George Municipality

Draft Budget 2020/21 to 2022/23

Medium Term Revenue and Expenditure Framework (MTREF)

May 2020

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Glossary

Adjustments Budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.
Allocations – Money received from Provincial or National Government or other municipalities.
Budget – The financial plan of the Municipality.
Budget Related Policy – Policy of a municipality affecting or affected by the budget, such as the tariffs policy, rates policy and credit control and debt collection policy.
Capital Expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.
Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it scores as expenditure in the month it is received, even though it may not be paid in the same period.
DORA – Division of Revenue Act. Annual piece of legislation that shows the amount of allocations from national to local government.
Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.
Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.
GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.
GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting.
IDP – Integrated Development Plan. The main strategic planning document of the Municipality
KPI's – Key Performance Indicators. Measures of service output and/or outcome.
MFMA – The 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. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years' budget allocations. Also, includes details of the previous and current years' financial position.
Operating Expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages.
Rates – Local Government taxation based on an assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.
Strategic Objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.
Unauthorised expenditure – Generally, spending without, or in excess of, an approved budget.
Virement – A transfer of budget.
Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.
Vote – One of the main segments into which a budget is divided, usually at directorate / department level.

Part 1 – Annual Budget

1.1 Mayoral Budget Speech

The budget speech will be made available after the Council meeting.

1. 2 Council Resolutions

The Council of George Municipality at a meeting that will take place during May 2020 will table the draft annual budget. The following draft resolutions are contained in the agenda of the Special Council meeting to be held in May 2020:

RECOMMENDATION

That the following draft resolutions in terms of sections 16(2) and 17(3) of the Municipal Finance Management Act, (Act 56 of 2003) be noted for final approval in June 2020.

DRAFT RESOLUTIONS (To be approved in June 2020)

a) that the following draft policies be tabled for public comment:
   (i) Customer Care, Credit Control and Debt Collection Policy and By-law;
   (ii) Property Rates Policy and By-law;
   (iii) Tariff Policy and By-law;
   (iv) Unauthorized, Irregular and Fruitless and Wasteful Expenditure Policy;
   (v) Indigent Policy;
   (vi) Virement Policy;
   (vii) Cash Management and Investment Policy;
   (viii) Travel & Subsistence Policy;
   (ix) Supply Chain Management Policy;
   (x) PPPFA Policy;
   (xi) Asset Management Policy;
   (xii) Funding Borrowing & Reserve Policy;
   (xiii) Long Term Financial Plan;
   (xiv) Liquidity Policy

(b) that the draft annual budget for the financial 2020/21 year and indicative outer years 2021/22 and 2022/23 be tabled as set-out:
   (i) Capital expenditure by project as contained in annexure "A" to the agenda;
   (ii) Capital funding by source as contained in annexure "A" to the agenda;
   (iii) Operating revenue by source as contained in Table A4 of the report;
   (iv) Operating expenditure by type as contained in Table A4 of the report;

(c) that the tariffs for property rates as reflected in the report be tabled for the budget 2020/21 year;

(d) that tariffs and services charges as reflected in the formal tariff list be tabled for the budget year 2020/21;

(e) that the draft Service Delivery and Budget Implementation Plan (SDBIP) be tabled for the budget year 2020/21 as contained in annexure "B" to the agenda;

(f) that the capital funding, both internal and external funding, be secured prior to the commencement of any new capital project;

(g) that the draft annual budget documentation for 2020/21– 2022/23 as outlined in the budget regulations be submitted to National and Provincial Treasury.

1.3 Budget 2019/20 Mid-year Review and Adjustments Budget

The following table shows the original and adjustments budget for 2019/20.

	Original Budget 2019/20 R'000	**Adjusted Budget 2019/20 R'000**	**Difference R'000**
Capital	344 772	292 051	(52 721)
Operating Income	2 279 429	2 365 470	86 041
Operating Expenditure	2 270 007	2 342 222	72 215

The 2019/20 adjustments budget approved on 28 February 2020 was considered in the preparation of the 2020/21 MTREF. The capital budget must be set at a level that is realistic in terms of the capacity to deliver and the ability to fund.

1.4 Executive Summary

As is annually the case, the Budget Committee was confronted with numerous challenges during the budget process. It remains a complex task balancing the needs of the community with limited resources whilst having to operate within the legislative framework determined by the various spheres of government in ensuring a credible, funded budget is implemented.

Some of the crucial factors taken into account in the Budget Process are listed and discussed below for further clarity.

1.4.1 A Credible Funded Budget

A budget makes budgetary provision for service delivery to the community of George. The community should realistically expect to receive services that are affordable for which provision is made in a budget.

Amongst other things, a credible budget is a budget that:

- Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality;
- Is achievable in terms of agreed service delivery and performance targets;
- Contains revenue and expenditure projections that are consistent with current and past performance and supported by documented evidence of future assumptions;
- Does not jeopardize the financial viability of the municipality i.e ensures that the financial position is maintained within generally accepted prudential limits and that obligations can be met in the short, medium and long term); and
- Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

Furthermore, draft budgets tabled for consultation at least 90 days prior to the start of the budget year should already be credible and close to the final approved budget. During this financial year 12 Budget Steering Committee meetings were held. The Budget Committee was again confronted with various challenges during the budget process. The following had an impact:

- The expected moderate improvement in the local economy's projected GDP growth forecast (1.7 per cent in 2020) has not materialized and is expected to only reach 0.9 per cent in 2020, 1.3 per cent in 2021 and 1.6 per cent in 2022. (MFMA Circular No.99);
- The main risk to South-African's economy is the ongoing problems with Eskom's operations that continue to disrupt the supply of electricity to households and businesses. (MFMA Circular No. 98);
- The aforementioned impacts on local government ability to markedly contribute to reducing unemployment and poverty;
- The pressures of the slow economy on collection rates and the ability of George Municipality's residents to pay their municipal bill;
- The addressing of service delivery shortcomings as identified in the adjustments budget in February 2020 and its effect on the available funding;
- The continued funding constraints with regards to the low available funding for the Capital Budget through the Capital Replacement Reserve and the ability to take up loans to meet the demand for upgrading and replacing of

infrastructure. The development of the Capital Expenditure Framework (CEF) will assist in guiding the municipality in prioritizing the capital budget in line with the Spatial Development Framework (SDF), Long Term Financial Plan (LTFP) etc.

A strategy guided by council's long term financial plan (LTFP) was followed with the compilation of the draft budget, whereby the following was done:

- The municipality needs to focus on its core functions. During the February 2020 adjustments budget the Budget Committee and portfolio councillors in conjunction with the heads of departments, scrutinized the budget to affect all possible savings and to align the capital budget to achievable goals;

- The need to maximize income through efficiencies and the way we do business before we decide to increase our rates, service charges and other tariffs was again emphasized;

- A revenue enhancement project is ongoing to ensure that all consumers are billed correctly and are contributing to the municipality's income as set out in our tariff policy;

- A provision of R74,995 million was made for debtor's impairment in the operating budget. The writing off, of irrecoverable debt will continue to be scrutinized through the business processes of the internal credit control unit. The unit is guided by an internal credit control committee to ensure that proper credit control measures are performed and to recommend to council the writing off, of debt;

- The capital contributions policy was reviewed to ensure that the municipality receives fair compensation from bulk capacity sold to developers. The Budget Committee emphasized the principle that developers need to "pay-up-front" before any infrastructure development is carried out by Council. National Treasury is in a process of amending the Municipal Fiscal Powers and Functions Act, 2007 (Act No. 97 of 1997) to incorporate the regulation of development charges;

- A greater emphasis will be placed on improving our cash management practices, within the legal prescripts, to improve our liquidity position;

- All attempts need to be made to maximize available National and Provincial Government Grants to service part of our capital program. In this regard George Municipality applied to the Department: Corporate Governance for the Integrated Urban Development Grant. The application was unfortunately not approved;

- The Budget Committee reconfirmed that specific strategic land be identified which may be sold or developed to effect growth in George and to build the CRR.

1.4.2 Legal Directives

The following legal directives/prescriptions were followed with the compilation of this draft budget:

- National Treasury sent out MFMA Circular No. 98 on 6 December 2019 providing guidance to municipalities on their 2020/21 budget and Medium-Term Revenue and Expenditure Framework (MTREF).
- This was followed by MFMA Circular No. 99 – on 09 March 2020.

1.4.3 Municipal Standard Chart of Accounts (mSCOA)

The mSCOA Regulations apply to all municipalities from 1 July 2017. George Municipality has early adopted mSCOA in July 2016 and has been transacting across all the mSCOA segments. It is a complex reform and George Municipality will endeavor to consistently improve as we move on. The reform has also had an impact on almost all our budget "tools" and we need to develop new ways to budget across all mSCOA segments.

George Municipality implemented mSCOA version 5.4 in 2016. We are currently budgeting on mSCOA version 6.4 for the 2020/21 financial year. The changes in versions create its own challenges with the implementation thereof.

1.4.4 Review of Budget Related Policies

In terms of section 17 (3) (e) of the Municipal Finance Management Act, No. 56 of 2003 it prescribes that the Municipality must review the budget related policies and by-laws (where applicable) annually.

This administration has reviewed the policies and workshops were held where changes were made to the following policies and by-laws:

- Customer Care, Credit Control and Debt Collection Policy and By-laws;
- Property Rates Policy and By-laws;
- Tariff Policy and By-laws;
- Unauthorized Irregular and Fruitless and Wasteful Expenditure Policy;
- Indigent Policy;
- Virement Policy; *
- Cash Management and Investment Policy; *
- Travel & Subsistence Policy;
- Supply Chain Management Policy;
- PPPFA Policy;
- Asset Management Policy; *
- Funding Borrowing & Reserve Policy; *
- Long Term Financial Plan;
- Liquidity Policy. *

The Budget Committee has indicated that the finalization of the draft policy changes will be finalized after the budget consultation process is completed. The draft policies are contained in the budget documentation and will be placed

on the municipal website for public comment. Policies marked with an asterisk (*) will be reviewed before the approval of the budget in June 2020.

1.4.5 Municipal Budget and Reporting Regulations

The Local Government: Municipal Finance Management Act (Act No. 56 of 2003): Municipal Budget and Reporting Regulations regulate the format of the budget documentation as set out in Schedule A (version 6.4) of the Municipal Budget and Reporting Regulations. This includes the main Tables A1 – A10 as well as the supporting tables.

1.4.6 George Integrated Public Transport Network (GIPTN)

George Municipality has commenced with the phased roll-out of the GO GEORGE public transport service that aims to provide reliable, affordable, accessible scheduled public transport service to the community of George. The first trial phase commenced on 8 December 2014 and subsequently phases two and three were rolled out in accordance with the schedule agreed to with the Vehicle Operating Company (VOC), George Link (Pty) Ltd, during the 2015/2016 financial year. Phase 4B was successfully rolled-out on 22 March 2020. The roll-out for Phase 4A is currently projected for the third quarter of the 2020/21 financial period followed by phases, 5 and 6 thereafter.

The Automatic Fare Collection System was successfully implemented on 14 November 2018. Fares have been set at the same level as paper tickets however there was additional cost related to the issuing of EMV card - (Europay, MasterCard® and Visa®).

The introduction of the GIPTN service required that the fare structure for GO GEORGE be included in the tariff list and that the approved fare structure be gazetted. There is currently a process underway with Council for the fare tariff to be reviewed and increased by an average 7.6% for the various product types. The proposed fare increase is in line with the increase for other municipal services. During the 2020/21 financial period GIPTN will introduce an off bus single trip to encourage greater usage of the smart card system.

The following municipal processes are included within the GIPTN project, and must be managed to meet the project milestones:

- Legislatively required approvals from Council;
- Legislatively required public comment processes;
- Progress updates to Mayoral Planning, Mayco and Council;
- Supply chain management processes for contracting (on-going);
- National grant funding requires milestones for coming years;
- Transfer of PTI/PTNO funds contingent on reaching milestones;
- High-level milestones will be submitted to NT for payment schedule.

The following key milestones of the GIPTN project have been set:

- Position of Bus Stops - Complete for urban stops

- Construction of Bus Stops - 650 bus stops completed
- Construction of Shelters - 122 shelters completed
- Temporary Shelters - 40 temporary shelters to date
- Operator Contract – final - November 2014 (concluded)
- York Street depot - Functioning
- Fare Collection and ITS - Appointment through Province
- Auxiliary contracts - In progress
- Infrastructure - On-going
- Operations, Oversight & Reporting- On-going
- Vehicle Operating Company - Established and Operational

Corporate Structure – A Council decision taken in 2016 placed the GIPTN function under the Municipal Manager's structure. The latest macro structure has moved the GIPTN function to Protection Services. It would be crucial to ensure that the necessary personnel structure to manage and operate the function is established and capacitated.

It must be specifically noted that the roll-out of the GIPTN project is being implemented on a very restricted budget and roll-out influences revenue required to fund operational costs.

An application was submitted to National Treasury (via the National Department of Transport) for additional funding in the 2019/20 financial year. Infrastructure is a key element, but is dependent on the grant funding received, however, the estimated shortfall is in the region of R75 million per annum.

MFMA Circular 98 of 2019 noted the revision to the PTNG grant which has funded 13 cities over the past decade of which only six (including George) have launched operations. In the 2020 MTEF the grant will be allocated to only 10 cities and these cities will be required to reduce their costs and demonstrate their effectiveness. It should be noted that there was a reduction of 6% in GIPTN's annual allocation in terms of the PTNG. The Provincial subsidy has decreased by 9% when compared to the 2019/20 financial period.

The gazetted national 2020/21 three-year budget for public transport is as follows:

Description	**2020/21**	**2021/22**	**2022/23**
National Grant	**(R '000)**	**(R'000)**	**(R'000)**
Operations	129,129	103,850	134,028
Infrastructure	24,516	22,920	0
Sub-Total: PTNG	**153,645**	**126,770**	**134,028**
Provincial Grant			
Operation	156,696	161,587	155,868
Total - Grants	**310,341**	**288,357**	**289,896**

In terms of paragraph 4.2.4.4 of the Financial Agreement the allocation of the Municipal GIPTN Infrastructure financing shortfall after the sixth year of operation shall be as agreed between the parties. At this stage, such an agreement is not in place, but it should be prioritised to ensure the sustainability of infrastructure program going forward.

Budgeted Deficit versus Depreciation

The depreciation budget for the MTREF, calculated on the existing assets, is R168 million for 2020/21, R172 million and R185 million respectively for the two outer years.

Depreciation is calculated by using the straight-line method over the life-span of the asset. The assets in the asset register are funded from different funding sources and the depreciation of these assets is also treated differently.

George Municipality has used the “cost model” to implement GRAP 17. The fact that George Municipality has created 75% of its depreciable asset base in the last ten years has increased the depreciation cost beyond normal tariff increases.

As example, a filtration plant was constructed with funds from the emergency drought relief grant. A capital asset of ± R95 million was created with an estimated life span of 20 years. The impact on the depreciation budget was an additional depreciation to the amount of R4.75 million per year.

It is impossible to give this burden through to the inhabitants of George. To soften the impact of this depreciation a “claw back” of depreciation is done during the budget process as part of the tariff setting. This inevitably leads to a budgeted deficit on the Budgeted Statement of Financial Performance.

1.5 Budget Overview of the 2020/21 MTREF

This section provides an overview of the George Municipality’s 2020/21 to 2022/23 MTREF. It includes an assessment of how the budget links with the national and provincial government contexts along with a review of the fiscal position of George Municipality.

The Municipality’s budget must be seen within the context of the policies and financial priorities of national, provincial and district government. The spheres of Government are partners in meeting the service delivery challenges faced in George. George alone cannot meet these challenges. It requires support from the other spheres of Government through the direct allocation of resources as well as the achievement of their own policies.

Per MFMA Circular No. 99, the following headline inflation forecasts underpin the national 2020 Budget:

Fiscal Year	2019/20 Estimate	2020/21	2021/22	2022/23
		Forecast		
Headline CPI Inflation	4.1%	4.5%	4.6%	4.6%

Source: 2020 Budget Review

The growth parameters apply to tariff increases for property rates, user and other charges raised by municipalities and municipal entities, to ensure that all spheres of government support the national macroeconomic policies, unless it can be shown that external factors impact otherwise.

The budget process in George followed the requirements of the MFMA. A Table of key deadlines was tabled in Council by the Mayor during August 2019.

A Budget Committee was established to examine, review and prioritise budget proposals from departments.

Over the 3-year period, the Municipality is planning to spend R1 053.9 million on capital investment for the infrastructure needs of the City. In 2020/21 the capital budget is R389million. Operating expenditure in 2020/21 is budgeted at R2 457 million and the operating revenue is budgeted at R2 496 million.

The MFMA requires municipalities to set out measurable performance objectives when tabling their budgets. These “key deliverables” link the financial inputs of the budget to service delivery on the ground.

As a further enhancement to this, quarterly service targets and monthly financial targets are contained in the Draft Service Delivery and Budget Implementation Plan (SDBIP). This must be approved by the Mayor within 28 days after the approval of the final budget and forms the basis for the Municipality’s in year monitoring.

The following table is a consolidated overview of the proposed MTREF:

Table 1 – Consolidated Overview of the 2020/21 MTREF

	ADJUSTMENTS BUDGET 2019/20 R	BUDGET YEAR 2020/21 R	BUDGET YEAR 2021/22 R	BUDGET YEAR 2022/23 R
Total revenue (excluding capital transfers and contributions)	2 296 250 497	2 422 904 255	2 515 258 215	2 600 313 433
Less: Total expenditure	-2 342 221 627	-2 457 303 342	-2 545 025 222	-2 640 200 915
Surplus/(Deficit) before capital transfers and contributions	-45 971 130	-34 399 087	-29 767 007	-39 887 482
Plus: Capital transfers and contributions	69 219 008	73 914 037	67 996 632	87 618 505
Surplus/(Deficit)	**23 247 878**	**39 514 950**	**38 229 625**	**47 731 023**
Capital Expenditure Total Capital Expenditure	**292 050 565**	**389 975 213**	**325 935 531**	**339 996 674**

1.6 Operating Revenue Framework

For George Municipality to continue maintaining / improving the quality of services provided to its citizens it needs to generate the required revenue.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines, MFMA Circular No. 98 & 99;
- The municipality's Property Rates Policy;
- The municipality's Credit Control and Indigent Policy and rendering of free basic services;
- Tariff policy and structure;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Revenue enhancement plan.

The following table is a summary of the 2020/21 MTREF (classified by main revenue source):

Table 2 – Summary of revenue classified by main revenue sources

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source									
Property rates	211 433	235 054	270 173	279 613	289 613	289 613	311 989	331 942	353 194
Service charges - electricity revenue	565 450	603 332	623 450	723 026	727 026	727 026	781 614	844 018	912 039
Service charges - water revenue	121 172	117 657	129 256	127 469	131 469	131 469	141 357	149 719	158 583
Service charges - sanitation revenue	81 869	87 952	98 989	101 020	105 020	105 020	113 118	119 494	127 360
Service charges - refuse revenue	61 814	69 778	81 727	85 163	88 163	88 163	94 476	99 517	106 107
Rental of facilities and equipment	3 756	3 271	3 130	6 183	6 183	6 183	6 480	6 808	7 217
Interest earned - external investments	37 304	50 166	46 246	43 180	47 061	47 061	50 352	52 648	55 507
Interest earned - outstanding debtors	4 156	4 677	4 080	6 096	6 096	6 096	7 746	8 134	7 124
Dividends received	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	48 384	81 503	94 581	76 126	76 126	76 126	80 307	84 379	89 431
Licences and permits	2 126	2 742	2 322	3 516	3 516	3 516	3 695	3 872	4 104
Agency services	9 443	11 258	11 140	8 848	8 848	8 848	9 291	9 755	10 340
Transfers and subsidies	310 241	402 555	452 233	605 092	708 173	708 173	634 851	587 858	534 438
Other revenue	76 276	89 872	92 964	151 618	98 956	98 956	187 629	217 114	234 869
Gains	293	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	**1 533 716**	**1 759 815**	**1 910 290**	**2 216 950**	**2 296 250**	**2 296 250**	**2 422 904**	**2 515 258**	**2 600 313**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	149 591	202 853	122 153	62 479	69 219	69 219	73 914	67 997	87 619
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–
Total Revenue	**1 683 307**	**1 962 668**	**2 032 443**	**2 279 429**	**2 365 470**	**2 365 470**	**2 496 818**	**2 583 255**	**2 687 932**

Revenue generated from property rates and service charges forms a significant percentage of the revenue source of the municipality. The above table considers revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality and capital transfers and contributions.

The operating revenue increases from R2 366 billion to R2 497 billion.

The **6%** increase in revenue is mainly due to:

- An increase in Other Revenue – is mainly due to an increase in the GIPTN fare revenue for the roll-out of further phases.

- An increase in Transfers Recognised – Operational is mainly due to an increase in the following grants:

  - The Equitable Share allocation – from R149.9m in 2019/20 to R163.7m in 2020/21.
  - The George Integrated Public Transport Network Grant (GIPTN) – from R106.7m in 2019/20 to R156.7m in 2020/21.

- The decrease in Transfers Recognised – Capital is mainly due to a decrease in the following grants:

- Public Transport Network Grant (PTNG) – (R44m – 2019/20 to R24.5-2020/21); and
- Integrated National Electrification Programme (INEP) – (R13m – 2019/20 to R2.852m -2020/21).

The table also gives the percentage increases in property rates and the service charges.

The following table provides a breakdown of the various grants allocated to George Municipality over the medium term:

Table 3 – Grants Allocation

Local government allocations 2020/21 – 2022/23			
	Medium Term Estimates		
	2020/21 R'00	2021/22 R'00	2022/23 R'000
National Grants	**381 115**	**362 053**	**391 914**
Equitable share	163 730	179 113	194 607
Energy Efficiency and Demand Side Management Grant	5 000	-	-
Municipal Infrastructure Grant (MIG)	39 851	43 118	45 508
Electrification Programme (INEP)	7 000	5 000	10 000
Financial Management (FMG)	1 550	1 550	1 771
Public Transport Network Grant (PTNG)	153 645	126 770	134 028
Expanded Public Works Programme Incentive Grant (EPWP)	4 109	-	-
Infrastructure Skills Development (ISDG)	6 200	6 502	6 000
Provincial Grants	**327 000**	**293 152**	**229 493**
Human Settlement Development Grant	154 450	119 060	60 500
Municipal Accreditation and Capacity Building Grant	475	503	527
Fire Service Capacity Building Grant	732	-	-
Library Services	10 283	10 848	11 444
Maintenance & Construction of Transport Infrastructure	3 120	460	460
Integrated Transport Planning	600	600	600
Community Development Worker (CDW)	94	94	94
Financial Management Capacity Building Grant	400	-	-
GIPTN – Operations	156 696	161 587	155 868
Thusong Services Centre Grant	150	-	-
Total Allocations	**708 115**	**655 205**	**621 407**

SERVICE CHARGES AND MISCELLANEOUS TARIFFS:

The following tariff increases are proposed:

▪ Electricity	:	8.70%	(awaiting NERSA's guide)
▪ Water	:	6%	
▪ Rates	:	6%	
▪ Refuse	:	6.5%	
▪ Sewerage	:	6.5%	
▪ Other (miscellaneous)	:	5%	

TARIFF CHANGES SUGGESTED FOR 2020/21

Rates Tariffs

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

Implementation of General Valuation Roll on 1 July 2018

The new General Valuation Roll was implemented on 1 July 2018 and will be valid to 30 June 2022. The implementation of the General Valuation Roll necessitates an evaluation of the current practices regarding applicable discounts and rebates on rates. The 15% rebate that was applicable on all residential properties charges for rates has been discontinued.

Furthermore, the 40% rebate on rural residential properties used for residential properties has been phased out.

The budget committee is evaluating possible rebates for the elderly.

4.2 Rates Charges

4.2.1 Municipal Valuation Threshold

On qualifying residential properties, up to a maximum valuation of R150 000 which amount includes the R15 000 as per Section 17(1)(h) of the MPRA and the R135 000 reduction granted as per paragraph E1.1.2 of the approved Rates Policy will be deducted from the total valuation before rates are levied.

4.2.2 Rates Revenue

The public's reaction to the ever-increasing tariff hikes in electricity charges has resulted in a decline in revenue from electricity sales. George Municipality must reduce its reliance on electricity as its main source of income and will have to focus on the rates revenue. Given the afore-mentioned it is proposed that rates increase by 6.5%

Water Tariffs

South Africa faces similar challenges regarding water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

In addition, National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective.

During the tariff modelling exercise, it was acknowledged that the basic charge for water does not cover the basic cost for the water service and that the structure needs to be changed and remodelled in future budgets.

A tariff increase of 6% from 1 July 2020 for water is proposed. In addition, 6kℓ water per 30-day period will be granted free of charge to all households. The tariff structure is designed to charge higher levels of consumption at a higher rate per kilolitre.

The tariff structures of the DMA and George are different. The 6% increase in the current tariff will apply to the DMA area as well. George Municipality is reassessing the basic charge for water service to ensure that it is cost reflective of the fixed costs components needed to deliver water to the consumers.

The budget committee was confronted with the call by National Treasury to keep the tariff increases within the upper limit of 3 to 6 per cent target band together with the double-digit electricity bulk purchase tariff increase on the one hand and the need for additional budget for capital renewal and operational costs in the departments on the other hand. The committee elected to increase water tariffs by 6 per cent for usage in the normal band of 6-20 kilolitres. The step tariffs for domestic households (excluding industries/businesses) will be reviewed for the water usage above 20 kilolitres per month. This will lead to an increase in the tariff of above 6 per cent.

Council has embarked on a war on leaks – project to curb water losses. The installation of smart water meters has also been approved to assist in the process. This will bring down the water losses and a decline in the associated cost of purifying water. It will also improve the management of the water usage by indigent households where excessive usage is often registered.

Electricity Tariffs

George Municipality has not received the NERSA's guideline for all local-authority tariff increases. George Municipality estimates the allowed tariff increase to be 8.7%.

The local authority tariff increase is effective from 1 July 2020 to 30 June 2021. During the April 2020 to June 2020 three-month period, the 2019/20 local authority tariffs are still applicable.

NERSA sets benchmark tariffs as a guideline and it should be noted that the guideline is not an automatic increase in tariffs. This municipality has a distribution license and is still required to apply to NERSA for the approval of our tariffs.

Indigent households will receive 70kWh electricity free at the beginning of each month.

Sanitation tariffs

A tariff increase of 6.5% for sanitation from 1 July 2020 is proposed.

The following table compares the current and proposed tariffs:

Table 4 – Comparison between current sanitation charges and increases

CURRENT TARIFF 2019/20 Rand per year	PROPOSED TARIFF 2020/21 Rand per year	DIFFERENCE R	% INCREASE
2 651.39	2 823.73	172.34	6.5%

Waste Removal tariff

A 6.5% increase in the waste removal tariff is proposed from 1 July 2020.

Table 5 – Comparison between current waste fees and increases for a single dwelling-house

CURRENT TARIFF 2019/20 Rand per year	PROPOSED TARIFF 2020/21 Rand per year	DIFFERENCE R	% INCREASE
2 492.53	2 655.61	163.08	6.5%

The cost of establishing of a composting plant, the closure of the dumping site, the increase in cost of depositing household waste at the new proposed regional landfill site, the establishing of a landfill site in Uniondale and the transport of household waste to PETRO SA, are putting a tremendous pressure on the financial viability of the waste removal service, hence the 6.5% increase in tariff. Urgent strategic decisions are needed in this regard. The regional landfill site is planned to start operations in March 2021. George Municipality has budgeted R33.6 million in anticipation of the to the regional landfill site becoming operational.

Overall impact of tariff increases on households

The following table shows the overall expected impact of tariff increases on a large and small household, as well as an indigent household receiving free basic services.

It needs to be noted that most indigent households in George are situated in the affordable house areas. The valuation of these houses is below R150 000 and due to rebates do not pay property rates.

Indigent households receive a discount on their services equal to the basic charge for water plus 6kl water free, 70kwh electricity units, the monthly levy for refuse and sanitation.

Table 6 – MBRR Table SA14 – Household bills

The follow tables give the monetary impact of the tariff increases on the monthly household bills.

WC044 George - Supporting Table SA14 Household bills

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
Rand/cent		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21 % incr.	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		285.30	316.68	359.63	386.63	386.63	386.63	6.0%	409.80	436.44	464.81
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		1 605.80	1 636.00	1 719.50	1 944.24	1 944.24	1 944.24	6.2%	2 065.17	2 230.38	2 408.81
Water: Basic levy		72.64	78.45	84.73	89.81	89.81	89.81	6.0%	95.20	100.91	106.97
Water: Consumption		369.12	398.60	423.81	449.27	449.27	449.27	6.0%	476.18	504.75	535.04
Sanitation		173.79	187.69	203.64	220.95	220.95	220.95	6.5%	235.31	250.61	266.89
Refuse removal		144.07	165.70	190.56	207.70	207.70	207.70	6.5%	221.20	235.58	250.89
Other		–	–		–	–	–	–	–	–	–
sub-total		**2 650.72**	**2 783.12**	**2 981.87**	**3 298.60**	**3 298.60**	**3 298.60**	**6.2%**	**3 502.86**	**3 758.67**	**4 033.41**
VAT on Services		331.16	345.30	393.34	436.80	436.80	436.80	6.2%	463.96	498.33	535.29
Total large household bill:		**2 981.88**	**3 128.42**	**3 375.21**	**3 735.40**	**3 735.40**	**3 735.40**	**6.2%**	**3 966.82**	**4 257.00**	**4 568.70**
% increase/-decrease			**4.9%**	**7.9%**	**10.7%**	**–**	**–**		**6.2%**	**7.3%**	**7.3%**
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		202.00	224.22	254.63	273.74	273.74	273.74	6.0%	290.15	309.01	329.10
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		802.80	818.00	859.75	972.12	972.12	972.12	6.2%	1 032.59	1 115.20	1 204.41
Water: Basic levy		72.64	78.45	84.73	89.81	89.81	89.81	6.0%	95.20	100.91	106.97
Water: Consumption		281.32	303.80	321.41	340.72	340.72	340.72	6.0%	361.13	382.80	405.77
Sanitation		173.79	187.69	203.64	220.95	220.95	220.95	6.5%	235.31	250.61	266.89
Refuse removal		144.07	165.70	190.56	207.70	207.70	207.70	6.5%	221.20	235.58	250.89
Other		–	–	–	–	–	–	–	–	–	–
sub-total		**1 676.62**	**1 777.86**	**1 914.72**	**2 105.04**	**2 105.04**	**2 105.04**	**6.2%**	**2 235.58**	**2 394.10**	**2 564.03**
VAT on Services		206.46	217.51	249.01	274.69	274.69	274.69	6.2%	291.81	312.76	335.24
Total small household bill:		**1 883.08**	**1 995.37**	**2 163.73**	**2 379.73**	**2 379.73**	**2 379.73**	**6.2%**	**2 527.39**	**2 706.86**	**2 899.27**
% increase/-decrease			**6.0%**	**8.4%**	**10.0%**	**–**	**–**		**6.2%**	**7.1%**	**7.1%**
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		–	–	–	–	–	–	–	–	–	–
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		313.71	319.62	341.49	386.12	386.12	386.12	6.2%	410.14	442.95	478.39
Water: Basic levy		–	–	–	–	–	–	–	–	–	–
Water: Consumption		193.52	209.00	225.76	239.34	239.34	239.34	6.0%	253.70	268.92	285.06
Sanitation		–	–	–	–	–	–	–	–	–	–
Refuse removal		–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–
sub-total		**507.23**	**528.62**	**567.25**	**625.46**	**625.46**	**625.46**	**6.1%**	**663.84**	**711.87**	**763.44**
VAT on Services		71.01	74.01	85.09	93.82	93.82	93.82	6.1%	99.58	106.78	114.52
Total small household bill:		**578.24**	**602.63**	**652.34**	**719.28**	**719.28**	**719.28**	**6.1%**	**763.42**	**818.65**	**877.96**
% increase/-decrease			**4.2%**	**8.2%**	**10.3%**	**–**	**–**		**6.1%**	**7.2%**	**7.2%**

References

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water

2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water

3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)

4. Note this is for a SINGLE household.

1.7 Operating Expenditure Framework

The expenditure framework for the 2020/21 budget and MTREF is informed by the guidelines of National Treasury.

