5,197.36 | R7,431.50 | R10,394.71 | |
| Garden | | R735.47 | R2,547.19 | R3,677.37 | R779.60 | R2,700.03 | R3,898.02 | |
| General Industrial Building | | R4,903.17 | R9,558.04 | R13,483.71 | R5,197.36 | R10,131.53 | R14,292.73 | |
| Government Purposes | | R6,128.96 | R9,558.04 | R12,257.91 | R6,496.69 | R10,131.53 | R12,963.39 | |
| Hall | | R2,451.58 | R5,094.39 | R7,154.75 | R2,598.68 | R5,400.05 | R7,593.39 | |
| Higher Education Institution | | R14,709.50 | R21,651.15 | R28,193.20 | R15,592.07 | R22,950.22 | R29,884.79 | |
| Home Activity | | R735.47 | R2,547.19 | R3,677.37 | R779.60 | R2,700.03 | R3,898.02 | |
| Home Business | | R7,354.75 | R15,283.17 | R22,064.25 | R7,796.03 | R16,200.16 | R23,388.10 | |
| Hotel | | R30,644.79 | R50,943.89 | R61,289.57 | R32,483.47 | R54,000.52 | R64,966.95 | |
| Industrial Activity and Related | | R4,903.17 | R7,641.58 | R10,425.06 | R5,197.36 | R8,100.08 | R11,050.57 | |
| Institutional | | R8,580.54 | R15,283.17 | R22,064.25 | R7,796.03 | R16,200.16 | R23,388.10 | |
| Landfill Site | | R8,580.54 | R19,103.96 | R24,515.83 | R9,095.37 | R20,350.20 | R25,986.78 | |
| Landings Strip | | R7,354.75 | R15,283.17 | R22,064.25 | R7,796.03 | R16,200.16 | R23,388.10 | |
| Landretrie | | R3,677.37 | R7,367.99 | R8,580.54 | R3,898.02 | R6,750.07 | R9,095.37 | |
| Library | | R980.63 | R1,528.32 | R2,451.58 | R1,039.47 | R1,620.02 | R2,338.81 | |
| Market Stalls | | R12,257.91 | R20,377.56 | R31,870.58 | R12,993.39 | R21,600.21 | R33,782.81 | |
| Medical Related | | R14,709.50 | R28,019.14 | R42,002.70 | R15,592.07 | R29,700.29 | R45,476.86 | |
| Mixed Use | | R7,354.75 | R15,283.17 | R22,064.25 | R7,796.03 | R16,200.16 | R23,388.10 | |
| Motor Vehicle | | R55,160.61 | R57,311.88 | R55,160.61 | R58,470.25 | R60,750.59 | R58,470.25 | |
| Observation (or hindern) an Officer: Authorised by Council in the exercise of his duties | | R7,354.75 | R15,283.17 | R22,064.25 | R7,796.03 | R16,200.16 | R23,388.10 | |
| Parking Garage | | R24,515.83 | R50,943.89 | R73,547.49 | R25,986.78 | R34,000.52 | R47,960.33 | |
| Place of Entertainment/Casino | | R4,903.17 | R8,915.18 | R12,257.91 | R5,197.36 | R9,450.09 | R12,993.39 | |
| Police Station | | R20,838.45 | R28,019.14 | R34,322.16 | R22,088.76 | R29,700.29 | R36,381.49 | |
| Prison | | R1,844.52 | R3,820.79 | R6,128.96 | R1,955.20 | R4,050.04 | R6,496.69 | |
| Professional/Private/Public Office | | R7,354.75 | R15,283.17 | R22,064.25 | R7,796.03 | R16,200.16 | R23,388.10 | |
| Public Park | | R7,354.75 | R10,188.78 | R12,963.39 | R7,796.03 | R10,800.10 | R12,993.39 | |
| Railway Line | | R4,903.17 | R9,558.04 | R13,483.71 | R5,197.36 | R10,131.53 | R12,963.39 | |
| Recreational | | R4,903.17 | R9,558.04 | R13,483.71 | R5,197.36 | R10,131.53 | R12,963.39 | |
| Recreational Building | | R4,903.17 | R9,558.04 | R13,483.71 | R5,197.36 | R10,131.53 | R12,963.39 | |
| Road Closure | | R4,903.17 | R9,558.04 | R13,483.71 | R5,197.36 | R10,131.53 | R12,963.39 | |
| Service Area Station | | R20,838.45 | R28,019.14 | R34,322.16 | R22,088.76 | R29,700.29 | R36,381.49 | |
| Service Station | | R7,354.75 | R15,283.17 | R22,064.25 | R7,796.03 | R16,200.16 | R23,388.10 | |
| Shop | | R4,903.17 | R9,558.04 | R13,483.71 | R5,197.36 | R10,131.53 | R12,963.39 | |
| Small Holdings | | | | | | | | |

