



**BUDGET 2024/25 TO 2026/27**  
**MEDIUM TERM REVENUE EXPENDITURE FRAMEWORK**

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## 1. Mayor's Report

Council should note that section 2 of the Municipal Property Rates Act (MPRA), Act No.6 of 2004 gives municipalities the powers to levy property rates, which must be based on the market related values of the properties. Section 32(b)(i) of the MPRA limits the validity period of the valuation roll utilised for the basis of levying property rates to a period of five (5) financial years.

Based on the above requirement of the MPRA, it must be noted that with effect from 1 July 2024 a new General Valuation Roll will be implemented. It can be confirmed that all the required legal processes have been commenced with to comply with the MPRA.

The budget is also informed by the consideration of tariff increases for various services, such as, Electricity, Water, Refuse and Sanitation and Property Rates. The proposed increases for electricity tariffs are entirely dependent on the final outcomes of the ESKOM tariff application to NERSA. The proposed electricity tariff increases have been based on the communication from NERSA that has been recently issued. The proposed tariff increases for Water, Sanitation and Refuse are linked to the projected Consumer Price Index (CPI) increases.

It is to be noted that Salary and Wage Bill is a major cost driver. The Collective Agreement dated 15 September 2021, regarding salary increases for municipal employees came in effect from the current financial year (2021/22), covering the period from 1 July 2021 to 30 June 2024. To guide salary increases, the current year increment (5.4%) was used as the new Collective Agreement is not yet in place.

It must be noted that the Tables contained in this report were, developed by our Budget and Treasury Directorate's staff, which is a good start with other gaps to be filled in to ensure that we fully comply with the MSCOA requirements by National Treasury as it relates to the budget preparation. It can also be confirmed that there has been team work undertaken with Financial Recovery team in this exercise and that will be the case in the submission of the required budget "strings" to National Treasury after the noting of this draft budget. Any other further improvements will be made in the period leading up to the final approval of the 2024/24 to 2026/27 budget (i.e. on or before end May 2024).

Lastly, let me take this opportunity to sincerely thank all role players who assisted in ensuring that the draft budget is submitted to Council for noting, leading up to the final approval of the budget on or before the end of May 2024.

I therefore table the draft budget 2024/24 to 2026/27 and the accompanying documents before Council for NOTING.

Honourable Cllr NKASHE   
MAYOR DITSOBOTLA LOCAL MUNICIPALITY

### 1.1 Recommendations to Council

a) That the draft annual budget and its supporting documents (proposed tariffs, reviewed /draft policies and financial plan) for the MTREF 2024/2025 to 2026/2027 be considered

b) That the total revenue budget of **R727 672 498** be considered of which **R681 173 498** is operational and **R46 499 000** is capital as per schedule A1, A4, A5 and A7.

c) That the total expenditure budget of **R710 693 128** should be considered.

d) That the draft A Schedules (1-10) and supporting schedules should be submitted to Provincial and National treasuries as part of supporting documents.

e) That Council approve the capital expenditure by vote and associated category as well as funding reflected in the budget tables.

f) That Council approve the indicative estimates for the two outer years stipulated in the Schedules.

g) That the draft budget for the financial year 2024/2025 and the multi-year and single year capital appropriations as set out in accordance with Municipal Budget and Reporting Regulations(MBRR) be approved.

h) That the tariffs proposed in the tariff list be approved.

## **1.2. Executive Summary**

The aim of this report is to present a coherent plan to achieve the vision of the municipality. The intention of this report is to link, integrate and co-ordinate development plans for DLM which is aligned with national, provincial and district development plans and planning requirements binding on the municipality in terms of legislation.

The key service delivery priorities, as reflected in the Integrated Development Plan (IDP), informed the development of the Budget, including the need to maintain the Municipality's financial sustainability.

This budget is prepared during a time in which the Collection Rate has been reported to be at its lowest, as illustrated in other structures of Council. Specific revenue collection strategies to improve the collection of outstanding consumer debt are being implemented by the Municipality. The mentioned strategies include participating in the smart meter grant as per circular 128.

Cost containment Regulations and Policy are also being implemented to further curb costs and to improve operational efficiency, in line with the requirements of the Cost Containment Regulations (Number 42514 dated 7 June 2019), as well as the recently approved Cost Containment Policy of Council.

All National Treasury's MFMA Circulars were used to guide the compilation of the 2024/25 MTREF, including the latest MFMA Circulars 126 and 128. MFMA Circular 128 was also tabled to the meeting of the Budget and Treasury Steering Committee for awareness.

The Municipality is faced with the following significant challenges during the compilation of the 2024/25 MTREF:

- the declining collection rate.
- Inability to budget for a surplus on the Operating Budget, due to various factors including prior year commitments with financial implications to the budget.
- Escalating Employee Related Costs, that continue to be greater than 30%, as compared to the total operating budget (after excluding the non-cash items), which is necessitated by various allowances that are paid to municipal employees.
- Ensuring that electricity and water losses are reduced to acceptable levels.
- Allocation of the required operating budget provision for newly created infrastructure and facilities, with a consequential impact on the level of property rates and tariff increases.
- Allocation of the required budget provision for the rehabilitation and maintenance of infrastructure, more so due to the rampant vandalism of municipal infrastructure that has recently occurred.
- The vandalism to the municipal properties as reported in various structures of Council due to lacking security of the municipal assets.

### **1.3. Legislative Requirements**

This budget has been compiled based on various MFMA Circulars such as the recent, Circular 126 and 128 issued by National treasury on 07 December 2023 and 08 March 2024 respectively.

The Annual Budget will also take into consideration the inputs made by Provincial Treasury through Municipal Budget and benchmarking engagements. The key objective is to assist the municipalities to table a funded budget as the directive from National Treasury over a certain period.

The MTREF for 2024/25 to 2026/27 was compiled in accordance with the requirements of the relevant legislation, of which the following are the most important:

- The Constitution of the Republic of South Africa, Act 108 of 1996;
- The Municipal Structures Act, Act 117 of 1998;
- The Municipal Systems Act, Act 32 of 2000;
- The Municipal Finance Management Act, Act 56 of 2003;
- The Municipal Budget and Reporting Regulations promulgated on 17 April 2009; and
- The 2024 Division of Revenue Bill.