The following table is a summary of the 2020/21 MTREF (classified by main expenditure types):

Table 7 – Summary of operating expenditure by type

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Expenditure By Type									
Employee related costs	407 027	468 428	520 124	597 372	601 629	601 629	625 517	657 011	692 045
Remuneration of councillors	18 801	21 519	22 017	23 943	23 943	23 943	25 140	26 397	27 981
Debt impairment	89 347	111 776	97 354	71 386	71 386	71 386	74 956	78 703	83 425
Depreciation & asset impairment	155 475	161 537	142 900	162 817	162 817	162 817	168 269	172 358	185 357
Finance charges	44 109	44 140	42 264	36 144	34 873	34 873	37 179	55 406	71 280
Bulk purchases	395 857	397 810	428 852	498 975	494 975	494 975	530 112	567 605	608 813
Other materials	41 966	38 835	57 574	38 861	66 016	66 016	68 482	72 395	76 529
Contracted services	381 210	448 956	430 073	641 852	676 417	676 417	617 949	616 372	600 760
Transfers and subsidies	122	73	65 525	69 450	64 909	64 909	90 286	54 955	45 456
Other expenditure	84 518	88 463	119 270	128 533	144 582	144 582	218 699	243 066	247 759
Losses	–	2 763	709	674	674	674	715	757	795
Total Expenditure	**1 618 433**	**1 784 301**	**1 926 665**	**2 270 007**	**2 342 222**	**2 342 222**	**2 457 303**	**2 545 025**	**2 640 201**

The operating expenditure has increased from R2 342 billion in 2019/20 (February adjustments budget) to R2 457 billion in 2020/21. The **5%** increase can be attributed to increases and decreases on several expenditure components.

The increase or decrease in expenditure is mainly due to:

- Contracted Services: This is mainly due to the decrease in the budget for operational expenditure on Housing Projects and the GIPTN.
- Bulk Purchases for Electricity: Increased by 8.7%.
- Other expenditure: An amount of R34 million has been provided for the Regional Landfill Site.

Table 8 – Repairs and maintenance per asset class

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Repairs and Maintenance by Asset Class									
Roads Infrastructure	18 915	28 674	15 443	18 557	34 054	34 054	20 584	19 170	28 356
Storm water Infrastructure	–	3 500	5 342	4 280	4 398	4 398	4 079	4 323	4 582
Electrical Infrastructure	–	5 951	6 369	7 275	9 135	9 135	10 001	11 869	14 754
Water Supply Infrastructure	9 555	11 300	9 315	9 725	11 592	11 592	15 694	17 565	14 354
Sanitation Infrastructure	22 363	6 504	5 415	7 433	8 518	8 518	10 831	11 480	12 170
Solid Waste Infrastructure	3 091	–	144	250	250	250	500	500	530
Rail Infrastructure	–	289	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Infrastructure	***53 923***	***56 217***	***42 027***	***47 519***	***67 947***	***67 947***	***61 688***	***64 907***	***74 746***
Community Facilities	7 295	–	–	5 118	5 035	5 035	5 693	6 074	6 651
Sport and Recreation Facilities	2 133	56	30	1 934	1 869	1 869	2 052	2 175	2 305
Community Assets	***9 427***	***56***	***30***	***7 053***	***6 904***	***6 904***	***7 744***	***8 249***	***8 956***
Heritage Assets	–	–	–	–	–	–	–	–	–
Revenue Generating	1 081	–	–	300	200	200	318	337	357
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Investment properties	***1 081***	–	–	***300***	***200***	***200***	***318***	***337***	***357***
Operational Buildings	861	688	1 037	1 428	1 547	1 547	1 302	1 378	1 537
Housing	–	–	–	–	–	–	–	–	–
Other Assets	***861***	***688***	***1 037***	***1 428***	***1 547***	***1 547***	***1 302***	***1 378***	***1 537***
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Computer Equipment	1 103	–	–	–	–	–	–	–	–
Furniture and Office Equipment	222	1	1	8	8	8	9	9	10
Machinery and Equipment	3 144	1 921	3 261	2 806	2 716	2 716	2 906	3 081	2 544
Transport Assets	21 954	7 444	1 237	1 544	1 544	1 544	1 648	1 746	1 851
Libraries	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–	–	–
TOTAL REPAIRS AND MAINTENANCE	**91 716**	**66 327**	**47 594**	**60 658**	**80 865**	**80 865**	**75 616**	**79 708**	**90 000**

1.8 Capital Budget

The Budget Committee went through several stages of prioritizing the capital budget to contain the budget within the available funding.

The budget committee has prioritized the upgrading of the core services infrastructure.

To achieve this the capital budget has appropriated R 118,9 million over the MTREF for the additions for the sewerage treatment works. The upgrading of sewer pump stations has been prioritized and R75,9 million over the MTREF has been allocated. A further R 325,8 million has been allocated to the extension of the water treatment works.

The Thembalethu / Ballots bay 66KV/11kv substation is a multi-year project. The 2019 budget R25m had to be rolled over to 2020 due to the expected delivery date of the transformer shifting to the 2020/21 financial year.

This draft capital budget has been compiled with due consideration to the direct impact that it would have on the operating budget and our cash position where

projects are to be funded from either internal sources or from external borrowings.

The Capital Budget was prioritized within the available funding as indicated in table below. Full provision has been made for the grant funded projects.

ALLOCATION OF CRR AND EFF

CAPITAL FUNDING	2020/21		2021/22		2021/22	
Capital Replacement Reserve (CRR)	75 000 000	19.37%	60 000 000	18.47%	72 000 000	21.34%
External Financing Fund (EFF)	220 000 000	56.82%	193 100 000	59.45%	150 000 000	44.45%
Grants	67 623 805	17.46%	66 312 707	20.41%	47 133 860	13.97%
Other	24 586 513	6.35%	5 413 486	1.67%	68 326 674	20.25%
TOTAL	**387 210 319**	**100.00%**	**324 826 194**	**100.00%**	**337 460 534**	**100.00%**

GEORGE MUNICIPALITY	2020/21		2021/22		2021/22	
DIRECTORATE	CRR + EFF	%	CRR + EFF	%	CRR + EFF	%
OFFICE OF THE MUNICIPAL MANAGER	3 800 000	1.29%	3 000 000	1.19%	3 050 995	1.37%
FINANCIAL SERVICES	1 200 000	0.41%	1 000 000	0.40%	963 472	0.43%
CORPORATE SERVICES	6 500 000	2.20%	5 100 000	2.02%	5 218 807	2.35%
HUMAN SETTLEMENTS	4 000 000	1.36%	4 000 000	1.58%	3 211 573	1.45%
PLANNING AND DEVELOPMENT	3 000 000	1.02%	2 500 000	0.99%	2 408 680	1.08%
CIVIL ENGINEERING SERVICES	186 500 000	63.22%	160 000 000	63.22%	134 886 076	60.76%
ELECTRO-TECHNICAL SERVICES	50 000 000	16.95%	45 000 000	17.78%	40 144 665	18.08%
COMMUNITY SERVICES	22 000 000	7.46%	16 500 000	6.52%	17 663 653	7.96%
PROTECTION SERVICES	18 000 000	6.10%	16 000 000	6.32%	14 452 080	6.51%
TOTAL	**295 000 000**	**100.00%**	**253 100 000**	**100.00%**	**222 000 000**	**100.00%**

1.8.1 Capital Budget - 2020/2021 to 2022/2023

Projects to be funded from the Capital Replacement Reserve (CRR) were capped at R75,9 million and R 219,8 million for projects linked to external funding (EFF). Of the R219,8 million R74 million was rolled over from 2019/20 financial year. Full provision was made for grant funded projects as contained in the Division of Revenue Act. An amount of R67,6 million was budgeted for grants.

The housing development in Thembalethu is one of the main developments putting pressure on the waterworks as well as the sewage treatment works. The electricity infrastructure is also not sufficient for the housing projects development. The Western Cape Department of Human Settlements has indicated their willingness to assist with possible grant funding given the magnitude of the housing project and its impact on the bulk infrastructure.

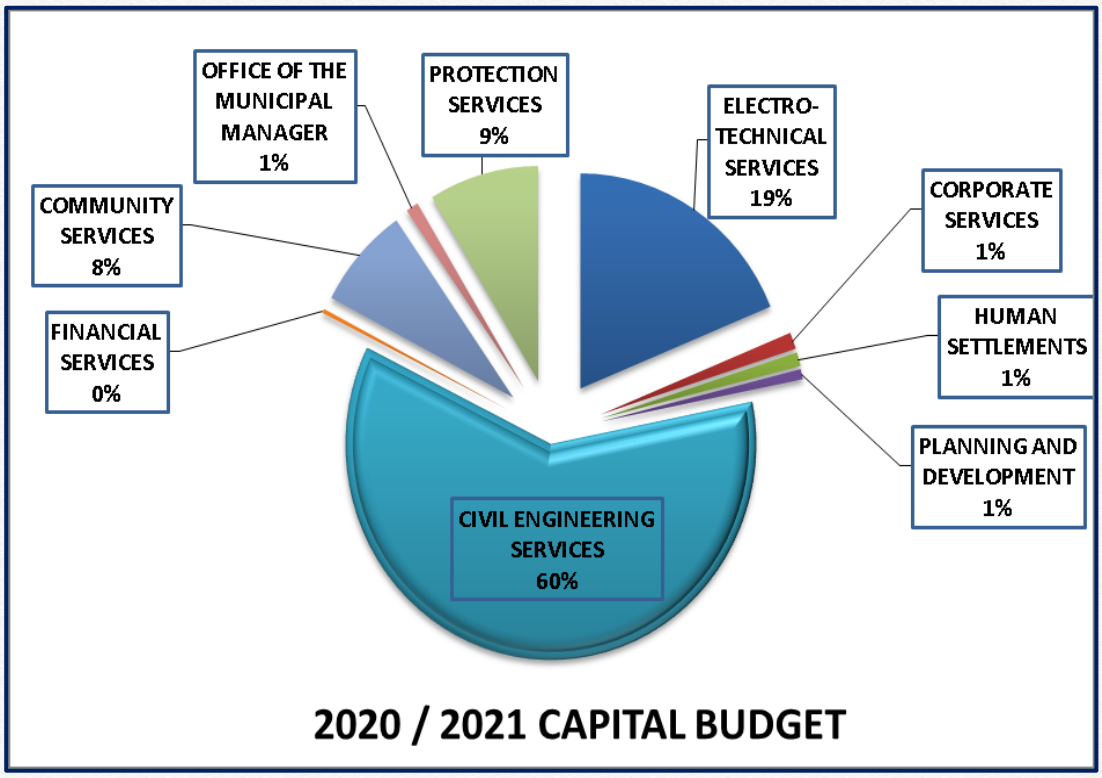
Province is facilitating the housing development projects and as such the grant allocation has been included in the operating budget (R154,45 million).

The draft Capital budget reflects the following budget allocation to the various departments and reflects the strategic priorities outlined in the IDP.

Table 9 – Capital Budget per department

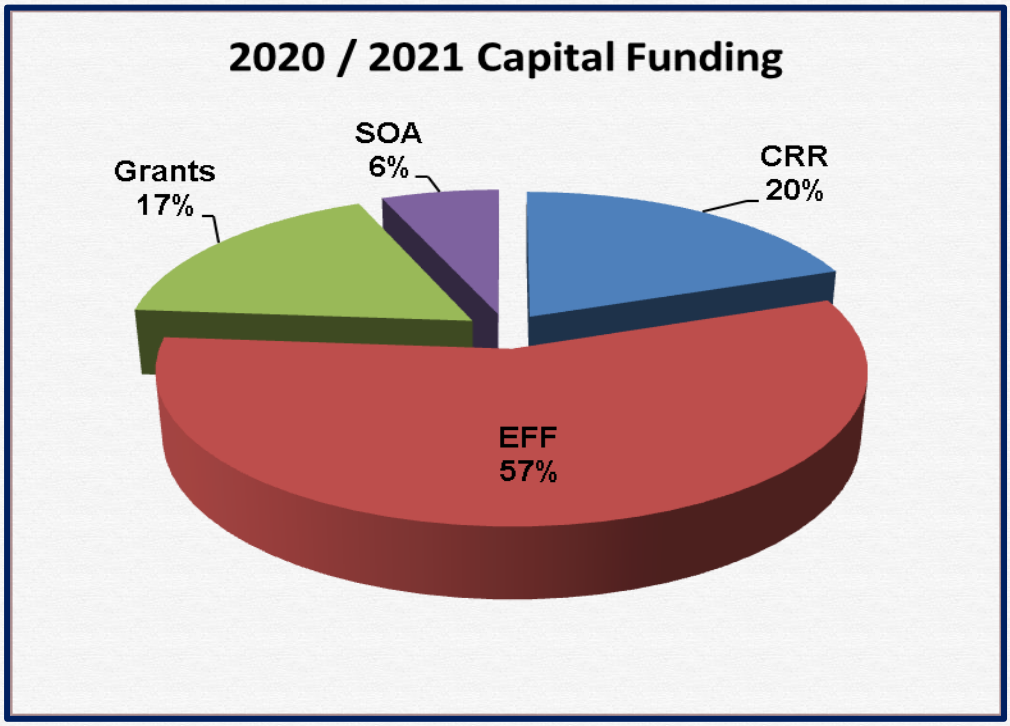
Directorate	Total Per Department			
	Adjustments Budget Feb 2020	Proposed 2020/21	Proposed 2021/22	Proposed 2022/23
	R	R	R	R
ELECTRO-TECHNICAL SERVICES	45 191 493	72 930 530	59 560 375	65 054 326
CORPORATE SERVICES	3 608 255	4 850 000	6 896 000	4 325 000
HUMAN SETTLEMENTS	3 024 050	4 022 000	3 832 000	3 231 000
PLANNING AND DEVELOPMENT	2 843 500	2 992 000	2 508 000	2 582 000
CIVIL ENGINEERING SERVICES	193 826 149	234 679 629	200 704 550	237 708 348
FINANCIAL SERVICES	1 831 500	1 214 000	-	200 000
COMMUNITY SERVICES	23 034 559	29 884 023	16 506 587	13 740 000
OFFICE OF THE MUNICIPAL MANAGER	2 031 500	3 800 000	2 696 000	1 005 000
PROTECTION SERVICES	16 659 559	33 603 031	33 232 019	12 151 000
TOTAL	**292 050 565**	**387 975 213**	**325 935 531**	**339 996 674**

The pie chart below indicates the proposed capital budget per department:



R28,9 million (12,3%) of the total budget for Civil Engineering Services is funded from grants. R6,669 million (23%) of the grant funding for Civil Engineering Services is earmarked for the further roll – out of the GIPTN.

The pie chart below indicates the funding mix of the Capital Budget.



1.8.2 Internal Funding

One of the main challenges impacting on the capital budget is the expected contributions to the Capital Replacement Reserve (CRR) for the current year. This situation also emphasizes the need to expand our current additional income base (sources) and exploring other income sources. The Budget Committee re-affirmed the need to broaden the income base.

A contribution of R62 million was made to the CRR in the February 2020 Adjustments Budget from working capital.

Although the budgeted income and expenditure are realistically anticipated, the situation regarding the available internal funds will be monitored closely and expenditure on capital projects linked to the CRR will be managed per the available cash.

The table below gives a breakdown of the available budgeted CRR funds.

Table 10 – Budgeted CRR funds

BUDGETED CRR FUNDING FOR 2020/21				
DESCRIPTION OF CAPITAL REPLACEMENT RESERVED (CRR)	PROJECTED BALANCE 30/06/2020 AFS	PROJECTED CAPITAL CONTRIBUTIONS	VAT INCOME ON GRANTS	TOTAL AMOUNT AVAILABLE FOR CAPITAL EXPENDITURE
General	10 579 597	1 669 500	187 500	12 436 597
Electricity	4 084 900	4 340 488	1 677 717	10 103 106
Water	4 596 015	3 895 500	0	8 491 515
Sewerage	3 209 600	4 146 190	5 231 980	12 587 770
Sale of Property	398 395	6 000 000		6 398 395
Cleansing	1 550 793	275 282		1 826 075
Contribution from Working Capital	0			24 000 000
TOTAL CRR	**24 419 301**	**20 326 960**	**7 097 198**	**75 843 459**

1.8.3 External Financing Funding

Although the Long Term Financial Plan indicates that George Municipality's gearing has declined, allowing the municipality to take up external funding, the magnitude of external funding required over the MTREF compelled the Budget Committee to further scrutinize the different planning scenarios before committing to taking up loans of more than R563,2 million over the MTREF. The multi-year planning needs to be spread out over a 5-7-year period to soften the impact of interest and redemption payments on tariffs to the customers.

The Budget Committee considered the requests by the technical departments to take up external loans to fund major upgrading of infrastructure and new infrastructure to provide for the demand created by new developments.

After thorough discussions with the technical departments it was decided to prioritize the upgrading of the sewerage treatment works as from the 2019/20 MTREF. The upgrading of the water treatment works will receive priority in the 2020/21 financial year. Further planning will be done to mitigate the risks relating to the upgrade that will only commence in the 2020/21 MTREF.

Table 11 – Capital expenditure by GFS classification

Vote Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital Expenditure - Functional									
Governance and administration	**6 623**	**5 803**	**9 559**	**11 488**	**11 405**	**11 405**	**8 011**	**5 713**	**4 910**
Executive and council	2 470	630	564	594	474	474	978	–	–
Finance and administration	4 153	5 174	8 928	10 749	10 786	10 786	6 912	5 598	4 785
Internal audit	–	–	67	145	145	145	122	115	125
Community and public safety	**12 778**	**15 410**	**19 270**	**27 519**	**28 291**	**28 291**	**45 551**	**28 103**	**25 340**
Community and social services	5 135	3 452	3 403	8 242	6 422	6 422	10 357	9 757	7 894
Sport and recreation	3 992	8 847	4 777	8 811	8 120	8 120	19 811	4 211	6 169
Public safety	2 134	1 608	10 303	8 582	11 427	11 427	13 132	11 620	8 110
Housing	1 350	1 504	532	1 766	2 203	2 203	2 106	2 155	2 807
Health	166	–	255	118	118	118	145	360	360
Economic and environmental services	**107 658**	**129 025**	**89 733**	**60 789**	**91 442**	**91 442**	**48 858**	**49 638**	**21 375**
Planning and development	35	330	535	2 560	1 832	1 832	1 484	1 448	1 990
Road transport	107 623	128 695	89 199	58 229	89 610	89 610	46 704	48 190	19 385
Environmental protection	–	–	–	–	–	–	670	–	–
Trading services	**86 357**	**118 807**	**124 525**	**244 332**	**159 981**	**159 981**	**284 148**	**241 422**	**287 780**
Energy sources	14 538	31 873	46 330	71 838	45 191	45 191	72 931	59 560	65 054
Water management	41 004	29 168	18 067	77 894	46 370	46 370	102 626	127 785	159 578
Waste water management	25 511	49 124	48 726	84 553	55 964	55 964	103 174	44 370	58 600
Waste management	5 304	8 642	11 402	10 048	12 455	12 455	5 418	9 708	4 548
Other	**122**	**85**	**148**	**645**	**932**	**932**	**1 408**	**1 060**	**592**
Total Capital Expenditure - Functional	**213 537**	**269 131**	**243 236**	**344 772**	**292 051**	**292 051**	**387 975**	**325 936**	**339 997**

1.9 Budget Schedules

The Municipal Budget and Reporting Regulations are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver basic services by facilitating improved financial sustainability and better medium-term planning and policy choices on service delivery.

Narrative will only be provided at certain tables to clarify certain aspects otherwise it will be a repetition of what has already been documented.

Table 12 – A1: Budget Summary

WC044 George - Table A1 Budget Summary

Description	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Financial Performance										
Property rates	**211 433**	235 054	270 173	279 613	289 613	289 613	253 208	311 989	331 942	353 194
Service charges	830 304	878 718	933 421	1 036 678	1 051 678	1 051 678	828 158	1 130 565	1 212 749	1 304 089
Investment revenue	37 304	50 166	46 246	43 180	47 061	47 061	29 897	50 352	52 648	55 507
Transfers recognised - operational	310 241	402 555	452 233	605 092	708 173	708 173	287 729	634 851	587 858	534 438
Other own revenue	144 434	193 323	208 217	252 387	199 725	199 725	99 979	295 148	330 061	353 085
Total Revenue (excluding capital transfers and contributions)	1 533 716	1 759 815	1 910 290	2 216 950	2 296 250	2 296 250	1 498 971	2 422 904	2 515 258	2 600 313
Employee costs	407 027	468 428	520 124	597 372	601 629	601 629	434 802	625 517	657 011	692 045
Remuneration of councillors	18 801	21 519	22 017	23 943	23 943	23 943	18 378	25 140	26 397	27 981
Depreciation & asset impairment	155 475	161 537	142 900	162 817	162 817	162 817	135 647	168 269	172 358	185 357
Finance charges	44 109	44 140	42 264	36 144	34 873	34 873	17 306	37 179	55 406	71 280
Materials and bulk purchases	437 823	436 645	486 427	537 836	560 991	560 991	414 955	598 595	639 999	685 342
Transfers and grants	122	73	65 525	69 450	64 909	64 909	40 586	90 286	54 955	45 456
Other expenditure	555 076	651 958	647 407	842 445	893 060	893 060	431 748	912 318	938 898	932 740
Total Expenditure	1 618 433	1 784 301	1 926 665	2 270 007	2 342 222	2 342 222	1 493 421	2 457 303	2 545 025	2 640 201
Surplus/(Deficit)	(84 716)	(24 486)	(16 375)	(53 057)	(45 971)	(45 971)	5 550	(34 399)	(29 767)	(39 887)
Transfers and subsidies - capital (monetary allocat	149 591	202 853	122 153	62 479	69 219	69 219	12 231	73 914	67 997	87 619
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	64 874	178 367	105 778	9 421	23 248	23 248	17 781	39 515	38 230	47 731
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	64 874	178 367	105 778	9 421	23 248	23 248	17 781	39 515	38 230	47 731
Capital expenditure & funds sources										
Capital expenditure	**213 537**	269 131	243 236	344 772	292 051	292 051	(61)	387 975	325 936	339 997
Transfers recognised - capital	**145 307**	196 288	113 833	61 221	109 314	109 314	12 304	67 624	66 313	49 359
Public contributions & donations	**–**	–	–	–	–	–	–	–	–	–
Borrowing	**18 493**	19 525	18 776	144 695	39 093	39 093	(12 633)	244 441	198 589	218 522
Internally generated funds	**49 737**	53 318	110 627	138 857	143 643	143 643	268	75 910	61 034	72 116
Total sources of capital funds	**213 537**	269 131	243 236	344 772	292 051	292 051	(61)	387 975	325 936	339 997
Financial position										
Total current assets	**823 004**	903 808	875 806	919 816	851 839	851 839	310 492	1 123 706	980 493	1 039 696
Total non current assets	**2 922 172**	3 029 799	3 130 836	3 035 024	3 294 736	3 294 736	(66 057)	3 514 465	3 668 018	3 822 658
Total current liabilities	**422 945**	437 448	393 016	394 006	896 597	896 597	228 890	1 348 679	1 322 662	1 488 774
Total non current liabilities	**537 994**	532 329	533 010	545 265	146 115	146 115	(1 450)	146 115	146 115	146 115
Community wealth/Equity	**2 784 237**	2 963 830	3 080 615	3 015 569	3 103 863	3 103 863	28	3 143 376	3 179 733	3 227 464
Cash flows										
Net cash from (used) operating	**374 144**	402 561	232 706	–	–	–	2 845 916	(9 400)	(9 500)	(10 000)
Net cash from (used) investing	**(211 025)**	(265 636)	(242 917)	(344 772)	(292 051)	(292 051)	31 843	(387 975)	(325 936)	(339 997)
Net cash from (used) financing	**(23 001)**	(24 581)	(44 969)	–	–	720 173	1 829	350 686	471 929	627 096
Cash/cash equivalents at the year end	**505 441**	617 784	562 604	217 831	270 553	990 726	3 442 191	223 864	360 358	637 457
Cash backing/surplus reconciliation										
Cash and investments available	**505 441**	617 784	562 604	574 738	386 414	386 414	390 975	558 487	368 659	383 717
Application of cash and investments	**(390 494)**	(439 842)	(392 975)	(407 939)	(664 098)	(664 098)	143 134	(994 396)	(818 232)	(891 574)
Balance - surplus (shortfall)	**895 934**	1 057 627	955 578	982 677	1 050 512	1 050 512	247 841	1 552 883	1 186 891	1 275 291
Asset management										
Asset register summary (WDV)	**2 921 656**	3 029 118	3 128 457	344 772	3 257 691	3 257 691		3 477 419	3 630 973	3 785 613
Depreciation	**155 475**	161 537	142 900	162 817	162 817	162 817		168 269	172 358	185 357
Renewal of Existing Assets	**9 618**	118 314	67 149	41 904	64 109	64 109		28 411	23 310	16 795
Repairs and Maintenance	**91 716**	66 327	47 594	60 658	80 865	80 865		75 616	79 708	90 000
Free services										
Cost of Free Basic Services provided	**101 036**	81 691	92 457	100 675	100 675	97 433	105 844	105 844	115 041	121 943
Revenue cost of free services provided	**64 159**	64 033	55 215	71 302	71 302	71 302	75 580	75 580	80 320	85 358
Households below minimum service level										
Water:	1	1	1	1	1	1	1	1	1	2
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	4	4	4	4	4	4	4	4	5	5
Refuse:	–	–	–	–	–	–	–	–	–	–

Table13 – A2: Budgeted Financial Performance by standard classification

WC044 George - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional										
Governance and administration		**274 370**	**312 926**	**352 506**	**362 868**	**377 256**	**377 256**	**394 923**	**413 515**	**439 038**
Executive and council		1 161	185	23	4 678	4 678	4 678	4 294	192	203
Finance and administration		273 209	312 740	352 044	358 190	372 578	372 578	390 629	413 323	438 835
Internal audit		–	0	439	–	–	–	–	–	–
Community and public safety		**95 220**	**133 440**	**190 745**	**258 349**	**327 700**	**327 700**	**267 387**	**223 687**	**171 077**
Community and social services		15 528	15 386	16 959	15 726	16 176	16 176	16 168	16 827	17 695
Sport and recreation		4 589	(3 084)	5 132	7 080	3 772	3 772	13 578	1 363	1 445
Public safety		53 798	79 708	93 443	73 868	73 868	73 868	78 293	81 440	86 327
Housing		18 914	41 369	75 118	161 595	233 804	233 804	159 264	123 969	65 517
Health		2 391	61	92	80	80	80	84	88	93
Economic and environmental services		**316 618**	**388 509**	**344 080**	**403 230**	**380 179**	**380 179**	**489 194**	**493 987**	**512 029**
Planning and development		8 071	9 559	11 663	12 336	12 451	12 451	11 134	12 335	12 471
Road transport		308 544	378 950	332 416	390 893	367 727	367 727	478 058	481 650	499 556
Environmental protection		3	1	1	2	2	2	2	2	2
Trading services		**997 079**	**1 127 193**	**1 145 076**	**1 254 923**	**1 280 175**	**1 280 175**	**1 345 250**	**1 451 995**	**1 565 714**
Energy sources		588 021	645 577	670 326	770 612	774 612	774 612	830 048	889 281	966 116
Water management		175 489	172 946	184 273	185 303	183 328	183 328	209 314	236 466	250 200
Waste water management		143 176	203 315	171 496	172 133	192 361	192 361	168 836	180 403	192 870
Waste management		90 392	105 354	118 981	126 875	129 875	129 875	137 052	145 845	156 528
Other	4	**20**	**600**	**36**	**59**	**159**	**159**	**65**	**71**	**75**
Total Revenue - Functional	2	**1 683 307**	**1 962 668**	**2 032 443**	**2 279 429**	**2 365 470**	**2 365 470**	**2 496 818**	**2 583 255**	**2 687 932**
Expenditure - Functional										
Governance and administration		**224 055**	**290 596**	**318 979**	**367 385**	**374 236**	**374 236**	**391 756**	**431 364**	**461 194**
Executive and council		45 841	58 093	65 252	85 464	88 570	88 570	84 329	85 513	81 874
Finance and administration		178 214	224 229	242 185	268 131	271 976	271 976	291 852	329 524	361 491
Internal audit		–	8 274	11 542	13 790	13 691	13 691	15 574	16 328	17 830
Community and public safety		**214 537**	**267 020**	**325 094**	**396 310**	**475 217**	**475 217**	**410 699**	**394 092**	**352 566**
Community and social services		25 496	47 256	50 656	58 314	58 104	58 104	61 107	69 370	75 696
Sport and recreation		24 476	25 342	30 698	29 964	31 725	31 725	34 553	33 141	35 358
Public safety		106 331	123 381	138 989	106 883	109 501	109 501	114 324	124 075	128 501
Housing		45 744	67 904	102 008	197 228	271 969	271 969	196 459	162 969	108 203
Health		12 491	3 138	2 743	3 921	3 918	3 918	4 255	4 537	4 809
Economic and environmental services		**357 415**	**320 129**	**330 864**	**455 948**	**437 234**	**437 234**	**526 707**	**517 182**	**516 814**
Planning and development		22 987	21 548	27 139	31 763	31 701	31 701	35 713	37 790	39 336
Road transport		333 090	296 819	302 132	421 902	402 907	402 907	488 368	476 822	474 739
Environmental protection		1 338	1 762	1 593	2 283	2 627	2 627	2 626	2 569	2 739
Trading services		**813 138**	**896 850**	**937 967**	**1 036 305**	**1 041 356**	**1 041 356**	**1 112 776**	**1 185 993**	**1 292 482**
Energy sources		511 661	505 423	541 826	632 270	629 398	629 398	676 983	721 792	769 907
Water management		130 730	120 101	112 808	122 025	125 535	125 535	135 840	135 564	171 884
Waste water management		97 295	182 161	169 416	196 554	200 544	200 544	198 867	220 742	237 066
Waste management		73 451	89 165	113 917	85 456	85 880	85 880	101 087	107 895	113 624
Other	4	**9 288**	**9 706**	**13 761**	**14 058**	**14 178**	**14 178**	**15 366**	**16 394**	**17 145**
Total Expenditure - Functional	3	**1 618 433**	**1 784 301**	**1 926 665**	**2 270 007**	**2 342 222**	**2 342 222**	**2 457 303**	**2 545 025**	**2 640 201**
Surplus/(Deficit) for the year		**64 874**	**178 367**	**105 778**	**9 421**	**23 248**	**23 248**	**39 515**	**38 230**	**47 731**

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes

2. Total Revenue by functional classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)

3. Total Expenditure by Functional Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)

4. All amounts must be classified under a functional classification . The GFS function 'Other' is only for Abbatoirs, Air Transport, Forestry, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification.

