

# MINUTES

Ref no.2/1/4/4/2

Date distributed

## **1<sup>st</sup> COUNCIL MEETING OF THE BREEDE VALLEY MUNICIPALITY**

**2021-01-26 AT 10:00**

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## **1. OPENING AND WELCOME**

In terms of the Rules of Order for Internal Arrangement By-Law 2012 the chairperson must take the chair at the time stated in the notice of the meeting or as soon thereafter as is reasonably possible: provided that the meeting does not commence later than 30 (thirty) minutes after the time stated in the notice of the meeting and must proceed immediately with the business of the meeting.

**The Speaker opened the meeting at 11:00 and apologised for the delay with the meeting due to technical difficulties.**

**The Speaker conducted a roll call and after declaring the meeting duly constituted, the Speaker welcomed all present and offered a prayer.**

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## **2. OFFICIAL NOTICES**

### **2.1 DISCLOSURE OF INTERESTS**

Item 5 of the Code of Conduct for councillors' states:

A councillor must –

- (a) disclose to the council, or any committee of which that councillor is a member, any direct or indirect personal or private business interest that that councillor or any spouse, partner or business associate of that councillor may have in any matter before the council or the committee; and
- (b) withdraw from the proceedings of the council or committee when that matter is considered by the council or committee, unless the council or committee decides that the councillors' direct or indirect interest in the matter is trivial or irrelevant.

### **2.2 APPLICATIONS FOR LEAVE OF ABSENCE**

In terms of the Rules of Order for Internal Arrangement By-Law 2012;

- 2.2.1 Every Councillor attending a meeting of the Council must sign his or her name in the attendance register kept for such purpose.
- 2.2.2 A Councillor must attend each meeting except when –
  - (a) Leave of absence is granted in terms of Clause 10; or
  - (b) The Councillor is required to withdraw in terms of law.
- 2.2.3 The Attendance Registers will be available at the meeting.
- 2.2.4 A blank Application for Leave of Absence form is enclosed.

**The Speaker received Applications for Leave from Cllrs C. Mohobo, J. Robinson, E. Isaacs, V. Mngcele and Cllr J.D.P. Jaftha.**

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## **3. COMMUNICATION**

### **3.1 INTERVIEWS OR PRESENTATIONS BY DEPUTATIONS**

In terms of the Rules of Order for Internal Arrangement By-Law 2012;

*"A deputation seeking an interview with Council must give the Municipal Manager **6 (six) days** written notice of its intention and furnish details of the representations to be made and the*

*source of the deputation. The Municipal Manager must submit a request by a deputation for an interview with Council to the Speaker, who may decide to grant or refuse an interview and under what conditions*

### **3.2 BIRTHDAYS OF COUNCILLORS**

|                        |                  |
|------------------------|------------------|
| Cllr E. N. Isaacs      | 23 January 2021  |
| Cllr W. Vrolick        | 24 January 2021  |
| Cllr J.J. Von Willingh | 02 February 2021 |
| Cllr P.B. Langata      | 08 February 2021 |
| Cllr S. Mkhiwane       | 11 February 2021 |
| Cllr L. Willemse       | 15 February 2021 |
| Cllr M.T. Williams     | 15 February 2021 |
| Cllr C.M. Mohobo       | 23 February 2021 |

**The Speaker congratulated all Councillors on their birthdays.**

### **3.4 STATEMENTS BY THE SPEAKER**

The Speaker reminded ward councillors about the notice in respect of ward committee Functionality and requested that ward councillors and ward committee members should remain working together for the benefit of the community.

### **3.5 STATEMENTS BY THE EXECUTIVE MAYOR**

Executive Mayor Alderlady Steyn expressed concern about the ongoing COVID-19 Pandemic and its effect on BVM and communities. The Mayor urged all residents to remain vigilant and to adhere to safety protocols.

The Mayor expressed condolences to families who have lost love-ones because of Covid-19 and other causes.

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## **4. CONFIRMATION OF MINUTES**

4.1 In terms of the Rules of Order for Internal Arrangement By-Law 2012;

- (a) Minutes of the proceedings of meetings must be compiled in printed form and be confirmed by the Council at the next meeting and signed by the Speaker.
- (b) The minutes shall be taken as read, for the purpose of confirmation, if a copy thereof was sent to each Councillor within forty-eight hours before the next meeting, subject to the provisions of sub-Clause (4).
- (c) No motion or discussion shall be allowed on the minutes, except in connection with the correctness thereof.
- (d) The minutes formulated and screened during meetings, shall constitute a resolution for purposes of implementation of decisions.

#### **4.2 Council Meeting held on 27 October 2020 (Copy enclosed)**

##### **RECOMMENDATION**

That in respect of

##### **CONFIRMATION OF MINUTES OF PREVIOUS COUNCIL MEETING**

**discussed by Council at the Council Meeting held on 26 January 2021:**

1. As the Minutes of the Council Meeting held on 27 October 2020 were sent to each councillor at least forty-eight hours prior to the meeting, the minutes of the Council meeting held 27 October 2020 be taken as read and confirmed.

**PROPOSED: CLLR E. VAN DER WESTHUIZEN**

**SECONDED: ALDERMAN E.Y. SHELDON**

##### **RESOLVED**

**C1/2021**

That in respect of

##### **CONFIRMATION OF MINUTES OF PREVIOUS COUNCIL MEETING**

**discussed by Council at the Council Meeting held on 26 January 2021:**

1. As the Minutes of the Council Meeting held on 27 October 2020 were sent to each councillor at least forty-eight hours prior to the meeting, the minutes of the Council meeting held 27 October 2020 be taken as read and confirmed.

#### **4.3 Special Council Meeting held on 24 November 2020 (Copy enclosed)**

##### **RECOMMENDATION**

That in respect of

##### **CONFIRMATION OF MINUTES OF PREVIOUS SPECIAL COUNCIL MEETING**

**discussed by Council at the Council Meeting held on 26 January 2021:**

1. As the Minutes of the Special Council Meeting held on 24 November 2020 were sent to each councillor at least forty-eight hours prior to the meeting, the minutes of the Special Council Meeting held 24 November 2020 be taken as read and confirmed.

**PROPOSED: CLLR E. VAN DER WESTHUIZEN**

**SECONDED: ALDEMAN E.Y. SHELDON**

##### **RESOLVED**

**C2/2021**

That in respect of

##### **CONFIRMATION OF MINUTES OF PREVIOUS SPECIAL COUNCIL MEETING**

**discussed by Council at the Council Meeting held on 26 January 2021:**

1. As the Minutes of the Special Council Meeting held on 24 November 2020 were sent to each councillor at least forty-eight hours prior to the meeting, the minutes of the Special Council Meeting held 24 November 2020 be taken as read and confirmed.
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**5. REPORT BY THE EXECUTIVE MAYOR ON DECISIONS TAKEN BY THE EXECUTIVE MAYOR, THE EXECUTIVE MAYOR TOGETHER WITH THE DEPUTY EXECUTIVE MAYOR AND THE MAYORAL COMMITTEE**

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**5.1 The Deputy Executive Mayor: Alderman E.Y. Sheldon**

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**5.2 MMC1: Cllr. M. Sampson**

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**5.3 MMC 3: Cllr. J.P. Kritzinger**

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**5.4 MMC 4: Cllr. R. Faroa**

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**5.5 MMC 5: Cllr. S.J. Mei**

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**5.6 MMC 6: Cllr. E.S.C Matjan**

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**5.7 MMC 7: Cllr. W.R. Meiring**

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**5.8 MMC 8: Cllr. J.F. Van Zyl**

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**5.9 MMC 9: Cllr J.J. Von Willingh**

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**Cllr J.P. Kritzinger asked for caucus break.  
Caucus started at 11:20  
Meeting reconvened at 11:45.**

## **6. CONSIDERATION OF AGENDA ITEMS**

### **6.1 ADDITIONAL / AMENDMENT ALLOCATIONS – ADJUSTMENTS BUDGET 2020/2021 – 26 January 2021**

**The Executive Mayor, Alderman A. Steyn tabled the Additional/  
Amendment Allocations- Adjustments Budget 2020/2021- 26 January  
2021 before Council for approval.**

**File No. /s:** 3/2/2/19

**Responsible Official:** R Ontong

**Directorate:** Financial Services

**Portfolio:** Financial Services

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#### **1. Purpose**

To submit an Adjustments budget for the 2020/21 financial year as a result of amendments / adjustments to allocations from Provincial Government during the 2020/21 financial year.

#### **2. Background**

In terms of the MFMA (Section 28) the approved budget may be revised through an adjustments budget.

A. Section 28(2) further provides that; An Adjustments budget -

- Must adjust the revenue and expenditure estimates downwards if there is a material under-collection of revenue during the year;
- May appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmed already budgeted for;
- May, within the prescribed framework, authorize unforeseen and unavoidable expenditure recommended by the Mayor;



- May authorize the utilization of projected savings in one vote towards spending under another vote;
- May authorize the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by council;
- May correct any errors in the annual budget, and
- May provide for any other expenditure within a prescribed framework.

Municipal Budget and Reporting Regulations further provides that;

**B. Timeframes for tabling of adjustment budgets**

- An adjustment budget referred to in section 28(2)(b), (d) and (f) of the Act may be tabled in the Municipal Council at any time after the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the current year;
- Only one adjustment budget referred to in sub regulations (1) may be tabled in the municipal council during a financial year, except when the additional revenues contemplated in section 28(2)(b) of the Act are allocations to a Municipality in a National or Provincial adjustments budget, in which case sub regulation (3) applies. If a National or provincial adjustment budget allocates or transfer additional revenue to a Municipality, the Mayor of the Municipality must, at the next available council meeting, but within 60 days of the approval of the relevant National or Provincial adjustment budget, table an adjustment budget referred to in section 28(2) (b) of the Act in the Municipal council to appropriate these additional.

**3. Financial Implications**

Financial implications are contained in the detail in this report.

**4. Applicable Legislation / Council Policy**

1. The MFMA Section 28, 30 and 16(3)

2. Municipal Budget and Reporting Regulations
3. Council Budget related Policies

**ADJUSTMENTS BUDGET SCHEDULE B REPORT 2020/21**



**BREED VALLEY**

MUNICIPALITY • MUNISIPALITEIT • UMASIPALA

**26 JANUARY 2021**

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## SECTION A – Part 1

## 1. Glossary

**Adjustments Budgets** – Prescribed in section 28 of the Municipal Finance Management Act. It is the formal means by which a municipality may revise its budget during a financial year.

**Allocations** – Money received from Provincial and National Treasury.

**Budget** – The financial plan of a municipality.

**Budget related policy** – Policy of a municipality affecting or affected by the budget.

**Capital Expenditure** – Spending on municipal assets such as land, buildings and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

**Cash Flow Statement** – A statement showing when actual cash will be received and spent by the Municipality, and the month end balances of cash and short term investments.

**DORA** – Division of Revenue Act. The annual piece of legislation that indicate the allocations from National Government to Local Government.

**Equitable Share** – A general grant paid to municipalities. It is predominantly targeted to assist with free basic services.

**GDFI** - Gross Domestic Fixed Investment

**GFS** – Government Finance Statistics. An internationally recognised classification system that facilitates comparisons between municipalities.

**IDP** – Integrated Development Plan. The main strategic planning document of a Municipality.

**KPI** – Key Performance Indicators. Measures of service output and/or outcome.

**LM** – Breede Valley Municipality.

**MFMA** - Municipal Finance Management Act (No 53 of 2003). The principle piece of legislation relating to municipal financial management.

**MTREF** – Medium Term Revenue and Expenditure Framework as prescribed by the MFMA sets out indicative revenue and projected expenditure for the budget year plus two outer financial years to determine the affordability level.

**Operating Expenditure** – Spending on the day to day expenses of a municipality such as general expenses, salaries & wages and repairs & maintenance.

**Rates** – Local Government tax based on assessed valuation of a property.

**TMA** – Total Municipal Account

**SDBIP** – Service Delivery Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

**Strategic Objectives** – The main priorities of a municipality as set out in the IDP Budgeted spending must contribute towards achievement of these strategic objectives.

**Vote** – One of the main segments into which a budget is divided, usually at department level.

### **Abbreviations and Acronyms**

|        |  |
|--------|--|
| AMR    | Automated Meter Reading                          |
| ASGISA | Accelerated and Shared Growth Initiative         |
| BPC    | Budget Planning Committee                        |
| CBD    | Central Business District                        |
| CFO    | Chief Financial Officer                          |
| CPI    | Consumer Price Index                             |
| CRRF   | Capital Replacement Reserve Fund                 |
| DBSA   | Development Bank of South Africa                 |
| DoRA   | Division of Revenue Act                          |
| DWA    | Department of Water Affairs                      |
| EE     | Employment Equity                                |
| EEDSM  | Energy Efficiency Demand Side Management         |
| EM     | Executive Mayor                                  |
| FBS    | Free basic services                              |
| GAMAP  | Generally Accepted Municipal Accounting Practice |
| GDP    | Gross domestic product                           |
| GDS    | Gauteng Growth and Development Strategy          |
| GFS    | Government Financial Statistics                  |
| GRAP   | General Recognised Accounting Practice           |
| HR     | Human Resources                                  |
| HSRC   | Human Science Research Council                   |
| IDP    | Integrated Development Strategy                  |
| IT     | Information Technology                           |
| kℓ     | kilolitre  |
| km     | kilometre  |
| KPA    | Key Performance Area                             |
| KPI    | Key Performance Indicator                        |

|       |   |
|-------|---|
| kWh   | kilowatt-hour                                 |
| ℓ     | litre   |
| LED   | Local Economic Development                    |
| MEC   | Member of the Executive Committee             |
| MFMA  | Municipal Financial Management Act            |
| MIG   | Municipal Infrastructure Grant                |
| MM    | Municipal Manager                             |
| MMC   | Member of Mayoral Committee                   |
| MPRA  | Municipal Properties Rates Act                |
| MSA   | Municipal Systems Act                         |
| MTEF  | Medium-term Expenditure Framework             |
| MTREF | Medium-term Revenue and Expenditure Framework |
| NERSA | National Electricity Regulator South Africa   |
| NGO   | Non-Governmental organisations                |
| NKPIs | National Key Performance Indicators           |
| OHS   | Occupational Health and Safety                |
| OP    | Operational Plan                              |
| PBO   | Public Benefit Organisations                  |
| PHC   | Provincial Health Care                        |
| PMS   | Performance Management System                 |
| PPE   | Property Plant and Equipment                  |
| PPP   | Public Private Partnership                    |
| PTIS  | Public Transport Infrastructure System        |
| RG    | Restructuring Grant                           |
| RSC   | Regional Services Council                     |
| SALGA | South African Local Government Association    |
| SAPS  | South African Police Service                  |
| SDBIP | Service Delivery Budget Implementation Plan   |
| SMME  | Small Micro and Medium Enterprises            |

## **2. Mayors Report**



The allocations made to the Breede Valley Municipality were amended from the allocations as published and approved with the compilation of the 2020/21 Original Budget. Provincial Government had the following amendments to the allocations of Breede Valley Municipality:

- Financial Management Capacity Building Grant: -R101 000.00
- Disaster Management Grant: R236 000.00

All conditional grants / funds allocated and transferred to the Breede Valley Municipality has specific conditions in terms of the timeframes and the type of spending to be incurred by the municipality during the 2019/20 financial year.

We as a municipality will continuously strive to successfully implement all projects, especially the projects funded from external sources such as grants. These projects add great value given the challenging economic environment faced by municipalities to ultimately deliver better services within the Breede Valley Municipality.

### 3. Resolutions

That council approves the following:

- To approve the adjustments budget as tabled in terms of section 28 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003).
- The recommendations with regard to resolutions are contained at the end of this report and have been prepared and presented according to the budget regulations.

### 4. Executive Summary

The 2020/21 budget of Breede Valley Municipality is adjusted to accommodate the amendments from Provincial Government.

The additional / amended allocations relate to the following grants:

| <b>NAME OF GRANT</b>   | <b>Original Budget</b> | <b>Adjustment (26 Jan 2021)</b> | <b>Revised Budget</b> |
|--|------------------------|---------------------------------|-----------------------|
| <b>Financial Management Capacity Building Grant:</b>   | R401 000.00            | -R101 000.00                    | <b>R300 000.00</b>    |
| <b>Disaster Management Grant:</b><br>To provide financial assistance to municipalities to ensure effective and | R0.00                  | R236 000.00                     | <b>R236 000.00</b>    |

|   |  |  |  |
|---|--|--|--|
| efficient disaster management mechanisms. |  |  |  |
|---|--|--|--|

The 2020/21 Adjustments Budget was compiled in accordance with section 28 of the Municipal Finance Management Act and regulation 23 of the Municipal Budget and Reporting Regulations.

In compiling the 2020/21 Adjustments Budget, the importance of credibility, sustainability, responsiveness and affordability remains integral in striving to achieve the desired outcome of effective and efficient service delivery.

