



**MINUTES OF AN ORDINARY MEETING OF THE SWARTLAND MUNICIPAL COUNCIL HELD IN THE COUNCIL CHAMBER, MALMESBURY ON THURSDAY, 28 MAY 2026 AT 10:00**

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**PRESENT:**

Speaker, ald M A Rangasamy  
Executive Mayor, ald J H Cleophas  
Executive Deputy Mayor, cllr J M de Beer

**COUNCILLORS:**

Bess, D G (DA)	Penxa, B J (ANC)
Booyesen, A M (VF+)	Pieters, C (ANC)
Gaika, M F (EFF)	Pypers, D C (DA)
Jooste, R J (DA)	Smit, N (DA)
Le Minnie, I S (DA)	Soldaka, P E (ANC)
Nel, M (DA)	Van Essen, T (DA)
Ngozi, M (ANC)	Vermeulen, G (VF+)
O'Kennedy, E C (DA)	Warnick, A K (DA)
Papier, J R (GOOD)	Williams, A M (DA)

Officials:

Municipal Manager, Mr J J Scholtz  
Director: Financial Services, Mr M A C Bolton  
Director: Civil Engineering Services, Mr L D Zikmann  
Director: Protection Services, Mr H Witbooi  
Director: Corporate Services, Ms M S Terblanche  
Director: Development Services, Ms J S Krieger  
Manager: Secretariat and Records, Ms N Brand

**1. OPENING**

The Speaker welcomes the Executive Mayor, aldermen, councillors, officials and members of the public.

Cllr J M de Beer opens the meeting with prayer at the invitation of the Speaker.

The Speaker conveys his blessings, on behalf of the Council, to councillors and officials who have recently celebrated birthdays.

**2. APOLOGIES**

Leave of absence is granted to cllr C Fortuin and the Director: Electrical Engineering Services, Mr T Möller.

**3. DELEGATIONS/DECLARATIONS AND COMMUNICATIONS/SUBMISSIONS**

None.

**4. MINUTES FOR RATIFICATION**

**4.1 MINUTES OF A BOARD MEETING HELD ON 30 APRIL 2026**

Resolution/...

4.1/...

**RESOLUTION**

(proposed by cllr A K Warnick, seconded by cllr D C Pypers)

That the minutes of an Ordinary Council meeting held on 30 April 2026 be approved and signed by the Speaker, subject to cllr A M Booyesen being recorded as present.

**5. REPORTING ON DELEGATED RESOLUTION-MAKING BY THE EXECUTIVE MAYOR**

**RESOLUTION**

That notice be taken of the Executive Mayor's resolutions under delegated power, as contained in the minutes below:

**5.1 MINUTES OF AN ORDINARY MEETING OF THE EXECUTIVE MAYORAL COMMITTEE HELD ON 15 APRIL 2026**

*read with*

**MINUTES OF PORTFOLIO COMMITTEE MEETING HELD ON 8 APRIL 2026**

**6. REPORTING ON DELEGATED RESOLUTION-MAKING BY THE MUNICIPAL MANAGER**

**RESOLUTION**

That notice be taken of the Municipal Manager's resolutions in terms of delegated power, as contained in the minutes below:

**6.1 MINUTES OF A MEETING OF THE BID REVIEW COMMITTEE HELD ON 22 APRIL 2026**

**6.2 MINUTES OF A MEETING OF THE BID REVIEW COMMITTEE HELD ON 6 MAY 2026**

**7. MATTERS ARISING FROM THE MINUTES**

None.

**8. MATTERS FOR DISCUSSION**

**8.1 2026 AMENDED INTEGRATED DEVELOPMENT PLAN (IDP) AND AREA PLANS (2/1/4/4/1)**

*[Note: At the request of cllr B J Penxa, approval is granted by the Speaker to the ANC councillors to leave the venue for a caucus meeting. The meeting resumed after ±10 minutes.]*

The Integrated Development Plan (IDP) of a municipality serves as the main strategic plan that deals with the most critical development needs in the municipal area (external focus), as well as the most critical management needs of the organisation (internal focus).