### **1.4 Budget Principle and Guidelines**

The following budget principles and guidelines directly informed the compilation of the 2024/25 MTREF:

- The declining Collection Rate, as previously alluded to.
- The priorities and targets, relating to the key strategic focus areas, as determined in the IDP.

- The need to enhance the municipality's revenue base.
- The level of property rates and tariff increases to ensure the delivery of services on a financially sustainable basis.
- In accordance with Section 19 of the Municipal Finance Management Act (MFMA), the relevant Acting/Directors must submit comprehensive reports in relation to new projects, inter alia, dealing with the total project costs, funding sources, future operating budget implications and associated tariff implications, before Council finally approves the implementation of any new projects.
- It is also a requirement that new projects in the budgeting process, must be accompanied by a Business Plan, Cash Flows, and a Procurement Plan.

## 1.5 Consolidated Budget Overview

### 1.5.1 The table below outlines the budget Overview

The following macro-economic forecasts must be considered when preparing the 2024/25 MTREF municipal budgets. *MFMA Circular No. 128*

**Table 1: Macroeconomic performance and projections, 2022 – 2027**

Fiscal year	2022/23	2023/24	2024/25	2025/26	2026/27
Actual		Estimate		Forecast	
CPI Inflation	6.9%	6.0%	4.9%	4.6%	4.6%

### 1.5.2. Operating Revenue Framework

Description	Current year 2023/24				2023/24 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit Outcome	Budget Year 2024/25	Budget Year 2025/26	Budget Year 2027
<b>Revenue</b>							
<b>Exchange Revenue</b>							
Service charges - Electricity	224,795,000	224,795,000	224,795,000	-	228,509,366	236,928,797	247,827,522
Service charges - Water	73,102,000	73,102,000	73,102,000	-	66,012,552	69,049,129	72,225,389
Service charges - Waste Water Management	46,575,000	46,575,000	46,575,000	-	51,104,843	53,455,666	55,914,627
Service charges - Waste Management	24,206,000	24,206,000	24,206,000	-	24,508,846	25,636,253	26,815,521
Sale of Goods and Rendering of Services	-	-	-	-	-	-	-
Agency services	3,420,000	3,420,000	3,420,000	-	5,000,000	5,230,000	5,470,580
Interest	-	-	-	-	-	-	-
Interest earned from Receivables	500,000	500,000	500,000	-	500,000	523,000	593,058
Interest earned from Current and Non Current Assets	509,000	509,000	509,000	-	509,000	532,414	602,905

Dividends	-	-	-	-	-	-	-
Rent on Land	-	-	-	-	-	-	-
Rental from Fixed Assets	100,000	100,000	100,000	-	272,278	284,803	297,904
Licence and permits	9,280,000	9,280,000	9,280,000	-	14,000,000	14,644,000	15,317,624
Operational Revenue	222,000	222,000	222,000	-	-	-	-
<b>Non-Exchange Revenue</b>							
Property rates	80,765,000	80,765,000	80,765,000	-	120,647,612	126,197,402	132,002,482
Surcharges and Taxes	-	-	-	-	-	-	-
Fines, penalties and forfeits	4,356,000	4,356,000	4,356,000	-	5,000,000	5,230,000	5,470,580
Licences or permits	-	-	-	-	-	-	-
Transfer and subsidies - Operational	178,308,000	178,308,000	178,308,000	-	167,109,000	174,796,014	182,836,631
Interest	-	-	-	-	-	-	-
Fuel Levy	-	-	-	-	-	-	-
Operational Revenue	-	-	-	-	-	-	-
Gains on disposal of Assets	-	-	-	-	-	-	-
Other Gains	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>646,138,000</b>	<b>646,138,000</b>	<b>646,138,000</b>	<b>-</b>	<b>681,173,498</b>	<b>712,507,478</b>	<b>745,374,822</b>

### 1.5.3. Operating Expenditure Framework

Description	Current year 2023/24				2023/24 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit Outcome	Budget Year 2024/25	Budget Year 2025/26	Budget Year 2027
<b>Expenditure</b>							
Employee related costs	217,959,994	217,959,994	217,959,994	-	295,680,319	309,281,614	323,508,568
Remuneration of councillors	18,972,000	18,972,000	18,972,000	-	20,166,685	21,115,273	22,086,576
Bulk purchases - electricity	200,000,000	200,000,000	200,000,000	-	203,754,462	213,127,167	222,927,017
Inventory consumed	10,000,000	10,000,000	10,000,000	-	9,000,000	9,414,000	9,847,044
Debt impairment	-	-	-	-	109,071,663	114,088,959	119,337,051
Depreciation and amortisation	32,739,434	32,739,434	32,739,434	-	32,000,000	33,472,000	35,011,712
Interest	-	-	-	-	-	-	-
Contracted services	35,599,000	35,599,000	35,599,000	-	36,000,000	37,656,000	39,388,176
Transfers and subsidies	-	-	-	-	-	-	-
Irrecoverable debts written off	(20,100,000)	(20,100,000)	(20,100,000)	-	-	-	-
Operational costs	9,999,991	9,999,991	9,999,991	-	5,000,000	5,230,000	5,470,580
Losses on disposal of Assets	-	-	-	-	-	-	-
Other Losses	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>505,170,419</b>	<b>505,170,419</b>	<b>505,170,419</b>	<b>-</b>	<b>710,693,128</b>	<b>743,385,013</b>	<b>777,576,724</b>

**Employee related cost:** This component is one of the main contributing costs of the opex. The budgeted allocation for salaries and allowances for the 2024/25 financial year totals R295 million. Salary increases have been factored into this budget at a percentage increase of 5.4% for municipal staff and senior managers. As part of the Municipality's cost reprioritisation and cash management strategy non-critical vacancies have been frozen for the MTREF period.

**remuneration of Councillors** is determined by the Minister of Co-operative Governance and Traditional Affairs (COGTA) in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been considered in preparing the budget, with some projections for increases during the 2024/25 MTREF.

