



## MUNICIPALITY BUDGET TURNAROUND PLAN – ANNEXURE A

SHORT TO MEDIUM STRATEGY						
ACTIVITY	AREA	RESPONSIBLE PERSON	MILESTONE TO BE ACHIEVED	TARGETED PERFORMANCE	REVIEW/ ASSESSMENT DATE	Progress
<b>Positive Cash flows</b>						
Registration of all qualifying households on FBS	Executive and Council	CFO	Annual review of FBS register	6000 beneficiaries	Annually	
Application for debt relief program and Eskom dispute resolution.	Executive and Council	MM & Sen Man	Approval of changes to policies. Conclusion of wheeling agreement. Submission of application to NT.	Write off of R398 million	30-November-26	
Compliance with conditions set out by NT on approval of Application for debt relief program	Executive and Council	MM & Sen Man	Ensuring Policies and SOP's are in place. Submission of information to PT. Payment of Eskom timeously.	Write off of R428 million	Ongoing monthly	
Approval of budget before 1 July 2024 with a credible funding plan.	Executive and Council	MM & Sen Man	Approval of annual budget by council		30-Jun-25	
Inclusion of all rateable properties in Valuation roll.	Executive and Council	CFO	A valuation that is accurate and complete.		30-Jun-25	
Non-Subsidization of Unfunded Mandates	Executive and Council	MM & Sen Man	Budgeting in line with allocated subsidy: Fire services Library services	Possible saving of R5 million R4 million	30-Jun-25	
Elimination of provision of unlimited free basic services	Executive and Council	Director Planning and Engineering	Installation of water and electricity meters in all households	Possible revenue generation of R5 million	30-Jun-25	
Elimination of Load Shedding	Executive and Council	MM & Sen Man	Installation of alternative energy sources	Possible saving of R1 million per month on Eskom bulk account	30-Jun-25	
Develop maintenance plans	Senior Management	MM & Sen Man	Approve maintenance plans with annual budget		30-Jun-25	Road Maintenance Plan was developed. Storm water Maintenance plan was developed. Other Plans to be developed.
<b>Reduction in non-core expenditure/Reprioritization of Expenditure Baseline</b>						

Reduction of outsourced functions	Executive and Council	MM & Sen Man	Mechanical workshop and fleet	Possible saving of R5 million	30-Jun-25	
Finance costs – renegotiate and finalize arrangements with creditors in a way as to reduce interest charges.	MM & Sen Man	CFO	Compliance with MFMA circular 124. Honouring repayment agreements. Negotiate interest and penalties write offs	Possible saving of R2 million on interest and penalties	30-Jun-25	
Reduction of vehicle running costs	Senior Management	MM & Sen Man	Implementation of fleet internal controls.	80% spend of budget	Ongoing monthly	
Reduction of General expenditure	Senior Management	MM & Sen Man	Implementation of cost containment policy internal controls.	80% spend of budget	Ongoing monthly	
<b>Trade Payables</b>						
Prioritisation of services delivery liabilities	Senior Management	CFO	Payment of creditors service delivery creditors within 30 days		30-Jun-25	
Payment of outstanding employee benefits	Senior Management	MM & Sen Man	Negotiate affordable repayment agreements	Possible saving of R200 thousand on interest and penalties	Ongoing monthly	
<b>Focus on cash and short term liquidity</b>						
Only funded and budgeted positions to be filled	Senior Management	MM & Sen Man	Loading of organogram on FIS	Current cost of organogram is R263 million. Possible saving if all unfunded vacancies are not filled is R95 million.	30-Jun-25	FIS service provider to issue quotation for importing of organogram
Investment of Grant funds through competitive bidding	MM & Sen Man	CFO	Implementation of investment policy internal controls	R2 million in investment income	30-Jun-25	
<b>Collection Rates</b>						
Effective measures are required to collect arrears in Eskom supplied areas.	Planning and Engineering	Director Planning and Engineering	Implementation of water restriction. Regular follow ups with debt collectors to recover debts	Collection rate of 80% per month	30-Jun-25	
Government departments debt	MM & Sen Man	CFO	Disconnection and reporting to NT	Collection rate of 90% per month	Ongoing monthly	
Improving of Water collection rate	MM & Sen Man	CFO	Disconnection and reporting to NT	Collection rate of 80% per month	Ongoing monthly	
Improving Electricity collection rate	MM & Sen Man	CFO	Disconnection and reporting to NT	Collection rate of 90% per month	Ongoing monthly	
Improving of Sanitation collection rate	MM & Sen Man	CFO	Disconnection and reporting to NT	Collection rate of 80% per month	Ongoing monthly	
Improving of Refuse collection rate	MM & Sen Man	CFO	Disconnection and reporting to NT	Collection rate of 80% per month	Ongoing monthly	