The review of the IDP and associated process is governed by various legislative requirements.

The Speaker brings the matter to a vote and the approval of the 2026 amended GOP is decided (in the absence of one councillor and one vacancy on the Council) with 17 votes in favour, and four councillors abstaining.

**RESOLUTION**

(proposed by ald J H Cleophas, seconded by cllr G Vermeulen)

- (a) That cognisance be taken of the public inputs as received (attachments 3 and 4), which inputs were considered by the Budget Steering Committee and EMC, and that it be recommended that the commentary be maintained due to the financial constraints and challenges as contained in the budget report (Item 8.2, paragraph a);

(b)/...

8.1/...

- (b) That the 2026 Amended Integrated Development Plan (IDP) for the Swartland municipal area, as well as the five Area Plans for 2026/2027, be approved in terms of Chapter 5 of the Municipal Systems Act No 32 of 2000;
- (c) That the legal process, as prescribed in the Municipal Systems Act No 32 of 2000, Municipal Finance Management Act No 56 of 2003 and the Municipal Budget and Reporting Regulations, 2009, be concluded after approval of the IDP by Council.

## **8.2 APPROVAL OF THE FINAL MULTI-ANNUAL CAPITAL AND OPERATING BUDGETS, FINAL BUDGET AND RELATED POLICIES, PROPERTY TAXES, TARIFFS AND OTHER LEVIES FOR 2026/2027, 2027/2028 AND 2028/2029 (5/1/1/1, 5/1/1/2)**

The Speaker gives opportunity to the Executive Mayor, ald J H Cleophas, to deliver his fifth Budget Statement (*State of the Municipal Address*) as Executive Mayor of the Swartland Municipal Council (see attached for completeness).

The Executive Mayor mentions, as an introduction to the Budget Speech, that a budget is presented that is based on responsibility, discipline and empathy with the realities that residents face on a daily basis. This is not a budget based on excessive tariff increases and empty promises. Specifically, emphasis was placed on the following aspects:

- (1) Funded and financially responsible budget;
- (2) Investment in future infrastructure;
- (3) Water security;
- (4) Electricity security, including the construction of the De Hoop Substation;
- (5) Affordable rates;
- (6) Support to the poorest of the poor;
- (7) Supporting economic growth and investment;
- (8) Safety.

The Executive Mayor, with reference to Section 23 of the Local Government: Municipal Finance Management Act, Act 56 of 2003 (MFMA), confirms that careful consideration was given to the inputs received during the public participation process.

The Speaker gives opportunity to councillors to respond to the budget speech of the Executive Mayor and the following is mentioned by the respective councillors:

- (1) Cllr Vermeulen welcomes the reduction in the electricity tariff, although consumers were already suffering. He does not support the garbage removal tariff, as paying consumers have to pay for the illegal dumping of rubbish on open spaces.
- (2) Cllr Soldaka does not support any of the tariff increases, as households are already suffering from inflation, unemployment, poverty, inequalities, etc. Access to water is a human right, then why pay for it. Furthermore, availability charges are not supported.
- (3) Cllr Gaika states that the reality is that the poorest of the poor are not looked at. It is good if infrastructure is created and economic growth is promoted, but residents remain poor, municipal bills remain high.
- (4) Cllr Penxa mentions that councillors are aware of the hardships and hardships of residents – municipal bill is unaffordable, and furthermore, does not support increasing electricity tariff and VAT on it. To combat illegal littering, open spaces must be used for the purpose for which they were created.
- (5)/...

8.2/...

- (5) Cllr A K Warnick, in support of the budget, mentions that a 0% increase in tariffs cannot be considered, as Council is not allowed to approve an unfunded budget. Furthermore, millions are written off each year from outstanding debts to assist the poorest of the poor.

The approval of the multi-annual capital and operating budgets, amended budget-related policies, levying of property taxes, tariffs and other levies for 2026/2027, 2027/2028 and 2028/2029 is put to a vote and decided (in the absence of one councillor and one vacancy on the Council) with 15 councillors in favour and six councillors abstaining.