| | Final Tariff 20/23/24 | Final Tariff 20/24/25 | Final Tariff 20/24/25 | Final Tariff 20/23/24 |
|--|-------------------------|---------------------------|-------------------------------------|---------------------------|
| Special Use (as part of a School, or higher education Institution) | R 15 283.17 | R 22 064.25 | R 16 200.16 | R 7 354.75 |
| Special Use (as part of a School, or higher education Institution) | R 15 283.17 | R 11 032.12 | R 8 100.08 | R 4 903.17 |
| Tavern | R 15 283.17 | R 22 064.25 | R 16 200.16 | R 7 354.75 |
| Transient Depot | R 8 915.18 | R 12 257.91 | R 9 450.09 | R 6 128.96 |
| Tuck Shop <10% of the property | R 7 641.58 | R 12 257.91 | R 8 100.08 | R 4 903.17 |
| Tuck Shop >10% & above of the property | R 8 915.18 | R 13 483.71 | R 12 993.39 | R 4 903.17 |
| Warehouse | R 63 679.86 | R 85 805.40 | R 67 500.66 | R 30 644.79 |
| Waste Recycling Centre | R 8 915.18 | R 14 709.50 | R 9 450.09 | R 3 677.37 |
| Waste Transfer | R 8 915.18 | R 12 257.91 | R 9 450.09 | R 5 521.90 |
| Welfare Centre | R 1 588.96 | R 2 451.58 | R 1 684.30 | R 735.47 |
| Wholesale | R 22 924.75 | R 34 322.16 | R 24 300.24 | R 12 237.91 |
| Worship | R 7 641.58 | R 12 257.91 | R 8 100.08 | R 4 296.11 |
| Removal of Container | R 11 797.80 | R 11 797.80 | | |
| Storage of Container | R 7 796.39 | R 7 796.39 | | |
| Removal of Vehicle/Trailer | R 303 per dba | R 303 per dba | | |
| Storage of Vehicle/Trailer | R 7 796.39 | R 7 796.39 | | |
| Removal of Shack | R 7 796.39 | R 7 796.39 | | |
| Storage of Shack | R 7 796.39 | R 7 796.39 | | |
| Cellular Mast and Base Station | R 14 709.50 | R 22 064.25 | R 15 592.07 | R 7 354.75 |
| (No refunds on all applications) | | | | |
| (If the application is considered, individual tariff will be applicable to each use of application reflected on the application form) | | | | |
| (Tariffs shall be waived if the application is initiated by Council or if the Council is the land owner of such property) | | | | |
| (All posting, display and advertisement costs shall be borne by the applicant. When the application is accepted as completed, it shall be acknowledged and the applicant will be stipulated time to prepare for advertisement of the application in the relevant newspaper as determined by Council) | | | | |
| All the above mentioned tariffs in respect of services rendered are subject to value added tax as determined from time to time | | | | |
| Trading Violations according to Municipal Bylaws: | | | | |
| Administration fee for business applications | | | | |
| Trading without trading licence within the formal economy | 1st OFFENCE 2ND OFFENCE | 3RD OFFENCE | 1st OFFENCE 2ND OFFENCE 3RD OFFENCE | |
| Trading without trading licence within the informal economy | R 5 618.00 R 561.80 | R 16 854.00 R 1 685.40 | R 11 910.16 R 1 191.02 | R 17 855.24 R 1 786.52 |

Annexure F
Budget Funding Plan

NEWCASTLE MUNICIPALITY

REVISED BUDGET FUNDING PLAN 2024/25 – 2026/27

1. PURPOSE

This Budget Funding Plan 2024/25 (BFP) has been developed in in order to take into account the impact of the unfunded adjustments budget which was approved by the municipal council in February 2024. Since council is required to approve the annual budget for 2023/24, it is necessary that the plan be aligned to the annual budget in order to ascertain its credibility going forward. 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.

This plan has also considered the financial performance of the revenue based on the six months of the financial year as well as the implementation of the cost containment measures in order to cut expenditure. This plan will be implemented and monitored until the municipality improve unfunded budget positions.

2. LEGISLATIVE FRAMEWORK

This report is prepared in line with MFMA; Section 16 which requires that the council should approve a funded budget. mSCOA regulation 1, further emphasises that all budget items should be linked to each revenue source.

3. BACKGROUND

The 2023/24 medium term budget framework indicates that the municipality will be operating with an unfunded budget for at least the next financial year. 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 to be put in place and implemented since the budget is current unfunded.

4. DISCUSSION

4.2 High level operational results

The table below reflects a high level of annual operating results of the municipality's budget over the next three years. Evidently, the municipality is projecting a deficit of R266.0 million, R123.2 million and R83.6 million for the 2024/25, 2025/26 and 2026/27 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 | R'000 | R'000 |
| Total Revenue Budget | 2 621 561 | 2 788 518 | 3 005 9395 |
| Total Expenditure Budget | 2 887 643 | 2 911 809 | 3 089 547 |
| Surplus/(Deficit) | (266 082) | (123 290) | (83 608) |
| Capital expenditure | 167 486 | 154 966 | 169 238 |

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 operating with the operational deficit, making in financial not viable to provide for all its requirements including the impairment of assets and depreciation.

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.

4.2 Strategic objectives of the Revised Budget Funding Plan (BFP) 2023/24

The main objective of the BFP is to ensure financial viability and sustainability, achieve a funded budget and to subsequently ensure the ability of the municipality to meet its obligations in terms of the Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP). In order to achieve these objectives, the municipality has developed strategies which are aimed at improving its financial status over the next 5 years. 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:

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

The Newcastle Municipality is planning to apply a steady tariff increase of at least 6% in line with the consumer price index (CPIX) target, and in line with National Treasury budget guidelines. Electricity is projected to increase by between 11% to 15% based on the recent NERSA guidelines. The municipality however introduces the implementation of a tariff tool, which will ensure that cost-reflective tariffs are phased-in gradually as required by National Treasury. Furthermore, through various revenue enhancement strategies 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 are being rolled-out to communities will ensure that the collection rate improves.