Table 14 – A3: Budgeted Financial Performance by municipal vote

WC044 George - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote	1									
Vote 1 - Office of the Muncipal Manager		3 274	2 042	2 450	6 523	6 523	6 523	6 795	2 865	3 043
Vote 2 - Corporate Services		1 624	1 724	1 680	685	871	871	772	815	858
Vote 3 - Corporate Services (Continued)		3 242	2 225	2 806	2 585	2 930	2 930	2 630	2 157	2 248
Vote 4 - Community Services		16 457	14 281	16 649	14 460	14 660	14 660	14 600	15 328	16 106
Vote 5 - Community Services (Continued)		94 957	102 072	123 591	133 900	133 592	133 592	150 572	147 149	157 910
Vote 6 - Human Settlements		14 719	37 020	69 659	160 338	232 548	232 548	157 946	122 585	64 050
Vote 7 - Civil Engineering Services		334 657	382 302	365 806	362 542	389 926	389 926	385 015	421 323	447 398
Vote 8 - Electro-Technical Services		588 012	647 014	672 425	773 291	778 395	778 395	832 809	892 054	968 616
Vote 9 - Financial Services		251 706	290 541	323 136	327 950	342 332	342 332	367 476	390 021	414 582
Vote 10 - Financial Services (Continued)		4 870	4 925	4 861	7 289	7 289	7 289	4 892	4 894	4 942
Vote 11 - Planning and Development		18 387	20 191	28 641	25 525	25 350	25 350	20 078	21 431	22 753
Vote 12 - Protection Services		351 393	458 319	420 739	464 167	430 881	430 881	553 051	562 441	585 222
Vote 13 - Protection Services (Continued)		8	13	–	173	173	173	182	191	202
Total Revenue by Vote	2	**1 683 307**	**1 962 668**	**2 032 443**	**2 279 429**	**2 365 470**	**2 365 470**	**2 496 818**	**2 583 255**	**2 687 932**
Expenditure by Vote ***to be appropriated***	1									
Vote 1 - Office of the Muncipal Manager		70 189	84 376	98 535	121 386	124 904	124 904	124 436	127 007	126 375
Vote 2 - Corporate Services		25 626	29 424	31 797	34 793	34 810	34 810	36 888	42 634	42 352
Vote 3 - Corporate Services (Continued)		25 676	28 380	29 124	35 882	35 975	35 975	37 558	39 649	42 470
Vote 4 - Community Services		40 521	47 957	54 557	63 976	64 794	64 794	68 767	77 095	83 931
Vote 5 - Community Services (Continued)		86 601	103 552	130 939	100 576	102 398	102 398	119 092	123 259	130 223
Vote 6 - Human Settlements		43 033	64 909	95 752	189 313	264 588	264 588	187 237	153 540	97 998
Vote 7 - Civil Engineering Services		348 881	319 441	305 336	342 667	362 111	362 111	363 554	382 401	436 160
Vote 8 - Electro-Technical Services		513 165	522 216	561 037	656 167	654 138	654 138	701 977	748 357	797 659
Vote 9 - Financial Services		53 177	65 050	58 620	74 846	73 794	73 794	81 100	105 210	125 473
Vote 10 - Financial Services (Continued)		28 616	33 762	32 943	44 994	45 414	45 414	50 379	50 681	56 199
Vote 11 - Planning and Development		36 050	41 781	61 850	43 977	44 240	44 240	48 866	50 196	53 963
Vote 12 - Protection Services		346 636	443 225	465 746	560 756	534 350	534 350	636 703	644 211	646 511
Vote 13 - Protection Services (Continued)		262	228	429	675	706	706	746	784	887
Total Expenditure by Vote	2	**1 618 433**	**1 784 301**	**1 926 665**	**2 270 007**	**2 342 222**	**2 342 222**	**2 457 303**	**2 545 025**	**2 640 201**
Surplus/(Deficit) for the year	2	**64 874**	**178 367**	**105 778**	**9 421**	**23 248**	**23 248**	**39 515**	**38 230**	**47 731**

References

1. Insert 'Vote'; e.g. department, if different to functional classification structure

2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)

3. Assign share in 'associate' to relevant Vote

Table 15 – A4: Budgeted Financial Performance by revenue source and expenditure type

WC044 George - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source										
Property rates	2	211 433	235 054	270 173	279 613	289 613	289 613	311 989	331 942	353 194
Service charges - electricity revenue	2	565 450	603 332	623 450	723 026	727 026	727 026	781 614	844 018	912 039
Service charges - water revenue	2	121 172	117 657	129 256	127 469	131 469	131 469	141 357	149 719	158 583
Service charges - sanitation revenue	2	81 869	87 952	98 989	101 020	105 020	105 020	113 118	119 494	127 360
Service charges - refuse revenue	2	61 814	69 778	81 727	85 163	88 163	88 163	94 476	99 517	106 107
Rental of facilities and equipment		3 756	3 271	3 130	6 183	6 183	6 183	6 480	6 808	7 217
Interest earned - external investments		37 304	50 166	46 246	43 180	47 061	47 061	50 352	52 648	55 507
Interest earned - outstanding debtors		4 156	4 677	4 080	6 096	6 096	6 096	7 746	8 134	7 124
Dividends received		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		48 384	81 503	94 581	76 126	76 126	76 126	80 307	84 379	89 431
Licences and permits		2 126	2 742	2 322	3 516	3 516	3 516	3 695	3 872	4 104
Agency services		9 443	11 258	11 140	8 848	8 848	8 848	9 291	9 755	10 340
Transfers and subsidies		310 241	402 555	452 233	605 092	708 173	708 173	634 851	587 858	534 438
Other revenue	2	76 276	89 872	92 964	151 618	98 956	98 956	187 629	217 114	234 869
Gains		293	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		**1 533 716**	**1 759 815**	**1 910 290**	**2 216 950**	**2 296 250**	**2 296 250**	**2 422 904**	**2 515 258**	**2 600 313**
Expenditure By Type										
Employee related costs	2	407 027	468 428	520 124	597 372	601 629	601 629	625 517	657 011	692 045
Remuneration of councillors		18 801	21 519	22 017	23 943	23 943	23 943	25 140	26 397	27 981
Debt impairment	3	89 347	111 776	97 354	71 386	71 386	71 386	74 956	78 703	83 425
Depreciation & asset impairment	2	155 475	161 537	142 900	162 817	162 817	162 817	168 269	172 358	185 357
Finance charges		44 109	44 140	42 264	36 144	34 873	34 873	37 179	55 406	71 280
Bulk purchases	2	395 857	397 810	428 852	498 975	494 975	494 975	530 112	567 605	608 813
Other materials	8	41 966	38 835	57 574	38 861	66 016	66 016	68 482	72 395	76 529
Contracted services		381 210	448 956	430 073	641 852	676 417	676 417	617 949	616 372	600 760
Transfers and subsidies		122	73	65 525	69 450	64 909	64 909	90 286	54 955	45 456
Other expenditure	4, 5	84 518	88 463	119 270	128 533	144 582	144 582	218 699	243 066	247 759
Losses		–	2 763	709	674	674	674	715	757	795
Total Expenditure		**1 618 433**	**1 784 301**	**1 926 665**	**2 270 007**	**2 342 222**	**2 342 222**	**2 457 303**	**2 545 025**	**2 640 201**
Surplus/(Deficit)		**(84 716)**	**(24 486)**	**(16 375)**	**(53 057)**	**(45 971)**	**(45 971)**	**(34 399)**	**(29 767)**	**(39 887)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		149 591	202 853	122 153	62 479	69 219	69 219	73 914	67 997	87 619
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	6	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**64 874**	**178 367**	**105 778**	**9 421**	**23 248**	**23 248**	**39 515**	**38 230**	**47 731**
Taxation		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		**64 874**	**178 367**	**105 778**	**9 421**	**23 248**	**23 248**	**39 515**	**38 230**	**47 731**
Attributable to minorities		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**64 874**	**178 367**	**105 778**	**9 421**	**23 248**	**23 248**	**39 515**	**38 230**	**47 731**
Share of surplus/ (deficit) of associate	7	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year		**64 874**	**178 367**	**105 778**	**9 421**	**23 248**	**23 248**	**39 515**	**38 230**	**47 731**

References

1. Classifications are revenue sources and expenditure type

2. Detail to be provided in Table SA1

3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment

4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs

5. Repairs & maintenance detailed in Table A9 and Table SA34c

6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)

7. Equity method (Includes Joint Ventures)

8. All materials not part of 'bulk' e.g road making materials, pipe, cable etc.

Table 16 – A5: Budgeted Capital Expenditure by vote, standard classification and funding

WC044 George - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure - Vote										
Multi-year expenditure *to be appropriated*	2									
Vote 1 - Office of the Muncipal Manager		–	–	–	245	234	234	209	133	115
Vote 2 - Corporate Services		–	13	–	15	15	15	–	–	–
Vote 3 - Corporate Services (Continued)		–	–	–	–	–	–	–	–	–
Vote 4 - Community Services		4 502	–	954	477	639	639	401	266	1 145
Vote 5 - Community Services (Continued)		–	–	9 475	1 425	2 904	2 904	2 235	3 850	150
Vote 6 - Human Settlements		–	–	–	–	–	–	1 050	1 950	950
Vote 7 - Civil Engineering Services		72 024	100 832	122 630	33 988	59 090	59 090	22 176	23 500	23 825
Vote 8 - Electro-Technical Services		1 535	4 132	19 587	9 701	10 178	10 178	29 301	21 727	13 495
Vote 9 - Financial Services		–	–	–	–	–	–	–	–	–
Vote 10 - Financial Services (Continued)		718	713	4 082	250	250	250	500	250	250
Vote 11 - Planning and Development		–	–	–	500	–	–	945	1 360	2 060
Vote 12 - Protection Services		57 653	13 682	–	4 525	317	317	17 256	23 500	645
Vote 13 - Protection Services (Continued)		–	–	–	40	47	47	–	–	–
Capital multi-year expenditure sub-total		**136 432**	**119 372**	**156 729**	**51 164**	**73 675**	**73 675**	**74 073**	**76 535**	**42 635**
Single-year expenditure *to be appropriated*	2									
Vote 1 - Office of the Muncipal Manager		3 219	959	866	1 953	2 338	2 338	1 477	314	140
Vote 2 - Corporate Services		529	1 289	1 256	3 747	2 642	2 642	3 850	6 076	4 030
Vote 3 - Corporate Services (Continued)		–	–	142	237	410	410	892	720	295
Vote 4 - Community Services		479	4 558	2 223	3 659	2 077	2 077	6 058	2 865	5 001
Vote 5 - Community Services (Continued)		9 237	14 911	8 356	16 623	17 414	17 414	21 191	9 525	7 445
Vote 6 - Human Settlements		1 350	819	2 007	3 493	3 024	3 024	2 972	1 882	2 281
Vote 7 - Civil Engineering Services		36 206	80 213	31 886	184 780	134 736	134 736	212 503	177 205	213 883
Vote 8 - Electro-Technical Services		13 003	27 742	26 742	62 137	35 013	35 013	43 630	37 834	51 559
Vote 9 - Financial Services		662	379	236	832	832	832	1 214	–	200
Vote 10 - Financial Services (Continued)		1 648	2 443	976	750	750	750	1 722	2 100	500
Vote 11 - Planning and Development		157	1 806	1 283	2 765	2 844	2 844	2 047	1 148	522
Vote 12 - Protection Services		10 615	14 641	10 519	11 450	15 669	15 669	15 744	8 733	11 506
Vote 13 - Protection Services (Continued)		–	–	16	1 183	626	626	604	1 000	–
Capital single-year expenditure sub-total		**77 105**	**149 760**	**86 507**	**293 608**	**218 375**	**218 375**	**313 903**	**249 400**	**297 362**
Total Capital Expenditure - Vote	3,7	**213 537**	**269 131**	**243 236**	**344 772**	**292 051**	**292 051**	**387 975**	**325 936**	**339 997**
Capital Expenditure - Functional										
Governance and administration		**6 623**	**5 803**	**9 559**	**11 488**	**11 405**	**11 405**	**8 011**	**5 713**	**4 910**
Executive and council		2 470	630	564	594	474	474	978	–	–
Finance and administration		4 153	5 174	8 928	10 749	10 786	10 786	6 912	5 598	4 785
Internal audit		–	–	67	145	145	145	122	115	125
Community and public safety		**12 778**	**15 410**	**19 270**	**27 519**	**28 291**	**28 291**	**45 551**	**28 103**	**25 340**
Community and social services		5 135	3 452	3 403	8 242	6 422	6 422	10 357	9 757	7 894
Sport and recreation		3 992	8 847	4 777	8 811	8 120	8 120	19 811	4 211	6 169
Public safety		2 134	1 608	10 303	8 582	11 427	11 427	13 132	11 620	8 110
Housing		1 350	1 504	532	1 766	2 203	2 203	2 106	2 155	2 807
Health		166	–	255	118	118	118	145	360	360
Economic and environmental services		**107 658**	**129 025**	**89 733**	**60 789**	**91 442**	**91 442**	**48 858**	**49 638**	**21 375**
Planning and development		35	330	535	2 560	1 832	1 832	1 484	1 448	1 990
Road transport		107 623	128 695	89 199	58 229	89 610	89 610	46 704	48 190	19 385
Environmental protection		–	–	–	–	–	–	670	–	–
Trading services		**86 357**	**118 807**	**124 525**	**244 332**	**159 981**	**159 981**	**284 148**	**241 422**	**287 780**
Energy sources		14 538	31 873	46 330	71 838	45 191	45 191	72 931	59 560	65 054
Water management		41 004	29 168	18 067	77 894	46 370	46 370	102 626	127 785	159 578
Waste water management		25 511	49 124	48 726	84 553	55 964	55 964	103 174	44 370	58 600
Waste management		5 304	8 642	11 402	10 048	12 455	12 455	5 418	9 708	4 548
Other		**122**	**85**	**148**	**645**	**932**	**932**	**1 408**	**1 060**	**592**
Total Capital Expenditure - Functional	3,7	**213 537**	**269 131**	**243 236**	**344 772**	**292 051**	**292 051**	**387 975**	**325 936**	**339 997**

Table 16 – A5: Budgeted Capital Expenditure by vote, standard classification and funding (continue)

WC044 George - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Funded by:										
National Government		69 653	148 511	107 813	54 343	102 339	102 339	66 892	66 313	49 359
Provincial Government		75 654	47 777	6 020	6 878	6 975	6 975	732	–	–
District Municipality		–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions,		–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	**145 307**	**196 288**	**113 833**	**61 221**	**109 314**	**109 314**	**67 624**	**66 313**	**49 359**
Public contributions & donations	5	–	–	–	–	–	–	–	–	–
Borrowing	6	18 493	19 525	18 776	144 695	39 093	39 093	244 441	198 589	218 522
Internally generated funds		49 737	53 318	110 627	138 857	143 643	143 643	75 910	61 034	72 116
Total Capital Funding	7	**213 537**	**269 131**	**243 236**	**344 772**	**292 051**	**292 051**	**387 975**	**325 936**	**339 997**

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).

2. Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year

3. Capital expenditure by functional classification must reconcile to the appropriations by vote

4. Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure)

5. Must reconcile to Budgeted Financial Performance (revenue and expenditure)

6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17

7. Total Capital Funding must balance with Total Capital Expenditure

8. Include any capitalised interest (MFMA section 46) as part of relevant capital budget

Table 17 – A6: Budgeted Financial Position

WC044 George - Table A6 Budgeted Financial Position

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
ASSETS											
Current assets											
Cash		505 441	617 784	562 604	574 738	386 414	386 414	11 975	558 487	368 659	383 717
Call investment deposits	1	–	–	–	–	–	–	379 000	–	–	–
Consumer debtors	1	104 545	102 309	122 644	160 052	394 562	394 562	(56 291)	407 992	422 836	437 546
Other debtors		60 645	41 222	63 763	43 283	8 813	8 813	(23 686)	37 501	67 623	99 553
Current portion of long-term receivables		170	161	229	145	1 039	1 039	(882)	1 039	1 039	1 039
Inventory	2	152 203	142 331	126 566	141 598	61 012	61 012	375	118 687	120 336	117 841
Total current assets		**823 004**	**903 808**	**875 806**	**919 816**	**851 839**	**851 839**	**310 492**	**1 123 706**	**980 493**	**1 039 696**
Non current assets											
Long-term receivables		515	681	508	613	37 045	37 045	(34 792)	37 045	37 045	37 045
Investments		–	–	–	–	–	–	–	–	–	–
Investment property		152 088	152 152	151 983	152 121	151 813	151 813	–	151 944	152 129	152 609
Investment in Associate		–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	3	2 768 135	2 875 611	2 974 338	2 880 814	3 099 505	3 099 505	(31 266)	3 318 003	3 471 271	3 625 331
Agricultural		–	–	–	–	–	–	–	–	–	–
Biological		–	–	–	–	–	–	–	–	–	–
Intangible		1 433	1 355	2 137	1 475	2 137	2 137	–	3 237	3 337	3 437
Other non-current assets		–	–	1 871	–	4 236	4 236	–	4 236	4 236	4 236
Total non current assets		**2 922 172**	**3 029 799**	**3 130 836**	**3 035 024**	**3 294 736**	**3 294 736**	**(66 057)**	**3 514 465**	**3 668 018**	**3 822 658**
TOTAL ASSETS		**3 745 175**	**3 933 607**	**4 006 642**	**3 954 840**	**4 146 575**	**4 146 575**	**244 434**	**4 638 171**	**4 648 511**	**4 862 354**
LIABILITIES											
Current liabilities											
Bank overdraft	1	–	–	–	–	–	–	–	–	–	–
Borrowing	4	43 419	44 339	35 636	41 979	360 086	360 086	(19 487)	481 429	637 096	748 762
Consumer deposits		22 822	27 168	27 597	28 798	37 546	37 546	1 829	46 946	56 446	66 446
Trade and other payables	4	298 994	308 380	255 760	264 229	346 465	346 465	246 821	644 225	428 026	454 025
Provisions		57 710	57 561	74 024	59 000	152 500	152 500	(273)	176 080	201 094	219 541
Total current liabilities		**422 945**	**437 448**	**393 016**	**394 006**	**896 597**	**896 597**	**228 890**	**1 348 679**	**1 322 662**	**1 488 774**
Non current liabilities											
Borrowing		317 013	293 656	258 023	318 478	3 438	3 438	(1 450)	3 438	3 438	3 438
Provisions		220 981	238 673	274 988	226 787	142 677	142 677	–	142 677	142 677	142 677
Total non current liabilities		**537 994**	**532 329**	**533 010**	**545 265**	**146 115**	**146 115**	**(1 450)**	**146 115**	**146 115**	**146 115**
TOTAL LIABILITIES		**960 938**	**969 777**	**926 027**	**939 271**	**1 042 712**	**1 042 712**	**227 440**	**1 494 795**	**1 468 778**	**1 634 889**
NET ASSETS	5	**2 784 237**	**2 963 830**	**3 080 615**	**3 015 569**	**3 103 863**	**3 103 863**	**16 994**	**3 143 376**	**3 179 733**	**3 227 464**
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		2 721 022	2 900 889	3 019 026	2 956 736	2 979 397	2 979 397	–	3 014 437	3 045 991	3 093 722
Reserves	4	63 215	62 941	61 589	58 833	124 467	124 467	28	128 939	133 743	133 743
TOTAL COMMUNITY WEALTH/EQUITY	5	**2 784 237**	**2 963 830**	**3 080 615**	**3 015 569**	**3 103 863**	**3 103 863**	**28**	**3 143 376**	**3 179 733**	**3 227 464**

References

1. Detail to be provided in Table SA3

2. Include completed low cost housing to be transferred to beneficiaries within 12 months

3. Include 'Construction-work-in-progress' (disclosed separately in annual financial statements)

4. Detail to be provided in Table SA3. Includes reserves to be funded by statute.

5. Total Assets must balance with Total Liabilities

6. Net Assets must balance with Total Community Wealth/Equity

Table18 – A7: Budgeted Cash Flow

WC044 George - Table A7 Budgeted Cash Flows

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		205 159	230 345	264 764	595 110	611 852	611 852	630 148	678 257	736 920
Service charges		802 129	833 199	888 247	858 339	863 530	863 530	927 050	988 542	1 053 084
Other revenue		102 408	127 463	117 850	104 414	51 938	51 938	148 009	175 426	190 784
Transfers and Subsidies - Operational	1	350 854	444 164	417 804	474 593	577 351	577 351	495 938	438 492	376 667
Transfers and Subsidies - Capital	1	199 936	156 606	120 716	–	–	–	–	–	–
Interest		37 304	50 166	46 246	2 673	2 673	2 673	2 820	2 989	3 169
Dividends			–	–	–	–	–	–	–	–
Payments										
Suppliers and employees		(1 280 715)	(1 396 153)	(1 515 764)	(1 929 536)	(2 007 562)	(2 007 562)	(2 085 900)	(2 182 845)	(2 253 887)
Finance charges		(42 811)	(43 154)	(41 631)	(36 144)	(34 873)	(34 873)	(37 179)	(55 406)	(71 280)
Transfers and Grants	1	(122)	(73)	(65 525)	(69 450)	(64 909)	(64 909)	(90 286)	(54 955)	(45 456)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**374 144**	**402 561**	**232 706**	**–**	**–**	**–**	**(9 400)**	**(9 500)**	**(10 000)**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		953	2 285	220	–	–	–	–	–	–
Decrease (increase) in non-current receivables		186	55	99	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–
Payments										
Capital assets		(212 164)	(267 976)	(243 236)	(344 772)	(292 051)	(292 051)	(387 975)	(325 936)	(339 997)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(211 025)**	**(265 636)**	**(242 917)**	**(344 772)**	**(292 051)**	**(292 051)**	**(387 975)**	**(325 936)**	**(339 997)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	(160 000)	(194 000)	(150 000)
Increase (decrease) in consumer deposits		3 063	–	–	–	–	–	(9 400)	(9 500)	(10 000)
Payments										
Repayment of borrowing		(26 064)	(24 581)	(44 969)	–	–	720 173	520 086	675 429	787 096
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(23 001)**	**(24 581)**	**(44 969)**	**–**	**–**	**720 173**	**350 686**	**471 929**	**627 096**
NET INCREASE/ (DECREASE) IN CASH HELD		**140 118**	**112 344**	**(55 181)**	**(344 772)**	**(292 051)**	**428 122**	**(46 689)**	**136 494**	**277 099**
Cash/cash equivalents at the year begin:	2	**365 323**	**505 441**	**617 784**	562 604	562 604	562 604	**270 553**	**223 864**	**360 358**
Cash/cash equivalents at the year end:	2	**505 441**	**617 784**	**562 604**	**217 831**	**270 553**	**990 726**	**223 864**	**360 358**	**637 457**

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities

2. Cash equivalents includes investments with maturities of 3 months or less

3. The MTREF is populated directly from SA30.

Table19 – A8: Cash backed reserves/accumulated surplus reconciliation

WC044 George - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Cash and investments available											
Cash/cash equivalents at the year end	1	505 441	617 784	562 604	217 831	270 553	990 726	3 442 191	223 864	360 358	637 457
Other current investments > 90 days		–	(501 264)	(728 163)	(1 450 871)	115 860	(604 312)	(3 051 216)	334 623	8 301	(253 740)
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**505 441**	**116 520**	**(165 559)**	**(1 233 040)**	**386 414**	**386 414**	**390 975**	**558 487**	**368 659**	**383 717**
Application of cash and investments											
Unspent conditional transfers		104 810	(33 548)	10 233	(13 914)	(88 850)	(88 850)	(177 369)	(88 750)	(88 750)	(88 750)
Unspent borrowing		–	–	–	–	–	–		–	–	–
Statutory requirements	2	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	3	38 779	42 559	76 798	(891 500)	(699 715)	(699 715)	320 503	(1 034 585)	(863 224)	(936 566)
Other provisions		–	(59)	31 039	–	–	–	–	–	–	–
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	63 215	–	–	(78 319)	124 467	124 467	–	128 939	133 743	133 743
Total Application of cash and investments:		**206 804**	**8 952**	**118 069**	**(983 733)**	**(664 098)**	**(664 098)**	**143 134**	**(994 396)**	**(818 232)**	**(891 574)**
Surplus(shortfall)		**298 637**	**107 568**	**(283 628)**	**(249 307)**	**1 050 512**	**1 050 512**	**247 841**	**1 552 883**	**1 186 891**	**1 275 291**

References

1. Must reconcile with Budgeted Cash Flows

2. For example: VAT, taxation

3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)

4. For example: sinking fund requirements for borrowing

5. Council approval required for each reserve created and basis of cash backing of reserves

Table 20 – A9: Asset Management

WC044 George - Table A9 Asset Management

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CAPITAL EXPENDITURE										
Total New Assets	1	**203 919**	**150 818**	**121 330**	**190 171**	**147 850**	**147 850**	**246 191**	**239 704**	**263 041**
Roads Infrastructure		78 463	38 432	13 572	17 456	16 269	16 269	3 982	4 050	1 500
Storm water Infrastructure		3 930	118	225	400	400	400	500	500	500
Electrical Infrastructure		8 153	23 132	41 032	57 761	29 297	29 297	62 826	51 145	55 579
Water Supply Infrastructure		28 560	21 230	7 974	44 155	21 232	21 232	81 268	107 415	139 593
Sanitation Infrastructure		21 261	20 700	8 855	12 560	10 483	10 483	15 983	9 340	30 650
Solid Waste Infrastructure		522	213	9 475	1 500	5 546	5 546	2 400	3 800	1 000
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	10 303	1 170	1 195	1 345	1 345	3 933	3 720	1 790
Infrastructure		***140 891***	***114 129***	***82 304***	***135 027***	***84 572***	***84 572***	***170 890***	***179 970***	***230 613***
Community Facilities		16 225	75	2 263	3 745	2 862	2 862	4 420	4 639	4 175
Sport and Recreation Facilities		2 861	3 804	2 687	2 144	6 088	6 088	16 168	1 140	1 740
Community Assets		***19 086***	***3 879***	***4 950***	***5 889***	***8 950***	***8 950***	***20 588***	***5 779***	***5 915***
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	300	–	–	300	250	500
Non-revenue Generating		44	1 131	–	–	–	–	–	–	–
Investment properties		***44***	***1 131***	***–***	***300***	***–***	***–***	***300***	***250***	***500***
Operational Buildings		12 210	1 152	4 685	6 387	6 713	6 713	8 107	4 587	1 800
Housing		–	–	–	–	–	–	–	250	500
Other Assets		***12 210***	***1 152***	***4 685***	***6 387***	***6 713***	***6 713***	***8 107***	***4 837***	***2 300***
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		295	983	1 328	550	150	150	1 150	150	130
Intangible Assets		***295***	***983***	***1 328***	***550***	***150***	***150***	***1 150***	***150***	***130***
Computer Equipment		**1 221**	**3 238**	**6 512**	**1 831**	**2 396**	**2 396**	**3 872**	**2 372**	**2 171**
Furniture and Office Equipment		**1 978**	**2 409**	**1 822**	**2 922**	**2 448**	**2 448**	**2 164**	**1 840**	**1 534**
Machinery and Equipment		**20 023**	**22 095**	**9 807**	**11 679**	**15 032**	**15 032**	**14 565**	**11 467**	**8 504**
Transport Assets		**8 171**	**1 802**	**9 921**	**25 587**	**27 589**	**27 589**	**24 556**	**33 040**	**11 375**
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Renewal of Existing Assets	2	**9 618**	**118 314**	**67 149**	**41 904**	**64 109**	**64 109**	**28 411**	**23 310**	**16 795**
Roads Infrastructure		456	71 132	57 627	20 751	56 370	56 370	15 611	13 110	9 000
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		4 215	6 393	2 631	2 000	3 678	3 678	1 400	1 050	50
Water Supply Infrastructure		–	5 444	5 828	6 280	2 610	2 610	6 250	2 700	2 700
Sanitation Infrastructure		1 106	25 566	240	9 330	200	200	3 000	4 750	4 770
Solid Waste Infrastructure		–	2 286	–	2 000	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***5 777***	***110 822***	***66 326***	***40 361***	***62 858***	***62 858***	***26 261***	***21 610***	***16 520***
Community Facilities		120	961	754	1 458	1 226	1 226	2 000	1 650	–
Sport and Recreation Facilities		–	5 509	–	–	–	–	–	–	–
Community Assets		***120***	***6 470***	***754***	***1 458***	***1 226***	***1 226***	***2 000***	***1 650***	***–***
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	1 022	69	85	25	25	100	–	150
Housing		–	–	–	–	–	–	–	–	–
Other Assets		***–***	***1 022***	***69***	***85***	***25***	***25***	***100***	***–***	***150***
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	**50**	**50**	**50**
Furniture and Office Equipment		–	–	–	–	–	–	–	–	**75**
Machinery and Equipment		**3 482**	–	–	–	–	–	–	–	–
Transport Assets		**239**	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–

Table 20 – A9: Asset Management (continues)

WC044 George - Table A9 Asset Management

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CAPITAL EXPENDITURE										
Total Upgrading of Existing Assets	6	–	–	54 758	112 698	80 091	80 091	113 373	62 921	60 161
Roads Infrastructure		–	–	7 606	14 500	9 805	9 805	8 000	9 000	9 300
Storm water Infrastructure		–	–	2 231	3 200	17 056	17 056	3 000	3 000	3 000
Electrical Infrastructure		–	–	3 371	3 600	3 520	3 520	2 220	2 250	4 900
Water Supply Infrastructure		–	–	3 368	26 299	19 314	19 314	13 555	13 350	15 985
Sanitation Infrastructure		–	–	34 845	53 300	23 758	23 758	79 335	26 600	20 200
Solid Waste Infrastructure		–	–	–	600	536	536	300	500	500
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	51 421	101 498	73 989	73 989	106 410	54 700	53 885
Community Facilities		–	–	1 038	3 203	2 434	2 434	3 266	3 745	2 330
Sport and Recreation Facilities		–	–	1 625	5 456	686	686	675	2 068	680
Community Assets		–	–	2 663	8 659	3 120	3 120	3 941	5 813	3 010
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	665	2 457	2 878	2 878	2 839	2 055	2 910
Housing		–	–	–	–	–	–	–	350	350
Other Assets		–	–	665	2 457	2 878	2 878	2 839	2 405	3 260
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	9	83	105	105	183	3	6
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure	4	213 537	269 131	243 236	344 772	292 051	292 051	387 975	325 936	339 997
Roads Infrastructure		78 920	109 565	78 805	52 706	82 444	82 444	27 593	26 160	19 800
Storm water Infrastructure		3 930	118	2 456	3 600	17 456	17 456	3 500	3 500	3 500
Electrical Infrastructure		12 368	29 525	47 034	63 361	36 495	36 495	66 446	54 445	60 529
Water Supply Infrastructure		28 560	26 675	17 170	76 734	43 156	43 156	101 073	123 465	158 278
Sanitation Infrastructure		22 367	46 266	43 940	75 190	34 441	34 441	98 318	40 690	55 620
Solid Waste Infrastructure		522	2 499	9 475	4 100	6 082	6 082	2 700	4 300	1 500
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	10 303	1 170	1 195	1 345	1 345	3 933	3 720	1 790
Infrastructure		146 668	224 950	200 050	276 886	221 419	221 419	303 562	256 280	301 018
Community Facilities		16 345	1 036	4 055	8 406	6 522	6 522	9 686	10 034	6 505
Sport and Recreation Facilities		2 861	9 313	4 312	7 601	6 774	6 774	16 843	3 208	2 420
Community Assets		19 206	10 350	8 367	16 007	13 296	13 296	26 529	13 242	8 925
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	300	–	–	300	250	500
Non-revenue Generating		44	1 131	–	–	–	–	–	–	–
Investment properties		44	1 131	–	300	–	–	300	250	500
Operational Buildings		12 210	2 174	5 419	8 929	9 616	9 616	11 046	6 642	4 860
Housing		–	–	–	–	–	–	–	600	850
Other Assets		12 210	2 174	5 419	8 929	9 616	9 616	11 046	7 242	5 710
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		295	983	1 328	550	150	150	1 150	150	130
Intangible Assets		295	983	1 328	550	150	150	1 150	150	130
Computer Equipment		1 221	3 238	6 512	1 831	2 396	2 396	3 922	2 422	2 221
Furniture and Office Equipment		1 978	2 409	1 831	3 005	2 553	2 553	2 347	1 843	1 615
Machinery and Equipment		23 506	22 095	9 807	11 679	15 032	15 032	14 565	11 467	8 504
Transport Assets		8 409	1 802	9 921	25 587	27 589	27 589	24 556	33 040	11 375
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class		213 537	269 131	243 236	344 772	292 051	292 051	387 975	325 936	339 997

Table 20 – A9: Asset Management (continues)

WC044 George - Table A9 Asset Management

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
ASSET REGISTER SUMMARY - PPE (WDV)	5	2 921 656	3 029 118	3 128 457	344 772	3 257 691	3 257 691	3 477 419	3 630 973	3 785 613
Roads Infrastructure		509 905	568 739	615 678	48 671	934 693	934 693	920 051	897 343	881 787
Storm water Infrastructure		–	–	–	4 100	10 900	10 900	7 150	(1 654)	(13 566)
Electrical Infrastructure		302 092	311 578	334 092	63 361	271 254	271 254	315 967	351 496	391 006
Water Supply Infrastructure		309 470	316 099	305 981	76 734	326 791	326 791	403 049	505 190	609 767
Sanitation Infrastructure		286 444	306 521	331 191	75 190	209 996	209 996	288 253	311 721	342 390
Solid Waste Infrastructure		7 238	9 027	17 009	4 100	29 867	29 867	30 468	34 190	35 655
Rail Infrastructure		–	–	–	–	–	–	500	500	500
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		660	24 842	23 592	1 695	1 845	1 845	3 261	4 481	5 771
Infrastructure		***1 415 808***	***1 536 805***	***1 627 543***	***273 851***	***1 785 346***	***1 785 346***	***1 968 698***	***2 103 267***	***2 253 311***
Community Assets		117 735	97 116	97 126	15 049	101 711	101 711	124 785	138 463	143 250
Heritage Assets		4 236	4 236	4 236	–	4 236	4 236	4 236	4 236	4 236
Investment properties		152 088	152 152	151 983	300	151 813	151 813	151 944	152 129	152 609
Other Assets		1 003 238	998 761	1 002 418	10 637	769 818	769 818	789 653	811 861	812 964
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		1 433	1 355	2 137	400	2 137	2 137	3 237	3 337	3 437
Computer Equipment		–	–	–	1 501	(567)	(567)	1 383	(1 230)	(2 023)
Furniture and Office Equipment		11 480	13 678	18 297	2 401	449	449	(986)	(13 689)	(23 654)
Machinery and Equipment		30 925	47 335	51 827	11 812	(485 795)	(485 795)	(481 091)	(490 857)	(488 987)
Transport Assets		184 713	177 679	172 891	28 822	7 772	7 772	(5 210)	2 685	9 699
Land		–	–		–	920 770	920 770	920 770	920 770	920 770
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	**2 921 656**	**3 029 118**	**3 128 457**	**344 772**	**3 257 691**	**3 257 691**	**3 477 419**	**3 630 973**	**3 785 613**
EXPENDITURE OTHER ITEMS										
Depreciation	7	155 475	161 537	142 900	162 817	162 817	162 817	168 269	172 358	185 357
Repairs and Maintenance by Asset Class	3	**91 716**	**66 327**	**47 594**	**60 658**	**80 865**	**80 865**	**75 616**	**79 708**	**90 000**
Roads Infrastructure		18 915	28 674	15 443	18 557	34 054	34 054	20 584	19 170	28 356
Storm water Infrastructure		–	3 500	5 342	4 280	4 398	4 398	4 079	4 323	4 582
Electrical Infrastructure		–	5 951	6 369	7 275	9 135	9 135	10 001	11 869	14 754
Water Supply Infrastructure		9 555	11 300	9 315	9 725	11 592	11 592	15 694	17 565	14 354
Sanitation Infrastructure		22 363	6 504	5 415	7 433	8 518	8 518	10 831	11 480	12 170
Solid Waste Infrastructure		3 091	–	144	250	250	250	500	500	530
Rail Infrastructure		–	289	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***53 923***	***56 217***	***42 027***	***47 519***	***67 947***	***67 947***	***61 688***	***64 907***	***74 746***
Community Facilities		7 295	–	–	5 118	5 035	5 035	5 693	6 074	6 651
Sport and Recreation Facilities		2 133	56	30	1 934	1 869	1 869	2 052	2 175	2 305
Community Assets		***9 427***	***56***	***30***	***7 053***	***6 904***	***6 904***	***7 744***	***8 249***	***8 956***
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		1 081	–	–	300	200	200	318	337	357
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		***1 081***	***–***	***–***	***300***	***200***	***200***	***318***	***337***	***357***
Operational Buildings		861	688	1 037	1 428	1 547	1 547	1 302	1 378	1 537
Housing		–	–	–	–	–	–	–	–	–
Other Assets		***861***	***688***	***1 037***	***1 428***	***1 547***	***1 547***	***1 302***	***1 378***	***1 537***
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		1 103	–	–	–	–	–	–	–	–
Furniture and Office Equipment		222	1	1	8	8	8	9	9	10
Machinery and Equipment		3 144	1 921	3 261	2 806	2 716	2 716	2 906	3 081	2 544
Transport Assets		21 954	7 444	1 237	1 544	1 544	1 544	1 648	1 746	1 851
Libraries		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS		**247 191**	**227 864**	**190 493**	**223 475**	**243 682**	**243 682**	**243 885**	**252 066**	**275 357**
Renewal and upgrading of Existing Assets as % of total capex		*4.5%*	*44.0%*	*50.1%*	*44.8%*	*49.4%*	*49.4%*	*36.5%*	*26.5%*	*22.6%*
Renewal and upgrading of Existing Assets as % of deprecn		*6.2%*	*73.2%*	*85.3%*	*95.0%*	*88.6%*	*88.6%*	*84.3%*	*50.0%*	*41.5%*
R&M as a % of PPE		*3.3%*	*2.3%*	*1.6%*	*2.1%*	*2.6%*	*2.6%*	*2.3%*	*2.3%*	*2.5%*
Renewal and upgrading and R&M as a % of PPE		*3.0%*	*6.0%*	*5.0%*	*62.0%*	*7.0%*	*7.0%*	*6.0%*	*5.0%*	*4.0%*