# 1. Adjustments Budget Tables – refer to Annexure A

## B1 Consolidated Adjustments Budget Summary

| WC025 Breede Valley - Table B1 Adjustments Budget Summary - 26/01/2021 |                     |                  |              |                    |                  |                    |                |                |                  |                        |                        |
|--|---------------------|------------------|--------------|--------------------|------------------|--------------------|----------------|----------------|------------------|------------------------|------------------------|
| Description  | Budget Year 2020/21 |                  |              |                    |                  |                    |                |                |                  | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
|  | Original Budget     | Prior Adjusted   | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget  | Adjusted Budget        | Adjusted Budget        |
|  | A                   | A1               | B            | C                  | D                | E                  | F              | G              | H                |                        |                        |
| <b>R thousands</b>   |                     |                  |              |                    |                  |                    |                |                |                  |                        |                        |
| <b>Financial Performance</b>   |                     |                  |              |                    |                  |                    |                |                |                  |                        |                        |
| Property rates   | 146 998             | 146 998          | -            | -                  | -                | -                  | -              | -              | 146 998          | 155 818                | 166 726                |
| Service charges  | 646 947             | 646 947          | -            | -                  | -                | -                  | -              | -              | 646 947          | 682 146                | 738 941                |
| Investment revenue   | 3 112               | 3 112            | -            | -                  | -                | -                  | -              | -              | 3 112            | 3 112                  | 3 112                  |
| Transfers recognised - operational                                     | 208 112             | 163 590          | -            | -                  | -                | 135                | -              | 135            | 163 725          | 229 803                | 211 349                |
| Other own revenue  | 150 326             | 150 326          | -            | -                  | -                | -                  | -              | -              | 150 326          | 155 052                | 160 896                |
| <b>Total Revenue (excluding capital transfers and contributions)</b>   | <b>1 155 495</b>    | <b>1 110 973</b> | -            | -                  | -                | <b>135</b>         | -              | <b>135</b>     | <b>1 111 108</b> | <b>1 225 930</b>       | <b>1 281 023</b>       |
| Employee costs   | 317 416             | 310 705          | -            | -                  | -                | -                  | (3 600)        | (3 600)        | 307 105          | 336 474                | 356 965                |
| Remuneration of councillors  | 18 780              | 18 780           | -            | -                  | -                | -                  | -              | -              | 18 780           | 19 909                 | 21 304                 |
| Depreciation & asset impairment  | 95 246              | 95 246           | -            | -                  | -                | -                  | -              | -              | 95 246           | 99 634                 | 104 225                |
| Finance charges  | 23 653              | 23 653           | -            | -                  | -                | -                  | -              | -              | 23 653           | 23 653                 | 23 653                 |
| Materials and bulk purchases   | 346 130             | 346 111          | -            | -                  | -                | -                  | 668            | 668            | 346 779          | 363 676                | 394 575                |
| Transfers and grants   | 65 605              | 65 605           | -            | -                  | -                | -                  | (5)            | (5)            | 4 380            | 82 752                 | 52 456                 |
| Other expenditure  | 208 045             | 215 767          | -            | -                  | -                | 135                | 2 932          | 3 067          | 218 834          | 205 914                | 210 794                |
| <b>Total Expenditure</b>   | <b>1 074 875</b>    | <b>1 014 647</b> | -            | -                  | -                | <b>135</b>         | <b>(5)</b>     | <b>130</b>     | <b>1 014 777</b> | <b>1 132 012</b>       | <b>1 163 971</b>       |
| <b>Surplus/(Deficit)</b>   | <b>80 619</b>       | <b>96 326</b>    | -            | -                  | -                | -                  | <b>5</b>       | <b>5</b>       | <b>96 331</b>    | <b>93 918</b>          | <b>117 052</b>         |
| Transfers recognised - capital   | 82 337              | 53 240           | -            | -                  | -                | -                  | -              | -              | 53 240           | 73 981                 | 76 986                 |
| Contributions recognised - capital & contributed assets                | 1 147               | 1 147            | -            | -                  | -                | -                  | -              | -              | 1 147            | -                      | -                      |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b>   | <b>164 104</b>      | <b>150 713</b>   | -            | -                  | -                | -                  | <b>5</b>       | <b>5</b>       | <b>150 718</b>   | <b>167 899</b>         | <b>194 038</b>         |
| Share of surplus/ (deficit) of associate                               | -                   | -                | -            | -                  | -                | -                  | -              | -              | -                | -                      | -                      |
| <b>Surplus/ (Deficit) for the year</b>                                 | <b>164 104</b>      | <b>150 713</b>   | -            | -                  | -                | -                  | <b>5</b>       | <b>5</b>       | <b>150 718</b>   | <b>167 899</b>         | <b>194 038</b>         |
| <b>Capital expenditure &amp; funds sources</b>                         |                     |                  |              |                    |                  |                    |                |                |                  |                        |                        |
| <b>Capital expenditure</b>   | <b>99 914</b>       | <b>94 444</b>    | -            | -                  | -                | -                  | <b>5</b>       | <b>5</b>       | <b>94 449</b>    | <b>84 145</b>          | <b>94 650</b>          |
| Transfers recognised - capital   | 83 484              | 54 387           | -            | -                  | -                | -                  | -              | -              | 54 387           | 73 981                 | 76 986                 |
| Public contributions & donations                                       | -                   | -                | -            | -                  | -                | -                  | -              | -              | -                | -                      | -                      |
| Borrowing  | -                   | -                | -            | -                  | -                | -                  | -              | -              | -                | -                      | -                      |
| Internally generated funds   | 16 429              | 40 057           | -            | -                  | -                | -                  | 5              | 5              | 40 062           | 10 164                 | 17 664                 |
| <b>Total sources of capital funds</b>                                  | <b>99 914</b>       | <b>94 444</b>    | -            | -                  | -                | -                  | <b>5</b>       | <b>5</b>       | <b>94 449</b>    | <b>84 145</b>          | <b>94 650</b>          |
| <b>Financial position</b>  |                     |                  |              |                    |                  |                    |                |                |                  |                        |                        |
| Total current assets   | 238 547             | 292 315          | -            | -                  | -                | -                  | -              | -              | 292 315          | 268 703                | 346 974                |
| Total non current assets   | 2 498 469           | 2 474 524        | -            | -                  | -                | -                  | 5              | 5              | 2 474 529        | 2 534 974              | 2 531 996              |
| Total current liabilities  | 131 650             | 131 650          | -            | -                  | -                | -                  | -              | -              | 131 650          | 139 961                | 148 842                |
| Total non current liabilities  | 424 474             | 424 474          | -            | -                  | -                | -                  | -              | -              | 424 474          | 416 873                | 407 880                |
| <b>Community wealth/Equity</b>   | <b>2 234 758</b>    | <b>2 264 580</b> | -            | -                  | -                | -                  | <b>5</b>       | <b>5</b>       | <b>2 264 585</b> | <b>2 300 708</b>       | <b>2 376 113</b>       |
| <b>Cash flows</b>  |                     |                  |              |                    |                  |                    |                |                |                  |                        |                        |
| Net cash from (used) operating   | 34 810              | 21 419           | -            | -                  | -                | -                  | 5              | 5              | 21 424           | 98 089                 | 156 740                |
| Net cash from (used) investing   | (99 864)            | (94 394)         | -            | -                  | -                | -                  | (5)            | (5)            | (94 399)         | (84 095)               | (94 600)               |
| Net cash from (used) financing   | (11 652)            | (11 652)         | -            | -                  | -                | -                  | -              | -              | (11 652)         | (12 941)               | (14 436)               |
| <b>Cash/cash equivalents at the year end</b>                           | <b>23 325</b>       | <b>77 093</b>    | -            | -                  | -                | -                  | -              | -              | <b>77 093</b>    | <b>24 379</b>          | <b>72 083</b>          |
| <b>Cash backing/surplus reconciliation</b>                             |                     |                  |              |                    |                  |                    |                |                |                  |                        |                        |
| Cash and investments available   | 23 325              | 77 093           | -            | -                  | -                | -                  | -              | -              | 77 093           | 24 379                 | 72 083                 |
| Application of cash and investments                                    | 16 941              | 16 941           | -            | -                  | -                | -                  | -              | -              | 16 941           | (13 986)               | (42 493)               |
| <b>Balance - surplus (shortfall)</b>                                   | <b>6 385</b>        | <b>60 152</b>    | -            | -                  | -                | -                  | -              | -              | <b>60 152</b>    | <b>38 365</b>          | <b>114 576</b>         |
| <b>Asset Management</b>  |                     |                  |              |                    |                  |                    |                |                |                  |                        |                        |
| Asset register summary (WDV)   | 2 460 011           | 2 436 066        | -            | -                  | -                | -                  | 5              | 5              | 2 436 071        | 2 496 608              | 2 493 717              |
| Depreciation & asset impairment  | 95 246              | 95 246           | -            | -                  | -                | -                  | -              | -              | 95 246           | 99 634                 | 104 225                |
| Renewal of Existing Assets   | 3 000               | 14 508           | -            | -                  | -                | -                  | 11 662         | 11 662         | 26 170           | 8 073                  | 52 386                 |
| Repairs and Maintenance  | 32 524              | 34 960           | -            | -                  | -                | 236                | 619            | 855            | 35 815           | 33 990                 | 36 272                 |
| <b>Free services</b>   |                     |                  |              |                    |                  |                    |                |                |                  |                        |                        |
| Cost of Free Basic Services provided                                   | 40 688              | 40 688           | -            | -                  | -                | -                  | -              | -              | 40 688           | 43 129                 | 45 816                 |
| Revenue cost of free services provided                                 | 28 759              | 28 759           | -            | -                  | -                | -                  | -              | -              | 28 759           | 30 484                 | 32 532                 |
| <b>Households below minimum service level</b>                          |                     |                  |              |                    |                  |                    |                |                |                  |                        |                        |
| Water:   | -                   | -                | -            | -                  | -                | -                  | -              | -              | -                | -                      | -                      |
| Sanitation/sewerage:   | -                   | -                | -            | -                  | -                | -                  | -              | -              | -                | -                      | -                      |
| Energy:  | -                   | -                | -            | -                  | -                | -                  | -              | -              | -                | -                      | -                      |
| Refuse:  | -                   | -                | -            | -                  | -                | -                  | -              | -              | -                | -                      | -                      |

The table above is a budget summary and provides a concise overview of Breede Valley Municipality's budget from all the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).

The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.

## B2 Consolidated Adjustments Budget Financial Performance by Standard Classification

| WC025 Breede Valley - Table B2 Adjustments Budget Financial Performance (functional classification) - 26/01/2021 |      |                     |                |              |                    |                  |                    |                |                |                 |                            |                            |
|--|------|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|----------------------------|----------------------------|
| Standard Description   | Ref  | Budget Year 2020/21 |                |              |                    |                  |                    |                |                |                 | Budget Year                | Budget Year                |
|  |      | Original Budget     | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | +1 2021/22 Adjusted Budget | +2 2022/23 Adjusted Budget |
| R thousands  | 1, 4 | A                   | 5 A1           | 6 B          | 7 C                | 8 D              | 9 E                | 10 F           | 11 G           | 12 H            |                            |                            |
| <b>Revenue - Functional</b>  |      |                     |                |              |                    |                  |                    |                |                |                 |                            |                            |
| <i>Governance and administration</i>   |      | 212 426             | 213 426        | -            | -                  | -                | (101)              | -              | (101)          | 213 325         | 213 579                    | 228 387                    |
| Executive and council  |      | 108                 | 108            | -            | -                  | -                | -                  | -              | -              | 108             | 114                        | 123                        |
| Finance and administration   |      | 212 318             | 213 318        | -            | -                  | -                | (101)              | -              | (101)          | 213 217         | 213 465                    | 228 264                    |
| Internal audit   |      | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                          | -                          |
| <i>Community and public safety</i>   |      | 213 570             | 150 309        | -            | -                  | -                | 236                | -              | 236            | 150 545         | 234 683                    | 210 971                    |
| Community and social services  |      | 11 323              | 9 312          | -            | -                  | -                | -                  | -              | -              | 9 312           | 12 103                     | 12 628                     |
| Sport and recreation   |      | 1 811               | 1 811          | -            | -                  | -                | -                  | -              | -              | 1 811           | 1 920                      | 2 055                      |
| Public safety  |      | 118 761             | 118 761        | -            | -                  | -                | 236                | -              | 236            | 118 997         | 120 283                    | 124 609                    |
| Housing  |      | 81 675              | 20 425         | -            | -                  | -                | -                  | -              | -              | 20 425          | 100 378                    | 71 679                     |
| Health   |      | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                          | -                          |
| <i>Economic and environmental services</i>   |      | 24 568              | 18 568         | -            | -                  | -                | -                  | -              | -              | 18 568          | 14 176                     | 15 157                     |
| Planning and development   |      | 3 209               | 3 209          | -            | -                  | -                | -                  | -              | -              | 3 209           | 1 253                      | 1 341                      |
| Road transport   |      | 19 109              | 13 109         | -            | -                  | -                | -                  | -              | -              | 13 109          | 12 923                     | 13 816                     |
| Environmental protection   |      | 2 250               | 2 250          | -            | -                  | -                | -                  | -              | -              | 2 250           | -                          | -                          |
| <i>Trading services</i>  |      | 788 416             | 783 058        | -            | -                  | -                | -                  | -              | -              | 783 058         | 837 473                    | 903 495                    |
| Energy sources   |      | 483 733             | 480 132        | -            | -                  | -                | -                  | -              | -              | 480 132         | 521 545                    | 565 550                    |
| Water management   |      | 114 878             | 113 047        | -            | -                  | -                | -                  | -              | -              | 113 047         | 118 089                    | 126 180                    |
| Waste water management   |      | 129 575             | 125 563        | -            | -                  | -                | -                  | -              | -              | 125 563         | 133 584                    | 142 906                    |
| Waste management   |      | 60 230              | 64 316         | -            | -                  | -                | -                  | -              | -              | 64 316          | 64 255                     | 68 860                     |
| Other  |      | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                          | -                          |
| <b>Total Revenue - Functional</b>  | 2    | 1 238 979           | 1 165 360      | -            | -                  | -                | 135                | -              | 135            | 1 165 495       | 1 299 911                  | 1 358 009                  |
| <b>Expenditure - Functional</b>  |      |                     |                |              |                    |                  |                    |                |                |                 |                            |                            |
| <i>Governance and administration</i>   |      | 212 835             | 219 288        | -            | -                  | -                | (101)              | 2 695          | 2 594          | 221 882         | 220 689                    | 231 226                    |
| Executive and council  |      | 34 332              | 34 295         | -            | -                  | -                | -                  | (5)            | (5)            | 34 290          | 35 744                     | 38 031                     |
| Finance and administration   |      | 175 111             | 181 553        | -            | -                  | -                | (101)              | 2 700          | 2 599          | 184 152         | 181 358                    | 189 402                    |
| Internal audit   |      | 3 392               | 3 440          | -            | -                  | -                | -                  | -              | -              | 3 440           | 3 586                      | 3 792                      |
| <i>Community and public safety</i>   |      | 231 844             | 174 373        | -            | -                  | -                | 236                | (800)          | (564)          | 173 809         | 253 099                    | 229 744                    |
| Community and social services  |      | 22 611              | 23 954         | -            | -                  | -                | -                  | 80             | 80             | 24 034          | 24 023                     | 25 214                     |
| Sport and recreation   |      | 24 623              | 25 569         | -            | -                  | -                | -                  | 20             | 20             | 25 589          | 25 956                     | 27 386                     |
| Public safety  |      | 110 989             | 109 453        | -            | -                  | -                | 236                | (900)          | (664)          | 108 789         | 111 834                    | 115 595                    |
| Housing  |      | 73 516              | 15 311         | -            | -                  | -                | -                  | -              | -              | 15 311          | 91 177                     | 61 434                     |
| Health   |      | 105                 | 85             | -            | -                  | -                | -                  | -              | -              | 85              | 110                        | 115                        |
| <i>Economic and environmental services</i>   |      | 77 584              | 77 669         | -            | -                  | -                | -                  | 43             | 43             | 77 712          | 79 281                     | 83 334                     |
| Planning and development   |      | 16 594              | 18 233         | -            | -                  | -                | -                  | -              | -              | 18 233          | 17 397                     | 18 383                     |
| Road transport   |      | 58 304              | 56 751         | -            | -                  | -                | -                  | 43             | 43             | 56 794          | 60 789                     | 63 794                     |
| Environmental protection   |      | 2 685               | 2 686          | -            | -                  | -                | -                  | -              | -              | 2 686           | 1 095                      | 1 157                      |
| <i>Trading services</i>  |      | 550 593             | 542 695        | -            | -                  | -                | -                  | (1 943)        | (1 943)        | 540 752         | 576 885                    | 617 568                    |
| Energy sources   |      | 387 435             | 383 555        | -            | -                  | -                | -                  | (900)          | (900)          | 382 655         | 406 808                    | 439 755                    |
| Water management   |      | 58 613              | 59 134         | -            | -                  | -                | -                  | (900)          | (900)          | 58 234          | 61 379                     | 64 324                     |
| Waste water management   |      | 58 922              | 59 472         | -            | -                  | -                | -                  | -              | -              | 59 472          | 61 335                     | 63 906                     |
| Waste management   |      | 45 623              | 40 534         | -            | -                  | -                | -                  | (143)          | (143)          | 40 391          | 47 364                     | 49 584                     |
| Other  |      | 2 019               | 622            | -            | -                  | -                | -                  | -              | -              | 622             | 2 059                      | 2 101                      |
| <b>Total Expenditure - Functional</b>  | 3    | 1 074 875           | 1 014 647      | -            | -                  | -                | 135                | (5)            | 130            | 1 014 777       | 1 132 012                  | 1 163 971                  |
| <b>Surplus/ (Deficit) for the year</b>   |      | 164 104             | 150 713        | -            | -                  | -                | -                  | 5              | 5              | 150 718         | 167 899                    | 194 038                    |

Table B2 above is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The GFS standard classification divides the municipal services into 15 functional areas.

Total Revenue on this table includes capital revenues (Transfers recognized – capital) and so does not balance to the operating revenue shown on Table B4.

## B3 Consolidated Adjustments Budget Financial Performance by Municipal Vote

| WC025 Breede Valley - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 26/01/2021 |     |                     |                  |        |            |          |               |            |                |                  |                  |                  |
|--|-----|---------------------|------------------|--------|------------|----------|---------------|------------|----------------|------------------|------------------|------------------|
| Vote Description<br><br><i>[Insert departmental structure etc]</i>   | Ref | Budget Year 2020/21 |                  |        |            |          |               |            |                |                  | Budget Year      | Budget Year      |
|  |     | Original            | Prior            | Accum. | Multi-year | Unfore.  | Nat. or Prov. | Other      | Total Adjusts. | Adjusted         | +1 2021/22       | +2 2022/23       |
|  |     | Budget              | Adjusted         | Funds  | capital    | Unavoid. | Govt          | Adjusts.   |                | Budget           | Adjusted         | Adjusted         |
| R thousands  |     | 3                   | 4                | 5      | 6          | 7        | 8             | 9          | 10             | Budget           | Budget           |                  |
|  |     | A                   | A1               | B      | C          | D        | E             | F          | G              | H                |                  |                  |
| <b>Revenue by Vote</b>   | 1   |                     |                  |        |            |          |               |            |                |                  |                  |                  |
| Vote 1 - Council General   |     | 108                 | 108              | -      | -          | -        | -             | -          | -              | 108              | 114              | 123              |
| Vote 2 - Municipal Manager   |     | 14 734              | 14 734           | -      | -          | -        | -             | -          | -              | 14 734           | 2 940            | 3 104            |
| Vote 3 - Strategic Support Services  |     | 1 110               | 1 110            | -      | -          | -        | -             | -          | -              | 1 110            | 511              | 547              |
| Vote 4 - Financial Services  |     | 195 113             | 196 113          | -      | -          | -        | (101)         | -          | (101)          | 196 012          | 206 933          | 221 324          |
| Vote 5 - Community Services  |     | 226 081             | 162 820          | -      | -          | -        | 236           | -          | 236            | 163 056          | 246 853          | 223 985          |
| Vote 6 - Technical Services  |     | 801 832             | 790 474          | -      | -          | -        | -             | -          | -              | 790 474          | 842 560          | 908 927          |
| Vote 7 - [NAME OF VOTE 7]  |     | -                   | -                | -      | -          | -        | -             | -          | -              | -                | -                | -                |
| Vote 8 - [NAME OF VOTE 8]  |     | -                   | -                | -      | -          | -        | -             | -          | -              | -                | -                | -                |
| Vote 9 - [NAME OF VOTE 9]  |     | -                   | -                | -      | -          | -        | -             | -          | -              | -                | -                | -                |
| Vote 10 - [NAME OF VOTE 10]  |     | -                   | -                | -      | -          | -        | -             | -          | -              | -                | -                | -                |
| Vote 11 - [NAME OF VOTE 11]  |     | -                   | -                | -      | -          | -        | -             | -          | -              | -                | -                | -                |
| Vote 12 - [NAME OF VOTE 12]  |     | -                   | -                | -      | -          | -        | -             | -          | -              | -                | -                | -                |
| Vote 13 - [NAME OF VOTE 13]  |     | -                   | -                | -      | -          | -        | -             | -          | -              | -                | -                | -                |
| Vote 14 - [NAME OF VOTE 14]  |     | -                   | -                | -      | -          | -        | -             | -          | -              | -                | -                | -                |
| Vote 15 - [NAME OF VOTE 15]  |     | -                   | -                | -      | -          | -        | -             | -          | -              | -                | -                | -                |
| <b>Total Revenue by Vote</b>   | 2   | <b>1 238 979</b>    | <b>1 165 360</b> | -      | -          | -        | <b>135</b>    | -          | <b>135</b>     | <b>1 165 495</b> | <b>1 299 911</b> | <b>1 358 009</b> |
| <b>Expenditure by Vote</b>   | 1   |                     |                  |        |            |          |               |            |                |                  |                  |                  |
| Vote 1 - Council General   |     | 30 588              | 30 506           | -      | -          | -        | -             | (5)        | (5)            | 30 501           | 32 310           | 34 396           |
| Vote 2 - Municipal Manager   |     | 9 732               | 10 994           | -      | -          | -        | -             | -          | -              | 10 994           | 9 764            | 10 330           |
| Vote 3 - Strategic Support Services  |     | 55 026              | 59 268           | -      | -          | -        | -             | 1 370      | 1 370          | 60 638           | 56 737           | 59 206           |
| Vote 4 - Financial Services  |     | 88 279              | 91 426           | -      | -          | -        | (101)         | (900)      | (1 001)        | 90 425           | 91 756           | 95 848           |
| Vote 5 - Community Services  |     | 244 134             | 184 676          | -      | -          | -        | 236           | (900)      | (664)          | 184 012          | 265 538          | 242 840          |
| Vote 6 - Technical Services  |     | 647 117             | 637 776          | -      | -          | -        | -             | 430        | 430            | 638 206          | 675 907          | 721 352          |
| Vote 7 - [NAME OF VOTE 7]  |     | -                   | -                | -      | -          | -        | -             | -          | -              | -                | -                | -                |
| Vote 8 - [NAME OF VOTE 8]  |     | -                   | -                | -      | -          | -        | -             | -          | -              | -                | -                | -                |
| Vote 9 - [NAME OF VOTE 9]  |     | -                   | -                | -      | -          | -        | -             | -          | -              | -                | -                | -                |
| Vote 10 - [NAME OF VOTE 10]  |     | -                   | -                | -      | -          | -        | -             | -          | -              | -                | -                | -                |
| Vote 11 - [NAME OF VOTE 11]  |     | -                   | -                | -      | -          | -        | -             | -          | -              | -                | -                | -                |
| Vote 12 - [NAME OF VOTE 12]  |     | -                   | -                | -      | -          | -        | -             | -          | -              | -                | -                | -                |
| Vote 13 - [NAME OF VOTE 13]  |     | -                   | -                | -      | -          | -        | -             | -          | -              | -                | -                | -                |
| Vote 14 - [NAME OF VOTE 14]  |     | -                   | -                | -      | -          | -        | -             | -          | -              | -                | -                | -                |
| Vote 15 - [NAME OF VOTE 15]  |     | -                   | -                | -      | -          | -        | -             | -          | -              | -                | -                | -                |
| <b>Total Expenditure by Vote</b>   | 2   | <b>1 074 875</b>    | <b>1 014 647</b> | -      | -          | -        | <b>135</b>    | <b>(5)</b> | <b>130</b>     | <b>1 014 777</b> | <b>1 132 012</b> | <b>1 163 971</b> |
| <b>Surplus/ (Deficit) for the year</b>   | 2   | <b>164 104</b>      | <b>150 713</b>   | -      | -          | -        | -             | <b>5</b>   | <b>5</b>       | <b>150 718</b>   | <b>167 899</b>   | <b>194 038</b>   |

Table B3 above is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure Breede Valley Municipality. This means it is possible to present the operating surplus or deficit of a vote.

