

**MINUTES OF A STATUTORY COUNCIL MEETING OF THE LANGEBERG MUNICIPALITY**  
**HELD ON 28 MAY 2015 AT 15H00 IN THE COUNCIL CHAMBERS,**  
**MUNICIPAL OFFICES, CHURCH STREET, ROBERTSON**

13. **Consideration of Reports / Oorweging van Verslae**

13.1 **Reports submitted to Council for consideration (A items)**  
**Verslae voorgelê aan die Raad vir oorweging (A items)**

A 3132

**SUBMISSION OF THE 2015/16 TO 2017/18 OPERATING AND CAPITAL BUDGET, IDP AND POLICY DOCUMENTS**  
**(5/1/1-2015/16) (CHIEF FINANCIAL OFFICER)**

**BURGEMEESTERS-BEGROTINGSREDE 2015/2016**  
**LANGEBERG MUNISIPALITEIT**  
**28 MEI 2015**

Mnr, die Speaker, die 2015/16 begroting het voor die Raad gedien op 25 Maart 2015.

Daarna het 'n uitgebreide gemeenskapsdeelneme- en konsultasie-proses gedurende April en Mei 2015 gevolg, waartydens die begroting aan al die wykskomitees binne die munisipale area voorgelê is, sowel as aan NROs en die Sakekamer. Die begroting is ook aan die Nasionale en Provinsiale Tesourie voorsien vir kommentaar en insette. Die begroting is goed ontvang. Provinsiale Tesourie het die volgende opmerkings oor die begroting gemaak:

**Geloofwaardigheid en volhoubaarheid van die begroting**

- Die munisipaliteit het, ongeag geweldige druk in die Suid-Afrikaanse ekonomie - wat in baie gevalle fiskale uitdagings aan vele munisipaliteite stel, 'n geloofwaardige, volhoubare en toepaslike begroting voorgelê.
- Die munisipaliteit het 'n begrotings-tekort vir die 2015/16 MTREF periode voorgehou, wat hoofsaaklik deur die nie-kontant items, naamlik skuld-inkorting, waardevermindering en waardedaling van bates veroorsaak word
- Die begroting spreek die lot van armes aan met voldoende subsidies en kortings aan deernis-gevalle, hulpbehoewende huishoudings en pensioenarisse. Groot kapitaalbesteding is bewillig vir infrastruktuur, wat die prioriteite van die NOP om ekonomiese groei te verhaas, ongelykhede te verminder en om armoede uit te wis, aanspreek. Die begroting is egter nie duidelik oor hoe dit agterstande aanspreek nie.
- Die munisipaliteit word geprys vir die hoë vlak voldoening/nakoming wat handhaaf word, maar kan verder verbeter deur ook die Geïntegreerde Afvalbestuursplan, Lug-kwaliteit Bestuursplan en die uitstaande begrotings-verwante beleide, soos aangedui in die skrywe wat aan die munisipaliteit gerig was op 11 April 2014, in te dien.
- Die munisipaliteit het skoon oudit uitsprake vir die vorige finansiële jaar ontvang, wat 'n aanduiding is van goeie korporatiewe en finansiële bestuur.
- Die begroting wat voorgelê is, is op realistiese begrotings-aannames en goeie begrotings-beplanning geskoei, soos vorige begrotingsprestaties ook uitwys.

Speaker, die insette oor die begroting ontvang, asook die munisipaliteit se reaksie daarop, is in die verslag aan die Raad vervat. Die begroting is in die algemeen goed deur die gemeenskap ontvang. Sommige van die kwessies is die volgende:

**1. Die verhoging van die begroting met 7% vir indiensnemings-verwante kostes**

Speaker, die salarisverhoging vir 2015/16 is nog nie op nasionale vlak deur die Bedingingsraad, tussen SALGA en die Werknemerunies, afgehandel nie.

**2. Implementering van 'n uniforme elektrisiteits-tarief vir dorps- en landelike verbruikers**

'n Ondersoek na uniforme elektrisiteits-tariewe is gedurende die 2014-15 finansiële jaar geloods, vir implenentering met ingang van 1 Julie 2015.