#### **RESOLUTION**

(proposed by ald J H Cleophas, seconded by cllr N Smit)

- (a) That having considered all of the representations (**Annexure A, Inputs received on Draft Budget**) received by 22 April 2026, in its entirety, including the inputs made during the Mayoral Consultative Forum meeting held on 15 April 2026:- ***the municipality's position/responses to the formal input be maintained where no adjustments could be made, but that the following amendments*** (unless otherwise stated herein under) ***to the final MTREF be made, as allowed for i.t.o MFMA section 23:-***
- i. That R2.5 million be prioritized towards the Swartland Bulk WTW's and Conveyance Upgrade/Renewal and Capacity extension;
  - ii. That around R7 million in additional capital projects were added due to Mayoral and Public Inputs;
  - iii. That the draft publicised electricity tariffs which was proposed to increase by 11.44% is now limited to average between 8.26% - 8.37% for residential consumers which resulted in further reduced revenue of R17.3 million, resulting in the electricity service being rendered at a deficit of R32 million for 2026-2027;
  - iv. That no further increase in rebates is possible given the reduced revenue due to the above reduction and that the current increased rebate of R400 000 be maintained;
  - v. That the most optimal funding mix can only be determined in line with council's longer term financial and service delivery sustainability strategy, when the planning of the bulk water treatment work's progress is such that it allows for informed holistic financial decision-making.
- (b) That the Municipal Manager be authorised by Council to prioritise funding for critical service delivery posts during the 2026/27 mid-year performance evaluations, due to the expansion of households and developments in the Swartland municipal area;
- (c) That council notes the analysis received from the Provincial Treasury (SIME report) dealing with the draft MTREF (**Annexure A, Inputs received on Draft Budget**);
- (d) That the Director: Civil Engineering Services attend to the Cost of Supply Studies for Water and Sanitations Services, including Solid Waste Services;
- (e) Council to note that based on the latest guidance from NT, the capital expenditure to upgrade the electricity supply pertaining to Eskom's portion of the feed to the De Hoop substation, is now regarded as operational expenditure and the grant funding as Construction Contract Revenue. Based on the communication received from the DEE on the 11<sup>th</sup> of March, the substation project will be partially funded by INEP (R14 278 000) leaving a shortfall of R44 672 748 to be funded by council; with the resultant effect of the electricity service being rendered at a shortfall of around R15m for the 2026-2027 financial year as council does not want to burden the public with these additional cash outflows and a further shortfall of around R17m due to the 11.44% electricity increase that was reduced to between 8.26% - 8.37% for residential consumers;

8.2/...