## B4 Consolidated Adjustments Budget Financial Performance (Revenue and Expenditure)

| WC025 Breede Valley - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 26/01/2021   |     |                     |                  |              |                    |                  |                    |                |                |                  |                            |                            |
|--|-----|---------------------|------------------|--------------|--------------------|------------------|--------------------|----------------|----------------|------------------|----------------------------|----------------------------|
| Description  | Ref | Budget Year 2020/21 |                  |              |                    |                  |                    |                |                |                  | Budget Year                | Budget Year                |
|  |     | Original Budget     | Prior Adjusted   | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget  | +1 2021/22 Adjusted Budget | +2 2022/23 Adjusted Budget |
|  |     | A                   | A1               | B            | C                  | D                | E                  | F              | G              | H                |                            |                            |
| <b>R thousands</b>   | 1   |                     |                  |              |                    |                  |                    |                |                |                  |                            |                            |
| <b>Revenue By Source</b>   |     |                     |                  |              |                    |                  |                    |                |                |                  |                            |                            |
| Property rates   | 2   | 146 998             | 146 998          | -            | -                  | -                | -                  | -              | -              | 146 998          | 155 818                    | 166 726                    |
| Service charges - electricity revenue  | 2   | 452 478             | 452 478          | -            | -                  | -                | -                  | -              | -              | 452 478          | 476 007                    | 518 373                    |
| Service charges - water revenue  | 2   | 75 888              | 75 888           | -            | -                  | -                | -                  | -              | -              | 75 888           | 80 441                     | 86 072                     |
| Service charges - sanitation revenue   | 2   | 76 490              | 76 490           | -            | -                  | -                | -                  | -              | -              | 76 490           | 81 080                     | 86 756                     |
| Service charges - refuse revenue   | 2   | 42 092              | 42 092           | -            | -                  | -                | -                  | -              | -              | 42 092           | 44 618                     | 47 741                     |
| Service charges - other  |     | -                   | -                | -            | -                  | -                | -                  | -              | -              | -                | -                          | -                          |
| Rental of facilities and equipment   |     | 2 223               | 2 223            | -            | -                  | -                | -                  | -              | -              | 2 223            | 2 356                      | 2 522                      |
| Interest earned - external investments   |     | 3 112               | 3 112            | -            | -                  | -                | -                  | -              | -              | 3 112            | 3 112                      | 3 112                      |
| Interest earned - outstanding debtors  |     | 6 467               | 6 467            | -            | -                  | -                | -                  | -              | -              | 6 467            | 6 855                      | 7 336                      |
| Dividends received   |     | -                   | -                | -            | -                  | -                | -                  | -              | -              | -                | -                          | -                          |
| Fines, penalties and forfeits  |     | 118 474             | 118 474          | -            | -                  | -                | -                  | -              | -              | 118 474          | 121 285                    | 124 761                    |
| Licences and permits   |     | 3 797               | 3 797            | -            | -                  | -                | -                  | -              | -              | 3 797            | 4 025                      | 4 307                      |
| Agency services  |     | 8 641               | 8 641            | -            | -                  | -                | -                  | -              | -              | 8 641            | 9 160                      | 9 801                      |
| Transfers and subsidies  |     | 208 112             | 163 590          | -            | -                  | -                | 135                | -              | 135            | 163 725          | 229 803                    | 211 349                    |
| Other revenue  | 2   | 9 406               | 9 406            | -            | -                  | -                | -                  | -              | -              | 9 406            | 9 973                      | 10 673                     |
| Gains on disposal of PPE   |     | 1 320               | 1 320            | -            | -                  | -                | -                  | -              | -              | 1 320            | 1 399                      | 1 497                      |
| <b>Total Revenue (excluding capital transfers and contributions)</b>   |     | <b>1 155 495</b>    | <b>1 110 973</b> | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>135</b>         | <b>-</b>       | <b>135</b>     | <b>1 111 108</b> | <b>1 225 930</b>           | <b>1 281 023</b>           |
| <b>Expenditure By Type</b>   |     |                     |                  |              |                    |                  |                    |                |                |                  |                            |                            |
| Employee related costs   |     | 317 416             | 310 705          | -            | -                  | -                | -                  | (3 600)        | (3 600)        | 307 105          | 336 474                    | 356 965                    |
| Remuneration of councillors  |     | 18 780              | 18 780           | -            | -                  | -                | -                  | -              | -              | 18 780           | 19 909                     | 21 304                     |
| Debt impairment  |     | 85 167              | 85 167           | -            | -                  | -                | -                  | -              | -              | 85 167           | 86 216                     | 87 314                     |
| Depreciation & asset impairment  |     | 95 246              | 95 246           | -            | -                  | -                | -                  | -              | -              | 95 246           | 99 634                     | 104 225                    |
| Finance charges  |     | 23 653              | 23 653           | -            | -                  | -                | -                  | -              | -              | 23 653           | 23 653                     | 23 653                     |
| Bulk purchases   |     | 326 798             | 326 798          | -            | -                  | -                | -                  | -              | -              | 326 798          | 343 748                    | 374 021                    |
| Other materials  |     | 19 332              | 19 314           | -            | -                  | -                | -                  | 668            | 668            | 19 981           | 19 928                     | 20 554                     |
| Contracted services  |     | 64 602              | 67 598           | -            | -                  | -                | 236                | 1 129          | 1 365          | 68 963           | 61 294                     | 63 871                     |
| Transfers and subsidies  |     | 65 605              | 4 385            | -            | -                  | -                | -                  | (5)            | (5)            | 4 380            | 82 752                     | 52 456                     |
| Other expenditure  |     | 54 773              | 59 511           | -            | -                  | -                | (101)              | 1 804          | 1 703          | 61 214           | 54 901                     | 56 105                     |
| Loss on disposal of PPE  |     | 3 504               | 3 491            | -            | -                  | -                | -                  | -              | -              | 3 491            | 3 504                      | 3 504                      |
| <b>Total Expenditure</b>   |     | <b>1 074 875</b>    | <b>1 014 647</b> | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>135</b>         | <b>(5)</b>     | <b>130</b>     | <b>1 014 777</b> | <b>1 132 012</b>           | <b>1 163 971</b>           |
| <b>Surplus/(Deficit)</b>   |     | <b>80 619</b>       | <b>96 326</b>    | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>           | <b>5</b>       | <b>5</b>       | <b>96 331</b>    | <b>93 918</b>              | <b>117 052</b>             |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)  |     | 82 337              | 53 240           | -            | -                  | -                | -                  | -              | -              | 53 240           | 73 981                     | 76 986                     |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) |     | 1 147               | 1 147            | -            | -                  | -                | -                  | -              | -              | 1 147            | -                          | -                          |
| Transfers and subsidies - capital (in-kind - all)  |     | -                   | -                | -            | -                  | -                | -                  | -              | -              | -                | -                          | -                          |
| <b>Surplus/(Deficit) before taxation</b>   |     | <b>164 104</b>      | <b>150 713</b>   | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>           | <b>5</b>       | <b>5</b>       | <b>150 718</b>   | <b>167 899</b>             | <b>194 038</b>             |
| Taxation   |     | -                   | -                | -            | -                  | -                | -                  | -              | -              | -                | -                          | -                          |
| <b>Surplus/(Deficit) after taxation</b>  |     | <b>164 104</b>      | <b>150 713</b>   | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>           | <b>5</b>       | <b>5</b>       | <b>150 718</b>   | <b>167 899</b>             | <b>194 038</b>             |
| Attributable to minorities   |     | -                   | -                | -            | -                  | -                | -                  | -              | -              | -                | -                          | -                          |
| <b>Surplus/(Deficit) attributable to municipality</b>  |     | <b>164 104</b>      | <b>150 713</b>   | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>           | <b>5</b>       | <b>5</b>       | <b>150 718</b>   | <b>167 899</b>             | <b>194 038</b>             |
| Share of surplus/ (deficit) of associate   |     | -                   | -                | -            | -                  | -                | -                  | -              | -              | -                | -                          | -                          |
| <b>Surplus/ (Deficit) for the year</b>   |     | <b>164 104</b>      | <b>150 713</b>   | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>           | <b>5</b>       | <b>5</b>       | <b>150 718</b>   | <b>167 899</b>             | <b>194 038</b>             |

Table B4 above is a view of the budgeted financial performance in relation to the revenue by source and expenditure by type.

## B5 Consolidated Adjustments Budget Capital Expenditure Vote and Funding

| WC025 Breede Valley - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 26/01/2021 |     |                     |                |              |                    |                  |                    |              |              |                 |                 |                 |                 |
|--|-----|---------------------|----------------|--------------|--------------------|------------------|--------------------|--------------|--------------|-----------------|-----------------|-----------------|-----------------|
| Description  | Ref | Budget Year 2020/21 |                |              |                    |                  |                    |              |              |                 |                 | Budget Year     | Budget Year     |
|  |     | Original Budget     | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjus. | Total Adjus. | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget |
|  |     | A                   | 5 A1           | 6 B          | 7 C                | 8 D              | 9 E                | 10 F         | 11 G         | 12 H            |                 |                 |                 |
| <b>R thousands</b>   |     |                     |                |              |                    |                  |                    |              |              |                 |                 |                 |                 |
| <b>Capital expenditure - Vote</b>  |     |                     |                |              |                    |                  |                    |              |              |                 |                 |                 |                 |
| <b>Multi-year expenditure to be adjusted</b>   |     |                     |                |              |                    |                  |                    |              |              |                 |                 |                 |                 |
| Vote 1 - Council General   | 2   | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Vote 2 - Municipal Manager   |     | 10                  | 35             | -            | -                  | -                | -                  | 60           | 60           | 95              | 10              | 10              |                 |
| Vote 3 - Strategic Support Services  |     | 5                   | 466            | -            | -                  | -                | -                  | 15           | 15           | 482             | 5               | 5               |                 |
| Vote 4 - Financial Services  |     | -                   | 1 233          | -            | -                  | -                | -                  | -            | -            | 1 233           | -               | -               |                 |
| Vote 5 - Community Services  |     | 5                   | 240            | -            | -                  | -                | -                  | -            | -            | 240             | 5               | 5               |                 |
| Vote 6 - Technical Services  |     | 61 701              | 56 258         | -            | -                  | -                | -                  | (885)        | (885)        | 55 373          | 30 423          | 12 000          |                 |
| Vote 7 - [NAME OF VOTE 7]  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Vote 8 - [NAME OF VOTE 8]  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Vote 9 - [NAME OF VOTE 9]  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Vote 10 - [NAME OF VOTE 10]  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Vote 11 - [NAME OF VOTE 11]  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Vote 12 - [NAME OF VOTE 12]  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Vote 13 - [NAME OF VOTE 13]  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Vote 14 - [NAME OF VOTE 14]  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Vote 15 - [NAME OF VOTE 15]  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| <b>Capital multi-year expenditure sub-total</b>  | 3   | <b>61 721</b>       | <b>58 232</b>  | -            | -                  | -                | -                  | <b>(810)</b> | <b>(810)</b> | <b>57 422</b>   | <b>30 443</b>   | <b>12 020</b>   |                 |
| <b>Single-year expenditure to be adjusted</b>  |     |                     |                |              |                    |                  |                    |              |              |                 |                 |                 |                 |
| Vote 1 - Council General   | 2   | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Vote 2 - Municipal Manager   |     | 1 900               | 1 900          | -            | -                  | -                | -                  | -            | -            | 1 900           | -               | -               |                 |
| Vote 3 - Strategic Support Services  |     | -                   | 928            | -            | -                  | -                | -                  | -            | -            | 928             | -               | -               |                 |
| Vote 4 - Financial Services  |     | 1 005               | 1 805          | -            | -                  | -                | -                  | -            | -            | 1 805           | 805             | 805             |                 |
| Vote 5 - Community Services  |     | 700                 | 700            | -            | -                  | -                | -                  | -            | -            | 700             | -               | -               |                 |
| Vote 6 - Technical Services  |     | 34 588              | 30 879         | -            | -                  | -                | -                  | 815          | 815          | 31 694          | 52 897          | 81 825          |                 |
| Vote 7 - [NAME OF VOTE 7]  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Vote 8 - [NAME OF VOTE 8]  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Vote 9 - [NAME OF VOTE 9]  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Vote 10 - [NAME OF VOTE 10]  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Vote 11 - [NAME OF VOTE 11]  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Vote 12 - [NAME OF VOTE 12]  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Vote 13 - [NAME OF VOTE 13]  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Vote 14 - [NAME OF VOTE 14]  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Vote 15 - [NAME OF VOTE 15]  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| <b>Capital single-year expenditure sub-total</b>   |     | <b>38 193</b>       | <b>36 212</b>  | -            | -                  | -                | -                  | <b>815</b>   | <b>815</b>   | <b>37 027</b>   | <b>53 702</b>   | <b>82 630</b>   |                 |
| <b>Total Capital Expenditure - Vote</b>  |     | <b>99 914</b>       | <b>94 444</b>  | -            | -                  | -                | -                  | <b>5</b>     | <b>5</b>     | <b>94 449</b>   | <b>84 145</b>   | <b>94 650</b>   |                 |
| <b>Capital Expenditure - Functional</b>  |     |                     |                |              |                    |                  |                    |              |              |                 |                 |                 |                 |
| <b>Governance and administration</b>   |     |                     |                |              |                    |                  |                    |              |              |                 |                 |                 |                 |
| Executive and council  |     | 5                   | 60             | -            | -                  | -                | -                  | -            | -            | 60              | 5               | 5               |                 |
| Finance and administration   |     | 1 620               | 5 017          | -            | -                  | -                | -                  | 20           | 20           | 5 038           | 820             | 820             |                 |
| Internal audit   |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| <b>Community and public safety</b>   |     | <b>100</b>          | <b>415</b>     | -            | -                  | -                | -                  | -            | -            | <b>415</b>      | -               | -               |                 |
| Community and social services  |     | 100                 | 385            | -            | -                  | -                | -                  | -            | -            | 385             | -               | -               |                 |
| Sport and recreation   |     | -                   | 31             | -            | -                  | -                | -                  | -            | -            | 31              | -               | -               |                 |
| Public safety  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Housing  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Health   |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| <b>Economic and environmental services</b>   |     | <b>19 546</b>       | <b>20 540</b>  | -            | -                  | -                | -                  | -            | -            | <b>20 540</b>   | <b>2 173</b>    | <b>38 986</b>   |                 |
| Planning and development   |     | 1 900               | 1 900          | -            | -                  | -                | -                  | -            | -            | 1 900           | -               | -               |                 |
| Road transport   |     | 17 646              | 18 640         | -            | -                  | -                | -                  | -            | -            | 18 640          | 2 173           | 38 986          |                 |
| Environmental protection   |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| <b>Trading services</b>  |     | <b>78 642</b>       | <b>68 411</b>  | -            | -                  | -                | -                  | <b>(15)</b>  | <b>(15)</b>  | <b>68 396</b>   | <b>81 147</b>   | <b>54 839</b>   |                 |
| Energy sources   |     | 28 212              | 32 399         | -            | -                  | -                | -                  | -            | -            | 32 399          | 37 009          | 38 000          |                 |
| Water management   |     | 24 984              | 19 276         | -            | -                  | -                | -                  | -            | -            | 19 276          | 22 169          | 3 719           |                 |
| Waste water management   |     | 25 446              | 16 073         | -            | -                  | -                | -                  | (830)        | (830)        | 15 243          | 21 581          | 13 120          |                 |
| Waste management   |     | -                   | 663            | -            | -                  | -                | -                  | 815          | 815          | 1 478           | 388             | -               |                 |
| <b>Other</b>   |     | <b>-</b>            | <b>-</b>       | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>           | <b>-</b>     | <b>-</b>     | <b>-</b>        | <b>-</b>        | <b>-</b>        |                 |
| <b>Total Capital Expenditure - Functional</b>  | 3   | <b>99 914</b>       | <b>94 444</b>  | -            | -                  | -                | -                  | <b>5</b>     | <b>5</b>     | <b>94 449</b>   | <b>84 145</b>   | <b>94 650</b>   |                 |
| <b>Funded by:</b>  |     |                     |                |              |                    |                  |                    |              |              |                 |                 |                 |                 |
| National Government  |     | 56 337              | 51 240         | -            | -                  | -                | -                  | -            | -            | 51 240          | 73 981          | 76 986          |                 |
| Provincial Government  |     | 26 000              | 2 000          | -            | -                  | -                | -                  | -            | -            | 2 000           | -               | -               |                 |
| District Municipality  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Other transfers and grants   |     | 1 147               | 1 147          | -            | -                  | -                | -                  | -            | -            | 1 147           | -               | -               |                 |
| <b>Transfers recognised - capital</b>  | 4   | <b>83 484</b>       | <b>54 387</b>  | -            | -                  | -                | -                  | -            | -            | <b>54 387</b>   | <b>73 981</b>   | <b>76 986</b>   |                 |
| Public contributions & donations   |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| Borrowing  |     | -                   | -              | -            | -                  | -                | -                  | -            | -            | -               | -               | -               |                 |
| <b>Internally generated funds</b>  |     | <b>16 429</b>       | <b>40 057</b>  | -            | -                  | -                | -                  | <b>5</b>     | <b>5</b>     | <b>40 062</b>   | <b>10 164</b>   | <b>17 664</b>   |                 |
| <b>Total Capital Funding</b>   |     | <b>99 914</b>       | <b>94 444</b>  | -            | -                  | -                | -                  | <b>5</b>     | <b>5</b>     | <b>94 449</b>   | <b>84 145</b>   | <b>94 650</b>   |                 |

