

MANGAUNG METROPOLITAN MUNICIPALITY

REVENUE AND EXPENDITURE ESTIMATES AND DETERMINATION OF GENERAL ASSESSMENT RATE AND SANITARY FEES

1. Notice is given in accordance with the provisions of section 81 (1) (c) of the Local Government Ordinance No 8 of 1962 read with the stipulations of the Local Government Municipal Systems Act, No 32 of 2000, the Municipal Finance Management Act, no 56 of 2003, as well as the Local Government: Municipal Property Rates Act (no 6 of 2004) that a copy of the Municipal Estimates of Revenue and Expenditure for the financial year ending 30 June 2015 is open for inspection at the office of the Chief Financial Officer during office hours of the Mangaung Metropolitan Municipality.
2. Notice is further given that the under-mentioned general assessment rate, sewerage charges, refuse removal tariffs, housing rental tariffs, general tariffs and electricity tariffs for the year ending 30 June 2015 are as follows, namely:

1. Assessment Rates

It is recommended that rates tariffs be increased by net average of 6% across the board.

- (a) That the following general assessment rates in respect of the Mangaung Metropolitan Municipality be determined as follows:
 - i. Comma five seven eight four cent (0,5784 cent), multiply by comma two five cent (0.25), per rand on the rateable value of farm property (exempt from VAT);
 - ii. Comma five seven eight four cent (0,5784 cent), per rand on the rateable value of residential property (exempt from VAT);
 - iii. Two comma five cent (2,5005 cent) per rand on the rateable value of government property (exempt from VAT);
 - iv. Two comma five cent (2,5005 cent) per rand on the rateable value of business property (exempt from VAT).
 - v. Interest shall be paid to Council on rates which have been paid within thirty (30) days from the date on which such rates became due, at a rate of 1% higher than the prime rate for the period during which such rates remain unpaid after expiry of the said period of thirty (30) days.

Rebates on assessment rates:

- * The first R 70,000 (Seventy thousand rand only) of the rateable value of residential properties are exempted;
 - * That in respect of qualifying senior citizens and disabled persons, the first R 250,000 (Two hundred and fifty thousand rand only) of the rateable value of their residential properties be exempted from rates;
 - * That the rebate on the R 250,000 of the rateable value for residential properties of qualifying senior citizens and disabled persons will only be applicable on properties with a value that do not exceed R 2,000,000 (Two million rand only), and;
 - * That for the 2014/15 financial year the criteria applicable for child headed families regarding the total monthly income from all sources must not exceed an amount equal to two state pensions as determined by National Minister of Finance per month.
- (b) It is recommended that the rates as stated above become due monthly on the following dates: 7 July 2014; 7 August 2014; 8 September 2014; 7 October 2014; 7 November 2014; 8 December 2014; 7 January 2015; 9 February 2015; 9 March 2015; 7 April 2015; 7 May 2015 and 8 June 2015.

2. Sewerage Charges

It is recommended that the sewerage charges be increased by 6% across the board.

(a) Non- residential

Comma three four and five (0,3405 cent) per rand on the rateable value of the property (VAT excluded) with a minimum of one hundred and seven rand and fifty seven cents (R 107.57) (VAT excluded) per erf per month

(b) **Residential**

Comma two three eight four (0,2384 cent) per rand on the rateable value of the property (VAT excluded) with a minimum of seventy nine rand thirty nine cent (R 79, 39) (VAT excluded per erf per month).

Rebates on sewerage charges:

- * The residential areas in the following areas are excluded from paying sewerage charges; Bloemindustria, Ribblesdale, Bloemspruit, Bainsvlei, Farms and Peri-Urban areas in Thaba Nchu.

(c) **Special Arrangements**

- i. Levy on churches, church halls and other places of similar nature, qualifying charitable institutions and welfare organizations:
R 96.56 per sanitary point per month (VAT excluded)
R 32.11 per refuse container per month (VAT excluded)
- ii. Martie du Plessis School, Dr Böhmer School, Lettie Fouche School and schools of similar nature:
R 48.29 per sanitary point per month (VAT excluded)
R 16.06 per refuse container per month (VAT Excluded)

(c) That the sewerage charges and levied in accordance with 2(a), (b) and (c) as stated above, become due monthly on the following dates: 7 July 2014; 7 August 2014; 8 September 2014; 7 October 2014; 7 November 2014; 8 December 2014; 7 January 2015; 9 February 2015; 9 March 2015; 7 April 2015; 7 May 2015 and 8 June 2015.