4.2.2 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 to 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. This will also assist to ensure that no funds are reverted to the National Revenue Fund at the end of the financial year.

4.2.3 Disposal and rental of unused land and other properties.

The municipality has already identified and submitted items to council for disposal of unused land for private and commercial purposes. For some of the properties, the municipality has already received bids from the public and some have been awarded through the supply chain management processes, with the transfer processes continuously underway. 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 going forward. The strategies 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.

4.2.4 Delay recruitment of non-critical positions

The delay in the appointment of new staff has been one of the strategies to limit monthly employee-related costs. These include positions that will be exited in the past financial years and those considered as not critical. Management will also make use of reinstated employees to allocate skills where they are needed accordingly. The allocation of overtime work will also be monitored through the Interim Finance Committee to ensure that it is kept to a minimum.

4.2.5 No commitment to new loans

One of the challenges of the Newcastle Municipality is faced with is its over-commitment on external long-term loans. In order to deal with the funding position, the municipality is not planning to take any long-term 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. The municipality will also consider the possibility of settling some of the loans earlier in order to reduce the impact of the finance charges in its budget.

4.2.6 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 a 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 monthly section 71 reporting to trace and monitor expenditure. The municipality has also established the Interim Finance Committee which deals with scrutinising of all purchase requisitions in line with the budget and the cost containment policy.

4.2.7 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 evident from the 2023/24 budget and beyond, that the internally funded capital budget has been reduced drastically in line with this strategy.

4.2.8 Improve payment of creditors

The municipality will make use of the Interim 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. The strategy will also be used to ensure that all invoices are paid within 30 days as required by section 65 of the MFMA. This will assist to ensure the outstanding debt does not continue to escalate and that interest and penalties on late payment are not incurred. The municipality is planning to finalise the payment agreement with uThukela Water before the end of the financial year in order to ensure its debt is serviced with effect from 2024/25 going forward.

4.2.9 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 cash-backed. These include unspent grants, provisions, Housing Development Fund, Insurance Reserve and outstanding creditors which need to be cash-backed in line with the Funding and Reserves Policy of Council. The municipality will 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 municipality is planning to budget for the portion of the unspent condition grants in order to ensure that the balance is reduced and eventually eliminated during the implementation of the plan. Likewise, the payment of creditors, cost containment and improvement in the collection rate will result in the more cash being available to cash-back other provisions and reserves.

4.2.10 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. The municipality has already engaged the VAT speciality to recover all the PAYE and VAT penalties and interest paid by the municipality in the past 8 financial years. This is estimated at R9 million.

4.3 Status of implementation of the BFP strategies

The following table depicts the status of the implementation of the BFP strategies at mid-year. Although the plan covers a period of five years, it is however clear from the status that most of the strategies are already being implemented.

Mid-Year Budget Funding Plan Reporting Template

Municipality Newcastle Local Municipality

DECEMBER

2023

Budget Funding Plan

STATUS Task completed:
PERCENT 100%



Completed: %



Completed: %



| No. | Strategy | Key Activities | Responsible Person | Start Date | End Date | Status & percentage | Comments regarding status and progress related to activities |
|-----|---|--|--------------------|------------|------------|---------------------|--|
| 1 | Inflation link triff increase and improved collection | Steadily increase revenue based on CPI target | MM & CFO | 2018/01/07 | Continuous | 85% | Task almost completed |
| 2 | increase and improved collection rate | Steadily increase revenue based on CPI target | MM & CFO | 2018/01/07 | Continuous | 85% | Task almost completed |
| 3 | Inflation link triff increase and improved collection | Steadily increase revenue based on CPI target | MM & CFO | 2018/01/07 | Continuous | 90% | Task almost completed |
| 4 | Ensure full access to all government grants | Submit business plans and ensure conditional grants are fully spent | MM & CFO | 2020/01/07 | Continuous | 70% | Task almost completed |
| 5 | land and other assets | Identify unused land for residential and business use | MM & CFO | 2022/01/07 | Continuous | 70% | Task almost completed |
| 6 | Curb recruitment on new personnel | Do not fill any non-critical positions being vacated | MM & CFO | 2022/01/07 | Continuous | 40% | Task commenced |
| 7 | No commitment on new loans - interest | No new capital expenditure will be financed through external loans | MM & CFO | 2020/01/07 | Continuous | 70% | Task almost completed |
| 8 | No commitment on new loans - capital | No new capital expenditure will be financed through external loans | MM & CFO | 2020/01/07 | Continuous | 70% | Task almost completed |
| 9 | Limit exhorbatant increase in non-core expenditure | Reduction and very minimal increase on contracted services | MM & CFO | 2020/01/07 | Continuous | 70% | Task almost completed |
| 10 | Limit exhorbatant increase in non-core expenditure | Reduction and very minimal increase on other expenditure | MM & CFO | 2020/01/07 | Continuous | 70% | Task almost completed |
| 11 | Reduce internally funded capital expenditure | Seperately invest conditional grants and fast track early appointment of service providers | MM & CFO | 2018/01/07 | Continuous | 85% | Task almost completed |
| 12 | Reduce unspent conditional grants | Priotise payment of grant related payments and clean up the grant register | MM & CFO | 2018/01/07 | Continuous | 45% | Task commenced |
| 13 | Improve payment of creditors | Keep up with the Eskom agreement and ensure timely payment of other creditors | MM & CFO | 2020/01/07 | Continuous | 30% | Task almost completed |
| 14 | Ensure cash-backing of provisions | Build up reserves up ensuring increased cash and cash equivalents | MM & CFO | 2020/01/07 | Continuous | 30% | Task commenced |
| 15 | Ensure cash-backing of reserves | Build up reserves up ensuring increased cash and cash equivalents | MM & CFO | 2019/01/07 | Continuous | 45% | Task commenced |
| 16 | Claim all vat receivable from SARS | Ensure timely payment of invoices and submission of Vat returns | MM & CFO | 2020/01/07 | Continuous | 85% | Task almost completed |

