



BREEDDE VALLEY

MUNICIPALITY • MUNISIPALITEIT • UMASIPALA

REVENUE ENHANCEMENT IMPLEMENTATION PLAN

2025/2026

1. Introduction

Revenue management has become a critical component when it comes to ensuring financial sustainability of Municipalities. Municipalities are expected to prepare their budgets from realistically anticipated revenues. In 2024 National Treasury stated “the economic outlook faces a range of risks, including weaker-than-expected global growth, further disruptions to global supply chains and renewed inflationary pressures from the war in Ukraine, continued power cuts and a deterioration in port and rail infrastructure, widespread criminal activity, and any deterioration of the fiscal outlook”. This will therefore have the potential to put further pressure on household income which in turn will have a negative impact on the Municipality’s revenue management initiatives. Whilst there has been an improvement on the loadshedding, the switch from clients from using electricity to alternative energy sources poses a risk to municipal finance management. With more and more clients going off the grid the municipality’s debt collection initiatives will also be challenged. The situation therefore requires the Breede Valley to ensure that clients who can afford to pay are billed accurately and debt collection mechanisms are implemented to ensure that the financial sustainability of the Municipality is ensured.

The municipality is constantly striving to find ways to improve financial sustainability by enhancing its revenue streams. Breede Valley has developed a revenue enhancement strategy to ensure its financial sustainability and to identify new prospective revenue streams, and simultaneously protecting and enhancing existing ones. During the year under review Breede Valley has reviewed the implementation plan of this strategy. This has been done to ensure that the strategy keeps up with the current challenges and is updated in order to protect current revenue streams whilst also striving to find any new revenue sources.

Breede Valley has also established a Revenue Management Committee consisting of representatives from the different stakeholders within the Revenue Management Value Chain. To ensure that the various stakeholders take the process seriously the Municipal Manager and the Directors of the various directorates are permanent members of the committee. One of the tasks of the aims of the committee is to improve communication lines between the different role players in the value chain. The committee will prioritise monitoring the implementation of this Revenue Enhancement Plan. This will take place in the form of having regular meetings to assess progress made.

2. The Implementation Plan

The following implementation plan has been consulted with the different stakeholders. Some of the items form part of an ongoing process, while some have already been implemented and may need to be reviewed to ensure that they are still achieving what is required.

NO	SECTION	STRATEGY INTERVENTION	ACTION	TIMESCALE	RESPONSIBILITY	BUDGET
1	LEGISLATIVE FRAMEWORK	Policy and strategy review	It is recommended that all relevant legacy and reengineered processes, policies and procedures be documented. The outcome of such an exercise would be a printed policies and procedures manual, approved at the required authorization level and acknowledged by responsible staff.	Annually	CFO, Senior Manager Revenue, Council	
			All Revenue staff needs to receive a printed copy and extensive training on the policies and procedures.			
			Review, amend and repeal published by-laws, and develop new if required.			
2	PROCEDURES AND INTERNAL CONTROLS	Role clarification and documentation	Develop a practical and comprehensive revenue management manual providing councilors, management and officials with a step-by-step guide of duties within the relevant business cycles	Ongoing	CFO, Senior Manager Revenue	
			Ensure that roles and responsibilities are clearly defined			
		Review of procedures, internal control and business processes	Ensure that accounting control systems are observed, accounting records are kept up to date and maintained in accordance with proper practices	Ongoing		
			Ensure that deviations by officials are reported and that appropriate action is taken in the event of noncompliance			
			Develop and implement applicable forms/templates to support changes in the business process	On-going		