3. Refuse Removal Charges

It is recommended that the refuse removal be increased by 6% and;

- i. That, the refuse removal tariffs for 2014/15 be applicable from the consumer month of July 2014;
- ii. That the following charges and prices, excluding VAT, in connection with the supply of refuse removal services are submitted for approval.

Tariff (3)(a): Erf used for Residential Purposes

Size of the Stand (square metres)	Tariff per month (maximum of one removal per week)
0 - 300	34.02
301 - 600	45.36
601 - 900	79.39
901 - 1500	113.42
>1500	136.52

Tariff (3)(b): Flats and Townhouses per unit

Tariff per month (maximum of one removal per week) - R 79.39 per month

Tariff (3)(c): Duet Houses and Private Towns

Tariff per month (maximum of one removal per week) as per tariff (3)(a) above

Tariff (3)(d): Businesses, Commercial and Industrial (Non-bulk)

Tariff per month (Maximum of one removal per week) - R 169.65 per month

Tariff (3)(e): Businesses, Commercial and Industrial (Bulk)

A minimum of R 169.65 per businesses, commercial and industrial per month for land fill costs plus costs associated with the type of service required as contained in the Tariffs Booklet.

Rebates on refuse removal charges:

Residential properties with a value of R 70,000.00, or less are exempted from paying refuse removal charges.

(d) It is recommended that the refuse removal levies as stated above, become due monthly on the following dates; 7 July 2014; 7 August 2014; 8 September 2014; 7 October 2014; 7 November 2014; 8 December 2014; 7 January 2015; 9 February 2015; 9 March 2015; 7 April 2015; 7 May 2015 and 8 June 2015.

4. Water Tariffs

It is recommended

- i. That the water tariffs for the 2014/15 financial year be increased on average of 11.45% for residential properties and for 15.22% for non-residential properties and the details in terms of our step tariff structure is as outlined below:

Residential Properties (non-bulk)

1 to 6kl	-	18%
7 to 15kl	-	7%
16 to 30kl	-	7%
31 to 60kl	-	10%
>61kl	-	18%

Non-Residential (Bulk)

1 to 60kl	-	7%
61 to 100kl	-	12%
>100kl	-	20%

- ii. That, the water tariffs for 2013/14 be applicable from the consumer month of July 2014;
- iii. That for the calculation of water accounts the consumer month will be the period between the successive monthly readings irrespective of the period between reading dates and consumption of water are submitted for approval;
- iv. That in terms of Section 145 of the Local Government Ordinance of 1962, (Ordinance No 8 of 1962) the following charges and prices, excluding VAT, in connection with the supply and consumption of water are submitted for approval.

Part A: Erf within Municipal Area

Tariff A1

(a) Erf used for Residential Purpose and

(b) Sports Club Incorporated in the Council's Sport Club Scheme

Water Consumed:

- i. R 6.04 per kilolitre per month for 0 to 6 kiloliters;
- ii. R 13.74 per kilolitre per month for 7 to 15 kilolitres;
- iii. R 14.50 per kilolitre per month for 16 to 30 kilolitres;
- iv. R 16.10 per kilolitre per month for 31 to 60 kilolitres;
- v. R 18.08 per kilolitre per month for each kilolitre more than 60 kilolitre.

(c) Bulk metered Flats, Townhouses and Duet Houses

- i. Total kilolitres used, number of flats, townhouse or duet houses
- ii. Apply sliding scale:
 - 0 - 6 kilolitres
 - 7 - 15 kilolitres
 - 16 - 30 kilolitres
 - 31 - 60 kilolitres
 - 61 kilolitres and more

Divide unit by number of flats, townhouses or duet houses as per the sliding scale. Tariffs applicable to erf used for residential purposes are applicable to the above.

- iii. Fire meter water consumed - R 15.06 per kiloliter per month.

Tariff A2: Unmetered Erf Used for Residential Purpose only

Fixed amount: R 27.43 per month

Tariff A3: Unimproved Erf

(a) Unimproved erf which may be used for residential purposes only:

Minimum charge: R 27.43 per month

(b) Any other unimproved erf:

Minimum charge: R 3,439.62 per month

Tariff A4: Directorates of Council
Water consumed: R 11.51 per kilolitre per month.