5 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 from 2026/2027 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 2023/24 | Year 2 2024/25 | Year 3 2025/26 | Year 4 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 | 254 980 |
| 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 table above reflects the impact of the implementation of the strategies above over the next five financial years. The majority of strategies indicate that they will be a relatively improvement in revenue due to the steady increase in tariffs and grants. The strategies on expenditure indicate that they will be no significant increase in other expenditure, contracted services, finance charges and internally funded capital expenditure as required by the strategies. The payment of unspent grants, creditors will begin to improve. The impact of all these will result in the municipality being able to raise adequate cash to back-up its reserves and provisions.

6 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 between 12%-15% as per the recent NERSA guideline 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. 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 | Proposed Adjusted Budget | Increase / (Decrease) | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|--|----------------------|--------------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| R thousand | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
| Revenue By Source | | | | | | | | |
| Exchange Revenue | | | | | | | | |
| Service charges - Electricity | 882 022 129 | 863 906 961 | -18 115 168 | 870 386 686 | 979 185 023 | 1 111 375 000 | 1 124 155 813 | 1 137 083 604 |
| Service charges - Water | 219 985 933 | 220 069 788 | 83 855 | 237 039 675 | 251 262 055 | 266 337 779 | 282 318 046 | 299 257 128 |
| Service charges - Waste Water Management | 133 580 398 | 154 290 398 | 20 710 000 | 142 374 684 | 150 917 165 | 159 972 195 | 169 570 527 | 179 744 758 |
| Service charges - Waste Management | 110 148 409 | 109 788 409 | -360 000 | 114 956 623 | 121 854 021 | 129 165 262 | 136 915 178 | 145 130 088 |
| Sale of Goods and Rendering of Services | 7 198 622 | 13 504 766 | 6 306 144 | 7 243 100 | 7 576 282 | 10 985 609 | 11 644 746 | 12 343 430 |
| Agency services | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - |
| Interest earned from Receivables | 5 877 010 | 947 010 | -4 930 000 | 4 140 413 | 4 330 873 | 6 279 765 | 6 656 551 | 7 055 944 |
| Interest earned from Current and Non Current Assets | 5 330 350 | 5 330 350 | - | 5 591 537 | 5 848 748 | 8 480 684 | 8 989 525 | 9 528 897 |
| Dividends | - | - | - | - | - | - | - | - |
| Rent on Land | - | - | - | - | - | - | - | - |
| Rental from Fixed Assets | 8 804 450 | 11 099 450 | 2 295 000 | 11 643 320 | 12 178 913 | 17 659 423 | 18 718 988 | 19 842 128 |
| Licence and permits | - | - | - | - | - | - | - | - |
| Operational Revenue | 1 291 552 | 1 291 552 | - | 8 278 238 | 8 659 037 | 12 555 604 | 13 308 940 | 14 107 477 |
| Non-Exchange Revenue | | | | | | | | |
| Property rates | 396 740 939 | 396 614 439 | -126 500 | 423 760 280 | 412 859 715 | 437 631 298 | 463 889 176 | 491 722 526 |
| Surcharges and Taxes | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | 4 830 888 | 7 245 888 | 2 415 000 | 7 600 938 | 7 950 581 | 11 528 342 | 12 220 043 | 12 953 245 |
| Licences or permits | 34 224 | 34 224 | - | 35 901 | 37 552 | 54 451 | 57 718 | 61 181 |
| Transfer and subsidies - Operational | 577 623 010 | 604 151 702 | 26 528 692 | 689 093 627 | 720 823 000 | 722 921 000 | 766 296 260 | 812 274 036 |
| Interest | - | 3 000 000 | 3 000 000 | - | - | - | - | - |