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3	COMPLETENESS OF CONSUMER INFORMATION	Data quality improvement	Perform review, matching, reconciliations and correction of property and debtor information on the FMS. This includes [but is not limited to] the following:	Data Cleanup Project to be completed by 30 June 2026.	CFO, Senior Manager Revenue, SAMRAS	
			Matching and reconciliation of properties on FMS with Deeds and Property Valuation Roll			
			Matching and reconciliation of FMS with Infrastructure Fixed Asset Register [FAR]			
			Identify and remedy duplicate and invalid records (ID numbers, meter numbers, etc.)			
			Amend properties without addresses/incomplete addresses			
			Identify properties with meters that do not appear in the meter books and identify properties with incorrect classifications / debtor categories			
			Correct properties with no erf number listed			
			Analysis of debtor types /categories /groups /zoning			
4	INCOMPLETE INFORMATION ON THE BILLING FMS	Billing improvement	Matching and reconciliation of properties on SAMRAS FMS with Deeds and Property Valuation Roll to determine and remedy:	Data Cleanup Project to be completed by 30 June 2026.	Revenue, SAMRAS, CFO, Senior Manager Revenue	
			Properties registered in Deeds but not on FMS			
			Properties in external Valuation and Supplementary			

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			Rolls but not in FMS			
			Inconsistencies in property valuations & property classifications			
			Validation of debtor types / categories / groups / zoning			
			Analysis of non-financial data such as consumption, usage, etc.			
			Confirmation that correct tariffs are applied and that they are calculated correctly			
			Analysis and validation of all tariffs linked to consumer accounts [establish gaps]			
5	CUSTOMER QUERY MANAGEMENT	Query management	Implementation of a query tracking system for walk-in queries to log, track and report on consumer queries;	30 June 2026	CFO, Senior Manager Revenue	
			Formal recording and reporting of consumer queries and complaints.			
6	CUSTOMER CARE	Improve Customer Care culture	All municipal officials participating in the revenue management function should be taken through a comprehensive awareness and change management exercise;	ANNUALLY.	Municipal Manager, CFO, Snr Manager Revenue, Customer Care Officials	
			Performance evaluation criteria to be set and monitored.	Will form part of Individual Performance Management		
7	COMMUNICATION AND INTERACTION	Interdepartmental communication improvement	Improve interaction between departments that are involved in revenue management, including Planning/Building Inspectorate to establish efficient and effective working relationships between all Municipal departments in order to	Immediately, Monthly Revenue Management Meeting to be held with the different stakeholders.	Municipal Manager, CFO, Snr Manager Revenue, Directorate PDIS. Director SSS Director Community Services	

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			<p>maximize revenue and improve credit control. This also involves the following:</p> <p>Determine interaction procedures/protocols for every inter-departmental activity</p> <p>Procedures/protocols to be approved by all departmental heads</p> <p>Allocate responsibility to staff to manage and maintain procedures</p> <p>Implement agreed procedures and interdepartmental protocols</p>		Director Engineering Services.	
8	AGREEMENTS WITH EMPLOYERS FOR PAYMENT OF MUNICIPAL ACCOUNTS	Municipal account payments	The municipality should approach the employers (especially the government departments) regarding the facility available to their employees for the deduction of municipal accounts, and the incentive available to employers. A customer's consent should be obtained before implementing the revenue collection mechanism.	Will Initiate engagements and Report to the Municipal Manager by 30 June 2026	CFO, Snr Manager Revenue	
9	DEBTOR BOOK AND DEBTOR ANALYSIS	Debt book analysis, review and improvement	<p>An in-depth analysis of the debt book including the following:</p> <p>Top 100 consumers</p> <p>Top 100 consumers per debtor class/category</p> <p>Age analysis – debt at over 180 day</p> <p>Age analysis – old debt attributable to Government, Business, etc.</p> <p>Split debt per town/suburb</p>	Ongoing Data Cleanup project till 30 June 2026	CFO, Snr Manager Revenue	

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			Split debt per debtor category			
			Split debt per service type			
			Split debt per indigent			
			Split debt per owner/tenant			
			Split debt per active/non active			
			Conduct an analysis of the outstanding debt to determine realistically recoverable debt versus nonrecoverable debt [debt to be written off].			
			Analyse Indigent debt and establish an approach.			
			Analyse 'quick wins' – the debtor category that should/can pay their accounts and determine and implement sustained credit control actions against them to recover outstanding amounts.			
10	INFORMATION TECHNOLOGY	Data Support Strategy review	Draft, approve and implement a database maintenance and back-up plan.	RES to form part of the IT Steering Committee meetings agenda whenever there is a need.	ICT Manager, CFO, Snr Revenue Manager.	
			Draft appropriate templates to support the plan	RES to form part of the IT Steering Committee meetings agenda whenever there is a need.		
		Integrated IT strategy	IT projects and Investments should be assessed according to municipal objectives.	RES to form part of the IT Steering Committee meetings agenda whenever there is a need.		
			An organizational change communication plan is developed and implemented	RES to form part of the IT Steering Committee meetings agenda whenever there is a need.		

