



STEVE TSHWETE LOCAL MUNICIPALITY

MINUTES

OF THE

SPECIAL COUNCIL

MEETING HELD ON

31 May 2024

10:13 am

S.T.



**MINUTES OF THE SPECIAL COUNCIL MEETING
HELD AT THE COUNCIL CHAMBER, MIDDELBURG ON
FRIDAY, 31 MAY 2024 AT 10:13**

PRESENT

Cllr PM Masilela (Executive Mayor)	Cllr CM Soko
Cllr CS Mashiloane	Ald A Struwig
Cllr BC Shabangu	Cllr DA Stuurman
Cllr GNB Mathibela	Cllr AO Thabatha
Cllr MC Mphego	Cllr DJ van der Merwe
Cllr MG Amigo	Cllr EW Vermooten
Cllr I Mahlangu	Ald S Wait
Cllr ME Nyambi	Cllr A Chego
Cllr WMM Phetla	Cllr OA Cossa
Cllr LN Sibanda	Cllr EP Mahlangu
Cllr ML Shabangu	Cllr P Malinga
Cllr JM Shongwe	Cllr MJ Mapheto
Cllr PE Williams	Cllr JN Mthombeni
Cllr LJN Zondo	Cllr ZJ Ngubeni
Cllr E M Bruiners	Cllr NT Tshoane
Cllr HG de Klerk	Cllr BC Mashabela
Ald J Dyason	Cllr MP Mogola
Cllr DD Klopper	Cllr NZO Motla
Ald H F Niemann	Cllr MC Skosana
Ald P Mobango	Cllr J Haarhoff
Ald SM Mogola	Cllr J Mentz
Cllr LS Qoka	Cllr CJ Wolmarans
Ald GHE Romijn	Cllr TR Mpye

ABSENT

Cllr J Segage

D.T.

OFFICIALS

Mr SM Mnguni	(Municipal Manager)
Ms R Makgata	(Executive Director: Infrastructure Services)
Ms E Tshabalala	(Executive Director: Community Services)
Ms P Magutle	(Acting Executive Director: Corporate Services)
Mr M Masilela	(Director: Governance & Council Support)
Ms B Mabena	(Acting Chief Administrative Officer)
Mr S Malemone	(Senior Clerk)
Ms P Stuurman	(Clerk Grade 1)
Ms P Japal	(Clerk Grade 2)
Mr M Matlala	(Admin Aide)

Temporary absence from the meeting in terms of Section 45(2)(c)

Name of Cllr	1		
	From	To	Item
Cllr EP Mahlangu	10:59	10:32	SC27/05/2024

1. OPENING

The Municipal Manager, Mr SM Mnguni informed the meeting that the Speaker, Cllr ST Mathunyane has submitted a leave of absence and Council therefore, has to in terms of Section 41 of the Local Government: Municipal Structures Act read together with Rule 23(2) of the Rules of Order elect an Acting Speaker.

Proposals for an Acting Chairperson were then requested. Cllr DJ van der Merwe proposed the name of Ald SM Mogola, the proposal was seconded by Cllr CM Soko. Ald SM Mogola accepted the nomination.

In view of the fact that no further nominations were received, Ald SM Mogola was elected as an Acting Chairperson for the Special Council meeting held on 31 May 2024.

The Acting Speaker Ald SM Mogola welcomed everyone present and declared the meeting opened.

2. APPLICATIONS FOR LEAVE OF ABSENCE

2.1 Application for leave of absence in terms of Section 13 (1) of the Rules of Order

2.1.1 **THAT** note be taken that Cllr MG Maseko, Cllr PV Malinga, Cllr ST Mathunyane and Cllr LE Nkwana has applied for leave of absence due to other obligations and their application were approved.



2.2 Application for leave of absence in terms of Section 13 (2) of the Rules of Order

2.2.1 **THAT** note be taken that Cllr AS Grobler, Ald MJ Sekgwele, Cllr H Pilodia, Cllr SW Zulu, Cllr N Bottoman, Ald J Skosana and Cllr JF Sithole has applied for leave of absence due to other obligations and their application were approved.

3. DISCLOSURE OF INTEREST

SC29/05/2024 - Ms R Makgata (Executive Director: Infrastructure Services)

4. REPORT OF THE EXECUTIVE MAYOR

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**REPORT OF THE SPECIAL MAYORAL COMMITTEE MEETING
WHICH WAS HELD VIA VIRTUAL CONNECTION ON FRIDAY,
24 MAY 2024**

NON DELEGATED POWERS

Upon request by the Executive Mayor, it was

RESOLVED BY COUNCIL

THAT the report by the Executive Mayor in respect of items SC27; SC28; SC29 & SC30/05/2024 be considered.

SC27/05/2024

FINANCES: ANNUAL BUDGET 2024/2025 FINANCIAL YEAR

5/1/1/14 (A)

RESOLVED BY COUNCIL

1. **THAT** the Draft Annual Budget for the 2024/2025 MTREF for the different votes be approved as set out by the following tables attached as **ANNEXURE A**:
 - 1.1 Table A1: Budget summary
 - 1.2 Table A2: Budgeted financial performance
 - 1.3 Table A3: Budget financial performance (municipal vote)
 - 1.4 Table A4: Budget financial performance by revenue source and expenditure type
 - 1.5 Table A5: Budgeted capital expenditure by vote
 - 1.6 Table A6: Budgeted financial position
 - 1.7 Table A7: Budgeted cash flows
 - 1.8 Table A8: Cash backed reserves / accumulate surplus reconciliation
 - 1.9 Table A9: Asset management
 - 1.10 Table A10: Consolidated basic service delivery measurement
2. **THAT** in terms of Section 75A of the Local Government Municipal Systems Act, 32 of 2000, interest be recovered on amounts outstanding for periods longer than thirty (30) days on all debtor accounts at a rate equal to the prime bank overdraft rate from the bank as applicable to the bank account of the Council from time to time.