Speaker, vergun my om die volgende opvallende kenmerke van hierdie begroting uit te wys:

**1. Verlaging van belasting**

Die gemiddelde verlaging van belasting vir die onderskeie eiendoms-kategorieë is soos volg:

- i) Residensiële eiendomme: -2%
- ii) Besigheids- / Algemene eiendomme: -2.7%
- iii) Bona fide boere: -18.2%
- iv) Gemeenskap-weldoener Organisasies: -18.2%

## 2. Tariefverhogings

Die gemiddelde tariefverhogings is soos volg:

- i) Water-tariewe: 8%
- ii) Sanitasie-tariewe: 8%
- iii) Vullisverwydering: 10%
- iv) Elektrisiteits-tariewe: 12.8%

## 3. Diverse Tariewe

Die tariewe vir gemeenskapsale en sportfasiliteite is nou verhoog tot 6%. Dit het duidelik geword dat ons tariewe uiters laag is en dat daar, daarom, nie genoeg geld is om hierdie fasiliteite behoorlike te onderhou nie. Hierdie tariewe sal geleidelik verhoog word totdat werklike uitgawes bereik word.

### Begrotingstoekennings per Direkoraat

#### Bedryfs

Korporatiewe Dienste	R 54 726 560
Finansies	R 30 522 580
Ingenieursdienste	R 395 388 020
Strategie en Maatskaplike Ontwikkeling	R 44 871 650
Bestuur en Raad	R 28 768 770

#### **Totaal**

**R 554 277 580**

#### Kapitaal

Korporatiewe Dienste	R 3 489 000
Finansies	R 0
Ingenieursdienste	R 43 060 150
Strategie en Maatskaplike Ontwikkeling	R 5 074 570
Bestuur en Raad	R 00000000

#### **Totaal**

**R 51 623 720**

### **SLOT**

Speaker, die begroting soos voorgelê, was oor die algemene goed ontvang. Dit moet die lewens van ons inwoners op 'n betekenisvolle wyse raak en verligting aan die arm gemeenskappe van hierdie munisipaliteit bring.

Ek wil graag hierdie geleentheid gebruik om die lede van die Begroting Loodskomitee, my kollegas in die Burgemeesterskomitee, die Munisipale Bestuurder en die Strategiese Bestuurspan wie almal 'n geldige inset tot die finalisering van hierdie begroting gelewer het, te bedank.

Gevolgtlik, stel ek hiermee voor dat die Langeberg Munisipaliteit se Begroting vir die Medium Termyn 2015/16 tot 2017/18, tesame met die begrotingsverwante beleide en die Hersiene Geïntegreerde Ontwikkelingsplan 2015/2016 aanvaar en goedgekeur word, ingevolge Artikel 16(1) van die Wet op Munisipale Finansiële Bestuur, Wet Nr. 56 van 2003.

**MAYORAL BUDGET SPEECH 2015/2016  
LANGEBERG MUNICIPALITY  
28 May 2015**

Mr Speaker, the 2015/16 budget has been tabled at the Council meeting on 25 March 2015.

Since then an extensive public participation and consultation process was followed during April and May 2015 whereby the budget was presented to all ward Committees in the municipal area as well as to NGOs and Business Chamber. The budget was also provided to National and Provincial Treasury for comment and input. The budget was well received. Provincial Treasury had the following comments on the budget:

### **Credibility and sustainability of the budget**

- The municipality has tabled a credible, sustainable and relevant budget amidst the severe pressures in the South African economy, which in many instances translate into fiscal challenges for many municipalities.
- The Municipality tabled a deficit budget for the 2015/16 MTREF period which is mainly caused by the non-cash items, namely debt impairment, depreciation and asset impairment.
- The budget articulates the plight of the poor with adequate subsidies and rebates to indigents, poor households and pensioners. Major capital spending is appropriated towards infrastructure, addressing the NDP priorities to accelerate economic growth, reduce inequality and to eliminate poverty. However, the budget is not explicit on how it addresses backlogs.
- The municipality is commended for maintaining a high level of compliance but can improve further by submitting the Integrated Waste Management Plan, Air Quality Management Plan and outstanding budget related policies as indicated in the letter that was sent to the Municipality on 11 April 2014.
- The municipality received clean audit findings for the past financial year which is indicative of good corporate and financial management.
- The tabled budget is based on realistic budget assumptions and good budget planning, which is also evident from the past budget performances.