Table B5 is a breakdown of the capital programmed in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments

## B6 Consolidated Adjustments Budget Financial Position

| WC025 Breede Valley - Table B6 Adjustments Budget Financial Position - 26/01/2021 |     |                     |                  |              |                    |                  |                    |                |                |                  |                  |                  |
|---|-----|---------------------|------------------|--------------|--------------------|------------------|--------------------|----------------|----------------|------------------|------------------|------------------|
| Description   | Ref | Budget Year 2020/21 |                  |              |                    |                  |                    |                |                |                  | Budget Year +1   | Budget Year +2   |
|   |     | Original Budget     | Prior Adjusted   | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget  | Adjusted Budget  | Adjusted Budget  |
|   |     | A                   | A1               | B            | C                  | D                | E                  | F              | G              | H                |                  |                  |
| <b>R thousands</b>  |     |                     |                  |              |                    |                  |                    |                |                |                  |                  |                  |
| <b>ASSETS</b>   |     |                     |                  |              |                    |                  |                    |                |                |                  |                  |                  |
| <b>Current assets</b>   |     |                     |                  |              |                    |                  |                    |                |                |                  |                  |                  |
| Cash  |     | 13 325              | 67 093           |              |                    |                  |                    |                |                | 67 093           | 9 379            | 47 083           |
| Call investment deposits  | 1   | 10 000              | 10 000           |              |                    |                  |                    |                |                | 10 000           | 15 000           | 25 000           |
| Consumer debtors  | 1   | 175 866             | 175 866          |              |                    |                  |                    |                |                | 175 866          | 203 169          | 231 836          |
| Other debtors   |     | 26 734              | 26 734           |              |                    |                  |                    |                |                | 26 734           | 28 071           | 29 475           |
| Current portion of long-term receivables  |     | 1 675               | 1 675            |              |                    |                  |                    |                |                | 1 675            | 1 591            | 1 511            |
| Inventory   |     | 10 946              | 10 946           |              |                    |                  |                    |                |                | 10 946           | 11 494           | 12 068           |
| <b>Total current assets</b>   |     | <b>238 547</b>      | <b>292 315</b>   |              |                    |                  |                    |                |                | <b>292 315</b>   | <b>268 703</b>   | <b>346 974</b>   |
| <b>Non current assets</b>   |     |                     |                  |              |                    |                  |                    |                |                |                  |                  |                  |
| Long-term receivables   |     | 1 827               | 1 827            |              |                    |                  |                    |                |                | 1 827            | 1 736            | 1 649            |
| Investments   |     |                     |                  |              |                    |                  |                    |                |                |                  |                  |                  |
| Investment property   |     | 43 750              | 43 750           |              |                    |                  |                    |                |                | 43 750           | 43 750           | 43 750           |
| Investment in Associate   |     |                     |                  |              |                    |                  |                    |                |                |                  |                  |                  |
| Property, plant and equipment   | 1   | 2 412 290           | 2 388 345        |              |                    |                  |                    | (10)           | (10)           | 2 388 334        | 2 449 479        | 2 447 208        |
| Agricultural  |     |                     |                  |              |                    |                  |                    |                |                |                  |                  |                  |
| Biological  |     |                     |                  |              |                    |                  |                    |                |                |                  |                  |                  |
| Intangible  |     | 3 971               | 3 971            |              |                    |                  |                    | 15             | 15             | 3 986            | 3 378            | 2 758            |
| Other non-current assets  |     | 36 631              | 36 631           |              |                    |                  |                    |                |                | 36 631           | 36 631           | 36 631           |
| <b>Total non current assets</b>   |     | <b>2 498 469</b>    | <b>2 474 524</b> |              |                    |                  |                    | <b>5</b>       | <b>5</b>       | <b>2 474 529</b> | <b>2 534 974</b> | <b>2 531 996</b> |
| <b>TOTAL ASSETS</b>   |     | <b>2 737 016</b>    | <b>2 766 839</b> |              |                    |                  |                    | <b>5</b>       | <b>5</b>       | <b>2 766 844</b> | <b>2 803 677</b> | <b>2 878 970</b> |
| <b>LIABILITIES</b>  |     |                     |                  |              |                    |                  |                    |                |                |                  |                  |                  |
| <b>Current liabilities</b>  |     |                     |                  |              |                    |                  |                    |                |                |                  |                  |                  |
| Bank overdraft  |     |                     |                  |              |                    |                  |                    |                |                |                  |                  |                  |
| Borrowing   |     | 13 041              | 13 041           |              |                    |                  |                    |                |                | 13 041           | 14 536           | 16 191           |
| Consumer deposits   |     | 4 328               | 4 328            |              |                    |                  |                    |                |                | 4 328            | 4 586            | 4 863            |
| Trade and other payables  |     | 73 515              | 73 515           |              |                    |                  |                    |                |                | 73 515           | 77 626           | 81 984           |
| Provisions  |     | 40 765              | 40 765           |              |                    |                  |                    |                |                | 40 765           | 43 211           | 45 804           |
| <b>Total current liabilities</b>  |     | <b>131 650</b>      | <b>131 650</b>   |              |                    |                  |                    |                |                | <b>131 650</b>   | <b>139 961</b>   | <b>148 842</b>   |
| <b>Non current liabilities</b>  |     |                     |                  |              |                    |                  |                    |                |                |                  |                  |                  |
| Borrowing   | 1   | 179 139             | 179 139          |              |                    |                  |                    |                |                | 179 139          | 164 603          | 148 411          |
| Provisions  | 1   | 245 335             | 245 335          |              |                    |                  |                    |                |                | 245 335          | 252 270          | 259 469          |
| <b>Total non current liabilities</b>  |     | <b>424 474</b>      | <b>424 474</b>   |              |                    |                  |                    |                |                | <b>424 474</b>   | <b>416 873</b>   | <b>407 880</b>   |
| <b>TOTAL LIABILITIES</b>  |     | <b>556 123</b>      | <b>556 123</b>   |              |                    |                  |                    |                |                | <b>556 123</b>   | <b>556 834</b>   | <b>556 722</b>   |
| <b>NET ASSETS</b>   | 2   | <b>2 180 893</b>    | <b>2 210 716</b> |              |                    |                  |                    | <b>5</b>       | <b>5</b>       | <b>2 210 721</b> | <b>2 246 843</b> | <b>2 322 248</b> |
| <b>COMMUNITY WEALTH/EQUITY</b>  |     |                     |                  |              |                    |                  |                    |                |                |                  |                  |                  |
| Accumulated Surplus/(Deficit)   |     | 2 180 893           | 2 210 716        |              |                    |                  |                    | 5              | 5              | 2 210 721        | 2 246 843        | 2 322 248        |
| Reserves  |     | 53 865              | 53 865           |              |                    |                  |                    |                |                | 53 865           | 53 865           | 53 865           |
| Minorities' interests   |     |                     |                  |              |                    |                  |                    |                |                |                  |                  |                  |
| <b>TOTAL COMMUNITY WEALTH/EQUITY</b>  |     | <b>2 234 758</b>    | <b>2 264 580</b> |              |                    |                  |                    | <b>5</b>       | <b>5</b>       | <b>2 264 585</b> | <b>2 300 708</b> | <b>2 376 113</b> |

Table B6 is consistent with international standards of good financial management practice and assist stakeholders in understanding the impact of the budget on the statement of financial position (balance sheet).

This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.



## B7 Consolidated Adjustments Budget Cash Flows

| WC025 Breede Valley - Table B7 Adjustments Budget Cash Flows - 26/01/2021 |     |                     |                 |              |                    |                  |                    |                |                |                 |                            |                            |
|---|-----|---------------------|-----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|----------------------------|----------------------------|
| Description   | Ref | Budget Year 2020/21 |                 |              |                    |                  |                    |                |                |                 | Budget Year                | Budget Year                |
|   |     | Original Budget     | Prior Adjusted  | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | +1 2021/22 Adjusted Budget | +2 2022/23 Adjusted Budget |
| R thousands   |     | A                   | A1              | B            | C                  | D                | E                  | F              | G              | H               |                            |                            |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                                |     |                     |                 |              |                    |                  |                    |                |                |                 |                            |                            |
| <b>Receipts</b>   |     |                     |                 |              |                    |                  |                    |                |                |                 |                            |                            |
| Property rates  |     | 96 634              | 96 634          | -            | -                  | -                | -                  | -              | -              | 96 634          | 110 223                    | 134 611                    |
| Service charges   |     | 488 603             | 488 603         | -            | -                  | -                | -                  | -              | -              | 488 603         | 572 949                    | 643 291                    |
| Other revenue   |     | 44 147              | 44 147          | -            | -                  | -                | -                  | -              | -              | 44 147          | 46 725                     | 49 777                     |
| Government - operating  | 1   | 208 112             | 163 590         | -            | -                  | -                | 135                | -              | 135            | 163 725         | 229 803                    | 211 349                    |
| Government - capital  | 1   | 83 484              | 54 387          | -            | -                  | -                | -                  | -              | -              | 54 387          | 73 981                     | 76 986                     |
| Interest  |     | 7 315               | 7 315           | -            | -                  | -                | -                  | -              | -              | 7 315           | 8 253                      | 9 347                      |
| Dividends   |     | -                   | -               | -            | -                  | -                | -                  | -              | -              | -               | -                          | -                          |
| <b>Payments</b>   |     |                     |                 |              |                    |                  |                    |                |                |                 |                            |                            |
| Suppliers and employees   |     | (805 204)           | (806 226)       | -            | -                  | -                | (105)              | -              | (105)          | (806 311)       | (839 757)                  | (896 324)                  |
| Finance charges   |     | (22 676)            | (22 676)        | -            | -                  | -                | -                  | -              | -              | (22 676)        | (21 336)                   | (19 841)                   |
| Transfers and Grants  | 1   | (65 605)            | (4 355)         | -            | -                  | -                | (30)               | 5              | (25)           | (4 380)         | (82 752)                   | (52 456)                   |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>                          |     | <b>34 810</b>       | <b>21 419</b>   | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>           | <b>5</b>       | <b>5</b>       | <b>21 424</b>   | <b>98 089</b>              | <b>156 740</b>             |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                               |     |                     |                 |              |                    |                  |                    |                |                |                 |                            |                            |
| <b>Receipts</b>   |     |                     |                 |              |                    |                  |                    |                |                |                 |                            |                            |
| Proceeds on disposal of PPE   |     | -                   | -               | -            | -                  | -                | -                  | -              | -              | -               | -                          | -                          |
| Decrease (Increase) in non-current debtors                                |     | -                   | -               | -            | -                  | -                | -                  | -              | -              | -               | -                          | -                          |
| Decrease (increase) other non-current receivables                         |     | 50                  | 50              | -            | -                  | -                | -                  | -              | -              | 50              | 50                         | 50                         |
| Decrease (increase) in non-current investments                            |     | -                   | -               | -            | -                  | -                | -                  | -              | -              | -               | -                          | -                          |
| <b>Payments</b>   |     |                     |                 |              |                    |                  |                    |                |                |                 |                            |                            |
| Capital assets  |     | (99 914)            | (94 444)        | -            | -                  | -                | -                  | (5)            | (5)            | (94 449)        | (84 145)                   | (94 650)                   |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>                          |     | <b>(99 864)</b>     | <b>(94 394)</b> | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>           | <b>(5)</b>     | <b>(5)</b>     | <b>(94 399)</b> | <b>(84 095)</b>            | <b>(94 600)</b>            |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                               |     |                     |                 |              |                    |                  |                    |                |                |                 |                            |                            |
| <b>Receipts</b>   |     |                     |                 |              |                    |                  |                    |                |                |                 |                            |                            |
| Short term loans  |     | -                   | -               | -            | -                  | -                | -                  | -              | -              | -               | -                          | -                          |
| Borrowing long term/refinancing   |     | -                   | -               | -            | -                  | -                | -                  | -              | -              | -               | -                          | -                          |
| Increase (decrease) in consumer deposits                                  |     | 50                  | 50              | -            | -                  | -                | -                  | -              | -              | 50              | 100                        | 100                        |
| <b>Payments</b>   |     |                     |                 |              |                    |                  |                    |                |                |                 |                            |                            |
| Repayment of borrowing  |     | (11 702)            | (11 702)        | -            | -                  | -                | -                  | -              | -              | (11 702)        | (13 041)                   | (14 536)                   |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>                          |     | <b>(11 652)</b>     | <b>(11 652)</b> | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>           | <b>-</b>       | <b>-</b>       | <b>(11 652)</b> | <b>(12 941)</b>            | <b>(14 436)</b>            |
| <b>NET INCREASE/ (DECREASE) IN CASH HELD</b>                              |     | <b>(76 705)</b>     | <b>(84 627)</b> | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>           | <b>-</b>       | <b>-</b>       | <b>(84 627)</b> | <b>1 053</b>               | <b>47 705</b>              |
| Cash/cash equivalents at the year begin:                                  | 2   | 100 031             | 161 720         | -            | -                  | -                | -                  | -              | -              | 161 720         | 23 325                     | 24 379                     |
| Cash/cash equivalents at the year end:                                    | 2   | 23 325              | 77 093          | -            | -                  | -                | -                  | -              | -              | 77 093          | 24 379                     | 72 083                     |

The budgeted cash flow statement is the first measurement in determining if the budget is funded. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

## B8 Consolidated Cash Backed Reserves/Accumulated Surplus Reconciliation

| WC025 Breede Valley - Table B8 Cash backed reserves/accumulated surplus reconciliation - 26/01/2021 |     |                     |                |              |                    |                  |                    |                |                |                 |                            |                            |
|---|-----|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|----------------------------|----------------------------|
| Description   | Ref | Budget Year 2020/21 |                |              |                    |                  |                    |                |                |                 | Budget Year                | Budget Year                |
|   |     | Original Budget     | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | +1 2021/22 Adjusted Budget | +2 2022/23 Adjusted Budget |
| R thousands   |     | A                   | A1             | B            | C                  | D                | E                  | F              | G              | H               |                            |                            |
| <b>Cash and investments available</b>   |     |                     |                |              |                    |                  |                    |                |                |                 |                            |                            |
| Cash/cash equivalents at the year end   | 1   | 23 325              | 77 093         | -            | -                  | -                | -                  | -              | -              | 77 093          | 24 379                     | 72 083                     |
| Other current investments > 90 days   |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                          | -                          |
| Non current assets - Investments  | 1   | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                          | -                          |
| <b>Cash and investments available:</b>  |     | <b>23 325</b>       | <b>77 093</b>  | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>           | <b>-</b>       | <b>-</b>       | <b>77 093</b>   | <b>24 379</b>              | <b>72 083</b>              |
| <b>Applications of cash and investments</b>   |     |                     |                |              |                    |                  |                    |                |                |                 |                            |                            |
| Unspent conditional transfers   |     | 5 000               | 5 000          | -            | -                  | -                | -                  | -              | -              | 5 000           | 5 000                      | 5 000                      |
| Unspent borrowing   |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                          | -                          |
| Statutory requirements  |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                          | -                          |
| Other working capital requirements  | 2   | (67 933)            | (67 933)       | -            | -                  | -                | -                  | -              | -              | (67 933)        | (98 860)                   | (127 367)                  |
| Other provisions  |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                          | -                          |
| Long term investments committed   |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                          | -                          |
| Reserves to be backed by cash/investments   |     | 79 873              | 79 873         | -            | -                  | -                | -                  | -              | -              | 79 873          | 79 873                     | 79 873                     |
| <b>Total Application of cash and investments:</b>   |     | <b>16 941</b>       | <b>16 941</b>  | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>           | <b>-</b>       | <b>-</b>       | <b>16 941</b>   | <b>(13 986)</b>            | <b>(42 493)</b>            |
| <b>Surplus(shortfall)</b>   |     | <b>6 385</b>        | <b>60 152</b>  | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>           | <b>-</b>       | <b>-</b>       | <b>60 152</b>   | <b>38 365</b>              | <b>114 576</b>             |

The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget. In essence the table evaluates the funding

levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.

## B9 Consolidated Asset Management

Please refer to table B9

Table B9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.