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3. **THAT**, in terms of Section 75A of the Local Government Municipal Systems Act, 32 of 2000 and Section 24 of the Local Government Municipal Property Rates Act (MPRA), 6 of 2004, approves and adopts with effect from 1 July 2024 that property tax be levied on the market value of all rateable properties subject to the allowed rebates, exemptions and reductions as follows:

Council to further note that the municipality has implemented the new valuation roll.

3.1		Category	Rate Applicable	
	3.1.1	Residential	0,0127	cent in the Rand
	3.1.2	Residential : vacant, including government owned	0,0191	cent in the Rand
	3.1.3	Illegal usage	0,0381	cent in the Rand
		Illegal usage business and commercial	0.1143	cent in the Rand
	3.1.4	Business and commercial	0,0381	cent in the Rand
	3.1.5	Business and commercial land owned by government	0,0158	cent in the Rand
	3.1.6	Industrial	0,0290	cent in the Rand
	3.1.7	Farms including agricultural small holdings not used for business commercial / industrial purposes	0,0020	cent in the Rand
	3.1.8	Farms including agricultural small holdings used for eco-tourism / trading in or hunting of game	0,0020	cent in the Rand
	3.1.9	Farms including agricultural small holdings used for business commercial / industrial purposes	0,0381	cent in the Rand
	3.1.10	Mining	0,0319	cent in the Rand
	3.1.11	Public benefits organisations	0,0030	cent in the Rand
	3.1.12	Schools including government owned / school hostels	0,0158	cent in the Rand
	3.1.16	Pensioners rebate who qualify (residential only)		
		i) 100% rebate category	0,0000	cent in the

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				Rand
		ii) 70% rebate category	0.0040	cent in the Rand
		iii) 50% rebate category	0.0067	cent in the Rand
		iv) 20% rebate category	0.0106	cent in the Rand
	3.1.17	That owners of residential properties that are 80 years and older automatically receive a 100% rebate, if their current account is up to date.	0,0000	cent in the Rand

3.2 Rebates in recognition of Section 15(2) of Act 6 of 2004

3.2.1 **That** for all indigent households enlisted under the Council's indigent support and free basic services scheme property rates be fully discounted and the expenditure be recovered from the proportional equitable share payment to the Council by the South African National Treasury.

3.2.2 The following rebates be allowed on properties owned by pensioners, disability grantees and/or medically boarded based on their monthly income and which are categorized as residential subject to the conditions as stipulated in the property rates policy:

Qualifying applicants:

R0	to R 4 420, 00 (state pension x2)	100%
R 4 420, 01	to R 8 840, 00	70%
R 8 840, 01	to R13 260, 00	50%
R13 260, 01	to R17 680, 00	20%

(a) the rebate will lapse upon:

- (i) death of the applicant;
- (ii) alienation of the property;
- (iii) when the applicant ceases to reside permanently on the property; and
- (iv) the combined income from all sources exceeds R17 680.00 per month.

That owners of residential properties that are 80 years and older automatically receive a 100% rebate, if their current account is up to date.

3.2.3 *Rebates on new residential developments by private developers*
When a single property has been subdivided in ten (10) or more portions and registered in the developer's name, a rebate of

85% in the residential rate will be granted subjected to:

- (a) All municipal services are installed by the developer at his own cost – water, sewerage, electricity and roads and storm water.
- (b) The rebate will only be applicable for a maximum period of two (2) years.
- (c) Should a subdivided portion be transferred to a new owner before expiry of the two (2) years period the rebate will lapse.
- (d) When a subdivided portion is fully developed before expiry of the two (2) year period the rebate will lapse.

3.2.4 **That** the following rebates may be allowed for business property developments subject to the conditions as stipulated in the property rates policy.

- should the municipal valuation exceeds an amount of R2 000 000,00 up to R5 000 000,00, the property rates will be phased in as follows:
 - in the first year a rebate of 100%;
 - in the second year a rebate of 75%;
 - in the third year a rebate of 50%; and
 - in the fourth year the full property tax will be payable.
- should the municipal valuation exceeds an amount of R5 000 000,00, the property rates will be phased in as follows:
 - in the first year a rebate of 100%;
 - in the second year a rebate of 100%;
 - in the third year a rebate of 50%; and
 - in the fourth year the full property tax will be payable.
- *should the municipal valuation exceeds an amount of R 20 000 000,00, the property rates will be phased in as follows:*
 - *in the first year a rebate of 100%;*
 - *in the second year a rebate of 100%;*
 - *in the third year a rebate of 50%; and*
 - *In the fourth year the full property tax will be payable.*
- The rebate will only be granted, once per property.

3.2.5 Rebates on special industry

To ensure sustainability of industry, which employ local individuals, permanently, a rebate of 15% on the industrial rate subject to specific conditions of sale:

- The industry creates more than 1 500 local permanent jobs; and
- The industry is beneficial to the community.