| Fuel Levy | - | - | - | - | - | - | - | - |
| Operational Revenue | - | - | - | - | - | - | - | - |
| Gains on disposal of Assets | - | - | - | - | - | - | - | - |
| Other Gains | 2 000 000 | 5 757 000 | 3 757 000 | 99 416 255 | 105 035 810 | 110 992 539 | 117 652 091 | 124 711 217 |
| Discontinued Operations | - | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | 2 355 467 914 | 2 397 031 937 | 41 564 023 | 2 621 561 277 | 2 788 518 775 | 3 005 938 951 | 3 132 393 601 | 3 265 815 660 |
| Expenditure By Type | | | | | | | | |
| Employee related costs | 724 535 813 | 708 365 777 | -16 170 036 | 762 698 000 | 780 252 997 | 815 148 066 | 872 208 430 | 924 540 936 |
| Remuneration of councillors | 28 442 547 | 26 986 547 | -1 456 000 | 28 442 548 | 29 750 905 | 31 089 696 | 32 613 091 | 34 211 133 |
| Bulk purchases - electricity | 660 932 502 | 654 132 502 | -6 800 000 | 725 201 396 | 716 079 417 | 823 491 329 | 928 486 474 | 1 039 904 851 |
| Inventory consumed | 117 640 738 | 86 571 574 | -31 069 164 | 174 154 265 | 182 125 850 | 190 317 634 | 190 317 634 | 199 833 516 |
| Debt impairment | 308 145 223 | 285 207 327 | -22 937 896 | 294 207 326 | 299 425 387 | 305 164 657 | 320 422 890 | 326 831 348 |
| Depreciation and amortisation | 379 138 608 | 379 138 608 | - | 352 716 398 | 371 011 352 | 389 731 863 | 409 218 456 | 425 587 194 |
| Interest | 32 205 273 | 32 545 273 | 340 000 | 30 300 149 | 26 544 764 | 22 466 506 | 19 096 530 | 16 232 051 |
| Contracted services | 207 716 038 | 267 155 439 | 59 439 401 | 259 597 694 | 246 614 728 | 250 718 900 | 213 111 065 | 181 144 405 |
| Transfers and subsidies | - | - | - | - | - | - | - | - |
| Irrecoverable debts written off | 89 312 265 | 93 659 255 | 4 346 990 | 93 659 255 | 89 350 929 | 85 330 137 | 72 530 616 | 61 651 024 |
| Operational costs | 134 306 808 | 155 613 661 | 21 306 853 | 166 666 534 | 170 653 254 | 176 088 701 | 149 675 396 | 127 224 086 |
| Losses on disposal of Assets | - | - | - | - | - | - | - | - |
| Other Losses | - | - | - | - | - | - | - | - |
| Total Expenditure | 2 682 375 815 | 2 689 375 963 | 7 000 148 | 2 887 643 565 | 2 911 809 383 | 3 089 347 489 | 3 207 680 582 | 3 337 160 543 |
| Surplus/(Deficit) | -326 907 901 | -292 344 026 | 34 563 875 | -266 082 288 | -123 290 808 | -83 608 538 | -75 286 982 | -71 344 884 |
| Transfers and subsidies - capital (monetary allocations) | 240 769 990 | 232 034 755 | -8 735 235 | 162 376 373 | 151 766 299 | 166 038 421 | 176 000 726 | 182 708 846 |
| Transfers and subsidies - capital (in-kind - all) | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) before taxation | -86 137 911 | -60 309 271 | 25 828 640 | -103 705 915 | 28 475 491 | 82 429 883 | 100 713 744 | 111 363 962 |
| Income Tax | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after taxation | -86 137 911 | -60 309 271 | 25 828 640 | -103 705 915 | 28 475 491 | 82 429 883 | 100 713 744 | 111 363 962 |
| Share of Surplus/(Deficit) attributable to Joint Venture | - | - | - | - | - | - | - | - |
| Share of Surplus/(Deficit) attributable to Minorities | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) attributable to municipality | -86 137 911 | -60 309 271 | 25 828 640 | -103 705 915 | 28 475 491 | 82 429 883 | 100 713 744 | 111 363 962 |
| Share of Surplus/(Deficit) attributable to Associate | - | - | - | - | - | - | - | - |
| Intercompany/Parent subsidiary transactions | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) for the year | -86 137 911 | -60 309 271 | 25 828 640 | -103 705 915 | 28 475 491 | 82 429 883 | 100 713 744 | 111 363 962 |