References

1. Detail of new assets provided in Table SA34a

2. Detail of renewal of existing assets provided in Table SA34b

3. Detail of Repairs and Maintenance by Asset Class provided in Table SA34c

4. Must reconcile to total capital expenditure on Budgeted Capital Expenditure

5. Must reconcile to 'Budgeted Financial Position' (written down value)

6. Detail of upgrading of existing assets provided in Table SA34e

7. Detail of depreciation provided in Table SA34d

Table 21 – A10: Basic Service delivery measurement

WC044 George - Table A10 Basic service delivery measurement

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Household service targets	1									
Water:										
Piped water inside dwelling		36 385	40 056	41 258	42 495	42 495	42 495	43 770	45 083	46 435
Piped water inside yard (but not in dwelling)		19 317	18 122	18 666	19 226	19 226	19 226	19 802	20 396	21 008
Using public tap (at least min.service level)	2	3 362	3 362	3 463	3 567	3 567	3 567	3 674	3 784	3 898
Other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		59 064	61 540	63 387	65 288	65 288	65 288	67 246	69 263	71 341
Using public tap (< min.service level)	3	120	193	199	205	205	205	211	215	221
Other water supply (< min.service level)	4	264	328	338	348	348	348	358	368	379
No water supply		731	796	820	844	844	844	870	898	925
Below Minimum Service Level sub-total		1 115	1 317	1 357	1 397	1 397	1 397	1 439	1 481	1 525
Total number of households	5	**60 179**	**62 857**	**64 744**	**66 685**	**66 685**	**66 685**	**68 685**	**70 744**	**72 866**
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		49 833	52 325	54 941	57 688	57 688	57 688	61 149	62 983	64 872
Flush toilet (with septic tank)		5 114	5 370	5 638	5 920	5 920	5 920	6 275	6 463	6 657
Chemical toilet		1 129	1 185	1 245	1 307	1 307	1 307	1 385	1 426	1 469
Pit toilet (ventilated)		–	–	–	–	–	–	–	–	–
Other toilet provisions (> min.service level)		4 405	4 625	4 857	5 099	5 099	5 099	5 405	5 567	5 734
Minimum Service Level and Above sub-total		60 481	63 505	66 681	70 014	70 014	70 014	74 214	76 439	78 732
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	**60 481**	**63 505**	**66 681**	**70 014**	**70 014**	**70 014**	**74 214**	**76 439**	**78 732**
Energy:										
Electricity (at least min.service level)		1 089	1 143	1 201	1 261	1 261	1 261	1 336	1 376	1 417
Electricity - prepaid (min.service level)		39 810	41 801	43 891	46 085	46 085	46 085	48 850	50 315	51 824
Minimum Service Level and Above sub-total		40 899	42 944	45 092	47 346	47 346	47 346	50 186	51 691	53 242
Electricity (< min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		3 606	3 786	3 976	4 174	4 174	4 174	4 425	4 557	4 694
Other energy sources		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		3 606	3 786	3 976	4 174	4 174	4 174	4 425	4 557	4 694
Total number of households	5	**44 505**	**46 730**	**49 068**	**51 520**	**51 520**	**51 520**	**54 611**	**56 248**	**57 935**
Refuse:										
Removed at least once a week		54 816	57 557	60 435	63 456	63 456	63 456	67 264	70 627	72 746
Minimum Service Level and Above sub-total		54 816	57 557	60 435	63 456	63 456	63 456	67 264	70 627	72 746
Removed less frequently than once a week		–	–	–	–	–	–	–	–	–
Using communal refuse dump		–	–	–	–	–	–	–	–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	**54 816**	**57 557**	**60 435**	**63 456**	**63 456**	**63 456**	**67 264**	**70 627**	**72 746**
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		14 635	15 532	15 832	16 782	16 782	16 782	17 788	18 856	19 987
Sanitation (free minimum level service)		14 413	15 213	15 397	16 782	16 782	16 782	17 788	18 856	19 987
Electricity/other energy (50kwh per household per month)		19 083	19 376	20 233	18 955	18 955	18 955	20 092	21 298	22 575
Refuse (removed at least once a week)		14 484	15 298	15 558	16 782	16 782	16 782	17 788	18 856	19 987
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per **indigent** household per month)		12 593	–	–	–	–	–	–	–	–
Sanitation (free sanitation service to **indigent households**)		30 708	34 524	36 088	39 108	39 108	39 108	42 378	45 980	48 739
Electricity/other energy (50kwh per **indigent** household per month)		6 351	17 854	19 813	21 562	21 562	21 562	23 395	25 384	26 907
Refuse (removed once a week **for indigent households**)		23 411	26 071	33 313	36 763	36 763	36 763	40 071	43 677	46 298
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		27 973	3 243	3 243	3 243	3 243	–	–	–	–
Total cost of FBS provided		**101 036**	**81 691**	**92 457**	**100 675**	**100 675**	**97 433**	**105 844**	**115 041**	**121 943**
Highest level of free service provided per household										
Property rates (R value threshold)		150 000	150 000	150 000	150 000	150 000	150 000	150 000	150 000	150 000
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)			–							
Sanitation (Rand per household per month)		161	172	203	220	220	220	240	259	274
Electricity (kwh per household per month)		70	70	70	70	70	70	70	70	70
Refuse (average litres per week)		240	240	240	240	240	240	240	240	240

Table 21 – A10: Basic Service delivery measurement (continues)

WC044 George - Table A10 Basic service delivery measurement

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue cost of subsidised services provided (R'000)	9									
Property rates **(tariff adjustment)** (**impermissable values per section 17 of MPRA**)		–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates **and impermissable values in excess of section 17 of MPRA)**		36 529	39 569	33 021	38 700	38 700	38 700	41 022	43 689	46 529
Water **(in excess of 6 kilolitres per indigent household per month)**		15 764	24 464	22 194	32 602	32 602	32 602	34 558	36 631	38 829
Sanitation **(in excess of free sanitation service to indigent households)**		–	–	–	–	–	–	–	–	–
Electricity/other energy **(in excess of 50 kwh per indigent household per month)**		11 865	–	–	–	–	–	–	–	–
Refuse **(in excess of one removal a week for indigent households)**		–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates		–	–	–	–	–	–	–	–	–
Housing - top structure subsidies	6	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided		**64 159**	**64 033**	**55 215**	**71 302**	**71 302**	**71 302**	**75 580**	**80 320**	**85 358**

References

1. Include services provided by another entity; e.g. Eskom

2. Stand distance <= 200m from dwelling

3. Stand distance > 200m from dwelling

4. Borehole, spring, rain-water tank etc.

5. Must agree to total number of households in municipal area (informal settlements receiving services must be included)

6. Include value of subsidy provided by municipality above provincial subsidy level

7. Show number of households receiving at least these levels of services completely free (informal settlements must be included)

8. Must reflect the cost to the municipality of providing the Free Basic Service

9. Reflect the cost to the municipality in terms of 'revenue foregone' of providing free services (note this will not equal 'Revenue Foregone' on SA1)

Part 2 – Supporting documentation

2.1 - Disclosure on implementation of the MFMA & other applicable legislation

Municipal Finance Management Act – No 56 of 2003

The MFMA became effective on 1st July 2004. The Act aims to modernise budget and financial management practices within the overall objective of maximising the capacity of municipalities to deliver services.

The MFMA covers all aspects of municipal finance including budgeting, supply chain management and financial reporting.

The various sections of the Act are phased in according to the designated financial management capacity of municipalities. George has been designated as a high capacity municipality. The MFMA is the foundation of the municipal financial management reforms which municipalities are implementing.

The MFMA and the budget

The following explains the budgeting process in terms of the requirements in the MFMA. It is based on National Treasury's guide to the MFMA.

2.2 – The budget preparation process

2.2.1 – Overview

A central element of the reforms is a change to the way that municipalities prepare their budgets.

The MFMA requires a council to adopt three-year capital and operating budgets that take into account, and are linked to, the municipality's current and future development priorities (as contained in the IDP) and other finance-related policies (such as those relating to free basic service provision).

These budgets must clearly set out revenue by source and expenditure by vote over three years and must be accompanied by performance objectives for revenue and expenditure, a cash flow statement and particulars on borrowing, investments, municipal entities and service delivery agreements, grant allocations and details of employment costs.

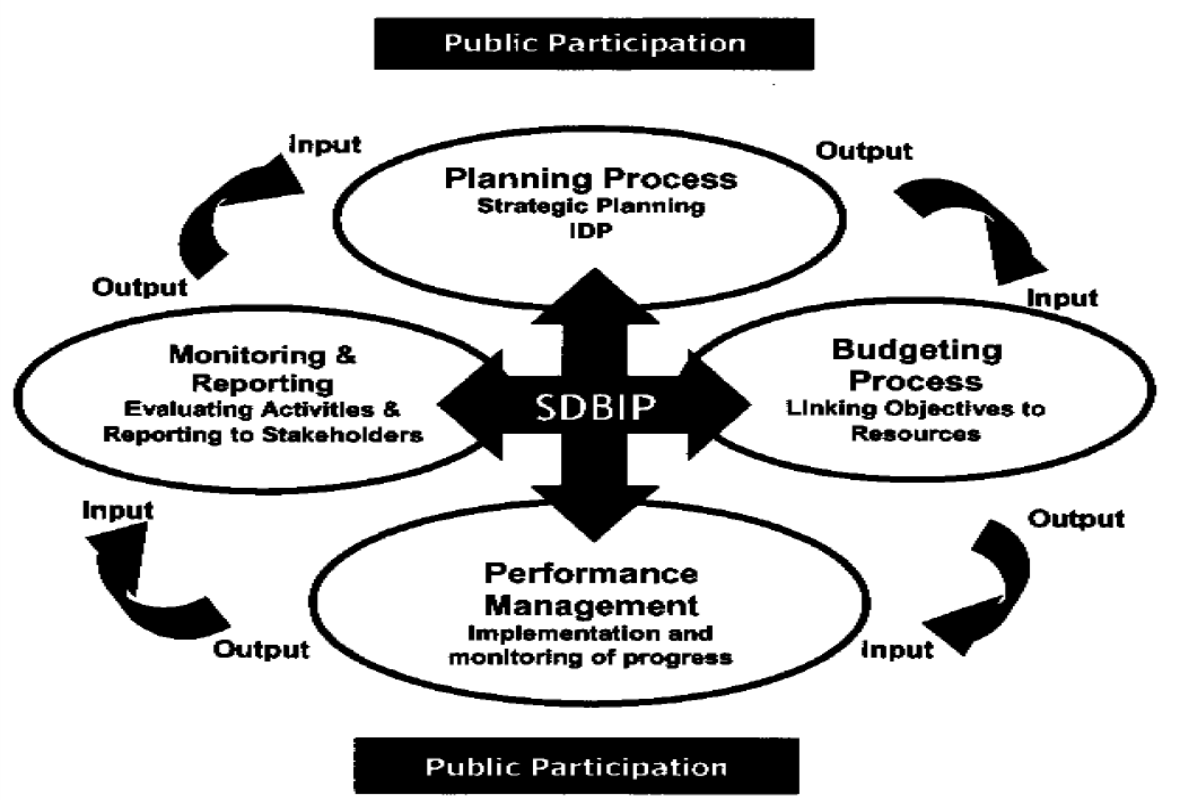
The budget may be funded only from reasonable estimates of revenue and cash-backed surplus funds from the previous year and borrowings (the latter for capital items only).

2.2.2 – Budget preparation timetable

The first step in the budget preparation process is to develop a timetable of all key deadlines relating to the budget and to review the municipality's IDP and budget-related policies.

The budget preparation timetable should be prepared by senior management and tabled by the mayor for council adoption ten months before the commencement of the next budget year.

The next diagram depicts the planning, implementation and monitoring process that is followed in George Municipality.



In terms of Section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year a time schedule of key deadlines that sets out the process to revise the IDP and prepare the budget.

Table 22 – Schedule of Key Deadlines relating to the budget process

Nr.	DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
	PREPARATION PHASE			
1	Development of IDP & Budget Time Schedule including internal consultations with key stakeholders	IDP, Planning & Budget Offices	Approved IDP and Budget Time Schedule	July-August 2019
2	District IDP Managers' Forum: Working Session on uniform guidelines for IDP Review	IDP Office		July 2019
3	**COUNCIL MEETING:** Adoption of the IDP & Budget Time Schedule	Council		August 2019
4	Advertise/ make public the adopted Time Schedule	IDP Office		September 2019
5	Submit the adopted Time Schedule to the MEC for Local Government	IDP Office		September 2019
6	Provincial IDP Managers Forum	IDP Office		September 2019
7	**IGR Co-ordination Engagements:** Technical Integrated Municipal Engagements (TIME)	Western Cape Government, IDP Office, MM and All Directors		October 2019
	ANALYSIS PHASE			
8	**First round of public participation with all the 27 ward committees:** ▪ To provide feedback on progress made on existing projects and share information on future projects; and ▪ To afford the ward committees an opportunity to review ward priorities and make further submissions	IDP Office & ALL Directors	Determine and assess the current level of development and the emerging challenges, opportunities and priority issues	October 2019
9	Prepare a report on the outcomes of the public participation process and present it to the IDP and Budget Steering Committee	IDP Office		November 2019

Nr.	DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
	and submit same to the Provincial Department of Local Government			
10	IDP and Budget Steering Committee Meeting	Executive Mayor		November 2019
11	District IDP Managers' Forum	IDP Office		November 2019
12	Provincial IDP Managers Forum	IDP Office		December 2019
13	Produce an updated situational analysis Chapter of the IDP (informed by new trends, sources of information and new information from Directorates)	IDP Office		November 2019 – January 2020
	STRATEGY PHASE			
14	**IDP and Budget Steering Committee:** Directors present priority issues/proposed projects	IDP& Budget Steering Committee	Develop objectives for priority issues and determine programmes to achieve strategic intent including the development of the Strategic Scorecard	February 2020
15	Mid-year budget and performance assessment visit	IDP Office, MM and All Directors		February 2020
16	Produce and outline Budget strategy with high level estimates	Budget Office		February 2020
17	Review tariffs and budget policies	CFO		February - May 2020
18	District IDP Managers' Forum: Focusing on the finalisation of all the B-municipalities' draft reviewed IDPs	IDP Office		February 2020
19	Review / confirm the Municipal Vision, Mission, Strategic Goals and Values	IDP& Budget Steering Committee		February 2020

Nr.	DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
20	Setting up of Key Performance Indicators and targets linked to the municipal strategic objectives including predetermined objectives	IDP Office		February 2020
	PROJECT PHASE			
21	**IGR Co-ordination Engagements:** Technical Integrated Municipal Engagements (TIME)	Sector Departments, IDP Office, MM and All Directors		February- March 2020
22	Finalisation of the draft IDP and Budget	IDP/Budget Office		February – March 2020
23	Co-ordinate the development of draft 2020/21 SDBIP ▪ One on one with all Directorates to confirm KPIs and performance targets	IDP/Budget Office		March 2020
	INTEGRATION PHASE			
24	Incorporating the outcomes of the TIME in the Draft IDP	IDP Office	Incorporate programmes and projects in the IDP	February - March 2020
25	Provincial IDP Managers Forum	IDP Office		March 2020
26	Integration of sector plans and institutional programmes	IDP Office, MM and All Directors		March 2020
	APPROVAL PHASE			
27	Tabling of the Draft IDP and Budget in Council	Executive Mayor	Approved IDP, budget and Service	March 2020
28	Submission of draft IDP and budget to relevant institutions	IDP/Budget Office/MM		April 2020

Nr.	DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
29	Budget and Benchmark Assessments	IDP Office, MM and All Directors	Delivery and Budget Implementation Plan	May 2020
30	**Second round of public participation:** ❖ Invite public comments on Draft IDP Review and Budget including engagements with all the 27 ward committees; ❖ To provide feedback on current and future IDP projects as proposed by wards; and ❖ To create an opportunity for further inputs on key highlights & proposals from the Draft Budget	ALL		April/May2020
31	Council meeting to adopt final IDP, Budget and Budget Related Policies	Council		May 2020
32	Provincial IDP Managers Forum	IDP Office		June 2020
33	Submission of Final IDP and budget to relevant institutions	IDP/Budget Office/MM		June 2020
34	Approved IDP and budget made public	IDP/Budget Office		June 2020
35	Finalisation and submission of draft 2020/21 SDBIP and annual performance agreements by Municipal Manager to the Executive Mayor.	MM	Approved SDBIP and annual performance agreements	June/July 2020
36	Executive Mayor approves the 2020/21 SDBIP and annual performance agreements of the Municipal Manager and Senior Managers within 28 days after the approval of the IDP and budget.	Executive Mayor		June/July 2020
37	Submit the approved SDBIP and performance agreements to MEC Local Government within 14 days after approval	MM/ IDP/Budget Office		July/ August 2020

Nr.	DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
	MONITORING AND EVALUATION PHASE			
38	Quarterly SDBIP performance progress report for 1st quarter of 2019/20 to Council	IDP/Budget Office	SDBIP performance report noted	October 2019
39	Section 56/57 Managers' half-yearly evaluations for 2019/20	MM & Executive Mayor	Performance evaluated	January- March 2020
40	Mid-year budget and performance assessment **MFMA Section 72 (1)(2)(3)**	MM/ IDP/Budget Office	Mid-Term finance and service delivery performance report compliant to MFMA	January 2020
41	Commence with the compilation of the 2018/2019 Annual Report	IDP Office & Directorates	Compile annual report	July 2019 - March 2020
42	Executive Mayor tables the 2018/2019 Annual Report **MFMA Section 127 (2)**	Executive Mayor	Annual Report 2018/2019 tabled	January 2020
43	Executive Mayor tables adjustments budget for approval by Council **MFMA Section 28**	Executive Mayor	Approved adjustments budget	February 2020
44	Annual Report made public **(invite public inputs on the Annual Report - MFMA Section 127 & MSA Section 21A)**	MM	Annual report and adjustments budget made public	February/March 2020
45	Municipal Public Accounts Committee (MPAC) considers and evaluates the content of the 2018/2019 Annual Report **MFMA Section 129**	MPAC	Content of the 2018/2019 Annual Report considered and evaluated	February -March 2020
46	Provincial IDP Managers Forum	IDP Office	Discussion on draft IDPs	March 2020

Nr.	DELIVERABLE AND PROCESS MANAGEMENT	RESPONSIBILITY	OUTPUT	DATE
47	Council adopts Annual & Oversight Report by 31 March **MFMA Section 129(1)**	MM & Executive Mayor	Oversight report approved	March 2020
48	Adopted Annual Report including Oversight Report made public within seven days of adoption **MFMA Section 129(3) & MSA Section 21A**	MM		April 2020
49	Within seven days of adoption of Annual & Oversight Report submit to Provincial Legislature and relevant MECs	MM		April 2020
50	Quarterly SDBIP performance progress report for 3rd quarter of 2019/20 to Council	IDP/Budget Office	SDBIP performance report noted	April 2020
50	Quarterly SDBIP performance progress report for 4th quarter of 2019/20 to Council	IDP/Budget Office	SDBIP performance report noted	July 2020
51	Section 56/57 Managers' Annual Performance Evaluations for 2019/20	MM & Executive Mayor	Performance evaluated	July - September 2020

2.2.3 – Tabling of the draft budget

The initial draft budget must be tabled by the mayor before council for review by 31 March.

Once tabled at council, the municipal manager must make public the appropriate budget documentation and submit it to both the national and the relevant provincial treasury and any other government departments as required. At this time, the local community must be invited to submit representations on what is contained in the budget.

The municipal budget will be tabled before Council on 22 May 2020 due to the lockdown regulations that was caused by the COVID 19 epidemic.

2.2.4 – Consultation with the community and key stakeholders

When the draft budget is tabled, council must consider the views of the local community, the national and the relevant provincial treasury and other municipalities and government departments that may have made submissions on the budget.

The consultation with National and Provincial Treasuries regarding the MTREF is set to take place during May and June 2020.

An extensive public participation process will be conducted as part of the IDP and Budget Road shows and will commence during May 2020 (the COVID-19 outbreak will drastically impact on the time frame as well as manner of public participation that will take place during 2020). The overall objective of this road show is to ensure an authentic and inclusive public participation process for the IDP and budget. The planning of this road shows will be driven by a steering committee constituted by politicians and officials from all Directorates.

A complete report regarding the feedback on the public participation process will be included in the Final IDP document.

2.3 – Service Delivery and Budget Implementation Plan (SDBIP)

The municipal manager must within fourteen days after the approval of the annual budget submit to the mayor for approval a draft service delivery and budget implementation plan and draft annual performance agreements for all pertinent senior staff.

A service delivery and budget implementation plan is a detailed plan for implementing the delivery of municipal services contemplated in the annual budget and should indicate monthly revenue and expenditure projections and quarterly service delivery targets and performance indicators.

The mayor must approve the draft service delivery and budget implementation plan within 28 days of the approval of the annual budget.

This plan must then be monitored by the mayor and reported on to council on a regular basis. The municipal manager is responsible for implementation of the budget and must take steps to ensure that all spending is in accordance with the budget and that revenue and expenditure are properly monitored.

Generally, councils may incur expenditure only if it is in terms of the budget, within the limits of the amounts appropriated against each budget vote – and in the case of capital expenditure, only if council has approved the project. Expenditure incurred outside of these parameters may be considered to be unauthorised or, in some cases, irregular or fruitless and wasteful. Unauthorised expenditure must be reported and may result in criminal proceedings.

2.4 – Alignment of Annual Budget with IDP

Local priorities were identified as part of the IDP process which is directly aligned to that of national and provincial priorities.

The IDP strategic objectives and goals are set out in the IDP document.

George is a city for all reasons and this along with the strategic vision and mission has led to the conceptualisation of five strategic goals for George. These goals are as follows:

The above strategic goals are set to become the catalysts to ensure that the vision and mission is achieved in the next five years.

The 2020/21 MTREF has therefore been directly informed by the IDP and the following tables provide reconciliation between the IDP strategic objectives and goals.

Table 23 – SA4: Reconciliation between IDP strategic objectives and budgeted operating revenue

WC044 George - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Sanitation	Affordable Quality Services			143 176	191 796	163 631	164 092	169 313	169 313	164 084	174 455	186 710
Water Services	Affordable Quality Services			180 067	178 270	188 659	189 907	186 942	186 942	212 975	240 372	253 975
Roads Streets, Storm water drainage and Sidewalks	Affordable Quality Services			11 424	12 236	13 516	8 543	33 671	33 671	7 956	6 496	6 713
Transport Planning & Traffic Engineering	Affordable Quality Services			285 360	364 102	313 191	377 934	344 647	344 647	461 771	467 372	484 449
Electricity	Affordable Quality Services			588 021	647 014	672 425	773 291	778 395	778 395	832 809	892 054	968 616
Housing	Affordable Quality Services			18 914	41 369	74 702	161 595	233 804	233 804	159 264	123 969	65 517
Spatial Planning	Affordable Quality Services			7 697	9 559	10 703	11 681	11 796	11 796	10 453	11 627	11 721
Property Development	Affordable Quality Services			10 298	10 362	16 964	13 132	12 742	12 742	8 881	9 027	10 209
Public Safety and Law Enforcement	Safe, Clean and Green			54 072	80 038	93 443	73 869	73 869	73 869	78 295	81 442	86 328
Road Transport	Affordable Quality Services			11 760	14 192	13 668	12 537	12 537	12 537	13 168	13 818	14 647
Environmental Health	Safe, Clean and Green			3	1	1	2	2	2	2	2	2
Public Amenities	Affordable Quality Services			3 725	4 276	439	4 192	4 442	4 442	4 337	4 414	4 680
Waste Management	Safe, Clean and Green			90 392	105 354	4 784	126 875	129 875	129 875	137 052	145 845	156 528
Sport facilities and Development	Develop and Grow George			3 819	(4 325)	118 981	5 928	2 620	2 620	12 375	98	104
Local Economic Development	Develop and Grow George			374	–	3 151	655	655	655	681	707	750
Tourism	Develop and Grow George			20	270	960	57	157	157	63	69	73
Financial viability and management	Good Governance and Human Capital			32 600	47 298	14	48 031	51 913	51 913	52 671	54 812	57 555
Revenue enhancement	Good Governance and Human Capital			218 681	242 845	43 217	284 894	294 894	294 894	317 576	337 917	359 524
Credit Control	Good Governance and Human Capital			–	–	278 170	–	–	–	–	–	–
Budget Formulation and control	Good Governance and Human Capital			1 240	966	–	1 058	1 558	1 558	803	803	979
People Management and Empowerment	Good Governance and Human Capital			1 726	826	1 567	1 030	1 125	1 125	1 050	650	650
Administrative Support	Good Governance and Human Capital			4 106	3 437	1 542	7 046	7 232	7 232	7 103	3 183	3 374
Library Services	Affordable Quality Services			12 878	9 981	3 569	10 272	10 472	10 472	10 767	11 361	11 989
Integrated Development Planning	Participative Partnerships			–	–	9 843	–	–	–	–	–	–
Communication	Participative Partnerships			564	2	–	130	130	130	136	143	152
HIV/Aids	Affordable Quality Services			–	–	202	–	–	–	–	–	–
Social Development	Affordable Quality Services			2 389	2 798	–	2 678	2 678	2 678	2 548	2 618	2 688
Internal Audit and Risk Management	Good Governance and Human Capital			0	0	4 665	–	–	–	–	–	–
Allocations to other priorities			2			439						
Total Revenue (excluding capital transfers and contributions)			1	**1 683 307**	**1 962 668**	**2 032 443**	**2 279 429**	**2 365 470**	**2 365 470**	**2 496 818**	**2 583 255**	**2 687 932**

Table 24 – SA5: Reconciliation between IDP strategic objectives and budgeted operating expenditure

WC044 George - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Sanitation	Affordable Quality Services			96 608	90 887	91 156	100 651	104 679	104 679	110 919	110 296	125 186
Water Services	Affordable Quality Services			145 268	134 243	126 690	141 227	143 424	143 424	155 690	157 247	193 840
Roads Streets, Storm water drainage and Sidewalks	Affordable Quality Services			107 015	94 311	87 490	100 789	114 009	114 009	96 945	114 858	117 134
Transport Planning & Traffic Engineering	Affordable Quality Services			226 075	289 400	288 042	411 308	378 162	378 162	472 312	464 678	461 733
Electricity	Affordable Quality Services			511 661	520 355	558 537	653 622	651 581	651 581	699 104	745 285	794 396
Housing	Affordable Quality Services			45 744	67 858	101 003	195 844	271 300	271 300	194 114	160 459	105 540
Spatial Planning	Affordable Quality Services			14 674	16 349	19 257	23 259	23 017	23 017	25 374	26 840	28 043
Property Development	Affordable Quality Services			13 286	15 439	28 880	5 840	5 679	5 679	6 355	5 051	7 061
Public Safety and Law Enforcement	Safe, Clean and Green			109 194	141 926	156 317	134 388	140 017	140 017	147 376	161 007	166 512
Road Transport	Affordable Quality Services			5 944	6 743	6 745	8 467	9 474	9 474	9 973	10 844	11 051
Environmental Health	Safe, Clean and Green			1 338	1 762	1 593	2 283	2 273	2 273	2 410	2 501	2 657
Public Amenities	Affordable Quality Services			31 372	36 348	8 934	42 389	42 657	42 657	46 142	49 800	52 341
Waste Management	Safe, Clean and Green			74 138	89 969	41 186	86 613	86 719	86 719	102 420	109 313	115 127
Sport facilities and Development	Develop and Grow George			11 815	12 226	114 772	13 905	15 003	15 003	16 270	13 618	14 776
Local Economic Development	Develop and Grow George			2 742	2 512	14 385	3 767	4 327	4 327	4 548	4 807	4 604
Tourism	Develop and Grow George			3 340	4 794	3 809	6 374	6 480	6 480	6 798	7 355	7 567
Financial viability and management	Good Governance and Human Capital			25 149	29 356	5 831	52 131	48 508	48 508	54 416	77 032	94 671
Revenue enhancement	Good Governance and Human Capital			31 549	43 863	30 415	27 018	29 239	29 239	30 844	32 771	35 103
Credit Control	Good Governance and Human Capital			3 283	3 672	33 620	4 037	4 037	4 037	4 285	4 583	4 857
Budget Formulation and control	Good Governance and Human Capital			3 620	2 917	3 908	4 425	4 945	4 945	4 338	4 594	4 985
People Management and Empowerment	Good Governance and Human Capital			17 935	21 891	3 974	26 107	26 594	26 594	27 074	28 578	30 767
Administrative Support	Good Governance and Human Capital			92 786	106 162	21 784	158 764	161 658	161 658	167 225	173 312	174 664
Library Services	Affordable Quality Services			9 777	11 229	117 293	20 666	20 861	20 861	21 918	26 523	30 037
Integrated Development Planning	Participative Partnerships			2 009	2 687	12 323	4 737	4 737	4 737	5 791	6 143	6 689
Communication	Participative Partnerships			11 645	13 138	4 073	17 675	19 175	19 175	19 102	20 263	21 346
HIV/Aids	Affordable Quality Services			542	882	16 697	1 326	1 324	1 324	1 402	1 453	1 501
Social Development	Affordable Quality Services			11 949	15 110	1 173	14 004	13 855	13 855	14 633	15 902	17 487
Internal Audit and Risk Management	Good Governance and Human Capital			7 973	8 274	15 233	8 390	8 491	8 491	9 526	9 911	10 528
Allocations to other priorities						11 542						
Total Expenditure			1	**1 618 433**	**1 784 301**	**1 926 665**	**2 270 007**	**2 342 222**	**2 342 222**	**2 457 303**	**2 545 025**	**2 640 201**

Table 25 – SA6: Reconciliation between IDP strategic objectives and budgeted capital expenditure

WC044 George - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Sanitation	Affordable Quality Services	A		62 163	48 863	46 727	81 421	39 220	39 220	99 607	41 080	55 310
Water Services	Affordable Quality Services			4 352	29 317	19 343	81 134	49 988	49 988	102 901	128 065	159 848
Roads Streets, Storm water drainage and Sidewalks	Affordable Quality Services			17 068	102 866	88 447	56 212	104 618	104 618	32 172	31 560	22 550
Transport Planning & Traffic Engineering	Affordable Quality Services			82 301	24 029	2 551	4 185	1 192	1 192	16 804	18 830	35
Electricity	Affordable Quality Services			14 538	31 873	46 330	71 838	45 191	45 191	72 931	59 560	65 054
Housing	Affordable Quality Services			1 350	819	2 007	3 493	3 024	3 024	4 022	3 832	3 231
Spatial Planning	Affordable Quality Services			–	489	994	1 193	413	413	1 184	1 038	1 690
Property Development	Affordable Quality Services			–	1 164	–	–	–	–	–	–	–
Public Safety and Law Enforcement	Safe, Clean and Green			10 355	2 664	6 992	9 013	12 749	12 749	13 966	11 913	9 596
Road Transport	Affordable Quality Services			33	955	476	1 375	252	252	1 308	1 300	300
Environmental Health	Safe, Clean and Green			–	–	–	–	–	–	–	–	–
Public Amenities	Affordable Quality Services			770	4 199	–	6 075	3 975	3 975	9 085	7 941	7 972
Waste Management	Safe, Clean and Green			5 304	8 642	2 263	10 261	12 942	12 942	6 300	9 858	4 698
Sport facilities and Development	Develop and Grow George			3 933	6 268	14 178	7 263	6 843	6 843	16 891	3 518	2 897
Local Economic Development	Develop and Grow George			35	118	3 652	1 329	1 264	1 264	400	410	300
Tourism	Develop and Grow George	B		122	36	140	645	1 129	1 129	1 408	1 060	592
Financial viability and management	Good Governance and Human Capital	C		662	379	148	832	832	832	1 214	–	200
Revenue enhancement	Good Governance and Human Capital	D		–	–	236	–	–	–	–	–	–
Credit Control	Good Governance and Human Capital	E		–	–	–	–	–	–	–	–	–
Budget Formulation and control	Good Governance and Human Capital	F		–	–	–	–	–	–	–	–	–
People Management and Empowerment	Good Governance and Human Capital	G		–	–	–	80	148	148	302	160	80
Administrative Support	Good Governance and Human Capital	H		5 194	4 889	93	5 851	6 048	6 048	5 984	5 193	4 180
Library Services	Affordable Quality Services	I		4 424	1 239	7 877	1 154	704	704	734	210	150
Integrated Development Planning	Participative Partnerships	J		–	–	597	98	38	38	–	–	–
Communication	Participative Partnerships	K		767	183	–	560	710	710	29	50	50
HIV/Aids	Affordable Quality Services	L		–	–	53	25	–	–	–	–	–
Social Development	Affordable Quality Services	M		166	140	–	738	770	770	735	359	1 264
Internal Audit and Risk Management	Good Governance and Human Capital	P		–	–	132	–	–	–	–	–	–
Allocations to other priorities			3			–						
Total Capital Expenditure			1	**213 537**	**269 131**	**243 236**	**344 772**	**292 051**	**292 051**	**387 975**	**325 936**	**339 997**

2.6 – Overview of budget related policies

The municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

Section 17 (3) (e) of the Municipal Finance Management Act, (Act No 56 of 2003) prescribes that the Municipality must review the budget related policies annually. Herewith follows suggested changes to Council's budget related policies.