3.3 A phasing-in discount granted in terms of Section 21 of MPRA, Act 6 of 2004

3.3.1 **That** property rates on all newly rated property that had not previously been assessed and rated according to any valuation roll or supplementary valuation roll that applied to any area of the municipality in terms of previous legislation be phased in as follows:

- in the first financial year a rebate of 75%;
- in the second financial year a rebate of 50% of the rate;
- in the third financial year a rebate of 25% of the rate; and
- in the fourth financial year the full property tax will be payable without any rebate.

3.4 Exemptions from payment of a rate levied

3.4.1 **That** in terms of Section 15(1)(a) of the MPRA, Act 6 of 2004 the following categories be exempted from payment of a rate levied on their property:

3.4.1.1 ratable property registered in the name of a welfare organization registered in terms of the National Welfare Act, Act 100 of 1978.

3.4.1.2 ratable property owned by public benefits organizations and used for any specific public benefit activity as listed in item 1,2 and 4 of part 1 of the ninth schedule to the Income Tax Act.

3.4.1.3 museums, art galleries, libraries and botanical gardens which are registered in the names of private persons and which are open to public, whether admission is charged or not as listed in Section 6(a) and (b) of the ninth schedule to the Income Tax Act.

3.4.1.4 national monuments including ancillary business activities at national monuments as listed in Section 6(a) and (b) of the ninth schedule to the Income Tax Act.

3.4.1.5 Ratable property registered in the name of a trustee or trustees or any organization which is being maintained for the welfare of war veterans as defined in Section 1 of the Social Aid Act (House of Assembly), Act 37 of 1989 and their families.

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- 3.4.1.6 Sport grounds used for the purposes of amateur sport and any social activities, which are connected with such sport.
- 3.4.1.7 Ratable property registered in the name of the Boy Scouts, Girl Guides, Sea Scouts, Voortrekkers or any organization which is in the opinion of the municipality similar or any ratable property let by the municipality to any such organization.
- 3.4.1.8 Ratable property registered in the name of a declared institution in terms of Cultural Institutions Act, Act 119 of 1998 as amended, promoting the cultural aims as defined in section 6(a) and (b) of the ninth schedule of the Income Tax Act.
- 3.4.1.9 All properties as specified by section 17(1) of the act as follows:
- On the first 30% of the market value of public service infrastructure.
 - On those parts of a special nature reserve, national park or nature reserve within the meaning of the Protected Areas Act, or of a national botanical garden within the meaning of the National Environmental Management Biodiversity Act, 2004, which are not developed or used for commercial business, or residential agricultural purposes.
 - On mineral rights within the meaning of paragraph (b) of the definition of "*property*" in section 1 of the act.
 - On a property belonging to a land reform beneficiary or his or her heirs, provided that this exclusion lapses ten years from the date on which such beneficiary's title was registered in the office of the Registrar of Deeds.
 - On the first R80 000, 00 of the market value of the property assigned in the valuation roll of a municipality to a category determined by the municipality -
 - (i) For residential purposes including second dwellings and duets not subject to a sectional title scheme;
 - (ii) for properties used for multiple purposes, provided one or more components of the property and which forms the major part of the property, are used for residential purposes; or
 - On a property registered in the name of and used primarily as a place of public worship by a religious community, including an official residence registered in the name of that community which is occupied by an office-bearer of that community who officiates at services at that place of worship.

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- An additional rebate of R40 000, 00 on the market value of residential properties with a market value less than R350 000, 00.

The exemptions as contained under sub-paragraphs 8.2.1 to 8.2.8 above may only be granted upon formal written applications submitted by the owners for consideration in terms of section 15(2) of the act.

3.4.1.10 On those parts of a special nature reserve, national park or national reserve with meaning of protected areas act, or a national botanical garden within the meaning of National Management Biodiversity Act, 2004 which are not developed or used for commercial business, or residential agricultural purposes.

3.5 **That** all property rates as per paragraphs 3.1.1 to 3.1.16 above be subjected to value added tax at a zero rate.

4. **THAT** the fees for drainage and sewerage as published under Notice 2/1985 in the provincial gazette on 31 July 1985, as amended and in terms of the stipulations of Section 75A of the Local Government Municipal Systems Act, 32 of 2000, be approved and adopted with effect from 1 July 2024 as follows:

4.1 **That** the departmental levy on sewerage be determined at R5, 71 per kilolitre of measured sewerage water effluent.

4.2 **That** all levies for drainage and sewerage as per paragraph 4.3 below be subjected to value added tax at full rate.

4.3 To have the present tariffs replaced by the following structure:

4.3.1 Monthly levy for developed residential erven

(a) with a total area of up to 995m ²	R149,52
(b) with a total area exceeding 995m ² up to 1500m ²	R330,88
(c) with a total area exceeding 1500m ²	R480,63

4.3.2 Monthly levy on flats

Per residential unit	R210, 02
2 nd dwelling (single property)	R145, 42

4.3.3 Monthly levy on all church erven R418, 09

4.3.4 Business and Industries

R11, 87 per kilolitre metered pure water consumption per month

4.3.5 All undeveloped erven in private possession with access to the

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reticulation

An availability levy of R84, 52 per erf per month

- 4.3.6 Agricultural societies and sport clubs not accommodated at the central sports grounds

R10, 14 per kilolitre of metered purified water consumption per month

- 4.3.7 Military basis, road camps and other similar properties

R11, 87 per kilolitre of metered purified water consumption per month

- 4.3.8 Industries and businesses where a great extent of the water consumption as determined by Council is taken up in the final product per kilolitre of the metered purified water consumption per month:

0 - 2000 kiloliters	R4, 86per kl
2000 - 5000 kiloliters	R2, 87per kl
Above 5000 kiloliters	R1, 45per kl

- 4.3.9 Hospitals, nursing homes under welfare care, schools and school hostels, nursery schools and day schools

Monthly levies as follows:

- (a) Hospitals

R418, 01 for each three (3) beds or portion, continuously available and R418, 01 for each ten (10) personnel or portion, residential or not.