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		IT Resourcing & monitoring	Support team is properly staffed to meet business needs.	RES to form part of the IT Steering Committee meetings agenda whenever there is a need.	Snr Manager Revenue, GIS Manager	
			SLA metrics are developed and monitored to measure performance and meet business needs.	RES to form part of the IT Steering Committee meetings agenda whenever there is a need.		
			Duties and responsibilities should be adequately segregated so that no one person can perpetrate and conceal material errors or misstatements	RES to form part of the IT Steering Committee meetings agenda whenever there is a need.		
		GIS Information 21 Digit codes(SG Codes)	Unique identifier across data sets needs to be implemented.	On going recording of codes		
			Data cleansing to enable monthly management information packs.	On going recording of codes		
		Roll-out of Onkey electronic Asset Management System to Directorate PDIS	Roll-out of Onkey electronic Asset Management System to Directorate PDIS	31 December 2026	Director PDIS, Director SSS	
11	ASSESSMENT RATES	Review & improvement of the Implementation of General Valuation Roll	Improve communication with municipal valuer.	A draft GV will be available from August 2025 and implemented on 1 July 2026.	CFO, Snr Manager Revenue	
			Ensure that new valuation roll includes current usage.	On-going		
			Attend meetings of and Participate on activities of the Provincial Support Group.	On-going		
			Reconcile the valuation roll to the FMS as per National Treasury Circular.	Monthly Recons and Quarterly Submissions On the Go-Muni Platform.		

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12	MUNICIPAL PROPERTIES	Review of all renting / leasing arrangements	Establish and confirm all existing municipal properties currently being leased	On going - Housing 31 December – Commercial Leases	Director Strategic Support Services, Director Community Service Director Finance	
			Review terms of existing leasing contracts			
			Establish existing localized market-related leasing values			
			Renegotiate new lease agreements			
13	WATER	Water system improvement	Improve interaction between departments involved to establish efficient and effective working relationships and improve the flow of non-financial data	Bi-Monthly Revenue Management Meetings to be held.	CFO, Director PDIS	
			Determine interaction procedures/protocols for reading of zone meters and reconciliation of water distributed to areas			
			Procedures/protocols to be approved by all departmental heads			
			Allocate responsibility to staff to manage and maintain procedures			
			Implement agreed procedures and inter-departmental protocols [monitor distribution losses]			
		Meter assessments	Conduct random meter inspections to determine instances of meter tampering, by-passed meters, illegal connections, condition of meter and water leaks	Quarterly Inspections of low users to be conducted.	Director PDIS	
		Reduce Water Losses to acceptable levels	Consider installing automated Bulk meters at the Dam and Reservoirs to get early warning signs.	30 June 2026	Director PDIS	

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			Implementation of prepaid meters and automated meter readings.			
			Implementation of pipe cracking to ensure proactive measures for water protection.			
			Fix leakages at households owned by Indigent Clients.	On-going	Director PDIS	
		Business Bulk Meters upgrading	Develop a business plan in order to propose upgrade of all the Business Bulk meters be remotely monitored (Telemetry)	30 June 2026	Director PDIS	
		Meter Issues at Stores Reconciled with Meters used.	Monthly reconciliations of all meters issued by stores should be reconciled to meter installations by Public Works.	On going	Director PDIS	
		Water Meter replacement project	Business plan to be provided by Director PDIS (action Senior Manager Water Services), as all meters lose around 0,3% accuracy per year, therefore all meters older than 30 years underread by 9%.	31 December 2025	Director PDIS	
		Top 20 / Top 100 water meter analysis	Supplied by Revenue Section to Water Services, for prioritization of analysis for Water Demand Management and water meter replacement.	Monthly	CFO, Director PDIS	
		Dam and Reservoir Bulk Meter upgrading	Upgrade Bulk Meters at the Dam and Reservoirs by installing Telemetry Bulk Meters.	30 June 2026	Director PDIS	
14	SEWERAGE	Sanitation system improvement	Ensure that best practice is applied in operating and maintaining municipal services infrastructure	Annually	Director PDIS, CFO	