## B10 Consolidated Basic Service Delivery Measurement

| WC025 Breede Valley - Table B10 Basic service delivery measurement - 26/01/2021                            |     |                     |                |              |                    |                  |                    |                |                |                 |                        |                        |
|--|-----|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|------------------------|------------------------|
| Description  | Ref | Budget Year 2020/21 |                |              |                    |                  |                    |                |                |                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
|  |     | Original Budget     | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget        | Adjusted Budget        |
|  |     | A                   | 7              | 8            | 9                  | 10               | 11                 | 12             | 13             | 14              |                        |                        |
| <b>Household service targets</b>   | 1   |                     |                |              |                    |                  |                    |                |                |                 |                        |                        |
| <b>Water:</b>  |     |                     |                |              |                    |                  |                    |                |                |                 |                        |                        |
| Piped water inside dwelling  |     | 19 372              | 19 372         | -            | -                  | -                | -                  | -              | -              | 19              | 19 372                 | 19 372                 |
| Piped water inside yard (but not in dwelling)  |     | 3 879               | 3 879          | -            | -                  | -                | -                  | -              | -              | 4               | 3 879                  | 3 879                  |
| Using public tap (at least min.service level)  | 2   | 6 949               | 6 949          | -            | -                  | -                | -                  | -              | -              | 7               | 6 949                  | 6 949                  |
| Other water supply (at least min.service level)  |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| <i>Minimum Service Level and Above sub-total</i>   |     | 30                  | 30             | -            | -                  | -                | -                  | -              | -              | 30              | 30                     | 30                     |
| Using public tap (< min.service level)   | 3   | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| Other water supply (< min.service level)   | 3,4 | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| No water supply  |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| <i>Below Minimum Service Level sub-total</i>   |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| <b>Total number of households</b>  | 5   | 30                  | 30             | -            | -                  | -                | -                  | -              | -              | 30              | 30                     | 30                     |
| <b>Sanitation/sewage:</b>  |     |                     |                |              |                    |                  |                    |                |                |                 |                        |                        |
| Flush toilet (connected to sewerage)   |     | 18 555              | 18 555         | -            | -                  | -                | -                  | -              | -              | 18 555          | 18 555                 | 18 555                 |
| Flush toilet (with septic tank)  |     | 2 687               | 2 687          | -            | -                  | -                | -                  | -              | -              | 2 687           | 2 687                  | 2 687                  |
| Chemical toilet  |     | 4 263               | 4 263          | -            | -                  | -                | -                  | -              | -              | 4 263           | 4 263                  | 4 263                  |
| Pit toilet (ventilated)  |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| Other toilet provisions (> min.service level)  |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| <i>Minimum Service Level and Above sub-total</i>   |     | 25 504              | 25 504         | -            | -                  | -                | -                  | -              | -              | 25 504          | 25 504                 | 25 504                 |
| Bucket toilet  |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| Other toilet provisions (< min.service level)  |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| No toilet provisions   |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| <i>Below Minimum Service Level sub-total</i>   |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| <b>Total number of households</b>  | 5   | 25 504              | 25 504         | -            | -                  | -                | -                  | -              | -              | 25 504          | 25 504                 | 25 504                 |
| <b>Energy:</b>   |     |                     |                |              |                    |                  |                    |                |                |                 |                        |                        |
| Electricity (at least min. service level)  |     | 2 977               | 2 977          | -            | -                  | -                | -                  | -              | -              | 2 977           | 2 977                  | 2 977                  |
| Electricity - prepaid (> min.service level)  |     | 21 150              | 21 150         | -            | -                  | -                | -                  | -              | -              | 21 150          | 21 150                 | 21 150                 |
| <i>Minimum Service Level and Above sub-total</i>   |     | 24 127              | 24 127         | -            | -                  | -                | -                  | -              | -              | 24 127          | 24 127                 | 24 127                 |
| Electricity (< min.service level)  |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| Electricity - prepaid (< min. service level)   |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| Other energy sources   |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| <i>Below Minimum Service Level sub-total</i>   |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| <b>Total number of households</b>  | 5   | 24 127              | 24 127         | -            | -                  | -                | -                  | -              | -              | 24 127          | 24 127                 | 24 127                 |
| <b>Refuse:</b>   |     |                     |                |              |                    |                  |                    |                |                |                 |                        |                        |
| Removed at least once a week (min.service)   |     | 48 995              | 48 995         | -            | -                  | -                | -                  | -              | -              | 48 995          | 48 995                 | 48 995                 |
| <i>Minimum Service Level and Above sub-total</i>   |     | 48 995              | 48 995         | -            | -                  | -                | -                  | -              | -              | 48 995          | 48 995                 | 48 995                 |
| 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>   |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| <b>Total number of households</b>  | 5   | 48 995              | 48 995         | -            | -                  | -                | -                  | -              | -              | 48 995          | 48 995                 | 48 995                 |
| <b>Households receiving Free Basic Service</b>   | 15  |                     |                |              |                    |                  |                    |                |                |                 |                        |                        |
| Water (6 kilolitres per household per month)   |     | 8 700               | 8 700          | -            | -                  | -                | -                  | -              | -              | 8 700           | 8 700                  | 8 700                  |
| Sanitation (free minimum level service)  |     | 8 700               | 8 700          | -            | -                  | -                | -                  | -              | -              | 8 700           | 8 700                  | 8 700                  |
| Electricity/other energy (50kwh per household per month)   |     | 10 500              | 10 500         | -            | -                  | -                | -                  | -              | -              | 10 500          | 10 500                 | 10 500                 |
| Refuse (removed at least once a week)  |     | 8 700               | 8 700          | -            | -                  | -                | -                  | -              | -              | 8 700           | 8 700                  | 8 700                  |
| <b>Cost of Free Basic Services provided (R'000)</b>  | 16  |                     |                |              |                    |                  |                    |                |                |                 |                        |                        |
| Water (6 kilolitres per household per month)   |     | 9 383               | 9 383          | -            | -                  | -                | -                  | -              | -              | 9 383           | 9 946                  | 10 642                 |
| Sanitation (free sanitation service)   |     | 17 088              | 17 088         | -            | -                  | -                | -                  | -              | -              | 17 088          | 18 113                 | 19 200                 |
| Electricity/other energy (50kwh per household per month)   |     | 4 793               | 4 793          | -            | -                  | -                | -                  | -              | -              | 4 793           | 5 081                  | 5 385                  |
| Refuse (removed once a week)   |     | 9 425               | 9 425          | -            | -                  | -                | -                  | -              | -              | 9 425           | 9 990                  | 10 590                 |
| <b>Total cost of FBS provided (minimum social package)</b>   |     | 40 688              | 40 688         | -            | -                  | -                | -                  | -              | -              | 40 688          | 43 129                 | 45 816                 |
| <b>Highest level of free service provided</b>  |     |                     |                |              |                    |                  |                    |                |                |                 |                        |                        |
| Property rates (R000 value threshold)  |     | 150 000             | 150 000        | -            | -                  | -                | -                  | -              | -              | 150 000         | 150 000                | 150 000                |
| Water (kilolitres per household per month)   |     | 10                  | 10             | -            | -                  | -                | -                  | -              | -              | 10              | 10                     | 10                     |
| Sanitation (kilolitres per household per month)  |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| Sanitation (Rand per household per month)  |     | 296                 | 296            | -            | -                  | -                | -                  | -              | -              | 296             | 313                    | 332                    |
| Electricity (kw per household per month)   |     | 50                  | 50             | -            | -                  | -                | -                  | -              | -              | 50              | 50                     | 50                     |
| Refuse (average litres per week)   |     | 240                 | 240            | -            | -                  | -                | -                  | -              | -              | 240             | 240                    | 240                    |
| <b>Revenue cost of free services provided (R'000)</b>  | 17  |                     |                |              |                    |                  |                    |                |                |                 |                        |                        |
| 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 |     | 20 633              | 20 633         | -            | -                  | -                | -                  | -              | -              | 20 633          | 21 871                 | 23 402                 |
| Water (in excess of 6 kilolitres per indigent household per month)   |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| Sanitation (in excess of free sanitation service to indigent households)                                   |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| Electricity/other energy (in excess of 50 kwh per indigent household per month)                            |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| Refuse (in excess of one removal a week for indigent households)   |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| Municipal Housing - rental rebates   |     | 8 126               | 8 126          | -            | -                  | -                | -                  | -              | -              | 8 126           | 8 613                  | 9 130                  |
| Housing - top structure subsidies  |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| Other  |     | -                   | -              | -            | -                  | -                | -                  | -              | -              | -               | -                      | -                      |
| <b>Total revenue cost of subsidised services provided</b>  | 6   | 28 759              | 28 759         | -            | -                  | -                | -                  | -              | -              | 28 759          | 30 484                 | 32 532                 |

Table B10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

## **SECTION A – Part 2**

### **1. Adjustments to Budget Inputs and assumptions**

The 2020/21 Adjustments Budget was compiled in line with Chapter 4 Municipal Finance Management Act and Chapter 2 Part 4 of the Municipal Budget and Reporting Regulations.

The 2020/21 Adjustments Budget remain consistent with the Long-Term Financial Plan to ensure continued synergy between long term planning and implementation planning.

The operational budget is adjusted in order to accommodate the amendments to allocations mentioned in this report. Please refer to table B4 and SB8 for all related amendments

### **2. Adjustments to Budget Funding**

Budget funding in terms of operating and capital expenditure is set out on table B4.

| WC025 Breede Valley - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 26/01/2021   |     |                     |                  |              |                    |                  |                    |                |                |                  |                            |                            |         |
|--|-----|---------------------|------------------|--------------|--------------------|------------------|--------------------|----------------|----------------|------------------|----------------------------|----------------------------|---------|
| Description  | Ref | Budget Year 2020/21 |                  |              |                    |                  |                    |                |                |                  | Budget Year                | Budget Year                |         |
|  |     | Original Budget     | Prior Adjusted   | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget  | +1 2021/22 Adjusted Budget | +2 2022/23 Adjusted Budget |         |
| R thousands  | 1   | A                   | 3 A1             | 4 B          | 5 C                | 6 D              | 7 E                | 8 F            | 9 G            | 10 H             |                            |                            |         |
| <b>Revenue By Source</b>   |     |                     |                  |              |                    |                  |                    |                |                |                  |                            |                            |         |
| Property rates   | 2   | 146 998             | 146 998          | -            | -                  | -                | -                  | -              | -              | -                | 146 998                    | 155 818                    | 166 726 |
| Service charges - electricity revenue  | 2   | 452 478             | 452 478          | -            | -                  | -                | -                  | -              | -              | -                | 452 478                    | 476 007                    | 518 373 |
| Service charges - water revenue  | 2   | 75 888              | 75 888           | -            | -                  | -                | -                  | -              | -              | -                | 75 888                     | 80 441                     | 86 072  |
| Service charges - sanitation revenue   | 2   | 76 490              | 76 490           | -            | -                  | -                | -                  | -              | -              | -                | 76 490                     | 81 080                     | 86 756  |
| Service charges - refuse revenue   | 2   | 42 092              | 42 092           | -            | -                  | -                | -                  | -              | -              | -                | 42 092                     | 44 618                     | 47 741  |
| Service charges - other  |     | -                   | -                | -            | -                  | -                | -                  | -              | -              | -                | -                          | -                          | -       |
| Rental of facilities and equipment   |     | 2 223               | 2 223            | -            | -                  | -                | -                  | -              | -              | -                | 2 223                      | 2 356                      | 2 522   |
| Interest earned - external investments   |     | 3 112               | 3 112            | -            | -                  | -                | -                  | -              | -              | -                | 3 112                      | 3 112                      | 3 112   |
| Interest earned - outstanding debtors  |     | 6 467               | 6 467            | -            | -                  | -                | -                  | -              | -              | -                | 6 467                      | 6 855                      | 7 336   |
| Dividends received   |     | -                   | -                | -            | -                  | -                | -                  | -              | -              | -                | -                          | -                          | -       |
| Fines, penalties and forfeits  |     | 118 474             | 118 474          | -            | -                  | -                | -                  | -              | -              | -                | 118 474                    | 121 285                    | 124 761 |
| Licences and permits   |     | 3 797               | 3 797            | -            | -                  | -                | -                  | -              | -              | -                | 3 797                      | 4 025                      | 4 307   |
| Agency services  |     | 8 641               | 8 641            | -            | -                  | -                | -                  | -              | -              | -                | 8 641                      | 9 160                      | 9 801   |
| Transfers and subsidies  |     | 208 112             | 163 590          | -            | -                  | -                | 135                | -              | 135            | -                | 163 725                    | 229 803                    | 211 349 |
| Other revenue  | 2   | 9 406               | 9 406            | -            | -                  | -                | -                  | -              | -              | -                | 9 406                      | 9 973                      | 10 673  |
| Gains on disposal of PPE   |     | 1 320               | 1 320            | -            | -                  | -                | -                  | -              | -              | -                | 1 320                      | 1 399                      | 1 497   |
| <b>Total Revenue (excluding capital transfers and contributions)</b>   |     | <b>1 155 495</b>    | <b>1 110 973</b> | -            | -                  | -                | 135                | -              | 135            | <b>1 111 108</b> | <b>1 225 930</b>           | <b>1 281 023</b>           |         |
| <b>Expenditure By Type</b>   |     |                     |                  |              |                    |                  |                    |                |                |                  |                            |                            |         |
| Employee related costs   |     | 317 416             | 310 705          | -            | -                  | -                | -                  | (3 600)        | (3 600)        | -                | 307 105                    | 336 474                    | 356 965 |
| Remuneration of councillors  |     | 18 780              | 18 780           | -            | -                  | -                | -                  | -              | -              | -                | 18 780                     | 19 909                     | 21 304  |
| Debt impairment  |     | 85 167              | 85 167           | -            | -                  | -                | -                  | -              | -              | -                | 85 167                     | 86 216                     | 87 314  |
| Depreciation & asset impairment  |     | 95 246              | 95 246           | -            | -                  | -                | -                  | -              | -              | -                | 95 246                     | 99 634                     | 104 225 |
| Finance charges  |     | 23 653              | 23 653           | -            | -                  | -                | -                  | -              | -              | -                | 23 653                     | 23 653                     | 23 653  |
| Bulk purchases   |     | 326 798             | 326 798          | -            | -                  | -                | -                  | -              | -              | -                | 326 798                    | 343 748                    | 374 021 |
| Other materials  |     | 19 332              | 19 314           | -            | -                  | -                | -                  | 668            | 668            | -                | 19 981                     | 19 928                     | 20 554  |
| Contracted services  |     | 64 602              | 67 598           | -            | -                  | -                | 236                | 1 129          | 1 365          | -                | 68 963                     | 61 294                     | 63 871  |
| Transfers and subsidies  |     | 65 605              | 4 385            | -            | -                  | -                | -                  | (5)            | (5)            | -                | 4 380                      | 82 752                     | 52 456  |
| Other expenditure  |     | 54 773              | 59 511           | -            | -                  | -                | (101)              | 1 804          | 1 703          | -                | 61 214                     | 54 901                     | 56 105  |
| Loss on disposal of PPE  |     | 3 504               | 3 491            | -            | -                  | -                | -                  | -              | -              | -                | 3 491                      | 3 504                      | 3 504   |
| <b>Total Expenditure</b>   |     | <b>1 074 875</b>    | <b>1 014 647</b> | -            | -                  | -                | 135                | (5)            | 130            | <b>1 014 777</b> | <b>1 132 012</b>           | <b>1 163 971</b>           |         |
| <b>Surplus/(Deficit)</b>   |     | <b>80 619</b>       | <b>96 326</b>    | -            | -                  | -                | -                  | 5              | 5              | <b>96 331</b>    | <b>93 918</b>              | <b>117 052</b>             |         |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)  |     | 82 337              | 53 240           | -            | -                  | -                | -                  | -              | -              | -                | 53 240                     | 73 981                     | 76 986  |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) |     | 1 147               | 1 147            | -            | -                  | -                | -                  | -              | -              | -                | 1 147                      | -                          | -       |
| Transfers and subsidies - capital (in-kind - all)  |     | -                   | -                | -            | -                  | -                | -                  | -              | -              | -                | -                          | -                          | -       |
| <b>Surplus/(Deficit) before taxation</b>   |     | <b>164 104</b>      | <b>150 713</b>   | -            | -                  | -                | -                  | 5              | 5              | <b>150 718</b>   | <b>167 899</b>             | <b>194 038</b>             |         |
| Taxation   |     | -                   | -                | -            | -                  | -                | -                  | -              | -              | -                | -                          | -                          | -       |
| <b>Surplus/(Deficit) after taxation</b>  |     | <b>164 104</b>      | <b>150 713</b>   | -            | -                  | -                | -                  | 5              | 5              | <b>150 718</b>   | <b>167 899</b>             | <b>194 038</b>             |         |
| Attributable to minorities   |     | -                   | -                | -            | -                  | -                | -                  | -              | -              | -                | -                          | -                          | -       |
| <b>Surplus/(Deficit) attributable to municipality</b>  |     | <b>164 104</b>      | <b>150 713</b>   | -            | -                  | -                | -                  | 5              | 5              | <b>150 718</b>   | <b>167 899</b>             | <b>194 038</b>             |         |
| Share of surplus/ (deficit) of associate   |     | -                   | -                | -            | -                  | -                | -                  | -              | -              | -                | -                          | -                          | -       |
| <b>Surplus/ (Deficit) for the year</b>   |     | <b>164 104</b>      | <b>150 713</b>   | -            | -                  | -                | -                  | 5              | 5              | <b>150 718</b>   | <b>167 899</b>             | <b>194 038</b>             |         |

### 3. Adjustments to Expenditure on Allocations and Grant

Detailed particulars of budgeted allocations and grants can be found on SB8.

Please refer to table SB8

### 4. Adjustment to Allocations or Grants made by the Municipality

None.

### 5. Adjustment to Councillor Allowances and Employees

The changes to councillor allowances and employee related cost is provided on table B4.

## 6. Adjustment to Service Delivery and Budget

The monthly targets for revenue, expenditure and cash flows are provided in B10 - Section B Supporting Tables.

| Description   | Ref | Budget Year 2020/21 |                |              |                    |                  |                    |                |                |                 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
|---|-----|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|------------------------|------------------------|
|   |     | Original Budget     | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget        | Adjusted Budget        |
|   |     | A                   | 7<br>A1        | 8<br>B       | 9<br>C             | 10<br>D          | 11<br>E            | 12<br>F        | 13<br>G        | 14<br>H         |                        |                        |
| <b>Household service targets</b>  | 1   |                     |                |              |                    |                  |                    |                |                |                 |                        |                        |
| <b>Water:</b>   |     |                     |                |              |                    |                  |                    |                |                |                 |                        |                        |
| Piped water inside dwelling   |     | 19 372              | 19 372         | --           | --                 | --               | --                 | --             | --             | 19              | 19 372                 | 19 372                 |
| Piped water inside yard (but not in dwelling)   |     | 3 879               | 3 879          | --           | --                 | --               | --                 | --             | --             | 4               | 3 879                  | 3 879                  |
| Using public tap (at least min.service level)   | 2   | 6 949               | 6 949          | --           | --                 | --               | --                 | --             | --             | 7               | 6 949                  | 6 949                  |
| Other water supply (at least min.service level)   |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| <i>Minimum Service Level and Above sub-total</i>  |     | 30                  | 30             | --           | --                 | --               | --                 | --             | --             | 30              | 30                     | 30                     |
| Using public tap (< min.service level)  | 3   | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| Other water supply (< min.service level)  | 3,4 | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| No water supply   |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| <i>Below Minimum Service Level sub-total</i>  |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| <b>Total number of households</b>   | 5   | 30                  | 30             | --           | --                 | --               | --                 | --             | --             | 30              | 30                     | 30                     |
| <b>Sanitation/sewerage:</b>   |     |                     |                |              |                    |                  |                    |                |                |                 |                        |                        |
| Flush toilet (connected to sewerage)  |     | 18 555              | 18 555         | --           | --                 | --               | --                 | --             | --             | 18 555          | 18 555                 | 18 555                 |
| Flush toilet (with septic tank)   |     | 2 687               | 2 687          | --           | --                 | --               | --                 | --             | --             | 2 687           | 2 687                  | 2 687                  |
| Chemical toilet   |     | 4 263               | 4 263          | --           | --                 | --               | --                 | --             | --             | 4 263           | 4 263                  | 4 263                  |
| Pit toilet (ventilated)   |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| Other toilet provisions (> min.service level)   |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| <i>Minimum Service Level and Above sub-total</i>  |     | 25 504              | 25 504         | --           | --                 | --               | --                 | --             | --             | 25 504          | 25 504                 | 25 504                 |
| Bucket toilet   |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| Other toilet provisions (< min.service level)   |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| No toilet provisions  |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| <i>Below Minimum Service Level sub-total</i>  |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| <b>Total number of households</b>   | 5   | 25 504              | 25 504         | --           | --                 | --               | --                 | --             | --             | 25 504          | 25 504                 | 25 504                 |
| <b>Energy:</b>  |     |                     |                |              |                    |                  |                    |                |                |                 |                        |                        |
| Electricity (at least min. service level)   |     | 2 977               | 2 977          | --           | --                 | --               | --                 | --             | --             | 2 977           | 2 977                  | 2 977                  |
| Electricity - prepaid (> min.service level)   |     | 21 150              | 21 150         | --           | --                 | --               | --                 | --             | --             | 21 150          | 21 150                 | 21 150                 |
| <i>Minimum Service Level and Above sub-total</i>  |     | 24 127              | 24 127         | --           | --                 | --               | --                 | --             | --             | 24 127          | 24 127                 | 24 127                 |
| Electricity (< min.service level)   |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| Electricity - prepaid (< min. service level)  |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| Other energy sources  |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| <i>Below Minimum Service Level sub-total</i>  |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| <b>Total number of households</b>   | 5   | 24 127              | 24 127         | --           | --                 | --               | --                 | --             | --             | 24 127          | 24 127                 | 24 127                 |
| <b>Refuse:</b>  |     |                     |                |              |                    |                  |                    |                |                |                 |                        |                        |
| Removed at least once a week (min.service)  |     | 48 995              | 48 995         | --           | --                 | --               | --                 | --             | --             | 48 995          | 48 995                 | 48 995                 |
| <i>Minimum Service Level and Above sub-total</i>  |     | 48 995              | 48 995         | --           | --                 | --               | --                 | --             | --             | 48 995          | 48 995                 | 48 995                 |
| 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>  |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| <b>Total number of households</b>   | 5   | 48 995              | 48 995         | --           | --                 | --               | --                 | --             | --             | 48 995          | 48 995                 | 48 995                 |
| <b>Households receiving Free Basic Service</b>  | 15  |                     |                |              |                    |                  |                    |                |                |                 |                        |                        |
| Water (6 kilolites per household per month)   |     | 8 700               | 8 700          | --           | --                 | --               | --                 | --             | --             | 8 700           | 8 700                  | 8 700                  |
| Sanitation (free minimum level service)   |     | 8 700               | 8 700          | --           | --                 | --               | --                 | --             | --             | 8 700           | 8 700                  | 8 700                  |
| Electricity/other energy (50kwh per household per month)  |     | 10 500              | 10 500         | --           | --                 | --               | --                 | --             | --             | 10 500          | 10 500                 | 10 500                 |
| Refuse (removed at least once a week)   |     | 8 700               | 8 700          | --           | --                 | --               | --                 | --             | --             | 8 700           | 8 700                  | 8 700                  |
| <b>Cost of Free Basic Services provided (R'000)</b>   | 16  |                     |                |              |                    |                  |                    |                |                |                 |                        |                        |
| Water (6 kilolites per household per month)   |     | 9 383               | 9 383          | --           | --                 | --               | --                 | --             | --             | 9 383           | 9 946                  | 10 642                 |
| Sanitation (free sanitation service)  |     | 17 088              | 17 088         | --           | --                 | --               | --                 | --             | --             | 17 088          | 18 113                 | 19 200                 |
| Electricity/other energy (50kwh per household per month)  |     | 4 793               | 4 793          | --           | --                 | --               | --                 | --             | --             | 4 793           | 5 081                  | 5 385                  |
| Refuse (removed once a week)  |     | 9 425               | 9 425          | --           | --                 | --               | --                 | --             | --             | 9 425           | 9 990                  | 10 590                 |
| <b>Total cost of FBS provided (minimum social package)</b>  |     | 40 688              | 40 688         | --           | --                 | --               | --                 | --             | --             | 40 688          | 43 129                 | 45 816                 |
| <b>Highest level of free service provided</b>   |     |                     |                |              |                    |                  |                    |                |                |                 |                        |                        |
| Property rates (R'000 value threshold)  |     | 150 000             | 150 000        | --           | --                 | --               | --                 | --             | --             | 150 000         | 150 000                | 150 000                |
| Water (kilolites per household per month)   |     | 10                  | 10             | --           | --                 | --               | --                 | --             | --             | 10              | 10                     | 10                     |
| Sanitation (kilolites per household per month)  |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| Sanitation (Rand per household per month)   |     | 296                 | 296            | --           | --                 | --               | --                 | --             | --             | 296             | 313                    | 332                    |
| Electricity (kw per household per month)  |     | 50                  | 50             | --           | --                 | --               | --                 | --             | --             | 50              | 50                     | 50                     |
| Refuse (average litres per week)  |     | 240                 | 240            | --           | --                 | --               | --                 | --             | --             | 240             | 240                    | 240                    |
| <b>Revenue cost of free services provided (R'000)</b>   | 17  |                     |                |              |                    |                  |                    |                |                |                 |                        |                        |
| 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) |     | 20 633              | 20 633         | --           | --                 | --               | --                 | --             | --             | 20 633          | 21 871                 | 23 402                 |
| Water (in excess of 6 kilolites per indigent household per month)   |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| Sanitation (in excess of free sanitation service to indigent households)                                    |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| Electricity/other energy (in excess of 50 kwh per indigent household per month)                             |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| Refuse (in excess of one removal a week for indigent households)  |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| Municipal Housing - rental rebates  |     | 8 126               | 8 126          | --           | --                 | --               | --                 | --             | --             | 8 126           | 8 613                  | 9 130                  |
| Housing - top structure subsidies   |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| Other   |     | --                  | --             | --           | --                 | --               | --                 | --             | --             | --              | --                     | --                     |
| <b>Total revenue cost of subsidised services provided</b>   | 6   | 28 759              | 28 759         | --           | --                 | --               | --                 | --             | --             | 28 759          | 30 484                 | 32 532                 |