Tariff A5: Any other point where water is supplied not mentioned in Tariffs A1, A2, A3 and A4 per Water Meters:

- i. Minimum charges R 413.24 per month
plus
Water consumed:
R 14.52 per kilolitre per month for 0 to 60 kiloliters;
R 16.80 per kilolitre per month for 61 to 100 kilolitres;
R 18.74 per kilolitre per month for each kilolitre more than 100 kilolitres

Part B: Erf outside Municipal Area

Tariff B1: Erf used for Residential Purposes only:

Water Consumed:

- i. R 6.04 per kilolitre per month for 0 to 6 kiloliters;
- ii. R 13.74 per kilolitre per month for 7 to 15 kilolitres plus a surcharge of 35%
- iii. R 14.50 per kilolitre per month for 16 to 30 kilolitres plus a surcharge of 35%
- iv. R 16.10 per kilolitre per month for 31 to 60 kilolitres plus a surcharge of 35%
- v. R 18.08 per kilolitre per month for each kilolitre more than 60 kilolitre plus a surcharge of 35%

Tariff B2: Any other point where water is supplied not mentioned in Tariff B1, per water meter (excluding Special Arrangements)

Minimum charges R 413.24 per month plus a surcharge of 35%

plus

Water consumed:

- R 14.52 per kilolitre per month for 0 to 60 kiloliters plus a surcharge of 35%
- R 16.80 per kilolitre per month for 61 to 100 kilolitres plus a surcharge of 35%
- R 18.74 per kilolitre per month for each kilolitre more than 100 kilolitres plus a surcharge of 35%

5. Housing Rental Tariffs

It is recommended that the rental tariffs on all housing schemes be increased with 10% from 1 July 2014.

6. General Tariffs

It is recommended that the general tariffs and charges be increased at an average of 10% as reflected in the Tariffs Booklet.

7. Electricity Tariffs

It is recommended:

- i. That, the electricity tariffs for the 2014/15 financial year be increased with 7.35% (on average) above the previous year;
- ii. That, the new electricity tariffs for 2014/15 be applicable from the consumer month of 1 July 2014;
- iii. That, for the calculation of electricity accounts the consumer month will be the period between the successive monthly readings irrespective of the period between reading dates and with a winter and summer component for all tariffs; and,
- iv. That the following charges and prices, excluding VAT, in connection with the supply and consumption of electricity are submitted for approval.

PP IBT	2013/14			2014/15			2015/16		2016/17	
	Summer	Winter	% Inc	Summer	Winter	% Inc	Summer	Winter	Summer	Winter
	R	R	%	R	R	%	R	R	R	R
Indigent (1 - 50) FBE				0.80	0.85		0.86	0.91	0.92	0.97
Indigent (51	0.76	0.84	2.69%	0.80	0.85	4.31%	0.86	0.91	0.92	0.97

- 350)											
Block 1 (1 - 350kWh)	0.76	0.84	2.69%	0.90	1.05		0.96	1.12	1.03	1.20	
Block 1 (1 - 350kWh)	0.97	1.05	8.07%	0.90	1.05	7.13%	0.96	1.12	1.03	1.20	
Block 3 (> 350kWh)	1.17	1.24	10.45%	1.45	1.65		1.55	1.77	1.66	1.89	
Block 2 (>350kWh)	1.40	1.46	12.65%	1.45	1.65	15.13%	1.55	1.77	1.66	1.89	
Average price per Season	1.07	1.15	8.47%	1.18	1.35	8.86%	1.26	1.44	1.35	1.55	
IBT	2013/14			2014/15			2015/16		2016/17		
	Summer	Winter	% Inc	Summer	Winter	% Inc	Summer	Winter	Summer	Winter	
	R	R	%	R	R	%	R	R	R	R	
Block 1 (1 - 50kWh)				0.90	1.05		0.96	1.12	1.03	1.20	
Block 4 (>600kWh)				1.45	1.65		1.55	1.77	1.66	1.89	
Average price per Season						8.8/6%					
Homeflex	2013/14			2014/15			2015/16		2016/17		
	Summer	Winter	% Inc	Summer	Winter	% Inc	Summer	Winter	Summer	Winter	
	R	R	%	R	R	%	R	R	R	R	
Basic Charge	270.25	270.25		292.14	292.14	8.10%	312.59	312.59	334.47	334.47	
Single Phase	89.83	89.83	64.1%	97.11	97.11	8.10%	103.90	103.90	111.18	111.18	
Three Phase	269.50	270.25	7.88%	291.33	292.14	8.10%	311.72	312.59	333.54	334.47	
Peak	1.27	2.72	16.00%	1.37	2.65	5.40%	1.47	2.83	1.57	3.03	
Standard	0.95	1.38	16.02%	1.03	1.46	7.56%	1.10	1.56	1.18	1.67	
Off Peak	0.85	1.33	20.27%	0.91	1.41	7.56%	0.98	1.51	1.05	1.61	
Average price per Season			15.04%			7.15%					
PP Flat Business	2013/14			2014/15			2015/16		2016/17		
	Summer	Winter	% Inc	Summer	Winter	% Inc	Summer	Winter	Summer	Winter	
	R	R	%	R	R	%	R	R	R	R	
kWh	1.40	1.51	8.85%	1.51	1.62	7.90%	1.62	1.73	1.73	1.85	
Average price per Season			8.85%			7.90%					
Rotary Flat Business	2013/14			2014/15			2015/16		2016/17		
	Summer	Winter	% Inc	Summer	Winter	% Inc	Summer	Winter	Summer	Winter	
	R	R	%	R	R	%	R	R	R	R	
kWh	1.40	1.51	8.85%	1.51	1.62	7.90%	1.62	1.73	1.73	1.85	
Average price per Season			8.85%			7.90%					