This administration has reviewed and workshops were held where changes were made to the following policies:

- Customer Care, Credit Control and Debt Collection Policy;
- Property Rates Policy;
- Tariff Policy,
- Unauthorized Irregular and Fruitless and Wasteful Expenditure Policy;
- Indigent Policy;
- Virement Policy;
- Cash Management and Investment Policy;
- Travel & Subsistence Policy;
- Supply Chain Management Policy;
- PPPFA Policy;
- Asset Management Policy;
- Funding Borrowing & Reserve Policy;
- Long Term Financial Plan;
- Liquidity Policy

The Budget Committee has indicated that the finalization of the draft policy changes will be finalized after the budget consultation process is completed. The draft policies are contained in the budget documentation and will be placed on the municipal website for public comment.

2.7 – Budget Assumptions

Budgets are prepared in an environment of uncertainty. To prepare meaningful budgets, assumptions need to be made about internal and external factors that could influence the budget. Documentation of the assumptions used in preparing the budget assists understanding of the information. This section provides a comprehensive summary of all the assumptions used in preparing the budget.

2.7.1 – National Treasury MFMA Circular No 98 & 99

These Circulars was issued on 06 December 2019 and 09 March 2020 respectively, and it provides further guidance to municipalities for the preparation of the 2020/21 budget and MTREF. The circulars were used in preparing this budget.

2.7.2 – Inflation Outlook

In MFMA Circular No 99, inflation forecasts are estimated at 4.5%, 4.6% and 4.6% respectively for the years 2020 to 2022.

2.7.3 – Rates, tariffs, charges and timing of revenue collection

The Budget Committee made use of tariff modelling to calculate realistic tariff increases. Although the budget committee endeavoured to contain the increase within the 6% upper boundary of the South African Reserve Bank's inflation target, the model indicated that this was not possible. In order to have a funded budget the following tariff increases are recommended for the 2020/21 financial year:

Category	Base Budget 2019/20	Budget Year 2020/21	Budget Year 2021/22	Budget Year 2022/23
Property Rates	7.50%	6.00%	6.50%	6.50%
Electricity	13.07%	8.70%	8.00%	8.00%
Water	6.00%	6.00%	6.00%	6.00%
Sanitation	8.50%	6.50%	6.50%	6.50%
Refuse	9.00%	6.50%	6.50%	6.50%
Other	5.00%	5.00%	5.00%	5.00%

The cash flow statement shows when rates and tariffs are expected to be collected over the financial year. In general terms, the timing of rates, tariffs and charges is based on the following;

Rates	Monthly billing. Interim billing throughout the year.
Tariffs	Monthly billing. On-going prepayment meters. Seasonal fluctuations.
Charges	Generally steady state throughout the financial year with seasonal fluctuations.

2.7.4 – Collection rates for each revenue source and customer type

The following bad debt provisions and collection rates are assumed in the MTREF for rates and tariffs.

	2020/21	2021/22	2022/23
Provision for bad and doubtful debts	R74.9m	R78.7m	R83.4m
Assumed collection rate	96%	96%	96%

2.7.5 – Price movements on specifics e.g. bulk purchases

The following amounts are included in the MTREF for increases in bulk purchases;

	2020/21	2021/22	2022/23
ESKOM	R528.2m	R565.6m	R606.7m

2.7.6 – Average salary increases

The MTREF includes the following average percentage increases for wages and salary and for councillors' allowances;

	2020/21	2021/22	2022/23
Councillors	6.25%	5%	5%
Staff	5%	5%	5%

2.7.7 – Industrial relations climate, reorganisation and capacity building

The ability of the Municipality to deliver quality services is virtually entirely dependent on its staff. Failure by the Municipality to invest in its staff to ensure that the capacity and skills exist to meet the challenges being faced by George will ultimately mean a failure to deliver services.

The Municipality has made the following amounts available for training over the MTREF period.

	2020/21	2021/22	2022/23
Training Budget	R2.1m	R2.1m	R2.8m

2.7.8 – Trends in demand for free or subsidised basic services

George's criteria for supporting free or subsidised basic services are set out in the Indigent Policy. The Government allocates revenue via the Equitable Share grant with the primary aim of assisting municipalities with the costs of providing free or subsidised basic services. Any costs over and above the Equitable Share allocation must be paid by the consumer.

The proposed allocation to Indigent Households will have the following financial consequences:

National Allocations	**Draft MTREF allocation**		
Grant Description	**2020/21**	**2021/22**	**2022/23**
Equitable Share (Gazetted allocation)	R163 760 000	R179 113 000	R194 607 000
Operational Projects			
DMA allocation - salaries	10 943 040	11 709 053	12 440 869
Roads Maintenance - DMA	1 500 000	2 500 000	2 500 000
Water Network Maintenance - DMA	1 500 000	2 500 000	2 500 000
Electricity Network Maintenance - DMA	314 960	1 631 947	2 000 000
Water leakages	3 000 000	3 000 000	3 000 000
Audit and Social assessments	100 000	100 000	100 000
Electricity Prepaid meter	1 500 000	1 500 000	1 500 000
Sewerage blockages	1 000 000	1 000 000	1 000 000
Water	34 558 000	36 631 000	38 829 000
Sewerage	42 378 000	45 980 000	49 888 000
Refuse removal	40 071 000	43 677 000	47 608 000
Electricity	23 395 000	25 384 000	27 542 000
Social projects	1 500 000	1 500 000	1 500 000
Eskom - 50kw	2 000 000	2 000 000	4 199 131
Total allocations	**R163 760 000**	**R179 113 000**	**R194 607 000**

The indigent qualification criteria will be enforced more rigorously to ensure that those who do not qualify are removed from the allocation list. This saving on the equitable share allocation, if any, will allow Council to make an additional contribution from the operating account to fund the provision of free basic services.

It must be remembered that such indigent support is not subsidized from services charges collected from the citizens of George.

The proposed package of free basic services allocated to the indigents consists of the following:

Description	Escalation (%)	2019/20 (R)	2020/21 (R)
Water (Basic)	6%	89.81	95.20
Water 6kl	6%	94.38	100.04
Electricity	8.7%	96.53	104.93
Refuse	6.5%	207.70	221.20
Sewer	6.5%	220.95	235.31
Total		**R709.37**	**R756.68**

2.7.9 – Ability of the municipality to spend and deliver on the programmes

By end March 2020, the Municipality has spent R81.2 million out of an adjusted capital budget of R396 473 million, equating to 20% of the total budget. Against the original budget of R344.8 million the spending is 24%.

Spending is monitored closely throughout the year and Directors must ensure that capital programmes are supported by robust planning. The Municipality is currently reviewing its capital planning processes and will soon implement the capital rating and ranking programme of Ignite Advisory Service.

The SDBIP includes monthly cash flows of expenditure and is used as the basis for budget monitoring. Monthly Section 71 meetings with portfolio councillor, municipal manager, directors and the budget office also forms part of the monitoring tool and directorates must give reasons for poor performance and over spending and put corrective measures in place.

2.7.10 – Capital Budget

Projects to be funded from the Capital Replacement Reserve (CRR) were capped at R75,9 million and R 219,8 million for projects linked to external funding (EFF). Of the R219,8 million R74 million was rolled over from 2019/20 financial year. Full provision was made for grant funded projects as contained in the Division of Revenue Act. An amount of R67,6 million was budgeted for grants.

The housing development in Thembalethu is one of the main developments putting pressure on the waterworks as well as the sewage treatment works. The electricity infrastructure is also not sufficient for the housing projects development. The Western Cape Department of Human Settlements has indicated their willingness to assist with possible grant funding given the magnitude of the housing project and its impact on the bulk infrastructure.

Province is facilitating the housing development projects and as such the grant allocation has been included in the operating budget (R154,45 million).

2.7.11 – Implications of restructuring and other major events in the future

Council approved a new macro organisational structure in June 2017 which has increased the Directorates from seven to nine with a 10year phase-in approach to fill vacant posts.

2.7.12 – Service level standards

MFMA circular No. 72 indicated that all municipalities must formulate service level standards which must form part of the tabled MTREF budget documentation.

A broad guideline was provided on the minimum service standards to be incorporated in the budget documentation. In addition to the guideline, a framework was developed as an outline to assist municipalities in finalising their service level standards.

It is accepted that it is not possible to have the same service level standards across all municipalities. Therefore, the outline must be used as a guideline and be amended accordingly to align to the municipality's specific circumstances.

The municipality is currently busy updating the service level standard document.

2.8 – Other Supporting documents

2.8.1 Investment Particulars by Type

Table 26 – SA15: Investment Particulars by Type

WC044 George - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Parent municipality										
Securities - National Government		–	–	–	–	–	–	–	–	–
Listed Corporate Bonds		–	–	–	–	–	–	–	–	–
Deposits - Bank		–	–	–	–	–	–	–	–	–
Deposits - Public Investment Commissioners		–	–	–	–	–	–	–	–	–
Deposits - Corporation for Public Deposits		–	–	–	–	–	–	–	–	–
Bankers Acceptance Certificates		–	–	–	–	–	–	–	–	–
Negotiable Certificates of Deposit - Banks		–	–	–	–	–	–	–	–	–
Guaranteed Endowment Policies (sinking)		–	–	–	–	–	–	–	–	–
Repurchase Agreements - Banks		–	–	–	–	–	–	–	–	–
Municipal Bonds		–	–	–	–	–	–	–	–	–
Municipality sub-total	1	–	–	–	–	–	–	–	–	–
Entities										
Securities - National Government		–	–	–	–	–	–	–	–	–
Listed Corporate Bonds		–	–	–	–	–	–	–	–	–
Deposits - Bank		–	–	–	–	–	–	–	–	–
Deposits - Public Investment Commissioners		–	–	–	–	–	–	–	–	–
Deposits - Corporation for Public Deposits		–	–	–	–	–	–	–	–	–
Bankers Acceptance Certificates		–	–	–	–	–	–	–	–	–
Negotiable Certificates of Deposit - Banks		–	–	–	–	–	–	–	–	–
Guaranteed Endowment Policies (sinking)		–	–	–	–	–	–	–	–	–
Repurchase Agreements - Banks		–	–	–	–	–	–	–	–	–
Entities sub-total		–	–	–	–	–	–	–	–	–
Consolidated total:		–	–	–	–	–	–	–	–	–

References

1. Total investments must reconcile to Budgeted Financial Position ('current' call investment deposits plus 'non-current' investments)

The municipality does not have any investment.

2.8.2 Borrowings

Table 27 – SA17: Borrowing

WC044 George - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Parent municipality										
Annuity and Bullet Loans		309 942	293 656	258 023	316 005	–	–	–	–	–
Long-Term Loans (non-annuity)		–	–	–	–	–	–	–	–	–
Local registered stock		–	–	–	–	–	–	–	–	–
Instalment Credit		–	–	–	–	–	–	–	–	–
Financial Leases		7 070	–	–	2 474	–	–	–	–	–
PPP liabilities		–	–	–	–	–	–	–	–	–
Finance Granted By Cap Equipment Supplier		–	–	–	–	–	–	–	–	–
Marketable Bonds		–	–	–	–	–	–	–	–	–
Non-Marketable Bonds		–	–	–	–	–	–	–	–	–
Bankers Acceptances		–	–	–	–	–	–	–	–	–
Financial derivatives		–	–	–	–	–	–	–	–	–
Other Securities		–	–	–	–	3 438	3 438	3 438	3 438	3 438
Municipality sub-total	1	**317 013**	**293 656**	**258 023**	**318 478**	**3 438**	**3 438**	**3 438**	**3 438**	**3 438**
Entities										
Annuity and Bullet Loans		–	–	–	–	–	–	–	–	–
Long-Term Loans (non-annuity)		–	–	–	–	–	–	–	–	–
Local registered stock		–	–	–	–	–	–	–	–	–
Instalment Credit		–	–	–	–	–	–	–	–	–
Financial Leases		–	–	–	–	–	–	–	–	–
PPP liabilities		–	–	–	–	–	–	–	–	–
Finance Granted By Cap Equipment Supplier		–	–	–	–	–	–	–	–	–
Marketable Bonds		–	–	–	–	–	–	–	–	–
Non-Marketable Bonds		–	–	–	–	–	–	–	–	–
Bankers Acceptances		–	–	–	–	–	–	–	–	–
Financial derivatives		–	–	–	–	–	–	–	–	–
Other Securities		–	–	–	–	–	–	–	–	–
Entities sub-total	1	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Borrowing	1	**317 013**	**293 656**	**258 023**	**318 478**	**3 438**	**3 438**	**3 438**	**3 438**	**3 438**
Unspent Borrowing - Categorised by type										
Parent municipality										
Long-Term Loans (annuity/reducing balance)		–	–	–	–	–	–	–	–	–
Long-Term Loans (non-annuity)		–	–	–	–	–	–	–	–	–
Local registered stock		–	–	–	–	–	–	–	–	–
Instalment Credit		–	–	–	–	–	–	–	–	–
Financial Leases		–	–	–	–	–	–	–	–	–
PPP liabilities		–	–	–	–	–	–	–	–	–
Finance Granted By Cap Equipment Supplier		–	–	–	–	–	–	–	–	–
Marketable Bonds		–	–	–	–	–	–	–	–	–
Non-Marketable Bonds		–	–	–	–	–	–	–	–	–
Bankers Acceptances		–	–	–	–	–	–	–	–	–
Financial derivatives		–	–	–	–	–	–	–	–	–
Other Securities		–	–	–	–	–	–	–	–	–
Municipality sub-total	1	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Entities										
Long-Term Loans (annuity/reducing balance)		–	–	–	–	–	–	–	–	–
Long-Term Loans (non-annuity)		–	–	–	–	–	–	–	–	–
Local registered stock		–	–	–	–	–	–	–	–	–
Instalment Credit		–	–	–	–	–	–	–	–	–
Financial Leases		–	–	–	–	–	–	–	–	–
PPP liabilities		–	–	–	–	–	–	–	–	–
Finance Granted By Cap Equipment Supplier		–	–	–	–	–	–	–	–	–
Marketable Bonds		–	–	–	–	–	–	–	–	–
Non-Marketable Bonds		–	–	–	–	–	–	–	–	–
Bankers Acceptances		–	–	–	–	–	–	–	–	–
Financial derivatives		–	–	–	–	–	–	–	–	–
Other Securities		–	–	–	–	–	–	–	–	–
Entities sub-total	1	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Unspent Borrowing	1	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

References

1. Total borrowing must reconcile to Budgeted Financial Position (Borrowing - non-current)

2.8.3 Grants and subsidies
Table 28 – SA18: Transfers and grants receipt

WC044 George - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		**188 696**	**293 080**	**265 264**	**328 280**	**280 555**	**280 555**	**307 782**	**294 056**	**338 681**
Operational Revenue:General Revenue:Equitable Share		105 336	122 613	137 401	149 978	149 978	149 978	163 760	179 113	194 607
Operational:Revenue:General Revenue:Fuel Levy		–	–	–	–	–	–	–	–	–
2014 African Nations Championship Host City Operating Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Agriculture Research and Technology		–	–	–	–	–	–	–	–	–
Agriculture, Conservation and Environmental		–	–	–	–	–	–	–	–	–
Arts and Culture Sustainable Resource Management		–	–	–	–	–	–	–	–	–
Community Library		–	–	–	–	–	–	–	–	–
Department of Environmental Affairs		–	–	–	–	–	–	–	–	–
Department of Tourism		–	–	–	–	–	–	–	–	–
Department of Water Affairs and Sanitation Masibambane		–	–	–	–	–	–	–	–	–
Emergency Medical Service		–	–	–	–	–	–	–	–	–
Energy Efficiency and Demand-side [Schedule 5B]			–	378	–	–	–	100	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		4 014	4 001	5 466	5 111	5 111	5 111	4 109	–	–
HIV and Aids		–	–	–	–	–	–	–	–	–
Housing Accreditation		–	–	–	–	–	–	–	–	–
Housing Top structure		–	–	–	–	–	–	–	–	–
Infrastructure Skills Development Grant [Schedule 5B]		2 959	4 393	5 897	7 040	6 718	6 718	6 200	6 502	6 000
Integrated City Development Grant		–	–	–	–	–	–	–	–	–
Khayelitsha Urban Renewal		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant [Schedule 5B]		1 475	1 550	1 550	1 550	1 550	1 550	1 550	1 550	1 771
Mitchell's Plain Urban Renewal		–	–	–	–	–	–	–	–	–
Municipal Demarcation and Transition Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Disaster Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Human Settlement Capacity Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Systems Improvement Grant		–	–	–	–	–	–	–	–	–
Natural Resource Management Project		–	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership Grant		–	–	–	–	–	–	–	–	–
Operation Clean Audit		–	–	–	–	–	–	–	–	–
Municipal Disaster Recovery Grant		–	–	–	–	–	–	–	–	–
Public Service Improvement Facility		–	–	–	–	–	–	–	–	–
Public Transport Network Operations Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Restructuring - Seed Funding		–	–	–	–	–	–	–	–	–
Revenue Enhancement Grant Debtors Book		–	–	–	–	–	–	–	–	–
Rural Road Asset Management Systems Grant		–	–	–	–	–	–	–	–	–
Sport and Recreation		–	–	–	–	–	–	–	–	–
Terrestrial Invasive Alien Plants		–	–	–	–	–	–	–	–	–
Water Services Operating Subsidy Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Health Hygiene in Informal Settlements		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant [Schedule 5B]		1 914	2 038	1 532	1 604	1 604	1 604	1 993	2 156	2 275
Water Services Infrastructure Grant		–	–	–	–	–	–	–	–	–
Public Transport Network Grant [Schedule 5B]		72 998	158 485	113 040	162 997	115 594	115 594	130 070	104 735	134 028
Smart Connect Grant		–	–	–	–	–	–	–	–	–
Urban Settlement Development Grant		–	–	–	–	–	–	–	–	–
WiFi Grant [Department of Telecommunications and Postal Services		–	–	–	–	–	–	–	–	–
Street Lighting		–	–	–	–	–	–	–	–	–
Traditional Leaders - Imbizion		–	–	–	–	–	–	–	–	–
Department of Water and Sanitation Smart Living Handbook		–	–	–	–	–	–	–	–	–
Integrated National Electrification Programme Grant		–	–	–	–	–	–	–	–	–
Municipal Restructuring Grant		–	–	–	–	–	–	–	–	–
Regional Bulk Infrastructure Grant		–	–	–	–	–	–	–	–	–
Municipal Emergency Housing Grant		–	–	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		**160 432**	**150 273**	**151 494**	**275 467**	**422 395**	**422 395**	**326 268**	**293 152**	**229 493**
Capacity Building		–	–	–	–	–	–	–	–	–
Capacity Building and Other		–	–	–	–	–	–	–	–	–
Disaster and Emergency Services		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Housing		44 416	44 252	33 896	156 872	216 614	216 614	154 450	119 060	60 500
Infrastructure		–	–	–	–	–	–	–	–	–
Libraries, Archives and Museums		7 996	8 635	9 239	9 543	9 743	9 743	10 283	10 848	11 444
Other		705	1 400	1 877	1 883	12 749	12 749	1 719	1 197	1 221
Public Transport		101 527	95 545	101 086	106 747	172 747	172 747	156 696	161 587	155 868
Road Infrastructure - Maintenance		5 734	441	5 168	422	10 542	10 542	3 120	460	460
Sports and Recreation		54	–	228	–	–	–	–	–	–
Waste Water Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
All Grants		–	–	–	–	–	–	–	–	–
Other Grant Providers:		**1 726**	**811**	**1 045**	**650**	**650**	**650**	**650**	**650**	**650**
Departmental Agencies and Accounts		1 726	811	1 045	650	650	650	650	650	650
Foreign Government and International Organisations		–	–	–	–	–	–	–	–	–
Households		–	–	–	–	–	–	–	–	–
Non-profit Institutions		–	–	–	–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–	–	–	–
Public Corporations		–	–	–	–	–	–	–	–	–
Higher Educational Institutions		–	–	–	–	–	–	–	–	–
Parent Municipality / Entity		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	**350 854**	**444 164**	**417 804**	**604 398**	**703 600**	**703 600**	**634 700**	**587 858**	**568 824**

Table 28 – SA18: Transfers and grants receipt (continue)

WC044 George - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
RECEIPTS:	1, 2									
Capital Transfers and Grants										
National Government:		**130 056**	**115 858**	**120 716**	**56 506**	**104 231**	**104 231**	**73 333**	**67 997**	**53 233**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		9 500	18 048	13 000	10 044	10 044	10 044	7 000	5 000	10 000
Municipal Infrastructure Grant [Schedule 5B]		36 369	38 726	46 356	38 500	38 500	38 500	37 858	40 962	43 233
Municipal Water Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Public Transport Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Rural Household Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Rural Road Asset Management Systems Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Urban Settlement Development Grant [Schedule 4B]		–	–	–	–	–	–	–	–	–
Municipal Human Settlement		–	–	–	–	–	–	–	–	–
Community Library		–	–	–	–	–	–	–	–	–
Integrated City Development Grant [Schedule 4B]		–	–	–	–	–	–	–	–	–
Municipal Disaster Recovery Grant [Schedule 4B]		–	–	–	–	–	–	–	–	–
Energy Efficiency and Demand Side Management Grant		–	7 000	6 622	7 000	7 000	7 000	4 900	–	–
Khayelitsha Urban Renewal		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Systems Improvement Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Public Transport Network Grant [Schedule 5B]		83 446	51 877	54 635	502	47 905	47 905	23 575	22 035	–
Public Transport Network Operations Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Regional Bulk Infrastructure Grant (Schedule 5B)		–	–	–	–	–	–	–	–	–
Water Services Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
WIFI Connectivity		–	–	–	–	–	–	–	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		–	–	–	–	–	–	–	–	–
Aquaponic Project		–	–	–	–	–	–	–	–	–
Restition Settlement		–	–	–	–	–	–	–	–	–
Infrastructure Skills Development Grant [Schedule 5B]		741	207	103	460	782	782	–	–	–
Restructuring Seed Funding		–	–	–	–	–	–	–	–	–
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Municipal Emergency Housing Grant		–	–	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–	–	–	–
Integrated Urban Development Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		**69 881**	**40 748**	**–**	**6 878**	**6 878**	**6 878**	**732**	**–**	**–**
Capacity Building		–	–	–	–	–	–	–	–	–
Capacity Building and Other		–	–	–	–	–	–	–	–	–
Disaster and Emergency Services		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Housing		20 863	36 949	–	6 628	6 628	6 628	–	–	–
Infrastructure		–	–	–	–	–	–	–	–	–
Libraries, Archives and Museums		–	–	–	250	250	250	–	–	–
Other		–	800	–	–	–	–	732	–	–
Public Transport		49 017	2 999	–	–	–	–	–	–	–
Road Infrastructure		–	–	–	–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–	–	–	–
Waste Water Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
All Grants		–	–	–	–	–	–	–	–	–
Other Grant Providers:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Departmental Agencies and Accounts		–	–	–	–	–	–	–	–	–
Foreign Government and International Organisations		–	–	–	–	–	–	–	–	–
Households		–	–	–	–	–	–	–	–	–
Non-Profit Institutions		–	–	–	–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–	–	–	–
Public Corporations		–	–	–	–	–	–	–	–	–
Higher Educational Institutions		–	–	–	–	–	–	–	–	–
Parent Municipality / Entity		–	–	–	–	–	–	–	–	–
Transfer from Operational Revenue		–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	5	**199 936**	**156 606**	**120 716**	**63 383**	**111 109**	**111 109**	**74 065**	**67 997**	**53 233**
TOTAL RECEIPTS OF TRANSFERS & GRANTS		**550 791**	**600 769**	**538 520**	**667 781**	**814 709**	**814 709**	**708 765**	**655 855**	**622 057**

Table 29 – SA19: Expenditure on transfers and grants

WC044 George - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		**188 696**	**259 360**	**266 098**	**328 280**	**280 555**	**280 555**	**307 782**	**294 056**	**338 681**
Operational Revenue:General Revenue:Equitable Share		105 336	122 613	137 401	149 978	149 978	149 978	163 760	179 113	194 607
Operational:Revenue:General Revenue:Fuel Levy		–	–	–	–	–	–	–	–	–
2014 African Nations Championship Host City Operating Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Agriculture Research and Technology		–	–	–	–	–	–	–	–	–
Agriculture, Conservation and Environmental		–	–	–	–	–	–	–	–	–
Arts and Culture Sustainable Resource Management		–	–	–	–	–	–	–	–	–
Community Library		–	–	–	–	–	–	–	–	–
Department of Environmental Affairs		–	–	–	–	–	–	–	–	–
Department of Tourism		–	–	–	–	–	–	–	–	–
Department of Water Affairs and Sanitation Masibambane		–	–	–	–	–	–	–	–	–
Emergency Medical Service		–	–	–	–	–	–	–	–	–
Energy Efficiency and Demand-side [Schedule 5B]		–	–	378	–	–	–	100	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		4 014	4 001	5 466	5 111	5 111	5 111	4 109	–	–
HIV and Aids		–	–	–	–	–	–	–	–	–
Housing Accreditation		–	–	–	–	–	–	–	–	–
Housing Top structure		–	–	–	–	–	–	–	–	–
Infrastructure Skills Development Grant [Schedule 5B]		2 959	4 393	4 934	7 040	6 718	6 718	6 200	6 502	6 000
Integrated City Development Grant		–	–	–	–	–	–	–	–	–
Khayelitsha Urban Renewal		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant [Schedule 5B]		1 475	1 550	1 550	1 550	1 550	1 550	1 550	1 550	1 771
Mitchell's Plain Urban Renewal		–	–	–	–	–	–	–	–	–
Municipal Demarcation and Transition Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Disaster Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Human Settlement Capacity Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Systems Improvement Grant		–	–	–	–	–	–	–	–	–
Natural Resource Management Project		–	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership Grant		–	–	–	–	–	–	–	–	–
Operation Clean Audit		–	–	–	–	–	–	–	–	–
Municipal Disaster Recovery Grant		–	–	–	–	–	–	–	–	–
Public Service Improvement Facility		–	–	–	–	–	–	–	–	–
Public Transport Network Operations Grant [Schedule 5B]		72 998	124 765	114 836	162 997	115 594	115 594	130 070	104 735	134 028
Restructuring - Seed Funding		–	–	–	–	–	–	–	–	–
Revenue Enhancement Grant Debtors Book		–	–	–	–	–	–	–	–	–
Rural Road Asset Management Systems Grant		–	–	–	–	–	–	–	–	–
Sport and Recreation		–	–	–	–	–	–	–	–	–
Terrestrial Invasive Alien Plants		–	–	–	–	–	–	–	–	–
Water Services Operating Subsidy Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Health Hygiene in Informal Settlements		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant [Schedule 5B]		1 914	2 038	1 532	1 604	1 604	1 604	1 993	2 156	2 275
Water Services Infrastructure Grant		–	–	–	–	–	–	–	–	–
Public Transport Network Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Smart Connect Grant		–	–	–	–	–	–	–	–	–
Urban Settlement Development Grant		–	–	–	–	–	–	–	–	–
WiFi Grant [Department of Telecommunications and Postal Services		–	–	–	–	–	–	–	–	–
Street Lighting		–	–	–	–	–	–	–	–	–
Traditional Leaders - Imbizion		–	–	–	–	–	–	–	–	–
Department of Water and Sanitation Smart Living Handbook		–	–	–	–	–	–	–	–	–
Integrated National Electrification Programme Grant		–	–	–	–	–	–	–	–	–
Municipal Restructuring Grant		–	–	–	–	–	–	–	–	–
Regional Bulk Infrastructure Grant		–	–	–	–	–	–	–	–	–
Municipal Emergency Housing Grant		–	–	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		**119 819**	**142 384**	**184 660**	**275 467**	**425 744**	**425 744**	**326 268**	**293 152**	**229 493**
Capacity Building		–	–	–	–	–	–	–	–	–
Capacity Building and Other		–	–	–	–	–	–	–	–	–
Disaster and Emergency Services		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Housing		14 073	36 762	67 902	156 872	216 614	216 614	154 450	119 060	60 500
Infrastructure		–	–	–	–	–	–	–	–	–
Libraries, Archives and Museums		7 996	8 635	9 239	9 543	9 743	9 743	10 283	10 848	11 444
Other		881	947	1 113	1 883	16 098	16 098	1 719	1 197	1 221
Public Transport		91 135	95 545	101 237	106 747	172 747	172 747	156 696	161 587	155 868
Road Infrastructure - Maintenance		5 734	441	5 168	422	10 542	10 542	3 120	460	460
Sports and Recreation		–	54	–	–	–	–	–	–	–
Waste Water Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
All Grants		–	–	–	–	–	–	–	–	–
Other Grant Providers:		**1 726**	**811**	**1 045**	**650**	**650**	**650**	**650**	**650**	**650**
Departmental Agencies and Accounts		1 726	811	1 045	650	650	650	650	650	650
Foreign Government and International Organisations		–	–	–	–	–	–	–	–	–
Households		–	–	–	–	–	–	–	–	–
Non-profit Institutions		–	–	–	–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–	–	–	–
Public Corporations		–	–	–	–	–	–	–	–	–
Higher Educational Institutions										
Parent Municipality / Entity		–	–	–	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:		**310 241**	**402 555**	**451 803**	**604 398**	**706 949**	**706 949**	**634 700**	**587 858**	**568 824**

Table 29 – SA19: Expenditure on transfers and grants (continue)

