

AN ANNUAL DRAFT BUDGET AND SUPPORTING DOCUMENTATION OF UMVOTI MUNICIPALITY

Abbreviations and Acronyms

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

MSA	Municipal Systems Act
TEF	Medium-term Expenditure Framework
MTREF	Medium-term Revenue and Expenditure Framework
NERSA	National Electricity Regulator South Africa
NGO	Non-Governmental organisations
NKPIs	National Key Performance Indicators
OHS	Occupational Health and Safety
OP	Operational Plan
PBO	Public Benefit Organisations
PHC	Provincial Health Care
PMS	Performance Management System
PPE	Property Plant and Equipment
PPP	Public Private Partnership
PTIS	Public Transport Infrastructure System
RG	Restructuring Grant
RSC	Regional Services Council
SALGA	South African Local Government Association
SAPS	South African Police Service
SDBIP	Service Delivery Budget Implementation Plan
SMME	Small Micro and Medium Enterprises

ANNUAL DRAFT BUDGET OF

UMVOTI

MUNICIPALITY

2015/16 TO 2017/18

MEDIUM TERM REVENUE AND

EXPENDITURE REVIEW

Copies of this document can be viewed:

- **Finance department**
- **All public libraries within the municipality**
- **At www.umnvoti.gov.za**

Part 1 – Annual Draft Budget

1.1 Mayor's Report

It is my privilege to submit the 2015/16 draft budget, with less than 100 days as appointed as Mayor of Umvoti Municipality.

The budget was compiled under challenging circumstances, as the municipality was without a strategic leader for two consecutive financial years, which resulted in the municipality to be regarded as dysfunctional. Key positions have not been filled for a long time which also added to the challenges and important decisions being delayed.

In all the challenges faced by the municipality we were able to obtain unqualified audit opinion from the Auditor General for the 2014/15 financial year. Management collectively is applauded for the dedication towards maintaining the audit opinion.

The draft budget was tabled to council and is available for comments and further input through a process of community consultation which is scheduled to take place from the beginning of April 2015.

While taking into consideration the constrained fiscal environment, we continue to support government's commitments to extending service delivery and initiatives in expanding investment in infrastructure. The municipality is also committed towards electrifying all citizens of Umvoti area and Emakhabeleni area has been earmarked with a value of R65 million through the massification programme from Provincial CoGTA over the 5 year plan.

There are certain operational challenges with meter-tempering, council together with community must co-operate in dealing with this challenge. Should all the forces not meet to combat these unlawful practices will lead to cash flow problems with a detrimental effect on service delivery.

As we all are aware that demands will always exceed available resources, a continued effort will always be sought to prioritize essential services like electricity and excess to clean water.

Umvoti Council is committed towards improving the lives of its citizens by prioritizing the community needs through service delivery initiatives.

Cllr T.C Ngubane
MAYOR

1.2 Council Resolutions

1. The Council of Umvoti Local Municipality, acting in terms of section 21 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
 - 1.1. The annual budget of the municipality for the financial year 2015/16 and single-year capital appropriations as set out in the following tables:
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification;
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote)
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type)
 - 1.1.4. Single-year capital appropriations by municipal vote and standard classification and associated funding by source
 - 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
 - 1.3.
 - 1.3.1. Budgeted Table A6 -Financial Position
 - 1.3.2. Budgeted A7- Cash Flows as contained in Table 17
 - 1.3.3. Budget Table A9- Asset Management
2. To give proper effect to the municipality's annual budget, the Council of Umvoti Local Municipality approves:
 - 2.1. That cash backing is implemented through the utilisation of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, and unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.

1.3 Executive Summary

The application of sound financial management principles for the compilation of Umvoti Municipality financial plan is essential to ensure that the municipality remains financially sound and that municipal services are provided sustainably, economically and equitably to all communities.

The Umvoti Municipality service delivery priorities that were made in 2013 financial year, in ward project clustering for the 3 year plan were reviewed and analysed as part of the municipality's planning and budget process. A critical review was undertaken of expenditure on noncore and "Nice to have" expenditure items as guided by National Treasury MFMA budget circular No. 55.

The municipality has re-gearred the Budget and Treasury office in terms of debt and collection to optimize the collection of debt owed by the consumers effective from 1 July 2015.

National Treasury's MFMA Circular No.74 and MFMA Circular No.75 were used to guide the compilation of the draft budget.

The main challenges experienced during the compilation of the 2015/16 draft budget are summarized as follows:

- The declining South African economy which has a direct adverse effect on the consumers affordability of municipal services
- The aging municipal infrastructure assets that require high maintenance and repairs;
- The increasing wage bill and the challenges in filling critical vacancies;
- The on- going struggle of prioritizing municipal projects, infrastructure assets and municipal essential own service delivery equipment/office block.

The following budget principles and guidelines directly informs the compilation of the 2015/16 MTREF draft budget:

- The 2014/15 adjustments budget priorities and targets, as well as the base line allocations contained in the adjustments budget were adopted as upper limits for the new baseline for the 2015/16 annual draft budget
- The service level standards were used to inform the measurable objectives, targets and backlogs eradication goals for the citizens of Umvoti;
- Tariffs and Property rates increases were aligned with the inflation CPI index on the principle that it should be affordable by the consumers of Umvoti;
- There were no budget allocations of National and Provincial Funded projects unless the grants have been gazette as required by the annual Division of Revenue Act.
- An upper limit of R10 million was set for allocation of funds to fund the heavy duty equipment that the municipality is in need of for service delivery.

In view of the aforementioned, the following tables below is a consolidated overview of the operational revenue, operational expenditure, capital expenditure budget and allocated Grants and subsidies of the 2015/16 budget.

1. Operational Revenue

Revenue Source	Adjusted Budget	2015/16 Budget	Contribution %
Service Charges-Electricity	56 538 500	62 588 000	31%
Property Rates	28 605 079	30 321 000	15%
Operational Grants and Subsidies	68 778 000	87 099 000	43%
Other Revenue	18 287 290	20 881 000	11%

Internal sources of revenue contributes 57 per cent of total budgeted adjusted revenue, Grants and subsidies contributes 43 per cent on the municipal revenue sources.

2. Operational Expenditure

Expenditure Type	Adjusted Budget	2015/16 Budget	Contribution %
Employee Related Cost	60 499 115	83 011 000	37.5%
Remuneration of Councilors	7 860 122	8 484 000	3.8%
Bulk Purchases	41 000 000	46 838 000	21.2%
Contracted Services	10 201 388	17 150 000	7.8%
Other Expenditure	77 448 690	65 714 000	30%
Total Budgeted Expenditure	185 649 193		100%

The municipality has increased the operational budget by 6.3 per cent as per the inflation rate and Bulk Purchases have been increased by 14.24 per cent as per NERSA and National Treasury guidelines.

3. Capital Expenditure Budget

Consolidated Capital Budget	2015/16
Infrastructure Assets	63 180 000.00
Community Assets	4 080 000.00
Service Delivery Plant and Equipment	6 548 000.00
Office Equipment and Fittings	1 923 000.00
Civic Builngs: Testing Station and Office Block	20 000 000.00
Heavy Duty Equipment Required	10 000 000.00
	<u>105 731 000.00</u>
Sources of Funding	
Capial Grants	69 570 000.00
Bank Loan	30 000 000.00
Internal Funding	6 161 000.00
	<u>105 731 000.00</u>

The Municipality is under plans of building new office blocks, Motor Vehicle Testing Station and buying Heavy duty vehicles in 2015/16 MTREF to the estimated amount of R30 million funded from borrowings.

A competitive bidding processes will be followed to secure a loan with low interest rates below prime.

4. Grants and Subsidies Allocated

Municipal Grants

Operational Transfers

	<u>2014/15 Adjusted</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
Equitable Share	62 571 000	81 298 000	85 197 000	86 050 000.00
Municipal Finance Management Grant (FMG)	1 700 000	1 700 000	1 725 000	1 800 000.00
Municipal System Improvement Grant (MSIG)	934 000	950 000	951 000	1 033 000.00
Expended Public Works Programme (EPWP)	2 132 000	1 954 000	0	-
Community Service Library		170 000	179 000	188 000.00
Provincialisation of libraries	891 000	861 000	907 000	952 000.00
Museum subsidies	151 000	166 000	175 000	184 000.00
	<u>68 379 000</u>	<u>87 099 000.00</u>	<u>89 134 000.00</u>	<u>90 207 000.00</u>

Capital Transfers

Municipal Infrastructure Grant (MIG)	25 497 000	26 570 000	27 501 000	28 896 000.00
Integrated National Electrification Programme (INEP)	12 000 000	25 000 000	25 000 000	12 000 000.00
Massification Electricity Programme	5 215 000	8 000 000	0	-
Small Town Rehabilitation	10 000 000	10 000 000		
	<u>52 712 000</u>	<u>69 570 000</u>	<u>52 501 000</u>	<u>40 896 000.00</u>

Total Transfers to the Municipality

	<u>121 091 000.00</u>	<u>156 669 000.00</u>	<u>141 635 000.00</u>	<u>131 103 000.00</u>
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The Municipality's Equitable Share has increase by R18.7 million when compared with 2014/15 allocation.

Additional R8 million was allocated for the 2015/16 Budget Year from Provincial COGTA for the Electrification Massification Grant and the R10 million from Small Town Rehabilitation Grant is envisaged to be roll over into 2015/16 budget year that was received in 2014/15 financial year.

5. Tariff Principles

The Municipal Tariffs should be cost reflective, which should embody all costs involved to provide the service and should also strike the balance of consumer affordability and the inflation rate

In funding the operational budget, the following criteria provide a good indication of various levels of which the tariffs for individual services should be set:

- **Trade Services**

Services such as electricity are classified as trade services, where tariffs should be determined in a way that will ensure that the service is delivered at a surplus.

- **Economic Services**

A service such as Refuse Removal is classified as economic service. Tariffs should be set at a level to ensure that expenditure is recovered and that there is at least a break even.

- **Subsidized Services**

These are services not classified as Trade or Economic Services and funded from sundry revenue and revenue obtained from property rates and equitable share.

6. Tariff Increases

Having consideration of the difficult economic realities of consumers and also to ensure sustainability, it would be necessary to increase certain tariffs to fund the expenditure provided for in the budget.

Property Rates Levies: Envisaged to be increased by CPI Index of 6 % (per cent) as per National Treasury's guidelines

Electricity Service Charges: Envisaged to be increased by 12.2% (per cent) as per NERSA recommendation

Refuse Removal: Envisaged to be increased by CPI Index of 6% (per cent) as per National Treasury's guidelines

Miscellaneous Tariffs: have been adjusted by 10% (per cent) due to the fact that the tariffs are not cost reflective and the municipality is proving a significant amount of subsidy towards the community through the low tariffs.

7. Consolidated Overview of the 2015/16 MTREF

Table 7.1

R thousand	Adjustments Budget 2014/15	Budget Year 20115/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Total Operating Revenue	172 208 469	200 889 929	208 658 837	219 990 669
Total Operating Expenditure	185 648 997	221 198 338	232 885 393	249 708 170
(Surplus)/Deficit for the year	-13 450 528	-20 308 409	-24 226 555	-29 717 501
Total Capital Expenditure	75 278 000	105 731 000	67 601 000	50 896 000

Total operating revenue has grown by 16.6 per cent or R28.6 million for the 2015/16 financial year when compared to the 2014/15 Adjustments Budget. For the two outer years, operational revenue will increase by 3.8 per cent and 5.4 per cent respectively, equating to a total revenue growth of R47.8 million over the MTREF when compared to the 2013/14 financial year.