- (b) Schools and school hostels (including nursery and day schools)

R120, 67 for each twenty (25) persons or portion thereof.

- (c) Nursing and maternity homes and welfare organizations

As described by the National Welfare Act, 1978, and institutions controlled by welfare organizations.

R196, 61 for each ten (10) persons or portion thereof

- 4.3.10 Vergeet-My-Nie / Rivier Park flats

R97, 53 per flat per month

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4.3.11 Formalized informal housing settlements with access to biological toilets per stand (unproclaimed township)

R74, 28 per month

4.3.12 Proclaimed rural townships / villages with biological toilets per stand

R74, 28 per month

4.4 **That** for all indigent consumers enlisted under the Council's indigent support and free basic services scheme with the inclusion of all dwellings in the formalized informal housing settlements, no fees be paid by the consumer and the levy in full be recovered from the proportional equitable share payable to Council by the South African National Treasury.

4.5 For all pensioners who applied and were approved for a rebate on assessment rates based on their monthly income, the same rebate be allowed on their respective residential sewerage tariffs, except Vergeet-My-Nie / Rivier Park flats:

4.5.1 Pensioners who qualify (residential)

R0	to R 4 420, 00 (state pension x2)	100%
R 4 420, 01	to R 8 840, 00	70%
R 8 840, 01	to R13 260, 00	50%
R13 260, 01	to R17 680, 00	20%

4.6 **That** owners of residential properties that are 80 years and older automatically receive a 100% rebate, provided that their current account is up to date.

5. **THAT** the fees for the removal of solid waste (refuse), whether the service is delivered or not, as published under Notice No. 3/1985 in the provincial gazette of 31 July 1985, as amended and in terms of the stipulations of section 75A of the Local Government Municipal Systems Act, Act 32 of 2000, approves and adopts with effect from 1 July 2024 as follows:

5.1 **That** the fees for the removal of solid waste as per paragraphs 5.2 to 5.4 and 5.6 to 5.8 below be subjected to value added tax at the standard rate.

5.2 Tariff of charges

5.2.1 Occasional service

For a daily service per day per refuse, bin R85, 36

5.2.2 Housing refuse

Erven up to 995m² and erven exceeding 995m²

By substitution of the amount of R173, 72 with R182, 23 and R248, 68 with R260, 81.

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- 5.2.3 Indigent support when a second 240-litre bin is required indigent support will be removed on all services.
- 5.2.4 Flats
by substitution of the amount of R223,27 with R234,21
- 5.2.5 Businesses: 1,1m³ mass container
up to three (3) times per week by substitution of the amount of R3 058,50 with R 3 208,37.
up to six (6) times per week by of the amount of R609 656 with R639 951,29.
- 5.2.6 Businesses: Skip 6m³
up to once per week by substitution of R11 046,72 with R11 588,01
up to three (3) times per week by substitution of R22 110,56 with R23 193,98.
- 5.2.7 Second dwelling
by substitution of the amount of R166,88 with R175,06
- 5.2.8 Businesses: Bins 85ℓ
by substitution of the amount of R600,26 with R629,67
- 5.2.9 Businesses: 1,75m³ mass containers
by substitution of the amount of R7 801,52 with R8 183,79
- 5.2.11 Businesses: 240ℓ bins
up to three (3) times per week:
by substitution of the amount of R1114,53 with R1 169,14
up to six (6) times per week:
by substitution of the amount of R22 110,56 with R23 193,98
- 5.3 **That** the tariff for removal of solid waste (refuse) from the Vergeet-My-Nie / Rivier Park flats be increased from R84,66 per flat to R88,81 per flat per month.
- 5.4 **That** the tariff for formalized informal housing settlements (unproclaim townships) be increased from R87, 23 per stand per month to R91, 50 per stand per month.
- 5.5 **That** the communal use tariff of R87, 23 per month be increased to R 91,

50 per month where refuse is removed at a communal point.

5.6 **That** the departmental levy for removal of solid waste (refuse) be amended as follows:

per refuse bin	R 204,30
per mass container	R 3 358,01

5.7 **That** the tariff for proclaimed rural villages be increased from R87, 23 per stand per month to R91, 50 per stand per month.

5.8 **That** the static compactor levy for removal of refuse be amended as follows:

up to 15m ³ per month	R14 527,53
up to 11m ³ per month	R11 622,02
up to 10m ³ per month	R11 080,55

5.9 **That** additional static compactor removals more than four (4) times per month be amended as follows:

up to 15m ³ per month per removal	R3 776,02
up to 11m ³ per month per removal	R3 021,38
up to 10m ³ per month per removal	R2 769,49

5.10 **That** for all indigent consumers enlisted under the Council's indigent support and free basic services scheme of all dwellings in the formalized informal housing settlement no fees be paid by the consumer and the levy in full be recovered from the proportional equitable share payable to Council by the South African National Treasury.

