



**BEAUFORT-WES/BEAUFORT WEST/BHOBHOFOLO**  
Kantoor van die Munisipale Bestuurder / Office of the Municipal Manager

Rig asseblief alle korrespondensie aan die Munisipale Bestuurder/Kindly address all correspondence to the  
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5/1/2/1

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BEAUFORT WEST  
BOBHOFOLO**

**Datum  
Date  
Uhmla**

07 June 2023

*EXTRACT FROM THE 7TH SPECIAL COUNCIL MEETING OF THE LOCAL MUNICIPAL COUNCIL  
HELD ON TUESDAY 06 JUNE 2023*

**3. FINAL: OPERATIONAL AND CAPITAL BUDGET: 2023/2024 FINANCIAL YEAR: 1 JULY 2023 TO  
30 JUNE 2024**

5/1/2/1

The Executive Mayor, Councillor A Sauls I tabled the Final: Operational and Capital Budget:  
2023/2024 Financial Year: 1 July 2023 to 30 June 2024.

**dcs**

Councillor A Sauls I seconded by Councillor CL De Bruin propose:

- 3.1. That Council approve the Annual Budget of the Municipality for the financial year 2023/24 and indicative for the two projected outer years, 2024/25 and 2025/26, as set out in the Annual Budget Tables:
  - 3.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) reflected in Table A2;
  - 3.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as reflected in Table A3;
  - 3.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as reflected in Table A4;
  - 3.1.4. Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source as reflected in Table AS;
  - 3.1.5. Capital detailed budget reflected in Annexure C;
- 3.2. That Council approve the property rates tariffs increases for 2023/24 as per (Annexure A) and tariffs for service charges and other sundry tariffs as per (Annexure B);
- 3.3. That Council approve the amended budget related Policies reflected in (Annexure D) for the budget year 2023/24;
- 3.4. That Council approve cognisance of the 2023/24 Final Service Level Standards (Annexure E).

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3.5. That Council approved the Procurement Plan (Annexure F) for the budget year 2023/24.

3.6. The proposed overall tariff increases, are as follows:

- 3.6.1 Property rates - 6%;
- 3.6.2 Service charges electricity – 15.10%;
- 3.6.3 Service charges water - 6%;
- 3.6.4 Service charges sanitation - 6%;
- 3.6.5 Service charges refuse 6%;
- 3.6.6 Other sundry tariffs - 6% and
- 3.6.7 Interest on outstanding debtors be levied monthly at prime plus one percent (1%).

3.7 **Tariffs for Rates with effect from 1 July 2023:**

3.7.1. The tariffs for property rates - 6% increase;

**Beaufort West, Merweville, Nelspoort and Murraysburg**

The Rate in the Rand for Property Rates for 2023/2024 financial year are:

<b>RATING CATEGORY</b>	<b>23/24 RATE IN RAND</b>
Residential Properties	0.022333
Business Properties	0.031267
Industrial Properties	0.031267
Agricultural Properties	0.005583
Public service purposes	0.031267
National Monuments	0.031267
Multiple use Properties	As per allocation
Municipal Properties	0.0
Nature Reserve Properties	0.0
PSI	0.0
Vacant Land	0.026800

The rates levied per individual property will be calculated based on the value of that property and multiplied by the rate-in-rand set out in the document. Rebates are also taken into consideration.

**RATES RATIOS**

The residential category is used as the base rate. The rates ratio per rating category are:

<b>RATING CATEGORY</b>	<b>RATIO TO RES (RES:RC)</b>
Residential Properties	1:1
Business Properties	1:1.4
Industrial Properties	1:1.4
Agricultural Properties	1:0.25 plus additional 70%
Public service purposes	1:1.4
National Monuments	1:1.4
Municipal Properties	
Nature Reserve Properties	1:0
PSI	1:0
Vacant Land	1:1.2

**EXEMPTIONS, REDUCTIONS AND REBATES**

**RESIDENTIAL PROPERTIES**

The first R15 000,00 of the market value as per the valuation Roll on Residential Properties as

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set out in Section 17(1)(h) of the MPRA is exempted from paying property rates; and R4000 reduction determined in the Rates Policy.