Total operating expenditure for the 2015/16 financial year has been appropriated at 221.2 million and translates into a budgeted deficit of R20.3 million. When compared to the 2014/15 Adjustments Budget, Operational expenditure has grown by 19 per cent in the 2015/16 budget and by 5.2 and 7.2 per cent respectively for the outer years of the MTREF.

The operating deficit for the ensuing year amounts to R20.3 million and increases in the two outer years to R24.2 million and 29.7 million respectively by 2017/18.

The budget deficit over the MTREF can be attributed to the budgeted on non-cash items that need to be factored on the tariff of charges which are as follows:

	2015/16	2016/17	2017/18
✓ Depreciation	R24.9 million	R25.1 Million	R27.4 Million
✓ Debt Impairment	R2.7 million	R1.5 million	R1 Million

The capital budget of R105.7 million for 2015/16 is 40.5 per cent more when compared to the 2014/15 Adjustment Budget. This increase is attributed to the proposed construction of office block, the upgrade of a testing station and the procurement of heavy duty equipment with anticipated borrowing of R30 million to fund these projects. The proposed loan will be entered into in consultation with the public and as per the requirements of section 46 of the MFMA.

Greytown forms part of the small town rehabilitation and acceptance has been provided by CoGTA, funding has been appropriated in this budget of the value of R10 million. The funds were received in March 2015. The funds are rolled over due to time constraint for the completion of the projects funded by the grant.

8. Operating Revenue Framework

For Umvoti Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of the municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

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

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 85 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

Table 8.1.1 Summary of revenue classified by main revenue source of the 2015/16 MTREF

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
				Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand	Audited Outcome	Audited Outcome	Audited Outcome						
<u>Revenue By Source</u>									
Property rates	13 799	18 623	21 525	22 598	28 605	28 605	30 321	31 777	33 652
Property rates - penalties & collection charges	1 251	1 127	1 358	1 551	1 300	1 300	1 370	1 444	1 529
Service charges - electricity revenue	42 433	48 680	53 381	56 539	56 539	56 539	62 588	70 086	78 483
Service charges - refuse revenue	5 290	5 534	5 977	6 258	6 258	6 258	6 648	6 980	7 329
Service charges - other	563	708	650	798	798	798	1 455	1 584	1 675
Rental of facilities and equipment	2 819	2 881	3 097	3 107	3 091	3 091	3 526	3 557	3 574
Interest earned - external investments	3 261	3 886	3 641	3 000	3 000	3 000	3 100	3 100	3 150
Interest earned - outstanding debtors	154	170	233	180	180	180	191	200	212
Fines	491	846	596	805	405	405	425	446	469
Licences and permits	1 914	1 990	1 767	1 955	1 955	1 955	2 170	2 278	2 392
Agency services	970	1 054	1 106	1 150	1 150	1 150	1 150	1 208	1 268
Transfers recognised - operational	44 951	52 018	62 806	66 465	68 778	68 778	87 099	85 235	85 455
Other revenue	841	288	1 203	141	141	141	847	764	803
Total Revenue (excluding capital transfers and contributions)	118 737	138 015	157 370	164 546	172 198	172 208	200 890	208 659	219 991

Table 8.1.2 percentage of growth in revenue by main revenue sources:

Description	Current Year 2014/15		2015/16 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2015/16	%	Budget Year +1 2016/17	%	Budget Year +2 2017/18	%
R thousand								
<u>Revenue By Source</u>								
Property rates	28 605	17%	30 321	15%	31 777	15%	33 652	15%
Property rates - penalties & collection charges	1 300	1%	1 370	1%	1 444	1%	1 529	1%
Service charges - electricity revenue	56 539	33%	62 588	31%	70 086	34%	78 483	36%
Service charges - refuse revenue	6 258	4%	6 648	3%	6 980	3%	7 329	3%
Service charges - other	798	0%	1 455	1%	1 584	1%	1 675	1%
Rental of facilities and equipment	3 091	2%	3 526	2%	3 557	2%	3 574	2%
Interest earned - external investments	3 000	2%	3 100	2%	3 100	1%	3 150	1%
Interest earned - outstanding debtors	180	0%	191	0%	200	0%	212	0%
Fines	405	0%	425	0%	446	0%	469	0%
Licences and permits	1 955	1%	2 170	1%	2 278	1%	2 392	1%
Agency services	1 150	1%	1 150	1%	1 208	1%	1 268	1%
Transfers recognised - operational	68 778	40%	87 099	43%	85 235	41%	85 455	39%
Other revenue	141	0%	847	0%	764	0%	803	0%
Gains on disposal of PPE								
Total Revenue (excluding capital transfers and contributions)	172 198	100%	200 890	100%	208 659	100%	219 991	100%

Revenue generated from Electricity services charges forms a significant percentage of the revenue basket of Umvoti Municipality. Electricity service charges revenue comprise of 31 percent (R62.5 million) of the total Operating revenue for the 2015/16 budget year, followed by Property rates contributing 15 percent (R30.3 million) towards the total Operating budget and Refuse Removal contributes only 3 percent (R6.6 million). The trading services and Property services combined contribute 49 percent towards the total revenue mix.

The 'Other revenue' constitute only 8 percent towards total Operating Revenue, which consists of various items such as income received from permits and licenses, building plan fees, connection fees, transport fees and advertisement fees. Departments have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective and market related.

The financial performance revenue budgeted indicates an increase of 16.5 per cent of the 2015/16 revenue to be billed and allocated through government grants when compared with the 2014/15 adjusted budget. The significant increase in revenue is due to the increase of the Equitable Share and the 12.2 per cent increase in tariff of charges for Electricity service charges

Operational Grants Transfers amounts to R87 million and contributes 43 percent towards the Operating Revenue budget in 2015/16. The Transfers decrease slightly to R85.2 million in 2016/17 and R84.5 million in 2017/18. The following table gives a breakdown of the various grants and subsidies allocated to the municipality over the medium term.

Table 8.1.3 Operating Transfers and Grants Receipts

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
RECEIPTS:									
Operating Transfers and Grants									
National Government:	31 240	38 762	44 262	51 798	51 798	51 798	65 205	87 310	91 371
Local Government Equitable Share	30 040	36 522	41 962	49 358	49 358	49 358	62 571	84 593	88 553
Finance Management	1 200	1 450	1 500	1 550	1 550	1 550	1 700	1 750	1 800
Municipal Systems Improvement		790	800	890	890	890	934	967	1 018
Integrated National Electrification Programme									
Provincial Government:	16 273	18 372	2 672	830	830	830	1 260	1 329	1 620
Health subsidy	1 183	1 620							
Sport and Recreation	525		150						
Cogta Grants-Provincial	14 565	16 752	2 522	830	830	830	1 260	1 329	1 620
District Municipality:	-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	47 513	57 134	46 934	52 628	52 628	52 628	66 465	88 639	92 991

8.2 Property Rates

Umvoti Municipality undertook a general valuation and compilation of the new valuation roll as required by Municipal Property Rates Act to be effective from 1 July 2014. The valuation of properties increased by a billion rand.

Due to the significant increase in property values, a decision was taken that Rates randages remain as per the 2013/14 randages in order relieve rate payers on the major burden that will arise as a result of the increase in property values.

In 2015/16 the rates randages were increased by the CPI index, of 6 per cent, as per MFMA circular No.75 recommendation.

Rates exemptions and rebates are consistent with the Municipal Property rates and the Rates Randages complies with the CoGTA recommended ratios.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2015/16 financial year are as follows:

Table 8.2.1 Comparison of proposed rates to be levied for the 2015/16 financial year

Category	Proposed tariff cents in the Rand (from 1 July 2014)	Proposed tariff cents in the Rand (from 1 July 2015)
	C	C
Residential properties	1,37	1.45
Sectional Title	1,37	1.45
Business & Commercial	2,03	2.15
Industrial	1,37	1.45
Agricultural	0,34	0.36
Communal	0,34	0.36
Institutional	1,37	1.45
National Monuments	1,37	1.45
Municipal	1,37	1.45
Public Benefit Organizations	0,34	0.36
Public Service Infrastructure	0,34	0.36
Special Purpose	1,37	1.45
State owned	2,03	2.15
Place of Worship	1,37	1.45
Properties leased by the Municipality	1,37	1.45

8.3 Sale of Electricity and Impact of Tariff Increases

NERSA has approved a 12.2 per cent guideline tariff increase and 14.24 per cent increase in the cost of bulk purchases for the 2015/16 budget.

Considering the Eskom increases and the magnitude in the consumer tariff increases, it is expected to depress growth in electricity consumption, which will have a negative impact on the municipality's revenue from electricity.

Registered indigents will again be granted 50 kWh per 30-day period free of charge.

The following table shows the impact of the proposed increases in electricity tariffs charges

NERSA APPROVED CATEGORIES OF ELECTRICITY TARIFFS OF UMVOTI MUNICIPALITY				
DOMESTIC TARIFFS		2014/15	% increase	2015/16
Domestic Option 1	energy charge per kwh	111.46	12.2	125.0581
Basic Charge	amperage charge per amp per meter	4.35	12.2	4.8807
Domestic option 2 (no basic charge)	energy charge per kwh (no basic charge)	151.59	12.2	170.084
Prepaid Indigent	energy charge per kwh	92.33	12.2	103.5943
Indigent Convertional	energy charge per kwh	80.45	12.2	90.2649
COMMERCIAL TARIFFS				
Commercial	energy charge per kwh	135.7	12.2	152.2554
Basic Charge	amperge charge amp per meter	5.22	12.2	5.85684
Sportfield and Street Lighting				
Energy charge	Energy charge per kwh	146.6	12.2	164.4852
Availability Charge				
Residential use per lot per month	availability charge	90.47	12.2	101.5073
Commercial or Industrial use per month	availability charge	174.9	12.2	196.2378
Industrial Tariffs				
Large power users with installed capacity in excess of 65 kva				
Basic Charge	basic charge per month	1266.28	12.2	1420.766
Energy Charge	energy charge per kwh	77.47	12.2	86.92134
Demand Charge	demand charge per KVA	170.45	12.2	191.2449

8.4 Waste Removal and Impact of Tariff Increases

Currently solid waste removal is operating at a deficit. As part of the tariff setting principles, refuse removal should be rendered at break even, which is currently not the case.

The below tables indicate the actual and budgeted financial performance of the Waste Management on the 7 year budget horizon.

Standard Classification Description	2011/12	2012/13	2013/14	Current Year 2014/15		2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Waste Management-Revenue	7 718	8 490	5 976	6 257	6 257	6 647	6 979	7 328
Waste Management-Expenditure	-10 447	-9 714	-9 221	-9 881	-9 881	-12 345	-12 456	-13 745
Surplus(Deficit)	-4 220	-2 729	-3 245	-3 624	-3 624	-5 698	-5 477	-6 417

The Municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to this deficit are repairs and maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration as well as transporting of waste to Pietermaritzburg.

Considering the deficit, it is recommended that a comprehensive investigation into the cost structure of solid waste function be undertaken, and that this include investigating alternative service delivery models.