The National Energy Regulator of South Africa (NERSA) is responsible for the price determination of the bulk costs of electricity. In January 2023, NERSA approved tariff increases of 18.7 percent in 2024/25.

**Contracted services** increased slightly. This line item includes all the services outsourced by the municipality such as consultant fees, security services, etc. It must be noted that all contracts of the municipality has lapsed.

**Inventory consumed and other expenditure** components had decrease as result of cost containment measures.

A provision of R11 million is made for finance charges to cater for interest charged on overdue creditors of the municipality.

#### 1.5.4 ALLOCATION OF GRANTS IN TERMS OF THE DIVISION OF REVENUE BILL (2024/2025 to 2026/27)

Description	Budget Year 24/25	Budget Year 25/26	Budget Year 26/27
Equitable Share	184,896,000.00	189,068,000.00	190,426,000.00
FMG	3,000,000.00	3,000,000.00	3,000,000.00
EPWP	1,213,000.00	-	-
<b>Total Operating Grants</b>	<b>189,109,000.00</b>	<b>192,068,000.00</b>	<b>193,426,000.00</b>
MIG	42,499,000.00	44,460,000.00	48,111,000.00
INEP	4,000,000.00	3,300,000.00	2,981,000.00
<b>Total Capital Grants</b>	<b>46,499,000.00</b>	<b>47,760,000.00</b>	<b>51,092,000.00</b>

## 2. Overview of Budget Process

### 2.1 Alignment Of Annual Budget with Integrated Development Plan



The Integrated Development Plan (IDP) determines and prioritises the needs of the community.

The review of the IDP, in accordance with the Municipal Systems Act (32 of 2000), was guided and informed by the following principles:

- Achievement of the five strategic priorities of the municipality.
- Focusing on service delivery backlogs and the maintenance of infrastructure.
- Addressing community priorities (needs) as identified.

The review of the IDP focused on establishing measurable performance indicators and targets. These targets informed the preparation of the multi-year budget, as well as the Service Delivery and Budget Implementation Plan (SDBIP).

The 2024/25 to 2026/27 Operating and Capital Budgets were prepared in accordance with the IDP.

## **2.2 Basic social services package for indigent households**

The Constitution of the Republic of South Africa (1996) stipulates that a municipality must structure and manage its administration, budgeting and planning to give priority to the basic needs of the community and to promote their social and economic development.

The basic social package is an affirmation of the Municipality's commitment to push back the frontiers of poverty by providing social welfare to those residents who cannot afford to pay, because of adverse social and economic conditions.

Equitable Share allocation is utilised towards assisting the poor. The National Treasury has allocated the following amounts towards the Equitable Share in terms of the Division of Revenue Act (DORA) for this purpose: -

2024/25 = R 184,896,000,

2025/26 = R 189,068,000, and

2026/27 = R 190,426,000.

## **2.3. Overview of the Budget Related Policies**

The Budget Related Policies may be reviewed as part of the compilation of the Medium Term Revenue and Expenditure Framework for the 2024/2025– 2026/2027 period.

The Budget related policies will be considered by Council in May 2023. The policies are reviewed as part of the budget compilation as required by the Municipal Budget and Reporting regulations, most changes are on the Supply Chain Management Policy.

The policies are:

- Budget Management
- Virement
- Rate Policy
- Tariff
- Credit Control and Debt collection
- Asset Management

- Cost Containment
- Supply Chain Management
- Indigent Policy

## **2.4 Annual Budgets and Service Delivery and Budget Implementation**

In terms of section 53 (1)(c)(ii) of the MFMA, the Service Delivery and Budget Implementation Plan (SDBIP) constitutes a detailed plan for implementing the Municipality's delivery of services and its annual budget, which must include the following:

- (a) Monthly projections of
- Revenue to be collected, and
  - Operational and capital expenditure.
- (b) Service delivery targets and performance indicators for each quarter.

In accordance with Section 53 of the MFMA, the Mayor is required to approve the SDBIP within 28 days after the final approval of the budget. Furthermore, the Mayor must ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators, as set out in the SDBIP, are made public within 14 days after the approval of the SDBIP.

The SDBIP gives effect to the IDP and Budget of the Municipality. It includes the service delivery targets and performance indicators for each quarter, which forms the basis for the performance agreements of the Directors. It therefore facilitates oversight over the financial and non-financial performance of the Municipality and allows the Municipal Manager to monitor the performance of the Directors, the Mayor/Council to monitor the performance of the Municipal Manager, and the Community to monitor the performance of the Municipality.

The SDBIP relating to the 2024/25 financial year must be approved by the Mayor, following the approval of the Budget, on or before end May 2024.

## **2.5. Overview of the Budget Funding**

The Municipality derives its operational revenue from the provision of services such as water, electricity, sanitation and solid waste removal. Property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc.).

It is expected that the capital revenue will increase over the MTREF period as government grants will increase.

## **2.8 COUNCILLORS AND BOARD MEMBERS ALLOWANCES AND EMPLOYEE BENEFITS**

The remuneration of Councillors is determined by the Minister of Co-operative Governance and Traditional Affairs (COGTA) in accordance with the Remuneration of Public Office

Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been considered in preparing the budget, with some projections for increases during the 2024/25 MTREF.