6. **THAT** the fees for water supply as published under Notice Number 31/1986 in the provincial gazette of 10 September 1986, as amended and in terms of section 75A of the Local Government Municipal Systems Act, Act 32 of 2000, approves and adopts with effect from 1 July 2024 as follows:

6.1 **That** the fees for water supply as per paragraphs 6.2.1 to 6.2.7 below be subjected to value added tax at standard rate.

6.2 By replacing the present tariffs by the following tariff structure:

6.2.1 All residential, single flats, church sites and residential units' in-group housing complexes:

(a) Where working meters were installed for metered purified water consumptions per month:

For the first six (6) kilolitres	Free
Above six (6) to ten (10) kilolitres	R12, 37 per kl
Above ten (10) to forty (40) kilolitres	R16, 68 per kl
Above forty (40) kilolitres	R17, 75 per kl

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- (b) Erven without working water meters which are developed and occupied:

A monthly fixed levy of R128, 24 per erf per month

- (c) Water leak adjustment tariff R12, 36

6.2.2 All undeveloped erven with access to the reticulation network

An availability levy of R72, 67 per month

6.2.3 All businesses and industries, school and school hostel sites (including nursery schools and day schools)

All monthly-metered consumption of purified water at R13, 19 per kilolitre.

6.2.4 Supply of raw water in all cases

Per metered monthly consumption at R12, 59 per kilolitre

6.2.5 Purified water outside Council's distribution areas

According to monthly metered consumption at R17, 96 per kilolitre

6.2.6 **That** the levy for purified effluent be determined at R3, 54 cent per kiloliter

6.2.7 Water restriction tariffs

Level 1 restriction (water source below 60%)

- (a) Residential

For the first six (6) kiloliters	Free
Above six (6) to ten (10) kiloliters	R12, 37 per kl
Above ten (10) to forty (40) kiloliters	R21, 68 per kl
Above forty (40) kiloliters	R23, 08 per kl

- (b) Business and industries, school and school hostel sites (including schools and day schools)

All monthly-metered consumption of purified water at R17, 31 per kiloliter

Level 2 restriction (water source below 40%)

- (a) Residential

For the first six (6) kiloliters	Free
Above six (6) to ten (10) kiloliters	R12, 37 per kl

Above ten (10) to forty (40) kiloliters	R26, 70 per kl
Above forty (40) kiloliters	R28, 39 per kl

- (b) Business and industries, school and school hostel sites (including nursery and day schools)

All monthly-metered consumption of purified water at R21, 23 per kiloliter

Level 3 restriction (water source below 20%)

- (b) Residential

For the first six (6) kiloliters	Free
Above six (6) to ten (10) kiloliters	R12, 37 per kl
Above ten (10) to forty (40) kiloliters	R33, 34 per kl
Above forty (40) kiloliters	R35, 04 per kl

- (c) Business and industries, school and school hostel sites (including schools and day schools)

All monthly-metered consumption of purified water at R26, 34 per kiloliter

6.2.8 **That** the departmental levy for purified water be determined at R4, 97 per kiloliter

6.3 **That** for all indigent residential households enlisted under the Council's indigent support and free basic services scheme an additional four (4) kiloliters besides the first six (6) kiloliters of monthly consumption to a total of 10 kiloliters of monthly consumption be supplied free of charge and the total cost of the consumption between six (6) and up to ten (10) kiloliters be recovered from the proportional equitable share payable to Council by the South African National Treasury.

7. **THAT** the electricity tariffs for the 2024/2025 financial year be approved in that the Determination of Fees for the Supply of Electricity, promulgated under Notice No. 38 of the Provincial Gazette of 26 January 1996, in terms of the stipulations of section 75A of the Local Government Municipal Systems Act, of 2000, approves and adopts with effect from 1 July 2024 as follows:

7.1 **That** the fees levied for electricity as per paragraphs 7.1.1 to 7.1.9 and paragraphs 7.1.11 to 7.1.14 below be subjected to Value Added Tax at the standard rate.

SCHEDULE 1

ELECTRICITY

Tariff Code	Description <i>average increase in revenue</i>	Category	Present 2023/2024	Proposed 2024/2025	Increase (subject to NERSA approval) (%)
			Average (15%) Rate	Average (12,74%) Rate	
	Domestic residential indigent consumers				
	These tariffs are applicable to all residential indigent consumers with an ampere capacity limited to 20A per phase				
501	Energy charge (kWh)				
501	Block 1 – 50 kWh	c/kWh	150,41	169,57	
	Block 51 – 350 kWh	c/kWh	197,12	222,23	
	Free basic electricity to a maximum of 50 kWh per month applies to registered indigent consumers Where more than 350 kWh is consumed during a month, the same tariff will be applied as for other domestic residential consumers				
	Domestic residential consumers				
	These tariffs are available to all residential consumers with a single or three phase connection with an ampere capacity of up to 80A per phase. This tariff consists out of a fixed and energy charge. The tariff is based on the inclining block principle, that is, the more units used, the higher the rate becomes				
	A fixed charge whether electricity is consumed or not, per month or part thereof per point of supply. The amount is charged once per month				
	Single phase	R	107,12	120,77	
	Three phase	R	144,58	163,00	
	Energy charge (Single Phase)				
504	Block 1 – 50 kWh	c/kWh	154,95	174,69	