Council is requested to task the administration in exploring ways of enhancing the waste management towards operating at breakeven.

Refuse Removal tariffs were increase at 6 per cent which is consistent with the CPIX index of 6. Per cent as outlined in MFMA circular No.75

The following table compares current and proposed amounts payable from 1 July 2014:

Tariff Type	2014/15 current tariffs	2015/16 Proposed Tariffs	Difference	Tariff Increase %
Refuse Domestic	100.3	106.318	6.018	6%
Refuse Commercial	273.3	289.698	16.398	6%
Refuse Other	370.3	392.518	22.218	6%

9. Operating Expenditure Framework

The following table is a high level summary of the 2015/16 budget and MTREF (classified per main type of operating expenditure):

Description R thousand	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Expenditure By Type									
Employee related costs	34 671	40 809	46 069	71 856	60 500	60 500	83 011	88 892	93 465
Remuneration of councillors	4 668	6 488	6 868	6 320	7 820	7 820	8 484	8 909	9 354
Debt impairment	9	3 532	464	4 325	2 700	2 700	2 700	1 500	1 000
Depreciation & asset impairment	16 823	17 560	19 425	21 543	21 973	21 973	24 854	26 165	27 416
Finance charges	23	16					3 000	3 000	3 000
Bulk purchases	29 004	31 537	32 856	41 000	41 000	41 000	46 838	53 162	60 073
Other materials							243	260	274
Contracted services	11 938	13 239	10 628	13 383	10 201	10 201	17 150	16 538	17 028
Transfers and grants	1 103	1 268	2 322	42 544	911	911	2 400	2 529	2 671
Other expenditure	28 649	30 993	36 538	25 383	40 544	40 544	32 516	31 932	35 428
Loss on disposal of PPE									
Total Expenditure	126 889	145 442	155 168	226 353	185 649	185 649	221 198	232 885	249 708

The budgeted allocation for employee related costs for the 2015/16 financial year totals R83 million, which equals 37.5 per cent of the total operating expenditure.

The 3 year bargaining council agreement has expired in 2014/15 and the salaries increase were factored using 6 per cent inflation rate.

An annual increase of 5.8 per cent has been included in the two outer years of the MTREF. The staff cost is rapidly on the increase as new posts are proposed on a continual basis without any due diligent studies being conducted.

In 2014/15 the municipal council took a resolution that long serving employees as per the condition of the Placement policy be fairly remunerated and long serving contract workers be absorbed as permanent employees. This has contributed towards the high increase in the remuneration bill of the municipality.

Senior Management should not expect salary increases following the CoGTA recommendation that senior management salaries be curbed until an agreement is reached between the department and the parties concerned.

In line with the approval from NERSA, which authorized the approval of electricity Bulk Purchases by 14.24 per cent from Eskom. The bulk purchases contributes 21.1 per cent of the total Operating budget. The municipality is still facing challenges of electricity theft and this will cause a strain on the municipality's cash flow, as the economy is declining. The consumers' affordability will also decline, resulting in the municipality having to subsidise the difference between the Eskom bulk units prices, the allowed tariff increase and electricity theft. .

Finance charges of R3 million has been incorporated in the budget with an estimation that the banks will offer at most 10 per cent interest on the borrowings of R30 million.

The provision of debt impairment was determined based on an annual collection rate of 82.9 per cent and the Debt Write-off Policy of the Municipality. For the 2015/16 financial year this amount equates to 2.7 million and decrease to R1.5 million in 2016/17 and further drops to R1 million in 2017/18. The decreases in debt impairment over the MTREF is a result of planned improvements in credit and debt collection processes.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation has been allocated at R21.9 million in 2015/16, which amounts to 4 per cent of the total budgeted Property Plant and Equipment in budget table A6.

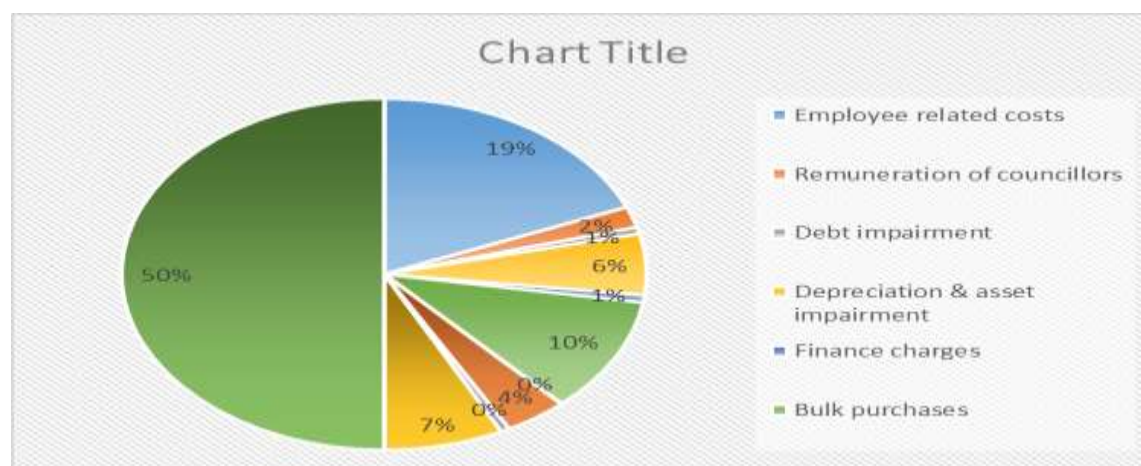
Other materials comprise of amongst others the purchase of fuel, diesel, materials for maintenance, cleaning materials and chemicals.

Contracted services in 2015/16 were adjusted according to the existing contracts and framed in line with the conditions of contracts. The contracted services are for projects that the municipality does not have a capacity to carry in house.

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. As a result of this, the Other expenditure is budgeted to decrease by 19 per cent in 2015/16 when compared with the 2014/15 adjusted budget.

The following table gives a breakdown of the main expenditure categories for the 2015/16 financial year.

Figure 1 Main operational expenditure categories for the 2015/16 financial year



9.1 Priority given to repairs and maintenance

Although ample budget provision is made for the repairing and maintaining of the municipal infrastructure assets the department concerned is not spending significantly on this urgent priority. Measures need to be put in place for the monitoring and maintaining of assets as renewing these assets will result in an additional burden to the Municipality.

9.2 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy. The community of Umvoti is reluctant to register as they feel that this attaches a stigma to them. Educational programs need to be developed to encourage the indigent to register.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

10. Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 10.1 2015/16 Medium-term capital budget per vote

Vote Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand	1										
Capital expenditure - Vote											
Single-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE & COUNCIL		3 559	8 813	3 473	870	1 070	1 070	-	20 150	10 000	5 000
Vote 2 - BUDGET & TREASURY		-	-	-	2 543	3 500	3 500	-	300	400	200
Vote 3 - ENGINEERING SERVICES		7 354	26 443	26 809	43 523	48 648	48 648	-	63 741	52 501	40 896
Vote 4 - COMMUNITY SERVICES		1 387	4 019	95	12 013	12 014	12 014	-	10 778	4 500	4 500
Vote 5 - CORPORATE SERVICES		-	-	-	47	47	47	-	640	200	300
Vote 6 - PLANNING		-	-	-	-	10 000	10 000	-	10 122	-	-
Capital single-year expenditure sub-total		12 299	39 275	30 377	58 995	75 278	75 278	-	105 731	67 601	50 896
Total Capital Expenditure - Vote		12 299	39 275	30 377	58 995	75 278	75 278	-	105 731	67 601	50 896

For the 2015/16 an amount of R63.1 million has been appropriated for the development of infrastructure which represent 59.8 per cent of the total proposed capital budget.

The municipality is under plans of sourcing funding of constructing new office block, upgrading the testing station and procurement of heavy duty equipment through borrowings. MFMA Section 46 need to be followed in order to secure funding, which include a consultation process with the public for the proposed loan of R30 million. MFMA Circular No.58 will be followed to apply for approval for the construction of office block to National Treasury.

The following are some of the projects that will be undertaken in 2015/16:

- Extension and fencing of cemetery- R3 5 Million
- New Electricity Infrastructure (INEP& Provincial CoGTA)- R 33 Million
- Procurement of Fire Engine and Equipment – R3.6 Million
- Procurement of Disaster Rescue Vehicle and Equipment- R540 000
- Parks and Gardens Equipment- R1.5 million
- Testing Station Upgrade and Office Blocks- R20 million
- Procurement of Heavy Duty Equipment- R10 million
- Ward Clustered Projects (MIG)- R26.5 million

11. Annual Budget Tables

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2014/15 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes* on the facing page

Part 2 – Annual Budget Tables

KZN245 Umvoti - Table A1 Budget Summary

Description R thousands	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<u>Financial Performance</u>									
Property rates	15 050	19 750	22 882	24 149	29 905	29 905	31 691	33 221	35 181
Service charges	48 286	54 922	60 008	63 594	63 594	63 594	70 691	78 650	87 487
Investment revenue	3 261	3 886	3 641	3 000	3 000	3 000	3 100	3 100	3 150
Transfers recognised - operational	44 951	52 018	62 806	66 465	68 778	68 778	87 099	85 235	85 455
Other own revenue	7 189	7 440	8 032	7 338	6 922	6 932	8 309	8 453	8 718
Total Revenue (excluding capital transfers and contributions)	118 737	138 015	157 370	164 546	172 198	172 208	200 890	208 659	219 991
Employee costs	34 671	40 809	46 069	71 856	60 500	60 500	83 011	88 892	93 465
Remuneration of councillors	4 668	6 488	6 868	6 320	7 820	7 820	8 484	8 909	9 354
Depreciation & asset impairment	16 823	17 560	19 425	21 543	21 973	21 973	24 854	26 165	27 416
Finance charges	23	16	–	–	–	–	3 000	3 000	3 000
Materials and bulk purchases	29 004	31 537	32 856	41 000	41 000	41 000	47 082	53 421	60 346
Transfers and grants	1 103	1 268	2 322	42 544	911	911	2 400	2 529	2 671
Other expenditure	40 597	47 763	47 629	43 091	53 445	53 445	52 367	49 971	53 456
Total Expenditure	126 889	145 442	155 168	226 353	185 649	185 649	221 198	232 885	249 708
Surplus/(Deficit)	(8 152)	(7 427)	2 201	(61 808)	(13 451)	(13 441)	(20 308)	(24 227)	(29 718)
Transfers recognised - capital	8 604	25 702	21 855	48 386	52 622	52 622	69 570	52 501	40 896
Contributions recognised - capital & contributed as	–	(6 480)	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	452	11 795	24 057	(13 422)	39 171	39 181	49 262	28 274	11 178
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	452	11 795	24 057	(13 422)	39 171	39 181	49 262	28 274	11 178
<u>Capital expenditure & funds sources</u>									
Capital expenditure	12 299	39 274	30 377	58 995	75 278	75 278	105 731	67 601	50 896
Transfers recognised - capital	7 400	26 459	–	37 497	52 622	52 622	69 570	52 501	40 896
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	30 000	–	–
Internally generated funds	4 899	12 816	–	21 498	22 656	22 656	6 161	15 100	10 000
Total sources of capital funds	12 299	39 274	–	58 995	75 278	75 278	105 731	67 601	50 896
<u>Financial position</u>									
Total current assets	86 067	78 930	86 221	79 926	79 926	79 926	56 618	56 614	56 897
Total non current assets	384 746	406 460	417 048	416 969	416 969	416 969	553 927	583 927	598 927
Total current liabilities	34 658	31 132	28 801	28 801	28 801	28 801	25 150	27 120	24 630
Total non current liabilities	8 023	14 382	15 399	15 399	15 399	15 399	49 715	44 715	39 715
Community wealth/Equity	428 081	439 603	459 661	459 661	459 661	459 661	536 267	568 507	591 480
<u>Cash flows</u>									
Net cash from (used) operating	28 205	23 197	41 190	(613)	51 604	51 604	70 488	59 376	45 250
Net cash from (used) investing	(12 265)	(39 064)	(29 982)	(47 624)	(63 989)	(63 989)	(84 585)	(54 081)	(40 717)
Net cash from (used) financing	14	69	134	166	166	166	(2 800)	(2 800)	(2 500)
Cash/cash equivalents at the year end	64 314	48 518	59 860	11 789	47 641	47 641	31 103	33 598	35 632
<u>Cash backing/surplus reconciliation</u>									
Cash and investments available	64 315	48 518	60 188	53 893	53 893	53 893	30 903	33 198	34 732
Application of cash and investments	8 239	4 097	877	6 412	7 453	7 453	165	3 490	1 239
Balance - surplus (shortfall)	56 076	44 421	59 310	47 480	46 439	46 439	30 738	29 708	33 493
<u>Asset management</u>									
Asset register summary (WDV)	384 746	385 576	396 164	416 967	416 967	269 507	519 543	539 543	544 543
Depreciation & asset impairment	16 823	17 560	19 425	21 543	21 973	21 973	24 854	26 165	27 416
Renewal of Existing Assets	4 772	27 272	26 904	3 770	19 957	–	–	–	–
Repairs and Maintenance	5 016	6 619	6 231	9 253	9 253	–	12 877	13 490	14 264