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			in a sustainable manner.	Annually		
			Improve communication regarding non-financial data			
		Tariff framework review	Review and confirm the sewer consumer categories			
15	ELECTRICITY	Electricity system improvement	Ensure measures in place to monitor electricity purchases which may be indicative of tampering [monitor sales variance reports to detect anomalies, such as high/low purchases];	On-going	Director Engineering Services.	
			Ensure reporting and monitoring protocols [monitor distribution losses] in place between Finance and Technical Departments to ensure instances reported are addressed in a timely manner.			
			Investigate the provision of electricity to informal settlements to ensure that electricity losses are limited.	On going	Director Engineering Services.	
			Conduct a workshop with relevant stakeholders on the current status of the SSEG project and investigate ways to make it a success/Communication	On going	Director Engineering Services.	
16	REFUSE	Business Wheelie bin assessment	Verification of bins vs FMS vs FAR	30 September 2025	Director PDIS	
		Wheelie bin assessment	EPWP Survey (A Steer)	30 JUNE 2026		
		Identify and train field workers from the ones sponsored	Verification of bins vs FMS vs FAR	audit on-going		

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		by Department of Environmental Affairs to perform Residential Wheelie bin assessment		Monthly Meetings between Finance and Solid Waste	Director PDIS, CFO,	
		Refuse system improvement	Develop and document protocols/procedures to issue & replace wheelie bins and reconcile usage			
			Improve communication on non-financial data	Monthly Meetings between Finance and Solid Waste		
			Review Tariffs to ensure that they are cost reflective	31 December 2025		
17	CEMETERIES	Burial register review	Review manual and electronic registers	On-going	Director PDIS.	
			Develop proper controls and procedures regarding the cemetery service			
18	SWIMMING POOLS, SPORT FIELDS, COMMUNITY HALLS	Tariff review	Investigate framework for revenue charges and introduce new tariffs where practical	Annual Review as part of tariff Determination	Director Community Services.	
		System Improvement	Develop proper controls and procedures for service.	On-going investigations of best solution.		
19	RESORTS	Management review	Review and resolve rental agreements	Annually Renewed with new tariffs.	Director Community Services. CFO.	
			Investigate electronic Booking System.	31 December 2025		
20	AIRFIELD	Airfield review	Conclude new agreement with WAFA/Contract in place will be renewed in December 2025	31 December 2025	Director Strategic Support Services.	
21	TRAFFIC AND FIRE SERVICES	Event tariff review	Comparison of event tariffs for law enforcement officers of	Annually	Director Community Services.	

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			neighboring municipalities			
		Traffic fine collection review	Review collection of traffic fines i.r.o. of resourcing and impact and success of operational procedures & processes	Quarterly Review of the SLA with Service Provider		
22	TOWN PLANNING AND DEVELOPMENT	Planning improvement	Improve communication with municipal valuer	30 June 2026	Director PDIS	
			Investigate the implementation of the electronic building plan system.			
			Improve the implementation of punitive measures regarding unapproved construction activities			
			Ensure that zoning discrepancies such as usage different from approved zoning picked up in the new General Valuation Roll are followed up.	On-going	Director PDIS	
23	INDIGENT MANAGEMENT	Vetting of Indigent Applications	Ensure that the policy requirements when it comes to the qualification criteria is implemented.	On-going	Director Finance	
24	DEVELOPMENT CHARGES	Implement Development Charges for Electricity, Sewerage and Water Supply Services	Review the development charges policy and bring it in line with the current legislation.	30 June 2026	Director PDIS and Director Engineering Services.	
			Assign Roles and Responsibilities on the implementation of Development Charges as per legislation.	30 June 2026	Director PDIS and Director Engineering Services.	