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504		Block	51 – 350 kWh	c/kWh	208,78	235,38	
504		Block	351 – 600 kWh	c/kWh	273,06	307,85	
504		Block	> 600 kWh	c/kWh	307,66	346,86	
Energy charge (Three phase)							
		Block	1 – 50 kWh	c/kWh	154,95	174,69	
		Block	51 – 350 kWh	c/kWh	210,01	236,77	
		Block	351 – 600 kWh	c/kWh	272,45	307,16	
		Block	> 600 kWh	c/kWh	306,67	345,74	
Domestic residential consumers (lifeline)							
	This is a new tariff structure and is available to all residential consumers with a single or three phase connection with an ampere capacity of up to 40A per phase with no fixed charge. This tariff consists only out of an energy charge and will suite low to medium consumption residential consumers. The tariff is based on the inclining principle, that is, the more units used, the higher the rate becomes						
502		Block	1 – 50 kWh	c/kWh	172,11	194,04	
502		Block	51 – 350 kWh	c/kWh	237,43	267,68	
502		Block	351 – 600 kWh	c/kWh	278,83	314,35	
502		Block	> 600 kWh	c/kWh	309,36	348,77	
Business, industrial & general consumers							
	These tariffs are applicable to all business, industrial and general consumers with a single and/or three phase connection with a capacity of up to 80A per phase						
	A capacity charge whether electricity is consumed or not, per ampere of supply capacity, per month, per point of supply or part thereof						
		Single phase		R	29,91	33,72	
		Three phase		R	89,79	101,23	
524	Energy charge			c/kWh	194,26	219,01	
Business lifeline consumers							
	These tariffs are applicable to all business lifeline consumers with a single phase connection with a capacity of up to 40A per phase. This tariff has no capacity charge						

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521	Energy charge kWh	c/kWh	286,79	323,33	
Bulk consumers - low voltage three phase demand scale (Time of Use)					
These tariffs are applicable to all bulk consumers metered at low voltage with an annual average metered load with a capacity higher than 80A per phase					
	A fixed charge, whether electricity is consumed or not per point of supply (meter point)	R	3483,83	3927,67	
	A demand charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	R	83,48	94,12	
	A network access charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	R	43,86	49,45	
An active energy charge for all kWh consumers (kWh)					
High demand season (June, July, August)					
597001	Peak	c/kWh	632,12	712,65	
597002	Standard	c/kWh	241,81	272,62	
597003	Off-peak	c/kWh	129,23	145,69	
Low demand season (September to May)					
597001	Peak	c/kWh	266,33	300,26	
597002	Standard	c/kWh	163,33	184,14	
597003	Off-peak	c/kWh	114,29	128,85	
Reactive energy charge (kVA)					
	High demand season (June – August)	c/kWh	39,99	49,08	
Bulk consumers - 11 000 Volt three phase demand scale (Time of Use)					
These tariffs are applicable to all bulk consumers metered at medium voltage where electricity is supplied at 11 000 V					
	A fixed charge whether electricity is consumed or not, per point of supply (meter point)	R	5812,62	6553,15	
	A demand charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	R	79,53	89,66	

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	A network access charge per kVA of half hourly maximum demand payable in peak and standard periods on weekdays and Saturdays	R	42,06	47,42	
7	An active energy charge for all consumers (kWh)				
	High demand season (June, July, August)				
598001	Peak	c/kWh	564,05	635,91	
598002	Standard	c/kWh	225,17	253,86	
598003	Off-peak	c/kWh	120,47	135,82	
	Low demand season (September to May)				
598001	Peak	c/kWh	248,62	280,29	
598002	Standard	c/kWh	153,43	172,98	
598003	Off-peak	c/kWh	106,70	120,29	
	Reactive energy charge (kVA)				
	High demand season (June – August)	c/kWh	38,11	42,97	
	Other bulk consumers				
	This tariff is only available to specific consumers as approved by Council resolution due to special circumstances. The following charges will be payable				
	kWh peak - equal to Eskom megaflex tariff structure plus 10%				
	kWh standard - equal to Eskom megaflex tariff structure plus 10%				
	kWh off-peak - equal to Eskom megaflex tariff structure plus 3%				
	kVA r h - equal to Eskom megaflex tariff structure				
	Street light and traffic light consumption				
569	Energy charge kWh	c/kWh	272,94	307,71	
568	Illuminated advertisement signs	c/kWh	170,36	192,06	
	Departmental levies & sport clubs				
580	This tariff is applicable to all municipal buildings, levies and sport clubs, Where time of use meters are installed the applicable tariffs as per the time of use categories as determined will apply				

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	Energy charge kWh	c/kWh	272,94	307,71	
	Other charges				
	This tariff is applicable to all undeveloped erven with access to the reticulation network				
	A fixed charge per month or part thereof	R	205,44	231,61	
	Schools & welfare organizations – low voltage three phase demand scale (Time of Use)				
	This is a new tariff structure and applicable to schools and welfare organizations metered at low voltage with an annual average metered load with a capacity higher than 80A per phase. Schools and welfare organizations must meet the criteria as per the rates policy to qualify for this tariff structure.				
	A fixed charge, whether electricity is consumed or not per point of supply (meter point)	R	2611,91	2944,67	
595005	A demand charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	R	62,63	70,61	
	A network access charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	R	32,96	37,16	
	An active energy charge for all kWh consumers (kWh)				
	High demand season (June, July, August)				
595001	Peak	c/kWh	474,03	534,42	
595002	Standard	c/kWh	181,22	204,31	
595003	Off-peak	c/kWh	96,97	109,32	
	Low demand season (September to May)				
595001	Peak	c/kWh	199,76	225,21	
595002	Standard	c/kWh	122,48	138,08	
595003	Off-peak	c/kWh	85,70	96,62	
	Reactive energy charge (kVA)				
	High demand season (June – August)		29,98	33,80	
	Schools & welfare organizations – 11 000 Volt three phase demand scale (Time of Use)				
	This is a new tariff structure and applicable to schools and welfare organizations metered at medium voltage where electricity is supplied at 11 000 V,				