- The Above Table depicts a picture of the consolidated effect of the budget in the municipality's financial performance, financial position, and the management of cash flows and the Asset Management.
- The financial performance revenue budgeted indicates an increase of 16.5 per cent of the 2015/16 revenue to be billed and allocated through government grants when compared with the 2014/15 adjusted budget. The significant increase in revenue is due to the increase of the Equitable Share and the 12.2 per cent increase in tariff of charges for Electricity service charges.
- Financial Performance Expenditure budget indicates a 19 per cent increase in operating expenditure in 2015/16 when compared with the 2014/15 adjusted budget. The increase in expenses is significantly contributed by the increase in employee related cost, depreciation (non- cash item) and the bulk purchases.
- Funding sources of the capital budget of the municipality are mainly from National and Provincial Grants of 69.6 million (66 per cent), the envisaged borrowings of R30 million (28 per cent) and internally generated funds of R6.2 million (6 per cent).
- The financial Position effect of the budget is that the municipal assets is envisaged to increase to R553.9 million and an increase of R49 million in non- current liabilities as a result of the planned borrowings for the office black, Testing station and heavy duty equipment.
- The municipality also plans to venture into Finance lease for motor vehicle due to shortages in the municipality which affect service delivery. The effect of the finance lease has been incorporated in the budget for R5 million over a three year term.
- The Cash flow of the municipality is estimated to decrease as a result of the high demand for funds on expenditure for the repayment of the loan, the capital expenditure and the servicing of the loan on interest rate. The municipality requires a stringent approach in ensuring that consumers are paying for services in order to be able to improve on the cash flow position. The collection rate budgeted for is 85 per cent.

Table A4 Budget Financial Performance by Revenue and Expenditure Sources
KZN245 Umvoti - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand	1									
Revenue By Source										
Property rates	2	13 799	18 623	21 525	22 598	28 605	28 605	30 321	31 777	33 652
Property rates - penalties & collection charges		1 251	1 127	1 358	1 551	1 300	1 300	1 370	1 444	1 529
Service charges - electricity revenue	2	42 433	48 680	53 381	56 539	56 539	56 539	62 588	70 086	78 483
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	5 290	5 534	5 977	6 258	6 258	6 258	6 648	6 980	7 329
Service charges - other		563	708	650	798	798	798	1 455	1 584	1 675
Rental of facilities and equipment		2 819	2 881	3 097	3 107	3 091	3 091	3 526	3 557	3 574
Interest earned - external investments		3 261	3 886	3 641	3 000	3 000	3 000	3 100	3 100	3 150
Interest earned - outstanding debtors		154	170	233	180	180	180	191	200	212
Dividends received										
Fines		491	846	596	805	405	405	425	446	469
Licences and permits		1 914	1 990	1 767	1 955	1 955	1 955	2 170	2 278	2 392
Agency services		970	1 054	1 106	1 150	1 150	1 150	1 150	1 208	1 268
Transfers recognised - operational		44 951	52 018	62 806	66 465	68 778	68 778	87 099	85 235	85 455
Other revenue	2	841	288	1 203	141	141	141	847	764	803
Gains on disposal of PPE			210	31			10			
Total Revenue (excluding capital transfers and contributions)		118 737	138 015	157 370	164 546	172 198	172 208	200 890	208 659	219 991
Expenditure By Type										
Employee related costs	2	34 671	40 809	46 069	71 856	60 500	60 500	83 011	88 892	93 465
Remuneration of councillors		4 668	6 488	6 868	6 320	7 820	7 820	8 484	8 909	9 354
Debt impairment	3	9	3 532	464	4 325	2 700	2 700	2 700	1 500	1 000
Depreciation & asset impairment	2	16 823	17 560	19 425	21 543	21 973	21 973	24 854	26 165	27 416
Finance charges		23	16					3 000	3 000	3 000
Bulk purchases	2	29 004	31 537	32 856	41 000	41 000	41 000	46 838	53 162	60 073
Other materials	8							243	260	274
Contracted services		11 938	13 239	10 628	13 383	10 201	10 201	17 150	16 538	17 028
Transfers and grants		1 103	1 268	2 322	42 544	911	911	2 400	2 529	2 671
Other expenditure	4, 5	28 649	30 993	36 538	25 383	40 544	40 544	32 516	31 932	35 428
Loss on disposal of PPE										
Total Expenditure		126 889	145 442	155 168	226 353	185 649	185 649	221 198	232 885	249 708
Surplus/(Deficit)		(8 152)	(7 427)	2 201	(61 808)	(13 451)	(13 441)	(20 308)	(24 227)	(29 718)
Transfers recognised - capital		8 604	25 702	21 855	48 386	52 622	52 622	69 570	52 501	40 896
Contributions recognised - capital	6	-	-	-	-	-	-	-	-	-
Contributed assets			(6 480)							
Surplus/(Deficit) after capital transfers & contributions		452	11 795	24 057	(13 422)	39 171	39 181	49 262	28 274	11 178
Taxation										
Surplus/(Deficit) after taxation		452	11 795	24 057	(13 422)	39 171	39 181	49 262	28 274	11 178
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		452	11 795	24 057	(13 422)	39 171	39 181	49 262	28 274	11 178
Share of surplus/ (deficit) of associate	7									
Surplus/(Deficit) for the year		452	11 795	24 057	(13 422)	39 171	39 181	49 262	28 274	11 178

- The above tables indicates that the municipality's budgeted Operating expenditure is above the budgeted Operating Revenue over the 2015/16 MTREF which translates to budget deficit. The deficit is attributed by non -cash items which were not factored in the municipal tariffs.

Table A5 Budget Capital Expenditure Budget by Vote

KZN245 Umvoti - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand	1										
Capital expenditure - Vote											
Single-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE & COUNCIL		3 559	8 813	3 473	870	1 070	1 070	-	20 150	10 000	5 000
Vote 2 - BUDGET & TREASURY		-	-	-	2 543	3 500	3 500	-	300	400	200
Vote 3 - ENGINEERING SERVICES		7 354	26 443	26 809	43 523	48 648	48 648	-	63 741	52 501	40 896
Vote 4 - COMMUNITY SERVICES		1 387	4 019	95	12 013	12 014	12 014	-	10 778	4 500	4 500
Vote 5 - CORPORATE SERVICES		-	-	-	47	47	47	-	640	200	300
Vote 6 - PLANNING		-	-	-	-	10 000	10 000	-	10 122	-	-
Capital single-year expenditure sub-total		12 299	39 275	30 377	58 995	75 278	75 278	-	105 731	67 601	50 896
Total Capital Expenditure - Vote		12 299	39 275	30 377	58 995	75 278	75 278	-	105 731	67 601	50 896
Capital Expenditure - Standard											
Governance and administration		1 078	4 020	3 473	3 460	4 617	4 617	-	21 090	10 600	5 500
Executive and council		961	1 635	3 473	870	1 070	1 070	-	20 150	10 000	5 000
Budget and treasury office		-	-	-	2 543	3 500	3 500	-	300	400	200
Corporate services		117	2 384	-	47	47	47	-	640	200	300
Community and public safety		3 196	6 513	95	6 331	6 332	6 332	-	10 778	4 500	4 500
Community and social services		1 573	5 857	95	5 481	5 482	5 482	-	10 778	4 500	4 500
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		1 623	656	-	850	850	850	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		6 243	27 589	26 809	28 698	38 698	38 698	-	47 253	27 501	28 896
Planning and development		30	1 994	-	-	10 000	10 000	-	10 122	-	-
Road transport		6 213	25 596	26 809	28 698	28 698	28 698	-	37 131	27 501	28 896
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		1 782	1 152	-	20 165	25 290	25 290	-	26 610	25 000	12 000
Electricity		1 188	863	-	14 705	19 830	19 830	-	26 610	25 000	12 000
Water		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		595	289	-	5 460	5 460	5 460	-	-	-	-
Other		-	-	-	341	341	341	-	-	-	-
Total Capital Expenditure - Standard	3	12 299	39 274	30 377	58 995	75 278	75 278	-	105 731	67 601	50 896
Funded by:											
National Government		7 400	26 459	-	37 497	37 497	37 497	-	51 570	52 501	40 896
Provincial Government		-	-	-	-	15 125	15 125	-	18 000	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	7 400	26 459	-	37 497	52 622	52 622	-	69 570	52 501	40 896
Public contributions & donations	5	-	-	-	-	-	-	-	30 000	-	-
Borrowing	6	-	-	-	-	-	-	-	6 161	15 100	10 000
Internally generated funds	7	4 899	12 816	-	21 498	22 656	22 656	-	6 161	15 100	10 000
Total Capital Funding	7	12 299	39 274	-	58 995	75 278	75 278	-	105 731	67 601	50 896

- The above table reflect total capital expenditure budget per municipal function.
- Municipal capital budget has a gross amount of R105.7 million and is funded through National and Provincial Subsidies and Internally generated funds.
- Grants and Subsidies contribute 66 per cent, Borrowings contribute 28 per cent and internal funds contribute 6 per cent towards the total Capital Expenditure.
- The break -down of project is reflected on the budget per department as Annexure A.