	2024/25 MTREF		
<b>Councillors (Political Office Bearers)</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
Basic salaries	R 17,007,879.00	R 17,007,879.00	R 17,007,879.00
Pension and UIF	R -	R -	R -
Skills development	R 151,705.00	R 151,705.00	R 151,705.00
Cellphone allowance	R 140,400.00	R 140,400.00	R 140,400.00
Other benefits and Allowances	R -	R -	R -
Motor Vehicle allowance	R 2,886,701.00	R 2,886,701.00	R 2,886,701.00
		R -	R -
<b>Total salary budget</b>	<b>R 20,186,685.00</b>	<b>R 20,186,685.00</b>	<b>R 20,186,685.00</b>
	2024/25 MTREF		
<b>Senior Managers and Staff</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
Basic salaries	R 214,244,138.58	R 226,241,810.34	R 238,911,351.72
Pension and UIF	R 36,005,830.24	R 38,022,156.73	R 40,151,397.51
Skills development	R 2,242,587.47	R 2,368,172.36	R 2,500,790.02
Bargaining council	R 110,973.30	R 117,187.80	R 123,750.32
Medical aid	R 12,756,150.77	R 13,470,495.21	R 14,224,842.95
Gratuity for MM and Senior Managers	R 128,630.16	R 135,833.45	R 143,440.12
Overtime	R 12,940,864.14	R 13,665,552.53	R 14,430,823.47
Standby allowance	R 4,249,886.69	R 4,487,880.34	R 4,739,201.64
Other benefits and Allowances	R 527,024.96	R 556,538.36	R 587,704.50
Motor Vehicle allowance	R 8,240,786.70	R 8,702,270.75	R 9,189,597.91
Housing Allowance	R 620,445.87	R 655,190.84	R 691,881.52
EPWP	R 1,213,000.00	R 1,280,928.00	R 1,352,659.97
Ward committee (out of pocket refund)	R 2,400,000.00	R 2,534,400.00	R 2,676,326.40
<b>Total salary budget</b>	<b>R 295,680,318.86</b>	<b>R 312,238,416.72</b>	<b>R 329,723,768.06</b>
<b>Total Salary bill</b>	<b>R 315,867,003.86</b>	<b>R 332,425,101.72</b>	<b>R 349,910,453.06</b>

## 2.7. Legislation Compliance Status

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

### 2.7.1. Budget

The annual budget document has been developed taking the MFMA and National Treasury (NT) requirements as guided by the National Treasury Circulars (i.e. Circulars 126 and 128) into account. All attempts are always being made to ensure that Budgets as well as any other compliance related documents are being tabled and approved within the required legislated timeframes except where there are system challenges.

The institution must conclude the delay in finalising the sourcing of a new system vendor or upgrading the system that is currently in use, to meet the MSCOA demands as the failure thereto places the credibility of the financial information at risk.

### 2.7.2 In year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 MFMA reporting to the Treasuries (within 10 working days) has progressively improved.

### 2.7.3 Supply Chain Management Policy (SCM)

In terms of section 168(1) of MFMA, amendments were made to the Regulations published under General Notice No. 868 of 30 May 2005, as amended by a Government Notice No. 31 of 20 January 2017 regarding Supply Chain Management as set out in the Schedule.

The following regulations should be amended,

Regulation 12

Regulation 14

Regulation 16 has been deleted

Regulation 18

Regulation 19, and

Regulation 35

This policy will be amended and tabled before council with other policies under review during the 2024/2025– 2026/2027 Budget approval in May 2023.

### 2.7.4. Audit Committee

Audit Committee period has lapsed. New members must be elected.

### 2.7.5 Internal Audit Function

The Municipality has an Internal Audit unit reporting to the Acting Municipal Manager.

## 2.8 CAPITAL EXPENDITURE DETAILS

A detailed capital budget per funding source is attached as an Annexure to this Budget Report for more information. Also attached as a separate Annexure to this is the National Treasury Circulars (126 and 128). There will be some more work that will have to be undertaken immediately after the budget is tabled to Council relating to the listed projects and to further unpack any projects appearing requiring more attention.

## 3. QUALITY CERTIFICATE

I, ASUPANE Mooketsi Acting Municipal Manager of Ditsobotla Local Municipality, hereby certify that the draft Medium Term Revenue and Expenditure

Framework (MTREF 2024/25 to 2026/27) has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, No. 56 of 2003.

  
Signature:

**Mr. R.C Mooketsi**  
**Acting Municipal Manager**

Date: 08/04/2024



## TARIFFS FOR THE YEAR 2024/25 FOR DITSOBOTLA LOCAL MUNICIPALITY

### A. ELECTRICITY TARIFFS 18.70% (NERSA APPROVED)

#### Domestic Tariffs

Domestic Low: Single Tariff

- Energy Charge: 252.93c/kWh

Domestic: Prepaid

- Energy Charge: 274.96c/kWh

Domestic Conventional

- Basic Charge: R350.82/month
- Energy Charge: 249.64c/kWh

#### Commercial Tariffs

Commercial: Prepaid

- Energy Charge: 411.33c/kWh

Commercial: Conventional

- Basic charge: R579.99/month
- Energy Charge: 333.00c/kWh

#### Industrial Tariff

Industrial Low

- Basic Charge: R1994.93/month
- Energy Charge: 217.85c/kWh
- Demand Charge: R473.99/kVA

Industrial High (>500kVA)

- Basic Charge: R2082.16/month
- Demand Charge: R231.65/kVA

#### Energy Charge

- Peak: 439.08c/kWh
- Standard: 194.98c/kWh
- Off-peak: 103.63c/kWh

### B. WATER TARRIFS 4.9%

•Schools, churches and SPCA - receive 20% discount on the water tariff

DOMESTIC CONSUMPTION		
per kℓ	Old	New
Availability charge on empty stands	R132	R 138
Stands with boreholes	R142	R 149

Water - Lichtenburg: An inclining step tariff has been applied.

DOMESTIC CONSUMPTION		
per kℓ	Old	New
	Inclined Step Tariff	
0-6 (indigents & pensioners)	Free	Free
0-6	R11.10	R11.24
7-36	R12.10	R12.69
37-50	R14.30	R15.00
51-100	R20.00	R21.00
100 +	R27.90	R29.27

Bulk Meter Charge	R14.30	R15.00
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<b>BUSINESS &amp; INDUSTRIES</b>		
per kℓ	Old	New
1 – 50	R11.00	R11.54
51 – 100	R14.00	R14.69
101 – 500	R16.00	R16.78
501 – 1000	R20.00	R21.00
1000 +	R26.00	R27.27
Bulk Meter Charge	R16.00	R16.78

<b>CHURCHES, SCHOOLS AND SPORTS CLUBS</b>		
per kℓ	Inclined Step Tariff	
	Old	New
0-9999	R15.00	R15.74