Table 4 above indicates that the strategies that are in place will assist to improve the deficit of the municipality of the next 5 years from the deficit of R266.0 million in 2024/25 to R71.3 million in 2028/29 financial years. When taking into account the capital transfers, the municipality will be sitting at the operating deficit of R103.7 million in the 2023/2024 financial year and at surplus of R111.3 million in 2028/29. It therefore becomes critical that the

municipality closely monitors this plan in order to achieve such favourable outcome. In order improve the financial viability and to achieve a positive A7/B7 positions, the following has been budgeted for in 2024/25 budget.

7 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 | Proposed Adjusted Budget | Increase / (Decrease) | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|--------------------|--------------------------|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| R thousand | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
| Capital Expenditure - Functional | | | | | | | | |
| <i>Governance and administration</i> | 4 700 000 | 7 329 583 | 2 629 583 | 3 250 000 | 2 400 000 | - | - | - |
| Executive and council | - | 1 756 824 | 1 756 824 | - | - | - | - | - |
| Finance and administration | 4 700 000 | 5 572 759 | 872 759 | 3 250 000 | 2 400 000 | - | - | - |
| Internal audit | - | - | - | - | - | - | - | - |
| <i>Community and public safety</i> | 35 375 705 | 41 277 337 | 5 901 632 | 20 230 576 | 22 178 042 | 11 120 000 | 11 664 880 | 12 236 459 |
| Community and social services | 937 705 | 1 307 866 | 370 161 | 766 000 | 1 120 000 | 1 120 000 | 1 174 880 | 1 232 449 |
| Sport and recreation | 33 938 000 | 39 169 471 | 5 231 471 | 18 964 576 | 20 558 042 | 10 000 000 | 10 490 000 | 11 004 010 |
| Public safety | - | - | - | - | - | - | - | - |
| Housing | 500 000 | 800 000 | 300 000 | 500 000 | 500 000 | - | - | - |
| Health | - | - | - | - | - | - | - | - |
| <i>Economic and environmental services</i> | 60 257 836 | 65 619 973 | 5 362 137 | 56 080 546 | 52 061 838 | 92 819 960 | 97 368 138 | 102 139 177 |
| Planning and development | 191 000 | 6 277 689 | 6 086 689 | 30 000 | 100 000 | - | - | - |
| Road transport | 60 066 836 | 59 342 284 | -724 552 | 56 050 546 | 51 961 838 | 92 819 960 | 97 368 138 | 102 139 177 |
| Environmental protection | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | 154 204 155 | 136 664 922 | -17 539 233 | 87 925 250 | 78 326 419 | 65 298 462 | 67 140 886 | 69 209 310 |
| Energy sources | 21 550 000 | 27 836 250 | 6 286 250 | 23 644 000 | 18 000 000 | 6 500 000 | 6 366 100 | 6 270 879 |
| Water management | 116 407 368 | 100 054 339 | -16 353 029 | 52 191 250 | 31 488 878 | 30 000 000 | 31 017 600 | 32 130 302 |
| Waste water management | 15 796 787 | 7 940 757 | -7 856 030 | 12 000 000 | 28 837 541 | 28 798 462 | 29 757 186 | 30 808 128 |
| Waste management | 450 000 | 833 576 | 383 576 | 90 000 | - | - | - | - |
| Other | 800 000 | 10 000 | -790 000 | - | - | - | - | - |
| Total Capital Expenditure - Functional | 255 337 696 | 250 901 815 | -4 435 881 | 167 486 372 | 154 966 299 | 169 238 422 | 176 173 905 | 183 584 946 |
| Funded by: | | | | | | | | |
| National Government | 228 011 990 | 213 180 999 | -14 830 991 | 151 580 373 | 140 946 299 | 155 218 422 | 162 824 125 | 170 802 507 |
| Provincial Government | 12 758 000 | 18 853 756 | 6 095 756 | 10 796 000 | 10 820 000 | 10 820 000 | 11 350 180 | 11 906 339 |
| District Municipality | - | - | - | - | - | - | - | - |
| Transfers and subsidies - capital (in-kind) | - | - | - | - | - | - | - | - |
| Transfers recognised - capital | 240 769 990 | 232 034 755 | -8 735 235 | 162 376 373 | 151 766 299 | 166 038 422 | 176 000 726 | 182 708 846 |
| Borrowing | - | - | - | - | - | - | - | - |
| Internally generated funds | 14 567 705 | 18 867 061 | 4 299 356 | 5 110 000 | 3 200 000 | 3 200 000 | 3 356 800 | 3 521 283 |
| Total Capital Funding | 255 337 695 | 250 901 816 | -4 435 879 | 167 486 373 | 154 966 299 | 169 238 422 | 179 357 526 | 186 230 129 |

Capital expenditure is projected to increase from R250.9 million in 2023/24 to R186.2 million in 2028/29 financial year. It is noted from the plan that the municipality is planning to fund the bulk of the capital expenditure from government grants, with internal finding reducing from R14.5 million in the current year to only 3.5 million in 2028/29.

