

BUDGET ASSUMPTIONS

The aim of any budget assumptions, as determined in advance, are to cater for budgets to be constructed to support the achievement of the longer-term financial and strategic targets.

The municipal finances are influenced by a myriad of socio-economic and macro-economic factors. Thus demanding the inclusiveness thereof, notwithstanding the sensitivities - to portray a fully representative and consultative budget within its areas of service delivery.

Various predetermined and legislative promulgated target/tariff settings are also to be factored into the budget process, impacting on the municipal financial calculations and ultimate demands placed on consumers for payments on services provided.

Factors outlined that influence the development of a funded and credible budget are:

- * The priorities and targets as set in the IDP, informed and collected from public at large, business and other government determined objectives in service delivery
 - The level of property rates and tariff increases that are needed to fund or address the maintenance and infrastructure backlogs, including all expansion plans
- * The pressing demand to increase and enhance the municipality's revenue base

These are but some of the assumptions forming the backdrop to which the budget is set.