**WET INDUSTRIES**

Standard rate of R 12.00 per kℓ

**C. SEWER: BASIC CHARGE**

	Old	New
Night Soil	R63	R66
Improved Stands	R80	R84
Churches	R69	R72
Vacant Stands	R60	R63
Business Stands	R337	R354
Industrial	R348	R365
Schools/Hostels	R1 790	R1 878
Hospital/Old Age Homes	R437	R458
Business Complex	R1 906	R1 999

**SEWER: TREATMENT AND WATER USAGE CHARGE**

Monthly Consumption Patterns per kℓ	Inclined Step Tariff	
	Old	New
0-6 (Pensioners and Indigents)	Free of Charge	Free
0-6	R4.70	R4.93
7-30	R6.00	R6.29
31-50	R6.60	R6.92
51-100	R9.00	R9.44
Bulk Meter Charge	R6.60	R6.92
SEWER BOREHOLE	R232.00	R243.37

**A. REFUSE REMOVAL 4.9%**

	Old	New
Residential Houses (240ℓ)	R126	R132
Businesses – 240ℓ	R216	R227
Residential Houses – 85ℓ	R84	R88

**B. (1) VACUUM TANKS (LICHTENBURG AND ITSOSENG)**

Category	Old	New
Basic Charges	R 158	R166
Industries, Businesses, Hostels, Schools, Residential Units and Others	R 32	R34
Rendering of vacuum tank services for businesses outside town boundaries for a radius of 20km	R 32	R34
Biesiesvlei	R 100	R145

**(2) VACCUM TANKS (COLIGNY)**

	Old	New
Basic Charge	R 32	R 34
Industries, businesses, hostels, schools, residential units and other per 250 litre or part thereof	R 11.00	R12.00

**C. GRAVES**

**OLD**

	With Full Municipal Services	Self-closing	Self-digging & Closing
Adults	R 942	R569	R190
Child under 12 years	R479	R 358	R 121

**NEW**

	With Full Municipal Services	Self-closing	Self-digging & Closing
Adults	R 988	R 597	R 199
Child under 12 years	R502	R 376	R 127

Category	Old	New
Reopening Grave	R 837	R878
Placing of Ashes in Niche	R 1 900	R1 993
Placing of Ashes in Original Grave	R 221	R232
Enlarging of Grave	R 438	R459
Erection of Tombstone	R 121	R127
After-hours Burial	R 364	R382

**D. ACCOUNTS DEPOSITS**

<b>Residential</b>	
Electricity and Water	R 1 605
Prepaid Water and Electricity	R 1 604
Water Only	R 574
<b>Business</b>	
Township (Water only)	R 574
(a) Small Users	R 3 669
(b) Large Users	According to usage
(c) Prepaid Electricity	R 1 605

**E. PROPERTY TAX**

- a) The following general tax be charged in respect of the financial year 1 July 2024 to 30 June 2025 on taxable property in the municipal area of Ditsobotla as endorsed in the valuation list/or the preliminary supplementary list for the year on which such a list is applicable.

	Recommended
Residential( Dev)	0.019
Residential - multi purpose	0.046
Vacant land	0.019



Bus & IND (Dev)	0.024
Bus & IND - multi purpose	0.057
Public worship	0
PBO - old age homes	0.005
Creche	0.017
Municipal prop	0
Private road	0.008
Public road – municipality	0
PSI	0.005
State Owned Property	0.027
Mining	0.025
Mining - multi purpose	0.027
Agriculture	0.003
Agriculture multi-purpose	0.011
Business outside town (no services rendered	0.011

**F. SCHEDULE OF REBATES AS PER APPROVED PROPERTY RATES POLICY**

CATEGORY/DESCRIPTION	COUNCIL ADOPTED RATES
Private Schools	5%
Public Service Infrastructure (in terms of the Act)	100%
Full payment of Rates before 30 September-(Excluding Government)	10%
<b>Contribution to Job Creation</b>	
1 – 10 workers	2.5%
11 – 49 workers	5%
50 workers and more	7.8%
<b>Rebates on Agricultural Land</b>	
No municipal roads next to property	10%
No municipal sewerage to the property	10%
No municipal electricity to the property	7%
No water supply to the property by the municipality	15%
No refuse removal provided by the municipality	8%
<b>Contribution to social and economic welfare of farm workers</b>	
Residential property provide with potable water	5%
Residential property provide with electricity	5%
Availing land/buildings for education and recreational purposes for farms workers	5%
<b>Retired Persons for Residential Properties Only</b>	
Owner with income less than R9 500.00 per month excluding indigents	50%
Owner with income between R9 500.00 and R16 020.00	40%
Indigents (R4200)	100%

**G. CREDIT CONTROL TARIFFS:**

SCHEDULE OF TARIFFS FOR CREDIT CONTROL ACTIONS TAKEN	
Reminder Notice by SMS, per short message sent.	R 4.41
For the physical delivery of a notice that a debtor account for arrear municipal levies is payable to the Municipality within a specific number of days and that failure to make such payment will lead to services restriction.	R 91
For the disconnection or restriction of the water supplied through a pipe within the diameter range of 15 to 40 millimetres due to non-payment of an account, or non-compliance with the Municipality's Water By-laws.	R 565
For the disconnection or restriction of the water supplied through a pipe within the diameter range exceeding 40 millimetres due to non-payment of an account, or non-compliance with the Municipality's Water By-laws.	R 1 141
For further securing of a water disconnection or restriction at a stand where it is found that the installation has still been	R 590

tampered with or is illegally reconnected, or where violations to the Municipality's Water By-laws occur. Reconnection fees at the same tariff as charged for the installation of a new service are payable in advance, together with satisfactory payment and payment arrangements regarding the arrear municipal account.	
For disconnection of the supply to an electrical installation due to non-payment of an account, or due to violation of the Municipality's Electricity By-laws or Regulations.	R 596

**TAMPERING WITH METRES** (Repeat tampering for the 2<sup>nd</sup> time will be a double charge and continuous tampering thereafter will be a criminal offence). **PLEASE NOTE THIS AMOUNTS ARE TO BE PAID IN FULL BEFORE RECONNECTION. A further determination of non-purchases will also be calculated**