Table A6 Budget Financial Position**KZN245 Umvoti - Table A6 Budgeted Financial Position**

Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
ASSETS										
Current assets										
Cash	4 295	1 027	6 295					5 000	6 000	5 000
Call investment deposits	60 020	47 491	53 893	53 893	53 893	53 893	–	25 903	27 198	29 732
Consumer debtors	18 590	18 619	21 880	21 880	21 880	21 880	–	22 416	20 216	19 066
Other debtors	1 807	10 329	1 854	1 854	1 854	1 854		1 500	1 400	1 300
Current portion of long-term receivables	31	1			–	–				
Inventory	1 354	1 462	2 299	2 299	2 299	2 299		1 800	1 800	1 800
Total current assets	86 097	78 930	86 221	79 926	79 926	79 926	–	56 618	56 614	56 897
Non current assets										
Long-term receivables										
Investments										
Investment property	20 884	20 884	20 884	20 884	20 884	20 884		30 884	40 884	50 884
Investment in Associate										
Property, plant and equipment	363 713	385 428	395 937	395 937	395 937	395 937	–	485 159	495 159	490 159
Agricultural										
Biological										
Intangible	149	148	147	147	147	147		3 500	3 500	3 500
Other non-current assets										
Total non current assets	384 746	406 460	416 969	416 969	416 969	416 969	–	519 543	539 543	544 543
TOTAL ASSETS	470 843	485 390	503 189	496 894	496 894	496 894	–	576 161	596 157	601 440
LIABILITIES										
Current liabilities										
Bank overdraft										
Borrowing	–	–	–	–	–	–	–	3 000	3 000	3 000
Consumer deposits	1 988	2 139	2 274	2 274	2 274	2 274		2 000	2 000	2 500
Trade and other payables	32 412	28 532	26 164	26 164	26 164	26 164	–	20 150	22 120	19 130
Provisions	339	461	364	364	364	364				
Total current liabilities	34 740	31 132	28 801	28 801	28 801	28 801	–	25 150	27 120	24 630
Non current liabilities										
Borrowing	–	–	–	–	–	–	–	35 000	30 000	25 000
Provisions	8 023	14 382	15 399	15 399	15 399	15 399	–	14 715	14 715	14 715
Total non current liabilities	8 023	14 382	15 399	15 399	15 399	15 399	–	49 715	44 715	39 715
TOTAL LIABILITIES	42 762	45 513	44 200	44 200	44 200	44 200	–	74 865	71 835	64 345
NET ASSETS	428 081	439 876	458 989	452 694	452 694	452 694	–	501 297	524 323	537 096
COMMUNITY WEALTH/EQUITY										
Accumulated Surplus/(Deficit)	116 151	139 697	171 530	171 530	171 530	171 530		489 037	511 973	524 336
Reserves	311 930	299 906	288 130	288 130	288 130	288 130	–	12 260	12 350	12 760
Minorities' interests										
TOTAL COMMUNITY WEALTH/EQUITY	428 081	439 603	459 661	459 661	459 661	459 661	–	501 297	524 323	537 096

- Table above reflect Financial Position of the municipality after taking into effect the adjustments budget.

Table A7 Adjustments Budget Cash Flows**KZN245 Umvoti - Table A7 Budgeted Cash Flows**

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges		11 039	12 105	20 990					25 490	28 454	31 816
Service charges		51 322	50 083	63 519					59 973	67 090	74 615
Other revenue		18 456	6 944	11 660	78 429	78 429	78 429		6 340	7 491	8 149
Government - operating	1	44 951	52 018	62 806	66 465	68 778	68 778		87 099	85 235	85 455
Government - capital	1	8 604	25 702	21 855	48 386	52 622	52 622		69 570	52 501	40 896
Interest		3 261	3 886	3 641	3 000	3 000	3 000		3 291	3 300	3 362
Dividends									-	-	-
Payments											
Suppliers and employees		(108 302)	(126 255)	(140 959)	(154 349)	(150 315)	(150 315)		(149 862)	(160 008)	(172 115)
Finance charges		(23)	(16)						(3 000)	(3 000)	(3 000)
Transfers and Grants	1	(1 103)	(1 268)	(2 322)	(42 544)	(911)	(911)		(28 413)	(21 688)	(23 928)
NET CASH FROM/(USED) OPERATING ACTIVITIES		28 205	23 197	41 190	(613)	51 604	51 604	-	70 488	59 376	45 250
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			210	395					-	-	-
Decrease (increase) in non-current debtors									-	-	-
Decrease (increase) other non-current receivables		34	0						-	-	-
Decrease (increase) in non-current investments									-	-	-
Payments											
Capital assets		(12 299)	(39 274)	(30 377)	(47 624)	(63 989)	(63 989)		(84 585)	(54 081)	(40 717)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(12 265)	(39 064)	(29 982)	(47 624)	(63 989)	(63 989)	-	(84 585)	(54 081)	(40 717)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing									-	-	-
Increase (decrease) in consumer deposits		139	151	134	166	166	166		200	200	500
Payments											
Repayment of borrowing		(125)	(82)						(3 000)	(3 000)	(3 000)
NET CASH FROM/(USED) FINANCING ACTIVITIES		14	69	134	166	166	166	-	(2 800)	(2 800)	(2 500)
NET INCREASE/ (DECREASE) IN CASH HELD		15 954	(15 798)	11 342	(48 071)	(12 220)	(12 220)	-	(16 897)	2 496	2 033
Cash/cash equivalents at the year begin:	2	48 360	64 315	48 518	59 860	59 860	59 860		48 000	31 103	33 598
Cash/cash equivalents at the year end:	2	64 314	48 518	59 860	11 789	47 641	47 641	-	31 103	33 598	35 632

- The table above indicates the Cash Flow activities of the municipality after taking into effect the adjusted budget.
- The table reflects a decrease in cash held by the municipality by R16.8 million in 2015/16 budget year and a slight increase in cash held by R2.5 million and R2 million in 2016/17 and 2017/18 respectively.
- Borrowings are also reflected at R30 million and the repayments of R3 million over the 10 year period.

Table A9 Asset Management**KZN245 Umvoti - Table A9 Asset Management**

Description R thousand	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
CAPITAL EXPENDITURE									
<u>Total New Assets</u>	7 528	12 003	3 473	49 146	55 321	-	103 665	52 501	40 836
Infrastructure - Road transport	2 851	-	-	30 752	30 752	-	36 570	27 501	28 836
Infrastructure - Electricity	1 076	-	-	14 705	19 830	-	33 000	25 000	12 000
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Infrastructure	3 927	-	-	45 457	50 582	-	69 570	52 501	40 836
Community	93	3 766	-	3 639	3 639	-	4 080	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	3 508	8 238	3 473	50	1 100	-	30 015	-	-
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
<u>Total Renewal of Existing Assets</u>	4 772	27 272	26 904	3 770	19 957	-	-	-	-
Infrastructure - Road transport	3 427	25 646	24 850	-	10 000	-	-	-	-
Infrastructure - Electricity	-	797	1 960	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Infrastructure	3 427	26 443	26 809	-	10 000	-	-	-	-
Community	1 345	253	95	250	250	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	576	-	3 520	9 707	-	-	-	-
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
<u>Total Capital Expenditure</u>									
Infrastructure - Road transport	6 278	25 646	24 850	30 752	40 752	-	36 570	27 501	28 836
Infrastructure - Electricity	1 076	797	1 960	14 705	19 830	-	33 000	25 000	12 000
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Infrastructure	7 354	26 443	26 809	45 457	60 582	-	69 570	52 501	40 836
Community	1 438	4 019	95	3 889	3 889	-	4 080	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	3 508	8 813	3 473	3 570	10 807	-	30 015	-	-
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset	12 299	39 275	30 377	52 916	75 278	-	103 665	52 501	40 836

ASSET REGISTER SUMMARY - PPE (WDV)									
Infrastructure - Road transport	164 527	179 812	190 159	190 159	190 159	190 159	200 159	205 159	210 159
Infrastructure - Electricity	56 733	55 514	58 317	58 317	58 317	58 317	60 000	65 000	65 000
Infrastructure - Water									
Infrastructure - Sanitation									
Infrastructure - Other	104 601	87 114	85 029				65 000	60 000	40 000
Infrastructure	325 861	322 440	333 505	248 476	248 476	248 476	325 159	330 159	315 159
Community	29 811	32 214	30 435	30 435	30 435		40 000	45 000	45 000
Heritage assets	314	314	314	314	314				
Investment properties	20 884	20 884	20 884	20 884	20 884	20 884	30 884	40 884	50 884
Other assets	7 728	9 576	10 879	116 711	116 711		120 000	120 000	130 000
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	149	148	147	147	147	147	3 500	3 500	3 500
TOTAL ASSET REGISTER SUMMARY - PPE	384 746	385 576	396 164	416 967	416 967	269 507	519 543	539 543	544 543
EXPENDITURE OTHER ITEMS									
<u>Depreciation & asset impairment</u>	16 823	17 560	19 425	21 543	21 973	21 973	24 854	26 165	27 416
<u>Repairs and Maintenance by Asset Class</u>	5 016	6 619	6 231	9 253	9 253	-	12 877	13 490	14 264
Infrastructure - Road transport	5 016	6 619	6 231	7 830	7 830	-	12 877	13 490	14 264
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Infrastructure	5 016	6 619	6 231	7 830	7 830	-	12 877	13 490	14 264
Community	-	-	-	1 037	1 037	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	386	386	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS	21 839	24 179	25 656	30 796	31 226	21 973	37 732	39 655	41 680
Renewal of Existing Assets as % of total PPE	38.8%	69.4%	88.6%	7.1%	26.5%	0.0%	0.0%	0.0%	0.0%
Renewal of Existing Assets as % of depreciation	28.4%	155.3%	138.5%	17.5%	90.8%	0.0%	0.0%	0.0%	0.0%
R&M as a % of PPE	1.4%	1.7%	1.6%	2.3%	2.3%	0.0%	2.5%	2.5%	2.6%
Renewal and R&M as a % of PPE	3.0%	9.0%	8.0%	3.0%	7.0%	0.0%	2.0%	3.0%	3.0%

- The table above indicates the asset structure of the municipality, with the effect of the adjustments budget.
- The financial Position effect of the budget is that the municipal assets is envisaged to increase to R553.9 million and an increase of R49 million in non- current liabilities as a result of the planned borrowings for the office black, Testing station and heavy duty equipment.
- Repairs and Maintenance are budgeted at 2.5 per cent average over the MTREF of the budgeted Property Plant and Equipment. This is below the benchmark of 8 per cent as per National Treasury recommendation. This indicates that Municipal Assets are not preserved and this might result in slow service delivery due to unmaintained asset break downs. Management need to review all the repairs and maintenance of the municipality.

Part 3 – Annual Budget Tariffs

2.2.1 Tariff Policies

The Municipality's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The policies have been approved on various dates and a consolidated tariff policy is envisaged to be compiled for ease of administration and implementation of the next two years.