Speaker, the input received on the budget as well as the municipal response is included in the report to Council. Generally the budget was well received by the public. Some of the concerns are as follows:

#### **1. The increase of budget for employment related costs of 7%.**

Speaker, the salary increase for 2015/16 has not yet been finalized by the Bargaining Council on a National level between SALGA and the trade unions.

#### **2. Implementing a uniform electricity tariff for town and rural consumers.**

An investigation regarding uniform electricity tariffs has been commissioned during the 2014-15 financial year for implementation as from 1 July 2015.

Speaker, please allow me to point out the following salient features of this budget:

#### **1. Decrease of Rates**

The average decrease of rates for the various property categories are as follows:

- i) Residential properties: -2%
- ii) Business/General properties: -2.7%
- iii) Bona fide farmers: -18.2%
- iv) Public Benefit Organizations: -18.2%.

#### **2. Tariff Increases**

The average increases for tariffs are as follows:

- i) Water Tariffs: 8%.
- ii) Sanitation Tariffs: 8%.
- iii) Refuse Removal: 10%
- iv) Electricity Tariffs: 12.8%.

#### **3. Sundry Tariffs:**

Tariffs for community halls and sporting facilities have been increased by 6%. It has become clear that our tariffs are extremely low, hence there is not enough money to maintain these facilities properly. However, these tariffs will be gradually increased until we catch up with the actual expenditure.

### **Budget Allocation per Directorate:**

#### Operating

Corporate Services	R 54 726 560
Finance	R 30 522 580
Engineering Services	R 395 388 020
Strategy and Social Development	R 44 871 650
Executive and Council	R 28 768 770
<b>Total</b>	

**R 554 277 580**

## Capital

Corporate Services	R 3 489 000
Finance	R 0
Engineering Services	R 43 060 150
Strategy and Social Development	R 5 074 570
Executive and Council	R 00000000

## **Total**

**R 51 623 720**

## **CONCLUSION**

Speaker, the budget as tabled was well received overall. It should touch the lives of our people in a meaningful way and provide relief to the poverty-stricken communities of this municipality.

I would like to take this opportunity to thank the members of the Budget Steering Committee, my colleagues in the Mayoral Committee, the Municipal Manager and the Strategic Management Team who all made valuable input into finalizing this budget.

Accordingly, I hereby move for the adoption and approval of the Langeberg Municipality's Budget for the Medium Term 2015/16 to 2017/18, together with the budget related policies and the Revised Integrated Development Plan 2015/2016, in terms of section 16(1) of the Municipal Finance Management Act, No. 56 of 2003.

## **INTETHO YOHLAHLO-LWABIWO MALI KASODOLOPHU 2015/16 UMASIPALA WASELANGEBERG 28 Meyi 2015**

Somlomo, ngomhla we-25 Matshi 2015 kuye kwathiwa theca uhlahlo-lwabiwo mali ka-2015/16.

Ukususela ngoko kuye kwalandelwa inkqubo yovavanyo zimvo noluntu ngokubanzi ebudeni buka-Apreli noMeyi 2015 apho kuye kwanikezelwa inkcazelo kuzo zonke iiKomiti Zeewadi kummandla kamasipala kuquka imibutho engekho phantsi korhulumente nezamashishini. Olu hlahlo-lwabiwo mali luye lwanikwa Isebe Loonondyeyo bephondo nelikazwelonke ukuze nabo bavakalise izimvozo ngalo. Olu hlahlo-lwabiwo mali lwamkelwe kakuhle kakhulu kangangokuba isebe Loonondyeyo wePhondo uye wagqabaza ngoluhlobo ngalo:

### **Intembeko kwanokuzinza kohlahlo-lwabiwo mali**

- Umasipala uthe thaca etafileni uhlahlo-lwabiwo mali ekunokuthenjela kuyo, ezinzileyo nefalekileyo phantsi kweemeko zoqoqosho ezinzima eMzantsi Afrika, ekuthi kumaxesha amininzi kube lucelomngeni koomasipala abaninzi.
- Umasipala uye wathi theca etafileni uhlahlo-lwabiwo mali olungaphelelanga kwithuba leminyaka emithathu ukususela ngo-2015/16 ngenxa yezinto ezingeyomali yokwenene njengamatyala amabi angahlawulwayo, ukuhla kwamaxabiso ezinto nokuhla kwamaxabiso empahla kamasipala.
- Oluhlahlo-lwabiwo mali luyibonakalisa kakuhle imeko yabo bahluphekileyo ngokuquka uncedo kwakunye nezaphulelo kwabo bangathath'ntweni, kwiintsapho ezingamahlwempu kunye nabo bamkela indodla. Inkcitho yezinto ezinkulu ezihlala ixesha elide yenziwa kwizinto ezibalulekileyo njengoko zichazwe kwisiCwangciso Sophuhliso sikaZwelonke (NDP) ukuze kuphuhlise uqoqosho, kunciphise ukungalingani nokupheliswa ubuhlwempu. Noko ke, oluhlahlo-lwabiwo mali aluchazi ngokucacileyo ukuba kuza kwenziwa njani ukuphelisa uphuhliso olusalele ngasemva.
- Umasipala uyanconywa ngokwenza izinto ubukhulu becala ngokuvisisana nemithetho kodwa kusekho uphuculo olunokwenzeka ngokufaka Isicwangciso Esinxibeleleneyo Sokulawula Inkunkuma (IWMP) Isicwangciso Sokulawula Umgangatho Womoya (AQMP) kunye neminye Imigaqo-nkqubo yohlahlo-lwabiwo mali ebingekafakwa njengoko kuchazwe kwileta ebithunyelwe kumasipala ngomhla – 11 April 2014.
- Umasipala uye wafumana ingxelo yabaphicothi engenachaphaza kunyaka mali odlulileyo ntoleyo ebonisa ukuba kukho ulawulo oluhle ngokwequmru nangokwezimali.
- Uhlahlo-lwabiwo mali oluthiwe theca lusekelwe kwintelekelelo olusengqiqweni nokucebisa okuhle njengoko kunokubonwa kwindlela ekuqhutywe ngalo kuhlahlo-lwabiwo mali oludlulileyo.

Somlomo, amagqabaza aye afunyanwa malunga noluhlahlo-lwabiwo mali neependulo zikamasipala ziqukiwe kwingxelo ephambi kwebhunga. Oluhlahlo-lwabiwo mali luye lwamkelwa kakuhle luluntu. Ezinye zezinto zenkxalabo ezivakalisiweyo zezi zilandelayo:

### 3. Ukunyuka kwendleko eziphathelelene nabasebenzi 7%

Somlomo, ukunyuka kwemivuzo yabasebenzi alukaqunjelwa liBhunga Lothethwano likazwelonke phakathi koMbutho WooRhulumente Basemakhaya BoMzantsi Afrika (SALGA) kunye nemibutho yabasebenzi.

### 4. Ukungafakwa kwintsebenzo ukulinganiswa kwentlawulo yombane kubasebenzi bombane abasezidolophini nabo basemaphandleni.

Kuye kwasungulwa uphando malunga neentlawulo ezifanayo ngombane ebudeni bonyaka mali ka 2014-15 noluzakuthi luqalise ukusebenza ngo- 1 Julayi 2015.

Somlomo, nceda undivumele ndichaze iimbaldasane ezithile koluhlahlo-lwabiwo mali:

#### 4. Ukuhla kwentlawulo yerhafu

Umlinganiselo wokuhla kwentlawulo yerhafu yemihlaba kumahlelo awahluka-hlukeneyo ami ngoluhlobo:

- i) Ummandla wokuhlala - 2%
- ii) Ummandla wamashishini/wajikelele – 2.7%
- iii) Ummandla weeFama zokwenene – 18.2%
- iv) Amaqumru engenelo yoluntu – 18.2%.

#### 5. Ukunyuka kweentlawulo

Umlinganiselo wokunyuka kweentlawulo kumi ngoluhlobo:

- i) Amanzi ayakunyuka nge- 8%.
- ii) Ugutyulo luyakunyuka nge- 8%.
- iii) Ukuthuthwa kwenkunkuma iya kunyuka nge- 10%
- iv) Umbane uyakunuka nge- 12.8%.