Category	Electricity	Water
Residential – Electricity	(R 12 974) R 13 610	(R 5 755) R 6 037
Business – Electricity	(R 129 743) R 136 100	(R 86 322) R 90 552

#### H. MISCELLANEOUS

Service	Old	New
Garden Refuse Removal	R 453	R475
Fines for Illegal Dumping	R 1 511	R1 585
Hiring of Skips	R 532	R558
Removal of Skips	R 384	R403
Cleaning of Private Vacant Stand	R 19 per square metre	R20 per square metre
Issuing of Clearance Certificate	R 290	R304
Valuation Certificates	R 405	R425
Reference Certificates	R 206	R216
Accounts Reprints(PREVIOUS YEARS)	R 37	R39

#### I. HIRING OF MUNICIPAL FACILITIES (EXCLUDES CHAIRS AND TABLES)

Events	Lichtenburg Hall	Soepe Hall	Boikhutso Hall	Itekeng Hall	Itsoseng Hall	Tlhabologang Hall	Sonop Hall	Blydeville Hall	Steff Grobler Hall
All Events	R1 453 + (R2 905) breakage and R1 162 cleaning deposit)	R1 104 + (R1 162 breakage and R929 cleaning deposit)	R522 + (R1 162 breakage and R581 cleaning deposit)	R522 + (R1 162 breakage and R581 cleaning deposit)	R522 + (R1 162 breakage and R896 cleaning deposit)	R522 + (R1 162 breakage and R896 cleaning deposit)	R607 + (R1 162 breakage and R896 cleaning deposit)	R522 + (R1 162 breakage and R581.00 cleaning deposit)	R 1 104 + (R1 162 breakage and R896 cleaning deposit)

#### HIRING OF MUNICIPAL FACILITIES – COMMUNITY HALLS

- **Key Deposit** : R 273
- **Storage** : R 378
- **Penalty Fee for After-hour Use** : R 273

**PLEASE NOTE THAT CHAIRS AND TABLES ARE NOT INCLUDED IN THE TARRIFS:**

Item	Tariffs
Chairs	R 5.77 per item
Tables	R 23.24 per item
Transport of Tables and Chairs	R 4.90 per kilometre (to and from venue)
<b>Distance for Calculation of Transport Costs</b>	
Coligny/Tlhabologang	50 km
Ga-Motlata	130 km
Itekeng	80 km
Bakerville/Grasfontein/Welverdiend	40 km
Itsoseng/Sheila/Verdwaal/Bodibe	60 km

#### J. STADIA, PARKS AND OTHER RECREATIONAL FACILITIES

EVENTS	PRICES
Sports activities 6am-6pm (day tariff)	R 2 899
Sports Tournament (18h00 – 22h00)	R 3 002
Festivals	R 5 799 + R 6 101 breakage and cleaning deposit
<b>PARK AT LICHTENBURG TOWN HALL</b>	
Formal Festive Events	R 5 860 per day or part thereof
All Stalls	R 354 per day or part thereof
<b>AREAS SURROUNDING DAMS</b>	
Formal Festive Events	R5 860 per day
Camping Site per day or part thereof	R 67 (R 80 with electricity)
Per vehicle per day	R 93
Per person per day	R 93

#### K. TOWN PLANNING APPLICATIONS FEES

CATEGORY	OLD	NEW 2024/25
<b>CATEGORY 1 LAND DEVELOPMENT APPLICATIONS</b>		
(a) the establishment of a township or the extension of the boundaries of a township	R 1 759	R1 845
(b) the extension of the boundaries of a township	R 1 759	R1 845
(c) the subdivision and consolidation of any land other than a subdivision and consolidation which is not provided for as Category 2 application	R 384	R403
(d) all opposed Category 1 applications	R 321	R337
(e) all opposed Category 2 applications	R 321	R337
(f) applications that deviate from Council's policies	R 1 079	R1 132
<b>CATEGORY 2 LAND DEVELOPMENT APPLICATIONS</b>		
(a) the amendment of an existing scheme or land use scheme by the rezoning of land	R 1 079	R1 132
(b) subject to subsection (3)(e), the removal, amendment or suspension of a restrictive or obsolete condition, servitude or reservation registered against the title of the land	R 1 079	R1 132
(c) the amendment or cancellation in whole or in part of a general plan of a township	R 318 (excluding Surveyor & Land Surveyor Costs - Applicant will be liable)	R 334 (excluding Surveyor & Land Surveyor Costs - Applicant will be liable)
(d) any consent or approval required in terms of a condition of title, a condition of establishment of a township or condition of an existing scheme or land use scheme	R 1 079	R1 132
(e) any consent or approval provided for in any law identified in the NW SPLUMA	R 1 079	R1 132
(f) the subdivision of any land where such subdivision is expressly provided for in a land use scheme	R 191	R200
(g) the consolidation of any land	R 191	R200
(h) the simultaneous subdivision under circumstances contemplated in sub paragraph a and consolidation of land	R 258	R271
(i) The acquisition and approval of site development plan	R 318	R334
(j) Applications to subdivide land in terms of the sub-visioning of Agriculture Land Act, 1970 (Act 70 of 1970)	R 191	R200
(k) Permanent closure of any public space	R191 (excluding advertisement and Land Surveyor costs)	R200 (excluding Surveyor & Land Surveyor Costs - Applicant will be liable)
<b>CATEGORY 3 LAND DEVELOPMENT APPLICATIONS</b>		
(a) In terms of NW SPLUMA the category 3 applications are applications for temporary use	R 191	R200
<b>Zoning certificates</b>	R 69	R 72
<b>CLEARANCE COSTS</b>		
a) Reference Fees	R 100	R105
b) Clearance certificates	R 153	R160
c) Valuation certificates	R 126	R132