Complex	2013/14			2014/15			2015/16		2016/17	
	Summ er	Winter	% Inc	Summ er	Winter	% Inc	Summ er	Winter	Summ er	Winter
	R	R	%	R	R	%	R	R	R	R
Basic charge	324.30	324.30		350.57	350.57	8.10%	375.11	375.11	401.37	401.37
Single Phase	107.80	107.80		116.53	116.53	8.10%	124.69	124.69	133.42	133.42
Three Phase	323.40	323.40	7.80%	349.60	349.60	8.10%	374.07	374.07	400.25	400.25
Peak	1.57	2.93	8.01%	1.74	2.85	7.42%	1.86	3.05	1.99	3.26
Standard	0.94	1.50	8.01%	1.02	1.70	9.45%	1.09	1.82	1.16	1.95
Off Peak	0.80	1.44	8.11%	0.86	1.63	9.45%	0.93	1.75	0.99	1.87
Average price per Season			8.04%			8.61%				
Elecflex 1	2013/14			2014/15			2015/16		2016/17	
	Summ er	Winter	% Inc	Summ er	Winter	% Inc	Summ er	Winter	Summ er	Winter
	R	R	%	R	R	%	R	R	R	R
Basic Charge	2236.80	2263.80	7.80%	2447.17	2447.17	8.10%	2618.47	2618.47	2801.76	2801.76
Access	31.90	31.90	7.81%	34.48	34.48	8.10%	36.90	36.90	39.48	39.48
MD	91.13	91.13	7.80%	98.51	98.51	8.10%	105.41	105.41	112.79	112.79
Peak	1.02	1.90	2.61%	1.10	2.16	9.45%	1.18	2.31	1.26	2.47
Standard	0.67	0.98	16.21%	0.72	1.11	9.45%	0.78	1.18	0.83	1.27
Off Peak	0.57	0.93	16.21%	0.62	1.01	8.10%	0.66	1.08	0.71	1.15
Average price per Season			8.04%			8.61%				
Elecflex 2	2013/14			2014/15			2015/16		2016/17	
	Summ er	Winter	% Inc	Summ er		Summ er	Winter	% Inc	Summ er	Winter
	R	R	%	R	R	%	R	R	R	R
Basic Charge	1509.20	1509.20	7.80%	1631.45	1631.45	8.10%	1745.65	1745.65	1867.84	1867.84
Access	34.45	34.45	7.80%	37.24	37.24	8.10%	39.85	39.85	42.64	42.64
MD	98.43	98.43	7.80%	106.40	106.40	8.10%	113.85	113.85	121.82	121.82
Peak	1.09	1.90	0.93%	1.15	2.27	9.22%	1.23	2.43	1.32	2.60
Standard	0.72	1.05	16.21%	0.76	1.16	6.47%	0.81	1.24	0.87	1.33
Off Peak	0.62	1.01	16.21%	0.65	1.06	5.16%	0.69	1.13	0.74	1.21
Average price per Season			9.46%			7.24%				
Elecflex 3	2013/14			2014/15			2015/16		2016/17	
	Summ er	Winter	% Inc	Summ er		Summ er	Winter	% Inc	Summ er	Winter
	R	R	%	R	R	%	R	R	R	R
Basic Charge	1131.90	1131.90	7.80%	1223.58	1223.58	8.10%	1309.23	1309.23	1400.88	1400.88
Access	37.89	37.89	7.79%	38.91	38.91	2.69%	41.63	41.63	44.55	44.55
MD	108.28	108.28	7.80%	111.20	111.20	2.70%	118.98	118.98	127.31	127.31