- (f) Council to approve an amount of R15 505 200 in bridging finance for certain electrical infrastructure capital projects (**De Hoop R3 685 200, Moorreesburg R6 660 000 and Darling R5 160 000**), funded by CRR due to the timing of the Integrated National Electrification Programme (INEP) grant that may differ from the municipality's financial year in the context of funding approval requirements by the Department and when the projects had to be implemented in the municipal context;
- (g) That council takes note that the project costs as envisaged by Section 19 (2)(a)(b) were derived after consultation with the respective director(s) who has confirmed the costs as per (**Annexure B: 2026/2027 – 2028/2029 Final Budget and Tariff File**) and approve same;
- (h) That council prior to approving the final capital projects above R 50 million as listed in (**Annexure C: 2026/2027 – 2030/2031 Capital Projects ito Sec 19**), first consider the projected costs covering all financial years until the project is operational and the future operational costs and revenue on the project, including municipal tax and tariff implications;
- (i) That council and the public take note that the planning of the 3 larger infrastructure projects over the new MTREF as listed below, will not reduce the planned cash flows until real spending starts in year 3 of the MTREF and beyond. The cashflow budget schedules reflects the cash balances increasing, whilst it doesn't reflect the impact of material cash outflows for these projects yet, given the limitations in the NT-Schedule formulas, compared to the requirement placed on the municipality by the LTFP and CEF to model the revenue requirement over a 5-10-year horizon;
  - 1) Swartland Water Treatment Works involving UPGRADES to the treatment works situated at the@ VOELVLEI DAM - This project will increase the treatment capacity of the Swartland Water Treatment Works from 27ml/d to 40ml/d in order to meet peak current and future water demand. Scope clarification, detail design and environmental authorisation will be concluded during the 2026/2027 and 2027/2028 financial years upon which the construction phase will follow for an estimated period of 36 months. The estimated cost of the project is R250 million.
  - 2) Swartland Water Treatment Works and the Kasteelberg Reservoirs - This project entails the upgrading of the bulk water supply pipe between the Swartland Water Treatment Works and the Kasteelberg Reservoirs. The supply capacity of the existing pipe must be increased to meet existing peak and future water demand. It is envisaged to install a new pipe alongside the existing pipe. Scope clarification, route identification, negotiations with land owners, environmental authorisation and detail design will be concluded during the 2026/2027 and 2027/2028 financial years upon which the construction phase will follow for an estimated period of 24 months. The estimated cost of the project is around R300 million.
  - 3) Darling Waste Water Treatment Works - This project will increase the treatment capacity of the Darling Waste Water Treatment Works from 1.9ml/d to 4.0ml/d. Loads imposed on the works frequently exceeds its treatment capacity and the upgrade is therefore required to meet increased in future demand. Scope clarification, detail design and environmental authorisation will be concluded during the 2026/2027 and 2027/2028 financial years upon which the construction phase will follow for an estimated period of 36 months. The estimated cost of the project is R91.5 million.
- (j) That council deemed it appropriate to consider the entire final capital program excluding the 7 projects above R 50 million, listed in (**Annexure C: 2026/2027 – 2030/2031 Capital Projects ito Sec 19**) as the aforementioned capital program's operational cost, inclusive of future costs will be covered either by the rates regime and/or the normal cost centres linked to those services, found in the operational budget;

8.2/...

- (k) That council note that of the 7 projects, the following 2 projects (Swartland Bulk Water Conveyance and WTW's: Upgrade and Extension) are such that it is only in the initial pre-feasibility and planning stages, meaning that it was not possible, given this juncture, to determine future costs having an impact on the budget/s and therefore Council can only note these projects which can only be approved for tender in subsequent budget processes, and that Council specifically note that the impact of these 2 projects in the context of Sec 19 has not been finalised to determine how tariffs will be impacted beyond the MTREF;
- (l) That council considers the funding sources linked to council's final capital program and take note that these funding sources are available and have not been committed for other purposes;

FINANCING SOURCES	FINAL BUDGET 2026/27	FINAL BUDGET 2027/28	FINAL BUDGET 2028/29
Capital Replacement Reserve (CRR)	R 153 403 305	R 179 661 565	R 221 719 078
Municipal Infrastructure Grant (MIG)	R 25 680 000	R 28 129 000	R 28 907 000
Dept. of Infrastructure	R 41 355 000	R 63 000 000	R 71 785 000
Integrated National Electrification Programme (INEP)	R 29 859 000	R 21 811 000	R 22 797 000
LG Financial Management Grant (FMG)	R 60 000	R -	R -
Dept. Cultural Affairs and Sport	R 121 739	R 43 478	R 43 478
<b>GRAND TOTAL</b>	<b>R 250 479 044</b>	<b>R 292 645 043</b>	<b>R 345 251 556</b>

- (m) That council approves the final capital projects as part of its consolidated capital program as per **(Annexure B: 2026/2027 – 2028/2029 Final Budget and Tariff File)**;
- (n) That the following final total expenditure by vote (per directorate) be approved, which includes both operating and capital expenditure per directorate (VOTE), in order that departments pro-actively prevent unauthorised expenditure;