#### L. BUILDING PLANS FEES

CATEGORY	
• Construction of new building or the alteration or extension of an existing building per m <sup>2</sup> of floor area or part thereof per building plan	R 16 per m <sup>2</sup> with a minimum fee of R122 (before VAT).
Buildings with two or more storeys, the money in respect of the floor area of such addition floor be calculated at per m <sup>2</sup>	R 16 per m <sup>2</sup>
•Boundary walls and other standalone or external connecting walls, the money calculated per erven	R 127 (before VAT)
•In respect of an amendment of an approved building plan where the floor area is not increased	R 140
• Where the floor area is increased, applies to the enlarged area	R 140
CATEGORY ( BUILDING INSPECTION FEES)	
•In respect of a building plan for the construction of a new building or the alteration or extension of an existing building per m <sup>2</sup> of the floor area or part thereof per building plan set	R10m <sup>2</sup> with a minimum fee of R304 (before VAT)
•Boundary walls and other standalone or external connecting walls, the money calculated per erven	R316 (before VAT)

**NB:**The fees prescribed in paragraphs ABOVE are payable when an application for approval of a building plan is submitted, and no application will be considered by the council until such fees are paid.

#### M. LOCAL ECONOMIC DEVELOPMENT

#### TARIFFS FOR THE RENDERING OF BUSINESS SERVICES BY THE ECONOMIC DEVELOPMENT UNIT: BUSINESS REGULATION AND COMPLIANCE.

In terms of the relevant legislation the Business Act 71 of 1991 the DITSOBOTLA LOCAL MUNICIPALITY tariffs. The following tariffs relating to informal street trading regulations procedures need to take effect: These tariffs are **NON-REFUNDABLE AND EXCLUDE ANY OTHER PAYMENTS DUE TO THE MUNICIPALITY**

BUSINESS LICENSING SERVICES RELATED MATTERS NO	TYPE OF FACILITY	TARRIFS 2024/2025 VAT incl.
1 Other Schedule 1		
2 (a), (d),( e) and (g)		R 866.00
Amendment of conditions of an issued license		R 866.00
Provisioning of reasons by the Licensing Authority		R 277.00
Amendment of a license issued		R 154.00
Issuing of a Duplicate License		R 154.00
Copies of documents		R 154.00
2. SALE OR SUPPLY OF MEALS OR PERISHABLE FOODSTUFFS		
Restaurants, take aways,		R 866.00
Fast Food outlets, any other food outlets		R 866.00
Renewal of Business License		R 866.00
Supermarkets, Grocery Shops AND Wholesalers		R 866.00
Tuck shops/Spaza Shops		R 866.00
3 HAWKING IN MEALS OR PERISHABLE FOODSTUFFS:		
Trading Permit		
Issuing of Duplicate Trading	R 193.00	

Permit	R 152.00
Renewal of Trading Permit	R129.00

**TARIFFS: OUTDOOR ADVERTISING SIGNS**

**OUTDOOR ADVERTISING TARIFFS INCLUDE VAT**

1. TARIFFS DESCRIPTION	Tariff 2024/2025 (VAT Inclusive)
<b>APPLICATION FEE:</b>	
Super, large and small billboards and electronic signs	<b>R1 437,00</b> per sign
Undefined advertising signs >4,5m <sup>2</sup>	
Sky, roof, on-premises business signs or service facility signs	
Landscaped advertisements	
Advertising on bridges, boundary walls and fences	
Advertisements on water towers, reservoirs, silos and on ground level	
Gantry, construction site, product replicas, three- dimensional and security advertising signs	
Flat signs excluding locality bound flat signs smaller than 36m <sup>2</sup>	
Projecting signs overhanging Council land	
Trailers advertising Application Fee	<b>R1 574.00</b> per sign
Street name advertising signs	<b>R378, 00</b> per sign
Semi-permanent flags	<b>R1 437,00</b> per property
Banners	<b>R252,00</b> per event
DESCRIPTION	Tariff 2024/2025 (VAT Inclusive)
Customer Care Centre	Customer Care Centre
Category one posters for auction sales and events of a cultural, political, social, sporting or recreational nature.	<b>R12</b> per event per sign per Customer Care Centre with a minimum of <b>R241,00</b> payable
Category one posters of a charitable, religious or educational nature.	<b>R77,00</b> per event per Customer Care Centre
Sponsored road traffic projects	<b>R241,00</b> per sign
Project and development advertising signs	<b>R1 206,00</b> per sign
Lodging of an appeal	<b>R4 721,00</b> per appeal
<b>INSPECTION FEE:</b>	
Super, large and small billboards and electronic signs	<b>R189,00</b> per m <sup>2</sup> or part thereof for the total face of each sign
Undefined advertising signs >4,5m <sup>2</sup>	
Sky, roof, on-premises signs and service facility signs	
Landscape advertisements	
Advertising on bridges, boundary walls and fences	
Advertisements on water towers, reservoirs, silos and on ground level	
Gantry, construction site, product replicas, three- dimensional and security advertising signs	
Flat signs excluding locality bound flat signs smaller than 36m <sup>2</sup>	
Projecting signs overhanging Council land	
Trailer advertising sign	<b>R208.00</b> per m3
<b>ANNUAL LICENSING FEE:</b>	
Estate agent signs	<b>R1 804,00</b> per branch per agency per

Estate agent signs for commercial, industrial and non-residential property	Customer Care Centre per annum <b>R6 819,00 per agency</b>
Portable advertising signs	<b>R477,00 per annum per Enterprise</b>
Flags	
Category Four posters in frames for public awareness and community based campaigns and notices of a public meeting	<b>R77,00 per frame per annum</b>
<b>STORAGE FEE:</b>	
Trailer and vehicular advertising	<b>R18 per trailer per day</b>
<b>DEPOSIT:</b>	

Banners and aerial signs **R725,00 per event**

Category one posters for auction sales and events of a cultural, political, social, sporting or recreational nature or of a charitable, religious or educational nature. **R45 per sign**

**REMOVAL FEE:**

Super, large and small billboards and electronic signs **R231 per m<sup>2</sup> or part thereof for the total face of each sign if removed by EMM**