WC044 George - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
EXPENDITURE:	1									
Capital expenditure of Transfers and Grants										
National Government:		**73 936**	**155 025**	**116 086**	**62 864**	**110 589**	**110 589**	**73 333**	**67 997**	**53 233**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		–	10 254	16 476	10 044	10 044	10 044	7 000	5 000	10 000
Municipal Infrastructure Grant [Schedule 5B]		36 369	38 726	36 158	38 500	38 500	38 500	37 858	40 962	43 233
Municipal Water Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Public Transport Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Rural Household Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Rural Road Asset Management Systems Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Urban Settlement Development Grant [Schedule 4B]		–	–	–	–	–	–	–	–	–
Municipal Human Settlement		–	–	–	–	–	–	–	–	–
Community Library		–	–	–	–	–	–	–	–	–
Integrated City Development Grant [Schedule 4B]		–	–	–	–	–	–	–	–	–
Municipal Disaster Recovery Grant [Schedule 4B]		–	–	–	–	–	–	–	–	–
Energy Efficiency and Demand Side Management Grant		–	5 845	7 602	7 000	7 000	7 000	4 900	–	–
Khayelitsha Urban Renewal		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Systems Improvement Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Public Transport Network Grant [Schedule 5B]		36 182	99 142	52 657	502	47 905	47 905	23 575	22 035	–
Public Transport Network Operations Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Regional Bulk Infrastructure Grant (Schedule 5B)		645	852	3 090	6 358	6 358	6 358	–	–	–
Water Services Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
WIFI Connectivity		–	–	–	–	–	–	–	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		–	–	–	–	–	–	–	–	–
Aquaponic Project		–	–	–	–	–	–	–	–	–
Restition Settlement		–	–	–	–	–	–	–	–	–
Infrastructure Skills Development Grant [Schedule 5B]		741	207	103	460	782	782	–	–	–
Restructuring Seed Funding		–	–	–	–	–	–	–	–	–
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Municipal Emergency Housing Grant		–	–	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–	–	–	–
Integrated Urban Development Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		**75 654**	**47 828**	**6 137**	**6 878**	**6 878**	**6 878**	**732**	**–**	**–**
Capacity Building		–	–	–	–	–	–	–	–	–
Capacity Building and Other		–	–	–	–	–	–	–	–	–
Disaster and Emergency Services		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Housing		22 395	43 476	5 960	6 628	6 628	6 628	–	–	–
Infrastructure		–	–	–	–	–	–	–	–	–
Libraries, Archives and Museums		4 242	741	–	250	250	250	–	–	–
Other		–	611	177	–	–	–	732	–	–
Public Transport		49 017	2 999	–	–	–	–	–	–	–
Road Infrastructure		–	–	–	–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–	–	–	–
Waste Water Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
All Grants		–	–	–	–	–	–	–	–	–
Other Grant Providers:		**–**	**–**	**93**	**–**	**–**	**–**	**–**	**–**	**–**
Departmental Agencies and Accounts		–	–	93	–	–	–	–	–	–
Foreign Government and International Organisations		–	–	–	–	–	–	–	–	–
Households		–	–	–	–	–	–	–	–	–
Non-Profit Institutions		–	–	–	–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–	–	–	–
Public Corporations		–	–	–	–	–	–	–	–	–
Higher Educational Institutions		–	–	–	–	–	–	–	–	–
Parent Municipality / Entity		–	–	–	–	–	–	–	–	–
Transfer from Operational Revenue		–	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants		**149 591**	**202 853**	**122 316**	**69 741**	**117 467**	**117 467**	**74 065**	**67 997**	**53 233**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		**459 832**	**605 407**	**574 119**	**674 139**	**824 416**	**824 416**	**708 765**	**655 855**	**622 057**

References

1. Expenditure must be separately listed for each transfer or grant received or recognised

Table 30 – SA20: Reconciliation of transfers, grants receipts and unspent funds

WC044 George - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		(22 011)	(22 011)	702	–	–	–	–	–	–
Current year receipts		188 696	293 080	265 264	328 280	280 555	280 555	307 782	294 056	338 681
Conditions met - transferred to revenue		**188 696**	**259 360**	**266 098**	**328 280**	**280 555**	**280 555**	**307 782**	**294 056**	**338 681**
Conditions still to be met - transferred to liabilities		(22 011)	11 709	(131)	–	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		(10 641)	29 972	37 817	53	3 349	3 349	–	–	–
Current year receipts		160 432	150 273	151 494	275 467	422 395	422 395	326 268	293 152	229 493
Conditions met - transferred to revenue		**119 819**	**142 429**	**184 660**	**275 467**	**425 744**	**425 744**	**326 268**	**293 152**	**229 493**
Conditions still to be met - transferred to liabilities		29 972	37 817	4 651	53	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		7 504	7 504	7 504	7 504	7 504	7 504	7 504	–	–
Current year receipts		1 726	811	1 045	650	650	650	650	650	650
Conditions met - transferred to revenue		**1 726**	**811**	**1 045**	**650**	**650**	**650**	**650**	**650**	**650**
Conditions still to be met - transferred to liabilities		7 504	7 504	7 504	7 504	7 504	7 504	7 504	–	–
Total operating transfers and grants revenue		**310 241**	**402 600**	**451 803**	**604 398**	**706 949**	**706 949**	**634 700**	**587 858**	**568 824**
Total operating transfers and grants - CTBM	2	**15 466**	**57 030**	**12 024**	**7 557**	**7 504**	**7 504**	**7 504**	**–**	**–**
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		(1 213)	54 906	15 739	6 718	6 718	6 718	–	–	–
Current year receipts		130 056	115 858	120 716	56 506	104 231	104 231	73 333	67 997	53 233
Conditions met - transferred to revenue		**73 936**	**155 025**	**116 086**	**62 864**	**110 589**	**110 589**	**73 333**	**67 997**	**53 233**
Conditions still to be met - transferred to liabilities		54 906	15 739	20 369	360	360	360	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		14 983	9 210	1 600	1 941	–	–	–	–	–
Current year receipts		69 881	40 748	–	6 878	6 878	6 878	732	–	–
Conditions met - transferred to revenue		**75 654**	**47 828**	**6 137**	**6 878**	**6 878**	**6 878**	**732**	**–**	**–**
Conditions still to be met - transferred to liabilities		9 210	2 130	(4 537)	1 941	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		(2 373)	(2 373)	(2 373)	(2 373)	(2 373)	(2 373)	(2 373)	200	200
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Conditions still to be met - transferred to liabilities		(2 373)	(2 373)	(2 373)	(2 373)	(2 373)	(2 373)	(2 373)	200	200
Other grant providers:										
Balance unspent at beginning of the year		(1 623)	(1 623)	(1 623)	(1 716)	(1 716)	(1 716)	(1 716)	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		**–**	**–**	**93**	**–**	**–**	**–**	**–**	**–**	**–**
Conditions still to be met - transferred to liabilities		(1 623)	(1 623)	(1 716)	(1 716)	(1 716)	(1 716)	(1 716)	–	–
Total capital transfers and grants revenue		**149 591**	**202 853**	**122 316**	**69 741**	**117 467**	**117 467**	**74 065**	**67 997**	**53 233**
Total capital transfers and grants - CTBM	2	**60 120**	**13 873**	**11 743**	**(1 788)**	**(3 730)**	**(3 730)**	**(4 089)**	**200**	**200**
TOTAL TRANSFERS AND GRANTS REVENUE		**459 832**	**605 452**	**574 119**	**674 139**	**824 416**	**824 416**	**708 765**	**655 855**	**622 057**
TOTAL TRANSFERS AND GRANTS - CTBM		**75 585**	**70 902**	**23 766**	**5 768**	**3 775**	**3 775**	**3 415**	**200**	**200**

2.8.4 Councillors and employee benefits

The total remuneration has increased from R625.6 million to R650.7 million. The increase of R25.1 million can be contributed to:

- Employee Related Costs – An increase of 6.25% was provided for salaries and wages.

- The process of prioritizing the critical vacant posts will be completed before finalizing the budget in June 2020.

- An amount of R22.6 million has been budgeted for the contribution to the post retirement benefit obligation.

Table 31 – SA22: Summary of councillor and staff benefits

WC044 George - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		12 969	13 898	14 115	15 608	15 608	15 608	16 221	16 854	17 865
Pension and UIF Contributions		402	652	732	799	799	799	855	915	969
Medical Aid Contributions		145	251	283	311	311	311	333	356	377
Motor Vehicle Allowance		4 090	4 566	4 760	4 909	4 909	4 909	5 252	5 620	5 957
Cellphone Allowance		1 194	2 153	2 128	2 317	2 317	2 317	2 479	2 652	2 812
Housing Allowances		–	–	–	–	–	–	–	–	–
Other benefits and allowances		–	–	–	–	–	–	–	–	–
Sub Total - Councillors		**18 801**	**21 519**	**22 017**	**23 943**	**23 943**	**23 943**	**25 140**	**26 397**	**27 981**
% increase	4		**14.5%**	**2.3%**	**8.7%**	**–**	**–**	**5.0%**	**5.0%**	**6.0%**
Senior Managers of the Municipality	2									
Basic Salaries and Wages		10 423	6 191	8 197	10 483	11 592	11 592	11 666	12 558	13 275
Pension and UIF Contributions		1 005	591	648	856	856	856	858	859	911
Medical Aid Contributions		129	82	148	132	132	132	137	144	152
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	173	575	1 891	1 863	1 863	2 024	2 165	2 295
Motor Vehicle Allowance	3	819	296	324	360	504	504	360	360	382
Cellphone Allowance	3	–	56	92	35	35	35	38	40	43
Housing Allowances	3	–	–	–	–	–	–	–	–	–
Other benefits and allowances	3	158	310	129	424	529	529	451	478	507
Payments in lieu of leave		–	154	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		**12 533**	**7 853**	**10 113**	**14 181**	**15 511**	**15 511**	**15 534**	**16 606**	**17 565**
% increase	4		**(37.3%)**	**28.8%**	**40.2%**	**9.4%**	**–**	**0.1%**	**6.9%**	**5.8%**
Other Municipal Staff										
Basic Salaries and Wages		240 822	280 677	277 877	360 438	352 234	352 234	376 745	391 609	419 055
Pension and UIF Contributions		35 756	44 011	49 457	58 042	57 886	57 886	62 105	66 452	70 461
Medical Aid Contributions		16 408	18 385	20 322	32 922	32 882	32 882	35 224	37 688	39 949
Overtime		34 562	44 627	51 597	40 428	50 519	50 519	45 014	47 707	50 439
Performance Bonus		–	–	(1)	–	–	–	–	–	–
Motor Vehicle Allowance	3	13 741	14 789	14 870	15 423	15 732	15 732	16 532	17 689	18 749
Cellphone Allowance	3	907	994	1 105	1 106	1 266	1 266	1 271	1 358	1 410
Housing Allowances	3	1 704	1 925	2 117	4 116	4 106	4 106	4 404	4 712	4 996
Other benefits and allowances	3	2 323	33 018	61 648	38 376	38 778	38 778	41 406	44 274	46 892
Payments in lieu of leave		24 892	–	–	–	–	–	–	–	–
Long service awards		2 591	2 386	4 671	2 582	2 754	2 754	2 721	2 911	3 065
Post-retirement benefit obligations	6	20 787	19 762	26 349	29 759	29 961	29 961	24 561	26 005	19 465
Sub Total - Other Municipal Staff		**394 494**	**460 575**	**510 011**	**583 191**	**586 118**	**586 118**	**609 983**	**640 406**	**674 480**
% increase	4		**16.8%**	**10.7%**	**14.3%**	**0.5%**	**–**	**4.1%**	**5.0%**	**5.3%**
TOTAL SALARY, ALLOWANCES & BENEFITS		**425 827**	**489 947**	**542 142**	**621 315**	**625 572**	**625 572**	**650 657**	**683 408**	**720 026**
% increase	4		**15.1%**	**10.7%**	**14.6%**	**0.7%**	**–**	**4.0%**	**5.0%**	**5.4%**
TOTAL MANAGERS AND STAFF	5,7	**407 027**	**468 428**	**520 124**	**597 372**	**601 629**	**601 629**	**625 517**	**657 011**	**692 045**

References

1. Include 'Loans and advances' where applicable if any reportable amounts until phased compliance with s164 of MFMA achieved

2. s57 of the Systems Act

3. In kind benefits (e.g. provision of living quarters) must be shown as the cost (full market value) to the municipality, as part of the relevant allowance

4. B/A, C/B, D/C, E/C, F/C, G/D, H/D, I/D

5. Must agree to the sub-total appearing on Table A1 (Employee costs)

6. Includes pension payments and employer contributions to medical aid

7. Correct as at 30 June

Column Definitions:

A, B and C. Audited actual as per the audited financial statements. If audited amounts are unavailable, unaudited amounts must be provided with a note stating these are unaudited

D. The original budget approved by council for the budget year.

E. The budget for the budget year as adjusted by council resolution in terms of section 28 of the MFMA.

F. An estimate of final actual amounts (pre audit) for the current year at the point in time of preparing the budget for the budget year. This may differ from E.

G. The amount to be appropriated for the budget year.

H and I. The indicative projection

2.8.5 Monthly targets for revenue, expenditure and cash flow

Table 32 – SA25: Budgeted monthly revenue and expenditure by revenue source and expenditure type

WC044 George - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source																
Property rates		25 999	25 999	25 999	25 999	25 999	25 999	25 999	25 999	25 999	25 999	25 999	25 999	311 989	331 942	353 194
Service charges - electricity revenue		65 135	65 135	65 135	65 135	65 135	65 135	65 135	65 135	65 135	65 135	65 135	65 135	781 614	844 018	912 039
Service charges - water revenue		11 780	11 780	11 780	11 780	11 780	11 780	11 780	11 780	11 780	11 780	11 780	11 780	141 357	149 719	158 583
Service charges - sanitation revenue		9 426	9 426	9 426	9 426	9 426	9 426	9 426	9 426	9 426	9 426	9 426	9 427	113 118	119 494	127 360
Service charges - refuse revenue		7 873	7 873	7 873	7 873	7 873	7 873	7 873	7 873	7 873	7 873	7 873	7 873	94 476	99 517	106 107
Rental of facilities and equipment		540	540	540	540	540	540	540	540	540	540	540	540	6 480	6 808	7 217
Interest earned - external investments		4 196	4 196	4 196	4 196	4 196	4 196	4 196	4 196	4 196	4 196	4 196	4 196	50 352	52 648	55 507
Interest earned - outstanding debtors		646	646	646	646	646	646	646	646	646	646	646	646	7 746	8 134	7 124
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		6 692	6 692	6 692	6 692	6 692	6 692	6 692	6 692	6 692	6 692	6 692	6 692	80 307	84 379	89 431
Licences and permits		308	308	308	308	308	308	308	308	308	308	308	308	3 695	3 872	4 104
Agency services		774	774	774	774	774	774	774	774	774	774	774	774	9 291	9 755	10 340
Transfers and subsidies		52 008	52 008	53 703	52 008	52 008	53 703	52 008	52 008	53 703	52 008	52 008	57 677	634 851	587 858	534 438
Other revenue		15 136	15 136	15 136	15 136	15 136	18 136	15 136	15 136	15 136	15 136	15 136	18 136	187 629	217 114	234 869
Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		**200 513**	**200 513**	**202 207**	**200 513**	**200 513**	**205 207**	**200 513**	**200 513**	**202 207**	**200 513**	**200 513**	**209 182**	**2 422 904**	**2 515 258**	**2 600 313**
Expenditure By Type																
Employee related costs		50 031	50 031	50 031	50 031	50 031	50 031	50 031	50 031	50 031	50 031	50 031	75 173	625 517	657 011	692 045
Remuneration of councillors		2 095	2 095	2 095	2 095	2 095	2 095	2 095	2 095	2 095	2 095	2 095	2 095	25 140	26 397	27 981
Debt impairment		2 490	2 490	2 490	2 490	2 490	2 490	2 490	2 490	2 490	2 490	2 490	47 569	74 956	78 703	83 425
Depreciation & asset impairment		14 022	14 022	14 022	14 022	14 022	14 022	14 022	14 022	14 022	14 022	14 022	14 023	168 269	172 358	185 357
Finance charges		–	–	–	–	–	17 051	–	–	–	–	–	20 128	37 179	55 406	71 280
Bulk purchases		44 020	44 020	44 020	44 020	44 020	44 956	44 020	44 020	44 020	44 020	44 020	44 956	530 112	567 605	608 813
Other materials		5 635	5 635	5 840	5 635	5 635	5 840	5 635	5 635	5 840	5 635	5 635	5 878	68 482	72 395	76 529
Contracted services		50 737	50 737	51 512	50 737	50 912	52 509	50 737	50 737	51 512	50 737	50 737	56 346	617 949	616 372	600 760
Transfers and subsidies		7 509	7 509	7 509	7 509	7 509	7 509	7 509	7 509	7 509	7 509	7 509	7 689	90 286	54 955	45 456
Other expenditure		18 166	18 166	18 299	18 166	18 166	18 351	18 166	18 166	18 299	18 166	18 166	18 421	218 699	243 066	247 759
Losses		60	60	60	60	60	60	60	60	60	60	60	60	715	757	795
Total Expenditure		**194 765**	**194 765**	**195 878**	**194 765**	**194 940**	**214 914**	**194 765**	**194 765**	**195 878**	**194 765**	**194 765**	**292 337**	**2 457 303**	**2 545 025**	**2 640 201**
Surplus/(Deficit)		**5 747**	**5 747**	**6 329**	**5 747**	**5 572**	**(9 707)**	**5 747**	**5 747**	**6 329**	**5 747**	**5 747**	**(83 155)**	**(34 399)**	**(29 767)**	**(39 887)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		3 799	3 799	3 799	3 799	3 799	15 511	3 799	3 799	3 799	3 799	3 799	20 411	73 914	67 997	87 619
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**9 547**	**9 547**	**10 128**	**9 547**	**9 372**	**5 804**	**9 547**	**9 547**	**10 128**	**9 547**	**9 547**	**(62 744)**	**39 515**	**38 230**	**47 731**
Taxation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	**9 547**	**9 547**	**10 128**	**9 547**	**9 372**	**5 804**	**9 547**	**9 547**	**10 128**	**9 547**	**9 547**	**(62 744)**	**39 515**	**38 230**	**47 731**

Table 33 – SA26: Budgeted monthly revenue and expenditure by municipal vote

WC044 George - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote																
Vote 1 - Office of the Muncipal Manager		566	566	566	566	566	566	566	566	566	566	566	566	6 795	2 865	3 043
Vote 2 - Corporate Services		64	64	64	64	64	64	64	64	64	64	64	64	772	815	858
Vote 3 - Corporate Services (Continued)		165	165	327	165	165	327	165	165	327	165	165	327	2 630	2 157	2 248
Vote 4 - Community Services		835	835	1 979	835	835	1 979	835	835	1 979	835	835	1 979	14 600	15 328	16 106
Vote 5 - Community Services (Continued)		12 548	12 548	12 548	12 548	12 548	12 548	12 548	12 548	12 548	12 548	12 548	12 548	150 572	147 149	157 910
Vote 6 - Human Settlements		13 123	13 123	13 123	13 123	13 123	13 123	13 123	13 123	13 123	13 123	13 123	13 598	157 946	122 585	64 050
Vote 7 - Civil Engineering Services		31 851	31 851	31 851	31 851	31 851	31 851	31 851	31 851	31 851	31 851	31 851	34 651	385 015	421 323	447 398
Vote 8 - Electro-Technical Services		68 984	68 984	68 984	68 984	68 984	68 984	68 984	68 984	68 984	68 984	68 984	73 984	832 809	892 054	968 616
Vote 9 - Financial Services		30 556	30 556	30 757	30 556	30 556	30 757	30 556	30 556	30 757	30 556	30 556	30 757	367 476	390 021	414 582
Vote 10 - Financial Services (Continued)		345	345	532	345	345	532	345	345	532	345	345	532	4 892	4 894	4 942
Vote 11 - Planning and Development		1 173	1 173	1 173	1 173	1 173	4 173	1 173	1 173	1 173	1 173	1 173	4 173	20 078	21 431	22 753
Vote 12 - Protection Services		44 086	44 086	44 086	44 086	44 086	55 797	44 086	44 086	44 086	44 086	44 086	56 397	553 051	562 441	585 222
Vote 13 - Protection Services (Continued)		15	15	15	15	15	15	15	15	15	15	15	15	182	191	202
Total Revenue by Vote		**204 312**	**204 312**	**206 006**	**204 312**	**204 312**	**220 718**	**204 312**	**204 312**	**206 006**	**204 312**	**204 312**	**229 593**	**2 496 818**	**2 583 255**	**2 687 932**
Expenditure by Vote to be appropriated																
Vote 1 - Office of the Muncipal Manager		8 561	8 561	8 561	8 561	8 561	8 574	8 561	8 561	8 561	8 561	8 561	30 252	124 436	127 007	126 375
Vote 2 - Corporate Services		2 886	2 886	2 886	2 886	2 886	4 002	2 886	2 886	2 886	2 886	2 886	4 029	36 888	42 634	42 352
Vote 3 - Corporate Services (Continued)		3 058	3 058	3 221	3 058	3 058	3 221	3 058	3 058	3 221	3 058	3 058	3 430	37 558	39 649	42 470
Vote 4 - Community Services		5 589	5 589	5 832	5 589	5 589	5 952	5 589	5 589	5 832	5 589	5 589	6 440	68 767	77 095	83 931
Vote 5 - Community Services (Continued)		9 651	9 651	9 651	9 651	9 651	11 206	9 651	9 651	9 651	9 651	9 651	11 371	119 092	123 259	130 223
Vote 6 - Human Settlements		15 551	15 551	15 551	15 551	15 551	15 798	15 551	15 551	15 551	15 551	15 551	15 924	187 237	153 540	97 998
Vote 7 - Civil Engineering Services		28 740	28 740	28 740	28 740	28 740	35 777	28 740	28 740	28 740	28 740	28 740	40 381	363 554	382 401	436 160
Vote 8 - Electro-Technical Services		57 509	57 509	57 830	57 509	57 684	62 982	57 509	57 509	57 830	57 509	57 509	63 088	701 977	748 357	797 659
Vote 9 - Financial Services		5 909	5 909	5 909	5 909	5 909	8 815	5 909	5 909	5 909	5 909	5 909	13 191	81 100	105 210	125 473
Vote 10 - Financial Services (Continued)		4 064	4 064	4 439	4 064	4 064	4 441	4 064	4 064	4 439	4 064	4 064	4 553	50 379	50 681	56 199
Vote 11 - Planning and Development		4 030	4 030	4 041	4 030	4 030	4 167	4 030	4 030	4 041	4 030	4 030	4 380	48 866	50 196	53 963
Vote 12 - Protection Services		49 156	49 156	49 156	49 156	49 156	49 919	49 156	49 156	49 156	49 156	49 156	95 226	636 703	644 211	646 511
Vote 13 - Protection Services (Continued)		61	61	61	61	61	61	61	61	61	61	61	72	746	784	887
Total Expenditure by Vote		**194 765**	**194 765**	**195 878**	**194 765**	**194 940**	**214 914**	**194 765**	**194 765**	**195 878**	**194 765**	**194 765**	**292 337**	**2 457 303**	**2 545 025**	**2 640 201**
Surplus/(Deficit) before assoc.		**9 547**	**9 547**	**10 128**	**9 547**	**9 372**	**5 804**	**9 547**	**9 547**	**10 128**	**9 547**	**9 547**	**(62 744)**	**39 515**	**38 230**	**47 731**
Taxation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	**1**	**9 547**	**9 547**	**10 128**	**9 547**	**9 372**	**5 804**	**9 547**	**9 547**	**10 128**	**9 547**	**9 547**	**(62 744)**	**39 515**	**38 230**	**47 731**

Table 34 – SA27: Budgeted monthly revenue and expenditure by standard classification

WC044 George - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional																
Governance and administration		**32 219**	**32 219**	**32 769**	**32 219**	**32 219**	**35 769**	**32 219**	**32 219**	**32 769**	**32 219**	**32 219**	**35 869**	**394 923**	**413 515**	**439 038**
Executive and council		358	358	358	358	358	358	358	358	358	358	358	358	4 294	192	203
Finance and administration		31 861	31 861	32 411	31 861	31 861	35 411	31 861	31 861	32 411	31 861	31 861	35 511	390 629	413 323	438 835
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**21 861**	**21 861**	**23 005**	**21 861**	**21 861**	**23 005**	**21 861**	**21 861**	**23 005**	**21 861**	**21 861**	**23 480**	**267 387**	**223 687**	**171 077**
Community and social services		966	966	2 110	966	966	2 110	966	966	2 110	966	966	2 110	16 168	16 827	17 695
Sport and recreation		1 131	1 131	1 131	1 131	1 131	1 131	1 131	1 131	1 131	1 131	1 131	1 131	13 578	1 363	1 445
Public safety		6 524	6 524	6 524	6 524	6 524	6 524	6 524	6 524	6 524	6 524	6 524	6 524	78 293	81 440	86 327
Housing		13 232	13 232	13 232	13 232	13 232	13 232	13 232	13 232	13 232	13 232	13 232	13 707	159 264	123 969	65 517
Health		7	7	7	7	7	7	7	7	7	7	7	7	84	88	93
Economic and environmental services		**38 764**	**38 764**	**38 764**	**38 764**	**38 764**	**50 476**	**38 764**	**38 764**	**38 764**	**38 764**	**38 764**	**51 076**	**489 194**	**493 987**	**512 029**
Planning and development		928	928	928	928	928	928	928	928	928	928	928	928	11 134	12 335	12 471
Road transport		37 836	37 836	37 836	37 836	37 836	49 548	37 836	37 836	37 836	37 836	37 836	50 148	478 058	481 650	499 556
Environmental protection		0	0	0	0	0	0	0	0	0	0	0	0	2	2	2
Trading services		**111 463**	**111 463**	**111 463**	**111 463**	**111 463**	**111 463**	**111 463**	**111 463**	**111 463**	**111 463**	**111 463**	**119 162**	**1 345 250**	**1 451 995**	**1 565 714**
Energy sources		68 762	68 762	68 762	68 762	68 762	68 762	68 762	68 762	68 762	68 762	68 762	73 662	830 048	889 281	966 116
Water management		17 209	17 209	17 209	17 209	17 209	17 209	17 209	17 209	17 209	17 209	17 209	20 009	209 314	236 466	250 200
Waste water management		14 070	14 070	14 070	14 070	14 070	14 070	14 070	14 070	14 070	14 070	14 070	14 070	168 836	180 403	192 870
Waste management		11 421	11 421	11 421	11 421	11 421	11 421	11 421	11 421	11 421	11 421	11 421	11 421	137 052	145 845	156 528
Other		**5**	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**65**	**71**	**75**
Total Revenue - Functional		**204 312**	**204 312**	**206 006**	**204 312**	**204 312**	**220 718**	**204 312**	**204 312**	**206 006**	**204 312**	**204 312**	**229 593**	**2 496 818**	**2 583 255**	**2 687 932**

Table 34 – SA27: Budgeted monthly revenue and expenditure by standard classification (continue)

WC044 George - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Expenditure - Functional																
Governance and administration		**29 795**	**29 795**	**30 354**	**29 795**	**29 795**	**32 959**	**29 795**	**29 795**	**30 354**	**29 795**	**29 795**	**59 727**	**391 756**	**431 364**	**461 194**
Executive and council		5 221	5 221	5 221	5 221	5 221	5 228	5 221	5 221	5 221	5 221	5 221	26 896	84 329	85 513	81 874
Finance and administration		23 277	23 277	23 835	23 277	23 277	26 433	23 277	23 277	23 835	23 277	23 277	31 533	291 852	329 524	361 491
Internal audit		1 298	1 298	1 298	1 298	1 298	1 298	1 298	1 298	1 298	1 298	1 298	1 298	15 574	16 328	17 830
Community and public safety		**29 849**	**29 849**	**30 054**	**29 849**	**29 849**	**33 047**	**29 849**	**29 849**	**30 054**	**29 849**	**29 849**	**78 755**	**410 699**	**394 092**	**352 566**
Community and social services		4 878	4 878	4 878	4 878	4 878	5 994	4 878	4 878	4 878	4 878	4 878	6 333	61 107	69 370	75 696
Sport and recreation		2 666	2 666	2 871	2 666	2 666	3 710	2 666	2 666	2 871	2 666	2 666	3 773	34 553	33 141	35 358
Public safety		5 710	5 710	5 710	5 710	5 710	6 002	5 710	5 710	5 710	5 710	5 710	51 224	114 324	124 075	128 501
Housing		16 240	16 240	16 240	16 240	16 240	16 987	16 240	16 240	16 240	16 240	16 240	17 071	196 459	162 969	108 203
Health		355	355	355	355	355	355	355	355	355	355	355	354	4 255	4 537	4 809
Economic and environmental services		**43 456**	**43 456**	**43 504**	**43 456**	**43 456**	**43 948**	**43 456**	**43 456**	**43 504**	**43 456**	**43 456**	**48 102**	**526 707**	**517 182**	**516 814**
Planning and development		2 938	2 938	2 948	2 938	2 938	3 064	2 938	2 938	2 948	2 938	2 938	3 251	35 713	37 790	39 336
Road transport		40 314	40 314	40 314	40 314	40 314	40 640	40 314	40 314	40 314	40 314	40 314	44 591	488 368	476 822	474 739
Environmental protection		205	205	242	205	205	244	205	205	242	205	205	261	2 626	2 569	2 739
Trading services		**90 386**	**90 386**	**90 686**	**90 386**	**90 561**	**103 680**	**90 386**	**90 386**	**90 686**	**90 386**	**90 386**	**104 457**	**1 112 776**	**1 185 993**	**1 292 482**
Energy sources		55 451	55 451	55 751	55 451	55 626	60 881	55 451	55 451	55 751	55 451	55 451	60 820	676 983	721 792	769 907
Water management		10 595	10 595	10 595	10 595	10 595	14 845	10 595	10 595	10 595	10 595	10 595	15 044	135 840	135 564	171 884
Waste water management		16 070	16 070	16 070	16 070	16 070	18 848	16 070	16 070	16 070	16 070	16 070	19 318	198 867	220 742	237 066
Waste management		8 271	8 271	8 271	8 271	8 271	9 105	8 271	8 271	8 271	8 271	8 271	9 274	101 087	107 895	113 624
Other		**1 279**	**1 279**	**1 280**	**1 279**	**1 279**	**1 280**	1 279	1 279	1 280	1 279	1 279	1 296	15 366	16 394	17 145
Total Expenditure - Functional		**194 765**	**194 765**	**195 878**	**194 765**	**194 940**	**214 914**	**194 765**	**194 765**	**195 878**	**194 765**	**194 765**	**292 337**	**2 457 303**	**2 545 025**	**2 640 201**
Surplus/(Deficit) before assoc.		**9 547**	**9 547**	**10 128**	**9 547**	**9 372**	**5 804**	**9 547**	**9 547**	**10 128**	**9 547**	**9 547**	**(62 744)**	**39 515**	**38 230**	**47 731**
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	**1**	**9 547**	**9 547**	**10 128**	**9 547**	**9 372**	**5 804**	**9 547**	**9 547**	**10 128**	**9 547**	**9 547**	**(62 744)**	**39 515**	**38 230**	**47 731**

References

1. Surplus (Deficit) must reconcile with Budeted Financial Performance

Table 35 – SA28: Budgeted monthly capital expenditure (municipal vote)

WC044 George - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Multi-year expenditure ***to be appropriated***	1															
Vote 1 - Office of the Muncipal Manager		14	14	14	31	14	14	14	14	14	14	14	37	209	133	115
Vote 2 - Corporate Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 3 - Corporate Services (Continued)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 4 - Community Services		13	13	13	13	13	138	13	13	13	13	13	138	401	266	1 145
Vote 5 - Community Services (Continued)		186	186	186	186	186	186	186	186	186	186	186	186	2 235	3 850	150
Vote 6 - Human Settlements		87	87	87	87	87	87	87	87	87	87	87	88	1 050	1 950	950
Vote 7 - Civil Engineering Services		1 848	1 848	1 848	1 848	1 848	1 848	1 848	1 848	1 848	1 848	1 848	1 848	22 176	23 500	23 825
Vote 8 - Electro-Technical Services		1 867	1 867	2 999	1 867	1 867	4 009	1 867	1 867	2 999	1 867	1 867	4 359	29 301	21 727	13 495
Vote 9 - Financial Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - Financial Services (Continued)		42	42	42	42	42	42	42	42	42	42	42	42	500	250	250
Vote 11 - Planning and Development		41	41	41	41	41	41	41	41	41	41	41	491	945	1 360	2 060
Vote 12 - Protection Services		1 438	1 438	1 438	1 438	1 438	1 438	1 438	1 438	1 438	1 438	1 438	1 438	17 256	23 500	645
Vote 13 - Protection Services (Continued)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	2	**5 536**	**5 536**	**6 669**	**5 553**	**5 536**	**7 804**	**5 536**	**5 536**	**6 669**	**5 536**	**5 536**	**8 627**	**74 073**	**76 535**	**42 635**
Single-year expenditure ***to be appropriated***																
Vote 1 - Office of the Muncipal Manager		108	108	108	108	108	138	108	108	108	108	108	258	1 477	314	140
Vote 2 - Corporate Services		103	103	392	103	103	925	103	103	392	103	103	1 315	3 850	6 076	4 030
Vote 3 - Corporate Services (Continued)		41	41	43	41	41	54	41	41	43	41	41	424	892	720	295
Vote 4 - Community Services		334	334	650	334	334	1 033	334	334	650	334	334	1 053	6 058	2 865	5 001
Vote 5 - Community Services (Continued)		1 506	1 506	1 921	1 506	1 506	2 639	1 506	1 506	1 921	1 506	1 506	2 659	21 191	9 525	7 445
Vote 6 - Human Settlements		214	214	214	214	238	214	214	214	214	214	214	592	2 972	1 882	2 281
Vote 7 - Civil Engineering Services		17 638	17 638	17 638	17 638	17 638	17 638	17 638	17 638	17 638	17 638	17 638	18 488	212 503	177 205	213 883
Vote 8 - Electro-Technical Services		1 429	1 429	5 538	1 429	1 429	9 359	1 429	1 429	5 538	1 429	1 429	11 761	43 630	37 834	51 559
Vote 9 - Financial Services		–	–	14	–	–	14	–	–	14	–	–	1 173	1 214	–	200
Vote 10 - Financial Services (Continued)		133	133	133	133	208	133	133	158	133	133	133	158	1 722	2 100	500
Vote 11 - Planning and Development		161	161	161	161	161	161	161	161	161	161	161	272	2 047	1 148	522
Vote 12 - Protection Services		1 287	1 287	1 287	1 287	1 287	1 399	1 287	1 287	1 287	1 287	1 287	1 479	15 744	8 733	11 506
Vote 13 - Protection Services (Continued)		50	50	50	50	50	50	50	50	50	50	50	50	604	1 000	–
Capital single-year expenditure sub-total	2	**23 005**	**23 005**	**28 149**	**23 005**	**23 104**	**33 758**	**23 005**	**23 030**	**28 149**	**23 005**	**23 005**	**39 683**	**313 903**	**249 400**	**297 362**
Total Capital Expenditure	2	**28 541**	**28 541**	**34 818**	**28 558**	**28 640**	**41 561**	**28 541**	**28 566**	**34 818**	**28 541**	**28 541**	**48 310**	**387 975**	**325 936**	**339 997**

