

PROPOSED AMMENDMENTS TO THE BUDGET RELATED POLICIES FOR 2016-17 FINANCIAL YEAR.

(a) Tariff policy and By- Laws

No material changes to the policy.

Adjustments to the tariff booklet on refuse removal and waste management. The unit of measure used for waste disposal at the landfill site should be changed from **ton** to **kilogram** and the rate be adjusted accordingly

(b) Property Rates By- Law

- (i) Rebates for Owner of properties in townships establishment (Private township developers/ Township owners)

- 100% rebates shall be granted as from proclamation date of the township and shall not exceed a period of twenty four (24) months;
- Thereafter, a rebate of 75% year 1, 50% year 2 and 25% year 3 shall apply and/or terminated when a transfer to the third party takes place and /or certificate of occupation is issued, whichever comes first.

- (ii) **Rebates for Retired people over the age of 60 years**

Rebates for Retired people over the age of 60 years and with annual income exceeding the threshold value in terms of indigent policy shall be granted rebates on their property rates account as follows;

Annual Income Threshold	% Rebate
R0.00 - R116 150	100%
R114 801 - R145 188	75%
R145 189 - R181 484	50%
Above R181 484	25%

(c) Credit Control and Debt Collection Policy

The administration of tenant accounts remain a challenge. The policy currently only allows the owner to make an arrangement or give consent to tenant to make such. At most instances it is difficult to ensure proper implementation of the policy due to operational factors.

A policy recommendation to terminate the opening of "tenant accounts" in this regard is hereby proposed with effect from 01 July 2016.

This will minimise administrative challenges which amongst others include:

- (i) Having two accounts on one stand, and one of the accounts not being serviced properly.
- (ii) Increase in the number of accounts on the billing system
- (iii) The owner not being held liable should the meter be tampered

(d) Solid Waste (Refuse Removal) By-Law

The following amendments are proposed on the by-law;

The amendment will be on the unit of measure for application of the landfill site tariffs. The unit of measure for application of the tariffs shall be change from a ton to a kilogram.

The other amendment will be on the commencement for billing of refuse removal services for domestic or residential household as the by-law currently states that the commencement for the billing will be upon electricity or water connection by the household.

The electricity or water connection phrase will be substituted by the phrase, issuing of the occupational certificate by the Department of City Planning and Development Department.

(e) Funding and Reserves Policy

The amendments to the following sections on the policy are hereby proposed

(f) Fines

Revenue from fines will be budgeted for based on the best estimate of the inflow of resources or economic benefits to the Municipality. The revenue would include an estimate of the fines to be issued taking into account certain variables such as discounts, validity of the fines, rebates etc. The revenue would also be informed by the fines revenue recognized during the preceding year.

(g) Repairs and Maintenance

Investment in municipal assets through repairs and maintenance shall be budgeted for based on the asset maintenance plans and shall be at an acceptable norm as set by National Treasury.

(h) No amendment are proposed on the following policies;

- (a) Indigent Policy
- (b) Investment Policy
- (c) Supplier Performance Monitoring Policy
- (d) Payroll Policy
- (e) Virement Policy
- (f) Asset Management Policy
- (g) Deposit Policy
- (h) Recruitment, Selection and Induction Policy
- (i) Overtime Policy
- (j) Budget Policy
- (k) Travelling and Subsistence Policy
- (l) Supply Chain Management Policy

PROPOSED NEW POLICIES

(a) Liquidity Policy

Legislative Mandate

This policy is required in terms of Section 8 of the Local Government: Municipal Budget and Reporting Regulations which is in accordance with Section 17 and 168 of the Municipal Finance Management Act No. 56 of 2003.

Objective of the Policy

The objective of the policy is to ensure liquidity management in so far as maintaining sufficient liquidity to meet the liabilities when due under both normal and stressed conditions without incurring any prohibited expenditure.

(b) Model SCM Policy for Infrastructure Procurement and Delivery management

Legislative Mandate

MFMA Circular 77 issued by National Treasury in October 2015

Objective of the policy

This policy establishes the MLM's policy for infrastructure procurement and delivery management in accordance with the provisions of the regulatory frameworks for procurement and supply chain management.

It includes the procurement of goods and services necessary for a new facility to be occupied and used as a functional entity

The policies mentioned above will further be discussed during the internal and external consultation which will take place as part of the 2016/17 budget process.

All the inputs received during the consultation process will be further processed and taken to Council for adoption and approval during the tabling of the 2016/17 budget.