2026/27 MTREF	Capital Expenditure by Vote			Operating Expenditure by Vote			Total Expenditure by Vote		
	2026/27	2027/28	2026/27	2026/27	2027/28	2026/27	2026/27	2027/28	2026/27
R thousands									
Vote 1 - Corporate Services	354	277	229	52 875	55 508	58 776	53 229	55 785	59 005
Vote 2 - Civil Services	129 241	155 723	200 358	426 905	449 915	491 638	556 146	605 638	691 996
Vote 3 - Council	132	12	12	26 563	27 563	28 589	26 695	27 575	28 601
Vote 4 - Electricity Services	60 658	72 466	70 992	710 009	676 879	750 134	770 667	749 345	821 127
Vote 5 - Financial Services	986	434	525	94 818	100 835	107 583	95 803	101 269	108 108
Vote 6 - Development Services	49 895	63 094	71 883	216 463	103 049	156 644	266 358	166 143	228 527
Vote 7 - Municipal Manager	12	12	12	12 160	12 574	13 392	12 172	12 586	13 404
Vote 8 - Protection Services	9 202	627	1 240	141 283	152 076	163 449	150 484	152 703	164 689
<b>Grand Total</b>	<b>250 479</b>	<b>292 645</b>	<b>345 252</b>	<b>1 681 076</b>	<b>1 578 399</b>	<b>1 770 206</b>	<b>1 931 555</b>	<b>1 871 044</b>	<b>2 115 457</b>

- (o) That the final high-level multi-year Capital and Operating budgets in respect of the **2026/2027 – 2028/2029** financial years, be approved, in accordance with sections 16, 17 and 19 of the MFMA;

Table/...

	Original Budget 2025/2026	Mid-Year ADJB 2025/2026	Final Budget 2026/2027	Final Budget 2027/2028	Final Budget 2028/2029
Capital budget	293 798 527	280 050 142	250 479 044	292 645 043	345 251 556
Operating Expenditure	1 458 809 231	1 515 384 860	1 681 075 756	1 578 398 645	1 770 205 740
Operating Revenue	1 606 490 727	1 725 538 886	1 782 975 897	1 785 672 327	1 988 666 820
<b>Budgeted (Surplus)/ Deficit</b>	<b>(147 681 496)</b>	<b>(210 154 026)</b>	<b>(101 900 141)</b>	<b>(207 273 683)</b>	<b>(218 461 080)</b>
Less: Capital Grants	120 565 734	141 838 438	96 984 000	112 990 000	123 539 000
<b>(Surplus)/ Deficit</b>	<b>(27 115 762)</b>	<b>(68 315 588)</b>	<b>(4 916 141)</b>	<b>(94 283 683)</b>	<b>(94 922 080)</b>

- (p) That council approves the notice given in terms of section 14(1) and (2) of the Local Government: Municipal Property Rates Act, 2004, to levy/implement the final property tax rates, exemptions and rebates on property reflected in the schedule below and in the property rates policy for the 2026/2027 financial year with effect from 1 July 2026;

Category of property	Rate ratio	Cent amount in the Rand rate
Residential properties	1: 1	0.005831
Business and Commercial properties	1: 1,6671	0.009721
Industrial properties	1: 1,6671	0.009721
Agricultural properties	1: 0,25	0.001458
Mining properties	1: 1,6671	0.009721
Public Service Infrastructure	1: 0,25	0.001458
Properties owned by an organ of state and used for public service purposes	1: 1,6671	0.009721
Public Benefit Organizations	1: 0	0.00
Vacant properties	1: 1,4965	0.008726
Municipal properties	1: 0	0.00
Conservation Areas	1: 0	0.00
Protected Areas	1: 0	0.00
National Monuments	1: 0	0.00
Informal Settlements	1: 0	0.00

#### Exemptions and Reductions

- **Residential Properties:** For all residential properties, the municipality will not levy a rate on the first R15 000 of the property's market value. The R15 000 is the statutory impermissible rate as per section 17(1)(h) of the Municipal Property Rates Act.

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

- **Indigent owners:** 100 per cent rebate will be granted to registered indigent owners in terms of the Indigent Policy to a maximum valuation of R105 000;
- **Qualifying senior citizens, qualifying indigent owners and disabled persons:** A rebate to an amount equal to the rates payable on the first amount of the valuation of such property to a limit of R400 000 for the 2026/2027 financial year.

