

UMSOBOMVU QUARTERLY MUNICIPAL NEWSLETTER

Introduction

Welcome to the Umsobomvu Municipality newsletter for the third quarter of the 2019/20 financial year. In this issue we will focus on some important matters which we wish to bring to the attention of our residents.

Draft 2020/21 Budget

During the third and fourth quarter of every financial year, municipalities are busy to prepare for the new financial year starting on 1 July. This preparation includes *inter alia* the drafting of the 2020/21 Budget, the drafting of the Integrated Development Plan (IDP) as well as the drafting of the Service Delivery and Budget Implementation Plan (SDBIP). These planning documents are crucial documents that enable the municipality to legally fix tariffs and to levy rates and taxes. In terms of Section 16 of the Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA) the Mayor must at least 90 days prior to the beginning of the budget year, table a draft annual budget. (31 March). On 31 March 2020, during stage five of the lockdown period, the Mayor submitted the draft 2020/21 budget to Council for consideration. Subsequent to the tabling of the draft budget, the municipality must, as provided for in terms of Section 23 of the MFMA, consider the views of *inter alia* the local communities. To be able to fully comply with this provision, community meeting must to be held to make presentations and to solicit inputs on the draft budget from the public. Seeing that meetings have been declared unlawful by the Regulations promulgated in terms of the Disaster Management Act, 2002 (Act 57 of 2002) the mere publication of an official notice in newspapers will not suffice. It has thus been decided by management that a short synopsis of the budget should be included in the newsletter to highlight the major components of the draft budget.

Budget Related Policies

With the submission of the Draft Budget, all budget related policies are being revised to ensure that changes envisaged, mistakes and any ambiguities are addressed. The Budget related policies are as follows:

1. Asset Management Policy;
2. Bad Debt Write-off Policy;
3. Cash and Investment Policy;
4. Customer Care, Credit Control and Debt Collection;
5. Indigent Policy;
6. MFMA Delegations;
7. Property Rates Policy;
8. Supply Chain Management Policy;
9. Tariff Policy;
10. Travelling and Subsistence Allowance Policy;
11. Unauthorised, Irregular, Fruitless and Wasteful Expenditure;
12. Virement Policy

Members of the public are informed that the Customer Care, Credit Control and Debt Collection Policy contains amendments that relate to the number of times a person may apply for write off of bad debt. The Property Rates Policy has been amended to amend clause 13(1)(d) of the policy to rephrase the reference to the percentage of agriculture rebates and clause 13(2)(c) to rephrase the clause relating to the upper limits of household income to qualify for rebates on rates.

Soft copies of the budget related policies are available on the municipality's website at www.umsobomvumun.co.za

Tariffs

The following increases have been proposed for the 2020/21 budget:

Property Rates:

Description	Tariff: 2019/20	Proposed Tariff 2020/21	Percentage Increase
Residential	R0.0135	R0.01431	6%
Business	R0.0159	R0.01685	6%
Industries	R0.0159	R0.01685	6%
Agriculture	R0.0034	R0.00360	6% (25% discount on residential tariff)
Government	R0.0217	R0.02387	6% (20% discount)

Water Tariffs - Residential

Description	Tariff: 2019/20	Proposed Tariff 2020/21	Percentage Increase
Availability (basic charge)	R85.12	R90.23	6%
0 to 6 kl	R5.94	R6.30	6%
6 to 20 kl	R7.18	R7.61	6%
21 to 30 kl	R9.22	R9.77	6%
30 kl +	R12.17	R12.9	6%

Water Tariffs - Business

Description	Tariff: 2019/20	Proposed Tariff 2020/21	Percentage Increase
Availability (basic charge)	R179.57	R190.34	6%
0 to 60 kl	R8.73	R9.29	6%
60 +	R11.72	R12.42	6%

Electricity Tariffs – Residential – Pre-Paid and Credit Meters

Description	Tariff: 2019/20	Proposed Tariff 2020/21	Percentage Increase
Availability (basic charge)	R89.95	R106.965	8%
0 to 50 Kwh	R1.03339	R1.117095	8%
51 to 350 Kwh	R1.33	R1.436865	8%
351 to 600 Kwh	R1.87	R2.022335	8%
6001 Kwh +	R2.18	R2.35658	8%

Electricity Tariffs – Business, Government Schools – Pre-Paid and Credit Meters (Single and three phase)