## 7. Adjustment to Capital Spending Detail

Information/detail regarding capital projects by vote is provided in Section B – Capital Budget, read with B5, B5B, SB16, SB17, SB18a, SB18b, SB18e and SB19.

## 8. Other Supporting Documents

- National treasury electronic revised budget report, SB1-SB19 as **Annexure A**
- Signed quality certificate as **Annexure B**
- Provincial Gazette Extraordinary 8358 Thursday, 26 November 2021 as **Annexure C**

### Comment of Directorates / Departments concerned:

|                                       |                          |
|---------------------------------------|--------------------------|
| Municipal Manager:                    | Recommendation Supported |
| Director: Strategic Support Services: | Recommendation Supported |
| Director: Financial Services:         | Recommendation Supported |
| Director: Technical Services:         | Recommendation Supported |
| Director: Community Services:         | Recommendation Supported |

### RECOMMENDATION:

That in respect of

#### **Adjustments budget for 2020/21 – January 2021**

discussed by Council at the Council meeting held on 26 January 2021:

1. **Council resolves that the Adjustment Budget of Breede Valley Municipality for the financial year 2020/21 be adjusted and approved with amendments as set out in the following.**
  - a. **Municipal Budget tables B1- B10**
  - b. **Municipal Budget supporting documentation SB1 - SB19**

**PROPOSED: ALDERMAN A. STEYN**

**SECONDED: CLLR W.R. MEIRING**

**RESOLVED: (23 votes in favour none against)**

**C3/2021**

That in respect of

## **Adjustments budget for 2020/21 – January 2021**

discussed by Council at the Council meeting held on 26 January 2021:

- 1. Council resolves that the Adjustment Budget of Breede Valley Municipality for the financial year 2020/21 be adjusted and approved with amendments as set out in the following.**
  - a. Municipal Budget tables B1- B10**
  - b. Municipal Budget supporting documentation SB1 - SB19**

### **To Action**

R. Ontong

**6.2 SUBMISSION OF THE MID-YEAR PERFORMANCE ASSESSMENT AND IN-YEAR FINANCIAL MANAGEMENT REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020.  
MFMA SECTION 71, 52 (d) & 72 Report**

**File No. /s:** 3/15/1

**Responsible Officials:** R. Esau/R. Ontong

**Directorate:** Strategic Support  
Services/ Financial  
Services

**Portfolio:** Performance Management/  
Financial Services

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**1. Purpose**

To submit to council the mid-year performance assessment and in-year financial management report to council for adoption.

**2. Background**

**71. In terms of the Municipal Finance Management Act, 56 of 2003, section**

- (1) The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:
- (a) Actual revenue, per revenue source;
  - (b) actual borrowings;
  - (c) actual expenditure, per vote;
  - (d) actual capital expenditure, per vote;
  - (e) the amount of any allocations received;
  - (f) actual expenditure on those allocations, excluding expenditure on
    - (i) its share of the local government equitable share; and
    - (ii) allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
  - (g) when necessary, an explanation of-
    - (i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
    - (ii) any material variances from the service delivery and budget implementation plan; and
    - (iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.
- (2) The statement must include-
- (a) a projection of the relevant municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections; and
  - (b) the prescribed information relating to the state of the budget of each municipal entity as provided to the municipality in terms of section 87(10).
- (3) The amounts reflected in the statement must in each case be compared with



- the corresponding amounts budgeted for in the municipality's approved budget.
- (4) The statement to the provincial treasury must be in the format of a signed document and in electronic format.
  - (5) The accounting officer of a municipality which has received an allocation referred to in subsection (1)(e) during any particular month must, by no later than 10 working days after the end of that month, submit that part of the statement reflecting the particulars referred to in subsection (1)(e) and (f) to the national or provincial organ of state or municipality which transferred the allocation.
  - (6) The provincial treasury must by no later than 22 working days after the end of each month submit to the National Treasury a consolidated statement in the prescribed format on the state of the municipalities' budgets, per municipality and per municipal entity.
  - (7) The provincial treasury must, within 30 days after the end of each quarter, make public as may be prescribed, a consolidated statement in the prescribed format on the state of municipalities' budgets per municipality and per municipal entity. The MEC for finance must submit such consolidated statement to the provincial legislature no later than 45 days after the end of each quarter.

**In terms of the Municipal Finance Management Act, 56 of 2003, section 52(d).**

The mayor of a municipality—

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

**In terms of the Municipal Finance Management Act, 56 of 2003, section 72.**

- (1) The accounting officer of a municipality must by 25 January of each year—
  - (a) assess the performance of the municipality during the first half of the financial year, taking into account—
    - (i) the monthly statements referred to in section 71 for the first half of the financial year;
    - (ii) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
    - (iii) the past year's annual report, and progress on resolving problems identified in the annual report; and
    - (iv) the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities; and
  - (b) submit a report on such assessment to—
    - (i) the mayor of the municipality;
    - (ii) the National Treasury; and
    - (iii) the relevant provincial treasury.
- (2) The statement referred to in section 71(1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (1)(b) of this section.
- (3) The accounting officer must, as part of the review—
  - (a) make recommendations as to whether an adjustments budget is necessary; and

(b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.

**In terms of the Municipal Finance Management Act, 56 of 2003, section 54.**

(1) The mayor must, on receipt of a statement or report submitted by the accounting officer of the municipality in terms of section 71 and 72—

(a) consider the statement or report;

(b) check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;

(c) consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following of and adjustment budget;

(d) issue any appropriate instructions to the accounting officer to ensure—

(i) that the budget is implemented in accordance with service delivery and budget implementation plan; and

(ii) that spending of funds and revenue collection proceed in accordance with the budget.

### **3. Financial Implications**

None

### **4. Applicable Legislation/ Council Policy**

Municipal Finance Management Act, 56 of 2003 (Section 52(d), 54, 71, 72 & 168);  
Municipal Budget and Reporting Regulations, 2009

### **Comment of Directorates/ Departments concerned:**

**Municipal Manager:** Recommendation supported

**Director: Strategic Support Services:** Recommendation supported

**Director: Financial Services:** Recommendation supported

**Director: Technical Services:** Recommendation supported

**Director: Community Services:** Recommendation supported

### **RECOMMENDATION:**

That in respect of

**SUBMISSION OF MID-YEAR PERFORMANCE ASSESSMENT AND IN-YEAR FINANCIAL MANAGEMENT REPORT 2020/2021 discussed by council at the council meeting held on the 26 January 2021:**

1. That council takes note of the mid-year performance assessment and in-year financial management report for the 2020/2021 financial year.

**PROPOSED: CLLR W.R. MEIRING**

**SECONDED: CLLR J.R. JACK**

**RESOLVED**

**C4/2021**

That in respect of

**SUBMISSION OF MID-YEAR PERFORMANCE ASSESSMENT AND IN-YEAR FINANCIAL MANAGEMENT REPORT 2020/2021 discussed by council at the council meeting held on the 26 January 2021:**

2. That council takes note of the mid-year performance assessment and in-year financial management report for the 2020/2021 financial year.

**To Action**

R. Ontong/ R. Esau

## 6.3 REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTH OF NOVEMBER 2020

**File No./s:** 2/1/1/1

**Responsible Official:** R. Ontong

**Directorate:** Financial Services

**Portfolio:** Supply Chain Management

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### 1. Purpose

To report to Council on all deviations and their reasons, approved by the delegated authority in terms of paragraph 36(2) of the Supply Chain Management Policy, for the month of November 2020.

### 2. Background

The purpose of this report is to ensure that Council maintains oversight over the implementation of the Supply Chain Management Policy. In terms of paragraph 36(2) of the said policy, the Accounting Officer must record the reasons for any deviations in terms of paragraph 36(1)(a) of the policy and report them to Council. However, it must be noted that these deviations also serve on the **monthly Section 71** (MFMA) report/s to Mayco and **quarterly Section 52** (MFMA) report/s to Council.

Deviations approved in terms of paragraph 36(1)(a) for the month of November 2020, are attached as **Annexure A**.

### 3. Financial Implications

Reference can be made to the total approved amount as reflected in annexure "A"

### 4. Applicable Legislation / Council Policy

Municipal Finance Management Act. 2003, (Act 56 of 2003)  
Breede Valley Supply Chain Management Policy, as amended.  
Supply Chain Management Regulations

## Comment of Directorates / Departments

### Municipal Manager

Noted

### Director: Strategic Support Services

Noted

**Director: Financial Services**

Noted

**Director: Technical Services**

Noted

**Director: Community Services**

Noted

**Senior Manager: Legal Services**

Noted

## **RECOMMENDATION**

In respect

### **REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTH OF NOVEMBER 2020**

Discussed by Council at the Council Meeting held on 26 January 2021:

1. That the deviations from the procurement processes, approved in terms of the delegated authority for the month of November 2020, **be noted**.

**PROPOSED: CLLR W.R. MEIRING**

**SECONDED: CLLR J.P. KRITZINGER**

**RESOLVED**

**C5/2021**

In respect

### **REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTH OF NOVEMBER 2020**

Discussed by Council at the Council Meeting held on 26 January 2021:

1. That the deviations from the procurement processes, approved in terms of the delegated authority for the month of November 2020, **be noted**.

#### **To Action**

M. Potgieter

## 6.4 REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTH OF DECEMBER 2020

**File No./s:** 2/1/1/1

**Responsible Official:** R. Ontong

**Directorate:** Financial Services

**Portfolio:** Supply Chain Management

---

### 1. Purpose

To report to Council on all deviations and their reasons, approved by the delegated authority in terms of paragraph 36(2) of the Supply Chain Management Policy, for the month of December 2020.

### 2. Background

The purpose of this report is to ensure that Council maintains oversight over the implementation of the Supply Chain Management Policy. In terms of paragraph 36(2) of the said policy, the Accounting Officer must record the reasons for any deviations in terms of paragraph 36(1)(a) of the policy and report them to Council. However, it must be noted that these deviations also serve on the **monthly Section 71** (MFMA) report/s to Mayco and **quarterly Section 52** (MFMA) report/s to Council.

Deviations approved in terms of paragraph 36(1)(a) for the month of December 2020, are attached as **Annexure A**.

### 3. Financial Implications

Reference can be made to the total approved amount as reflected in annexure "A"

### 4. Applicable Legislation / Council Policy

Municipal Finance Management Act. 2003, (Act 56 of 2003)  
Breede Valley Supply Chain Management Policy, as amended.  
Supply Chain Management Regulations

## Comment of Directorates / Departments

### Municipal Manager

Noted

### Director: Strategic Support Services

Noted

**Director: Financial Services**

Noted

**Director: Technical Services**

Noted

**Director: Community Services**

Noted

**Senior Manager: Legal Services**

Noted

## **RECOMMENDATION**

In respect of

### **REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTH OF DECEMBER 2020**

Discussed by Council at the Council Meeting held on 26 January 2021:

1. That the deviations from the procurement processes, approved in terms of the delegated authority for the month of December 2020, **be noted**.

**PROPOSED: CLLR W.R. MEIRING**

**SECONDED: CLLR J.P. KRITZINGER**

## **RESOLVED**

**C6/2021**

In respect of

### **REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTH OF DECEMBER 2020**

Discussed by Council at the Council Meeting held on 26 January 2021:

1. That the deviations from the procurement processes, approved in terms of the delegated authority for the month of December 2020, **be noted**.

## **To Action**

M. Potgieter

## 6.5 QUARTERLY SUPPLY CHAIN MANAGEMENT IMPLEMENTATION REPORT FOR THE SECOND QUARTER OF THE 2020/21 FINANCIAL YEAR

**File No./s:** 2/1/1/1

**Responsible Official:** R. Ontong

**Directorate:** Financial Services

**Portfolio:** Supply Chain Management

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### 1. Purpose

The Local Government: Municipal Finance Management Act, no 56 of 2003 (MFMA), requires the municipality to have and implement a Supply Chain Management (SCM) Policy which gives effect to the provisions of Part 1 of Chapter 11 of the Act that deals with 'Supply Chain Management'.

### 2. Background

Although the MFMA prohibits a Councilor from being a member of a bid committee or any other committee evaluating or approving quotations or tenders, Council has an oversight role to ensure that the Accounting Officer implements all supply chain management activities in accordance with this policy. For the purposes of such oversight, Council's Supply Chain Management Policy, **paragraph 6.3** requires that the Accounting Officer must "**within 10 working days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the mayor of the municipality.**" In addition, **paragraph 6.4** requires that the report referred to in paragraph 6.3 above **also to be tabled to council on a quarterly basis.** The report may be included as part of any other report to serve before council.

The SCM quarterly implementation report approved in terms of paragraph 6.3 for the second quarter of the 2020/21 financial year, is attached as **Annexure A.**

### 3. Financial Implications

None

### 4. Applicable Legislation / Council Policy

Municipal Finance Management Act. 2003, (Act 56 of 2003)  
Breede Valley Supply Chain Management Policy, as amended.  
Supply Chain Management Regulations



## **Annexure**

Annexures A: SCM quarterly implementation report (2<sup>nd</sup> quarter ending 31 December 2020) approved in terms of paragraph 6.3.

## **RECOMMENDATION**

In respect of

### **QUARTERLY SUPPLY CHAIN MANAGEMENT IMPLEMENTATION REPORT FOR THE SECOND QUARTER OF THE 2020/21 FINANCIAL YEAR**

Discussed by Council at the Council Meeting held on 26 January 2021:

1. That the approved SCM quarterly implementation report for the second quarter of the 2019/20 financial year, **be noted**.

**PROPOSED: CLLR W.R. MEIRING**

**SECONDED: CLLR E.S.C. MATJAN**

## **RESOLVED**

**C7/2021**

In respect of

### **QUARTERLY SUPPLY CHAIN MANAGEMENT IMPLEMENTATION REPORT FOR THE SECOND QUARTER OF THE 2020/21 FINANCIAL YEAR**

Discussed by Council at the Council Meeting held on 26 January 2021:

1. That the approved SCM quarterly implementation report for the second quarter of the 2019/20 financial year, **be noted**.

## **To Action**

M. Potgieter

**6.6 PROPOSED AMENDMENTS TO BID BV 615 PROVISION OF BANKING (AND RELATED) SERVICES FOR A PERIOD NOT EXCEEDING 5 YEARS, ENDING 31 MARCH 2021, IN COMPLIANCE WITH THE LEGISLATIVE REQUIREMENTS OF SECTION 116(3) OF THE MFMA**

**File No./s:** 3/12/1

**Responsible Officials:** R. Ontong

**Directorate:** Finance

**Portfolio:** Finance

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**1. Purpose**

The purpose of this report is to provide the necessary information and motivation on the proposed amendment of the following contract:

**NEDBANK (PTY) LTD** (BV615 – Provision of Banking (And Related) Services for a period not exceeding five (5) years)

In terms of the enabling provisions of section 116(3) of the Local Government: Municipal Finance Management Act, Act No. 56 of 2003 (MFMA), to enable Council to make an informed decision whether to consent to the amendment of the contracts.

**2. Background/Motivation**

Section 116(3) of the MFMA provides as follows:

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

In terms of the Breede Valley Municipality’s Supply Chain Management Policy and Contract Administration, the following contract were awarded to Nedbank (Pty) Ltd. A contract description is accompanied below as it was originally tendered.

It can be confirmed that the applicable contract below is still alive and may be amended:

**NEDBANK (PTY) LTD** (BV615 – Provision of Banking (And Related) Services for a period not exceeding five (5) years.

**Background:**

In terms of the Municipal Finance Management Section 7(1) every Municipality must open and maintain at least one bank account in their name. Section7(3)(b) of the MFMA further

indicates that the bank account may not be opened with an institution not registered as a bank in terms of the Banks Act, 1190 (Act 94 of 1990)

In accordance with the required legislative framework the Breede Valley Municipality appointed a registered bank to provide banking and other related services to the municipality.

This tender was awarded to NEDBANK (PTY) LTD for a period of three years 1 April 2018 to 31 March 2021.

The Municipality wishes to extend the existing contract for additional two years. Municipalities are allowed in terms of paragraph 30 of the Supply Chain Regulations to procure banking services for a period not more than five (5) years.