All the above policies will be available on the Municipality's website, as well as the following budget related policies:

- Property Rates Policy;
- Property Rates By-Law;
- Borrowing Policy; and
- Indigent Policy

UMVOTI MUNICIPALITY**TARRIF OF CHARGES****1. Community Services (Subject to VAT)****1.1 REFUSE REMOVAL SERVICES**

	2014/2015 Tariffs	2015/16 Tariffs
(1) Residential, churches & welfare organizations - Once a week services for not more than two receptacles, Per consumer, per month . Greytown per bin Kranskop per b	R 100	R 110
(2) All other institutions and business - for the first bin, maximum four times weekly, per month, Should there not be an electricity account a deposit of R1000.00 would be required to prepay for collection.	R 273	R 301
(3) Rental for 240 litre bin	R 35	R 38
(4) 4 cubic meter container	R 1 420	R 1 562
(5) rental of containers	R 319	R 350
(6) Each additional bin (number as assessed by C.H.S.) Per month	R 153	R 168
(7) Loose refuse, i.e. not in bags or approved receptacle, per removal, to be paid in advance unless authorized by the Municipal Manager	R 933	R 1 027
(8) (a) Purchase of refuse bags, per each	R 15	R 16
(b) purchase of refuse bags, per pack of 25	R 370	R 407
(6) All gardens and other types of refuse - per load or part thereof to be paid in advance unless authorized by the Municipality Manager	R 370	R 407
(7) Dumping at refuse transfer station		
(a) 1 ton truck or part thereof	R 695	R 764
(b) 3 to truck	R 2 095	R 2 305
(c) Tractor / trailer	R 2 810	R 3 091

1.2 REMOVAL OF CARCASSES

1. Cats and Dogs	R 96	R 105
2. Sheep, pigs and goats, each	R 1 361	R 1 497
3. Cattle, horses and mules, each	R 368	R 405

1.3 VACUUM TANKER REMOVALS

Each tank load or part thereof	R 648	R 713
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1.4 SUNDRY HEALTH SERVICES

1.5 (1) (a) for cutting down and removing Overgrowth vegetation, for the first 2 024 sq. meters or part thereof, payable in advance	R 1 405	R 1 546
(b) for each additional 2 024 sq. meters or part thereof, payable in advance	R 690	R 759
(c) if cleared in default - for each 2 024 sq. meters or part thereof, an additional	R 760	R 836
2. Removal of scrap vehicles, each	Cost + 10%	
3. (a) hire of portable toilets, per each, per day or part thereof	R 116	R 128
(b) Charitable organization and sporting bodies per each, per day or thereof	R 43	R 47
(c) Hire of portable toilets (flush type), per each, per day or thereof	R 376	R 414

ELECTRICITY TARIFF (SUBJECT TO AN EXCLUSIVE OF VAT)(2014 - 2015 YEAR)**2014/2015****2015/16****Tariffs****Tariffs**

1. The following charges shall be payable to the Council for the supply of electricity even in the event of temporarily disconnected from the supply: (FOR THE 2014 - 2015) FINANCIAL YEAR

(a) Domestic consumers (including sporting bodies, churches, schools and charitable organizations) must elect one of the following tariff options.

TARIFF OPTION 1

(i) A monthly basic charge per amp per month.

R 4 R 5

(ii) An energy charge per kilowatt hour.

R 1 R 1

(iii) An energy charge per kilowatt hour (INDIGENT) tariff code 579 (conv. Meter)

R 1 R 1

TARIFF OPTION 2

(i) An energy charge per kilowatt hour with no monthly basic charge.

R 2 R 2

PERPAID METERING

(i) An energy charge per kilowatt hour for -(INDIGENT)

R 9 R 10

(ii) An energy charge per kilowatt hour for -(OTHER)

R 1 R 2

(b) Large power users (applicable to consumers with an installed capacity of in excess of 65 KVA)

(i) A KVA maximum demand charge per month measured over any consecutive thirty minutes during the month.

R 170 R 187

(ii) A monthly basic charge per month.

R 1 266 R 1 393

(iii) An energy charge per kilowatt hour.

R 1 R 1

(c) Commercial Consumers/Other

(i) A monthly basic charge per amp per phase calculated on the sum total of the tripping current.

R 5 R 6

(ii) An energy charge per kilowatt hour.

R 1 R 2

(d) Availability charge on registered lots with or without improvements which are not connected to the Council's electricity supply and where such properties are situated within 200 meters of a municipal power line and which can reasonably be connected thereto:

I. On lots proclaimed for residential use, Per lot, per month

R 90 R 99

II. On lot proclaimed for commercial or industrial Use per lot, per month

R 175 R 193

(e) Sport Fields

Applicable to all sport fields per Kwh

R 1 R 2

(f) Non-metered consumers (Display Signs)

Applicable to non-metered consumers:

Fees for each 200W or fitting or part thereof, per Month

R 99 R 109

(g) Street Lights

Applicable to street lights per Kwh.

R 1 R 2

(I) REBATE/SURCHARGE

Not with standing the foregoing, Council may from time to time determine a rebate/surcharge in respect of unit charges up to a maximum of 20%

2.2 CONNECTION FEES

All connection fees prescribed below shall be payable in advance; provided however; that where no fixed fee is actually prescribed and the fee estimated exceeds the actual costs as calculated after the work has been completed, the applicant shall be refunded the difference and conversely, the council shall be reimbursed where it is established that the cost calculated exceeds the fee actually charged.

	2014/2015	2015/16
	Tariffs	Tariffs
(1) Consumers requiring a single - phase connection Not exceeding 100 Amp residential, up to the Property boundary	Cost + 10%	Cost + 10%
(2) Consumers requiring a three-phase connection Not exceeding 100 Amp per phase: residential, up to the property boundary	Cost + 10%	Cost + 10%
(3) Business consumers requiring a connection	Cost + 10%	Cost + 10%
(4) Consumers with a load exceeding 100 amp three phase	Cost + 10%	Cost + 10%
(5) All temporary consumers will be required to pay for all For the supply and installation of the equipment Necessary for making the connection.	Cost + 10%	Cost + 10%

2.3 SUNDRY FEES**(1) Reconnections:**

After a consumer has requested that the Installation be disconnected	R 92	R 101
(a) After Installation is disconnected for non payment of account or non-compliance with bylaws	R 293	R 323

(2) Tampering Fees

(a) First Tamper R 2500.00 Plus back charges on electricity consumed	R 2 750	R 3 025
(b) Second Tamper R 5000.00 plus back charges on electricity consumed	R 5 500	R 6 050
(c) Third Tamper - Hard disconnection, R 7000.00 plus back charges on electricity consumed and on request of a re-connection	R 7 500	R 8 250
- All arrears on service account must be paid in full		
- Full cost of new service connection must be paid by consumer.		

(3) Restoration of supply after failure due to faults on Consumers installation.

(a) Normal working hours	R 370	R 407
(b) Outside normal working hours	R 765	R 842

(4) Testing of meters

Testing of meters' In accordance with bylaw 10(3)	R 610	R 671
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(5) Changing of MCB:

(a) Scale A: (Changing single-phase MCB to lower rating at request of consumer)	R 355	R 391
(b) Scale B; (Changing three-phase MCB to lower rating at request of consumer)	R 772	R 849

(6) Checking of meter reading in accordance with bylaw 9(3)	R 207	R 228
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(7) Serving of notice in accordance with bylaw 40(1)	R 62	R 68
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ALL ELECTRICITY CONVENTIONAL CHARGES COMES INTO EFFECT FROM THE AUGUST BILLING RUN.
ALL ELECTRICITY PRE PAID CHARGES COMES INTO EFFECT FROM THE 1 ST JULY.

	2014/2015 Tariffs	2015/16 Tariffs
3.1 CEMETRY: KRANSKOP		
(1) Exhumation fee	R 568	R 625
(2) Burial Fee	R 265	R 292
(3) Additional Charge for burial held after normal working hours including Weekends and public holidays	R 58	R 63
(4) Fee for the reservation of burial plots for a period over 50 years	R 570	R 627
(5) Permit to erect a memorial on grave site	R 132	R 146
(6) Indigent who qualifies in terms of council's indigent Policy and active staff members	R 80	R 88
3.2 CEMETRY: GREYOWN		
(1) Exhumation fee	R 1 590	R 1 749
(2) (a) burial fee (residents)	R 800	R 880
(b) burial fee (non-residents)	R 1 590	R 1 749
(3) Additional charge for burial held after normal working hours including weekends and public holidays provided that this additional charge may be waived at the discretion of the Council.	R 295	R 325
(4) Where the size of the grave exceeds 2,2 meters in length and 1,05 meters in width, an additional amount payable shall be	R 247	R 272
(5) Burial of ashes in plot or Wall Remembrance	R 172	R 189
(6) Fee for reservation of grave ploy for a period of ten years	R 1 595	R 1 755
(7) Reservation of niche in Wall of Remembrance for a period of 10 years	R 169	R 186
(8) Permit to erect a memorial on a grave site or plaque on Wall Remembrance	R 169	R 186
(9) Indigent who qualifies in terms of council's indigent policy	R 80	R 88
(10) Burial of active staff members	R 80	R 88
4. KEEPING OF ANIMALS AND BIRDS		
4.1 POUND		
(1) Impounding fee for domestic animals, per animal	R 97	R 106
(2) Veterinary costs, kennel fees (if incurred)	cost plus 10%	cost plus 10%
4.2 MISCELLANEOUS CHARGES		
(2) Water samples for analysis	R 241	R 265
(3) Milk samples for analysis	R 362	R 398
5. LIBRARY		
(1) Tariffs as contained in bylaw 5(2) Chapter XV11 of the Standard Bylaws published under Provincial Notice 87 on 10 March 1953, as amended from time to time:		
(2) Membership Fee		
(a) Adults, per annum.	R 127	R 140
(b) Children under 14 years, per annum	R 42	R 46
(c) Family, per annum	R 148	R 163
(3) Group Activities Room:		
(a) Morning session 08:00 - 12:00		
(b) Afternoon session 12:00 - 17:00		
(c) Evening session 17:00 - 24:00		
For the use of the Group Activities room by persons or Organizations:		
(i) Other than those referred to in section		
Of the Public Library Bylaws, per session or part thereof	R 90	R 99
(ii) For personal gain, per session or part thereof	R 158	R 174
(iii) A penalty for late return of library material	R 1.0 per day or part thereof	
(4) Internet fee 15 min		
30 min		
1 hour		
(5) Deposit		

6. MUSEUM

Entry fee:	Nil	Nil
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7. GENERAL**7.1 HIRE OF TOWN HALL AND OTHER ROOMS**

2014/2015	2015/16
Tariffs	Tariffs

The charges for the use of the Town Hall and Supper Room Shall be payable by the Financial Management at the times of making reservation. The prescribed fees shall apply in respect of each session and for the purpose of these tariffs, a day shall be deemed to be divided in three sessions, namely:

Morning session: 08:00 - 12:00

Afternoon session: 12:00 - 17:00

Evening session: 17:00 - 24:00 but to 03:00 the following day in the case of dances.