Peak	1.20	2.08	0.83%	1.21	2.38	4.43%	1.30	2.55	1.39	2.73
Standard	0.72	1.16	8.13%	0.80	1.22	9.14%	0.86	1.31	0.92	1.40
Off Peak	0.61	1.10	7.29%	0.68	1.11	8.86%	0.73	1.19	0.78	1.27
Average price per Season			6.61%			6.28%				
Reselling 2										
	2013/14			2014/15			2015/16		2016/17	
	Summ	Winter	% Inc	Summ	Winter	% Inc	Summ	Winter	Summ	Winter
	R	R	%	R	R	%	R	R	R	R
Basic Charge	1509.20	1513.40	7.88%	1631.45	1635.99	8.10%	1745.65	1750.50	1867.84	1873.04
MD	39.37	39.37	7.79%	42.56	42.56	8.10%	45.54	45.54	48.73	48.73
Peak			-							
	1.09	1.90	15.64%	1.18	1.95	6.75%	1.26	2.09	1.35	2.24
Standard	0.78	1.19	1.34%	0.85	1.22	6.75%	0.90	1.30	0.97	1.39
Off Peak	0.66	1.13	0.73%	0.71	1.16	6.75%	0.76	1.24	0.82	1.33
Average price per Season			0.42%			7.09%				
Bulk Reselling 3										
	2013/14			2014/15			2015/16		2016/17	
	Summ	Winter	% Inc	Summ	Winter	% Inc	Summ	Winter	Summ	Winter
	R	R	%	R	R	%	R	R	R	R
Basic Charge	1131.90	1131.90	7.80%	1223.58	1223.58	8.10%	1309.23	1309.23	1400.88	1400.88
MD	43.31	43.31	7.80%	46.82	46.82	8.10%	50.10	50.10	53.60	53.60
Peak			-							
	1.20	2.08	15.4%	1.24	2.05	2.04%	1.32	2.20	1.42	2.35
Standard	0.82	1.16	5.39%	0.89	1.28	8.99%	0.95	1.37	1.02	1.46
Off Peak			-							
	0.73	1.11	1.27%	0.73	1.19	2.00%	0.78	1.27	0.84	1.36
Average price per Season			-			5.28%				
			1.30%							
Sport Stadiums on ToU										
	2013/14			2014/15			2015/16		2016/17	
	Summ	Winter	% Inc	Summ	Winter	% Inc	Summ	Winter	Summ	Winter
	R	R	%	R	R	%	R	R	R	R
Peak	1.88	3.54	8.02%	1.93	3.64	2.69%	2.07	3.89	2.21	4.16
Standard	1.13	1.80	7.90%	1.22	1.95	8.10%	1.31	2.08	1.40	2.23
Off Peak	0.96	1.73	8.08%	1.04	1.87	8.10%	1.11	2.00	1.19	2.14
Average price per Season										
			8.00%			6.30%				
Centlec Departmental on ToU										
	2013/14			2014/15			2015/16		2016/17	
	Summ	Winter	% Inc	Summ	Winter	% Inc	Summ	Winter	Summ	Winter
	R	R	%	R	R	%	R	R	R	R
Peak	1.20	2.26	7.89%	1.23	2.32	2.69%	1.32	2.48	1.41	2.66
Standard	0.73	1.16	8.13%	0.79	1.25	8.10%	0.84	1.34	0.90	1.44
Off Peak	0.61	1.11	8.10%	0.66	1.20	8.10%	0.71	1.28	0.76	1.37

Average price per Season			8.04%			6.30%				
Departmental	2013/14			2014/15			2015/16		2016/17	
	Summer	Winter	% Inc	Summer	Winter	% Inc	Summer	Winter	Summer	Winter
	R	R	%	R	R	%	R	R	R	R
kWh (Centlec)	1.09	1.09	8.13%	1.15	1.15	5.94%	1.24	1.24	1.32	1.32
			8.09%	1.15	1.15	5.94%				
Net Metering	2013/14			2014/15			2015/16		2016/17	
	Summer	Winter	% Inc	Summer	Summer	Winter	% Inc	Summer	Summer	Winter
	R	R	%	R	R	%	R	R	R	R
New Tariff										
Consumption on Applicable ToU										
Generation Tariff up to 100kVA				0.65	0.85		0.70	0.91	0.74	0.97

Please Note:

- i. Interest shall be paid to Council on all the above charges, which have not been paid within thirty (30) days from the date on which such charges became due, at a rate of 1% higher than the prime rate for the period during which such charges remain unpaid after expiry of the said period of thirty (30) days.