Rebates in respect of a category of owners of property are as follows:

Owners of National Monuments qualify for a 10% rebate on the business tariff provided that the rebate will only be granted if –

- The buildings is in a satisfactory condition, and
- The Director Engineering Services has during the second Month of each financial year submitted a report that the building is in a satisfactory condition in order that the municipality may consider whether or not to grant a rebate.

### **AGRICULTURAL**

As a result of, and taking into account, limited rate-funded services supplied to such properties in general, the contribution of agriculture to the local economy, the extent to which agriculture assists in meeting the service delivery and development obligations of the community, and the contribution of agriculture to the social and economic welfare of farm workers, the council bills a reduced rate (as set out below) in respect of properties subject to agricultural use.

This rate rebate is 75% of the rate levied on Residential Properties, which rate on properties subject to agricultural use does not exceed the maximum ratio to the rate on Residential Property prescribed in the MPRA Rate Ratio Regulations.

The council will, when it imposes rates and sets tariffs for the budgeted year, grant an additional rebate of 70% on the rates payable in respect of agricultural properties where -

- there are no municipal roads next to the property;
- there are no municipal sewerage to the property;
- there are no municipal electricity to the property;
- water is not supplied by the municipality;
- refuse removal is not provided by the municipality.

No other rebates will be granted to properties that qualify for the Agricultural rebate. For the avoidance of doubt properties that qualify for the agricultural rebate will not be entitled to the residential rate rebate.

### **Pensioners**

Registered owners of Residential Properties who are pensioners qualify for special rebates according to gross monthly household income of all Pensioners permanently residing on that property. To qualify for the rebate a property owner must be the registered owner of a property which satisfies the requirements of the definition of residential Property. This property owner must on 1 July of the financial year:

- Occupy the property as his/her Primary Residence, and
- Be at least 60 years of age, or
- Has been declared medically unfit even if not yet 60 years of age, and
- Be in receipt of a gross monthly household income not exceeding the amount determined by Council during the Municipality's budget process.
- Must annually submit proof to the CFO that he or she is registered with the Department of Social Development as a recipient of an old age or disability grant.
- Market value of the property not exceeding R750 000

R2 105 and under	-	30%
R2 106 to R4 210	-	20%
R4 211 to R7 500	-	10%

An owner must annually provide credible proof of his or her economic/financial position to the CFO.

3.8 **Tariffs and other sundry tariffs increases from 1 July 2023:**

- 3.8.1 the tariffs for electricity - 15.10%, this is in line with the Consultation Paper-Municipal Tariff Guideline, Benchmarks and Proposed Timelines for FY 2023/24 published on the 4th of April 2023 by NERSA;
- 3.8.2 the tariffs for water - 6%;
- 3.8.3 the tariffs for sanitation - 6%;
- 3.8.4 the tariffs for refuse removal - 6%;
- 3.8.5 Other sundry tariffs - 6%;
- 3.8.6 Interest on outstanding debtors be levied monthly at prime plus one percent (1%).

3.9 **Indigent Subsidy from 1 July 2023:**

To households with a monthly income up to 2 old age pensions (R 4,210) or less; such a household will qualify for the following indigent subsidy:

Component	Subsidy
Electricity Basic	100% Subsidy
Water Basic	100% Subsidy
Electricity Consumption	50 kWh electricity usage
Water Consumption	6 kl
Sanitation	100% Subsidy
Refuse Removal	100% Subsidy

Alderman JJ Van Der Linde seconded by Councillor SM Meyers proposes that Council do not approve the Annual Budget of the Municipality for the financial year 2023/24 and indicative for the two projected outer years, 2024/25 and 2025/26.

The Speaker brings both proposals to a vote.

4 Votes in favour of the proposal of Alderman JJ Van Der Linde seconded by Councillor SM Meyers.

8 Votes in favour of the proposal of Councillor A Sauls I seconded by Councillor CL De Bruin.

Councillor S Essop abstains from voting.

**THUS RESOLVED**

**CERTIFIED AS A TRUE REFLECTION AND EXTRACT FROM THE MINUTES OF THE 7TH SPECIAL COUNCIL MEETING HELD ON TUESDAY, 06 JUNE 2023**



AC Makendlana  
**DIRECTOR: CORPORATE SERVICES**  
/ldd

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