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	Schools and welfare organizations must meet the criteria as per the rates policy to qualify for this tariff structure.				
	A fixed charge whether electricity is consumed or not, per point of supply (meter point)	R	4417,73	4980,55	
	A demand charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	R	60,43	68,13	
	A network access charge per kVA of half hourly maximum demand payable in peak and standard periods on weekdays and Saturdays	R	31,80	35,85	
	An active energy charge for all consumers (kWh)				
	High demand season (June, July, August)				
	Peak	c/kWh	433,27	531,47	488,47
	Standard	c/kWh	171,17	192,98	
	Off-peak	c/kWh	91,53	103,19	
	Low demand season (September to May)				
596001	Peak	c/kWh	188,93	213,0	
596002	Standard	c/kWh	115,89	130,52	130,65
596003	Off-peak	c/kWh	81,08	91,41	
	Reactive energy charge (kVA)				
	High demand season (June – August)	c/kWh	28,09	31,67	
	Schools & welfare organizations				
	This is a new tariff structure and applicable to all schools and welfare organizations with a single and/or three phase connection with a capacity of up to 80A per phase. Schools and welfare organizations must meet the criteria as per the rates policy to qualify for this tariff structure. This tariff has no capacity charge.				
	Energy charge kWh	c/kWh	215,95	243,46	

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Note:

For the purpose of time of use tariffs, the defined daily time of use period throughout the year are:

Peak hours:

- (i) Weekdays 07:01 – 10:00
18:01 – 20:00
- (i) Saturdays None
- (ii) Sundays None

Off-peak hours:

- (i) Weekdays 22:01 – 06:00
- (ii) Saturdays 12:01 – 18:00
20:01 – 07:00
- (iii) Sundays 00:00 – 24:00

Standard hours:

- (i) Weekdays 06:01 – 07:00
10:01 – 18:00
- (ii) Saturdays 07:01 – 12:00
18:01 – 20:00
- (iii) Sundays None

The Director Electrical Engineering Services may impose a specific minimum load requirement for qualification for time of use tariff scales.

8. **THAT** in terms of Section 75A of the Local Government Municipal Systems Act, Act 32 of 2000, the adjusted sundry tariffs, value added tax inclusive, as reflected in the comments of the various heads of departments under schedule 2 be approved and adopted for implementation with effect from 1 July 2024.
9. **THAT** a rate of R160, 00 per day be approved for temporary workers limited to a maximum of three (3) months, unless otherwise specified in the personnel budget and/or human resources policies.
10. **THAT** the new personnel posts and the abolishment of posts be approved to be implemented with effect from 1 July 2024.
11. **THAT** the following budget-related policies as amended be approved and adopted for implementation from 1 July 2024:
 - 11.1 Budget virement policy.
 - 11.2 Free basic services and indigent policy.
 - 11.3 Credit control and debt collection policy.
 - 11.4 Property rates policy.
 - 11.5 Supply chain management policy.
12. **THAT** the following unchanged budget-related policies be noted and be approved and adopted for implementation from 1 July 2024:
 - 12.1 Asset Management.

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- 12.2 Blacklisting policy
 - 12.3 Borrowing policy.
 - 12.4 Budget policy.
 - 12.5 Credit control By-Laws
 - 12.6 Cost containment policy.
 - 12.7 Inventory policy.
 - 12.8 Unauthorized Irregular and Wasteful Expenditure policy.
 - 12.9 Impairment of debtors and write-off policy.
 - 12.10 Pay day policy.
 - 12.11 Petty cash policy.
 - 12.12 Short term risk and liabilities policy.
 - 12.13 Tariff By-Laws.
 - 12.14 Tariff policy.
 - 12.15 Travelling and subsistence policy.
 - 12.16 Unclaimed deposits policy.
 - 12.17 Borrowing policy.
 - 12.18 Contractor development policy.
 - 12.19 Funding & reserves policy.
 - 12.20 Investment of surplus funds policy.
 - 12.21 Methodology for the impairment and assessment of useful lives of assets policy.
 - 12.22 Methodology – classification and treatment of land policy.
13. **THAT** the following by-laws be approved by Council for public participation and adoption:
- 13.1 Credit control by-law
 - 13.2 Customer care and revenue management by-law
 - 13.3 Property Rates by-law
 - 13.4 Tariff by-law

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14. **THAT** the measurable performance objectives for revenue from each source as per table A4 be approved and adopted for the 2024/2025 budget year.
15. **THAT** permission be granted to the Acting Executive Director Financial Services to submit the draft annual budget in both printed and electronic formats to National and Provincial Treasury and upload it on National Treasury portal.
16. **THAT** permission be granted to the Acting Executive Director Financial Services to place the annual draft budget on the municipal website within five (5) working days from approval.
17. **THAT** permission be granted to the Acting Executive Director Financial Services to make the annual budget and supporting documentation with Council resolution public in terms of Section 21(A) of the Municipal Systems Act, 32 of 2000 within ten (10) workings days after Council approval.
18. **THAT** an application for the approval of the electricity tariffs be submitted to NERSA.