Further to the above paragraph 30 (2) of the Municipal Supply Chain Regulations states that the process for procuring a contract for banking services must commence at least nine months before the end of an existing contract.

Breede Valley Municipality however, as part of local Government, have been negatively affected by the COVID 19, declaration of state of disaster, which in essence set the scene for exceptionality, similar to "acts of God", which could not have been prevented, neither controlled by the local municipality. This State of Disaster made it impractical and impossible to commence the SCM procedures, nine months before the end of the existing contract.

**Motivation:**

The Municipality wishes to extend the existing contract in terms of BV615 for an additional two (2) years. Municipalities are allowed in terms of paragraph 30 of the Supply Chain Regulations to procure banking services for a period not more than five (5) years.

The Municipality has been affected by the declaration of the state of disaster which had a negative impact on procurement processes, which had to commence nine months before the end of the existing contract.

Further to the above the municipality deems it impractical to go out on a new tender of three years as the implementation of a new bank itself takes approximately one year. The closing of the current banking system also takes another year.

The following areas are affected by the implementation of the new banking tender:

**Opening of Current Accounts**

- Client needs to be FICA'd before accounts can be opened.
- Primary Bank Account and Traffic Fine Account requirements to be put in place.
- Daily Sweeping from Traffic Account and Debtors Account to Main Account is required.

**Infrastructure (SAMRAS SYSTEM)**

- A dedicated financial system representative for project implementation.
- Infrastructure meeting with IT and financial system representatives to identify the network/routing requirements and exchanges of IP addresses must be scheduled.

**Electronic Banking Processing (Expenditure)**

- **Payroll**  
Batch Processing for payroll via Online Banking needs to be tested and implemented.  
Total Permanent Employees and EPWP workers that is paid monthly needs to be determine and the payroll calendar of the municipality must be considered.  
The Current Value for Salaries needs to be considered.

- **Accounts Payable**  
Batch Processing via Online Banking needs to be put in place to do Creditors and Insurance payments etc.

#### **Electronic banking Processing (Income)**

- **Cash Deposit Books**  
Pre-Printed Triplicate Deposit Books a requirement.
- **Card**  
Merchant Acquiring Services (Point of Sale (POS)) to be clearly defined.  
Number of sites and POS devices required needs to be confirmed.
- **CIT Requirements/ Nedbank Branch**  
Meeting with the required role players to be scheduled to identify requirements.  
Meeting with Branch Manager to discuss access to Video footage should there be any shortages/discrepancies on cash received.
- **Cash Float Authorisation**
- **Debit Orders/Collections**  
Batch processing that happens on 1<sup>st</sup> and 15<sup>th</sup> working day of each month needs to be taken into account.

#### **Bank Statement and Reconciliation**

- The current bank reconciliation processes of the municipality need to be compatible to the banks EFT system as well as the format and frequency in which the bank statements are provided.
- Separate Statement for Charges must be requested
- Reporting on Charges needs to be clearly defined.
- 

#### **Marketing**

- The bank in collaboration with BVM needs to embark on an awareness campaign to drive the message of the bank account change to BVM's clients and staff.
- The debtors of the municipality need to be informed and the changes in bank accounts needs to be published on municipal accounts etc. to avoid clients from paying their municipal account into the incorrect bank account.
- Payments in the old bank account can result in unidentified debtors' payments and additional bank charges for the municipality.
- Different Channels of Marketing needs to be considered

### 3. Financial Implications

The expenditure on the proposed amended contract, will be based on the current terms and conditions of contract, inclusive of existing escalation terms, currently governing expenditure of the contract.

The approved Budget by the council in May 2020, correspond with the services and product being procured, via an amendment of existing contract process.

The expenditure on the amended contract will be subject to funding available by BVM and should not create expectations for full utilisation of the contracts.

Operational expenditure to these amended contracts, will be managed and monitored by the relevant budget holders, ensuring control of expenditure.

### 4. Applicable Legislation / Council Policy

Local Government: Municipal Finance Management Act, 2003(Act 56 of 2003)  
Circular 57, National Treasury Practise note  
Circular 62, National Treasury Practise note  
Circular 73 National Treasury Practise note  
Circular 102, National Treasury Practice note  
Breede Valley Municipality Supply Chain Management Policy, as amended  
Breede Valley Municipality Contract Management Framework as part of the SCM Policy, as amended

Section 116 (3) of the Municipal Finance Management Act 56 of 2003 determines as follows—

“A contract or agreement procured through the supply chain management policy of the municipality or municipal entity may be amended by the parties, **but only after**— (*own highlight and underlining*)

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

In order to comply with section 116 (3) of the Municipal Finance Management Act, a public participation process was followed, whereby the intention to amend this contract was advertised on the Municipal website and notice boards on Wednesday, 29 October 2020. During closing date of the advertisement, which was on the 31<sup>st</sup> of December 2020, no comments were received from the public (reference can be made to annexure “B” attached to this report).

### 5. Comment of Directorates / Departments

**Municipal Manager:** Supported

**Director: Strategic Support Services:** Noted.

**Director: Financial Services:** Noted

**Director: Community Services:** Noted

**Director: Technical Services:** Noted

**Senior Manager Supply Chain Management Unit:**

1. The contract is still alive and did not reach its end date and is feasible for the amendment process initiated.
2. An exceptional reason was provided as motivation for these amendments and full compliance was given to section 116(3), process fully supported

## **6. Annexures**

Annexure A: Intent to amend document

Annexure B: Proof of Advertisement

Annexure C: Schedule of Quantities/ Rates

### **RECOMMENDATION**

In respect of

**PROPOSED AMENDMENTS TO BID BV 615 PROVISION OF BANKING (AND RELATED) SERVICES FOR A PERIOD NOT EXCEEDING 5 YEARS, ENDING 31 MARCH 2021, IN COMPLIANCE WITH THE LEGISLATIVE REQUIREMENTS OF SECTION 116(3) OF THE MFMA**

Discussed by Council at the Council Meeting held on 26 January 2021:

1. That **cognisance be taken** of the reasons for the proposed amendment of **Contract:**

**NEDBANK (PTY) LTD** (BV615 – Provision of Banking (And Related) Services for a Period not exceeding five (5) years.

for services and products, **ending 31 March 2021**, enabling provisions of Section 116(3) of the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003), and that the amendments of the contracts be consented to;

2. And that the amendment of the above-mentioned contract is subject to BVM financial capacity to utilise this contract, including a one-month written notification for cancellation clause, applicable to for both parties.

**PROPOSED: CLLR W.R. MEIRING**

**SECONDED: CLLR M. JACOBS**

### **RESOLVED**

**C8/2021**

In respect of

**PROPOSED AMENDMENTS TO BID BV 615 PROVISION OF BANKING (AND RELATED) SERVICES FOR A PERIOD NOT EXCEEDING 5 YEARS, ENDING 31 MARCH 2021, IN COMPLIANCE WITH THE LEGISLATIVE REQUIREMENTS**

## **OF SECTION 116(3) OF THE MFMA**

Discussed by Council at the Council Meeting held on 26 January 2021:

1. That **cognisance be taken** of the reasons for the proposed amendment of **Contract:**

**NEDBANK (PTY) LTD** (BV615 – Provision of Banking (And Related) Services for a Period not exceeding five (5) years.

for services and products, **ending 31 March 2021**, enabling provisions of Section 116(3) of the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003), and that the amendments of the contracts be consented to;

2. And that the amendment of the above-mentioned contract is subject to BVM financial capacity to utilise this contract, including a one-month written notification for cancellation clause, applicable to for both parties.

### **To Action**

R. Ontong

**Cllr Wilskut requested Caucus.**

**Caucus started at 14:45.**

**Meeting reconvened at 15:20.**

## **6.7 REVIEW OF THE STAFF ESTABLISHMENT FOR BREEDE VALLEY MUNICIPALITY AND FILLING OF NEW SENIOR MANAGER VACANCY**

**File No./s:** 2/3/3/1

**Responsible Official:** D McThomas

**Directorate:** Strategic Support Services **Portfolio:** Municipal Manager

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### **1. Purpose**

1. To obtain Council's approval of the amended staff establishment for Breede Valley Municipality.
2. To obtain council approval to fill the new senior manager position.
3. To obtain council approval for an appropriate person to act in the new senior manager position.

### **2. Background**

The current approved staff establishment of Breede Valley Municipality was approved by Council as per Council Resolution C35/2019 resolved at the Council meeting held on 28 May 2019.

A review process of the staff establishment of the Municipality was required to ensure that Breede Valley Municipality achieves sustainable and cost-effective service delivery as envisaged by the specific strategic objectives identified in the Integrated Development Plan of the Municipality. The resultant amendments specifically addressed the streamlining of directorates functional areas at a macro organisational level.

The following principles were applied during the drafting and consultative processes associated with the review of the staff establishment:



1. The staff establishment should be fully funded
2. Permanent and Fixed Term positions are reflected
3. The staff establishment aims to amend the Macro Structure without detailed amendments at the operational levels of the staff establishment.
4. Functionally align divisions for better execution.
5. The span of control per Director or Manager must not be too overly broad.

In terms of section 66 of the Municipal Systems Act, act 32 of 2000, it states that:

*“66 Staff establishments –*

*(1) A municipal manager, within a policy framework determined by the municipal council and subject to any applicable legislation, must –*

- (a) develop a staff establishment for the municipality, and submit the staff establishment to the municipal council for approval;*
- (b) provide a job description for each post on the staff establishment;*
- (c) attach to those posts the remuneration and other conditions of service as may be determined in accordance with any applicable labour legislation; and*
- (d) establish a process or mechanism to regularly evaluate the staff establishment and, if necessary, review the staff establishment and the remuneration and conditions of service.”*

*(3) No person may be employed in a municipality unless the post to which he or she is appointed, is provided for in the staff establishment of that municipality.*

*(4) A decision to employ a person in a municipality, and any contract concluded between the municipality and that person in consequence of the decision, is null and void if the appointment was made in contravention of subsection (3).*

- (5) *Any person who takes a decision contemplated in subsection (4), knowing that the decision is in contravention of subsection (3), may be held personally liable for any irregular or fruitless and wasteful expenditure that the municipality may incur as a result of the invalid decision.*

According to the previous existing Local Government: Regulations on the appointment and conditions of employment of Senior Managers subsection 4 (3) relating to staff establishment, the municipal manager must review the municipality's staff establishment within 12 months in any of the following instances:

- (a) *The election of a new municipal council*
- (b) *The adoption of the integrated development plan of the municipality as contemplated in section 25 of the Act*
- (c) *Material changes to the functions of the municipality*
- (d) *The determination of new municipal boundaries*

### **Discussion:**

Various consultation sessions were held between management, affected municipal staff and the unions. As this draft staff establishment merely amended the macro staff establishment, consultation at LLF level was not required. The draft staff establishment was discussed by the Municipal Manager, Mr D McThomas with Ms A Eiman as Chairperson: IMATU and Mr W Visagie as Chairperson: SAMWU. It was unanimously agreed that the reviewed staff establishment in its entirety be submitted for the approval by Council.

The key changes to the staff establishment was the following:

#### **1. Municipal Managers Office:**

- a. Project Manager post was moved to Public Services Directorate.

Most functions fulfil by the post is technical in nature thus it should be in the public services directorate.

**2. Strategic Support Services:**

a. Additional Court Prosecutor was moved to Community Services directorate where so that all the functions of the additional court are under the responsibility of one directorate.

b. Communication Division was merged under the IDP/PMS division.

If one considers the span of control of the IDP/PMS division it only had two employees under management, and this could be effectively increased with similar functions like communications. With communications added the span of control will be more economical and efficient.

In addition, the funds of the Manager Communications, now saved, can be used to fund additional post.

c. Call Centre operations are moved from communications back to Fire Services. Evaluation of recent operations revealed that the presence of management at the centre in particular after hours are key for effective operations.

**3. Community Services:**

a. Project Manager New Housing Development moved to Engineering Services as this part of the housing function are pure engineering works.

b. Community Liaison Managers moved to Public Services Directorate as most of their operations are technical in nature.

**4. Financial Services:**

a. Fleet Management are combined with the Logistics Section under financial services.

**5. Technical Services.**

a. Technical services are split into two directorates due the span of control being too broadly placed on one directorate.

- b. The two directorates are called Engineering Services and Public Services. Engineering will be essentially for all engineering services and electrical services. Public Services will be public works, town planning and building control, water service, community liaison and project management.
- c. Savings are created through the funded post of Manager Fleet now merged with Manager Logistics.

As noted above, all the changes are at a macro staff establishment level as it only affects directors and divisional changes and no changes lower down on the staff establishment.

The most significant change is the split of Technical Services directorate into two directorates. Director Steyn, as consulted with him, shall be designated as the Director Engineering Services, thus creating a vacancy of Director Public Services.

Attached hereto find the following annexures:

1. **Annexure A** - staff establishment of Breede Valley Municipality

#### **Permanent and Acting Appointment in the Director Public Services Position**

Due to the critical nature of services delivered by this newly created directorate the need exists to fill the post without delay and whilst the post is being filled to allow appropriately qualified internal persons to act in the vacant post.

Section 56 of the Municipal Systems Act 32 of 2000 states the following:

“Appointment of managers directly accountable to municipal managers

(1)(a) A municipal council, after consultation with the municipal manager, must appoint-

(i) a manager directly accountable to the municipal manager; or

(ii) an acting manager directly accountable to the municipal manager under circumstances and for a period as prescribed.

(b) A person appointed in terms of paragraph (a)(i) must at least have the skills, expertise, competencies and qualifications as prescribed.

(c) A person appointed in terms of paragraph (a)(ii) may not be appointed to act for a period that exceeds three months: Provided that a municipal council may, in special circumstances and on good cause shown, apply in writing to the MEC for local government to extend the period of appointment contemplated in paragraph (a), for a further period that does not exceed three months.

(2) A decision to appoint a person referred to in subsection (1)(a)(ii), and any contract concluded between the municipal council and that person in consequence of the decision, is null and void if-

(a) the person appointed does not have the prescribed skills, expertise, competencies or qualifications; or

(b) the appointment was otherwise made in contravention of this Act, unless the Minister, in terms of subsection (6), has waived any of the requirements listed in subsection (1)(b).

(Parts underlined my emphasis)

### **3. Financial Implications**

The newly created director position is funded. The financial implications will be the total cost to company in line with the current approved staff budget. The municipality can fund the additional director post through savings of the Manager communications and Manager Fleet.

### **4. Applicable Legislation / Council Policy**

1. The Constitution of the Republic of South Africa
2. Municipal Systems Act, Act 32 of 2000 and Regulations
3. Municipal Finance Management Act

### **Comment of Directorates / Departments concerned:**

**Municipal Manager:** Supported

**Director: Strategic Support Services:** Supported

**Director: Financial Services:** Supported

**Director: Technical Services:** Supported

**Director: Community Services:** Supported

**Senior Manager: Legal Services:** Supported

## **RECOMMENDATION**

That in respect of

### **REVIEW OF THE STAFF ESTABLISHMENT FOR BREEDE VALLEY MUNICIPALITY**

discussed by the Council at Council meeting held on 26 January 2021:

1. That the staff establishment of Breede Valley Municipality attached as Annexure A, be approved, and implemented with effect from 1 February 2021.
2. That the position of Director Jaco Steyn be designated as Director Engineering Services with effect from 1 February 2021.
3. That with regards to the filling of the vacancy of the Director Public Services:
  - i. Council affirm that the position of Director Public Services is vacant from 1 February 2021.
  - ii. That in terms of Regulation 7(2)(a) of the Regulations on the Appointment and Conditions of Employment of Senior Managers (herein after referred to as "The Regulations") Gazetted on 17 January 2014 (Gazette No. 37245) Council grant approval that the post of Director Public Services be filled;
  - iii. That Council confirm that in compliance with Regulation 5 that:
    - a. the municipality requires the post to meet its strategic objectives.

- b. a job description for the post of Director Public Services must be developed before it is advertised.
  - c. remuneration and other conditions of employment will be attached to the post in terms of the Upper Limits of Total Remuneration Package Payable to Municipal Managers and Managers Directly Accountable to the Municipal Managers once a suitable candidate is recommended; and
  - d. sufficient budgeted funds, including funds for the remaining period of the medium-term expenditure framework, are available for filling the post.
  
- iv. that the municipal manger must ensure that the post of Director Public Services is advertised in a newspaper circulating nationally and in this province within 14 days after 1 February 2021.
  
- v. that the services of a competent and experience recruitment agency be used during the recruitment process, subject thereto that the advertising, recruitment, selection procedure and competency testing complies with the Regulations.
  
- vi. that Council appoint the following members to the selection panel, for the recruitment and selection of the Director Public Services:
  - a. The Municipal Manager who is the Chairperson;
  - b. Councillor Wouter Meiring;
  - c. Mr Henry Prins or should he not be available, Mr David Nasson who both has expertise and experience in the area of the advertised post.
  
- vii. that the selection panel submit a report and recommendation on the selection process to the council on the suitable candidates who comply with the relevant competency requirements of the post in order of preference.

4. That with regards to the acting appointment in position of Director Public Services:

- i. Council appoint Mr J Pekeur to act in the position of Director Public Services from 1 February 2021 to 30 April 2021.
- ii. That Council appoints Mr P Hartzenberg to act in the position of Director Public Services from 1 May 2021 to 31 July 2021 or until such date the position is filled which ever occur first.

**PROPOSED: CLLR W.R. MEIRING proposed “as recommended” with the following amendments: on page 51, the Clerk Support Services reflected under Executive Secretary Director Engineering Services must be reflected under Executive Secretary of Director Public Service on page 58 and must be two; and on page 58, the Fleet Management block (3.2) under Senior Manager Public Works must be deleted.**

**SECONDED: CLLR E. VAN DER WESTHUIZEN**

**COUNTER PROPOSAL: CLLR C.F. WILSKUT proposed that the Item be referred for a workshop with Council and thereafter referred back to Council for approval.**

**Seconded: Cllr N. Wullschleger**

**Votes in favour of Cllr Meiring’s proposal: 22**

**Votes in favour of Cllr C. Wilskut’s proposal: 12**

**RESOLVED (22 votes to 12)**

**C9/2021**

That in respect of

**REVIEW OF THE STAFF ESTABLISHMENT FOR BREEDE VALLEY MUNICIPALITY**

discussed by the Council at Council meeting held on 26 January 2021:

1. That the staff establishment of Breede Valley Municipality attached as Annexure A, be approved, and implemented with effect from 1 February 2021.



2. That the position of Director Jaco Steyn be designated as Director Engineering Services with effect from 1 February 2021.
3. That with regards to the filling of the vacancy of the Director Public Services:
  - viii. Council affirm that the position of Director Public Services is vacant from 1 February 2021.
  - ix. That in terms of Regulation 7(2)(a) of the Regulations on the Appointment and Conditions of Employment of Senior Managers (herein after referred to as "The Regulations") Gazetted on 17 January 2014 (Gazette No. 37245) Council grant approval that the post of Director Public Services be filled;
  - x. That Council confirm that in compliance with Regulation 5 that:
    - a. the municipality requires the post to meet its strategic objectives.
    - b. a job description for the post of Director Public Services must be developed before it is advertised.
    - c. remuneration and other conditions of employment will be attached to the post in terms of the Upper Limits of Total Remuneration Package Payable to Municipal Managers and Managers Directly Accountable to the Municipal Managers once a suitable candidate is recommended; and
    - d. sufficient budgeted funds, including funds for the remaining period of the medium-term expenditure framework, are available for filling the post.
  - xi. that the municipal manger must ensure that the post of Director Public Services is advertised in a newspaper circulating nationally and in this province within 14 days after 1 February 2021.
  - xii. that the services of a competent and experience recruitment agency be used during the recruitment process, subject thereto that the advertising,

recruitment, selection procedure and competency testing complies with the Regulations.