8 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 | Proposed Adjusted Budget | Increase / (Decrease) | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|----------------------|--------------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
| R thousand | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
| ASSETS | | | | | | | | |
| Current assets | | | | | | | | |
| Cash and cash equivalents | 216 699 447 | 72 754 632 | -143 944 815 | 68 159 251 | 337 758 402 | 654 994 329 | 687 089 051 | 720 756 415 |
| Trade and other receivables from exchange transactions | 308 821 724 | 752 914 870 | 444 093 146 | 703 567 031 | 738 041 816 | 774 205 864 | 812 141 952 | 851 936 907 |
| Receivables from non-exchange transactions | 7 550 396 | 131 716 964 | 124 166 568 | 135 961 237 | 142 623 338 | 149 611 881 | 156 942 863 | 164 633 064 |
| Current portion of non-current receivables | - | - | - | - | - | - | - | - |
| Inventory | 109 015 410 | 77 946 246 | -31 069 164 | 334 854 175 | 493 020 877 | 658 649 153 | 690 922 962 | 724 778 187 |
| VAT | 67 531 246 | 68 482 401 | 951 155 | - | - | - | - | - |
| Other current assets | - | 2 732 503 | 2 732 503 | - | - | - | - | - |
| Total current assets | 709 618 223 | 1 106 547 616 | 396 929 393 | 1 242 541 694 | 1 711 444 432 | 2 237 461 228 | 2 347 096 828 | 2 462 104 572 |
| Non current assets | | | | | | | | |
| Investments | - | 1 473 726 | 1 473 726 | - | - | - | - | - |
| Investment property | - | - | - | 371 567 782 | 389 774 603 | 408 873 559 | 428 908 363 | 449 924 873 |
| Property, plant and equipment | 6 227 835 405 | 6 174 907 875 | -52 927 530 | 5 883 676 182 | 6 171 976 315 | 6 727 454 183 | 7 057 099 438 | 7 402 897 311 |
| Biological assets | - | - | - | - | - | - | - | - |
| Living and non-living resources | - | - | - | - | - | - | - | - |
| Heritage assets | 4 153 832 | 4 312 832 | 159 000 | 11 981 732 | 12 568 837 | 13 184 710 | 13 830 761 | 14 508 468 |
| Intangible assets | -4 559 152 | -2 065 490 | 2 493 662 | 118 770 | 124 590 | 130 695 | 137 099 | 143 816 |
| Trade and other receivables from exchange transactions | - | - | - | - | - | - | - | - |
| Non-current receivables from non-exchange transactions | - | - | - | - | - | - | - | - |
| Other non-current assets | 142 171 037 | 101 739 024 | -40 432 013 | 101 739 024 | 106 724 236 | 111 953 724 | 116 991 641 | 122 256 265 |
| Total non current assets | 6 369 601 122 | 6 280 367 967 | -89 233 155 | 6 369 083 490 | 6 681 168 581 | 7 261 596 870 | 7 616 967 302 | 7 989 730 733 |
| TOTAL ASSETS | 7 079 219 345 | 7 386 915 583 | 307 696 238 | 7 611 625 184 | 8 392 613 013 | 9 499 058 098 | 9 964 064 130 | 10 451 835 306 |
| LIABILITIES | | | | | | | | |
| Current liabilities | | | | | | | | |
| Bank overdraft | - | - | - | - | - | - | - | - |
| Financial liabilities | - | 35 281 856 | 35 281 856 | 32 985 915 | 36 789 140 | 40 305 305 | 42 119 044 | 44 014 401 |
| Consumer deposits | 2 297 983 | 35 598 586 | 33 300 603 | 37 149 129 | 38 969 436 | 40 878 939 | 42 718 491 | 44 640 823 |
| Trade and other payables from exchange transactions | 912 108 268 | 505 557 410 | -406 550 858 | 795 510 651 | 834 490 673 | 875 380 716 | 914 772 848 | 955 937 626 |
| Trade and other payables from non-exchange transactions | 201 091 837 | 172 373 198 | -28 718 639 | 190 488 169 | 199 822 089 | 209 613 372 | 219 045 973 | 228 903 042 |
| Provisions | 49 259 458 | 23 649 080 | -25 610 378 | - | - | - | - | - |
| VAT | -188 519 619 | 97 992 923 | 286 512 542 | - | - | - | - | - |
| Other current liabilities | - | - | - | 15 115 169 | 15 855 812 | 16 632 747 | 17 381 221 | 18 163 376 |
| Total current liabilities | 976 237 927 | 870 453 053 | -105 784 874 | 1 071 249 033 | 1 125 927 151 | 1 182 811 078 | 1 236 037 577 | 1 291 659 268 |
| Non current liabilities | | | | | | | | |
| Borrowing | 296 562 735 | 243 273 475 | -53 289 260 | 249 099 099 | - | - | - | - |
| Provisions | 65 212 118 | 72 549 158 | 7 337 040 | 260 797 666 | 273 576 752 | 286 982 012 | 299 896 203 | 313 391 532 |
| Long term portion of trade payables | - | 214 036 479 | 214 036 479 | - | - | - | - | - |
| Other non-current liabilities | 175 370 254 | 199 462 348 | 24 092 094 | - | - | - | - | - |
| Total non current liabilities | 537 145 107 | 729 321 460 | 192 176 353 | 509 896 765 | 273 576 752 | 286 982 012 | 299 896 203 | 313 391 532 |
| TOTAL LIABILITIES | 1 513 383 034 | 1 599 774 513 | 86 391 479 | 1 581 145 798 | 1 399 503 902 | 1 469 793 091 | 1 535 933 780 | 1 605 050 800 |
| NET ASSETS | 5 565 836 311 | 5 787 141 070 | 221 304 759 | 6 030 479 386 | 6 993 109 110 | 8 029 265 007 | 8 428 130 350 | 8 846 784 506 |
| COMMUNITY WEALTH/EQUITY | | | | | | | | |
| Accumulated Surplus/(Deficit) | 5 534 949 401 | 5 754 849 405 | 219 900 004 | 5 996 247 417 | 6 957 199 775 | 7 991 596 115 | 8 388 766 357 | 8 805 649 133 |
| Funds and Reserves | 30 886 910 | 32 291 665 | 1 404 755 | 34 231 969 | 35 909 335 | 37 668 893 | 39 363 993 | 41 135 372 |
| Other | - | - | - | - | - | - | - | - |
| TOTAL COMMUNITY WEALTH/EQUITY | 5 565 836 311 | 5 787 141 070 | 221 304 759 | 6 030 479 386 | 6 993 109 110 | 8 029 265 007 | 8 428 130 350 | 8 846 784 506 |

The equity position of the municipality is expected to improve drastically over the next five years with the implementation of the BFP strategies. Total asset are projected to increase from R5.7 billion in 2023/24 to R8.8 billion in 2028/29.