Undefined advertising signs >4,5m<sup>2</sup>

Sky, roof, on-premises business signs and service facility signs

Landscape advertisements

Veranda, balcony, canopy and under awning signs

Painted advertisements

Residential home-undertaking and community institution signs

Advertising on bridges, boundary walls and fences

Advertisements on water towers, reservoirs, silos and on ground level

Gantry, construction site, product replicas, three-dimensional and security advertising signs

Project signs and development advertising signs

Estate agent signs for commercial, industrial and non-residential

10 property > 1m<sup>2</sup>  
Aerial signs

Advertising signs at educational facilities and sport stadiums and fields < 18m²

Security services and projecting signs

Flat signs excluding locality bound flat signs smaller than 36m²

Projecting signs overhanging Council land

Portable advertising sign **R455,00** per sign

Trailer or vehicular advertising **R1810,00** per vehicle or trailer

Bicycle trailer advertising **R455,00** per bicycle

**REMOVAL FEE TEMPORARY SIGNS:**

Unlicensed Estate agent signs <1 m² **R123,00** per sign

Licensed Banners **R123, 00** per sign

Category one unlicensed posters for auction sales and events of a cultural, political, social, sporting or recreational nature or of a charitable, religious or educational nature and for commercial advertising.

Portable Flags **R231,00** per sign

Unlicensed Banners **R455,00**per sign

Licensed Estate agent signs <1 m² **R45** per sign

Category one licensed posters for auction sales and events of a cultural, political, social, sporting or recreational nature and of a charitable,

**R45** per sign

Category one licensed posters for auction sales and events of a cultural, political, social, sporting or recreational nature and of a charitable,

**R45** per sign

Category one licensed posters for auction sales and events of a cultural, political, social, sporting or recreational nature and of a charitable,

**R45** per sign

Category one licensed posters for auction sales and events of a cultural, political, social, sporting or recreational nature and of a charitable,

**R45** per sign

Category one licensed posters for auction sales and events of a cultural, political, social, sporting or recreational nature and of a charitable,

**R45** per sign



religious or  
educational nature  
and for commercial  
advertising

Category three posters to display news headlines for a  
newspaper

**DESCRIPTION**

**Tariff 2024/2025  
(VAT Inclusive)**

Category four posters in frames for public awareness and community based campaigns and notices of a public meeting  
Category five posters for parliamentary or municipal elections, by-elections, referenda and registration process  
All temporary signs > 1m<sup>2</sup>  
Tendered rate or **R242,00** per m<sup>2</sup> or part thereof for the total face of each sign if removed by EMM

**1. Trailer Advertising**

Monthly fee per trailer

R577.00

**EXEMPTED**

Rates per tender

**Signs exempted from tariffs except removal fees**

- Category Five posters for parliamentary or municipal elections, by-elections, referenda and registration process
- Projecting signs not overhanging council land
- Security services signs
- Veranda, balcony, canopy and under awning advertising signs
- Painted advertisements
- At educational facilities and sport stadiums and fields a combination of advertising signs on boundary walls and fences, permanent flags **STANDING ADVERTI**
- Locality bound flat signs smaller than 36m<sup>2</sup>
- Residential home-undertaking and community institution signs
- Window signs
- Signs incorporated in the fabric of a building
- Locality bound canopy, internal direction and orientation signs at filing stations and road side rest and service areas
- Vehicular advertising

**ARABLE AND GRAZING LANDS**

<b>DESCRIPTION</b>	<b>Tariff 2024/2025 (VAT Inclusive)</b>
Arable land	R472/ha
Grazing land	R315/ha

**N. PUBLIC SAFETY**

<b>PUBLIC SAFETY- VEHICLES</b>	<b>Approved 2024/2025</b>
Escort fees; per vehicle (within council's boundaries	1077
<b>ESCORT OF MARATHONS, CYCLING, ROAD RACES AND OTHER SPORTING CODES</b>	
Escort of Marathons	825
Escort of Cycle Races	825
Escort of Road Races	876
Escort of Other Sporting Codes	868
Escort for Agricultural Equipment & Abnormal Loads	1049
<b>ROAD CLOSURES</b>	
Closing of Street/Road or Part thereof for Fun Runs, Celebrations and Funerals	759

*West*

Municipal Manager: .....

*24/04/2024*

Date: .....



Spreek/Refer

U Verw./Your Ref.

Ons Verw./Our Ref.

15 April 2024

## **EXTRACT FROM THE MINUTES OF SPECIAL COUNCIL MEETING HELD ON 14 APRIL 2024**

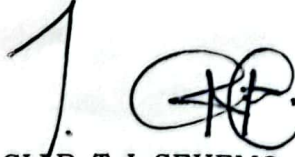
### **TABLING OF THE DITSOBOTLA LOCAL MUNICIPALITY'S DRAFT 2024/2025 - 2026/2027 MEDIUM TERM REVENUE AND EXPENDITURE BUDGET (14/04/2024)** (A22 RECOMMENDATION)

#### **A22 RESOLUTION**

- (a) That the draft annual budget and its supporting documents (proposed tariffs, reviewed /draft policies and financial plan) for the MTREF 2024/2025 to 2026/2027 be adopted.
- (b) That the total revenue budget of R727 672 498 be adopted of which R681 173 498 is operational and R46 499 000 is capital as per schedule A1, A4, A5 and A7.
- (c) That the total expenditure budget of R710 693 128 should be adopted.
- (d) That the draft A Schedules (1-10) and supporting schedules should be submitted to Provincial and National treasuries as part of supporting documents.
- (e) That Council approve the capital expenditure by vote and associated category as well as funding reflected in the budget tables.
- (f) That Council approve the indicative estimates for the two outer years stipulated in the Schedules.
- (g) That the draft budget for the financial year 2024/2025 and the multi -year and single year capital appropriations as set out in accordance with Municipal Budget and Reporting Regulations(MBRR) be approved.
- (h) That the 2024/25 tariffs proposed in the submitted tariff list be approved.
- (i) That Council approve any changes on the Budget Related Policies.
- (j) That working session be held in order to clarify other budget related matters.

The EFF Political Party distanced themselves from this resolution.

**Certified a true extract from the minutes.**

  
CLLR. T.J. SEHEMO  
**SPEAKER**