- xiii. that Council appoint the following members to the selection panel, for the recruitment and selection of the Director Public Services:
    - a. The Municipal Manager who is the Chairperson;
    - b. Councillor Wouter Meiring;
    - c. Mr Henry Prins or should he not be available, Mr David Nasson who both has expertise and experience in the area of the advertised post.
  
  - xiv. that the selection panel submit a report and recommendation on the selection process to the council on the suitable candidates who comply with the relevant competency requirements of the post in order of preference.
4. That with regards to the acting appointment in position of Director Public Services:
- i. Council appoint Mr J Pekeur to act in the position of Director Public Services from 1 February 2021 to 30 April 2021.
  - ii. That Council appoints Mr P Hartzenberg to act in the position of Director Public Services from 1 May 2021 to 31 July 2021 or until such date the position is filled which ever occur first.
5. On page 51, the Clerk Support Services reflected under Executive Secretary Director Engineering Services must be reflected under Executive Secretary of Director Public Service on page 58 and must be two;
6. On page 58, the Fleet Management block (3.2) under Senior Manager Public Works must be deleted.

**TO ACTION:**

R Esau

**6.8 MINUTES & QUARTER 1 REPORT OF THE AUDIT & PERFORMANCE AUDIT COMMITTEE SUBMITTED TO COUNCIL FOR INFORMATION AND NOTIFICATION**

**File No. /s: 2/1/1/3/2**

**Responsible Official: W du Plessis**

**Directorate: Municipal Manager**

**Portfolio: Internal Audit**

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**1. Purpose**

To submit the minutes & Quarter 1 Report of 2020/2021 of the Audit & Performance Audit Committee to Council for information and notification.

**2. Background**

Since the initial appointment date, the Audit & Performance Audit Committee is fully functional and have met regularly as prescribed.

The members of the Audit & Performance Audit Committee requested that the minutes of the committee be submitted to Council as part of their communication to Council, which includes the first quarter reporting as prescribed by legislation and the approved Audit Committee Charter.

Audit & Performance Audit Committee minutes for the relevant quarter, including the Quarter 1 Report are hereby submitted to Council as prescribed. *Attached as annexure A & B, respectively.*

**3. Financial Implications:**

N/A

**4. Applicable Legislation / Council Policy:**

Municipal Finance Management Act (Section 166)  
Audit & Performance Audit Committee Charter

**Comment of Directorates / Departments concerned:**

|  |                      |
|--|----------------------|
| <b>Municipal Manager:</b>                    | <b>Supported</b>     |
| <b>Director: Community Services:</b>         | <b>Noted</b>         |
| <b>Director: Strategic Support Services:</b> | <b>Content noted</b> |
| <b>Director: Financial Services:</b>         | <b>Noted</b>         |
| <b>Director: Technical Services:</b>         | <b>Noted</b>         |
| <b>Senior Manager: Legal Services:</b>       | <b>Noted</b>         |

**RECOMMENDATION:**

That in respect of

**MINUTES & QUARTER 1 REPORT OF THE AUDIT & PERFORMANCE AUDIT COMMITTEE SUBMITTED TO COUNCIL FOR INFORMATION AND NOTIFICATION**

**discussed by Council at the Council meeting held on 26 January 2021:**

Council notes the content of the Minutes & Report of the Committee.

**PROPOSED: CLLR W.R. MEIRING**

**SECONDED: CLLR J.R. JACK**

**RESOLVED**

**C10/2021**

That in respect of

**MINUTES & QUARTER 1 REPORT OF THE AUDIT & PERFORMANCE AUDIT COMMITTEE SUBMITTED TO COUNCIL FOR INFORMATION AND NOTIFICATION**

**discussed by Council at the Council meeting held on 26 January 2021:**

Council notes the content of the Minutes & Report of the Committee.

**To Action**

W. Du Plessis

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**7. CONSIDERATION OF REPORTS, COMMUNICATIONS, PETITIONS AND APPLICATIONS DEALING WITH MATTERS OF URGENCY SUBMITTED BY THE MUNICIPAL MANAGER**

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Cllr C.F. Wilskut requested a caucus.

Caucus started at 16:25.

Meeting reconvened at 16:45.

**8. CONSIDERATION OF MATTERS SUBMITTED BY THE CHAIRPERSON OF COUNCIL****8.1 ALLEGED BREACH OF CODE OF CONDUCT FOR COUNCILLORS: CLLR N. WULLSCHLEGER**

**File No:**

**Responsible Official:** Speaker

**Directorate:** Mayco

**Portfolio:** Mayco

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**PURPOSE**

For Council to consider the recommendations by the Special Committee in respect of the alleged breach of the Code of Conduct for Councillors by Cllr. Nik Wullschleger.

**BACKGROUND/DISCUSSION**

On 25 February 2020 Council considered a report submitted by the Speaker in respect of the alleged breach of the Code of Conduct by Cllr Nik Wullschleger.

The report also contained legal advice obtained from Attorney Hannes Du Bois. After due consideration of the inputs and recommendations by Attorney Hannes Du Bois, (authorised by Speaker to make preliminary investigations), Council resolved to appoint a Special Committee in terms of section 14(1)(b) of Schedule 1 of the Systems Act 2000, to investigate the matter and report to Council thereon.

The Committee comprised of the following Councillors:

J.F. van Zyl (DA) (Chairperson)

J.R. Jack (DA)

M. Jacobs (DA)

W.R. Meiring (DA)

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P. Ramokhabi (DA)  
A. Pietersen (DA)  
I. Tshabile (ANC)  
J. Robinson (PDM)  
C.F. Wilskut (BO)  
N. Nel (VF PLUS)  
V. Mngcele (EFF)

Adv. Craig Bosch, instructed by Fairbridges Wertheim Becker Attorneys, was duly appointed as Initiator (for BVM).

### **THE CHARGES**

Three (3) charges were brought against Cllr. Wullschleger namely:

1. That he intentionally, alternatively negligently, made false statements to the effect that the Breede Valley Municipality was planning to forcibly move people to live on the Transhex site.
2. That he intentionally, alternatively negligently, made false statements to the effect that the Breede Valley Municipality will not provide adequate housing to people going to live on the Transhex site.
3. That he intentionally, alternatively negligently, made false statements to the effect that the Transhex site is dangerous to, or not fit for, human habitation.

### **THE HEARING, FINDING AND SANCTION**

The Special Committee had its first session on 5 August 2020 but the hearing was suspended because of unruly behaviour by unauthorised attendees. (the Chairperson ruled that the hearing should be dealt with "in camera" which resulted in protest by some members of the public and councillors)

Further sessions ensued whereafter the following finding was made, and sanction passed:

- a) That Cllr Wullschleger be found not guilty on charges 1 and 2 as mentioned above.
- b) That Cllr Wullschleger be found guilty on charge 3 as indicated above.
- c) That it be recommended to Council that the MEC for Local Government (Western Cape) be requested to suspend the Councillor for 1 (one) month without remuneration.

### **ATTACHMENTS**

A: Heads of Arguments: Adv. Bosch (Initiator for BVM)  
B: Heads of Arguments: Attorney Botes (for Cllr. Wullschleger)  
C: Replying Heads of Argument (Adv. Bosch)

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- D: Summation by Special Committee (“Finding of Fact in Law by Special Committee”)  
E: Recommendations to Council in regard to sanction.

## CONCLUSION

- The Special Committee established by Council in accordance with paragraph 14(1)(b) of Schedule 1 of the Code of Conduct, has concluded its business and made a finding.
- Council must now consider the recommendations by the Special Committee regarding the alleged breach of the Code by Cllr. Nik Wullschleger.

## LEGAL FRAMEWORK

- Constitution of the Republic of South Africa, 1996
- Municipal Structures Act, 1998
- BVM Ethics Policy

## FINANCIAL IMPLICATIONS

Legal fees

## RECOMMENDATION

As contained in the report by Special Committee. (Annexure “E” *supra*)

**PROPOSED: CLLR J.P. KRITZINGER proposed that Council, in terms of S14(2)(c) of Schedule 1 of the Municipal Systems Act 32 of 2000 request the MEC for Local Government in the Western Cape to suspend the Councillor for one (1) month without remuneration.**

**SECONDED: CLLR M. JACOBS**

**COUNTER PROPOSAL: CLLR C. WILSKUT proposed that Cllr N. Wullschleger is innocent and that he never brought the Municipality in discredit; that the Composition of the Committee was unreasonable and unfair with no independent Chairperson; that the Committee was incompetent and that the relevant facts were never taken into account; the Chairperson was manipulative and switched off the recorder so ensure that there were no record of the meeting and therefore the BO does not agree with the finding of the Special Committee.**

**SECONDED: CLLR N. NEL**

**VOTES IN FAVOUR OF CLLR C.F. WILSKUT’S PROPOSAL: 11**

**VOTES IN FAVOUR OF CLLR J.P. KRITZINGER’S PROPOSAL: 21**

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**RESOLVED**

C11/2021

That Council, in terms of S14(2)(c) of Schedule 1 of the Municipal Systems Act 32 of 2000 request the MEC for Local Government in the Western Cape to suspend councillor Nik Wullschleger for one (1) month without remuneration.

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**8.2 NOMINATION OF COUNCIL REPRESENTATIVES ON SALGA PROVINCIAL WORKING GROUPS****File No:** 2/3/2/13**Responsible Official:** Speaker**Directorate:** Mayco**Portfolio:** Mayco

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**Purpose**

- To appoint a representative to the SALGA Environmental Planning and Climate Resilience Working Group to replace the late Cllr. Levendal
- To appoint a secundi on the Human Settlements and Housing Development in place of Cllr. Levendal

**Discussion**

Council on 31 March 2017 appointed the late Cllr. JD Levendal as council's representative on the Environmental Planning and Climate Resilience Working Group.

The late Cllr. Levendal was also appointed as secundi on the Human Settlements and Housing Development Working Group.

**Recommendation**

That the late Alderman. Levendal be replaced on the SALGA Working Groups as follows:

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Member: Environmental Planning and Climate Resilience: Cllr. J.F van Zyl  
Secundi: Human Settlement and Housing Development: Cllr. P. Ramokhabi

**PROPOSED: CLLR W.R. MEIRING**

**SECONDED: CLLR R. FARAO**

**RESOLVED**

**C12/2021**

That the late Alderman. Levendal be replaced on the SALGA Working Groups as follows:

Member: Environmental Planning and Climate Resilience: Cllr. J.F van Zyl  
Secundi: Human Settlement and Housing Development: Cllr. P. Ramokhabi

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**9. CONSIDERATION OF NOTICES OF MOTION AND NOTICES OF QUESTIONS  
WHICH SHALL APPEAR ON THE AGENDA IN THE ORDER IN WHICH THEY HAVE  
BEEN RECEIVED BY THE MUNICIPAL MANAGER**

**9.1**

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**NOTICE: MOTION IN TERMS OF SECTION 31(2).**

I, Councilor **NIK WULLSCHLEGER** hereby give notice in terms of Section 31(2) of the Rules of Order as promulgated in the Provincial Gazette No. 7118 of 12 April 2013, that I intend, during the Council Meeting scheduled for the **26 January 2021**, to table a motion as set out below and will propose a resolution that:


**MOTION: SEEKS TO INVESTIGATE AND RECTIFY THE POSSIBLE NON-COMPLIANCE OF THE ENVIRONMENTAL AUTHORISATION ISSUED ON 25 October 2016 IN TERMS OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT (ACT 108 OF 1998), FOR THE DEVELOPMENT ON ERF 1, WORCESTER IN GENERAL, BUT SPECIFICALLY CONDITIONS 4 (CONDITIONS 2 ,3 ,12 AND 20), 5, 6, 7, 10, 19, 22, 23, 24 AND 25.**

- (a) That Council urgently request the Municipal Manager to investigate and report back to Council on the compliance with regards to the environmental authorization issued on the 25 October 2016 to the Breede Valley Municipality.

**By way of motivating the motion, I submit the following summary:**

- i) I am the duly nominated Councilor representing the Breedevallei Onafhanklik (BO) Party.
- ii) I have had access to a number of reports pertaining to the environmental impact assessment undertaken for the Development on Erf 1 (colloquially referred to as "Transhex"), including the environmental authorization issued by the Department of Environmental Affairs and Development Planning (the "Competent Authority") to the Breede Valley Municipality (the "Applicant" and "Holder") on the 25 October 2016. See Annexure A – Environmental Authorization dated 25 October 2016.
- iii) The environmental authorization is subject to a broad number of conditions ranging from public participation and appeal processes to specific conditions such as the remediation of contaminated land identified on the site, amendment of the river maintenance management plan, establishment of natural buffer areas, search and rescue for tortoises and establishment of biodiversity offset area and management plans agreed to by CapeNature and the Breede Gouritz CMA.
- iv) Of particular concern to me is Condition 23 (page 17), I quote "***Remediation, by a suitably qualified and experienced specialist, of contaminated land identified on site in the vicinity of "profile 3" must be undertaken prior to commencement of construction in the affected area as per the phased approach for the development.***" (Own emphasis added).



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- v) Further, in Annexure 1 of the environmental authorization "Reasons the decision", the Competent Authority provide their rationale for Condition 23 (page 30), I quote "A Soil Study was undertaken by Dr J.E. Hoffman (... compiled in 2016). This investigation included analysis of soil taken from test pits to sample for possible heavy metal contamination due to prior pollution on site. The results indicate that heavy metals values were below contamination levels. However, due to higher Arsenic and Chromium values, further testing and remediation of land in the vicinity of profile 3 is to be undertaken by the Breede Valley Municipality, prior to construction in this area."
- vi) To investigate whether there was compliance with Condition 23, I undertook the following steps;
- a. I plotted the location of the six soil profiles as per geographic coordinates provided by Dr Hoffman in his report titled "Soil Science specialist study for proposed new residential development site at Worcester." This included the location of "profile 3" as mentioned in the environmental authorization.
  - b. I analyzed a number of satellite images acquired by Google Earth between 2006 and 2020 (see Annexure B) which shows linear features probably effluent irrigation lines, dams or embankments, persisting from the pre-construction phase (2006) through to at least January 2019, at which point construction was well underway. In my opinion no sign of a remediation programme in the vicinity of "profile 3" could be seen on the satellite imagery.
  - c. I analyzed drone footage published on the Western Cape Minister of Human Settlements Simmers' public facebook page, acquired on the 17 March 2020, for any evidence of remediation See Annexure c). In my opinion, no sign of further testing nor a remediation programme in the vicinity of "profile 3" could be seen on the aerial drone imagery.
- vii) It is my assertion, both as an earth scientist, who specialized the interpretation of satellite imagery and as an environmental impact assessment practitioner, that Condition 23 was not complied with and that neither further testing nor remediation was attempted.
- viii) Further as an elected councilor concerned that the Breede Valley Municipality may be at risk, I respectfully request proof of compliance be submitted to Council. Compliance is required with all conditions as listed in the Environmental Authorisation, but specifically I would like to draw your attention to:
- a. Whether Condition 4.2 was complied with and that the Breede Valley Municipality provided notice of compliance with conditions 2, 3, 12 and 20
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as per the environmental authorisation. I request proof it was submitted to the Competent Authority in fulfilment of Condition 4.2 and details be provided to Council.

- b. Whether Condition 7 was complied with and that *"The draft **River Maintenance Management Plan** ("MMP") is herewith agreed to ... on condition that the following amendments are made to the MMP, which must be resubmitted to the competent authority prior to the end of the construction phase or within one (1) year from the date of issue of this environmental authorisation, whichever occurs first." I request a copy of the amended approved River Maintenance Management Plan (MMP) and proof it was submitted to the Competent Authority in fulfilment of this condition and within the timeframe ie one year of the date of issue of the environmental authorisation, be provided to Council.*
- c. Whether Condition 19 was complied with and that *"The **300m buffer area along the north eastern boundary** must be strictly adhered to". It is not clear to which boundary is being referred to as the R60 runs along the north-eastern boundary nor the type of buffer zone (natural or cleared land). I request proof of compliance be submitted to Council.*
- d. Whether Condition 22 was complied with and that *"A **search and rescue operation** must be conducted for tortoises in conjunction with a suitably qualified ecologist/faunal specialist for the portions of the development as per the phasing approach, prior to commencement of construction." I request proof of compliance be submitted to Council.*
- e. Whether Condition 24 was complied with i.e. *"A **biodiversity offset area** must be implemented ... with the final boundaries of the biodiversity offset area agreed to by CapeNature." I request proof of compliance be submitted to Council.*
- f. Whether Condition 25 was complied with and that *"A **biodiversity conservation management plan**, including inter alia rehabilitation, alien invasive species management, fire management and access control, must be compiled for the agreed biodiversity offset areas in collaboration with suitably qualified and experienced botanical and freshwater specialists. This plan must be submitted to Cape Nature and the Breede Gouritz Catchment Management Agency (BG-CMA) for their input and approval prior to submission to the Department within six months of the date of this environmental authorization." I request proof of compliance be submitted to Council and that this plan agreed to by CapeNature and BG-CMA was*



submitted within the required timeframe of 6 months from the date of the authorisation.

- ix) Finally, I would also like to bring to Councils attention that this is a very serious and urgent matter and that there are a number of conditions in the environmental authorization that make it crystal clear as to the roles, responsibilities, actions and timeframes that are to be adhered to especially if a non-compliance surface, namely:
- a. Condition 5 states "The **holder** (Breede Valley Municipality) is **responsible for ensuring compliance** with the conditions by any person acting on his /her behalf, including an agent, sub-contractor, employee or any person rendering a service to the holder."
  - b. Condition 6 states "The **applicant** (Breede Valley Municipality) must **notify the competent authority** in writing **within 24 hours** thereof if any condition herein stipulated is **not being complied with**."
  - c. Condition 10 provides the necessary emphasis that "**Non-compliance with a condition of this environmental authorization or EMP (environmental management programme) may result in suspension of this environmental authorization and may render the holder (Breede Valley Municipality) liable for criminal prosecution.**"

**I therefore submit the following Resolution to Council:**

That Council urgently request the Municipal Manager to investigate and report back at the next Council meeting on the status of the Breede Valley Municipality's compliance with respect to environmental authorization for the Development of Erf 1, as issued on the 25 October 2016 to the Breede Valley Municipality, including but not restricted to the conditions listed above.

**Considering the above, I move that motion as tabled be accepted by Council**

Signed: \_\_\_\_\_



Date: 15/01/2021 \_\_\_\_\_

Received: \_\_\_\_\_

Date: \_\_\_\_\_

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**AMENDMENT:** CLLR J.F. VAN ZYL proposed that the Municipal Manager be requested friendly to report to the Steering Committee on the status of compliance to the conditions of the Environmental Authorisation as issued and that the Report be made available to the BO.

**SECONDED:** CLLR M. JACOBS

**VOTES IN FAVOUR OF CLLR N. WULLSCHLEGER'S NOTICE OF MOTION: 12**  
**VOTES IN FAVOUR OF CLLR J.F. VAN ZYL'S AMENDMENT: 21**

**RESOLVED**

**C13/2021**

That the Municipal Manager be requested and mandated to report to the Transhex Steering Committee on the status of compliance with the conditions of the Environmental Authorisation as issued on 25 October 2016 by the Western Cape Department of Environmental Affairs and Planning, in respect of the proposed residential, business and civic development with associated infrastructure on erf 1, Worcester.(TRANSHEX)

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**10. CONSIDERATION OF MOTIONS OF EXIGENCY**

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**11. CLOSURE**

**THE SPEAKER CLOSED THE MEETING AT 18:46.**

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