Cash Flow Plan

The municipality is planning to improve its collection rate of the five financial years in order to ensure that adequate revenue is collected, while cash payments are monitored accordingly as per the strategies. 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) | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|--|---------------------|---------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| R thousand | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | |
| Receipts | | | | | | | | |
| Property rates | 299 539 409 | 337 122 273 | 37 582 864 | 364 433 840 | 350 930 757 | 371 986 603 | 375 706 469 | 379 463 534 |
| Service charges | 1 144 534 896 | 1 128 137 107 | -16 397 789 | 1 139 810 412 | 1 273 133 295 | 1 426 313 952 | 1 440 577 092 | 1 454 982 862 |
| Other revenue | 231 189 336 | 278 926 678 | 47 737 342 | 281 512 880 | 305 842 347 | 345 424 768 | 348 879 015 | 352 367 805 |
| Transfers and Subsidies - Operational | 547 623 010 | 559 406 010 | 11 783 000 | 669 093 627 | 700 823 000 | 722 921 000 | 730 150 210 | 737 451 712 |
| Transfers and Subsidies - Capital | 240 769 990 | 232 034 990 | -8 735 000 | 162 376 373 | 151 766 299 | 166 038 422 | 167 698 806 | 169 375 794 |
| Interest | 5 330 350 | 5 330 350 | - | 5 591 537 | 5 848 748 | 8 480 684 | 8 565 491 | 8 651 146 |
| Dividends | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | |
| Suppliers and employees | -2 175 156 030 | -2 248 816 954 | -73 660 924 | -2 340 726 377 | -2 320 445 094 | -2 501 919 268 | -2 802 149 580 | -2 830 171 076 |
| Finance charges | -32 205 273 | -32 545 273 | -340 000 | -30 300 149 | -26 544 764 | -22 466 506 | -22 691 171 | -22 918 083 |
| Transfers and Subsidies | - | - | - | - | - | - | - | - |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | 261 625 688 | 259 595 181 | -2 030 507 | 251 792 143 | 441 354 589 | 516 779 654 | 246 736 331 | 249 203 695 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | |
| Receipts | | | | | | | | |
| Proceeds on disposal of PPE | 20 000 000 | 20 000 000 | - | 10 000 000 | 20 000 000 | 10 000 000 | 10 450 000 | 10 920 250 |
| Decrease (increase) in non-current receivables | - | - | - | - | - | - | - | - |
| Decrease (increase) in non-current investments | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | |
| Capital assets | -255 337 695 | -250 901 815 | 4 435 880 | -167 486 373 | -154 966 299 | -169 238 422 | -179 357 526 | -186 230 129 |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | -235 337 695 | -230 901 815 | 4 435 880 | -157 486 373 | -134 966 299 | -159 238 422 | -168 907 526 | -175 309 879 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | |
| Receipts | | | | | | | | |
| Short term loans | - | - | - | - | - | - | - | - |
| Borrowing long term/refinancing | - | - | - | - | - | - | - | - |
| Increase (decrease) in consumer deposits | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | |
| Repayment of borrowing | -34 081 616 | -34 081 616 | - | -32 985 915 | -36 789 140 | -40 305 305 | -42 280 265 | -44 351 998 |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | -34 081 616 | -34 081 616 | - | -32 985 915 | -36 789 140 | -40 305 305 | -42 280 265 | -44 351 998 |
| NET INCREASE/ (DECREASE) IN CASH HELD | -7 793 623 | -5 388 250 | 2 405 373 | 61 319 855 | 269 599 150 | 317 235 927 | 35 548 540 | 29 541 818 |
| Cash/cash equivalents at the year begin: | 27 482 000 | 12 227 078 | 6 839 396 | 68 159 251 | 68 159 251 | 337 758 402 | 654 994 329 | 690 542 869 |
| Cash/cash equivalents at the year end: | 19 688 377 | 6 838 828 | 2 405 373 | 68 159 251 | 337 758 402 | 654 994 329 | 690 542 869 | 720 084 687 |

The table A7/B7 shows a positive cash surplus of R68.1 million in 2024/25 financial year to R720 million in 2028/29 financial year. This means that the municipality will be able to cover all its short-term cash requirements during the budget years.

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 | Proposed Adjusted Budget | Increase / (Decrease) | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|---------------------|--------------------------|-----------------------|---------------------|--------------------|--------------------|--------------------|--------------------|
| R thousand | 2023/24 | 2023/24 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
| Cash and investments available | | | | | | | | |
| Cash/cash equivalents at the year end | 19 688 377 | 6 839 396 | -12 848 981 | 68 159 251 | 337 758 402 | 654 994 329 | 690 542 869 | 720 084 687 |
| Other current investments > 90 days | - | - | - | - | - | - | - | - |
| Non current assets - Investments | - | - | - | - | - | - | - | - |
| Cash and investments available: | 19 688 | 6 839 | -12 848 981 | 68 159 251 | 337 758 402 | 654 994 329 | 690 542 869 | 720 084 687 |
| Application of cash and investments | | | | | | | | |
| Unspent conditional transfers | 115 115 | 124 410 | 9 294 856 | 124 409 528 | 94 409 528 | 85 826 844 | 93 551 260 | 85 046 600 |
| Unspent borrowing | 113 479 | - | -113 478 932 | - | - | - | - | - |
| Statutory requirements | 26 978 467 | 26 978 467 | - | 62 819 015 | 60 253 125 | 66 588 156 | 73 646 500 | 81 453 029 |
| Other working capital requirements | -6 459 117 | -15 303 930 | -78 836 631 | 225 036 000 | 100 245 362 | 223 012 450 | 243 083 571 | 264 961 092 |
| Other provisions | 11 105 000 | 14 261 000 | 3 156 000 | 14 261 467 | 14 831 925 | 15 425 202 | 16 181 037 | 16 973 908 |
| Long term investments committed | - | - | - | - | - | - | - | - |
| Reserves to be backed by cash/investmen | 30 886 912 | 32 292 039 | 1 405 127 | 32 292 354 | 34 053 000 | 35 755 650 | 37 507 677 | 39 345 553 |
| Total Application of cash and investme | 291 104 866 | 182 637 104 | -178 459 580 | 458 818 364 | 303 792 940 | 426 608 302 | 463 970 045 | 487 780 182 |
| Surplus(shortfall) | -271 416 489 | -175 797 708 | 165 610 599 | -390 659 113 | 33 965 461 | 228 386 027 | 226 572 825 | 232 304 505 |

Table 8 above indicates that the budget is currently unfunded by R390.6 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 2025/26, where it is projecting to generate a surplus of R33.9 million.

The municipality therefore appears to be currently unfunded until the end of 2024/25 financial year. With effect from 2025/26 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 CONCLUSION

This plan has been crafted with a view to address specific challenges of the unfunded budget. Over-commitment to the bulk purchases, 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.