### 6. Ezinye iintlawulo

Iintlawulo zokuqasha amaholo oluntu kunye namabala emidlalo izakunyuka nge-6%. Kuye kwacaca ukuba iintlawulo esizibizayo ziphantsi kakhulu, kungoko kungekho mali yaneleyo yokugcina amaholo namabala ekwingangeleko efanelekileyo. Noko ke siye saceba okokuba ezintlawulo zinyuswe ngokuthe ngcembe side sibe sifikelela kwelona zinga lendleko zokwenene.

### Ukwahlulwa kohlahlo-lwabiwo mali ngokwesebe ngalinye

#### Uhlahlo-lwabiwo mali lokusebenza

Iinkonzo zangaPhakathi	R 54 726 560
Ezezimali	R 30 522 580
Iinkonzo zeNjineli	R 395 388 020
Iqhinga noPhuhliso lweNtlatontle	R 44 871 650
Isigqeba soLawulo neBhunga	R 28 768 770

#### **Isimbuku**

**R 554 277 580**

#### Inkcitho Yezinto Zexesha Elide

Iinkonzo zangaPhakathi	R 3 489 000
Ezezimali	R 0
Iinkonzo zeNjineli	R 43 060 150
Iqhinga noPhuhliso lweNtlatontle	R 5 074 570
Isigqeba soLawulo neBhunga	R 000000

#### **Isimbuku**

**R 51 623 720**

### UMQUKUMBELO

Somlomo, oluhlahlo-lwabiwo mali luye lwamkelwa kakuhle ngokubanzi ibe lumele luchukumise iimpilo zabantu ngendlela ekhethekileyo ibe iya kuzisa ithuba lokuphefumla kuluntu olu kulomasipala oluthwaxwa bubuhlwempu.

Ndifuna ukusebenzisa elithuba ukuze ndibulele amalungu eKomiti Yohlalaho-Lwabiwo Mali, oogxa bam abaKwikomiti KaSodolophu, uMphathi Kamasipala kunye Nabaphathi Beqoqo Eliphezulu abaye xa bebonke benza igalelo elibalulekileyo

ekukulunqweni koluhlahlo-lwabiwo mali.

Ngenxa yoko, ndenza isindululo sokuba lwamkelwe yaye luphunyezwe oluhlahlo-lwabiwo lweminyaka emithathu ukususela ngo-2014/15 ukuya ku-2016/17 kuquka nayo yonke imigaqo-nkqubo ehambisana nayo kunye Nesicwangciso Sophuhliso Esinxibeleleneyo (IDP), ngokuvisisana necandelo 16(1) Lomthetho Olawula Imali Kamasipala, Nombolo 56 ka 2003.

**Hierdie item het gedien voor 'n Spesiale Vergadering van die Raad op 28 May 2015**  
**This item served before a Special Meeting of Council on 28 May 2015**

A long debate followed the tabling of the budget.

Cllr Vollenhoven rejected the entire budget because they believe there was no formal consultation process followed to properly consult with communities. He also said they will not participate in the further discussion and decision taking on the budget.

Cllr Klaas said Cope is abstaining from voting and / or decision taking on the budget.

**Besluit / Resolved**

1. That the consolidated Operating budget of R 554 277 580, Capital budget of R 51 623 720, and budgeted cash flows, as set out in the Municipal Budget (attach as Annexure 1) be adopted and approved by Council and that it constitute the Budget of the Council for 2015/16 financial year as well as medium term (indicative) budgets for the 2016/17 and 2017/18 financial years.
2. That the Integrated Development Plan and any amendments thereto, be approved.
3. That the tariffs for property rates be approved.
4. That the tariffs for water, electricity and other municipal services be approved.
5. That all other matters prescribed in sections 17(1)(a-e); 17(2) and 17(3)(a-m) of the Municipal Finance Management Act that are included or accompany the budget document be approved.
6. That the Tariff, Rates, Cash Management & Investment, Credit Control & Debt Collection, Virement, Supply Chain Management, Asset Management, Budget and Funding and Reserves Policy be approved.
7. That the measurable performance objectives for 2015/16 for operating revenue by source and by vote be approved.

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