**NB:** Please refer to the municipality's property rates policy in respect of all rebates offered.

- (q) That council approve the final property tax rates, tariff structures and charges for water, refuse removal, sewerage, electricity and other sundry charges as set out in **(Annexure B: 2026/2027 – 2028/2029 Final Budget and Tariff File)**;

8.2/...

- (r) That council approve the electricity tariffs as final for the 2026/2027 financial year;
- (s) That the annual budget tables as required by the Budget and Reporting Regulations be approved as set out in **(Annexure D: Budget Report and A-Schedules 2026/2027 – 2028/2029)**;
- (t) That **the amendments** to the budget and related policies as set out in **(Annexure E: Final Amended Budget & Related Policies 2026/2027)** hereto, be approved as final;
- (u) That council takes note that any changes to budget related policies insofar as it relates to the delegations, will be amended after final budget adoption;
- (v) That the training budget of around R 1 862 747(own funding) for the 2026/2027 financial year be approved as final;
- (w) That Council takes note of the increases of senior management and staff which is negotiated and determined at a national level:
  - In respect of all personnel, an increase of **4.75%** for 2026/2027; **5.25%** for 2027/2028 and **5.25%** for the 2028/2029 financial years, excluding the increase in other benefits that are applicable and the annual 2.415% notch increase where applicable;
  - All salary adjustments are adequately budgeted for;
  - Provision has been made for a **3%** increase as per the NT guidance for political office bearers.
- (x) That Council takes note of the budgeted operating surpluses and that the budget is "cash-funded" as a result of cash reserves in table A8, the total expenditure growth of **10.9%** from the current to the new financial year and the revenue streams with growth in revenue of **6.5% (excluding capital grant income)** for the MTREF period as well as the cash flow statement as per **(A-schedule A7)** for the next three financial years;
  - the budgeted risk factor for cash coverage for operating expenses are **5.7 months** for 2026/27, **6.9 months** for 2027/28 and **9.7 months** for 2028/29;
  - over the next three financial years the planning is such that net operating surpluses **(excluding capital grant income)** are envisaged for 2026/27 to an amount of **R 4 916 141**, for 2027/28 an amount of **R 94 283 683** and for 2028/29 an amount of **R 94 922 080**;
- (y) That council takes note that the extensive revenue modelling exercise, includes a proportion for growth, given the trend of increased household consumption and services connection growth;
- (z) That Council take note that the budget was prepared in the new mSCOA Version 7.1 as required by National Treasury, noting the various functional limitations in the financial system;
- (aa) That Council specifically adhere to the requirements of the Provincial and National Treasury Budget Circulars, where possible, as enclosed in **"Annexure F: Budget Circulars"**;
- (bb) That the Chief Financial Officer adhere to the requirements of the Budget Reforms in the context of the reporting requirements to Provincial and National Treasury;
- (cc) That Council takes note of the mSCOA progress as per the attached Roadmap **"Annexure G: mSCOA Roadmap"**, as a result of functionality challenges in the financial system, compounded by ongoing changes to the mSCOA chart.

### **8.3 REVISION OF SYSTEM OF DELEGATIONS (2/5/1, 2/5/2)**

Section 59 of the Municipal Systems Act stipulates that a Council must develop and maintain a System of Delegations (SOD) that optimises administrative and operational efficiency.

The annexures to the agenda comprise the fourth revision of the System of Delegations adopted by Council on 16 November 2021.

The proposed revision of the System of Delegations was considered for recommendation to Council at an Executive Mayoral Committee meeting held on 20 May 2026.

#### **RESOLUTION**

(proposed by cllr N Smit, seconded by cllr D C Pypers)

- (a) That the proposed amendments to Council's System of Delegation (5<sup>th</sup> revision) as per Annexures A and B be approved;
- (b) That cognizance be taken that no material changes to the Systems of Delegations of the Executive Mayor, Municipal Manager and the Chief Financial Officer were effected, save for minor changes to job titles and the particulars of new incumbents;
- (c) That cognizance be taken that no amendments were effected to the Section 53 Role Demarcation of political structures, political office bearers and the Municipal Manager, which document forms part of the System of Delegations.

**SIGNED:  
SPEAKER**