(1) TOWN HALL

(a) Dances, Cabarets, Discos, Plays, Concerts, Cinema Shows, Fashion Shows, and The Like (08:00 to 24:00 on the day of the function and up to 10:00 on the day after for cleaning)		
(i) professional (conducted for personal gain)	R 1 356	R 1 492
(ii) local societies/organizations (conducted in aid of any charitable, sporting, cultural, religious or social organizations established-within the Municipality) and schools	R 500	R 550
(iii) Other	R 525	R 578
(iv) preparation/rehearsals:		
1. Evening Session	R 340	R 374
2. Daytime session	R 190	R 209
(b) Weddings, Wedding Receptions, Parties and The Like: (08:00 to 24:00 on the day of the function and up to 10:00 on the day after, for cleaning)	R 1 130	R 1 243
(i) Preparation:		
1. Evening	R 225	R 248
2. Daytime session	R 190	R 209
(c) Meetings, Talks, Lectures, Conferences and The Like:		
(i) professional (conducted for [personal gain]):		
1. Evening session per session	R 565	R 622
2. Daytime session per session	R 395	R 435
Local societies/organizations & schools:		
1. Evening session	R 282	R 310
2. Daytime session	R 224	R 246
(ii) Political		
1. Evening session	R 904	R 994
2. Daytime session	R 622	R 684
(iv) Other:		
1. Evening session	R 395	R 435
2. Daytime session	R 340	R 374
(v) preparation:		
1. Evening session	R 174	R 191
2. Daytime session	R 167	R 184
(d) Religious and Cultural Services, and Funerals:		
1. Evening session	R 395	R 435
2. Daytime session	R 224	R 246
(e) Bazaars, Fetes, Exhibitions, Arts, & Crafts and The Like		
(i) not for personal gain:		
1. Evening session	R 340	R 374
2. Daytime session	R 294	R 323
	<u>per session</u>	<u>per session</u>
(ii) preparation:		
1. Evening session	R 204	R 224
2. Daytime session	R 186	R 205

(f) Display of Traveler's Samples, Auctions, Commercial and Industrial Sales, Exhibitions and The Like:

(i) for personal gain:

1. Evening session

R 2 035

R 2 239

2. Daytime session

R 1 695

R 1 865

(g) Municipal, Provincial, State or Other Purpose of A Public Nature approved by The Municipal Manager:

(i) Each session

(h) For any other purpose not specified above:

(i) per session

R 565

R 622

(i) Hire of Furniture, Equipment and Appliances (Per Session)

(i) Stove (Do not charge)

(ii) Bain Marie.

(iii) Tables, per unit

2014/2015
2015/16

(j) Deposits:

Tariffs
Tariffs

(i) Hall hire.

R 2 640

R 2 904

(ii) minimum deposit live shows

R 8 000

R 8 800

(i.e. discos, dances, beauty, contests etc.)

(k) Discount:

A 30% discount shall apply to all tariffs from

Mondays to Thursdays with the exception of the following:

(i) on public holidays

(ii) political meetings

(iii) commercial functions

(iv) preparation/rehearsals

(v) equipment, appliances, furniture

Notwithstanding the charges set out in the outgoing tariffs, the Council shall have the right to hire the hall and/or rooms. Furniture, equipment, and appliances for a specific term and purpose at special rates as may be agreed upon.

(2) SUPPER ROOM

The charge shall be one half of the appropriate Town Hall hire charge.

(3) ENHLALAKAHLE HALLS

- (a) Dances, Cabaret, Discos, Plays, Concerts, Cinema Shows,
Fashion Shows, and The Like

(08:00 to 24:00 on the day of the function and up to 10:00 on the
day after for cleaning)

(i) professional (conducted for personal gain)	R 1 130	R 1 243
(ii) Local societies/organizations (conducted in aid of any charitable, sporting, cultural, religious or social Organizations established withi8n the Municipality) and school	R 452	R 497
(iii) other	R 565	R 622
(iv) preparation/rehearsals:		
1. evening session	R 226	R 249
2. daytime session	R 160	R 176

- (b) Weddings:- Wedding Receptions, Parties and The Like:

(08:00 to 24:00 on the day of the function and up to
10:00 on the day after, for cleaning)

(i) Preparation	R 1 020	R 1 122
1. evening session	R 226	R 249
2. Daytime session	R 170	R 187

- (c) Meetings, Talks, Lectures, Conferences and The Like:

- (i) professional (conducted for personal gain):

1. evening session	R 282	R 310
2. Daytime session	R 260	R 286

- (ii) Local societies/organizations & schools

1. evening session	R 226	R 249
2. daytime session	R 205	R 226

- (iii) political:

1. evening session	R 680	R 748
2. daytime session	R 508	R 559

- (iv) other:

1. evening session	R 282	R 310
2. daytime session	R 260	R 286

- (v) preparation:

1. evening session	R 226	R 249
2. daytime session	R 205	R 226

- (d) Religious and Cultural Services, and Funerals:

1. evening session	R 226	R 249
2. daytime session	R 205	R 226

- (e) Bazaars, Fetes, Exhibitions, Arts & Crafts and The Like:

- (i) not for personal gain:

1. evening session	R 215	R 237
2. Daytime session	R 195	R 215

- (ii) preparation:

1. evening session	R 150	R 165
2. Daytime session	R 130	R 143

- (f) Display of Traveler's Samples, Auctions,
commercial and Industrial Sales, Exhibitions and The Like:

- (i) for personal gain:

1. evening session	R 1 245	R 1 370
2. daytime session	R 1 080	R 1 188

(g) Municipal, provincial, State or Other Purpose of a Public Nature approved by The Municipal Manager:	2014/2015 Tariffs	2015/16 Tariffs
(i) each session		
(h) For any other Purpose not specified above:		
(i) hall hire	R 1 695	R 1 865
(ii) deposit live shows (i.e. discos, dances, beauty contests etc.)	R 7 350	R 8 085

Discount:

A 30% discount shall apply to all tariffs from Mondays to Thursdays with the exception of the following:

- (i) on public holidays
- (ii) political meetings
- (iii) commercial functions
- (iv) preparation/rehearsals
- (v) equipment, appliances, furniture

Notwithstanding the charges set out in the foregoing tariffs, the Council shall have the right to hire the hall and rooms, furniture, equipment and appliances for a specific term and purpose at special rates as may be agreed upon.

Kranskop Halls and Public Facilities

(4) KRANSKOP: HALL

- (a) the charges for the use for the Town Hall and Supper room shall be payable by the hirer to the Secretary at the time of making reservation.

**2014/2015
Tariffs**

**2015/16
Tariffs**

The prescribed fees shall apply in respect of each session and for the purpose of these tariffs a day shall be deemed to be divided in three sessions, namely:

The morning session: 08h00 - 12h00

The afternoon session: 13h00 - 17h00

The evening sessions: 18h00 - 24h00 but to 03h00 the following day in the case of dances.

(b) HIRE

	Morning Session	Evening Session	
(i) Bazaars, exhibitions and flower shows	R 110.00	R 130	R 143
(PROPOSED)	R 117.70	R 139	R 153
(ii) Dances, balls and cabarets	R 800.00		
(PROPOSED)	R 856.00		
(iii) Professional entertainment (i.e. conduct for personal gain)	R 700.00	R 910	R 1 001
(PROPOSED)	R 749.00	R 973	R 1 070
(iv) Amateur shows	R 296.50	R 387	R 426
(PROPOSED)	R 296.50	R 387	R 426
Fees includes one full rehearsal during an equivalent session			
(v) Wedding receptions (including use of Town Hall on the day before hire for preparation and up to 10h00 on day after hire for cleaning up)		R 1 080	R 1 188
(vi) Public meeting or lectures		R 320	R 352
(vii) Churches			
A reduction of 50% of the appropriate hire charge shall be granted to local churches in respect of church functions.			
(viii) Charitable organizations			
On production of a financial statement relating to the function the Secretary may grant a discount not exceeding 50%			
(ix) Notwithstanding the charge set forth in the foregoing tariffs, the Secretary shall have the right to hire the hall and/or rooms for a specific term and purpose at special rates as may be agreed upon.			
(x) Sport Bodies (per Session)	R 105		R 116
(xi) Funerals	R 205		R 226

(c) DEPOSITS

(i) Refundable deposit for hall hires	R 1 350	R 1 485
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8. LAKHI'S SPORTFIELD AND KING EDWARD PARK**(a) Hire:**

	2014/2015 Tariffs	2015/16 Tariffs
(1) Hiring of stand by circuses, fairs and the like, (exclusive of charge for sanitation, water and electricity), per day	R 1 350	R 1 485
(2) Hire of playing fields by schools, welfare organizations, sporting and religious bodies. per day	R 295	R 325
(3) Hire for playing field where entrance fees are charges, per day	R 1 080	R 1 188
(4) Hire or playing field for practice purposes by schools, welfare organizations, sports bodies, for portion of a day		
	Per month	Per month
(5) Hire by schools other than Greytown and Enhlalakahle		
(a) Deposit:		
(1) Refundable deposit for hire	R 1 005	R 1 106
(2) Refundable deposit for hire by fairs	R 1 650	R 1 815
(b) Deposit:		
(1) Refundable deposit for hire	R 2 200	R 2 420

9. DEPARTMEN: DEVELOPMENT PLANNING

In May 2010 the new Town Planning legislation (PDA) came into effect repealing the Natal Planning Ordinance of 1949. To provide for the adoption, replacement of schemes, and to provide for compensation in respect of matters regulated by the Kwazulu Natal Development Act of 2008 the following tariffs are recommended. In order for the municipality to be able to assess and approve any proposed development, tariffs must be in place.

A SPECIAL CONSENT (Non-refundable)

1. A fee payable for ALL special Consent Application with an exception of Bed and Breakfast, Guest House or Lodges.	R 440	R 484
	R 540	R 594

Note:

- All advertisement costs to be borne by the applicant.
- In the event that ownership changes hands, a full special consent fee is payable.
- Material changes to the application warrants fee 10% of the original tariff.

B REZONING (Non-refundable)

1. The fee payable if the property is less than 5000m2.	✓	R 900.00	R 990
2. The fee payable if the property is 1.1ha - 3ha.	✓	R 1000.00	R 1 100
3. The fee payable if the property is 3.1ha - 6ha.	✓	R 1100.00	R 1 210
4. The fee payable if the property is 6ha - 9ha.	✓	R 1650.00	R 1 815
5. The fee payable if the property is 9ha and above.	✓	R 2 180.00	R 2 398

Note:

- All advertisement costs to be borne by the applicant.
- Material changes to the application warrants fee 10% of the original tariff.

C SUBDIVISION (Non-refundable)

1. The fee for subdivision into two properties jointly and less than 1ha.	R 3250.00	R 3 575
2. The fee for subdivision into 3 properties jointly and less than 1ha.	R 3760.00	R 4 136
3. The fee for subdivision into 4 properties jointly and less than 1ha.	R 4300.00	R 4 730
4. The fee for subdivision into 2 properties above 1ha.	R 4830.00	R 5 313
5. The fee for subdivision into 3 properties above 1ha.	R 5370.00	R 5 907
6. The fee for subdivision into 4 properties above 1ha but less than 10ha.	R 5900.00	R 6 490
7. The fee for subdivision above 10ha - 30ha.	R 6450.00	R 7 095
8. The fee for subdivision 31ha and above.	R 6990.00	R 7 689

Note:

- All advertisement costs to be borne by the applicant.
- Where a piece of land is transferred to Council, the fee per sub shall be waived.
- A tariff shall be payable for the issue of certificates.
- Material changes to the application warrants fee 10% of the original tariff.

R 165 R 182

D RELAXATION (Non-refundable)

Relaxation of all building lines, side spaces, height (only where applicable in terms of the Scheme)

1. Sites 300m2 or smaller with letters of consent	R 290	R 319
2. Sites larger than 300m2 with of consent	R 350	R 385
3. Residential sites without letter of consent	R 450	R 495
4. Non Residential sites without letters of consent (Special consent process applicable)	R 1 050	R 1 155

Note:

- In the event that objections are received, a full special consent application is required.