Table 36 – SA29: Budgeted monthly capital expenditure (standard classification)

WC044 George - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital Expenditure - Functional	1															
Governance and administration		**467**	**467**	**521**	**484**	**542**	**617**	**467**	**492**	**521**	**467**	**467**	**2 499**	**8 011**	**5 713**	**4 910**
Executive and council		81	81	81	81	81	81	81	81	81	81	81	81	978	–	–
Finance and administration		379	379	434	396	454	529	379	404	434	379	379	2 364	6 912	5 598	4 785
Internal audit		6	6	6	6	6	6	6	6	6	6	6	53	122	115	125
Community and public safety		**3 316**	**3 316**	**3 882**	**3 316**	**3 340**	**5 265**	**3 316**	**3 316**	**3 882**	**3 316**	**3 316**	**5 969**	**45 551**	**28 103**	**25 340**
Community and social services		554	554	1 047	554	554	1 626	554	554	1 047	554	554	2 202	10 357	9 757	7 894
Sport and recreation		1 510	1 510	1 583	1 510	1 510	2 274	1 510	1 510	1 583	1 510	1 510	2 294	19 811	4 211	6 169
Public safety		1 071	1 071	1 071	1 071	1 071	1 184	1 071	1 071	1 071	1 071	1 071	1 234	13 132	11 620	8 110
Housing		169	169	169	169	193	169	169	169	169	169	169	227	2 106	2 155	2 807
Health		12	12	12	12	12	12	12	12	12	12	12	12	145	360	360
Economic and environmental services		**3 950**	**3 950**	**3 950**	**3 950**	**3 950**	**4 205**	**3 950**	**3 950**	**3 950**	**3 950**	**3 950**	**5 155**	**48 858**	**49 638**	**21 375**
Planning and development		115	115	115	115	115	115	115	115	115	115	115	215	1 484	1 448	1 990
Road transport		3 821	3 821	3 821	3 821	3 821	3 821	3 821	3 821	3 821	3 821	3 821	4 671	46 704	48 190	19 385
Environmental protection		13	13	13	13	13	268	13	13	13	13	13	268	670	–	–
Trading services		**20 729**	**20 729**	**26 386**	**20 729**	**20 729**	**31 395**	**20 729**	**20 729**	**26 386**	**20 729**	**20 729**	**34 148**	**284 148**	**241 422**	**287 780**
Energy sources		3 296	3 296	8 537	3 296	3 296	13 368	3 296	3 296	8 537	3 296	3 296	16 120	72 931	59 560	65 054
Water management		8 552	8 552	8 552	8 552	8 552	8 552	8 552	8 552	8 552	8 552	8 552	8 552	102 626	127 785	159 578
Waste water management		8 598	8 598	8 598	8 598	8 598	8 598	8 598	8 598	8 598	8 598	8 598	8 598	103 174	44 370	58 600
Waste management		283	283	698	283	283	877	283	283	698	283	283	877	5 418	9 708	4 548
Other		79	79	79	79	79	79	79	79	79	79	79	539	1 408	1 060	592
Total Capital Expenditure - Functional	2	**28 541**	**28 541**	**34 818**	**28 558**	**28 640**	**41 561**	**28 541**	**28 566**	**34 818**	**28 541**	**28 541**	**48 310**	**387 975**	**325 936**	**339 997**
Funded by:																
National Government		4 695	4 695	7 332	4 695	4 695	7 332	4 695	4 695	7 332	4 695	4 695	**7 332**	**66 892**	**66 313**	**49 359**
Provincial Government		61	61	61	61	61	61	61	61	61	61	61	61	732	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other transfers and grants		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital		**4 756**	**4 756**	**7 393**	**4 756**	**4 756**	**7 393**	**4 756**	**4 756**	**7 393**	**4 756**	**4 756**	**7 393**	**67 624**	**66 313**	**49 359**
Public contributions & donations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing		19 009	19 009	21 129	19 009	19 009	22 917	19 009	19 009	21 129	19 009	19 009	27 192	244 441	198 589	218 522
Internally generated funds		4 775	4 775	6 296	4 792	4 874	11 251	4 775	4 800	6 296	4 775	4 775	13 724	75 910	61 034	72 116
Total Capital Funding		**28 541**	**28 541**	**34 818**	**28 558**	**28 640**	**41 561**	**28 541**	**28 566**	**34 818**	**28 541**	28 541	48 310	387 975	325 936	339 997

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates

2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

Table 37 – SA30: Budgeted monthly cash flow

WC044 George - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Cash Receipts By Source													1		
Property rates	48 855	48 855	49 321	48 855	48 855	56 372	48 855	48 855	49 321	48 855	48 855	84 295	630 148	678 257	736 920
Service charges - electricity revenue	54 298	54 298	54 608	54 298	54 473	59 739	54 298	54 298	54 608	54 298	54 298	59 645	663 159	708 402	756 766
Service charges - water revenue	7 329	7 329	7 329	7 329	7 329	11 579	7 329	7 329	7 329	7 329	7 329	11 709	96 578	99 986	103 125
Service charges - sanitation revenue	6 287	6 287	6 287	6 287	6 287	8 240	6 287	6 287	6 287	6 287	6 287	8 405	79 512	83 136	90 287
Service charges - refuse revenue	7 249	7 249	7 249	7 249	7 249	7 579	7 249	7 249	7 249	7 249	7 249	7 734	87 800	97 017	102 906
Service charges - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned - external investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned - outstanding debtors	235	235	235	235	235	235	235	235	235	235	235	235	2 820	2 989	3 169
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Licences and permits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Agency services	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and Subsidies - Operational	40 824	40 824	41 160	40 824	40 824	41 481	40 824	40 824	41 160	40 824	40 824	45 546	495 938	438 492	376 667
Other revenue	12 334	12 334	12 334	12 334	12 334	12 334	12 334	12 334	12 334	12 334	12 334	12 334	148 009	175 426	190 784
Cash Receipts by Source	**177 410**	**177 410**	**178 523**	**177 410**	**177 585**	**197 559**	**177 410**	**177 410**	**178 523**	**177 410**	**177 410**	**229 902**	**2 203 964**	**2 283 706**	**2 360 623**
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on Disposal of Fixed and Intangible Assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–	–	(160 000)	(160 000)	(194 000)	(150 000)
Increase (decrease) in consumer deposits	(783)	(783)	(783)	(783)	(783)	(783)	(783)	(783)	(783)	(783)	(783)	(783)	(9 400)	(9 500)	(10 000)
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source	**176 627**	**176 627**	**177 739**	**176 627**	**176 802**	**196 776**	**176 627**	**176 627**	**177 739**	**176 627**	**176 627**	**69 119**	**2 034 564**	**2 080 206**	**2 200 623**

Table 37 – SA30: Budgeted monthly cash flow (continues)

WC044 George - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Cash Payments by Type															
Employee related costs	50 031	50 031	50 031	50 031	50 031	50 031	50 031	50 031	50 031	50 031	50 031	75 173	625 517	657 011	692 045
Remuneration of councillors	2 095	2 095	2 095	2 095	2 095	2 095	2 095	2 095	2 095	2 095	2 095	2 095	25 140	26 397	27 981
Finance charges	–	–	–	–	–	17 051	–	–	–	–	–	20 128	37 179	55 406	71 280
Bulk purchases - Electricity	44 020	44 020	44 020	44 020	44 020	44 020	44 020	44 020	44 020	44 020	44 020	44 020	528 240	565 620	606 709
Bulk purchases - Water & Sewer	–	–	–	–	–	936	–	–	–	–	–	936	1 872	1 985	2 104
Other materials	5 635	5 635	5 840	5 635	5 635	5 840	5 635	5 635	5 840	5 635	5 635	5 878	68 482	72 395	76 529
Contracted services	50 737	50 737	51 512	50 737	50 912	52 509	50 737	50 737	51 512	50 737	50 737	56 346	617 949	616 372	600 760
Transfers and grants - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and grants - other	7 509	7 509	7 509	7 509	7 509	7 509	7 509	7 509	7 509	7 509	7 509	7 689	90 286	54 955	45 456
Other expenditure	18 166	18 166	18 299	18 166	18 166	18 351	18 166	18 166	18 299	18 166	18 166	18 421	218 699	243 066	247 759
Cash Payments by Type	**178 194**	**178 194**	**179 306**	**178 194**	**178 369**	**198 342**	**178 194**	**178 194**	**179 306**	**178 194**	**178 194**	**230 686**	**2 213 364**	**2 293 206**	**2 370 623**
Other Cash Flows/Payments by Type															
Capital assets	28 541	28 541	34 818	28 558	28 640	41 561	28 541	28 566	34 818	28 541	28 541	48 310	387 975	325 936	339 997
Repayment of borrowing	–	–	–	–	–	–	–	–	–	–	–	(520 086)	(520 086)	(675 429)	(787 096)
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	**206 735**	**206 735**	**214 124**	**206 752**	**207 009**	**239 904**	**206 735**	**206 760**	**214 124**	**206 735**	**206 735**	**(241 091)**	**2 081 253**	**1 943 713**	**1 923 524**
NET INCREASE/(DECREASE) IN CASH HELD	**(30 108)**	**(30 108)**	**(36 385)**	**(30 125)**	**(30 207)**	**(43 128)**	**(30 108)**	**(30 133)**	**(36 385)**	**(30 108)**	**(30 108)**	**310 210**	**(46 689)**	**136 494**	**277 099**
Cash/cash equivalents at the month/year begin:	270 553	240 446	210 338	173 953	143 829	113 622	70 494	40 387	10 254	(26 131)	(56 238)	(86 346)	270 553	223 864	360 358
Cash/cash equivalents at the month/year end:	240 446	210 338	173 953	143 829	113 622	70 494	40 387	10 254	(26 131)	(56 238)	(86 346)	223 864	223 864	360 358	637 457

References

1. Note that this section of Table SA 30 is deliberately not linked to Table A4 because timing differences between the invoicing of clients and receiving the cash means that the cashflow will differ from budgeted revenue, and similarly for budgeted expenditure. However for the MTREF it is

2.8.6 Contracts having future budgetary implications

Table 38 – SA33: Contracts having future budgetary implications

WC044 George - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework			Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Total Contract Value
R thousand	1,3	Total	Original Budget	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality:														
Revenue Obligation By Contract	2													
Contract 1		–	–	–	–	–	–	–	–	–	–	–	–	–
Total Operating Revenue Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Expenditure Obligation By Contract	2													
CDV Properties Valuers		–	500	500	100	–	–	–	–	–	–	–	–	1 100
Reddy Fuels - Diesel		–	8 000	8 500	9 000	–	–	–	–	–	–	–	–	25 500
The Business Zone 1891 - Petrol		–	1 550	1 650	1 800	–	–	–	–	–	–	–	–	5 000
Total Operating Expenditure Implication		–	10 050	10 650	10 900	–	–	–	–	–	–	–	–	31 600
Capital Expenditure Obligation By Contract	2													
Contract 1														–
Total Capital Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Total Parent Expenditure Implication		**–**	**10 050**	**10 650**	**10 900**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	31 600
Entities:														
Revenue Obligation By Contract	2													
Contract 1														–
Contract 2														–
Total Operating Revenue Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Expenditure Obligation By Contract	2													
Contract 1														–
Contract 2														–
Total Operating Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Capital Expenditure Obligation By Contract	2													
Contract 1														–
Contract 2														–
Total Capital Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Total Entity Expenditure Implication		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	–

References

1. Total implication for all preceding years to be summed and total stated in 'Preceding Years' column

2. List all contracts with future financial obligations beyond the three years covered by the MTREF (MFMA s33)

3. For municipalities with approved total revenue not exceeding R250 m - all contracts with an annual cost greater than R500 000. For municipalities with approved total revenue greater than R250 m - all contracts with an annual cost greater than R1million. For municipalities with approved total revenue greater than R500 m - all contracts with an annual cost greater than R5 million

2.8.7 Capital expenditure details

The following three tables present details of the Municipality's capital expenditure programme.

Table 39 – SA34a: Capital Expenditure on new assets by asset class

WC044 George - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		**140 891**	**114 129**	**82 304**	**135 027**	**84 572**	**84 572**	**170 890**	**179 970**	**230 613**
Roads Infrastructure		78 463	38 432	13 572	17 456	16 269	16 269	3 982	4 050	1 500
Roads		43 643	38 432	7 813	10 359	10 558	10 558	3 961	3 550	1 500
Road Structures		19 112	–	–	868	368	368	–	–	–
Road Furniture		15 708	–	5 759	6 229	5 343	5 343	21	500	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		3 930	118	225	400	400	400	500	500	500
Drainage Collection		3 930	–	–	–	–	–	500	500	500
Storm water Conveyance		–	118	225	400	400	400	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		8 153	23 132	41 032	57 761	29 297	29 297	62 826	51 145	55 579
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	2 350	1 100	1 100	1 874	3 474	29 600
HV Switching Station		2 348	1 717	2 067	2 000	1 600	1 600	5 074	10 354	3 100
HV Transmission Conductors		1 364	–	–	400	736	736	150	25	25
MV Substations		–	2 242	5 220	27 798	1 472	1 472	22 500	20 552	300
MV Switching Stations		1 403	808	2 131	1 500	1 650	1 650	1 000	1 500	1 500
MV Networks		1 657	3 511	3 682	900	1 132	1 132	100	–	–
LV Networks		1 381	14 854	27 932	22 812	21 607	21 607	32 127	15 240	21 054
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		28 560	21 230	7 974	44 155	21 232	21 232	81 268	107 415	139 593
Dams and Weirs		–	–	86	–	1 400	1 400	–	1 500	–
Boreholes		–	–	–	1 200	–	–	–	–	–
Reservoirs		20 880	19 191	3 657	800	600	600	2 700	19 500	54 335
Pump Stations		3 441	45	–	90	90	90	–	200	200
Water Treatment Works		–	–	1 799	38 911	12 847	12 847	77 742	85 532	79 128
Bulk Mains		99	–	–	–	–	–	–	–	–
Distribution		4 140	1 994	2 001	2 580	5 665	5 665	825	682	5 930
Distribution Points		–	–	431	575	630	630	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		21 261	20 700	8 855	12 560	10 483	10 483	15 983	9 340	30 650
Pump Station		–	–	3 521	1 680	1 470	1 470	–	2 390	6 000
Reticulation		1 438	–	4 725	4 946	7 269	7 269	3 723	4 700	22 700
Waste Water Treatment Works		16 823	20 700	610	5 934	1 694	1 694	11 510	1 000	1 000
Outfall Sewers		3 000	–	–	–	50	50	–	–	–
Toilet Facilities		–	–	–	–	–	–	750	1 250	950
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		522	213	9 475	1 500	5 546	5 546	2 400	3 800	1 000
Landfill Sites		–	–	–	–	–	–	–	–	–
Waste Transfer Stations		522	–	7 383	500	3 746	3 746	2 400	2 800	–
Waste Processing Facilities		–	213	2 092	1 000	1 800	1 800	–	1 000	1 000
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	10 303	1 170	1 195	1 345	1 345	3 933	3 720	1 790
Data Centres		–	–	–	150	220	220	2 597	2 500	500
Core Layers		–	10 303	1 170	1 045	1 125	1 125	1 336	1 220	1 290
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–

Table39 – SA34a: Capital Expenditure on new assets by asset class (continues)

WC044 George - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on new assets by Asset Class/Sub-class										
Community Assets		**19 086**	**3 879**	**4 950**	**5 889**	**8 950**	**8 950**	**20 588**	**5 779**	**5 915**
Community Facilities		16 225	75	2 263	3 745	2 862	2 862	4 420	4 639	4 175
Halls		53	–	508	933	1 387	1 387	530	1 475	1 155
Centres		–	–	65	48	33	33	90	20	20
Crèches		–	–	1 250	700	556	556	1 650	1 200	1 150
Clinics/Care Centres		5	–	–	400	400	400	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	1 000
Testing Stations		–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		–	75	–	50	50	50	–	–	–
Cemeteries/Crematoria		260	–	440	791	137	137	1 850	1 644	550
Police		–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–
Public Open Space		–	–	–	300	300	300	–	–	–
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		227	–	–	–	–	–	–	–	–
Markets		–	–	–	500	–	–	300	300	300
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		15 625	–	–	–	–	–	–	–	–
Capital Spares		56	–	–	23	–	–	–	–	–
Sport and Recreation Facilities		2 861	3 804	2 687	2 144	6 088	6 088	16 168	1 140	1 740
Indoor Facilities		–	–	–	750	750	750	–	200	200
Outdoor Facilities		2 861	3 804	2 687	1 394	5 338	5 338	16 168	940	1 540
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–
Investment properties		**44**	**1 131**	**–**	**300**	**–**	**–**	**300**	**250**	**500**
Revenue Generating		–	–	–	300	–	–	300	250	500
Improved Property		–	–	–	–	–	–	–	250	500
Unimproved Property		–	–	–	300	–	–	300	–	–
Non-revenue Generating		44	1 131	–	–	–	–	–	–	–
Improved Property		44	–	–	–	–	–	–	–	–
Unimproved Property		–	1 131	–	–	–	–	–	–	–
Other assets		**12 210**	**1 152**	**4 685**	**6 387**	**6 713**	**6 713**	**8 107**	**4 837**	**2 300**
Operational Buildings		12 210	1 152	4 685	6 387	6 713	6 713	8 107	4 587	1 800
Municipal Offices		12 112	–	4 389	5 068	5 193	5 193	7 792	4 377	1 790
Pay/Enquiry Points		–	–	–	200	100	100	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	50	–
Stores		97	–	128	–	–	–	150	150	–
Laboratories		–	–	19	9	9	9	–	–	–
Training Centres		–	1 152	149	10	10	10	10	10	10
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	1 100	1 401	1 401	155	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	250	500
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	250	500
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		295	983	1 328	550	150	150	1 150	150	130
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		295	983	1 328	550	150	150	1 150	150	130
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		295	983	1 328	550	150	150	1 150	150	130
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–

Table 39 – SA34a: Capital Expenditure on new assets by asset class (continues)

WC044 George - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on new assets by Asset Class/Sub-class										
Computer Equipment		1 221	3 238	6 512	1 831	2 396	2 396	3 872	2 372	2 171
Computer Equipment		1 221	3 238	6 512	1 831	2 396	2 396	3 872	2 372	2 171
Furniture and Office Equipment		1 978	2 409	1 822	2 922	2 448	2 448	2 164	1 840	1 534
Furniture and Office Equipment		1 978	2 409	1 822	2 922	2 448	2 448	2 164	1 840	1 534
Machinery and Equipment		20 023	22 095	9 807	11 679	15 032	15 032	14 565	11 467	8 504
Machinery and Equipment		20 023	22 095	9 807	11 679	15 032	15 032	14 565	11 467	8 504
Transport Assets		8 171	1 802	9 921	25 587	27 589	27 589	24 556	33 040	11 375
Transport Assets		8 171	1 802	9 921	25 587	27 589	27 589	24 556	33 040	11 375
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on new assets	1	**203 919**	**150 818**	**121 330**	**190 171**	**147 850**	**147 850**	**246 191**	**239 704**	**263 041**

References

1. Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on renewal of existing assets (SA34b) plus Total Capital Expenditure on upgrading of existing assets (SA34e) must reconcile to total capital expenditure in Budgeted Capital Expenditure

Table 40 – SA34b: Capital Expenditure – renewal of assets by asset class

WC044 George - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		**5 777**	**110 822**	**66 326**	**40 361**	**62 858**	**62 858**	**26 261**	**21 610**	**16 520**
Roads Infrastructure		456	71 132	57 627	20 751	56 370	56 370	15 611	13 110	9 000
Roads		456	71 132	57 627	20 751	56 370	56 370	15 611	13 110	9 000
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		4 215	6 393	2 631	2 000	3 678	3 678	1 400	1 050	50
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	1 766	232	1 400	2 968	2 968	1 300	500	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		2 800	–	–	–	–	–	–	–	–
MV Networks		1 415	3 681	692	100	100	100	50	500	–
LV Networks		–	946	1 708	500	610	610	50	50	50
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	5 444	5 828	6 280	2 610	2 610	6 250	2 700	2 700
Dams and Weirs		–	747	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–
Reservoirs		–	1 890	–	–	–	–	–	–	–
Pump Stations		–	153	45	580	730	730	250	200	200
Water Treatment Works		–	–	499	3 700	–	–	–	–	–
Bulk Mains		–	–	–	–	–	–	–	–	–
Distribution		–	2 654	5 284	2 000	1 880	1 880	6 000	2 500	2 500
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		1 106	25 566	240	9 330	200	200	3 000	4 750	4 770
Pump Station		–	–	–	–	–	–	–	–	–
Reticulation		1 103	–	–	280	–	–	2 780	4 500	4 500
Waste Water Treatment Works		4	25 566	240	9 050	200	200	220	250	270
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	2 286	–	2 000	–	–	–	–	–
Landfill Sites		–	–	–	2 000	–	–	–	–	–
Waste Transfer Stations		–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	2 286	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–

Table 40 – SA34b: Capital Expenditure – renewal of assets by asset class (continues)

WC044 George - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Community Assets		**120**	**6 470**	**754**	**1 458**	**1 226**	**1 226**	**2 000**	**1 650**	**–**
Community Facilities		120	961	754	1 458	1 226	1 226	2 000	1 650	–
Halls		120	–	29	1 378	1 156	1 156	2 000	1 650	–
Centres		–	–	725	–	–	–	–	–	–
Crèches		–	–	–	80	70	70	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		–	961	–	–	–	–	–	–	–
Cemeteries/Crematoria		–	–	–	–	–	–	–	–	–
Police		–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–
Public Open Space		–	–	–	–	–	–	–	–	–
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	5 509	–	–	–	–	–	–	–
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		–	5 509	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		**–**	**1 022**	**69**	**85**	**25**	**25**	**100**	**–**	**150**
Operational Buildings		–	1 022	69	85	25	25	100	–	150
Municipal Offices		–	–	–	60	–	–	100	–	150
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	1 022	69	25	25	25	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–

Table 40 – SA34b: Capital Expenditure – renewal of assets by asset class (continues)

WC044 George - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Computer Equipment		–	–	–	–	–	–	50	50	50
Computer Equipment		–	–	–	–	–	–	50	50	50
Furniture and Office Equipment		–	–	–	–	–	–	–	–	75
Furniture and Office Equipment		–	–	–	–	–	–	–	–	75
Machinery and Equipment		3 482	–	–	–	–	–	–	–	–
Machinery and Equipment		3 482	–	–	–	–	–	–	–	–
Transport Assets		239	–	–	–	–	–	–	–	–
Transport Assets		239	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on renewal of existing assets	1	**9 618**	**118 314**	**67 149**	**41 904**	**64 109**	**64 109**	**28 411**	**23 310**	**16 795**
Renewal of Existing Assets as % of total capex		*0.0%*	*44.0%*	*27.6%*	*12.2%*	*22.0%*	*22.0%*	*7.3%*	*7.2%*	*4.9%*
Renewal of Existing Assets as % of deprecn"		*6.2%*	*73.2%*	*47.0%*	*25.7%*	*39.4%*	*39.4%*	*16.9%*	*13.5%*	*9.1%*

References

1. Total Capital Expenditure on renewal of existing assets (SA34b) plus Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on upgrading of existing assets (SA34e) must reconcile to total capital expenditure in Budgeted Capital Expenditure

Table 41 – SA34c: Repairs and maintenance expenditure by asset class

WC044 George - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		**53 923**	**56 217**	**42 027**	**47 519**	**67 947**	**67 947**	**61 688**	**64 907**	**74 746**
Roads Infrastructure		18 915	28 674	15 443	18 557	34 054	34 054	20 584	19 170	28 356
Roads		18 915	27 599	13 820	16 668	31 465	31 465	18 846	17 329	26 405
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	1 075	1 623	1 889	2 589	2 589	1 738	1 841	1 951
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	3 500	5 342	4 280	4 398	4 398	4 079	4 323	4 582
Drainage Collection		–	3 500	5 342	4 280	4 398	4 398	4 079	4 323	4 582
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	5 951	6 369	7 275	9 135	9 135	10 001	11 869	14 754
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	1 176	1 664	1 715	3 555	3 555	2 931	3 107	3 294
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		–	271	319	376	226	226	240	254	270
LV Networks		–	4 504	4 386	5 184	5 354	5 354	6 830	8 508	11 190
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		9 555	11 300	9 315	9 725	11 592	11 592	15 694	17 565	14 354
Dams and Weirs		–	–	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–
Water Treatment Works		–	2 328	3 167	3 373	3 840	3 840	3 982	4 222	4 476
Bulk Mains		–	8 972	6 147	6 351	7 751	7 751	11 712	13 343	9 878
Distribution		9 555	–	–	–	–	–	–	–	–
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		22 363	6 504	5 415	7 433	8 518	8 518	10 831	11 480	12 170
Pump Station		–	264	437	506	606	606	881	934	990
Reticulation		16 873	2 206	1 576	2 598	2 498	2 498	4 132	4 380	4 643
Waste Water Treatment Works		5 490	4 035	3 402	4 329	5 415	5 415	5 818	6 166	6 537
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		3 091	–	144	250	250	250	500	500	530
Landfill Sites		–	–	144	250	250	250	500	500	530
Waste Transfer Stations		3 091	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	289	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	289	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–

Table 41 – SA34c: Repairs and maintenance expenditure by asset class (continue)

WC044 George - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Repairs and maintenance expenditure by Asset Class/Sub-class										
Community Assets		**9 427**	**56**	**30**	**7 053**	**6 904**	**6 904**	**7 744**	**8 249**	**8 956**
Community Facilities		7 295	–	–	5 118	5 035	5 035	5 693	6 074	6 651
Halls		1 604	–	–	1 224	828	828	1 134	1 242	1 528
Centres		563	–	–	–	–	–	–	–	–
Crèches		–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		151	–	–	105	109	109	113	120	127
Cemeteries/Crematoria		641	–	–	236	216	216	255	271	287
Police		–	–	–	–	–	–	–	–	–
Parks		3 643	–	–	467	246	246	496	525	557
Public Open Space		693	–	–	3 086	3 636	3 636	3 695	3 917	4 152
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		2 133	56	30	1 934	1 869	1 869	2 052	2 175	2 305
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		2 133	56	30	1 934	1 869	1 869	2 052	2 175	2 305
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–
Investment properties		**1 081**	**–**	**–**	**300**	**200**	**200**	**318**	**337**	**357**
Revenue Generating		1 081	–	–	300	200	200	318	337	357
Improved Property		585	–	–	300	200	200	318	337	357
Unimproved Property		496	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		**861**	**688**	**1 037**	**1 428**	**1 547**	**1 547**	**1 302**	**1 378**	**1 537**
Operational Buildings		861	688	1 037	1 428	1 547	1 547	1 302	1 378	1 537
Municipal Offices		861	688	1 037	1 428	1 547	1 547	1 302	1 378	1 537
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–

Table 41 – SA34c: Repairs and maintenance expenditure by asset class (continue)

WC044 George - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Repairs and maintenance expenditure by Asset Class/Sub-class										
Computer Equipment		1 103	–	–	–	–	–	–	–	–
Computer Equipment		1 103	–	–	–	–	–	–	–	–
Furniture and Office Equipment		222	1	1	8	8	8	9	9	10
Furniture and Office Equipment		222	1	1	8	8	8	9	9	10
Machinery and Equipment		3 144	1 921	3 261	2 806	2 716	2 716	2 906	3 081	2 544
Machinery and Equipment		3 144	1 921	3 261	2 806	2 716	2 716	2 906	3 081	2 544
Transport Assets		21 954	7 444	1 237	1 544	1 544	1 544	1 648	1 746	1 851
Transport Assets		21 954	7 444	1 237	1 544	1 544	1 544	1 648	1 746	1 851
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Repairs and Maintenance Expenditure	1	**91 716**	**66 327**	**47 594**	**60 658**	**80 865**	**80 865**	**75 616**	**79 708**	**90 000**
R&M as a % of PPE		*3.3%*	*2.3%*	*1.6%*	*2.1%*	*2.6%*	*2.6%*	*-241.9%*	*2.4%*	*2.6%*
R&M as % Operating Expenditure		*5.7%*	*3.7%*	*2.5%*	*2.7%*	*3.5%*	*3.5%*	*5.1%*	*3.2%*	*3.5%*

References

1. Total Repairs and Maintenance Expenditure by Asset Category must reconcile to total repairs and maintenance expenditure on Table SA1

Table 42 – SA34d: Depreciation by asset class

WC044 George - Supporting Table SA34d Depreciation by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Depreciation by Asset Class/Sub-class										
Infrastructure		**115 965**	**121 485**	**103 454**	**121 437**	**121 437**	**121 437**	**117 117**	**118 012**	**148 824**
Roads Infrastructure		53 408	47 520	36 600	51 119	51 119	51 119	41 535	48 318	34 856
Roads		53 408	47 520	29 149	43 599	43 599	43 599	32 913	31 932	27 754
Road Structures		–	–	227	232	232	232	227	235	131
Road Furniture		–	–	7 223	7 288	7 288	7 288	8 395	16 151	6 971
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	7 909	6 155	6 676	6 676	6 676	7 250	12 304	15 412
Drainage Collection		–	–	5 090	5 654	5 654	5 654	6 157	12 158	15 199
Storm water Conveyance		–	7 909	1 065	1 022	1 022	1 022	1 093	145	213
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		19 927	22 947	18 115	21 475	21 475	21 475	21 813	18 916	21 020
Power Plants		–	–	2	1	1	1	2	0	1
HV Substations		–	–	902	3 550	3 550	3 550	911	486	5 511
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		18 778	22 947	3 660	3 674	3 674	3 674	3 686	2 640	2 736
MV Switching Stations		–	–	1 414	1 425	1 425	1 425	1 582	969	1 417
MV Networks		–	–	345	346	346	346	345	180	21
LV Networks		1 149	–	11 791	12 479	12 479	12 479	14 819	13 597	11 117
Capital Spares		–	–	–	–	–	–	469	1 044	217
Water Supply Infrastructure		23 525	23 654	24 504	23 320	23 320	23 320	25 058	21 924	53 501
Dams and Weirs		–	–	123	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–
Reservoirs		–	–	1 656	977	977	977	4 836	2 166	6 174
Pump Stations		–	23 654	3 190	5 075	5 075	5 075	3 258	1 247	727
Water Treatment Works		–	–	4 703	–	–	–	–	–	–
Bulk Mains		–	–	533	540	540	540	533	725	12 170
Distribution		23 525	–	13 916	16 320	16 320	16 320	16 047	16 946	33 159
Distribution Points		–	–	384	407	407	407	383	840	1 270
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		17 456	16 450	16 043	16 431	16 431	16 431	19 361	15 972	24 001
Pump Station		45	–	1 834	1 030	1 030	1 030	4 314	3 748	4 247
Reticulation		16 063	16 450	10 275	11 138	11 138	11 138	10 501	10 584	12 019
Waste Water Treatment Works		1 227	–	3 870	4 188	4 188	4 188	4 482	1 639	7 735
Outfall Sewers		122	–	64	75	75	75	64	1	0
Toilet Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		1 648	2 883	2 036	2 417	2 417	2 417	2 100	578	35
Landfill Sites		–	–	1 769	2 083	2 083	2 083	1 767	245	35
Waste Transfer Stations		1 648	2 883	267	334	334	334	333	333	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	122	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	122	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–

Table 42 – SA34d: Depreciation by asset class (continue)