Description	Tariff: 2019/20	Proposed Tariff 2020/21	Percentage Increase
Availability (basic charge)	R246.82	R266.8124	8%
Kwh	R2.00	R2.161135	8%
51 to 350 Kwh	R1.33	R1.436865	8%
351 to 600 Kwh	R1.87	R2.022335	8%
6001 Kwh +	R2.18	R2.35658	8%

Electricity Tariffs – KVA

Description	Tariff: 2019/20	Proposed Tariff 2020/21	Percentage Increase
Availability (basic charge -50 KVA)	R238.55	R257.8726	8%
Kwh	R1.01	R1.09181	8%

Refuse Tariffs

Description	Tariff: 2019/20	Proposed Tariff 2020/21	Percentage Increase
Residential	R86.85	R92.06	6%
Café/Restaurant	R250.10	R265.10	6%
Shop/Guest House Lodge/Hardware/other Businesses	R125.05	R132.55	6%
Supermarket/Chain Store	R6252.47	R6627.65	6%
Banks/Large Offices	R500.20	R530.21	6%
Garages/Workshops	R1500.00	R1590.64	6%
Franchises	R500.20	R530.21	6%
Shoprite/OK Grocer	R1875.74	R1988.29	6%
Garden Refuse	R8.75	R9.28	6%

Sewerage Tariffs

Description	Tariff: 2019/20	Proposed Tariff 2020/21	Percentage Increase
Residential	R124.02	131.4612	6%
Businesses	R2251.00	R266.06	6%

Medium Size Business	R248.05	R262.933	6%
Small Business	R160.76	R170.4056	6%
Conservancy Tank	R92.89	R98.4634	6%
Nightsoil Bucket	R67.55	R71.603	6%
Abattoir as Business	R251.00	R266.06	6%
Effluent per Sheep	R1.02	R1.0812	6%
Dumping of Blood and Paunch Content	R1061.57	R1125.264	6%

All other tariffs as well as the capital budget are included in the budget document which can be accessed at: www.umsobomvumun.co.za

Public Participation: Draft Budget and Draft IDP

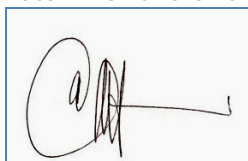
Residents are reminded that the draft budget and draft IDP lie open for inspection, input and comments until 22 May 2020 at close of business. Submissions, comments or inputs can be directed to the Municipal Manager, Private Bag X 6, Colesberg, 9795. Residents, who wish to make enquiries on the draft 2020/21 budget and the budget related policies may do so by contacting Mr T.D. Tshikundu per e-mail at: cfo@umsobomvumun.co.za. Information on the 2020/21 draft IDP can be derived from B.J. Kapp at birtus@umsobomvumun.co.za. Electronic submissions, comments and inputs can be sent to any of the quoted e-mail addresses. A soft copy of the Draft 2020/21 Budget and Draft 2020/21 IDP is available on the municipality's website at www.umsobomvumun.co.za

Oversight Report 2018/19

During March 2020, the Municipal Public Accounts Committee (MPAC), the local equivalent of SCOPA, has conducted public hearings on the 2018/19 Annual Report and subsequent to these hearings an Oversight Report has been compiled. The Oversight Report and the final Annual report have been submitted to Council on 31 March 2020 and were approved by Council without reservations. With the submission of the Oversight report at the end of March 2020, the full reporting and oversight cycle on the work of the municipality for the 2018/19 financial year has been completed. Copies of the Oversight and Annual report are available in all the libraries, all offices as well as on our web site (www.umsobomvumun.co.za).

Services and COVID-19

As experienced by all businesses and individuals, COVID-19 impacted heavily on the operations of the municipality. During the lockdown period the municipality will continue to operate with minimum staff to ensure that essential services are rendered in a way that the safety of the employees and the public is not compromised. Members of the public are informed that no person will be granted access to any municipal building unless they wear a face mask, have their hands sanitised and have provided their personal details in a Visitor's Register. The public is also requested to limit visits to the offices to an absolute minimum and try to report problems on the WhatsApp groups, phone in to speak to an official or to make contact via e-mail. The current system of scaled down operations will continue for as long as the Regulations forbid the return of the entire workforce and allow free movement of members of the public.



**A.C. MPELA
MUNICIPAL MANAGER**