E CONSOLIDATION OF PROPERTIES (Non-refundable)

1. The fee for consolidation of properties if less than 1ha.	R 1 090	R 1 199
2. The fee for consolidation of properties if 1ha and above.	R 1 650	R 1 815

Note:

- All advertisement costs to be borne by the applicant.
- Material changes to the application warrants fee 10% of the original tariff.

F PERMANENT ADVERTISING SIGNS (Non-refundable)

	2014/2015 Tariffs	2015/16 Tariffs
1. The fee for an illuminated mini billboard also subject to agreement.	R 565	R 622
2. The fee for an illuminated giant billboard also subject to agreement.	R 850	R 935
3. The fee for, LED Screen also subject to agreement.	R 1 130	R 1 243

Note:

- All advertisement costs to be borne by the applicant.
- Material changes to the application warrants fee 10% of the original tariff.

G INTERGRANTED APPLICATION (Non-refundable)

The fixed amount if an application is for integration for township establishment. (consolidation rezoning and subdivision).	R 5 670	R 6 237
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Note:

- All advertisement costs to be borne by the applicant.
- Material changes to the application warrants fee 10% of the original tariff.

H BUSINESS LICENCE (Non-refundable)

1. The fee per application for a business	R 240	R 264
2. The fee per year for informal traders.	R 30	R 33

I ZONNING CERTIFICATES

Basic Fee	R 50	R 55
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J ENFORCEMENT

Confirmation of Contravention on site	R 214	R 235
Continued operation per day until matters in Court	R 380	R 418

K APPEALS

Where an appeals to the Municipality Manager in terms of Section 62(1) of the Municipal Systems Act, 32 of 2000, as amended is lodged against a planning decision, the tariff is payable to the Council.	R 550	R 605
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L GIS PLANS

PAPER SIZE	MEDIA	BLACK AND WHITE	FUL COLOUR			
A4	Paper	R10.00	R15.00		R 17	R 19
A3	Paper	R20.00	R25.00		R 28	R 31
A2	Paper	R35.00	R40.00		R 42	R 46
A1	Paper	R40.00	R55.00		R 60	R 66
A0	Paper	R60.00	R110.00		R 112	R 123

10. BUILDING**10.1 BUILDING PLAN FEES**

(1) (a) for the first 10 sq.m of the aggregate floor area of the intended work	R 565	R 622
(b) for each 10 sq. m or part thereof an excess of 10 sq. meters	R 55	R 61
(2) Re-submitted plans, 10% of the original plan fee subject to a minimum of	R 375	R 413
(3) Swimming Pools	R 260	R 286
(4) Concrete and security fences	R 260	R 286
(5) Preliminary plans:		
(a) Where the estimated value of the project does not exceeds R100.000	R 340	R 374
(b) Where the estimated value of the project exceeds R100.000 but does not exceed R250.000	R 1 130	R 1 243
(C) Where the estimated value of the project exceeds R250.000	R 1 585	R 1 744
(6) Plans for structural alterations to a building where the floor area is not increased:		
A fee of 0,2% of the total cost of the alteration with a minimum fee of:	R 675	R 743

MISCELLANEOUS CHARGES

	2014/2015 Tariffs	2015/16 Tariffs
(1) Advertisements and signs encroaching on municipal property: Application fee for permission to erect or display any advertisement or sign, per application	R 305	R 336
(2) Building operations:		
(a) Inspection fee payable when the Inspector is called out for an inspection and it is found by such Inspector that the works are not ready for inspection, per inspection	R 565	R 622
(b) The Council may require any builder to deposit an amount of not more than R3000.00 to cover the cost of repairing any damage to Council property by building operations.		
(c) Proviso: Failure to notify the Building Control Officer of completion of works within 14 (fourteen) days, and occupying same without an Occupational Certificate, will result in the forfeiting of the deposit		

	2014/2015	2015/16
	Tariffs	Tariffs
11. LAKE MERTHLEY AND SURROUNDING AREAS (Subject to and exclusive of VAT)		
(1) Hire of Club House (per day or part thereof):	R 1 050	R 1 155
Deposit for Club House	R 1 585	R 1 744
(2) Hire of bungalows (per day or part thereof)		
(a) Small bungalow (maximum 4 persons)		
(i) May to August	R 138	R 152
(ii) September to April	R 170	R 187
(b) Large bungalow (maximum 4 persons)		
(i) May to August	R 180	R 198
(ii) September to April	R 380	R 418
(3) Hire of sites (per day or part thereof)		
(a) within demarcated area (maximum 6 persons)		
(i) May to August	R 148	R 163
(ii) September to April	R 210	R 231
(b) Per additional person (maximum 4 persons)	R 74	R 81
(4) The following discounts for the period indicated shall apply as follows:		
(a) the hire of bungalows and sites		
(i) bookings for 10 -21 consecutive days	10%	
(ii) Bookings in excess of 21 consecutive days	15%	
(b) the hire of sites		
(i) Bookings in excess of ten sites	10%	
Use of lake for fund raising functions fees collected will Be on a 60% to council and 40% to organizing body split		
(5) Daily visitors, per day or part thereof:		
(i) Per person November to April	R 13	R 14
(ii) May to October	R 13	R 14
(iii) per trailer and boat November to April	R 115	R 127
(6) Permits (November to April):		
(i) per person (including boat & trailer)	R 230	R 253
(ii) per Family (maximum 6 persons, including boat and trailer)	R 360	R 396
(7) Use of electricity power point:		
(i) per day, or part thereof	R 30	R 33
12. MISCELLANEOUS CHARGES		
12.1 Sale of Drums:		
(a) Oil and tar drums	R 55	R 61

12.3 MOTOR VEHICLES AND ROAD TRAFFIC

	2014/2015 Tariffs	2015/16 Tariffs
(1) Fees for the issues or renewal of a permit to use a public vehicles stand:		
(a) public buses per annum for each bus payable per month at the rate of.		
(b) for each bus in excess of two in the same ownership, per annum payable per month at the rate of	R 295	R 325
(c) taxis per annum payable per month at the rate of.	R 22	R 24
	R 227	R 250
	R 23	R 25
(2) Service of traffic officers or other officials: For escorting of abnormal load vehicles through Greytown per vehicles per hour or part thereof (including waiting time)		
(a) between 07:00 and 17:00	R 475	R 523
(b) between 17:00 and 07:00	R 685	R 754
(3) Abandoned vehicles:		
(a) towing of abandoned vehicle or vehicles causing obstruction.	Cost plus 10%	Cost + 10%
(b) storage per day	R 105	R 116

12.4 MISCELLANEOUS

(1) Notice of appeal in terms of legislation	R 113	R 124
(2) Valuation Roll, per copy	Cost + 10%	Cost + 10%
(3) Valuation Certificate - for each certificate given by the Municipality Manager reflecting the ratable value of immovable property appearing on the Valuation Roll	R 34	R 37
(4) Any Certificate and/or permit in terms of legislation	R 34	R 37
(5) Voters Roll, per copy.		
(6) Search fee per plan, document or file (excluding the Councils minutes, the current Valuation Roll and the current Voter's Roll and the current Voter's Roll) produced for inspection. or for every address, name or owner or valuation provided	R 66	R 72
(7) For copies of any bylaw, per folio -	R 2	R 3
(8) Certified copy of extract of minutes, per folio	R 17	R 19
(9) Photostat Copies	R 2	R 2
(a) Documents, etc., per folio		
Library materials, per folio:		
(i) A4	R 1	R 1
(ii) A3	R 1	R 1
(10) Tariff miscellaneous work and services any work or service not specially otherwise provided for in the foregoing tariff of charges and which council is lawfully authorized to do or render on behalf of third parties shall be charged at	Cost + 10%	Cost + 10%
(11) Upon compliance with municipal requirements in regard to the display and removal of election posters: (maximum of 300 posters)		
(a) deposit payable by political parties prior to an election	R 1 700	R 1 870
(b) deposit payable by either persons prior to the display of posters	R 510	R 561
(12) Hiring of stand by circuses, fairs and the like. (exclusive of charges for sanitation, water and electricity), per day	R 1 130	R 1 243
(13) Copy of consolidated tariff of charges	R 56	R 62
(14) Penalty payable when a negotiable instrument which has been tendered in payment is dishonored upon presentation for payment	R 285	R 314
(15) Issue of Rates Statement	R 170	R 187
(16) Issue of Rates Clearance Certificate	R 40	R 44
(17) Purchase of bio-hazardous waste containers	Cost + 10%	

12,5 ADDITIONAL TARIFFS**HOSTEL**

(per bed space per month)

R 80

R 88

(Should 70% of bed space not be paid, electricity will be disconnected without prior notice)

13. FIRE SERVICES**2014/2015****2015/16**

13.1 Inspection of spray booth and issuing of spray permit as well as
inspection of storage, handling and use of hazardous substance

Tariffs**Tariffs**

R 540

R 594

13.2 Releasing of incident information as contemplated in section 2 of the
Fire Protection Services By-Laws

R 93

R 102

13.3 Cost per Office, per hour, or part thereof at events for standby and
inspection

R 320

R 352

13.4 Fireworks display discharge application

R 320

R 352

13.5 General Fire Safety compliance letter/inspection request

R 210

R 231

13.6 Emergency/evacuation plans

R 530

R 583

13.7 Emergency/assistance recorded at emergency, evacuation drills
(per Official, per hour or part thereof)

R 210

R 231

13.8 Call out charges per hour, per portion thereof for manpower, vehicles,
equipment, materials, water and travelling.

R 210

R 231

13.9(a) Indigent

(b) Uninsured property/ vehicle

(c) Insured property/vehicle

R 530

R 583

(d) Purpose concert or gathering in order to ensure compliance with
requirements prior to gathering approval for function to take place
or for attendance of a fire fighter for Protection duty

R 530

R 583

(e) Fire protection and or any other associated duty or duties at a place
used for any public purpose

R 530

R 583

13.10) Fire Prevention Charges: Submission of plans for

a) LPG Distribution not exceeding 500l

R 640

R 704

b) LPG Storage Sites not exceeding 500l

R 840

R 924

c) LPG Storage sites exceeding 500l

R 1 800

R 1 980

d) Spray Rooms

R 1 270

R 1 397

13.11) Issuing of Fire Prevention Documents:

a) Issuing a report on the condition of a premise following an inspection

R 560

R 616

b) Issuing of certificate of compliance fireworks and explosive charges

R 840

R 924

c) Application for storage of fireworks less than 500g

R 560

R 616

d) Application for storage of fireworks more than 500g

R 1 120

R 1 232

e) Issuing of a certificate for the storage of fireworks or explosives
less than 500g

R 675

R 743

13.12) Miscellaneous Charges:

a) Application to perform controlled fire burn within the municipal
Boundaries Non-agricultural

R 840

R 924

b) Application for written report pertaining to any emergency incident
attended to by department personnel

R 210

R 231

In assessing the charges rendered in terms of the above, the period shall be calculated from the time of
departure from the fire section up to the time of return to the fire section.

Due to allowance being made for:

Breakdown or mishap on the route excluding traffic congestion, time occupied by relief personnel in transit:
provided that where the fireman or application concerned does not for any reason unconnected with the
service return directly to the fire station. The period of assisting the charge shall be calculated up to the
time of departure from the site of the service and 15 minutes shall be added.