WC044 George - Supporting Table SA34d Depreciation by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Depreciation by Asset Class/Sub-class										
Community Assets		**6 589**	**8 977**	**7 276**	**7 398**	**7 398**	**7 398**	**8 878**	**5 144**	**5 988**
Community Facilities		3 794	8 977	2 387	1 792	1 792	1 792	2 395	1 634	1 207
Halls		745	8 919	784	777	777	777	1 096	599	575
Centres		1 073	–	89	89	89	89	95	137	56
Crèches		–	–	307	–	–	–	–	–	–
Clinics/Care Centres		90	–	129	425	425	425	129	56	47
Fire/Ambulance Stations		480	–	50	50	50	50	61	51	2
Testing Stations		–	–	186	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		57	58	61	72	72	72	78	27	36
Cemeteries/Crematoria		–	–	2	2	2	2	6	10	12
Police		–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–
Public Open Space		55	–	88	90	90	90	206	564	70
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	127	128	128	128	162	178	405
Markets		2	–	2	2	2	2	2	1	0
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		1 294	–	560	156	156	156	560	10	3
Capital Spares		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		2 794	–	4 890	5 606	5 606	5 606	6 483	3 510	4 781
Indoor Facilities		–	–	128	128	128	128	128	27	718
Outdoor Facilities		2 794	–	4 762	5 478	5 478	5 478	6 355	3 483	4 064
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–
Investment properties		**162**	**162**	**169**	**170**	**170**	**170**	**169**	**65**	**20**
Revenue Generating		162	162	169	170	170	170	169	65	20
Improved Property		162	162	169	170	170	170	169	65	20
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		**4 398**	**2 672**	**3 908**	**5 019**	**5 019**	**5 019**	**4 442**	**1 954**	**4 207**
Operational Buildings		4 398	2 672	2 659	2 841	2 841	2 841	3 045	1 689	3 828
Municipal Offices		4 398	2 672	2 631	2 816	2 816	2 816	3 018	1 474	3 699
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	25	22	22	22	25	194	62
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	1	1	1	1	1	–	–
Training Centres		–	–	0	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	2	2	2	2	1	20	68
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	–	1 249	2 178	2 178	2 178	1 397	265	379
Staff Housing		–	–	15	23	23	23	15	15	7
Social Housing		–	–	1 234	2 156	2 156	2 156	1 383	250	372
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		518	3	2	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		518	3	2	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		518	3	2	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–

Table 42 – SA34d: Depreciation by asset class (continue)

WC044 George - Supporting Table SA34d Depreciation by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Depreciation by Asset Class/Sub-class										
Computer Equipment		572	2 957	2 499	2 585	2 585	2 585	3 919	8 000	3 983
Computer Equipment		572	2 957	2 499	2 585	2 585	2 585	3 919	8 000	3 983
Furniture and Office Equipment		2 803	1 053	1 717	1 932	1 932	1 932	4 290	14 399	11 418
Furniture and Office Equipment		2 803	1 053	1 717	1 932	1 932	1 932	4 290	14 399	11 418
Machinery and Equipment		6 825	6 799	4 644	5 040	5 040	5 040	8 501	21 286	7 146
Machinery and Equipment		6 825	6 799	4 644	5 040	5 040	5 040	8 501	21 286	7 146
Transport Assets		17 644	17 429	19 230	19 237	19 237	19 237	20 953	3 499	3 771
Transport Assets		17 644	17 429	19 230	19 237	19 237	19 237	20 953	3 499	3 771
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Depreciation	1	**155 475**	**161 537**	**142 900**	**162 817**	**162 817**	**162 817**	**168 269**	**172 358**	**185 357**

References

1. Depreciation based on write down values. Not including Depreciation resulting from revaluation.

Table 43 – SA34e: Capital Expenditure on the upgrading of existing assets by asset class

WC044 George - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		**–**	**–**	**51 421**	**101 498**	**73 989**	**73 989**	**106 410**	**54 700**	**53 885**
Roads Infrastructure		–	–	7 606	14 500	9 805	9 805	8 000	9 000	9 300
Roads		–	–	7 606	14 500	9 805	9 805	8 000	9 000	9 300
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	2 231	3 200	17 056	17 056	3 000	3 000	3 000
Drainage Collection		–	–	1 831	2 700	16 056	16 056	3 000	3 000	3 000
Storm water Conveyance		–	–	400	500	1 000	1 000	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	3 371	3 600	3 520	3 520	2 220	2 250	4 900
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	100	100	1 400
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	5	–	–	–	250	500	2 000
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		–	–	3 366	3 600	3 520	3 520	1 870	1 650	1 500
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	3 368	26 299	19 314	19 314	13 555	13 350	15 985
Dams and Weirs		–	–	2 687	20 669	16 169	16 169	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	1 080	300	300	2 500	5 250	8 985
Water Treatment Works		–	–	681	1 550	45	45	7 055	5 100	5 500
Bulk Mains		–	–	–	–	–	–	–	–	–
Distribution		–	–	–	3 000	2 800	2 800	4 000	3 000	1 500
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	34 845	53 300	23 758	23 758	79 335	26 600	20 200
Pump Station		–	–	931	5 555	8 810	8 810	4 500	6 000	9 200
Reticulation		–	–	–	3 950	910	910	2 500	500	1 500
Waste Water Treatment Works		–	–	33 915	43 570	13 813	13 813	72 100	20 100	9 500
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	225	225	225	235	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	600	536	536	300	500	500
Landfill Sites		–	–	–	–	–	–	–	500	500
Waste Transfer Stations		–	–	–	600	536	536	300	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–

Table 43 – SA34e: Capital Expenditure on the upgrading of existing assets by asset class (continues)

WC044 George - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Community Assets		**–**	**–**	**2 663**	**8 659**	**3 120**	**3 120**	**3 941**	**5 813**	**3 010**
Community Facilities		–	–	1 038	3 203	2 434	2 434	3 266	3 745	2 330
Halls		–	–	101	80	–	–	–	1 405	800
Centres		–	–	178	400	454	454	200	300	400
Crèches		–	–	42	800	510	510	840	490	380
Clinics/Care Centres		–	–	–	–	–	–	250	–	–
Fire/Ambulance Stations		–	–	–	500	650	650	500	500	500
Testing Stations		–	–	–	423	41	41	374	750	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		–	–	519	850	393	393	640	150	100
Cemeteries/Crematoria		–	–	–	–	–	–	200	–	–
Police		–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–
Public Open Space		–	–	–	–	–	–	–	–	–
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	198	150	387	387	212	150	150
Markets		–	–	–	–	–	–	50	–	–
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	1 625	5 456	686	686	675	2 068	680
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		–	–	1 625	5 456	686	686	675	2 068	680
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		**–**	**–**	**665**	**2 457**	**2 878**	**2 878**	**2 839**	**2 405**	**3 260**
Operational Buildings		–	–	665	2 457	2 878	2 878	2 839	2 055	2 910
Municipal Offices		–	–	410	1 377	1 026	1 026	1 409	1 155	870
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	144	200	441	441	500	750	750
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	1 140
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	111	800	1 340	1 340	930	150	150
Capital Spares		–	–	–	80	71	71	–	–	–
Housing		–	–	–	–	–	–	–	350	350
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	350	350
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–

Table 43 – SA34e: Capital Expenditure on the upgrading of existing assets by asset class (continues)

WC044 George - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Computer Equipment		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	9	83	105	105	183	3	6
Furniture and Office Equipment		–	–	9	83	105	105	183	3	6
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on upgrading of existing ass	1	**–**	**–**	**54 758**	**112 698**	**80 091**	**80 091**	**113 373**	**62 921**	**60 161**
Upgrading of Existing Assets as % of total capex		*0.0%*	*0.0%*	*22.5%*	*32.7%*	*27.4%*	*27.4%*	*29.2%*	*19.3%*	*17.7%*
Upgrading of Existing Assets as % of deprecn"		*0.0%*	*0.0%*	*38.3%*	*69.2%*	*49.2%*	*49.2%*	*67.4%*	*36.5%*	*32.5%*

References

1. Total Capital Expenditure on upgrading of existing assets (SA34e) plus Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on renewal of existing assets (SA34b) must reconcile to total capital expenditure in Budgeted Capital Expenditure

2.8.8 Supporting detail to A4 (Budgeted Financial Performance) and A6 (Budgeted Financial Position)

Table 44 – SA1: Supporting detail to Statement of Financial Performance

WC044 George - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
REVENUE ITEMS:										
Property rates	6									
Total Property Rates		247 962	274 623	303 194	318 313	328 313	328 313	353 011	375 631	399 723
less Revenue Foregone ***(exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)***		36 529	39 569	33 021	38 700	38 700	38 700	41 022	43 689	46 529
Net Property Rates		**211 433**	**235 054**	**270 173**	**279 613**	**289 613**	**289 613**	**311 989**	**331 942**	**353 194**
Service charges - electricity revenue	6									
Total Service charges - electricity revenue		583 666	621 186	643 263	744 588	748 588	748 588	805 009	869 402	938 946
less Revenue Foregone ***(in excess of 50 kwh per indigent household per month)***		11 865	–	–	–	–	–	–	–	–
less Cost of Free Basic Services (50 kwh per indigent household per month)		6 351	17 854	19 813	21 562	21 562	21 562	23 395	25 384	26 907
Net Service charges - electricity revenue		**565 450**	**603 332**	**623 450**	**723 026**	**727 026**	**727 026**	**781 614**	**844 018**	**912 039**
Service charges - water revenue	6									
Total Service charges - water revenue		149 529	142 121	151 450	160 071	164 071	164 071	175 915	186 350	197 412
less Revenue Foregone ***(in excess of 6 kilolitres per indigent household per month)***		15 764	24 464	22 194	32 602	32 602	32 602	34 558	36 631	38 829
less Cost of Free Basic Services (6 kilolitres per indigent household per month)		12 593	–	–	–	–	–	–	–	–
Net Service charges - water revenue		**121 172**	**117 657**	**129 256**	**127 469**	**131 469**	**131 469**	**141 357**	**149 719**	**158 583**
Service charges - sanitation revenue										
Total Service charges - sanitation revenue		112 577	122 475	135 077	140 128	144 128	144 128	155 496	165 474	176 099
less Revenue Foregone ***(in excess of free sanitation service to indigent households)***		–	34 524	36 088	39 108	39 108	39 108	42 378	45 980	48 739
less Cost of Free Basic Services (free sanitation service to indigent households)		30 708	–	–	–	–	–	–	–	–
Net Service charges - sanitation revenue		**81 869**	**87 952**	**98 989**	**101 020**	**105 020**	**105 020**	**113 118**	**119 494**	**127 360**
Service charges - refuse revenue	6									
Total refuse removal revenue		85 225	95 849	115 040	121 926	124 926	124 926	134 547	143 194	152 405
Total landfill revenue		–	–	–	–	–	–	–	–	–
less Revenue Foregone ***(in excess of one removal a week to indigent households)***		–	26 071	33 313	36 763	36 763	36 763	40 071	43 677	46 298
less Cost of Free Basic Services (removed once a week to indigent households)		23 411	–	–	–	–	–	–	–	–
Net Service charges - refuse revenue		**61 814**	**69 778**	**81 727**	**85 163**	**88 163**	**88 163**	**94 476**	**99 517**	**106 107**
Other Revenue by source										
Fuel Levy		–	–	–	–	–	–	–	–	–
Other Revenue										
Discontinued Operations		–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–
Operational Revenue		–	14 801	21 519	18 833	19 037	19 037	12 466	12 539	13 681
Intercompany/Parent-subsidiary Transactions		–	–	–	–	–	–	–	–	–
Surcharges and Taxes		–	–	–	–	–	–	–	–	–
Sales of Goods and Rendering of Services		76 276	75 071	71 444	132 786	79 919	79 919	175 163	204 575	221 188
Total 'Other' Revenue	3 1	**76 276**	**89 872**	**92 964**	**151 618**	**98 956**	**98 956**	**187 629**	**217 114**	**234 869**

Table 44 – SA1: Supporting detail to Statement of Financial Performance (continues)

WC044 George - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
EXPENDITURE ITEMS:										
Employee related costs										
Basic Salaries and Wages	2	251 245	293 256	292 101	378 636	371 967	371 967	396 514	412 830	437 592
Pension and UIF Contributions		35 756	44 603	50 105	58 898	58 743	58 743	62 963	67 311	71 372
Medical Aid Contributions		16 408	18 467	20 470	33 054	33 014	33 014	35 362	37 831	40 101
Overtime		34 562	1 909	2 231	2 096	2 482	2 482	2 638	2 803	2 975
Performance Bonus		–	17 869	23 551	26 231	26 085	26 085	28 067	30 032	31 833
Motor Vehicle Allowance		13 741	15 085	15 194	15 783	16 236	16 236	16 892	18 049	19 130
Cellphone Allowance		907	1 050	1 197	1 141	1 301	1 301	1 309	1 398	1 453
Housing Allowances		1 704	1 925	2 117	4 116	4 106	4 106	4 404	4 712	4 996
Other benefits and allowances		7 055	52 900	82 551	48 306	58 209	58 209	53 541	56 825	60 063
Payments in lieu of leave		24 892	154	–	–	–	–	–	–	–
Long service awards		2 591	2 386	6 517	6 460	6 632	6 632	4 678	4 985	5 065
Post-retirement benefit obligations	4	18 983	19 762	24 502	25 880	26 082	26 082	22 604	23 931	17 465
sub-total	5	**407 844**	**469 365**	**520 536**	**600 601**	**604 858**	**604 858**	**628 972**	**660 708**	**692 045**
Less: Employees costs capitalised to PPE		818	937	412	3 229	3 229	3 229	3 455	3 697	–
Total Employee related costs	1	**407 027**	**468 428**	**520 124**	**597 372**	**601 629**	**601 629**	**625 517**	**657 011**	**692 045**
Contributions recognised - capital										
List contributions by contract		–	–	–	–	–	–	–	–	–
Total Contributions recognised - capital		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Depreciation & asset impairment										
Depreciation of Property, Plant & Equipment		154 958	161 534	142 897	162 817	162 817	162 817	168 269	172 358	185 357
Lease amortisation		517	3	2	–	–	–	–	–	–
Capital asset impairment		–	–	–	–	–	–	–	–	–
Depreciation resulting from revaluation of PPE	10	–	–	–	–	–	–	–	–	–
Total Depreciation & asset impairment	1	**155 475**	**161 537**	**142 900**	**162 817**	**162 817**	**162 817**	**168 269**	**172 358**	**185 357**
Bulk purchases										
Electricity Bulk Purchases		395 746	396 389	426 308	497 209	493 209	493 209	528 240	565 620	606 709
Water Bulk Purchases		111	1 421	2 544	1 766	1 766	1 766	1 872	1 985	2 104
Total bulk purchases	1	**395 857**	**397 810**	**428 852**	**498 975**	**494 975**	**494 975**	**530 112**	**567 605**	**608 813**
Transfers and grants										
Cash transfers and grants		122	73	65 525	69 450	64 909	64 909	90 286	54 955	45 456
Non-cash transfers and grants		–	–	–	–	–	–	–	–	–
Total transfers and grants	1	**122**	**73**	**65 525**	**69 450**	**64 909**	**64 909**	**90 286**	**54 955**	**45 456**
Contracted services										
Outsourced Services		–	214 400	189 011	261 069	240 279	240 279	269 403	299 482	317 805
Consultants and Professional Services		–	22 228	25 180	38 353	39 247	39 247	30 510	26 074	32 830
Contractors		381 210	212 327	215 883	342 430	396 891	396 891	318 036	290 816	250 125
sub-total	1	**381 210**	**448 956**	**430 073**	**641 852**	**676 417**	**676 417**	**617 949**	**616 372**	**600 760**
Allocations to organs of state:										
Electricity		–	–	–	–	–	–	–	–	–
Water		–	–	–	–	–	–	–	–	–
Sanitation		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Total contracted services		**381 210**	**448 956**	**430 073**	**641 852**	**676 417**	**676 417**	**617 949**	**616 372**	**600 760**

Table 44 – SA1: Supporting detail to Statement of Financial Performance (continues)

WC044 George - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
EXPENDITURE ITEMS:										
Other Expenditure By Type										
Collection costs		–	2 623	2 399	1 489	2 319	2 319	1 578	1 673	1 773
Contributions to 'other' provisions		–	(59)	31 039	–	–	–	–	–	–
Audit fees		3 633	4 285	5 696	5 928	6 228	6 228	6 605	7 004	7 921
General expenses	3									
Operating Leases		3 668	4 449	5 486	18 528	18 778	18 778	27 463	27 951	28 429
Operational Cost		77 217	77 166	74 650	102 588	117 257	117 257	183 053	206 438	209 636
Statutory Payments other than Income Taxes		–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–
Total 'Other' Expenditure	1	**84 518**	**88 463**	**119 270**	**128 533**	**144 582**	**144 582**	**218 699**	**243 066**	**247 759**
Repairs and Maintenance	8									
Employee related costs		–	–	–	–	–	–	–	–	–
Other materials		–	–	–	–	24 410	24 410	24 940	26 437	28 025
Contracted Services		91 716	66 327	47 594	60 658	56 455	56 455	50 676	53 271	61 975
Other Expenditure		–	–	–	–	–	–	–	–	–
Total Repairs and Maintenance Expenditure	9	91 716	66 327	47 594	60 658	80 865	80 865	75 616	79 708	90 000

References

1. Must reconcile with 'Budgeted Financial Performance (Revenue and Expenditure)

2. Must reconcile to supporting documentation on staff salaries

3. Insert other categories where revenue or expenditure is of a material nature (list separate items until 'General expenses' is not > 10% of Total Expenditure)

4. Expenditure to meet any 'unfunded obligations'

5 This sub-total must agree with the total on SA22, but excluding councillor and board member items

6. Include a note for each revenue item that is affected by 'revenue foregone'

7. Special consideration may have to be given to including 'goodwill arising' or 'joint venture' budgets where circumstances require this (include separately under relevant notes)

8. Repairs and Maintenance is not a GRAP item. However to facilitate transparency, municipalities must provide a breakdown of the amounts included in the relevant GRAP items that will be spent on Repairs and Maintenance.

9. Must reconcile with Repairs and Maintenance by Asset Class (Total Repairs and Maintenance) on Table SA34c.

10. Only applicable to municipalities that have adopted the 'revaluation method' in GRAP 17. The aim is to prevent overstating 'depreciation and asset impairment'

Table 45 – SA3: Supporting detail to Statement of Financial Position

WC044 George - Supporting Table SA3 Supportinging detail to 'Budgeted Financial Position'

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
ASSETS										
Call investment deposits										
Call deposits		–	–	–	–	–	–	–	–	–
Other current investments		–	–	–	–	–	–	–	–	–
Total Call investment deposits	2	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Consumer debtors										
Consumer debtors		232 940	102 309	122 644	253 841	576 397	576 397	591 250	607 588	624 180
Less: Provision for debt impairment		(128 395)	–	–	(93 788)	(181 836)	(181 836)	(183 258)	(184 752)	(186 634)
Total Consumer debtors	2	**104 545**	**102 309**	**122 644**	**160 052**	**394 562**	**394 562**	**407 992**	**422 836**	**437 546**
Debt impairment provision										
Balance at the beginning of the year		96 699	–	–	(145 175)	(153 382)	(153 382)	(153 382)	(153 382)	(153 382)
Contributions to the provision		50 674	–	–	(20 000)	–	–	–	–	–
Bad debts written off		(18 978)	–	–	71 386	(28 454)	(28 454)	(29 876)	(31 370)	(33 252)
Balance at end of year		**128 395**	**–**	**–**	**(93 788)**	**(181 836)**	**(181 836)**	**(183 258)**	**(184 752)**	**(186 634)**
Property, plant and equipment (PPE)										
PPE at cost/valuation (excl. finance leases)		3 918 480	2 875 611	2 974 338	4 527 978	4 711 619	4 711 619	5 098 218	5 423 779	5 763 176
Leases recognised as PPE	3	–	–	–	–	–	–	–	–	–
Less: Accumulated depreciation		1 150 345	–	0	1 647 164	1 612 113	1 612 113	1 780 215	1 952 508	2 137 845
Total Property, plant and equipment (PPE)	2	**2 768 135**	**2 875 611**	**2 974 338**	**2 880 814**	**3 099 505**	**3 099 505**	**3 318 003**	**3 471 271**	**3 625 331**
LIABILITIES										
Current liabilities - Borrowing										
Short term loans (other than bank overdraft)		–	–	–	–	–	–	–	–	–
Current portion of long-term liabilities		(43 419)	(44 339)	(35 636)	(41 979)	(360 086)	(360 086)	(481 429)	(637 096)	(748 762)
Total Current liabilities - Borrowing		**(43 419)**	**(44 339)**	**(35 636)**	**(41 979)**	**(360 086)**	**(360 086)**	**(481 429)**	**(637 096)**	**(748 762)**
Trade and other payables										
Trade Payables		(75 329)	(233 236)	(222 474)	(81 082)	(263 210)	(263 210)	(561 070)	(344 871)	(370 870)
Other Creditors		(118 510)	–	–	(154 446)	–	–	–	–	–
Unspent conditional transfers		(104 810)	(75 144)	(33 286)	(28 701)	(88 850)	(88 850)	(88 750)	(88 750)	(88 750)
VAT		(346)	–	–	–	5 595	5 595	5 595	5 595	5 595
Total Trade and other payables	2	**(298 994)**	**(308 380)**	**(255 760)**	**(264 229)**	**(346 465)**	**(346 465)**	**(644 225)**	**(428 026)**	**(454 025)**
Non current liabilities - Borrowing										
Borrowing	4	(309 942)	(293 656)	(258 023)	(316 005)	–	–	–	–	–
Finance leases (including PPP asset element)		(7 070)	–	–	(2 474)	(3 438)	(3 438)	(3 438)	(3 438)	(3 438)
Total Non current liabilities - Borrowing		**(317 013)**	**(293 656)**	**(258 023)**	**(318 478)**	**(3 438)**	**(3 438)**	**(3 438)**	**(3 438)**	**(3 438)**
Provisions - non-current										
Retirement benefits		(139 582)	(238 673)	(274 988)	(147 605)	(142 677)	(142 677)	(142 677)	(142 677)	(142 677)
List other major provision items										
Refuse landfill site rehabilitation		(19 537)	–	–	(23 361)	–	–	–	–	–
Other		(61 862)	–	–	(55 821)	–	–	–	–	–
Total Provisions - non-current		**(220 981)**	**(238 673)**	**(274 988)**	**(226 787)**	**(142 677)**	**(142 677)**	**(142 677)**	**(142 677)**	**(142 677)**

Table 45 – SA3: Supporting detail to Statement of Financial Position (continues)

WC044 George - Supporting Table SA3 Supportinging detail to 'Budgeted Financial Position'

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CHANGES IN NET ASSETS										
Accumulated Surplus/(Deficit)										
Accumulated Surplus/(Deficit) - opening balance		2 648 698	2 721 022	2 900 889	2 959 965	2 878 854	2 878 854	2 979 395	3 012 565	3 045 991
GRAP adjustments		5 725	–	–	–	–	–	–	–	–
Restated balance		2 654 423	2 721 022	2 900 889	2 959 965	2 878 854	2 878 854	2 979 395	3 012 565	3 045 991
Surplus/(Deficit)		64 874	178 367	105 778	9 421	23 248	23 248	39 515	38 230	47 731
Transfers to/from Reserves		1 723	(18 788)	(17 670)	(65 200)	37 331	37 331	(4 472)	(4 804)	–
Depreciation offsets		–	–	–	7 608	40 031	40 031	–	–	–
Other adjustments		(2)	20 288	30 029	44 941	(67)	(67)	–	–	–
Accumulated Surplus/(Deficit)	1	**2 721 018**	**2 900 889**	**3 019 026**	**2 956 736**	**2 979 397**	**2 979 397**	**3 014 437**	**3 045 991**	**3 093 722**
Reserves										
Housing Development Fund		63 215	62 941	61 589	58 833	61 589	61 589	61 589	61 589	61 589
Capital replacement		–	–	–	–	31 473	31 473	35 945	40 749	40 749
Self-insurance		–	–	–	–	–	–	–	–	–
Other reserves					–					
Compensation for Occupational Injuries and Diseases		–	–	–	–	–	–	–	–	–
Employee Benefit Reserve		–	–	–	–	–	–	–	–	–
Non-current Provisions Reserve		–	–	–	–	11 007	11 007	11 007	11 007	11 007
Valuation Reserve		–	–	–	–	–	–	–	–	–
Investment in associate account		–	–	–	–	–	–	–	–	–
Capitalisation Reserve		–	–	–	–	60 343	60 343	60 343	60 343	60 343
Equity		–	–	–	–	–	–	–	–	–
Non-Controlling Interest		–	–	–	–	–	–	–	–	–
Share Premium		–	–	–	–	–	–	–	–	–
Revaluation		–	–	–	–	(39 945)	(39 945)	(39 945)	(39 945)	(39 945)
Total Reserves	2	**63 215**	**62 941**	**61 589**	**58 833**	**124 467**	**124 467**	**128 939**	**133 743**	**133 743**
TOTAL COMMUNITY WEALTH/EQUITY	2	**2 784 233**	**2 963 830**	**3 080 615**	**3 015 569**	**3 103 863**	**3 103 863**	**3 143 376**	**3 179 733**	**3 227 464**

References

1. Must reconcile with Table A4 Budgeted Financial Performance (revenue and expenditure)

2. Must reconcile with Table A6 Budgeted Financial Position

3. Leases treated as assets to be depreciated as the same as purchased/constructed assets. Includes PPP asset element accounted for as finance leases

4. Borrowing must reconcile to Table A17

5. Trade Payable should only include Trade Payables from Exchance Transactions ("True Creditors")

2.9 Municipal Manager's Quality Certificate

I, Mr Trevor Botha, The Municipal Manager of George Municipality hereby certify that the annual budget and supporting documentation for the 2020/2021 Financial Year, have been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act, and that the budget and supporting documentation are consistent with the Integrated Development Plan.

Print Name ..... Mr Trevor Botha

Municipal Manager of ..... George Municipality

Signature .....

Date ..... 25 May 2020

2.10 MTREF Benchmark Assessment Report

The benchmark engagement with National Treasury is scheduled to take place during June 2020 after the budget has been tabled.

2.11 2020 Mid-year Budget and Performance visit

Below is a brief report received from National Treasury regarding the 2020 mid-year and performance visit to George Municipality.

national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Private Bag X115, Pretoria, 0001, Tel: (012) 315 5888, Fax: (012) 395 6553

Ref No: WC044/12

The Acting Municipal Manager
George Local Municipality
P.O. Box 19
GEORGE
6530

Email: cplubbe@george.gov.za

Dear Mr C Lubbe

OBSERVATIONS AND RECOMMENDATIONS EMANATING FROM THE MID-YEAR BUDGET AND PERFORMANCE ENGAGEMENT HELD ON THE 24 & 25 FEBRUARY 2020

Thank you for a productive engagement we had on 24 and 25 February 2020. This letter intends to capture high-level issues and major recommendations emanating from the engagement which should inform the Municipality's 2020/21 MTREF, where appropriate. This will be followed by a more detailed report.

The aim of the 2020 annual mid-year budget and performance assessment engagement was to focus on the municipality's 2018/19 financial year's performance, the 2019/20 mid-year performance and preparations for the 2020/21 Medium Term Revenue and Expenditure Framework. A summation of the observations, recommendations and resolutions emanating from the discussions is presented below.

KEY OBSERVATIONS

Institutional Arrangements (Fragile)

The general institutional governance of the municipality is fragile. The following are the reasons that substantiate this:

a) The Municipality's Municipality Manager (MM) is on precautionary suspension and the Chief Financial Officer (CFO) was dismissed. There are also two senior managers that are on precautionary suspension.
b) High vacancy rate remain a risk within the municipality.
c) The municipality finds it difficult to keep employee related costs below 30 per cent as a result of conversion of contractual employees to permanent status.
d) According to the municipality, unfunded mandates remain a challenge specifically on housing.
e) There are still challenges with aligning data strings to the statement of financial position and cash flow.
f) The audited AFS 2018/19 data strings and the restated 2017/18 data strings are still outstanding.

On a positive note:

g) All senior managers sign their performance agreements in line with the municipality's IDP.
h) To curb contracted services, the municipality does gap analysis in each department before appointing consultants.
i) There is a good relationship with private sector, sector departments including Western Cape Human Settlements Department to achieve spatial planning.
j) The municipality's Spatial Development Framework (SDF) is Spatial Planning and Land Use Management Act (SPLUMA) compliant.
k) On implementing the municipal standard chart of accounts (mSCOA), the municipality has a good use of the item segment.

Financial Health (Sound)

The 2020 Mid-Year Budget Review concluded that the financial health of the municipality is sound, and the following issues inform these conclusions:

a) Cash coverage of more than five months is very good. There are sufficient current assets to cover current liabilities. Cash and cash equivalents of R562.6 million in 2018/19 were enough to cover outstanding creditors of R255.8 million in 2018/19.
b) Municipality achieved a 96 per cent collection rate in 2018/19 and has maintained a 95.7 per cent during mid-year 2019/20.
c) The municipality registers all new development as a revenue enhancement strategy to constantly boost its cash position and where there are deficiencies in cash collection, the municipality immediately engage with affected departments in order to get to the root causes of revenue under-collection.
d) There is however concerns with rising overtime as the municipality is under capacitated in some directorates.
e) Go-George bus service and housing are the main causes for high contracted services within the municipality.
f) Although the municipality remain with operational deficits, the deficit has decreased from R28.1 million in 2017/18 to R16.4 million in 2018/19.

Financial Governance (Fragile)

Financial Governance is fragile given the following grounds:

a) Although the municipality received an unqualified audit opinion with findings in 2018/19 from a qualified in 2017/18, a cause for concern is the increase of irregular expenditure from R11.9 million in 2017/18 to R832.6 million in 2018/19 – as a result of Councillors being involved in tender processes.

On a positive note:

b) The municipality reported that there are no new risks recorded by the Auditor General in 2018/19.
c) There are risk champions in each directorate, who report to the Chief Risk Officer.
d) Contractual deviations were reduced from R44.9 million to R14.3 million in 2018/19.
e) There is a Disciplinary board is in place since 2018.
f) Municipal Public Accounts Committee (MPAC), Audit Committee and Council are fully functional.
g) mSCOA Steering Committee is in place but is not meeting regularly.
h) Although there is political instability in the municipality, it is not to the extent that it interferes with the administration.
i) There is no political interference in decision-making as far as land-use development is concerned.
j) The Preferential Procurement Policy Framework Act (PPPFA) policy was changed to exclude section 80 committee recommendations to avoid Councillor's involvement with supply chain processes.

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Service Delivery (Fragile)

The engagements concluded that the service delivery performance is fragile, on the following grounds:

a) Service delivery KPI is at 71.8 per cent, the underspending is mainly due to savings identified on projects, delays in appointment of service providers, service delivery protests and time constraints.
b) The City recorded capital expenditure of only 31 per cent by mid-year, and only 72.8 per cent in 2018/19 from 76.8 per cent in 2017/18.
c) Only 31 per cent expenditure was achieved on conditional grants by mid-year and 94 per cent was achieved in 2018/19.
d) Some projects delayed because some suppliers gone bankrupt.

On a positive note:

e) There is enough water capacity at the municipality, however, water restrictions are put as a pre-cautionary measure. The municipality is also looking to expand the holding capacity of its dams.
f) Dam levels are currently at 98 per cent full and water demand is at 30 ML a day.
g) Recorded water losses have declined to 23.4 per cent in 2018/19 from 27.04 per cent in 2017/18 due to registration of low cost housing.
h) Electricity losses are low at 9.9 per cent by mid-year from 5.4 per cent in 2018/19 and 7.6 per cent in 2017/18. These are down because the municipality has a live system that detects technical losses. The municipality stands at only 1.5 per cent on non-technical losses.
i) There is a procurement plan in place in an effort to improve the spending on capital expenditure.

RECOMMENDATIONS

In view of these challenges, the municipality recommends that:

a) NT and PT need take stock of how far the municipality has implemented *m*SCOA and what are the hurdles that the City still need to jump in order to be *m*SCOA compliant.
b) NT needs to guide the municipality on how to recreate restated data strings for 2017/18.
c) NT looks at the motivating reasons given by the municipality in its letter to NT on slow expenditure on MIG as the municipality had to wait for the adjustment budget to appoint the contractor.
d) NT should to issue a directive on budgeting below the line items to avoid double taxation on consumers.

NT recommends that:

e) The municipality should iron out all supply chain impediments upfront in order to benefit from NT and transferring officer's incentive programme of stopping and reallocation of grant funding.
f) The municipality should soften the funding of capital expenditure from the internally generated funds in order to reduce the impact on cash flow.
g) The municipality should write to NT regarding the retraction of the Old Mutual Wealth Investment.
h) Municipality to provide copy of the council cost containment policy.
i) Municipality to process all unauthorised, irregular, fruitless and wasteful expenditure through the Disciplinary Board for further investigation for financial misconduct.
j) Audit finding around "political interference" must be processed in terms of the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.
k) National Treasury will submit to the municipality Circular 88 on how to report on service delivery indicators.

National Treasury appreciates the municipality's preparation efforts which ensured robust and informative discussions for the duration of the engagement.

Yours faithfully

WILLEM VOIGT
DIRECTOR: LOCAL GOVERNMENT BUDGET ANALYSIS
DATE: 26 February 2020