SC28/05/2024

REPORT ON THE TABLED FINAL INTEGRATED DEVELOPMENT PLAN FOR THE 2024/2025 FINANCIAL YEAR

3/4 (A)

RESOLVED BY COUNCIL

1. **THAT** the report by the Municipal Manager on the reviewed 2024/2025 final Integrated Development Plan be noted.
2. **THAT** the IDP for the 2024/2025 attached as **ANNEXURE A**, along with inputs received when the draft IDP 2024/2025 was advertised for 21 days, attached as **ANNEXURE B**, and the report on issues raised from the draft IDP/Budget 2024-25 consultation meetings, attached as **ANNEXURE C**. be considered for approval on the scheduled agenda of the Mayoral Committee.
3. **THAT** the tabled developed Final Integrated Development Plan for 2024/2025 Financial Year, be submitted to the MEC for Local Government and other relevant stakeholders within 10 days after the date of adoption.

SC29/05/2024

PERSONNEL: RESIGNATION OF THE EXECUTIVE DIRECTOR: TECHNICAL & INFRASTRUCTURE SERVICES AND FILLING OF THE POST

4/3/R (K)

With the consideration of the matter Ms R Makgata, Executive Director: Infrastructure Services recused herself from the meeting.

Ald P Mobango thereafter submitted the following proposal which was seconded by Cllr CM Soko:

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1. **THAT** the Municipal Manager proceed with legal consequences against the Executive Director: Infrastructure, pending the outcome of the forensic investigation, and the interim report brought to Council.
2. **THAT** the Municipal Manger with immediate effect approach the Labour Court and the pension fund of the Executive Director: Infrastructure in freezing the proceeds of her pension, pending the outcome of any legal proceedings and or the forensic investigation."

Subsequently, Cllr CS Mashiloane requested for a 10 minutes caucus which was granted by the Acting Speaker from 10:48 to 11:58.

After the caucus period, Ald P Mobango withdrew her proposal.

RESOLVED BY COUNCIL

1. **THAT** Council take note that the Executive Director: Technical & Infrastructure Services has tendered her resignation with her last working day being 31 May 2024.
2. **THAT** her request to serve two (2) weeks' notice to be approved and that she submit the handover report before the said date.
3. **THAT** Council confirms that the post referred to paragraph 1 above is needed for the municipality to meet its strategic objectives and that the recruitment process to be commenced in order to ensure sufficient capacity to deliver services to STLM communities.
4. **THAT** the remuneration be in line with the "Upper Limits of Total Remuneration Package payable to Municipal Manager and Managers directly accountable to Municipal Manager" as promulgated by the Minister of Corporative Governance and Traditional Affairs.
5. **THAT** the conditions of employment of the Executive Director: Technical & Infrastructure Services be determined as prescribed in the Regulations on Appointment and Conditions of Employment of Senior Managers be made applicable.
6. **THAT** it be confirmed that this is a permanent post with both employment contract and annual performance plans to be signed in line with the Municipal Systems Amendment Act of 2022.
7. **THAT** the following selection panel be appointed to deal with the appointment of the Executive Director: Technical & Infrastructure Services as indicated in the report and prescribed by the regulations:
 - 7.1.1 Municipal Manager (Chairperson)
 - 7.1.2 MMC for Infrastructure Development & Service Delivery
 - 7.1.3 Municipal Manager from another Municipality
 - 7.1.4 Senior official delegated by the Provincial Department of Co-operative Governance and Traditional Affairs (COGTA) on Technical Environment

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7.1.5 Senior official delegated by Provincial South African Local Government Association (SALGA) on Infrastructure Services

8. **THAT** the Director: Civil Engineering Services be appointed as Acting Executive Director: Technical & Infrastructure Services from 01 June 2024 for a period of Three (3) months or until the post has been filled.

SC30/05/2024

INDIGENT OUTSTANDING DEBT WRITE OFF

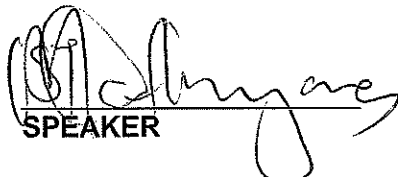
9/3/1 (A)

RESOLVED BY COUNCIL

1. **THAT** Council approve the write-off of the indigent debt of 150 days and older.
 2. **THAT** the electricity tampering fees on the accounts not be included in the write-off.
 3. **THAT** the debts written off on 207 households de-listed due to non-qualification be reinstated should they not qualify for indigent status during re-application process.
 4. **THAT** the remaining 74 tampered accounts enter into payment arrangements with Council for the debt.
 5. **THAT** all indigent households that have tampered be given until the 31 July 2024 to come forward and correct their status. Households will be liable for the tampering and consumption fees however the debt not be re-instated.
 6. **THAT** the debt be re-instated should the customer be found tampering with connection to municipal services within 12 months after the 31 July 2024.
 7. **THAT** the item on the rebates be submitted to the next Mayoral Committee.
 8. **THAT** indigent customers with bridged electricity meter boxes be granted a period of amnesty.
 9. **THAT** the Municipal Manager be requested to publicise the above.
 10. **THAT** consumers to make suitable arrangements for outstanding debt.
 11. **THAT** the item on those who bridged the electricity meter boxes be submitted to the next Mayoral Committee.
5. **CLOSURE**

The meeting adjourned at 11:17

SIGNED AT MIDDELBURG ON


SPEAKER

22/08/24